



**NOTICE AND AGENDA OF MEETING OF THE  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD OF DIRECTORS**

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Phoenix-Mesa Gateway Airport Authority and to the public that the Phoenix-Mesa Gateway Airport Authority will hold a telephonic meeting open to the public on **Tuesday, April 16, 2024 beginning at 10:00 a.m.** in the Board Room (Saguaro A & B) of the Gateway Administration Building, 5835 South Sossaman Road, Mesa, Arizona. The Board may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03 (A)(3)&(4).

The agenda for the meeting is as follows:

1. **Call to Order** (Mayor Chip Wilson, Chair)  
*Members of the Phoenix-Mesa Gateway Airport Authority will attend either in person or via videoconference.*
2. **Roll Call** (Mayor Chip Wilson, Chair)
3. **Pledge of Allegiance**
4. **Call to the Public**  
*Members of the Board may not discuss items that are not on the agenda. Therefore, action taken as a result of public comment will be limited to directing staff to study the matter or scheduling the matter for further consideration and decision at a later date. Maximum of three minutes per speaker.*
5. **Executive Director's Report** - J. Brian O'Neill, A.A.E., Executive Director/CEO
6. **Gateway Tomorrow Planning Presentation** – Tony Bianchi, Planning Project Manager
7. **Consent Agenda**
  - a) **Minutes** of the Board Meeting held on **March 19, 2024.**
  - b) **Resolution No. 24-12** – Authorizing the filing of **grant applications** including agreeing to all understandings and assurances contained therein; and, authorizing the acceptance and execution of any Federal Aviation Administration (FAA) or other Federal agency, State of Arizona, Arizona County, or Arizona Local Municipal grant offer(s), applied for or received between July 1, 2024, and June 30, 2025, by the Chair of the Authority, the Executive Director/CEO, Deputy Director/COO or Chief Financial Officer/CFO.
  - c) **Resolution No. 24-13** – Authorizing the procurement of Desktop Computers and Laptops from **Dell Marketing, L.P. (Dell)** in an amount not to exceed \$86,396.86.
  - d) **Resolution No. 24-14** – Authorizing an **Amendment of the FY24 Capital Budget** to add \$442,282.66 in funding to the current Rental Car Care Facility Improvements Project (CIP 1242) CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil

encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies.

- e) **Resolution No. 24-15** – Authorizing a contract modification to the current Rental Car Care Facility Improvements Project CMAR Contract, with **Willmeng Construction, Inc.** for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies. This contract modification amount is not to exceed \$442,282.66 under CIP 1242.
- f) **Resolution No. 24-16** – Approving a Construction Manager at Risk (CMAR) Pre-Construction Services Contract with **Pulice Construction, Inc. (Pulice)**, for the Runway 12R-30L Reconstruction Project in an amount not to exceed \$110,645 under CIP 1072, subject to receipt of FAA and ADOT grants.
- g) **Resolution No. 24-17** – Approving the 2024 updates to the **Airport Minimum Standards**.

**Consideration and Possible Approval of:**

- 8. **Resolution No. 24-18** – Authorizing a Construction Manager at Risk (CMAR) Construction Services Contract with **BCS Enterprises, Inc.** for Demolition Services of Airport Facilities, in an amount not to exceed \$1,425,750 under CIP1223.

**9. Board Member Comments/Announcements**

**10. Next Meeting: Tuesday, May 21, 2024 at 9:00 a.m.**

**11. Adjournment**

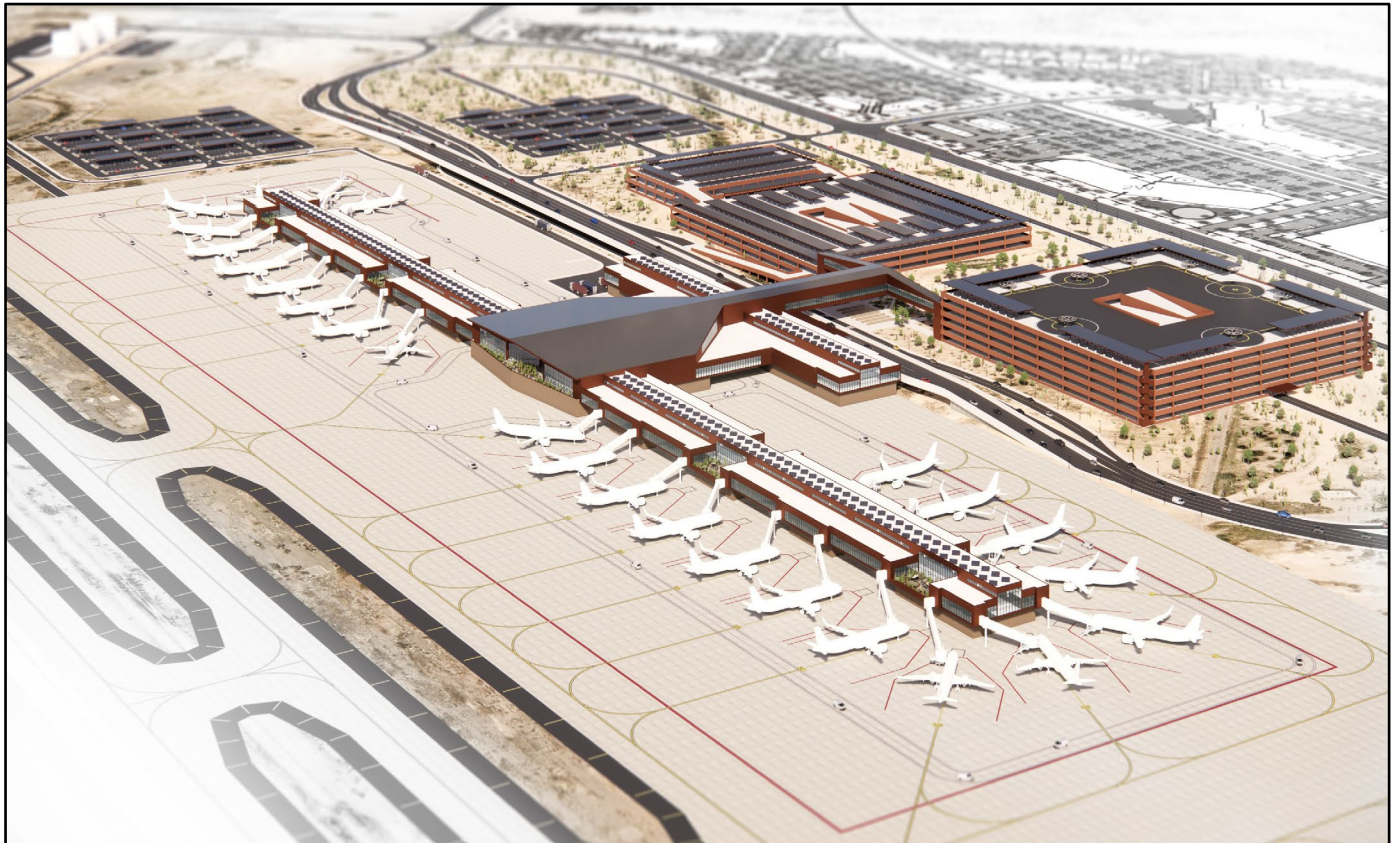
*Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting Misty Johnson at 480-988-7607 or [mrjohnson@gatewayairport.com](mailto:mrjohnson@gatewayairport.com). Requests should be made as early as possible to allow time to arrange the accommodation.*



- **NAU Breaks Ground on New Mesa Workforce Development Center**
- **PMGAA Selects Design Concept for New Airport Entrance Monument Sign**
- **U.S. Forest Service – Mesa Base Training for 2024 Wildfire Season**
- **Gateway Tomorrow Eastside Terminal Planning Study to Present Final Report**
- **PMGAA Employees Participate in Customer Service Training Program**

## **Executive Director's Report**

### **April 2024**



**Ultimate Build-Out Future Terminal Design Rendering**

## Financial Snapshot

OPERATING INCOME	February		Month Variance	FYTD Comparison		FYTD Variance
	2023	2024		FY23	FY24	
Revenues	\$2,460,262	\$2,665,882	\$205,620	\$19,223,776	\$20,176,438	\$952,662
Less Expenses	\$2,141,405	\$2,589,234	\$447,829	\$16,847,166	\$17,682,565	\$835,399
<b>Operating Income</b> <i>(Before Depreciation)</i>	\$318,857	\$76,648	(\$242,209)	\$2,376,610	\$2,493,873	\$117,263

**Investment Fund Balances:** As of February, the Local Governmental Investment Pool (LGIP) 700 = \$6,370,229; Wells Fargo; Collateralized Money Market = \$16,854,806 and Commercial/Paper Brokered CD's = \$43,555,284; Total \$66,780,319. PMGAA invests in fixed rate instruments.

## Finance and Accounting

Phoenix-Mesa Gateway Airport Authority (PMGAA, Authority) reported a net operating income of \$76,648 for February 2024. This is a significant decrease from the February 2023 results of \$318,857. However, in 2024, PMGAA had three payroll periods instead of two during the previous February, concealing the fact that operating revenues exceeded last February's operating revenues by more than 8%. Also, February 2023 included a one-time spike in revenues due to Phoenix hosting a week of Super Bowl activities. Overall, February 2024 was a strong financial performance, despite an 8% decrease in enplaned passengers due to the absence of three Canadian airlines this year. Fiscal year-to-date 2024 (FYTD24) operating results are \$2,493,873 an improvement of 5% over the previous FYTD.

Operating expenditures for February increased by 21% and totaled \$2,589,234. As previously mentioned, the increase is due to three payroll periods in February 2024, an added \$442,374 in expenses. FYTD24 operating expenditures are 5% above FYTD23, but total operating expenditures are 4% under the FY24 Budget.

PMGAA has developed a strong financial plan that provides revenue diversification and fiscal constraints.

### Active/Pending Solicitations

TYPE OF SOLICITATION	Number	Title	Anticipated Contract Award
Invitation for Bid	2024-011-IFB	Defuel/Refuel Cart	April 2024
Request for Qualifications	2024-016-RFQ	Runway 12R-30L Reconstruction	April 2024
Request for Qualifications	2024-006-RFQ	FBO Consulting Services	June 2024
Request for Proposals	2024-015-RFP	Airport Common Use System	August 2024

### Future Solicitations

TYPE OF SOLICITATION	Number	Title	Scheduled for Release
Invitation for Bid	2024-014-IFB	Runway 12C-30C Mill & Overlay	April 2024
Invitation for Bid	2024-012-IFB	Taxiway Whiskey Rehabilitation	April 2024

## Airport Operations

### Gateway Tomorrow Eastside Terminal Planning Study to Present Final Report



As this year's Chairman of the Phoenix-Mesa Gateway Airport Authority Board of Directors, I am proud to represent the six member communities – Apache Junction, Mesa, Gilbert, Gila River Indian Community, Queen Creek, and Phoenix - that own and operate Phoenix-Mesa Gateway Airport. I've always been impressed by the shared vision, united voice, and regional spirit of cooperation that continues to guide the development and improvement of the Airport.

PMGAA is excited to present the conclusions of the **Gateway Tomorrow – Eastside Terminal Planning Study**. This inclusive, long-range planning exercise considered, refocused, and built upon past efforts using the most recent aviation industry and Airport data, regional demographic information, and current global economic conditions. The Study Advisory Committee included delegates from each member community, as well as representatives from Airport staff, the airlines, Federal Aviation Administration, and other key stakeholder groups. The purpose of the Study was to identify the important elements that must be included in a future, demand-driven commercial passenger terminal campus located on the eastside of the Airport.

Long-range facility and infrastructure planning has been a cornerstone of Gateway Airport's success. Developing sophisticated passenger activity forecasts for the next five-, ten-, and twenty-year planning horizons ensured that the Study's results will remain scalable and flexible to changing development timetables and market conditions. As the Airport continues to grow in the future, the goal is to stay at least one step ahead of the Airport's growing popularity and continue to provide our customers with a **Just Plane Easy** travel experience.

PMGAA would like to thank the members of the Gateway Tomorrow – Eastside Terminal Planning Study Advisory Committee for their participation, leadership, contributions, and vision.

Thank you.

Hon. Chip Wilson, Mayor of Apache Junction and 2024 PMGAA Board Chairman



Exterior Rendering of Future Terminal Concept



Interior Rendering of Future Terminal Concept

PASSENGER COUNTS		February		% Change	FYTD		% Change
		2023	2024		FY23	FY24	
Passengers	TOTAL	178,753	164,902	-8%	1,247,456	1,173,928	-6%
	Deplaned	91,013	84,208	-7%	636,292	598,126	-6%
	Enplaned	87,740	80,694	-8%	611,164	575,802	-6%
Allegiant	Scheduled	156,398	159,120	2%	1,167,743	1,149,609	-2%
Swoop	Scheduled	8,088	0	-100%	27,057	0	-100%
Sun Country	Scheduled	5,493	5,782	5%	24,117	24,319	1%
WestJet	Scheduled	1,972	0	-100%	7,651	0	-100%
Flair	Scheduled	6,802	0	-100%	20,494	0	-100%
Swift	Charter	0	0	0%	394	0	-100%

OPERATIONS	February		% Change	FYTD		% Change
	2023	2024		FY23	FY24	
Air Carrier	1,054	1,087	3%	7,937	8,117	2%
Military	234	276	18%	2,503	1,916	-23%
General Aviation	16,637	24,437	47%	152,896	177,534	16%
<b>TOTAL</b>	<b>17,925</b>	<b>25,800</b>	<b>44%</b>	<b>163,336</b>	<b>187,567</b>	<b>15%</b>

## Engineering and Planning

### PMGAA Selects Design Concept for New Airport Entrance Monument Sign

As Gateway Airport continues its dramatic transformation, existing design elements around the Airport are being updated to better reflect the current environment that's been created by the many ongoing changes. One such improvement underway is the development of a new Airport entrance monument sign at the intersection of Ray and Sossaman Roads. PMGAA is replacing the existing rock walls, steel birds, and fighter jets with a more modern design concept that is better reflective of the thriving regional airport that Gateway Airport has become.



*Design Concept Rendering of New Airport Entrance Monument Sign*

Representatives from the Airport's six member communities, the PMGAA Board of Directors, and PMGAA staff have selected the above design concept that creates directional movement with the use of flight symbolic angles, organic materials, and strategic lighting. The project now moves into the final design phase and construction is expected to be completed this fall.

## Community Noise Report

CALLERS	February		FYTD	
	2023	2024	FY23	FY24
<b>Total</b>	22	37	107	129

AIRCRAFT TYPE	February		FYTD	
	2023	2024	FY23	FY24
	Callers	Callers	Callers	Callers
<b>Commercial</b>	9	13	59	54
<b>GA Total</b>	6	13	24	37
<b>Helicopter</b>	0	1	0	25
<b>Military</b>	7	10	24	13
<b>Total</b>	22	37	107	129

PMGAA received communications from 37 total individuals regarding aircraft noise issues during the month of February 2024, compared to 22 received last February.

LOCATION	February		FYTD	
	2023	2024	FY23	FY24
<b>Mesa</b>	6	14	46	34
<b>Gilbert</b>	8	8	41	46
<b>Gold Canyon</b>	0	1	2	1
<b>Queen Creek</b>	7	10	13	33
<b>Queen Valley</b>	0	2	1	6
<b>Apache Junction</b>	1	0	4	0
<b>San Tan Valley</b>	0	0	0	1
<b>Chandler</b>	0	1	0	1
<b>Goodyear</b>	0	1	0	2
<b>Phoenix</b>	0	0	0	2
<b>Tempe</b>	0	0	0	3
<b>TOTAL</b>	22	37	107	129

## Gateway Aviation Services

PMGAA pumped approximately 1.48MM gallons of aviation fuel during the month of February 2024, a 5% decrease compared to the approximately 1.55MM gallons dispensed last February.

FUEL (Gallons)	February			FYTD		
	2023	2024	% Change	FY23	FY24	% Change
<b>AvGas</b>	35,018	40,072	-14%	323,673	282,765	-13%
<b>Retail Jet A</b>	79,525	71,654	-10%	545,993	478,292	-12%
<b>Contract</b>	272,210	264,649	-3%	2,363,927	2,388,686	1%
<b>Commercial</b>	989,166	1,061,131	7%	7,688,047	8,064,641	5%
<b>Cargo</b>	174,218	37,781	-78%	749,937	189,922	-75%
<b>TOTAL</b>	1,550,127	1,475,287	-5%	11,670,577	11,424,306	-2%

## Business Development

### NAU Breaks Ground on New Mesa Workforce Development Center

Northern Arizona University's (NAU) School of Hotel and Restaurant Management (SHRM), in partnership with Kind Hospitality, is opening the Mesa Workforce Development Center (MWDC) within SkyBridge Arizona at Gateway Airport in the Fall 2024. The MWDC will offer high-quality and convenient education and training programs to rebuild and expand the hospitality workforce in Mesa and the surrounding communities.



*NAU Students Receive Hands-On Hospitality Experience*



*Rendering of MWDC Facilities within SkyBridge Arizona*

The MWDC will provide hotel restaurant management and hospitality degree programs, as well as shorter, more affordable offerings to address the strong demand for workforce solutions in the hospitality industry. The center will provide cost-effective education and training solutions that best fit the needs of employees and employers.

MWDC programs will be housed in a state-of-the-art, two-story building within Skybridge Arizona, a 360-acre commercial development project at Gateway Airport. The facility will include a training restaurant on the first floor and high-tech classrooms, flexible space, food and beverage training labs, and office space on the second.

The MWDC is expected to create a pipeline of job and career-ready professionals to support the growth and development of the hospitality industry in Mesa and throughout the greater Phoenix area.

An event was held on March 19<sup>th</sup> to celebrate the official groundbreaking of the new MWDC facility. Officials from SkyBridge Arizona, PMGAA, City of Mesa, and Arizona Board of Regents were on-hand to help launch this highly anticipated construction project.

## PMGAA TEAM MEMBER SPOTLIGHT

**Employee Name:** Marian Whilden  
**Employee Title:** Procurement Officer  
**PMGAA Department:** Finance Department  
**Years with PMGAA:** 7+



### What are your job responsibilities for PMGAA?

- ✓ Manage and coordinate formal solicitations (purchases over \$50,000).
- ✓ Review requisitions and check requests to ensure PMGAA's Procurement Policy, as well as local, state, and federal requirements are followed.
- ✓ Source co-operative purchasing options to facilitate timeliness and ensure least cost for goods/services.
- ✓ Prepare and/or review contracts.
- ✓ Prepare MIRs and BAIs as needed.
- ✓ Disposal of surplus equipment.

**What is your most memorable Gateway Airport moment?** When I got to go out on the catwalk of the old ATCT and I almost fell off.

**What is something people may not know about you?** I am number 7 out of 9 children in my family and I am my parent's favorite.



## Community and Government Relations

### U.S. Forest Service – Mesa Base Training for 2024 Wildfire Season

A wet winter/spring in Arizona turns the mountains surrounding the greater Phoenix valley a deep shade of green, as an abundance of vegetation grows in the rainy conditions. Although a beautiful sight to see, it's also an early warning sign for what could be a very active wildfire season.

The brave and talented men and women of the U.S. Forest Service – Mesa Base do a great job protecting life and property as the lush mountainsides dry out and turn into fuel for careless acts and violent lightning strikes leading into the hot summer months.



*U.S. Forest Service Ramp Full of Firefighting Aircraft*

Firefighters are currently hard at work at Gateway Airport preparing themselves and their firefighting aircraft and equipment for what could be a challenging season ahead. PMGAA would like to thank the crews from the U.S. Forest Service for their expertise and dedication and wish them all the very best of luck during the upcoming fire season. As aircraft fuelers, we are honored to play a small part in your heroic efforts. Thank you!

### PMGAA Employees Participate in Customer Service Training Program



*PMGAA Team Participating in Customer Service Training*

Air travel can sometimes be hectic for even the most-seasoned traveler. There are a lot of opportunities for confusion navigating roadway to runway. Vehicle parking, airline check-in, security screening, available concessions, aircraft boarding, and baggage delivery are just some of the stress points that airline passengers often experience.

PMGAA understands these travel challenges and works hard to create a ***Just Plane Easy*** environment for its customers. The Authority has initiated a new program called Customer Communication: Creating Positive

Outcomes to equip frontline PMGAA employees with the tools and training they need to provide our customers with a positive experience by improving communication skills and helping employees be proactive with an “I Can” attitude.

Next time you're traveling through Gateway Airport and have a question, please look for one of our trained terminal agents in the blue vests to help you find the answer.

# Gateway Tomorrow

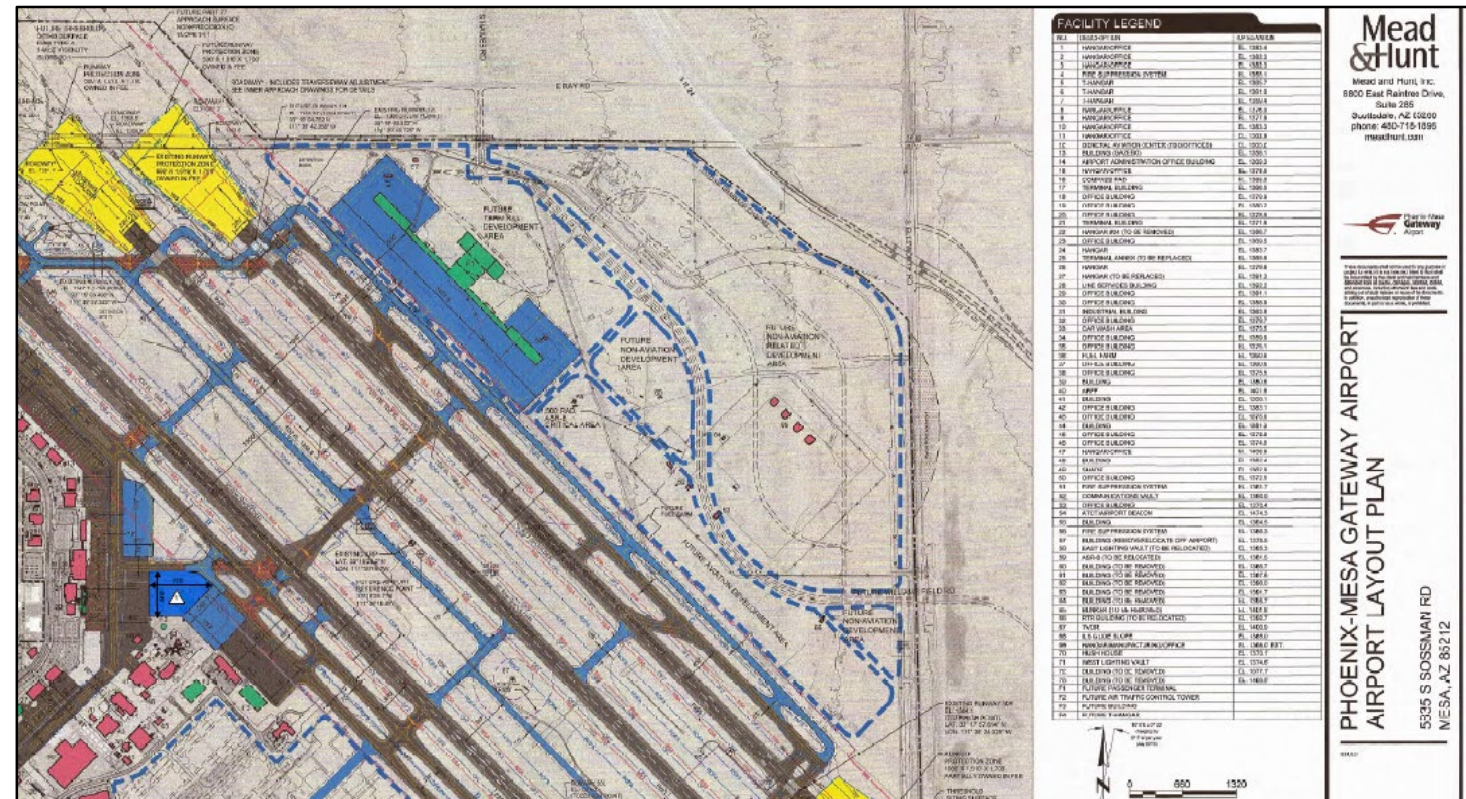
Eastside Terminal Planning Study  
Final Report Presentation



Proposed eastside commercial passenger terminal complex will replace all westside commercial passenger operations. Westside facilities and infrastructure will be repurposed for air cargo, general aviation, corporate, and other users.

## Previous Planning Initiatives:

- Gateway 2030 Plan
- Northeast Area Development Plan & Environmental Assessment
- Airport Radar (ASR) Siting Study
- Air Traffic Control Tower Siting Study
- 2020 Master Plan & Airport Layout Plan

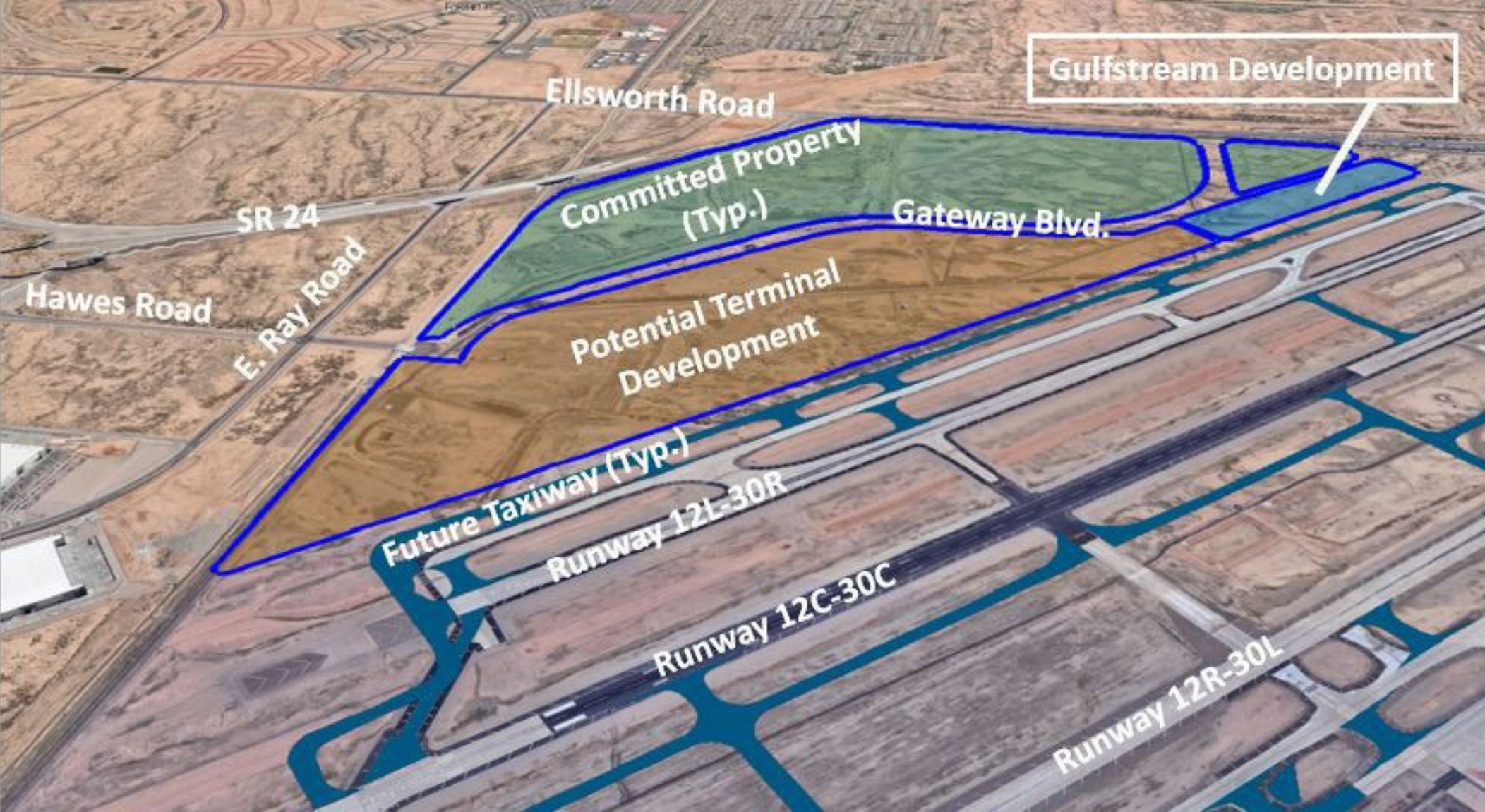


**Mead & Hunt**  
 Mead and Hunt, Inc.  
 8800 East Raytree Drive,  
 Suite 205  
 Scottsdale, AZ 85260  
 phone: 480-15-1095  
 meadandhunt.com

**PHOENIX-MESA GATEWAY AIRPORT  
 AIRPORT LAYOUT PLAN**

5335 S SOSSMAN RD  
 MESA, AZ 85212

# Gateway Tomorrow Site



## ALTERNATIVE 1: TWO-LEVEL TERMINAL

- Phase 1
  - 14 gates
  - Two-Level headhouse and curb
  - All surface parking
  - Consolidated rental car facility (CONRAC) and quick-turnaround area (QTA) at grade
  - Commercial vehicles can utilize curb
- Ultimate Phase
  - 25 Gates
  - Multi-level structures for CONRAC and Parking
  - Ground-Transportation Center (GTC) is on bottom level of CONRAC

## ALTERNATIVE 2: SINGLE-LEVEL ELEVATED TERMINAL

- Phase 1
  - 14 gates
  - Single-level elevated headhouse and curb
  - All surface parking
  - CONRAC and QTA at grade
  - Commercial vehicles can utilize curb
- Ultimate Phase
  - 25 Gates
  - Multi-level structures for CONRAC and Parking
  - GTC is on bottom level of CONRAC

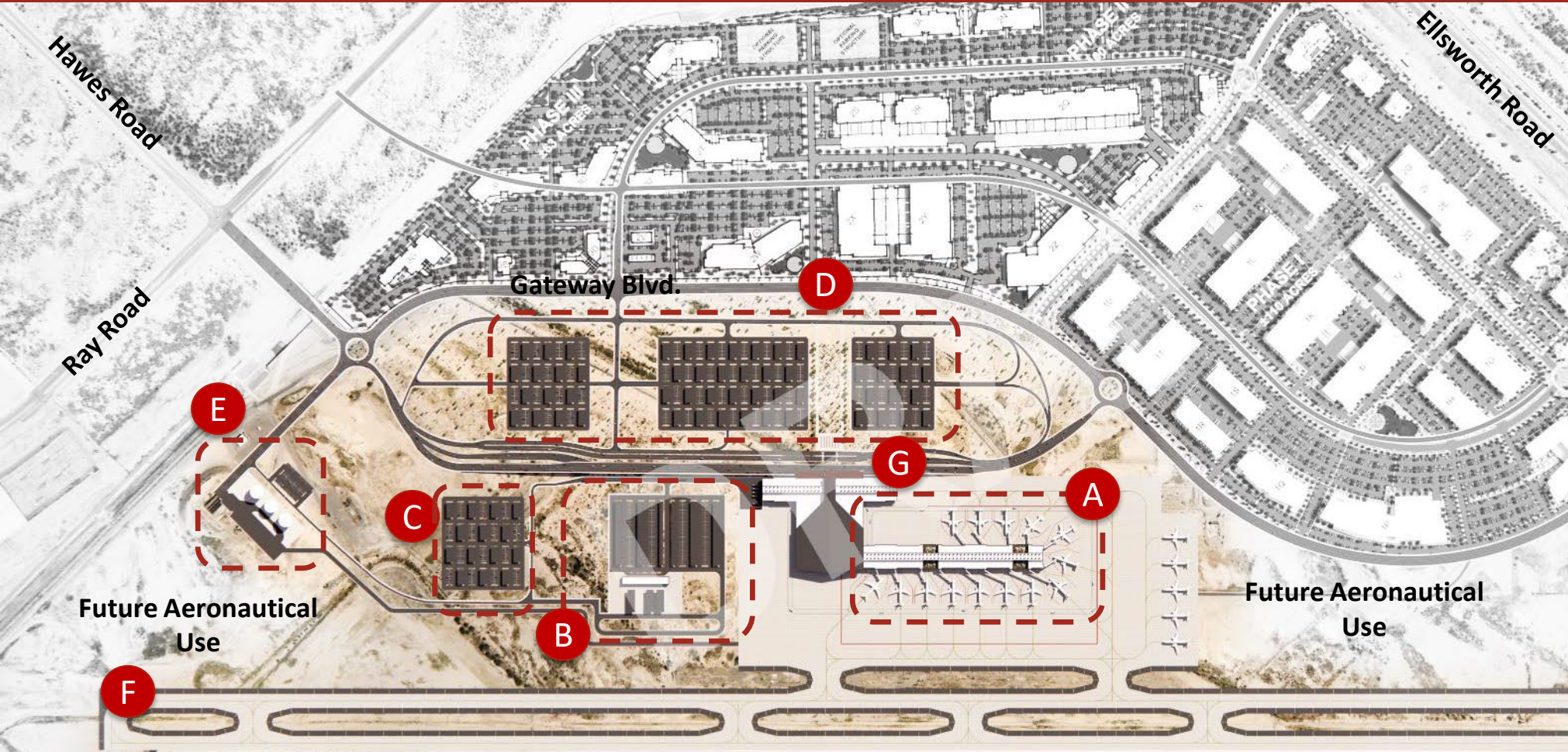
## ALTERNATIVE 3: HYBRID CONCEPT

- Phase 1- 14 gate ground loading concourse
- Ultimate Phase- Additional 2-level concourse

## TERMINAL CONCEPT EVALUATION MATRIX

Evaluation Criteria		Alternatives		
		Single-Level	Two-Level	Elevated Single-Level Terminal with Hybrid Concourse
Passenger Experience	Passenger Experience (PBBs, walking distance, safety)	Red	Green	Green
	Satisfying Today's Carriers Without Restricting Development for Future Carriers	Green	Green	Red
	Separating Landside Traffic	Yellow	Green	Yellow
	Vertical Circulation Requirements (Level Changes)	Green	Red	Green
Operational Capabilities/ Constructability	Size of Footprint	Red	Green	Yellow
	Flexibility to Expand	Red	Green	Yellow
	Best use of Airside	Red	Green	Yellow
	Maximizes Use of Terminal/ Concourse Space	Red	Green	Yellow
	Provides More Space for Landside Development	Red	Green	Yellow
	Operational Efficiency	Red	Green	Green
	Ability to Phase	Red	Green	Green
Economic	Costs to Build	Green	Yellow	Yellow

# Phase 1 Overall Site Plan



- A** 14-Gate Concourse
- B** At-Grade Rental Car Facility
- C** Employee Lot
- D** Surface Parking Lots
- E** 500K Gallon Fuel Farm and Cell Phone Lot
- F** Future Taxiway D (may not be needed in Phase 1)
- G** Two-Level Curb

# Phase 1 Bird's Eye from Southeast

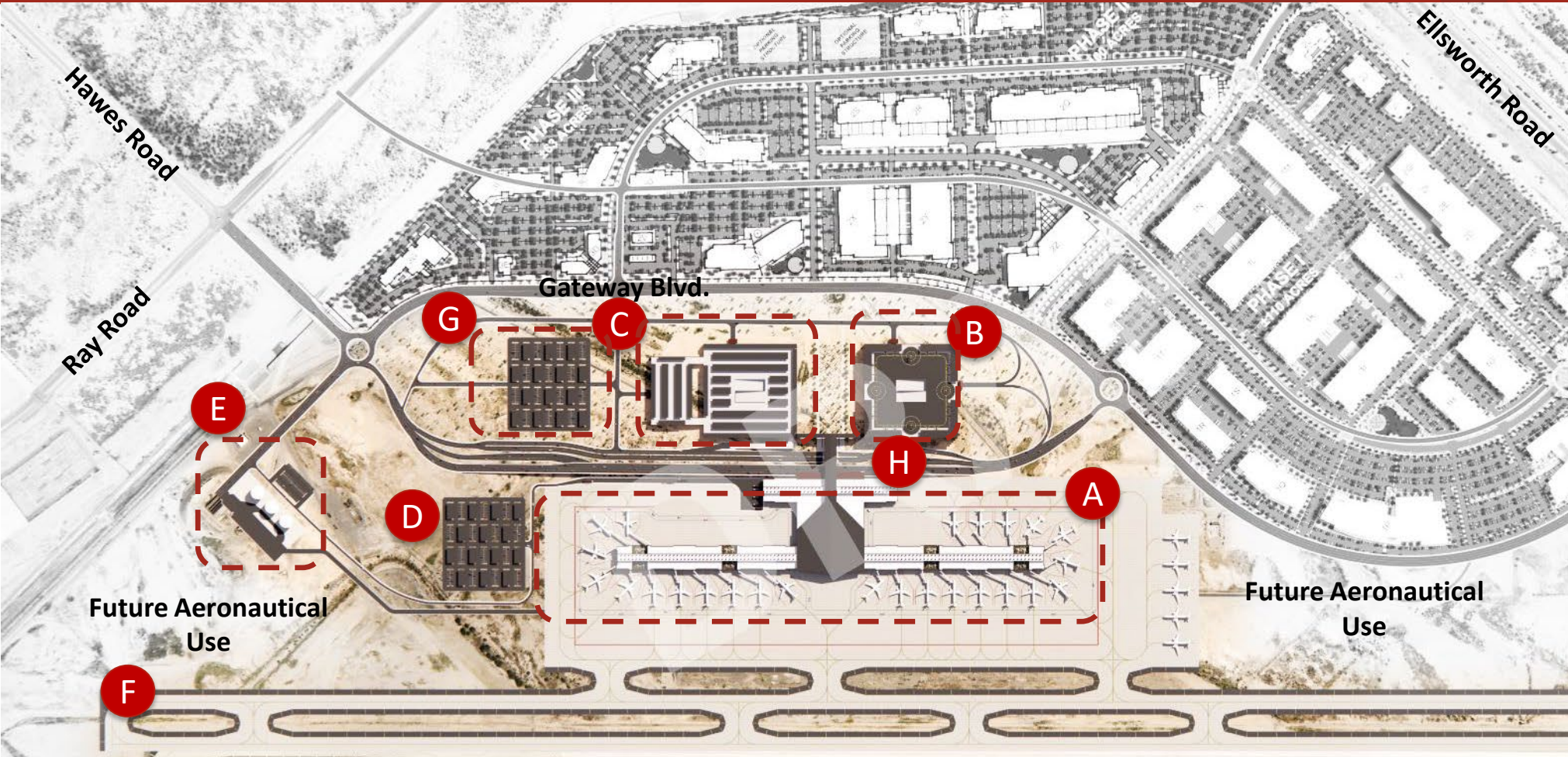




# Phase 1 Terminal and Concourse



# Ultimate Overall Site Plan



- A** 25-Gate Concourse
- B** 6-Level Parking Garage with Vertiport on Top-Level
- C** Consolidated Rental Car Facility (CONRAC)
- D** Employee Lot
- E** 1MM Gallon Fuel Farm and Cell Phone Lot
- F** Future Taxiway D
- G** Surface Parking Lot
- H** Two-Level Curb

# Ultimate Bird's Eye from Southeast



# Ultimate Terminal and Concourse



Source: DWL Architects

# Interior Rendering



# Phase 1 Cost Estimates



## Assumptions

- All project costs are a rough-order-of-magnitude (ROM) and represent construction costs only
- All costs are represented in current dollars

Gateway Tomorrow - Eastside Terminal Area Phase 1 Rough-Order-of-Magnitude Cost Estimate		
Project Description		Total Cost
<b>Airside</b>		
	Terminal Apron	\$69,420,775
	Future Taxiway D	\$47,541,560
	500,000 Gallon Fuel Farm Expansion and Service Road	\$10,852,000
<b>CONRAC</b>		
	At-grade CONRAC Facility	\$20,290,000
<b>Landside</b>		
	Terminal Curb	\$49,700,000
	Parking Lot A	\$3,380,000
	Parking Lot B	\$5,500,000
	Parking Lot C	\$3,380,000
	Cell Phone Lot	\$500,000
	Circulating Roads (including Ground Transportation Staging Areas)	\$8,000,000
	Employee Lot and Access Road	\$11,840,000
<b>Terminal</b>		
	Terminal/Two-Level Concourse	\$602,540,000
<b>PROGRAM TOTAL</b>		<b>\$832,950,000</b>

# Project Funding Eligibility Matrix



Project	Funding Sources								
	AIP Entitlements	AIP Discretionary	PFC	CFC	ADOT Grants	Member Govt.	Hotel Tax	Airport Funds	GARBs
<b>Airside</b>									
Terminal Apron	●	●	●	●	●	●	●	●	●
Future Taxiway D	●	●	●	●	●	●	●	●	●
500,000 Gallon Fuel Farm Expansion and Service Road	●	●	●	●	●	●	●	●	●
At-Grade CONRAC Facility	●	●	●	●	●	●	●	●	●
<b>Landside</b>									
Terminal Curb	●	●	●	●	●	●	●	●	●
Parking Lot A	●	●	●	●	●	●	●	●	●
Parking Lot B	●	●	●	●	●	●	●	●	●
Parking Lot C	●	●	●	●	●	●	●	●	●
Cell Phone Lot	●	●	●	●	●	●	●	●	●
Circulating Roads (including Ground Transportation Staging Areas)	●	●	●	●	●	●	●	●	●
Employee Lot and Access Road	●	●	●	●	●	●	●	●	●
<b>Terminal/Two-Level Concourse</b>	●	●	●	●	●	●	●	●	●

**AIP:** Airport Improvement Program

**PFC:** Passenger Facility Charge (\$4.50 fee/passenger)

**CFC:** Customer Facility Charge (restricted to rental car facilities)

**ADOT:** Arizona Department of Transportation

**GARB:** General Airport Revenue Bond

- Eligible and suggested use of funds.
- Eligible, but low on priority list. Not the suggested use of funds.
- Not eligible.

## Current Initiatives and Next Steps:

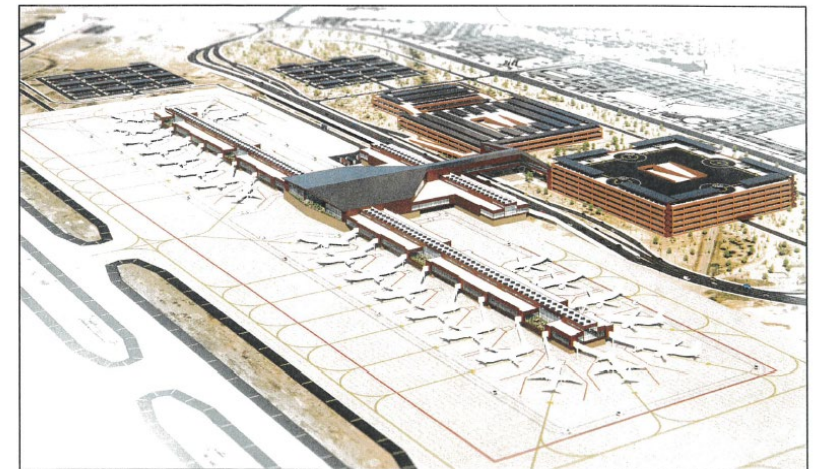
- Share Gateway Tomorrow Study Findings -
  - Member Communities
  - Federal, State, and Local Officials
  - Key Stakeholder Groups
  - Economic Development Organizations
  - Regional Business Community
- Work with Gateway East Master Developer on Roadway and Utility Projects of Common Interest
- Remove Remaining U.S. Air Force Buildings to Prepare Site
- Extinguish Easement on Airport Surveillance Radar Site

## Phoenix-Mesa Gateway Airport

Gateway Tomorrow – Eastside Terminal Planning Study

### Executive Summary

March 2024







**MINUTES OF THE PUBLIC MEETING OF THE  
PHOENIX-MESA GATEWAY AIRPORT AUTHORITY  
BOARD OF DIRECTORS | March 19, 2024**

A public meeting of the Phoenix-Mesa Gateway Airport Authority (PMGAA, Authority) was convened on Tuesday, March 19, 2024, beginning at 9:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona.

**Members Present**

Mayor Chip Wilson, Apache Junction  
Lt. Governor Regina Antone, Gila River Indian  
Community (*via audioconference*)  
Mayor Julia Wheatley, Queen Creek  
Councilmember Julie Spilsbury, Mesa  
Mayor Brigitte Peterson, Gilbert  
Councilmember Jim Waring, Phoenix \*

**Airport Staff Present**

J. Brian O’Neill, Executive Director/CEO  
Scott Brownlee, Deputy Director/COO  
Chuck Odom, CFO  
Misty Johnson, Clerk of the Board  
Jill Casson Owen, Attorney  
*\* Neither present nor represented*

1. **Call to Order** at 9:00 a.m. (Mayor Wilson, Chair)

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Call to the Public**

There were no public comments.

5. **Executive Director’s Report** – J. Brian O’Neill, A.A.E., Executive Director/CEO

Executive Director O’Neill provided a briefing on PMGAA’s financial performance, passenger activity, the community noise report, and various Airport projects.

- Fiscal Year-to-Date 2024 (FYTD) Net Operating Income is \$2,417,225.
- Phoenix-Mesa Gateway Airport (Airport, Gateway Airport) welcomed 158,391 commercial passengers in January 2024. This is down from the 176,267 passengers during January of last year due to the three Canadian airlines no longer serving the Airport.
- On February 20<sup>th</sup>, PMGAA held a Ribbon-Cutting Ceremony for its new five-gate, 30,000 sq. ft. terminal addition. Several hundred federal, state, and local elected officials; community representatives, business leaders; and project team members were in attendance to celebrate the official opening of the new South Concourse.
- In the latter half of February, the U.S. Forest Service began training out of Gateway Airport for the upcoming fire season.
- A Phoenix East Valley Community Information Update Survey is being distributed to Economic Development Departments within communities in the Phoenix East Valley. The survey gathers information on the current population; average household income; top ten private employers and the number of local employees; recent corporate relocations, expansions, or announcements of growth plans; and other “Local Information” that airlines may find of interest when choosing to fly in and out of Gateway Airport.
- Virgin Galactic is leasing two of the three hangars in the Gateway Executive Airpark located at the north end of the airfield. Construction continues for the 40,000 sq. ft. hangar and a 125,000

sq. ft. manufacturing facility adjacent to Cessna, Embraer, and Boeing. The two-building complex is scheduled to be operational in the Summer of 2024.

- Gulfstream Aerospace is constructing a 225,000 sq. ft. West Coast Service Center on the east side of the airfield adjacent to Ellsworth Road. This state-of-the-art facility is scheduled to be operational in the Summer of 2024. While the West Coast Service Center is being constructed, Gulfstream has established a base at the Airport and is leasing over 100,000 sq. ft. of hangar space. The industry-leading company has already hired over 250 local employees.
- SkyBridge Arizona is constructing two 250,000 sq. ft. flex industrial buildings designed to accommodate both single and multi-tenant users. The two buildings are scheduled to be completed in Q2 2024. Northern Arizona University's (NAU) Mesa Workforce Development Center, in partnership with Kind Hospitality and SkyBridge, is building two two-story facilities. The first floor of one building will be a sit-down, high-quality restaurant, and the second floor and second building will house a satellite of NAU's hospitality program. The ground-breaking ceremony for the project was held on March 19<sup>th</sup>.
- Gateway East is a nearly 300-acre, mixed-used, non-aeronautical development opportunity located on the east side of the Airport. The Boyer Company has cleared and prepped a 17-acre site within the Gateway East Master Development for a 275,000 sq. ft. manufacturing facility for XNRGY Climate Systems, a leader in the design and manufacturing of advanced energy-efficient commercial climate control systems. This will be XNRGY's U.S. headquarters.
- Gateway Commerce Center III will be developed along the southeast corner of Sossaman Road and Velocity Way. This project is two small industrial buildings totaling just less than 100,000 sq. ft. The appearance will be of an office complex with no loading dock visibility from Sossaman Road.
- PMGAA is updating the front entrance to the Airport at the intersection of Ray and Sossaman Roads. Two new entrance monument design concepts were presented to the Board for their consideration and preference.
- The timeframe for the Center Runway 12C-30C mill and overlay project is the Summer of 2024. The runway will be closed while the mill and overlay take place. The Airport has two other 10,000-foot runways and will maintain normal operations during the project. The \$4MM+ in funding for this project comes from a Bipartisan Infrastructure Law (BIL) grant.
- Reconstruction of inside runway 12R-30L has been consolidated from a three-year project to being completed within two years beginning with Phase 1 at the south end of the runway in Fall 2024. This is a \$45MM project. The FAA has committed to an Airport Improvement Program (AIP) grant for \$20MM in FY24 for Phase I and \$25MM in FY25 for Phase for the north end of the runway.
- Repairs to Taxiway Whiskey will take place in Fall 2024. Funding for the \$2MM project comes from ADOT. This taxiway is directly across from the terminal. Phasing of this project is critically important for maintaining access to the South Ramp.

6. **SkyBridge Arizona Presentation** – Will Mosely, SkyBridge Arizona General Manager  
Mr. Mosely provided a brief update on SkyBridge Arizona's construction and marketing activities.

7. **Consent Agenda**

- a) **Minutes** of the Board Meeting held on **February 20, 2024**.

- b) **Resolution No. 24-08** – Authorizing the purchase of replacement terminal seats from **Airport Seating Alliance** in an amount not to exceed \$160,000.00.
- c) **Resolution No. 24-09** – Authorizing a lease agreement with the **United States Department of Agriculture, Forest Service (USDA-FS)** for the exclusive use of 276,699 square feet of Airport-owned apron (Alpha Apron Phase 3). The lease term commences on April 1, 2024, and terminates on March 31, 2029.

**Mayor Julia Wheatley moved to approve the Consent Agenda.**  
**Mayor Brigitte Peterson seconded the motion.**  
**The motion was carried unanimously.**

**Consideration and Possible Approval of:**

- 8. **Resolution No. 24-10** Adopting the proposed **Operating Budget, Capital Budget, Debt Service Budget, and Member Government Contributions** for the fiscal year ending June 30, 2025. .

**Mayor Brigitte Peterson moved to approve Resolution No. 24-10.**  
**Mayor Julia Wheatley seconded the motion.**  
**The motion was carried unanimously.**

- 9. **Resolution No. 24-11** Authorizing a contract with **Snell and Wilmer L.L.P.** for Primary Legal Counsel Services for an initial term of three (3) years, with two (2) optional one-year extensions.

**Mayor Brigitte Peterson moved to approve Resolution No. 24-11.**  
**Mayor Julia Wheatley seconded the motion.**  
**The motion was carried unanimously.**

**10. Board Member Comments/Announcements.**

Mayor Peterson will deliver the Gilbert State of the Town address on April 23, 2024, at 6:00 p.m. in Municipal Building I – Council Chambers, 50 East Civic Center Drive, Gilbert, 85296.

- 11. **Next Meeting: Tuesday, April 16, 2024** at 10:00 a.m. in the Board Room (Saguaro A&B) of the Gateway Administration Building, 5835 S Sossaman Road, Mesa, Arizona. Members of the Phoenix-Mesa Gateway Airport Authority may attend either in person or by audioconference.

**12. Adjournment.**

The meeting adjourned at 9:31 a.m.

Dated this \_\_\_\_ day of \_\_\_\_\_ 20\_\_.

---

Misty Johnson, Clerk of the Board



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-12

**To:** Board of Directors  
**From:** Brian Lehrich, MAcc, CPA, Finance Director  
**Through:** Chuck Odom, Chief Financial Officer  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Authorizing Applications and Acceptance of Grants  
**Date:** April 16, 2024

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### Proposed Motion

To authorize the filing of grant applications including agreeing to all understandings and assurances contained therein; and, authorizing the acceptance and execution of any Federal Aviation Administration (FAA) or other Federal agency, State of Arizona, Arizona County, or Arizona Local Municipal grant offer(s), applied for or received between July 1, 2024, and June 30, 2025 by the Chair of the Authority, the Executive Director/CEO, Deputy Director/COO or Chief Financial Officer/CFO.

### Narrative

The FAA and Arizona Department of Transportation received the Phoenix-Mesa Gateway Airport Authority (PMGAA) Airport Capital Improvement Program (fiscal years 2022-2026 and preceding years) in accordance with the Airport Master Plan. The Federal Government, State of Arizona, Arizona Counties or Arizona Local Municipalities may offer PMGAA a grant or multiple grants for capital improvements or other projects at any time during the year that will support the priorities of the PMGAA.

Staff requests authority to prepare grant applications and submit for capital planning, design, construction or other projects that will support the priorities of PMGAA. PMGAA further requests authority to accept offer(s) received, agree to accomplish the described development or scope, and comply with the terms and conditions of the grant agreement(s), including maintaining compliance with the assurances made as part of the project application(s).

### Fiscal Impact

Grants from the agencies make the Capital Improvement Program at the Airport financially feasible and leverage funding.

### Attachment(s)

N/A



**RESOLUTION NO. 24-12**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize the filing of grant applications including agreeing to all understandings and assurances contained therein; and, authorizing the acceptance and execution of any Federal Aviation Administration (FAA) or other Federal agency, State of Arizona, Arizona County, or Arizona Local Municipal grant offer(s), applied for or received between July 1, 2024, and June 30, 2025 by the Chair of the Authority, the Executive Director/CEO, Deputy Director/COO or Chief Financial Officer/CFO;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby authorizes the filing of grant applications including agreeing to all understandings and assurances contained therein; and, authorizing the acceptance and execution of any Federal Aviation Administration (FAA) or other Federal agency, State of Arizona, Arizona County, or Arizona Local Municipal grant offer(s), applied for or received between July 1, 2024, and June 30, 2025 by the Chair of the Authority, the Executive Director/CEO, Deputy Director/COO or Chief Financial Officer/CFO. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

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Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

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Misty Johnson, Clerk of the Board

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Jill Casson Owen, Attorney



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-13

**To:** Board of Directors  
**From:** Art Montoya, Information Technology Director  
**Through:** Chuck Odom, CFO  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Technology Refresh – Desktop Computers and Laptops  
**Date:** April 16, 2024

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### Proposed Motion

To authorize the procurement of Desktop Computers and Laptops from Dell Marketing, L.P. (Dell) in an amount not to exceed \$86,396.86.

### Narrative

The Phoenix-Mesa Gateway Airport Authority's (PMGAA's) Information Technology Service (ITS) Department ensures the Airport's operation, compliance, and disaster recovery functionality relative to information technology industry standards. FY24 is slated to continue with prior fiscal years practice of desktop computer and laptop refresh replacement program per a pre-established schedule. Desktop computers and laptops are necessary components and play a vital role in business technology. As part of the strategic direction of the Airport, increased attention and commitment is being placed on providing essential technology systems and services to ensure cost effective support operations.

The purchase of the desktop computers and laptops includes software licenses, and equipment and accessories required for the installations.

As a qualified member of the Arizona Department of Administration State Procurement Office (ADSPO), PMGAA is able to procure goods and services under state contracts that have been competitively bid. The State has currently contracted with Dell for computer hardware and support under contract CTR068890. It is under this contract that PMGAA will procure the desktops and laptops as well as the installation equipment. This contract is available upon request.

### Fiscal Impact

This purchase was included in the FY24 ITS budget.

### Attachment(s)

Quotes



**RESOLUTION NO. 24-13**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize the procurement of Desktop Computers and Laptops from Dell Marketing, L.P. (Dell) in an amount not to exceed \$86,396.86;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby authorizes the procurement of Desktop Computers and Laptops from Dell Marketing, L.P. (Dell) in an amount not to exceed \$86,396.86. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

---

Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

---

Misty Johnson, Clerk of the Board

---

Jill Casson Owen, Attorney

**From:** [Art Montoya](#)  
**To:** [Tanya Linton](#)  
**Subject:** FW: Your Dell Quote 3000174258118.1  
**Date:** Tuesday, April 2, 2024 7:13:40 AM

---

Quote 1 of 2 for desktop/laptop tech refresh project.

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**From:** Robert.Johnson8@Dell.com <Robert.Johnson8@Dell.com>  
**Sent:** Monday, April 1, 2024 6:19 PM  
**To:** Art Montoya <amontoya@gatewayairport.com>  
**Subject:** Your Dell Quote 3000174258118.1

**CAUTION:** External mail. Be careful with links and attachments

## Your quote is ready for purchase.

Complete the purchase of your personalized quote through our secure online checkout before the quote expires on **May. 01, 2024**.

You can download a copy of this quote during checkout.

[Place your order](#)

<b>Quote No.</b>	<b>3000174258118.1</b>	Sales Rep	Robert Johnson
<b>Total</b>	<b>\$82,755.60</b>	Phone	(800) 456-3355, 80000
Customer #	22980627	Email	<a href="mailto:Robert.Johnson8@Dell.com">Robert.Johnson8@Dell.com</a>
Quoted On	Apr. 01, 2024	<b>Billing To</b>	PAYABLE ACCOUNTS
Expires by	May. 01, 2024		PHOENIX-MESA
Contract Name	Dell NASPO Computer Equipment PA - Arizona		GATEWAY AIRPORT
Contract Code	C000001124007		5835 S SOSSAMAN RD
Customer Agreement #	23026 / CTR068890		MESA, AZ 85212-6014
Deal ID	27309049		

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### Message from your Sales Rep

Please use the Order button to securely place the order with your preferred payment



method online. You may contact your Dell sales team if you have any questions. Thank you for shopping with Dell.

Regards,  
Robert Johnson

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<b>Product</b>	<b>Unit Price</b>	<b>Quantity</b>	<b>Subtotal</b>
<b>Precision 3460 Small Form Factor</b>	<b>\$1,296.00</b>	<b>60</b>	<b>\$77,760.00</b>
	<b>Subtotal:</b>		<b>\$77,760.00</b>
	<b>Shipping:</b>		<b>\$0.00</b>
	<b>Environmental Fee:</b>		<b>\$0.00</b>
	<b>Non-Taxable Amount:</b>		<b>\$17,571.00</b>
	<b>Taxable Amount:</b>		<b>\$60,189.00</b>
	<b>Estimated Tax:</b>		<b>\$4,995.60</b>
	<b>Total:</b>		<b>\$82,755.60</b>

---

### Shipping Group Details

**Shipping To**  
BRIAN WALLACE  
PHOENIX-MESA GATEWAY AIRPORT  
5835 S SOSSAMAN RD  
MESA, AZ 85212  
(480) 988-7600

**Shipping Method**  
Standard Delivery

**Precision 3460 Small Form Factor**  
Estimated delivery if purchased today:  
Apr. 17, 2024  
Contract # C000001124007  
Customer Agreement # 23026 / CTR068890

Unit Price	Quantity	Subtotal
\$1,296.00	60	\$77,760.00

Description	SKU	Unit Price	Quantity	Subtotal
Intel Corei5 14th Gen 14600 (24 MB cache, 14 cores, 20 threads, 2.7 GHz to 5.2 GHz, 65W)	338-CPNX	-	60	-
HEATSINK for 65W CPU	412-AAZQ	-	60	-
Windows 11 Pro, English, French, Spanish	619-AQLP	-	60	-
Precision 3460 SFF with 300W (80 Plus Platinum) PSU, RPL-R compatible	321-BKYG	-	60	-
32 GB: 2 x 16 GB, DDR5, 5600MT/s, SO-DIMM, ECC	370-BBXZ	-	60	-
Intel Integrated Graphics only	490-BBBS	-	60	-
C1 SSD Boot + SSD	449-BBYR	-	60	-
No SATA RAID	780-BBCJ	-	60	-
M.2 256GB PCIe NVMe Class 35 Solid State Drive	400-BNBY	-	60	-
Thermal Pad for 3460 SFF SSD	412-AAZZ	-	60	-
No Hard Drive	400-AKZR	-	60	-
No Hard Drive	400-AKZR	-	60	-
No Hard Drive	400-AKZR	-	60	-
No Additional Network Card Selected (Integrated NIC included)	555-BBJO	-	60	-
Internal Wi-Fi Antenna	555-BHHG	-	60	-
Intel Wi-Fi 6/6E (6GHz) AX211 2x2 Bluetooth 5.3 Wireless Card	555-BHHI	-	60	-
8x DVD+/-RW 9.5mm Slimline Optical Disk Drive	429-ABFH	-	60	-
Bezel ODD	429-ABKH	-	60	-
CMS Essentials DVD no Media	658-BBTV	-	60	-
Intel Management Engine with vPro	631-ADHJ	-	60	-
Dell Pro Wireless Keyboard and Mouse - KM5221W - English - Black	580-AJJG	-	60	-
Mouse included with Keyboard	570-AADI	-	60	-
ENERGY STAR Qualified	387-BBLW	-	60	-
EPEAT 2018 Registered (Gold)	379-BDZB	-	60	-
Dell Precision TPM	340-ACBY	-	60	-
WLAN Intel AX211 wireless card driver	555-BHPO	-	60	-
System Power Cord C13 (US 125V, 15A)	450-AHDU	-	60	-
Quick Setup Guide, Precision 3460	340-CYUT	-	60	-
Shipping Material (DAO)	340-CBUU	-	60	-
Shipping Material	340-CQYR	-	60	-
Precision 3460 Plat Reg Label DAO	389-ECXZ	-	60	-

Intel Core i5 vPro Enterprise Processor Label	389-EDDQ	-	60	-
Internal Speaker	520-AARD	-	60	-
Additional Software	658-BFRV	-	60	-
Intel Rapid Storage Technology Driver, Precision 3460	409-BCWM	-	60	-
Integrated Intel SATA Controller	403-BBCE	-	60	-
No Media Card Reader	385-BBBL	-	60	-
No Hard Drive	400-AKZR	-	60	-
Custom Configuration	817-BBBB	-	60	-
Precision 3460 SFF CTO BASE	210-BCTU	-	60	-
Dell Limited Hardware Warranty Plus Service	997-2808	-	60	-
ProSupport Plus: 7x24 Technical Support, 4 Years	997-2860	-	60	-
ProSupport Plus: Keep Your Hard Drive, 4 Years	997-2869	-	60	-
ProSupport Plus: Accidental Damage Service, 4 Years	997-2878	-	60	-
ProSupport Plus: Next Business Day Onsite, 4 Years	997-6821	-	60	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit <a href="http://www.dell.com/contactdell">www.dell.com/contactdell</a> or call 1-866-516-3115	997-8367	-	60	-
No Microsoft Office License Included - 30 day Trial Offer Only	658-BCSB	-	60	-

<b>Subtotal:</b>	<b>\$77,760.00</b>
<b>Shipping:</b>	<b>\$0.00</b>
<b>Environmental Fee:</b>	<b>\$0.00</b>
<b>Estimated Tax:</b>	<b>\$4,995.60</b>

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**Total: \$82,755.60**

CONNECT WITH DELL:

**BROWSE MORE OPTIONS:**

<input type="checkbox"/> <a href="#">IT Transformation</a>	<input type="checkbox"/> <a href="#">Laptops</a>	<input type="checkbox"/> <a href="#">Desktops</a>
<input type="checkbox"/> <a href="#">Servers &amp; Storage</a>	<input type="checkbox"/> <a href="#">2-in-1's</a>	<input type="checkbox"/> <a href="#">Electronics &amp;</a>

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Accessories
<input type="checkbox"/> <a href="#">Financing Options</a>	<input type="checkbox"/> <a href="#">Dell Services</a>	<input type="checkbox"/> <a href="#">Dell Support</a>
<input type="checkbox"/> <a href="#">Subscription Center</a>	<input type="checkbox"/> <a href="#">Events</a>	<input type="checkbox"/> <a href="#">Dell Premier</a>

## Important Notes

### Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com) or [ARSalesTax@emc.com](mailto:ARSalesTax@emc.com), as applicable.

**Governing Terms:** This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at [www.dell.com/terms](http://www.dell.com/terms) or [www.dell.com/oemterms](http://www.dell.com/oemterms)), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

**Supplier Software Licenses and Services Descriptions:** Customer's use of any Supplier software is subject to the license terms accompanying the software, or in the absence of accompanying terms, the applicable terms posted on [www.Dell.com/eula](http://www.Dell.com/eula). Descriptions and terms for Supplier-branded standard services are stated at [www.dell.com/servicecontracts/global](http://www.dell.com/servicecontracts/global) or for certain infrastructure products at [www.dellemc.com/en-us/customer-services/product-warranty-and-service-descriptions.htm](http://www.dellemc.com/en-us/customer-services/product-warranty-and-service-descriptions.htm).

**Offer-Specific, Third Party and Program Specific Terms:** Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on [www.dell.com/offeringspecificterms](http://www.dell.com/offeringspecificterms) ("Offer Specific Terms").

**In case of Resale only:** Should Customer procure any products or services for resale, whether on standalone basis or as part of a solution, Customer shall include the applicable software license terms, services terms, and/or offer-specific terms in a written agreement with the end-user and provide written evidence of doing so upon receipt of request from Supplier.

**In case of Financing only:** If Customer intends to enter into a financing arrangement ("Financing Agreement") for the products and/or services on this Quote with Dell Financial Services LLC or other funding source pre-approved by Supplier ("FS"), Customer may issue its purchase order to Supplier or to FS. If issued to FS, Supplier will fulfill and invoice FS upon confirmation that: (a) FS intends to enter into a Financing Agreement with Customer for this order; and (b) FS agrees to procure these items from Supplier. Notwithstanding the Financing Agreement, Customer's use (and Customer's resale of and the end-user's use) of these items in the order is subject to the applicable governing agreement between Customer and Supplier, except that title shall transfer from Supplier to FS instead of to Customer. If FS notifies Supplier after shipment that Customer is no longer pursuing a Financing Agreement for these items, or if Customer fails to enter into such Financing Agreement within 120 days after shipment by Supplier, Customer shall promptly pay the Supplier invoice amounts directly to Supplier.

Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

Electronically linked terms and descriptions are available in hard copy upon request.

**^DELL BUSINESS CREDIT (DBC):** Offered to business customers by WebBank, who determines qualifications for and terms of credit. Taxes, shipping and other charges are extra and vary. The Total Minimum Payment Due is the greater of either \$20 or 3% of the New Balance shown on the statement rounded up to the next dollar, plus all past due amounts. Dell and the Dell logo are trademarks of Dell Inc.

**From:** [Art Montoya](#)  
**To:** [Tanya Linton](#)  
**Subject:** FW: Your Dell Quote 3000174258120.1  
**Date:** Tuesday, April 2, 2024 7:14:05 AM

---

Quote 2 of 2 for desktop/laptop tech refresh project

---

**From:** Robert.Johnson8@Dell.com <Robert.Johnson8@Dell.com>  
**Sent:** Monday, April 1, 2024 6:20 PM  
**To:** Art Montoya <amontoya@gatewayairport.com>  
**Subject:** Your Dell Quote 3000174258120.1

**CAUTION:** External mail. Be careful with links and attachments

## Your quote is ready for purchase.

Complete the purchase of your personalized quote through our secure online checkout before the quote expires on **May. 01, 2024**.

You can download a copy of this quote during checkout.

[Place your order](#)

<b>Quote Name:</b>	1/2	Sales Rep	Robert Johnson
<b>Quote No.</b>	3000174258120.1	Phone	(800) 456-3355, 80000
<b>Total</b>	<b>\$3,641.26</b>	Email	<a href="mailto:Robert.Johnson8@Dell.com">Robert.Johnson8@Dell.com</a>
Customer #	22980627	<b>Billing To</b>	PAYABLE ACCOUNTS
Quoted On	Apr. 01, 2024		PHOENIX-MESA
Expires by	May. 01, 2024		GATEWAY AIRPORT
Contract Name	Dell NASPO Computer Equipment PA - Arizona		5835 S SOSSAMAN RD
Contract Code	C000001124007		MESA, AZ 85212-6014
Customer Agreement #	23026 / CTR068890		
Deal ID	27309049		

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### Message from your Sales Rep

Please use the Order button to securely place the order with your preferred payment

method online. You may contact your Dell sales team if you have any questions. Thank you for shopping with Dell.

Regards,  
Robert Johnson

---

<b>Product</b>	<b>Unit Price</b>	<b>Quantity</b>	<b>Subtotal</b>
<b>Mobile Precision 3490</b>	<b>\$1,499.92</b>	<b>2</b>	<b>\$2,999.84</b>
<b>Dell Thunderbolt 4 Dock- WD22TB4</b>	<b>\$208.12</b>	<b>2</b>	<b>\$416.24</b>
	<b>Subtotal:</b>		<b>\$3,416.08</b>
	<b>Shipping:</b>		<b>\$0.00</b>
	<b>Environmental Fee:</b>		<b>\$0.00</b>
	<b>Non-Taxable Amount:</b>		<b>\$702.94</b>
	<b>Taxable Amount:</b>		<b>\$2,713.14</b>
	<b>Estimated Tax:</b>		<b>\$225.18</b>
	<b>Total:</b>		<b>\$3,641.26</b>

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### Shipping Group Details

**Shipping To**  
BRIAN WALLACE  
PHOENIX-MESA GATEWAY AIRPORT  
5835 S SOSSAMAN RD  
MESA, AZ 85212  
(480) 988-7600

**Shipping Method**  
Standard Delivery

#### Mobile Precision 3490

Estimated delivery if purchased today:

May. 01, 2024

Contract # C000001124007

Customer Agreement # 23026 / CTR068890

Unit Price	Quantity	Subtotal
\$1,499.92	2	\$2,999.84

Description	SKU	Unit Price	Quantity	Subtotal
Dell Mobile Precision Workstation 3490	210-BLNF	-	2	-
Intel Core Ultra 5 125H vPro Essentials (18 MB cache, 14 cores, 18 threads, up to 4.50 GHz, 28W)	379-BFPP	-	2	-
Windows 11 Pro, English, Brazilian Portuguese PT-BR, French, Spanish	619-ARSB	-	2	-
No Microsoft Office License Included - 30 day Trial Offer Only	658-BCSB	-	2	-
Intel® Core™ Ultra 5 125H Processor and Intel Integrated Graphics	329-BKCZ	-	2	-
Intel Integrated Graphics	490-BKBZ	-	2	-
14" FHD 1920x1080, 60Hz, 250 nits, Non-Touch, FHD HDR RGB Camera, Mic, WLAN	391-BJBQ	-	2	-
FHD HDR RGB Camera, TNR, Camera Shutter, Microphone	319-BBKK	-	2	-
32 GB: 1 x 32 GB, DDR5, 5600 MT/s, non-ECC	370-BBYG	-	2	-
256GB, M.2 2230, Gen4 TLC PCIe NVMe, SSD, Class 35	400-BRHM	-	2	-
English US non-backlit AI hotkey keyboard, 79-key	583-BLNP	-	2	-
Single Pointing, No Security	346-BKVC	-	2	-
Intel AX211, 2x2 MIMO, 2400 Mbps, 2.4/5/6 GHz, Wi-Fi 6/6E (WiFi 802.11ax), Bluetooth	555-BKND	-	2	-
3 Cell, 42WHR, Long Lifecycle Battery, 3-year warranty	451-BDBM	-	2	-
65W AC adapter, USB Type-C, EcoDesign	492-BDMN	-	2	-
Intel vPro Technology Disabled	631-BBXJ	-	2	-
ENERGY STAR Qualified	387-BBLW	-	2	-
EPEAT 2018 Registered (Gold)	379-BDZB	-	2	-
E4 Power Cord 1M for US	537-BBDO	-	2	-
Intel AX211 WLAN Driver	555-BKTK	-	2	-
Packaging for Integrated Graphics + 65W Adapter	340-DQLZ	-	2	-
Custom Configuration	817-BBBB	-	2	-
Intel® Core™ Ultra 5 non-vPro Processor Label	340-DMPY	-	2	-
Dell Additional Software	658-BFPP	-	2	-
Quick setup guide for world wide	340-DMSB	-	2	-
Bottom Cover for Intel H 28W CPUs	354-BBJY	-	2	-
ProSupport Plus: Accidental Damage Service, 4 Years	997-1069	-	2	-

ProSupport Plus: Keep Your Hard Drive, 4 Years	997-1091	-	2	-
Dell Limited Hardware Warranty Plus Service	997-1129	-	2	-
ProSupport Plus: 7x24 Technical Support, 4 Years	997-1137	-	2	-
ProSupport Plus: Next Business Day Onsite, 4 Years	997-6067	-	2	-
Thank you for choosing Dell ProSupport Plus. For tech support, visit <a href="http://www.dell.com/contactdell">www.dell.com/contactdell</a> or call 1-866-516-3115	997-8367	-	2	-

Intel(R) Rapid Storage Technology Driver	409-BCYB	-	2	-
<b>Dell Thunderbolt 4 Dock- WD22TB4</b>		<b>Unit Price</b>	<b>Quantity</b>	<b>Subtotal</b>
		\$208.12	2	\$416.24

Estimated delivery if purchased today:  
Apr. 04, 2024  
Contract # C000001124007  
Customer Agreement # 23026 / CTR068890

Description	SKU	Unit Price	Quantity	Subtotal
BASE,DS,WD22TB4 US 180W	210-BDQH	-	2	-
Advanced Exchange Service, 3 Years	872-8550	-	2	-
Dell Limited Hardware Warranty	872-8557	-	2	-

<b>Subtotal:</b>	<b>\$3,416.08</b>
<b>Shipping:</b>	<b>\$0.00</b>
<b>Environmental Fee:</b>	<b>\$0.00</b>
<b>Estimated Tax:</b>	<b>\$225.18</b>

**Total: \$3,641.26**

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## Important Notes

### Terms of Sale

This Quote will, if Customer issues a purchase order for the quoted items that is accepted by Supplier, constitute a contract between the entity issuing this Quote ("Supplier") and the entity to whom this Quote was issued ("Customer"). Unless otherwise stated herein, pricing is valid for thirty days from the date of this Quote. All product, pricing and other information is based on the latest information available and is subject to change. Supplier reserves the right to cancel this Quote and Customer purchase orders arising from pricing errors. Taxes and/or freight charges listed on this Quote are only estimates. The final amounts shall be stated on the relevant invoice. Additional freight charges will be applied if Customer requests expedited shipping. Please indicate any tax exemption status on your purchase order and send your tax exemption certificate to [Tax\\_Department@dell.com](mailto:Tax_Department@dell.com) or [ARSalesTax@emc.com](mailto:ARSalesTax@emc.com), as applicable.

**Governing Terms:** This Quote is subject to: (a) a separate written agreement between Customer or Customer's affiliate and Supplier or a Supplier's affiliate to the extent that it expressly applies to the products and/or services in this Quote or, to the extent there is no such agreement, to the applicable set of Dell's Terms of Sale (available at [www.dell.com/terms](http://www.dell.com/terms) or [www.dell.com/oemterms](http://www.dell.com/oemterms)), or for cloud/as-a-Service offerings, the applicable cloud terms of service (identified on the Offer Specific Terms referenced below); and (b) the terms referenced herein (collectively, the "Governing Terms"). Different Governing Terms may apply to different products and services on this Quote. The Governing Terms apply to the exclusion of all terms and conditions incorporated in or referred to in any documentation submitted by Customer to Supplier.

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**Offer-Specific, Third Party and Program Specific Terms:** Customer's use of third-party software is subject to the license terms that accompany the software. Certain Supplier-branded and third-party products and services listed on this Quote are subject to additional, specific terms stated on [www.dell.com/offeringspecificterms](http://www.dell.com/offeringspecificterms) ("Offer Specific Terms").

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Customer represents that this transaction does not involve: (a) use of U.S. Government funds; (b) use by or resale to the U.S. Government; or (c) maintenance and support of the product(s) listed in this document within classified spaces. Customer further represents that this transaction does not require Supplier's compliance with any statute, regulation or information technology standard applicable to a U.S. Government procurement.

For certain products shipped to end users in California, a State Environmental Fee will be applied to Customer's invoice. Supplier encourages customers to dispose of electronic equipment properly.

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Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-14

**To:** Board of Directors  
**From:** Bob Draper, P.E., LEED AP, CM Engineering & Facilities Director  
**Through:** Scott Brownlee, Deputy Director/COO  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** FY24 Capital Budget Amendment - Rental Car Care Facility Improvements - CIP 1242  
**Date:** April 16, 2024

---

### Proposed Motion

To authorize an Amendment of the FY24 Capital Budget to add \$442,282.66 in funding to the current Rental Car Care Facility Improvements Project (CIP 1242) CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies.

### Narrative

The growth of commercial service at the Airport benefits the car rental companies and generates revenue for the Airport through Customer Facility Charges (CFC). CFC's are daily transaction fees imposed upon a customer renting a vehicle from an on-airport car rental company. CFC revenues are used to pay for costs associated with the design and construction of facilities or improvements used for the car rental companies located at the Airport.

Our current Car Care Facility is outdated, inadequate, and lacks the capacity and efficiency needed to service our customers effectively. This facility needs to be upgraded and expanded to accommodate the increased number of rental cars currently in service. Willmeng Construction, Inc. is providing CMAR Construction Services. This contract modification includes an additional rental car ticket counter totaling approximately \$197,000—and electrical facilities for future fuel systems totaling approximately \$66,000. Provide costs for unforeseen saturated subgrade and asphalt replacement totaling approximately \$146,000. Additional minor Owner-approved changes are requested as well to meet the desired operational needs of the car rental companies totaling approximately \$33,000. This increase in the contract value also increases the taxes, insurance, bonds, and allowable markup, which are included in the costs. Additionally, 45 calendar days are added to the contract duration. The costs have been reviewed by Airport staff and deemed reasonable and acceptable.

### Fiscal Impact

Requesting to have these additional project funds, for the Rental Car Care Facility Improvements Construction Services Project, added and included in the FY24 Capital Budget utilizing CFC funds under CIP 1242.

### Attachment(s)

N/A



**RESOLUTION NO. 24-14**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize an Amendment of the FY24 Capital Budget to add \$442,282.66 in funding to the current Rental Car Care Facility Improvements Project (CIP 1242) CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby authorizes an Amendment of the FY24 Capital Budget to add \$442,282.66 in funding to the current Rental Car Care Facility Improvements Project (CIP 1242) CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

---

Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

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Misty Johnson, Clerk of the Board

---

Jill Casson Owen, Attorney



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-15

**To:** Board of Directors  
**From:** Bob Draper, P.E., LEED AP, CM Engineering & Facilities Director  
**Through:** Scott Brownlee, Deputy Director/COO  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Rental Car Care Facility Improvements Contract Modification – Willmeng Construction, Inc.  
- CIP 1242  
**Date:** April 16, 2024

---

### Proposed Motion

To authorize a contract modification to the current Rental Car Care Facility Improvements Project CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies. This contract modification amount is not to exceed \$442,282.66 under CIP 1242.

### Narrative

The growth of commercial service at the Airport benefits the car rental companies and generates revenue for the Airport through Customer Facility Charges (CFC). CFC's are daily transaction fees imposed upon a customer renting a vehicle from an on-airport car rental company. CFC revenues are used to pay for costs associated with the design and construction of facilities or improvements used for the car rental companies located at the Airport.

Our current Car Care Facility is outdated, inadequate, and lacks the capacity and efficiency needed to service our customers effectively. This facility needs to be upgraded and expanded in order to accommodate the increased number of rental cars currently in service. Willmeng Construction, Inc. is providing CMAR Construction Services. This contract modification includes an additional rental car ticket counter totaling approximately \$197,000. Electrical facilities for future fuel systems totaling approximately \$66,000. Provide costs for unforeseen saturated subgrade and asphalt replacement totaling approximately \$146,000. Additional minor Owner-approved changes are requested as well to meet the desired operational needs of the car rental companies totaling approximately \$33,000. This increase in the contract value also increases the taxes, insurance, bonds, and allowable markup and are included in the costs. Additionally, 45 calendar days are added to the contract duration. The costs have been reviewed by Airport staff and deemed reasonable and acceptable.

### Fiscal Impact

Requesting to have this contract modification, for the Rental Car Care Facility Improvements Construction Services Project authorized in the FY23 Carryover Capital Budget utilizing PMGAA Customer Facility Charge (CFC) funds under CIP 1242.

**Attachment(s): CMAR Construction Services Contract Modification**



**RESOLUTION NO. 24-15**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize a contract modification to the current Rental Car Care Facility Improvements Project CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies. This contract modification amount is not to exceed \$442,282.66 under CIP 1242;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby authorizes a contract modification to the current Rental Car Care Facility Improvements Project CMAR Contract, with Willmeng Construction, Inc. for an additional rental car counter in the terminal, to add electrical facilities for future fuel needs, removal and replacement of pumping soil encountered under the existing car wash, and additional minor Owner-approved changes to meet the desired operational needs of the car rental companies. This contract modification amount is not to exceed \$442,282.66 under CIP 1242. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

---

Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

---

Misty Johnson, Clerk of the Board

---

Jill Casson Owen, Attorney





Engineering & Facilities  
 5835 South Sossaman Road  
 Mesa, Arizona 85212  
 Telephone 480-988-7628  
 FAX 480-988-2315

## CHANGE ORDER

Change Order No.: <u>4</u>	Project Number/Name: 1242-Car Care Facility
Change Order Date: <u>3/19/2024</u>	Notice to Proceed Date: October 4, 2022
Is This Change Order Grant Eligible? _____	FAA Grant No.: 0
Are Additional Grant Funds Requested? _____	ADOT Grant No.: 0
Contract/Completion Implications - # of days: <u>45</u>	Contract Date: September 20, 2022
Contractor: <u>Willmeng</u>	Exhibit A Date: _____
Contract No.: <u>20230068</u>	Purchase Order No.: 0

**This Contract is changed as follows:**

This Contract has been modified to include the additional scope added for the office and counter space in the Terminal Building as well as modifications at the fueling area requested by the tenants. The contractor also encountered unsuitable subgrade under the original building site which required remediation for the planned work. This change will increase the contract value by \$442,282.66 and extends the contract time by 45 calendar days.

This Change Order shall constitute a final settlement of all matters relating to the change in the Work which is the subject of the Change Order, including but not limited to all direct or indirect costs associated with such change, all delay and disruption costs, any impact such change may have on unchanged work, and any and all adjustments to the Contract Sum or the Contract Time. This Change Order supersedes all prior reservations stated or implied.

	Cost excl. taxes	Taxes	Cost incl. Taxes
The original <b>Contract Sum</b> was:	\$ 6,946,325.35	\$ 374,754.25	\$ 7,321,079.60
Net change by previously authorized Change Orders:	\$ 2,360,283.91	\$ (256,146.10)	\$ 2,104,137.81
The <b>Contract Sum</b> prior to this Change Order was:	\$ 9,306,609.26	\$ 118,608.15	\$ 9,425,217.41
<b>The Sum of this Change Order</b>	\$ 436,902.67	\$ 5,379.99	\$ 442,282.66
The new <b>Contract Sum</b> , including this Change Order is:	\$ 9,743,511.93	\$ 123,988.14	\$ 9,867,500.07

**Approvals**

\*error discovered in pretax and taxes (see CO#2), adjustment made

<p><b>Contractor:</b></p> <p><b>Sign:</b> <u>Eli Newton</u> <small>Digitally signed by Eli Newton DN: C=US, E=enewton@willmeng.com, O=Willmeng Construction, CN=Eli Newton Date: 2024.03.20 11:22:03-07'00'</small></p> <p><b>Print:</b> <u>Eli Newton</u></p> <p><b>Title:</b> <u>Project Manager</u></p> <p><b>Date:</b> <u>03/20/2024</u></p> <p><b>If Applicable:</b> _____</p>	<p><b>PHOENIX-MESA GATEWAY AIRPORT AUTHORITY</b>          An Arizona Joint Powers Airport Authority</p> <p><b>Sign:</b> <u>Rich Adams</u> <small>Digitally signed by Rich Adams Date: 2024.03.20 12:06:01-07'00'</small> <b>Date:</b> <u>3/20/2024</u></p> <p><b>Print:</b> <u>Rich Adams</u></p> <p><b>Title:</b> <u>Project Manager</u></p> <p><b>Sign:</b> <u>Bob Draper, PE</u> <small>Digitally signed by Bob Draper, PE DN: C=US, E=bdraper@gatewayairport.com, OU=PM&amp;A, CN=Bob Draper, PE Date: 2024.03.20 13:05:27-07'00'</small></p> <p><b>Print:</b> <u>Bob Draper</u></p> <p><b>Title:</b> <u>Engineering &amp; Facilities Director</u></p> <p><b>Sign:</b> _____ <b>Date:</b> _____</p> <p><b>Print:</b> <u>J Brian O'Neill</u></p> <p><b>Title:</b> <u>Executive Director/CEO</u></p>
---	--



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-16

**To:** Board of Directors  
**From:** Bob Draper, P.E., LEED AP, CM Engineering & Facilities Director  
**Through:** Scott Brownlee, Deputy Director/COO  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Runway 12R-30L Reconstruction, Construction Manager at Risk Pre-Construction Services – Pulice Construction, Inc. – CIP 1072  
**Date:** April 16, 2024

---

### Proposed Motion

To approve a Construction Manager at Risk (CMAR) Pre-Construction Services Contract with Pulice Construction, Inc. (Pulice), for the Runway 12R-30L Reconstruction Project in an amount not to exceed \$110,645 under CIP 1072, subject to receipt of FAA and ADOT grants.

### Narrative

Due to the continued commercial aircraft usage and the age of the pavement, Runway 12R-30L has deteriorated to a pavement condition requiring extensive repairs and it has been recommended that a full reconstruction must be done to improve the pavement and subgrade strength. Runway 12R-30L is PMGAA's longest runway at 10,401 feet long and 150 feet wide and is primarily used for commercial service aircraft operations.

Pulice will provide Construction Manager at Risk (CMAR) services for the Runway 12R-30L Construction Project that will include the demolition of existing pavement, earthwork, new Portland Cement Concrete Pavement, taxiway, and shoulder pavement, crushed Aggregate Base, Cement-Treated Base, Lime-Treated Subgrade, new pavement markings, crack seal, seal coat and airfield electrical.

The Notice of Request for Qualifications (RFQ), Solicitation 2024-016-RFQ for Runway 12R-30L Reconstruction was issued on January 18, 2024, and advertised in the Arizona Business Gazette on 1/18, 1/25, 2/01 and 2/08/24; it was also posted on the AzAA, ACC, ACI-NA, SWAAAE and FAA Matchmaker Websites as well as the Phoenix-Mesa Gateway Airport Authority Website. In addition, the RFQ was emailed to a list of 111 prospective firms and included ACDBE/DBE outreach. PMGAA Staff received six (6) Statements of Qualifications on February 13, 2024.

Archer Western  
Coffman Specialties, Inc.  
Granite Construction Company  
Kiewit Infrastructure West Co.  
Pulice Construction, Inc.  
Sundt Construction, Inc.

The Evaluation Panel conducted interviews on March 12, 2024, with the following shortlisted four (4) firms:

Granite Construction Company

Kiewit Infrastructure West Co.

**Pulice Construction, Inc.**

Sundt Construction, Inc.

Upon conclusion of the interviews, the Evaluation Panel selected Pulice as the CMAR firm that best satisfied the requirements, based on the qualifications of the firm, project team experience, project understanding, approach to performing the required services, and DBE Participation Plan.

**Fiscal Impact**

This project is included in the FY24 Capital Budget utilizing FAA, ADOT and PMGAA matching non-grant funds under CIP 1072.

**Attachment(s): CMAR Pre-Construction Services Contract**



**RESOLUTION NO. 24-16**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to approve a Construction Manager at Risk (CMAR) Pre-Construction Services Contract with Pulice Construction, Inc. (Pulice), for the Runway 12R-30L Reconstruction Project in an amount not to exceed \$110,645 under CIP 1072, subject to receipt of FAA and ADOT grants;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby approves a Construction Manager at Risk (CMAR) Pre-Construction Services Contract with Pulice Construction, Inc. (Pulice), for the Runway 12R-30L Reconstruction Project in an amount not to exceed \$110,645 under CIP 1072, subject to receipt of FAA and ADOT grants. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

\_\_\_\_\_  
Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

\_\_\_\_\_  
Misty Johnson, Clerk of the Board

\_\_\_\_\_  
Jill Casson Owen, Attorney

**DIVISION I**



**Runway 12R – 30L Reconstruction**

**CONSTRUCTION MANAGER AT RISK  
(CMAR) PRE-CONSTRUCTION SERVICES  
CONTRACT**

**Authority Project No. 1072**

**Authority Solicitation No. 2024-016-RFQ**

**FAA AIP No. 3-04-0078-060-2024**

**ADOT Project No. TBD**

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## Phoenix-Mesa Gateway Airport

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### **Construction Manager at Risk Pre-Construction Services Project No. 1072**

**THIS CONTRACT** is made and entered into by and between the Phoenix-Mesa Gateway Airport Authority, a joint powers airport authority, authorized by the state of Arizona, hereinafter called (“PMGAA”) and the “Construction Manager at Risk” or “CMAR” designated below. Individually, each is a “Party” and collectively, the “Parties” and shall be effective as of the date signed by Owner.

PMGAA and CMAR agree as follows:

### **ARTICLE 1 – PARTICIPANTS AND PROJECT**

**PMGAA:** Phoenix-Mesa Gateway Airport Authority  
Project Manager: Rich Adams  
Telephone: 480-988-7617  
Fax: 480-988-2315  
E-mail: radams@gatewayairport.com

**CMAR:** Pulice Construction, Inc.  
Project Manager: Jeff Gergal  
Telephone: 858.525.3901  
Email: jgergal@pulice.com

**PROJECT DESCRIPTION:** Runway 12R – 30L Reconstruction

**PROJECT LOCATION:** Phoenix Mesa Gateway Airport  
Mesa, Az 85212

### **ARTICLE 2 – CONTRACT DOCUMENTS**

#### **2.1 CONTRACT DOCUMENTS**

The Contract between PMGAA and CMAR shall consist of the following Contract Documents:

1. This Contract and all of its Exhibits herein;
2. The General Conditions to the CMAR Construction Contract;
3. Federal Contract Provisions;
4. The Statement of Qualifications (SOQ) requirements (2024-016-RFQ), documents and attachments, and CMAR’s submittal dated February 6, 2024.

#### **2.2 DEFINITIONS**

Whenever the following terms are used in this Contract, the intent and meaning shall be interpreted

as follows:

**Allowance** – A specific amount for a specific item of Work, if any, that PMGAA agrees has not been sufficiently designed, detailed, or selected (including design changes from Pre-Final to Final Construction Documents as authorized by and at the discretion of PMGAA) at the time the Contract Price is agreed to for CMAR to provide a definitive price. Allowances shall be treated in accordance with Article 14 of this Contract.

**Baseline Cost Model** – A breakdown and estimate of the scope of the Project developed by CMAR pursuant to Article 3.4.1 of this contract.

**CMAR or Construction Manager at Risk** – The person or firm selected by PMGAA to provide pre-construction and/or construction services as detailed in a Construction Manager at Risk Contract with PMGAA. The term “CMAR” includes CMAR under both Pre-Construction and Construction Services Contracts.

**CMAR Fee or CMAR’s Fee** – An agreed to percentage in an accepted GMP that represents the CMAR’s fee for performance of the Work.

**Contract Documents** – Where compensation under the Contract is based upon a GMP accepted by PMGAA, the term “Contract Documents” also includes the accepted GMP Proposal.

**Contract Price** – Where compensation under the Contract based upon a GMP accepted by PMGAA, the term “Contract Price” refers to the GMP.

**Cost-Based Contract, Change Order, or Job Order** – A Contract, Change Order, or Job Order where the Contract Price is based upon the actual cost of performing the Work, subject to the terms of the Contract Documents, these would include those generally referred to as “Cost of the Work plus a Fee with a GMP,” “Time and Materials,” or “Cost Plus a Fee.”

**Cost of the Work** – The direct costs necessarily incurred by CMAR in the proper, timely, and complete performance on the Work. The Cost of the Work shall include only those costs set forth in Exhibit A of this Contract.

**Deliverables** – The work products prepared by CMAR in performing the scope of work described in the Contract. Some of the major deliverables to be prepared and provided by CMAR during pre-construction may include but are limited to: the Baseline Cost Model and Schedule that validate PMGAA’s plan and budget, Construction Management Plan, Detailed Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, Detailed Cost Estimates, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, Constructability Review, Cost Control Log, Traffic control and phasing plans and others as indicated in this Contract or required by the Project Team.

**Pre-Construction Services Contract** – The Contract entered into between PMGAA and the CMAR for Pre-Construction Services to be provided by the CMAR, including, without limitation, the generation of a GMP Proposal. If the GMP Proposal is accepted by PMGAA and a Construction Contract is entered into between PMGAA and CMAR, the duties, obligations and warranties of the CMAR under the Pre-Construction Services Contract survive and are incorporated into the resulting Construction Contract.

**Pre-Construction Services** – The services to be provided under the Pre-Construction Services Contract.



**Detailed Project Schedule** – The Detailed Project Schedule developed by the CMAR for the review and approval of the Project Manager in accordance with Article 3.2 of this contract, if applicable.

**GMP Plans and Specifications** – The plan and specifications upon which the Guaranteed Maximum Price Proposal is based.

**GMP Proposal** – The proposal of CMAR submitted pursuant to Article 3.6 of this contract for the entire Work and/or portion (phases) of the Work.

**Guaranteed Maximum Price or GMP** – The Guaranteed Maximum Price set forth in the Contract, Change Order, or Job Order if applicable.

## **ARTICLE 3 – PRE-CONSTRUCTION SERVICES**

### **3.1 GENERAL REQUIREMENTS**

- 3.1.1 CMAR shall perform the Services under this Contract using only those firms, team members and individuals designated by CMAR consistent with the Statement of Qualifications dated February 6, 2024 as otherwise approved by PMGAA. No other entities or individuals may be used without the prior written approval of PMGAA.
- 3.1.2 CMAR will comply with all terms and conditions of the General Conditions to the CMAR Construction Contract.
- 3.1.3 In the event of a conflict between this Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Contract shall control.
- 3.1.4 CMAR shall prepare and present to PMGAA a Detailed Project Schedule that is acceptable to PMGAA and in accordance with Article 3.2 of this Contract.
- 3.1.5 CMAR shall conduct the evaluations, perform the design document reviews, make the recommendations and provide the other Services referenced and in accordance with Article 3.3 of this Contract.
- 3.1.6 CMAR shall prepare and submit the Baseline Cost Model, Detailed Cost Estimates and Schedule of Values in accordance with Article 3.4 of this Contract.
- 3.1.7 The submitted Baseline Cost Model, Detailed Cost Estimates and Schedule of Values shall not exceed PMGAA's Construction Budget, which is \$18,000,000. If CMAR submits a Baseline Cost Model, Detailed Cost Estimates, and Schedule of Values that exceeds the Construction Budget, negotiations could lead to termination or suspension of the Contract.
- 3.1.8 CMAR shall perform the Services required by, and in accordance with the Contract Documents and as outlined in Exhibit A of the Contract to the satisfaction of the Project Manager, exercising the degree of care, skill, diligence and judgment a professional construction manager experienced in the performance of such services for construction and/or facilities of similar scope, function, size, quality, complexity and detail to the Project in urban areas throughout the United States, would exercise at such time, under similar conditions. CMAR shall, at all times, perform the required services consistent with sound and generally accepted engineering principles and construction management and construction contracting practices
- 3.1.9 As a participating member of the Project Team, CMAR shall provide to PMGAA and Design Professional a written evaluation of PMGAA's Project Program and budget, each in terms of the other, with recommendations as to the appropriateness of each. CMAR shall prepare a

Baseline Cost Model that validates PMGAA's budget. The Baseline Cost Model shall include all assumptions and basis of estimates in enough detail so that the Project Team can compare future detail estimates to the Baseline Cost model for variances. PMGAA and Design Professional will provide all the reasonably required data that is available in order to reach agreement between the team members that the Baseline Cost Model is an accurate projection of the costs of the Project.

- 3.1.10 CMAR shall attend Project Team meetings, which may include, but are not limited to, bi-weekly Project management meetings, Project workshops, special Project meetings, construction document rolling reviews, public meetings and partnering sessions. CMAR attendance at design or other meetings in which CMAR is provided the opportunity but does not actively participate and/or is not properly prepared is not acceptable. Repeated instances of non-participation and/or lack of preparedness shall be grounds for termination of CMAR Contract for default.
- 3.1.11 CMAR when requested by PMGAA, shall attend, make presentations and participate as may be appropriate in public agency and or community meetings, relevant to the Project. CMAR shall provide drawings, schedule diagrams, budget charges and other materials describing the Project when their use is required or appropriate in any such public agency meetings.
- 3.1.12 PMGAA ownership of Work Product. All Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of PMGAA. For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings and other information or material, in whatever form created (e.g., electronic or printed) and in all media now know or hereinafter created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. §101 (Copyright Act). If for any reason any such Work is found not to be a work for hire, CMAR hereby transfers and assigns ownership of the copyright in such Work to PMGAA. The rights in this Section are exclusive to PMGAA in perpetuity.
- 3.1.13 CMAR represents to PMGAA in completing Pre-Construction Services and providing the reports and analysis required thereunder, that Work can be properly and timely constructed within the GMP Proposal, if accepted. CMAR does not assume any design responsibilities unless specifically called for in the scope of work, but CMAR shall be responsible for their errors, omissions or inconsistencies included in the Work.
- 3.1.14 CMAR and PMGAA agree and understand that PMGAA is at all times subordinate to its federal obligations, pursuant to Federal Aviation Administration ("FAA") Policies (2009) (including, but not limited to § 1.1, § 1.5, § 12.3, §10, § 14.1, *et. seq.*)

## 3.2 DETAILED PROJECT SCHEDULE

- 3.2.1 The fundamental purpose of the Detailed Project Schedule is to identify, coordinate and record the tasks and activities to be performed by all of the Project Team members and then for the Project Team to utilize that Deliverable as a basis for managing and monitoring all member's compliance with the schedule requirements of the Project. Each Project Team member is responsible for its compliance with the Detailed Project Schedule requirements. CMAR shall, however, develop and maintain the Detailed Project Schedule on behalf of and to be used by the Project Team based on input from the other Project Team members. The Baseline Project Schedule shall be developed as part of the Baseline Cost Model. The Detailed Project Schedule shall use the Critical Path method ("CPM") technique, unless required otherwise, in writing by PMGAA. CMAR shall use scheduling software acceptable to PMGAA to develop the Detailed Project Schedule. The Detailed Project Schedule shall be presented in graphical and tabular reports as agreed upon by the Project Team. If Project phasing as

described below is required, the Detailed Project Schedule shall indicate milestone dates for the phases once determined. As part of construction phase, PMGAA may require CMAR to prepare a “resource loaded” schedule for all work, including work performed by Subcontractors, detailing each of the project tasks and the required/anticipated number of personnel per day for each task. CMAR shall also indicate on the schedule its ability to meet said required/anticipated personnel requirements.

- 3.2.2 CMAR shall include and integrate in the Detailed Project Schedule the services and activities required of PMGAA, Design Professional and CMAR including all construction phase activities based on the input received from PMGAA and the Design Professional. The Detailed Project Schedule shall define activities as determined by PMGAA to the extent required to show: (a) the coordination between preliminary design and various pre-construction documents, (b) any separate long-lead procurements, (c) any permitting issues, (d) any land, right-of-way, or easement acquisition, (e) bid packaging strategy and awards to Subcontractors and Suppliers, (f) major stages of construction, (g) start-up and commissioning, and (h) occupancy of the completed Work by PMGAA. The Detailed Project Schedule shall include by example and not limitation, proposed activity sequences and durations for design, procurement, construction and testing activities, milestone dates for actions and decisions by the Project Team, preparation and processing of shop drawings and samples, delivery of materials or equipment requiring long-lead time procurement (if any), milestone dates for various construction phases, Total Float for all activities to the extent authorized by PMGAA, relationships between the activities, PMGAA’s occupancy requirements showing portions of the Project having occupancy priority, and proposed dates for Final Completion.
- 3.2.3 A Baseline Project Schedule shall be initiated with the project Baseline Cost Model and agreed to by the project team at the same time. CMAR shall update and maintain a detailed Project Schedule throughout pre-construction such that it shall not require major changes at the start of the construction phase to incorporate CMAR’s plan for the performance of the construction phase Work. CMAR shall provide updates and/or revisions to the Detailed Project Schedule for use by the Project Team, whenever required, but no less often than at the Project Team meetings. CMAR shall include with such submittals a narrative describing its analysis of the progress achieved to-date vs. the Baseline Project Schedule, including any concerns regarding delays or potential delays, and any recommendations regarding mitigating actions.
- 3.2.4 If phased construction is deemed appropriate at the time of developing the Baseline Cost Model or during the development of the Detailed Project Schedule, and PMGAA and Design Professional approve, CMAR shall review the design and make recommendations regarding the phased issuance of Construction Documents to facilitate phased construction of the Work, with the objective of reducing the Project Schedule and/or Cost of the Work. CMAR shall take into consideration such factors as natural and practical lines of work severability, sequencing effectiveness, access and availability constraints, total time for completion, construction market conditions, labor and materials availability, and any other factors pertinent to saving time and cost.
- 3.2.5 Long Lead Time Items. As part of developing the Detailed Project Schedule, CMAR shall identify all long lead time materials, fabrications, equipment, or other items which may impact the Project Schedule and may require early action on the part of the Project Team. Dates for selecting and ordering long lead time items will be included and highlighted in the Detailed Project Schedule.
- 3.2.6 Equipment Plan. CMAR shall develop an Equipment Plan that addresses all rental and owned equipment, regardless of whether such equipment will be provided by CMAR or subcontractor(s), that will be necessary to construct the Project and the cost of which will be

included as a Cost of the Work in the GMP Proposal. The Equipment Plan will seek to minimize the cost of the equipment to PMGAA and maximize the efficient and coordinated use of the equipment for completion of the Project. The Equipment Plan will not only include the costs and allowable lease rates for the equipment but will also include an equipment schedule that will be incorporated into the Detailed Project Schedule and the Schedule of Values submitted with the GMP Proposal.

### 3.3 DESIGN DOCUMENT REVIEWS

- 3.3.1 CMAR shall evaluate periodically the availability of labor, materials/equipment, cost-sensitive aspects of the design; and other factors that may create an unacceptable variance to the Baseline Cost Model and/or Baseline Project Schedule.
- 3.3.2 CMAR shall recommend, in conjunction with the Project Team, those additional surface and subsurface investigations that, in its professional opinion, are required to provide the necessary information for CMAR to construct the Project. These additional investigations, if agreed to be necessary by the Project Manager and the Design Professional, shall be acquired by PMGAA and copies of the reports will be provided to CMAR.
- 3.3.3 CMAR shall meet with the Project Team as required to review designs during their development. CMAR shall familiarize itself with the evolving documents through pre-construction. CMAR shall proactively advise the Project Team and make recommendations on factors related to construction costs, and concerns pertaining to the feasibility and practicality of any proposed means and methods, selected materials, equipment and building systems, and, labor and material availability. CMAR shall furthermore advise the Project Team on proposed site improvements, excavation and foundation considerations, as well as, concerns that exist with respect to coordination of the Drawings and Specifications. CMAR shall use established value analysis principles in recommending cost-effective alternatives.
- 3.3.4 CMAR shall routinely conduct constructability and bid-ability reviews of the Drawings and Specifications as necessary to satisfy the needs of the Project Team. The reviews shall attempt to identify all discrepancies and inconsistencies in the Construction Documents especially those related to clarity, consistency, completeness and coordination of Work of Subcontractors and Suppliers.
- 3.3.5 CMAR shall evaluate whether: (a) the Drawings and Specifications are configured to enable efficient construction; (b) design elements are standardized; (c) construction efficiency is properly considered in the Drawings and Specifications; (d) module/preassembly design is prepared to facilitate fabrication, transport and installation; (e) sequences of Work required by or inferable from the Drawings and Specifications are practicable; (f) the design has taken into consideration efficiency issues concerning access and entrance to the site, laydown and storage of materials, staging of site facilities, construction parking, and other similar pertinent issues; and (g) the design maintains continued operation of the existing PMGAA operations, security and systems and maintains traffic on adjacent roadways. CMAR shall also review the Drawings and Specifications to ensure that what is depicted therein can be constructed as designed and shall promptly inform the Project Team of any issues.
- 3.3.6 CMAR shall check cross-reference and complementary Drawings and sections within the Specifications and in general evaluate whether: (a) the Drawings and Specifications are Sufficiently clear and detailed to minimize ambiguity and to reduce scope interpretation discrepancies; (b) named materials and equipment are commercially available and are performing well, or otherwise, in similar installations; (c) Specifications include alternatives in the event a requirement cannot be met in the field; and (d) in its professional opinion, the Project is likely to be subject to Differing Site Conditions.

- 3.3.7 The results of the reviews shall be provided to Project Team in formal, written reports clearly identifying all reviewed documents and the discovered discrepancies and inconsistencies in the Drawings and Specifications with notations and recommendations made on the Drawings, Specifications and other documents. CMAR shall meet with Project Team to discuss any findings and review reports.
- 3.3.8 CMAR's reviews shall be from a CMAR's perspective, and though it shall serve to eliminate/reduce the number of RFI's and changes during the construction phase, responsibility for the Drawings and Specifications shall remain with the Design Professional and not CMAR.
- 3.3.9 It is CMAR's responsibility to assist the Design Professional in ascertaining that, in CMAR's professional opinion, the Construction Documents are in accordance with Applicable Laws, Regulations, or Legal Requirements, building codes, sound engineering principle's rules and regulations. If CMAR recognizes that portions of the Construction Documents are at variance with applicable laws, statutes, ordinances, building codes, sound engineering principle's rules and regulations, it shall promptly notify the Project Team in writing, describing the apparent variance of deficiency. However, the Design Professional is ultimately responsible for the compliance of the Drawings and Specifications with those laws, statutes, ordinances, building codes, rules and regulations.
- 3.3.10 The Project Team shall routinely identify and evaluate using value analysis principles and alternate systems, approaches, design changes that have the potential to reduce Project costs while still delivering a high quality and fully functional Project consistent with the Project Program. If the Project Team agrees, CMAR in cooperation with the Design Professional, will perform a cost/benefit analysis of the alternatives and submit such in writing to the Project Team. PMGAA, through the Project Manager, will direct which alternatives will be incorporated into the Project. The Design Professional will have full design responsibility for the review and incorporation of CMAR suggested alternatives into the Drawings and Specifications. CMAR shall analyze the costs and schedule impacts of the alternatives against the Baseline Cost Model and Schedule and provide a recommendation for the Project Team's consideration and PMGAA's approval prior to the establishment of the GMP.

#### 3.4 BASELINE COSTS MODEL, DETAILED COST ESTIMATES, AND SCHEDULE OF VALUES

- 3.4.1 N/A
- 3.4.2 After receipt of the Design Professional's most current documents from certain specified pre-construction milestones, CMAR shall provide a draft Detailed Cost Estimate including a detailed written report detailing any variances to the Baseline Cost Model and Baseline Project Schedule. The Design Professional and CMAR will reconcile any disagreements on the estimate to arrive at an agreed upon Detailed Cost Estimate for the construction costs based on the scope of the Project through that specified pre-construction milestone. Pre-Construction milestones applicable to this paragraph are: Pre-Final Construction Drawings and Final Construction Drawing, if no consensus is reached, PMGAA will make the final determination. If the Project Team requires additional updates of the Detailed Cost Estimate beyond that specified in this paragraph, CMAR shall provide the requested information in a timely manner.
- 3.4.3 If at any point the Detailed Cost Estimate submitted to PMGAA exceeds the previously accepted Baseline Cost Model or previously approved Detailed Cost Estimate agreed to as set forth in Article 3.4.2 above, CMAR shall make appropriate recommendations to project Team

on means/methods, materials, and or other design elements that it believes will reduce the estimated construction costs, such that it is equal to or less than the established Project Team's Baseline Cost Model.

- 3.4.4 Unless other levels of completion are agreed to in writing in the Construction Documents, at Pre-Final Construction Drawings and included with the associated report, CMAR shall also submit to the Project Team for review and approval a Schedule of Values that complies with the following requirements. The Schedule of Values shall be directly related to the breakdowns reflected in the Detailed Project Schedule and CMAR's Detailed Cost Estimate. In addition, the Schedule of Values shall: (a) detail unit prices and quantity take-offs, (b) detail all other contingencies and unit price Work shown and specified in the detailed design documents.
- 3.4.5 CMAR is to track, estimate, price and address the Project Team's overall project cost issues that arise outside of the Baseline Cost Model and the latest approved Detailed Cost Estimate such as: PMGAA generated changes, Project Team proposed changes, alternate system analysis, constructability items and value engineering analysis. The system used to implement this process will be referred to as the Design Evolution Log. This is to be addressed between the Baseline Cost Model, Pre-Final Construction Documents, Final Construction Documents, and the bid packages for all Phases, if applicable.
- 3.4.6 Upon request by PMGAA, CMAR shall submit to PMGAA a cash flow projection for the Project based on the current updated/revised Detailed Project Schedule and the anticipated level of payments for CMAR during the design and construction phases. In addition, if requested by PMGAA and based on information provided by PMGAA, CMAR shall prepare a cash flow projection for the entire Project based on historical records for similar types of projects to assist PMGAA in the financing process.

### 3.5 SUBCONTRACTOR AND MAJOR SUPPLIER SELECTIONS

- 3.5.1 Except as noted below, the selection of Subcontractors/Suppliers is the sole responsibility of CMAR. In any case, CMAR is solely responsible for the performance of the selected Subcontractors/Suppliers, and for compliance with the requirements of Title 34 of the Arizona Revised Statutes in the selection of a Subcontractors/Suppliers, to the extent applicable. CMAR shall comply with its Subcontractor Selection Plan submitted with its Statement of Qualifications.
- 3.5.2 PMGAA may approve the selection of a Subcontractor(s) or Suppliers(s) based only on their qualifications when CMAR can demonstrate it is in the best interest of the Project. All Work that is performed, after such a qualifications-based selection, for a price that is negotiated by CMAR will be billed in accordance with the GMP for actual costs and may be subject to audit by PMGAA.
- 3.5.2.1 Qualifications based selection of a Subcontractor(s)/Supplier(s) should only occur prior to the submittal of the GMP Proposal and such a way as to not delay the start date of the Construction phase as defined in the Baseline Project Schedule.
- 3.5.2.2 If a Subcontractor/Supplier selection plan was submitted and agreed to by PMGAA, CMAR Shall apply the plan in the evaluation of the qualifications of a Subcontractor(s) or Supplier(s) and provide PMGAA with its review and recommendations.
- 3.5.2.3 CMAR must receive written PMGAA approval for each selected Subcontractor(s) and Supplier(s).

- 3.5.2.4 CMAR shall negotiate costs for services/supplies from each Subcontractor/Supplier selected under this method.
- 3.5.3 All Work shall be competitively bid, unless a Subcontractor or Supplier was selected pursuant to paragraph 3.5.2 above, and in accordance with all DBE requirements as provided for in the Owners RFQ, the General Conditions, and the Federal Contract Provisions.
- 3.5.3.1 CMAR shall develop Subcontractor and Supplier interest, submit the names of a minimum of three qualified Subcontractors or Suppliers for each trade in the Project for approval by PMGAA and solicit bids for the various Work categories. If there are not three qualified Subcontractors/Suppliers available for a specific trade or there are extenuating circumstances warranting such, CMAR may request approval by PMGAA to submit less than three names. Without prior written notice to PMGAA, no change in the recommended Subcontractors/Supplies shall be allowed.
- 3.5.3.2 If PMGAA objects to any nominated Subcontractor/Supplier or to any self-performed Work for good reason, CMAR shall nominate a substitute Subcontractor/Supplier that is acceptable to PMGAA.
- 3.5.3.3 CMAR shall distribute Drawings and Specifications, and when appropriate, conduct a Pre-Bid Conference with prospective Subcontractors and Suppliers.
- 3.5.3.4 If CMAR desires to self-perform certain portions of the Work, it shall request to be one of the approved Subcontractor bidders for those specific bid packages. CMAR's bid will be evaluated in accordance with the process identified below. If events warrant and PMGAA concurs that it is necessary in order to ensure compliance with the Project Schedule and/or the most recent Detailed Cost Estimate, CMAR may be authorized to self-perform Work without bidding or rebidding the Work. When CMAR self-performs work without bidding, only the actual costs associated with performing the Work in accordance with the approved GMP will be billed and may be subject to audit by PMGAA.
- 3.5.3.5 CMAR shall receive, open, record and evaluate the bids; provided, however, that if CMAR or one of its affiliates is bidding to self-perform the Work that is the subject of the bid, then the bids shall be received, opened, recorded and evaluated by Project Manager instead of CMAR. Bids for each category of Work shall be opened and recorded at a pre-determined time. The apparent low bidders shall be interviewed to determine the responsiveness of their proposals. In evaluating the responsiveness of bid proposals CMAR, in addition to bid price, may consider the following factors: past performance on similar projects, qualifications and experience of personnel assigned, quality management plan, approach or understanding of the Work to be performed, and performance schedule to complete the Work. The final evaluation of Subcontractor/Supplier bids shall be done with Project Manager in attendance to observe and witness the process. CMAR shall resolve any Subcontractor/Supplier bid withdrawal, protest or disqualification in connection with the award at no increase in the Cost of Work.
- 3.5.4 CMAR shall be required to prepare two different reports on the subcontracting process.
- 3.5.4.1 Within fifteen days after each major Subcontractor/Supplier bid opening process; CMAR shall prepare a report for PMGAA's review and approval identifying the recommended Subcontractors/Supplier for each category of Work. The report shall detail: (a) the name of the recommended Subcontractor/Supplier and the amount of

the Subcontractor/Supplier bid for each sub-agreement; (b) the sum of all recommended Subcontractor/Supplier bids received; (c) and trade work and its cost that CMAR intends to self-perform, if any.

3.5.4.2 Upon completion of the Subcontractor/Supplier bidding process, CMAR shall submit a summary report to PMGAA of the entire Subcontractor/Supplier selection process. The report shall indicate, by bid process, all Subcontractors/Suppliers contacted to determine interest, the Subcontractors/Suppliers solicited, the bids received and costs negotiated, and the recommended Subcontractors/Suppliers for each category of Work.

3.5.5 The approved Subcontractors/Suppliers shall provide a Schedule of Values with their bid proposals, which shall be used to create the overall Project Schedule of Values.

3.5.6 If after receipt of sub-bids or after award to Subcontractors and Suppliers, PMGAA objects to any nominated Subcontractor/Supplier or to any self-performed Work based upon any reasonable basis, CMAR shall nominate a substitute Subcontractor or Supplier, preferably if such option is still available, from those who submitted Subcontractor bids for the Work affected. Once such substitute Subcontractors and Suppliers are consented to by PMGAA, CMAR's proposed GMP for the Work or portion thereof shall be correspondingly adjusted to reflect any higher or lower costs from any such substitution.

### 3.6 GMP PROPOSAL

3.6.1 CMAR shall submit a GMP Proposal for the entire Work, and for each phase (if required) of the Work, at the times set forth in the Pre-Construction Schedule included in attached Exhibit A. The GMP Proposal shall be presented in a format acceptable to PMGAA based upon the attached Exhibit B. PMGAA may change the schedule, format, and/or requirements for the GMP Proposal as it deems necessary during Pre-Construction and may request resubmittal of the GMP Proposal to reflect such changes.

3.6.2 For the purpose of the GMP Proposal, the parties agree that:

1. The CMAR Fee shall be equal to a percent of the Direct Costs as agreed upon;
2. General Conditions costs shall be a fixed amount or percentage agreed to as part of the Baseline Cost Model.

3.6.3 The GMP Proposal shall not exceed PMGAA's budget for the construction of the Project, which is approximately \$18,000,000 ("Construction Budget").

3.6.4 When a GMP Proposal is submitted for a phase of the Work, the GMP will have a Detailed Cost Estimate of the Costs of the Work in each phase of the Work that is being proposed plus the current estimate for all other Work. PMGAA will not approve the GMP for the phase of work without a total estimate for the complete Project. PMGAA may request a GMP Proposal for all or any portion of the Project and at any time during pre-construction. Any GMP Proposals submitted by CMAR shall be based on and consistent with Baseline Cost Model and the current update/revised Detailed Cost Estimate at the time of the request and include any clarifications or assumptions upon which the GMP Proposal(s) are based.

3.6.5 A GMP Proposal for the entire Project shall be the sum of the Cost of the Work, CMAR Fee, and General Conditions Cost. CMAR guarantees to complete the Project at or less than the final GMP Proposal amount plus approved Change Orders. CMAR shall be responsible for any costs for expenses that would cause the Cost of the Work actually incurred, including the Construction Fee and General Conditions Costs, to exceed the GMP.



- 3.6.6 CMAR shall prepare its GMP Proposal in accordance with PMGAA's request for GMP Proposal requirements based on the most current completed Drawings and Specifications at that time, which unless otherwise directed by PMGAA in writing, shall be at 100% Construction Drawings. CMAR shall mark the face of each document of each set upon which its GMP Proposal is based. These documents shall be identified as the GMP Plans and Specifications. CMAR shall send one set of those documents to the Project Manager, keep one set and return the third set to the Design Professional.
- 3.6.7 An updated/revised Detailed Project Schedule, Equipment Plan, and Schedule of Values shall be included in any GMP Proposal(s), all of which shall reflect the GMP Plans and Specifications the Detailed Project Schedule shall be shown in relationship to the Project Schedule and identify any variance to the Baseline Project Schedule. Any such Detailed Project Schedule updates/revisions shall continue to comply with the requirements of Article 3.1.2 through 3.2.5 of this contract.
- 3.6.8 GMP Proposals(s) Review and Approval
- 3.6.8.1 CMAR shall meet with the Project Team to review the GMP Proposal(s) and the written statement of its basis. In the event the Project Team discovers inconsistencies or inaccuracies in the information presented, CMAR shall make adjustments as necessary to the GMP Proposal.
- 3.6.8.2 If during the review and negotiation of GMP Proposals design changes are required, PMGAA may authorize and cause the Design Professional to revise the GMP Plans and Specifications to the extent necessary to reflect the agreed-upon assumptions and clarifications contained in the final approved GMP Proposal. Such revised GMP Plans and Specification will be furnished to CMAR. CMAR shall promptly notify the Project Team in writing if any such revised GMP Plans and Specifications are inconsistent with the agreed upon assumptions and clarifications.
- 3.6.9 All portions of or items comprising the GMP Proposal are subject to audit by PMGAA, as deemed appropriate by PMGAA, including, without limitation, any based upon unit prices or Work to be self-performed by CMAR, or its affiliates.

### 3.7 PAYMENT PROCEDURE FOR PRE-CONSTRUCTION SERVICES

- 3.7.1 Requests for monthly payments by CMAR for Pre-Construction Services shall be submitted monthly and shall be accompanied by a progress report, detailed invoices and receipts, if applicable. Any requests for payment shall include, as a minimum, a narrative description of the tasks accomplished during the billing period, a listing of any Deliverables submitted, and copies of any Subconsultants' requests for payment, plus similar narrative and listings of Deliverables associated with their Work. Payment for services negotiated as a lump sum shall be made in accordance with the percentage of work completed during the preceding month.
- 3.7.2 In no event will PMGAA pay more than seventy-five (75%) of the Contract Price until final acceptance of ALL Pre-Construction Services, and award of the final approved Construction Services Contract for the entire Project by PMGAA Council. If CMAR does not prepare a GMP Proposal that is acceptable to PMGAA, or the GMP Proposal exceeds PMGAA's Construction Budget, then CMAR understands and acknowledges that it will forfeit any right to receive the 25% of the Contract Price being retained by PMGAA.

- 3.7.3 CMAR agrees that no charges or claims for costs or damages of any type shall be made by it for any delays or hindrances beyond the reasonable control of PMGAA during the progress of any portion of Pre-Construction Services specified in this Contract. Such delays or hindrances, if any, shall be solely compensated for by an extension of time for such reasonable period and may be mutually agreed between the parties. It is understood and agreed, however, that permitting CMAR to proceed to complete any such Services, in whole or in part after the date to which the time of completion may have been extended, shall in no way act as a waiver on the part of PMGAA of any of their respective legal rights herein.
- 3.7.4 No compensation to CMAR shall be allowed contrary to Article I, Chapter I, Title 34 of the Arizona Revised Statutes.
- 3.7.5 If any service(s) executed by CMAR is abandoned or suspended in whole or in part, for a period of more than 180 days through no fault of CMAR, CMAR is to be paid for the services performed prior to the abandonment or suspension.

### 3.8 ADDITIONAL PRE-CONSTRUCTION SERVICES

- 3.8.1 Additional services which are outside the scope of the services required under the Contract Documents shall not be performed by CMAR without prior written Authorization from PMGAA. Additional services, when authorized by an executed written Change Order by PMGAA, shall be compensated for by a fee mutually agreed upon in such Written Change Order between PMGAA and CMAR.
- 3.8.2 No claim for additional services, extra work done, or materials furnished by CMAR shall Be allowed by PMGAA except as provided herein, nor shall CMAR provide any additional services, do any work, or furnish any material(s) not covered by this Contract unless such work or material is first authorized in writing by the Project Manager. Work or material(s) furnished by CMAR without such prior written authorization shall be CMAR's sole jeopardy, cost, and expense, and CMAR hereby agrees that without prior written authorization no claim for compensation for such services, work or materials furnished shall be made, and PMGAA shall not be responsible for such costs.
- 3.8.3 No Work may be performed under this Pre-construction Services Contract, without prior written approval by PMGAA. As an example, all procurement of long lead time items that must be procured to support the construction schedule or site investigative Work necessary to complete Pre-Construction Services, if done by the CMAR, will be performed only after the long lead time items or investigative Work has been approved and accepted in writing by PMGAA and all such Work shall be done only under an executed Contract for Construction Services, or pursuant to a prior written direction from PMGAA to engage in such procurement.

### 3.9 SURVIVAL OF THE DESIGN SERVICES CONTRACT, DUTIES, OBLIGATIONS AND WARRANTIES

- 3.9.1 If the GMP Proposal is accepted by PMGAA and a Construction Contract is entered into between PMGAA and CMAR, the duties, obligations and warranties of CMAR under the Pre-Construction Services Contract survive and are incorporated into the resulting Construction Contract.

## **ARTICLE 4 – CONSTRUCTION SERVICES**

- 4.1 If PMGAA accepts CMAR's GMP Proposal, CMAR and PMGAA may enter into a Construction Services Contract for Construction of the Project based upon CMAR's Pre-Construction Services performed and GMP Proposal and detailed Project Schedule submitted pursuant to this Contract. The terms of the Construction Services Contract are being negotiated contemporaneously with this Contract and CMAR agrees to execute the Construction Services Contract, without further modification, upon acceptance by PMGAA of the GMP Proposal. All of CMAR's obligations, duties and warranties in relation to Pre-Construction Services and Deliverables (including specifically the GMP Proposal) survive the completion of this Contract and will be incorporated into the Construction Services Contract.

## **ARTICLE 5 – PMGAA FURNISHED INFORMATION**

### **5.1 PMGAA, AT NO COST TO CMAR, WILL FURNISH THE FOLLOWING TO CMAR:**

- 5.1.1 One copy of data in PMGAA's possession or control which PMGAA determines in its discretion to be pertinent to the Work. However, CMAR shall be responsible for searching the records and requesting information it deems reasonably required for the Project.
- 5.1.2 Electronic copies of programs, reports, drawings, and specifications reasonably required by CMAR, to the extent in the possession of PMGAA.
- 5.1.3 Additional information to be provided by PMGAA, if any, is listed below:

## **ARTICLE 6 – CONTRACT TIME**

### **6.1 Contract Duration is 120 Calendar Days.**

- 6.1.1 The Pre-Construction Services described in this Contract shall be performed by CMAR in accordance with the Pre-Construction Schedule set forth in attached Exhibit A. Failure on the part of CMAR to adhere to the Pre-Construction Schedule requirements for activities for which it is responsible and in control will be deemed a material breach and sufficient grounds for termination for cause of this Contract by PMGAA.

## **ARTICLE 7 – CONTRACT PRICE**

- 7.1 In exchange for CMAR's full, timely and acceptable performance of the Services under this Contract, and subject to all of the terms of this Contract, PMGAA will pay CMAR a not to exceed price of \$110,645 (the "Contract Price"). The method of payment for this contract is Hourly, Not-to-Exceed. The amount paid shall not exceed the amount listed in Article 7.1 for actual costs incurred, based on the negotiated hourly rates and reimbursement schedule as defined in Exhibit A.
- 7.2 The Contract Price is all-inclusive, and PMGAA shall not pay any additional amounts, costs expense, except for only those specifically designated reimbursable costs, without markup, as set forth in Exhibit A.

## **ARTICLE 8 – PAYMENTS**

- 8.1 The Contract Price shall be paid based upon the completion of tasks comprising the Pre-Construction Scope of Work as shown in Exhibit A.

## **ARTICLE 9 – CHANGES**

- 9.1 PMGAA reserves the right to make such changes in the plans and specifications for the Work, as it may deem appropriate and any such change as set forth in a written Change Order shall be deemed a part of this Contract as if originally incorporated herein.
- 9.2 If design changes are required, PMGAA's and CMAR's responsibilities shall be in accordance with Article 3.6.8.2 of this Contract.

## **ARTICLE 10 – SUSPENSION AND TERMINATION**

### **10.1 TERMINATION BY PMGAA FOR CAUSE**

10.1.1 Criteria for Termination for Cause. The Contractor shall be considered in default of his or her contract and such default will be considered as cause for the Owner to terminate the contract for any of the following reasons if the Contractor:

1. Fails to begin the work under the contract within the time specified in the Notice to Proceed, or
2. Fails to perform the work or fails to provide sufficient workers, equipment and/or materials to assure completion of work in accordance with the terms of the contract, or
3. Performs the work unsuitably or neglects or refuses to remove materials or to perform anew such work as may be rejected as unacceptable and unsuitable, or
4. Discontinues the execution of the work, or
5. Fails to resume work which has been discontinued within a reasonable time after notice to do so, or
6. Becomes insolvent or is declared bankrupt, or commits any act of bankruptcy or insolvency, or
7. Allows any final judgment to stand against the Contractor unsatisfied for a period of 10 days, or
8. Makes an assignment for the benefit of creditors, or
9. Disregards laws, ordinances, or rules, regulations or orders of a public authority having jurisdiction, or
10. Breaches any provision of the contract, or
11. Violates any provision of the PMGAA Rules and Regulations or Minimum Standards, as amended from time to time, and as incorporated into the Contract by reference (Exhibit C) or
12. For any other cause whatsoever, fails to carry on the work in an acceptable manner.

Should the Engineer consider the Contractor in default of the contract for any reason above, the Engineer shall immediately give written notice to the Contractor and the Contractor's surety as to the reasons for considering the Contractor in default and the Owner's intentions to terminate the contract.

10.1.2 Effect of Termination for Cause. When any of the above conditions exist, PMGAA, may without prejudice to any other rights or remedies of PMGAA and after giving the CMAR ten (10) days' written notice, terminate the Contract and may:

1. take possession of the Site and all materials, equipment, tools, and construction equipment machinery thereon owned by the CMAR;
2. accept assignment of subcontracts, and
3. finish the work by whatever reasonable method PMGAA may deem expedient.

10.1.3 CMAR Right to Receive Payment. When PMGAA terminates the Contract for one of the reasons stated in Article 10.1.1, the CMAR shall not be entitled to receive further payment until the work is finished.

10.1.4 Costs for Finishing Work. If the unpaid balance of the Contract Sum exceeds costs of finishing the work, including compensation for the Design Professional services and expenses made necessary thereby, such excess shall be paid to the CMAR. If such costs exceed the unpaid balance, the CMAR shall pay the difference to PMGAA.

## 10.2 Not Used.

## 10.3 PMGAA'S TERMINATION FOR CONVENIENCE.

10.3.1 Effect of Termination for Convenience. PMGAA reserves the right to terminate the Contract for convenience and without cause even if CMAR has not failed to perform any part of the Contract. Termination of the work hereunder shall be effected by written notice to the CMAR. Upon receipt of such notice, CMAR shall, unless the notice otherwise directs:

1. Immediately discontinue the work and the placing of all orders and subcontracts in connection with this Contract;
2. Immediately cancel all of the existing orders and subcontracts made hereunder;
3. Immediately transfer to PMGAA all materials, supplies, work in progress, appliances, facilities, machinery and tools acquired by the CMAR in connection with the performance of the Contract, and take such action as may be necessary or as PMGAA may direct for protection and preservation of the work relating to this Contract;
4. Deliver all plans, Drawings, Specifications and other necessary information to PMGAA; and
5. Complete performance of the work not terminated by the notice.

10.3.2 CMAR's Exclusive Remedy. If PMGAA terminates the Contract for convenience, the following shall be the CMAR's exclusive remedy:

1. Reimbursement of all actual expenditures and costs approved by PMGAA as having been made or incurred in performing the work;
2. Reimbursement of expenditures made and costs incurred with PMGAA's prior written approval in settling or discharging outstanding commitments entered into by the CMAR in performing the Contract; and
3. Reasonable and substantiated claims, costs, and damages incurred in settlement of terminated contracts with Subcontractors and Suppliers; and
4. Reasonable and substantiated expenses to the Contractor directly attributable to Owner's termination action.

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

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

10.3.3 Warranties, Guarantees and Indemnified Parties to Remain in Effect. All obligations of the CMAR under the Contract with respect to completion of the work, including but not limited to all warranties, guarantees and indemnities, shall apply to all work completed or substantially completed by the CMAR prior to a convenience termination by PMGAA. Notwithstanding the above, any convenience termination by PMGAA or payments to the CMAR shall be without prejudice to any claims or legal remedies that PMGAA may have

against the CMAR for any cause, including liquidated damages assessed for CMAR's delays to any work Milestone Dates.

10.3.4 Conversion of Termination for Cause to Termination for Convenience. Upon a determination that a termination of this Contract other than a termination for convenience under this Article was wrongful or improper for any reason, such termination shall automatically be deemed converted to a convenience termination under this Article 10, and the CMAR's remedy for such wrongful termination shall be limited to the recoveries specified under Article 10.3.2.

10.3.5 Remedy Limited to Damages. In the event that CMAR is terminated, whether for cause or convenience, the CMAR's sole remedy shall be for damages. In no event shall the CMAR be entitled to reinstatement or other equitable relief from a court or through alternative dispute resolution.

10.3.6 Notice that Contract is Subject to Termination Provisions of A.R.S. § 38-511. The parties acknowledge, and as required by law, notice is hereby given that this Contract is subject to A.R.S. § 38-511.

## **ARTICLE 11 – INSURANCE**

- 11.1 For pre-construction services covered under this Contract, CMAR shall provide insurance in accordance with this Article 11.
- 11.2 CMAR shall provide proof of such insurance and all required endorsements in forms Acceptable to PMGAA prior to commencing any Work or providing any Services under this Contract.
- 11.3 Failure to provide proof of insurance and the required endorsements acceptable to PMGAA will be a material breach and grounds for termination for cause of this Contract by PMGAA.
- 11.4 The CMAR and Subcontractors shall purchase from and maintain in a company or companies authorized to do business in Arizona the following insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the CMAR, his agents, representatives, employees, or subcontractors. Such insurance shall be effective for the duration of the contract and for three (3) years thereafter.
- 11.5 Workers' Compensation. Workers' Compensation insurance with statutory limits as required by the State of Arizona and Employer's Liability insurance with limits of no less than \$1,000,000 per occurrence for bodily injury, \$1,000,000 per employee for bodily injury by disease and a \$1,000,000 policy limit for bodily injury by disease. Such Workers' Compensation insurance will cover obligations imposed by federal and state statutes having jurisdiction of CMAR's or Subcontractors' employees while performing work at locations other than the Site and shall cover CMAR's employees after Substantial Completion of the work and Subcontractor's employees after Subcontractor has substantially performed its Subcontract.
- 11.6 Commercial General Liability. Commercial General Liability insurance, with a combined single limit of \$2,000,000 per occurrence and in the annual aggregate. Such insurance shall include coverage for Bodily Injury, Property Damage, Personal Injury, Broad Form Property Damage (including Completed Operations), Contractual, CMARs' Protective, Products and Completed Operations, and the hazards commonly referred to as "XCU." This insurance shall also be required for work performed at locations other than the Site, shall cover CMAR after Substantial Completion of the work, and shall cover Subcontractor after Subcontractor has substantially performed its Subcontract. Further, this insurance shall contain a severability of interest provision.

- 11.7 Business Automobile Liability. Business Automobile Liability insurance, with a combined single limit no less than \$5,000,000 combined single limit per accident for Bodily Injury and Property Damage with respect to all vehicles used in performance of the work on or off the Site, whether owned, non-owned, leased, hired, assigned, or borrowed.
- 11.8 Additional Insured. The policies required by Articles 11.6, and 11.7 herein shall be endorsed to include Phoenix-Mesa Gateway Airport Authority, their Design Professional, their officer's employees, successors and assigns as additional insured, shall provide that the insurance shall be primary, and shall stipulate that any insurance carried by the additional insured and their officers or employees, shall not be contributory insurance.
- 11.9 Waiver. CMAR and Subcontractors waive all rights of recovery against Phoenix-Mesa Gateway Airport Authority and the Design Professional, their directors, officers, employees, successors and assigns, and shall require its insurers to waive all rights of subrogation against Phoenix-Mesa Gateway Airport Authority and the Design Professional, and all of their respective directors, officers, employees, successors and assigns.
- 11.10 CMAR to Provide Certificates of Insurance. Before commencing any work under this Contract, CMAR shall furnish PMGAA with Certificates of Insurance issued by CMAR's and Subcontractors' insurer(s), as necessary, in a form acceptable to PMGAA, as evidence that the insurance policies, including all applicable endorsements, providing the coverage, conditions, and limits required by this Article 11, are in full force and effect. PMGAA has the right to request and receive promptly from the CMAR certified copies of any or all of such insurance policies and/or endorsements. PMGAA will not be obligated, however, to review such certificates, policies, and endorsements, or to advise CMAR of any deficiencies in such documents, and such receipts shall not relieve CMAR from, or be deemed a waiver of, PMGAA's right to insist on strict fulfillment of CMAR's obligations hereunder.
- 11.11 Cancellation Notice. CMAR's and Subcontractors' Certificates of Insurance shall identify the Contract number and shall provide for not less than thirty (30) days' advance notice of any cancellation, termination, or alteration. All such certificates, endorsements, and notices shall be sent to the following:
- |          |  |
|----------|--|
| PMGAA:   | Phoenix-Mesa Gateway Airport Authority               |
| Address: | 5835 South Sossaman Road<br>Mesa, Arizona 85212-6014 |
| Attn:    | Engineering and Facilities Director                  |
- 11.12 Costs of Insurance. Costs of all insurance coverage required by Article 11 are the sole responsibility of the CMAR.
- 11.13 Cancellation of Insurance. In the event any insurance coverage for the work is cancelled or terminated, CMAR agrees to replace the insurance without any lapse of protection to PMGAA.
- 11.14 Contractual Obligations. The stipulation of insurance coverage in this Article 11 shall not be construed to limit, qualify, or waive any liabilities or obligations of CMAR, assumed or otherwise, under this Contract.
- 11.15 Notice of Loss. All physical loss or damage to the work or to PMGAA property must be reported immediately to PMGAA.
- 11.16 Higher Limits. If the CMAR maintains higher limits than the minimums stated in this Article 11, PMGAA requires, and shall be entitled to, coverage for the higher limits maintained by the contractor.

Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to PMGAA.

- 11.17 Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to, and approved by, PMGAA. At the option of PMGAA, either: the CMAR shall reduce or eliminate such deductibles; or the CMAR shall provide a financial guarantee satisfactory to PMGAA guaranteeing payment of losses and related investigations, claim administration, and defense expenses.
- 11.18 Claims Made Policy. No Claims Made policies will be accepted.
- 11.19 Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of no less than "A-" unless otherwise acceptable to PMGAA.
- 11.20 Subcontractors. CMAR shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and CMAR shall ensure that PMGAA is an additional insured on insurance from subcontractors.
- 11.21 Special Risks or Circumstances. PMGAA reserves the right to modify these requirements, including limits, based on the nature of the risk, scope of services, prior experience, insurer, coverage, or other special circumstances

## **ARTICLE 12 – INDEMNIFICATION**

- 12.1 To the fullest extent permitted by law, Design Professional or CMAR, its successors, assigns, and guarantors, shall indemnify and hold harmless PMGAA, and its officers and employees, from liabilities, damages, losses and costs, including reasonable attorney fees and court costs, to the extent caused by the negligence, recklessness or intentional wrongful conduct of Design Professional, CMAR, or other persons employed or used by Design Professional or CMAR in the performance of this Contract
- 12.2 If a court of law determines that this section is void under A.R.S. § 34-226 because a word, words, or phrase in this section makes this section void under A.R.S. § 34-226, then such word, words, or phrase (as applicable) shall be deemed to be stricken to the extent necessary so that this section is not void under A.R.S. § 34-226 and the remaining obligations shall remain in full force and effect; and the language of this section shall be retroactively reformed to the extent reasonably possible in such a manner so that the reformed language provides essentially the same rights and benefits to the fullest extent permitted by A.R.S. § 34-226(B).

## **ARTICLE 13 – DISPUTE RESOLUTION**

- 13.1 All disputes arising out of or relating to the Contract, the Work or the Project shall be resolved pursuant to the Dispute Resolution process set forth in the General Conditions, Division II of the Contract Documents.
- 13.2 CMAR agrees that during any dispute between the parties, CMAR will continue to perform its obligations under the Contract until such dispute is resolved.
- 13.3 Notwithstanding any other provision in this Contract, PMGAA has the right to immediately file in court and pursue an action for a temporary restraining order and/or injunctive relief against CMAR if PMGAA determines that such action is necessary to protect its interests under the Contract, to obtain specific performance of any provision of the Contract, to advance the completion of the Project, or to protect health, welfare and/or safety, including without limitation, an action of an order directing CMAR to continue or return to construction the Work under the Contract.



- 13.4 PMGAA and CMAR may adjudicate any dispute between them arising out of or relating to this Contract through alternative dispute resolution if they mutually agree. PMGAA and CMAR shall include a similar alternative dispute resolution provision in all agreements with all other contractors, subcontractors, suppliers, and consultants retained for the Project, and they shall require these contractors, subcontractors, and suppliers to include similar alternative dispute resolution provisions in all contracts relating to the Project.

#### **ARTICLE 14 – ALLOWANCES**

##### **14.1 UNLESS OTHERWISE PROVIDED IN THE CONTRACT DOCUMENTS:**

- 14.1.1 The CMAR shall include in the Contract Price all Allowances stated in the Contract Documents and agreed to in writing by PMGAA.
- 14.1.2 Whenever the costs is more or less than the Allowance, the Contract Sum shall be adjusted accordingly by Change Order.

#### **ARTICLE 15 – DISADVANTAGED BUSINESS ENTERPRISE (DBE)**

For pre-construction services covered under this Contract, CMAR is bound by the DBE requirements of the Contract Documents.

#### **ARTICLE 16 – TITLE VI**

##### **16.1 CIVIL RIGHTS ACT OF 1964, TITLE VI - GENERAL**

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

- 16.2 The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

##### **16.3 TITLE VI COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS**

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

- 1. Compliance with Regulations:** The Contractor (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- 2. Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials

and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

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

**4. Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

**5. Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the nondiscrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

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

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

#### **16.4 CIVIL RIGHTS –TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES**

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

- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);

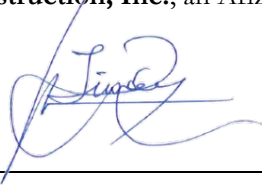
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, *et seq.*)

END OF CMAR PRE-CONSTRUCTION SERVICES CONTRACT

WITNESS WHERE OF, the parties here to executed this Contract through their duly authorized representatives and bind their respective entities as of the effective date.

**CMAR**

**Pulice Construction, Inc.**, an Arizona Corporation



By: \_\_\_\_\_

Name: Victor M. Jimenez

Title: President

Date: 04/01/2024

**PMGAA**

**PHOENIX MESA GATEWAY AIRPORT AUTHORITY**, a joint powers airport authority authorized by the state of Arizona

By: \_\_\_\_\_

Name: J. Brian O'Neill, A.A.E.

Title: Executive Director/CEO

Date: \_\_\_\_\_

## **EXHIBIT A – PRE-CONSTRUCTION SERVICES SCOPE OF WORK AND SCHEDULE**

All terms and conditions are set forth in the Contract. Any terms and conditions and/or exceptions noted in the CMAR's/Design Professional's proposal, GMP, or other documents do not apply unless agreed to in this Contract or an approved addendum.

See attached

## **EXHIBIT B – SUBMITTAL REQUIREMENTS FOR GMP PROPOSAL**

1. Unless otherwise instructed, CMAR shall submit three (3) bound copies of any GMP Proposal(s) that includes the following documents, complies with the requirements specified in this Contract and the following instructions. The GMP Proposal(s) shall be organized as follows:
  - A. Table of Contents
  - B. Project Description
  - C. GMP Proposal and the following attachments:
    - 1) Detailed Cost Estimate upon which the GMP is based, and if for phased work, a total project Detailed Cost Estimate as of the time of the phased GMP Proposal.
    - 2) List of Subcontractors
    - 3) Schedule of Manufacturers and suppliers
  - D. Schedule of Values (“SOV”)
  - E. Project Schedule and a variance report to the Baseline Project Schedule
  - F. Construction phasing/traffic control (if applicable)
  - G. List of GMP Plans and Specifications
2. A summary breakdown of the GMP Proposal is shown on page 2 of this Exhibit, along with instructions regarding certain line items. The definitions included in Article 2.2 apply to the line items, as appropriate, and set-forth the criteria to be used by CMAR in providing the requested breakdown.
3. The most current version of CMAR’s SOV shall be submitted with the GMP Proposal. Supporting documents for the SOV, including the request for bids, copies of bids received and clarification assumptions used for the particular bid item listed must be provided in an organized manner that correlates with the SOV.
4. The final accepted GMP shall not include any clarifications/assumptions made by CMAR in the preparation of the GMP Proposal, unless any such clarification or assumption is agreed to in writing by PMGAA.
5. The most current version of CMAR’s Detailed Project Schedule shall be submitted with the GMP Proposal with a variance report from the project’s Baseline Schedule. The Detailed Project Schedule shall be prepared as specified in this Contract.
6. A table listing all drawing sheets included in the GMP Plans and Specification shall be included with the GMP package. The table shall include the following information: Sheet Number, Sheet Name, Sheet Version, and Date of Issuance. The GMP Proposal and Specifications, as defined, shall be transmitted as specified in this Contract.

**NOTE:** The submittal package must be kept as simple as possible all on 8½x11 sheets. Color or shading must be kept to a minimum. If used, make sure the color or shading will not affect the reproduction of the submittal in black and white.

**EXHIBIT C – COMPLIANCE WITH PMGAA PUBLISHED RULES AND  
REGULATIONS AND MINIMUM STANDARDS**

CMAR agrees to comply with Phoenix-Mesa Gateway Airport Authority's published Rules and Regulations and Minimum Standards as amended from time to time.

1. Rules & Regulations (link)  
<https://www.gatewayairport.com/policiesdocumentsandforms>
  
2. Minimum Standards (link)  
<https://www.gatewayairport.com/policiesdocumentsandforms>



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Resolution No. 24-17

**To:** Board of Directors  
**From:** J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Airport Minimum Standards Updates  
**Date:** April 16, 2024

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### Proposed Motion

To approve the 2024 updates to the Airport Minimum Standards.

### Narrative

The Federal Aviation Administration suggests that airports establish reasonable minimum standards that are relevant to the proposed aeronautical activity at the Airport. Airports should apply these standards objectively and uniformly to all similarly situated on-airport aeronautical service providers. The purpose for imposing minimum standards is to ensure safe, efficient, equitable, and adequate level of operation and services are offered to the public.

Phoenix-Mesas Gateway Airport Authority currently has established minimum standards that were adopted in 2016. Staff proposes an update to these minimum standards to include more specific details for certain sections.

### Fiscal Impact

There is no fiscal impact related to the proposed minimum standards update.

**Attachment(s):** Airport Minimum Standards Updates -DRAFT





**RESOLUTION NO. 24-17**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to approve the 2024 updates to the Airport Minimum Standards;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby approves the 2024 updates to the Airport Minimum Standards. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

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Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

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Misty Johnson, Clerk of the Board

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Jill Casson Owen, Attorney



*Phoenix-Mesa Gateway Airport Authority*  
*Mesa, Arizona*

# Airport Minimum Standards



April 20162024

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## CHAPTER I INTRODUCTION

### 1.1 Policy.

1.1.1 The Phoenix-Mesa Gateway Airport Authority (PMGAA), a joint powers airport authority authorized by the Arizona Revised Statutes, being the owner, operator and sponsor of the Phoenix-Mesa Gateway Airport (“Airport”), an FAA-designated commercial service airport generally located at the intersection of Ray Road and Sossaman Road, City of Mesa, Maricopa County, Arizona, does hereby establish these AIRPORT MINIMUM STANDARDS (“STANDARDS”) to encourage, promote, and ensure:

- ➔ The delivery of high-quality products and services to Airport users;
- ➔ The design, development, and operation of quality improvements and facilities at the Airport;
- ➔ Safety and security for Airport tenants, users, and the general public;
- ➔ The economic health of Airport businesses; and
- ➔ The orderly, long-term development of Airport property.

1.1.2 These STANDARDS supersede and replace the ~~Williams-Phoenix-Mesa~~ Gateway Airport Minimum Standards dated ~~September-April 159, 1998~~2016.

### 1.2 Applicability.

1.2.1 These STANDARDS define the threshold entry requirements for any and all persons and business entities desiring to provide commercial aeronautical services to the public and/or participate in commercial aeronautical activities at and on the Airport. Their uniform application relates primarily to the public interest, discouraging substandard entrepreneurs, protecting established aeronautical activity at the Airport and safeguarding the interests of Airport users and patrons.

1.2.2 Except as otherwise provided herein, all commercial aeronautical services permitted by and conducted in accordance with these STANDARDS shall not convey an exclusive right to any operator to provide such service(s).

1.2.3 These STANDARDS do not apply to PMGAA or certified air carriers operating from the Airport in accordance with 14 CFR Part 121, or foreign air carriers under 14 CFR Part 129. In addition, these STANDARDS do not apply to: (i) operators acting only as off-Airport suppliers of wholesale goods to Airport-based operators or tenants; (ii) persons or other entities providing individual initial and/or recurrent flight training to aircraft owners using said owner’s own aircraft; or (iii) operators providing commodities and services within the Airport commercial passenger terminal area under written agreement (“Agreement”) with PMGAA. However, all such suppliers and flight training operators are subject to the *Airport Rules and Regulations* at all times while on Airport property, and flight training operators shall, in addition, comply fully with the applicable provisions of 14 CFR Part 61, 141 and/or 142, and all other applicable laws and regulations.

1.2.4 Any activities for which there are no specific minimum standards set forth herein shall be subject to such standards, requirements, and provisions as are developed and/or negotiated by PMGAA on a case-by-case basis, and are set forth in such operator’s written Agreement with PMGAA or other applicable policies adopted by PMGAA.

1.2.5 In the event of conflict between these STANDARDS and the *Airport Rules and Regulations*, the applicable provisions of the *Airport Rules and Regulations* shall apply.

### 1.3 Grounds for Denial.

Any application for an Agreement with PMGAA to engage in commercial aeronautical activity at the Airport that does not meet the intent of all qualifications, standards and requirements established by PMGAA in these STANDARDS is subject to denial, as provided herein.

#### **1.4 Waiver of Standards.**

The PMGAA Executive Director may, at his or her sole and absolute discretion, waive any or all provisions of these STANDARDS for the benefit of any government or governmental agency performing non-profit public services to the aviation industry, or performing fire prevention, firefighting or rescue operations. The Executive Director may further temporarily waive any of these STANDARDS for other applicants when such waiver is deemed to be in the best interests of safety and security of Airport operations, offer significant community benefit, promote the economic viability of the Airport and not be in violation of any Federal, state or other law, statute, ordinance, rule, regulation or PMGAA grant assurance to the FAA.

#### **1.5 Prohibited Activities.**

In the interest of aviation safety relating to dissimilar (in size, speed and capability) aircraft traffic operations at the Airport, individuals or businesses operating ultra-light aircraft, hot air balloons, or unmanned aircraft (UAS)/drones shall not be permitted to use the Airport as a base of operations without prior written approval from Executive Director or his/her designee. Further, and to avoid potential encumbrances upon Airport property and limitations on its ability to satisfy its Federal obligations, PMGAA prohibits through-the-fence operations from adjacent Airport property.

#### **1.6 Amendments.**

Amendments to these STANDARDS shall be proposed by the Executive Director for consideration by the PMGAA Board of Directors for adoption. Such amendments shall become effective upon Board approval or as indicated in the resolution or motion of approval.

#### **1.7 STANDARDS Review and Update Policy.**

These STANDARDS may be reviewed by the Executive Director periodically and updated or amended (the latter as provided in SECTION 1.6 herein), as necessary, to ensure the original objectives upon which the STANDARDS are based remain consistent with Airport practices. Further, such reviews and any resulting updates or amendments shall ensure these STANDARDS promote equal opportunity and fair competition at the Airport.

#### **1.8 Existing Operators.**

Operators existing and providing services at or on the Airport as of the date of these STANDARDS who do not meet all standards and requirements specified herein shall be considered non-conforming. All such non-conforming operators shall correct any and all deficiencies and return to conformance upon the occurrence of any of the following: (i) a change to an existing Agreement, including amendment, assignment, renewal or expiration; or (ii) a change in majority ownership (51 percent or more) of the operator's business.

**CHAPTER II DEFINITIONS**

The terms used herein, whether or not capitalized, shall be given the meaning specified below and are considered supplemental to other definitions and terms contained in the *Airport Rules and Regulations*.

*Aeronautical Activity* – any activity or service conducted at the Airport that directly or indirectly involves, makes possible, is required for or is related to the operation of aircraft, or which contributes to or is required for the safety of such operations.

*Agreement* – a written contract, lease, permit, license, or other similar document executed by and between PMGAA and an operator specifying the terms and conditions under which the operator may conduct business activities at the Airport, and which recites or specifies the terms and conditions under which such activities may be conducted, including but not limited to, the agreement term, rents, fees, and other charges to be paid, and the rights and obligations of the respective parties.

*Aircraft Charter or Air Taxi* – the commercial air transport of persons or property under the provisions of 14 CFR Parts 91 or 135, either on an exclusive contract basis, or as a non-exclusive air taxi operator.

*Aircraft Owner* – a person or other such entity holding legal title to an aircraft, or having rights to exclusive possession of an aircraft via lease or other instrument.

*Aircraft Painting and Interior Refurbishment* – all commercial activities required for and related to the painting of aircraft exteriors, and to the functional and/or cosmetic replacement or reconditioning of aircraft cabin interiors, fixtures, etc. Such activities do not include those other activities more commonly associated with airframe and power plant maintenance, as defined in 14 CFR Part 43 and elsewhere in these STANDARDS.

*Aircraft Rental* – the commercial rental or lease of aircraft (fixed and rotary wing) to the public for compensation, for a defined period of time.

*Aircraft Sales* – the commercial sale of new or used fixed and/or rotary wing aircraft through brokerage, ownership, franchise, distributorship or licensed dealership.

*Aircraft Storage* – refers to the commercial rental or lease of aircraft storage facilities within an operator's owned or leased hangars, or at outdoor ~~tie-down~~tie-down locations within the operator's leasehold area. Such services are provided per written agreement between the operator and aircraft owner.

*Airframe and Power Plant Maintenance* – the provision of major aircraft maintenance services for fixed and/or rotary wing aircraft, including those services involving the repair, maintenance, inspection, construction, and modification and/or alteration of/to aircraft, aircraft engines, propellers, and accessories, and the removal of engines for major overhaul as defined in 14 CFR Part 43. ~~This~~This service category also includes the sale of aircraft parts and accessories. It pertains only to the provision of such services for aircraft not owned, leased or operated by, or under the full and exclusive control of, the operator. This term is applicable to organizations commonly referred to as "maintenance, repair and overhaul" (MRO) operators or organizations and aircraft manufacturer service centers.

*Airframe and Power Plant (A&P) Mechanic* – a person holding an aircraft mechanic certificate with both airframe and power plant ratings, as authorized and described in 14 CFR Part 65.

*Airport* – Phoenix-Mesa Gateway Airport, including all PMGAA-owned or leased real or personal property, buildings, facilities and improvements within the boundaries thereof, as it presently exists or as it may exist when it is hereafter modified, expanded or developed, and including all facilities depicted on the most current *Airport Layout Plan*.

*Airport Layout Plan (ALP)* – the current, FAA-approved depiction of the physical layout of the Airport, including the location and configuration of runways, taxiways, buildings, roadways, utilities, navigational aids, etc.

*Aviation Shop Repair Service* – the fee-for-service operation of a single or combined FAA-certified shop or shops for the repair, service, replacement, or refurbishment of aircraft radios, propellers, instruments, and accessories for general aviation aircraft, including those items described in 14 CFR Part 43, Appendix A (e.g., aircraft radios, electrical systems, or instruments). Also includes the sale of new and/or used aircraft radios, propellers, instruments, and accessories.

*Based Aircraft* – an aircraft which the owner or lessee physically locates at the Airport for an undetermined period and, whenever absent from the Airport, its owner or lessee intends to return the aircraft to the Airport for long-term storage on a permanent or semi-permanent basis.

*Commercial Aeronautical Activity* – the conduct of any aspect of an aeronautical activity business, concession, operation, or agency providing goods and services to any person for compensation or hire, including an exchange of services, whether or not such objectives are accomplished. An activity is considered commercial regardless of whether it is performed for-profit or as non-profit, charitable, or tax exempt.

*Commercial Operator* – a person, firm, corporation, or other entity (“operator”) which makes possible, or is required for, the operation of aircraft, or which contributes to, or is required for, the safe conduct and utility of aircraft operations, the purpose of such activity being to generate and/or secure earnings, income, compensation, and/or profit, whether or not such objectives are accomplished.

*Exclusive Right* – a power, privilege, or other right excluding or debarring another from enjoying or exercising a like power, privilege, or right. An exclusive right can be conferred either by express agreement, contract, license, and permit, or by the imposition of unreasonable standards or requirements, or by any other means.

*Fixed Base Operator (FBO)* – a full-service Commercial Operator authorized and engaging in activities such as aircraft fueling, aircraft maintenance, and other aircraft-related services.

*Flying Club* – a non-commercial and non-profit entity organized for the purpose of providing its members with any number of aircraft for their personal use and enjoyment. Aircraft must be vested in the name of the flying club owners on a pro-rata share basis and the club may not derive greater revenue from the use of the aircraft than the cost to operate, maintain, and replace such aircraft.

*Fuel Handling or Fueling* – the transportation, sale, delivery, dispensing, storage, or draining of fuel or fuel waste products to or from aircraft, vehicles, or equipment.

*Fuel Storage Area* – any portion of the Airport designated and/or authorized temporarily or permanently by the PMGAA Executive Director as an area in which aviation fuel, motor vehicle gasoline, or any other type of fuel or fuel additive may be stored or loaded.

*General Aviation* – all phases of aviation other than aircraft manufacturing, military aviation and scheduled or non-scheduled commercial air carrier operations.

*Limited and Miscellaneous Aircraft Service and Support* – a Commercial Operator authorized to offer and/or perform one or more of the following limited or miscellaneous activities at or on the Airport: (i) limited aircraft, engine or accessory maintenance, cleaning (including appearance services) or component repair; (ii) aviation ground school instruction and flight simulator training; (iii) charter flight coordination; (iv) aircraft and/or aircrew management; (v) aircraft ground handling (above-and/or below-wing); and (vi) other miscellaneous activities directly related to aircraft service and support not specified elsewhere in these STANDARDS. The term “limited” refers only to aircraft, engine and accessory maintenance activities that may be permitted only in the absence of an appropriate Airframe and Power Plant Maintenance and/or Aviation Shop Repair Service presence on the Airport that is in full compliance with these STANDARDS.

*Pilot Flight Training* – the provision of personal instruction of prospective and active pilots in dual and solo flight, in fixed or rotary wing aircraft, including related ground school instruction, as necessary to complete an FAA written pilot’s examination and flight check ride for various categories of pilots’



licenses and ratings. Said activities are performed in accordance with 14 CFR Part 61, 14 CFR Part 141 and/or 14 CFR Part 142.

*Preventive Aircraft Maintenance* – maintenance that is not considered a major aircraft alteration or repair and does not involve complex assembly operations, as listed in 14 CFR Part 43, except for Item 22. Item 22 involves the replacement of prefabricated fuel lines and shall, for purposes of these STANDARDS, be considered a “major” aircraft repair.

*Self-Fueling* – the dispensing of aviation fuels into fuel tanks of aircraft that are owned or operated by an authorized Airport tenant or based aircraft owner, using the tenant’s/owner’s equipment and employees.

*Self-Service* – aircraft refueling, repair, preventive maintenance, towing, adjustment, cleaning, and general services performed by an aircraft owner or his/her employees on his/her aircraft using resources supplied by the aircraft owner.

*Self-Service Fueling* – the dispensing of aviation fuel into fuel tanks of aircraft by the operator of that aircraft using dispensing equipment contained in fixed cabinets that are owned and made available by an authorized Airport tenant within their leasehold area; also, the commercial operation of ~~an~~an unmanned stationary fuel tank and dispensing equipment for general use via a card reader. This includes the operations of anyone using this type of equipment to provide fuel for sale or reuse.

*Specialized Aviation Service Operator (SASO)* – a Commercial Operator maintaining facilities or a physical presence on the Airport for the purpose of providing one or more of the following: (i) aircraft charter or air taxi, including air ambulance and aeromedical evacuation services; (ii) aircraft painting and refurbishment; (iii) aircraft rental; (iv) aircraft sales; (v) aircraft storage; (vi) airframe and power plant maintenance; (vii) aviation shop repair services; and (viii) pilot flight training.

*Specialized Commercial Flying Service* – a Commercial Operator authorized to engage in air transportation for hire for the purpose of providing the use of aircraft for one or more specialized activities, including but not limited to: (i) non-stop sightseeing flights that begin and end at the same airport; (ii) ~~crop-crop~~ dusting, seeding, spraying and bird chasing; (iii) banner towing and aerial advertising; (iv) aerial photography or survey; (v) power line, cable or pipeline patrol; (vi) firefighting; (vii) aerial dispersal of chemicals, dispersants, retardants, etc.; (viii) helicopter operations in support of construction or repair work; and (ix) any other activities directly related to air transportation services for hire that not specified elsewhere in these STANDARDS.

*Sublease* – a written agreement, approved by PMGAA, stating the terms and conditions upon which a ~~third party~~third-party operator leases space from an Airport leaseholder.

*UAV/UAS/Drone* – an unmanned aerial vehicle (UAV), commonly known as a drone, ~~asor~~ an unmanned aircraft system (UAS), and also referred by several other names, is an aircraft without a human pilot aboard.

**CHAPTER III APPLICATION PROCEDURES****3.1 Application Preparation and Submission.**

3.1.1 All prospective operators desiring to conduct or participate in Commercial Aeronautical Activity at or on the Airport shall complete a PMGAA Agreement Application (or adhere to all Request for Proposal (RFP) instructions, if an opportunity is being competitively bid) and enter into an appropriate Agreement with PMGAA prior to advertising or conducting any such activities at or on the Airport. An application may be downloaded and completed via the Airport website, [www.phxmesagateway.org](http://www.phxmesagateway.org), [www.gatewayairport.com](http://www.gatewayairport.com), or obtained at the Airport Administrative Offices, 5835 S. Sossaman Road, Mesa, Arizona 85212. Information contained in and submitted with this application must include:

- a. Name(s) and contact information (e.g., mailing addresses, telephone numbers, email addresses) for all parties whose names may appear on agreements or other documents as being a partner, director or corporate officer.
- b. The proposed nature and scope of the applicant's business.
- c. Current financial information.
  - (1) *For existing companies:* Current audited financial statements. If such statements are over six months old, the operator shall provide those audited statements and include a certified statement from a corporate officer that there have been no material changes in the business' reporting, operations, debt, and that there are no undisclosed legal matters. If the prospective operator has no audited statements (for whatever reason), the operator shall then provide three years of un-audited financial statements sufficient to demonstrate a financial capability commensurate to the activity or activities contemplated.
  - (2) *For new companies with an established parent:* An appropriate financial guarantee (with supporting financial statements) from the parent company.
  - (3) *For other new companies:* Sufficient financial information to demonstrate, as determined solely by PMGAA, the applicant's ability to sustain its proposed business activities for the first twelve months of operation at the Airport.
- d. Listing of assets owned, being purchased or leased that will be used on the Airport.
- e. For all limited liability and sole proprietorship business applicants, a listing of all business owners and written authorization to allow PMGAA and its Executive Director to obtain credit reports for each, if determined necessary by PMGAA.
- f. Proposed Airport location(s) of the business, including plans for any required or planned improvements.
- g. Names and qualifications of individuals who will manage the business.
- h. The number of persons to be employed at the beginning and through the proposed term of the operator's prospective agreement.
- i. The proposed hours of operation.
- j. Copies of FAA and other licenses and/or permits pertinent to the proposed business operation(s), including proof the applicant is authorized to conduct its proposed business activities within the State of Arizona.
- k. Business and banking references.
- l. Certification that the applicant is in good standing with the FAA, PMGAA and all other pertinent regulatory agencies, meaning it has not had any authorizations, licenses

or permits revoked or suspended, or defaulted on any prior or present agreement with PMGAA or any other airport operator, within the previous five years.

- m. A listing of all other business locations operated by the applicant during the previous five years, including addresses and dates.

3.1.2 All applications are to be submitted, with the currently applicable processing fee and all information specified in the application and SECTION 3.1.1 above, to PMGAA at the following address:

**Phoenix-Mesa Gateway Airport Authority  
Attn.: Business Development – Application Processing  
5835 S. Sossaman Road  
Mesa, Arizona 85212-0614**

Alternatively, if application is being made via an RFP submittal, applicants should submit completed responsive proposals to the address required by the RFP.

### **3.2 Application Review and Processing.**

3.2.1 All submitted Agreement applications will be reviewed for completeness and compliance with these STANDARDS and Airport leasing policy by PMGAA staff, and a due diligence evaluation of the applicant's qualifications, experience, and capabilities performed. Normally, this process will take approximately 30 days.

3.2.2 Applications receiving a favorable PMGAA staff review will be followed by preparation of an Agreement Terms Summary that serves as the basis for negotiations between the parties regarding an Agreement that will enable the applicant to operate at and on the Airport. Mutual agreement of the terms and conditions of the Agreement Terms Summary will then lead to preparation of an initial draft of the appropriate Agreement. Once agreed by the parties, the final draft of the document will be forwarded to the PMGAA Executive Director for his/her approval and, if appropriate, subsequent submission to the PMGAA Board of Directors for their formal consideration.

3.2.3 Normal processing time from application receipt until consideration by PMGAA **generally** will be approximately two (2) to six (6) months, depending upon the complexity of the activities involved and the extent of negotiations leading to finalization of the Agreement.

### **3.3 Grounds for Denial of an Application.**

Agreement Applications may be denied for any of the following reasons:

3.3.1 The applicant does not, for any reason, fully meet the qualifications, standards, and/or requirements established in these STANDARDS.

3.3.2 The applicant's proposed operation or construction would create, in the sole and absolute determination of PMGAA, a safety hazard on the Airport.

3.3.3 Approval of the application will require PMGAA to expend funds or supply labor or materials in connection with the proposed activity or operation that PMGAA is unable or unwilling to expend or supply, or the proposed activity or operation will result in a financial loss to PMGAA.

3.3.4 No appropriate, adequate, or available land, space, or building(s) exist at the Airport to accommodate the applicant's entire operation at the time of the application, and none is contemplated to be available within a reasonable period of time thereafter.

3.3.5 The proposed operation, development, or construction does not comply with PMGAA's FAA-approved *Airport Master Plan* or *Airport Layout Plan*.

3.3.6 A proposed operation, development, or construction will result in an undue concentration of aircraft or buildings in one or more contiguous location(s), or will result in undue interference with the operations of any present operator at the Airport, or limit access to a present operator's leased premises.

3.3.7 The applicant has intentionally or unintentionally misrepresented or omitted a material fact in the application or supporting documents, or has failed to make full disclosure therein.

3.3.8 The applicant, or any officer, director, key employee, or person having a controlling interest in the applicant, has a record of: (i) violating the laws, rules and regulations applicable to the Airport or any other airport, including but not limited to civil air regulations and FAA regulations; (ii) defaulting in the performance of a lease, license, permit or similar agreement at the Airport, or at any airport; and (iii) having been convicted of any felony or misdemeanor involving moral turpitude.

3.3.9 The applicant, in the opinion of the Executive Director, has not provided verifiable evidence of adequate financial responsibility or does not exhibit the experience necessary to undertake the proposed operation or activity based on information provided with the application.

3.3.10 The applicant cannot provide the required performance and other bonds, security deposits, or other acceptable surety in the amount(s) required by PMGAA for the proposed operation, development, or construction.

### **3.4 Application Appeal Process.**

Applicants shall be afforded an opportunity to appeal a denial of their application to PMGAA's Executive Director or Board of Directors (if appropriate), subject to the following stipulations:

3.4.1 Written notice of the appeal must be received by the Executive Director within ten business days of the date of receipt of formal notice of application denial. Such appeal notice shall include a detailed, factual basis for the appeal, the specific remedy sought or proposed, and an explanation concerning how approval of the applicant's appeal is in the best interests of PMGAA and the Airport.

3.4.2 The Executive Director shall render his/her decision in writing within 30 calendar days of the applicant's written notice.

3.4.3 The Executive Director may determine that the applicant's appeal should be heard and considered by the PMGAA Board of Directors. If so determined, the Executive Director will place the matter on the agenda of a Board meeting within 60 calendar days of the Executive Director's receipt of the appeal.

3.4.4 The decision of the Executive Director (or Board of Directors, as applicable) regarding any applicant appeal shall be considered final.

**CHAPTER IV MINIMUM STANDARDS****4.1 Basic Requirements for All Operators.**

All operators engaging in commercial Aeronautical Activities at the Airport shall meet or exceed the requirements of this SECTION, the *Airport Rules and Regulations*, and any other minimum standards applicable to the operator's activities, as set forth in these STANDARDS.

**4.1.1 Written Agreement.**

- a. Before beginning or advertising operations at or on the Airport, prospective operators must enter into an appropriate written Agreement with PMGAA (or one pre-approved by PMGAA if subleasing space from another Airport tenant) that specifies the terms and conditions under which the operator will be permitted to do business, including but not limited to: (i) the agreement term; ~~(ii) permitted uses~~ (iii) the rentals, fees and charges to be paid; ~~(iiiiv)~~ the rights, privileges and obligations of the respective parties; and ~~(iv)~~ other relevant provisions. Such Agreement (or approved sublease) shall be consistent with these STANDARDS.
- b. Agreements shall not be considered executed and or in-force until approved by the Board of Directors, when required, and signed by the Executive Director.
- c. The term of an Agreement shall be mutually agreed upon by PMGAA and the operator, with due consideration given to the operator's financial investment and need to amortize leasehold improvements. Aeronautical land leases are limited to the minimum number of years necessary for the operator's investment amortization and receipt of a reasonable investment return, ~~up to a maximum of typically~~ no more than 50 years. Land lease duration determinations will be guided by an operator's financial investment per acre, as well as Federal Aviation Administration (FAA) guidelines.
- d. If an operator desires to sublease space to another operator, or subcontract a function required by these STANDARDS, the operator must obtain advance written approval of the Executive Director to do so, and may, depending upon the activities conducted or service(s) provided, require such sub lessee or subcontractor to enter into a separate Agreement with PMGAA. In addition, the form and substance of all subleases also shall require advance written approval of the Executive Director prior to execution, and no sublease may deviate from the permitted use(s) authorized in the operator's original agreement with PMGAA.

**4.1.2 Site/Premises Development Standards.**

- a. *Location.* Operators shall be permitted to conduct commercial Aeronautical Activities only in areas of the Airport specified for such use in the *Airport Master Plan* and *Airport Layout Plan*, and as defined within the operator's Agreement.
- b. *Space Requirements.* The minimum space requirements specified for each activity elsewhere in this CHAPTER IV shall be satisfied. PMGAA will consider these requirements fulfilled in the case of duplications only for combined operations in a common location (e.g., a Pilot Flight Training Operator wishing to also provide Aircraft Rental services need only have one office, one set of restrooms, one customer lounge). An applicant who proposes combined operations in a common location shall provide a building layout or similar plan that demonstrates functional compliance with the applicable STANDARDS herein.
- c. *Airport Design Guidelines.* The construction of improvements and infrastructure on the Airport must be performed in accordance with PMGAA's *Design Guidelines* and plans approved by the City of Mesa ("City"), including all related and applicable statutes,

ordinances, building codes, rules and regulations of PMGAA, the City, the FAA, and other authorities having jurisdiction over the Airport, the premises, or the operator's activities. Operators are prohibited from constructing, installing, removing, or modifying any improvements on their premises without advance written approval of PMGAA's Executive Director and, if appropriate, PMGAA's Design Review Committee.

- d. *Bonds and Insurance.* Operators constructing improvements on leasehold premises valued at more than \$100,000 shall provide PMGAA, prior to commencement of construction of such improvements, a valid performance bond and/or payment bond, in an amount equal to the hard construction costs plus ten percent (10%), to guarantee successful completion of those improvements. Said bonds shall be maintained and kept in full force and effect until all work items previously approved by PMGAA are complete. In addition, operators shall carry appropriate commercial general liability and builder's risk insurance policies with levels of coverage as specified by the Executive Director throughout the improvement construction period.

#### 4.1.3 Premises Maintenance Responsibility Standards.

Operators shall, at their sole cost and expense, maintain, repair, and keep in good condition all buildings, improvements, pavements, landscaping, lighting, and equipment on their premises, as specified by their Agreement.

#### 4.1.4 Personnel Standards.

- a. Operators shall employ a qualified, competent, experienced, full-time on-site manager to supervise and direct the performance of the operator's activities at the Airport, and one or more qualified assistant managers to act for the manager in his or her absence. Operators also shall employ and have on-duty trained personnel in such numbers and with such certificates and ratings as are required to comply with all STANDARDS pertinent to the commercial Aeronautical Activities the operator has been authorized to perform, and satisfy all reasonable service requirements of Airport users and the public in an efficient, courteous, and high-quality manner.
- b. All operator personnel, while on duty at the Airport, shall be clean, neat in appearance, courteous, and properly uniformed and/or attired at all times. Uniforms shall be required for personnel other than management and administrative staff, and shall, at a minimum, identify the name of the operator and the employee, and such uniforms shall be clean, neat, professional in appearance, and properly maintained.

#### 4.1.5 Security Standards.

- a. Operators shall designate responsible primary and secondary persons to serve as contact officials for the coordination of all security procedures and communications with PMGAA. Operators also shall specify and provide 24-hour telephone numbers for each contact person to the Executive Director, and keep any listing of such persons' names and other information current (with designated PMGAA officials) at all times.
- b. Operators shall adhere to PMGAA's *Airport Security Plan* pursuant to Transportation Security Administration ("TSA") requirements and 49 CFR Parts 1520, 1540 and 1542, ~~and 14 CFR Part 139~~. Operators shall at all times comply with all *Airport Security Plan* provisions specified in their Agreement, and in applicable PMGAA security credentialing forms.

#### 4.1.6 Insurance Standards.

- a. Operators shall satisfy all insurance requirements established by PMGAA, as specified herein and/or in each operator's Agreement throughout the term thereof. These requirements may vary among different types of operators, and may be periodically adjusted to ensure the interests of PMGAA and other Airport users and operators are adequately protected.
- b. Operators shall provide continuous proof of proper insurance meeting their Agreement requirements as a condition of operating at the Airport. All policies, except those for *Workers' Compensation* and *Employer's Liability* shall: (i) name PMGAA as a certificate holder or additional named insured; (ii) contain a provision that written notice of cancellation or modification thereof shall be given to PMGAA not less than 30 calendar days before such cancellation or modification takes effect (10 calendar days in case of nonpayment of premium); and (iii) contain a waiver of subrogation in favor of PMGAA. Operators shall not permit any insurance policy to be canceled or modified without the Executive Director's written consent unless equivalent replacement policies are issued with no lapse in coverage. All policies shall be obtained from insurance companies licensed to do business in the State of Arizona and possessing a rating of at least A – VII or higher from the A.M. Best Company, or an equivalent rating approved by PMGAA.

#### 4.1.7 Indemnification Standards.

Operators shall, in all agreements, defend, indemnify and hold harmless PMGAA, including its member governments, elected or appointed officials, agents, contractors, subcontractors, boards, commissions, and employees for, from, and against any and all claims, causes of action, liability, suits, litigation (including reasonable attorney's fees and other costs of investigation and litigation), actions, losses, damages, or claims of any nature whatsoever which arise out of the operator's use of and activities at the Airport, to the maximum extent permitted by law. This indemnification shall exclude responsibility for any consequential damages and/or claims arising by reason of the negligent or wrongful act of PMGAA or its employees, contractors, or agents.

#### 4.1.8 Nondiscrimination Standards.

Operators shall maintain and operate their facilities and services in compliance with all requirements imposed pursuant to 49 CFR Part 21, *Nondiscrimination in Federally Assisted Programs of the Department of Transportation*, as it may be amended. In addition, operators shall:

- a. Ensure that: (i) no person is excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, creed, disability, age, sex, or national origin; (ii) in the construction of any improvements on, over, or under the operator's premises and the furnishing of services thereon, no person shall be excluded from participation, denied benefits, or otherwise subjected to discrimination on the grounds of race, color, or national origin; and (iii) all commercial aeronautical business activities are conducted in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, as it may be amended.
- b. Comply with pertinent statutes, Executive Orders, and rules 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 the operator's business.
- c. In furnishing services to the public, not discriminate against any person or class of persons by reason of race, color, creed, or national origin, and shall otherwise provide such services on a fair, equal, and not unjustly discriminatory basis to all users thereof.

- d. Charge fair, reasonable, and not unjustly discriminatory prices for each unit of service, notwithstanding the operator's right to offer reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to returning, frequent, or volume customers.

#### 4.1.9 Environmental Compliance Standards.

Operators shall, at each operator's own expense, comply with all present and hereinafter enacted environmental laws, rules and regulations, and any amendments thereto, affecting or applying to the operator's activities at or on the Airport.

#### 4.1.10 Professional Certification Standards.

Operators shall obtain and maintain in full force and affect throughout their Agreement term all FAA and other certificates and licenses necessary for the work being performed at the Airport, and provide copies of such certificates and licenses to the Executive Director upon request.

#### 4.1.11 AOA Motor Vehicle Operation Standards.

Operators shall control the on-Airport transportation of pilots and passengers of transient general aviation aircraft using the operator's facilities and services. Customer motor vehicles are not generally permitted within the Airport Air Operations Area (AOA) unless under escort by an appropriately trained and credentialed operator employee in an appropriately marked vehicle. All such operations shall, however, be governed by the *Airport Rules and Regulations* and *Airport Security Plan*.

## 4.2 **Additional Requirements for Fixed Base Operators (FBO).**

At present, PMGAA has elected to exercise its exclusive and proprietary right, pursuant to FAA Advisory Circular 150 5190-6, *Exclusive Rights at Federally Obligated Airports*, to serve as the sole FBO at the Airport, including serving as the Airport's sole commercial aircraft fuel service provider. As a result, no other FBO operators are permitted to operate at or on the Airport at this time. However, should this policy change, Operators seeking to provide FBO services at the Airport shall, in addition to the Basic Requirements for All Operators specified in CHAPTER IV, Section 4.1, satisfy the additional requirements and standards specified herein.

#### 4.2.1 Services and Equipment Standards.

Operators shall provide the following minimum services and related equipment:

##### a. *Aircraft Fuel Servicing.*

- (1) Operators shall provide into-plane retail delivery of a recognized brand of aviation fuel, including Jet-A turbine fuel and aviation gasoline (AvGas 100LL - or such other fuel that may be developed for the operation of piston engine aircraft), and provide motor oils and lubricants appropriate to general aviation aircraft normally operating to and from the Airport.
- (2) Minimum FBO fueling equipment shall include not less than two (2) Jet-A refueling vehicle/trucks, each with a capacity of not less than 3,000 gallons, and two (2) AvGas 100LL refueling vehicles/trucks, each with a capacity of not less than 750 gallons. Operators shall be permitted to have only one (1) operable vehicle of each type if they have a written agreement with another FBO operator at the Airport to support Jet-A turbine fuel and AvGas 100LL fueling requirements at times when an operator's fuel service vehicle/truck is unavailable or unable to satisfy customer requirements in a timely manner. All refueling vehicles shall be equipped with calibrated and operable metering devices, bottom-loaded and fully compliant with National Fire Protection Association (NFPA), PMGAA and other pertinent regulatory directives.



- (3) Aircraft defueling and re-servicing equipment for both Jet-A and AvGas 100LL. Operators may incorporate this capability into its refueling vehicles/trucks, or provide for this service via separate defueling and re-servicing carts/equipment.
  - (4) The maximum allowable Operator response time to a customer aircraft fuel servicing request shall be fifteen (15) minutes.
- b. *Aircraft Line Services.* Operators shall provide:
- (1) Suitable hard surface aircraft parking, tie-down and hangar storage space, including appropriate restraining devices and wheel chocks, for the typical number and type of aircraft simultaneously using the FBO during peak periods, and adequate loading, unloading and towing equipment to safely and efficiently move aircraft and otherwise relocate aircraft should operational necessity and/or circumstances require.
  - (2) Passenger, flight crew and aircraft ground handling service amenities and support, including: (i) aircraft marshaling, towing and removal; (ii) baggage handling; and (iii) lavatory service.
  - (3) Other line services, including:
    - A. Aircraft battery charging.
    - B. Aircraft ground power capability (28-volt DC and 400-Hz AC), including at least one item of equipment capable of satisfying each requirement.
    - C. Courtesy transportation service (via not less than one motor vehicle capable of accommodating seven passengers plus baggage) for passengers and flight crews to and from destinations on the Airport and local area hotels and restaurants, and courtesy crew car service (via not less than one full-size car) for transient aircraft crewmember use when such crewmembers are not remaining overnight at the Airport.
    - D. Arranging passenger and flight crew ground transportation (limousine, taxi, shuttle, rental car, etc.).
    - E. Placing and delivering (to the aircraft, as required) aircraft catering orders.
    - F. Providing for fuel spill response, including having spill containment and clean-up supplies and equipment readily available for use.
    - G. Nitrogen and oxygen service.
- c. *Airframe and Power Plant Maintenance (SASO).* In providing this required service, an FBO shall comply with the applicable requirements specified in CHAPTERS 4.3.1 and 4.3.7 herein.
- d. *Additional Services.* Operators shall, in addition to the required services specified in a., b., and c. above, provide not less than two (2) of the following secondary or SASO activities, and satisfy the applicable minimum requirements specified elsewhere in this CHAPTER:
- A. Aircraft charter or air taxi;
  - B. Aircraft rental;
  - C. Aviation shop repair services; and/or
  - D. Aircraft storage; ~~and/or~~
  - E. ~~Pilot flight training.~~

- e. *Subcontracting.* Operators may provide any required SASO service using its own resources and personnel, or with the prior written consent of the Executive Director, it may provide such service through a subcontractor leasing space from the FBO in accordance with these STANDARDS and the terms and conditions of the FBO's Agreement applicable to subleasing. Operators shall remain primarily responsible for any service performed by a subcontractor, as well as the subcontractor's compliance with these STANDARDS.
- f. *Hours of Operation.*
  - (1) Operators shall offer its aircraft fuel servicing and lines services a minimum of sixteen (16) hours daily, seven (7) days per week, including holidays. The Executive Director may require the Operator to provide service on a twenty-four (24) hour basis, should aircraft traffic at the Airport require such. Operators shall have personnel available on an on-call basis at all times outside the Operator's regularly scheduled business hours for emergency services.
  - (2) Operators shall offer its SASO services a minimum of eight (8) hours daily, five (5) days per week, excluding holidays, and at other times when required by customer requirements and operational circumstances.

#### 4.2.2 Premises and Facilities Standards.

- a. *Leased Premises.* The minimum amount of contiguous land to be leased by an Operator for FBO operations shall be five (5) acres.
- b. *Aircraft Parking.* Operators shall provide a minimum of 30,000 square feet of paved apron for aircraft parking and tie-down, and circulating taxi lanes around aircraft operating areas.
- c. *Aircraft Hangar(s).* Operators shall provide a minimum of 20,000 square feet of hangar space, including not less than 12,000 square feet dedicated to the storage of tenant and transient aircraft, and not less than 8,000 square feet dedicated to the provision of aircraft airframe and power plant maintenance services and spare parts storage. Excluding T-hangars, no individual Operator hangar shall be smaller in size than 10,000 square feet and must be capable of accommodating, at a minimum, FAA Airport Design Group II Aircraft.
- d. *Automobile Parking.* Operators shall provide sufficient paved and striped parking area within its leasehold premises to accommodate Operator and subtenant customers, passengers and employees on a daily basis. The minimum required number of marked automobile parking spaces provided shall be in accordance with City code.
- e. *Terminal, Office and Administrative Space.* Operators shall provide climate-controlled facilities within their leasehold premises that include not less than 5,000 square feet of floor space for operator offices, a flight planning area with access to current weather information and FAA flight plan filing services, a customer lounge and public waiting area, public restrooms and telephones, and an employee break room, restrooms and service response staging area(s). In addition, not less than 1,000 square feet of office and shop space shall be provided for aircraft airframe and power plant maintenance services, in either the Operator's terminal/main building or the hangar in which such services are provided.
- f. *Aviation Fuel Storage Facilities.*
  - (1) Operators shall construct, install and maintain an above-ground aviation fuel tank storage facility within the operator's leasehold area sufficient for the storage of not less than 205,000 gallons of Jet-A turbine fuel and 102,000 gallons

of aviation gasoline (AvGas 100LL). The use of fueling trucks or other vehicles for such storage shall not be permitted. Such construction, installation and maintenance may not be permitted by PMGAA unless the Operator's leasehold area can accommodate such without presenting a potential hazard to Airport users and other Operators, and such siting is consistent with the *Airport Layout Plan*. Facilities must be permitted in accordance with PMGAA Rules and Regulations.

- (2) In lieu of constructing, installing and maintaining the fuel storage facility specified in (1) above, Operators may make arrangements with other authorized FBO Operators on the Airport, or with PMGAA, for the storage and/or purchase of fuel, provided the minimum requirements set forth herein are satisfied.
  - (3) Operators shall demonstrate that satisfactory arrangements have been made with a reputable aviation petroleum/fuel supplier/distributor for the delivery of aviation fuels in quantities necessary to satisfy customer demand and the requirements herein.
- g. *Other Service Facilities.* Depending upon which additional SASO activities the FBO operator chooses to undertake, said operator shall comply with the applicable additional requirements specified in this CHAPTER for such activities.

#### 4.2.3 Agreement Term Standards.

The term of an Operator's Agreement shall be not less than five (5) years and no longer than twenty-five (25) years, unless the Operator can demonstrate to the Executive Director that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any FBO Operator lease exceed forty (40) years.

#### 4.2.4 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of five (5) years' experience in operating a full-service FBO facility at another airport similar in levels and type of service proposed at the Airport, and similar to the types and quantity of air traffic occurring at said airport.

#### 4.2.5 Insurance Standards.

In addition to satisfying the provisions of CHAPTER 4.1.6 hereinabove, Operators shall purchase and maintain, at the Operator's own expense, the types and amounts insurance coverage specified below and sustain such throughout the term of their agreement. Should coverage requirements be less than those specified for SASO or other services performed by the Operator, the higher coverage requirement shall always apply.

- a. If operating aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor" and "blanket contractual liabilities."
- c. *Business Interruption* insurance in an amount equal to 12-months' loss of Operator income for operations/activities occurring on or at the Airport due to fire or other catastrophe; optional *Extra Expense* coverage also is recommended (but not required)

to facilitate covering expenses beyond normal operating expenses that might otherwise preclude the business from shutting down during post-disaster restoration.

- d. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned and hire vehicles operated on the Airport that are assigned to or used in the performance of “commercial” activities, or are operated within the AOA; an *MSC 90 Endorsement* also is required due to the operator’s aircraft fuel service activities.
- e. *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- f. *Hangarkeeper’s Liability* insurance in the amount of \$5,000,000 (or the value of the largest aircraft that may be in the custody and/or control of the Operator, if greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the Operator on the Airport; coverage may be “ground” (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or “air,” and is required anytime aircraft are “moved” by the insured, irrespective of whether or not a physical hangar facility is involved.
- g. *Property* insurance in an amount equal to the full insurable value of the Operator’s essential personal property and all improvements made to buildings or facilities on the Operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- h. *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the Operator’s employees and others permitted to conduct commercial aeronautical activities on the Operator’s premises.

#### 4.3 Additional Requirements for Specialized Aviation Service Operators (SASO).

##### 4.3.1 General.

- a. SASOs providing one or more of the services specified in this SECTION 4.3 shall, in addition to the Basic Standards included in this CHAPTER IV, satisfy the minimum additional requirements and standards pertinent to those services as defined herein.
- b. The term of a SASO agreement with PMGAA shall be not less than two years and no longer than ten (10) years, unless the operator can demonstrate to PMGAA that a longer term is necessary to finance and construct improvements on the premises that would be necessary to enable the business to operate in compliance with these STANDARDS. In no event, however, shall the term of any SASO agreement exceed 40 years.
- c. If a SASO is not leasing facilities or land from PMGAA:
  - (1) And the SASO desires to sublease facilities and/or land from another Airport tenant, such operator may only do so if that tenant’s Agreement with PMGAA will permit the conduct of the specific SASO operation(s) on the tenant’s

leasehold premises, and the tenant has received advance written approval from the Executive Director therefor.

- (2) And the SASO does not lease facilities and/or land at the Airport, such operator may be required to obtain a permit or conclude such other Agreement with PMGAA that mandates operator compliance with the *Airport Rules and Regulations* and these STANDARDS. Such Agreement may require the payment of fees to PMGAA as a prior condition of granting authorization for the privilege of operating at or on the Airport.

#### 4.3.2 Aircraft Charter or Air Taxi Operator.

##### a. *Operating Standards.*

- (1) Operators shall hold a current operating certificate as may be required and issued by the FAA under the provisions of 14 CFR Parts 91, 125 or 135, as well as all appropriate pilot ratings and licenses for the services to be provided at the Airport.
- (2) Operators shall own, lease, or have available under their exclusive control not less than one (1) airworthy, US-registered, civil aircraft that meets all requirements authorized in the certificate holder's operations specifications pertinent to the activities to be conducted at and on the Airport, and is capable of flight in instrument meteorological conditions.
- (3) Operators shall have available and on-duty sufficient trained personnel for checking in and ticketing passengers, handling luggage, providing service quotes, and customer services to customers, and scheduling and dispatching aircraft and aircrews to satisfy customer requirements.
- (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services. During other periods, operators shall provide customers a means for after-hours contact and be capable of responding to a customer air transport request within four (4) hours.

##### b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

- (1) Not less than 400 square feet of properly lighted, heated, and cooled business office space and a customer lounge/waiting area that affords direct access to individual sanitary restrooms for customers and employees, and provides other suitable employee/customer amenities.
- (2) Paved aircraft apron or hangar space sufficient to park and maneuver the operator's aircraft.
- (3) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

~~e. —~~ *Prior Experience Standards.* Operators shall possess and demonstrate ~~a minimum of two~~

~~c. (2) years of~~ experience providing the services specified in this CHAPTER 4.3.2.

d. *Insurance Standards.*

- (1) *Aircraft Liability* insurance in the amount of \$25,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
- (2) *Airport Premises Liability* insurance in the amount of \$25,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of “commercial” activities, or are operated within the AOA. An *MSC 90 Endorsement* is required if the operator is self-fueling.
- (4) If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$2,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

4.3.3 Aircraft Painting and Refurbishment Operator.a. *Operating Standards.*

- (1) Operators shall obtain and maintain an Air Quality Permit from the Maricopa County Air Quality Department and shall acquire and maintain any applicable certifications and ratings specified by pertinent Federal, state, or local laws, ordinances, and rules and regulations.
- (2) Operators shall possess and maintain all equipment and supplies necessary to operate its business at the Airport.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy public demand for its services.

- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled shop, storage, and office space, including a customer waiting or lounge area with access to sanitary customer restrooms, employee restrooms, and other required amenities.
  - (2) A separate aircraft and component painting shop sized to accommodate the largest aircraft for which the operator plans to provide painting services, and compliant with all applicable safety, air quality, and environmental requirements.
  - (3) If refurbishing aircraft interiors, an aircraft hangar sized to accommodate the largest customer aircraft the operator plans to service.
  - (4) Sufficient paved aircraft parking apron to accommodate all customer aircraft the operator is capable of servicing at one time, including aircraft circulation space, but not less than the square footage equal to 150 percent of the total paint shop and refurbishment hangar floor area.
  - (5) A sufficient number of motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in this CHAPTER 4.3.3.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
  - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hire vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
  - (3) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed or maintained on the Airport, and including expenses for defense, release mitigation and off- and on-site remediation.
  - (4) *Hangarkeeper’s Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator’s custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. “Ground” coverage is required.
  - (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
  - (6) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence,

covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

#### 4.3.4 Aircraft Rental Operator.

a. *Operating Standards.*

- (1) Operators shall own, or possess under written lease to the operator, and have available for rental a sufficient number of airworthy aircraft, but not less than two fixed and/or rotary wing aircraft, that are properly certificated to handle the proposed scope of the operator's activities on the Airport.
- (2) Operators shall employ and have on-duty during normal business hours at least one (1) person having a current FAA pilot's license appropriate for each aircraft model offered for rent, and who is capable of performing a customer aircraft proficiency flight check when required.
- (3) Operators shall develop and implement written policies to ensure that only properly qualified and licensed persons are permitted to rent aircraft, and shall make such policies available to the Executive Director and/or his designated representative for inspection upon request.
- (4) Operators shall operate their business during hours sufficient to satisfy public demand for services, but not less than eight (8) hours daily, six (6) days per week, excluding holidays.

b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.

- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
- (2) Not less than 250 square feet of properly lighted, heated and cooled office and administrative space with access to a customer lounge/waiting area, sanitary restrooms.
- (3) A customer lounge/waiting area of not less than 200 square feet, with direct access to sanitary restrooms and other pertinent amenities.
- (4) Paved aircraft apron and/or hangar space sufficient to park, tie-down and maneuver a minimum of two small aircraft, but not less than 5,000 square feet.
- (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee requirements, and satisfy applicable City of Mesa code specifications.

c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.4.

d. *Insurance Standards.*

- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).



- (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor” and “blanket contractual liabilities.”
- (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- (4) If maintaining or self-fueling its own rental aircraft, *Environmental Impairment Liability (or Pollution Legal Liability)* insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by-law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s premises.

#### 4.3.5 Aircraft Sales Operator.

##### a. *Operating Standards.*

- (1) Operators shall be properly bonded and licensed in accordance with applicable Federal, state and local laws, ordinances, and rules and regulations.
- (2) Operators offering new aircraft sales shall have available or on-call at least one (1) current model of an aircraft made by the manufacturer the operator represents, and provide for demonstrations of additional models of such manufacturer upon reasonable customer request. Operators offering used aircraft for sale shall retain all such aircraft in (at least) an on-call status, such that they may be made available to a customer within a reasonable period of time after a customer inquiry is made.
- (3) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, and at least one (1) certificated and duly licensed pilot with ratings appropriate for the type(s) of aircraft offered for sale in order to provide an appropriate demonstration of such aircraft.
- (4) Operators shall provide all parts, equipment and services required to repair and service aircraft sold by the operator during applicable warranty periods. Warranty services may be provided through written agreement with an Airframe and Power Plant Maintenance operator on the Airport.
- (5) Operators shall operate their business during hours sufficient to satisfy public demand for such services, but not less than four (4) hours per day, three (3) days per week.

- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one-half acre of contiguous land sufficient to accommodate the operator's business activities thereon, including the facilities specified below.
  - (2) Not less than 200 square feet of properly lighted, heated, and cooled sales office and administrative space, including a customer waiting area with access to sanitary restrooms and other pertinent amenities.
  - (3) Paved aircraft apron and/or hangar space sufficient to accommodate a minimum of two (2) of the aircraft offered for sale.
  - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.5.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
  - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
  - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
  - (4) If maintaining aircraft available for sale, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
  - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
  - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence,

covering work-related injuries to the operator's employees and others permitted to conduct business operations on the operator's premises.

4.3.6 Aircraft Storage Operator.

a. *Operating Standards.*

- (1) Operators shall have at least one (1) full-time, authorized agent available to customers during normal business hours, either via telephone or at the operator's business office.
- (2) Operators shall develop a standardized rental or leasing format which shall be pre-approved in writing by the Executive Director prior to its use. Operators shall use this approved format for each aircraft storage rental, and provide copies of completed agreements to the Executive Director within 15 calendar days of execution.
- (3) Operators shall remain responsible for the conduct of all aircraft storage customers, and for such customers' strict compliance with the *Airport Rules and Regulations*.

b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) A business office, including restroom facilities, of such size and location as to enable customers to acquire information about aircraft storage availability, pricing and related information, and complete storage transactions. This business office need not be located at the Airport. However, providing such contiguous with or in close proximity to the operator's aircraft storage facilities is highly encouraged.
- (2) When offering facilities capable of storing FAA Category Group I aircraft, not less than one (1) or more hangars sized at a minimum of 1,500 square feet each and not less than a total of 2,250 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 40 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (3) When offering facilities capable of storing FAA Category Group II and larger aircraft, not less than one (1) or more hangars shall be sized at a minimum of 4,800 square feet each (or sized appropriate to the aircraft being stored), and not less than a total of 7,200 square feet of paved apron for aircraft tie-down and/or circulation. Hangars shall possess a minimum depth of 60 feet and allow for a minimum aircraft tail height of 17 feet. Hangars shall not be used for other than aircraft (and related equipment, supplies, etc.); except, however, that an aircraft owner may be permitted to park his or her motor vehicle therein when that owner's aircraft is on a flight away from the Airport.
- (4) For each hangar (or row of connected hangars), not less than one (1) common, unisex, handicap-accessible restroom.
- (5) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements that exceed those permissible under sections (2) and (3) above.

- c. *Prior Experience Standards.* Operators need not have direct experience operating an aircraft storage business. However, such operators shall possess and demonstrate a minimum of two (2) years of experience operating a successful small business enterprise within the past five (5) years.
- d. *Insurance Standards.*
  - (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
  - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
  - (3) *Hangarkeeper’s Liability* insurance in the amount of \$3,000,000 (or the value of the largest aircraft that may be in the operator’s custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. “Air” coverage is required.
  - (4) *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities within the operator’s premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
  - (5) *Workers’ Compensation* and *Employer’s Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business operations on the operator’s premises.

#### 4.3.7 Airframe and Power Plant Maintenance Operator.

- a. *Operating Standards.*
  - (1) Operators shall hold or apply for repair station certification from the FAA under 14 CFR Part 145, and provide a true copy of such to the Executive Director when granted. Failure to obtain said certification within six months of application shall be considered a violation of these STANDARDS unless the operator can demonstrate such failure is attributable to FAA delays and not the operator. Once obtained, operators shall maintain such certification current at all times while operating at and on the Airport.
  - (2) Operators shall employ a sufficient number of FAA-certified personnel with airframe, power plant and/or inspector ratings to properly and safely perform all authorized activities, including at least one FAA-certified A&P Mechanic (or inspector) properly trained and qualified to perform aircraft maintenance on aircraft normally frequenting its business who shall be available and on-duty during normal business hours.
  - (3) Operators shall have all necessary tools, equipment, supplies, and parts necessary to perform and provide repair and maintenance services in accordance with manufacturer specifications and applicable FAA directives.

- (4) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.
- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct its business activities as required by 14 CFR Part 145, ~~and 49 CFR 1554,~~ and satisfy the requirements specified below.
- (1) If constructing facilities on the Airport, not less than one (1) acre of contiguous land sufficient to accommodate the operator's business activities thereon and including the facilities specified below.
  - (2) At least one aircraft hangar sized not less than 10,000 square feet and adequate for aircraft maintenance and repair, and parts and equipment storage.
  - (3) Not less than 300 square feet of office and administrative space, and 1,000 square feet of maintenance shop and personnel space, all properly lighted, heated and cooled, with access to a customer lounge and having independent customer and employee restrooms. The customer lounge/waiting area shall comprise not less than 200 square feet.
  - (4) Not less than 15,000 square feet of paved aircraft apron sufficient to accommodate parking and maneuvering of at least three FAA Category Group II aircraft (or 150% of actual hangar floor space, if greater). Also, a sufficient number of paved motor vehicle parking spaces to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of three (3) years of experience providing the services specified in this CHAPTER 4.3.7.
- d. *Insurance Standards.*
- (1) If test flying aircraft, *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
  - (2) *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
  - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
  - (4) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport,

and including expenses for defense, release mitigation, and off- and on-site remediation.

- (5) *Hangarkeeper's Liability* insurance in the amount of \$10,000,000 per occurrence (or the value of the largest aircraft operator can accommodate, whichever is greater), covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the operator's care, custody or exclusive control. Coverage may be "ground" (if no test flying or other related airborne/aircraft-powered operations (e.g., ferrying, ground taxiing) are conducted) or "air," and is required anytime aircraft are "moved" by the operator, irrespective of whether or not a physical hangar facility is involved.
- (6) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (7) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

#### 4.3.8 Aviation Shop Repair Services Operator.

##### a. *Operating Standards.*

- (1) Operators shall acquire and maintain, as necessary, FAA repair station certificates applicable to the activity or activities contemplated. Operators conducting avionics-related activities shall maintain current the qualifications of the applicable Class I and/or Class II FAA repair station.
- (2) Operators shall have in their employ and on-duty during required operating hours, sufficient trained personnel currently certificated by the FAA as radio, instrument or propeller repairmen, as appropriate, in such numbers as are required to satisfy all requirements of these STANDARDS.
- (3) Operators shall operate a minimum of eight (8) hours per day, five (5) days per week, and at other times sufficient to satisfy reasonable public demand for its services. During other periods, operators are encouraged (but not required) to provide their customers with on-call, 24-hour service to accommodate emergencies.

##### b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities and satisfy the requirements specified below.

- (1) Not less than 2,000 square feet of properly lighted, heated, and cooled space for workshops, parts and equipment storage, administration and customer waiting area, including separate, sanitary restrooms for customers and employees.
- (2) Paved aircraft apron space sufficient to accommodate the maximum number and type of aircraft the operator can service at any one time, but not less than 6,500 square feet.

- (3) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.8.
- d. *Insurance Standards.*
- (1) *Airport Premises Liability* insurance in the amount of \$3,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
  - (2) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
  - (3) *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
  - (4) *Hangarkeeper's Liability* insurance in the amount of \$2,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control, whichever is greater) per occurrence, covering aircraft and related damage to owned and non-owned aircraft stored by or otherwise in the care, custody or exclusive control of the insured on the Airport. "Air" coverage is required.
  - (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
  - (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$500,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

#### 4.3.9 Pilot Flight Training Operator.

- a. *Operating Standards.*
- (1) Operators shall obtain and maintain an FAA certificate in accordance with 14 CFR Parts 61, 141 or 142, as appropriate to its activities on the Airport.
  - (2) Operators shall employ a sufficient number of instructors to provide the type of flight and ground school training offered. All instructors shall be fully trained and properly certificated by the FAA, and flight instructors shall possess a current pilot's license and, to the extent required by applicable regulations, a current medical certificate.
  - (3) Operators shall own or have under written lease at least one (1) properly certified and equipped aircraft appropriate for the type of flight instruction offered. Operators also shall have appropriate training equipment and

- instructional materials/aids to provide proper and effective flight training, including adequate mock-ups, pictures, slides, films or other visual aids. All equipment and materials shall comply fully with applicable FAA requirements.
- (4) Operators shall have on-duty at their place of business during normal business hours, and at other times when required, not less than one current, FAA-certificated pilot with the appropriate instructor rating and current medical certificate.
  - (5) Operators shall conduct business not less than eight (8) hours per day, five (5) days per week, and at other times to satisfy the reasonable demands of its customers and the public.
- b. *Premises and Facilities Standards.* Operators shall lease from PMGAA (or otherwise make arrangements for the rental or use of) sufficient facilities or land (to construct sufficient facilities, if appropriate) as required to undertake and conduct business activities under the applicable provisions of 14 CFR Parts 61, 141 and/or 142, and satisfy the requirements specified below.
- (1) Not less than 600 square feet of properly lighted, heated, and cooled classroom, office and storage space with adjacent access to a customer lounge or waiting area and sanitary restrooms. Separate flight planning and briefing/de-briefing areas are also highly encouraged, although not mandatory. Ground school instruction shall not be permitted in public areas of the Airport, other than normal pre- and post-flight briefings.
  - (2) Paved aircraft apron or hangar space sufficient to tie-down, park and maneuver a minimum of two of the largest FAA Category Group aircraft in which training is routinely performed at the Airport, but not less than 5,000 square feet.
  - (3) If self-maintaining operator fleet aircraft, not less than 500 square feet of adequate and dedicated space for employee work areas, shop areas, and storage of aircraft parts and equipment.
  - (4) Sufficient motor vehicle parking area to accommodate operator's daily customer and employee parking requirements, and satisfy applicable City code specifications.
- c. *Prior Experience Standards.* Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services specified in this CHAPTER 4.3.9.
- d. *Insurance Standards.*
- (1) *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
  - (2) *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities."
  - (3) *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.



- (4) If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- (5) *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- (6) *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

#### 4.4 Additional Requirements for Specialized Commercial Flying Service Operators.

##### 4.4.1 Operating Standards.

- a. Operators shall obtain and maintain all licenses, aircraft type-certifications and other qualifications and regulatory compliance documents required to permit the lawful conduct of its authorized business activities at and on the Airport. Copies of such documents shall be provided to the Executive Director upon written request.
- b. For operators performing crop dusting or aerial applications, suitable arrangements shall be made for or sufficient space available within the operator's leasehold area to permit the safe loading, unloading, storage, and containment of chemical materials. Operators shall conduct these activities under a written emergency plan for the handling of hazardous materials and provide a copy of such plan to the Executive Director prior to commencing operations at or on the Airport. In addition, operators shall have in their employ and on-duty sufficient trained and experienced personnel to facilitate compliance with their emergency plan, and ensure safety remains a paramount consideration to all operations and activities at the Airport.
- c. Operators shall demonstrate the availability of aircraft suitably equipped and certified for the particular type of operation(s) intended at the Airport.
- d. Operators shall be open for business and make their services available to customers and prospective customers during periods appropriate to the activities proposed, or as normally maintained by entities operating competitive businesses at the Airport.

##### 4.4.2 Premises and Facilities Standards.

- a. If developing and constructing new facilities on the Airport, operators shall lease or sublease a minimum of one-half acre of contiguous land for the construction thereof.
- b. Operators shall lease or sublease sufficient office, equipment and materials storage, and aircraft parking space to accommodate all activities and operations proposed, including integral or close-proximity access to sanitary restroom(s). The sufficiency of the minimum or operating areas proposed by an operator shall be subject to review and advance written approval by the Executive Director on a case-by-case basis.

- c. Operators shall provide for sufficient motor vehicle parking within their premises to accommodate daily customer and employee parking requirements, and satisfy applicable City code specifications.

#### 4.4.3 Prior Experience Standards.

Operators shall possess and demonstrate a minimum of two (2) years of experience providing the services proposed under this CHAPTER 4.4.

#### 4.4.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$5,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$2,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- d. If self-maintaining aircraft or conducting crop dusting or aerial chemical application, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the operator’s essential personal property and all improvements made to buildings or facilities on the Airport, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers’ Compensation* and *Employer Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator’s employees and others permitted to conduct business activities on the operator’s leasehold premises.

### 4.5 **Additional Requirements for Limited and Miscellaneous Aircraft Service & Support Operators.**

Operators in this category shall, in addition to the Basic Standards specified in SECTION 4.1 herein, satisfy the additional requirements and standards specified herein.

#### 4.5.1 Operating Standards.

- a. Operators shall obtain all licenses and other certifications required of their business and employees to allow the lawful conduct of its proposed business activities at and on the Airport. For operators performing aircraft/flight support ground services (above- and below-wing), certification in accordance with contracted air carrier, aircraft charter or air taxi operator’s FAA operating certificate(s) shall be required

before commencing such services at the Airport. Operators performing limited aircraft, engine or accessory maintenance (which shall be permitted only in the absence of an Airframe and Power Plant Maintenance operator or Aviation Shop Repair Service operator providing the same or similar services from leased or subleased premises on the Airport) shall acquire and maintain all appropriate FAA certifications and ratings under 14 CFR Part 65, and shall be limited to the conduct of preventive maintenance activities, as defined in 14 CFR Part 43 (not including Item 22).

- b. Operators shall make their services available to customers and the public not less than eight (8) hours per day, five (5) days per week, excluding holidays, and during such other times as may be necessary to satisfy reasonable customer demands and/or contractual requirements.

#### 4.5.2 Premises and Facilities Standards.

Operators shall lease or sublease sufficient land and/or facilities as may be necessary to accommodate their proposed operations. Depending upon the activity or activities involved, this may include apron and aircraft tie-down areas; aircraft maintenance areas, including employee work areas, shop areas, and parts and equipment storage areas; customer areas, including adequate space for a customer lounge or waiting area, telephone access, restrooms, and administrative areas; office space, including flight crew offices, lounges, flight planning areas, and restrooms; classroom and simulator areas (if appropriate); and sufficient motor vehicle parking area for customers and employees consistent with City code requirements. Appropriate minimum standards shall be developed by PMGAA in coordination with the operator and incorporated into the operator's Agreement. The conduct of like-business activities at the Airport (meaning those similar in function and scope) under significantly divergent or different minimum standards shall be prohibited.

#### 4.5.3 Prior Experience Standards.

Prior operator experience of at least two (2) years providing the service(s) proposed is encouraged, but not mandatory.

#### 4.5.4 Insurance Standards.

- a. If operating within the AOA, *Airport Premises Liability* insurance in the amount of \$10,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for "premises/operations," "products and completed operations," "professional," "host liquor," and "blanket contractual liabilities." If not operating within the AOA, *Comprehensive General Liability* insurance in the amount of \$5,000,000 per occurrence, covering the same risks above.
- b. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$5,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are assigned to or used in the performance of commercial activities, or are operated within the AOA.
- c. If permitted activities involve hazardous materials, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence and \$2,000,000 aggregate, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- d. If moving aircraft within the AOA, *Hangarkeeper's Liability* insurance in the amount of \$10,000,000 (or the value of the largest aircraft that may be in the operator's custody and/or control) per occurrence, covering aircraft and related damage to owned and

non-owned aircraft stored by or otherwise are in the care, custody or exclusive control of the insured on the Airport. "Ground" coverage is required.

- e. *Property* insurance in an amount equal to the full insurable value of the operator's essential personal property and all improvements made to buildings or facilities within the operator's premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.
- f. *Workers' Compensation* and *Employer's Liability* insurance, the former in amounts specified by law and the latter in the amount of \$1,000,000 per occurrence, covering work-related injuries to the operator's employees and others permitted to conduct business activities on the operator's premises.

#### 4.6 Additional Requirements for Flying Clubs.

Flying clubs shall, in addition to the applicable Basic Standards specified in this CHAPTER IV, satisfy the additional requirements and standards specified herein.

##### 4.6.1 General.

- a. As non-commercial, non-profit entities, private flying clubs operating at the Airport shall not be required to meet or satisfy the standards and requirements stipulated for aircraft rental or pilot flight training operators, so long as the flying club's membership is not available on-call to the general public.
- b. Clubs shall provide the Executive Director a complete membership list, complete with an itemization of the investment ownership share held by each member on that list, and including a record of all members (past and present) with full names, mailing addresses, and date each membership affiliation began (and ended, if applicable). Such lists also shall include the names, home and business addresses, and telephone numbers for all club officers and directors, and be submitted to the Executive Director not less than at recurring six (6) month intervals after the effective date of the club's Agreement throughout its term.
- c. Clubs also shall provide the Executive Director copies of by-laws, articles of organization, operating rules, and membership agreements, including all updates and/or revisions thereto, and the location/address of the club's registered office.

##### 4.6.2 Operating Standards.

- a. The ownership of all club aircraft shall be vested in the name of the flying club, or owned proportionately by all its members. The property rights of all club members shall be equal, and no part of the net earnings may inure to the benefit thereto, including salaries, bonuses, etc.
- b. Clubs shall not derive greater revenue from the use of club aircraft than the amount for the operation, maintenance and replacement of said aircraft. In no event shall any club aircraft be used or employed in the conduct of a commercial Aeronautical Activity.
- c. No club member or owner shall receive compensation for services provided to the club or on the club's behalf unless such member or owner is authorized to conduct related commercial Aeronautical Activities at the Airport.
- d. Club aircraft shall not be used or operated by other than club members or owners, and no member or owner shall use any club aircraft in exchange for compensation;

except, however, that the sharing of flight expenses is permitted, subject to the restrictions of this CHAPTER 4.6.2.

4.6.3 Premises and Facilities Standards.

- a. Clubs shall lease or sublease sufficient contiguous aircraft apron and/or hangar space to permit aircraft parking, tie-down, and/or storage at the Airport, including maneuvering space for aircraft circulation and access to/from taxiways and runways as necessary to accommodate all club aircraft based at and operating from the Airport.
- b. If required, clubs shall lease or sublease sufficient space to accommodate the storage of club equipment and supplies, if any.
- c. Clubs shall provide for sufficient motor vehicle parking within their premises to accommodate daily member parking requirements, and satisfy applicable City code specifications.

4.6.4 Insurance Standards.

- a. *Aircraft Liability* insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage, as well as passenger and contractual liabilities for claims arising in connection with aircraft movements on the Airport, and insuring against third party liabilities arising from War Risk perils (e.g., acts of terrorism).
- b. *Airport Premises Liability* insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage, and including coverage for “premises/operations,” “products and completed operations,” “professional,” “host liquor,” and “blanket contractual liabilities.”
- c. *Comprehensive/Commercial Automobile Liability* insurance in the amount of \$1,000,000 per occurrence or combined single limit, covering all owned, non-owned, and hired vehicles operated on the Airport that are operated within the AOA.
- d. If self-maintaining and/or self-fueling aircraft, *Environmental Impairment Liability* (or *Pollution Legal Liability*) insurance in the amount of \$1,000,000 per occurrence, covering third party bodily injury and property damage associated with hazardous material storage facilities, tanks, piping, ancillary equipment, and containment systems or structures that are used, controlled, constructed, or maintained on the Airport, and including expenses for defense, release mitigation, and off- and on-site remediation.
- e. *Property* insurance in an amount equal to the full insurable value of the club’s essential personal property and all improvements made to buildings or facilities within the club’s premises, if any, including all replacements and/or additions thereto, on an All Risks, replacement-cost basis. Such shall require an *ISO Special Causes of Loss Form* or equivalent.

## CHAPTER V ENFORCEMENT

### 5.1 General.

Enforcement of these STANDARDS shall commence when an operator is granted authorization by PMGAA to conduct commercial Aeronautical Activities at or on the Airport and serve as condition of Agreement award. Thereafter, enforcement shall continue during the operator's Agreement term via periodic Agreement compliance reviews, including monitored compliance with the *Airport Rules and Regulations*.

### 5.2 Non-Compliance.

Failure to comply with these STANDARDS shall subject an operator's Agreement and privilege to operate at the Airport to suspension or termination, as provided therein. Generally, upon written notice from the Executive Director or his/her designee that an operator is violating or has violated a provision of these STANDARDS, operators are afforded a specified period of time to remedy such violation or: (i) become subject to other default provisions of their agreement, including possible termination thereof; or (ii) show cause as why additional time should be granted by the Executive Director or his/her designee to enable the operator to complete a cure. Such appeals must be pursued in accordance with provisions specified in the operator's agreement.

**CHAPTER VI      REFERENCES**

Aircraft Owners and Pilots Association publication, *Minimum Standards for Commercial Aeronautical Activities*

FAA Advisory Circular AC 150/5160-6, *Exclusive Rights at Federally Obligated Airports*

FAA Advisory Circular AC 150/5190-7, *Minimum Standards for Commercial Aeronautical Activities*

National Air Transportation Association, *Airport Sponsors Guide to Minimum Standards & Airport Rules and Regulations*, 2009

Phoenix-Mesa Gateway Airport *Rules and Regulations*, ~~2015~~

Phoenix-Mesa Gateway Airport *Design Guidelines*, ~~2013~~



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Board Action Item

Re: Resolution 24-18

**To:** Board of Directors  
**From:** Bob Draper, P.E., LEED AP, CM Engineering & Facilities Director  
**Through:** Scott Brownlee, Deputy Director/COO  
J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Subject:** Demolition of Airport Facilities – Construction Manager at Risk Construction Services Contract - BCS Enterprises, Inc. – CIP 1223  
**Date:** April 16, 2024

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### Proposed Motion

To authorize a Construction Manager at Risk (CMAR) Construction Services Contract with BCS Enterprises, Inc. for Demolition Services of Airport Facilities, in an amount not to exceed \$1,425,750 under CIP1223.

### Narrative

Due to the continued growth of the Phoenix-Mesa Gateway Airport Authority (PMGAA), staff has determined that we have a rare aeronautical opportunity available to us, which will bring significant economic benefit to the Airport. This aeronautical opportunity is the redevelopment of Lots 50A and 50B, which are located on the southwest portion of the Airfield. PMGAA Staff will conduct a national search for a developer or end-user to maximize this rare opportunity by redeveloping these two prime airside locations.

The first step of this redevelopment process is to demolish the existing buildings, known as Bldg 1095 on Lot 50B, Bldg 1087 on a portion of Lot 50C, and a sound suppression facility on Lot 50A. Staff also identified three additional buildings, known as Hangar 24 on Lot 33D, Building 1541 located on Lot 45, and the original Air Traffic Control Tower on Lot 51. All of these facilities, along with the reinforced concrete pipes in the Eastside Development Area, have reached the end of their useful life, and due to their age and deteriorated condition, have been identified for demolition.

The Contractor, BCS Enterprises, Inc., is currently providing Pre-Construction Services as a CMAR and will now be demolishing ten (10) airport-owned buildings. The original project was to demolish the previously listed six structures; however, during the remediation process, it was also determined that the following buildings will now be included in the demolition project to maximize demolition utilization services. Buildings 1100, 1124, 1125, and 1126 were all built in the 1950s, they have no physical address, no Lot number, and are not in use.

### Fiscal Impact

This project was included in the FY24 Capital Budget, utilizing PMGAA non-grant funding under CIP1223.

**Attachment(s): CMAR Construction Services Contract**





**RESOLUTION NO. 24-18**

WHEREAS, the Phoenix-Mesa Gateway Airport Authority (“Authority”), a joint powers airport authority formed pursuant to Arizona Revised Statute §28-8521 *et seq.* owns and operates the Phoenix-Mesa Gateway Airport (“Airport”); and

WHEREAS the Authority desires to authorize a Construction Manager at Risk (CMAR) Construction Services Contract with BCS Enterprises, Inc. for Demolition Services of Airport Facilities, in an amount not to exceed \$1,425,750 under CIP1223;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Authority as follows:

**The Board of Directors of the Authority hereby authorizes a Construction Manager at Risk (CMAR) Construction Services Contract with BCS Enterprises, Inc. for Demolition Services of Airport Facilities, in an amount not to exceed \$1,425,750 under CIP1223. This resolution also authorizes the Chair or Executive Director/CEO to make such additions, deletions, and changes as may be approved by the Chair or Executive Director/CEO, necessary to carry out the purposes and intent of this Resolution.**

Passed and adopted by the Authority this 16<sup>th</sup> day of April, 2024.

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Walter Wilson, Chair

ATTEST:

APPROVED AS TO FORM:

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Misty Johnson, Clerk of the Board

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Jill Casson Owen, Attorney



**DEMOLITION OF AIRPORT FACILITIES**

**CONSTRUCTION MANAGER AT RISK (CMAR)**

**CONSTRUCTION SERVICES CONTRACT**

**PROJECT NO. 1223**

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## Phoenix Mesa Gateway Airport Authority

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### Construction Manager at Risk Construction Services Project No.: 1223

**THIS CONTRACT** is made and entered into by and between the Phoenix Mesa Gateway Airport Authority, a joint powers airport authority authorized by the state of Arizona, hereinafter called "Owner" and the "Construction Manager at Risk" or "CMAR" designated below, individually, each is a "Party" and collectively, the "Parties", and shall be effective as of the date signed by Owner.

NOW, THEREFORE, intending to be legally bound and for valuable consideration, the receipt and sufficiency of which are acknowledged, the Owner and CMAR agree as follows:

### ARTICLE 1 – PARTICIPANTS AND PROJECT

**Owner:** Phoenix-Mesa Gateway Airport Authority  
Project Manager: Carl D'Acosta  
Telephone: 480-988-7612  
E-mail: cd'acosta@gatewayairport.com

**CMAR:** BCS Enterprises, Inc.  
4136 S. 80<sup>th</sup> Street  
Mesa, AZ 85212  
CMAR Representative: James R. Middleton  
Telephone: 602.549.2882  
E-mail: jrmiddleton@bcsdemo.com

**DESIGN PROFESSIONAL:** N/A

#### **PROJECT DESCRIPTION:**

Demolition of Airport Facilities

### ARTICLE 2 – CONTRACT DOCUMENTS

#### **2.1 CONTRACT DOCUMENTS**

The Contract between Owner and CMAR shall consist of the following Contract Documents. Notwithstanding Article 50-04 of the General Provisions, should any of the Contract Documents conflict with each other, the conflict will be resolved by using the following order of precedence:

1. Any amendments or modifications to the Contract Documents in reverse chronological order, including (a) a written amendment signed by both parties, (b) a Change Order, (c) a Change Directive, (d) Supplementary Instructions, or (e) a written order for a minor change in the work (collectively the "Contract");
2. Exhibit A to the CMAR Construction Contract, Accepted GMP/Price Proposal and Project Schedule – the "Basis of GMP" and "Basis of Schedule";
3. The Guaranteed Maximum Price Proposal sections outside of item (2) above;
4. The General Conditions to the CMAR Contract;
5. The CMAR Construction Services Contract and all of its Exhibits;
6. The General Provisions to the CMAR Contract;
7. The Special Provisions to the CMAR Contract;
8. Drawings;
9. Specifications;
10. The Request for Qualifications requirements, document and exhibits (#2024-009-RFQ), documents and CMAR's submittal to such solicitation dated November 21, 2023;
11. Any other Contract Documents.

### **2.3 PROJECT SPECIFIC CONDITIONS**

If there are any additional conditions that apply to this Project, they are set forth in the attached Exhibit A, and are incorporated herein.

### **2.4 PROJECT PLANS AND SPECIFICATIONS**

A detailed list of the Plans and Specifications for this Project are set forth in the attached Exhibit B.

## **ARTICLE 3 – PRE-CONSTRUCTION SERVICES**

Although CMAR has performed Pre-Construction Services pursuant to a separate Contract between Owner and CMAR, the completion, quality and accuracy of those services and the deliverables provided by Owner thereunder directly impact CMAR's performance of its obligations under this Contract. Therefore, all of CMAR's obligations, duties, and warranties in relation to Pre-Construction Services and deliverables survive completion of the Pre-Construction Services Contract are incorporated herein. Any breach of any of CMAR's duties, obligations or warranties under the Pre-Construction Services Contract shall likewise be considered a breach of this Contract.

## **ARTICLE 4 – CONSTRUCTION SERVICES**

### **4.1 GENERAL**

- 4.1.1 CMAR agrees at its own cost and expense, to do all work necessary and required to fully, timely and properly complete the construction of the Project in strict accordance with the Contract Documents in a good and workmanlike manner, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified, and within the Project Schedule included in Exhibit A of this Contract.

- 4.1.2 CMAR shall provide all of the labor and materials and perform the Work in accordance with the General Conditions and General Provisions. Some but not all of the major components of the Construction Services and the corresponding subsections of Section 4 of the General Conditions are set forth below.
- 4.1.3 At all times relevant to the Contract and performance of the Work, the CMAR and its subcontractors shall fully comply with all Laws, Regulations, or Legal Requirements applicable to Owner, the Project and the Contract.
- 4.1.4 CMAR shall perform the Work under this Contract using only those firms, team members and individuals designated by CMAR consistent with the Statement of Qualifications dated November 21, 2023, the GMP Proposal, or otherwise approved by Owner pursuant to the General Conditions. No other entities or individuals may be used without prior approval of the Project Manager.
- 4.1.5 CMAR will comply with all terms and conditions of the General Conditions, General Provisions and Special Provisions, as well as the Owner's published Rules & Regulations and Minimum Standards (Exhibit E).
- 4.1.6 In the event of a conflict between this Contract and the General Conditions, General Provisions, Special Provisions or any exhibit hereto or appendix thereto, the terms of this Contract shall control, but nothing in this contract shall be construed so as to either (i) Violate any term or condition of the Owner's published Rules & Regulations or Minimum Standards; or (ii) Violate Owner's mandatory subordination to its federal obligations, pursuant to Federal Aviation Administration ("FAA") Policies (2009) (including, but not limited to § 1.1, § 1.5, § 12.3, §10, § 14.1, *et. seq.*) and federal statutory authority, including, but not limited to, 49 U.S.C. §40103(a) (establishes the federal government's total dominance over the airspace of the United States, including, U.S. airports).
- 4.1.7 **Ownership of Work Product.** Notwithstanding anything to the contrary in this Contract, all Work Product prepared or otherwise created in connection with the performance of this Contract, including the Work, are to be and remain the property of Owner. For purposes of this provision, "Work Product" shall include all designs, drawings, plans, specifications, ideas, renderings and other information or matter, in whatever form created (e.g., electronic or printed) and in all media now known or hereinafter created. All Work Product shall be considered Work Made for Hire as defined in the United States Copyright Act 17 U.S.C. § 101 (Copyright Act). If for any reason any such Work is found not to be a work for hire, CMAR hereby transfers and assigns ownership of the copyright in such Work to Owner. The rights in this section are exclusive to Owner in perpetuity.

#### **4.2 CMAR's PRE-CONTRACT AND PRE-WORK DELIVERABLES**

The CMAR will provide the insurance and bond(s) requirements in accordance with Article 11 of the General Conditions prior to any work commencing.

CMAR will obtain and pay for all permits necessary for the work.

#### **4.3 PRE-CONSTRUCTION CONFERENCE**

CMAR shall attend the Pre-Construction Conference.

#### **4.4 PERFORMANCE OF THE WORK (INCLUDING FIELD MEASUREMENTS, SUBCONTRACTORS, AND SUPPLIERS)**

CMAR shall perform the Work in accordance with the General Conditions.

#### **4.5 CONTROL OF THE PROJECT SITE**

CMAR shall control and maintain the Project Site in accordance with Article 4 of the General Conditions.

#### **4.6 PROJECT SAFETY**

CMAR shall implement and enforce Project safety in accordance with Article 10 of the General Conditions.

#### **4.7 MATERIALS QUALITY, SUBSTITUTIONS AND SHOP DRAWINGS**

CMAR shall provide materials testing and submit substitute materials and Shop Drawings in accordance with Article 3 of the General Conditions.

#### **4.8 PROJECT RECORD DOCUMENTS**

CMAR shall maintain and make available the Project Record Documents in accordance with Article 3.12 of the General Conditions.

#### **4.9 WARRANTY AND CORRECTION OF DEFECTIVE WORK**

CMAR shall provide warranties and correct defective Work in accordance with Article 3.6 of the General Conditions.

### **ARTICLE 5 – OWNER RESPONSIBILITIES**

5.1 Owner shall have the responsibilities, and provide the information specified in, and subject to the conditions set forth throughout the Contract Documents.

5.2 Additional information to be provided by Owner, if any, is listed below:

Final contract documents, including, but not limited to General Conditions, General Provisions, Special Provisions, applicable as-built drawings, stamped Construction Documents and Technical Specifications.

### **ARTICLE 6 – CONTRACT TIME**

**Contract Duration is 120 calendar days.**

#### **6.1 CONTRACT TIME**

6.1.1 The Contract Time shall start with the Notice to Proceed (“NTP”) and end with Final Acceptance, as set forth in Article 6.4 below. The Notice to Proceed cannot be issued prior to the approval and acceptance by Owner of the GMP or Fixed Price.

6.1.2 CMAR agrees that it will commence performance of the Work and complete the Project through both Substantial Completion and Final Completion within the Contract Time.

- 6.1.3 Time is of the essence of this Contact, for the Project, and for each phase and/or designated Milestone thereof.

## 6.2 PROJECT SCHEDULE

The Project Schedule approved as part of the GMP Proposal and incorporated herein as part of the attached Exhibit A shall be updated and maintained throughout CMAR's performance under this Contract in accordance with Article 3 of the General Conditions.

- 6.2.1 Failure on the part of CMAR to adhere to the approved Project Schedule will be deemed a material breach and sufficient grounds for termination for cause of this Contract by Owner.

## 6.3 SUBSTANTIAL COMPLETION

Substantial Completion shall be achieved not later than the Substantial Completion Date set forth in the Project Schedule. Substantial Completion shall be determined in accordance with Article 9.8 of the General Conditions.

## 6.4 FINAL COMPLETION AND FINAL ACCEPTANCE

- 6.4.1 Final Completion will be obtained within the time period set forth in the Project Schedule.
- 6.4.2 Final Completion will be determined, and a Final Acceptance will be issued, pursuant to Article 9.9 of the General Conditions.

## 6.5 LIQUIDATED DAMAGES

- 6.5.1 **Final Completion Liquidated Damages.** For the same reason set forth in Article 6.1.3 above, Owner and CMAR further agree that if CMAR fails to achieve Final Completion of the Work within the time set forth in Article 6.4.1 above, Owner shall be entitled to retain or recover from CMAR, as liquidated damages and not as a penalty, the following per diem amounts (which the Parties agree is a reasonable approximation of any resulting damages) commencing from the actual date of Substantial Completion or the Final Completion Date as required under the Contract, whichever is later, until the actual date of Final Completion:

**\$1,070 per calendar day.**

- 6.5.2 Owner may deduct liquidated damages described in this Article 6.5 above from any unpaid amounts then or thereafter due CMAR under this Agreement. Any liquidated damages not so deducted from any unpaid amounts due CMAR shall be payable to Owner at the demand of Owner, together with interest from the date of the demand at the highest lawful rate of interest payable by CMAR.

# **ARTICLE 7 – CONTRACT PRICE**

## 7.1 CONTRACT PRICE

- 7.1.1 In exchange for CMAR's full, timely, and acceptable performance and construction of the Work under this Contract, and subject to all of the terms of this Contract, Owner will pay CMAR the "Contract Price" which:



The sum of the CMAR's Fee and reimbursable Cost of the Work, which the CMAR guarantees will not exceed the GMP set forth in Exhibit A, in the amount of **\$1,425,750** (one million four hundred twenty five thousand seven hundred and fifty dollars). Costs which would cause the GMP to be exceeded shall be paid by CMAR without reimbursement from Owner.

- 7.1.2 The Contract Price is all-inclusive and specifically includes all fees, costs, insurance and bond premiums, and taxes any type necessary to fully, properly and timely perform and construct the Work encompassed in attached Exhibit A.
- 7.1.3 The contract price may only be changed as set forth in the Contract Documents.
- 7.1.4 Only costs specifically designated as reimbursable costs are eligible for payment by Owner or may be charged against the Contract Price. All other costs will not be paid by Owner and shall not be chargeable against the Contract Price.
- 7.1.5 For Contract Amendments, Change Orders, or Job Orders reimbursable costs shall be determined pursuant to MAG Specifications 109.5.

## 7.2 ALLOWANCES

Contractor shall include in the Contract Price all Allowances stated in the Contract Documents and agreed to in writing by Owner. Items covered by these Allowances shall be supplied for such amounts and by such persons as Owner may direct, provided Contractor will not be required to employ persons against whom

Contractor makes a reasonable objection. Materials and equipment under an Allowance shall be selected by Owner in accordance with a schedule to be mutually agreed upon by Owner and Contractor or otherwise in reasonably sufficient time to avoid delay in the Work.

- 7.2.1 Unless otherwise provided in the Contract Documents:
  - 7.2.1.1 These Allowances shall cover the cost to Contractor, less any applicable trade discount, of the Materials and equipment required by the Allowances, delivered at the Site, and all applicable taxes;
  - 7.2.1.2 Contractor's costs for unloading and handling on the Site, labor, installation costs, overhead, profit and other expenses relating to Materials and Equipment required by the Allowance shall be included in the Contract Sum and not in the Allowance; and
  - 7.2.1.3 Whenever the cost is more or less than the Allowance, the Contract Sum shall be adjusted accordingly by Change Order, the amount of which will recognize the difference between actual costs for an Allowance item and the amount of the Allowance item and changes, if any, in handling costs on the Site, labor, installation costs, overhead, profit and other expenses.

## 7.3 CONTINGENCY

An agreed to amount in the GMP that may only be used in accordance with the terms set forth in these General Conditions and with prior written approval by Owner.

#### **7.4 FINAL PAYMENT**

If the Contract Price is based upon a GMP, as a further condition precedent to Final Payment by Owner, Contractor must submit to the Project Manager a complete final accounting of the Actual Reimbursable Cost of the Work, including all such documentation (including, without limitation, invoices, subcontracts, subcontractor change orders, purchase orders, records of payment, etc.) as Owner may require, to establish whether the payments made to Contractor equal, exceed, or are less than the Actual Reimbursable Cost of the Work to date.

Any excess payments by Owner, as determined by the Project Manager, shall be deducted from the one-half retention payment to be made to Contractor, and any additional excess amounts paid to Contractor shall be refunded by Contractor to Owner. Disputes relating to the Final Cost of the Work shall be subject to Owner's audit rights under Article 13.14 of the General Conditions and 7.5 below, and the dispute resolution process under Article 4 of the General Conditions.

#### **7.5 OPEN BOOK**

On any GMP-based or Change Order, Owner may attend any and all meetings or discussions pertaining to the Project, including bid openings, and shall have access to all books, invoices, accounts, memoranda, correspondence, and written communications or records of any kind pertaining to the Project, including without limitation, those stored in electronic format.

### **ARTICLE 8 – PAYMENT**

Payments shall be made to CMAR in accordance with Article 9 of the General Conditions and Article 7 above.

### **ARTICLE 9 – CHANGES TO THE CONTRACT**

Changes to the Contract may be made in strict accordance with Article 7 of the General Conditions.

### **ARTICLE 10 – SUSPENSION AND TERMINATION**

This Contract may be suspended and/or terminated in accordance with Article 14 of the General Conditions.

### **ARTICLE 11 – INSURANCE AND BONDS**

- 11.1** CMAR shall provide insurance in accordance with Article 11 of the General Conditions to the CMAR Contract. CMAR shall provide proof of such insurance and all required endorsements in forms acceptable to Owner prior to commencing any Work under this Contract.
- 11.2** CMAR shall provide performance and payment bonds to Owner in accordance with Article 11 of the General Conditions and A.R.S. § 34-610(A).
- 11.3** Failure to provide proof of insurance and the required endorsements, or the required bonds, in forms acceptable to Owner will be material breach and grounds for termination for cause of this Contract by Owner.

## **ARTICLE 12 – INDEMNIFICATION**

CMAR shall have and assume the indemnity obligations set forth in Article 3 of the General Conditions.

## **ARTICLE 13 – DISPUTE RESOLUTION**

Any claims or disputes relating to this Contract shall be resolved according to the dispute resolution process set forth in Article 4 of the General Conditions.

## **ARTICLE 14 – MISCELLANEOUS PROVISIONS**

The miscellaneous provisions set forth in Article 13 of the General Conditions shall apply to this Contract.

## **ARTICLE 15 – TITLE VI**

### **15.1 CIVIL RIGHTS ACT OF 1964, TITLE VI – GENERAL**

In all its activities within the scope of its airport program, the Contractor agrees to comply with pertinent statutes, Executive Orders, and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance.

This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

The above provision binds the Contractor and subcontractors from the bid solicitation period through the completion of the contract.

### **15.2 CIVIL RIGHTS ACT OF 1964, TITLE VI- ASSURANCE COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS**

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

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

**2. Nondiscrimination:** The Contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The Contractor will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

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

**4. Information and Reports:** The Contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Sponsor or the Federal Aviation Administration to be pertinent to ascertain compliance with such Nondiscrimination Acts and authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the Contractor will so certify to the Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

**5. Sanctions for Noncompliance:** In the event of a Contractor's noncompliance with the non-discrimination provisions of this contract, the Sponsor will impose such contract sanctions as it or the Federal Aviation Administration may determine to be appropriate, including, but not limited to:

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

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

### 15.3 CIVIL RIGHTS –TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

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


- Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- 49 CFR part 21 (Non-discrimination in Federally-Assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987 (PL 100-259) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101, *et seq.*) (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;

- The Federal Aviation Administration's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [70 Fed. Reg. 74087 (2005)];
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681, et seq).

Executed as of the Effective Date.

**CMAR**  
**BCS Enterprises, Inc.**  
an Arizona C Corporation

**OWNER**  
**PHOENIX MESA GATEWAY AIRPORT AUTHORITY,**  
a joint powers airport authority authorized by the  
state of Arizona

By:   
Name: James R Middleton  
Title: President  
Date: 4-1-2024

By: \_\_\_\_\_  
Name: J. Brian O'Neill, A.A.E.  
Title: Executive Director/CEO  
Date: \_\_\_\_\_

**EXHIBIT A – ACCEPTED GMP/PRICE PROPOSAL & PROJECT SCHEDULE**

**(Under Separate Cover)**

All terms and conditions are set forth in the Contract. Any terms and conditions and/or exceptions noted in the CMAR's proposal, GMP, or other documents do not apply unless agreed to in this Contract or an approved addendum.

**EXHIBIT B – PROJECT SPECIFIC CONDITIONS & PROJECT PLANS AND SPECIFICATIONS**

N/A

**EXHIBIT C – REQUIRED FORMS**  
**STATUTORY PERFORMANCE BOND**

PURSUANT TO TITLE 34, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES

**KNOW ALL MEN BY THESE PRESENTS:**

That, \_\_\_\_\_, (hereinafter called the Principal), as Principal, and the \_\_\_\_\_, a corporation duly organized under the laws of the State of \_\_\_\_\_, with its principal office in the City of \_\_\_\_\_, (hereinafter called the Surety), as Surety, are held and firmly bound unto Phoenix-Mesa Gateway Airport Authority, Maricopa County, Arizona (hereinafter called the Obligee), in the amount of \_\_\_\_\_ (\$ \_\_\_\_\_), for the payment of which the Principal and Surety bind themselves and their heirs, administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with Obligee, dated the \_\_\_\_\_ day of \_\_\_\_\_, 202\_ to demolish the following projects under the **Authority Solicitation No. 2024-009-RFQ; CMAR for Demolition of Airport Facilities (Authority Project No. 1223)**, which contract is hereby referred to and made a part of this bond as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal faithfully performs and fulfills all of the undertakings, covenants, terms, conditions, and agreements of the contract during the original term of the contract and any extension of the contract, with or without notice to the Surety, and during the life of any guaranty required under the contract, and also performs and fulfills all the undertakings, covenants, terms, conditions, and agreements of all duly authorized modifications of the contract that may hereafter be made, notice of which modifications to the Surety being hereby waived, the above obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if they were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment to reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
**AGENCY OF RECORD, STATE OF ARIZONA**

BY:

\_\_\_\_\_  
**PRINCIPAL**

\_\_\_\_\_  
AGENCY ADDRESS

\_\_\_\_\_  
TITLE:

\_\_\_\_\_  
**SURETY**

BY:

TITLE: \_\_\_\_\_

BOND NUMBER: \_\_\_\_\_

ATTACH SURETY POWER OF ATTORNEY



## STATUTORY PAYMENT BOND

PURSUANT TO TITLE 34, CHAPTER 2, ARTICLE 2, ARIZONA REVISED STATUTES

**KNOW ALL MEN BY THESE PRESENTS:**

That, \_\_\_\_\_, (hereinafter called the Principal), as Principal and \_\_\_\_\_, a corporation duly organized under the laws of the State of \_\_\_\_\_, with its principal office in the City of \_\_\_\_\_, (hereinafter called the Surety), as Surety, are held and firmly bound unto Phoenix-Mesa Gateway Airport Authority, Maricopa County, Arizona (hereinafter called the Obligee), in the amount of \_\_\_\_\_ (\$\_\_\_\_\_), for the payment of which the Principal and Surety bind themselves and their heirs, administrators, executors, successors, and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written Contract with Obligee, dated the \_\_\_\_ day of \_\_\_\_\_, 202\_\_ to demolish the following projects under the **Authority Solicitation No. 2024-009-RFQ; CMAR for Demolition of Airport Facilities (Authority Project No. 1223)**, which contract is hereby referred to and made a part of this bond as fully and to the same extent as if copied at length herein.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal promptly pays all monies due to all persons supplying labor or materials to the Principal or the Principal's subcontractors in the prosecution of the work provided for in the contract, this obligation is void. Otherwise it remains in full force and effect.

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions of Title 34, Chapter 2, Article 2, Arizona Revised Statutes, to the same extent as if they were copied at length in this agreement.

The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a judge of the court.

Witness our hands this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
**AGENCY OF RECORD, STATE OF ARIZONA**

\_\_\_\_\_  
**PRINCIPAL**

BY: \_\_\_\_\_

\_\_\_\_\_  
AGENCY ADDRESS

\_\_\_\_\_  
TITLE:

\_\_\_\_\_  
**SURETY**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

**BOND NUMBER:** \_\_\_\_\_

**ATTACH SURETY POWER OF ATTORNEY**

**NOTICE OF AWARD CMAR CONTRACT****Sent Via Email****[date]**BCS Enterprises, Inc.  
4136 S. 80<sup>th</sup> Street  
Mesa, AZ 85212

Attn: Mr. James R. Middleton

**Re: CMAR FOR DEMOLITION OF AIRPORT FACILITIES  
Authority Solicitation No. 2024-009-RFQ****Authority Project No. 1223**

Phoenix-Mesa Gateway Airport Authority, a joint powers airport authority authorized by the State of Arizona (Owner), has considered the Statement of Qualifications (SOQ) submitted by your firm for the above described WORK in response to the Advertisement for SOQ's dated November 21, 2023. You are hereby notified that you were awarded this CMAR Contract by Phoenix-Mesa Gateway Airport Authority on April 16, 2024, in the amount of \$1,425,750. You are required by the Terms and Conditions of this solicitation to furnish Contractor's Performance and Payment Bonds and submit the appropriate Certificate(s) of Insurance within ten (10) calendar days from this Notice.

If you fail to furnish the required bonds and submit Insurance Certificate(s) within ten (10) calendar days from the date of this Notice, the Owner will consider this as a forfeiture of your consideration to be selected as CMAR. The Owner will be entitled to such other rights as may be granted by law.

A pre-construction meeting will be scheduled by your Project Manager at a later date and will be held in the Phoenix-Mesa Gateway Airport Authority Board Room, 5835 South Sossaman Road, Mesa.

You are required to return an acknowledged copy of the NOTICE OF AWARD to the Phoenix-Mesa Gateway Airport Authority.

**Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024.****PHOENIX-MESA GATEWAY AIRPORT AUTHORITY, a joint powers airport authority authorized by the State of Arizona**By: Marian WhildenTitle: Procurement Officer**ACCEPTANCE OF NOTICE:**

Receipt of the above NOTICE OF AWARD is hereby acknowledged.

By: \_\_\_\_\_

Title: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

NOTARY PUBLIC

My Commission Expires

## NOTICE TO PROCEED

### Sent Via Email

**Date**

BCS Enterprises, Inc.  
4136 S. 80<sup>th</sup> Street  
Mesa, AZ 85212

Attn: Mr. James R. Middleton

**CMAR FOR DEMOLITION OF AIRPORT FACILITIES**  
**Authority Solicitation No. 2024-009-RFQ**

**Authority Project No. 1223**

Dear Mr. Middleton,

You are unconditionally authorized to proceed with the above-referenced project effective the date of this letter. The contract time is 120 calendar days. All work shall be performed strictly in accordance with the Contract Documents, including all project schedule requirements.

Your contact for this project is Carl D'Acosta, phone no. (480) 988-7612 and all project communications should be directed to him. If the preconstruction conference has not already occurred, he will contact you shortly about scheduling it.

Remember, the Owner must approve *in writing* any and all changes in the project scope of work before you start work on the change.

Phoenix-Mesa Gateway Airport Authority looks forward to a successful project with your firm.

Sincerely,

**PHOENIX-MESA GATEWAY AIRPORT AUTHORITY, a joint powers airport authority authorized by the State of Arizona**

Authorized Representative

---

Carl D'Acosta, Project Coordinator

## APPLICATION AND CERTIFICATE FOR PAYMENT

**CMAR FOR DEMOLITION OF AIRPORT FACILITIES**

**Authority Project No. 1223**

**Authority Solicitation No. 2024-009-RFQ**

CONSULTANT: \_\_\_\_\_

CMAR: \_\_\_\_\_

Application No. \_\_\_\_\_ Period From: \_\_\_\_\_ To: \_\_\_\_\_

Application is made for payment, as shown below, and on the attached Construction Progress Estimate Form, in accordance with the Contract Documents:

Original GMP: \$ \_\_\_\_\_

Approved Change Orders and Dates:

Change Order No.1	Date _____	\$ _____
-------------------	------------	----------

Change Order No.2	Date _____	\$ _____
-------------------	------------	----------

Change Order No.3	Date _____	\$ _____
-------------------	------------	----------

Total Change Orders Approved to Date: \$ \_\_\_\_\_

Adjusted GMP \$ \_\_\_\_\_

Total Amount Due to Date  
(from attached Construction Progress Estimate) \$ \_\_\_\_\_

Less Previous Certificates for Payment \$ \_\_\_\_\_

Current Payment Due \$ \_\_\_\_\_

Retainage \_\_\_\_\_% \$ \_\_\_\_\_

Total Earned Less Retainage \$ \_\_\_\_\_

Notice to Proceed Date \_\_\_\_\_ Date of Substantial Completion \_\_\_\_\_

Time Used \_\_\_\_\_% Complete \_\_\_\_\_%

## CHANGE ORDER

PROJECT: CMAR for Demolition of Airport Facilities

CHANGE ORDER NO: \_ \_

Authority Project No. 1223  
Authority Solicitation No. 2024-009-RFQ

TO CMAR: BCS Enterprises, Inc.  
4136 S. 80<sup>th</sup> Street  
Mesa, AZ 85212

CONTRACT NO: \_\_\_\_\_  
CONTRACT DATE: \_\_\_\_\_, 202\_\_

**The Contract is changed as follows.** CMAR shall provide all labor, materials, equipment, services, transportation, utilities, and facilities to perform all of the following changes: [describe].

This Change Order shall constitute a final settlement of all matters relating to the change in the work that is the subject of the Change Order, including but not limited to all direct or indirect costs associated with such change, all delay and disruption costs, any impact such change may have on unchanged work, and any and all adjustments to the Contract Sum or the Contract Time. This Change Order supersedes all prior reservations stated or implied.

**Not Valid until signed by the Owner, Architect, and CMAR.**

The original **Contract Sum** was.....\$ \_\_\_\_\_  
 Net change by previously authorized Change Orders .....\$ \_\_\_\_\_  
 The **Contract Sum** prior to this Change Order was.....\$ \_\_\_\_\_  
 The **Contract Sum** will be **increased** [or **decreased**] by this Change Order.....\$ \_\_\_\_\_  
 The new **Contract Sum** including this Change Order is .....\$ \_\_\_\_\_

The Contract Time will be **unchanged** [or **increased/decreased by** \_\_\_\_\_ **calendar days.**]

The Substantial Completion date for base contract work is **unchanged** [or **changed to** \_\_\_\_\_, 202\_\_.]

**BCS Enterprises, Inc. (CMAR)**

**Owner**

By \_\_\_\_\_ Date \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

It's \_\_\_\_\_

It's \_\_\_\_\_

## CERTIFICATE OF SUBSTANTIAL COMPLETION

(To be completed by Owner)

I hereby certify that BCS Enterprises, Inc. has substantially completed the work under the following project:

**CMAR FOR DEMOLITION OF AIRPORT FACILITIES**

**Authority Project No. 1223**

**Authority Solicitation No. 2024-009-RFQ**

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: BCS Enterprises, Inc.

By: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

## CERTIFICATE OF FINAL COMPLETION

(To be Completed by CMAR and Owner)

### CMAR FOR DEMOLITION OF AIRPORT FACILITIES

Authority Project No. 1223

Authority Solicitation No. 2024-009-RFQ

I hereby certify that all goods and/or services required by **PHOENIX-MESA GATEWAY AIRPORT AUTHORITY**, have been delivered in accordance with the Contract Documents and Specifications, and all activities required by the CMAR under the Contract have been completed, including all items on the final punch list, including administrative items, as of \_\_\_\_\_ (date).

Firm Name: BCS Enterprises, Inc.

Principal: \_\_\_\_\_  
(Name)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)

---

**PHOENIX-MESA GATEWAY AIRPORT AUTHORITY** has performed a final inspection of PMGAA's **Demolition of Airport Facilities, PMGAA Project Number 1223**, and find that to the best of our knowledge and belief, the work on this project has been completed in accordance with **Contract Number 2024XXX**

The date of final completion for this project is \_\_\_\_\_, 20\_\_

Phoenix-Mesa Gateway Airport Authority

By: \_\_\_\_\_

Date: \_\_\_\_\_

**CMAR'S AFFIDAVIT REGARDING  
SETTLEMENT OF CLAIMS****CMAR FOR DEMOLITION OF AIRPORT FACILITIES****Authority Project No. 1223****Authority Solicitation No. 2024-009-RFQ**

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 **PHOENIX-MESA GATEWAY AIRPORT AUTHORITY, ARCHITECT**, the OWNER's **DESIGNATED CONSTRUCTION ADMINISTRATOR**, their employees, agents or representatives, against any and all liens, claims of liens, suits, actions, damages, charges and expenses whatsoever, which said OWNER and Architect 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 \_\_\_\_\_, 2024.

BCS Enterprises, Inc.  
CMAR

By:

STATE OF ARIZONA    )  
                                  )     ss  
COUNTY OF            )

The foregoing instrument was subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
(Notary Public)\_\_\_\_\_  
(My Commission Expires)



**CONDITIONAL  
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN  
UPON PAYMENT  
(CMAR)**

WHEREAS, the undersigned, BCS Enterprises, Inc. (CMAR) has furnished labor, materials, and services and/or equipment for the demolition of Airport Facilities, **Authority Project No. 1223**, at the Phoenix-Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Phoenix-Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, upon receipt of a check from the Owner payable to the CMAR in the sum of \$ \_\_\_\_\_, said sum representing full and final payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United States of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this final payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

BCS Enterprises, Inc.  
\_\_\_\_\_  
Company Name

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

**CONDITIONAL  
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN  
UPON PAYMENT  
(SUB-CONTRACTOR / SUPPLIER)**

WHEREAS, the undersigned, \_\_\_\_\_ (Sub-contractor) has furnished labor, materials, and services and/or equipment to BCS Enterprises, Inc. (CMAR) for the demolition of Airport Facilities, **Authority Project No. 1223**, at the Phoenix-Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Phoenix-Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, upon receipt of a check from the CMAR payable to the Sub-contractor in the sum of \$ \_\_\_\_\_, said sum representing payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United State of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Company Name

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

**UNCONDITIONAL  
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN  
UPON PAYMENT  
(CMAR)**

WHEREAS, the undersigned, BCS Enterprises, Inc. (CMAR) has furnished labor, materials, and services and/or equipment for the demolition of Airport Facilities, **Authority Project No. 1223**, at the Phoenix-Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Phoenix-Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, has been paid and has received a check from the Owner payable to the CMAR in the sum of \$ \_\_\_\_\_, said sum representing full and final payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United States of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this final payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

BCS Enterprises, Inc.  
\_\_\_\_\_  
Company Name

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

**UNCONDITIONAL  
FULL RELEASE OF ALL CLAIMS AND WAIVER OF LIEN  
UPON PAYMENT  
(SUB-CONTRACTOR / SUPPLIER)**

WHEREAS, the undersigned, \_\_\_\_\_ (Sub-contractor) has furnished labor, materials, and services and/or equipment to BCS Enterprises, Inc. (CMAR) for the demolition of Airport Facilities, **Authority Project No. 1223**, at the Phoenix-Mesa Gateway Airport, Maricopa County, State of Arizona, on the Property of the Phoenix-Mesa Gateway Airport Authority, Mesa, Arizona.

NOW, THEREFORE, the undersigned, has been paid and has received a check from the CMAR payable to the Sub-contractor in the sum of \$ \_\_\_\_\_, said sum representing payment for the above-mentioned labor, materials, services and/or equipment, does hereby waive and release any and all liens, claims of lien, and demands whatsoever that now exist or may hereafter accrue against the Owner and the Property on account of labor and materials furnished by the undersigned.

The undersigned warrants that all materials and labor placed by the undersigned in the Project are free from any claims, liens, or encumbrances and that all bills and obligations incurred for labor, taxes, withholding taxes based on payroll and payable to the United State of America or State of Arizona, premiums under a voluntary disability insurance policy, if any, carried with a private insurer, and payments to all union health, welfare, pension, apprentice training and vacation funds applicable for workmen employed on the above-described Project, in connection with the work of improvement on the Project, have been paid in full. The undersigned warrants that all subcontractors and material-men that may have delivered materials and performed work upon the Property for the Project have been fully paid or will be paid from monies received from this payment. The undersigned shall and does hereby indemnify, save, and hold harmless the Owner and CMAR from all claims, damages, liens and losses, including all costs, professional fees, and reasonable attorney's fees, which the Owner may suffer by reason of filing of any claims, notices, liens or encumbrances, or the failure of the undersigned to obtain cancellation and discharge thereof.

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Company Name

By \_\_\_\_\_

\_\_\_\_\_  
(Title)

## **EXHIBIT D – DEFINITIONS**

**Allowance** – A specific amount for a specific item of Work, if any, that Owner agrees has not been sufficiently designed, detailed, or selected (including design changes from 90% to 100% as authorized by and at the discretion of the Owner) at the time the Contract Price is agreed to for Contractor to provide a definitive price. Allowances shall be treated in accordance with Article 7.2 above.

**Baseline Cost Model** – A breakdown and estimate of the scope of the Project developed by CMAR.

**CMAR or Construction Manager at Risk** – The person or firm selected by Owner to provide pre-construction and/or construction services as detailed in a Construction Manager at Risk Contract with Owner. In these General Conditions, the term “Contractor” includes CMAR under both Pre-Construction and Construction Services Contracts.

**CMAR Fee or Contractor’s Fee** – An agreed to percentage in an accepted GMP that represents the Contractor’s fee for performance of the Work.

**Contract Documents** – Where compensation under the Contract is based upon a GMP accepted by Owner, the term “Contract Documents” also includes the accepted GMP Proposal.

**Contract Price** – Where compensation under the Contract based upon a GMP accepted by Owner, the term “Contract Price” refers to the GMP.

**Cost-Based Contract, Change Order, or Job Order** – A Contract, Change Order, or Job Order where the Contract Price is based upon the actual cost of performing the Work, subject to the terms of the Contract Documents. These would include those generally referred to as “Cost of the Work plus a Fee with a GMP,” “Time and Materials,” or “Cost Plus a Fee.”

**Cost of the Work** – The direct costs necessarily incurred by Contractor in the proper, timely, and complete performance on the Work. The Cost of the Work shall include only those costs set forth in Article 7 above.

**Deliverables** – The work products prepared by Contractor in performing the scope of work described in the Contract. Some of the major deliverables to be prepared and provided by Contractor during pre-construction may include but are limited to: the Baseline Cost Model and Schedule that validate Owner’s plan and budget, Construction Management Plan, Detailed Project Schedule, Schedule of Values, alternative system evaluations, procurement strategies and plans, Detailed Cost Estimates, construction market surveys, cash flow projections, GMP Proposals, Subcontractor procurement plan, Subcontractor agreements, Subcontractor bid packages, Supplier agreements, Constructability Review, Cost Control Log, Traffic control and phasing plans and others as indicated in this Contract or required by the Project Team.

**Pre-Construction Services Contract** – The Contract entered into between Owner and the CMAR for Pre-Construction Services to be provided by the CMAR, including, without limitation, the generation of a GMP Proposal. If the GMP Proposal is accepted by Owner and a CMAR Contract is entered into between Owner and CMAR, the duties, obligations and warranties of the CMAR under the Pre-Construction Services Contract survive and are incorporated into the resulting CMAR Contract.

**Pre-Construction Services** – The services to be provided under a Pre-Construction Services Contract.

**Detailed Project Schedule** – The Detailed Project Schedule developed by the CMAR for the review and approval of the Owner.

**GMP Plans and Specifications** – The plan and specifications upon which the Guaranteed Maximum price Proposal is based.

**GMP Proposal** – The proposal of Contractor submitted for the entire Work and/or portion (phases) of the Work.

**Guaranteed Maximum Price or GMP** – The Guaranteed Maximum Price set forth in the Contract.

**EXHIBIT E - COMPLIANCE WITH OWNER'S PUBLISHED RULES AND REGULATIONS AND MINIMUM STANDARDS, AS AMENDED FROM TIME TO TIME**

**1. Rules & Regulations (link)**

<https://www.gatewayairport.com/policiesdocumentsandforms>

**2. Minimum Standards (link)**

<https://www.gatewayairport.com/policiesdocumentsandforms>



Phoenix-Mesa Gateway Airport Authority  
5835 S Sossaman Road  
Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Management Information Report

**To:** Board of Directors  
**From:** Chuck Odom, Chief Financial Officer  
**Through:** J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Re:** February 2024 Financials  
**Date:** April 16, 2024

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Attached is the monthly Financials Report for February 2024.



**Phoenix-Mesa Gateway Airport Authority**

AIRPORT - All Operations P&L

February, 2024

	Month of February 2024				Y-T-D as of February 2024			
	February FY23	February FY24	YOY		YTD FY23	YTD FY24	Y-T-D	
	Actual	Actual	Variance	B/(W)	Actual	Actual	Variance	B/(W)
<b>Aeronautical Operating Revenues</b>								
Aircraft Parking	22,982	36,358	13,376	58%	200,927	249,143	48,216	24%
Fuel Flowage Fees	58,000	48,021	(9,979)	-17%	445,379	411,908	(33,471)	-8%
Landing Fees	131,929	135,438	3,509	3%	915,550	1,051,442	135,892	15%
Lease Income Aero	220,698	317,207	96,509	44%	2,113,890	2,797,018	683,128	32%
Fuel Sales	640,969	689,658	48,689	8%	5,321,325	4,782,145	(539,180)	-10%
Services Sold - Aero	632,626	514,042	(118,584)	-19%	3,630,222	3,884,374	254,152	7%
<b>Sub-total Aero Operating Revenues</b>	<b>1,707,203</b>	<b>1,740,724</b>	<b>33,521</b>	<b>2%</b>	<b>12,627,293</b>	<b>13,176,030</b>	<b>548,737</b>	<b>4%</b>
<b>Non-Aeronautical Operating Revenues</b>								
Concessions	116,164	130,859	14,695	13%	916,142	890,667	(25,475)	-3%
Lease Income Non-Aero	111,991	107,245	(4,746)	-4%	879,994	876,751	(3,243)	0%
Parking	302,513	294,165	(8,348)	-3%	3,181,444	3,480,701	299,257	9%
Rental Car Fees	220,036	391,154	171,118	78%	1,582,465	1,713,102	130,637	8%
Svcs Sold - Non Aero	2,354	1,735	(619)	-26%	36,438	39,187	2,749	8%
<b>Sub-total Non-Aero Operating Revenues</b>	<b>753,058</b>	<b>925,158</b>	<b>172,100</b>	<b>23%</b>	<b>6,596,483</b>	<b>7,000,408</b>	<b>403,925</b>	<b>6%</b>
<b>Total Operating Revenues</b>	<b>2,460,262</b>	<b>2,665,882</b>	<b>205,620</b>	<b>8%</b>	<b>19,223,776</b>	<b>20,176,438</b>	<b>952,662</b>	<b>5%</b>
<b>Operating Expenses</b>								
Cost of Goods Sold	456,621	449,474	7,147	2%	3,729,866	3,449,791	280,075	8%
Personnel	847,246	1,289,620	(442,374)	-52%	6,613,039	7,243,222	(630,183)	-10%
Comm & Utilities	49,353	66,338	(16,985)	-34%	627,082	726,561	(99,479)	-16%
Contractual Services	559,498	547,172	12,326	2%	4,066,878	4,512,878	(446,000)	-11%
Insurance	49,805	64,150	(14,345)	-29%	450,387	421,698	28,689	6%
Other	33,900	26,318	7,582	22%	200,110	218,705	(18,595)	-9%
Repair & Maintenance	64,854	73,534	(8,680)	-13%	549,191	552,040	(2,849)	-1%
Supplies & Materials	80,128	72,628	7,500	9%	610,613	557,670	52,943	9%
Air Service Incentives [2,000,000]	-	-	-	0%	-	-	-	0%
Operating Contingency [2,812,142]	-	-	-	0%	-	-	-	0%
<b>Total Operating Expenses</b>	<b>2,141,405</b>	<b>2,589,234</b>	<b>(447,829)</b>	<b>-21%</b>	<b>16,847,166</b>	<b>17,682,565</b>	<b>(835,397)</b>	<b>-5%</b>
<b>Operating Income (Loss) Before Depreciation</b>	<b>318,857</b>	<b>76,648</b>	<b>(242,209)</b>	<b>-76.0%</b>	<b>2,376,610</b>	<b>2,493,873</b>	<b>117,263</b>	<b>5%</b>
	13.0%	2.9%			12.4%	12.4%		
Depreciation		1,257,851				9,901,901		



Phoenix-Mesa Gateway Airport Authority  
 5835 S Sossaman Road  
 Mesa, Arizona 85212-6014  
[www.gatewayairport.com](http://www.gatewayairport.com)

## Management Information Report

**To:** Board of Directors  
**From:** Chuck Odom, Chief Financial Officer  
**Through:** J. Brian O’Neill, A.A.E., Executive Director/CEO  
**Re:** Solicitation Notification  
**Date:** April 16, 2024

This report is to provide notification of the active and upcoming solicitations to help ensure compliance with the Phoenix-Mesa Gateway Airport Authority procurement transparency clause. The active activities include the following:

### Active/Pending Solicitations

Type Solicitation	Number	Title	Anticipated Contract Award (Board Action)
Invitation for Bid	2024-011-IFB	Refuel / Defuel Bowser	April 2024
Request for Qualifications	2024-016-RFQ	CMAR for Runway 12R-30L Reconstruction	April 2024
Request for Qualifications	2024-006-RFQ	FBO Consulting Services	June 2024
Request for Proposals	2024-015-RFP	Common Use Passenger Processing System (CUPPS)	August 2024

### Future Solicitations

Type Solicitation	Number	Title	Scheduled for Release	Anticipated Contract Award (Board Action)
Invitation for Bid	2024-014-IFB	12C-30C Mill & Overlay	April 2024	May 2024
Invitation for Bid	2024-012-IFB	Taxiway Whiskey Phase 1 Rehabilitation	April 2024	June 2024

### Equipment Disposals

Fiscal year totals from sales of decommissioned / nonworking equipment total \$54,925.00

If you have any questions about the solicitations or the procurement process, please feel free to contract me at 480-988-7613.



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## Management Information Report

**To:** Board of Directors  
**From:** Chuck Odom, Chief Financial Officer  
**Through:** J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Re:** Impractical Procurement, Environmental Remediation Services: Everclear Environmental Solutions  
**Date:** April 16, 2024

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With the redevelopment of the eastside of the Airport, certain lots need to be prepared for development. The first step of this redevelopment process is to demolish the buildings that are currently located on the lots. The buildings have reached the end of their useful life, and due to their age, deteriorated condition, and high levels of asbestos, they must be remediated before being demolished.

Four additional buildings were recently identified to be demolished and each of those buildings contains asbestos. Remediation services are therefore required prior to demolition beginning. The Airport's demolition contractor is tentatively scheduled to begin this project in April, 2024.

PMGAA's Procurement Policy requires staff to issue a formal solicitation for purchases exceeding \$50,000 unless otherwise approved by the Purchasing Director. The viability of issuing a formal solicitation for this procurement is impractical due to timing and scheduling of the project and the demolition of the buildings. Therefore, this purchase will be procured as provided for under Impractical Procurements, defined in PMGAA's Procurement Policy.

Airport staff requested quotes from three qualified environmental remediation companies. Staff reviewed the two quotes that were submitted and selected Everclear Environmental Solutions to perform the needed services based on pricing, qualifications, and availability. The not to exceed cost for services is \$66,665.92.



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## Management Information Report

**To:** Board of Directors  
**From:** J. Brian O'Neill, A.A.E., Executive Director/CEO  
**Re:** Weighted Voting Rights Related to the Amended and Restated Joint Powers Airport Authority Agreement  
**Date:** April 16, 2024

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The Voting Rights (Section 8) of the Phoenix-Mesa Gateway Airport Authority Amended and Restated Joint Powers Airport Authority Agreement (Agreement) defines Member Government (Member) voting rights and weighted voting rights. Per the Agreement, each Member is entitled to a weighted vote equal to that Member's *cumulative investment* as a percentage of the total investment made by all current Members since 1993.

When utilizing a weighted vote, should any one Member's weighted vote calculated under the Voting Rights Section exceed 50%, then the weighted vote for that Member shall be deemed equal to the sum of the weighted vote of all the other Members combined. However, the weighted votes of all the Members combined must be adjusted so that the total weighted vote calculation equals 100%. As an example, if a Member's weighted vote is calculated at 68%, that Member's weighted vote would then be deemed to be 50%, with the remaining Members holding a proportionate share of the remaining 50% of the total weighted vote.

Based on the above criteria, the weighted vote calculation for fiscal year 2025 is as follows:

<b><u>Member Government</u></b>	<b><u>Unweighted</u></b>	<b><u>Weighted</u></b>
City of Mesa	77.65%	50.00%
Gila River Indian Community	9.94%	22.23%
Town of Gilbert	8.44%	18.90%
Town of Queen Creek	2.51%	5.61%
City of Apache Junction	1.46%	3.26%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>

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