



AGENDA

Greater Asheville Regional Airport Authority Regular Meeting
Friday, August 10, 2018, 8:30 a.m.
Conference Room at Administrative Offices

NOTICE TO THE PUBLIC: The Airport Authority welcomes comments from the public on any agenda item. Comments are received prior to the Board's discussion of the agenda item. Comments are limited to five minutes. If you wish to comment on an agenda item, please deliver a request card (available in the meeting room) to the Clerk to the Board prior to the agenda item being called by the Chair.

- I. CALL TO ORDER
- II. SERVICE AWARD PRESENTATION:
 - A. Suzie Baker – 10 Years
- III. PRESENTATIONS:
 - A. Terminal Building Assessment Study ([document](#))
- IV. FINANCIAL REPORT ([document](#))
- V. CONSENT ITEMS:
 - A. Approval of the Greater Asheville Regional Airport Authority June 8, 2018 Regular Meeting Minutes ([document](#))
 - B. Approval of the Greater Asheville Regional Airport Authority June 8, 2018 Closed Session Minutes Parts A and B
 - C. Approval of Section 123.00, Disadvantaged Business Enterprise (DBE) Program, and Section 123.01, Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, of the Greater Asheville Regional Airport Authority Administration Policies and Procedures ([document](#))
 - D. Approval of Amendment to the FY 2017/2018 Budget ([document](#))



VI. OLD BUSINESS:

- A. Public Hearing and Final Adoption of the Authority's Amended Ordinance 201601 for Airline Rates, Fees and Charges for the Asheville Regional Airport ([document](#))

VII. NEW BUSINESS:

- A. Approval of Airline Incentives for Spirit Airlines ([document](#))
- B. Approval of Contract with Faith Group, LLC for Consulting Services for Airport Security and Identity Management System Project ([document](#))
- C. Approval of Agreement for Planning Consulting Services with CHA, Inc. ([document](#))
- D. Approval of Agreement for Architectural Consulting Services with GS&P, N.C., an Affiliate of Gresham Smith and Partners ([document](#))
- E. Approval of Agreements for Civil Engineering Consulting Services with Avcon Engineers and Planners, Inc., and Parrish and Partners of North Carolina, PLLC ([document](#))

VIII. DIRECTOR'S REPORT:

- A. Report on Farnborough Air Show
- B. Update on State Funding
- C. Construction Update
- D. Contingency Transfer

IX. INFORMATION SECTION:

(Staff presentations will not be made on these items. Staff will be available to address questions from the Board.)

- A. June 2018 Traffic Report ([document](#))
- B. June 2018 Monthly Financial Report ([document](#))
- C. August 2018 Development/Project Status Report ([document](#))
- D. Airport Facilities Review for Second Quarter ([document](#))



E. Potential Board Items for the Next Regular Meeting:

- Terminal Facility Requirements

X. PUBLIC AND TENANTS' COMMENTS

XI. CALL FOR NEXT MEETING

XII. CLOSED SESSION:

Pursuant to Subsections 143-318.11 (a) (3) and (4) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege and to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Authority in Negotiations.

XIII. AUTHORITY MEMBER REPORTS:

- A. Key Strategic Elements ([document](#))

XIV. ADJOURNMENT

This agenda of the Greater Asheville Regional Airport Authority is provided as a matter of convenience to the public. It is not the official agenda. Although every effort is made to provide complete and accurate information in this agenda, the Greater Asheville Regional Airport Authority does not warrant or guarantee its accuracy or completeness for any purpose. The agenda is subject to change before and/or during the Board meeting.

**Greater Asheville Regional Airport
Authority
Asheville, North Carolina**

Asheville Regional Airport (AVL)

Terminal Assessment Study

August 10, 2018



Investigate the existing terminal's building systems and infrastructure and provide a professional opinion of condition along with recommendations for improvements or replacement.

PROJECT TEAM

Prime Consultant – CHA Consulting Inc. (CHA)

Architectural Consultant – Leo A. Daly

Mechanical (HVAC) – AVCON

Mechanical (Plumbing) – CHA

Fire Protection – CHA

Electrical – CHA

Security and Telecom – CHA

Civil/Site Utilities – Vaughn and Melton



Field Assessment Using Survey123 for ArcGIS

- Building Envelope
- Building Roof
- Doors
- Building Façade
- Building ADA Observations
- Building HVAC Equipment
- Gas-Fired Boilers
- Exhaust and Supply Fans
- Building Plumbing
- Plumbing Fixtures
- Fire Protection System
- Fire Alarm System
- Power Distribution
- Lighting
- Telecommunications Equipment
- Security Systems
- Water Supply System
- Sewage Collection System

ASSESSMENT

Excellent: Properly functioning and like new condition;

Good: Properly functioning and materials are sound;

Fair: Properly functioning minor repair associated with normal maintenance; and

Poor: Major repair required to correct deficiency.

ASSESSMENT SUMMARY	
Number of records in database	439
Items identified for immediate replacement	28
Items identified for replacement 1-3 years	100
Items identified for replacement 3-5 years	76
Items identified for replacement 5-10 years	61
Items identified for replacement 10-15 years	113
Items identified for replacement 15-20 years	12
Condition Assessment Excellent	0
Condition Assessment Good	123
Condition Assessment Fair	165
Condition Assessment Poor	31

Recommendations – Mechanical HVAC

- Replacement rooftop units East side
- Replacement of split units serving landside offices
- Replacement of the basement chiller
- Other systems have 4-12 years remaining on their useful life
- Minimal excess capacity on any of the current HVAC systems
- Option exists to replace all air cooled chillers with a central water cooled plant

Recommendations – Mechanical Plumbing

- Replacement of 6 inch sanitary waste main
- Replace water service entrance backflow preventer per code
- Replace several plumbing fixtures due to poor condition
- Removal of abandon water heater and expansion tank

Recommendations – Fire Protection

- Install fire protection in FAA tower
- Modifications to sprinkler head locations in several areas to meet code spacing
- Sprinkler modifications in the Electrical room to remove obstructions
- Provide gas fire suppression agent in the electrical room
- Minor replacement to rusted sprinkler pipe

Recommendations – Electrical/Telecom/Security

- Add new duct bank between the utility building and terminal
- Install a demand metering system for future renovations
- Install an additional 480V panel board to support future renovations
- Replace 10 existing electrical panels that are beyond useful life (admin and FAA areas)
- Continue light replacement with LED fixtures and occupancy sensors
- Replacement of fire alarm system – end of useful life
- Provide UPS system for telecom to address power reliability
- Replace ground bars on telecom system
- Provide additional pathways for cable
- Replacement of Security Access Control
- Modification to Security camera locations to improve sight lines

Recommendations – Civil Water System

- Replacement of water mains to eliminate existing deficiencies and facilitate expansion
 - Replace existing 6 inch lines with 8 inch
 - Abandon 6 inch line under the parking lot
 - Install 8 inch line in Terminal Drive ROW
- Install an additional 8 inch water main to create a loop and provide multiple connections

Recommendations – Civil Sewer System

- Condition of the 8 inch sanitary main is poor
 - Replace the new 8 inch main

Recommendations – Architectural

- Windows
 - Replace all Sealant on Terminal Windows
 - Replace Windows and Metal Panels in Administration Area
 - Replacement of Storefront Facing the Courtyard
- Doors
 - Consider Wider Landside Entry Doors
- Accessibility
 - Provide accessible counters at computer stations
 - Provide accessible holdroom seating
 - Accessible Toilet Room Accessories (paper towel dispensers, etc.)

Recommendations – Architectural

- Roof
 - Completed both visual and infrared assessment
 - South Terminal Roof in Poor Condition
 - West Terminal Roof in Good condition. Attention is Needed to the expansion joints
 - Southwest Concourse Roof is relatively new but has slope issues
 - Northwest Concourse Roof is aged beyond its life
 - Upper and Lower Tower roofs are in Poor Condition

Cost Opinions of Items Identified as Immediate Replacement

- HVAC \$441,750
- Plumbing \$17,000
- Fire Protection \$0
- Electrical \$0
- Security \$0
- Telecom \$0

Subtotal \$458,750

Cost Opinions of Items Identified as 1-3 year replacement

• HVAC	\$270,950
• Plumbing	\$3,000
• Fire Protection	\$1,500
• Electrical	\$29,045
• Security	\$6,500
• Telecom	\$72,750
<i>Subtotal</i>	<i>\$383,745</i>

Cost Opinions of Items Identified as beyond 3 years

• HVAC	\$825,300
• Plumbing	\$66,420
• Fire Protection	\$69,700
• Electrical	\$80,700
• Security	\$8,850
• Telecom	\$24,735
<i>Subtotal</i>	<i>\$1,075,705</i>

Cost of Exterior Utility Improvements

Probably best implemented in conjunction with any terminal renovation or expansion

Questions



**Asheville Regional Airport
Executive Summary
June-18**

AIRPORT ACTIVITY

	<u>Month</u>	<u>Variance to Prior Year</u>	<u>Calendar Year to Date</u>	<u>Variance to Prior Year</u>
Passenger Enplanements	52,845	15.8%	247,354	21.8%
Aircraft Operations				
Commercial	1,836	6.5%	8,222	2.7%
Scheduled Flights	719	1.0%		
Flight Cancellations	27			
Seats	60,409	7.0%	294,774	13.3%
Load Factor	87.5%	8.1%	83.9%	7.5%
General Aviation	4,797	20.8%	19,959	3.1%
Military	370	(27.9%)	1,587	(24.7%)

FINANCIAL RESULTS

	<u>Month</u>	<u>Variance to Budget</u>	<u>Fiscal Year to Date</u>	<u>Variance to Budget</u>
Operating Revenues	\$ 1,176,670	27.8%	\$ 12,413,747	20.4%
Operating Expenses	722,128	(52.2%)	8,220,758	(13.7%)
Net Operating Revenues before Depreciation	<u>\$ 454,542</u>	177.3%	<u>\$ 4,192,989</u>	432.2%
Net Non-Operating Revenues	<u>\$ 510,891</u>	83.3%	<u>\$ 3,547,802</u>	32.1%
Grants:				
FAA AIP Grants	\$ 343,220		\$ 4,616,519	
NC Dept of Transportation Grants	-		2,027,830	
Total	<u>\$ 343,220</u>		<u>\$ 6,644,349</u>	

CASH

Restricted	\$ 10,687,150
Designated for O&M Reserve	4,517,470
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	16,562,574
Total	<u>\$ 32,417,194</u>

RECEIVABLES PAST DUE

	<u>Total</u>	<u>1-30 Days</u>	<u>31-60 Days</u>	<u>Over 60 Days</u>
Advertising Customers	14,815	7,188	-	7,627
Allegiant	10,218	132	-	10,086
American	51,434	48,568	2,216	650
Avis	61,078	1,190	-	59,888
Delta	87,204	73,368	13,634	202
Elite Airways	7,731	2,811	2,811	2,109
Enterprise	5,247	2,041	-	3,206
TSA	11,184	9,880	990	314
FAA	13,399	-	-	13,399
Hertz	25,667	24,339	-	1,328
Paradies	5,925	4,499	1,426	-
Signature	6,398	3,029	125	3,244
Skywest	86,959	16,478	20,547	49,934
Travelers Insurance	79,646	910	78,736	-
United	28,224	13,781	14,235	208
Vanguard	6,168	2,293	-	3,876
Miscellaneous	11,697	4,387	320	6,991
Total	<u>\$ 512,995</u>	<u>\$ 214,894</u>	<u>\$ 135,040</u>	<u>\$ 163,061</u>
% of Total Receivables	<u>45.77%</u>			

Note: Excludes balances paid subsequent to month-end.

REVENUE BONDS PAYABLE

	<u>Original Amount</u>	<u>Current Balance</u>
Parking Garage Revenue Bond, Series 2016A	\$ 15,750,000	\$ 15,750,000
Parking Garage Taxable Revenue Bond, Series 2016B	5,250,000	4,295,000
	<u>\$ 21,000,000</u>	<u>\$ 20,045,000</u>

CAPITAL EXPENDITURES

Annual Budget	\$ 75,902,384
Year-to-Date Spending	\$ 14,221,389

**REGULAR MEETING
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
June 8, 2018**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, June 8, 2018 at 8:30 a.m. in the Conference Room at the Authority's Administrative Offices, Asheville Regional Airport ("Airport"), 61 Terminal Drive, Suite 1, Asheville, NC 28732.

MEMBERS PRESENT: Robert C. Roberts, Chair; Matthew C. Burril, Vice-Chair; K. Ray Bailey; William L. Moyer; and George H. Erwin, Jr.

MEMBERS ABSENT: Stephanie Pace Brown and David Gantt

STAFF AND LEGAL COUNSEL PRESENT: Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; Michael Reisman, Deputy Executive Director of Development and Operations; Kevan Smith, Chief of Public Safety; Suzie Baker, Director of Administration; Tina Kinsey, Director of Marketing and Public Relations; Janet Burnette, Director of Finance and Accounting; Shane Stockman, IT Director; John Coon, Director of Operations; Samuel Sales, Public Safety Captain; Paul Creasman, Public Safety Lieutenant; Kelly Smith, Public Safety Officer; Tony Souther, Maintenance Technician; and Ellen Heywood, Clerk to the Board

ALSO PRESENT: Eric Rysdon, RS&H; James Moose, Avcon; Dillon Davis, Asheville Citizen-Times; Sierra Heaton, Delta Airport Consultants; Chuck Buckland, Signature Flight Support; Larry Williams

CALL TO ORDER: The Chair called the meeting to order at 8:30 a.m. The Chair congratulated Mr. Moyer on his re-appointment to the Board by Henderson County.

SERVICE RECOGNITION AWARD: Matthew Burril recognized the Chair for his service on the Authority Board and read the following resolution:

Greater Asheville Regional Airport Authority

~ *Resolution* ~

WHEREAS, the Greater Asheville Regional Airport Authority was created in June 2012 by State statutes to succeed the Asheville Regional Airport Authority for the purpose of maintaining, operating, regulating, developing, and improving the Asheville Regional Airport; and

WHEREAS, Robert C. Roberts diligently served as Member of the Asheville Regional Airport Authority from July, 2010 through June, 2017 and the Greater Asheville Regional Airport Authority from August, 2012 through June, 2018; and

WHEREAS, Robert C. Roberts served as Chairman of the Asheville Regional Airport Authority from March, 2015 through June, 2017; and

WHEREAS, Robert C. Roberts served as Vice-Chair of the Greater Asheville Regional Airport Authority from August, 2012 through August, 2014; and Chair of the Greater Asheville Regional Airport Authority from August, 2014 through June, 2018; and

WHEREAS, during his service to both organizations, Robert C. Roberts fulfilled his position with conscientiousness and a respected financial acumen, while imparting an astute vision for the future of the Authority and its mission of being the premier airport of choice for Western North Carolina. Under his exceptional guidance, governance and deliberations of the Authority were conducted with an unprecedented sense of graciousness and fairness; and

WHEREAS, great improvements were made to the Asheville Regional Airport throughout the term and under the leadership of Robert C. Roberts, including a successful transition to an independent authority, construction of an airfield re-development project, completion of a new aircraft rescue firefighting facility, and construction of a public parking facility;

NOW, THEREFORE, BE IT RESOLVED that the Greater Asheville Regional Airport Authority expresses its sincere gratitude to Robert C. Roberts for his dedication and service to the Asheville Regional Airport and the Western North Carolina community.

Adopted this 8th day of June, 2018.

Greater Asheville Regional Airport Authority

Mr. Roberts thanked the Board and stated that he was very humbled and honored for the opportunity to serve on the Board and that it has been a pleasure working with all of the Board Members and staff.

AWARD PRESENTATION: The Chair and Chief Kevan Smith recognized Captain Samuel Sales for receipt of his Advanced Law Enforcement Certification from the State of North Carolina Criminal Justice Education and Training Standards Commission. Captain Sales was presented with the framed certificate.

SERVICE AWARD PRESENTATION: The Chair recognized Kelly Smith and Tony Souther with a service recognition award and gift for their 10 years of service with the Authority.

FINANCIAL REPORT: The Director reported on the airport activity for the month of April which included enplanements, aircraft operations, and general aviation activity. Janet Burnette reported on the financial activity for the month of April.

CONSENT ITEMS: The Chair stated that Consent Item B, Approval of the Greater Asheville Regional Airport Authority April 13, 2018 Closed Session Minutes, would be pulled for review in Closed Session.

A. Approval of the Greater Asheville Regional Airport Authority April 13, 2018 Regular Meeting Minutes: Mr. Bailey moved to approve the Greater Asheville Regional Airport Authority April 13, 2018 regular meeting minutes. Mr. Moyer seconded the motion and it carried unanimously.

OLD BUSINESS: None

NEW BUSINESS:

A. Approval of Resolution Accepting Grants: The Director advised the Board that staff submits requests for both entitlement and discretionary grants to the Federal Aviation Administration and the North Carolina Department of Transportation Division of Aviation on an annual basis. Once awarded, the grants must be accepted by the Authority and the following resolution provides the authorization to accept the grants:

Greater Asheville Regional Airport Authority

~ Resolution ~

A RESOLUTION CONFERRING STANDBY AUTHORITY TO ACCEPT GRANTS BY THE
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY DURING THE FISCAL YEAR

WHEREAS, the Greater Asheville Regional Airport Authority ("Authority") is a body corporate and politic organized and created by the North Carolina General Assembly pursuant to Session Law 2012-121, House Bill 552 known as the Greater Asheville Regional Airport Authority Act ("Act"); and

WHEREAS, the Authority operates the Asheville Regional Airport ("Airport"); and

WHEREAS, the Authority has the right under the Act to accept grants of money and/or materials or property of any kind for any existing or future airport facilities from the State of North Carolina, the United States, or any agency, department, or subdivision of either of them: and

WHEREAS, the Federal Aviation Administration (“FAA”), a division under the United States Department of Transportation, annually awards entitlement grants and discretionary grants to airports throughout the United States in support of airport capital improvement projects; and

WHEREAS, the Airport is eligible for such grants; and

WHEREAS, the window of time to accept such grants from the FAA is usually relatively short and may not fall within the schedule of Authority board meetings; and

WHEREAS, the Executive Director recommends that the Authority adopt this resolution so as not to be in a position whereby a grant is forfeited or denied.

NOW, THEREFORE, BE IT RESOLVED and Adopted by the Authority as follows:

Low Bleiweis, A.A.E., Executive Director of the Greater Asheville Regional Airport Authority, Michael Reisman, Deputy Executive Director – Development and Operations, the Chair of the Authority, and/or the Vice Chair of the Authority, or any of them or their successors in office (each an “Authorized Officer”) be, and they hereby are, authorized to accept, on behalf of the Authority, any and all grant offers made to the Authority by the State of North Carolina, the United States, or any agency, department, or subdivision of either of them; to execute and deliver, for and on behalf of the Authority, any and all instruments necessary to accept such grant offers; to ratify, accept, and adopt all assurances, statements, representations, warranties, covenants and agreements contained in any project application submitted by the Authority in connection with such grants; and to agree, on behalf of the Authority, to comply with any and all such assurances.

Adopted this 8th day of June, 2018

Robert C. Roberts, Chair

Attested by:

Ellen M. Heywood, Clerk to the Board

Mr. Moyer moved to approve the Resolution Conferring Standby Authority To Accept Grants By The Greater Asheville Regional Airport Authority During The Fiscal Year. Mr. Bailey seconded the motion and it carried unanimously.

B. Approval of Contract Award with Guard-One Protective Services for Premium Passenger Check Point Security Lane Services:

The Director reported that the wait lines at the security checkpoint were more than 30 minutes at times. Until a third checkpoint lane is added by the Transportation Security Administration (TSA), staff would like to implement a checkpoint lane for premium passengers which will reduce the wait times for the most frequent travelers of the airport. This new lane would require personnel to be positioned at the entrance to check boarding passes for admittance. Since the airlines do not want to staff this lane, the service will need to be contracted out. Staff received quotes from two companies and the lowest bid was received from Guard-One Protective Services. The annual contract amount is estimated to be approximately \$80,000 with an hourly billable rate of \$16.37. The lane will be staffed from 4:30 am to 5:30 pm seven days a week, however, the hours can be adjusted in accordance with the airlines' schedules. The Director advised the Board that full concurrence of this staffing service has not yet been received from all airlines, Delta Airlines in particular. The Director further stated that the addition of this service will increase the airlines' cost per enplanement to approximately \$6.07 from the \$5.92 that was recently approved by the Board in the Rates and Charges Ordinance.

Mr. Burril inquired if there were any upfront costs to create the new lane. The Director responded that some additional stanchions were needed, but totaled under \$1,000.

Mr. Erwin moved to approve the contract with Guard-One Protective Services for a premium passenger checkpoint security lane in the amount of \$80,000 and authorize the Executive Director to execute the necessary documents. Mr. Bailey seconded the motion and it carried unanimously.

C. Preliminary Approval of the Authority's Amended Ordinance of Airline Rates, Fees, and Charges for the Asheville Regional Airport:

Janet Burnette advised the Board that with the approval of the contract with Guard-One Protective Services for a premium passenger lane at the security checkpoint, the Airline Rates, Fees and Charges approved by the Board in April must be updated to include the cost to staff the lane. Based on anticipated airline passenger traffic for the upcoming year, a fee of \$.15 per enplanement will be necessary to cover the cost of the personnel at the premium passenger lane. Mrs. Burnette reminded the Board that the Authority's ordinance process requires a public hearing prior to adoption of this new fee. The proposed fee would not increase revenue, but simply cover the additional, unbudgeted cost.

Mr. Moyer questioned how it would be handled if an airline wanted to speak about this new fee. The Director responded that the public comment period is a minimum of 10 days and gives the public the opportunity to submit any phone conversations or written comments to the Board. There will also be an opportunity for anyone to speak at the public hearing that will be held prior to the Board approving the Amended Ordinance of Airline Rates, Fees and Charges at the next Board meeting.

Mr. Moyer moved to approve the proposed Amended Ordinance of Airline Rates, Fees and Charges; schedule a public hearing and accept public comment on the proposed Amended Airline Rates, Fee and Charges; and following the minimum period for public comment and public hearing, adopt the Amended Ordinance of Airline Rates, Fees and Charges for FY2018-2019 at the next regularly scheduled Authority Board meeting which is scheduled for August 10, 2018. Mr. Erwin seconded the motion and it carried unanimously.

D. Approval of New Food Concept Concession and Concession Agreement Amendment with Paradies Lagardere:

The Director informed the Board that Paradies Lagardere would like to expand their food offerings and concession space to add an Auntie Anne's and Cinnabon Café in the terminal building at the beginning of Gates 1-3. Paradies will have a capital expenditure of not less than \$250,000 for the new space with an opening expected by the end of the year or early next year. The Director further advised the Board that the current agreement with Paradies requires a minimum expenditure of \$250,000 to refurbish existing facilities prior to February 28, 2021 for the first five-year renewal option of their contract. Paradies has asked to reduce the amount to refurbish from \$250,000 to \$125,000 and then spend another \$125,000 prior to the last five-year renewal option in February 2026. The Director stated that staff is agreeable to Paradies' request provided their facilities are kept clean and well maintained throughout the remainder of the agreement term.

Mr. Moyer moved to approve the new concession concept and Concession Agreement Amendment to the Food and Beverage/Sundries/Vending/Gift Concession Agreement at Asheville Regional Airport with The Paradies Shops, LLC; and authorize the Executive Director to execute the necessary documents. Mr. Bailey seconded the motion and it carried unanimously.

E. Approval of Revised Administration Policies and Procedures Section 117.00 – Commercial Ground Transportation Regulation:

Michael Reisman stated that after discussions and negotiations, staff has arrived at an agreement with TNC/Rideshare companies to operate at the airport, while ensuring that all ground transportation companies are being treated equitably. The revised policy establishes areas outside the ground transportation staging lot for certain categories of commercial ground transportation operators to use as well as the inclusion of geo-fencing. Mr. Reisman further stated that the Supplemental Fee Schedule will need to be revised to allow for permit and per trip fees. The Authority also plans to enter into an agreement with the American Association of Airport Executives (AAAE) for their revenue control and payment services for TNC/Rideshare operations at airports.

Mr. Erwin moved to approve the revised Administration Policies and Procedures Section 117.00 – Commercial Ground Transportation Regulation. Mr. Moyer seconded the motion and it carried unanimously.

F. Approval of Amendment to Supplemental Fees and Charges Schedule:

The Director reported that during the discussions and negotiations with the TNC/Rideshare companies an agreement was reached to charge per trip fees of \$2.50 and .50 for pick-up and drop-off respectively. For the convenience of passengers, these fees have been in effect on an interim basis since May 25th awaiting long-term action by the Board through approval of the updated Supplemental Fee and Charges Schedule.

Mr. Moyer moved to ratify the Executive Director's interim action of amending this fee on May 25, 2018 and approve the amended changes to the FY2017/2018 Annual Budget Supplemental Fees and Charges Schedule, as well as the FY 2018/2019 Annual Budget Supplemental Fees and Charges Schedule. Mr. Burril seconded the motion and it carried unanimously.

G. Approval of Uniform Guidance Procurement Requirements Policy: Janet Burnette stated that the federal government, through the Uniform Guidance, has issued new procurement requirements. Although the Authority already complies with most of the requirements, staff has created a new policy to include additional details supplied by the federal government.

Mr. Bailey moved to approve the new policy for the Uniform Guidance Procurement Requirements. Mr. Erwin seconded the motion and it carried unanimously.

H. Approval of Supplemental Agreement No. 2 to Agreement for Professional Consulting Services with Reynolds, Smith and Hills, Inc. (RS&H):

Due to delays in the Airfield Re-development project, Michael Reisman commented that it is necessary to extend the terms of the agreement with RS&H for continuation of engineering services for the Airfield Re-development project until the completion of the project.

Mr. Moyer questioned if staff was satisfied with the work performed by RS&H. Mr. Reisman responded that staff was very pleased with the services of both RS&H and Avcon, that both firms have been performing engineering services since the beginning of the Airfield Re-development project, and the last thing staff would want to do would be to change engineers part-way through a project. Mr. Reisman assured the Board that these extensions do not extend the services of either firm for any other project.

Mr. Moyer moved to approve Supplemental Agreement No. 2 to the Agreement for Professional Consulting services with Reynolds, Smith and Hills, Inc. and authorize the Executive Director to execute the necessary documents. Mr. Erwin seconded the motion and it carried unanimously.

I. Approval of Supplemental Agreement No. 2 to Agreement for Professional Consulting Services with Avcon Engineers and Planners, Inc.:

Michael Reisman stated that like the supplemental agreement with RS&H, it is necessary

to extend the agreement with Avcon for continuation of engineering services for the Airfield Re-development project until the completion of the project.

Mr. Burril questioned if the project has created conflicts for either of the engineering firms on projects they have accepted with other companies. Mr. Reisman responded that they did not have conflicts with other projects.

Mr. Erwin moved to approve Supplemental Agreement No. 2 to the Agreement for Professional Consulting Services with Avcon Engineers and Planners, Inc. and authorize the Executive Director to execute the necessary documents. Mr. Moyer seconded the motion and it carried unanimously.

J. Approval of Scope of Services No. 19 with Avcon Engineers and Planners, Inc.: Michael Reisman informed the Board that the expenses associated with Scope of Services No. 19 were the direct result of delays in completion of BP-4 of the Airfield Re-development project and the termination of the contractor in 2017. The additional work that Avcon will be performing is mainly construction administration services. The not-to-exceed fee for this work is \$86,653.00 and these expenses are included in the damages the surety company will be reimbursing to the Authority. Mr. Reisman stated that approval of Scope of Services No. 19 will require the following budget amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2018:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$86,653
Totals	<u> </u> <u> </u> \$0	<u> </u> <u> </u> \$86,653

This will result in a net increase of \$86,653.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$86,653
Totals	<u> </u> <u> </u> \$0	<u> </u> <u> </u> \$86,653

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 8th day of June, 2018.

Robert C. Roberts, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Mr. Burril moved to approve Scope of Services No. 19 with Avcon Engineers and Planners, Inc.; authorize the Executive Director to sign the necessary documents; and amend the FY2017/2018 budget by adopting the budget ordinance amendment as presented by staff. Mr. Bailey seconded the motion and it carried unanimously.

K. Approval of Public Safety Body-Worn Camera (BWC) Policy: Kevan Smith informed the Board that with negative interaction between law enforcement and the public on a national level over the last few years, use of body-worn cameras by public safety personnel would be a benefit to the Authority. Strict policies must be implemented to regulate the use of body-worn cameras, as well as the video images recorded in order to protect the interest of the Authority, its' public safety officers, other employees, and members of the public. Chief Smith stated that the North Carolina Association of Chiefs of Police has provided North Carolina law enforcement agencies with a sample policy which Chief Smith presented in a slightly modified form for use at the airport.

Mr. Erwin commended Chief Smith for being proactive and stated that the Board would be wise to move forward with this.

Mr. Moyer inquired what the policy provided as far as authority for the officers to turn the cameras off. Chief Smith stated that the policy does address the issue of when cameras should be turned off and gave examples including performing non-contact duties such as directing traffic or engaging in a confidential discussion with a fellow officer.

The Chair asked what the policy specified concerning the videos with respect to the public disclosure act. Chief Smith responded that state law governs the release of video footage and that anything not related to an investigation is purged after 30 days. Any footage that is part of an investigation is kept until needed by the applicable state statutes. A question was raised about the press requesting footage. The Chief responded that this

request required a subpoena and court order. The Director stated that the policy does allow for the Executive Director to authorize other people to view those videos provided there is cause. Cindy Rice informed the Board that from a public records perspective, most everything will fall under one or two exceptions; (1) either excluded from public record for being part of a criminal investigation or law enforcement intelligence, or (2) if it is something that might become part of a personnel record for that particular officer.

Mr. Burril commented that a 30-day retention of the video footage seemed like a relatively short window of time to capture something when it's not certain when someone could ask for the footage. Mr. Burril asked what the Authority's policy would be. Chief Smith replied that the Authority's policy is 30 days unless it's connected to a case. The Chair asked for Ms. Rice's opinion on the 30-day retention from a legal perspective. Ms. Rice stated that the only legal requirement is to keep it for 30 days before destroying. Chief Smith commented that he also had discretion to keep something that could potentially be needed in a future case.

Mr. Erwin moved to adopt the Body-Worn Camera Policy as presented by staff and authorize the use of body-worn cameras by Department of Public Safety personnel. Mr. Bailey seconded the motion and it carried unanimously.

L. Approval of Revised Business Insurance Renewals: At the April Board meeting, the Board approved the Authority's business insurance for Fiscal Year 2018/2019 stated Suzie Baker. The amounts approved at that time were estimated by the Authority's insurance broker, USI. Since that time, staff has received the renewal and while the overall cost for insurance is less than the estimated amount supplied by USI, the cost for the property insurance is \$60,100 which is an increase over the estimated amount of \$46,500 approved by the Board. Ms. Baker explained that the increase is due to the overall property insurance market as well as the addition of the parking garage which the broker had not included in the initial estimates. Since there was a decrease in the worker's compensation renewal and the other coverages were less than estimated, there is no overall increase in the cost to business insurance.

Mr. Moyer moved to authorize the insurance amount changes for the property and casualty and worker's compensation insurance and authorize the Executive Director to execute the necessary documents. Mr. Bailey seconded the motion and it carried unanimously.

DIRECTOR'S REPORT: The Director requested a moment to recognize Mike Reisman for his recent election as President of the Southeast Chapter of the American Association of Airport Executives. The Board congratulated Mr. Reisman.

Additionally, the Director advised the Board that he had a few items to include in his report that were not on the agenda.

A. Update to Parking: Since the last Board meeting, staff has met to analyze the parking situation. The parking areas will be renamed: short-term will be hourly parking and long-term will be daily parking. The Director stated that signage for the lots will be changed and a real-time car counting system will be installed to replace the manual operation of the Lot Full sign by Laz Parking. The Director further advised the Board that staff is also looking at the parking rates. The rates were originally set at a rate that staff considered reasonable to cover the debt service. With the explosive growth and the long-term spaces consistently full, staff believes the rate could be lowered from \$13 a day to \$12 a day in the garage and plans to bring this to the Board at the next Board meeting.

Mr. Burril stated that he would like the Board to consider the rate change to capture the summer travelers and put the new rates in effect immediately. The Director stated that he would recommend the rate change take effect on July 1st.

Mr. Burril moved to change the daily rate for the parking garage from \$13.00 to \$12.00 effective July 1, 2018. Mr. Moyer seconded the motion and it carried unanimously.

B. TNC Monitoring Agreement with AAAE: The Director advised the Board that the American Association of Airport Executives (AAAE) has a geo-fence monitoring system that tracks pick-up and drop-off times and locations. AAAE also collects all fees from the TNCs and submits them to the airport. AAAE has been offering this service for several years and staff has heard good reviews from other airports. Staff will be entering an agreement with AAAE for this service and the cost to the Authority is 5% of the collected revenue.

C. Authority Funds Bank Transfer: Due to low interest with First Citizens Bank, the Director reported that staff transferred \$6 million from First Citizens to North Carolina Capital Management Trust on May 23rd. The funds can be accessed when needed. In April, North Carolina Capital Management Trust paid an interest rate of 1.89% for the \$3 million in funds that were already in the account, earning \$4,500 in interest for the month. With the transfer of the \$6 million from First Citizens, staff anticipates approximately \$12,000 - \$15,000 each month in interest from this account.

D. Financial System: The new ERP financial system that was approved by the Board within the budget is being installed and a majority of the system should be operational by October. The payroll and human resources functions will be available next spring. An operational maintenance program and a lease management with airline statistical program are also being included as part of the financial system by a different provider that works with the ERP system. Each of these programs is \$100,000 for a total of \$200,000; but will be included in the overall budget of \$500,000 for the new financial system.

Mr. Moyer inquired if there were annual maintenance costs for each of these programs. The Director responded that there were annual charges but were very reasonable and

would be incorporated in the budget annually along with the ERP annual maintenance cost.

INFORMATION SECTION: No comments

PUBLIC AND TENANTS COMMENTS: Mr. Larry Williams addressed the Board seeking restitution for an overcharge of \$44.00 for parking at the airport.

The Director commented that an article appeared in the newspaper recently about the operation of the parking garage and mentioned a passenger receiving a refund for parking. However, this situation occurred when the garage first opened and signage has improved since that time. Other requests for refunds have been denied by staff.

The Chair advised Mr. Williams that the Board would address the matter with the Director who would be in touch with Mr. Williams.

CALL FOR NEXT MEETING: It was determined that the meeting of the Authority Board scheduled for July 13, 2018 was not necessary, and therefore cancelled. The next regular meeting of the Authority Board will be held on August 10, 2018.

CLOSED SESSION: At 9:54 a.m. Mr. Burril moved to go into Closed Session Pursuant to Subsections 143-318.11 (a) (3), (4) and (6) of the General Statutes of North Carolina to Consult with Legal Counsel Regarding, Among Other Things, That Lawsuit Entitled Tricor Construction, Inc. vs. RS&H Architects-Engineers-Planners, Inc., Thalle Construction Co., Inc. and Liberty Mutual Insurance Company and vs. Defendant & Third-Party Plaintiff, Greater Asheville Regional Airport Authority, vs. Third-Party Defendant, Avcon, Inc. d/b/a Avcon Engineers and Planners, Inc. in Order to Preserve the Attorney-Client Privilege; to Discuss Matters Relating to the Location and/or Expansion of Industries or Other Businesses in the Area Served by the Greater Asheville Regional Airport Authority, Including Agreement on a Tentative List of Economic Development Incentives that may be Offered by the Greater Asheville Regional Airport Authority in Negotiations; and to Consider Personnel Matters. Mr. Moyer seconded the motion and it carried unanimously.

The Chair indicated they would break for five minutes at which time the Board would resume in closed session.

Open Session resumed at 11:38 a.m.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY JUNE 8, 2018 CLOSED SESSION MINUTES: Mr. Burril moved to seal the minutes for the Closed Session just completed and to withhold such Closed Session minutes from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Moyer seconded the motion and it carried unanimously.

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY APRIL 13, 2018

CLOSED SESSION MINUTES: Mr. Burril moved to approve the minutes for the April 13, 2018 Closed Session, and to seal and withhold the minutes for the April 13, 2018 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Bailey seconded the motion and it carried unanimously.

EXECUTIVE DIRECTOR PERFORMANCE EVALUATION: Mr. Moyer moved to increase the Executive Director's salary by 4%, make a 4% contribution to the Executive Director's 457 deferred compensation plan, continuation of the added vacation benefit, and support continued participation in ACI. Mr. Erwin seconded the motion and it carried unanimously.

AUTHORITY MEMBER REPORTS:

A. Election of Authority Board Officers: The Chair stated that on behalf of the Nominating Committee comprised of Matthew Burril and Stephanie Brown, a recommendation has been made to elect Matthew Burril as Chair and K. Ray Bailey as Vice-Chair. Mr. Moyer moved to elect Matthew Burril as Chair and K. Ray Bailey as Vice-Chair. Mr. Erwin seconded the motion and it carried unanimously.

B. Mr. Larry Williams: A brief discussion took place regarding the request by Mr. Williams for restitution of parking fees. The consensus of the Board was to defer to staff's recommendation.

ADJOURNMENT: Mr. Erwin moved to adjourn the meeting at 11:49 a.m. Mr. Burril seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood
Clerk to the Board

Approved:

Matthew C. Burril
Chair



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: August 10, 2018

ITEM DESCRIPTION – Consent Item C

Approval of Section 123.00, Disadvantaged Business Enterprise (DBE) Program, and Section 123.01, Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, of the Greater Asheville Regional Airport Authority Administration Policies and Procedures

BACKGROUND

As a recipient of Airport Improvement Program grants from the Federal Aviation Administration, the Greater Asheville Regional Airport Authority (GARAA) is required to implement programs that ensure DBE's and ACDBE's as defined by the USDOT have an equal opportunity to receive and participate in DOT/FAA assisted or funded contracts.

The GARAA DBE Program outlines and contains the requirements to be followed relating to contracts directly let by the Authority. The GARAA ACDBE Program outlines and contains the requirements for the Authority to follow in awarding concessionaire or management contracts for airport facilities.

ISSUES

None.

ALTERNATIVES

None.

Consent – Item C



FISCAL IMPACT

There is no fiscal impact associated with this action.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to approve and adopt Sections 123.00 and 123.01 of the GARAA Administration Policies and Procedures.



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

FOR

ASHEVILLE REGIONAL AIRPORT, FLETCHER NORTH CAROLINA

JUNE 2018

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Attachments

1. Administrative Policy
2. Organizational Chart
3. Bidder's List Form
4. Demonstration of Good Faith Efforts Forms
5. DBE and Non-DBE Subcontractors Form
6. DBE 3 Year Goal and Methodology
7. Small Business Participation Program

I GENERAL PROGRAM REQUIREMENTS

- a. **Objectives.** The objectives are found in the policy statement of this program.
- b. **Applicability.** The GARAA is the recipient of Federal airport funds authorized by 49 U.S.C. 47101 and State funds according to the Federal transit laws in Title 49 sections.
- c. **Definitions and Terms.** The terms used in this program have the meanings defined in Part 26.
- d. **Non-discrimination.** The GARAA will not exclude or deny any person from participation in, the benefits of, or otherwise discriminate, relating to the award and performance of any contract covered by Part 26 based on race, color, sex, or national origin.

In administering its DBE Program, the GARAA will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the DBE program with respect to individuals of any race, color, sex or national origin.

- e. **Record Keeping Requirements.** The DBELO will submit reports on DBE participation to FAA/NCDOT operating administrations when federal/state funding is included as part of a project. The GARAA will provide annual data, by the deadline established, required for the Uniform Report of DBE Awards or Commitments and Payments, as described in Appendix B to Part 26. All reporting will be done through the FAA official reporting system, or another format acceptable to FAA as instructed on any Federally assisted funded projects.
- f. **Bidders List.** The GARAA will create and maintain a bidders list, consisting of information about all DBE and non-DBE firms that bid or quote on DOT/FAA assisted contracts. The purpose of the list is to provide as accurate data as possible about the use of DBE and non-DBE contractors and subcontractors who seek work on the GARAA DOT/FAA assisted contracts. This is to allow flexibility to use the bidders list approach for calculating and set overall goals. The bidder list will include the name, address, DBE/non-DBE status, age of firm and estimated annual gross receipts (based on 4 basic levels of income).

The GARAA will collect this information in the following ways:

1. Contract clause requiring prime bidders to report the names/address, and possible other information, of all firms who quote to them on sub-contracts;

2. A notice in solicitations of bids or otherwise widely disseminated on the airport website; and
3. Request to firms quoting on sub-contracts to report information directly to the GARAA.

g. Records Retention and Reporting. The GARAA is not a certifying member of the NC state Unified Certification Program (UCP) and will not retain records documenting a firm's application package submitted to the state or documenting compliance with the requirements of this part. A report will be generated and submitted to the NC State DOT Office of Civil Rights and FAA each year, if applicable. Documents required to be retained, according to the financial assistance agreement for compliance, will be a minimum of three (3) years unless otherwise required.

h. Federal Financial Assistance Agreement. The GARAA has signed the following assurances, applicable to all DOT/FAA assisted contracts and their administration. This language is to be used verbatim, as it is stated in 49 CFR Part 26.13(a) and 26.13(b), which read;

(a) *“Each financial assistance agreement signed with a FAA/DOT operating administration (or a primary recipient) must include the following assurance: The GARAA shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any FAA/DOT-assisted contract or in the administration of its DBE program or the requirements 49 CFR part 26. The GARAA shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of FAA/DOT-assisted contracts. The GARAA’s DBE program, as required by 49 CFR part 26 and as approved by FAA/DOT, is incorporated by reference in this agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the GARAA of its failure to carry out its approved program, the Department may impose sanctions as provided for under 49 CFR part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).*

(b) *Each contract signed with a contractor (and each subcontract the prime contractor signs with a subcontractor) must include the following assurance: The contractor, sub recipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR part 26 in the award and administration of FAA/DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:*

- (1) *Withholding monthly progress payments;*
- (2) *Assessing sanctions;*

- (3) *Liquidated damages; and/or*
- (4) *Disqualifying the contractor from future bidding as non-responsible.”*

II ADMINISTRATIVE REQUIREMENTS

- a. **DBE Program Updates.** Upon receipt of DOT/FAA assisted funding, the GARAA will continue to carry out this program until all funds from DOT/FAA financial assistance have been expended. The GARAA will provide DOT/FAA updates when applicable or significant changes in the program occur for approval.
- b. **Policy Statement.** The policy statement is elaborated on the first page of this DBE program.
- c. **Disadvantaged Business Enterprise Liaison Officer (DBELO).** The following individual has been appointed as the DBELO for the GARAA:

Development Coordinator
61 Terminal Drive, Suite 1
Fletcher, NC 28732
(828) 654-3252
ryanz@flyavl.com

In that capacity, the DBELO is responsible for implementing all aspects of the DBE program and ensuring that the GARAA complies with all provisions of 49 CFR Part 26. The DBELO has direct, independent access to the GARAA Executive Director concerning DBE program matters. An organization chart displaying the DBELO's position in the organization is included in Attachment A.

The DBELO is responsible for developing, implementing and monitoring the DBE program, in coordination with other appropriate officials. The DBELO has the assistance of the GARAA staff and engineering consultants to assist in the administration of the program. The DBELO carries out the following responsibilities:

1. Gather and report statistical data and other information as required by DOT/FAA.
2. Assess individual projects to set an overall goal with assistance of the GARAA staff and/or engineering consultants.
3. Ensure that bid notices and requests for proposals are available to DBEs.
4. Identify contracts and procurements so that DBE goals are included in solicitations, both race-conscious and race-neutral specific goals.
5. Analyze the GARAA progress toward attainment and identify ways to improve progress.
6. Participate in pre-bid meetings.

7. Advise the GARAA Executive Director on DBE matters and achievements.
8. Review contractor compliance with good faith efforts.
9. Research certification of DBEs according to the criteria set by DOT/FAA listed on the DOT website for the State of North Carolina, to ensure DBE compliance.
10. Participate with local government/private entities to provide outreach to DBEs and community organizations to advise them of opportunities.

- d. **DBE Financial Institutions.** The GARAA may investigate the extent of services offered by financial institutions owned and controlled by socially and economically disadvantaged individuals in the community. If requested, the GARAA may make reasonable efforts to seek out the use these institutions, and to advise the prime contractor of the availability of these institutions.
- e. **Prompt Payment Mechanisms.** The GARAA requires that all subcontractors performing work on a DOT/FAA-assisted contract shall be promptly paid for work performed pursuant to their agreements, in accordance with all relevant federal, state and local laws.

In accordance with 49 CFR § Part 26, the GARAA established a contract clause implementing this requirement and requires prime contractors to pay subcontractors for satisfactory performance of their contracts no later than 30 days from the prime contractor's receipt of each payment from the GARAA.

The GARAA will ensure prompt and full payment of retainage from the prime contractor to the subcontractor within 30 consecutive days after the subcontractor's work is satisfactorily completed. The following mechanisms will be in place to ensure prompt payment.

- f. **Prime Contract.** The GARAA will include the following clause in each DOT/FAA assisted prime contract:

"The Prime Contractor agrees to pay each sub-contractor under this prime contract for satisfactory performance of its contract within, but not later than, thirty (30) days from the receipt of each payment the prime contractor receives from the GARAA. The Prime Contractor agrees to return retainage payments to each sub-contractor within thirty (30) days after the sub-contractor's work is satisfactorily completed. Any delay or postponement of payment, from the above referenced time frame, may result in held retainage from prime contractor until subcontractor payments are resolved or paid following written approval of the GARAA. Other actions the GARAA has in place may be enforced with a potential of liquidated damages, work-stop order or contract termination. This clause applies to both DBE and non-DBE sub-contractors."

- g. Subcontracts.** The GARAA will consider a subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by the GARAA. When the GARAA has made an incremental acceptance of a portion of a prime contract, the work of a subcontractor covered by the acceptance is deemed to be satisfactorily completed.

The GARAA will provide appropriate means to enforce the requirements of this section. These means include:

1. The GARAA will hold additional payment applications from prime contractor until/unless payment arrangements between prime and subcontractors can be resolved for work performed/satisfactorily completed.
 2. Any delay or postponement of payment from the prime contractor to the subcontractor(s) must have good cause and be approved by the GARAA, submitted in writing and copied to the subcontractor(s) involved.
 3. Other mechanisms, consistent with this part and applicable state and local law, to ensure that DBEs and other contractors are fully and promptly paid.
- h. Directory.** The GARAA is a non-certifying member of the North Carolina Unified Certification Program (UCP). The UCP maintains a directory identifying all firms eligible to participate as DBEs, which contains all the elements required by §26.31. Directory Link is <https://www.ebs.nc.gov/VendorDirectory/default.html>.
- i. Over-concentration.** The GARAA has not identified that over-concentration exists in the types of work that DBEs perform.
- j. Business Development Programs.** The GARAA has established a Small Business Development Program, which is explained in Attachment 7.
- k. Monitoring Responsibilities.** The GARAA requires prime contractors to maintain records and documents of payments to subcontractors, including DBEs, for a minimum of three (3) years unless otherwise provided by applicable record retention requirements for the GARAA financial assistance agreement, whichever is longer. These records will be made available for inspection upon request by any authorized representative of the GARAA, FAA or NCDOT. This reporting requirement extends to all subcontractors, including DBEs.

The GARAA monitors each monthly payment application provided by the prime contractor, which will include a form indicating what subcontractor, DBE or non-DBE, work is being paid for, that is included during that pay period and the percentage of the contract completed.

The GARAA may perform interim audits to review payments to DBE subcontractors to ensure payments were made in the amount indicated, either equal to or exceeding the dollar amount listed in the payment application.

- I. Prompt Payment Dispute Resolution.** The GARAA will take the following steps to resolve disputes as to whether work has been satisfactorily completed for purposes of §26.29.

A meeting between prime and subcontractors, either in person or over conference call, along with a Resident Project Representative (RPR) and/or Project Manager (PM) will take place to resolve any payment disputes for the purpose of resolution. Individuals present, representing the GARAA, have the authority on behalf of the GARAA to take appropriate action.

- m. Prompt Payment Complaints.** Complaints by subcontractors, including DBEs, regarding the prompt payment requirements are handled according to the following procedure.

1. Subcontractor affected by the non-payment should contact the RPR or PM regarding prompt payment to resolve any discrepancies with the Prime Contractor.
2. The subcontractor, if not seeing any resolve, can contact the DBELO to resolve the prompt payment dispute.
3. If the subcontractor does not see resolve by the GARAA, the affected subcontractor may contact the responsible Deputy Executive Director.

- n. Enforcement Actions for Noncompliance of Participants.** The GARAA will provide appropriate means to enforce the requirements of Part 26 and these means include:

1. In accordance with the contract, assess liquidated damages against the prime contractor for each day beyond the required time period that the prime contractor fails to pay the subcontractor.
2. Issue a stop-work order until payments are released to subcontractors, which would be considered unauthorized delays for the purposes of calculating liquidated damages if milestones are not met.
3. If no resolve can be reached after the stop-work order, Contract termination for failure to comply with contract terms and conditions will be the last resort. This could also affect future work on airport property for being unresponsive or not responsible.

(Contract language: See example provided in paragraph II.j. above.)

- o. Monitoring Contracts and Work Sites.** The GARAA reviews contracting records and engages in active monitoring of work sites to ensure that work committed to DBEs at contract award or subsequently (i.e. as the result of modification to the contract) is performed by the DBEs to which the work was committed. Work site monitoring is performed by the DBELO, Consultants, Project Managers or other GARAA staff. The GARAA will maintain written certification that contracting records have been reviewed and work sites have

been monitored for this purpose.

- p. Fostering Small Business Participation.** The GARAA has a Small Business Program to structure contract requirements or facilitate competition by small businesses. The GARAA does take reasonable steps to eliminate obstacles to the participation of small businesses, including unnecessary bundling of contract requirements that may preclude small business participation in procurements as prime contractors or subcontractors.

Implementation of the small business program is required in order for the GARAA to be considered by DOT/FAA as implementing this DBE program in good faith. This program is further described in Attachment 7 as part of this document.

III GOALS, GOOD FAITH EFFORTS, AND COUNTING

- a. Set-asides or Quotas.** The GARAA does not use quotas, in any way, in the administration of this DBE program.
- b. Overall Goals.** The GARAA will establish an overall DBE goal covering a three-year federal fiscal year period if it anticipates awarding DOT/FAA funded prime contracts the cumulative total value of which exceeds \$250,000 in DOT/FAA funds during any one or more of the reporting fiscal years within the three-year goal period. In accordance with §26.45(f), the GARAA will submit its Overall Three-Year DBE Goal to FAA by August 1st of the year in which the goal is due, as required by the schedule established by and posted to the website of FAA.

A description and procedure of the methodology to calculate the overall goal and the goal calculations can be found in the GARAA's current 3-year DBE Goal. The overall goal will include a summary of information and comments received during the public participation process and any responses. The Three-Year DBE Goal will be posted on the airport website for comment/review, as well as, a public notice provided to allow the GARAA and the FAA 30 days to accept comments on the goal. The Notice will include the addresses where comments may be sent, including websites and physical address where the proposal may be reviewed. The public comment period will not extend the deadline to submitting the document to the FAA. If the proposed goal changes following review by FAA, the revised goal will be posted on the official internet web site. If we establish a goal on a project basis, we will begin using our goal at the time of the first solicitation for a DOT/FAA assisted contract for the project. The overall Three-Year DBE Goal submission to FAA will include a summary of information and comments received, if any, during this public participation process and the GARAA responses.

c. Project Goals. If permitted or required by the FAA Administrator, an overall goal may be expressed as a percentage of funds for a particular grant or project or group of grants and/or projects, including entire projects. Like other overall goals, a project goal may be adjusted to reflect changed circumstances, with the concurrence of the appropriate operating administration. A project goal is an overall goal and must meet all the substantive and procedural requirements of this section pertaining to overall goals. A project goal covers the entire length of the project to which it applies. The project goal will include a projection of the DBE participation anticipated to be obtained during each fiscal year covered by the project goal. The funds for the project to which the project goal pertains are separated from the base from which the regular overall goal, applicable to contracts not part of the project covered by the project goal is calculated.

If the goal is established on a project basis, the goal will be used by the time of the first solicitation for a DOT/FAA assisted contract for the project.

d. Prior Operating Administration Concurrence. The GARAA understands that prior FAA concurrence with the overall goal is not required. However, if the FAA review suggests that the overall goal has not been correctly calculated or that the method employed by the GARAA for calculating goals is inadequate, FAA may, after consulting with the GARAA, adjust the overall goal or require that the goal be adjusted by the GARAA.

The adjusted overall goal is binding. In evaluating the adequacy or soundness of the methodology used to derive the overall goal, the DOT/FAA will be guided by the goal setting principles and best practices identified by the Department in guidance issued pursuant to §26.9.

e. Failure to Meet Overall Goals. The GARAA can't be penalized or treated by the Department as being in non-compliance with Part 26, because DBE participation falls short of an overall goal, unless the GARAA fails to administer its DBE program in good faith. To be considered to be in compliance with this part, an approved DBE Program and overall DBE goal, if applicable, must be maintained and this DBE Program must be administered in good faith.

The GARAA understands that if the awards and commitments shown on the Uniform Report of Awards or Commitments and Payments at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the following actions must be taken in order to be regarded by the DOT/ FAA as implementing this DBE Program in good faith:

1. Analyze the reason for the difference between the overall goal and the awards and commitments in that fiscal year;
2. Establish specific steps and milestones to correct the problems identified in the analysis to enable the goal for the new fiscal year to be fully met; and
3. The GARAA will submit, within 90 days of the end of the fiscal year, the analysis and correction actions developed under paragraphs 1 and 2 above to the FAA for approval.

f. **Race Neutral & Race Conscious Participation.** The following is a definition for each participation category:

Race Neutral: A method used to assist all small businesses which include:

1. DBE wins a prime contract through customary competitive procurement procedures.
2. DBE is awarded a subcontract on a prime contract that did not have a DB contract goal.
3. DBE participation achieved in excess of the DBE race-conscious goal.

Race Conscious: A method that is focused specifically on assisting only DBEs, a conscious action to achieve DBE participation, an example is a DBE contract goal for a project.

The GARAA utilizes race-conscious goals for participation for all DOT/FAA assisted funded projects. This allows any company, DBE, Small Business or Non-DBE companies to bid on a project for the GARAA. We bid projects based on the NC State requirement to accept the lowest responsive and responsible bidder. The breakout of estimated race-neutral and race-conscious participation can be found in the three-year DBE Goal document.

g. **Contract Goals.** If the approved projection of the three-year DBE goal estimates that the entire overall goal for a given year can be met through race-neutral means, contract goals will not be set during that year, unless the use of contract goals becomes necessary in order to meet the overall goal.

The GARAA will set contract goals to meet any portion of the overall goal the GARAA does not project being able to meet using race-neutral means. Contract goals are established so that, if race-neutral means is not possible, the DBE goal can be met for that FY or overall goal.

The GARAA establishes DBE goals on contracts that have DOT/FAA funding assistance and have sub-contracting possibilities. The GARAA will not establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract. The GARAA will express its contract goals as a percentage of the total amount of the DOT/FAA assisted contract.

- h. Certification.** Written certification is received by the GARAA by the Engineering firm associated with the project. The Engineering firm reviews all bid documents, including DBE certifications, to ensure the DBE goal for the project has either been met or the good faith efforts by the prime contractor is responsive and responsible. The Engineering firm's written recommendation to the GARAA is viewed as certification of bidder responsible achievement and DBE goal. The Engineer RPR assists the GARAA to monitor the Contractor and sub-contractors working on the project to ensure compliance with the DBE program.
- i. Good Faith Efforts Procedures.** Good Faith procedures are as follows:
- 1. Demonstration of Good Faith Efforts.** The obligation of the bidder is to make good faith efforts. The bidder can demonstrate by either meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26. The DBELO or the GARAA Representative will be responsible for determining whether a bidder who has NOT met the contract goal has documented sufficient good faith efforts to be regarded as responsive and/or responsible. Information provided will be verified to be complete, accurate, and adequately documents the bidder's good faith efforts before we commit to the performance of the contract by the bidder.
 - 2. Information to be submitted.** The GARAA treats a bidders' compliance with good faith efforts requirements as a matter of responsiveness and/or responsibility. Each solicitation for which a contract goal has been established will require the bidders to submit the following information:
 - a)** The names, addresses, phone number, point of contact, title, email address, category and if male or female, of DBE firms that will participate in the contract;
 - b)** A description of the work that each DBE will perform with correct NAICS codes;
 - c)** The dollar amount of the participation of each DBE firm participating;
 - d)** Written and signed documentation of commitment to use a DBE Sub-Contractor whose participation it submits to meet a contract goal;
 - e)** Written and signed confirmation from the DBE that is participating in the contract as provided in the prime contractors' commitment; and
 - f)** If the contract goal is not met, evidence of good faith efforts.
 - 3. Contracts.** All contracts will be reviewed for completeness and compliance in meeting DBE goals. All DBE certifications will be verified. Sub-Contractors list with area of work is included in bid and part of overall contract. Once the prime contract is accepted, it's executed and returned.

The GARAA will require the contractor that is awarded the contract to make available, upon request, a copy of all DBE subcontractors. DBE subcontractors must supply labor and/or materials required for the work and all lower tier subcontractors be performed in accordance with this provision.

Prime Contractors will be required to obtain the GARAA's approval of any substitution of a DBE company and to provide copies of a new/amended subcontract or document good faith efforts. Approval from the GARAA must be received before the prime contractor terminates any subcontracts. This includes instances in which a prime contractor seeks to perform work originally designated for a DBE subcontractor with its own forces or those of an affiliate, a non-DBE firm, or with another DBE firm.

We will provide written consent only if we agree, for reasons stated in our concurrence document, that the prime contractor has good cause to terminate the DBE firm. For purposes of this paragraph, good cause includes the following circumstances:

- a)** The listed DBE subcontractor fails or refuses to execute a written contract;
- b)** The listed DBE firm fails or refused to perform the work of its subcontract in a way consistent with normal industry standards. Provided however, that good cause does not exist if the failure or refusal of the DBE subcontractor to perform its work on the subcontract results from the bad faith or discriminatory action of the prime contractor;
- c)** The listed DBE firm fails or refuses to meet the prime contractor's reasonable, non-discriminatory bond requirements;
- d)** The listed DBE firm becomes bankrupt, insolvent, or exhibits credit unworthiness;
- e)** The listed DBE firm is ineligible to work on public works projects because of suspension and debarment proceedings pursuant to applicable state law;
- f)** Determined that the listed DBE firm is not a responsible contractor;
- g)** The listed DBE firm voluntarily withdraws from the project and provides written notice of the withdrawal;
- h)** The listed DBE firm is ineligible to receive DBE credit for the type of work required;
- i)** A DBE owner dies or becomes disabled with the result that the listed DBE firm is unable to complete its work on the contract;
- j)** Other documented good cause that we have determined compels the termination of the DBE firm. Provided, that the good cause does not exist if the prime contractor seeks to terminate a DBE firm it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the DBE firm was engaged or so that the prime contractor can substitute another DBE or non-DBE firm after contract award.

The prime contractor must provide notice in writing to the DBE subcontractor, with a copy to the GARAA of its intent to request to terminate and/or substitute with the reason for the request.

The prime contractor must give the DBE subcontractor five (5) business days to respond to the prime contractor's notice and advise the GARAA and the contractor of the reasons, if any, why it objects to the proposed termination of its subcontract and why the GARAA should not approve the prime contractor's action. If required in a particular case as a matter of public necessity (i.e., safety), the GARAA may provide a response period shorter than five days.

In addition to post-award terminations, the provisions of this section apply to pre-award deletions of, or substitutions for, DBE firms put forward by offerors in negotiated procurements.

The GARAA will require a contractor to make good faith efforts to replace a DBE that is terminated or has otherwise failed to complete its work on a contract with another certified DBE. These good faith efforts shall be directed at finding another DBE to perform at least the same amount of work under the contract as the DBE that was terminated. To the extent needed to meet the contract goal that is established for the procurement. The good faith efforts shall be documented by the contractor. If the GARAA request documentation from the contractor under this provision, the contractor shall submit the documentation within seven (7) days, which may be extended for an additional seven (7) days if necessary at the request of the contractor. The GARAA will provide a written determination to the contractor stating whether or not good faith efforts have been demonstrated.

The GARAA will include in each prime contract, the contract clause stating that failure by the contractor to carry out the requirements of this part is a material breach of the contract and may result in the termination of the contract or such other remedies set forth in that section that the GARAA deems appropriate if the prime contractor fails to comply with the requirements of this section.

If the contractor fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of the payment/work until satisfactory action has been taken. If the contractor still fails to comply, the contracting officer may issue a termination for default proceeding.

- 4. Administrative Reconsideration.** Within 10 days of being informed by the GARAA that the bid is not responsive/responsible because the bidder has not documented sufficient good faith efforts, a bidder may request administration reconsideration.

Bidder will make this request in writing to the following Reconsideration Official: Executive Director, 61 Terminal Drive, Suite 1, Fletcher, NC 28732 (828) 684-2226 or lbleiweis@flyavl.com. The Reconsideration Official will not have played any role in the original determination that the bidder did not document sufficient good faith efforts.

As part of the reconsideration process, the bidder will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The bidder may have the opportunity to meet in person with the reconsideration official to discuss the issue of whether the goal was met or made adequate good faith efforts to do so.

The GARAA's Reconsideration Official will send the bidder a written decision on reconsideration, explaining the basis for finding that the bidder did or did not meet the goal or make adequate good faith efforts. The result of the reconsideration process is not administratively appealable to the NCDOT.

- 5. DBE Fraud.** Any fraud discovered by the Prime Contractor or the GARAA staff will be reported to the DBELO, who will notify the Executive Director and all other appropriate agencies immediately. Work associated with the DBE in question will cease and placed on hold to be investigated. If found negligible, the Prime Contractor will be notified that the DBE Sub-Contractor will be removed from the project without payment. A potential DBE replacement will need to be sought and contracted with to keep work on schedule.

The GARAA will report any fraudulent activity to Airport Legal Counsel and follow procedures recommended if any legal action is required.

- 6. Counting DBE Participation.** The GARAA will count DBE participation towards overall and contract goals as provided in 49 CFR Part 26 (26.55). The GARAA will not count the participation of a DBE subcontractor toward a prime contractor's final compliance with its DBE obligations on a contract until the amount being counted has actually been paid to the DBE firm. If the firm is not currently certified as a DBE at the time of the execution of the contract, the GARAA will not count the firm's participation toward the DBE goal.

IV VERIFICATION STANDARDS

- a. Certification Process.** The GARAA is not qualified or certified to review, process or certify DBE firms. NCDOT and UCP website database of certified DBE firms are accessible and relied upon for completeness and verification purposes. Any DBE firm requesting to become certified will be directed to the NCDOT/ UCP websites and/or provided phone numbers to obtain all the required

information to apply and register their company. The certification standards for DBE firms are outlined in 49 CFR Part 26, as well as the websites for the NCDOT and UCP, which are updated as required. To be certified as a DBE firm, the firm must meet all certification eligibility standards. The current version of the regulations is available online in the Electronic Code of Federal Regulations: <http://www.ecfr.gov/cgi-bin/ECFR?page=browse>.

Appeals or complaints in the certification process are asked to be submitted to the US Department of Transportation, Departmental Office of Civil Rights, External Civil Rights Programs Division (S- 33), 1200 New Jersey Avenue, SE, Washington DC 20590 or <http://www.civilrights.dot.gov> or Phone {202} 366-4648, TTY (202) 366-9696 or Fax (202) 366-5575.

The GARAA requires Contractors and Sub-contractors to inform and keep an updated status of DBE certification during any contract period that is DOT/FAA assisted. The GARAA also requires notification of any changes of DBE status or circumstances affecting the ability to meet contract obligations.

V COMPLIANCE AND ENFORCEMENT

- a. **Compliance Procedures Applicable to the GARAA.** The GARAA understand that if it fails to comply with any requirement of this part, the GARAA may be subject to formal enforcement action under §26.103 or §26.105 or appropriate program sanctions by the concerned operating administration, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied.
- b. **Information, Confidentiality, Cooperation and Intimidation or Retaliation.** The GARAA will safeguard from disclosure to third parties, information that may reasonably be regarded as confidential business information, consistent with Federal, State and Local laws.

Notwithstanding any provision of Federal or state law, information that may reasonably be construed as confidential business information will not be released to any third party without the written consent of the firm that submitted the information, including applications for DBE certification and supporting information. However, this information will be transmitted to DOT in any certification appeal proceeding under §26.89 or to any other state to which the individual's firm has applied for certification under §26.85.

All participants in the Department's DBE program (including, but not limited to, recipients, DBE firms and applicants for DBE certification, complainants and appellants, and contractors using DBE firms to meet contract goals) are required to cooperate fully and promptly with DOT and recipient compliance reviews,

certification reviews, investigations, and other requests for information. Failure to do so shall be a ground for appropriate action against the party involved (e.g., with respect to recipients, a finding of noncompliance; with respect to DBE firms, denial of certification or removal of eligibility and/or suspension and debarment; with respect to a complainant or appellant, dismissal of the complaint or appeal; with respect to a contractor which uses DBE firms to meet goals, findings of non-responsibility for future contracts and/or suspension and debarment).

The GARRA, contractor, or any other participant in the program will not intimidate, threaten, coerce, or discriminate against any individual or firm for the purpose of interfering with any right or privilege secured by this part or because the individual or firm has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this part. The GARRA understands that it is in noncompliance with Part 26 if it violates this prohibition.

Attachment

1

OBJECTIVE

The Greater Asheville Regional Airport Authority (GARAA) has established a Disadvantaged Business Enterprise (DBE) Program in accordance with the regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. The GARAA receives Federal financial assistance from the DOT and Federal Aviation Administration (FAA). As a condition of receiving this financial assistance, the GARAA has signed an assurance that it will comply with 49 CFR Part 26 (hereafter referred to as "Part 26").

POLICY

The GARAA will ensure that DBEs, as defined in Part 26, have an equal opportunity to receive and participate in DOT/FAA assisted contracts. Within our program we will:

- a. Ensure non-discrimination in the award and administration of DOT/FAA assisted contracts;
- b. Provide opportunities in which DBEs can compete fairly for DOT/FAA assisted contracts;
- c. Ensure that the DBE Program is narrowly tailored in accordance with applicable law;
- d. Ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
- e. Promote the use of DBEs in all types of federally-assisted contracts and procurement activities;
- f. Help remove barriers to the participation of DBEs in state and federal assisted contracts; and
- g. Make appropriate use of the flexibility afforded to recipients of Federal financial assistance in establishing and providing opportunities for DBEs.

GENERAL

The GARAA will designate, from its staff, a DBE Liaison Officer (DBELO), who will be responsible for implementing all aspects of the DBE Program at the Asheville Regional Airport, including maintenance and revisions to the DBE Program as required, on those schedules required. Implementation of the DBE Program is accorded the same priority as compliance with all other legal obligations incurred by the GARAA

in its financial assistance agreements with the State and Federal Government.

The GARAA has disseminated this policy statement to all relevant components of the GARAA Board of Directors, the GARAA staff and post this program on the airport website. The GARAA will publicize this statement on the airport website to reach the registered companies, and both DBE and non-DBE business communities, that perform work for the Airport on State and Federal assisted contracts.

**APPROVAL AND
UPDATE HISTORY**

APPROVAL

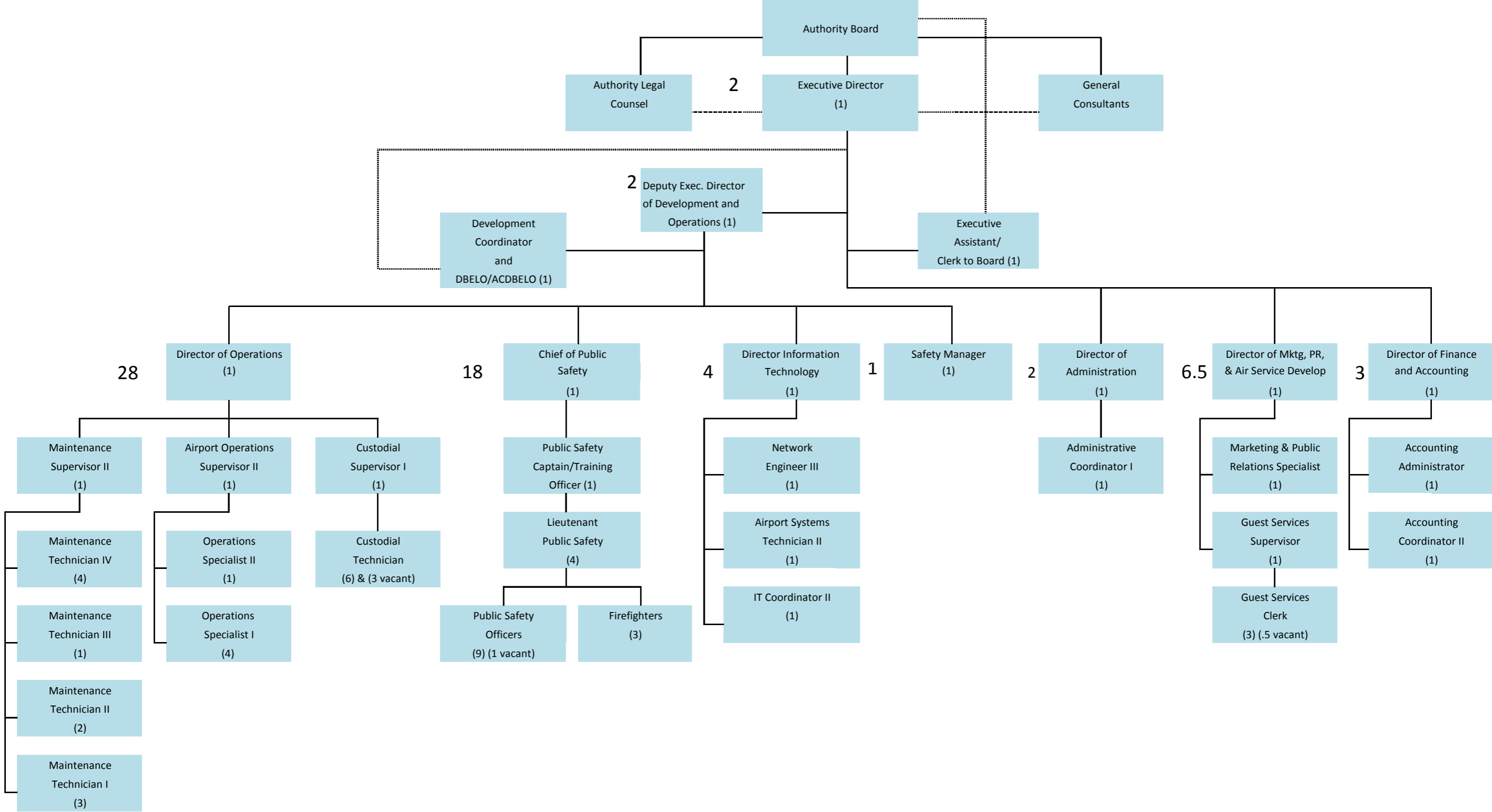
SUPERSEDES

Attachment

2

Greater Asheville Regional Airport Authority (Organizational Chart)

Total Staffing - 66.5 FTEs
FY 2018



Attachment

3

FAA REPORT OF CERTIFIED DBE CONTRACTORS USED ON AWARDED AND COMMITTED FAA-ASSISTED CONTRACTS

Enter the firm's and information for all data that is entered in Sections A/B of the DBE Uniform Form for the FY being reported. Enter online at <https://faa.dbeconnect.com/FAA/login.asp?>

Name of Airport: _____

Name of Recipient: _____

City/State/Zip: _____

Goal Period Dates: _____

Preparer's Name: _____

Email address and
Telephone No: _____

Date Prepared: _____

DBE Firm:	_____
Address:	_____
City/State/Zip:	_____
POC Name/Phone#:	_____
Type of Work (NAICS):	_____
Dollar Amount of Work:	_____
AIP Grant #s:	_____

Disadvantaged Group (check one):

Black American <input type="checkbox"/>	Hispanic American <input type="checkbox"/>	Native American <input type="checkbox"/>	Subcontinent Asian American <input type="checkbox"/>
Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>
Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>
Asian Pacific American <input type="checkbox"/>	Non-Minority <input type="checkbox"/>	Other (not of any group listed here) <input type="checkbox"/>	
Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>
Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>

DBE Firm: _____

Address: _____

City/State/Zip: _____

POC Name/Phone#: _____

Type of Work NAICS: _____

Dollar Amount of Work: _____

AIP Grant #s: _____

Disadvantaged Group (check one):

Black American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Hispanic American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Native American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Subcontinent Asian American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>
Asian Pacific American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Non-Minority <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Other (not of any group listed here) <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	

DBE Firm: _____

Address: _____

City/State/Zip: _____

POC Name/Phone#: _____

Type of Work NAICS: _____

Dollar Amount of Work: _____

AIP Grant #s: _____

Disadvantaged Group (check one):

Black American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Hispanic American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Native American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>	Subcontinent Asian American <input type="checkbox"/> Male <input type="checkbox"/> Female <input type="checkbox"/>
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Asian Pacific American	Non-Minority	Other (not of any group listed here)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>
Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>

DBE Firm:	_____
Address:	_____
City/State/Zip:	_____
POC Name/Phone#:	_____
Type of Work NAICS:	_____
Dollar Amount of Work:	_____
AIP Grant #s:	_____

Disadvantaged Group (check one):

Black American	Hispanic American	Native American	Subcontinent Asian American
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>
Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>
Asian Pacific American	Non-Minority	Other (not of any group listed here)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Male <input type="checkbox"/>	Male <input type="checkbox"/>	Male <input type="checkbox"/>	
Female <input type="checkbox"/>	Female <input type="checkbox"/>	Female <input type="checkbox"/>	

(Add additional pages as necessary)

Attachment

4

Disadvantaged Business Enterprise (DBE) Utilization

The undersigned Bidder/Offeror has satisfied the requirements of the bid specification in the following manner (please check the appropriate space):

_____ The Bidder/Offeror is committed to a minimum of _____ % DBE utilization on this contract.

_____ The Bidder/Offeror (if unable to meet the DBE goal of _____%) is committed to a minimum of _____% DBE utilization on this contract and has submitted documentation demonstrating good faith efforts.

Name of Bidder/Offeror's firm: _____

State Registration Number: _____

By _____
Signature

Title

Date

Demonstration of Good Faith Efforts

Letter of Intent and Affirmation

Name of Bidder/Offeror's Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of DBE Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

Description of work to be performed by DBE firm: _____

The bidder/offeror is committed to utilizing the above-named DBE firm for the work described above. The estimated dollar value of this work is \$ _____.

Affirmation:

The above-named DBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above. The undersigned will enter into a formal agreement for the above work with the Prime Contractor conditioned upon execution of a contract with the Greater Asheville Regional Airport Authority. As a DBE Contractor, I will cooperate with the certificate and monitoring process set forth by the Greater Asheville Regional Airport Authority for the referenced project.

By: _____
(Signature of DBE) Title

If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

(Submit this for each DBE Subcontractor)

DBE Subcontractor Contact Record

Date ___ / ___ / ___

** Complete and submit along with bid/ proposal IF DBE goal is not met per the project goal set and/or in the event of a DBE subcontractor replacement requested and approved by the Greater Asheville Regional Authority.*

Project Name _____ Prime Contractor Company _____ Bid Opening Date ___ / ___ / ___

Contact Name _____ Telephone (____) _____

Date Contacted	Name of Firm	Person Contacted	Telephone Number	Subcontractor Response
	Work Item to Be Performed (NACIS)		Price Quoted	
			\$	
Date Contacted	Name of Firm	Person Contacted	Telephone Number	Subcontractor Response
	Work Item to Be Performed (NACIS)		Price Quoted	
			\$	
Date Contacted	Name of Firm	Person Contacted	Telephone Number	Subcontractor Response
	Work Item to Be Performed (NACIS)		Price Quoted	
			\$	
Date Contacted	Name of Firm	Person Contacted	Telephone Number	Subcontractor Response
	Work Item to Be Performed (NACIS)		Price Quoted	
			\$	

I hereby certify that the subcontractors listed above were contacted by my firm, and requested to submit quotes on the above-referenced project. All interested subcontractors were negotiated with in good faith efforts. Fill in and submit as many forms needed.

Signed: _____ Title: _____

Print Name: _____ Telephone: _____

Attachment

5

List of DBE and Non-DBE Subcontractors

(*Submitted with Payment Applications) FORM 5

Date: _____

Page ____ of ____

Name of Prime Contractor: _____

AIP Grant # or Project #: _____

Project Name: _____

Contract Amount: \$ _____

DBE Goal: _____% Total DBE Sub Contracts: \$ _____

Total Non-DBE Sub Contracts: \$ _____

Period Covered for Services: _____ to _____ (XX Month / XX Day / XX Year)

Company Name	Physical Address of Company	DBE (Yes/No)	Description of Work	\$ Contract Amount	\$ Earned This Period	\$ Earned to Date	% DBE Work
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
				\$	\$	\$	%
Percentage of Overall Contract Complete: _____%			Total Amounts:	\$	\$	\$	%

The undersigned hereby affirms and declares that the above listed companies were actually employed and performed work/services under this contract and further that each listed company earned and has been paid the stated amount for their respective efforts. If DBE is Supplier count 60% and Manufacturers count 100%.

Preparer's Signature: _____ Title: _____

(Seal)

Sworn and subscribed before me, this _____ day of _____, 20 ____.

:
:

Notary Public Signature: _____

My Commission Expires: _____

**** Contractor shall attach a typewritten explanation of any differences in DBE participation, including any changes in DBE and Non-DBE Subcontractor companies employed. THIS FORM MUST BE COMPLETED AND SUBMITTED WITH CONTRACTORS REQUEST FOR MONTHLY AND FINAL PAYMENT APPLICATIONS. ****

****Utilize additional sheets if all information will not fit****

Attachment

6

FY 2019 – FY 2021

**DISADVANTAGED BUSINESS ENTERPRISE PROGRAM METHODOLOGY
FOR**



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

FLETCHER, NC

JULY 2018

METHODOLOGY for Establishing the FY 2019 – FY 2021 Overall Disadvantaged Business Enterprise (DBE) Goal for:

Fletcher, NC

In fulfillment of the requirements of 49 CFR Part 26, the Greater Asheville Regional Airport Authority (hereafter 'GARAA') has developed a proposed Overall Goal for FY 2019-2021 FAA-AIP projects for the Asheville Regional Airport. The methodology used in establishing this goal is described herein.

Airport Sponsor: Greater Asheville Regional Airport Authority

Airport: Asheville Regional Airport

DBELO: Rita Yanz

Development Coordinator II
Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, NC 28732
E-mail: ryanz@flyavl.com
Office: 828-654-3252

I. Detailed Methodology: Specific Steps

A. Amount of Goal

The GARAA's FY 2019-2021 overall goal for the Federal financial assistance it will expend in USDOT-assisted contracts is the following:

Overall Goal:	<u>12.8%</u>
Race-Neutral:	<u>0.3%</u>
Race-Conscious:	<u>12.5%</u>

Given the amount of USDOT-assisted contracts that the GARAA expects to let from FY 2019-2021, which is approximately **\$6,650,000** this means that the GARAA has set a goal of expending approximately **\$848,300** with DBEs during this period.

B. Determination of the Market Area of the study

The normal market area was based on discussions with the GARAA staff and an assessment of bidders from similar recent projects. Specifically, the market area is based on where the substantial majority of bidders, both successful and unsuccessful are located and where the substantial majority of funding was spent as illustrated in **Table 1** below:

Table 1: Greater Asheville Regional Airport Authority Market Area

County	Number of Bidders	Percent of Bidders	Dollars spent	% of dollars spent
Buncombe	6	46.2%	\$12,247,542	47.4%
Graham	2	15.4%		0.0%
Market Area	8	61.5%	\$12,247,542	47.4%
Other	5	38.5%	\$13,579,596	52.6%
Total	13	100.0%	\$25,827,138	100.0%

SOURCE: Greater Asheville Regional Airport Authority

Bidders in the other category included out of state firms. Some of the previous projects were larger in scope compared to the upcoming projects and bidders will likely come from the local area.

C. Determination of relevant NAICS codes

Based on information provided by the GARAA concerning the proposed projects for this fiscal year, a list of NAICS codes corresponding to these projects was developed and is shown below:

**Table 2: Greater Asheville Regional Airport Authority
FY 2019-FY 2021 Projects & Activities**

Fiscal Year	Project	Activity	NAICS
FY 2019	Wright Bros Way Road Extension	Highway & Street	237310
		Drainage	237990
		Electrical	238210
		Site Prep	238910
		Landscaping	561730
FY 2020	Terminal Apron Expansion (South) - Phase 1	Highway & Street	237310
		Drainage	237990
		Electrical	238210
		Site Prep	238910
		Landscaping	561730
	Terminal Apron Repairs	Highway & Street	237310
FY 2021	Terminal Apron Expansion (South) - Phase 2	Highway & Street	237310
		Drainage	237990
		Electrical	238210
		Site Prep	238910
		Landscaping	561730

SOURCE: Greater Asheville Regional Airport Authority

D. Determination of Relative Availability of DBEs in the Market Area, Compared to all Firms

**Table 3a: DBES—Asheville Regional Airport
by Relevant NAICS Codes— Wright Bros Way Road Extension**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	9	22.2%	\$615,154	\$136,701
Drainage	237990	0	3	0.0%	\$26,680	\$0
Electrical	238210	0	83	0.0%	\$176,096	\$0
Site Prep	238910	2	29	6.9%	\$141,007	\$9,725
Landscaping	561730	5	126	4.0%	\$41,064	\$1,630
Total					\$1,000,000	\$148,055
WEIGHTED GOAL – Step 1						14.8%

SOURCES:

- 2016 County Business Patterns, U.S. Census Bureau.
- North Carolina UCP DBE Directory, June 2018.

**Table 3b: DBES—Asheville Regional Airport
by Relevant NAICS Codes— Terminal Apron Expansion (South) - Phase 1**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	9	22.2%	\$1,122,655	\$249,479
Drainage	237990	0	3	0.0%	\$48,690	\$0
Electrical	238210	0	83	0.0%	\$321,375	\$0
Site Prep	238910	2	29	6.9%	\$257,337	\$17,747
Landscaping	561730	5	126	4.0%	\$74,942	\$2,974
Total					\$1,825,000	\$270,200
WEIGHTED GOAL – Step 1						14.8%

SOURCES:

1. 2016 County Business Patterns, U.S. Census Bureau.
2. North Carolina UCP DBE Directory, June 2018.

**Table 3c: DBES—Asheville Regional Airport
by Relevant NAICS Codes— Terminal Apron Repairs**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	9	22.2%	\$1,000,000	\$222,222
Total					\$1,000,000	\$222,222
WEIGHTED GOAL – Step 1						22.2%

SOURCES:

1. 2016 County Business Patterns, U.S. Census Bureau.
2. North Carolina UCP DBE Directory, June 2018.

**Table 3d: DBES—Asheville Regional Airport
by Relevant NAICS Codes— Terminal Apron Expansion (South) - Phase 2**

Description	NAICS CODES	DBE Firms	All Firms	% of DBE Firms Available	NAICS Dollars	DBE Dollars
Highway & Street	237310	2	9	22.2%	\$615,154	\$136,701
Drainage	237990	0	3	0.0%	\$26,680	\$0
Electrical	238210	0	83	0.0%	\$176,096	\$0
Site Prep	238910	2	29	6.9%	\$141,007	\$9,725
Landscaping	561730	5	126	4.0%	\$41,064	\$1,630
Total					\$1,000,000	\$148,055
WEIGHTED GOAL – Step 1						14.8%

SOURCES:

1. 2016 County Business Patterns, U.S. Census Bureau.
2. North Carolina UCP DBE Directory, June 2018.

NOTE: The County Business Patterns data were used as the source to determine the denominator, or the number of all firms in the market area. The DBE directory listed above was used to determine the numerator, or the number of DBE firms in the market area.

E. Determination of the “Weighted” DBE Base Figure

The Step 1 DBE Base Figure for each project was derived by multiplying the dollars for each activity by the percentage of relevant DBE firms to all relevant firms. The total DBE goal in dollars was divided by the total project costs to derive the step 1 goals.

The Step 1 DBE Base Figures for the GARAA are as follows:

Wright Bros Way Road Extension -	14.8%
Terminal Apron Expansion (South) - Phase 1 -	14.8%
Terminal Apron Repairs -	22.2%
Terminal Apron Expansion (South) - Phase 2 -	14.8%

II. Adjustments to the DBE Base Figure

After the DBE Base Figure has been developed, the regulations (49 CFR Part 26) require that:

“...additional evidence in the sponsor’s jurisdiction be considered to determine what adjustment, if any, is needed to the base figure in order to arrive at your overall goal” (26:45(d)).

A. Adjustment Factors to Consider

The regulations further state that there are several types of evidence that must be considered when adjusting the base figure. These include:

(1) The current capacity of DBEs to perform work in your USDOT-assisted contracting program, as measured by the volume of work DBEs have performed in recent years.

The historical overall DBE goals accomplished at the GARAA in recent years were examined relative to the above consideration. Notice the annual DBE percent accomplishment indicated in Table 4 below:

**Table 4: Asheville Regional Airport
DBE Accomplishment**

Report Period	Approved DBE Goal	Total DBE Percent Achieved	Achieved Over/Under
FY 2015	17.8%	18.1%	0.3%
FY 2016	9.0%	9.6%	0.6%
FY 2017	11.9%	0.0%	-11.9%
Median	11.9%	9.6%	0.3%

The median DBE accomplishment for the periods as shown above for the GARAA is 9.6%. This accomplishment was compared to the step 1 base figures calculated above.

B. Consultations

The GARAA held a public meeting on June 28, 2018. The purpose of the meeting was to solicit information from interested stakeholders about the draft goal, as well as the availability of potential DBEs at the Airport, the effects of discrimination on opportunities for DBEs, and the GARAA's effort to increase DBE participation. Please see Appendix B for the consultation process.

C. Adjustment to Step 1 DBE Base Figures: Asheville Regional Airport, FY 2019-FY 2021

With the adjustment factors considered to this point, the GARAA will adjust the Step 1 base figures as calculated above by adding the annual accomplishment factor derived in Table 4 above (9.6%) to the base figures, averaging the total for an adjusted DBE goal.

**Table 5: Greater Asheville Regional Airport Authority
FY 2019 – FY 2021 Overall Goal**

Fiscal Year	Project	Step1	Step 2 adjustment	Overall Goal	Total project costs	DBE Goal (dollars)
FY 2019	Wright Bros Way Road Extension	14.8%	9.6%	12.2%	\$1,000,000	\$122,000
FY 2019 Total				12.2%	\$1,000,000	\$122,000
FY 2020	Terminal Apron Expansion (South) - Phase 1	14.8%	9.6%	12.2%	\$1,825,000	\$222,650
	Terminal Apron Repairs	22.2%	9.6%	15.9%	\$1,000,000	\$159,000
FY 2020 Total				13.5%	\$2,825,000	\$381,650
FY 2021	Terminal Apron Expansion (South) - Phase 2	14.8%	9.6%	12.2%	\$2,825,000	\$344,650
FY 2021 Total				12.2%	\$2,825,000	\$344,650
FY 2019 - FY 2021 Overall Goal				12.8%	\$6,650,000	\$848,300

The total DBE goal in dollars was divided by the total project costs to derive the overall DBE goal of 12.8% for FY 2019 - FY 2021.

III. Process

The GARAA will normally submit its overall goal to the FAA on August 1 of each goal year.

Before establishing the overall goal this year, the GARAA consulted with minority, women's and general contractor groups, community organizations, and other officials or organizations to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for DBEs, and the GARAA's efforts to establish a level playing field for the participation of DBEs.

Following this consultation, the GARAA published a notice of the proposed overall goal on its website, informing the public that the proposed goal and its rationale were available for inspection and comment during normal business hours at the GARAA's administrative office for 30 days following the date of the notice.

The GARAA's overall goal submission to the FAA will include a summary of information and comments received during this public participation process and our responses.

The GARAA will begin using the overall goal on October 1 of each goal year, unless the GARAA has received other instructions from DOT/FAA (or, if the goal is established on a project basis) by the time of the first solicitation for a DOT/FAA-assisted contract for the projects.

IV. Breakout of Estimated Race-Conscious/Race-Neutral Participation

The GARAA will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating DBE participation. The GARAA will use a combination of the following race-neutral means to increase DBE participation:

- A. Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways that facilitate DBE, and other small businesses participation (e.g., unbundling large contracts to make them more accessible to small businesses, encouraging prime contractors to subcontract portions of work that they might otherwise perform with their own forces);
- B. Disseminating information communications on contracting procedures and specific contract opportunities (e.g., ensuring the inclusion of DBEs, and other small businesses, on recipient mailing lists for bidders, ensuring the dissemination to bidders on prime contracts of lists of potential subcontractors).
- C. The GARAA proposes a race-conscious goal of **12.5%** and a race-neutral goal of **0.3%**, for a total of **12.8%**. The reason for this breakout is that the projects from previous years show that the median amount by which the past DBE goals were over-achieved is 0.3% (see **Table 4**).

The GARAA will adjust the estimated breakout of race-neutral and race-conscious participation as needed to reflect actual DBE participation (26.51(f)) and it will track and report race-neutral and race-conscious participation separately. For reporting purposes, race-neutral DBE participation includes, but is not necessarily limited to, the following: DBE participation through a prime contract a DBE obtains through customary competitive procurement procedures; DBE participation through a subcontract on a prime contract that does not carry a DBE goal; DBE participation on a prime contract exceeding a contract goal; and DBE participation through a subcontract from a prime contractor that did not consider a firm's DBE status in making the award.

VI. Contract Goals

The GARAA will use contract goals to meet any portion of the overall goal that the GARAA does not project being able to meet using race-neutral means. Contract goals

are established so that, over the period to which the overall goal applies, they will cumulatively result in meeting any portion of the overall goal that is not projected to be met through the use of race-neutral means.

The GARAA will establish contract goals only on those DOT-assisted contracts that have subcontracting possibilities. The GARAA does not need to establish a contract goal on every such contract, and the size of contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBEs to perform the particular type of work).

The GARAA will express its contract goals as a percentage of the Federal share of a DOT-assisted contract.

Appendix A: Resource Listing

A. Resource Documents:

1. North Carolina UCP DBE Directory
2. 2016 County Business Patterns, Census Bureau
3. Uniform Report of DBE Commitments/Awards and Payments
4. GARAA Capital Improvement Program

Appendix B: Asheville Regional Airport - Stakeholder Meeting - June 28, 2018

Summary of Meeting: The Airport scheduled a meeting to present the information below to its stakeholders.

- Background, purpose, and goal requirements of the FAA-DBE program.
- Overview of the DBE goal methodology and basic requirements, such as use of most refined data, identification of a normal market area, and employment of a two-step process in establishing the overall 3-year DBE goals.
- Calculation of the base-figure goal (step 1), and adjusted goal (step 2), through “weighting” and consideration of indicators of “capacity”.

The invitation on the next page was emailed to 22 businesses and organizations. In addition, the invitation was posted on the Airport’s website which alerts all of the businesses who have signed up for the Airport’s vendor list. Although these efforts were taken there were no attendees at the meeting.



YOUR INVITED

Disadvantaged Business Enterprise 3-Year Goal Stakeholders Meeting

In compliance with the Federal Regulations, 49 CFR Part 26, Greater Asheville Regional Airport Authority (GARAA is in the process of developing a 3-year Disadvantaged Business Enterprise (DBE) program goal (FY 2019 - FY 2021) for construction related projects. The date, time and location of the meeting are listed below:

Date: Thursday, June 28, 2018

Time: 1:00 p.m.

Location: Asheville Regional Airport, held on the 2nd floor in the Greater Asheville Regional Airport Authority Board Conference Room. Elevator is located to the North (Right) of the Airline Ticket Counters

The purpose of the meeting is to receive input regarding the GARAA's three-year DBE Goal. We invite you to participate in a meeting to discuss the proposed goal, as well as the availability of potential DBEs for the GARAA's projects, and the GARAA's effort to increase DBE participation.

We sincerely hope that you or your representative will attend this meeting to assist the GARAA in our ongoing efforts to implement an effective DBE program.

Space is limited to a capacity of thirty. Please bring your parking ticket to be validated.

To register or if you have any questions or need additional information, please do not hesitate to contact Danielle Andrews at 888-762-6296 or danielle-andrews@kwaplanning.com.

Attachment

7

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
61 Terminal Drive Suite 1 Fletcher NC 28732 (828) 684-2226

SMALL BUSINESS ENTERPRISE (SBE) PROGRAM

1. Objective (49CFR Part 26.39)

Recognizing that the SBE program goals should be met through a mixture of size standards and race neutral methods and, that by definition, Disadvantaged Business Enterprise (DBE) firms can also be considered small businesses; the Greater Asheville Regional Airport Authority (GARAA) seeks to implement a small business plan separate from its current DBE policy in accordance with the applicable law. The GARAA will use this plan to facilitate competition by and expand opportunities for small businesses. The GARAA is committed to taking all reasonable steps to eliminate obstacles to small businesses that may preclude their participation in procurements as prime contractors or subcontractors. The GARAA will meet its objectives using the combination of the following methods and strategies:

- a. Outreach and Technical Assistance: The GARAA will look into working with sponsors and participate in outreach and training opportunities for small businesses through various partnerships. The GARAA is looking at methods to establish an annual participation in business outreach sessions conducted by local municipalities and non-profit agencies which are designed to introduce small businesses to the GARAA's procurement processes and practices. The GARAA currently advertises contracting opportunities through various outlets, including local newspapers and the GARAA website. To broaden the outreach efforts, the GARAA may add additional methods to reach out by submitting advertisements to small business publications, trade publications and their websites.
- b. Unbundling: The GARAA, where feasible, may "unbundle" projects or separate large contracts into smaller contracts which may be more suitable for SBE participation. The GARAA will review if an FAA-assisted contract is feasible to unbundle and determine whether portions of the project could be "unbundled" or bid separately. This determination will be made based on the estimated availability of small businesses able to provide specific scopes of work and will consider any economic or administrative burdens which may be associated with "unbundling." Similarly, the GARAA encourages its prime consultants or contractors to unbundle contracts to facilitate participation by small businesses. The GARAA may assist prime consultants and contractors in identifying portions of work which may be unbundled and performed by small businesses.
- c. Set Asides: Where feasible, the GARAA may establish a percentage of the total value of all prime contract and subcontract awards to be set aside for participation by small businesses on FAA-assisted contracts. A "set aside" is

the reserving of a contract or a portion of a contract exclusively for participation by small businesses. This requires that the GARAA and its prime consultants or contractors set aside a portion of the value of a potential contract for participation by small businesses. A small business set-aside is open to all small businesses regardless of the owner's gender, race or geographic location. The GARAA Project Manager and DBE Liaison Officer (DBELO) will review FAA-assisted purchases and contracts to assess the small business opportunities, giving consideration to the size and scope of each purchase or contract to establish the set aside percentage. This determination will be made based on the estimated availability of small businesses able to provide the requisite scopes of work. This set aside is in addition to the DBE contract goals which may be required pursuant to applicable law or policy.

The GARAA will utilize a variety of methods to facilitate small business participation. Another method may be to list qualified small businesses on a directory for solicitation and provide information concerning the registration for notifications of potential projects through the GARAA website. The GARAA may utilize the Small Business Administration (SBA), Department of Commerce and Minority Business Development Agencies as a service and assistance guide. In an FAA-assisted contract, a review and possible establishment of the method in which the small business plan may be implemented (i.e., set aside, unbundling and/or outreach) may be considered.

2. Definitions

- a. Small Business: A small business must meet the definitions specified in Section 3 of the Small Business Act and the Small Business Administration (SBA) regulations implementing it (13CFR Part 121).
 - 1) A small business is a business that is independently owned and operated, is organized for profit, is not race related and is not dominant in its field.
 - 2) Depending on the industry, size standard is based on the average number of employees for the preceding twelve months or based on sales volume averaged over a three year period to meet eligibility.
- b. Disadvantaged Business Enterprise: A for-profit small business (as defined by the SBA).
 - 1) That is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in the case of a corporation, in which 51 percent of the stock is owned by one or more such individuals;
 - 2) Whose socially and economically disadvantaged owners do not exceed the personal net worth (PNW) described in 49CFR Part 26 or current regulation;
 - 3) Whose average annual gross receipts, as defined by the current SBA regulations (PL85-536) over the firm's previous three fiscal years is less than the amount specified;

- 4) Whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it; and
- 5) That has been certified as a DBE by the North Carolina Department of Transportation (NCDOT) in accordance with 49CFR Part 26.

For the purposes of the GARAA's SBE Program, small businesses which are also owned and controlled by socially disadvantaged individuals may be encouraged to seek DBE certification. Only DBE certified firms will be counted towards DBE race-neutral participation on FAA-assisted contracts.

3. Certification and Verification Procedures

The GARAA may accept the following certifications for participation in the GARAA's SBE Program with applicable stipulations:

- a. NCDOT Small Business Enterprise – Will require submittal of three years of business tax returns and page 2 of the NCDOT DBE Certification application before contract award.
- b. North Carolina Department of Administration HUB Certification – Will require submittal of three years of business tax returns and page 2 of the NCDOT DBE Certification application before contract award.
- c. SBA 8(a) Business Development Certification (as described in 13CFR Parts 121 and 124) – Will require submittal of three years of business tax returns.

Special Note: Minority and women-owned business enterprises which are awarded contracts under the SBE set aside may be strongly encouraged to seek DBE certification in order to be counted towards race neutral DBE participation.

4. Implementation Schedule

The GARAA approved and submitted its SBE Participation Program by February 28, 2012 to the FAA and has implemented this program.

5. Assurances

The GARAA makes the following assurances:

- a. The SBE Program is not prohibited by state law;
- b. The utilization of the services and guidance of the State and Federal agencies;
- c. That certified SBEs which meet the size criteria established under the DBE Program are presumptively eligible to participate in the SBE program;
- d. The small and minority businesses and women's business enterprises (WBE) are solicited whenever they are potential sources;

- e. Requesting the prime contractor, if subcontracts are to be let, to take affirmative steps to ensure participation of SBE, DBE and WBE's;
- f. That there is no geographic or local preferences or limitations imposed on FAA-assisted contracts and the SBE Program is open regardless of their location;
- g. There is no limits on the number of contracts awarded to firms participating in the SBE Program;
- h. A reasonable effort will be made to avoid creating barriers to use the new, emerging, or untried businesses;
- i. To make efforts to establish a database for solicitation of SBE's; and
- j. That supportive steps may be taken to encourage those minority and women owned businesses participating in the SBE Program to become certified for DBE, if eligible.



GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AIRPORT CONCESSIONS DISADVANTAGED BUSINESS
ENTERPRISE PROGRAM

FOR

ASHEVILLE REGIONAL AIRPORT, FLETCHER NORTH CAROLINA

JUNE 2018

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5. Form 1 and 2 for Demonstration of Good Faith Efforts

I GENERAL PROGRAM REQUIREMENTS

- a. **Objectives.** The objectives are found in the policy statement of this program.
- b. **Definitions.** The GARAA will use terms in this program that have the meaning defined in 49 CFR Part 23, Section 23.3 and Part 26 Section 26.5 where applicable.
- c. **Applicability.** The Asheville Regional Airport is a primary airport and the sponsor of federal airport funds authorized for airport development and under Title 49 of the United States Code. The GARAA will work within these guidelines, except with respect to any provisions that is contrary to the new concession regulations.
- d. **Non-discrimination.** The GARAA will not exclude or deny any person from participation in, the benefits of, or otherwise discriminate against anyone in connection with the award and performance of any concession agreement, management contract or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23 based on race, color, sex, or national origin.

In administering its ACDBE Program, the GARAA will not, directly or through contractual or other arrangements, use criteria or methods of administration that have the effect of defeating or substantially impairing accomplishment of the objectives of the ACDBE Program with respect to individuals of any race, color, sex or national origin.

The GARAA acknowledges these representations are also in accordance with obligations contained in its Civil Rights, DBE and ACDBE Airport grant assurances.

The GARAA will include the following assurances in all concession agreements and management contracts it executes with any firm.

1. "This agreement is subject to the requirements of the U.S. Department of Transportation's regulations, 49 CFR Part 23. The Concessionaire or Contractor agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, or sex in connection with the award or performance of any concession agreement, management contract, or subcontract, purchase or lease agreement, or other agreement covered by 49 CFR Part 23."
2. "The Concessionaire or Contractor agrees to include the above statement in any subsequent concession agreement or contract covered by 49 CFR

Part 23, that it enters and cause those businesses to similarly include the statements in further agreements.”

- e. Compliance and Enforcement Provisions.** The GARAA will comply with and be subject to the provisions of 49 CFR Part 26 and 2 CFR Parts 180 and 200.

The GARAA will comply with this part or be subject to formal enforcement action under §26.105 or appropriate program sanctions, such as the suspension or termination of Federal funds, or refusal to approve projects, grants or contracts until deficiencies are remedied.

2 CFR Part 180, Government-wide Debarment and Suspension (Non-procurement), effective November 15, 2006, adopted and supplemented by DOT at 2 CFR Part 1200, effective June 2, 2008, provides Office of Management and Budget (OMB) guidance for Federal agencies on the Government-wide debarment and suspension system for non-procurement transactions, programs and activities. 2 CFR Part 1200 adopts the OMB guidance in subparts A through I of 2 CFR part 180, as supplemented by part 1200, as the Department of Transportation policies and procedures for non-procurement suspension and debarment.

The GARAA’s compliance with all requirements of this part is enforced through the procedures of Title 49 of the United States Code, including 49 USC 47106(d), 47111(d), 47122, and regulations implementing them.

The following enforcement actions apply to Companies participating in the GARAA ACDBE Program:

1. Any company that does not meet the eligibility criteria of subpart D of this part and that attempts to participate as a ACDBE on the basis of false, fraudulent, or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, the DOT or the FAA may initiate suspension or debarment proceedings against the firm under 2 CFR parts 180 and 1200.
2. For a firm that, in order to meet ACDBE goals or other ACDBE program requirements, uses or attempts to use, on the basis of false, fraudulent or deceitful statements or representations or under circumstances indicating a serious lack of business integrity or honesty, another firm that does not meet the eligibility criteria of subpart D of this part, DOT or FAA may initiate suspension or debarment proceedings against the firm under 2 CFR parts 180 and 1200.
3. DOT may take enforcement action under 49 CFR Part 31, Program Fraud and Civil Remedies, against any participant in the ACDBE program whose conduct is subject to such action under 49 CFR Part 31.
4. DOT may refer to the Department of Justice, for prosecution under 18 U.S.C. §§ 1001 or other applicable provisions of law, any person who makes a false

or fraudulent statement in connection with participation of an ACDBE in the GARAA's ACDBE Program or otherwise violates applicable Federal statutes.

Compliance reviews – The FAA may review the GARAA's compliance with this part at any time, including but not limited to, reviews of paperwork, on-site reviews, and review of the airport sponsor's monitoring and enforcement mechanism, as appropriate. The FAA Office of Civil Rights may initiate a compliance review based on complaints received.

Any person who knows of a violation of this part by the GARAA may file a complaint under 14 CFR Part 16 with the FAA Office of Chief Counsel.

II ADMINISTRATIVE REQUIREMENTS

- a. **ACDBE Program Updates.** Asheville Regional Airport is a small hub primary airport required to have an ACDBE program. As a condition of eligibility for FAA financial assistance, the GARAA will submit its ACDBE program and overall goals to FAA. This ACDBE program will be implemented at Asheville Regional Airport only. When the GARAA makes significant changes to its ACDBE program, the amended program will be sent to FAA for approval prior to implementing the changes.
- b. **Policy Statement.** The GARAA is committed to operating its ACDBE program in a non-discriminatory manner. The Policy Statement is elaborated on the first page of this program.
- c. **ACDBE Liaison Officer (ACDBELO).** The GARAA has appointed the following individual to carry out the responsibilities of the ACDBELO.

Development Coordinator
61 Terminal Drive, Suite 1
Fletcher, NC 28732
P: (828) 654-3252
E: ryanz@flyavl.com

In that capacity, the ACDBELO is responsible for implementing all aspects of the ACDBE program and ensuring that the GARAA complies with all provisions of 49 CFR Part 23. The ACDBELO has direct, independent access to the Executive Director on ACDBE program matters. An organization chart displaying the ACDBELO's position in the organization is found in Attachment 1.

The ACDBELO is responsible for developing, implementing and monitoring the ACDBE program, in coordination with other appropriate officials. The ACDBELO has a staff of one with approximately 4 additional resources to assist in the administration of the program. The duties and responsibilities

include the following:

1. Gather and report statistical data and other information as required by FAA or DOT.
 2. If applicable, request a review of third party contracts and purchase requisitions for compliance with this program.
 3. Work with the GARAA departments to set overall goals.
 4. Ensure that bid notices and requests for proposals are available to ACDBEs.
 5. Identify contracts and procurements so that ACDBE goals are included in solicitations, both race-conscious and race-neutral specific goals.
 6. Analyze the GARAA's progress toward attainment and identify ways to improve progress.
 7. Participate in pre-proposal meetings.
 8. Advise the Executive Director of the GARAA on ACDBE matters and achievements.
 9. Acts as Liaison to the Unified Certification Program (UCP) in North Carolina.
 10. Participate with the Engineer Team, legal counsel and senior staff, to determine contractor compliance with good faith efforts, if necessary.
 11. Research certification of ACDBEs according to the criteria set by DOT/FAA listed on the DOT website for the State of North Carolina, to ensure ACDBE compliance.
 12. Participates in ACDBE training seminars.
 13. Participate with local government/private entities to provide outreach to ACDBE's and community organizations to advise them of opportunities.
- d. **ACDBE Directory.** The GARAA does not maintain a directory of certified DBE/ACDBE firms. The North Carolina UCP maintains a directory identifying all firms eligible to participate as ACDBEs and DBEs. The directory includes the ACDBE company name, address, phone number, date of recent certification, type of work according to the NAICS code available and point of contact. This directory is updated annually and can be found at this website link.

<https://www.ebs.nc.gov/VendorDirectory/default.html>

- e. **Non-discrimination Participation.** The GARAA will take the following measures to ensure non-discrimination participation of ACDBEs in concession and other covered activities.
1. Lessees to include a non-discriminatory clause in agreements with the GARAA. The GARAA will not exclude any person from participation in, deny any person the benefits of, or otherwise discriminate against anyone in connection with the award and performance of a contract covered by 49 CFR Part 23 based on race, color, sex or national origin.

2. The GARAA will seek ACDBE participation in all types of concession activities, rather than concentrating on participation in one category or a few categories to the exclusion of others.
 3. The GARAA overall goal methodology, a description of the race-neutral measures, are set consistent with the federal requirements. If necessary, the overall goals will be achieved by race-conscious measures.
 4. The GARAA will require businesses subject to ACDBE goals at the airport, except rental car agencies, to make good faith efforts to explore all available options to meet goals, to the maximum extent practicable, through direct ownership arrangements with ACDBEs.
 5. The GARAA will not use set-asides or quotas as a means of obtaining ACDBE participation.
- f. Reporting Requirements.** The GARAA will retain sufficient basic information about our ACDBE program implementation, ACDBE certification and the award and performance of agreements and contracts to enable the FAA to determine our compliance with Part 23. This data will be retained for a minimum of 3 years following the end of the concession agreement or other covered contract.

The GARAA submits an annual report to the FAA Regional Civil Rights Office for its ACDBE participation, utilizing the form in Attachment 2.

- g. Compliance and Enforcement Procedures.** The GARAA will take the following monitoring and enforcement mechanisms to ensure compliance with 49 CFR Part 23.
1. The GARAA will alert the DOT if knowledge of any false, fraudulent, or dishonest conduct, in connection with the program, so that DOT can take the steps provided in Part 26.
 2. The GARAA will consider similar action under our own legal authority, including responsibility determinations in future contracts.

III CERTIFICATION AND ELIGIBILITY. The GARAA will use the procedures and standards of Part 26, except as provided for certification of ACDBEs to participate in our concessions program and such standards are incorporated herein.

- a. The GARAA is a member of a UCP administered by the State of North Carolina. The UCP will meet all the requirements of this section for both Part 26 for DBEs and Part 23 for ACDBEs on behalf of the GARAA.
- b. The UCP's directory of eligible DBEs specifies whether a firm is certified as a DBE for purposes of Part 26, and ACDBE for purposes of Part 23 or both.
- c. Prior to entering into a new contract, extension or option with a current certified ACDBE, the GARAA will review their eligibility at that time, rather than waiting until the latest date allowed under Part 23. Contracts are

- reviewed one year prior to the expiration date, regardless of type or activity.
- d. The GARAA will treat a firm as a small business eligible to be certified as an ACDBE if its gross receipts, averaged over the firm's previous three fiscal years, do not exceed \$56.42 million for non-rental car ACDBEs and \$75.23 for car rental ACDBEs. The size standard for banks and other financial institutions is \$1 million in assets, for pay telephone company's is 1500 employees and for ACDBE automobile dealers is 350 employees.
 - e. The personal net worth standard used in determining eligibility for purposes of Part 23 is 1.32 million. The GARAA recognize that Personal net worth means the net value of the assets of an individual remaining after total liabilities are deducted. An individual's personal net worth (PNW) does not include the following:
 1. The individual's ownership interest in an ACDBE firm or a firm that is applying for ACDBE certification;
 2. The individual's equity in his or her primary place of residence; and
 3. Other assets that the individual can document are necessary to obtain financing or a franchise agreement for the initiation or expansion of his or her ACDBE firm (or have in fact been encumbered to support existing financing for the individual's ACDBE business) to a maximum of \$3 million.

The effectiveness of this paragraph (3) of this definition is suspended with respect to any application for ACDBE certification made or any financing or franchise agreement obtained after June 20, 2012. (23.3)

An individual's personal net worth includes only his or her own share of assets held jointly or as community property with the individual's spouse.

Any person who has a personal net worth exceeding this amount is not a socially and economically disadvantaged individual, even if a member of a group otherwise presumed to be disadvantaged. (See 23.3 - *Personal Net Worth* definition and 23.35)

The GARAA will presume that a firm that is certified as a DBE under part 26 is eligible to participate as an ACDBE. However, before the UCP certifies such a firm, they will ensure that the disadvantaged owners of a DBE certified under Part 26 are able to control the firm with respect to its activity in our concessions program. The UCP handles all certification processes. The GARAA will obtain a statement from the firm of the types of concessions it prefers to operate or the type of other contracts it prefers to perform. The GARAA will ensure that the ACDBE firm meets the applicable size standard. (23.39(a)(b)).

The GARAA acknowledges that a Prime Contractor includes a firm holding a prime contract with an airport concessionaire to provide goods or services to the concessionaire or a firm holding a prime concession agreement with a recipient. The GARAA recognize that the eligibility of Alaska Native Corporations (ANC)

owned firms for purposes of part 23 is governed by part 26 section 26.73(h). (23.39(c)(d)).

The GARAA will rely on the UCP to use the certification standards of Part 23 to determine the ACDBE eligibility of firms that provide goods and services to concessionaires. (23.39(i))

In instances when the eligibility of a concessionaire is removed after the concessionaire has entered into a concession agreement because the firm exceeded the size standard, or the owner has exceeded the PNW standard, and the firm in all other respects remains an eligible DBE, the GARAA may continue to count the concessionaire's participation toward ACDBE goals during the remainder of the current concession agreement. The GARAA will not count the concessionaire's participation toward ACDBE goals beyond the termination date for the concession agreement in effect at the time of the decertification. (23.39(e))

The GARAA will use the Uniform Application Form found in appendix F to Part 26 with additional instruction as stated in 23.39(g).

IV GOALS, GOOD FAITH EFFORTS AND COUNTING

- a. Basic Overall Goal Requirements.** The GARAA will establish two separate overall ACDBE goals; one for car rentals and another for concessions, other than car rentals. The overall goals will cover a three (3) year period and the sponsor will review the goals annually to make sure the goal continues to fit the sponsor's circumstances. If any significant changes occur in overall goal adjustments, they will be reported to the FAA.

If the average annual concession revenues for car rentals or non-car rental concessions over the preceding 3 years do not exceed \$200,000, the GARAA will not need to submit an overall goal for either areas of ACDBEs. The GARAA understand that "revenue" means total revenue generated by concessions, not the fees received by the airport from concessionaires. Our overall goals will provide for participation by all certified ACDBEs and will not be subdivided into group-specific goals.

- b. Consultation in Goal Setting.** The GARAA consults with stakeholders before submitting the overall goals to the FAA. Stakeholders will include, but not be limited to, minority and women's business groups, community organizations, trade associations representing concessionaires currently located at the airport, as well as, existing concessionaires themselves, and other officials or organizations which could be expected to have information concerning the availability of disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs and the sponsors efforts to

increase participation of ACDBEs.

When submitting our overall goals, the GARAA will identify the stakeholders that were consulted with and provide a summary of the information obtained from the stakeholders.

- c. **Overall Goals.** The GARAA is a small hub primary airport. As a condition of eligibility for FAA financial assistance, the GARAA will submit its overall goals according to the schedule set aside by FAA for our specific sized airport.

Primary Airport Size	Region	Date Due	Period Covered	Next Goal Due
Large/Medium Hubs	All regions	October 1, 2014	2015/2016/2017	October 1, 2017 (2018/2019/2017)
Small Hubs	All regions	October 1, 2015	2016/2017/2018	October 1, 2018 (2019/2020/2021)
Non-Hubs	All regions	October 1, 2016	2017/2018/2019	October 1, 2019 (2020/2021/2022)

If a new concession opportunity arises at a time that falls between the normal submission dates and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, then the GARAA will submit an appropriate adjustment to our overall goal to FAA for approval no later than 90 days before issuing the solicitation for new concession opportunity.

The GARAA will establish overall goals in accordance with the 2-step process. After determining the total gross receipts for the concession activity, the first step is to determine the relative availability of ACDBEs in the market area “base figure.” The second step is to examine all relevant evidence reasonably available in the sponsor’s jurisdiction to determine if an adjustment to the step 1 base figure is necessary so that the goal reflects as accurately as possible the ACDBE participation the sponsor would expect in the absence of discrimination. Evidence may include past participation by ACDBEs, a disparity study, and/or evidence from related fields that affect ACDBE opportunities to form. (i.e., statistical disparities, inability to get required financing, bonding, insurance; or data on employment, self-employment, education, training and union apprenticeship)

The GARAA’s 3 year Methodology Report for ACDBEs on Rental Car and Non-Rental Car Concessions is attached. This report contains estimated race-neutral and race-conscious participation.

- d. Concession Specific Goals.** The GARAA will use concession specific goals to meet any portion of the overall goals it does not project being able to meet using race-neutral means. Concession specific goals are established so that, over the period to which the overall goals apply, they will cumulatively result in meeting any portion of our overall goal that is not projected to be met through the use of race-neutral means.

The GARAA will establish concession specific goals only on those that have direct ownership arrangements (except car rentals), sublease, or subcontracting possibilities. The GARAA will require businesses subject to ACDBE goals at the airport (except car rental companies) to make good faith efforts to explore all available options to meet goals, to the maximum extent practicable, through direct ownership arrangements with DBEs. Car rental firms are not required to change their corporate structure to provide for direct ownership arrangements. In the case of a car rental goal, where it appears that all or most of the goal is likely to be met through the purchases by car rental companies of vehicles or other goods or services from ACDBEs, one permissible alternative is to structure the goal entirely in terms of purchases of goods and services.

The GARAA need not establish a concession specific goal on every such concession, and the size of concession specific goals will be adapted to the circumstances of each such concession (e.g., type and location of concession, availability of ACDBEs.)

If the objective of a concession specific goal is to obtain ACDBE participation through direct ownership with an ACDBE, the GARAA will calculate the goal as a percentage of the total estimated annual gross receipts from the concession.

If the concession specific goal applies to purchases and/or leases of goods and services, the GARAA will calculate the goal by dividing the estimated dollar value of such purchases and/or leases from ACDBEs by the total estimated dollar value of all purchases to be made by the concessionaire.

- e. Good Faith Efforts on Concession Specific Goals.** To be eligible to be awarded a concession that has a concession specific goal, a firm must make good faith efforts to meet the goal. Firms may do so either by obtaining enough ACDBE participation to meet the goal or by documenting that it made sufficient good faith efforts to do so. Examples of good faith efforts are found in Appendix A to 49 CFR Part 26. The procedures applicable to 49 CFR Sections 26.51 and 26.53, regarding contract goals, apply to the GARAA's concession specific goals. Specifically:

1. Good Faith Efforts Procedures:

- a) Demonstration of good faith efforts.** The obligation of the firm is to

make good faith efforts and can demonstrate that it has done so either by meeting the contract goal or documenting good faith efforts. Examples of good faith efforts are found in Appendix A to Part 26. ACDBELO is responsible for determining whether a firm who has not met the contract goal has documented sufficient good faith efforts to be regarded as responsible. The GARAA will ensure that all information is complete and accurate and adequately documents the bidder/offeror's good faith efforts before commitment to the performance of the contract by the bidder/offeror.

b) Information to be Submitted. The GARAA will require the following for concession contracts when a contract goal has been established:

- 1) Award of the contract will be conditioned on meeting the requirements of this section;
- 2) All bidders/offerors will be required to submit the following information to the GARAA, at the time provided in paragraph 2.(c) of this section;
 - (a) The names and addresses of ACDBE firms that will participate in the contract;
 - (b) A description of the work that each ACDBE will perform. To count toward meeting a goal, each ACDBE firm must be certified in a NAICS code applicable to the kind of work the firm would perform on the contract;
 - (c) The dollar amount of the participation of each ACDBE firm participating;
 - (d) Written documentation of the firm's commitment to use an ACDBE sub-concession whose participation it submits to meet a contract goal;
 - (e) Written confirmation from each listed ACDBE firm that it is participating in the contract in the kind and amount of work provided in the prime concessionaire's commitment; and
 - (f) If the contract goal is not met, evidence of good faith efforts and documentation of good faith efforts must include copies of each ACDBE and non-ACDBE sub-concession quote submitted to the bidder when a non-ACDBE sub-concession was selected over an ACDBE for work on the contract.
- 3) The GARAA will require that the bidder/offeror present the information required no later than 5 days after bid opening as a manner of responsibility. Provided that, in a negotiated procurement, including a design-build procurement, the bidder/offeror may make a contractually binding commitment to meet the goal at the time of bid submission or the presentation of initial proposals but provide the information required before the final selection for the contract is made by the recipient.

- f. Administrative Reconsideration.** Within 7 business days of being informed by the GARAA that the bidder/offeror is not responsible because it has not documented sufficient good faith efforts, a bidder/offeror may request administrative reconsideration. Bidders/Offerors should make this request in writing to the following Reconsideration Official: Lew Bleiweis, Executive Director, 61 Terminal Drive, Suite 1, Fletcher, NC 28732, lbleiweis@flyavl.com or (828) 684-2226. The Reconsideration Official will not have played any role in the original determination that the firm did not document sufficient good faith efforts.

As part of this reconsideration, the bidder/offeror will have the opportunity to provide written documentation or argument concerning the issue of whether it met the goal or made adequate good faith efforts to do so. The firm will have the opportunity to meet in person with the Reconsideration Official to discuss the issue of whether it met the goal or made adequate good faith efforts. The GARAA will send the bidder/offeror a written decision on reconsideration, explaining the basis for finding the bidder/offeror did or did not meet the goal or made adequate good faith efforts. The result of the reconsideration process is not administratively appealable to the DOT.

- g. Good Faith Efforts When an ACDBE is Replaced on a Concession.** The GARAA will require a concessionaire to make good faith efforts to replace an ACDBE that is terminated or has otherwise failed to complete its concession agreement, lease, or subcontract with another certified ACDBE, to the extent needed to meet the concession specific goal. The GARAA will require the concessionaire to notify the ACDBELO immediately of the ACDBEs inability or unwillingness to perform and provide reasonable documentation.

In this situation, the GARAA, will require the concessionaire to obtain our prior approval of the substitute ACDBE and to provide copies of new or amended subcontracts, or documentation of good faith efforts.

The GARAA will provide such written consent only if in agreement, for reasons stated in our concurrence document, that the prime concession has good cause to terminate the ACDBE firm. For purposes of this paragraph, good cause includes the following circumstances:

1. The listed ACDBE sub-concession fails or refuses to execute a written contract;
2. The listed ACDBE sub-concession fails or refuses to perform the work of its sub-concession in a way consistent with normal industry standards. If the failure or refusal of the ACDBE sub-concession to perform its work on the sub-concession results from the bad faith or discriminatory action of the prime contractor, good cause would exist.
3. The listed ACDBE sub-concession fails or refuses to meet the prime concession's reasonable, non-discriminatory bond requirements.
4. The listed ACDBE sub-concession becomes bankrupt, insolvent, or exhibits

- credit unworthiness.
5. The listed ACDBE sub-concession is ineligible to work on public works projects because of suspension and debarment proceedings pursuant to 2 CFR Parts 180, 215 and 1200 or applicable state laws.
 6. The GARAA have determined that the listed ACDBE subcontractor is not responsible.
 7. The listed ACDBE sub-concession voluntarily withdraws from the project and provides written notice of its withdrawal.
 8. The listed ACDBE is ineligible to receive ACDBE credit for the type of work required;
 9. The ACDBE owner dies or becomes disabled with the result that the listed ACDBE concession is unable to complete its work on the contract.
 10. Other documented good cause that the GARAA have determined compels the termination of the ACDBE sub-concession. (Example, the prime concession seeks to terminate an ACDBE it relied upon to obtain the contract so that the prime concession can self-perform the work or so that the prime contractor can substitute another ACDBE or non-ACDBE concession after contract award.)

Before transmitting to us its request to terminate and/or substitute an ACDBE sub-concession, the prime concession must give notice in writing to the ACDBE sub-concession, with a copy to the GARAA, of its intent to request to terminate and/or substitute and the reason for the request.

The prime concession must give the ACDBE 5 days to respond to the prime concession's notice and advise us and the concessionaire of the reasons, if any, why it objects to the proposed termination of its sub-concession and why the GARAA should not approve the prime concession's action. If required in a particular case, as a matter of public necessity (i.e., safety), the GARAA may provide a response period shorter than 5 days.

The GARAA will require a concessionaire to make good faith efforts to replace an ACDBE that is terminated or has otherwise failed to complete its work on a concession with another certified ACDBE. These good faith efforts shall be directed at finding another ACDBE to perform at least the same amount of work under the concession contract as the ACDBE that was terminated, to the extent needed to meet the concession contract goal that the GARAA established for the procurement. The good faith efforts shall be documented by the concessionaire. If the GARAA requests documentation from the concessionaire under this provision, the concessionaire shall submit the documentation to us within 7 days, which may be extended for an additional 7 days if necessary at the request of the concessionaire, and the recipient shall provide a written determination to the concessionaire stating whether or not good faith efforts have been demonstrated.

The GARAA will include in each prime concession contract the contract clause required by §26.13(b) stating that failure by the concessionaire to carry out the

requirements of this part is a material breach of the contract and may result in the termination of the concession contract or such other remedies set forth in that section that the GARAA deem appropriate if the prime concessionaire fails to comply with the requirements of this section.

If the concessionaire fails or refuses to comply in the time specified, our contracting office will issue an order stopping all or part of payment/work until satisfactory action has been taken. If the concessionaire still fails to comply, the contracting officer may issue a termination for default proceeding.

- h. Sample Proposal/Bid Specification.** The requirements of 49 CFR Part 23, regulations of the US DOT, applies to this concession. It is the policy of the GARAA to practice non-discrimination based on race, color, sex or national origin in the award or performance of this contract. All firms qualifying under this solicitation are encouraged to submit bids/proposals. Award of this concession will be conditioned upon satisfying the requirements of this proposal/bid specification. These requirements apply to all concessions firms and suppliers, including those who qualify as an ACDBE. An ACDBE concession specific goal of **2%** of annual gross receipts; value of leases and/or purchases of goods and services has been established for this concession. The concession firm shall make good faith efforts, as defined in Appendix A, 49 CFR part 26, to meet the concession specific goal for ACDBE participation in the performance of this concession.

The concession firm will be required to submit the following information:

1. Names and addresses of ACDBE firms and suppliers that will participate in the concession;
2. A description of the work that each ACDBE will perform;
3. The dollar amount of the participation of each ACDBE firm participating;
4. Written and signed documentation of commitment to use an ACDBE whose participation it submits to meet a contract goal;
5. Written and signed confirmation from the ACDBE that it is participating in the concession as provided in the prime concessionaire's commitment; and
6. If the contract goal is not met, evidence of good faith efforts.

[Note: When a concession specific goal is established pursuant to the sponsor's ACDBE program, the sample proposal/bid specification can be used to notify concession firms of the requirements to make good faith efforts. The forms found at Attachment 3 can be used to collect information necessary to determine whether the concession firm has satisfied these requirements. A proposal/bid specification is required only when a concession specific is established.]

- i. Counting ACDBE participation for Car Rental Goals.** The GARAA will count ACDBE participation towards overall goals other than car rental as provided in 49 CFR 23.53.
- j. Counting ACDBE Participation for Concessions Other Than Car Rental**

Goals. The GARAA will count ACDBE participation toward overall goals other than car rental as provided in 49 CFR 23.55.

- k. Goal Shortfall Accountability.** If the awards and commitments on our Uniform Report for ACDBE Participation at the end of any fiscal year are less than the overall goal applicable to that fiscal year, the GARAA will;
 - 1. Analyze in detail the reasons for the difference between the overall goal and our awards and commitments in that fiscal year; and
 - 2. Establish specific steps and milestones to correct the problems the GARAA identified in our analysis to enable us to fully meet our goal for the new fiscal year.
- l. Quotas or Set-Asides.** The GARAA will not use quotas or set-asides as a means of obtaining ACDBE participation.

V OTHER PROVISIONS

- a. Existing Agreements.** The GARAA will assess potential for ACDBE participation when an extension or option to renew an existing agreement is exercised, or when a material amendment is made. The GARAA will use any means authorized by Part 23 to obtain a modified amount of ACDBE participation in the renewed or amended agreement.
- b. Long-Term Exclusive Agreements.** The GARAA will not enter into a long-term and exclusive agreement for concessions without prior approval of the FAA Regional Civil Rights Office. The GARAA understand that:
 - 1. a “long-term” agreement is one having a term of longer than 5 years.
 - 2. an “exclusive” agreement is one in which an entire category of a particular business opportunity is limited to a single business entity.

If special, local circumstances exist that make it important to enter into a long-term and exclusive agreement, the GARAA will submit detailed information to the FAA Civil Rights Office for review and approval.

- c. Geographic Preferences.** The GARAA will not use a “local geographic preference” (i.e., any requirement that gives an ACDBE located in one place) an advantage over ACDBEs from other places in obtaining business as, or with, a concession at our airport.

Attachment

1

OBJECTIVE

The Greater Asheville Regional Airport Authority (GARAA) has established an Airport Concessions Disadvantaged Business Enterprise (ACDBE) Program in accordance with the regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 23. The GARAA receives federal financial assistance from the DOT and Federal Aviation Administration (FAA) authorized for airport development. As a condition of receiving this financial assistance, the GARAA has signed grant assurances that it will comply with the above listed regulation.

POLICY

The GARAA will ensure that ACDBEs, as defined in Part 23, have an equal opportunity to receive and participate in concession opportunities. Within our program we will also:

- a. Ensure non-discrimination in the award and administration of opportunities for concessions by airports receiving DOT financial assistance;
- b. Create a level playing field and provide opportunities in which ACDBEs can compete fairly for airport concessions;
- c. Ensure that the ACDBE Program is narrowly tailored in accordance with applicable law;
- d. Ensure that only firms that fully meet 49 CFR Part 23 eligibility standards are permitted to participate as ACDBEs at our airport;
- e. Help remove barriers to the participation of ACDBEs in opportunities for concessions at our airport; and
- f. Provide appropriate flexibility to our airport in establishing and providing opportunities for ACDBEs.

GENERAL

The GARAA will designate, from its staff, an ACDBE Liaison Officer (ACDBELO), who will be responsible for implementing all aspects of the ACDBE Program at the Asheville Regional Airport, including maintenance and revisions to the ACDBE Program as required, on those schedules required. Implementation of the ACDBE Program is accorded the same priority as compliance with all other legal obligations incurred by the GARAA

in its financial assistance agreements with the Department of Transportation. Updates will be made to the ACDBE program when changes occur to the Federal Regulations 49 CFR Part 23.

The GARAA has disseminated this policy statement to all relevant departments and its Board of Directors. The GARAA will publicize this statement on the airport website to reach the registered companies and both DBE and non-DBE business communities in our area.

**APPROVAL AND
UPDATE HISTORY**

APPROVAL

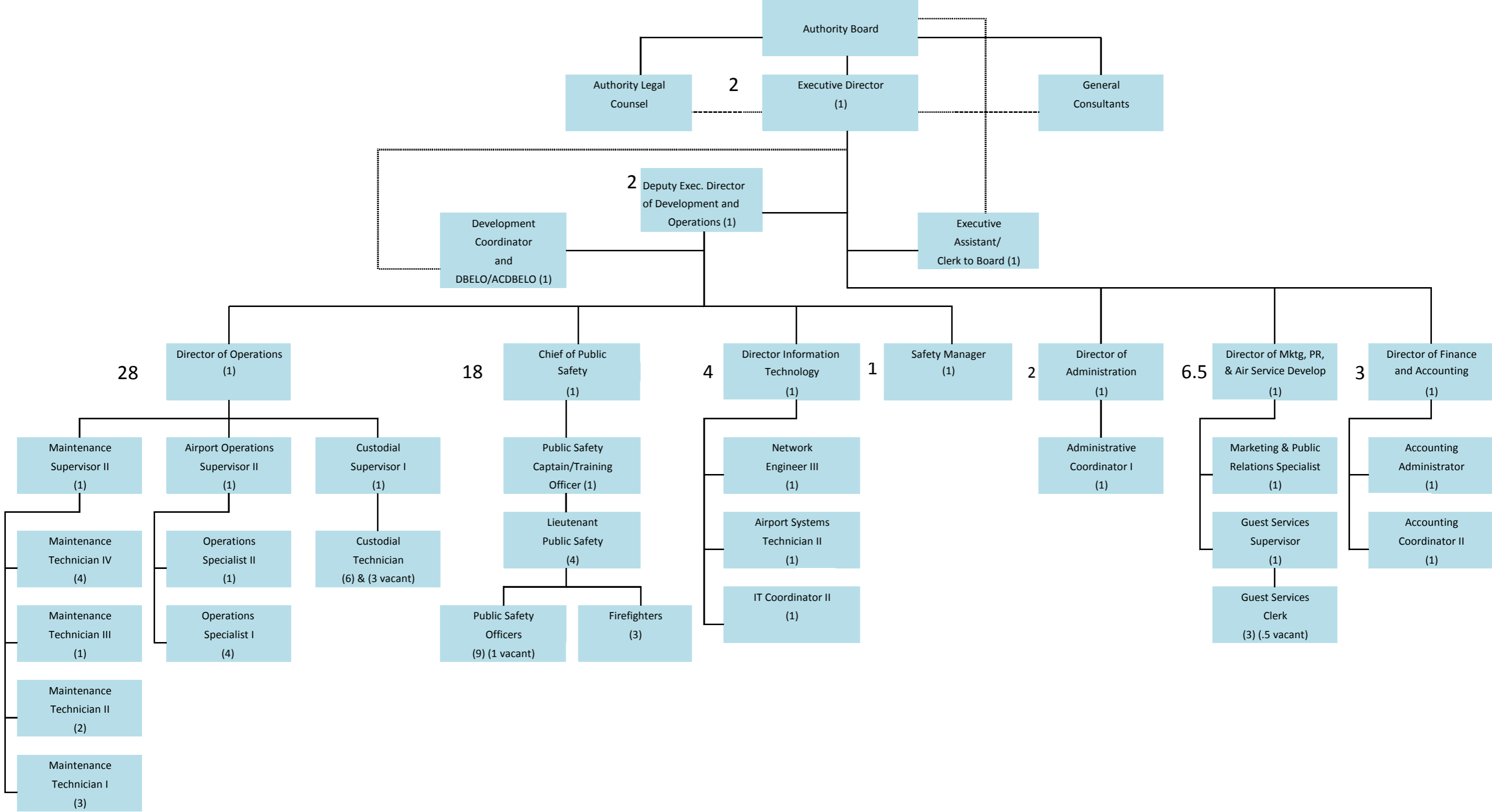
SUPERSEDES

Attachment

2

Greater Asheville Regional Airport Authority (Organizational Chart)

Total Staffing - 66.5 FTEs
FY 2018



Attachment

3

UNIFORM REPORT OF ACDBE PARTICIPATION

Please refer to the Instructions sheet for directions on filling out this form

1. Name of Recipient: Greater Asheville Regional Airport Authority

2. Contact Information: Preparer's Name: _____ Phone No. () _____ Fax No. () _____
 email address: _____

3a. Federal fiscal year in which reporting period falls: FY Oct. 1, to Sep. 30, 3b. Date This Report Submitted: _____

4. Current Non-Car Rental ACDBE Goal: Race Conscious Goal _____ % Race Neutral Goal _____ % ACDBE OVERALL Goal _____ %

	A	B	C	D	E	F	G
5. NON-CAR RENTAL CUMULATIVE ACDBE PARTICIPATION	Total Dollars (Everyone)	Total Number (Everyone)	Total to ACDBEs (dollars) [E+F]	Total to ACDBEs (number)	Total to ACDBEs /Race Conscious (dollars)	Total to ACDBEs/Race Neutral (dollars)	Percentage of total dollars to ACDBEs [C/A]
Prime Concessions							
Subconcessions							
Management Contracts							
Goods and Services							
Total Cumulative Non-Car Rental ACDBE Participation							

	A	B	C	D	E	F	G
6. NON-CAR RENTAL NEW ACDBE PARTICIPATION THIS PERIOD	Total Dollars (Everyone)	Total Number (Everyone)	Total to ACDBEs (dollars) [E+F]	Total to ACDBEs (number)	Total to ACDBEs /Race Conscious (dollars)	Total to ACDBEs/Race Neutral (dollars)	Percentage of total dollars to ACDBEs [C/A]
Prime Concessions							
Subconcessions							
Management Contracts							
Goods and Services							
Total Non-Car Rental New ACDBE Participation							

7. Current Car Rental ACDBE Goal: Race Conscious Goal _____ % Race Neutral Goal _____ % ACDBE OVERALL Goal _____ %

	A	B	C	D	E	F	G
8. CAR RENTAL CUMULATIVE ACDBE PARTICIPATION	Total Dollars (Everyone)	Total Number (Everyone)	Total to ACDBEs (dollars) [E+F]	Total to ACDBEs (number)	Total to ACDBEs /Race Conscious (dollars)	Total to ACDBEs/Race Neutral (dollars)	Percentage of total dollars to ACDBEs [C/A]
Prime Concessions							
Subconcessions							
Goods and Services							
Total Cumulative Car Rental ACDBE Participation							

	A	B	C	D	E	F	G
9. CAR RENTAL NEW ACDBE PARTICIPATION THIS PERIOD	Total Dollars (Everyone)	Total Number (Everyone)	Total to ACDBEs (dollars) [E+F]	Total to ACDBEs (number)	Total to ACDBEs /Race Conscious (dollars)	Total to ACDBEs/Race Neutral (dollars)	Percentage of total dollars to ACDBEs [C/A]
Prime Concessions							
Subconcessions							
Goods and Services							
Total Cumulative Car Rental New ACDBE Participation							

	A	B	C	D	E	F	G	H
10. CUMULATIVE ACDBE PARTICIPATION BY RACE/GENDER	Black Americans (numbers & dollars)	Hispanic Americans (numbers & dollars)	Asian-Pacific Americans (numbers & dollars)	Asian - Indian Americans (numbers & dollars)	Native Americans (numbers & dollars)	Non-Minority Women (numbers & dollars)	Other (i.e. not of any other group listed here) (numbers & dollars)	TOTALS [A+B+C+D+E+F+G] (numbers & dollars)
Car Rental								
Non-Car Rental								
Total Cumulative Race/Gender ACDBE Participation								

11. For each ACDBE firm that is participating, please fill out the attached Report of Certified ACDBE Form or list the following information for each ACDBE firm participating in your program during this report: (1) Firm name; (2) Type of business; (3) Beginning and expiration dates of agreement, including options to renew; (4) Dates that material amendments have been or will be made to agreement (if known); and (5) Estimate gross receipts for the firm during this reporting period.

Attachment

4



FY 2017-2019 Airport Concession DBE Goal Methodology

(Non-Car Rental Concessions)

for

Asheville Regional Airport

Fletcher, North Carolina

September 2016

METHODOLOGY for establishing the FY2017 – FY2019 Airport Concession Disadvantaged Business Enterprise (ACDBE) Goal for:

Asheville Regional Airport, Fletcher, NC (49 CFR Part 23)

In fulfillment of the requirements of 49 CFR Part 23, the Greater Asheville Regional Airport Authority has developed a proposed Overall Goal for FY2017 – FY2019 for Concessions other than Car Rentals.

1. Amount of Goal

The Greater Asheville Regional Airport Authority's (Authority) overall goal for concessions other than car rental (i.e., non-car rental) during the period beginning October 1, 2016 and ending September 30, 2019, is the following: 2 % of the total gross receipts for concessions at the Asheville Regional Airport. The following are not included in the total gross receipts for concessions: (a) the gross receipts of car rental operations, (b) the dollar amount of a management contract or subcontract with a non-ACDBE, (c) the gross receipts of business activities to which a management contract or subcontract with a non-ACDBE pertains, and (d) any portion of a firm's estimated gross receipts that will not be generated from a concession.

The concession receipts anticipated during this goal period for all non-car rental concessions is \$7,158,343.00. If a new concession opportunity arises prior to the end of this goal period and estimated average of annual gross receipts are anticipated to be \$200,000 or greater, the Authority will submit an appropriate adjustment to the overall goal. This adjustment to the overall goal will be submitted to the FAA for approval no later than 90 days before issuing the solicitation for the new concession (23.45(i)).

The Authority has determined that its market area is Buncombe and Henderson Counties of North Carolina. This is the geographical area in which the substantial majority of firms which seek to do concessions business with the Authority are located and the geographical area in which the firms which receive a substantial majority of concessions related receipts are located.

A. Projected Concessions Opportunities: October 1, 2016 – September 30, 2019

Concessions receipts opportunity for the 3-year period is based upon gross receipts for the preceding three years. The table below describes the gross concession receipts for that period.

Table 1: Gross Receipts for Concessions (Non-Car Rental) or “All Other Concessions”

Fiscal Year	Concessions (Excluding Car Rentals)
FY 2013	1,982,096
FY 2014	2,334,577
FY 2015	2,677,995
Totals	6,994,668

Source: Authority Financial Report

Based on the information provided in the table above, the total gross receipts for the three (3) year period for all other concessions is \$6,994,668.00. This base number was multiplied by 2.34% (e.g., historical 3 prior years compared to these three years averaging difference). The expected growth in non-car rental concessions receipts at the airport for a total non-car rental concessions base of \$7,158,343.00. The airport expects consistent revenue and does not anticipate major changes to increase or decrease concession revenue.

B. Determination of Market Area

The market area is defined by the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms which receive the substantial majority of concessions-related receipts are located.

The Authority believes that the normal market of potential ACDBEs that would participate would be local, especially for the purchase of goods and services. Therefore, the Authority is proposing the “normal” market area for all other concessions (non-car rental) was determined to be Buncombe and Henderson Counties in North Carolina, included in Divisions 13 and 14.

2. Methodology Used to Calculate Overall Goal

A. Goods and Services

The Authority can meet the percentage goal by including the purchases from ACDBEs of goods and services used in business at the Airport. The Authority and the non-car rental concessionaires at the Airport, should make good faith efforts to explore all available options to achieve, to the maximum extent practicable, compliance with the goal through direct ownership arrangements, including joint ventures and franchises. The dollar value from purchases of goods and services from ACDBEs may be added to the numerator, and the dollar value from purchases of goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

B. Management Contract or Subcontract

The Authority can meet the percentage goal by including any non-car rental concessions operated through a management contract or subcontract with an ACDBE. The Authority and the non-car rental concessions at the airport, will add the dollar amount of a management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator AND the denominator) and to the base from which the airport’s percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross receipts of business activities to which the management contract or subcontract pertains will not be added to this base in either the numerator or denominator.

C. Step 1 (23.51c)

The Authority determined the base figure for the relative availability of non-car rental ACDBEs. The base figure was calculated as follows:

The Step 1 DBE Base Figure was determined by dividing the number of ACDBE firms available by the total number of firms available to determine the relative availability of ACDBEs for each concession type. That relative availability or projected participation was multiplied by the percentage of total estimated receipts to determine the weighted availability of ACDBEs in the Airport’s market area for each concession type as indicated in Table 2 below.

Table 2: Determination of Relative Availability of ACDBEs (suppliers of goods and services)

Concession Type	NAICS Code	# of ACDBE Firms Market Area	/	Total # of All Firms	=	Relative Availability of ACDBEs or Projected Participation	X	Estimated % Projected Receipt for Concessions	=	Projected % of ACDBE Participation Based on Availability
Limited Service Restaurant	722513	0	/	4	=	0%	X	55%	=	0%
News & Gifts	453220	0	/	16	=	0%	X	35%	=	0%
Personal Services	812990	0	/	7	=	0%	X	10%	=	0%
Total:		0		27				100%		0%

Source:
 NCDOT Connect Website
 NAICS Website

The Step 1 base goal for non-car rental (all other) ACDBEs is 0 %

D. Step 2 (23.51d)

After calculating a base figure of the relative availability of ACDBEs, the Authority examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure was:

- 1) Past Participation – The Authority evaluated the current capacity of ACDBEs to perform work in non-car rental concessions program by measuring the volume of work ACDBEs have performed in the past.

Specifically, annual ACDBE accomplishments for the reporting periods listed below were assessed. The annual ACDBE percent accomplishment for each year and the median for the periods reported are noted.

Table 3: Asheville Regional Airport ACDBE Accomplishments for FY2010 – 2012

Report Period	ACDBE Goal	Total ACDBE % Achieved	Over/Under Achieved
FY2013	5	0	-5
FY2014	5	2.62	-2.38
FY2015	5	2.06	-2.94
Median	5	2.06	-2.3

Source: Concession Activity Reports, Airport records

The Airport will adjust the Step 1 DBE base figure of 0 % by adding to the annual historic median DBE participation noted in Table 3 above (2.06 %) for a total of 2.06 %, and averaging this total, for a final adjusted overall goal of 2 %.

- 2) Disparity Study

The Authority is not aware of any disparity studies that have been conducted in the Asheville area.

3. Consultation with Stakeholders (23.43)

Prior to establishing the ACDBE Non-Car Rental Concessions goal, the Authority consulted with stakeholders in its concession program to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs and the Airport's efforts to establish a level playing field for the participation of ACDBEs.

4. Breakout of Estimated Race-Neutral and Race-Conscious Participation (23.51)

The Authority will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Authority uses the race-neutral measures listed below to increase ACDBE participation. The Authority understands that it will be expected to actually take these steps.

- A. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;
- B. Notifying ACDBEs of concession opportunities and encouraging them to compete when appropriate;
- C. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
- D. Submit information on company website for concession opportunities;
- E. Provide guided steps on how the Airport's ACDBE program works, when opportunities are available;
- F. Providing information concerning the availability of ACDBE firms to competitors to assist them in obtaining ACDBE participation; and
- G. Provide technical assistance to ACDBEs in overcoming limitations.

The Authority estimates to meet the overall goal of 2%, the Authority will obtain 0% from race-neutral participation and 2% through race-conscious measures. The reason for this projected split is there is no recent past ACDBE race-neutral utilization or other data which to project a race-neutral split. Therefore, the Authority expects to meet its entire overall goal using race-conscious measures.

If the Authority projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, it will use the following race-conscious measures to meet the overall goal:

- A. Establish concession-specific goals for particular concession opportunities;
- B. Utilize other methods, with FAA approval, that allow a competitor's ability to provide ACDBE participation into account in awarding a concession; and
- C. Negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures in the operation of the concession.

In order to ensure that the ACDBE program will be adjusted to overcome the effects of discrimination, the Authority may need to adjust the estimated race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (26.51(f)) and will track the reporting separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures, ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal, ACDBE participation

through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

The Authority will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.

Resources used: Authority FY2017-2019 Airport Concession ACDBE Program Methodology (Non-Car Rental Concessions) and Connect NCDOT Business Partner Resources.



FY 2017-2019 Airport Concession DBE Goal Methodology

(Car Rental Concessions)

for

Asheville Regional Airport

Fletcher, North Carolina

September 2016

METHODOLOGY for establishing the FY2017 – FY2019 Airport Concession Disadvantaged Business Enterprise (ACDBE) Goal for:

Asheville Regional Airport, Fletcher, NC (49 CFR Part 23)

In fulfillment of the requirements of 49 CFR Part 23, the Greater Asheville Regional Airport Authority has developed a proposed Overall Goal for FY2017 – FY2019 for Car Rentals Concessions.

1. Amount of Goal

The Greater Asheville Regional Airport Authority’s overall car rental goal for the period beginning October 1, 2016 and ending September 30, 2019, is the following: 2.5% of the total gross receipts of car rental operations at the Asheville Regional Airport.

There are no new car rental concession opportunities anticipated for this time period. If any additional car rental concession opportunities arise prior to the end of this goal period and the estimated average of annual gross revenues are anticipated to be \$200,000 or greater, the Authority will submit an appropriate adjustment to the overall goal. This will be submitted to FAA for approval at least 6 months before executing the new concession agreement (23.45(i)).

The Authority has determined that its market area for car rental concessions is the local area of Buncombe and Henderson Counties of North Carolina. The market area is usually the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms which receive a substantial majority of concessions related receipts are located.

A. Projected Concessions Opportunities: October 1, 2016 – September 30, 2019

Concessions revenue opportunity for the 3-year period is based upon gross receipts for the preceding three years. The table below describes the gross concession receipts for that period.

Table 1: Gross Receipts for Car Rental Concessions

Fiscal Year	Car Rental Concessions
FY 2013	11,514,455
FY 2014	12,823,976
FY 2015	13,961,114
Totals	38,299,545

Source: Airport Financial Report

Based on the information provided in the table above, the total gross receipts for the three (3) year period for car rental concessions is \$38,299,545. This base number was multiplied by 2.71% (e.g., historical 3 prior years compared to these three years averaging the difference between the 6yr period.) expected growth in car rental concessions receipts at the airport for a total car rental concessions base of \$39,337,463.00.

B. Determination of Market Area

The market area is defined by the geographical area in which the substantial majority of firms which seek to do concessions business with the airport are located and the geographical area in which the firms which receive the substantial majority of concessions-related receipts are located.

The Authority believes that, although firms that are currently doing business with the airport are located nationally, ACDBEs that would participate would be local. Therefore, the Authority is proposing to use Buncombe and Henderson Counties of North Carolina as the market area.

2. Methodology Used to Calculate Overall Goal

A. Goods and Services

The Authority can meet the percentage goal by including the purchases from ACDBEs of goods and services used in business at the Airport. The dollar value from purchases of goods and services from ACDBEs may be added to the numerator, and the dollar value from purchases of goods and services from all firms (ACDBEs and non-ACDBEs) may be added to the denominator.

B. Management Contract or Subcontract

The Authority can meet the percentage goal by including any business operated through a management contract or subcontract with an ACDBE. The businesses at the airport will add the dollar amount of the management contract or subcontract with an ACDBE to the total participation by ACDBEs in airport concessions (both the numerator and the denominator) and to the base from which the airport's percentage goal is calculated. However, the dollar amount of a management contract or subcontract with a non-ACDBE and the gross receipts of business activities to which the management contract or subcontract pertains, will not be added to this base in either the numerator or denominator.

C. Step 1 (23.51c)

The Authority determined the base figure for the relative availability of car rental ACDBEs. The base figure was calculated as follows:

The Step 1 DBE Base Figure was determined by dividing the number of ACDBE firms available by the total number of firms available to determine the relative availability of ACDBEs as indicated in Table 2 below.

Table 2: Determination of Relative Availability of ACDBEs (suppliers of goods and services)

Concession Type	NAICS Code	ACDBE Firms in Market Area	All Firms in Market Area	% of ACDBE Firms Available
Motor Vehicle Supplies	423120	0	5	0%
Automobile Parts and Acces	441310	0	1	0%
General Automotive Repair	811111	1	2	50%
Specialized Freight Trucking (Local)	484220	0	297	0%
Specialized Freight Trucking (Long Distance)	484230	0	23	0%
Recyclable Materials	423930	0	2	0%
Automotive Tire Dealer	441320	0	2	0%
Keys-Hardware Merchant	423710	1	8	12.5%
Insurance	524210,524298	1	10	10%
Customer Service Consult	541613	4	75	5.3%
Management Development	611430	4	30	13.3%
Totals		11	455	2.4%

Source: NCDOT UCP, DBE Directory

The Step 1 base goal for car rental ACDBEs is 2.4%

D. Step 2 (23.51d)

After calculating a base figure of the relative availability of ACDBEs, the Authority examined evidence to determine whether or not the base figure needs to be adjusted in order to arrive at the overall goal.

The data used to determine the adjustment to the base figure was:

- 1) Past Participation – The Authority reviewed past years ACDBE utilization available in which to adjust the ACDBE figure. The annual ACDBE percent accomplishment for each year and the median for the periods reported are noted.

Table 3: Asheville Regional Airport ACDBE Accomplishments for FY2013 – 2015

Report Period	ACDBE Goal	Total DBE % Achieved	Under Achieved
FY2013	6	0%	6%
FY2014	6	2.76%	3.24%
FY2015	6	.10%	5.9%
Median	6	.10%	5.9%

The median ACDBE accomplishment for each of the reporting periods as shown above is .10 %, compared to the Step 1 DBE base figure for the airport of 2.4 %. This may indicate that the Step 1 base figure over-estimates ACDBE capacity at the Airport.

The Airport will adjust the Step 1 DBE base figure of 2.4 % by adding to the annual historic median DBE participation noted in Table 3 above (.10 %) for a total of 2.5 %, for a final adjusted overall goal of 2.5 %.

2) Disparity Study

The Authority is not aware of any disparity studies that have been conducted in the Asheville or Hendersonville areas.

E. Adjustment of the Step 1 Base Figure

The Authority chose not to adjust the base figure. The ACDBE participation that the Authority would expect, in the absence of discrimination, is achievable. The Authority will use the adjusted base figure of 2.5 % overall goal for car rental concessions.

3. Consultation with Stakeholders (23.43)

Before establishing the ACDBE Car Rental Concessions goal, the Authority consulted with stakeholders in its concession program to obtain information concerning the availability of disadvantaged and non-disadvantaged businesses, the effects of discrimination on opportunities for ACDBEs and the Airport's efforts to establish a level playing field for the participation of ACDBEs.

4. Breakout of Estimated Race-Neutral and Race-Conscious Participation (23.51)

The Authority will meet the maximum feasible portion of its overall goal by using race-neutral means of facilitating ACDBE participation. The Authority uses the race-neutral measures listed below to increase ACDBE participation. The Authority understands that it will be expected to actually take these steps and this is not merely a paper exercise.

- A. Locating and identifying ACDBEs and other small businesses who may be interested in participating as concessionaires under 49 CFR Part 23;

- B. Notifying ACDBEs of concession opportunities and encouraging them to compete when appropriate;
- C. When practical, structuring concession activities so as to encourage and facilitate the participation of ACDBEs;
- D. Provide technical assistance to ACDBEs with concession opportunities in overcoming limitations; and
- E. Providing information concerning pre-solicitation meetings about the availability of opportunities for ACDBE firms to competitors for concessions to assist them in obtaining ACDBE participation.

The Authority estimates that, in meeting its overall goal of 2.5%, it will obtain 0% from race-neutral participation and 2.5% through race-conscious measures. The reason for this projected split is that the median amount by which the Authority under achieved its goals over the preceding three (3) year period as shown in Table 3 is 5.9 %. Therefore, the Authority expects to meet its entire overall goal using race-conscious means.

If the Authority projects that race-neutral measures, standing alone, are not sufficient to meet an overall goal, it will use the following race-conscious measures to meet the overall goal:

- A. Establish concession-specific goals for particular concession opportunities;
- B. Utilize other methods, with FAA approval, that allow a competitor's ability to provide ACDBE participation into account in awarding a concession; and
- C. Negotiate with potential concessionaires to include ACDBE participation through direct ownership arrangements or measures in the operation of the concession.

In order to ensure that the ACDBE program will be adjusted to overcome the effects of discrimination, the Authority may need to adjust the estimated race-neutral and race-conscious participation as needed to reflect actual ACDBE participation (26.51(f)) and will track the reporting separately. For reporting purposes, race-neutral ACDBE participation includes, but is not necessarily limited to the following: ACDBE participation through a prime contract that an ACDBE obtains through customary competitive procurement procedures; ACDBE participation through a subcontract on a prime contract that does not carry ACDBE goal; ACDBE participation on a prime contract exceeding a concession specific goal; and ACDBE participation through a subcontract from a prime contractor that did not consider a firm's ACDBE status in making the award.

The Authority will maintain data separately on ACDBE achievements in those contracts with and without concession specific goals, respectively.

Resources:

1. Asheville Regional Airport FY2017 – 2019 Airport Concessions DBE Program Methodology (Car Rental Concessions)
2. North Carolina UCP DBE Directory

Attachment

5

Demonstration of Good Faith Efforts

FORM 1: AIRPORT CONCESSION DISADVANTAGED BUSINESS ENTERPRISE (ACDBE) UTILIZATION

The undersigned bidder/offeror has satisfied the requirements of the bid/proposal specification in the following manner (please check the appropriate space):

_____ The bidder/offeror is committed to a minimum of _____ % ACDBE utilization on this contract.

_____ The bidder/offeror (if unable to meet the ACDBE goal of _____%) is committed to a minimum of _____% ACDBE utilization on this contract and submitted documentation demonstrating good faith efforts.

Name of bidder/offeror's firm: _____

State Registration No. _____

By _____
(Signature) Title

[Forms 1 and 2 should be provided as part of the solicitation documents.]

Demonstration of Good Faith Efforts

FORM 2: LETTER OF INTENT

Name of bidder/offeror's firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Name of ACDBE firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _() _____ Point of Contact: _____

Description of work to be performed by ACDBE firm:

The bidder/offeror is committed to utilizing the above-named ACDBE firm for the work described above. The estimated dollar value of this work is \$ _____.

Affirmation

The above-named ACDBE firm affirms that it will perform the portion of the contract for the estimated dollar value as stated above.

By _____
(Signature) (Title)

If the bidder/offeror does not receive award of the prime contract, any and all representations in this Letter of Intent and Affirmation shall be null and void.

(Submit this page for each ACDBE subcontractor.)



MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance and Accounting

DATE: August 10, 2018

ITEM DESCRIPTION – Consent Item D

Approval of Amendment to the FY17/18 Budget

BACKGROUND

On October 6, 2017, the Authority Board approved a budget amendment for the NCDOT grant in the amount of \$2,026,331, of which the \$70,000 contract for the South Apron Environmental Assessment was applied. Then, on February 16, 2018, the Authority Board approved the contracts for the North Apron project which totaled \$1,244,880.85. At that time, we inadvertently requested approval for a budget amendment in the amount of \$1,244,880.85 in NCDOT funding. Since the full amount of NCDOT funding had been previously approved in October, we now need to correct the February amendment.

We recommend that the Authority Board amend the FY17/18 budget as outlined below.

ISSUES

None.

ALTERNATIVES

None.

FISCAL IMPACT

The budget amendment will decrease both FY17/18 budgeted revenues and expenditures by \$1,244,880.85.

RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to amend the FY2017/2018 budget by adopting the following budget ordinance amendment:



MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance and Accounting

DATE: August 10, 2018

ITEM DESCRIPTION – Old Business Item A

Public Hearing and Final Adoption of the Authority's Amended Ordinance 201601 for Airline Rates, Fees and Charges for the Asheville Regional Airport

BACKGROUND

A proposed preliminary Amended Schedule of Airline Rates, Fees and Charges for the Asheville Regional Airport Ordinance was presented to the Authority Board at the Board meeting held on June 8, 2018. The rate, fees and charges document has remained available for public inspection and comment since June 8, 2018 and no comments have been received to date.

ISSUES

A Public Hearing is required in accordance with the Greater Asheville Regional Airport Authority Policy and Procedure for the Adoption of Ordinances.

ALTERNATIVES

None recommended.

FISCAL IMPACT

The amended rates are inclusive of a new fee of \$0.15 per enplanement to cover the additional unbudgeted expenses for the premium passenger checkpoint lane.



RECOMMENDED ACTION

It is respectfully requested that following the Public Hearing on the Authority's Amended Ordinance 201601 for Airline Rates, Fees and Charges for the Asheville Regional Airport that the Greater Asheville Regional Airport Authority Board resolve to adopt the enclosed Amended Ordinance 201601 to Implement the Amended Schedule of Airline Rates, Fees and Charges For The Asheville Regional Airport.

Enclosure

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AMENDED ORDINANCE NO. 201601

**AN ORDINANCE TO IMPLEMENT A SCHEDULE OF AIRLINE RATES, FEES AND CHARGES
FOR THE ASHEVILLE REGIONAL AIRPORT.**

**IT IS HEREBY ENACTED AND ORDAINED BY THE GREATER ASHEVILLE REGIONAL AIRPORT
AUTHORITY AS FOLLOWS:**

Section 1. CITATION.

1.1 This Ordinance may be cited as the "**Airline Rates, Fees & Charges Ordinance**".

Section 2: FINDINGS.

2.1 The Greater Asheville Regional Airport Authority was created by Session Law 2012-121, which was ratified by the General Assembly of North Carolina on June 28, 2012.

2.2 Section 1.6(a)(7) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the ability to, among other things: *"[m]ake all reasonable rules, regulations, and policies as it may from time to time deem to be necessary, beneficial or helpful for the proper maintenance, use, occupancy, operation, and/or control of any airport or airport facility owned, leased, subleased, or controlled by the Authority . . . "*

2.3 Section 1.6(a)(6) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the authority to: *"[c]harge and collect fees, royalties, rents, and/or other charges, including fuel flowage fees for the use and/or occupancy of property owned, leased, subleased, or otherwise controlled and operated by the Authority or for services rendered in operation thereof."*

2.4 Section 1.6(a)(21) of Session Law 2012-121 gives the Greater Asheville Regional Airport Authority the ability to: *"[e]xercise all powers conferred by Chapter 63 of the General Statutes [of the State of North Carolina] or any successor Chapter or law."*

2.5 North Carolina General Statute Section 63-53(5) further gives the Greater Asheville Regional Airport Authority the authority: *"[t]o determine the charge or rental for the use of any properties under its control and the charges for any services or accommodations and the terms and conditions under which such properties may be used, provided that in all cases the public is not deprived of its rightful, equal, and uniform use of such property."*

2.6 The Greater Asheville Regional Airport Authority is obligated under federal law to maintain an airport user fee and rental structure that, given the conditions of the Airport makes the Airport as financially self-sustaining as possible.

2.7 The Greater Asheville Regional Airport Authority is further obligated under federal law to establish an airport user fee structure that is fair and reasonable to all users, and not unjustly discriminatory.

2.8 In or around Fall 2014, the Greater Asheville Regional Airport Authority contracted with an airport consulting firm, who conducted a comprehensive airline rate and charge study at the Airport, in accordance with the methodology stated in the Rates and Charges Policy promulgated by the Office of the Secretary of the Department of Transportation and by the FAA.

2.9 Since approximately February 2015, the Greater Asheville Regional Airport Authority has consulted with and made repeated, good faith efforts to reach an agreement regarding rates, fees and charges with the Airlines, and to resolve all disputes asserted by the Airlines, and after adequate and timely consultation with the Airlines and with the airport consulting firm, Greater Asheville Regional Airport Authority now desires to implement, by ordinance, the fair, reasonable and not unjustly discriminatory rates and charges structure as proposed by the airport consulting firm.

Section 3. PURPOSE AND SCOPE

3.1 The Greater Asheville Regional Airport Authority finds and determines that it is in the public interest to establish a schedule of Airline rates, fees and charges by ordinance.

3.2 This Airline Rates, Fees & Charges Ordinance shall be applicable to all Airlines utilizing the Asheville Regional Airport.

Section 4. EFFECTIVE DATE

4.1 The Airline Rates, Fees & Charges Ordinance shall take effect as of the 9th day of December, 2016.

Section 5. DEFINITIONS

5.1 "Affiliate" shall mean any airline or other entity designated in writing by Airline as an Affiliate that is operating under the same flight code designator and is: (1) a parent or subsidiary of Airline or is under the common ownership and control with Airline or (2) operates under essentially the same trade name as Airline at the Airport and uses essentially the same livery as Airline or (3) is a contracting ground handling company on behalf of Airline at the Airport.

5.2 "Airline(s)" shall mean each airline providing commercial passenger service to and from the Airport and using the Airport Terminal Building to enplane and deplane passengers or cargo service to and from the Airport.

5.3 [RESERVED]

5.4 "Airlines' Revenue Landed Weight" is for the applicable Fiscal Year the sum of the products determined by multiplying each Revenue Aircraft Arrival by each of the Airlines by the applicable Certified Maximum Gross Landed Weight of the aircraft making the Revenue Aircraft Arrival.

5.6 "Airport" is the Asheville Regional Airport as it presently exists and as it is hereafter modified or expanded.

5.7 "Airport Operating Requirement" for any Fiscal Year, consists of all of the following: (1) Operation and Maintenance Expenses; (2) O&M Reserve Requirement; (3) Depreciation; (4) Amortization; (5) Debt Service; (6) coverage required on any Bonds; (7) fund deposits required under any Bond Ordinance; (8) the net amount of any judgment or settlement arising out of or as a result of the ownership, operation or maintenance of the Airport payable by Authority during any Fiscal Year. This amount would include, but not be limited to, the amount of any such judgment or settlement arising out of or as a result of any claim, action, proceeding or suit alleging a taking of property or an interest in property without just

or adequate compensation, trespass, nuisance, property damage, personal injury or any other claim, action, proceeding or suit based upon or relative to the environmental impact resulting from the use of the Airport for the landing and taking off of aircraft; and (9) any and all other sums, amounts, charges or requirements of the Airport to be recovered, charged, set aside, expensed or accounted for during any Fiscal Year, or the Authority's accounting system.

5.8 "Amortization" is the amount determined by dividing the net cost of each Airport non-depreciating asset by an imputed estimated life for the asset as determined by the Authority.

5.9 "Assigned Space" means for each Airline, those areas and facilities in the Terminal Building and those areas adjacent to and outside the Terminal Building which are assigned to such Airline for its Preferential use.

5.10 "Authority" means the Greater Asheville Regional Airport Authority.

5.11 "Bond Ordinance" is any ordinance, resolution or indenture authorizing the issuance of Bonds for or on behalf of the Airport or Authority, including all amendments and supplements to such ordinances, resolutions and indentures.

5.12 "Bonds" are all debt obligations issued for or on behalf of the Airport or the Authority subsequent to July 1, 2009, except obligations issued by or on behalf of the Authority for a Special Facility.

5.13 "Capital Charge or Capital Charges" charges that include Amortization, Depreciation and Debt Service.

5.14 "Capital Outlay" is the sum of one hundred thousand dollars (\$100,000) or as otherwise determined by the Authority.

5.15 "Certified Maximum Gross Landed Weight" or "CMGLW" is, for any aircraft operated by any of the Airlines, the certified maximum gross landing weight in one thousand pound units of such aircraft as certified by the FAA and as listed in the airline's FAA approved "Flight Operations Manual".

5.16 "Debt Service" for any Fiscal Year is the principal, interest and other payments required for or on account of Bonds issued under any Bond Ordinance.

5.17 "Depreciation" is the amount which is the net cost of any Airport asset, except a non-depreciating asset, divided by its estimated useful life as determined by the Authority.

5.18 "Enplaned Passengers" are the originating and on-line or off-line transfer passengers of each of the Airlines serving the Airport enplaning at the Airport.

5.19 "Fiscal Year" is July 1st of any calendar year through June 30th of the next succeeding calendar year, or such other fiscal year as Authority may subsequently adopt for the Airport.

5.20 "Holdrooms" means the gate seating areas currently situated in the Airport Terminal Building, as they now exist or as they may hereafter be modified or expanded or constructed by Authority within or as part of the Terminal Building for use by Airline and the other Airlines for their Joint Use.

5.21 "Joint Use Formula" is, for any Fiscal Year, the formula used for prorating Terminal Building Rentals for Joint Use Space.

5.22 "Joint Use Space" means that common use space not assigned, which Airline uses on a joint use basis with other airline tenants.

5.23 "Landing Fees" are the airfield related charges calculated by multiplying the landing fee rate established in the Schedule of Rates, Fees and Charges for the applicable Fiscal Year by the applicable Certified Maximum Gross Landed Weight ("CMGLW") of Revenue Aircraft Arrivals.

5.24 "Operation and Maintenance Expenses" or "O&M Expenses" are, for any Fiscal Year, the total costs and expenses, incurred or accrued by the Authority for that Fiscal Year, in providing for the administration, operation, maintenance and management of the Airport, including, without limitation, the performance by Authority of any of its obligations related to the Airport.

5.25 "O&M Reserve Requirement" is the requirement adopted by the Authority that defines the amount of operating cash reserves to be available within the O&M Reserve Fund. The O&M Reserve Requirement may be revised from time to time and is currently set to equal at least six (6) months of the annual O&M Expenses budgeted for the current Fiscal Year.

5.26 "Passenger Facility Charge (PFC)" is the charge imposed by the Authority pursuant to 49 U.S.C. App. 513, as amended or supplemented from time to time, and 14 CFR Part 158, as amended or supplemented from time to time, or any other substantially similar charge lawfully levied by or on behalf of the Authority pursuant to or permitted by federal law.

5.27 "Preferential Use Space" means that Assigned Space for which Airline holds a preference as to use, and which may be used on a non-preferential basis by another airline or tenant.

5.28 "Rentable Space" is that space within the Airport Terminal Building which has been constructed or designated as rentable space by Authority, including such deletions therefrom and additions thereto as may occur from time-to-time.

5.29 "Revenue Aircraft Arrival" is an airline aircraft landing at Airport, excluding those returning to the Airport due to an emergency, and for which Landing Fees are charged by Authority.

5.30 "Special Facility" is any Airport facility acquired or constructed for the benefit or use of any person or persons, the costs of construction and acquisition of which are paid for (a) by the obligor under a Special Facility agreement, (b) from the proceeds of Special Facility bonds, or (c) both; provided, however, that Airport facilities built by an Airport tenant under a ground lease or any other agreement which by its terms is not indicated to be a Special Facility agreement shall not be considered a Special Facility under this definition.

5.31 "Schedule of Rates, Fees and Charges" is the schedule the rates, fees and charges due by Airline to the Authority and is reestablished each Fiscal Year.

5.32 "Terminal Building Rentals" are the Terminal Building rents calculated by multiplying the Terminal Building Rental Rate times the then-applicable square footage of the Assigned Space in question.

Section 6. RATE MAKING METHODOLOGY

6.1 Rates and charges shall be established annually based on the methodology set by the Authority below and in the Schedule of Rates and Charges referenced in Section 8 below.

6.2 Rates and charges shall be developed under a commercial compensatory rate making methodology.

6.3 Rates and charges shall be calculated and set at the beginning of each Fiscal Year.

6.4 Terminal Building Operating Requirement.

6.4.1 For purposes of this Ordinance, the Terminal Building Cost Center shall consist of the current Terminal Building, including the ticketing wing, the Holdrooms, baggage claim facilities, baggage make-up facilities, and passenger loading bridges/regional boarding ramps, as well as the areas immediately adjacent to the west side of the terminal building utilized for baggage tug drives and baggage tug storage, and all public areas, concession areas, and other leasable areas.

6.4.2 The Terminal Building Operating Requirement shall be calculated as specified in Sections 6.4.2.1 through 6.4.2.4 below:

6.4.2.1 By summing the elements of the Airport Operating Requirement allocated to the Terminal Building Cost Center. Currently, this includes O&M Expenses, O&M Reserve Requirement, net Depreciation, Amortization, Capital Outlay, and Debt Service.

6.4.2.2 By then reducing the total from Section 6.4.2.1 by non-airline revenue credits applied by the Director. These revenue credits are reimbursements and offsets to base costs. This results in the Net Terminal Building Operating Requirement.

6.4.2.3 The Net Terminal Building Operating Requirement calculated in Section 6.4.2.2 is then divided by Rentable Space to obtain the Terminal Building Rental Rate.

6.4.2.4 Finally, each Airlines' share of cost is then derived by multiplying the Terminal Building Rental Rate by the Terminal Building Airlines' rented space (preferential use) and Airlines' share of Joint Use Space as determined by the Joint Use Formula.

6.5 Airfield Area Operating Requirement.

6.5.1 For purposes of this Ordinance, the Airfield Area Cost Center consists of those areas of land and Airport facilities which provide for the general support of air navigation, flight activity and other aviation requirements of the Airport. The airfield includes runways, taxiways, the terminal apron, aircraft service areas and those ramp areas not included in any other cost center, approach and clear zones, safety areas and infield areas, together with all associated landing navigational aids and Airport facilities, aviation controls, and other systems related to the airfield. It also includes areas of land acquired for buffer requirements for the landing areas of the Airport, all land acquired for Airport expansion until the land is used or dedicated to another cost center, and all Airport noise mitigation facilities or costs. The Airport's triturator facility, storage

areas for airline glycol equipment and tanks, and any fueling facilities and equipment provided to serve the airlines on the terminal apron are also included in the airfield cost center.

6.5.2 The Airfield Area Operating Requirement shall be calculated as specified in Sections 6.5.2.1 through 6.5.2.4 below:

6.5.2.1 By summing the elements of the Airport Operating Requirement allocated to the Airfield Area Cost Center. Currently, this includes the O&M Expenses, O&M Reserve Requirement, net Depreciation, Amortization, Capital Outlay, and Debt Service.

6.5.2.2 By then reducing the total calculated in Section 6.5.2.1 above by non-airline revenue credits applied by the Director. These revenue credits are reimbursements and offsets to base costs. This results in the Net Airfield Area Operating Requirement.

6.5.2.3 The Net Airfield Area Operating Requirement calculated in Section 6.5.2.2 is then divided by the estimated Certified Maximum Gross Landed Weight (CMGLW) of all Airlines' Revenue Aircraft Arrivals to determine the Airlines' Landing Fee rate.

6.5.2.4 The Airlines' Landing Fee rate is then multiplied by the estimated CMGLW of the Airlines.

6.5.3 All costs incurred by the Authority for mitigation or damages resulting from noise, environmental incidents or conditions, aircraft fueling, or other Airport aircraft-related conditions or activities will also be charged and allocated to the Airfield Area Operating Requirement.

6.5.4. [RESERVED]

6.5.5 Affiliate. Each Affiliate's operations shall be counted and recorded jointly with Airline's and shall be at the same rate.

6.5.6 Joint Use Space. Airline's share of the Total Terminal Building Rentals for Joint Use Space will be determined as follows: (1) sixty-five percent (65%) of the total rentals due shall be prorated among Airlines using Joint Use Space based upon Airline's share of Enplaned Passengers, (2) thirty-five percent (35%) of the total rentals due shall be prorated among the Airlines using Joint Use Space based upon Airline's share of aircraft departures.

6.5.7 Other Cost Centers. All other cost centers are not included as part of the Airlines' rates, charges and fees. Authority may apply revenues from the other cost centers to offset expenses at a time, and in an amount, based on the sole discretion of the Director.

6.5.8 Unless otherwise provided herein, all rates, fees and charges are calculated as described in Schedule of Rates, Fees and Charges referenced in Section 8 below.

Section 7. RENTALS, FEES AND CHARGES

7.1 The Authority shall establish the Schedule of Rates, Fees and Charges at the beginning of each Fiscal Year.

7.2 Prior to the establishment of the Schedule of Rates, Fees and Charges each Fiscal Year, the Authority shall formally notify Airline in writing of the anticipated Schedule of Rates, Fees and Charges to be in effect for the upcoming Fiscal Year. Authority's notification to Airline shall include notice of the time and place of a meeting to present the Schedule of Rates, Fees and Charges, expenses and capital charges used in the calculation, and to answer questions of Airline. The anticipated Schedule of Rates, Fees and Charges shall be set forth and supported by a document prepared by the Authority.

7.3 So long as Airline has been notified per above, the implementation of the upcoming Schedule of Rentals and Charges will be effective on the first day of the Fiscal Year.

7.4 Each Airline operating at the Airport shall be responsible for paying those rates and charges itemized below in the amounts specified in the Schedule of Rates, Fees and Charges in Section 8 below:

7.4.1 Preferential Use Space - Each Airline shall pay the Authority for its use of the assigned, Preferential Use Space in the Terminal.

7.4.2 Joint Use Space – Each Airline shall pay the Authority its share of rentals on Joint Use Space used by Airline in common with other airline tenants.

7.4.3 Landing Fees –For its use of the airfield, apron and appurtenant facilities, Airline shall pay a landing fee for each and every aircraft landed by the Airline at the Airport except as otherwise noted herein.

7.4.4 Passenger Facility Charge. Airline shall comply with all of the applicable requirements contained in 14 CFR Part 158 and any amendments thereto. Airline shall pay the Authority the Passenger Facility Charge applicable to all of Airline's revenue passengers enplaning at the Airport imposed by the Authority from time to time pursuant to applicable Federal law and regulations.

7.4.5 Other Fees and Charges. Airline shall also pay all miscellaneous charges assessed to and owed by Airline to the Authority including, but not limited to, the cost of utilities and services, employee parking fees, telecommunications charges, paging system fees, triturator fees, skycap services, preconditioned air and fixed ground power fees, security measures, such as key cards and identification badges and the like, common use fees and common equipment charges, and law enforcement fees (net of TSA reimbursement).

7.4.5.1 Such other fees and charges shall be detailed by the Authority in the Schedule of Rates, Fees and Charges.

Section 8. SCHEDULE OF RATES, FEES AND CHARGES

8.1 The Authority's 2018-2019 Schedule of Rates, Fees and Charges effective July 1, 2018 is attached hereto and incorporated herein by reference as Exhibit A.

Section 9. PAYMENT OF RENTALS, FEES AND CHARGES

9.1 Airlines shall pay for space rentals for Preferential Use Space and Joint Use Space, monthly, without invoice, demand, set-off, or deduction on or before the first (1st) day of each calendar month.

9.2 On or before the fifteenth (15th) day of each month, Airlines shall pay for their Landing Fees for the immediately preceding month.

9.3 Airlines shall report to the Authority on or before the fifteenth (15th) day of each month the Airlines actual operating activity for the prior month by submitting a written report. All such monthly reports shall be submitted on a standardized form provided by the Authority, such form shall act as the actual invoice.

9.4 Payment for all other fees and charges shall be invoiced by the Authority and shall be due upon receipt of the Authority's invoice. Such payments shall be deemed delinquent if not received within thirty (30) calendar days of the date of such invoice.

9.5 Except as provided above, or if such payments or reporting is under dispute by Airline, Airline shall be in violation of this Ordinance if its payments and reporting information required above are not received by the Authority on or before the fifteenth (15th) day of the month in which they are due.

9.6 Security Deposit. If in the reasonable business discretion of the Authority, it is determined that the financial condition of Airline, at the beginning of air service at the Airport, or an incumbent Airline that has displayed an irregular payment history, then Airline may be required to submit a cash security deposit in an amount not to exceed the equivalent of six (6) months estimated rentals, fees and charges.

9.6.1 In the event that the Authority determines a security deposit is required, the Airline shall deposit such sum with the Authority within thirty (30) days of being so notified by the Authority, and such sum shall be retained by Authority as security for the faithful performance of Airline's obligation hereunder.

9.6.2 The Authority shall have the right, but not the obligation, to apply said security deposit to the payment of any sum due to Authority which has not been paid in accordance with this Ordinance, including, but not limited to, reimbursement of any expenses incurred by Authority in curing any default of Airline, or to the cost of restoring the Assigned Space or its furnishings, fixtures or equipment to their original condition, reasonable wear and tear excepted.

9.6.3 In the event that all or any portion of the security deposit is so applied, the Airline shall promptly, upon demand by Authority, remit to Authority the amount of cash required to restore the security deposit to its original sum.

9.6.4 An Airline's failure to remit the amount of cash required to restore the security deposit in accordance with Section 9.6.3 above within ten (10) calendar days after its receipt of such demand shall constitute a breach of this Ordinance.

9.6.5 If said deposit shall not have been applied for any of the foregoing purposes, it shall be returned to Airline, without interest, within sixty (60) days of the Airline ceasing operation at the Airport. The Authority will not pay interest on any security deposit.

9.7 Airlines shall pay all rates, fees and charges established herein to the Authority monthly, without set-off, and except as specifically provided above, without invoice or demand therefore, in lawful money of the United States of America, by check payable to Authority delivered or mailed to the Authority or by wire transfer to the Authority.

Section 10. PENALTIES AND ENFORCEMENT

10.1 Unless otherwise specified herein, violation of any provision of this Airline Rates, Fees & Charges Ordinance shall be enforced in accordance with, and subject to the penalties specified in, this Section 10.

10.2 In addition to any civil or criminal penalties set out in this Section 10. or in any other Section or Subsection herein, this Airline Rates, Fees & Charges Ordinance may be enforced by an injunction, order of abatement, or other appropriate equitable remedy issuing from a court of competent jurisdiction.

10.3 This Airline Rates, Fees & Charges Ordinance may be enforced by one, all or a combination of the penalties and remedies authorized and prescribed in this Section 10, or elsewhere herein, except that any provision, the violation of which incurs a civil penalty, shall not be enforced by criminal penalties.

10.4 Except as otherwise specified herein, each day's continuing violation of any provision of the Airline Rates, Fees & Charges Ordinance is a separate and distinct offense.

10.5 A violation this Airline Rates, Fees & Charges Ordinance shall not be a misdemeanor or infraction under N.C. Gen. Stat. §14-4; however, civil penalties shall be assessed and civil citations issued for the administrative violation of any provision in accordance with Section 10.6 through 10.7 below.

10.6 The Executive Director shall authorize specific Authority personnel to enforce all administrative violations of this Airlines Rates, Fees & Charges Ordinance.

10.7 Upon any administrative violation of this Airline Rates, Fees & Charges Ordinance, personnel designated in accordance with Section 10.6 shall cause a civil citation to be issued to the violator.

10.7.1 All civil citations shall be hand-delivered to the violator or shall be mailed by first class mail addressed to the last known address of the violator. The violator shall be deemed to have been served upon hand-delivery or the mailing of the civil citation.

10.7.2 Unless otherwise expressly specified herein the civil penalty associated with each civil citation issued for an administrative violation of this Airline Rates, Fees & Charges Ordinance shall be as follows: By a fine of up to \$500.00.

10.8 Any person may submit, within ten (10) days of receipt of a civil violation, a written request that the Executive Director review the civil citation, in accordance with Sections 10.8.1.1 through 10.8.3 below.

10.8.1 A request to the Executive Director shall be in writing and shall be hand delivered to the Office of the Executive Director and must be signed for by and employee of the Authority, or shall be mailed to the Executive Director by certified mail, return receipt requested.

10.8.2 A request to the Executive Director must specify in detail all of the reasons why the civil citation should be modified or withdrawn and must provide a mailing address for the Executive Director to submit a response to the request.

10.8.3 Within ten (10) days of receipt of a request in accordance with Section 10.8.1, the Executive Director shall mail a written decision to the requesting party at the address provided.

10.8.4 Unless a written request for review in accordance with Section 10.8.1 above, civil penalties issued via civil citation for an administrative violation of any Section of this Airport Rates, Fees and Charges Ordinance shall be due and payable to the Authority within 30 days of receipt.

10.8.5 If a written request for review is appealed and the civil citation is not withdrawn, payment of the civil penalty shall be due and payable to the Authority within 30 days of issuance of the Executive Director's written decision to the violator.

10.8.6 Unless other provided, if the violator fails to respond to a citation within 30 days of issuance and pay the fine prescribed therein, the Authority may institute a civil action in the nature of a debt in the appropriate division of the state general court of justice to collect the fine owed.

Section 11. SEVERABILITY

11.1 If any provision, clause, section, or provision of this the Airline Rates, Fees & Charges Ordinance shall be held by a court of competent jurisdiction to be invalid, illegal or unenforceable, such invalid, illegal or unenforceable provision shall be severed from the remainder of the Airline Rates, Fees & Charges Ordinance, and the remainder of shall be enforced and not be affected thereby.

Section 12. AMENDMENT.

12.1 The Authority reserves the right to amend the Airline Rates, Fees & Charges Ordinance, as well as the attached Schedule of Rates, Fees and Charges, at any time, by ordinance, after due notice and public hearing, in accordance with the Authority's Resolution No. __ establishing The Greater Asheville Regional Airport Authority's Policy and Procedure for the Adoption of Ordinances.

ADOPTED THIS the ___ day of _____, 2018, after due notice and a public hearing, by the Greater Asheville Regional Airport Authority.

**GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY**

By: _____
Matthew C. Burrell, Chair

ATTEST:

Ellen M. Heywood, Clerk to the Board

Exhibit A

Asheville Regional Airport

2018-2019 Fiscal Year

Schedule of Rates, Fees and Charges

(Proposed)

SUMMARY TABLE**RESULTS****GARAA**

(Fiscal Years Ending June 30)

	Budget	Budget
	2018	2019
<u>Signatory Airline Rates & Charges:</u>		
Terminal Building Rental Rate (per s.f.)	\$44.61	\$46.35
Passenger-Related Security Fee (per EP)	\$0.72	\$0.67
Landing Fee (per 1,000-lbs)	\$1.69	\$1.60
Ticket Counter & Queue Fee (per EP-unassigned)	\$0.56	\$0.48
Baggage Make-Up & Claim Fee (per bag)	\$1.12	\$0.93
Baggage Make-Up & Claim Fee (per airline)	\$12,238	\$12,715
Gate Area Charge per (enplaned pax)	\$1.67	\$1.43
Gate Area Fee (per airline)	\$31,262	\$32,481
Loading Bridge Fee (per depart.)	\$9.91	\$10.02
Checkpoint Lane Fee (per EP)		\$0.15
Turn Fees ¹		
Per Turn Fee for Exempt Carriers (0-70 seats)	\$297.00	\$272.00
Per Turn Fee for Exempt Carriers (71-135 seats)	\$354.00	\$324.00
Per Turn Fee for Exempt Carriers (136+ seats)	\$396.00	\$363.00
Average AVL CPE	\$6.61	\$6.07

¹ Includes use of holdroom, bag claim, bag make-up, passenger loading bridge, apron, tug drives, and

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 1**AVIATION ACTIVITY****GARAA**

(Fiscal Years Ending June 30)

	Budget	Budget
	2018	2019
<u>Enplaned Passengers:</u>		
Allegiant	144,938	180,000
American ¹	98,575	103,000
Delta	137,241	138,000
United	44,364	95,000
Total	425,118	516,000
<u>Estimated Checked Bags:</u>		
Allegiant	53,627	93,600
American ¹	70,974	55,600
Delta	90,579	109,400
United	31,942	52,100
Total	247,122	310,700
<u>Departures:</u>		
Allegiant	987	1,200
American ¹	2,175	2,262
Delta	2,300	2,389
United	1,024	1,631
Total	6,486	7,482
<u>Landed Weight (1,000-lb units):</u>		
Allegiant	145,059	170,000
American ¹	103,761	125,600
Delta	177,231	161,050
United	46,450	108,373
Total	472,501	565,023

Note: Amounts may not add due to rounding.

¹ Includes US Airways activity prior to the merger of the carriers into American Airlines Group.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 2

TERMINAL SPACE (s.f.)		GARAA	
(Fiscal Years Ending June 30)			
		Budget	Budget
		2018	2019
<u>Preferential Space:</u> ¹			
Allegiant		1,153	1,704
American		2,102	2,102
Delta		2,609	2,609
United		1,593	1,593
Total Preferential Space	[A]	7,457	8,008
<u>Joint Use Space:</u>			
Baggage Make-Up		3,192	3,192
Baggage Claim		4,124	4,124
Gates 1-3 Holdroom		8,517	8,517
Gates 4-7 Holdroom		6,751	6,751
Gates 4-7 Secure Enplanement Corridor		3,421	3,421
Total Joint Use Space	[B]	26,005	26,005
Total Airline Rented	[C=A+B]	33,462	34,013
<u>Other Rentable:</u>			
Ticket Counter (unassigned)		103	103
Queue (unassigned)		193	193
Vacant Airline Preferential Space		3,343	2,792
Concession Space		13,553	13,553
FAA Tower & Related Office Space		4,374	4,374
TSA Offices & Breakroom		2,418	2,418
TSA Passenger Security Screening		2,210	2,210
TSA Offices Adjacent to Passenger Screening		396	396
Total	[D]	26,590	26,039
Total Rentable Space	[E=C+D]	60,052	60,052
Public and Other Areas	[F]	47,797	47,797
Total Terminal Space	[G=E+F]	107,849	107,849

Note: Amounts may not add due to rounding.

¹ Includes ticket counter, queue, and office space.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 3

DEPRECIATION, AMORTIZATION, & CAPITAL OUTLAY		GARAA	
(Fiscal Years Ending June 30)			
		Budget	Budget
		2018	2019
<u>Depreciation:</u> ¹			
Gross Depreciation		\$4,700,000	\$4,700,000
Less: Grant & PFC Amortization		(3,200,000)	(3,200,000)
Net Depreciation	[A]	\$1,500,000	\$1,500,000
<u>By Cost Center (%):</u>			
Airfield Area	[B]	14.0%	14.0%
Terminal Building	[C]	30.0%	30.0%
Parking, Roadway, and Ground Trans.	[D]	33.0%	33.0%
General Aviation Area	[E]	16.0%	16.0%
Other Area	[F]	7.0%	7.0%
Total		100.0%	100.0%
<u>By Cost Center:</u>			
Airfield Area	[A*B]	\$210,000	\$210,000
Terminal Building	[A*C]	450,000	450,000
Parking, Roadway, and Ground Trans.	[A*D]	495,000	495,000
General Aviation Area	[A*E]	240,000	240,000
Other Area	[A*F]	105,000	105,000
Net Depreciation	[A]	\$1,500,000	\$1,500,000
<u>Amortization:</u>			
Gross Amortization		\$242,056	\$242,056
Less: Grant & PFC Amortization		(162,475)	(162,475)
Net Amortization	[G]	\$79,581	\$79,581

Table 3

DEPRECIATION, AMORTIZATION, & CAPITAL OUTLAY **GARAA**
(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>By Cost Center (%):</u>			
Airfield Area	[H]	100.0%	100.0%
Terminal Building	[I]	0.0%	0.0%
Parking, Roadway, and Ground Trans.	[J]	0.0%	0.0%
General Aviation Area	[K]	0.0%	0.0%
Other Area	[L]	0.0%	0.0%
Total		100.0%	100.0%
<u>By Cost Center:</u>			
Airfield Area	[G*H]	\$79,581	\$79,581
Terminal Building	[G*I]	0	0
Parking, Roadway, and Ground Trans.	[G*J]	0	0
General Aviation Area	[G*K]	0	0
Other Area	[G*L]	0	0
Net Amortization	[G]	\$79,581	\$79,581
<u>Capital Outlay:</u>			
Capital Outlay	[M]	\$100,000	\$100,000
<u>By Cost Center (%):</u>			
Airfield Area	[N]	50.0%	50.0%
Terminal Building	[O]	50.0%	50.0%
<u>By Cost Center:</u>			
Airfield Area	[M*N]	\$50,000	\$50,000
Terminal Building	[M*O]	50,000	50,000
Capital Outlay	[M]	\$100,000	\$100,000

Note: Amounts may not add due to rounding.

¹ Depreciation is based on the prior year's actual depreciation

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 4

OPERATION AND MAINTENANCE EXPENSES	GARAA
(Fiscal Years Ending June 30)	

		Budget	Budget
		2018	2019
<u>By Category:</u>			
Personnel Services		\$5,283,529	\$5,572,510
Professional Services		368,950	387,450
Utilities		520,817	525,467
Promotional Activities		349,290	317,390
Maintenance and Repairs		251,800	262,200
Contracted Services		884,424	826,723
Insurance Expense		252,700	234,000
Materials and Supplies		452,760	467,425
Other Expenses		503,870	393,905
Total O&M Expenses	[A]	\$8,868,140	\$8,987,070
<u>By Cost Center (%):</u>			
Airfield Area	[B]	26.3%	26.3%
Terminal Building	[C]	47.7%	48.0%
Parking, Roadway, and Ground Trans.	[D]	12.4%	12.0%
General Aviation Area	[E]	9.7%	9.7%
Other Area	[F]	3.9%	4.0%
Total		100.0%	100.0%
<u>By Cost Center:</u>			
Airfield Area	[A*B]	\$2,329,399	\$2,366,072
Terminal Building	[A*C]	4,233,699	4,313,970
Parking, Roadway, and Ground Trans.	[A*D]	1,100,934	1,074,732
General Aviation Area	[A*E]	858,402	872,685
Other Area	[A*F]	345,705	359,611
Total O&M Expenses	[A]	\$8,868,140	\$8,987,070

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 5**LANDING FEE AND REVENUE****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>Airfield Requirement:</u>			
O&M Expenses		\$2,329,399	\$2,366,072
Less: Deicing Chemicals		(68,000)	(70,040)
O&M Reserve Requirement		63,007	18,336
Net Depreciation		210,000	210,000
Net Amortization		79,581	79,581
Capital Outlay		50,000	50,000
Debt Service		0	0
Debt Service Coverage (25%)		0	0
Total Requirement	[A]	\$2,663,987	\$2,653,949
<u>Landing Fee Credits:</u>			
Non-Airline Revenue	[B]	\$77,000	\$90,000
Other	[C]	0	0
Total Credits	[D=B+C]	\$77,000	\$90,000
Net Landing Fee Requirement	[E=A-D]	\$2,586,987	\$2,563,949
Airline Landed Weight	[F]	472,501	565,023
Airline Landing Fee (pre-Revenue Share)	[G=E/F]	\$5.48	\$4.54
Revenue Share Credit	[H]	\$1,789,390	\$1,660,376
Adjusted Airline Net Requirement	[I=E-H]	\$797,598	\$903,573
Airline Landing Fee	[J=I/F]	\$1.69	\$1.60
Airline Landing Fee Revenue	[K=F*J]	\$797,598	\$903,573

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 6

TERMINAL RENTAL RATE AND REVENUE **GARAA**
(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>Terminal Requirement:</u>			
O&M Expenses		\$4,233,699	\$4,313,970
O&M Reserve Requirement		114,515	40,136
Net Depreciation		450,000	450,000
Net Amortization		0	0
Capital Outlay		50,000	50,000
Debt Service		0	0
Debt Service Coverage (25%)		0	0
Total Requirement	[A]	\$4,848,214	\$4,854,106
<u>Terminal Credits:</u>			
Passenger-Related Security Charges		\$305,873	\$344,750
AirIT Landside Expenses		16,463	16,463
Loading Bridge Fees		64,249	75,000
Total Terminal Credits	[B]	\$386,585	\$436,213
Net Requirement	[C=A-B]	\$4,461,629	\$4,417,893
Rentable Space (s.f.)	[D]	60,052	60,052
Terminal Rental Rate	[E=C/D]	\$74.30	\$73.57
Airline Rented Space (s.f.)	[F]	33,462	34,013
Airline Requirement	[G=E*F]	\$2,486,096	\$2,502,261
Revenue Share Credit	[H]	\$993,487	\$925,880
Adjusted Airline Requirement	[I=G-H]	\$1,492,609	\$1,576,382
Airline Rented Space (s.f.)	[F]	33,462	34,013
Adjusted Airline Terminal Rate	[J=I/F]	\$44.61	\$46.35
Airline Terminal Rentals	[K=F*J]	\$1,492,609	\$1,576,382

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 6A**LOADING BRIDGE FEE AND REVENUE****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>Loading Bridge Requirement:</u>			
Operating Expenses		\$64,249	\$75,000
Capital Outlay		0	0
Debt Service		0	0
Debt Service Coverage (25%)		0	0
Total Requirement	[A]	\$64,249	\$75,000
Total Departures	[B]	6,486	7,482
Loading Bridge Fee (per Departure)	[C=A/B]	\$9.91	\$10.02
Total Loading Bridge Revenue	[D=B*C]	\$64,249	\$75,000

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 6B**JOINT USE CHARGES****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
Adjusted Signatory Airline Terminal Rate	[A]	\$44.61	\$46.35
<u>Joint Use Space (s.f.):</u>			
Baggage Make-Up	[B1]	3,192	3,192
Baggage Claim	[B2]	4,124	4,124
Gates 1-3 Holdroom	[C1]	8,517	8,517
Gates 4-7 Holdroom	[C2]	6,751	6,751
Gates 4-7 Secure Enplanement Corridor	[C23]	3,421	3,421
Joint Use Space		26,005	26,005
Baggage Make-Up & Claim Requirement	[D=A*(B1+B2)]	\$326,338	\$339,071
Gate Areas Requirement	[E=A*(C1+C2+C3)]	833,643	866,169
Total Joint Use Requirement	[G=D+E+F]	\$1,159,981	\$1,205,239
<u>Baggage Make-Up & Claim:</u>			
Baggage Make-Up & Claim Requirement (85%)	[H=D*0.85]	\$277,387	\$288,210
Checked Bags	[I]	247,122	310,700
Baggage Make-Up & Claim Fee (per bag)	[J=H/I]	\$1.12	\$0.93
Baggage Make-Up & Claim Requirement (15%)	[K=D*0.15]	\$48,951	\$50,861
Number of Airlines	[L]	4	4
Baggage Make-Up & Claim Fee (per airline)	[M=K/L]	\$12,238	\$12,715
<u>Gate Area:</u>			
Gate Area Requirement (85%)	[N=E*85%]	\$708,597	\$736,243
Enplaned Passengers	[O]	425,118	516,000
Gate Area Charge per (enplaned pax)	[P=N/O]	\$1.67	\$1.43
Gate Area Requirement (15%)	[Q=E*15%]	\$125,046	\$129,925
Number of Airlines	[L]	4	4
Gate Area Fee (per airline)	[R=Q/L]	\$31,262	\$32,481
Total Joint Use Revenue	[G]	\$1,159,981	\$1,205,239

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 6C**TICKET COUNTER & QUEUE FEES (UNASSIGNED)****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
Adjusted Signatory Airline Terminal Rate	[A]	\$44.61	\$46.35
<u>Ticket Counter and Queue Space (s.f.):</u>			
Ticket Counter		1,755	1,755
Queue Space		3,181	3,181
Ticket Counter and Queue Space	[B]	4,936	4,936
Ticket Counter and Queue Space Requirement	[C=A*B]	\$220,176	\$228,766
AirIT Landside Expenses	[D]	16,463	16,463
Ticket Counter and Queue Requirement	[E=C+D]	\$236,639	\$245,229
Enplaned Passengers	[F]	425,118	516,000
Ticket Counter & Queue Fee (unassigned)	[G=E/F]	\$0.56	\$0.48
Enplaned Passenger Use	[H]	144,938	180,000
Ticket Counter & Queue Fees (unassigned)	[I=G*H]	\$80,679	\$85,545

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 7

PASSENGER-RELATED SECURITY CHARGE

GARAA

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
Personnel-Related Security Cost	[A]	\$1,102,750	\$1,230,700
<u>Officer Deployment Hours:</u>			
Total Hours (12 Officers at 42 hrs/week; 2 officers at 40 hrs/week)		2,169	2,169
Holiday (11 Holidays)		(132)	(132)
Vacation (12 Days)		(144)	(144)
Training (8 hrs per month per officer)		(96)	(96)
Sick Leave (12 Days Allowed; 9 Days Average Used)		(108)	(108)
Available Hours/Officer	[B]	1,689	1,689
Number of Officers	[C]	14	14
Total Available Hours	[D=B*C]	23,648	23,648
Less: Admin Hours Total	[E]	(2,016)	(2,016)
Total Officer Deployment Hours	[F=D-E]	21,632	21,632
Personnel-Related Security Cost per Hour	[G=A/F]	\$50.98	\$56.89
<u>Passenger-Related Security Charge:</u>			
Terminal Airlines (18 hrs/day Security Checkpoint)		\$334,924	\$373,784
Less: TSA Reimbursement		(127,631)	(131,459)
Net Personnel-Related Costs	[H]	\$207,293	\$242,325
TSA Passenger Security Screening Space (s.f.)	[I]	2,210	2,210
Terminal Rental Rate	[J]	\$44.61	\$46.35
Security Checkpoint Space Costs	[K=I*J]	\$98,579	\$102,426
Passenger-Related Security Charges	[L=H+K]	\$305,873	\$344,750
Enplaned Passengers	[M]	425,118	516,000
Passenger-Related Security Charges per Enplaned Passenger	[N=L/M]	\$0.72	\$0.67
Passenger-Related Security Charges	[O=M*N]	\$305,873	\$344,750

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 8**COST PER ENPLANED PASSENGER****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>Airline Revenue:</u>			
Terminal Rentals		\$1,492,609	\$1,576,382
Loading Bridge Fees		64,249	75,000
Landing Fees		797,598	903,573
Unassigned Ticket Counter Charges		80,679	85,545
Passenger Related Security Charges		305,873	344,750
Checkpoint Lane Fee			77,400
Deicing Chemicals		68,000	70,040
Total	[A]	\$2,809,007	\$3,132,690
Enplaned Passengers	[B]	425,118	516,000
Cost Per Enplaned Passenger	[C=A/B]	\$6.61	\$6.07

Note: Amounts may not add due to rounding.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)

Table 9**PER TURN FEE FOR MARKET SHARE EXEMPT CARRIERS****GARAA**

(Fiscal Years Ending June 30)

		Budget	Budget
		2018	2019
<u>Per Turn Requirement:</u>			
Joint Use Cost ¹		\$1,159,981	\$1,205,239
Loading Bridge Cost		64,249	75,000
Unassigned Ticket Counter Cost		236,639	245,229
Passenger Related Security Charge Cost		305,873	344,750
Deicing Chemicals Cost		68,000	70,040
Total	[A]	\$1,834,742	\$1,940,259
Total Departures	[B]	6,486	7,482
Average Per Turn Cost	[C=A/B]	\$282.88	\$259.32
Per Turn Fee for Exempt Carriers (0-70 seats)	[D=C*105%]	\$297.00	\$272.00
Per Turn Fee for Exempt Carriers (71-135 seats)	[E=C*125%]	\$354.00	\$324.00
Per Turn Fee for Exempt Carriers (136+ seats)	[F=C*140%]	\$396.00	\$363.00

Note: Amounts may not add due to rounding.

¹ Includes the cost of baggage areas and gate areas.

Source: Airport management records

Compiled by Trillion Aviation, February 2018 (Updated June 2018)



MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Executive Director

DATE: August 10, 2018

ITEM DESCRIPTION – New Business Item A

Approval of Airline Incentives for Spirit Airlines, Inc

BACKGROUND

Spirit Airlines (Spirit) will begin service at Asheville Regional Airport on September 6, 2018 with two weekly flights to Tampa, FL (TPA); three weekly flights Orlando, FL (MCO); and three weekly flights to Ft. Lauderdale, FL (FLL).

In accordance with the Authority's Air Service Incentive Policy, staff has offered Spirit \$100,000 for marketing and advertising for each of the three new routes; and airport related fee waivers, excluding PFCs, for a one-year period as directly related to the TPA, MCO, and FLL service. Staff is seeking approval to provide Spirit with a ground handling and passenger service fee incentive of 50% per aircraft turn up to \$250.00 per flight for two flights per week through the one-year anniversary of the inception of the AVL-TPA, MCO, FLL service, along with station start up costs up to \$20,000, of which up to \$15,000 is for the Amadeus common use airline computer system.

ISSUES

The Authority's policies currently provide for airline incentives to be offered for new airline service to AVL's top 20 markets. The ground handling and station start-up incentives are additional incentives that have been offered to airlines for new service on a case by case basis, but is not incorporated within the Authority's airline incentive policy. Specific approval is necessary to provide this additional incentive.

New Business – Item A



ALTERNATIVES

The Board can decide not to provide the ground handling and station start up incentives to Spirit in conjunction with the marketing and advertising incentives.

FISCAL IMPACT

Staff would like to officially offer Spirit an incentive package in the amount of up to \$98,000 for TPA, MCO, and FLL service, in addition to the marketing incentives already approved; station start-up costs; waived rents and fees for up to one year of service for these specific service routes; and ground handling fees at 50% per turn up to \$250.00 per city pair for two flights per week (\$78,000 total). Total incentive package is worth approximately \$875,000 with direct expenditures being approximately \$398,000.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve airline incentives (ground handling and station start-up costs) with Spirit Airlines for AVL- TPA, AVL-MCO, and AVL-FLL service as described above; (2) authorize the Executive Director to execute the necessary documents; and (3) to amend the FY18/19 budget by adopting the following budget ordinance amendment:

BE IT ORDAINED by the Greater Asheville Regional Airport Authority that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2019:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Marketing Department		<u>\$84,500</u>
Total		<u>\$84,500</u>

This will result in a net increase of \$84,500. in the appropriations. Revenues will be revised as follows:



REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		<u>\$84,500</u>
Total		<u>\$84,500</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Greater Asheville Regional Airport Authority, and to the Budget Officer and to the Finance Officer for their direction.

Adopted this 10th day of August, 2018.

Matthew C. Burrell, Chair

Attested by:

Ellen Heywood, Clerk to the Board



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: August 10, 2018

ITEM DESCRIPTION – New Business Item B

Approval of Contract with Faith Group, LLC for Consulting Services for Airport Security and Identity Management System Project

BACKGROUND

The airport's existing security system, including gate and door access control systems, the identity management (ID Badging) system, and certain CCTV camera equipment, has been in service for ten years or longer. The system is nearing the end of its useful life and is not capable of the many functions common in modern airport security systems. Upgrades and replacement of this system is necessary for the airport to be able to continue meeting all relevant TSA and/or FAA requirements.

In accordance with FAA requirements, a qualifications-based consultant selection process was conducted. Public advertisement was made on February 28, 2018, and Statements of Qualifications were received on March 29, 2018 from four interested firms. A selection committee reviewed the submittals, interviewed a short list of firms, and selected Faith Group, LLC as the most qualified to conduct this work. A scope of work and the negotiated fee were subsequently reviewed and approved by the FAA, which included an Independent Fee Estimate by a third-party consultant.

ISSUES

None.

ALTERNATIVES

None. The existing security systems will eventually need to be replaced before support and replacement parts are no longer available.

New Business – Item B



FISCAL IMPACT

The total cost of consulting services associated with this project is \$327,486.27, of which \$294,737.64 will be funded with an existing FAA AIP grant, and \$32,742.63 of Airport Funds.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve award of contract to Faith Group, LLC for consulting services for the Airport Security and Identity Management System project at a cost not to exceed \$327,486.27; and (2) authorize the Executive Director to execute the necessary documents.

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

BETWEEN

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AND

FAITH GROUP, LLC

THIS IS AN AGREEMENT made as of the _____ day of August, 2018, between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732, hereinafter referred to as "Authority," and FAITH GROUP, LLC, a Corporation with office located at 3101 S. Hanley Road, St. Louis, MO 63143, hereinafter referred to as the "Consultant."

WITNESSETH

WHEREAS, Authority anticipates a need for Professional Consulting Services (hereinafter called "Services") for the accomplishment of the proposed projects as described in **Exhibit "A"** [hereinafter called "Project"], and Consultant is desirous of providing such services to Authority;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, Authority hereby retains Consultant, and the parties agree as follows:

Consultant hereby agrees to perform Services for Authority as subsequently described by the Scope of Services (**see Exhibit "A"**) to this Agreement for Services, subject to and in accordance with the terms and provisions hereinafter contained.

The term of this Agreement shall begin on the date of execution and terminate upon completion and close out of the services contained in Exhibit A, unless terminated in accordance with Section 7.7 of this Agreement.

The Authority shall pay the Consultant a fee based on hourly rates not to exceed \$327,486.27, as detailed in **Exhibit "C"**.

SECTION 1 – SCOPE OF SERVICES

The Scope of Services are described in **Exhibit "A"**.

SECTION 2 - BASIC SERVICES

2.1. General

2.1.1 Scope of Basic Services: Unless otherwise modified in the respective Scope of Services for the Project, Basic Services shall consist of Services during the Preliminary Design Phase, the Design and Permitting Phase; the Bidding and Contract Preparation Phase, and the Construction and Close-Out Phase.

2.1.2. Site: The Site of the Project will be described in the corresponding Scope of Services. The Project will typically be contained within the boundaries of the airport property, but in some cases utilities, roadways and other miscellaneous work may be required in contiguous areas to achieve a complete Project.

2.1.3 Sub-consultants: Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of

Authority.

- 2.1.4 Authorization to Proceed: Return of the signed and dated Agreement to the Consultant shall constitute authorization to proceed. Authority shall verify that necessary Federal Aviation Administration (FAA) and/or North Carolina Department of Transportation (NCDOT) approvals have been received, prior to returning the signed Agreement. Consultant shall assist Authority with obtaining approvals.
- 2.1.5 Work Performed Prior to Execution of Agreement: Due to the logistics of the FAA and NCDOT funding process, assistance with formulating the project (or multiple Projects in the Authority's Work Program) and assistance with the preliminary request for State or Federal Aid (JPA request, FAA Pre-application, or similar communication) is usually performed by Consultant prior to approval of the Agreement for a specific Project. For typical airport improvement Projects, such work is performed to assist in promoting development of the Airport, in the anticipation of recovering the expended costs as part of the Preliminary Design-Phase fee after the Agreement is executed. If, for any reason, the Agreement for the specific project is not executed, the Authority shall have no obligation to compensate Consultant for assistance expended to formulate the Project or request aid prior to execution of the Authority, except in the case of complex projects or projects with an apparent low probability of funding, in which it has been agreed in writing, in advance, that the Consultant will be compensated on a time-and-material or other basis for Project formulation and/or assistance with the request for funding. In such cases, the fee for Basic Services, if finally approved, shall not include the amount paid earlier for Project formulation and/or assistance with requests for funding.
- 2.1.6 Cooperation with Other Consultants: Consultant recognizes that the Authority has selected one or more other consultants to assist with the development of the Airport. The Consultant agrees to cooperate with the other consultant(s) and assist the Authority diligently in the process of pursuing funding of projects, without regard to which Consultant appears more likely to perform the consulting services for any particular project.

2.2. Pre-Planning Phase

After receiving the executed agreement, Consultant shall:

- 2.2.1 Consult with Authority to clarify and define the Authority's requirements for the project, discuss alternatives, and consider the cost of alternatives.
- 2.2.2 Review all available data; advise Authority to necessity of the Authority's providing or obtaining from other's data or services of the types as described in paragraph 4.3, and assist Authority in obtaining such data and services.

2.3. Planning Phase

After approval of the pre-planning documents, Consultant shall:

- 2.3.1 Prepare Plans and Narrative, depicting scope, character, and details of the Plan and alternatives.
- 2.3.2 Prepare a report summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs and suggested funding and phasing.

- 2.3.3 Furnish to Authority two sets of Planning Documents, and additional sets as required by the Authority.
- 2.3.4 Respond to Authority and other governmental agency review comments.
- 2.3.5 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to the Authority in both hard copy and electronic format (AutoCAD 2015 compatible; Microsoft Word, or such other electronic formats as requested by the Authority)
- 2.3.6 Coordinate follow-up services by other consultants.

2.4. Preliminary Design Phase

After receiving the executed Agreement Consultant shall:

- 2.4.1 Consult with Authority to clarify and define Authority's requirements for the Project, discuss alternatives, and consider the costs of alternative designs.
- 2.4.2 Review available data; advise Authority as to the necessity of the Authority's providing or obtaining from other's data or services of the types described in paragraph 4.3, and assist Authority in obtaining such data and services.
- 2.4.3 Prepare preliminary, schematic layouts, sketches and conceptual design drawings and other exhibits to clearly indicate the design considerations involved and the alternative solutions available. Provide recommendations, with an opinion of the Probable Cost of the Project. It shall be understood that the opinions of Probable Cost are offered only as the Consultant's opinion of the likely cost of the improvements based on the Consultant's experience and the limited information available at the time; such opinions of cost are not to be construed as guarantees. If the word "Estimate" is used, it shall be understood to mean "opinion of Probable Cost."
- 2.4.4 Transmit by expeditious means (fax, internet, express courier, or hand delivery; or by U.S. Mail if appropriate for the project schedule) the Preliminary Drawings and other information. Discuss by telephone or in person as appropriate and revise the Drawings and other exhibits as needed until Authority approves the Preliminary Design. Coordinate drawings and other information with permitting and/or regulatory agencies as appropriate for this phase, to avoid unnecessary changes to the final Construction Documents. Upon approval by Authority of the Preliminary Design, which shall be given either in writing by Authority or verbally by Authority and confirmed in writing by Consultant, the Design Phase shall begin. Multiple revisions of the drawings during the Preliminary Design phase shall not be considered "Additional Services."

2.5 Design Development Phase

- 2.5.1 Based on the approved Preliminary Design Documents and any adjustments authorized by the Authority in the program, schedule or construction budget, the Consultant shall prepare, for approval by the Authority, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.
- 2.5.2 The Consultant shall advise the Authority of any adjustments to the preliminary estimate of Construction Cost.

2.6. Design and Permitting Phase

After approval by the Authority of the Design Development Documents, Consultant shall:

- 2.6.1 Prepare Final Plans and Specifications, depicting the scope, character, and details of the work, in accordance with generally accepted standards of airport design practice. The term "Specifications" shall be understood to include General Conditions, Special Provisions, and other Contract Documents.
- 2.6.2 Prepare a report, summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs.
- 2.6.3 Furnish to Authority two sets of Plans, Specifications, and Consultant Report, and simultaneously send one set each to FAA, NCDOT and/or any other applicable governmental agencies, for review. Assist Authority with submittal of certifications.
- 2.6.4 Respond to Authority, FAA, NCDOT and/or any other applicable governmental agency review comments.
- 2.6.5 Furnish to Authority such documents and design data as may be required for submittal to governmental authorities having jurisdiction over the Project and assist in obtaining permits and approvals by participating in submissions to and negotiations with the authorities. (All permit and review fees shall be paid by Authority.) It must be understood that these services do not constitute a guarantee that the permits will be issued; some projects (runway extensions, wetland mitigation, etc.) may be of a controversial nature and it may not be possible to obtain permits, or it may be found that substantial additional services may be required to obtain permits.
- 2.6.6 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to Authority in both hard copy and electronic format (AutoCAD 2015 compatible; Microsoft Word, or such other electronic formats as requested by the Authority). Data files will be furnished to Authority, at any time upon request.

2.7. Bidding and Contract Formulation Phase

After Authority, FAA, NCDOT and/or any other applicable governmental agencies have approved the documents for Bid Advertisement, the Consultant shall:

- 2.7.1 Assist Authority in advertising for and obtaining bids or negotiating proposals for each Construction Contract. Consultant shall receive payments for bid documents, and issue bidding documents directly to prospective bidders, and furnish the requested number of bid document sets to Authority for issuance to bidders from Authority's office.
- 2.7.2 Respond to prospective bidder's inquiries and issue Addenda as required to clarify, and/or interpret the Bidding Documents.
- 2.7.3 Attend the bid openings. Prepare bid tabulation, and assist Authority in evaluating bids or proposals, preparing letters to funding agencies, and in assembling and processing the Construction Contract. For FAA-funded projects, prepare an Application for Federal Assistance, generally on the same day as the receipt of bids.
- 2.7.4 Prepare Contract and Bond documents and issue them to Contractor; receive the executed documents and verify that they appear to be completely and correctly executed; bind them into "conformed copies" of the contract documents and forward the documents to

Authority for execution and distribution. Establish a procedure to verify that the bonds and insurance remain valid throughout the final close-out of the project.

2.8. Construction and Close-Out Phase

During the Construction and Close-Out Phase, the Consultant shall:

- 2.8.1 Provide General Administration of the Construction Contract. Consultant shall consult with and advise Authority and act on behalf of the Authority, as provided hereinafter. The extent and limitations of the duties, responsibilities and authority of Consultant shall not be modified, except to the extent provided in the Scope of Services and except as Consultant may otherwise agree in writing. All of the Authority's instructions to Contractor(s), except those related to safety or airport operations which require immediate communication to promote airport safety, will be issued through Consultant who will have authority to act on behalf of the Authority to the extent herein provided, except as otherwise modified in writing.
- 2.8.2 Attend and direct the Preconstruction Conference; prepare and distribute summary of topics discussed; and assist with start-up of the construction Project.
- 2.8.3 Issue guidelines for quality assurance testing. For FAA AIP projects, this will be in the form of a "Construction Management Plan." This is the title of the document used by FAA and shall not be interpreted to mean that the Consultant is responsible to manage the Contractor's operation, which is the responsibility of Contractor.
- 2.8.4 Periodically visit the site and observe the construction; discuss progress and construction details with RPR, Authority's Representative, and the Contractor's Superintendent. Issue a written report, if required. Periodic site reviews generally occur at one week or shorter intervals, although there is no definite schedule for such visits.
- 2.8.5 Review daily reports and other information which is transmitted regularly by RPR.
- 2.8.6 The purpose of Consultant's visits to the site, and representation by RPR, if any, will be to enable Consultant to better carry out his duties and responsibilities during the Construction Phase, and to provide Authority assurance that the completed and accepted work of the Contractor(s) has been monitored in accordance with the quality assurance provisions set forth by FAA and NCDOT, and conforms to the Construction Contract requirements. Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s), for safety precautions and programs incidental to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the construction work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' acts or omissions in the performance of the work. However, Consultant's shall expeditiously notify the Contractor and Authority of any observed failure of Contractor to perform the work in accordance with the Plans and Specifications, or other observed failure to comply with the contract requirements.
- 2.8.7 Review and approve (or take other appropriate action in respect of) Shop Drawings, Certifications, Samples, and Mix Designs, which each Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Construction Contract Documents. Such review and approval or other action shall not extend to the means, methods, sequences, techniques or procedures

of construction or to safety precautions and programs incidental thereto.

- 2.8.8 Issue all instructions of Authority to Contractor(s), except as hereinbefore noted; issue necessary interpretations and clarifications of the Construction Contract Documents and in connection therewith; prepare Change Orders or other authorizations to perform additional work as required; have authority, as Authority's Representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the Construction Contract Documents and judge of the acceptability of the work thereunder; and render advice on all claims of Authority and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Construction Contract Documents pertaining to the execution and progress of the work; however Consultant shall not be liable for the results of any such interpretations or decisions rendered by him in good faith.
- 2.8.9 Review Contractor's Periodic Pay Requests and recommend payment amount to Authority. Consultant's payment recommendation (certification) will be based on on-site observations by Consultant and on verification of quantities by RPR. Such recommendation of payment will constitute a representation to Authority that the work has progressed to the point indicated, to the best of Consultant's knowledge, information and belief. This recommendation shall not constitute certification that moneys owed by the Contractor to Sub-contractors or suppliers have been paid.
- 2.8.10 Conduct a preliminary final Project Review to determine whether the Project is Substantially Complete and issue a Punch List. After being notified that the Punch List work is presumptively complete, conduct a final Project Review to determine whether the work has been completed in accordance with the Construction Contract Documents and whether each Contractor has fulfilled all of its obligations thereunder so that Consultant may recommend, in writing, final payment to Contractor and may give written notice to Authority and Contractor(s) that the work is acceptable (subject to any conditions therein expressed.)
- 2.8.11 Project review, including periodic review by Consultant and continuous or nearly continuous review by RPR, shall consist of a visual observation of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the Construction Contract Documents and with the design intent. Such review shall not be relied upon by others as acceptance of the work, nor shall it be construed to relieve the Contractor in any way of his obligation and responsibilities under the construction contract. Specifically, and without limitation, review by Consultant shall not require Consultant to assume responsibilities for the means and methods of construction nor for safety on the job site.
- 2.8.12 Consultant shall not be responsible for the acts or omissions of any Contractor, or Sub-contractor, or any of Contractor(s)' or Sub-contractors' agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise performing any of Contractor(s)' work; however, nothing contained herein shall be construed as releasing Consultant from liability for failure to properly perform duties undertaken by him.
- 2.8.13 Consultant shall prepare a set of "Record Drawings" after completion of the project, showing changes made during construction, based on the marked- up prints, drawings and other data furnished by Contractor(s) to Consultant, which Consultant considers significant. Such Record Drawings will be in electronic format (AutoCAD 2004 compatible) and will be furnished to Authority along with blue-line prints or black-line plots. If the Contractor furnishes record information in the form of finished AutoCAD drawings rather than marked-up prints or similar non-CAD method, Consultant may add those drawings

to the record drawing set, rather than transcribing the information to the Contract Drawings.

2.8.14 During the course of construction, Consultant may be required to perform quality assurance (QA) testing, through a qualified and certified testing laboratory, to verify that the improvements constructed by the Contractor(s) conform to the requirements of the Construction Contract Documents. It shall be understood that Consultant will use random sampling procedures, meaning selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures will be conducted in accordance with commonly accepted standards of practice, it shall be understood that the samples and tests will indicate the actual conditions only where the sampling and testing is performed, and that, despite proper implementation of sampling and testing procedures and proper interpretation of their results, Consultant can only infer, not assure, the existence of the revealed conditions at other locations. Accordingly, Authority shall not require Consultant to sign any certification, no matter by whom requested, that would result in Consultant certifying the existence of conditions of which Consultant cannot be certain.

2.8.15 "Certify" means to state or declare a professional opinion of conditions whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. Consultant's certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.

2.8.16 To assist Authority with the project close-out process, Consultant shall prepare a summary of quality assurance testing, summary of project costs, and related items required by FAA and NCDOT for Close-Out of the Project. Such information shall be neatly organized and bound.

2.9. Buried Utilities

2.9.1 Consultant shall conduct the research that in his professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. Authority recognizes that Consultant's research may not identify all subsurface utility lines and man-made objects, and that the information upon which Consultant relies may contain errors or may not be complete. Authority also agrees that the possibility exists that soil borings or other penetrations made by or under the instructions of Consultant for investigative purposes may strike and damage underground utility lines or other man-made objects, despite the efforts of Consultant to avoid such objects.

SECTION 3 - SPECIAL AND ADDITIONAL SERVICES

3.1 Special Services

Special Services are any services which are included in the Scope of Services but are not part of Basic Services. Such services are usually performed either by a Sub-consultant (for example, testing or survey,) or by an employee of Consultant residing in the vicinity of the project (RPR.) The terms and conditions for furnishing Special Services are set forth in the Scope of Services.

3.2 Additional Services

Additional Services are services required by Authority which are not included in (or are specifically excluded by) the Scope of Services. Typically, such services are associated with unforeseen conditions which arise during the design or construction process. All additional Services shall be approved in advance by Authority. Additional Services include, but are not limited to, the

following.

- 3.2.1 Additional Permitting Services due to changes in regulatory policies which went into effect after the Scope of Services was formulated and Permitting Services such as environmental assessments, asbestos evaluations and permitting, etc. which were not contemplated or identified in the Scope of Services. (The scope of permitting services included in **Exhibit "A"** reflects the services which Consultant anticipates to-be necessary based upon experience with prior projects and does not include contingencies for unexpected or unanticipated permitting requirements that one or more of the various governmental agencies having jurisdiction might elect to impose.)
- 3.2.2 Field investigations to verify the accuracy of Drawings or other information furnished by Authority.
- 3.2.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, Authority's schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or construction contract documents when such revisions are due to causes beyond Consultant's control. This does not apply to the Preliminary Design Phase, in which multiple revisions are not considered Additional Services.
- 3.2.4 Providing renderings or three-dimensional models. (Preparation of a reasonable number of two-dimensional exhibits for presentation to the public, FAA, NCDOT, Authority, etc. is an essential part of Basic Services to properly communicate and coordinate the project and will not be considered Additional Services.)
- 3.2.5 Preparing documents with multiple bid schedules or complex bid options or requiring the construction work to be performed in two or more mobilizations, or at night, when such conditions were not anticipated in the Scope of Services.
- 3.2.6 Investigations involving detailed consideration of operations, maintenance and overhead expenses; providing Value Engineering consulting to a significant degree during the course of design; preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining loan or bond financing for the Project; evaluation of processes licensing and assisting Authority in obtaining process licensing; detailed quantity surveys of material, equipment and labor; audits or inventories required in connection with construction performed by Authority.
- 3.2.7 Services performed by Consultant due to failure of the Contractor to complete the work within the scheduled time, including but not limited to additional periodic reviews and additional follow-up reviews to verify Punch List completion after the final inspection. (Wherever possible, the costs of such services will be minimized by combining follow-up inspections with trips made to the site for other projects.)
- 3.2.8 Services resulting from the award of a greater number of separate prime contracts for construction, materials, equipment or services than are anticipated in the Scope of Services and services resulting from the arranging for performance by individuals or firms other than the principal Prime Contractor(s.)
- 3.2.9 Providing any type field surveys, engineering surveys or staking to enable the Contractor(s) to proceed with their work; and providing other special field surveys, where such work was not included in the Scope of Services.
- 3.2.10 Services in connection with changes or additions to the Project requested by the Authority during construction, unless of a minor and incidental nature

- 3.2.11 Services during out-of-town travel required of Consultant and approved by Authority, other than visits to the site as required by Section 2, or visits to the FAA or NCDOT offices will not be considered out-of-town travel.
- 3.2.12 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) acceleration of the progress schedule involving services beyond normal working hours, (4) default by Contractor(s), or (5) evaluation of an unreasonable number of claims made by the Contractor(s) or others.
- 3.2.13 Preparation of operating and maintenance manuals; protracted or extensive assistance in balancing); and training personnel for operation the utilization of any equipment or system (such as initial start-up, testing, adjusting and maintenance.
- 3.2.14 Services after completion of the Construction Phase, such as project review during any guarantee period, and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 3.2.15 Preparing to serve or serving as a consultant or witness for Authority in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as specifically provided in the Scope of Services.)
- 3.2.16 Any similar Additional Services in connection with the Project, including services normally furnished by Authority and services not otherwise provided for in this Agreement.

3.3. Resident Representative Services During Construction

- 3.3.1 If included in the Scope of Services, a Resident Project Representative (RPR) will be furnished by Consultant. Such services will be paid for by Authority as provided in the Scope of Services.
- 3.3.2 The duties, responsibilities, and limitations of Authority of RPR and any assistants to the RPR are set-forth in **Exhibit "B"**, which is attached hereto and incorporated herein.
- 3.3.3 Through more extensive on-site observations of the work in progress and field checks of materials and equipment by RPR, Consultant shall provide further protection for the Authority against defects and deficiencies in the work of Contractor(s); however, the furnishing of RPR Services will not make Consultant responsible for the Contractor's means, methods, techniques, sequences or procedures, or for safety precautions or programs.

SECTION 4 - AUTHORITY'S RESPONSIBILITIES

The Authority shall do the following in a timely manner:

- 4.1 Designate a person (or persons) to act as Authority's Representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the Authority's policies and decisions with respect to Consultant's services for the Project.
- 4.2 Furnish to Consultant criteria and information as to the Authority's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all local or extraordinary design and construction standards which Authority will

require to be included in the Drawings and Specifications. (Such criteria and information may be furnished verbally during project formulation and design discussions; Authority is not obligated to furnish any written summaries of design criteria and requirements, but may do so if he deems it to be appropriate.)

- 4.3 Assist Consultant by placing at his disposal available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. Authority shall make pertinent files and records available but shall not be obligated to perform any exhaustive or detailed research of existing files or records.
- 4.4 Provide Consultant, as required for performance of Consultant's Basic Services (except to the extent provided otherwise in the Scope of Services) data prepared by or services of others, including but not limited to core borings, probings, and subsurface explorations, laboratory tests and inspection of samples, materials and equipment; appropriate professional interpretations of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in Section 3; all of which Consultant may rely upon in performing his services.
- 4.5 Arrange for access to and make all provisions for Consultant to enter upon public and private property as required for Consultant to perform Services under this Agreement.
- 4.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Consultant; obtain advice of an attorney, insurance counselor and other consultants as the Authority deems appropriate; and render decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- 4.7 Assist Consultant in the process of obtaining necessary permits for the Project. Authority shall promptly review, and upon its approval, sign, and submit to the appropriate agencies such approved permit applications which Consultant furnishes. Authority shall pay all applicable agency permit and review fees.
- 4.8 If more than one prime contract is to be awarded for construction, materials, equipment and services for the entire Project, Authority shall designate a person or organization to have authority and responsibility for coordinating the activities among the prime contractors.
- 4.9 Attend the pre-bid conference, bid openings, preconstruction conferences, construction progress and other job-related meetings, and pre-final and final project reviews.
- 4.10 Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services, any defect in the work of Contractor(s), or any apparently unsafe practices being performed by Contractor(s.)
- 4.11 Direct Consultant to provide, necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
- 4.12 Bear all costs incidental to performance of the requirements of this Section 4.

SECTION 5 - PERIOD OF SERVICE

- 5.1 The services called for in the Preliminary Design Phase will be completed and the Preliminary Design documents submitted within the stipulated period, if any, indicated in

the Scope of Services after authorization to proceed with that phase of services.

- 5.2 After acceptance by Authority of the Preliminary Design Phase documents indicating any specific modifications or changes in the extent of the Project desired by Authority, and upon written authorization from Authority, Consultant shall proceed with the performance of the services called for in the Design and Permitting Phase, and shall submit Plans, Specifications, and general consulting report and other documents for 100% review within the stipulated period, if any, indicated in the Scope of Services.
- 5.3 Consultant's services under the Preliminary Design Phase and the Design and Permitting Phase shall be considered complete at the earlier of (1) the date when the submissions for that phase have been accepted by Authority or (2) thirty (30) days after the date when such submissions are delivered to Authority for final acceptance, plus such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction over the Project.
- 5.4 After acceptance by Authority of Consultant's Plans, Specifications and other Final Design Phase documentation including the most recent opinion of Probable Construction and Total Project Cost and upon written authorization to proceed with advertisement of the Project, Consultant shall proceed with performance of the Services called for in the Bidding and Contract Formulation Phase. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s).
- 5.5 The Construction and Close-Out Phase will commence with the execution of the first Prime Contract to be executed for the work of the Project or any part thereof and will terminate upon submittal of final close-out documentation for submittal to FAA and/or NCDOT. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one Prime Contract.
- 5.6 If Authority has requested significant modifications or changes in the extent of the Project, the time, if any, of performance of Consultant's Services, Consultant's compensation may be adjusted by the Authority.
- 5.7 If Authority fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Construction Phase has not commenced within 180 calendar days after completion of the Design and Permitting Phase, Consultant may, after giving seven days' written notice to Authority, suspend services under this Agreement.
- 5.8 If Consultant's Services for design or during construction of the Project are delayed or suspended in whole or in part by Authority for more than twelve months for reasons beyond Consultant's control, the rates of compensation provided for in the Scope of Services shall be subject to renegotiation.

SECTION 6 - COMPENSATION

6.1. Methods of Payment for Services and Expenses of the General consultant

Payment for each element of work identified in the Scope of Services shall be made under one of the following methods, which shall be identified in the Scope of Services:

- 6.1.1 LUMP SUM METHOD - This method generally applies to Basic Services, and certain special Sub-consultant Services such as topographic surveys and environmental reports. The Lump Sum fee shall be a fixed amount as stipulated in the Scope of Services. No

adjustment may be made to a lump sum fee. If Additional Services are required, they shall be paid for separately as "Additional Services," under pre-approved terms.

- 6.1.2 UNIT PRICE METHOD - This method generally applies to Sub-contracted testing or survey services. (Survey crew hourly rate shall be considered a "unit rate.") Payment shall be made at the number of units (typically, tests or survey hours) performed, multiplied by the stipulated unit price. If a "Not-to-Exceed" maximum amount is stated, then the total fee may not exceed the stipulated amount unless additional work is performed and approved in advance. If no maximum amount is stated, Consultant shall inform Authority in a timely manner if it becomes apparent that the estimated (budgeted) amount will be exceeded.
- 6.1.3 HOURLY RATE METHOD - Generally applies to Miscellaneous Services (non-FAA and non-NCDOT participation) requested by Authority, and RPR services. Generally applies to services performed by employees of Consultant, as subcontracted Services based on hourly rates are typically considered to be unit price services as stipulated in Sub-section 6.1.2 above. Unless otherwise stated, the hourly rates shall be as listed in Consultant's current Standard Rate Schedule. The rates are included in the attached **Exhibit "C"**.
- 6.1.4 REIMBURSEMENT OF EXPENSES - This method applies to items which are designated as reimbursable in the Scope of Services, including but not limited to: reproduction of documents exceeding the number of reproductions included in the basic services fee, express shipments in addition to those stipulated in the basic services fee and special travel expenses. Terms of reimbursement are set forth in the Scope of Services and are typically direct reimbursement of actual costs without mark-up. Office supplies, telephone, first class postage, plot media electronic storage media, and computer time are considered to be overhead costs and are not reimbursable. Plot media for special orders (not for the original production of the drawings) shall be considered "reproductions" and is therefore reimbursable.

6.2 Billing and Payment

- 6.2.1 Consultant shall submit monthly invoices for Professional Services rendered and for Reimbursable Expenses incurred. The invoice for Basic Services will be based upon Consultant's estimate of the proportion of the total services actually completed at the time of preparation of the invoice. To assist in the estimation of fees earned, the Basic Services fee will be broken down into the fees for various project phases. The invoice for RPR services shall be based on the number of hours worked during the billing period, as indicated on time sheets. The invoice for Sub-consultant services shall be based on the invoice received from the Sub-consultant (which Consultant shall review for reasonableness,) plus the pro-rated portion of Consultant's stipulated Administrative/Coordination Fee. The invoice for Reimbursable Expenses shall be based on the number of reproductions made during the invoice period multiplied by the stipulated or standard unit price, and the direct cost of other Reimbursable Expenses, as set forth in the Scope of Services.
- 6.2.2 Invoices shall be due and payable within thirty (30) calendar days of the Authority's receipt of the invoice. If Authority objects to all or any portion of an invoice, Authority shall so notify Consultant within fourteen (14) calendar days of the Authority's receipt of the invoice, identify the cause of disagreement, and pay when due the portion of the invoice, if any, not in dispute.
- 6.2.3 Failure to pay the portion of an invoice not under dispute after sixty (60) days shall be cause for Consultant to suspend work on the Project until such payment is made. By doing so, Consultant shall not incur any liability for claimed losses or damages due to non-

performance of the work.

- 6.2.4 In the event that Authority terminates the project in accordance with Section 7 of this Agreement, Consultant shall be paid for the portion of the fee earned and costs incurred as of the date of notice of termination but shall not be eligible for payment for any lost anticipated profits from the portion of the project following the termination date.

SECTION 7 - MISCELLANEOUS PROVISIONS

7.1 Insurance

During the performance of this Agreement, Consultant shall insure itself for and against professional liability and malpractice relative to the performance of this Agreement in the minimum amount of \$1,000,000 each claim/annual aggregate. In addition, Consultant shall be required, if available, to provide the same types and levels of insurance identified above for a period of six years following the expiration or early termination of this Agreement. Consultant shall deliver to Authority a certificate of this insurance coverage at the time this Agreement is executed. The certificate shall unconditionally provide that the requisite coverage shall not be terminated or modified or not renewed until Authority has received thirty (30) day written notice thereof. In the event that an insurance carrier should terminate or modify or not renew the above coverage, Consultant shall immediately contract with another insurance carrier to provide requisite coverage and shall immediately deliver to Authority a replacement certificate. The coverage shall be written through an admitted carrier in the State of North Carolina. In addition, Consultant and its sub-consultants shall maintain Workers' Compensation Insurance as required by law, and certificates of such insurance coverage shall likewise be delivered to Authority.

7.2 Indemnity

Consultant shall indemnify and hold harmless Authority and its present and future Members, officers, agents and employees, from and against all liabilities, claims, losses, costs and expenses (including, but not limited to, attorney fees) arising out of or resulting from any and all negligent acts and omissions of Consultant and/or its agents, employees and/or sub-consultants. Consultant shall be directly responsible for any such additional costs, above first costs, incurred by the Authority, as a result of the errors and omissions of Avcon, Inc. through its employees assigned to tasks for, or on behalf of the Authority, which result in additional costs to the Authority, either by a contractor, or by Avcon, Inc. itself.

7.3 Independent Contractor

Consultant is an independent contractor and not an agent of Authority.

7.4 Civil Right Assurances

During the performance of this Agreement, Consultant, for itself and for its assignees and successors if any and sub-consultants (all of whom collectively referred to as "Contractor") agrees as follows:

- (a) Compliance with Regulations. Contractor shall comply with the regulations ("Regulations") relative to nondiscrimination in federally assisted programs of the Department of Transportation ("DOT") including but not limited to: Title 49, Code of Federal Regulations, Part 21, and as they may be amended from time to time. The Regulations are incorporated herein by this reference thereto.

(b) Nondiscrimination. With respect to and during the performance of this Agreement, Contractor shall not discriminate on the ground of age, race, color, national origin, religion, disability or sex in the selection or retention of sub-contractors and sub-consultants including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including, but not limited to, practices when this Agreement covers a program set forth in Appendix B of the Regulations.

(c) Solicitations for sub-consultants and sub-contractors, including but not limited to, procurements of materials and equipment. In all solicitations, either by competitive bidding or negotiations made by Contractor for work to be performed under a sub-contract, including, but not limited to, procurements of materials and leases of equipment, each potential sub-consultant, sub-contractor and supplier shall be notified by Contractor of Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of age, race, color, national origin, religion, disability or sex.

(d) Information and Reports. Contractor shall provide all information and reports required by the Regulations or directives, orders or instructions issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, directives, circulars, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to Authority and the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Contractor's non-compliance with any of the non-discrimination provisions of this Agreement, Authority shall impose such Agreement sanctions as it or the FAA determine to be appropriate, including, but not limited to, the following:

- i. Withholding of payments to Contractor under this Agreement until Contractor complies; and/or
- ii. Cancellation, termination, or suspension of this Agreement, in whole or in part.

(f) Incorporation of Provisions. Contractor shall include the provisions of Paragraphs (a) through (e) above in every sub-contract, including but not limited to, procurements of materials and leases of equipment, unless exempted by the Regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any sub-contract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including, but not necessarily limited to, sanctions for noncompliance; provided, however, that, in the event a Contractor becomes involved in, or is threatened with, litigation with a sub-consultant, sub-contractor or supplier as a result of such direction, Contractor may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Contractor may request the United States Government to enter into such litigation to protect the interests of the United States Government.

7.5 Disadvantaged Business Enterprise (DBE) Assurances

DBE Obligation: The Disadvantaged Business Enterprise (DBE) requirements of Title 49, Code of Federal Regulations, CFR Part (23 or 26) apply to this Agreement. Consultant agrees to ensure that DBE's, as defined in Part (23 or 26), have the maximum opportunity to participate in the

performance of contracts and sub-contracts provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps in accordance with Part (23 or 26) to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform Contracts. The Consultant shall not discriminate on the basis of age, race, color, national origin, religion, disability or sex in the award and performance of contracts.

7.6. Opinions of Cost

- 7.6.1 Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' method of determining prices, or over competitive bidding or market conditions, his opinions of Probable Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional general consultant, familiar with the construction industry; but Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from opinions of probable cost prepared by him.
- 7.6.2 "Construction Cost" means the total of payments made to Construction Contractor(s), plus the cost of any materials, furnishings, etc. purchased separately by Authority and incorporated into the project. "Non-construction costs" are all costs of the project other than construction costs, including but not limited to Consulting Services, Testing, Topographic or other Surveys, Environmental Evaluations, RPR, and Authority's Miscellaneous and Administrative Expense. All of these costs, collectively, are referred to as the Project Cost.

7.7 Termination

- 7.7.1 This Agreement may be terminated by Authority upon seven (7) day's written notice, for the Authority's convenience and without cause.
- 7.7.2 Upon receipt of a termination notice, Consultant and its sub-consultants shall promptly discontinue all services and shall deliver to Authority all data, Drawings, Specifications, report estimates, summaries, and other information and materials as may be accumulated by Consultant and its sub-consultants, whether completed or in process.
- 7.7.3 Upon termination of this Agreement, Authority may, without prejudice or limitation of any action for damages or any other right or remedy, enter into another agreement for the completion of the work contemplated by this Agreement, or may use other methods for the completion of such work.
- 7.7.4 Upon termination of this Agreement, Consultant shall be entitled to receive payment for work executed and costs incurred by reason of such termination, including reasonable overhead and profit on completed work.

7.8 Re-Use of Documents

The drawings, specifications and all other documents or things prepared by Consultant for the Project shall become and be the sole property of Authority. Consultant shall, at its own cost and expense, be permitted to retain copies thereof for its records and for its future professional endeavors. Such drawings, specifications and other documents or things are not intended by Consultant for use on other projects by Authority or others. Any reuse by Authority or by third parties without the written approval of Consultant, shall be at the sole risk of Authority.

7.9 Storage, Protection, and Retrieval of Documents and Data

- 7.9.1 Storage, protection, and retrieval of General Consulting documents is an important part of Consultant's responsibility to Authority. Completed General Consulting Drawings (Plans) shall be stored by Consultant in a minimum of three medias: paper plot originals, AutoCAD files in the dual redundant hard drives of Consultant's raid server, and in CD-ROM disks which are made each week and stored off-site. Additionally, Authority may obtain disks containing the CAD files at any reasonable interval, such as monthly or upon completion of each project, and store them at Authority's office. Drawings in progress are stored in the hard drive and in the weekly back-up CD-ROM disks; existing paper plots of drawings in progress may not be up to date at any particular time. Text documents shall be stored as filed paper documents, as text files in the hard drive, and in the same weekly CD-ROM back-up disks that contain the CAD files.
- 7.9.2 Documents received from others, such as test reports, shop drawings, correspondence from the Contractor, etc., are stored by Consultant only in their original paper form or electronic form. They are filed by job number and are stored in-perpetuity, unless approved in writing by the Authority for disposal, except for papers which are considered by Consultant to be unimportant for future reference purposes, which are discarded. Although paper documents are stored in boxes in a dry place and reasonable care is taken to protect them, no guarantee is made that they will be preserved undamaged without time limit.

7.10 Non-waiver of Rights

Neither Authority's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy relative to a breach thereof, nor Authority's acceptance of any performance during such breach shall constitute a waiver of any right or remedy of Authority.

7.11 Conflict of Interest

No paid employee of Authority shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

7.12 Sub-consultants

Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.

7.13 Audit: Access to Records

Consultant shall maintain books, records and documents pertinent to the performance of the Contract and these General Provisions in accordance with generally accepted accounting principles and practices, and with any governmental requirements; and Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to all such documents for purposes of examination, audit and copying.

7.14 Special Provisions

This Agreement is subject to the following Special Provisions. The listed documents are hereby incorporated into this Agreement by reference and have the same force and effect as if they had been written into the body of this Agreement. However, if there is a conflict between a Special Provision and any other provisions of the agreement, the Special Provisions shall be subordinate.

1. Exhibit A – Scope of Work.
2. Exhibit B – Responsibilities of the Resident Project Representative
3. Exhibit C – Hourly Rate Method Fee

7.15 Notices

All notices shall be in writing and shall be served only by registered or certified mail, return receipt requested, addressed to the party to be served at the address set forth below or at such other address as may be designated in writing. Service of notice shall be complete upon receipt of notice.

To Authority:

Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732
Attention: Executive Director

To Consultant:

Faith Group, LLC
3101 S. Hanley Road
St. Louis, MO 63143

Attention: Wendy Wilke, Managing Principal

7.16 Dispute Resolution

- 7.16.1 As a condition precedent to resolving claims, disputes and other matters by litigation, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to attempt to resolve any claim, dispute or other matter in question arising out of or relating to this Agreement or a breach thereof, in the first instance, by mutual consent based upon an objective review and interpretation of factual information presented by either or both parties.
- 7.16.2 In the absence of agreement by mutual consent as set out in Sub-paragraph 7.16.1, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to refer the claim, dispute or other matter to mediation. Either party may initiate a request for mediation, and the parties hereto shall, within thirty days of the receipt of a written request, select by mutual agreement a mediator, who shall be qualified to conduct mediated settlement conferences in the Superior Court Division of the General court of Justice of the State of North Carolina. If the parties cannot agree upon a mediator, the first mediator (who will agree to conduct this mediation) on the mediator list of the Trial Court Administrator for the 28th Judicial District of the State of North Carolina shall be automatically selected.
- 7.16.3 The parties hereto shall share the mediator's fees equally. The mediation shall be held in the Conference Room at Authority's Administrative Offices, Asheville Regional Airport, or at such other place as may be mutually agreed upon (the expense for such other place to be shared equally).

7.16.4 Failing resolution of a claim, dispute or other matter by the methods set forth in Sub-Paragraph 7.16.1 or 7.16.2, either party may then resort to litigation, which shall be commenced in Buncombe County, North Carolina.

7.16.5 Notwithstanding any provision of this Agreement to the contrary, this Agreement does not contain, and shall not be deemed to constitute, an Agreement to arbitrate, and any claim against or dispute or other matter with Consultant shall not be subject to arbitration.

7.16.6 In the event a dispute shall arise under or about this Agreement, then the prevailing party therein shall be entitled to recover from the non-prevailing party all reasonable costs, expenses and reasonable attorney's fees which may be incurred on account of such dispute, whether or not suit or other legal or quasi-legal proceedings may be brought, as well as at every stage of any such proceedings from the time such dispute first arises through trial or other proceedings and all appellate processes.

7.17 Governing Law

This Agreement is to be governed by the laws of the State of North Carolina.

7.18 Successors and Assigns

7.18.1 Authority and Consultant each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to the Agreement and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Agreement.

7.18.2 Consultant shall not assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the Authority, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent Sub-consultants or Sub-contractors as he may deem appropriate to assist him in the performance of services hereunder, however Consultant shall so inform Authority in advance, and shall not employ any sub-consultant or sub-contractor to whom Authority objects.

7.19 No Third-Party Beneficiaries

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

7.20 Severability

If any of the terms, conditions or provisions of this Agreement hereto, or any document incorporated herein (other than a Regulation) or any portions thereof, shall contravene or be invalid under the laws or regulations of the United States or the State of North Carolina or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, attachment or document, but this Agreement, attachment(s), and document(s) shall be construed as if not containing the particular term, condition or provision, or portion thereof, held to be in contravention or invalid, and the rights and obligations of the parties hereto shall be construed accordingly.

7.21 Non-Exclusive

This Agreement does not create or provide any exclusive right or interest in or for Consultant, and Authority may contract with other engineers, professionals and contractors at any time and for any services and purposes.

7.22 Entirety of Agreement

7.22.1 This Agreement together with the Exhibits identified above constitutes the entire agreement between Authority and Consultant and supersedes all prior written or oral understanding. This Agreement and said Exhibits may only be amended, supplemented, or modified by a duly executed Amendment, except that an Amendment shall not be required to transmit each year's updated Standard Rate Schedule.

7.22.2 Regardless of which party hereto is responsible for the preparation and drafting of this agreement, it shall not be construed more strictly against either party.

IN WITNESS WHEREOF, the parties hereto have made and executed and this Agreement as of the day and year first above written.

AUTHORITY:

GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY

By:

Lew Bleiweis, A.A.E.
Executive Director

Attested By:

Print Name: _____

Seal

CONSULTANT:

FAITH GROUP, LLC

By:

Wendy Wilke
Wendy Wilke
Its: Managing Principal

Attested By:

Amanda Nix

Print Name: Amanda Nix

Seal

EXHIBIT A

SCOPE OF WORK

FOR
Airport Security and Identity Management Systems
FOR
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

Prepared By
FAITH GROUP LLC

June 6, 2018

OBJECTIVE

The Greater Asheville Regional Airport Authority (GARAA) is undertaking a project at Asheville Regional Airport (AVL) to upgrade and expand security and identity management systems for the terminal, concourses, and remote facilities at the Airport campus. The project consists of 3 primary elements as outlined in AVL RFQ *Airport Security and Identity Management Systems, Attachment A, Scope of Work Overview*, including:

- ▶ Airport Access Control System, including identity verification and alarm management. The system shall integrate with existing computer-based training systems (AAAE-IET) as appropriate, the airport's TSA Data Submission page, and other outside background investigation system organizations.
- ▶ Identity Management System, including authorized signatory gateway, badging management interface, business rules and database configuration, document management, query and reporting, paperless hardware/software integration, and regulatory and standards compliance.
- ▶ CCTV camera system upgrades or additions, including support for all existing and future planned cameras, network based digital video recorders, and limited camera replacements.

DESCRIPTION

Faith Group and Neighboring Concepts have partnered to provide planning, analysis, design, and construction support services to the GARAA to complete this project, with the specific elements, tasks, and items as further described below.

1. Phase 1 – Mobilization and Pre-Planning
2. Phase 2 – Preliminary Phase
 - a. Existing Conditions Assessment
 - b. Concept of Operations (CONOPS) Meetings
 - c. Basis of Design (BoD)
3. Phase 3 – Design Phase Services
 - a. Design Development Drawings and Specifications (60%)
 - b. Request for Qualification Document
 - c. Construction Documents/RFB Development
 - d. Final Plans and Specifications for Bidding

4. Phase 4 – Bidding Services
5. Phase 5 – Construction Administration and Close Out

PHASE 1 – MOBILIZATION AND PRE-PLANNING

1. **Organizational Structure and Stakeholder Identification:** Identify all departments and stakeholders that utilize the current systems and to what extent. Identify the departments that maintain both the hardware and software components of the current systems.
2. **Badging:** Set up and execute badging for team members requiring access to secure areas
3. **Reporting:** Develop reporting templates and schedule for client meetings and update
4. **Invoicing:** Develop invoice format
5. **Data collection and project set up:** Collect existing conditions drawings (as available) and set up background drawings and CAD filing standards. Develop kick off meeting agenda and site survey forms
6. **Funding:** Review eligibility requirements for AIP and other forms of funding for the security systems improvement program. Develop recommendations associated with pursuit of funding mechanisms and alternatives

PHASE 2 – PRELIMINARY PHASE

Task 2.1 – Existing Conditions Assessment

FG will meet onsite with all stakeholders, users and administrators of the current security systems to discuss the following topics:

ACS/CCTV

1. **Existing Concept of Operations (CONOPS):** how the current systems are used for the control and monitoring of security alarms, video monitoring, etc. at AVL, how the system aids in the dispatching of emergency personnel and report generation.
2. **Existing Systems Conditions Survey:** we will perform an inventory of the current ACS to include locations and types of existing access controllers, secured door equipment, cameras, video recorders and workstations. Connectivity of systems equipment to the AVL LAN as well as use of fiber optic backbone cabling will be documented as well. This survey will include an assessment of the overall network to include firewall, switches and server environment to ensure proper design, capacity, performance and security of the new system(s).
3. **Other Security Systems Survey:** this survey will concentrate on locating and documenting security systems or applications that are not part of the current systems but provide a level of security to AVL. These may include wireless locksets, electronic key systems and stand-alone intrusion detection systems. The use of these systems to monitor and control doors and portals that are part of AVL Security Plan (ASP) will be highlighted. Tenant and TSA security systems that report to or integrate with AVL's systems will also be documented.
4. **Communications Center/EOC Existing Condition Survey:** an inventory of the hardware and software used in the Communications Center and EOC to monitor the current systems will be performed. This will include the workstations, monitors and interfaces to other systems (fire alarm, BMS, etc.) and how they interact with the current systems.
5. **Facility Electrical and Code Survey:** all branch circuits feeding current access control panels, network switches and video recorders will be surveyed and determined if they are connected to an emergency generator backed panel. In addition, battery and/or UPS back-up serving the equipment will be surveyed for condition. All electrical installations will be surveyed for compliance to current national electrical codes.
6. Information contained in this deliverable will be used for a Security Assessment Report to be provided under this phase. FG will work with AVL to establish SSI handling procedures for report and design deliverables.

IDMS

1. Survey current badging office to document existing equipment in place and physical process to obtain an AVL badge.
2. Meet with AVL stakeholders, including leadership representatives from DPS, IT, and Operations, to determine and document the badging process existing state. Carefully identify the systems utilized, network and systems' interfaces, organizations involved, and operational and systems issues observed that would serve as candidates for inclusion in the automation process.

Task 2.2 – Concept of Operations (CONOPS) Meetings

The FG Team will meet with the various users and stakeholders of the security systems to discuss current and future operations requirements for each system element:

ACS/CCTV

1. Operational procedures and security requirements
2. Organizational structure, roles and responsibilities as it related to the operations of the security systems and supporting infrastructure
3. Available and planned resources
4. On-going or planned security and construction projects
5. Real or perceived threats not yet guarded against
6. Past incidents (Types, Impact, Resolutions)

IDMS

1. Meet with AVL stakeholders, including leadership representatives from DPS, IT, and Operations to review the operational and systems issues observed from the current state and process analysis. Identify and document those gaps from this current state to the desired IDMS outcomes. Evaluate this against the desired operational objectives discovered in the Kick-Off meeting. Update all desired outcomes as a checklist for subsequent design and procurement phases.

Task 2.3 – Basis of Design (BoD)

The purpose of the Basis of Design (BoD) is to provide AVL with the FG Team's design concepts and direction as

the project moves into the construction document phases. The Basis of Design effort will include developing a framework for the security systems design as a definition of the approach, and formal definition of standards, technologies, and solutions to be applied to the project. In addition, the building and site plans showing security system equipment and infrastructure and a rough order of magnitude (ROM) cost estimate will be included as part of the BoD. Funding eligibility will be included as part of the cost estimate breakdown.

A BOD workshop will be held to thoroughly review all aspects of the basis of design with AVL users and stakeholders. Updates will be made, and a final document prepared for approval by AVL prior to moving to the design phase of the project.

Phase 2 – Deliverables

1. Security Assessment Report for approval
2. Basis of Design for approval
3. Supporting documents and narrative for AIP eligibility

PHASE 3 – DESIGN PHASE SERVICES

Task 3.1 – Design Development Drawings and Specifications (60%)

Once the recommendation established under the BoD Report is approved by AVL the Design Development level drawings and specifications can be started based upon the design established in the BoD. These drawings and specifications will start to detail the level of effort required for the replacement and/or upgrade of the systems.

ACS/CCTV

1. Develop preliminary construction documents that include the following:
 - a. Building and Site drawing showing security equipment locations
 - i. Proposed doors to be replaced and or added
 - b. Building and Site infrastructure drawings
 - c. Preliminary ACS/CCTV Block Diagrams
 - d. Preliminary IDF plans
 - e. Electrical Upgrade Design
 - f. Draft Technical Specifications

IDMS

1. Re-engineer the Business Process
 - a. FG will examine existing work flow processes and system interactions, understand capability gaps, identify improvement opportunities, and define a new, end-state process.
 - b. Conduct Process Requirements Workshops - Define and conduct workshops to understand current and desired processes and workflows. Obtain stakeholder review and comment on information captured and modify documentation accordingly.
 - c. Document and Review Business Processes - Document current and desired processes and workflows using workflow diagrams and descriptions. Obtain stakeholder review and comment on information captured and modify documentation accordingly.
 - d. Finalize Process Documentation - Develop a final set of processes and documentation based on the preceding task steps and ensure stakeholder review and comments are incorporated prior to obtaining Sponsor sign-off.
2. Design Functional Requirements
 - a. FG will define in-scope operations of the future, including solution objectives, typical use cases from the point of view of system users or stakeholders engaged in the process, organizations and their activities, and interactions among participants and stakeholders.
 - b. Conduct Functional Requirements Workshops - Define and conduct workshops to validate solution functions. Obtain stakeholder review and comment on information captured and modify documentation accordingly.
 - c. Document and Review Functional Requirements - Document new solution functional requirements. Obtain stakeholder review and comment on information captured and modify documentation accordingly.
 - d. Finalize Functional Requirements Process Documentation - Develop a final set of functional requirements based on the preceding task steps and ensure stakeholder review and comments are incorporated prior to obtaining Sponsor sign-off.

Develop 60% probable construction cost estimates. Estimates will be formatted to clearly identify AIP funding eligibility. A draft bid form will be created that identifies how the contractor will bid the work to be in compliance with AIP regulations related to funding eligibility.

Task 3.2 – Request for Qualification Document

A Request for Qualifications (RFQ) will be developed in order to pre-qualify integrators for the final RFB process. The intent of this task will be to narrow the list of qualified integrators to limit the distribution of SSI documents to a pre-qualified list. This task will be conducted as a parallel effort to the 90% Construction Document phase of the project

The RFQ tasks will include:

1. Work with AVL staff to determine requirements for preparation of RFQ documents
2. Develop draft RFQ document
3. Develop list of proposed bidders
4. Assist AVL in advertising RFQ
5. Develop compliance and grading matrix
6. Issue RFQ final documents
7. Attend pre-proposal conference
8. Review qualifications submitted by integrators
9. Make recommendations associated with short list
10. Develop proposed Non-Disclosure Agreement (NDA) and issue to short list firms

Task 3.3 – Final Construction Documents (90% and 100%)/RFB Development

The drawings and specifications developed under Design Development (60%) in task 3.1 will be developed into full construction documents including system block diagrams, details, phasing plans and hardware schedules. Specifications will be based on CSI format. FG will coordinate with AVL for the development and inclusion of front end (Division 00) specifications and contractual documents including support drafting Request for Bid (RFB) solicitation.

A final review submittal will be made at 90% for Airport review and approval. FG will conduct a page turn review session with AVL stakeholders. After review and approval of the 90% documents a 100% final permit and bid submittal set of documents will be developed. Construction cost estimates will be refined and included as part of the 90% submittal package. Final bid documents will be signed and sealed by a Professional Engineer registered in the State of North Carolina. In addition, all bid documents and the transmission of bid documents during the bidding phase will adhere to the Sensitive Security Information as defined by Federal Regulation 49 CFR Part 1520.

ACS/CCTV

1. Drawings:
 - a. ACS/CCTV Equipment Locations
 - b. ACS/CCTV Block Diagrams
 - c. Secured Door/Portal Locations
 - d. Secured Door/Portal Schedule
 - e. Camera Schedule
 - f. Installation and mounting details
 - g. Backbone Cabling Diagram
 - h. IDF Plans and rack elevations
 - i. Pathway Design
 - j. Electrical Upgrade Design
2. Construction installation and phasing requirements
3. Testing and acceptance requirements
4. Specifications

IDMS

1. Final IDMS procurement specifications will be developed to define technical and non-functional requirements including solution interfaces and data integration, specialized hardware, solution performance and bandwidth considerations, and determine components that will be owner furnished for facilitate deployment.
2. Define systems integration requirements for IDMS including financial systems, key control systems and other related applications.
3. Determine dependencies of IDMS to current infrastructure and systems. Includes an on-site validation meeting for design elements:
 - a. On-site review of current Badging Station locations, connectivity, and space planning
 - b. On-site review of any proposed new network equipment, rack space, fiber etc.
 - c. Evaluation of all related systems and interfaces
4. Develop IDMS initial technical specification (Software Functional/performance specification, physical system requirements, and system interfaces).
5. Develop testing and commissioning process for IDMS deployment.

Task 3 – Deliverables:

1. 60% Design Development Submittal for approval
2. RFQ Development
3. 90% and 100% Construction Documents (Drawings and Specifications)/RFB Submittal for approval
4. Updated cost estimates at 60% and 90%
5. Electronic files/AutoCAD and PDF of all drawings

PHASE 4 – BIDDING SERVICES

FG will prepare all bid documents and deliver to AVL for advertisement and distribution to approved construction teams. FG will assist in the development of pre-bid presentations, attend pre-bid meetings and issue any addendums required. FG will assist AVL in the review of bid proposals and final award.

PHASE 5 – CONSTRUCTION ADMINISTRATION AND CLOSE OUT

Once the project is awarded, FG will prepare a pre-construction presentation and attend the pre-construction meeting. As part of the construction phase FG will:

1. Review product data and shop drawing submittals for approval
2. Respond to Request for Information (RFI) from the Contractor
3. Perform and produce periodic site observation reports
4. Review and approve Contractor pay applications
5. Review and approve change orders or allowances issued by Contractor
6. Perform physical punch list of installation
7. Monitor final testing and acceptance of the security systems and all interfaces
8. Prepare and deliver final close out documents: as-built drawings, operation and maintenance manuals, test reports, etc.

SCHEDULE

The project planning and design phase of the project is estimated to be completed 8 months from Notice to Proceed based on the following phased delivery plan.

- 60 days for BoD Development
- 90 days for 60% Design Development Documents
- 60 days for 90% Construction Documents/RFB
- 30 days for 100% Construction Documents/RFB

ASSUMPTIONS AND EXCLUSIONS

1. Assumptions

- a. Drawings delivered by FG shall be in hard copy and electronic format. Electronic format shall be current AutoCAD and current Microsoft Office standard suite products.
- b. Check and review documents and comments will be delivered in Adobe .pdf format.
- c. FG Team shall provide up to 4 hard copies of each major deliverable and one electronic copy on CD or posted to the project FTP site.
- d. Adequate power and mechanical capacity exist within the base buildings and systems to support the work and systems covered in this Scope of Services.

- e. Adequate space exists within the base buildings and facilities to support rooms and equipment installations required for this work. The current scope and fee does not include construction of standalone facilities.
- f. Reimbursable travel costs shall be invoiced at actual cost. Total number of trips has been identified in the fee proposal. Additional travel as authorized by the Owner will be in addition to those included in the scope and fee proposal.
- g. All printing for Owner review as noted above will be the responsibility of Faith Group. Printing associated with bidding is not included in this scope of services. An allowance for printing and delivery costs is included in fees. Actual costs will be invoiced at cost.

2. Exclusions

- a. Updates to the Airport Security Plan and Airport Layout Plan.
- b. This scope of services does not include testing of spare fiber to determine usability or condition
- c. Field survey work will include visual observations and operational testing to determine current condition and possible reuse but does not include component level testing or exhaustive investigation into the condition of current equipment, power or other technical devices. Should the field observation work identify equipment, cable or fiber that does not appear to be reusable or sufficient to support the future security program, FG will alert AVL that equipment testing by an authorized service provider might be necessary. The scope of work does not include surveying work by a land survey company. Any survey work deemed necessary to complete exterior design and installation of fiber, equipment, ductbanks or other equipment will be completed as an additional service.

EXHIBIT B

Responsibilities of the Resident Project Representative

If Authority requests the services of a Resident Project Representative, he or she shall be the agent and employee of Consultant and shall:

- A. Make extensive and comprehensive on-site observations of the work in progress, assist Consultant in determining if the work is proceeding in accordance with the Contract Documents; make field checks of materials and equipment incorporated into the work; provided that Consultant shall not have control over the construction means, methods, techniques, sequences or procedures of the Contractor(s) or the safety precautions or programs of the Contractors(s).
- B. Be Consultant's agent at the construction site.
- C. Deal with subcontractors only through the Contractor(s), unless authorized by Consultant and the appropriate Contractor to deal directly with a subcontractor.
- D. Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by the Contractor(s).
- E. Attend meetings with the Contractor(s), such as pre-construction conferences, progress meetings, job conferences and other Project related meetings, and prepare and circulate copies of minutes thereof to Authority and other appropriate parties. (In the event that there is no Resident Project Representative, Consultant shall be responsible for the preparation and circulation of the minutes for all such meetings.)
- F. Serve as Consultant's liaison with the Contractor(s), working principally through the Contractor(s)' superintendents; and assist the Contractor(s) in understanding the intent of the Contract Documents; and assist Consultant in serving as Authority's liaison with the Contractor(s), particularly when the Contractor(s)' operations affect Authority's airport operations.
- G. Assist in obtaining from Authority such additional details and information as may be required for the proper execution of the work.
- H. Record the dates of receipt of shop drawings and samples.
- I. Receive samples which are furnished at the job site by the Contractor(s), and notify Consultant of the availability of samples for examination.
- J. Advise Consultant and the Contractor(s) of the commencement of any work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
- K. Report in writing to Consultant whenever he or she believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant in writing of any work that he or she believes should be corrected or rejected, or should be uncovered for observation, or may require special testing, inspection or approval.

- L. Verify that tests, equipment and systems start-ups, and operating and maintenance training are conducted in the presence of appropriate personnel, and that the Contractor(s) maintain adequate written records thereof; and observe, record in writing and report to Consultant appropriate details relative to the test procedures and the start-ups.
- M. Accompany governmental inspectors, and report in writing to Consultant the results of the inspections.
- N. Report in writing to Consultant when clarifications and interpretations of the Contract Documents are needed; and transmit Consultant's clarifications and interpretations to the Contractor(s).
- O. Evaluate the Contractor(s)' suggestions for modifications in drawings and specifications; report his or her recommendations in writing to Consultant; and transmit Consultant's decisions to the Contractor(s).
- P. Maintain at the job site orderly files for correspondence, reports of job conferences, minutes of meetings, shop drawings and samples, reproductions of the Contract Documents including but not limited to all addenda and change orders, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Consultant shall keep all documents (including but not necessarily limited to the documents referred to in this paragraph and the next two paragraphs) for a period of six (6) years after the Project is fully completed, and during the construction period and this six (6) year period, Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to these documents for purposes of examination, audit and copying.
- Q. Keep a diary or log book, and record therein the Contractor(s)' hours on the job site, weather conditions, data relative to questions about the work, job site visitors, daily activities, decisions, observations in general, and specific observations with respect to test procedures.
- R. Record names, addresses and telephone numbers of all Contractor(s), subcontractors and major suppliers of material and equipment.
- S. Furnish Consultant periodic written reports of the progress of the work and of the Contractor(s)' compliance with the progress schedule and schedule of shop drawings and sample submittals.
- T. Consult with Consultant in advance of scheduled major tests, inspections and the start of important phases of the work.
- U. Draft proposed change orders and obtain backup materials from the Contractor(s), and make recommendations to Consultant.
- V. Report immediately to Consultant and Authority upon the occurrence of any accident, and confirm such report in writing.
- W. Review applications for payment with the Contractor(s), and forward his or her written recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, work completed, and materials and equipment delivered to the job site but not incorporated in the work.

- X. Verify that certificates, operation and maintenance manuals, and other data required to be assembled and furnished by the Contractor(s) are applicable to the items actually installed and are in accordance with the Contract Documents; and have this material delivered to Consultant for review and forwarding to Authority prior to the final payment for work.
- Y. Before Consultant issues a certificate of substantial completion, submit to each Contractor a written list of observed items requiring completion or correction.
- Z. Conduct a final inspection in the company of Consultant, Authority and the Contractor(s), and prepare a final written list of items to be completed or corrected.
- AA. Determine that all items on the final list have been completed or corrected and make recommendations in writing to Consultant concerning acceptance of the work and corrections.

The Resident Project Representative shall not:

- A. Authorize any deviation from the Contract Documents, or any substitution of materials or equipment, unless authorized in writing by Consultant.
- B. Exceed Consultant's authority as set forth herein or in the Contract.
- C. Undertake any of the responsibilities of the Contractor(s) or subcontractors.
- D. Advise on, issue directions relative to, or assume control over any aspect of the construction means, methods, techniques, sequences or procedures of the Contractor(s) unless such directions or control are specifically required by the Contract Documents.
- E. Advise on, issue directions relative to, or assume control over Contractor(s)' safety precautions or programs.
- F. Accept shop drawings or sample submittals from anyone other than a Contractor.
- G. Authorize Authority to occupy the Project in whole or in part.
- H. Participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized in writing by Consultant.
- I. Review any of the CONTRACTOR(s)' safety precautions, or the means, methods, sequences, or procedures required for the CONTRACTOR(s) to perform the work. Omitted design or review services include, but are not limited to, shoring, scaffolding, underpinning, temporary retainment of excavations, and any erection methods and temporary bracing.

EXHIBIT C

Hourly Rate Method Fee

TOTAL PROPOSAL AMOUNT: \$ 327,486.27

PHASE 1 – LABOR	\$ 5,956.66
Hours	43
Labor Costs	\$ 2,148.57
Overhead & Burden Costs	\$ 3,266.57
Percentage Fee Costs	\$ 541.51
PHASE 1 – REIMBURSABLES	\$ 2,220.00
Project Travel	\$ 2,220.00
PHASE 1 - TOTAL	\$ 8,176.66

PHASE 2 – LABOR	\$ 68,031.56
Hours	386
Labor Costs	\$ 24,066.82
Overhead & Burden Costs	\$ 37,780.06
Percentage Fee Costs	\$ 6,184.69
PHASE 2 – REIMBURSABLES	\$ 5,037.70
Project Travel	\$ 5,037.70
PHASE 2 - TOTAL	\$ 73,069.26

PHASE 3 – LABOR	\$ 132,341.92
Hours	913
Labor Costs	\$ 47,489.28
Overhead & Burden Costs	\$ 72,821.56
Percentage Fee Costs	\$ 12,031.08
PHASE 3 – REIMBURSABLES	\$ 3,605.90
Project Travel	\$ 3,605.90
PHASE 3 - TOTAL	\$ 135,947.82

PHASE 4 – LABOR	\$ 8,899.87
Hours	54
Labor Costs	\$ 3,165.29
Overhead & Burden Costs	\$ 4,925.50
Percentage Fee Costs	\$ 809.08
PHASE 4 – REIMBURSABLES	\$ 820.00
Project Travel	\$ 820.00
PHASE 4 - TOTAL	\$ 9,719.87

PHASE 5 – LABOR	\$ 73,022.76
Hours	464
Labor Costs	\$ 25,944.50
Overhead & Burden Costs	\$ 40,439.83
Percentage Fee Costs	\$ 6,638.43
PHASE 5 – REIMBURSABLES	\$ 27,549.90
Project Travel	\$ 27,549.90
PHASE 5 - TOTAL	\$ 100,572.66

TOTAL – LABOR	\$ 288,252.77
Hours	1860
Labor Costs	\$ 102,814.46
Overhead & Burden Costs	\$ 159,233.52
Percentage Fee Costs	\$ 26,204.80
TOTAL – REIMBURSABLES	\$ 39,233.50
Project Travel	\$ 39,233.50
TOTAL	\$ 327,486.27

NAME: CLASSIFICATION: RAW RATE:	FAITH GROUP						NEIGHBORING CONCEPTS			TOTAL
	Faith Varwig	Dave Caputo	Sal Mazzola	Saurabh Pethe	CB Will	Debbie Schnuth	Luke Volkmar	Allison Menius	Corelutta Reid	
	Principal	PM	Sr Security Engineer	Systems Analyst	CAD/REVIT Technician	Admin	Architect	CAD/REVIT Technician	Admin	
	\$ 97.17	\$ 67.31	\$ 69.23	\$ 69.25	\$ 36.39	\$ 30.00	\$ 45.19	\$ 21.63	\$ 31.25	
PHASE 1 – MOBILIZATION AND PRE-PLANNING										43
1 Organizational Structure and Stakeholder Identification	1	1	1	1	0	0	0	0	0	4
2 Badging	0	2	2	0	0	0	2	2	0	8
3 Reporting	0	1	0	1	0	0	0	0	0	2
4 Incoicing	0	1	0	0	0	0	0	0	8	9
5 Data Collection and project set up	0	4	0	1	4	0	4	4	0	17
6 Funding	1	1	1	0	0	0	0	0	0	3
PHASE 2 – PRELIMINARY PHASE										372
Task 2.1 – Existing Conditions Assessment										
ACS/CCTV										
1 Existing Concept of Operations (CONOPS)	0	4	4	0	0	0	0	0	0	8
2 Existing Systems Conditions Survey	0	8	8	0	8	0	8	8	4	44
3 Other Security Systems Survey	0	4	4	0	4	0	0	0	0	12
4 Communications Center/EOC Existing Condition Survey	0	4	4	0	4	0	4	4	0	20
5 Facility Electrical and Code Survey	0	4	0	0	0	0	0	0	0	4
IDMS										
1 Survey Current Badging Office	0	2	2	4	0	0	0	0	0	8
2 Meet with AVL Stakeholders & Document Current Processes	0	4	0	4	0	0	0	0	0	8
Task 2.2 – Concept of Operations (CONOPS) Meetings										
ACS/CCTV										
1 Operational procedures and security requirements	0	2	2	0	0	0	0	0	0	4
2 Organizational structure, roles and responsibilities as it related to the operations of the security systems and supporting infrastructure	0	2	2	0	0	0	0	0	0	4
3 Available and planned resources	0	2	2	0	0	0	0	0	0	4
4 On-going or planned security and construction projects	0	2	2	0	0	0	0	0	0	4
5 Real or perceived threats not yet guarded against	0	2	2	0	0	0	0	0	0	4
IDMS										
1 Meet with AVL Stakeholders (DPS, IT, Operations)	0	2	2	8	0	0	0	0	0	12
2 Develop Gap Analysis	0	2	2	8	0	2				
3 Develop Design Checklist	0	2	2	4	0	0	0	0	0	8
Task 2.3 – Basis of Design (BoD)										
1 Cost Estimate	0	12	4	8	0	0	0	0	0	24
2 Draft Plans	0	12	16	24	16	0	0	0	0	68
Phase 2 - Deliverables										
1 Security Assessment Report	0	24	8	8	0	4	0	0	0	44
2 Basis of Design Report	0	24	8	8	4	4	0	0	0	48
3 AIP Eligibility Narrative	12	12	12	4	0	4	0	0	0	44
PHASE 3 – DESIGN PHASE SERVICES										913
Task 3.1 – Design Development Drawings and Specifications (60%)										
ACS/CCTV										
1 Develop preliminary construction documents										
a Building and Site drawing showing security equipment locations	0	12	0	0	8	0	0	0	0	20
i Proposed doors to be replaced and or added	0	12	0	0	2	0	32	32	4	82
c Building and Site infrastructure drawings	0	12	0	0	4	0	0	0	0	16
d Preliminary ACS/CCTV Block Diagrams	0	4	0	0	4	0	0	0	0	8
e Preliminary IDF plans	0	4	0	0	4	0	0	0	0	8
f Electrical Upgrade Design	0	8	0	0	4	0	0	0	0	12
g Draft Technical Specifications	0	12	4	0	0	0	16	8	0	40
IDMS										
1 Re-engineer the Business Process										
a FG will examine existing work flow processes and system interactions, understand capability gaps, identify improvement opportunities, and define a new, end-state process.	0	2	1	8	0	0	0	0	0	11
b Conduct Process Requirements Workshops - Define and conduct workshops to understand current and desired processes and workflows. Obtain stakeholder review and comment on information captured and modify documentation accordingly.	0	4	1	12	0	0	0	0	0	17

c Document and Review Business Processes - Document current and desired processes and workflows using workflow diagrams and descriptions. Obtain stakeholder review and comment on information captured and modify documentation accordingly.	0	2	1	8	0	0	0	0	0	11
d Finalize Process Documentation - Develop a final set of processes and documentation based on the preceding task steps and ensure stakeholder review and comments are incorporated prior to obtaining Sponsor sign-off.	0	2	1	8	0	0	0	0	0	11
2 Design Functional Requirements										
a FG will define in-scope operations of the future, including solution objectives, typical use cases from the point of view of system users or stakeholders engaged in the process, organizations and their activities, and interactions among participants and stakeholders.	0	1	1	8	0	0	0	0	0	10
b Conduct Functional Requirements Workshops - Define and conduct workshops to validate solution functions. Obtain stakeholder review and comment on information captured and modify documentation accordingly.	0	4	1	8	0	0	0	0	0	13
c Document and Review Functional Requirements - Document new solution functional requirements. Obtain stakeholder review and comment on information captured and modify documentation accordingly.	0	1	1	8	0	0	0	0	0	10
d Finalize Functional Requirements Process Documentation - Develop a final set of functional requirements based on the preceding task steps and ensure stakeholder review and comments are incorporated prior to obtaining Sponsor sign-off.	0	2	1	8	0	0	0	0	0	11
Task 3.2 - Request for Qualification Document										
1 Work with AVL staff to determine requirements for preparation of RFQ documents	0	2	0	8	0	0	0	0	0	10
2 Develop draft RFQ document	0	4	2	4	0	2	0	0	0	12
3 Develop list of proposed bidders	0	2	2	4	0	0	0	0	0	8
4 Assist AVL in advertising RFQ	0	1	0	0	0	0	0	0	0	1
5 Develop compliance and grading matrix	0	2	2	4	0	0	0	0	0	8
6 Issue RFQ final documents	0	2	0	2	0	0	0	0	0	4
7 Attend pre-proposal conference	0	8	8	2	0	0	0	0	0	18
8 Review qualifications submitted by integrators	0	4	4	4	0	0	0	0	0	12
9 Make recommendations associated with short list	0	1	1	2	0	0	0	0	0	4
10 Develop proposed Non-Disclosure Agreement (NDA) and issue to short list firms	0	2	0	0	0	0	0	0	0	2
Task 3.3 - Final Construction Documents (90% and 100%)/RFB Development										
ACS/CCTV										
1 Drawings										
a ACS/CCTV Equipment Locations	0	4	4	0	8	0	0	0	0	16
b ACS/CCTV Block Diagrams	0	4	2	0	8	0	0	0	0	14
c Secured Door/Portal Locations	0	4	2	0	8	0	24	40	8	86
d Secured Door/Portal Schedule	0	4	2	0	8	0	40	24	0	78
e Camera Schedule	0	4	2	0	8	0	0	0	0	14
f Installation and mounting details	0	4	2	0	8	0	0	0	0	14
g Backbone Cabling Diagram	0	8	0	0	4	0	0	0	0	12
h IDF Plans and rack elevations	0	8	0	0	8	0	0	0	0	16
i Pathway Design	0	8	0	0	4	0	0	0	0	12
j Electrical Upgrade Design	0	8	0	0	4	0	0	0	0	12
2 Construction installation and phasing requirements	0	8	4	0	4	0	0	0	0	16
3 Testing and acceptance requirements	0	8	4	0	4	0	0	0	0	16
4 Specifications	0	12	8	0	0	4	24	8	8	64
IDMS										
1 Final IDMS procurement specifications	0	2	2	8	0	0	0	0	0	12
2 Define systems integration requirements	0	2	2	8	0	0	0	0	0	12
3 Determine dependencies	0	2	2	8	0	0	0	0	0	12
4 Develop initial technical specification	0	2	2	12	0	2	0	0	0	18
5 Develop testing and commissioning process	0	1	1	8	0	0	0	0	0	10
Phase 3 - Deliverables										
1 60% Design Development Submittal for approval	0	4	0	4	2	0	4	4	0	18
2 RFQ Development	0	4	0	4	0	0	0	0	0	8
3 90% and 100% Construction Documents (Drawings and Specifications)/RFB Submittal for approval	0	4	4	8	2	0	12	16	0	46
4 Updated cost estimates at 60% and 90%	0	8	4	8	0	0	8	4	0	32
5 Electronic files/AutoCAD and PDF of all drawings	0	0	0	4	4	0	4	4	0	16
PHASE 4 - BIDDING SERVICES										54
1 Pre-bid presentations	0	2	2	4	0	0	0	0	0	8
2 Attend pre-bid meetings	0	8	8	0	0	0	0	0	0	16

PROJECT TRAVEL

PHASE 1	UNIT	RATE	SUBTOTAL
AIRFARE	2	\$ 600.00	\$ 1,200.00
LODGING	4	\$ 150.00	\$ 600.00
PER DIEM	6	\$ 60.00	\$ 360.00
CAR RENTAL	0	\$ 63.00	\$ -
PARKING	6	\$ 10.00	\$ 60.00
MILEAGE	0	\$ 0.55	\$ -
			\$ 2,220.00

PHASE 2	UNIT	RATE	SUBTOTAL
AIRFARE	4	\$ 600.00	\$ 2,400.00
LODGING	10	\$ 150.00	\$ 1,500.00
PER DIEM	13	\$ 60.00	\$ 780.00
CAR RENTAL	2	\$ 63.00	\$ 126.00
PARKING	9	\$ 10.00	\$ 90.00
MILEAGE *	260	\$ 0.55	\$ 141.70
			\$ 5,037.70

PHASE 3	UNIT	RATE	SUBTOTAL
AIRFARE	3	\$ 600.00	\$ 1,800.00
LODGING	6	\$ 150.00	\$ 900.00
PER DIEM	10	\$ 60.00	\$ 600.00
CAR RENTAL	2	\$ 63.00	\$ 126.00
PARKING	6	\$ 10.00	\$ 60.00
MILEAGE *	220	\$ 0.55	\$ 119.90
			\$ 3,605.90

PHASE 4	UNIT	RATE	SUBTOTAL
AIRFARE	1	\$ 600.00	\$ 600.00
LODGING	1	\$ 150.00	\$ 150.00
PER DIEM	1	\$ 60.00	\$ 60.00
CAR RENTAL	0	\$ 63.00	\$ -
PARKING	1	\$ 10.00	\$ 10.00
MILEAGE	0	\$ 0.55	\$ -
			\$ 820.00

PHASE 5	UNIT	RATE	SUBTOTAL
AIRFARE	30	\$ 600.00	\$ 18,000.00
LODGING	40	\$ 150.00	\$ 6,000.00
PER DIEM	40	\$ 60.00	\$ 2,400.00
CAR RENTAL	10	\$ 63.00	\$ 630.00
PARKING	40	\$ 10.00	\$ 400.00
MILEAGE *	220	\$ 0.55	\$ 119.90
			\$ 27,549.90

TOTAL	UNIT	RATE	SUBTOTAL
AIRFARE	40	\$ 600.00	\$ 24,000.00
LODGING	61	\$ 150.00	\$ 9,150.00
PER DIEM	70	\$ 60.00	\$ 4,200.00
CAR RENTAL	14	\$ 63.00	\$ 882.00
PARKING	62	\$ 10.00	\$ 620.00
MILEAGE *	700	\$ 0.55	\$ 381.50
			\$ 39,233.50

*Represents mileage to and from Charlotte for the project Architect

EXHIBIT D

Subconsultants

Neighboring Concepts



MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: August 10, 2018

ITEM DESCRIPTION – New Business Item C

Approval of Agreement for Planning Consulting Services with CHA, Inc.

BACKGROUND

In order to carry out its five-year CIP, the Asheville Regional Airport selects and maintains professional consultants on a five-year contractual basis. The most recent process was undertaken in 2013, and the contracts awarded are set to expire shortly.

The 2019-2023 CIP program contains projects requiring three distinctively different consultant specialties. The FAA is requiring that different consultants be selected to carry out the different major disciplines in the five-year program. Consultants were therefore selected by staff that best meet the requirements of each of those programs.

A qualifications-based selection process was conducted in accordance with FAA requirements and publicly advertised on May 14, 2018 with a due date of June 14, 2018. Fourteen firms submitted Statements of Qualifications, with two solely considered for planning services. A review committee made up of five staff members reviewed the submittals, and based on qualifications, selected CHA Consulting, Inc. as the most qualified firm to provide planning services for the Asheville Regional Airport over the next five years.

ISSUES

None.



ALTERNATIVES

The Airport Board could elect not to award a contract to CHA Consulting, Inc., which would result in staff making an alternate recommendation to select a different firm.

FISCAL IMPACT

There is no fiscal impact directly associated with this action. Any work performed under this contract will require negotiation of a scope of work and fee, which will require Board approval in accordance with Authority policies.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the established rankings of the top two consulting firms for planning services; (2) approve the award of an Agreement for Professional Consulting services with CHA Consulting, Inc.; and (3) authorize the Executive Director to execute the necessary documents.



**Asheville Regional Airport
Five Year Consulting Services Selection Process
Consultant Rankings - PLANNING**

1. CHA Consulting, Inc.
2. McFarland Johnson

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES
BETWEEN
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
AND
CHA CONSULTING, INC.

THIS IS AN AGREEMENT made as of the _____ day of Month, Year, between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732, hereinafter referred to as "Authority," and CHA CONSULTING, INC., a Corporation with office located at 4080 Lafayette Center Drive, Suite 210A, Chantilly, VA 20151, hereinafter referred to as the "Consultant."

WITNESSETH

WHEREAS, Authority anticipates a need for Professional Consulting Services (hereinafter called "Services") for the accomplishment of the proposed projects as described in **Exhibit "A"** [hereinafter called "Project"], and Consultant is desirous of providing such services to Authority;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, Authority hereby retains Consultant, and the parties agree as follows:

Consultant hereby agrees to perform Services for Authority as subsequently described by separate Scope of Services (**see Exhibit "B"**) to this Agreement for Services, subject to and in accordance with the terms and provisions hereinafter contained. Individual Scope of Services shall be negotiated on a project-by-project basis.

The term of this Agreement shall be for a period of five (5) years beginning on the date of execution, unless terminated in accordance with Section 7.7 of this Agreement.

SECTION 1 – SCOPE OF SERVICES

The Authority will request a Scope of Services for each project it desires to engage the services of the Consultant. Each Scope of Services shall be specific as to the extent of services required for each project. The Scope of Services shall be as described in the form included as **Exhibit "B"**. Services for the Project may include the following elements:

1. Assistance in formulating the project and applying for State and/or Federal aid. (Due to logistics of the funding process, these services are generally performed prior to preparation of the Scope of Services.)
2. Preparation of preliminary design information for review and approval.
3. Assistance with obtaining necessary property, topographic and environmental surveys, and investigative testing.

4. Preparation of Plans, Specifications, Bidding Documents, other Contract Documents, and Architectural Reports.
5. Assistance with obtaining permits and approvals required to construct the project.
6. Assistance during the bidding and construction contract formulation process.
7. Construction contract administration and Resident Project Representative (RPR) services.
8. Assistance with Quality Assurance (QA) Testing during construction.
9. Assistance with project close-out.

SECTION 2 - BASIC SERVICES

2.1. General

- 2.1.1 Scope of Basic Services: Unless otherwise modified in the respective Scope of Services for the Project, Basic Services shall consist of Services during the Preliminary Design Phase, the Design and Permitting Phase; the Bidding and Contract Preparation Phase, and the Construction and Close-Out Phase.
- 2.1.2. Site: The Site of the Project will be described in the corresponding Scope of Services. The Project will typically be contained within the boundaries of the airport property, but in some cases utilities, roadways and other miscellaneous work may be required in contiguous areas to achieve a complete Project.
- 2.1.3 Sub-consultants: Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.
- 2.1.4 Authorization to Proceed: Return of the signed and dated Agreement to the Consultant shall constitute authorization to proceed. Authority shall verify that necessary Federal Aviation Administration (FAA) and/or North Carolina Department of Transportation (NCDOT) approvals have been received, prior to returning the signed Agreement. Consultant shall assist Authority with obtaining approvals.
- 2.1.5 Work Performed Prior to Execution of Agreement: Due to the logistics of the FAA and NCDOT funding process, assistance with formulating the project (or multiple Projects in the Authority's Work Program) and assistance with the preliminary request for State or Federal Aid (JPA request, FAA Pre-application, or similar communication) is usually performed by Consultant prior to approval of the Agreement for a specific Project. For typical airport improvement Projects, such work is performed to assist in promoting development of the Airport, in the anticipation of recovering the expended costs as part of the Preliminary Design-Phase fee after the Agreement is executed. If, for any reason, the Agreement for the specific project is not executed, the Authority shall have no obligation to compensate Consultant for assistance expended to formulate the Project or

request aid prior to execution of the Authority, except in the case of complex projects or projects with an apparent low probability of funding, in which it has been agreed in writing, in advance, that the Consultant will be compensated on a time-and-material or other basis for Project formulation and/or assistance with the request for funding. In such cases, the fee for Basic Services, if finally approved, shall not include the amount paid earlier for Project formulation and/or assistance with requests for funding.

- 2.1.6 Cooperation with Other Consultants: Consultant recognizes that the Authority has selected one or more other consultants to assist with the development of the Airport. The Consultant agrees to cooperate with the other consultant(s) and assist the Authority diligently in the process of pursuing funding of projects, without regard to which Consultant appears more likely to perform the consulting services for any particular project.

2.2. Pre-Planning Phase

After receiving an executed Scope of Services agreement, Consultant shall:

- 2.2.1 Consult with Authority to clarify and define the Authority's requirements for the project, discuss alternatives, and consider the cost of alternatives.
- 2.2.2 Review all available data; advise Authority to necessity of the Authority's providing or obtaining from others data or services of the types as described in paragraph 4.3, and assist Authority in obtaining such data and services.

2.3. Planning Phase

After approval of the pre-planning documents, Consultant shall:

- 2.3.1 Prepare Plans and Narrative, depicting scope, character, and details of the Plan and alternatives.
- 2.3.2 Prepare a report summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs and suggested funding and phasing.
- 2.3.3 Furnish to Authority two sets of Planning Documents, and additional sets as required by the Authority.
- 2.3.4 Respond to Authority and other governmental agency review comments.
- 2.3.5 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to the Authority in both hard copy and electronic format (AutoCAD 2008 compatible; Microsoft Word, or such other electronic formats as requested by the Authority)
- 2.3.6 Coordinate follow-up services by other consultants.

2.4. Preliminary Design Phase

After receiving an executed Agreement Consultant shall:

- 2.4.1 Consult with Authority to clarify and define Authority's requirements for the Project, discuss alternatives, and consider the costs of alternative designs.
- 2.4.2 Review available data; advise Authority as to the necessity of the Authority's providing or obtaining from others data or services of the types described in paragraph 4.3, and assist Authority in obtaining such data and services.
- 2.4.3 Prepare preliminary, schematic layouts, sketches and conceptual design drawings and other exhibits to clearly indicate the design considerations involved and the alternative solutions available. Provide recommendations, with an opinion of the Probable Cost of the Project. It shall be understood that the opinions of Probable Cost are offered only as the Consultant's opinion of the likely cost of the improvements based on the Consultant's experience and the limited information available at the time; such opinions of cost are not to be construed as guarantees. If the word "Estimate" is used, it shall be understood to mean "opinion of Probable Cost."
- 2.4.4 Transmit by expeditious means (fax, internet, express courier, or hand delivery; or by U.S. Mail if appropriate for the project schedule) the Preliminary Drawings and other information. Discuss by telephone or in person as appropriate, and revise the Drawings and other exhibits as needed until Authority approves the Preliminary Design. Coordinate drawings and other information with permitting and/or regulatory agencies as appropriate for this phase, to avoid unnecessary changes to the final Construction Documents. Upon approval by Authority of the Preliminary Design, which shall be given either in writing by Authority or verbally by Authority and confirmed in writing by Consultant, the Design Phase shall begin. Multiple revisions of the drawings during the Preliminary Design phase shall not be considered "Additional Services."

2.5 Design Development Phase

- 2.5.1 Based on the approved Preliminary Design Documents and any adjustments authorized by the Authority in the program, schedule or construction budget, the Consultant shall prepare, for approval by the Authority, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.
- 2.5.2 The Consultant shall advise the Authority of any adjustments to the preliminary estimate of Construction Cost.

2.6. Design and Permitting Phase

After approval by the Authority of the Design Development Documents, Consultant shall:

- 2.6.1 Prepare Final Plans and Specifications, depicting the scope, character, and details of the work, in accordance with generally accepted standards of airport design practice. The term "Specifications" shall be understood to include General Conditions, Special Provisions, and other Contract Documents.
- 2.6.2 Prepare a report, summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs.
- 2.6.3 Furnish to Authority two sets of Plans, Specifications, and Consultant Report, and simultaneously send one set each to FAA, NCDOT and/or any other applicable governmental agencies, for review. Assist Authority with submittal of certifications.
- 2.6.4 Respond to Authority, FAA, NCDOT and/or any other applicable governmental agency review comments.
- 2.6.5 Furnish to Authority such documents and design data as may be required for submittal to governmental authorities having jurisdiction over the Project, and assist in obtaining permits and approvals by participating in submissions to and negotiations with the authorities. (All permit and review fees shall be paid by Authority.) It must be understood that these services do not constitute a guarantee that the permits will be issued; some projects (runway extensions, wetland mitigation, etc.) may be of a controversial nature and it may not be possible to obtain permits, or it may be found that substantial additional services may be required to obtain permits.
- 2.6.6 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to Authority in both hard copy and electronic format (AutoCAD 2004 compatible; Microsoft Word, or such other electronic formats as requested by the Authority). Data files will be furnished to Authority, at any time upon request.

2.7. Bidding and Contract Formulation Phase

After Authority, FAA, NCDOT and/or any other applicable governmental agencies have approved the documents for Bid Advertisement, the Consultant shall:

- 2.7.1 Assist Authority in advertising for and obtaining bids or negotiating proposals for each Construction Contract. Consultant shall receive payments for bid documents, and issue bidding documents directly to prospective bidders, and furnish the requested number of bid document sets to Authority for issuance to bidders from Authority's office.
- 2.7.2 Respond to prospective bidder's inquiries and issue Addenda as required to clarify, and/or interpret the Bidding Documents.
- 2.7.3 Attend the bid openings. Prepare bid tabulation, and assist Authority in evaluating bids or proposals, preparing letters to funding agencies, and in assembling and processing the Construction Contract. For FAA-funded projects, prepare an Application for Federal Assistance, generally on the same day as the receipt of bids.

- 2.7.4 Prepare Contract and Bond documents and issue them to Contractor; receive the executed documents and verify that they appear to be completely and correctly executed; bind them into "conformed copies" of the contract documents, and forward the documents to Authority for execution and distribution. Establish a procedure to verify that the bonds and insurance remain valid throughout the final close-out of the project.

2.8. Construction and Close-Out Phase

During the Construction and Close-Out Phase, the Consultant shall:

- 2.8.1 Provide General Administration of the Construction Contract. Consultant shall consult with and advise Authority and act on behalf of the Authority, as provided hereinafter. The extent and limitations of the duties, responsibilities and authority of Consultant shall not be modified, except to the extent provided in the Scope of Services and except as Consultant may otherwise agree in writing. All of the Authority's instructions to Contractor(s), except those related to safety or airport operations which require immediate communication to promote airport safety, will be issued through Consultant who will have authority to act on behalf of the Authority to the extent herein provided, except as otherwise modified in writing.
- 2.8.2 Attend and direct the Preconstruction Conference; prepare and distribute summary of topics discussed; and assist with start-up of the construction Project.
- 2.8.3 Issue guidelines for quality assurance testing. For FAA AIP projects, this will be in the form of a "Construction Management Plan." This is the title of the document used by FAA and shall not be interpreted to mean that the Consultant is responsible to manage the Contractor's operation, which is the responsibility of Contractor.
- 2.8.4 Periodically visit the site and observe the construction; discuss progress and construction details with RPR, Authority's Representative, and the Contractor's Superintendent. Issue a written report, if required. Periodic site reviews generally occur at one week or shorter intervals, although there is no definite schedule for such visits.
- 2.8.5 Review daily reports and other information which is transmitted regularly by RPR.
- 2.8.6 The purpose of Consultant's visits to the site, and representation by RPR, if any, will be to enable Consultant to better carry out his duties and responsibilities during the Construction Phase, and to provide Authority assurance that the completed and accepted work of the Contractor(s) has been monitored in accordance with the quality assurance provisions set forth by FAA and NCDOT, and conforms to the Construction Contract requirements. Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s), for safety precautions and programs incidental to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the construction work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' acts or omissions in the performance of the work.

However, Consultant's shall expeditiously notify the Contractor and Authority of any observed failure of Contractor to perform the work in accordance with the Plans and Specifications, or other observed failure to comply with the contract requirements.

- 2.8.7 Review and approve (or take other appropriate action in respect of) Shop Drawings, Certifications, Samples, and Mix Designs, which each Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Construction Contract Documents. Such review and approval or other action shall not extend to the means, methods, sequences, techniques or procedures of construction or to safety precautions and programs incidental thereto.
- 2.8.8 Issue all instructions of Authority to Contractor(s), except as hereinbefore noted; issue necessary interpretations and clarifications of the Construction Contract Documents and in connection therewith; prepare Change Orders or other authorizations to perform additional work as required; have authority, as Authority's Representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the Construction Contract Documents and judge of the acceptability of the work thereunder; and render advice on all claims of Authority and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Construction Contract Documents pertaining to the execution and progress of the work; however Consultant shall not be liable for the results of any such interpretations or decisions rendered by him in good faith.
- 2.8.9 Review Contractor's Periodic Pay Requests, and recommend payment amount to Authority. Consultant's payment recommendation (certification) will be based on on-site observations by Consultant and on verification of quantities by RPR. Such recommendation of payment will constitute a representation to Authority that the work has progressed to the point indicated, to the best of Consultant's knowledge, information and belief. This recommendation shall not constitute certification that moneys owed by the Contractor to Sub-contractors or suppliers have been paid.
- 2.8.10 Conduct a preliminary final Project Review to determine whether the Project is Substantially Complete, and issue a Punch List. After being notified that the Punch List work is presumptively complete, conduct a final Project Review to determine whether the work has been completed in accordance with the Construction Contract Documents and whether each Contractor has fulfilled all of its obligations thereunder so that Consultant may recommend, in writing, final payment to Contractor and may give written notice to Authority and Contractor(s) that the work is acceptable (subject to any conditions therein expressed.)
- 2.8.11 Project review, including periodic review by Consultant and continuous or nearly continuous review by RPR, shall consist of a visual observation of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the Construction Contract Documents and with the design intent. Such review shall not be relied upon by others as acceptance of the work, nor shall it be construed to relieve the Contractor in any way of his obligation and responsibilities under the construction contract. Specifically, and without limitation, review by Consultant shall not require Consultant to assume responsibilities for the means and methods of construction nor for safety on the job site.
- 2.8.12 Consultant shall not be responsible for the acts or omissions of any Contractor, or Sub-

contractor, or any of Contractor(s)' or Sub-contractors' agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise performing any of Contractor(s)' work; however, nothing contained herein shall be construed as releasing Consultant from liability for failure to properly perform duties undertaken by him.

- 2.8.13 Consultant shall prepare a set of "Record Drawings" after completion of the project, showing changes made during construction, based on the marked- up prints, drawings and other data furnished by Contractor(s) to Consultant, which Consultant considers significant. Such Record Drawings will be in electronic format (AutoCAD 2004 compatible) and will be furnished to Authority along with blue-line prints or blackline plots. If the Contractor furnishes record information in the form of finished AutoCAD drawings rather than marked-up prints or similar non-CAD method, Consultant may add those drawings to the record drawing set, rather than transcribing the information to the Contract Drawings.
- 2.8.14 During the course of construction, Consultant may be required to perform quality assurance (QA) testing, through a qualified and certified testing laboratory, to verify that the improvements constructed by the Contractor(s) conform to the requirements of the Construction Contract Documents. It shall be understood that Consultant will use random sampling procedures, meaning selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures will be conducted in accordance with commonly accepted standards of practice, it shall be understood that the samples and tests will indicate the actual conditions only where the sampling and testing is performed, and that, despite proper implementation of sampling and testing procedures and proper interpretation of their results, Consultant can only infer, not assure, the existence of the revealed conditions at other locations. Accordingly, Authority shall not require Consultant to sign any certification, no matter by whom requested, that would result in Consultant certifying the existence of conditions of which Consultant cannot be certain.
- 2.8.15 "Certify" means to state or declare a professional opinion of conditions whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. Consultant's certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.
- 2.8.16 To assist Authority with the project close-out process, Consultant shall prepare a summary of quality assurance testing, summary of project costs, and related items required by FAA and NCDOT for Close-Out of the Project. Such information shall be neatly organized and bound.

2.9. Buried Utilities

- 2.9.1 Consultant shall conduct the research that in his professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. Authority recognizes that Consultant's research may not identify all subsurface utility lines and man-made objects, and that the information upon which Consultant relies may contain errors or may not be complete. Authority also agrees that the possibility exists that soil borings or other penetrations made by or under the instructions of Consultant for

investigative purposes may strike and damage underground utility lines or other man-made objects, despite the efforts of Consultant to avoid such objects.

SECTION 3 - SPECIAL AND ADDITIONAL SERVICES

3.1 Special Services

Special Services are any services which are included in the Scope of Services but are not part of Basic Services. Such services are usually performed either by a Sub-consultant (for example, testing or survey,) or by an employee of Consultant residing in the vicinity of the project (RPR.) The terms and conditions for furnishing Special Services are set forth in the Scope of Services.

3.2 Additional Services

Additional Services are services required by Authority which are not included in (or are specifically excluded by) the Scope of Services. Typically, such services are associated with unforeseen conditions which arise during the design or construction process. All additional Services shall be approved in advance by Authority. Additional Services include, but are not limited to, the following.

- 3.2.1 Additional Permitting Services due to changes in regulatory policies which went into effect after the Scope of Services was formulated and Permitting Services such as environmental assessments, asbestos evaluations and permitting, etc. which were not contemplated or identified in the Scope of Services. (The scope of permitting services included in **Exhibit "B"** reflects the services which Consultant anticipates to be necessary based upon experience with prior projects, and does not include contingencies for unexpected or unanticipated permitting requirements that one or more of the various governmental agencies having jurisdiction might elect to impose.)
- 3.2.2 Field investigations to verify the accuracy of Drawings or other information furnished by Authority.
- 3.2.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, Authority's schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or construction contract documents when such revisions are due to causes beyond Consultant's control. This does not apply to the Preliminary Design Phase, in which multiple revisions are not considered Additional Services.
- 3.2.4 Providing renderings or three-dimensional models. (Preparation of a reasonable number of two-dimensional exhibits for presentation to the public, FAA, NCDOT, Authority, etc. is an essential part of Basic Services to properly communicate and coordinate the project, and will not be considered Additional Services.)
- 3.2.5 Preparing documents with multiple bid schedules or complex bid options, or requiring the construction work to be performed in two or more mobilizations, or at night, when such conditions were not anticipated in the Scope of Services.
- 3.2.6 Investigations involving detailed consideration of operations, maintenance and overhead

expenses; providing Value Engineering consulting to a significant degree during the course of design; preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining loan or bond financing for the Project; evaluation of processes licensing and assisting Authority in obtaining process licensing; detailed quantity surveys of material, equipment and labor; audits or inventories required in connection with construction performed by Authority.

- 3.2.7 Services performed by Consultant due to failure of the Contractor to complete the work within the scheduled time, including but not limited to additional periodic reviews and additional follow-up reviews to verify Punch List completion after the final inspection. (Wherever possible, the costs of such services will be minimized by combining follow-up inspections with trips made to the site for other projects.)
- 3.2.8 Services resulting from the award of a greater number of separate prime contracts for construction, materials, equipment or services than are anticipated in the Scope of Services and services resulting from the arranging for performance by individuals or firms other than the principal Prime Contractor(s.)
- 3.2.9 Providing any type field surveys, engineering surveys or staking to enable the Contractor(s) to proceed with their work; and providing other special field surveys, where such work was not included in the Scope of Services.
- 3.2.10 Services in connection with changes or additions to the Project requested by the Authority during construction, unless of a minor and incidental nature
- 3.2.11 Services during out-of-town travel required of Consultant and approved by Authority, other than visits to the site as required by Section 2, or visits to the FAA or NCDOT offices will not be considered out-of-town travel.
- 3.2.12 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) acceleration of the progress schedule involving services beyond normal working hours, (4) default by Contractor(s), or (5) evaluation of an unreasonable number of claims made by the Contractor(s) or others.
- 3.2.13 Preparation of operating and maintenance manuals; protracted or extensive assistance in balancing); and training personnel for operation the utilization of any equipment or system (such as initial start-up, testing, adjusting and maintenance.
- 3.2.14 Services after completion of the Construction Phase, such as project review during any guarantee period, and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 3.2.15 Preparing to serve or serving as a consultant or witness for Authority in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as specifically provided in the Scope of Services.)
- 3.2.16 Any similar Additional Services in connection with the Project, including services normally furnished by Authority and services not otherwise provided for in this Agreement.

3.3. Resident Representative Services During Construction

- 3.3.1 If included in the Scope of Services, a Resident Project Representative (RPR) will be furnished by Consultant. Such services will be paid for by Authority as provided in the Scope of Services.
- 3.3.2 The duties, responsibilities, and limitations of Authority of RPR and any assistants to the RPR are set-forth in **Exhibit "E"**, which is attached hereto and incorporated herein.
- 3.3.3 Through more extensive on-site observations of the work in progress and field checks of materials and equipment by RPR, Consultant shall provide further protection for the Authority against defects and deficiencies in the work of Contractor(s); however, the furnishing of RPR Services will not make Consultant responsible for the Contractor's means, methods, techniques, sequences or procedures, or for safety precautions or programs.

SECTION 4 - AUTHORITY'S RESPONSIBILITIES

The Authority shall do the following in a timely manner:

- 4.1 Designate a person (or persons) to act as Authority's Representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the Authority's policies and decisions with respect to Consultant's services for the Project.
- 4.2 Furnish to Consultant criteria and information as to the Authority's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all local or extraordinary design and construction standards which Authority will require to be included in the Drawings and Specifications. (Such criteria and information may be furnished verbally during project formulation and design discussions; Authority is not obligated to furnish any written summaries of design criteria and requirements, but may do so if he deems it to be appropriate.)
- 4.3 Assist Consultant by placing at his disposal available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. Authority shall make pertinent files and records available, but shall not be obligated to perform any exhaustive or detailed research of existing files or records.
- 4.4 Provide Consultant, as required for performance of Consultant's Basic Services (except to the extent provided otherwise in the Scope of Services) data prepared by or services of others, including but not limited to core borings, probings, and subsurface explorations, laboratory tests and inspection of samples, materials and equipment; appropriate professional interpretations of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in Section 3; all of which Consultant may rely upon in performing his services.
- 4.5 Arrange for access to and make all provisions for Consultant to enter upon public and

private property as required for Consultant to perform Services under this Agreement.

- 4.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Consultant; obtain advice of an attorney, insurance counselor and other consultants as the Authority deems appropriate; and render decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- 4.7 Assist Consultant in the process of obtaining necessary permits for the Project. Authority shall promptly review, and upon its approval, sign, and submit to the appropriate agencies such approved permit applications which Consultant furnishes. Authority shall pay all applicable agency permit and review fees.
- 4.8 If more than one prime contract is to be awarded for construction, materials, equipment and services for the entire Project, Authority shall designate a person or organization to have authority and responsibility for coordinating the activities among the prime contractors.
- 4.9 Attend the pre-bid conference, bid openings, preconstruction conferences, construction progress and other job related meetings, and pre-final and final project reviews.
- 4.10 Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services, any defect in the work of Contractor(s), or any apparently unsafe practices being performed by Contractor(s.)
- 4.11 Direct Consultant to provide, necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
- 4.12 Bear all costs incidental to performance of the requirements of this Section 4.

SECTION 5 - PERIOD OF SERVICE

- 5.1 The services called for in the Preliminary Design Phase will be completed and the Preliminary Design documents submitted within the stipulated period, if any, indicated in the Scope of Services after authorization to proceed with that phase of services.
- 5.2 After acceptance by Authority of the Preliminary Design Phase documents indicating any specific modifications or changes in the extent of the Project desired by Authority, and upon written authorization from Authority, Consultant shall proceed with the performance of the services called for in the Design and Permitting Phase, and shall submit Plans, Specifications, and general consulting report and other documents for 100% review within the stipulated period, if any, indicated in the Scope of Services.
- 5.3 Consultant's services under the Preliminary Design Phase and the Design and Permitting Phase shall be considered complete at the earlier of (1) the date when the submissions for that phase have been accepted by Authority or (2) thirty (30) days after the date when such submissions are delivered to Authority for final acceptance, plus such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction over the Project.

- 5.4 After acceptance by Authority of Consultant's Plans, Specifications and other Final Design Phase documentation including the most recent opinion of Probable Construction and Total Project Cost and upon written authorization to proceed with advertisement of the Project, Consultant shall proceed with performance of the Services called for in the Bidding and Contract Formulation Phase. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s).
- 5.5 The Construction and Close-Out Phase will commence with the execution of the first Prime Contract to be executed for the work of the Project or any part thereof, and will terminate upon submittal of final close-out documentation for submittal to FAA and/or NCDOT. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one Prime Contract.
- 5.6 If Authority has requested significant modifications or changes in the extent of the Project, the time, if any, of performance of Consultant's Services, Consultant's compensation may be adjusted by the Authority.
- 5.7 If Authority fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Construction Phase has not commenced within 180 calendar days after completion of the Design and Permitting Phase, Consultant may, after giving seven days' written notice to Authority, suspend services under this Agreement.
- 5.8 If Consultant's Services for design or during construction of the Project are delayed or suspended in whole or in part by Authority for more than twelve months for reasons beyond Consultant's control, the rates of compensation provided for in the Scope of Services shall be subject to renegotiation.

SECTION 6 - COMPENSATION

6.1. Methods of Payment for Services and Expenses of the General consultant

Payment for each element of work identified in the Scope of Services shall be made under one of the following methods, which shall be identified in the Scope of Services:

- 6.1.1 LUMP SUM METHOD - This method generally applies to Basic Services, and certain special Sub-consultant Services such as topographic surveys and environmental reports. The Lump Sum fee shall be a fixed amount as stipulated in the Scope of Services. No adjustment may be made to a lump sum fee. If Additional Services are required, they shall be paid for separately as "Additional Services," under pre-approved terms.
- 6.1.2 UNIT PRICE METHOD - This method generally applies to Sub-contracted testing or survey services. (Survey crew hourly rate shall be considered a "unit rate.") Payment shall be made at the number of units (typically, tests or survey hours) performed, multiplied by the stipulated unit price. If a "Not-to-Exceed" maximum amount is stated, then the total fee may not exceed the stipulated amount unless additional work is performed and approved in advance. If no maximum amount is stated, Consultant shall inform Authority in a timely manner if it becomes apparent that the estimated (budgeted) amount will be exceeded.

- 6.1.3 HOURLY RATE METHOD - Generally applies to Miscellaneous Services (non-FAA and non-NCDOT participation) requested by Authority, and RPR services. Generally applies to services performed by employees of Consultant, as subcontracted Services based on hourly rates are typically considered to be unit price services as stipulated in Sub-section 6.1.2 above. Unless otherwise stated, the hourly rates shall be as listed in Consultant's current Standard Rate Schedule. The Standard Rate Schedule current for the year in which this Agreement is executed is attached as **Exhibit "C"**. The Standard Rate Schedule is revised and re-issued on a calendar-year annual basis (whether or not the rates or other conditions change.) Hourly rates for RPR services are typically stated on the Scope of Services.
- 6.1.4 REIMBURSEMENT OF EXPENSES - This method applies to items which are designated as reimbursable in the Scope of Services, including but not limited to: reproduction of documents exceeding the number of reproductions included in the basic services fee, express shipments in addition to those stipulated in the basic services fee and special travel expenses. Terms of reimbursement are set forth in the Scope of Services, and are typically direct reimbursement of actual costs without mark-up. Office supplies, telephone, first class postage, plot media electronic storage media, and computer time are considered to be overhead costs and are not reimbursable. Plot media for special orders (not for the original production of the drawings) shall be considered "reproductions" and is therefore reimbursable.

6.2 Billing and Payment

- 6.2.1 Consultant shall submit monthly invoices for Professional Services rendered and for Reimbursable Expenses incurred. The invoice for Basic Services will be based upon Consultant's estimate of the proportion of the total services actually completed at the time of preparation of the invoice. To assist in the estimation of fees earned, the Basic Services fee will be broken down into the fees for various project phases. The invoice for RPR services shall be based on the number of hours worked during the billing period, as indicated on time sheets. The invoice for Sub-consultant services shall be based on the invoice received from the Sub-consultant (which Consultant shall review for reasonableness,) plus the pro-rated portion of Consultant's stipulated Administrative/Coordination Fee. The invoice for Reimbursable Expenses shall be based on the number of reproductions made during the invoice period multiplied by the stipulated or standard unit price, and the direct cost of other Reimbursable Expenses, as set forth in the Scope of Services.
- 6.2.2 Invoices shall be due and payable within thirty (30) calendar days of the Authority's receipt of the invoice. If Authority objects to all or any portion of an invoice, Authority shall so notify Consultant within fourteen (14) calendar days of the Authority's receipt of the invoice, identify the cause of disagreement, and pay when due the portion of the invoice, if any, not in dispute.
- 6.2.3 Failure to pay the portion of an invoice not under dispute after sixty (60) days shall be cause for Consultant to suspend work on the Project until such payment is made. By doing so, Consultant shall not incur any liability for claimed losses or damages due to non-performance of the work.

6.2.4 In the event that Authority terminates the project in accordance with Section 7 of this Agreement, Consultant shall be paid for the portion of the fee earned and costs incurred as of the date of notice of termination, but shall not be eligible for payment for any lost anticipated profits from the portion of the project following the termination date.

SECTION 7 - MISCELLANEOUS PROVISIONS

7.1 Insurance

During the performance of this Agreement, Consultant shall insure itself for and against professional liability and malpractice relative to the performance of this Agreement in the minimum amount of \$1,000,000 each claim/annual aggregate. In addition, Consultant shall be required, if available, to provide the same types and levels of insurance identified above for a period of six years following the expiration or early termination of this Agreement. Consultant shall deliver to Authority a certificate of this insurance coverage at the time this Agreement is executed. The certificate shall unconditionally provide that the requisite coverage shall not be terminated or modified or not renewed until Authority has received thirty (30) day written notice thereof. In the event that an insurance carrier should terminate or modify or not renew the above coverage, Consultant shall immediately contract with another insurance carrier to provide requisite coverage and shall immediately deliver to Authority a replacement certificate. The coverage shall be written through an admitted carrier in the State of North Carolina. In addition, Consultant and its sub-consultants shall maintain Workers' Compensation Insurance as required by law, and certificates of such insurance coverage shall likewise be delivered to Authority.

7.2 Indemnity

Consultant shall indemnify and hold harmless Authority and its present and future Members, officers, agents and employees, from and against all liabilities, claims, losses, costs and expenses (including, but not limited to, attorney fees) arising out of or resulting from any and all negligent acts and omissions of Consultant and/or its agents, employees and/or sub-consultants. Consultant shall be directly responsible for any additional costs, above first costs, incurred by the Authority, as a result of the errors and omissions of CHA Consulting, Inc. through its employees assigned to tasks for, or on behalf of the Authority, which result in additional costs to the Authority, either by a contractor, or by CHA Consulting, Inc. itself.

7.3 Independent Contractor

Consultant is an independent contractor and not an agent of Authority.

7.4 Civil Right Assurances

During the performance of this Agreement, Consultant, for itself and for its assignees and successors if any and sub-consultants (all of whom collectively referred to as "Contractor") agrees as follows:

(a) Compliance with Regulations. Contractor shall comply with the regulations ("Regulations") relative to nondiscrimination in federally assisted programs of the Department of Transportation ("DOT") including but not limited to: Title 49, Code of Federal Regulations, Part 21, and as they may be amended from time to time. The Regulations are incorporated herein by this reference thereto.

(b) Nondiscrimination. With respect to and during the performance of this Agreement, Contractor shall not discriminate on the ground of age, race, color, national origin, religion, disability or sex in the selection or retention of sub-contractors and sub-consultants including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including, but not limited to, practices when this Agreement covers a program set forth in Appendix B of the Regulations.

(c) Solicitations for sub-consultants and sub-contractors, including but not limited to, procurements of materials and equipment. In all solicitations, either by competitive bidding or negotiations made by Contractor for work to be performed under a sub-contract, including, but not limited to, procurements of materials and leases of equipment, each potential sub-consultant, sub-contractor and supplier shall be notified by Contractor of Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of age, race, color, national origin, religion, disability or sex.

(d) Information and Reports. Contractor shall provide all information and reports required by the Regulations or directives, orders or instructions issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, directives, circulars, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to Authority and the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Contractor's non-compliance with any of the non-discrimination provisions of this Agreement, Authority shall impose such Agreement sanctions as it or the FAA determine to be appropriate, including, but not limited to, the following:

- i. Withholding of payments to Contractor under this Agreement until Contractor complies; and/or
- ii. Cancellation, termination, or suspension of this Agreement, in whole or in part.

(f) Incorporation of Provisions. Contractor shall include the provisions of Paragraphs (a) through (e) above in every sub-contract, including but not limited to, procurements of materials and leases of equipment, unless exempted by the Regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any sub-contract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including, but not necessarily limited to, sanctions for noncompliance; provided, however, that, in the event a Contractor becomes involved in, or is threatened with, litigation with a sub-consultant, sub-contractor or supplier as a result of such

direction, Contractor may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Contractor may request the United States Government to enter into such litigation to protect the interests of the United States Government.

7.5 Disadvantaged Business Enterprise (DBE) Assurances

DBE Obligation: The Disadvantaged Business Enterprise (DBE) requirements of Title 49, Code of Federal Regulations, CFR Part (23 or 26) apply to this Agreement. Consultant agrees to ensure that DBE's, as defined in Part (23 or 26), have the maximum opportunity to participate in the performance of contracts and sub-contracts provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps in accordance with Part (23 or 26) to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform Contracts. The Consultant shall not discriminate on the basis of age, race, color, national origin, religion, disability or sex in the award and performance of contracts.

7.6. Opinions of Cost

7.6.1 Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' method of determining prices, or over competitive bidding or market conditions, his opinions of Probable Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional general consultant, familiar with the construction industry; but Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from opinions of probable cost prepared by him.

7.6.2 "Construction Cost" means the total of payments made to Construction Contractor(s), plus the cost of any materials, furnishings, etc. purchased separately by Authority and incorporated into the project. "Non-construction costs" are all costs of the project other than construction costs, including but not limited to Consulting Services, Testing, Topographic or other Surveys, Environmental Evaluations, RPR, and Authority's Miscellaneous and Administrative Expense. All of these costs, collectively, are referred to as the Project Cost.

7.7 Termination

7.7.1 This Agreement may be terminated by Authority upon seven (7) day's written notice, for the Authority's convenience and without cause.

7.7.2 Upon receipt of a termination notice, Consultant and its sub-consultants shall promptly discontinue all services and shall deliver to Authority all data, Drawings, Specifications, report estimates, summaries, and other information and materials as may be accumulated by Consultant and its sub-consultants, whether completed or in process.

7.7.3 Upon termination of this Agreement, Authority may, without prejudice or limitation of any action for damages or any other right or remedy, enter into another agreement for the

completion of the work contemplated by this Agreement, or may use other methods for the completion of such work.

- 7.7.4 Upon termination of this Agreement, Consultant shall be entitled to receive payment for work executed and costs incurred by reason of such termination, including reasonable overhead and profit on completed work.

7.8 Re-Use of Documents

The drawings, specifications and all other documents or things prepared by Consultant for the Project shall become and be the sole property of Authority. Consultant shall, at its own cost and expense, be permitted to retain copies thereof for its records and for its future professional endeavors. Such drawings, specifications and other documents or things are not intended by Consultant for use on other projects by Authority or others. Any reuse by Authority or by third parties without the written approval of Consultant, shall be at the sole risk of Authority.

7.9 Storage, Protection, and Retrieval of Documents and Data

- 7.9.1 Storage, protection, and retrieval of General Consulting documents is an important part of Consultant's responsibility to Authority. Completed General Consulting Drawings (Plans) shall be stored by Consultant in a minimum of three medias: paper plot originals, AutoCAD files in the dual redundant hard drives of Consultant's raid server, and in CD-ROM disks which are made each week and stored off-site. Additionally, Authority may obtain disks containing the CAD files at any reasonable interval, such as monthly or upon completion of each project, and store them at Authority's office. Drawings in progress are stored in the hard drive and in the weekly back-up CD-ROM disks; existing paper plots of drawings in progress may not be up to date at any particular time. Text documents shall be stored as filed paper documents, as text files in the hard drive, and in the same weekly CD-ROM back-up disks that contain the CAD files.
- 7.9.2 Documents received from others, such as test reports, shop drawings, correspondence from the Contractor, etc., are stored by Consultant only in their original paper form or electronic form. They are filed by job number and are stored in-perpetuity, unless approved in writing by the Authority for disposal, except for papers which are considered by Consultant to be unimportant for future reference purposes, which are discarded. Although paper documents are stored in boxes in a dry place and reasonable care is taken to protect them, no guarantee is made that they will be preserved undamaged without time limit.

7.10 Non-waiver of Rights

Neither Authority's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy relative to a breach thereof, nor Authority's acceptance of any performance during such breach shall constitute a waiver of any right or remedy of Authority.

7.11 Conflict of Interest

No paid employee of Authority shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

7.12 Sub-consultants

Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.

7.13 Audit: Access to Records

Consultant shall maintain books, records and documents pertinent to the performance of the Contract and these General Provisions in accordance with generally accepted accounting principles and practices, and with any governmental requirements; and Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to all such documents for purposes of examination, audit and copying.

7.14 Special Provisions

This Agreement is subject to the following Special Provisions. The listed documents are hereby incorporated into this Agreement by reference, and have the same force and effect as if they had been written into the body of this Agreement. However, if there is a conflict between a Special Provision and any other provisions of the agreement, the Special Provisions shall be subordinate.

1. Exhibit A – Proposed Project Work
2. Exhibit B – Consultant Scope of Services related to this Agreement for Professional Services.
3. Exhibit C – Schedule of Fees consisting of one page.
4. Exhibit D – Consultant Staff/Sub Consultant(s) Assignment - Listing of assigned staff and all sub-consultants committed to the fulfillment of this Agreement. Such staff and or sub-consultants may not be changed without the expressed written consent of the Authority.
5. Exhibit E – Responsibilities of Resident Project Representative (RPR).

7.15 Notices

All notices shall be in writing and shall be served only by registered or certified mail, return receipt requested, addressed to the party to be served at the address set forth below or at such other address as may be designated in writing. Service of notice shall be complete upon receipt of notice.

To Authority:

Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732
Attention: Executive Director

To Consultant:

CHA Consulting, Inc.
3 Winners Circle
Albany, NY 12205
Attention: Michael A. Platt, General Counsel

7.16 Dispute Resolution

- 7.16.1 As a condition precedent to resolving claims, disputes and other matters by litigation, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to attempt to resolve any claim, dispute or other matter in question arising out of or relating to this Agreement or a breach thereof, in the first instance, by mutual consent based upon an objective review and interpretation of factual information presented by either or both parties.
- 7.16.2 In the absence of agreement by mutual consent as set out in Sub-paragraph 7.16.1, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to refer the claim, dispute or other matter to mediation. Either party may initiate a request for mediation, and the parties hereto shall, within thirty days of the receipt of a written request, select by mutual agreement a mediator, who shall be qualified to conduct mediated settlement conferences in the Superior Court Division of the General court of Justice of the State of North Carolina. If the parties cannot agree upon a mediator, the first mediator (who will agree to conduct this mediation) on the mediator list of the Trial Court Administrator for the 28th Judicial District of the State of North Carolina shall be automatically selected.
- 7.16.3 The parties hereto shall share the mediator's fees equally. The mediation shall be held in the Conference Room at Authority's Administrative Offices, Asheville Regional Airport, or at such other place as may be mutually agreed upon (the expense for such other place to be shared equally).
- 7.16.4 Failing resolution of a claim, dispute or other matter by the methods set forth in Sub-Paragraph 7.16.1 or 7.16.2, either party may then resort to litigation, which shall be commenced in Buncombe County, North Carolina.
- 7.16.5 Notwithstanding any provision of this Agreement to the contrary, this Agreement does not contain, and shall not be deemed to constitute, an Agreement to arbitrate, and any claim against or dispute or other matter with Consultant shall not be subject to arbitration.
- 7.16.6 In the event a dispute shall arise under or about this Agreement, then the prevailing party therein shall be entitled to recover from the non-prevailing party all reasonable costs, expenses and reasonable attorney's fees which may be incurred on account of such

dispute, whether or not suit or other legal or quasi-legal proceedings may be brought, as well as at every stage of any such proceedings from the time such dispute first arises through trial or other proceedings and all appellate processes.

7.17 Governing Law

This Agreement is to be governed by the laws of the State of North Carolina.

7.18 Successors and Assigns

7.18.1 Authority and Consultant each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to the Agreement and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Agreement.

7.18.2 Consultant shall not assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the Authority, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent Sub-consultants or Sub-contractors as he may deem appropriate to assist him in the performance of services hereunder, however Consultant shall so inform Authority in advance, and shall not employ any sub-consultant or sub-contractor to whom Authority objects.

7.19 No Third-Party Beneficiaries

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

7.20 Severability

If any of the terms, conditions or provisions of this Agreement hereto, or any document incorporated herein (other than a Regulation) or any portions thereof, shall contravene or be invalid under the laws or regulations of the United States or the State of North Carolina or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, attachment or document, but this Agreement, attachment(s), and document(s) shall be construed as if not containing the particular term, condition or provision, or portion thereof, held to be in contravention or invalid, and the rights and obligations of the parties hereto shall be construed accordingly.

7.21 Non-Exclusive

This Agreement does not create or provide any exclusive right or interest in or for Consultant, and Authority may contract with other engineers, professionals and contractors at any time and for any services and purposes.

7.22 Entirety of Agreement

7.22.1 This Agreement together with the Exhibits identified above constitutes the entire agreement between Authority and Consultant and supersedes all prior written or oral understanding. This Agreement and said Exhibits may only be amended, supplemented, or modified by a duly executed Amendment, except that an Amendment shall not be required to transmit each year's updated Standard Rate Schedule.

7.22.2 Regardless of which party hereto is responsible for the preparation and drafting of this agreement, it shall not be construed more strictly against either party.

IN WITNESS WHEREOF, the parties hereto have made and executed and this Agreement as of the day and year first above written.

AUTHORITY:

GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY

By:

Lew Bleiweis, A.A.E.
Executive Director

Attested By:

Print Name: _____

Seal

CONSULTANT:

CHA Consulting, Inc.

By:

John A. Achenbach
Its: Executive Vice President

Attested By:

Print Name: _____

Seal

[Intentionally Left Blank]

EXHIBIT A
PROPOSED PROJECT WORK

The following projects may be included in the scope of services provided under the contract(s) associated with this request:

1. Safety Management System.
2. Financial evaluation and other associated services.
3. Rates and Charges evaluation, recommendations and other associated services.
4. Passenger Facility Charge evaluation, recommendations and/or application processes.
5. Airport Master Plan.
6. Southwest Development Area Environmental and Design Services.
7. Southeast Development Area Environmental and Design Services.

The above list of potential projects and tasks is not necessarily all inclusive and is subject to revisions by the Authority.

EXHIBIT B

Consultant Scope of Services

Greater Asheville Regional Airport Authority

Scope of Services for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Greater Asheville Regional Airport Authority and _____, dated _____.

Project:

Scope of Services:

Consultant Team:

Schedule:

Project Budget:

Fees:

Authority:

Greater Asheville Regional Airport Authority

By: _____
Executive Director

Date: _____

Consultant:

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Director

Date

EXHIBIT C
SCHEDULE OF FEES
for
CHA CONSULTANTS, INC.

CLASSIFICATION

HOURLY RATES

EXHIBIT D

Consultant Staff/Sub-Consultant(s) Assignments

Position/Role

Company/Name

EXHIBIT E

Responsibilities of the Resident Project Representative

If Authority requests the services of a Resident Project Representative, he or she shall be the agent and employee of Consultant and shall:

- A. Make extensive and comprehensive on-site observations of the work in progress, assist Consultant in determining if the work is proceeding in accordance with the Contract Documents; make field checks of materials and equipment incorporated into the work; provided that Consultant shall not have control over the construction means, methods, techniques, sequences or procedures of the Contractor(s) or the safety precautions or programs of the Contractors(s).
- B. Be Consultant's agent at the construction site.
- C. Deal with subcontractors only through the Contractor(s), unless authorized by Consultant and the appropriate Contractor to deal directly with a subcontractor.
- D. Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by the Contractor(s).
- E. Attend meetings with the Contractor(s), such as pre-construction conferences, progress meetings, job conferences and other Project related meetings, and prepare and circulate copies of minutes thereof to Authority and other appropriate parties. (In the event that there is no Resident Project Representative, Consultant shall be responsible for the preparation and circulation of the minutes for all such meetings.)
- F. Serve as Consultant's liaison with the Contractor(s), working principally through the Contractor(s)' superintendents; and assist the Contractor(s) in understanding the intent of the Contract Documents; and assist Consultant in serving as Authority's liaison with the Contractor(s), particularly when the Contractor(s)' operations affect Authority's airport operations.
- G. Assist in obtaining from Authority such additional details and information as may be required for the proper execution of the work.
- H. Record the dates of receipt of shop drawings and samples.
- I. Receive samples which are furnished at the job site by the Contractor(s), and notify Consultant of the availability of samples for examination.
- J. Advise Consultant and the Contractor(s) of the commencement of any work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
- K. Report in writing to Consultant whenever he or she believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant in writing of any work that he or she believes

should be corrected or rejected, or should be uncovered for observation, or may require special testing, inspection or approval.

- L. Verify that tests, equipment and systems start-ups, and operating and maintenance training are conducted in the presence of appropriate personnel, and that the Contractor(s) maintain adequate written records thereof; and observe, record in writing and report to Consultant appropriate details relative to the test procedures and the start-ups.
- M. Accompany governmental inspectors, and report in writing to Consultant the results of the inspections.
- N. Report in writing to Consultant when clarifications and interpretations of the Contract Documents are needed; and transmit Consultant's clarifications and interpretations to the Contractor(s).
- O. Evaluate the Contractor(s)' suggestions for modifications in drawings and specifications; report his or her recommendations in writing to Consultant; and transmit Consultant's decisions to the Contractor(s).
- P. Maintain at the job site orderly files for correspondence, reports of job conferences, minutes of meetings, shop drawings and samples, reproductions of the Contract Documents including but not limited to all addenda and change orders, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Consultant shall keep all documents (including but not necessarily limited to the documents referred to in this paragraph and the next two paragraphs) for a period of six (6) years after the Project is fully completed, and during the construction period and this six (6) year period, Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to these documents for purposes of examination, audit and copying.
- Q. Keep a diary or log book, and record therein the Contractor(s)' hours on the job site, weather conditions, data relative to questions about the work, job site visitors, daily activities, decisions, observations in general, and specific observations with respect to test procedures.
- R. Record names, addresses and telephone numbers of all Contractor(s), subcontractors and major suppliers of material and equipment.
- S. Furnish Consultant periodic written reports of the progress of the work and of the Contractor(s)' compliance with the progress schedule and schedule of shop drawings and sample submittals.
- T. Consult with Consultant in advance of scheduled major tests, inspections and the start of important phases of the work.
- U. Draft proposed change orders and obtain backup materials from the Contractor(s), and make recommendations to Consultant.
- V. Report immediately to Consultant and Authority upon the occurrence of any accident, and confirm such report in writing.

- W. Review applications for payment with the Contractor(s), and forward his or her written recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, work completed, and materials and equipment delivered to the job site but not incorporated in the work.
- X. Verify that certificates, operation and maintenance manuals, and other data required to be assembled and furnished by the Contractor(s) are applicable to the items actually installed and are in accordance with the Contract Documents; and have this material delivered to Consultant for review and forwarding to Authority prior to the final payment for work.
- Y. Before Consultant issues a certificate of substantial completion, submit to each Contractor a written list of observed items requiring completion or correction.
- Z. Conduct a final inspection in the company of Consultant, Authority and the Contractor(s), and prepare a final written list of items to be completed or corrected.
- AA. Determine that all items on the final list have been completed or corrected, and make recommendations in writing to Consultant concerning acceptance of the work and corrections.

The Resident Project Representative shall not:

- A. Authorize any deviation from the Contract Documents, or any substitution of materials or equipment, unless authorized in writing by Consultant.
- B. Exceed Consultant's authority as set forth herein or in the Contract.
- C. Undertake any of the responsibilities of the Contractor(s) or subcontractors.
- D. Advise on, issue directions relative to, or assume control over any aspect of the construction means, methods, techniques, sequences or procedures of the Contractor(s) unless such directions or control are specifically required by the Contract Documents.
- E. Advise on, issue directions relative to, or assume control over Contractor(s)' safety precautions or programs.
- F. Accept shop drawings or sample submittals from anyone other than a Contractor.
- G. Authorize Authority to occupy the Project in whole or in part.
- H. Participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized in writing by Consultant.
- I. Review any of the CONTRACTOR(s)' safety precautions, or the means, methods, sequences, or procedures required for the CONTRACTOR(s) to perform the work. Omitted design or review services include, but are not limited to, shoring, scaffolding, underpinning, temporary retainment of excavations, and any erection methods and temporary bracing.

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MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: August 10, 2018

ITEM DESCRIPTION – New Business Item D

Approval of Agreement for Architectural Consulting Services with GS&P, N.C., an Affiliate of Gresham Smith and Partners

BACKGROUND

In order to carry out its five-year CIP, the Asheville Regional Airport selects and maintains professional consultants on a five-year contractual basis. The most recent process was undertaken in 2013, and the contracts awarded are set to expire shortly.

The 2019-2023 CIP program contains projects requiring three distinctively different consultant specialties. The FAA is requiring that different consultants be selected to carry out the different major disciplines in the five-year program. Consultants were therefore selected by staff that best meet the requirements of each of those programs.

A qualifications-based selection process was conducted in accordance with FAA requirements and publicly advertised on May 14, 2018 with a due date of June 14, 2018. Fourteen firms submitted Statements of Qualifications, with eleven firms considered for architectural services. A review committee made up of five staff members reviewed the submittals and short listed two firms and invited them interviews. A review committee of six staff members then conducted the interviews on July 27, 2018, and based on qualifications, selected Gresham Smith and Partners as the most qualified firm to provide architectural services for the Asheville Regional Airport over the next five years.

ISSUES

None.



ALTERNATIVES

The Airport Board could elect not to award a contract to Gresham Smith and Partners, which would result in staff making an alternate recommendation to select a different firm.

FISCAL IMPACT

There is no fiscal impact directly associated with this action. Any work performed under this contract will require negotiation of a scope of work and fee, which will require Board approval in accordance with Authority policies.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the established rankings of the top two consulting firms for architectural services; (2) approve the award of an Agreement for Professional Consulting services with GS&P, N.C., an Affiliate of Gresham Smith and Partners; and (3) authorize the Executive Director to execute the necessary documents.



**Asheville Regional Airport
Five Year Consulting Services Selection Process
Consultant Rankings - ARCHITECTURAL**

1. Gresham Smith and Partners
2. Mead and Hunt

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES

BETWEEN

GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

AND

GS & P, N.C. AN AFFILIATE OF GRESHAM SMITH & PARTNERS

THIS IS AN AGREEMENT made as of the _____ day of Month, Year, between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732, hereinafter referred to as "Authority," and GS & P, N.C. AN AFFILIATE OF GRESHAM SMITH & PARTNERS, a Corporation with office located at 201 South College Street, Suite 1950, Charlotte, NC. 28244, hereinafter referred to as the "Consultant."

WITNESSETH

WHEREAS, Authority anticipates a need for Professional Consulting Services (hereinafter called "Services") for the accomplishment of the proposed projects as described in **Exhibit "A"** [hereinafter called "Project"], and Consultant is desirous of providing such services to Authority;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, Authority hereby retains Consultant, and the parties agree as follows:

Consultant hereby agrees to perform Services for Authority as subsequently described by separate Scope of Services (**see Exhibit "B"**) to this Agreement for Services, subject to and in accordance with the terms and provisions hereinafter contained. Individual Scope of Services shall be negotiated on a project-by-project basis.

The term of this Agreement shall be for a period of five (5) years beginning on the date of execution, unless terminated in accordance with Section 7.7 of this Agreement.

SECTION 1 – SCOPE OF SERVICES

The Authority will request a Scope of Services for each project it desires to engage the services of the Consultant. Each Scope of Services shall be specific as to the extent of services required for each project. The Scope of Services shall be as described in the form included as **Exhibit "B"**. Services for the Project may include the following elements:

1. Assistance in formulating the project and applying for State and/or Federal aid. (Due to logistics of the funding process, these services are generally performed prior to preparation of the Scope of Services.)
2. Preparation of preliminary design information for review and approval.
3. Assistance with obtaining necessary property, topographic and environmental surveys, and investigative testing.

4. Preparation of Plans, Specifications, Bidding Documents, other Contract Documents, and Architectural Reports.
5. Assistance with obtaining permits and approvals required to construct the project.
6. Assistance during the bidding and construction contract formulation process.
7. Construction contract administration and Resident Project Representative (RPR) services.
8. Assistance with Quality Assurance (QA) Testing during construction.
9. Assistance with project close-out.

SECTION 2 - BASIC SERVICES

2.1. General

- 2.1.1 Scope of Basic Services: Unless otherwise modified in the respective Scope of Services for the Project, Basic Services shall consist of Services during the Preliminary Design Phase, the Design and Permitting Phase; the Bidding and Contract Preparation Phase, and the Construction and Close-Out Phase.
- 2.1.2. Site: The Site of the Project will be described in the corresponding Scope of Services. The Project will typically be contained within the boundaries of the airport property, but in some cases utilities, roadways and other miscellaneous work may be required in contiguous areas to achieve a complete Project.
- 2.1.3 Sub-consultants: Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.
- 2.1.4 Authorization to Proceed: Return of the signed and dated Agreement to the Consultant shall constitute authorization to proceed. Authority shall verify that necessary Federal Aviation Administration (FAA) and/or North Carolina Department of Transportation (NCDOT) approvals have been received, prior to returning the signed Agreement. Consultant shall assist Authority with obtaining approvals.
- 2.1.5 Work Performed Prior to Execution of Agreement: Due to the logistics of the FAA and NCDOT funding process, assistance with formulating the project (or multiple Projects in the Authority's Work Program) and assistance with the preliminary request for State or Federal Aid (JPA request, FAA Pre-application, or similar communication) is usually performed by Consultant prior to approval of the Agreement for a specific Project. For typical airport improvement Projects, such work is performed to assist in promoting development of the Airport, in the anticipation of recovering the expended costs as part of the Preliminary Design-Phase fee after the Agreement is executed. If, for any reason, the Agreement for the specific project is not executed, the Authority shall have no obligation to compensate Consultant for assistance expended to formulate the Project or

request aid prior to execution of the Authority, except in the case of complex projects or projects with an apparent low probability of funding, in which it has been agreed in writing, in advance, that the Consultant will be compensated on a time-and-material or other basis for Project formulation and/or assistance with the request for funding. In such cases, the fee for Basic Services, if finally approved, shall not include the amount paid earlier for Project formulation and/or assistance with requests for funding.

- 2.1.6 Cooperation with Other Consultants: Consultant recognizes that the Authority has selected one or more other consultants to assist with the development of the Airport. The Consultant agrees to cooperate with the other consultant(s) and assist the Authority diligently in the process of pursuing funding of projects, without regard to which Consultant appears more likely to perform the consulting services for any particular project.

2.2. Pre-Planning Phase

After receiving an executed Scope of Services agreement, Consultant shall:

- 2.2.1 Consult with Authority to clarify and define the Authority's requirements for the project, discuss alternatives, and consider the cost of alternatives.
- 2.2.2 Review all available data; advise Authority to necessity of the Authority's providing or obtaining from others data or services of the types as described in paragraph 4.3, and assist Authority in obtaining such data and services.

2.3. Planning Phase

After approval of the pre-planning documents, Consultant shall:

- 2.3.1 Prepare Plans and Narrative, depicting scope, character, and details of the Plan and alternatives.
- 2.3.2 Prepare a report summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs and suggested funding and phasing.
- 2.3.3 Furnish to Authority two sets of Planning Documents, and additional sets as required by the Authority.
- 2.3.4 Respond to Authority and other governmental agency review comments.
- 2.3.5 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to the Authority in both hard copy and electronic format (AutoCAD 2008 compatible; Microsoft Word, or such other electronic formats as requested by the Authority)
- 2.3.6 Coordinate follow-up services by other consultants.

2.4. Preliminary Design Phase

After receiving an executed Agreement Consultant shall:

- 2.4.1 Consult with Authority to clarify and define Authority's requirements for the Project, discuss alternatives, and consider the costs of alternative designs.
- 2.4.2 Review available data; advise Authority as to the necessity of the Authority's providing or obtaining from others data or services of the types described in paragraph 4.3, and assist Authority in obtaining such data and services.
- 2.4.3 Prepare preliminary, schematic layouts, sketches and conceptual design drawings and other exhibits to clearly indicate the design considerations involved and the alternative solutions available. Provide recommendations, with an opinion of the Probable Cost of the Project. It shall be understood that the opinions of Probable Cost are offered only as the Consultant's opinion of the likely cost of the improvements based on the Consultant's experience and the limited information available at the time; such opinions of cost are not to be construed as guarantees. If the word "Estimate" is used, it shall be understood to mean "opinion of Probable Cost."
- 2.4.4 Transmit by expeditious means (fax, internet, express courier, or hand delivery; or by U.S. Mail if appropriate for the project schedule) the Preliminary Drawings and other information. Discuss by telephone or in person as appropriate, and revise the Drawings and other exhibits as needed until Authority approves the Preliminary Design. Coordinate drawings and other information with permitting and/or regulatory agencies as appropriate for this phase, to avoid unnecessary changes to the final Construction Documents. Upon approval by Authority of the Preliminary Design, which shall be given either in writing by Authority or verbally by Authority and confirmed in writing by Consultant, the Design Phase shall begin. Multiple revisions of the drawings during the Preliminary Design phase shall not be considered "Additional Services."

2.5 Design Development Phase

- 2.5.1 Based on the approved Preliminary Design Documents and any adjustments authorized by the Authority in the program, schedule or construction budget, the Consultant shall prepare, for approval by the Authority, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.
- 2.5.2 The Consultant shall advise the Authority of any adjustments to the preliminary estimate of Construction Cost.

2.6. Design and Permitting Phase

After approval by the Authority of the Design Development Documents, Consultant shall:

- 2.6.1 Prepare Final Plans and Specifications, depicting the scope, character, and details of the work, in accordance with generally accepted standards of airport design practice. The term "Specifications" shall be understood to include General Conditions, Special Provisions, and other Contract Documents.
- 2.6.2 Prepare a report, summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs.
- 2.6.3 Furnish to Authority two sets of Plans, Specifications, and Consultant Report, and simultaneously send one set each to FAA, NCDOT and/or any other applicable governmental agencies, for review. Assist Authority with submittal of certifications.
- 2.6.4 Respond to Authority, FAA, NCDOT and/or any other applicable governmental agency review comments.
- 2.6.5 Furnish to Authority such documents and design data as may be required for submittal to governmental authorities having jurisdiction over the Project, and assist in obtaining permits and approvals by participating in submissions to and negotiations with the authorities. (All permit and review fees shall be paid by Authority.) It must be understood that these services do not constitute a guarantee that the permits will be issued; some projects (runway extensions, wetland mitigation, etc.) may be of a controversial nature and it may not be possible to obtain permits, or it may be found that substantial additional services may be required to obtain permits.
- 2.6.6 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to Authority in both hard copy and electronic format (AutoCAD 2004 compatible; Microsoft Word, or such other electronic formats as requested by the Authority). Data files will be furnished to Authority, at any time upon request.

2.7. Bidding and Contract Formulation Phase

After Authority, FAA, NCDOT and/or any other applicable governmental agencies have approved the documents for Bid Advertisement, the Consultant shall:

- 2.7.1 Assist Authority in advertising for and obtaining bids or negotiating proposals for each Construction Contract. Consultant shall receive payments for bid documents, and issue bidding documents directly to prospective bidders, and furnish the requested number of bid document sets to Authority for issuance to bidders from Authority's office.
- 2.7.2 Respond to prospective bidder's inquiries and issue Addenda as required to clarify, and/or interpret the Bidding Documents.
- 2.7.3 Attend the bid openings. Prepare bid tabulation, and assist Authority in evaluating bids or proposals, preparing letters to funding agencies, and in assembling and processing the Construction Contract. For FAA-funded projects, prepare an Application for Federal Assistance, generally on the same day as the receipt of bids.

- 2.7.4 Prepare Contract and Bond documents and issue them to Contractor; receive the executed documents and verify that they appear to be completely and correctly executed; bind them into "conformed copies" of the contract documents, and forward the documents to Authority for execution and distribution. Establish a procedure to verify that the bonds and insurance remain valid throughout the final close-out of the project.

2.8. Construction and Close-Out Phase

During the Construction and Close-Out Phase, the Consultant shall:

- 2.8.1 Provide General Administration of the Construction Contract. Consultant shall consult with and advise Authority and act on behalf of the Authority, as provided hereinafter. The extent and limitations of the duties, responsibilities and authority of Consultant shall not be modified, except to the extent provided in the Scope of Services and except as Consultant may otherwise agree in writing. All of the Authority's instructions to Contractor(s), except those related to safety or airport operations which require immediate communication to promote airport safety, will be issued through Consultant who will have authority to act on behalf of the Authority to the extent herein provided, except as otherwise modified in writing.
- 2.8.2 Attend and direct the Preconstruction Conference; prepare and distribute summary of topics discussed; and assist with start-up of the construction Project.
- 2.8.3 Issue guidelines for quality assurance testing. For FAA AIP projects, this will be in the form of a "Construction Management Plan." This is the title of the document used by FAA and shall not be interpreted to mean that the Consultant is responsible to manage the Contractor's operation, which is the responsibility of Contractor.
- 2.8.4 Periodically visit the site and observe the construction; discuss progress and construction details with RPR, Authority's Representative, and the Contractor's Superintendent. Issue a written report, if required. Periodic site reviews generally occur at one week or shorter intervals, although there is no definite schedule for such visits.
- 2.8.5 Review daily reports and other information which is transmitted regularly by RPR.
- 2.8.6 The purpose of Consultant's visits to the site, and representation by RPR, if any, will be to enable Consultant to better carry out his duties and responsibilities during the Construction Phase, and to provide Authority assurance that the completed and accepted work of the Contractor(s) has been monitored in accordance with the quality assurance provisions set forth by FAA and NCDOT, and conforms to the Construction Contract requirements. Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s), for safety precautions and programs incidental to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the construction work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' acts or omissions in the performance of the work.

However, Consultant's shall expeditiously notify the Contractor and Authority of any observed failure of Contractor to perform the work in accordance with the Plans and Specifications, or other observed failure to comply with the contract requirements.

- 2.8.7 Review and approve (or take other appropriate action in respect of) Shop Drawings, Certifications, Samples, and Mix Designs, which each Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Construction Contract Documents. Such review and approval or other action shall not extend to the means, methods, sequences, techniques or procedures of construction or to safety precautions and programs incidental thereto.
- 2.8.8 Issue all instructions of Authority to Contractor(s), except as hereinbefore noted; issue necessary interpretations and clarifications of the Construction Contract Documents and in connection therewith; prepare Change Orders or other authorizations to perform additional work as required; have authority, as Authority's Representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the Construction Contract Documents and judge of the acceptability of the work thereunder; and render advice on all claims of Authority and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Construction Contract Documents pertaining to the execution and progress of the work; however Consultant shall not be liable for the results of any such interpretations or decisions rendered by him in good faith.
- 2.8.9 Review Contractor's Periodic Pay Requests, and recommend payment amount to Authority. Consultant's payment recommendation (certification) will be based on on-site observations by Consultant and on verification of quantities by RPR. Such recommendation of payment will constitute a representation to Authority that the work has progressed to the point indicated, to the best of Consultant's knowledge, information and belief. This recommendation shall not constitute certification that moneys owed by the Contractor to Sub-contractors or suppliers have been paid.
- 2.8.10 Conduct a preliminary final Project Review to determine whether the Project is Substantially Complete, and issue a Punch List. After being notified that the Punch List work is presumptively complete, conduct a final Project Review to determine whether the work has been completed in accordance with the Construction Contract Documents and whether each Contractor has fulfilled all of its obligations thereunder so that Consultant may recommend, in writing, final payment to Contractor and may give written notice to Authority and Contractor(s) that the work is acceptable (subject to any conditions therein expressed.)
- 2.8.11 Project review, including periodic review by Consultant and continuous or nearly continuous review by RPR, shall consist of a visual observation of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the Construction Contract Documents and with the design intent. Such review shall not be relied upon by others as acceptance of the work, nor shall it be construed to relieve the Contractor in any way of his obligation and responsibilities under the construction contract. Specifically, and without limitation, review by Consultant shall not require Consultant to assume responsibilities for the means and methods of construction nor for safety on the job site.
- 2.8.12 Consultant shall not be responsible for the acts or omissions of any Contractor, or Sub-

contractor, or any of Contractor(s)' or Sub-contractors' agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise performing any of Contractor(s)' work; however, nothing contained herein shall be construed as releasing Consultant from liability for failure to properly perform duties undertaken by him.

- 2.8.13 Consultant shall prepare a set of "Record Drawings" after completion of the project, showing changes made during construction, based on the marked- up prints, drawings and other data furnished by Contractor(s) to Consultant, which Consultant considers significant. Such Record Drawings will be in electronic format (AutoCAD 2004 compatible) and will be furnished to Authority along with blue-line prints or black-line plots. If the Contractor furnishes record information in the form of finished AutoCAD drawings rather than marked-up prints or similar non-CAD method, Consultant may add those drawings to the record drawing set, rather than transcribing the information to the Contract Drawings.
- 2.8.14 During the course of construction, Consultant may be required to perform quality assurance (QA) testing, through a qualified and certified testing laboratory, to verify that the improvements constructed by the Contractor(s) conform to the requirements of the Construction Contract Documents. It shall be understood that Consultant will use random sampling procedures, meaning selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures will be conducted in accordance with commonly accepted standards of practice, it shall be understood that the samples and tests will indicate the actual conditions only where the sampling and testing is performed, and that, despite proper implementation of sampling and testing procedures and proper interpretation of their results, Consultant can only infer, not assure, the existence of the revealed conditions at other locations. Accordingly, Authority shall not require Consultant to sign any certification, no matter by whom requested, that would result in Consultant certifying the existence of conditions of which Consultant cannot be certain.
- 2.8.15 "Certify" means to state or declare a professional opinion of conditions whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. Consultant's certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.
- 2.8.16 To assist Authority with the project close-out process, Consultant shall prepare a summary of quality assurance testing, summary of project costs, and related items required by FAA and NCDOT for Close-Out of the Project. Such information shall be neatly organized and bound.

2.9. Buried Utilities

- 2.9.1 Consultant shall conduct the research that in his professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. Authority recognizes that Consultant's research may not identify all subsurface utility lines and man-made objects, and that the information upon which Consultant relies may contain errors or may not be complete. Authority also agrees that the possibility exists that soil borings or other penetrations made by or under the instructions of Consultant for

investigative purposes may strike and damage underground utility lines or other man-made objects, despite the efforts of Consultant to avoid such objects.

SECTION 3 - SPECIAL AND ADDITIONAL SERVICES

3.1 Special Services

Special Services are any services which are included in the Scope of Services but are not part of Basic Services. Such services are usually performed either by a Sub-consultant (for example, testing or survey,) or by an employee of Consultant residing in the vicinity of the project (RPR.) The terms and conditions for furnishing Special Services are set forth in the Scope of Services.

3.2 Additional Services

Additional Services are services required by Authority which are not included in (or are specifically excluded by) the Scope of Services. Typically, such services are associated with unforeseen conditions which arise during the design or construction process. All additional Services shall be approved in advance by Authority. Additional Services include, but are not limited to, the following.

- 3.2.1 Additional Permitting Services due to changes in regulatory policies which went into effect after the Scope of Services was formulated and Permitting Services such as environmental assessments, asbestos evaluations and permitting, etc. which were not contemplated or identified in the Scope of Services. (The scope of permitting services included in **Exhibit "B"** reflects the services which Consultant anticipates to be necessary based upon experience with prior projects, and does not include contingencies for unexpected or unanticipated permitting requirements that one or more of the various governmental agencies having jurisdiction might elect to impose.)
- 3.2.2 Field investigations to verify the accuracy of Drawings or other information furnished by Authority.
- 3.2.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, Authority's schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or construction contract documents when such revisions are due to causes beyond Consultant's control. This does not apply to the Preliminary Design Phase, in which multiple revisions are not considered Additional Services.
- 3.2.4 Providing renderings or three-dimensional models. (Preparation of a reasonable number of two-dimensional exhibits for presentation to the public, FAA, NCDOT, Authority, etc. is an essential part of Basic Services to properly communicate and coordinate the project, and will not be considered Additional Services.)
- 3.2.5 Preparing documents with multiple bid schedules or complex bid options, or requiring the construction work to be performed in two or more mobilizations, or at night, when such conditions were not anticipated in the Scope of Services.
- 3.2.6 Investigations involving detailed consideration of operations, maintenance and overhead

expenses; providing Value Engineering consulting to a significant degree during the course of design; preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining loan or bond financing for the Project; evaluation of processes licensing and assisting Authority in obtaining process licensing; detailed quantity surveys of material, equipment and labor; audits or inventories required in connection with construction performed by Authority.

- 3.2.7 Services performed by Consultant due to failure of the Contractor to complete the work within the scheduled time, including but not limited to additional periodic reviews and additional follow-up reviews to verify Punch List completion after the final inspection. (Wherever possible, the costs of such services will be minimized by combining follow-up inspections with trips made to the site for other projects.)
- 3.2.8 Services resulting from the award of a greater number of separate prime contracts for construction, materials, equipment or services than are anticipated in the Scope of Services and services resulting from the arranging for performance by individuals or firms other than the principal Prime Contractor(s.)
- 3.2.9 Providing any type field surveys, engineering surveys or staking to enable the Contractor(s) to proceed with their work; and providing other special field surveys, where such work was not included in the Scope of Services.
- 3.2.10 Services in connection with changes or additions to the Project requested by the Authority during construction, unless of a minor and incidental nature
- 3.2.11 Services during out-of-town travel required of Consultant and approved by Authority, other than visits to the site as required by Section 2, or visits to the FAA or NCDOT offices will not be considered out-of-town travel.
- 3.2.12 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) acceleration of the progress schedule involving services beyond normal working hours, (4) default by Contractor(s), or (5) evaluation of an unreasonable number of claims made by the Contractor(s) or others.
- 3.2.13 Preparation of operating and maintenance manuals; protracted or extensive assistance in balancing); and training personnel for operation the utilization of any equipment or system (such as initial start-up, testing, adjusting and maintenance.
- 3.2.14 Services after completion of the Construction Phase, such as project review during any guarantee period, and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 3.2.15 Preparing to serve or serving as a consultant or witness for Authority in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as specifically provided in the Scope of Services.)
- 3.2.16 Any similar Additional Services in connection with the Project, including services normally furnished by Authority and services not otherwise provided for in this Agreement.

3.3. Resident Representative Services During Construction

- 3.3.1 If included in the Scope of Services, a Resident Project Representative (RPR) will be furnished by Consultant. Such services will be paid for by Authority as provided in the Scope of Services.
- 3.3.2 The duties, responsibilities, and limitations of Authority of RPR and any assistants to the RPR are set-forth in **Exhibit "E"**, which is attached hereto and incorporated herein.
- 3.3.3 Through more extensive on-site observations of the work in progress and field checks of materials and equipment by RPR, Consultant shall provide further protection for the Authority against defects and deficiencies in the work of Contractor(s); however, the furnishing of RPR Services will not make Consultant responsible for the Contractor's means, methods, techniques, sequences or procedures, or for safety precautions or programs.

SECTION 4 - AUTHORITY'S RESPONSIBILITIES

The Authority shall do the following in a timely manner:

- 4.1 Designate a person (or persons) to act as Authority's Representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the Authority's policies and decisions with respect to Consultant's services for the Project.
- 4.2 Furnish to Consultant criteria and information as to the Authority's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all local or extraordinary design and construction standards which Authority will require to be included in the Drawings and Specifications. (Such criteria and information may be furnished verbally during project formulation and design discussions; Authority is not obligated to furnish any written summaries of design criteria and requirements, but may do so if he deems it to be appropriate.)
- 4.3 Assist Consultant by placing at his disposal available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. Authority shall make pertinent files and records available, but shall not be obligated to perform any exhaustive or detailed research of existing files or records.
- 4.4 Provide Consultant, as required for performance of Consultant's Basic Services (except to the extent provided otherwise in the Scope of Services) data prepared by or services of others, including but not limited to core borings, probings, and subsurface explorations, laboratory tests and inspection of samples, materials and equipment; appropriate professional interpretations of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in Section 3; all of which Consultant may rely upon in performing his services.
- 4.5 Arrange for access to and make all provisions for Consultant to enter upon public and

private property as required for Consultant to perform Services under this Agreement.

- 4.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Consultant; obtain advice of an attorney, insurance counselor and other consultants as the Authority deems appropriate; and render decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- 4.7 Assist Consultant in the process of obtaining necessary permits for the Project. Authority shall promptly review, and upon its approval, sign, and submit to the appropriate agencies such approved permit applications which Consultant furnishes. Authority shall pay all applicable agency permit and review fees.
- 4.8 If more than one prime contract is to be awarded for construction, materials, equipment and services for the entire Project, Authority shall designate a person or organization to have authority and responsibility for coordinating the activities among the prime contractors.
- 4.9 Attend the pre-bid conference, bid openings, preconstruction conferences, construction progress and other job related meetings, and pre-final and final project reviews.
- 4.10 Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services, any defect in the work of Contractor(s), or any apparently unsafe practices being performed by Contractor(s.)
- 4.11 Direct Consultant to provide, necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
- 4.12 Bear all costs incidental to performance of the requirements of this Section 4.

SECTION 5 - PERIOD OF SERVICE

- 5.1 The services called for in the Preliminary Design Phase will be completed and the Preliminary Design documents submitted within the stipulated period, if any, indicated in the Scope of Services after authorization to proceed with that phase of services.
- 5.2 After acceptance by Authority of the Preliminary Design Phase documents indicating any specific modifications or changes in the extent of the Project desired by Authority, and upon written authorization from Authority, Consultant shall proceed with the performance of the services called for in the Design and Permitting Phase, and shall submit Plans, Specifications, and general consulting report and other documents for 100% review within the stipulated period, if any, indicated in the Scope of Services.
- 5.3 Consultant's services under the Preliminary Design Phase and the Design and Permitting Phase shall be considered complete at the earlier of (1) the date when the submissions for that phase have been accepted by Authority or (2) thirty (30) days after the date when such submissions are delivered to Authority for final acceptance, plus such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction over the Project.

- 5.4 After acceptance by Authority of Consultant's Plans, Specifications and other Final Design Phase documentation including the most recent opinion of Probable Construction and Total Project Cost and upon written authorization to proceed with advertisement of the Project, Consultant shall proceed with performance of the Services called for in the Bidding and Contract Formulation Phase. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s).
- 5.5 The Construction and Close-Out Phase will commence with the execution of the first Prime Contract to be executed for the work of the Project or any part thereof, and will terminate upon submittal of final close-out documentation for submittal to FAA and/or NCDOT. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one Prime Contract.
- 5.6 If Authority has requested significant modifications or changes in the extent of the Project, the time, if any, of performance of Consultant's Services, Consultant's compensation may be adjusted by the Authority.
- 5.7 If Authority fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Construction Phase has not commenced within 180 calendar days after completion of the Design and Permitting Phase, Consultant may, after giving seven days' written notice to Authority, suspend services under this Agreement.
- 5.8 If Consultant's Services for design or during construction of the Project are delayed or suspended in whole or in part by Authority for more than twelve months for reasons beyond Consultant's control, the rates of compensation provided for in the Scope of Services shall be subject to renegotiation.

SECTION 6 - COMPENSATION

6.1. Methods of Payment for Services and Expenses of the General consultant

Payment for each element of work identified in the Scope of Services shall be made under one of the following methods, which shall be identified in the Scope of Services:

- 6.1.1 LUMP SUM METHOD - This method generally applies to Basic Services, and certain special Sub-consultant Services such as topographic surveys and environmental reports. The Lump Sum fee shall be a fixed amount as stipulated in the Scope of Services. No adjustment may be made to a lump sum fee. If Additional Services are required, they shall be paid for separately as "Additional Services," under pre-approved terms.
- 6.1.2 UNIT PRICE METHOD - This method generally applies to Sub-contracted testing or survey services. (Survey crew hourly rate shall be considered a "unit rate.") Payment shall be made at the number of units (typically, tests or survey hours) performed, multiplied by the stipulated unit price. If a "Not-to-Exceed" maximum amount is stated, then the total fee may not exceed the stipulated amount unless additional work is performed and approved in advance. If no maximum amount is stated, Consultant shall inform Authority in a timely manner if it becomes apparent that the estimated (budgeted) amount will be exceeded.

- 6.1.3 HOURLY RATE METHOD - Generally applies to Miscellaneous Services (non-FAA and non-NCDOT participation) requested by Authority, and RPR services. Generally applies to services performed by employees of Consultant, as subcontracted Services based on hourly rates are typically considered to be unit price services as stipulated in Sub-section 6.1.2 above. Unless otherwise stated, the hourly rates shall be as listed in Consultant's current Standard Rate Schedule. The Standard Rate Schedule current for the year in which this Agreement is executed is attached as **Exhibit "C"**. The Standard Rate Schedule is revised and re-issued on a calendar-year annual basis (whether or not the rates or other conditions change.) Hourly rates for RPR services are typically stated on the Scope of Services.
- 6.1.4 REIMBURSEMENT OF EXPENSES - This method applies to items which are designated as reimbursable in the Scope of Services, including but not limited to: reproduction of documents exceeding the number of reproductions included in the basic services fee, express shipments in addition to those stipulated in the basic services fee and special travel expenses. Terms of reimbursement are set forth in the Scope of Services, and are typically direct reimbursement of actual costs without mark-up. Office supplies, telephone, first class postage, plot media electronic storage media, and computer time are considered to be overhead costs and are not reimbursable. Plot media for special orders (not for the original production of the drawings) shall be considered "reproductions" and is therefore reimbursable.

6.2 Billing and Payment

- 6.2.1 Consultant shall submit monthly invoices for Professional Services rendered and for Reimbursable Expenses incurred. The invoice for Basic Services will be based upon Consultant's estimate of the proportion of the total services actually completed at the time of preparation of the invoice. To assist in the estimation of fees earned, the Basic Services fee will be broken down into the fees for various project phases. The invoice for RPR services shall be based on the number of hours worked during the billing period, as indicated on time sheets. The invoice for Sub-consultant services shall be based on the invoice received from the Sub-consultant (which Consultant shall review for reasonableness,) plus the pro-rated portion of Consultant's stipulated Administrative/Coordination Fee. The invoice for Reimbursable Expenses shall be based on the number of reproductions made during the invoice period multiplied by the stipulated or standard unit price, and the direct cost of other Reimbursable Expenses, as set forth in the Scope of Services.
- 6.2.2 Invoices shall be due and payable within thirty (30) calendar days of the Authority's receipt of the invoice. If Authority objects to all or any portion of an invoice, Authority shall so notify Consultant within fourteen (14) calendar days of the Authority's receipt of the invoice, identify the cause of disagreement, and pay when due the portion of the invoice, if any, not in dispute.
- 6.2.3 Failure to pay the portion of an invoice not under dispute after sixty (60) days shall be cause for Consultant to suspend work on the Project until such payment is made. By doing so, Consultant shall not incur any liability for claimed losses or damages due to non-performance of the work.

6.2.4 In the event that Authority terminates the project in accordance with Section 7 of this Agreement, Consultant shall be paid for the portion of the fee earned and costs incurred as of the date of notice of termination, but shall not be eligible for payment for any lost anticipated profits from the portion of the project following the termination date.

SECTION 7 - MISCELLANEOUS PROVISIONS

7.1 Insurance

During the performance of this Agreement, Consultant shall insure itself for and against professional liability and malpractice relative to the performance of this Agreement in the minimum amount of \$1,000,000 each claim/annual aggregate. In addition, Consultant shall be required, if available, to provide the same types and levels of insurance identified above for a period of six years following the expiration or early termination of this Agreement. Consultant shall deliver to Authority a certificate of this insurance coverage at the time this Agreement is executed. The certificate shall unconditionally provide that the requisite coverage shall not be terminated or modified or not renewed until Authority has received thirty (30) day written notice thereof. In the event that an insurance carrier should terminate or modify or not renew the above coverage, Consultant shall immediately contract with another insurance carrier to provide requisite coverage and shall immediately deliver to Authority a replacement certificate. The coverage shall be written through an admitted carrier in the State of North Carolina. In addition, Consultant and its sub-consultants shall maintain Workers' Compensation Insurance as required by law, and certificates of such insurance coverage shall likewise be delivered to Authority.

7.2 Indemnity

Consultant shall indemnify and hold harmless Authority and its present and future Members, officers, agents and employees, from and against all liabilities, claims, losses, costs and expenses (including, but not limited to, attorney fees) arising out of or resulting from any and all negligent acts and omissions of Consultant and/or its agents, employees and/or sub-consultants. Consultant shall be directly responsible for any such additional costs, above first costs, incurred by the Authority, as a result of the errors and omissions of Consultant through its employees assigned to tasks for, or on behalf of the Authority, which result in additional costs to the Authority, either by a contractor, or by the Consultant itself.

7.3 Independent Contractor

Consultant is an independent contractor and not an agent of Authority.

7.4 Civil Right Assurances

During the performance of this Agreement, Consultant, for itself and for its assignees and successors if any and sub-consultants (all of whom collectively referred to as "Contractor") agrees as follows:

(a) Compliance with Regulations. Contractor shall comply with the regulations ("Regulations") relative to nondiscrimination in federally assisted programs of the Department of Transportation ("DOT") including but not limited to: Title 49, Code of Federal Regulations, Part 21, and as they may be amended from time to time. The Regulations are incorporated herein by this reference thereto.

(b) Nondiscrimination. With respect to and during the performance of this Agreement, Contractor shall not discriminate on the ground of age, race, color, national origin, religion, disability or sex in the selection or retention of sub-contractors and sub-consultants including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including, but not limited to, practices when this Agreement covers a program set forth in Appendix B of the Regulations.

(c) Solicitations for sub-consultants and sub-contractors, including but not limited to, procurements of materials and equipment. In all solicitations, either by competitive bidding or negotiations made by Contractor for work to be performed under a sub-contract, including, but not limited to, procurements of materials and leases of equipment, each potential sub-consultant, sub-contractor and supplier shall be notified by Contractor of Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of age, race, color, national origin, religion, disability or sex.

(d) Information and Reports. Contractor shall provide all information and reports required by the Regulations or directives, orders or instructions issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, directives, circulars, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to Authority and the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Contractor's non-compliance with any of the non-discrimination provisions of this Agreement, Authority shall impose such Agreement sanctions as it or the FAA determine to be appropriate, including, but not limited to, the following:

- i. Withholding of payments to Contractor under this Agreement until Contractor complies; and/or
- ii. Cancellation, termination, or suspension of this Agreement, in whole or in part.

(f) Incorporation of Provisions. Contractor shall include the provisions of Paragraphs (a) through (e) above in every sub-contract, including but not limited to, procurements of materials and leases of equipment, unless exempted by the Regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any sub-contract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including, but not necessarily limited to, sanctions for noncompliance; provided, however, that, in the event a Contractor becomes involved in, or is threatened with, litigation with a sub-consultant, sub-contractor or supplier as a result of such

direction, Contractor may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Contractor may request the United States Government to enter into such litigation to protect the interests of the United States Government.

7.5 Disadvantaged Business Enterprise (DBE) Assurances

DBE Obligation: The Disadvantaged Business Enterprise (DBE) requirements of Title 49, Code of Federal Regulations, CFR Part (23 or 26) apply to this Agreement. Consultant agrees to ensure that DBE's, as defined in Part (23 or 26), have the maximum opportunity to participate in the performance of contracts and sub-contracts provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps in accordance with Part (23 or 26) to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform Contracts. The Consultant shall not discriminate on the basis of age, race, color, national origin, religion, disability or sex in the award and performance of contracts.

7.6. Opinions of Cost

7.6.1 Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' method of determining prices, or over competitive bidding or market conditions, his opinions of Probable Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional general consultant, familiar with the construction industry; but Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from opinions of probable cost prepared by him.

7.6.2 "Construction Cost" means the total of payments made to Construction Contractor(s), plus the cost of any materials, furnishings, etc. purchased separately by Authority and incorporated into the project. "Non-construction costs" are all costs of the project other than construction costs, including but not limited to Consulting Services, Testing, Topographic or other Surveys, Environmental Evaluations, RPR, and Authority's Miscellaneous and Administrative Expense. All of these costs, collectively, are referred to as the Project Cost.

7.7 Termination

7.7.1 This Agreement may be terminated by Authority upon seven (7) day's written notice, for the Authority's convenience and without cause.

7.7.2 Upon receipt of a termination notice, Consultant and its sub-consultants shall promptly discontinue all services and shall deliver to Authority all data, Drawings, Specifications, report estimates, summaries, and other information and materials as may be accumulated by Consultant and its sub-consultants, whether completed or in process.

7.7.3 Upon termination of this Agreement, Authority may, without prejudice or limitation of any action for damages or any other right or remedy, enter into another agreement for the

completion of the work contemplated by this Agreement, or may use other methods for the completion of such work.

- 7.7.4 Upon termination of this Agreement, Consultant shall be entitled to receive payment for work executed and costs incurred by reason of such termination, including reasonable overhead and profit on completed work.

7.8 Re-Use of Documents

The drawings, specifications and all other documents or things prepared by Consultant for the Project shall become and be the sole property of Authority. Consultant shall, at its own cost and expense, be permitted to retain copies thereof for its records and for its future professional endeavors. Such drawings, specifications and other documents or things are not intended by Consultant for use on other projects by Authority or others. Any reuse by Authority or by third parties without the written approval of Consultant, shall be at the sole risk of Authority.

7.9 Storage, Protection, and Retrieval of Documents and Data

- 7.9.1 Storage, protection, and retrieval of General Consulting documents is an important part of Consultant's responsibility to Authority. Completed General Consulting Drawings (Plans) shall be stored by Consultant in a minimum of three medias: paper plot originals, AutoCAD files in the dual redundant hard drives of Consultant's raid server, and in CD-ROM disks which are made each week and stored off-site. Additionally, Authority may obtain disks containing the CAD files at any reasonable interval, such as monthly or upon completion of each project, and store them at Authority's office. Drawings in progress are stored in the hard drive and in the weekly back-up CD-ROM disks; existing paper plots of drawings in progress may not be up to date at any particular time. Text documents shall be stored as filed paper documents, as text files in the hard drive, and in the same weekly CD-ROM back-up disks that contain the CAD files.
- 7.9.2 Documents received from others, such as test reports, shop drawings, correspondence from the Contractor, etc., are stored by Consultant only in their original paper form or electronic form. They are filed by job number and are stored in-perpetuity, unless approved in writing by the Authority for disposal, except for papers which are considered by Consultant to be unimportant for future reference purposes, which are discarded. Although paper documents are stored in boxes in a dry place and reasonable care is taken to protect them, no guarantee is made that they will be preserved undamaged without time limit.

7.10 Non-waiver of Rights

Neither Authority's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy relative to a breach thereof, nor Authority's acceptance of any performance during such breach shall constitute a waiver of any right or remedy of Authority.

7.11 Conflict of Interest

No paid employee of Authority shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

7.12 Sub-consultants

Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.

7.13 Audit: Access to Records

Consultant shall maintain books, records and documents pertinent to the performance of the Contract and these General Provisions in accordance with generally accepted accounting principles and practices, and with any governmental requirements; and Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to all such documents for purposes of examination, audit and copying.

7.14 Special Provisions

This Agreement is subject to the following Special Provisions. The listed documents are hereby incorporated into this Agreement by reference, and have the same force and effect as if they had been written into the body of this Agreement. However, if there is a conflict between a Special Provision and any other provisions of the agreement, the Special Provisions shall be subordinate.

1. Exhibit A – Proposed Project Work
2. Exhibit B – Consultant Scope of Services related to this Agreement for Professional Services.
3. Exhibit C – Schedule of Fees consisting of one page.
4. Exhibit D – Consultant Staff/Sub Consultant(s) Assignment - Listing of assigned staff and all sub-consultants committed to the fulfillment of this Agreement. Such staff and or sub-consultants may not be changed without the expressed written consent of the Authority.
5. Exhibit E – Responsibilities of Resident Project Representative (RPR).

7.15 Notices

All notices shall be in writing and shall be served only by registered or certified mail, return receipt requested, addressed to the party to be served at the address set forth below or at such other address as may be designated in writing. Service of notice shall be complete upon receipt of notice.

To Authority:

Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732
Attention: Executive Director

To Consultant:

GS & P, N.C., an Affiliate of Gresham Smith & Partners
201 South College Street
Suite 1950
Charlotte, NC 28244
Attention: President/Principal-in-Charge/Owner Name

7.16 Dispute Resolution

- 7.16.1 As a condition precedent to resolving claims, disputes and other matters by litigation, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to attempt to resolve any claim, dispute or other matter in question arising out of or relating to this Agreement or a breach thereof, in the first instance, by mutual consent based upon an objective review and interpretation of factual information presented by either or both parties.
- 7.16.2 In the absence of agreement by mutual consent as set out in Sub-paragraph 7.16.1, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to refer the claim, dispute or other matter to mediation. Either party may initiate a request for mediation, and the parties hereto shall, within thirty days of the receipt of a written request, select by mutual agreement a mediator, who shall be qualified to conduct mediated settlement conferences in the Superior Court Division of the General court of Justice of the State of North Carolina. If the parties cannot agree upon a mediator, the first mediator (who will agree to conduct this mediation) on the mediator list of the Trial Court Administrator for the 28th Judicial District of the State of North Carolina shall be automatically selected.
- 7.16.3 The parties hereto shall share the mediator's fees equally. The mediation shall be held in the Conference Room at Authority's Administrative Offices, Asheville Regional Airport, or at such other place as may be mutually agreed upon (the expense for such other place to be shared equally).
- 7.16.4 Failing resolution of a claim, dispute or other matter by the methods set forth in Sub-Paragraph 7.16.1 or 7.16.2, either party may then resort to litigation, which shall be commenced in Buncombe County, North Carolina.
- 7.16.5 Notwithstanding any provision of this Agreement to the contrary, this Agreement does not contain, and shall not be deemed to constitute, an Agreement to arbitrate, and any claim against or dispute or other matter with Consultant shall not be subject to arbitration.
- 7.16.6 In the event a dispute shall arise under or about this Agreement, then the prevailing party therein shall be entitled to recover from the non-prevailing party all reasonable costs,

expenses and reasonable attorney's fees which may be incurred on account of such dispute, whether or not suit or other legal or quasi-legal proceedings may be brought, as well as at every stage of any such proceedings from the time such dispute first arises through trial or other proceedings and all appellate processes.

7.17 Governing Law

This Agreement is to be governed by the laws of the State of North Carolina.

7.18 Successors and Assigns

7.18.1 Authority and Consultant each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to the Agreement and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Agreement.

7.18.2 Consultant shall not assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the Authority, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent Sub-consultants or Sub-contractors as he may deem appropriate to assist him in the performance of services hereunder, however Consultant shall so inform Authority in advance, and shall not employ any sub-consultant or sub-contractor to whom Authority objects.

7.19 No Third-Party Beneficiaries

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

7.20 Severability

If any of the terms, conditions or provisions of this Agreement hereto, or any document incorporated herein (other than a Regulation) or any portions thereof, shall contravene or be invalid under the laws or regulations of the United States or the State of North Carolina or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, attachment or document, but this Agreement, attachment(s), and document(s) shall be construed as if not containing the particular term, condition or provision, or portion thereof, held to be in contravention or invalid, and the rights and obligations of the parties hereto shall be construed accordingly.

7.21 Non-Exclusive

This Agreement does not create or provide any exclusive right or interest in or for Consultant, and Authority may contract with other engineers, professionals and contractors at any time and for any services and purposes.

7.22 Entirety of Agreement

7.22.1 This Agreement together with the Exhibits identified above constitutes the entire agreement between Authority and Consultant and supersedes all prior written or oral understanding. This Agreement and said Exhibits may only be amended, supplemented, or modified by a duly executed Amendment, except that an Amendment shall not be required to transmit each year's updated Standard Rate Schedule.

7.22.2 Regardless of which party hereto is responsible for the preparation and drafting of this agreement, it shall not be construed more strictly against either party.

IN WITNESS WHEREOF, the parties hereto have made and executed and this Agreement as of the day and year first above written.

AUTHORITY:

GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY

By:

Lew Bleiweis, A.A.E.
Executive Director

Attested By:

Print Name: _____

Seal

CONSULTANT:

GS & P, N.C., AN AFFILIATE OF GRESHAM
SMITH & PARTNERS

By:

David L. King, AIA, NCARB
Its: President/Principal-in-Charge/Owner

Attested By:

Print Name: _____

Seal

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EXHIBIT A
PROPOSED PROJECT WORK

The following projects may be included in the scope of services provided under the contract(s) associated with this request:

1. Terminal Building and Area Utility Infrastructure Improvements, including but not limited to water/sewer, electrical and gas service.
2. Terminal Building Improvements - Rehabilitation and Expansion, including roof.

The above list of potential projects and tasks is not necessarily all inclusive and is subject to revisions by the Authority.

EXHIBIT B

Consultant Scope of Services

Greater Asheville Regional Airport Authority

Scope of Services for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Greater Asheville Regional Airport Authority and _____, dated _____.

Project:

Scope of Services:

Consultant Team:

Schedule:

Project Budget:

Fees:

Authority:

Greater Asheville Regional Airport Authority

By: _____
Executive Director

Date: _____

Consultant:

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Director

Date

EXHIBIT C
SCHEDULE OF FEES
for

GS & P, N.C. AN AFFILIATE OF GRESHAM SMITH & PARTNERS

CLASSIFICATION

HOURLY RATES

EXHIBIT D

Consultant Staff/Sub-Consultant(s) Assignments

Position/Role

Company/Name

EXHIBIT E

Responsibilities of the Resident Project Representative

If Authority requests the services of a Resident Project Representative, he or she shall be the agent and employee of Consultant and shall:

- A. Make extensive and comprehensive on-site observations of the work in progress, assist Consultant in determining if the work is proceeding in accordance with the Contract Documents; make field checks of materials and equipment incorporated into the work; provided that Consultant shall not have control over the construction means, methods, techniques, sequences or procedures of the Contractor(s) or the safety precautions or programs of the Contractors(s).
- B. Be Consultant's agent at the construction site.
- C. Deal with subcontractors only through the Contractor(s), unless authorized by Consultant and the appropriate Contractor to deal directly with a subcontractor.
- D. Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by the Contractor(s).
- E. Attend meetings with the Contractor(s), such as pre-construction conferences, progress meetings, job conferences and other Project related meetings, and prepare and circulate copies of minutes thereof to Authority and other appropriate parties. (In the event that there is no Resident Project Representative, Consultant shall be responsible for the preparation and circulation of the minutes for all such meetings.)
- F. Serve as Consultant's liaison with the Contractor(s), working principally through the Contractor(s)' superintendents; and assist the Contractor(s) in understanding the intent of the Contract Documents; and assist Consultant in serving as Authority's liaison with the Contractor(s), particularly when the Contractor(s)' operations affect Authority's airport operations.
- G. Assist in obtaining from Authority such additional details and information as may be required for the proper execution of the work.
- H. Record the dates of receipt of shop drawings and samples.
- I. Receive samples which are furnished at the job site by the Contractor(s), and notify Consultant of the availability of samples for examination.
- J. Advise Consultant and the Contractor(s) of the commencement of any work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
- K. Report in writing to Consultant whenever he or she believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant in writing of any work that he or she believes

should be corrected or rejected, or should be uncovered for observation, or may require special testing, inspection or approval.

- L. Verify that tests, equipment and systems start-ups, and operating and maintenance training are conducted in the presence of appropriate personnel, and that the Contractor(s) maintain adequate written records thereof; and observe, record in writing and report to Consultant appropriate details relative to the test procedures and the start-ups.
- M. Accompany governmental inspectors, and report in writing to Consultant the results of the inspections.
- N. Report in writing to Consultant when clarifications and interpretations of the Contract Documents are needed; and transmit Consultant's clarifications and interpretations to the Contractor(s).
- O. Evaluate the Contractor(s)' suggestions for modifications in drawings and specifications; report his or her recommendations in writing to Consultant; and transmit Consultant's decisions to the Contractor(s).
- P. Maintain at the job site orderly files for correspondence, reports of job conferences, minutes of meetings, shop drawings and samples, reproductions of the Contract Documents including but not limited to all addenda and change orders, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Consultant shall keep all documents (including but not necessarily limited to the documents referred to in this paragraph and the next two paragraphs) for a period of six (6) years after the Project is fully completed, and during the construction period and this six (6) year period, Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to these documents for purposes of examination, audit and copying.
- Q. Keep a diary or log book, and record therein the Contractor(s)' hours on the job site, weather conditions, data relative to questions about the work, job site visitors, daily activities, decisions, observations in general, and specific observations with respect to test procedures.
- R. Record names, addresses and telephone numbers of all Contractor(s), subcontractors and major suppliers of material and equipment.
- S. Furnish Consultant periodic written reports of the progress of the work and of the Contractor(s)' compliance with the progress schedule and schedule of shop drawings and sample submittals.
- T. Consult with Consultant in advance of scheduled major tests, inspections and the start of important phases of the work.
- U. Draft proposed change orders and obtain backup materials from the Contractor(s), and make recommendations to Consultant.
- V. Report immediately to Consultant and Authority upon the occurrence of any accident, and confirm such report in writing.

- W. Review applications for payment with the Contractor(s), and forward his or her written recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, work completed, and materials and equipment delivered to the job site but not incorporated in the work.
- X. Verify that certificates, operation and maintenance manuals, and other data required to be assembled and furnished by the Contractor(s) are applicable to the items actually installed and are in accordance with the Contract Documents; and have this material delivered to Consultant for review and forwarding to Authority prior to the final payment for work.
- Y. Before Consultant issues a certificate of substantial completion, submit to each Contractor a written list of observed items requiring completion or correction.
- Z. Conduct a final inspection in the company of Consultant, Authority and the Contractor(s), and prepare a final written list of items to be completed or corrected.
- AA. Determine that all items on the final list have been completed or corrected, and make recommendations in writing to Consultant concerning acceptance of the work and corrections.

The Resident Project Representative shall not:

- A. Authorize any deviation from the Contract Documents, or any substitution of materials or equipment, unless authorized in writing by Consultant.
- B. Exceed Consultant's authority as set forth herein or in the Contract.
- C. Undertake any of the responsibilities of the Contractor(s) or subcontractors.
- D. Advise on, issue directions relative to, or assume control over any aspect of the construction means, methods, techniques, sequences or procedures of the Contractor(s) unless such directions or control are specifically required by the Contract Documents.
- E. Advise on, issue directions relative to, or assume control over Contractor(s)' safety precautions or programs.
- F. Accept shop drawings or sample submittals from anyone other than a Contractor.
- G. Authorize Authority to occupy the Project in whole or in part.
- H. Participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized in writing by Consultant.
- I. Review any of the CONTRACTOR(s)' safety precautions, or the means, methods, sequences, or procedures required for the CONTRACTOR(s) to perform the work. Omitted design or review services include, but are not limited to, shoring, scaffolding, underpinning, temporary retainment of excavations, and any erection methods and temporary bracing.

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MEMORANDUM

TO: Members of the Airport Authority

FROM: Michael A. Reisman, A.A.E.
Deputy Executive Director, Development and Operations

DATE: August 10, 2018

ITEM DESCRIPTION – New Business Item E

Approval of Agreements for Civil Engineering Consulting Services with Avcon Engineers and Planners, Inc., and Parrish and Partners of North Carolina, PLLC

BACKGROUND

In order to carry out its five-year CIP, the Asheville Regional Airport selects and maintains professional consultants on a five-year contractual basis. The most recent process was undertaken in 2013, and the contracts awarded are set to expire shortly.

The 2019-2023 CIP program contains projects requiring three distinctively different consultant specialties. The FAA is requiring that different consultants be selected to carry out the different major disciplines in the five-year program. Consultants were therefore selected by staff that best meet the requirements of each of those programs.

A qualifications-based selection process was conducted in accordance with FAA requirements and publicly advertised on May 14, 2018 with a due date of June 14, 2018. Fourteen firms submitted Statements of Qualifications, with eleven firms considered for the civil engineering services. A review committee made up of five staff members reviewed the submittals and short listed three firms and invited them for interviews. A review committee of six staff members then conducted the interviews on July 30, 2018, and based on qualifications, selected two firms, Avcon Engineers and Planners, Inc., and Parrish and Partners of North Carolina, PLLC as the most qualified firms to provide civil engineering services for the Asheville Regional Airport over the next five years.

New Business – Item E



ISSUES

None.

ALTERNATIVES

The Airport Board could elect not to award contracts to Avcon and Parrish and Partners, which would result in staff making an alternate recommendation to select different firms.

FISCAL IMPACT

There is no fiscal impact directly associated with this action. Any work performed under these contracts will require negotiation of a scope of work and fee, which will require Board approval in accordance with Authority policies.

RECOMMENDED ACTION

It is respectfully requested that the Airport Authority Board resolve to (1) approve the established rankings of the top three consulting firms for civil engineering services; (2) approve the award of Agreements for Professional Consulting services with Avcon Engineers and Planers, Inc., and Parrish and Partners of North Carolina, PLLC; and (3) authorize the Executive Director to execute the necessary documents.



**Asheville Regional Airport
Five Year Consulting Services Selection Process
Consultant Rankings – CIVIL ENGINEERING**

1. Avcon Engineers and Planners, Inc.
2. Parrish and Partners of North Carolina, PLLC
3. Delta Airport Consultants, Inc.

AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES
BETWEEN
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
AND
AVCON ENGINEERS & PLANNERS, INC.

THIS IS AN AGREEMENT made as of the _____ day of Month, Year, between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732, hereinafter referred to as "Authority," and AVCON ENGINEERS & PLANNERS INC., a Corporation with office located at 13801 Reese Boulevard, Suite 160, Huntersville, NC 28078-6342, hereinafter referred to as the "Consultant."

WITNESSETH

WHEREAS, Authority anticipates a need for Professional Consulting Services (hereinafter called "Services") for the accomplishment of the proposed projects as described in **Exhibit "A"** [hereinafter called "Project"], and Consultant is desirous of providing such services to Authority;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, Authority hereby retains Consultant, and the parties agree as follows:

Consultant hereby agrees to perform Services for Authority as subsequently described by separate Scope of Services (**see Exhibit "B"**) to this Agreement for Services, subject to and in accordance with the terms and provisions hereinafter contained. Individual Scope of Services shall be negotiated on a project-by-project basis.

The term of this Agreement shall be for a period of five (5) years beginning on the date of execution, unless terminated in accordance with Section 7.7 of this Agreement.

SECTION 1 – SCOPE OF SERVICES

The Authority will request a Scope of Services for each project it desires to engage the services of the Consultant. Each Scope of Services shall be specific as to the extent of services required for each project. The Scope of Services shall be as described in the form included as **Exhibit "B"**. Services for the Project may include the following elements:

1. Assistance in formulating the project and applying for State and/or Federal aid. (Due to logistics of the funding process, these services are generally performed prior to preparation of the Scope of Services.)
2. Preparation of preliminary design information for review and approval.
3. Assistance with obtaining necessary property, topographic and environmental surveys, and investigative testing.

4. Preparation of Plans, Specifications, Bidding Documents, other Contract Documents, and Architectural Reports.
5. Assistance with obtaining permits and approvals required to construct the project.
6. Assistance during the bidding and construction contract formulation process.
7. Construction contract administration and Resident Project Representative (RPR) services.
8. Assistance with Quality Assurance (QA) Testing during construction.
9. Assistance with project close-out.

SECTION 2 - BASIC SERVICES

2.1. General

- 2.1.1 Scope of Basic Services: Unless otherwise modified in the respective Scope of Services for the Project, Basic Services shall consist of Services during the Preliminary Design Phase, the Design and Permitting Phase; the Bidding and Contract Preparation Phase, and the Construction and Close-Out Phase.
- 2.1.2. Site: The Site of the Project will be described in the corresponding Scope of Services. The Project will typically be contained within the boundaries of the airport property, but in some cases utilities, roadways and other miscellaneous work may be required in contiguous areas to achieve a complete Project.
- 2.1.3 Sub-consultants: Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.
- 2.1.4 Authorization to Proceed: Return of the signed and dated Agreement to the Consultant shall constitute authorization to proceed. Authority shall verify that necessary Federal Aviation Administration (FAA) and/or North Carolina Department of Transportation (NCDOT) approvals have been received, prior to returning the signed Agreement. Consultant shall assist Authority with obtaining approvals.
- 2.1.5 Work Performed Prior to Execution of Agreement: Due to the logistics of the FAA and NCDOT funding process, assistance with formulating the project (or multiple Projects in the Authority's Work Program) and assistance with the preliminary request for State or Federal Aid (JPA request, FAA Pre-application, or similar communication) is usually performed by Consultant prior to approval of the Agreement for a specific Project. For typical airport improvement Projects, such work is performed to assist in promoting development of the Airport, in the anticipation of recovering the expended costs as part of the Preliminary Design-Phase fee after the Agreement is executed. If, for any reason, the Agreement for the specific project is not executed, the Authority shall have no obligation to compensate Consultant for assistance expended to formulate the Project or

request aid prior to execution of the Authority, except in the case of complex projects or projects with an apparent low probability of funding, in which it has been agreed in writing, in advance, that the Consultant will be compensated on a time-and-material or other basis for Project formulation and/or assistance with the request for funding. In such cases, the fee for Basic Services, if finally approved, shall not include the amount paid earlier for Project formulation and/or assistance with requests for funding.

- 2.1.6 Cooperation with Other Consultants: Consultant recognizes that the Authority has selected one or more other consultants to assist with the development of the Airport. The Consultant agrees to cooperate with the other consultant(s) and assist the Authority diligently in the process of pursuing funding of projects, without regard to which Consultant appears more likely to perform the consulting services for any particular project.

2.2. Pre-Planning Phase

After receiving an executed Scope of Services agreement, Consultant shall:

- 2.2.1 Consult with Authority to clarify and define the Authority's requirements for the project, discuss alternatives, and consider the cost of alternatives.
- 2.2.2 Review all available data; advise Authority to necessity of the Authority's providing or obtaining from others data or services of the types as described in paragraph 4.3, and assist Authority in obtaining such data and services.

2.3. Planning Phase

After approval of the pre-planning documents, Consultant shall:

- 2.3.1 Prepare Plans and Narrative, depicting scope, character, and details of the Plan and alternatives.
- 2.3.2 Prepare a report summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs and suggested funding and phasing.
- 2.3.3 Furnish to Authority two sets of Planning Documents, and additional sets as required by the Authority.
- 2.3.4 Respond to Authority and other governmental agency review comments.
- 2.3.5 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to the Authority in both hard copy and electronic format (AutoCAD 2008 compatible; Microsoft Word, or such other electronic formats as requested by the Authority)
- 2.3.6 Coordinate follow-up services by other consultants.

2.4. Preliminary Design Phase

After receiving an executed Agreement Consultant shall:

- 2.4.1 Consult with Authority to clarify and define Authority's requirements for the Project, discuss alternatives, and consider the costs of alternative designs.
- 2.4.2 Review available data; advise Authority as to the necessity of the Authority's providing or obtaining from others data or services of the types described in paragraph 4.3, and assist Authority in obtaining such data and services.
- 2.4.3 Prepare preliminary, schematic layouts, sketches and conceptual design drawings and other exhibits to clearly indicate the design considerations involved and the alternative solutions available. Provide recommendations, with an opinion of the Probable Cost of the Project. It shall be understood that the opinions of Probable Cost are offered only as the Consultant's opinion of the likely cost of the improvements based on the Consultant's experience and the limited information available at the time; such opinions of cost are not to be construed as guarantees. If the word "Estimate" is used, it shall be understood to mean "opinion of Probable Cost."
- 2.4.4 Transmit by expeditious means (fax, internet, express courier, or hand delivery; or by U.S. Mail if appropriate for the project schedule) the Preliminary Drawings and other information. Discuss by telephone or in person as appropriate, and revise the Drawings and other exhibits as needed until Authority approves the Preliminary Design. Coordinate drawings and other information with permitting and/or regulatory agencies as appropriate for this phase, to avoid unnecessary changes to the final Construction Documents. Upon approval by Authority of the Preliminary Design, which shall be given either in writing by Authority or verbally by Authority and confirmed in writing by Consultant, the Design Phase shall begin. Multiple revisions of the drawings during the Preliminary Design phase shall not be considered "Additional Services."

2.5 Design Development Phase

- 2.5.1 Based on the approved Preliminary Design Documents and any adjustments authorized by the Authority in the program, schedule or construction budget, the Consultant shall prepare, for approval by the Authority, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.
- 2.5.2 The Consultant shall advise the Authority of any adjustments to the preliminary estimate of Construction Cost.

2.6. Design and Permitting Phase

After approval by the Authority of the Design Development Documents, Consultant shall:

- 2.6.1 Prepare Final Plans and Specifications, depicting the scope, character, and details of the work, in accordance with generally accepted standards of airport design practice. The term "Specifications" shall be understood to include General Conditions, Special Provisions, and other Contract Documents.
- 2.6.2 Prepare a report, summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs.
- 2.6.3 Furnish to Authority two sets of Plans, Specifications, and Consultant Report, and simultaneously send one set each to FAA, NCDOT and/or any other applicable governmental agencies, for review. Assist Authority with submittal of certifications.
- 2.6.4 Respond to Authority, FAA, NCDOT and/or any other applicable governmental agency review comments.
- 2.6.5 Furnish to Authority such documents and design data as may be required for submittal to governmental authorities having jurisdiction over the Project, and assist in obtaining permits and approvals by participating in submissions to and negotiations with the authorities. (All permit and review fees shall be paid by Authority.) It must be understood that these services do not constitute a guarantee that the permits will be issued; some projects (runway extensions, wetland mitigation, etc.) may be of a controversial nature and it may not be possible to obtain permits, or it may be found that substantial additional services may be required to obtain permits.
- 2.6.6 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to Authority in both hard copy and electronic format (AutoCAD 2004 compatible; Microsoft Word, or such other electronic formats as requested by the Authority). Data files will be furnished to Authority, at any time upon request.

2.7. Bidding and Contract Formulation Phase

After Authority, FAA, NCDOT and/or any other applicable governmental agencies have approved the documents for Bid Advertisement, the Consultant shall:

- 2.7.1 Assist Authority in advertising for and obtaining bids or negotiating proposals for each Construction Contract. Consultant shall receive payments for bid documents, and issue bidding documents directly to prospective bidders, and furnish the requested number of bid document sets to Authority for issuance to bidders from Authority's office.
- 2.7.2 Respond to prospective bidder's inquiries and issue Addenda as required to clarify, and/or interpret the Bidding Documents.
- 2.7.3 Attend the bid openings. Prepare bid tabulation, and assist Authority in evaluating bids or proposals, preparing letters to funding agencies, and in assembling and processing the Construction Contract. For FAA-funded projects, prepare an Application for Federal Assistance, generally on the same day as the receipt of bids.

- 2.7.4 Prepare Contract and Bond documents and issue them to Contractor; receive the executed documents and verify that they appear to be completely and correctly executed; bind them into "conformed copies" of the contract documents, and forward the documents to Authority for execution and distribution. Establish a procedure to verify that the bonds and insurance remain valid throughout the final close-out of the project.

2.8. Construction and Close-Out Phase

During the Construction and Close-Out Phase, the Consultant shall:

- 2.8.1 Provide General Administration of the Construction Contract. Consultant shall consult with and advise Authority and act on behalf of the Authority, as provided hereinafter. The extent and limitations of the duties, responsibilities and authority of Consultant shall not be modified, except to the extent provided in the Scope of Services and except as Consultant may otherwise agree in writing. All of the Authority's instructions to Contractor(s), except those related to safety or airport operations which require immediate communication to promote airport safety, will be issued through Consultant who will have authority to act on behalf of the Authority to the extent herein provided, except as otherwise modified in writing.
- 2.8.2 Attend and direct the Preconstruction Conference; prepare and distribute summary of topics discussed; and assist with start-up of the construction Project.
- 2.8.3 Issue guidelines for quality assurance testing. For FAA AIP projects, this will be in the form of a "Construction Management Plan." This is the title of the document used by FAA and shall not be interpreted to mean that the Consultant is responsible to manage the Contractor's operation, which is the responsibility of Contractor.
- 2.8.4 Periodically visit the site and observe the construction; discuss progress and construction details with RPR, Authority's Representative, and the Contractor's Superintendent. Issue a written report, if required. Periodic site reviews generally occur at one week or shorter intervals, although there is no definite schedule for such visits.
- 2.8.5 Review daily reports and other information which is transmitted regularly by RPR.
- 2.8.6 The purpose of Consultant's visits to the site, and representation by RPR, if any, will be to enable Consultant to better carry out his duties and responsibilities during the Construction Phase, and to provide Authority assurance that the completed and accepted work of the Contractor(s) has been monitored in accordance with the quality assurance provisions set forth by FAA and NCDOT, and conforms to the Construction Contract requirements. Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s), for safety precautions and programs incidental to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the construction work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' acts or omissions in the performance of the work.

However, Consultant's shall expeditiously notify the Contractor and Authority of any observed failure of Contractor to perform the work in accordance with the Plans and Specifications, or other observed failure to comply with the contract requirements.

- 2.8.7 Review and approve (or take other appropriate action in respect of) Shop Drawings, Certifications, Samples, and Mix Designs, which each Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Construction Contract Documents. Such review and approval or other action shall not extend to the means, methods, sequences, techniques or procedures of construction or to safety precautions and programs incidental thereto.
- 2.8.8 Issue all instructions of Authority to Contractor(s), except as hereinbefore noted; issue necessary interpretations and clarifications of the Construction Contract Documents and in connection therewith; prepare Change Orders or other authorizations to perform additional work as required; have authority, as Authority's Representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the Construction Contract Documents and judge of the acceptability of the work thereunder; and render advice on all claims of Authority and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Construction Contract Documents pertaining to the execution and progress of the work; however Consultant shall not be liable for the results of any such interpretations or decisions rendered by him in good faith.
- 2.8.9 Review Contractor's Periodic Pay Requests, and recommend payment amount to Authority. Consultant's payment recommendation (certification) will be based on on-site observations by Consultant and on verification of quantities by RPR. Such recommendation of payment will constitute a representation to Authority that the work has progressed to the point indicated, to the best of Consultant's knowledge, information and belief. This recommendation shall not constitute certification that moneys owed by the Contractor to Sub-contractors or suppliers have been paid.
- 2.8.10 Conduct a preliminary final Project Review to determine whether the Project is Substantially Complete, and issue a Punch List. After being notified that the Punch List work is presumptively complete, conduct a final Project Review to determine whether the work has been completed in accordance with the Construction Contract Documents and whether each Contractor has fulfilled all of its obligations thereunder so that Consultant may recommend, in writing, final payment to Contractor and may give written notice to Authority and Contractor(s) that the work is acceptable (subject to any conditions therein expressed.)
- 2.8.11 Project review, including periodic review by Consultant and continuous or nearly continuous review by RPR, shall consist of a visual observation of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the Construction Contract Documents and with the design intent. Such review shall not be relied upon by others as acceptance of the work, nor shall it be construed to relieve the Contractor in any way of his obligation and responsibilities under the construction contract. Specifically, and without limitation, review by Consultant shall not require Consultant to assume responsibilities for the means and methods of construction nor for safety on the job site.
- 2.8.12 Consultant shall not be responsible for the acts or omissions of any Contractor, or Sub-

contractor, or any of Contractor(s)' or Sub-contractors' agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise performing any of Contractor(s)' work; however, nothing contained herein shall be construed as releasing Consultant from liability for failure to properly perform duties undertaken by him.

- 2.8.13 Consultant shall prepare a set of "Record Drawings" after completion of the project, showing changes made during construction, based on the marked- up prints, drawings and other data furnished by Contractor(s) to Consultant, which Consultant considers significant. Such Record Drawings will be in electronic format (AutoCAD 2004 compatible) and will be furnished to Authority along with blue-line prints or blackline plots. If the Contractor furnishes record information in the form of finished AutoCAD drawings rather than marked-up prints or similar non-CAD method, Consultant may add those drawings to the record drawing set, rather than transcribing the information to the Contract Drawings.
- 2.8.14 During the course of construction, Consultant may be required to perform quality assurance (QA) testing, through a qualified and certified testing laboratory, to verify that the improvements constructed by the Contractor(s) conform to the requirements of the Construction Contract Documents. It shall be understood that Consultant will use random sampling procedures, meaning selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures will be conducted in accordance with commonly accepted standards of practice, it shall be understood that the samples and tests will indicate the actual conditions only where the sampling and testing is performed, and that, despite proper implementation of sampling and testing procedures and proper interpretation of their results, Consultant can only infer, not assure, the existence of the revealed conditions at other locations. Accordingly, Authority shall not require Consultant to sign any certification, no matter by whom requested, that would result in Consultant certifying the existence of conditions of which Consultant cannot be certain.
- 2.8.15 "Certify" means to state or declare a professional opinion of conditions whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. Consultant's certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.
- 2.8.16 To assist Authority with the project close-out process, Consultant shall prepare a summary of quality assurance testing, summary of project costs, and related items required by FAA and NCDOT for Close-Out of the Project. Such information shall be neatly organized and bound.

2.9. Buried Utilities

- 2.9.1 Consultant shall conduct the research that in his professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. Authority recognizes that Consultant's research may not identify all subsurface utility lines and man-made objects, and that the information upon which Consultant relies may contain errors or may not be complete. Authority also agrees that the possibility exists that soil borings or other penetrations made by or under the instructions of Consultant for

investigative purposes may strike and damage underground utility lines or other man-made objects, despite the efforts of Consultant to avoid such objects.

SECTION 3 - SPECIAL AND ADDITIONAL SERVICES

3.1 Special Services

Special Services are any services which are included in the Scope of Services but are not part of Basic Services. Such services are usually performed either by a Sub-consultant (for example, testing or survey,) or by an employee of Consultant residing in the vicinity of the project (RPR.) The terms and conditions for furnishing Special Services are set forth in the Scope of Services.

3.2 Additional Services

Additional Services are services required by Authority which are not included in (or are specifically excluded by) the Scope of Services. Typically, such services are associated with unforeseen conditions which arise during the design or construction process. All additional Services shall be approved in advance by Authority. Additional Services include, but are not limited to, the following.

- 3.2.1 Additional Permitting Services due to changes in regulatory policies which went into effect after the Scope of Services was formulated and Permitting Services such as environmental assessments, asbestos evaluations and permitting, etc. which were not contemplated or identified in the Scope of Services. (The scope of permitting services included in **Exhibit "B"** reflects the services which Consultant anticipates to be necessary based upon experience with prior projects, and does not include contingencies for unexpected or unanticipated permitting requirements that one or more of the various governmental agencies having jurisdiction might elect to impose.)
- 3.2.2 Field investigations to verify the accuracy of Drawings or other information furnished by Authority.
- 3.2.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, Authority's schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or construction contract documents when such revisions are due to causes beyond Consultant's control. This does not apply to the Preliminary Design Phase, in which multiple revisions are not considered Additional Services.
- 3.2.4 Providing renderings or three-dimensional models. (Preparation of a reasonable number of two-dimensional exhibits for presentation to the public, FAA, NCDOT, Authority, etc. is an essential part of Basic Services to properly communicate and coordinate the project, and will not be considered Additional Services.)
- 3.2.5 Preparing documents with multiple bid schedules or complex bid options, or requiring the construction work to be performed in two or more mobilizations, or at night, when such conditions were not anticipated in the Scope of Services.
- 3.2.6 Investigations involving detailed consideration of operations, maintenance and overhead

expenses; providing Value Engineering consulting to a significant degree during the course of design; preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining loan or bond financing for the Project; evaluation of processes licensing and assisting Authority in obtaining process licensing; detailed quantity surveys of material, equipment and labor; audits or inventories required in connection with construction performed by Authority.

- 3.2.7 Services performed by Consultant due to failure of the Contractor to complete the work within the scheduled time, including but not limited to additional periodic reviews and additional follow-up reviews to verify Punch List completion after the final inspection. (Wherever possible, the costs of such services will be minimized by combining follow-up inspections with trips made to the site for other projects.)
- 3.2.8 Services resulting from the award of a greater number of separate prime contracts for construction, materials, equipment or services than are anticipated in the Scope of Services and services resulting from the arranging for performance by individuals or firms other than the principal Prime Contractor(s.)
- 3.2.9 Providing any type field surveys, engineering surveys or staking to enable the Contractor(s) to proceed with their work; and providing other special field surveys, where such work was not included in the Scope of Services.
- 3.2.10 Services in connection with changes or additions to the Project requested by the Authority during construction, unless of a minor and incidental nature
- 3.2.11 Services during out-of-town travel required of Consultant and approved by Authority, other than visits to the site as required by Section 2, or visits to the FAA or NCDOT offices will not be considered out-of-town travel.
- 3.2.12 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) acceleration of the progress schedule involving services beyond normal working hours, (4) default by Contractor(s), or (5) evaluation of an unreasonable number of claims made by the Contractor(s) or others.
- 3.2.13 Preparation of operating and maintenance manuals; protracted or extensive assistance in balancing); and training personnel for operation the utilization of any equipment or system (such as initial start-up, testing, adjusting and maintenance.
- 3.2.14 Services after completion of the Construction Phase, such as project review during any guarantee period, and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 3.2.15 Preparing to serve or serving as a consultant or witness for Authority in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as specifically provided in the Scope of Services.)
- 3.2.16 Any similar Additional Services in connection with the Project, including services normally furnished by Authority and services not otherwise provided for in this Agreement.

3.3. Resident Representative Services During Construction

- 3.3.1 If included in the Scope of Services, a Resident Project Representative (RPR) will be furnished by Consultant. Such services will be paid for by Authority as provided in the Scope of Services.
- 3.3.2 The duties, responsibilities, and limitations of Authority of RPR and any assistants to the RPR are set-forth in **Exhibit "E"**, which is attached hereto and incorporated herein.
- 3.3.3 Through more extensive on-site observations of the work in progress and field checks of materials and equipment by RPR, Consultant shall provide further protection for the Authority against defects and deficiencies in the work of Contractor(s); however, the furnishing of RPR Services will not make Consultant responsible for the Contractor's means, methods, techniques, sequences or procedures, or for safety precautions or programs.

SECTION 4 - AUTHORITY'S RESPONSIBILITIES

The Authority shall do the following in a timely manner:

- 4.1 Designate a person (or persons) to act as Authority's Representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the Authority's policies and decisions with respect to Consultant's services for the Project.
- 4.2 Furnish to Consultant criteria and information as to the Authority's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all local or extraordinary design and construction standards which Authority will require to be included in the Drawings and Specifications. (Such criteria and information may be furnished verbally during project formulation and design discussions; Authority is not obligated to furnish any written summaries of design criteria and requirements, but may do so if he deems it to be appropriate.)
- 4.3 Assist Consultant by placing at his disposal available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. Authority shall make pertinent files and records available, but shall not be obligated to perform any exhaustive or detailed research of existing files or records.
- 4.4 Provide Consultant, as required for performance of Consultant's Basic Services (except to the extent provided otherwise in the Scope of Services) data prepared by or services of others, including but not limited to core borings, probings, and subsurface explorations, laboratory tests and inspection of samples, materials and equipment; appropriate professional interpretations of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in Section 3; all of which Consultant may rely upon in performing his services.
- 4.5 Arrange for access to and make all provisions for Consultant to enter upon public and

private property as required for Consultant to perform Services under this Agreement.

- 4.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Consultant; obtain advice of an attorney, insurance counselor and other consultants as the Authority deems appropriate; and render decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- 4.7 Assist Consultant in the process of obtaining necessary permits for the Project. Authority shall promptly review, and upon its approval, sign, and submit to the appropriate agencies such approved permit applications which Consultant furnishes. Authority shall pay all applicable agency permit and review fees.
- 4.8 If more than one prime contract is to be awarded for construction, materials, equipment and services for the entire Project, Authority shall designate a person or organization to have authority and responsibility for coordinating the activities among the prime contractors.
- 4.9 Attend the pre-bid conference, bid openings, preconstruction conferences, construction progress and other job related meetings, and pre-final and final project reviews.
- 4.10 Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services, any defect in the work of Contractor(s), or any apparently unsafe practices being performed by Contractor(s.)
- 4.11 Direct Consultant to provide, necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
- 4.12 Bear all costs incidental to performance of the requirements of this Section 4.

SECTION 5 - PERIOD OF SERVICE

- 5.1 The services called for in the Preliminary Design Phase will be completed and the Preliminary Design documents submitted within the stipulated period, if any, indicated in the Scope of Services after authorization to proceed with that phase of services.
- 5.2 After acceptance by Authority of the Preliminary Design Phase documents indicating any specific modifications or changes in the extent of the Project desired by Authority, and upon written authorization from Authority, Consultant shall proceed with the performance of the services called for in the Design and Permitting Phase, and shall submit Plans, Specifications, and general consulting report and other documents for 100% review within the stipulated period, if any, indicated in the Scope of Services.
- 5.3 Consultant's services under the Preliminary Design Phase and the Design and Permitting Phase shall be considered complete at the earlier of (1) the date when the submissions for that phase have been accepted by Authority or (2) thirty (30) days after the date when such submissions are delivered to Authority for final acceptance, plus such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction over the Project.

- 5.4 After acceptance by Authority of Consultant's Plans, Specifications and other Final Design Phase documentation including the most recent opinion of Probable Construction and Total Project Cost and upon written authorization to proceed with advertisement of the Project, Consultant shall proceed with performance of the Services called for in the Bidding and Contract Formulation Phase. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s).
- 5.5 The Construction and Close-Out Phase will commence with the execution of the first Prime Contract to be executed for the work of the Project or any part thereof, and will terminate upon submittal of final close-out documentation for submittal to FAA and/or NCDOT. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one Prime Contract.
- 5.6 If Authority has requested significant modifications or changes in the extent of the Project, the time, if any, of performance of Consultant's Services, Consultant's compensation may be adjusted by the Authority.
- 5.7 If Authority fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Construction Phase has not commenced within 180 calendar days after completion of the Design and Permitting Phase, Consultant may, after giving seven days' written notice to Authority, suspend services under this Agreement.
- 5.8 If Consultant's Services for design or during construction of the Project are delayed or suspended in whole or in part by Authority for more than twelve months for reasons beyond Consultant's control, the rates of compensation provided for in the Scope of Services shall be subject to renegotiation.

SECTION 6 - COMPENSATION

6.1. Methods of Payment for Services and Expenses of the General consultant

Payment for each element of work identified in the Scope of Services shall be made under one of the following methods, which shall be identified in the Scope of Services:

- 6.1.1 LUMP SUM METHOD - This method generally applies to Basic Services, and certain special Sub-consultant Services such as topographic surveys and environmental reports. The Lump Sum fee shall be a fixed amount as stipulated in the Scope of Services. No adjustment may be made to a lump sum fee. If Additional Services are required, they shall be paid for separately as "Additional Services," under pre-approved terms.
- 6.1.2 UNIT PRICE METHOD - This method generally applies to Sub-contracted testing or survey services. (Survey crew hourly rate shall be considered a "unit rate.") Payment shall be made at the number of units (typically, tests or survey hours) performed, multiplied by the stipulated unit price. If a "Not-to-Exceed" maximum amount is stated, then the total fee may not exceed the stipulated amount unless additional work is performed and approved in advance. If no maximum amount is stated, Consultant shall inform Authority in a timely manner if it becomes apparent that the estimated (budgeted) amount will be exceeded.

- 6.1.3 HOURLY RATE METHOD - Generally applies to Miscellaneous Services (non-FAA and non-NCDOT participation) requested by Authority, and RPR services. Generally applies to services performed by employees of Consultant, as subcontracted Services based on hourly rates are typically considered to be unit price services as stipulated in Sub-section 6.1.2 above. Unless otherwise stated, the hourly rates shall be as listed in Consultant's current Standard Rate Schedule. The Standard Rate Schedule current for the year in which this Agreement is executed is attached as **Exhibit "C"**. The Standard Rate Schedule is revised and re-issued on a calendar-year annual basis (whether or not the rates or other conditions change.) Hourly rates for RPR services are typically stated on the Scope of Services.
- 6.1.4 REIMBURSEMENT OF EXPENSES - This method applies to items which are designated as reimbursable in the Scope of Services, including but not limited to: reproduction of documents exceeding the number of reproductions included in the basic services fee, express shipments in addition to those stipulated in the basic services fee and special travel expenses. Terms of reimbursement are set forth in the Scope of Services, and are typically direct reimbursement of actual costs without mark-up. Office supplies, telephone, first class postage, plot media electronic storage media, and computer time are considered to be overhead costs and are not reimbursable. Plot media for special orders (not for the original production of the drawings) shall be considered "reproductions" and is therefore reimbursable.

6.2 Billing and Payment

- 6.2.1 Consultant shall submit monthly invoices for Professional Services rendered and for Reimbursable Expenses incurred. The invoice for Basic Services will be based upon Consultant's estimate of the proportion of the total services actually completed at the time of preparation of the invoice. To assist in the estimation of fees earned, the Basic Services fee will be broken down into the fees for various project phases. The invoice for RPR services shall be based on the number of hours worked during the billing period, as indicated on time sheets. The invoice for Sub-consultant services shall be based on the invoice received from the Sub-consultant (which Consultant shall review for reasonableness,) plus the pro-rated portion of Consultant's stipulated Administrative/Coordination Fee. The invoice for Reimbursable Expenses shall be based on the number of reproductions made during the invoice period multiplied by the stipulated or standard unit price, and the direct cost of other Reimbursable Expenses, as set forth in the Scope of Services.
- 6.2.2 Invoices shall be due and payable within thirty (30) calendar days of the Authority's receipt of the invoice. If Authority objects to all or any portion of an invoice, Authority shall so notify Consultant within fourteen (14) calendar days of the Authority's receipt of the invoice, identify the cause of disagreement, and pay when due the portion of the invoice, if any, not in dispute.
- 6.2.3 Failure to pay the portion of an invoice not under dispute after sixty (60) days shall be cause for Consultant to suspend work on the Project until such payment is made. By doing so, Consultant shall not incur any liability for claimed losses or damages due to non-performance of the work.

6.2.4 In the event that Authority terminates the project in accordance with Section 7 of this Agreement, Consultant shall be paid for the portion of the fee earned and costs incurred as of the date of notice of termination, but shall not be eligible for payment for any lost anticipated profits from the portion of the project following the termination date.

SECTION 7 - MISCELLANEOUS PROVISIONS

7.1 Insurance

During the performance of this Agreement, Consultant shall insure itself for and against professional liability and malpractice relative to the performance of this Agreement in the minimum amount of \$1,000,000 each claim/annual aggregate. In addition, Consultant shall be required, if available, to provide the same types and levels of insurance identified above for a period of six years following the expiration or early termination of this Agreement. Consultant shall deliver to Authority a certificate of this insurance coverage at the time this Agreement is executed. The certificate shall unconditionally provide that the requisite coverage shall not be terminated or modified or not renewed until Authority has received thirty (30) day written notice thereof. In the event that an insurance carrier should terminate or modify or not renew the above coverage, Consultant shall immediately contract with another insurance carrier to provide requisite coverage and shall immediately deliver to Authority a replacement certificate. The coverage shall be written through an admitted carrier in the State of North Carolina. In addition, Consultant and its sub-consultants shall maintain Workers' Compensation Insurance as required by law, and certificates of such insurance coverage shall likewise be delivered to Authority.

7.2 Indemnity

Consultant shall indemnify and hold harmless Authority and its present and future Members, officers, agents and employees, from and against all liabilities, claims, losses, costs and expenses (including, but not limited to, attorney fees) arising out of or resulting from any and all negligent acts and omissions of Consultant and/or its agents, employees and/or sub-consultants. Consultant shall be directly responsible for any such additional costs, above first costs, incurred by the Authority, as a result of the errors and omissions of Consultant through its employees assigned to tasks for, or on behalf of the Authority, which result in additional costs to the Authority, either by a contractor, or by the Consultant itself.

7.3 Independent Contractor

Consultant is an independent contractor and not an agent of Authority.

7.4 Civil Right Assurances

During the performance of this Agreement, Consultant, for itself and for its assignees and successors if any and sub-consultants (all of whom collectively referred to as "Contractor") agrees as follows:

(a) Compliance with Regulations. Contractor shall comply with the regulations ("Regulations") relative to nondiscrimination in federally assisted programs of the Department of Transportation ("DOT") including but not limited to: Title 49, Code of Federal Regulations, Part 21, and as they may be amended from time to time. The Regulations are incorporated herein by this reference thereto.

(b) Nondiscrimination. With respect to and during the performance of this Agreement, Contractor shall not discriminate on the ground of age, race, color, national origin, religion, disability or sex in the selection or retention of sub-contractors and sub-consultants including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including, but not limited to, practices when this Agreement covers a program set forth in Appendix B of the Regulations.

(c) Solicitations for sub-consultants and sub-contractors, including but not limited to, procurements of materials and equipment. In all solicitations, either by competitive bidding or negotiations made by Contractor for work to be performed under a sub-contract, including, but not limited to, procurements of materials and leases of equipment, each potential sub-consultant, sub-contractor and supplier shall be notified by Contractor of Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of age, race, color, national origin, religion, disability or sex.

(d) Information and Reports. Contractor shall provide all information and reports required by the Regulations or directives, orders or instructions issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, directives, circulars, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to Authority and the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Contractor's non-compliance with any of the non-discrimination provisions of this Agreement, Authority shall impose such Agreement sanctions as it or the FAA determine to be appropriate, including, but not limited to, the following:

- i. Withholding of payments to Contractor under this Agreement until Contractor complies; and/or
- ii. Cancellation, termination, or suspension of this Agreement, in whole or in part.

(f) Incorporation of Provisions. Contractor shall include the provisions of Paragraphs (a) through (e) above in every sub-contract, including but not limited to, procurements of materials and leases of equipment, unless exempted by the Regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any sub-contract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including, but not necessarily limited to, sanctions for noncompliance; provided, however, that, in the event a Contractor becomes involved in, or is threatened with, litigation with a sub-consultant, sub-contractor or supplier as a result of such

direction, Contractor may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Contractor may request the United States Government to enter into such litigation to protect the interests of the United States Government.

7.5 Disadvantaged Business Enterprise (DBE) Assurances

DBE Obligation: The Disadvantaged Business Enterprise (DBE) requirements of Title 49, Code of Federal Regulations, CFR Part (23 or 26) apply to this Agreement. Consultant agrees to ensure that DBE's, as defined in Part (23 or 26), have the maximum opportunity to participate in the performance of contracts and sub-contracts provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps in accordance with Part (23 or 26) to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform Contracts. The Consultant shall not discriminate on the basis of age, race, color, national origin, religion, disability or sex in the award and performance of contracts.

7.6. Opinions of Cost

7.6.1 Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' method of determining prices, or over competitive bidding or market conditions, his opinions of Probable Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional general consultant, familiar with the construction industry; but Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from opinions of probable cost prepared by him.

7.6.2 "Construction Cost" means the total of payments made to Construction Contractor(s), plus the cost of any materials, furnishings, etc. purchased separately by Authority and incorporated into the project. "Non-construction costs" are all costs of the project other than construction costs, including but not limited to Consulting Services, Testing, Topographic or other Surveys, Environmental Evaluations, RPR, and Authority's Miscellaneous and Administrative Expense. All of these costs, collectively, are referred to as the Project Cost.

7.7 Termination

7.7.1 This Agreement may be terminated by Authority upon seven (7) day's written notice, for the Authority's convenience and without cause.

7.7.2 Upon receipt of a termination notice, Consultant and its sub-consultants shall promptly discontinue all services and shall deliver to Authority all data, Drawings, Specifications, report estimates, summaries, and other information and materials as may be accumulated by Consultant and its sub-consultants, whether completed or in process.

7.7.3 Upon termination of this Agreement, Authority may, without prejudice or limitation of any action for damages or any other right or remedy, enter into another agreement for the

completion of the work contemplated by this Agreement, or may use other methods for the completion of such work.

- 7.7.4 Upon termination of this Agreement, Consultant shall be entitled to receive payment for work executed and costs incurred by reason of such termination, including reasonable overhead and profit on completed work.

7.8 Re-Use of Documents

The drawings, specifications and all other documents or things prepared by Consultant for the Project shall become and be the sole property of Authority. Consultant shall, at its own cost and expense, be permitted to retain copies thereof for its records and for its future professional endeavors. Such drawings, specifications and other documents or things are not intended by Consultant for use on other projects by Authority or others. Any reuse by Authority or by third parties without the written approval of Consultant, shall be at the sole risk of Authority.

7.9 Storage, Protection, and Retrieval of Documents and Data

- 7.9.1 Storage, protection, and retrieval of General Consulting documents is an important part of Consultant's responsibility to Authority. Completed General Consulting Drawings (Plans) shall be stored by Consultant in a minimum of three medias: paper plot originals, AutoCAD files in the dual redundant hard drives of Consultant's raid server, and in CD-ROM disks which are made each week and stored off-site. Additionally, Authority may obtain disks containing the CAD files at any reasonable interval, such as monthly or upon completion of each project, and store them at Authority's office. Drawings in progress are stored in the hard drive and in the weekly back-up CD-ROM disks; existing paper plots of drawings in progress may not be up to date at any particular time. Text documents shall be stored as filed paper documents, as text files in the hard drive, and in the same weekly CD-ROM back-up disks that contain the CAD files.
- 7.9.2 Documents received from others, such as test reports, shop drawings, correspondence from the Contractor, etc., are stored by Consultant only in their original paper form or electronic form. They are filed by job number and are stored in-perpetuity, unless approved in writing by the Authority for disposal, except for papers which are considered by Consultant to be unimportant for future reference purposes, which are discarded. Although paper documents are stored in boxes in a dry place and reasonable care is taken to protect them, no guarantee is made that they will be preserved undamaged without time limit.

7.10 Non-waiver of Rights

Neither Authority's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy relative to a breach thereof, nor Authority's acceptance of any performance during such breach shall constitute a waiver of any right or remedy of Authority.

7.11 Conflict of Interest

No paid employee of Authority shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

7.12 Sub-consultants

Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.

7.13 Audit: Access to Records

Consultant shall maintain books, records and documents pertinent to the performance of the Contract and these General Provisions in accordance with generally accepted accounting principles and practices, and with any governmental requirements; and Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to all such documents for purposes of examination, audit and copying.

7.14 Special Provisions

This Agreement is subject to the following Special Provisions. The listed documents are hereby incorporated into this Agreement by reference, and have the same force and effect as if they had been written into the body of this Agreement. However, if there is a conflict between a Special Provision and any other provisions of the agreement, the Special Provisions shall be subordinate.

1. Exhibit A – Proposed Project Work
2. Exhibit B – Consultant Scope of Services related to this Agreement for Professional Services.
3. Exhibit C – Schedule of Fees consisting of one page.
4. Exhibit D – Consultant Staff/Sub Consultant(s) Assignment - Listing of assigned staff and all sub-consultants committed to the fulfillment of this Agreement. Such staff and or sub-consultants may not be changed without the expressed written consent of the Authority.
5. Exhibit E – Responsibilities of Resident Project Representative (RPR).

7.15 Notices

All notices shall be in writing and shall be served only by registered or certified mail, return receipt requested, addressed to the party to be served at the address set forth below or at such other address as may be designated in writing. Service of notice shall be complete upon receipt of notice.

To Authority:

Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732
Attention: Executive Director

To Consultant:

AVCON Engineers & Planners, Inc.
13801 Reese Boulevard
Suite 160
Huntersville, NC 28078-6342
Attention: President/Principal-in-Charge/Owner Name

7.16 Dispute Resolution

- 7.16.1 As a condition precedent to resolving claims, disputes and other matters by litigation, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to attempt to resolve any claim, dispute or other matter in question arising out of or relating to this Agreement or a breach thereof, in the first instance, by mutual consent based upon an objective review and interpretation of factual information presented by either or both parties.
- 7.16.2 In the absence of agreement by mutual consent as set out in Sub-paragraph 7.16.1, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to refer the claim, dispute or other matter to mediation. Either party may initiate a request for mediation, and the parties hereto shall, within thirty days of the receipt of a written request, select by mutual agreement a mediator, who shall be qualified to conduct mediated settlement conferences in the Superior Court Division of the General court of Justice of the State of North Carolina. If the parties cannot agree upon a mediator, the first mediator (who will agree to conduct this mediation) on the mediator list of the Trial Court Administrator for the 28th Judicial District of the State of North Carolina shall be automatically selected.
- 7.16.3 The parties hereto shall share the mediator's fees equally. The mediation shall be held in the Conference Room at Authority's Administrative Offices, Asheville Regional Airport, or at such other place as may be mutually agreed upon (the expense for such other place to be shared equally).
- 7.16.4 Failing resolution of a claim, dispute or other matter by the methods set forth in Sub-Paragraph 7.16.1 or 7.16.2, either party may then resort to litigation, which shall be commenced in Buncombe County, North Carolina.
- 7.16.5 Notwithstanding any provision of this Agreement to the contrary, this Agreement does not contain, and shall not be deemed to constitute, an Agreement to arbitrate, and any claim against or dispute or other matter with Consultant shall not be subject to arbitration.
- 7.16.6 In the event a dispute shall arise under or about this Agreement, then the prevailing party therein shall be entitled to recover from the non-prevailing party all reasonable costs,

expenses and reasonable attorney's fees which may be incurred on account of such dispute, whether or not suit or other legal or quasi-legal proceedings may be brought, as well as at every stage of any such proceedings from the time such dispute first arises through trial or other proceedings and all appellate processes.

7.17 Governing Law

This Agreement is to be governed by the laws of the State of North Carolina.

7.18 Successors and Assigns

7.18.1 Authority and Consultant each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to the Agreement and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Agreement.

7.18.2 Consultant shall not assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the Authority, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent Sub-consultants or Sub-contractors as he may deem appropriate to assist him in the performance of services hereunder, however Consultant shall so inform Authority in advance, and shall not employ any sub-consultant or sub-contractor to whom Authority objects.

7.19 No Third-Party Beneficiaries

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

7.20 Severability

If any of the terms, conditions or provisions of this Agreement hereto, or any document incorporated herein (other than a Regulation) or any portions thereof, shall contravene or be invalid under the laws or regulations of the United States or the State of North Carolina or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, attachment or document, but this Agreement, attachment(s), and document(s) shall be construed as if not containing the particular term, condition or provision, or portion thereof, held to be in contravention or invalid, and the rights and obligations of the parties hereto shall be construed accordingly.

7.21 Non-Exclusive

This Agreement does not create or provide any exclusive right or interest in or for Consultant, and Authority may contract with other engineers, professionals and contractors at any time and for any services and purposes.

7.22 Entirety of Agreement

7.22.1 This Agreement together with the Exhibits identified above constitutes the entire agreement between Authority and Consultant and supersedes all prior written or oral understanding. This Agreement and said Exhibits may only be amended, supplemented, or modified by a duly executed Amendment, except that an Amendment shall not be required to transmit each year's updated Standard Rate Schedule.

7.22.2 Regardless of which party hereto is responsible for the preparation and drafting of this agreement, it shall not be construed more strictly against either party.

IN WITNESS WHEREOF, the parties hereto have made and executed and this Agreement as of the day and year first above written.

AUTHORITY:

GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY

By:

Lew Bleiweis, A.A.E.
Executive Director

Attested By:

Print Name: _____

Seal

CONSULTANT:

AVCON ENGINEERS & PLANNERS INC.

By:

Sandeep Singh, P.E.
Its: President/Principal-in-Charge/Owner

Attested By:

Print Name: _____

Seal

[Intentionally Left Blank]

EXHIBIT A
PROPOSED PROJECT WORK

The following projects may be included in the scope of services provided under the contract(s) associated with this request:

1. Terminal Apron Expansion - South.
2. Terminal Apron Repairs and Joint Seal.
3. Wright Brothers Way Extension.
4. Roadway Improvements and Rehabilitation.
5. General Aviation Apron/Taxilane Rehabilitation.
6. New North General Aviation Area site development.
7. Parking Lot Rehabilitation.
8. Safety Management System.
9. Tri-Annual DBE Goals Program.
10. Tri-Annual Airport Concessions DBE Goals Program.
11. Miscellaneous survey and geotechnical investigations.
12. Financial evaluation and other associated services.
13. Rates and Charges evaluation, recommendations and other associated services.
14. Passenger Facility Charge evaluation, recommendations and/or application processes.

The above list of potential projects and tasks is not necessarily all inclusive and is subject to revisions by the Authority.

EXHIBIT B

Consultant Scope of Services

Greater Asheville Regional Airport Authority

Scope of Services for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Greater Asheville Regional Airport Authority and _____, dated _____.

Project:

Scope of Services:

Consultant Team:

Schedule:

Project Budget:

Fees:

Authority:

Greater Asheville Regional Airport Authority

By: _____
Executive Director

Date: _____

Consultant:

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Director

Date

EXHIBIT C
SCHEDULE OF FEES
for
AVCON ENGINEERS & PLANNERS INC.

CLASSIFICATION

HOURLY RATES

EXHIBIT D

Consultant Staff/Sub-Consultant(s) Assignments

Position/Role

Company/Name

EXHIBIT E

Responsibilities of the Resident Project Representative

If Authority requests the services of a Resident Project Representative, he or she shall be the agent and employee of Consultant and shall:

- A. Make extensive and comprehensive on-site observations of the work in progress, assist Consultant in determining if the work is proceeding in accordance with the Contract Documents; make field checks of materials and equipment incorporated into the work; provided that Consultant shall not have control over the construction means, methods, techniques, sequences or procedures of the Contractor(s) or the safety precautions or programs of the Contractors(s).
- B. Be Consultant's agent at the construction site.
- C. Deal with subcontractors only through the Contractor(s), unless authorized by Consultant and the appropriate Contractor to deal directly with a subcontractor.
- D. Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by the Contractor(s).
- E. Attend meetings with the Contractor(s), such as pre-construction conferences, progress meetings, job conferences and other Project related meetings, and prepare and circulate copies of minutes thereof to Authority and other appropriate parties. (In the event that there is no Resident Project Representative, Consultant shall be responsible for the preparation and circulation of the minutes for all such meetings.)
- F. Serve as Consultant's liaison with the Contractor(s), working principally through the Contractor(s)' superintendents; and assist the Contractor(s) in understanding the intent of the Contract Documents; and assist Consultant in serving as Authority's liaison with the Contractor(s), particularly when the Contractor(s)' operations affect Authority's airport operations.
- G. Assist in obtaining from Authority such additional details and information as may be required for the proper execution of the work.
- H. Record the dates of receipt of shop drawings and samples.
- I. Receive samples which are furnished at the job site by the Contractor(s), and notify Consultant of the availability of samples for examination.
- J. Advise Consultant and the Contractor(s) of the commencement of any work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
- K. Report in writing to Consultant whenever he or she believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant in writing of any work that he or she believes

should be corrected or rejected, or should be uncovered for observation, or may require special testing, inspection or approval.

- L. Verify that tests, equipment and systems start-ups, and operating and maintenance training are conducted in the presence of appropriate personnel, and that the Contractor(s) maintain adequate written records thereof; and observe, record in writing and report to Consultant appropriate details relative to the test procedures and the start-ups.
- M. Accompany governmental inspectors, and report in writing to Consultant the results of the inspections.
- N. Report in writing to Consultant when clarifications and interpretations of the Contract Documents are needed; and transmit Consultant's clarifications and interpretations to the Contractor(s).
- O. Evaluate the Contractor(s)' suggestions for modifications in drawings and specifications; report his or her recommendations in writing to Consultant; and transmit Consultant's decisions to the Contractor(s).
- P. Maintain at the job site orderly files for correspondence, reports of job conferences, minutes of meetings, shop drawings and samples, reproductions of the Contract Documents including but not limited to all addenda and change orders, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Consultant shall keep all documents (including but not necessarily limited to the documents referred to in this paragraph and the next two paragraphs) for a period of six (6) years after the Project is fully completed, and during the construction period and this six (6) year period, Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to these documents for purposes of examination, audit and copying.
- Q. Keep a diary or log book, and record therein the Contractor(s)' hours on the job site, weather conditions, data relative to questions about the work, job site visitors, daily activities, decisions, observations in general, and specific observations with respect to test procedures.
- R. Record names, addresses and telephone numbers of all Contractor(s), subcontractors and major suppliers of material and equipment.
- S. Furnish Consultant periodic written reports of the progress of the work and of the Contractor(s)' compliance with the progress schedule and schedule of shop drawings and sample submittals.
- T. Consult with Consultant in advance of scheduled major tests, inspections and the start of important phases of the work.
- U. Draft proposed change orders and obtain backup materials from the Contractor(s), and make recommendations to Consultant.
- V. Report immediately to Consultant and Authority upon the occurrence of any accident, and confirm such report in writing.

- W. Review applications for payment with the Contractor(s), and forward his or her written recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, work completed, and materials and equipment delivered to the job site but not incorporated in the work.
- X. Verify that certificates, operation and maintenance manuals, and other data required to be assembled and furnished by the Contractor(s) are applicable to the items actually installed and are in accordance with the Contract Documents; and have this material delivered to Consultant for review and forwarding to Authority prior to the final payment for work.
- Y. Before Consultant issues a certificate of substantial completion, submit to each Contractor a written list of observed items requiring completion or correction.
- Z. Conduct a final inspection in the company of Consultant, Authority and the Contractor(s), and prepare a final written list of items to be completed or corrected.
- AA. Determine that all items on the final list have been completed or corrected, and make recommendations in writing to Consultant concerning acceptance of the work and corrections.

The Resident Project Representative shall not:

- A. Authorize any deviation from the Contract Documents, or any substitution of materials or equipment, unless authorized in writing by Consultant.
- B. Exceed Consultant's authority as set forth herein or in the Contract.
- C. Undertake any of the responsibilities of the Contractor(s) or subcontractors.
- D. Advise on, issue directions relative to, or assume control over any aspect of the construction means, methods, techniques, sequences or procedures of the Contractor(s) unless such directions or control are specifically required by the Contract Documents.
- E. Advise on, issue directions relative to, or assume control over Contractor(s)' safety precautions or programs.
- F. Accept shop drawings or sample submittals from anyone other than a Contractor.
- G. Authorize Authority to occupy the Project in whole or in part.
- H. Participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized in writing by Consultant.
- I. Review any of the CONTRACTOR(s)' safety precautions, or the means, methods, sequences, or procedures required for the CONTRACTOR(s) to perform the work. Omitted design or review services include, but are not limited to, shoring, scaffolding, underpinning, temporary retainment of excavations, and any erection methods and temporary bracing.

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AGREEMENT FOR PROFESSIONAL CONSULTING SERVICES
BETWEEN
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY
AND
PARRISH AND PARTNERS OF NORTH CAROLINA, PLLC

THIS IS AN AGREEMENT made as of the _____ day of Month, Year, between the GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY, 61 Terminal Drive, Suite 1, Fletcher, North Carolina 28732, hereinafter referred to as "Authority," and PARRISH AND PARTNERS OF NORTH CAROLINA, PLLC, a Corporation with office located at 1801 Stanley Road, Suite 104, Greensboro, NC 27407, hereinafter referred to as the "Consultant."

WITNESSETH

WHEREAS, Authority anticipates a need for Professional Consulting Services (hereinafter called "Services") for the accomplishment of the proposed projects as described in **Exhibit "A"** [hereinafter called "Project"], and Consultant is desirous of providing such services to Authority;

NOW THEREFORE, in consideration of the mutual covenants hereinafter contained, Authority hereby retains Consultant, and the parties agree as follows:

Consultant hereby agrees to perform Services for Authority as subsequently described by separate Scope of Services (**see Exhibit "B"**) to this Agreement for Services, subject to and in accordance with the terms and provisions hereinafter contained. Individual Scope of Services shall be negotiated on a project-by-project basis.

The term of this Agreement shall be for a period of five (5) years beginning on the date of execution, unless terminated in accordance with Section 7.7 of this Agreement.

SECTION 1 – SCOPE OF SERVICES

The Authority will request a Scope of Services for each project it desires to engage the services of the Consultant. Each Scope of Services shall be specific as to the extent of services required for each project. The Scope of Services shall be as described in the form included as **Exhibit "B"**. Services for the Project may include the following elements:

1. Assistance in formulating the project and applying for State and/or Federal aid. (Due to logistics of the funding process, these services are generally performed prior to preparation of the Scope of Services.)
2. Preparation of preliminary design information for review and approval.
3. Assistance with obtaining necessary property, topographic and environmental surveys, and investigative testing.

4. Preparation of Plans, Specifications, Bidding Documents, other Contract Documents, and Architectural Reports.
5. Assistance with obtaining permits and approvals required to construct the project.
6. Assistance during the bidding and construction contract formulation process.
7. Construction contract administration and Resident Project Representative (RPR) services.
8. Assistance with Quality Assurance (QA) Testing during construction.
9. Assistance with project close-out.

SECTION 2 - BASIC SERVICES

2.1. General

- 2.1.1 Scope of Basic Services: Unless otherwise modified in the respective Scope of Services for the Project, Basic Services shall consist of Services during the Preliminary Design Phase, the Design and Permitting Phase; the Bidding and Contract Preparation Phase, and the Construction and Close-Out Phase.
- 2.1.2. Site: The Site of the Project will be described in the corresponding Scope of Services. The Project will typically be contained within the boundaries of the airport property, but in some cases utilities, roadways and other miscellaneous work may be required in contiguous areas to achieve a complete Project.
- 2.1.3 Sub-consultants: Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.
- 2.1.4 Authorization to Proceed: Return of the signed and dated Agreement to the Consultant shall constitute authorization to proceed. Authority shall verify that necessary Federal Aviation Administration (FAA) and/or North Carolina Department of Transportation (NCDOT) approvals have been received, prior to returning the signed Agreement. Consultant shall assist Authority with obtaining approvals.
- 2.1.5 Work Performed Prior to Execution of Agreement: Due to the logistics of the FAA and NCDOT funding process, assistance with formulating the project (or multiple Projects in the Authority's Work Program) and assistance with the preliminary request for State or Federal Aid (JPA request, FAA Pre-application, or similar communication) is usually performed by Consultant prior to approval of the Agreement for a specific Project. For typical airport improvement Projects, such work is performed to assist in promoting development of the Airport, in the anticipation of recovering the expended costs as part of the Preliminary Design-Phase fee after the Agreement is executed. If, for any reason, the Agreement for the specific project is not executed, the Authority shall have no obligation to compensate Consultant for assistance expended to formulate the Project or

request aid prior to execution of the Authority, except in the case of complex projects or projects with an apparent low probability of funding, in which it has been agreed in writing, in advance, that the Consultant will be compensated on a time-and-material or other basis for Project formulation and/or assistance with the request for funding. In such cases, the fee for Basic Services, if finally approved, shall not include the amount paid earlier for Project formulation and/or assistance with requests for funding.

- 2.1.6 Cooperation with Other Consultants: Consultant recognizes that the Authority has selected one or more other consultants to assist with the development of the Airport. The Consultant agrees to cooperate with the other consultant(s) and assist the Authority diligently in the process of pursuing funding of projects, without regard to which Consultant appears more likely to perform the consulting services for any particular project.

2.2. Pre-Planning Phase

After receiving an executed Scope of Services agreement, Consultant shall:

- 2.2.1 Consult with Authority to clarify and define the Authority's requirements for the project, discuss alternatives, and consider the cost of alternatives.
- 2.2.2 Review all available data; advise Authority to necessity of the Authority's providing or obtaining from others data or services of the types as described in paragraph 4.3, and assist Authority in obtaining such data and services.

2.3. Planning Phase

After approval of the pre-planning documents, Consultant shall:

- 2.3.1 Prepare Plans and Narrative, depicting scope, character, and details of the Plan and alternatives.
- 2.3.2 Prepare a report summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs and suggested funding and phasing.
- 2.3.3 Furnish to Authority two sets of Planning Documents, and additional sets as required by the Authority.
- 2.3.4 Respond to Authority and other governmental agency review comments.
- 2.3.5 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to the Authority in both hard copy and electronic format (AutoCAD 2008 compatible; Microsoft Word, or such other electronic formats as requested by the Authority)
- 2.3.6 Coordinate follow-up services by other consultants.

2.4. Preliminary Design Phase

After receiving an executed Agreement Consultant shall:

- 2.4.1 Consult with Authority to clarify and define Authority's requirements for the Project, discuss alternatives, and consider the costs of alternative designs.
- 2.4.2 Review available data; advise Authority as to the necessity of the Authority's providing or obtaining from others data or services of the types described in paragraph 4.3, and assist Authority in obtaining such data and services.
- 2.4.3 Prepare preliminary, schematic layouts, sketches and conceptual design drawings and other exhibits to clearly indicate the design considerations involved and the alternative solutions available. Provide recommendations, with an opinion of the Probable Cost of the Project. It shall be understood that the opinions of Probable Cost are offered only as the Consultant's opinion of the likely cost of the improvements based on the Consultant's experience and the limited information available at the time; such opinions of cost are not to be construed as guarantees. If the word "Estimate" is used, it shall be understood to mean "opinion of Probable Cost."
- 2.4.4 Transmit by expeditious means (fax, internet, express courier, or hand delivery; or by U.S. Mail if appropriate for the project schedule) the Preliminary Drawings and other information. Discuss by telephone or in person as appropriate, and revise the Drawings and other exhibits as needed until Authority approves the Preliminary Design. Coordinate drawings and other information with permitting and/or regulatory agencies as appropriate for this phase, to avoid unnecessary changes to the final Construction Documents. Upon approval by Authority of the Preliminary Design, which shall be given either in writing by Authority or verbally by Authority and confirmed in writing by Consultant, the Design Phase shall begin. Multiple revisions of the drawings during the Preliminary Design phase shall not be considered "Additional Services."

2.5 Design Development Phase

- 2.5.1 Based on the approved Preliminary Design Documents and any adjustments authorized by the Authority in the program, schedule or construction budget, the Consultant shall prepare, for approval by the Authority, Design Development Documents consisting of drawings and other documents to fix and describe the size and character of the Project as to architectural, structural, mechanical and electrical systems, materials and such other elements as may be appropriate.
- 2.5.2 The Consultant shall advise the Authority of any adjustments to the preliminary estimate of Construction Cost.

2.6. Design and Permitting Phase

After approval by the Authority of the Design Development Documents, Consultant shall:

- 2.6.1 Prepare Final Plans and Specifications, depicting the scope, character, and details of the work, in accordance with generally accepted standards of airport design practice. The term "Specifications" shall be understood to include General Conditions, Special Provisions, and other Contract Documents.
- 2.6.2 Prepare a report, summarizing the basis and rationale of the design, listing standards used, and providing the Consultant's final opinion of probable construction costs.
- 2.6.3 Furnish to Authority two sets of Plans, Specifications, and Consultant Report, and simultaneously send one set each to FAA, NCDOT and/or any other applicable governmental agencies, for review. Assist Authority with submittal of certifications.
- 2.6.4 Respond to Authority, FAA, NCDOT and/or any other applicable governmental agency review comments.
- 2.6.5 Furnish to Authority such documents and design data as may be required for submittal to governmental authorities having jurisdiction over the Project, and assist in obtaining permits and approvals by participating in submissions to and negotiations with the authorities. (All permit and review fees shall be paid by Authority.) It must be understood that these services do not constitute a guarantee that the permits will be issued; some projects (runway extensions, wetland mitigation, etc.) may be of a controversial nature and it may not be possible to obtain permits, or it may be found that substantial additional services may be required to obtain permits.
- 2.6.6 Unless otherwise agreed in advance, all aforementioned documents will be prepared and submitted to Authority in both hard copy and electronic format (AutoCAD 2004 compatible; Microsoft Word, or such other electronic formats as requested by the Authority). Data files will be furnished to Authority, at any time upon request.

2.7. Bidding and Contract Formulation Phase

After Authority, FAA, NCDOT and/or any other applicable governmental agencies have approved the documents for Bid Advertisement, the Consultant shall:

- 2.7.1 Assist Authority in advertising for and obtaining bids or negotiating proposals for each Construction Contract. Consultant shall receive payments for bid documents, and issue bidding documents directly to prospective bidders, and furnish the requested number of bid document sets to Authority for issuance to bidders from Authority's office.
- 2.7.2 Respond to prospective bidder's inquiries and issue Addenda as required to clarify, and/or interpret the Bidding Documents.
- 2.7.3 Attend the bid openings. Prepare bid tabulation, and assist Authority in evaluating bids or proposals, preparing letters to funding agencies, and in assembling and processing the Construction Contract. For FAA-funded projects, prepare an Application for Federal Assistance, generally on the same day as the receipt of bids.

- 2.7.4 Prepare Contract and Bond documents and issue them to Contractor; receive the executed documents and verify that they appear to be completely and correctly executed; bind them into "conformed copies" of the contract documents, and forward the documents to Authority for execution and distribution. Establish a procedure to verify that the bonds and insurance remain valid throughout the final close-out of the project.

2.8. Construction and Close-Out Phase

During the Construction and Close-Out Phase, the Consultant shall:

- 2.8.1 Provide General Administration of the Construction Contract. Consultant shall consult with and advise Authority and act on behalf of the Authority, as provided hereinafter. The extent and limitations of the duties, responsibilities and authority of Consultant shall not be modified, except to the extent provided in the Scope of Services and except as Consultant may otherwise agree in writing. All of the Authority's instructions to Contractor(s), except those related to safety or airport operations which require immediate communication to promote airport safety, will be issued through Consultant who will have authority to act on behalf of the Authority to the extent herein provided, except as otherwise modified in writing.
- 2.8.2 Attend and direct the Preconstruction Conference; prepare and distribute summary of topics discussed; and assist with start-up of the construction Project.
- 2.8.3 Issue guidelines for quality assurance testing. For FAA AIP projects, this will be in the form of a "Construction Management Plan." This is the title of the document used by FAA and shall not be interpreted to mean that the Consultant is responsible to manage the Contractor's operation, which is the responsibility of Contractor.
- 2.8.4 Periodically visit the site and observe the construction; discuss progress and construction details with RPR, Authority's Representative, and the Contractor's Superintendent. Issue a written report, if required. Periodic site reviews generally occur at one week or shorter intervals, although there is no definite schedule for such visits.
- 2.8.5 Review daily reports and other information which is transmitted regularly by RPR.
- 2.8.6 The purpose of Consultant's visits to the site, and representation by RPR, if any, will be to enable Consultant to better carry out his duties and responsibilities during the Construction Phase, and to provide Authority assurance that the completed and accepted work of the Contractor(s) has been monitored in accordance with the quality assurance provisions set forth by FAA and NCDOT, and conforms to the Construction Contract requirements. Consultant shall not, during such visits or as a result of such observations of Contractor(s)' work in progress, supervise, direct or have control over Contractor(s)' work, nor shall the Consultant have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s), for safety precautions and programs incidental to the work of Contractor(s), or for any failure of Contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the construction work. Accordingly, Consultant can neither guarantee the performance of the construction contracts by Contractor(s) nor assume responsibility for Contractor(s)' acts or omissions in the performance of the work.

However, Consultant's shall expeditiously notify the Contractor and Authority of any observed failure of Contractor to perform the work in accordance with the Plans and Specifications, or other observed failure to comply with the contract requirements.

- 2.8.7 Review and approve (or take other appropriate action in respect of) Shop Drawings, Certifications, Samples, and Mix Designs, which each Contractor is required to submit, but only for conformance with the design concept of the Project and compliance with the information given in the Construction Contract Documents. Such review and approval or other action shall not extend to the means, methods, sequences, techniques or procedures of construction or to safety precautions and programs incidental thereto.
- 2.8.8 Issue all instructions of Authority to Contractor(s), except as hereinbefore noted; issue necessary interpretations and clarifications of the Construction Contract Documents and in connection therewith; prepare Change Orders or other authorizations to perform additional work as required; have authority, as Authority's Representative, to require special inspection or testing of the work; act as initial interpreter of the requirements of the Construction Contract Documents and judge of the acceptability of the work thereunder; and render advice on all claims of Authority and Contractor(s) relating to the acceptability of the work or the interpretation of the requirements of the Construction Contract Documents pertaining to the execution and progress of the work; however Consultant shall not be liable for the results of any such interpretations or decisions rendered by him in good faith.
- 2.8.9 Review Contractor's Periodic Pay Requests, and recommend payment amount to Authority. Consultant's payment recommendation (certification) will be based on on-site observations by Consultant and on verification of quantities by RPR. Such recommendation of payment will constitute a representation to Authority that the work has progressed to the point indicated, to the best of Consultant's knowledge, information and belief. This recommendation shall not constitute certification that moneys owed by the Contractor to Sub-contractors or suppliers have been paid.
- 2.8.10 Conduct a preliminary final Project Review to determine whether the Project is Substantially Complete, and issue a Punch List. After being notified that the Punch List work is presumptively complete, conduct a final Project Review to determine whether the work has been completed in accordance with the Construction Contract Documents and whether each Contractor has fulfilled all of its obligations thereunder so that Consultant may recommend, in writing, final payment to Contractor and may give written notice to Authority and Contractor(s) that the work is acceptable (subject to any conditions therein expressed.)
- 2.8.11 Project review, including periodic review by Consultant and continuous or nearly continuous review by RPR, shall consist of a visual observation of materials, equipment, or construction work for the purpose of ascertaining that the work is in substantial conformance with the Construction Contract Documents and with the design intent. Such review shall not be relied upon by others as acceptance of the work, nor shall it be construed to relieve the Contractor in any way of his obligation and responsibilities under the construction contract. Specifically, and without limitation, review by Consultant shall not require Consultant to assume responsibilities for the means and methods of construction nor for safety on the job site.
- 2.8.12 Consultant shall not be responsible for the acts or omissions of any Contractor, or Sub-

contractor, or any of Contractor(s)' or Sub-contractors' agents or employees or any other persons (except Consultant's own employees and agents) at the site or otherwise performing any of Contractor(s)' work; however, nothing contained herein shall be construed as releasing Consultant from liability for failure to properly perform duties undertaken by him.

- 2.8.13 Consultant shall prepare a set of "Record Drawings" after completion of the project, showing changes made during construction, based on the marked- up prints, drawings and other data furnished by Contractor(s) to Consultant, which Consultant considers significant. Such Record Drawings will be in electronic format (AutoCAD 2004 compatible) and will be furnished to Authority along with blue-line prints or blackline plots. If the Contractor furnishes record information in the form of finished AutoCAD drawings rather than marked-up prints or similar non-CAD method, Consultant may add those drawings to the record drawing set, rather than transcribing the information to the Contract Drawings.
- 2.8.14 During the course of construction, Consultant may be required to perform quality assurance (QA) testing, through a qualified and certified testing laboratory, to verify that the improvements constructed by the Contractor(s) conform to the requirements of the Construction Contract Documents. It shall be understood that Consultant will use random sampling procedures, meaning selected portions of the work will be subject to close review and/or testing, and the results observed will be inferred to exist in other areas not sampled. Although such sampling procedures will be conducted in accordance with commonly accepted standards of practice, it shall be understood that the samples and tests will indicate the actual conditions only where the sampling and testing is performed, and that, despite proper implementation of sampling and testing procedures and proper interpretation of their results, Consultant can only infer, not assure, the existence of the revealed conditions at other locations. Accordingly, Authority shall not require Consultant to sign any certification, no matter by whom requested, that would result in Consultant certifying the existence of conditions of which Consultant cannot be certain.
- 2.8.15 "Certify" means to state or declare a professional opinion of conditions whose true properties cannot be known at the time such certification was made, despite appropriate professional evaluation. Consultant's certification of conditions in no way relieves any other party from meeting requirements imposed by contract or other means, including commonly accepted industry practices.
- 2.8.16 To assist Authority with the project close-out process, Consultant shall prepare a summary of quality assurance testing, summary of project costs, and related items required by FAA and NCDOT for Close-Out of the Project. Such information shall be neatly organized and bound.

2.9. Buried Utilities

- 2.9.1 Consultant shall conduct the research that in his professional opinion is necessary to locate utility lines and other man-made objects that may exist beneath the site's surface. Authority recognizes that Consultant's research may not identify all subsurface utility lines and man-made objects, and that the information upon which Consultant relies may contain errors or may not be complete. Authority also agrees that the possibility exists that soil borings or other penetrations made by or under the instructions of Consultant for

investigative purposes may strike and damage underground utility lines or other man-made objects, despite the efforts of Consultant to avoid such objects.

SECTION 3 - SPECIAL AND ADDITIONAL SERVICES

3.1 Special Services

Special Services are any services which are included in the Scope of Services but are not part of Basic Services. Such services are usually performed either by a Sub-consultant (for example, testing or survey,) or by an employee of Consultant residing in the vicinity of the project (RPR.) The terms and conditions for furnishing Special Services are set forth in the Scope of Services.

3.2 Additional Services

Additional Services are services required by Authority which are not included in (or are specifically excluded by) the Scope of Services. Typically, such services are associated with unforeseen conditions which arise during the design or construction process. All additional Services shall be approved in advance by Authority. Additional Services include, but are not limited to, the following.

- 3.2.1 Additional Permitting Services due to changes in regulatory policies which went into effect after the Scope of Services was formulated and Permitting Services such as environmental assessments, asbestos evaluations and permitting, etc. which were not contemplated or identified in the Scope of Services. (The scope of permitting services included in **Exhibit "B"** reflects the services which Consultant anticipates to be necessary based upon experience with prior projects, and does not include contingencies for unexpected or unanticipated permitting requirements that one or more of the various governmental agencies having jurisdiction might elect to impose.)
- 3.2.2 Field investigations to verify the accuracy of Drawings or other information furnished by Authority.
- 3.2.3 Services resulting from significant changes in extent of the Project or its design including, but not limited to, changes in size, complexity, Authority's schedule, or character of construction or method of financing; and revising previously accepted studies, reports, design documents or construction contract documents when such revisions are due to causes beyond Consultant's control. This does not apply to the Preliminary Design Phase, in which multiple revisions are not considered Additional Services.
- 3.2.4 Providing renderings or three-dimensional models. (Preparation of a reasonable number of two-dimensional exhibits for presentation to the public, FAA, NCDOT, Authority, etc. is an essential part of Basic Services to properly communicate and coordinate the project, and will not be considered Additional Services.)
- 3.2.5 Preparing documents with multiple bid schedules or complex bid options, or requiring the construction work to be performed in two or more mobilizations, or at night, when such conditions were not anticipated in the Scope of Services.
- 3.2.6 Investigations involving detailed consideration of operations, maintenance and overhead

expenses; providing Value Engineering consulting to a significant degree during the course of design; preparation of feasibility studies, cash flow and economic evaluations, rate schedules and appraisals; assistance in obtaining loan or bond financing for the Project; evaluation of processes licensing and assisting Authority in obtaining process licensing; detailed quantity surveys of material, equipment and labor; audits or inventories required in connection with construction performed by Authority.

- 3.2.7 Services performed by Consultant due to failure of the Contractor to complete the work within the scheduled time, including but not limited to additional periodic reviews and additional follow-up reviews to verify Punch List completion after the final inspection. (Wherever possible, the costs of such services will be minimized by combining follow-up inspections with trips made to the site for other projects.)
- 3.2.8 Services resulting from the award of a greater number of separate prime contracts for construction, materials, equipment or services than are anticipated in the Scope of Services and services resulting from the arranging for performance by individuals or firms other than the principal Prime Contractor(s.)
- 3.2.9 Providing any type field surveys, engineering surveys or staking to enable the Contractor(s) to proceed with their work; and providing other special field surveys, where such work was not included in the Scope of Services.
- 3.2.10 Services in connection with changes or additions to the Project requested by the Authority during construction, unless of a minor and incidental nature
- 3.2.11 Services during out-of-town travel required of Consultant and approved by Authority, other than visits to the site as required by Section 2, or visits to the FAA or NCDOT offices will not be considered out-of-town travel.
- 3.2.12 Additional or extended services during construction made necessary by (1) work damaged by fire or other cause during construction, (2) a significant amount of defective or neglected work of Contractor(s), (3) acceleration of the progress schedule involving services beyond normal working hours, (4) default by Contractor(s), or (5) evaluation of an unreasonable number of claims made by the Contractor(s) or others.
- 3.2.13 Preparation of operating and maintenance manuals; protracted or extensive assistance in balancing); and training personnel for operation the utilization of any equipment or system (such as initial start-up, testing, adjusting and maintenance.
- 3.2.14 Services after completion of the Construction Phase, such as project review during any guarantee period, and reporting observed discrepancies under guarantees called for in any contract for the Project.
- 3.2.15 Preparing to serve or serving as a consultant or witness for Authority in any litigation, public hearing or other legal or administrative proceeding involving the Project (except as specifically provided in the Scope of Services.)
- 3.2.16 Any similar Additional Services in connection with the Project, including services normally furnished by Authority and services not otherwise provided for in this Agreement.

3.3. Resident Representative Services During Construction

- 3.3.1 If included in the Scope of Services, a Resident Project Representative (RPR) will be furnished by Consultant. Such services will be paid for by Authority as provided in the Scope of Services.
- 3.3.2 The duties, responsibilities, and limitations of Authority of RPR and any assistants to the RPR are set-forth in **Exhibit "E"**, which is attached hereto and incorporated herein.
- 3.3.3 Through more extensive on-site observations of the work in progress and field checks of materials and equipment by RPR, Consultant shall provide further protection for the Authority against defects and deficiencies in the work of Contractor(s); however, the furnishing of RPR Services will not make Consultant responsible for the Contractor's means, methods, techniques, sequences or procedures, or for safety precautions or programs.

SECTION 4 - AUTHORITY'S RESPONSIBILITIES

The Authority shall do the following in a timely manner:

- 4.1 Designate a person (or persons) to act as Authority's Representative with respect to the services to be rendered under this Agreement. Such person shall have complete authority to transmit instructions, receive information, interpret and define the Authority's policies and decisions with respect to Consultant's services for the Project.
- 4.2 Furnish to Consultant criteria and information as to the Authority's requirements for the Project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expendability, and any budgetary limitations; and furnish copies of all local or extraordinary design and construction standards which Authority will require to be included in the Drawings and Specifications. (Such criteria and information may be furnished verbally during project formulation and design discussions; Authority is not obligated to furnish any written summaries of design criteria and requirements, but may do so if he deems it to be appropriate.)
- 4.3 Assist Consultant by placing at his disposal available information pertinent to the Project including previous reports and any other data relative to design or construction of the Project. Authority shall make pertinent files and records available, but shall not be obligated to perform any exhaustive or detailed research of existing files or records.
- 4.4 Provide Consultant, as required for performance of Consultant's Basic Services (except to the extent provided otherwise in the Scope of Services) data prepared by or services of others, including but not limited to core borings, probings, and subsurface explorations, laboratory tests and inspection of samples, materials and equipment; appropriate professional interpretations of the foregoing; environmental assessment and impact statements; property, boundary, easement, right-of-way, topographic and utility surveys; property descriptions; zoning, deed and other land use restrictions; and other special data or consultations not covered in Section 3; all of which Consultant may rely upon in performing his services.
- 4.5 Arrange for access to and make all provisions for Consultant to enter upon public and

private property as required for Consultant to perform Services under this Agreement.

- 4.6 Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Consultant; obtain advice of an attorney, insurance counselor and other consultants as the Authority deems appropriate; and render decisions pertaining thereto within a reasonable time so as not to delay the services of Consultant.
- 4.7 Assist Consultant in the process of obtaining necessary permits for the Project. Authority shall promptly review, and upon its approval, sign, and submit to the appropriate agencies such approved permit applications which Consultant furnishes. Authority shall pay all applicable agency permit and review fees.
- 4.8 If more than one prime contract is to be awarded for construction, materials, equipment and services for the entire Project, Authority shall designate a person or organization to have authority and responsibility for coordinating the activities among the prime contractors.
- 4.9 Attend the pre-bid conference, bid openings, preconstruction conferences, construction progress and other job related meetings, and pre-final and final project reviews.
- 4.10 Give prompt written notice to Consultant whenever Authority observes or otherwise becomes aware of any development that affects the scope or timing of Consultant's services, any defect in the work of Contractor(s), or any apparently unsafe practices being performed by Contractor(s.)
- 4.11 Direct Consultant to provide, necessary Additional Services as stipulated in Section 3 of this Agreement or other services as required.
- 4.12 Bear all costs incidental to performance of the requirements of this Section 4.

SECTION 5 - PERIOD OF SERVICE

- 5.1 The services called for in the Preliminary Design Phase will be completed and the Preliminary Design documents submitted within the stipulated period, if any, indicated in the Scope of Services after authorization to proceed with that phase of services.
- 5.2 After acceptance by Authority of the Preliminary Design Phase documents indicating any specific modifications or changes in the extent of the Project desired by Authority, and upon written authorization from Authority, Consultant shall proceed with the performance of the services called for in the Design and Permitting Phase, and shall submit Plans, Specifications, and general consulting report and other documents for 100% review within the stipulated period, if any, indicated in the Scope of Services.
- 5.3 Consultant's services under the Preliminary Design Phase and the Design and Permitting Phase shall be considered complete at the earlier of (1) the date when the submissions for that phase have been accepted by Authority or (2) thirty (30) days after the date when such submissions are delivered to Authority for final acceptance, plus such additional time as may be considered reasonable for obtaining approval of governmental authorities having jurisdiction over the Project.

- 5.4 After acceptance by Authority of Consultant's Plans, Specifications and other Final Design Phase documentation including the most recent opinion of Probable Construction and Total Project Cost and upon written authorization to proceed with advertisement of the Project, Consultant shall proceed with performance of the Services called for in the Bidding and Contract Formulation Phase. This Phase shall terminate and the services to be rendered thereunder shall be considered complete upon commencement of the Construction Phase or upon cessation of the negotiations with prospective Contractor(s).
- 5.5 The Construction and Close-Out Phase will commence with the execution of the first Prime Contract to be executed for the work of the Project or any part thereof, and will terminate upon submittal of final close-out documentation for submittal to FAA and/or NCDOT. Construction Phase services may be rendered at different times in respect of separate prime contracts if the Project involves more than one Prime Contract.
- 5.6 If Authority has requested significant modifications or changes in the extent of the Project, the time, if any, of performance of Consultant's Services, Consultant's compensation may be adjusted by the Authority.
- 5.7 If Authority fails to give prompt written authorization to proceed with any phase of Services after completion of the immediately preceding phase, or if Construction Phase has not commenced within 180 calendar days after completion of the Design and Permitting Phase, Consultant may, after giving seven days' written notice to Authority, suspend services under this Agreement.
- 5.8 If Consultant's Services for design or during construction of the Project are delayed or suspended in whole or in part by Authority for more than twelve months for reasons beyond Consultant's control, the rates of compensation provided for in the Scope of Services shall be subject to renegotiation.

SECTION 6 - COMPENSATION

6.1. Methods of Payment for Services and Expenses of the General consultant

Payment for each element of work identified in the Scope of Services shall be made under one of the following methods, which shall be identified in the Scope of Services:

- 6.1.1 LUMP SUM METHOD - This method generally applies to Basic Services, and certain special Sub-consultant Services such as topographic surveys and environmental reports. The Lump Sum fee shall be a fixed amount as stipulated in the Scope of Services. No adjustment may be made to a lump sum fee. If Additional Services are required, they shall be paid for separately as "Additional Services," under pre-approved terms.
- 6.1.2 UNIT PRICE METHOD - This method generally applies to Sub-contracted testing or survey services. (Survey crew hourly rate shall be considered a "unit rate.") Payment shall be made at the number of units (typically, tests or survey hours) performed, multiplied by the stipulated unit price. If a "Not-to-Exceed" maximum amount is stated, then the total fee may not exceed the stipulated amount unless additional work is performed and approved in advance. If no maximum amount is stated, Consultant shall inform Authority in a timely manner if it becomes apparent that the estimated (budgeted) amount will be exceeded.

- 6.1.3 HOURLY RATE METHOD - Generally applies to Miscellaneous Services (non-FAA and non-NCDOT participation) requested by Authority, and RPR services. Generally applies to services performed by employees of Consultant, as subcontracted Services based on hourly rates are typically considered to be unit price services as stipulated in Sub-section 6.1.2 above. Unless otherwise stated, the hourly rates shall be as listed in Consultant's current Standard Rate Schedule. The Standard Rate Schedule current for the year in which this Agreement is executed is attached as **Exhibit "C"**. The Standard Rate Schedule is revised and re-issued on a calendar-year annual basis (whether or not the rates or other conditions change.) Hourly rates for RPR services are typically stated on the Scope of Services.
- 6.1.4 REIMBURSEMENT OF EXPENSES - This method applies to items which are designated as reimbursable in the Scope of Services, including but not limited to: reproduction of documents exceeding the number of reproductions included in the basic services fee, express shipments in addition to those stipulated in the basic services fee and special travel expenses. Terms of reimbursement are set forth in the Scope of Services, and are typically direct reimbursement of actual costs without mark-up. Office supplies, telephone, first class postage, plot media electronic storage media, and computer time are considered to be overhead costs and are not reimbursable. Plot media for special orders (not for the original production of the drawings) shall be considered "reproductions" and is therefore reimbursable.

6.2 Billing and Payment

- 6.2.1 Consultant shall submit monthly invoices for Professional Services rendered and for Reimbursable Expenses incurred. The invoice for Basic Services will be based upon Consultant's estimate of the proportion of the total services actually completed at the time of preparation of the invoice. To assist in the estimation of fees earned, the Basic Services fee will be broken down into the fees for various project phases. The invoice for RPR services shall be based on the number of hours worked during the billing period, as indicated on time sheets. The invoice for Sub-consultant services shall be based on the invoice received from the Sub-consultant (which Consultant shall review for reasonableness,) plus the pro-rated portion of Consultant's stipulated Administrative/Coordination Fee. The invoice for Reimbursable Expenses shall be based on the number of reproductions made during the invoice period multiplied by the stipulated or standard unit price, and the direct cost of other Reimbursable Expenses, as set forth in the Scope of Services.
- 6.2.2 Invoices shall be due and payable within thirty (30) calendar days of the Authority's receipt of the invoice. If Authority objects to all or any portion of an invoice, Authority shall so notify Consultant within fourteen (14) calendar days of the Authority's receipt of the invoice, identify the cause of disagreement, and pay when due the portion of the invoice, if any, not in dispute.
- 6.2.3 Failure to pay the portion of an invoice not under dispute after sixty (60) days shall be cause for Consultant to suspend work on the Project until such payment is made. By doing so, Consultant shall not incur any liability for claimed losses or damages due to non-performance of the work.

6.2.4 In the event that Authority terminates the project in accordance with Section 7 of this Agreement, Consultant shall be paid for the portion of the fee earned and costs incurred as of the date of notice of termination, but shall not be eligible for payment for any lost anticipated profits from the portion of the project following the termination date.

SECTION 7 - MISCELLANEOUS PROVISIONS

7.1 Insurance

During the performance of this Agreement, Consultant shall insure itself for and against professional liability and malpractice relative to the performance of this Agreement in the minimum amount of \$1,000,000 each claim/annual aggregate. In addition, Consultant shall be required, if available, to provide the same types and levels of insurance identified above for a period of six years following the expiration or early termination of this Agreement. Consultant shall deliver to Authority a certificate of this insurance coverage at the time this Agreement is executed. The certificate shall unconditionally provide that the requisite coverage shall not be terminated or modified or not renewed until Authority has received thirty (30) day written notice thereof. In the event that an insurance carrier should terminate or modify or not renew the above coverage, Consultant shall immediately contract with another insurance carrier to provide requisite coverage and shall immediately deliver to Authority a replacement certificate. The coverage shall be written through an admitted carrier in the State of North Carolina. In addition, Consultant and its sub-consultants shall maintain Workers' Compensation Insurance as required by law, and certificates of such insurance coverage shall likewise be delivered to Authority.

7.2 Indemnity

Consultant shall indemnify and hold harmless Authority and its present and future Members, officers, agents and employees, from and against all liabilities, claims, losses, costs and expenses (including, but not limited to, attorney fees) arising out of or resulting from any and all negligent acts and omissions of Consultant and/or its agents, employees and/or sub-consultants. Consultant shall be directly responsible for any such additional costs, above first costs, incurred by the Authority, as a result of the errors and omissions of Parrish and Partners of North Carolina, PLLC through its employees assigned to tasks for, or on behalf of the Authority, which result in additional costs to the Authority, either by a contractor, or by Parrish and Partners of North Carolina, PLLC itself.

7.3 Independent Contractor

Consultant is an independent contractor and not an agent of Authority.

7.4 Civil Right Assurances

During the performance of this Agreement, Consultant, for itself and for its assignees and successors if any and sub-consultants (all of whom collectively referred to as "Contractor") agrees as follows:

(a) Compliance with Regulations. Contractor shall comply with the regulations ("Regulations") relative to nondiscrimination in federally assisted programs of the Department of Transportation ("DOT") including but not limited to: Title 49, Code of Federal Regulations, Part 21, and as they may be amended from time to time. The Regulations are incorporated herein by this reference thereto.

(b) Nondiscrimination. With respect to and during the performance of this Agreement, Contractor shall not discriminate on the ground of age, race, color, national origin, religion, disability or sex in the selection or retention of sub-contractors and sub-consultants including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by Section 21.5 of the Regulations, including, but not limited to, practices when this Agreement covers a program set forth in Appendix B of the Regulations.

(c) Solicitations for sub-consultants and sub-contractors, including but not limited to, procurements of materials and equipment. In all solicitations, either by competitive bidding or negotiations made by Contractor for work to be performed under a sub-contract, including, but not limited to, procurements of materials and leases of equipment, each potential sub-consultant, sub-contractor and supplier shall be notified by Contractor of Contractor's obligations under this Agreement and the Regulations relative to nondiscrimination on the grounds of age, race, color, national origin, religion, disability or sex.

(d) Information and Reports. Contractor shall provide all information and reports required by the Regulations or directives, orders or instructions issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information, and facilities as may be determined by Authority or the FAA to be pertinent to ascertain compliance with such Regulations, directives, circulars, orders, and instructions. Where any information required of a Contractor is in the exclusive possession of another who fails or refuses to furnish this information, Contractor shall so certify to Authority and the FAA as appropriate, and shall set forth what efforts it has made to obtain the information.

(e) Sanctions for Noncompliance. In the event of Contractor's non-compliance with any of the non-discrimination provisions of this Agreement, Authority shall impose such Agreement sanctions as it or the FAA determine to be appropriate, including, but not limited to, the following:

- i. Withholding of payments to Contractor under this Agreement until Contractor complies; and/or
- ii. Cancellation, termination, or suspension of this Agreement, in whole or in part.

(f) Incorporation of Provisions. Contractor shall include the provisions of Paragraphs (a) through (e) above in every sub-contract, including but not limited to, procurements of materials and leases of equipment, unless exempted by the Regulations or directives issued pursuant thereto. Contractor shall take such action with respect to any sub-contract or procurement as Authority or the FAA may direct as a means of enforcing such provisions, including, but not necessarily limited to, sanctions for noncompliance; provided, however, that, in the event a Contractor becomes involved in, or is threatened with, litigation with a sub-consultant, sub-contractor or supplier as a result of such

direction, Contractor may request Authority to enter into such litigation to protect the interests of Authority and, in addition, Contractor may request the United States Government to enter into such litigation to protect the interests of the United States Government.

7.5 Disadvantaged Business Enterprise (DBE) Assurances

DBE Obligation: The Disadvantaged Business Enterprise (DBE) requirements of Title 49, Code of Federal Regulations, CFR Part (23 or 26) apply to this Agreement. Consultant agrees to ensure that DBE's, as defined in Part (23 or 26), have the maximum opportunity to participate in the performance of contracts and sub-contracts provided under this Agreement. In this regard, Consultant shall take all necessary and reasonable steps in accordance with Part (23 or 26) to ensure that disadvantaged business enterprises have the maximum opportunity to compete for and perform Contracts. The Consultant shall not discriminate on the basis of age, race, color, national origin, religion, disability or sex in the award and performance of contracts.

7.6. Opinions of Cost

7.6.1 Since Consultant has no control over the cost of labor, materials, equipment or services furnished by others, or over the Contractor(s)' method of determining prices, or over competitive bidding or market conditions, his opinions of Probable Construction Cost provided for herein are to be made on the basis of his experience and qualifications and represent his best judgment as an experienced and qualified professional general consultant, familiar with the construction industry; but Consultant cannot and does not guarantee that proposals, bids or actual construction cost will not vary from opinions of probable cost prepared by him.

7.6.2 "Construction Cost" means the total of payments made to Construction Contractor(s), plus the cost of any materials, furnishings, etc. purchased separately by Authority and incorporated into the project. "Non-construction costs" are all costs of the project other than construction costs, including but not limited to Consulting Services, Testing, Topographic or other Surveys, Environmental Evaluations, RPR, and Authority's Miscellaneous and Administrative Expense. All of these costs, collectively, are referred to as the Project Cost.

7.7 Termination

7.7.1 This Agreement may be terminated by Authority upon seven (7) day's written notice, for the Authority's convenience and without cause.

7.7.2 Upon receipt of a termination notice, Consultant and its sub-consultants shall promptly discontinue all services and shall deliver to Authority all data, Drawings, Specifications, report estimates, summaries, and other information and materials as may be accumulated by Consultant and its sub-consultants, whether completed or in process.

7.7.3 Upon termination of this Agreement, Authority may, without prejudice or limitation of any action for damages or any other right or remedy, enter into another agreement for the

completion of the work contemplated by this Agreement, or may use other methods for the completion of such work.

- 7.7.4 Upon termination of this Agreement, Consultant shall be entitled to receive payment for work executed and costs incurred by reason of such termination, including reasonable overhead and profit on completed work.

7.8 Re-Use of Documents

The drawings, specifications and all other documents or things prepared by Consultant for the Project shall become and be the sole property of Authority. Consultant shall, at its own cost and expense, be permitted to retain copies thereof for its records and for its future professional endeavors. Such drawings, specifications and other documents or things are not intended by Consultant for use on other projects by Authority or others. Any reuse by Authority or by third parties without the written approval of Consultant, shall be at the sole risk of Authority.

7.9 Storage, Protection, and Retrieval of Documents and Data

- 7.9.1 Storage, protection, and retrieval of General Consulting documents is an important part of Consultant's responsibility to Authority. Completed General Consulting Drawings (Plans) shall be stored by Consultant in a minimum of three medias: paper plot originals, AutoCAD files in the dual redundant hard drives of Consultant's raid server, and in CD-ROM disks which are made each week and stored off-site. Additionally, Authority may obtain disks containing the CAD files at any reasonable interval, such as monthly or upon completion of each project, and store them at Authority's office. Drawings in progress are stored in the hard drive and in the weekly back-up CD-ROM disks; existing paper plots of drawings in progress may not be up to date at any particular time. Text documents shall be stored as filed paper documents, as text files in the hard drive, and in the same weekly CD-ROM back-up disks that contain the CAD files.
- 7.9.2 Documents received from others, such as test reports, shop drawings, correspondence from the Contractor, etc., are stored by Consultant only in their original paper form or electronic form. They are filed by job number and are stored in-perpetuity, unless approved in writing by the Authority for disposal, except for papers which are considered by Consultant to be unimportant for future reference purposes, which are discarded. Although paper documents are stored in boxes in a dry place and reasonable care is taken to protect them, no guarantee is made that they will be preserved undamaged without time limit.

7.10 Non-waiver of Rights

Neither Authority's failure to insist upon the strict performance of any provision of this Agreement or to exercise any right or remedy relative to a breach thereof, nor Authority's acceptance of any performance during such breach shall constitute a waiver of any right or remedy of Authority.

7.11 Conflict of Interest

No paid employee of Authority shall have a personal or financial interest, direct or indirect, as a contracting party or otherwise, in the performance of this Agreement.

7.12 Sub-consultants

Consultant shall not utilize any sub-consultants for carrying out the services to be performed under this Agreement without the prior written approval of Authority. By the execution of this Agreement, Authority grants approval for the utilization of the sub-consultants set forth in **Exhibit "D"**, which is attached hereto and incorporated herein.

7.13 Audit: Access to Records

Consultant shall maintain books, records and documents pertinent to the performance of the Contract and these General Provisions in accordance with generally accepted accounting principles and practices, and with any governmental requirements; and Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to all such documents for purposes of examination, audit and copying.

7.14 Special Provisions

This Agreement is subject to the following Special Provisions. The listed documents are hereby incorporated into this Agreement by reference, and have the same force and effect as if they had been written into the body of this Agreement. However, if there is a conflict between a Special Provision and any other provisions of the agreement, the Special Provisions shall be subordinate.

1. Exhibit A – Proposed Project Work
2. Exhibit B – Consultant Scope of Services related to this Agreement for Professional Services.
3. Exhibit C – Schedule of Fees consisting of one page.
4. Exhibit D – Consultant Staff/Sub Consultant(s) Assignment - Listing of assigned staff and all sub-consultants committed to the fulfillment of this Agreement. Such staff and or sub-consultants may not be changed without the expressed written consent of the Authority.
5. Exhibit E – Responsibilities of Resident Project Representative (RPR).

7.15 Notices

All notices shall be in writing and shall be served only by registered or certified mail, return receipt requested, addressed to the party to be served at the address set forth below or at such other address as may be designated in writing. Service of notice shall be complete upon receipt of notice.

To Authority:

Greater Asheville Regional Airport Authority
61 Terminal Drive, Suite 1
Fletcher, North Carolina 28732
Attention: Executive Director

To Consultant:

Parrish and Partners of North Carolina, PLLC
1801 Stanley Road
Suite 104
Greensboro, NC 27407
Attention: President/Principal-in-Charge/Owner Name

7.16 Dispute Resolution

- 7.16.1 As a condition precedent to resolving claims, disputes and other matters by litigation, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to attempt to resolve any claim, dispute or other matter in question arising out of or relating to this Agreement or a breach thereof, in the first instance, by mutual consent based upon an objective review and interpretation of factual information presented by either or both parties.
- 7.16.2 In the absence of agreement by mutual consent as set out in Sub-paragraph 7.16.1, but only so long as neither of the parties hereto is thereby prejudiced or harmed by a statute of limitation or a statute of repose, the parties agree to refer the claim, dispute or other matter to mediation. Either party may initiate a request for mediation, and the parties hereto shall, within thirty days of the receipt of a written request, select by mutual agreement a mediator, who shall be qualified to conduct mediated settlement conferences in the Superior Court Division of the General court of Justice of the State of North Carolina. If the parties cannot agree upon a mediator, the first mediator (who will agree to conduct this mediation) on the mediator list of the Trial Court Administrator for the 28th Judicial District of the State of North Carolina shall be automatically selected.
- 7.16.3 The parties hereto shall share the mediator's fees equally. The mediation shall be held in the Conference Room at Authority's Administrative Offices, Asheville Regional Airport, or at such other place as may be mutually agreed upon (the expense for such other place to be shared equally).
- 7.16.4 Failing resolution of a claim, dispute or other matter by the methods set forth in Sub-Paragraph 7.16.1 or 7.16.2, either party may then resort to litigation, which shall be commenced in Buncombe County, North Carolina.
- 7.16.5 Notwithstanding any provision of this Agreement to the contrary, this Agreement does not contain, and shall not be deemed to constitute, an Agreement to arbitrate, and any claim against or dispute or other matter with Consultant shall not be subject to arbitration.
- 7.16.6 In the event a dispute shall arise under or about this Agreement, then the prevailing party therein shall be entitled to recover from the non-prevailing party all reasonable costs,

expenses and reasonable attorney's fees which may be incurred on account of such dispute, whether or not suit or other legal or quasi-legal proceedings may be brought, as well as at every stage of any such proceedings from the time such dispute first arises through trial or other proceedings and all appellate processes.

7.17 Governing Law

This Agreement is to be governed by the laws of the State of North Carolina.

7.18 Successors and Assigns

7.18.1 Authority and Consultant each binds itself and its partners, successors, executors, administrators, assigns and legal representatives to the other party to the Agreement and to the partners, successors, executors, administrators, assigns and legal representatives of such other party, in respect to all covenants, agreements and obligations of this Agreement.

7.18.2 Consultant shall not assign, sublet or transfer any rights under or interest in (including, but without limitation, moneys that may become due or moneys that are due) this Agreement without the written consent of the Authority, except to the extent that the effect of this limitation may be restricted by law. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement. Nothing contained in this paragraph shall prevent Consultant from employing such independent Sub-consultants or Sub-contractors as he may deem appropriate to assist him in the performance of services hereunder, however Consultant shall so inform Authority in advance, and shall not employ any sub-consultant or sub-contractor to whom Authority objects.

7.19 No Third-Party Beneficiaries

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

7.20 Severability

If any of the terms, conditions or provisions of this Agreement hereto, or any document incorporated herein (other than a Regulation) or any portions thereof, shall contravene or be invalid under the laws or regulations of the United States or the State of North Carolina or any of their respective agencies, departments or subdivisions, such contravention or invalidity shall not invalidate the whole Agreement, attachment or document, but this Agreement, attachment(s), and document(s) shall be construed as if not containing the particular term, condition or provision, or portion thereof, held to be in contravention or invalid, and the rights and obligations of the parties hereto shall be construed accordingly.

7.21 Non-Exclusive

This Agreement does not create or provide any exclusive right or interest in or for Consultant, and Authority may contract with other engineers, professionals and contractors at any time and for any services and purposes.

7.22 Entirety of Agreement

7.22.1 This Agreement together with the Exhibits identified above constitutes the entire agreement between Authority and Consultant and supersedes all prior written or oral understanding. This Agreement and said Exhibits may only be amended, supplemented, or modified by a duly executed Amendment, except that an Amendment shall not be required to transmit each year's updated Standard Rate Schedule.

7.22.2 Regardless of which party hereto is responsible for the preparation and drafting of this agreement, it shall not be construed more strictly against either party.

IN WITNESS WHEREOF, the parties hereto have made and executed and this Agreement as of the day and year first above written.

AUTHORITY:

GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY

By:

Lew Bleiweis, A.A.E.
Executive Director

Attested By:

Print Name: _____

Seal

CONSULTANT:

PARRISH AND PARTNERS OF NORTH
CAROLINA, PLLC

By:

Jeff Kirby, P.E.
Its: Senior Vice President

Attested By:

Print Name: _____

Seal

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EXHIBIT A
PROPOSED PROJECT WORK

The following projects may be included in the scope of services provided under the contract(s) associated with this request:

1. Terminal Apron Expansion - South.
2. Terminal Apron Repairs and Joint Seal.
3. Wright Brothers Way Extension.
4. Roadway Improvements and Rehabilitation.
5. General Aviation Apron/Taxilane Rehabilitation.
6. New North General Aviation Area site development.
7. Parking Lot Rehabilitation.
8. Safety Management System.
9. Tri-Annual DBE Goals Program.
10. Tri-Annual Airport Concessions DBE Goals Program.
11. Miscellaneous survey and geotechnical investigations.
12. Financial evaluation and other associated services.
13. Rates and Charges evaluation, recommendations and other associated services.
14. Passenger Facility Charge evaluation, recommendations and/or application processes.

The above list of potential projects and tasks is not necessarily all inclusive and is subject to revisions by the Authority.

EXHIBIT B

Consultant Scope of Services

Greater Asheville Regional Airport Authority

Scope of Services for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Greater Asheville Regional Airport Authority and _____, dated _____.

Project:

Scope of Services:

Consultant Team:

Schedule:

Project Budget:

Fees:

Authority:

Greater Asheville Regional Airport Authority

By: _____
Executive Director

Date: _____

Consultant:

By: _____
Title: _____

Date: _____

This instrument has been pre-audited in the manner required by local government and fiscal control.

Finance Director

Date

EXHIBIT C

SCHEDULE OF FEES

for

PARRISH AND PARTNERS OF NORTH CAROLINA, PLLC

CLASSIFICATION

HOURLY RATES

EXHIBIT D

Consultant Staff/Sub-Consultant(s) Assignments

Position/Role

Company/Name

EXHIBIT E

Responsibilities of the Resident Project Representative

If Authority requests the services of a Resident Project Representative, he or she shall be the agent and employee of Consultant and shall:

- A. Make extensive and comprehensive on-site observations of the work in progress, assist Consultant in determining if the work is proceeding in accordance with the Contract Documents; make field checks of materials and equipment incorporated into the work; provided that Consultant shall not have control over the construction means, methods, techniques, sequences or procedures of the Contractor(s) or the safety precautions or programs of the Contractors(s).
- B. Be Consultant's agent at the construction site.
- C. Deal with subcontractors only through the Contractor(s), unless authorized by Consultant and the appropriate Contractor to deal directly with a subcontractor.
- D. Review the progress schedule, schedule of shop drawing submittals and schedule of values prepared by the Contractor(s).
- E. Attend meetings with the Contractor(s), such as pre-construction conferences, progress meetings, job conferences and other Project related meetings, and prepare and circulate copies of minutes thereof to Authority and other appropriate parties. (In the event that there is no Resident Project Representative, Consultant shall be responsible for the preparation and circulation of the minutes for all such meetings.)
- F. Serve as Consultant's liaison with the Contractor(s), working principally through the Contractor(s)' superintendents; and assist the Contractor(s) in understanding the intent of the Contract Documents; and assist Consultant in serving as Authority's liaison with the Contractor(s), particularly when the Contractor(s)' operations affect Authority's airport operations.
- G. Assist in obtaining from Authority such additional details and information as may be required for the proper execution of the work.
- H. Record the dates of receipt of shop drawings and samples.
- I. Receive samples which are furnished at the job site by the Contractor(s), and notify Consultant of the availability of samples for examination.
- J. Advise Consultant and the Contractor(s) of the commencement of any work requiring a shop drawing or sample if the submittal has not been approved by Consultant.
- K. Report in writing to Consultant whenever he or she believes that any work is unsatisfactory, faulty or defective or does not conform to the Contract Documents, or has been damaged, or does not meet the requirements of any inspection, test or approval required to be made; and advise Consultant in writing of any work that he or she believes

should be corrected or rejected, or should be uncovered for observation, or may require special testing, inspection or approval.

- L. Verify that tests, equipment and systems start-ups, and operating and maintenance training are conducted in the presence of appropriate personnel, and that the Contractor(s) maintain adequate written records thereof; and observe, record in writing and report to Consultant appropriate details relative to the test procedures and the start-ups.
- M. Accompany governmental inspectors, and report in writing to Consultant the results of the inspections.
- N. Report in writing to Consultant when clarifications and interpretations of the Contract Documents are needed; and transmit Consultant's clarifications and interpretations to the Contractor(s).
- O. Evaluate the Contractor(s)' suggestions for modifications in drawings and specifications; report his or her recommendations in writing to Consultant; and transmit Consultant's decisions to the Contractor(s).
- P. Maintain at the job site orderly files for correspondence, reports of job conferences, minutes of meetings, shop drawings and samples, reproductions of the Contract Documents including but not limited to all addenda and change orders, Consultant's clarifications and interpretations of the Contract Documents, progress reports, and other Project related documents. Consultant shall keep all documents (including but not necessarily limited to the documents referred to in this paragraph and the next two paragraphs) for a period of six (6) years after the Project is fully completed, and during the construction period and this six (6) year period, Authority, the FAA, the Comptroller General of the United States and their duly authorized representatives shall have access to these documents for purposes of examination, audit and copying.
- Q. Keep a diary or log book, and record therein the Contractor(s)' hours on the job site, weather conditions, data relative to questions about the work, job site visitors, daily activities, decisions, observations in general, and specific observations with respect to test procedures.
- R. Record names, addresses and telephone numbers of all Contractor(s), subcontractors and major suppliers of material and equipment.
- S. Furnish Consultant periodic written reports of the progress of the work and of the Contractor(s)' compliance with the progress schedule and schedule of shop drawings and sample submittals.
- T. Consult with Consultant in advance of scheduled major tests, inspections and the start of important phases of the work.
- U. Draft proposed change orders and obtain backup materials from the Contractor(s), and make recommendations to Consultant.
- V. Report immediately to Consultant and Authority upon the occurrence of any accident, and confirm such report in writing.

- W. Review applications for payment with the Contractor(s), and forward his or her written recommendations to Consultant, noting particularly the relationship of the payment requested to the schedule of values, work completed, and materials and equipment delivered to the job site but not incorporated in the work.
- X. Verify that certificates, operation and maintenance manuals, and other data required to be assembled and furnished by the Contractor(s) are applicable to the items actually installed and are in accordance with the Contract Documents; and have this material delivered to Consultant for review and forwarding to Authority prior to the final payment for work.
- Y. Before Consultant issues a certificate of substantial completion, submit to each Contractor a written list of observed items requiring completion or correction.
- Z. Conduct a final inspection in the company of Consultant, Authority and the Contractor(s), and prepare a final written list of items to be completed or corrected.
- AA. Determine that all items on the final list have been completed or corrected, and make recommendations in writing to Consultant concerning acceptance of the work and corrections.

The Resident Project Representative shall not:

- A. Authorize any deviation from the Contract Documents, or any substitution of materials or equipment, unless authorized in writing by Consultant.
- B. Exceed Consultant's authority as set forth herein or in the Contract.
- C. Undertake any of the responsibilities of the Contractor(s) or subcontractors.
- D. Advise on, issue directions relative to, or assume control over any aspect of the construction means, methods, techniques, sequences or procedures of the Contractor(s) unless such directions or control are specifically required by the Contract Documents.
- E. Advise on, issue directions relative to, or assume control over Contractor(s)' safety precautions or programs.
- F. Accept shop drawings or sample submittals from anyone other than a Contractor.
- G. Authorize Authority to occupy the Project in whole or in part.
- H. Participate in specialized field or laboratory tests or inspections conducted by others, except as specifically authorized in writing by Consultant.
- I. Review any of the CONTRACTOR(s)' safety precautions, or the means, methods, sequences, or procedures required for the CONTRACTOR(s) to perform the work. Omitted design or review services include, but are not limited to, shoring, scaffolding, underpinning, temporary retainment of excavations, and any erection methods and temporary bracing.

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MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: August 10, 2018

ITEM DESCRIPTION – Information Section Item A

June, 2018 Traffic Report – Asheville Regional Airport

SUMMARY

June, 2018 overall passenger traffic numbers were up 16.1% compared to the same period last year. Passenger traffic numbers reflect a 15.8% increase in passenger enplanements from June, 2017. Enplanements for Fiscal Year to Date total 530,505 which is a 17.8% increase over the same period last year.

AIRLINE PERFORMANCE

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in June 2018 were up by 43.3%. There were no flight cancellations for the month.

American Airlines: American's June 2018 passenger enplanements represent a 5.2% decrease over the same period last year. There were twenty-seven (27) flight cancellations for the month.

Delta Airlines: Delta's June 2018 enplanements increased by 8.5% compared to June 2017. There were no flight cancellations for the month.

Elite Airways: Year over Year passenger enplanements for Elite in June 2018 were up by 10.5%. There were no flight cancellations for the month.

United Airlines: In June 2018, United Airlines was flat compared to the same period last year. There were no flight cancellations for the month.

Monthly Traffic Report Asheville Regional Airport

June 2018



Category	Jun 2018	Jun 2017	Percentage Change	*CYTD-2018	*CYTD-2017	Percentage Change	*MOV12-2018	*MOV12-2017	Percentage Change
Passenger Traffic									
Enplaned	52,845	45,651	15.8%	247,354	203,065	21.8%	521,686	441,769	18.1%
Deplaned	<u>53,758</u>	<u>46,196</u>	16.4%	<u>246,707</u>	<u>204,437</u>	20.7%	<u>521,507</u>	<u>440,742</u>	18.3%
Total	106,603	91,847	16.1%	494,061	407,502	21.2%	1,043,193	882,511	18.2%
Aircraft Operations									
Airlines	751	734	2.3%	4,122	3,579	15.2%	8,383	7,296	14.9%
Commuter /Air Taxi	<u>1,085</u>	<u>990</u>	9.6%	4,100	4,427	-7.4%	10,653	9,718	9.6%
Subtotal	<u>1,836</u>	<u>1,724</u>	6.5%	<u>8,222</u>	<u>8,006</u>	2.7%	<u>19,036</u>	<u>17,014</u>	11.9%
General Aviation	4,797	3,972	20.8%	19,959	19,351	3.1%	43,449	41,516	4.7%
Military	<u>370</u>	<u>513</u>	-27.9%	<u>1,587</u>	<u>2,108</u>	-24.7%	<u>4,168</u>	<u>4,280</u>	-2.6%
Subtotal	<u>5,167</u>	<u>4,485</u>	15.2%	<u>21,546</u>	<u>21,459</u>	0.4%	<u>47,617</u>	<u>45,796</u>	4.0%
Total	7,003	6,209	12.8%	29,768	29,465	1.0%	66,653	62,810	6.1%
Fuel Gallons									
100LL	16,227	7,954	104.0%	73,580	66,657	10.4%	170,219	157,633	8.0%
Jet A (GA)	147,928	154,133	-4.0%	592,688	552,402	7.3%	1,474,556	1,324,714	11.3%
Subtotal	<u>164,155</u>	<u>162,087</u>	1.3%	<u>666,268</u>	<u>619,059</u>	7.6%	<u>1,644,775</u>	<u>1,482,347</u>	11.0%
Jet A (A/L)	<u>419,771</u>	<u>370,759</u>	13.2%	<u>1,912,519</u>	<u>1,514,898</u>	26.2%	<u>3,951,842</u>	<u>3,094,246</u>	27.7%
Total	583,926	532,846	9.6%	2,578,787	2,133,957	20.8%	5,596,617	4,576,593	22.3%

*CYTD = Calendar Year to Date and *Mov12 = Moving Twelve Months.

Friday, July 27, 2018

Airline Enplanements, Seats, and Load Factors

Asheville Regional Airport

June 2018



	Jun 2018	Jun 2017	Percentage Change	*CYTD-2018	*CYTD-2017	Percentage Change
Allegiant Air						
Enplanements	21,726	15,164	43.3%	87,952	61,418	43.2%
Seats	24,404	17,286	41.2%	104,718	72,576	44.3%
Load Factor	89.0%	87.7%	1.5%	84.0%	84.6%	-0.8%
American Airlines						
Enplanements	9,055	9,550	-5.2%	52,837	44,843	17.8%
Seats	11,087	13,443	-17.5%	64,898	62,963	3.1%
Load Factor	81.7%	71.0%	15.0%	81.4%	71.2%	14.3%
Delta Air Lines						
Enplanements	13,842	12,759	8.5%	71,488	63,411	12.7%
Seats	15,160	15,745	-3.7%	81,855	82,267	-0.5%
Load Factor	91.3%	81.0%	12.7%	87.3%	77.1%	13.3%
Elite Airways						
Enplanements	221	200	10.5%	492	241	104.1%
Seats	400	450	-11.1%	1,120	550	103.6%
Load Factor	55.3%	44.4%	24.3%	43.9%	43.8%	0.3%
United Airlines						
Enplanements	8,001	7,978	0.3%	34,585	33,152	4.3%
Seats	9,358	9,510	-1.6%	42,183	41,908	0.7%
Load Factor	85.5%	83.9%	1.9%	82.0%	79.1%	3.6%
Totals						
Enplanements	52,845	45,651	15.8%	247,354	203,065	21.8%
Seats	60,409	56,434	7.0%	294,774	260,264	13.3%
Load Factor	87.5%	80.9%	8.1%	83.9%	78.0%	7.5%

Friday, July 27, 2018

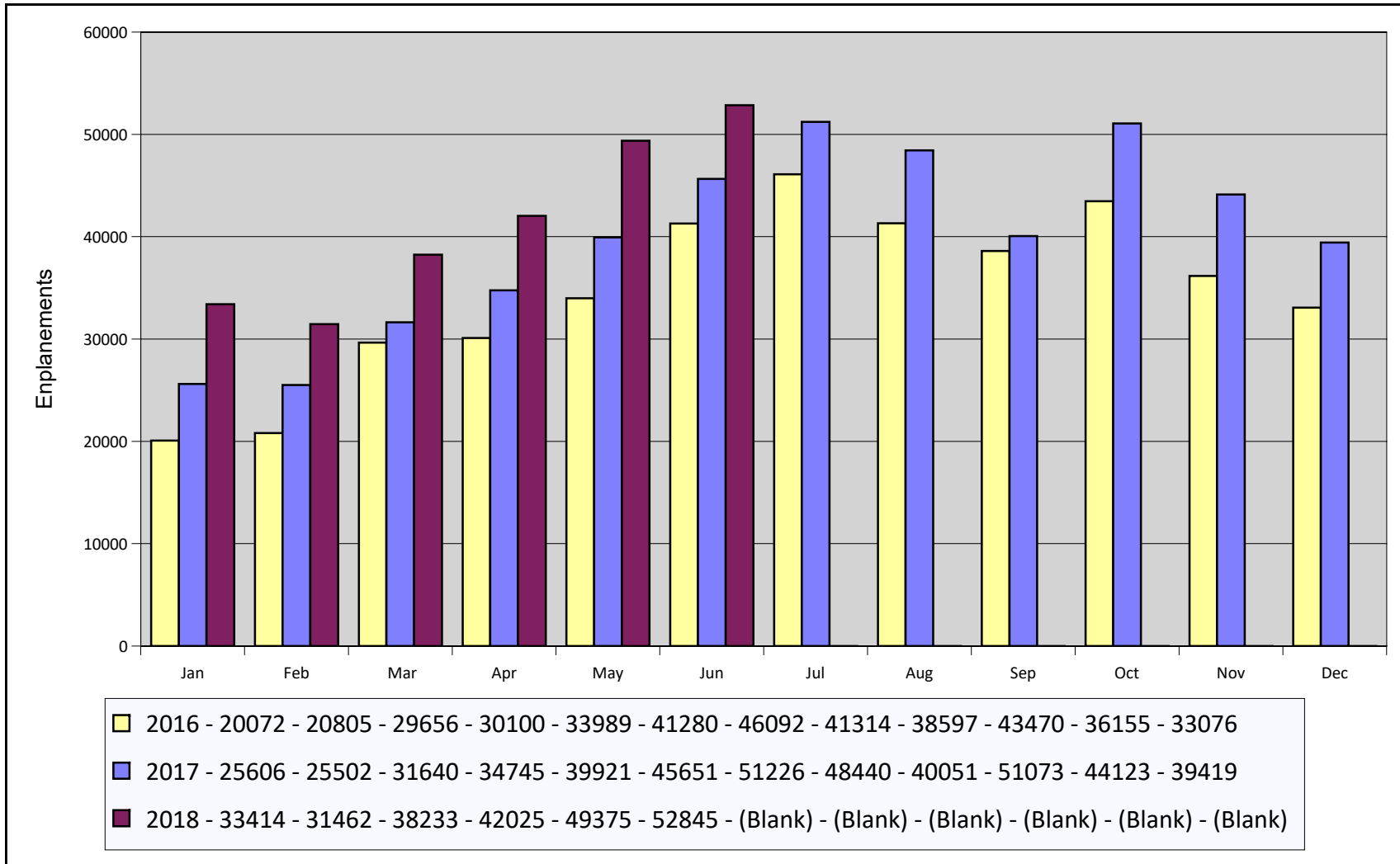
*CTYD = Calendar Year to Date and *Mov12 = Moving Twelve Months

Airline Flight Completions Asheville Regional Airport June 2018

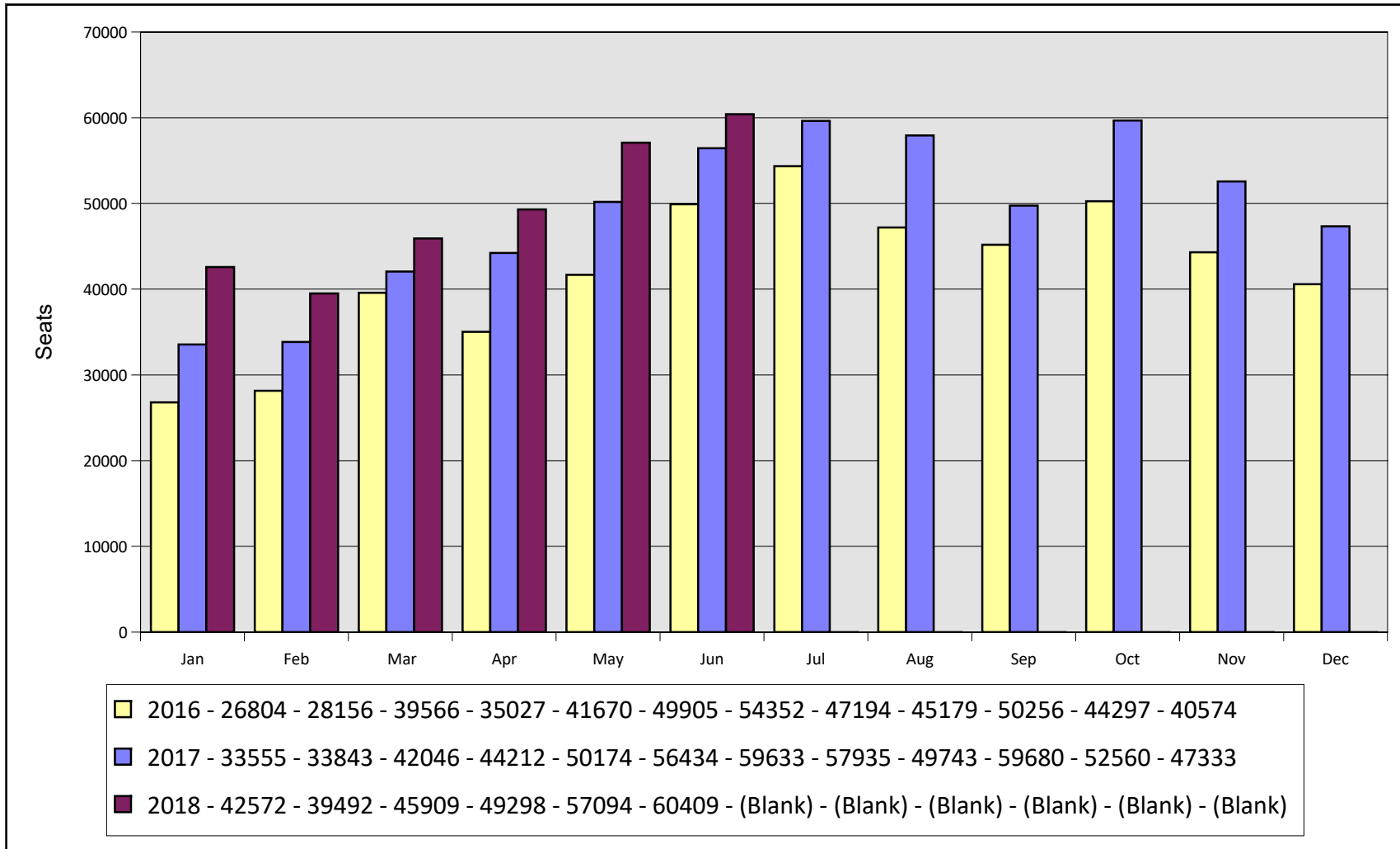


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Allegiant Air	140	0	0	0	0	0	100.0%
American Airlines	204	0	0	0	27	27	86.8%
Delta Air Lines	224	0	0	0	0	0	100.0%
Elite Airways	8	0	0	0	0	0	100.0%
United Airlines	143	0	0	0	0	0	99.3%
Total	719	0	0	0	27	27	96.2%

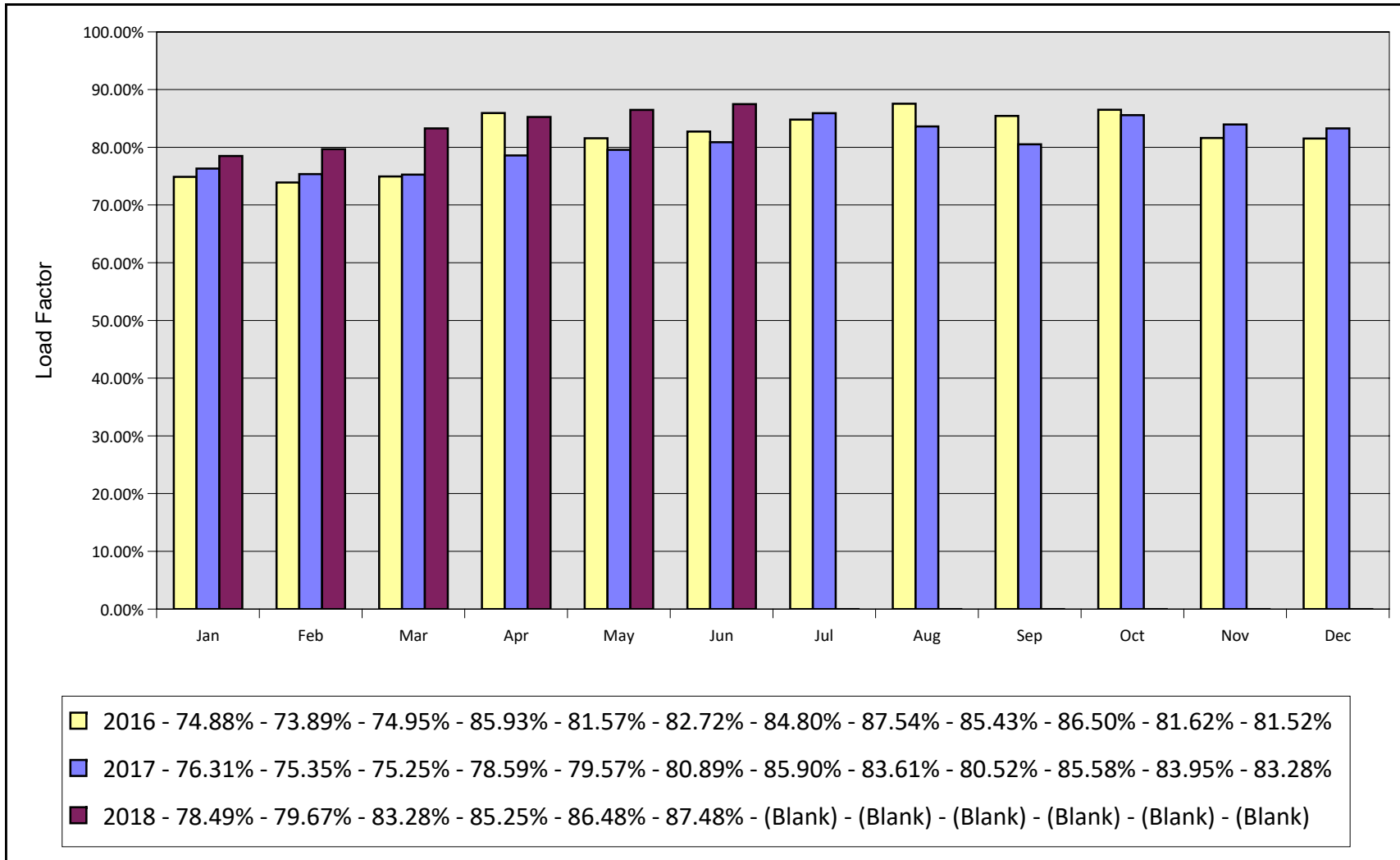
Monthly Enplanements By Year Asheville Regional Airport



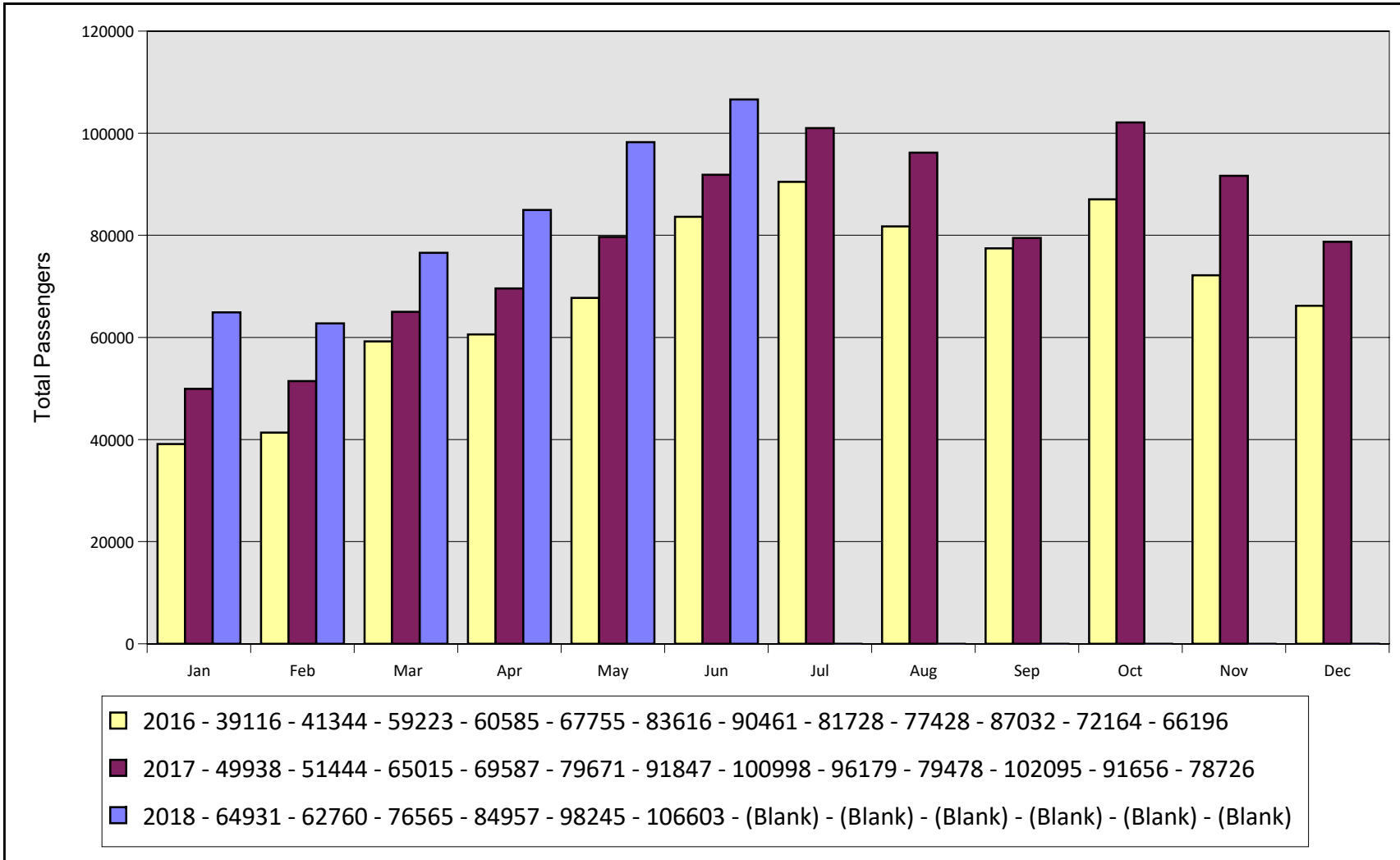
Monthly Seats By Year Asheville Regional Airport



Monthly Load Factors By Year Asheville Regional Airport

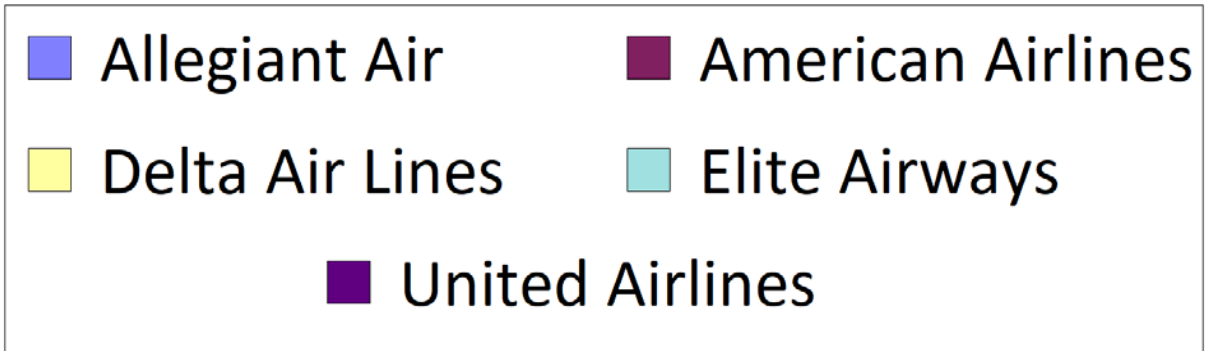
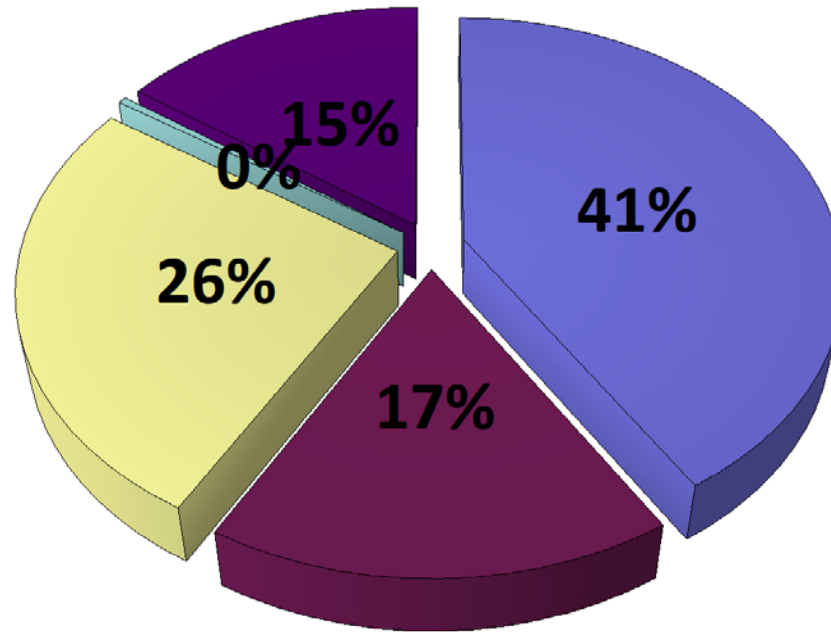


Total Monthly Passengers By Year Asheville Regional Airport



Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From June 2018 Through June 2018



AVL - Three month schedule Summary Report
 August - October 2018 vs. 2017

August 2018 vs. August 2017											
Mkt AI	Travel Period		Aug-18		Aug-17		Diff		Percent Diff		
	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	
7Q	AVL	VRB	2	100	2	94	0	6	0.0%	6.4%	
7Q	VRB	AVL	2	100	2	94	0	6	0.0%	6.4%	
AA	AVL	CLT	48	2,933	54	3,194	(6)	(261)	(11.1%)	(8.2%)	
AA	CLT	AVL	48	2,933	54	3,194	(6)	(261)	(11.1%)	(8.2%)	
AA	AVL	DFW	1	65	0	0	1	65			
AA	DFW	AVL	1	65	0	0	1	65			
DL	AVL	ATL	53	3,395	48	3,304	5	91	10.4%	2.8%	
DL	AVL	ATL	53	3,402	48	3,338	5	64	10.4%	1.9%	
DL	AVL	LGA	1	50	1	69	0	(19)	0.0%	(27.5%)	
DL	LGA	AVL	1	50	1	69	0	(19)	0.0%	(27.5%)	
G4	AVL	BWI	3	531	3	498	0	33	0.0%	6.6%	
G4	BWI	AVL	3	531	3	498	0	33	0.0%	6.6%	
G4	AVL	DEN	2	354	0	0	2	354			
G4	DEN	AVL	2	354	0	0	2	354			
G4	AVL	EWR	4	708	3	498	1	210	33.3%	42.2%	
G4	EWR	AVL	4	708	3	498	1	210	33.3%	42.2%	
G4	AVL	FLL	9	1,593	5	885	4	708	80.0%	80.0%	
G4	FLL	AVL	9	1,593	5	885	4	708	80.0%	80.0%	
G4	AVL	PGD	4	708	4	697	0	11	0.0%	1.6%	
G4	PGD	AVL	4	708	4	697	0	11	0.0%	1.6%	
G4	AVL	PIE	7	1,239	4	686	3	553	75.0%	80.6%	
G4	PIE	AVL	7	1,239	4	686	3	553	75.0%	80.6%	
G4	AVL	SFB	4	697	3	509	1	188	33.3%	36.9%	
G4	SFB	AVL	4	697	3	509	1	188	33.3%	36.9%	
UA	AVL	EWR	8	1,000	7	1,050	1	(50)	14.3%	(4.8%)	
UA	EWR	AVL	8	1,000	7	1,050	1	(50)	14.3%	(4.8%)	
UA	AVL	ORD	25	1,250	28	1,400	(3)	(150)	(10.7%)	(10.7%)	
UA	ORD	AVL	25	1,250	28	1,400	(3)	(150)	(10.7%)	(10.7%)	
Total			342	29,253	324	25,802	18	3,451	5.6%	13.4%	

September 2018 vs. September 2017											
Mkt AI	Travel Period		Sep-18		Sep-17		Diff		Percent Diff		
	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	
7Q	AVL	VRB	2	100	2	94	0	6	0.0%	0.0%	
7Q	VRB	AVL	2	100	2	94	0	6	0.0%	0.0%	
AA	AVL	CLT	55	3,556	59	3,108	(4)	448	(6.8%)	14.4%	
AA	CLT	AVL	55	3,556	59	3,108	(4)	448	(6.8%)	14.4%	
DL	AVL	ATL	46	3,761	53	3,271	(7)	490	(13.2%)	15.0%	
DL	AVL	ATL	46	3,795	52	3,221	(6)	574	(11.5%)	17.8%	
G4	AVL	BWI	2	354	2	354	0	0	0.0%	0.0%	
G4	BWI	AVL	2	354	2	354	0	0	0.0%	0.0%	
G4	AVL	EWR	2	354	2	332	0	22	0.0%	6.6%	
G4	EWR	AVL	2	354	2	332	0	22	0.0%	6.6%	
G4	AVL	FLL	6	1,062	4	708	2	354	50.0%	50.0%	
G4	FLL	AVL	6	1,062	4	708	2	354	50.0%	50.0%	
G4	AVL	PGD	4	708	4	697	0	11	0.0%	1.6%	
G4	PGD	AVL	4	708	4	697	0	11	0.0%	1.6%	
G4	AVL	PIE	4	708	3	509	1	199	33.3%	39.1%	
G4	PIE	AVL	4	708	3	509	1	199	33.3%	39.1%	
G4	AVL	SFB	3	509	3	509	0	0	0.0%	0.0%	
G4	SFB	AVL	3	509	3	509	0	0	0.0%	0.0%	
NK	AVL	FLL	3	546	0	0	3	546			
NK	FLL	AVL	3	546	0	0	3	546			
NK	AVL	MCO	3	546	0	0	3	546			
NK	MCO	AVL	3	546	0	0	3	546			
NK	AVL	TPA	2	364	0	0	2	364			
NK	TPA	AVL	2	364	0	0	2	364			
UA	AVL	EWR	7	806	7	826	0	(20)	0.0%	(2.4%)	
UA	EWR	AVL	7	806	7	826	0	(20)	0.0%	(2.4%)	
UA	AVL	ORD	28	1,400	28	1,400	0	0	0.0%	0.0%	
UA	ORD	AVL	28	1,400	28	1,400	0	0	0.0%	0.0%	
Total			334	29,582	333	23,566	1	6,016	0.3%	25.5%	

October 2018 vs. October 2017											
Mkt AI	Travel Period		Oct-18		Oct-17		Diff		Percent Diff		
	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	
7Q	AVL	VRB	2	100	2	94	0	6	0.0%	6.4%	
7Q	VRB	AVL	2	100	2	94	0	6	0.0%	6.4%	
AA	AVL	CLT	51	3,343	53	3,118	(2)	225	(3.8%)	7.2%	
AA	CLT	AVL	51	3,343	53	3,118	(2)	225	(3.8%)	7.2%	
DL	AVL	ATL	46	3,440	52	3,346	(6)	94	(11.5%)	2.8%	
DL	AVL	ATL	46	3,440	53	3,396	(7)	44	(13.2%)	1.3%	
G4	AVL	BWI	2	354	2	332	0	22	0.0%	6.6%	
G4	BWI	AVL	2	354	2	332	0	22	0.0%	6.6%	
G4	AVL	EWR	3	531	2	332	1	199	50.0%	59.9%	
G4	EWR	AVL	3	531	2	332	1	199	50.0%	59.9%	
G4	AVL	FLL	14	2,478	8	1,361	6	1,117	75.0%	82.1%	
G4	FLL	AVL	14	2,478	8	1,361	6	1,117	75.0%	82.1%	
G4	AVL	PGD	5	885	5	852	0	33	0.0%	3.9%	
G4	PGD	AVL	5	885	5	852	0	33	0.0%	3.9%	
G4	AVL	PIE	9	1,593	7	1,206	2	387	28.6%	32.1%	
G4	PIE	AVL	9	1,593	7	1,206	2	387	28.6%	32.1%	
G4	AVL	SFB	7	1,195	6	996	1	199	16.7%	20.0%	
G4	SFB	AVL	7	1,195	6	996	1	199	16.7%	20.0%	
NK	AVL	FLL	3	546	0	0	3	546			
NK	FLL	AVL	3	546	0	0	3	546			
NK	AVL	MCO	3	546	0	0	3	546			
NK	MCO	AVL	3	546	0	0	3	546			
NK	AVL	TPA	2	364	0	0	2	364			
NK	TPA	AVL	2	364	0	0	2	364			
UA	AVL	EWR	7	584	7	826	0	(242)	0.0%	(29.3%)	
UA	EWR	AVL	7	584	7	826	0	(242)	0.0%	(29.3%)	
UA	AVL	ORD	28	1,400	28	1,400	0	0	0.0%	0.0%	
UA	ORD	AVL	28	1,400	28	1,400	0	0	0.0%	0.0%	
Total			364	34,718	345	27,776	19	6,942	5.5%	25.0%	



MEMORANDUM

TO: Members of the Airport Authority
FROM: Janet Burnette, Director of Finance & Accounting
DATE: August 10, 2018

ITEM DESCRIPTION – Information Section Item B

Greater Asheville Regional Airport – Explanation of Extraordinary Variances
Month of June 2018 (Month 12 of FY2018)

SUMMARY

Operating Revenues for the month of June were \$1,176,670, 27.75% over budget. Operating Expenses for the month were \$722,128, 52.16% under budget. As a result, Net Operating Revenues before Depreciation were \$454,542, 177.27% over budget. Net Non-Operating Revenues were \$510,891, 83.26% over budget.

Year-to-date Operating Revenues were \$12,413,747, 20.42% over budget. Year-to-date Operating Expenses were \$8,220,758, 13.66% under budget. Year-to-date Net Operating Revenues before Depreciation were \$4,192,989, 432.24% over budget. Net Non-Operating Revenues for the year were \$3,547,802, 32.09% over budget.

REVENUES

Significant variations to budget for June were:

Terminal Space Rental-Airline	\$30,133	21.79%	Enplanements over budget
Concessions	\$29,012	63.05%	Enplanements over budget
Auto Parking	\$140,603	45.25%	Enplanements over budget & rate increase
Landing Fees	\$26,076	39.91%	Airline operations over budget
Other Leases/Fees	\$19,359	47.41%	Asset forfeiture funds / Airline security fees

Information Section – Item B



EXPENSES

Significant variations to budget for June were:

Professional Services	(\$56,029)	(58.86%)	Legal costs paid in previous months
Other Contractual Services	\$16,040	26.97%	Timing of IT contracts
Travel & Training	(\$21,053)	(60.73%)	Travel less than anticipated
Repairs & Maintenance	\$15,852	67.81%	Administration offices
Advertising, Printing, Binding	(\$45,783)	(62.96%)	TV and billboard advertising paid last month
Promotional Activities	(\$24,039)	(85.78%)	Unable to host Runway 5k due to construction

STATEMENT OF NET ASSETS

Significant variations to prior month were:

Cash and Cash Equivalents – Cash and Cash Equivalents increased by \$942k mainly due to construction invoices paid in July.

Grants Receivable – Grants Receivable increased by \$343k mostly due the Airfield Redevelopment project.

Construction in Progress – Construction in Progress increased by \$1,309k mainly due to the Airfield Redevelopment project.

Property and Equipment, Net – Property and Equipment, Net decreased by \$382k due to depreciation.

**ASHEVILLE REGIONAL AIRPORT
INVESTMENT AND INTEREST INCOME SUMMARY
As of June 30, 2018**

<u>Institution:</u>	<u>Interest Rate</u>	<u>Investment Amount</u>	<u>Monthly Interest</u>
Bank of America - Operating Account	0.20%	\$ 12,204,814	12,076
First Citizens - Money Market Account	0.05%	403,027	116
NC Capital Management Trust - Cash Portfolio		17,491	25
NC Capital Management Trust - Term Portfolio		9,104,512	15,523
Petty Cash		200	
 <u>Restricted Cash:</u>			
BNY Mellon		1,458,837	
Bank of America - PFC Revenue Account	0.20%	9,228,313	11,001
 Total		 <u>\$ 32,417,194</u>	 <u>\$ 38,741</u>

Investment Diversification:

Banks	72%
NC Capital Management Trust	28%
Commercial Paper	0%
Federal Agencies	0%
US Treasuries	0%
	<u>100%</u>

ASHEVILLE REGIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
For the Month Ended June 30, 2018

	<u>Current Month</u>	<u>Prior Period</u>
Cash and Investments Beginning of Period	\$ 31,475,136	\$ 31,588,793
Net Income/(Loss) Before Capital Contributions	576,137	470,628
Depreciation	389,296	389,296
Decrease/(Increase) in Receivables	(496,794)	(79,722)
Increase/(Decrease) in Payables	1,466,269	(962,728)
Decrease/(Increase) in Prepaid Expenses	(11,470)	13,423
Decrease/(Increase) in Fixed Assets	(1,316,591)	293,947
Principal Payments of Bond Maturities	(8,009)	40,639
Capital Contributions	343,220	(279,140)
Increase(Decrease) in Cash	942,058	(113,657)
Cash and Investments End of Period	\$ 32,417,194	\$ 31,475,136

Asheville Regional Airport
Detailed Statement of Revenue, Expenses and Changes in Net Assets
For the Month Ending June 30, 2018

	<u>Current Month Actual</u>	<u>Current Month Budget</u>	<u>Variance \$</u>	<u>Variance %</u>	<u>YTD Actual</u>	<u>YTD Budget</u>	<u>Variance \$</u>	<u>Variance %</u>	<u>Annual Budget</u>
Operating Revenue:									
Terminal Space Rentals - Non Airline	\$20,378	\$20,383	(\$5)	(0.02%)	\$246,518	\$243,049	\$3,469	1.43%	\$243,049
Terminal Space Rentals - Airline	168,394	138,261	30,133	21.79%	1,793,942	1,571,724	222,218	14.14%	1,571,724
Concessions	75,025	46,013	29,012	63.05%	615,823	444,480	171,343	38.55%	444,480
Auto Parking	451,353	310,750	140,603	45.25%	4,365,524	3,270,000	1,095,524	33.50%	3,270,000
Rental Car - Car Rentals	139,705	133,199	6,506	4.88%	1,853,778	1,579,656	274,122	17.35%	1,579,656
Rental Car - Facility Rent	57,350	52,398	4,952	9.45%	665,256	627,526	37,730	6.01%	627,526
Commercial Ground Transportation	11,029	16,000	(4,971)	(31.07%)	117,329	75,000	42,329	56.44%	75,000
Landing Fees	91,411	65,335	26,076	39.91%	927,361	774,903	152,458	19.67%	774,903
FBO'S	90,712	86,986	3,726	4.28%	1,015,024	1,021,005	(5,981)	(0.59%)	1,021,005
Building Leases	6,124	5,996	128	2.13%	100,510	113,820	(13,310)	(11.69%)	113,820
Land Leases	4,997	4,913	84	1.71%	59,983	58,968	1,015	1.72%	58,968
Other Leases/Fees	60,192	40,833	19,359	47.41%	652,699	528,639	124,060	23.47%	528,639
Total Operating Revenue	\$1,176,670	\$921,067	\$255,603	27.75%	\$12,413,747	\$10,308,770	\$2,104,977	20.42%	\$10,308,770
Operating Expenses:									
Personnel Services	\$363,387	\$574,387	(\$211,000)	(36.73%)	\$4,686,223	\$5,400,329	(\$714,106)	(13.22%)	\$5,400,329
Professional Services	39,166	95,195	(56,029)	(58.86%)	248,180	312,250	(64,070)	(20.52%)	312,250
Accounting & Auditing	4,000	3,000	1,000	33.33%	20,200	16,200	4,000	24.69%	16,200
Other Contractual Services	75,522	59,482	16,040	26.97%	1,096,108	960,194	135,914	14.15%	960,194
Travel & Training	13,616	34,669	(21,053)	(60.73%)	185,785	209,650	(23,865)	(11.38%)	209,650
Communications & Freight	212	8,829	(8,617)	(97.60%)	88,290	103,900	(15,610)	(15.02%)	103,900
Utility Services	43,586	51,952	(8,366)	(16.10%)	412,346	520,817	(108,471)	(20.83%)	520,817
Rentals & Leases	1,210	1,037	173	16.68%	20,938	12,000	8,938	74.48%	12,000
Insurance	16,679	21,062	(4,383)	(20.81%)	201,243	252,700	(51,457)	(20.36%)	252,700
Repairs & Maintenance	39,229	23,377	15,852	67.81%	285,951	266,530	19,421	7.29%	266,530
Advertising, Printing & Binding	26,938	72,721	(45,783)	(62.96%)	248,899	257,790	(8,891)	(3.45%)	257,790
Promotional Activities	3,986	28,025	(24,039)	(85.78%)	82,938	108,950	(26,012)	(23.88%)	108,950
Other Current Charges & Obligations	6,527	8,175	(1,648)	(20.16%)	106,999	104,000	2,999	2.88%	104,000
Office Supplies	1,115	750	365	48.67%	6,687	9,000	(2,313)	(25.70%)	9,000
Operating Supplies	63,561	74,321	(10,760)	(14.48%)	326,806	476,793	(149,987)	(31.46%)	476,793
Books, Publications, Subscriptions & Mem	678	2,348	(1,670)	(71.12%)	49,286	59,870	(10,584)	(17.68%)	59,870
Contingency		100,000	(100,000)	(100.00%)	7,500	100,000	(92,500)	(92.50%)	100,000
Emergency Repair		50,000	(50,000)	(100.00%)	32,184	50,000	(17,816)	(35.63%)	50,000
Business Development	22,716	300,000	(277,284)	(92.43%)	114,195	300,000	(185,805)	(61.94%)	300,000
Total Operating Expenses	\$722,128	\$1,509,330	(\$787,202)	(52.16%)	\$8,220,758	\$9,520,973	(\$1,300,215)	(13.66%)	\$9,520,973

Asheville Regional Airport
Detailed Statement of Revenue, Expenses and Changes in Net Assets

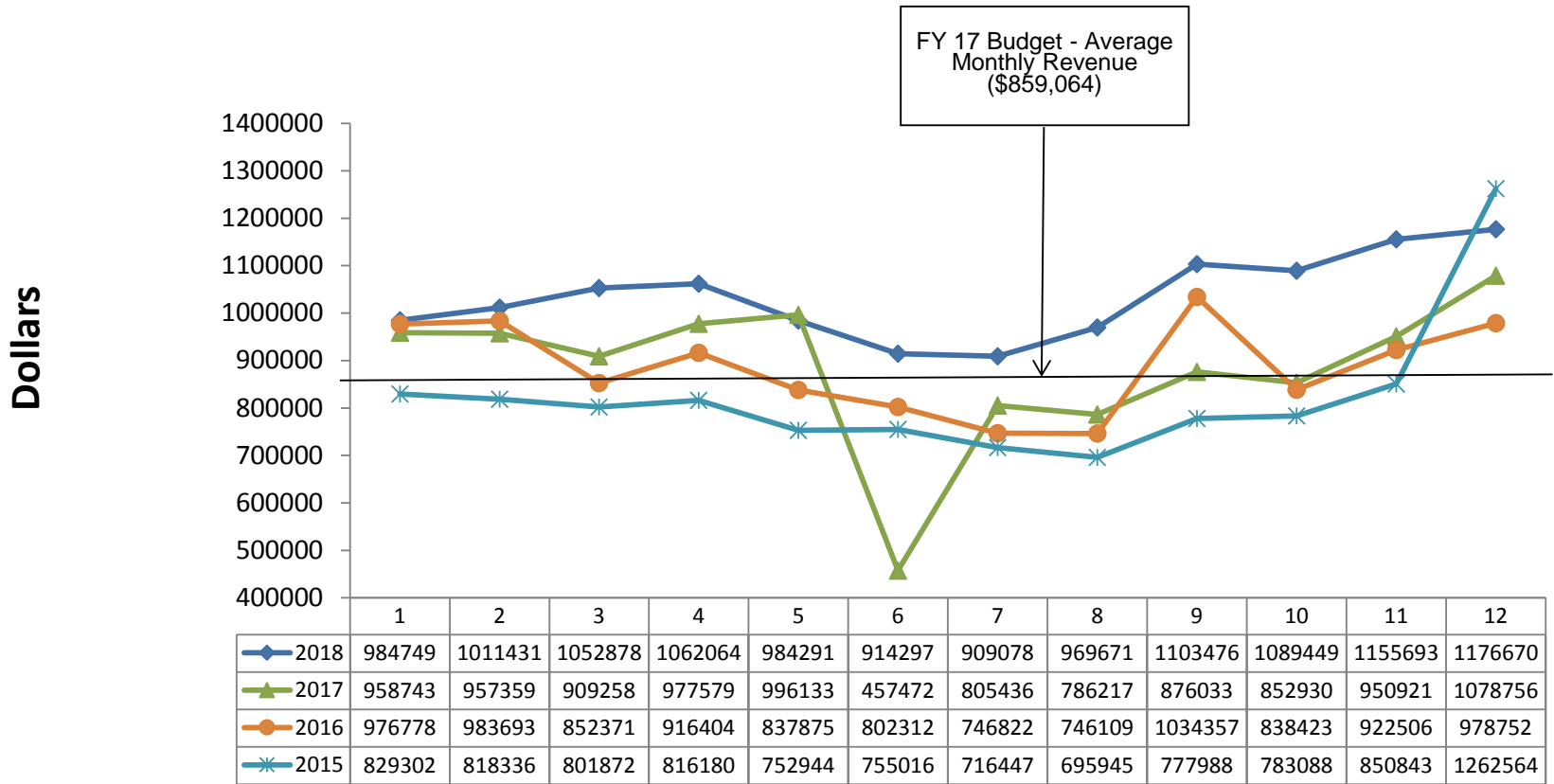
For the Month Ending June 30, 2018

	Current Month Actual	Current Month Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Annual Budget
Operating Revenue before Depreciation	\$454,542	(\$588,263)	\$1,042,805	(177.27%)	\$4,192,989	\$787,797	\$3,405,192	432.24%	\$787,797
Depreciation	389,296	-	389,296	100.00%	4,671,201	-	\$4,671,201	100.00%	-
Operating Income(Loss) Before Non-Operating Revenue and Expenses	\$65,246	(\$588,263)	\$653,509	(111.09%)	(\$478,212)	\$787,797	(\$1,266,009)	(160.70%)	\$787,797
Non-Operating Revenue and Expense									
Customer Facility Charges	\$151,891	\$121,500	\$30,391	25.01%	\$1,492,413	\$1,350,000	\$142,413	10.55%	\$ 1,350,000
Passenger Facility Charges	352,559	195,000	157,559	80.80%	2,376,802	1,788,500	588,302	32.89%	1,788,500
Interest Revenue	38,741	2,917	35,824	1,228.11%	122,155	35,000	87,155	249.01%	35,000
Interest Expense	(40,639)	(40,639)	-	0.00%	(487,665)	(487,666)	1	(0.00%)	(487,666)
Bond Expense	-	-	-	100.00%	-	-	-	100.00%	-
Reimbursable Cost Revenues	-	-	-	100.00%	-	-	-	100.00%	-
Reimbursable Cost Expenses	(1,661)	0	(1,661)	100.00%	4,678	0	4,678	100.00%	4,678
Gain/Loss on Disposal of Assets	10,000	0	10,000	0.00%	39,419	0	39,419	0.00%	39,419
Non-Operating Revenue-Net	\$510,891	\$278,778	\$232,113	83.26%	\$3,547,802	\$2,685,834	\$861,968	32.09%	\$2,685,834
Income (Loss) Before Capital Contributions	\$576,137	(\$309,485)	\$885,622	(286.16%)	\$3,069,590	\$3,473,631	(\$404,041)	(11.63%)	\$3,473,631
Capital Contributions	\$343,220	\$0	\$343,220	100.00%	\$6,644,350	\$0	\$6,644,350	100.00%	\$0
Increase in Net Assets	\$919,357	(\$309,485)	\$1,228,842	(397.06%)	\$9,713,940	\$3,473,631	\$6,240,309	179.65%	\$3,473,631

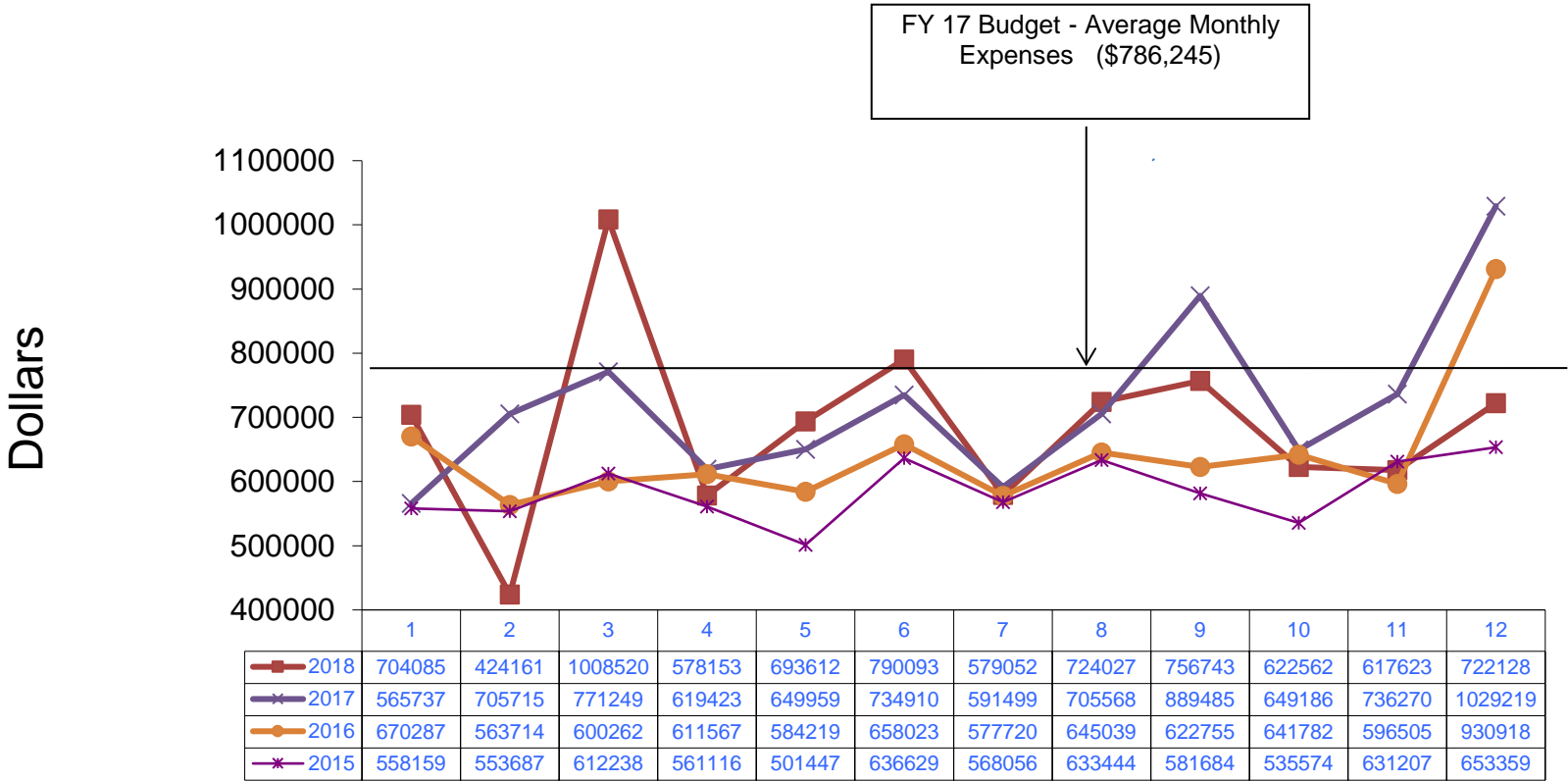
ASHEVILLE REGIONAL AIRPORT
STATEMENT OF FINANCIAL POSITION
As of June 30, 2018

	<u>Current Month</u>	<u>Last Month</u>
<u>ASSETS</u>		
Current Assets:		
Unrestricted Net Assets:		
Cash and Cash Equivalents	\$21,730,044	\$18,891,741
Accounts Receivable	1,147,236	1,229,415
Passenger Facility Charges Receivable	500,000	275,000
Refundable Sales Tax Receivable	335,184	324,431
Grants Receivable	1,314,554	971,334
Prepaid Expenses	32,302	20,832
Total Unrestricted Assets	25,059,320	21,712,753
Restricted Assets:		
Cash and Cash Equivalents	10,687,150	12,583,395
Total Restricted Assets	10,687,150	12,583,395
Total Current Assets	35,746,470	34,296,148
Noncurrent Assets:		
Construction in Progress	75,677,546	74,368,099
Net Pension Asset - LGERS	(1,061,652)	(1,061,652)
Contributions in Current Year	944,231	944,231
Property and Equipment - Net	53,300,443	53,682,595
Total Noncurrent Assets	128,860,568	127,933,273
	\$164,607,038	\$162,229,421
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities:		
Payable from Unrestricted Assets:		
Accounts Payable & Accrued Liabilities	\$1,247,380	\$292,217
Customer Deposits	10,510	10,510
Unearned Revenue	549,383	538,347
Construction Contract Retainages	1,858,705	1,367,841
Revenue Bond Payable - Current	1,215,000	1,215,000
Interest Payable	243,833	203,194
Total Payable from Unrestricted Assets	5,124,811	3,627,109
Total Current Liabilities	5,124,811	3,627,109
Noncurrent Liabilities:		
Other Postemployment Benefits	1,209,372	1,209,372
Compensated Absences	359,211	350,006
Net Pension Obligation-LEO Special Separation Allowance	441,122	441,122
Revenue Bond Payable - Noncurrent	18,830,000	18,830,000
Total Noncurrent Liabilities	20,839,705	20,830,500
Total Liabilities	25,964,516	24,457,609
Net Assets:		
Invested in Capital Assets	108,932,989	108,005,694
Restricted	10,687,150	12,583,395
Unrestricted	19,022,383	17,182,723
Total Net Assets	138,642,522	137,771,812
	\$164,607,038	\$162,229,421

ASHEVILLE REGIONAL AIRPORT Annual Operating Revenue by Month June 2018

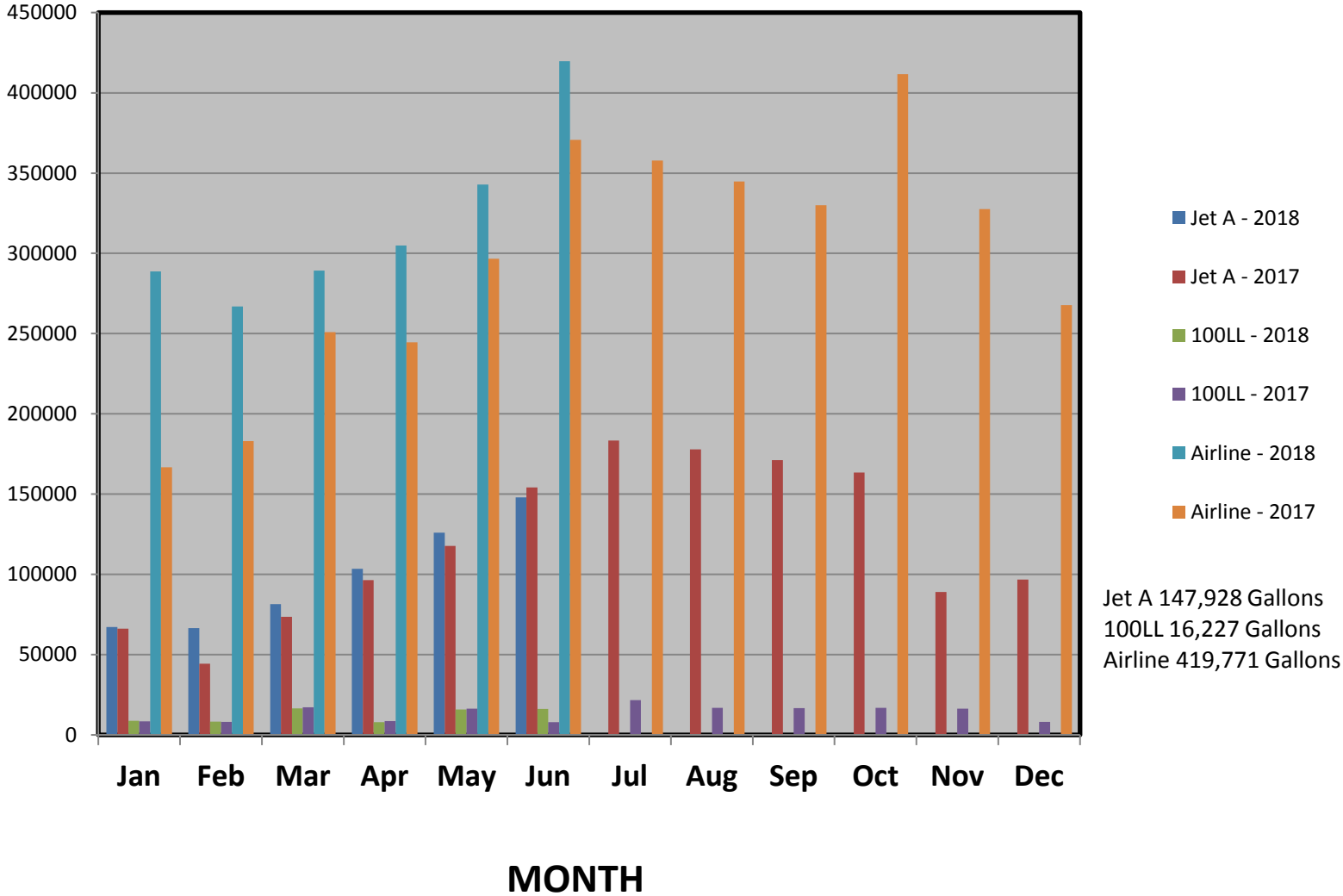


ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month June 2018



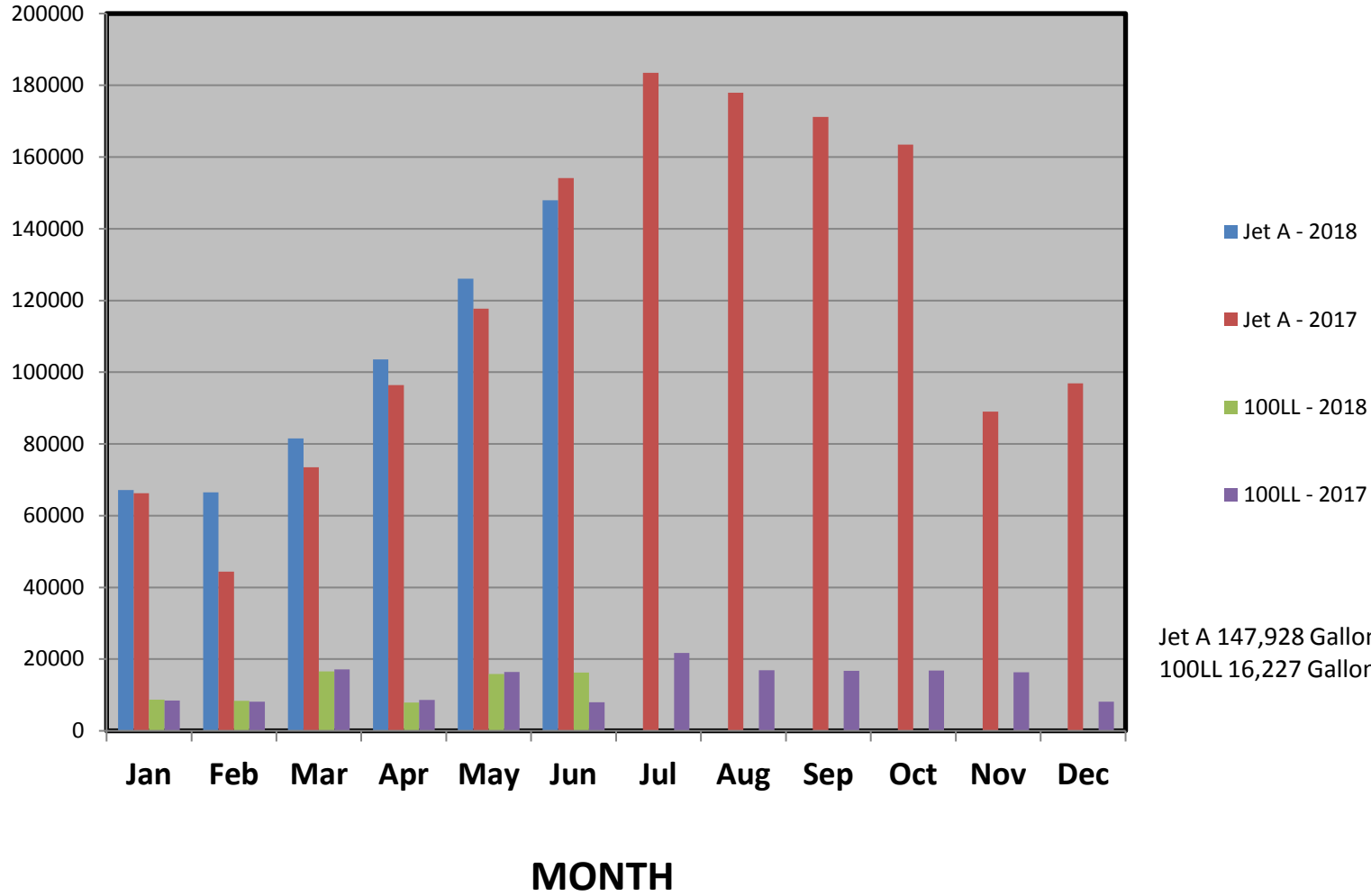
**ASHEVILLE REGIONAL AIRPORT
FUEL SALES - GALLONS
June 2018**

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**ASHEVILLE REGIONAL AIRPORT
GENERAL AVIATION FUEL SALES - GALLONS
June 2018**

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Design Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 08/01/2018)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 08/01/2018)	Start Date	End Date	Current Project Status (as of 08/01/2018)
1	Airfield Re-Development Project	Budget for the complete project				\$64,100,000.00	\$15,900,000.00		\$80,000,000.00	69%	\$54,952,586			All Engineer contracts, completed construction contracts and expenses will be inclusive of budget.
1A	Airfield Re-Development Project	Phase I - Design Services	RS&H	\$447,983.00	N/A	N/A	\$0.00	0.00%	<i>(Overall total included in above number)</i>	83%	\$372,161	Dec-12	Jun-16	Project Management work primarily complete.
1B	Airfield Re-Development Project	Phase II - Design Services and Project Management.	RS&H	\$1,842,318.00	N/A	N/A	\$0.00	0.00%	<i>(Overall total included in above number)</i>	95.0%	\$1,748,887	Jun-13	Dec-16	Project Management work continues, pending Contractor resolution.
1C	Airfield Re-Development Project	Phase III and IV - Design Services and Project Management.	RS&H	\$2,399,826.00	N/A	N/A	\$1,469,611.00	65.90%	<i>(Overall total included in above number)</i>	65.9%	\$2,553,021	Dec-14	Jun-19	Phase IV Project Management continues.
1D	Airfield Re-Development Project	New Runway Design	AVCON	\$1,967,476.00	N/A	N/A	\$86,653.00	4.40%	<i>(Overall total included in above number)</i>	93.9%	\$1,929,379	Mar-13	Jun-19	Phase IV Project Management continues.
1E	Airfield Re-Development Project	Miscellaneous and Administrative Expenses			N/A	N/A	\$0.00	0.00%	<i>(Overall total included in above number)</i>		\$5,264,058	Jan-13	Dec-17	Miscellaneous Administrative Expenses, Reimbursable Agreement and Land Acquisition
2	Expand Air Carrier Apron	Design additional apron space to hold RON Aircraft. Professional CA and Inspections.	Delta Airport Consultants	\$99,000.00	N/A	N/A	\$107,750.00	0.00%	\$206,750.00	70.6%	\$145,981	Feb-17	Jun-18	Project management work underway.
3	Terminal Building Assessment Study	Terminal infrastructure, interior space and exterior facade assessment.	CHA	\$550,247.00	N/A	N/A	\$0.00	0.00%	\$628,900.00	74.3%	\$408,755	Jan-18	Jun-18	Final document under review.
4	Environmental Assessment Services, South Terminal Apron Expansion	Environmental Assessment	Delta Airport Consultants	\$45,000.00	N/A	N/A	\$0.00	0.00%	\$70,000.00	84.5%	\$38,056	Oct-17	Apr-18	Draft EA submitted for review to FAA.

Construction Phase

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 08/01/02018)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 08/01/2018)	Start Date	End Date	Current Project Status (as of 08/01/2018)
1	Permanent Runway 17-35 Construction, NAVAIDS and Taxiway Conversion	Construct new runway and convert temporary runway to a taxiway	RS&H and AVCON Inc.	Amount Included in Phase 3 Design Fees	Travelers / Cedar Peaks	\$33,703,095.70	\$0.00	0.00%	\$34,703,095.70	26.6%	\$8,975,745	Mar-17	Jun-19	Stone work, earth work and electrical work continues, weather permitting.
2	Expand Air Carrier Apron	Construct additional apron pavement for RON Aircraft	Delta Airport Consultants	\$0.00	NHM Constructors	\$1,043,023.50	\$0.00	0.00%	\$1,147,380.85	3.14%	\$32,756	Mar-18	Jun-18	Stone work complete, concrete frames in place with concrete pour scheduled first week of Aug.

(Construction and Administrative Costs included)

Airportsurvey.com



AVL

Airport Facilities Review For 2nd Quarter 2018

Welcome

- Welcome to the Airportsurvey.com Airport Facilities Review for the recent quarter, a complimentary data set provided to Airportsurvey.com participating airports
- The following slides provide non-weighted scores and ratings based on an independent survey of air travelers
- Note that passenger responses are based on perception, rather than objective assessment
- Value Added Services available from Canmark include:
 - Report analysis
 - Statistical testing
 - Air carrier responses
 - Non-facility responses
 - Tailored comparison sets
 - Passenger demographics
 - Sample size enhancement
 - Targeted and customized reporting
 - Custom survey questions and content

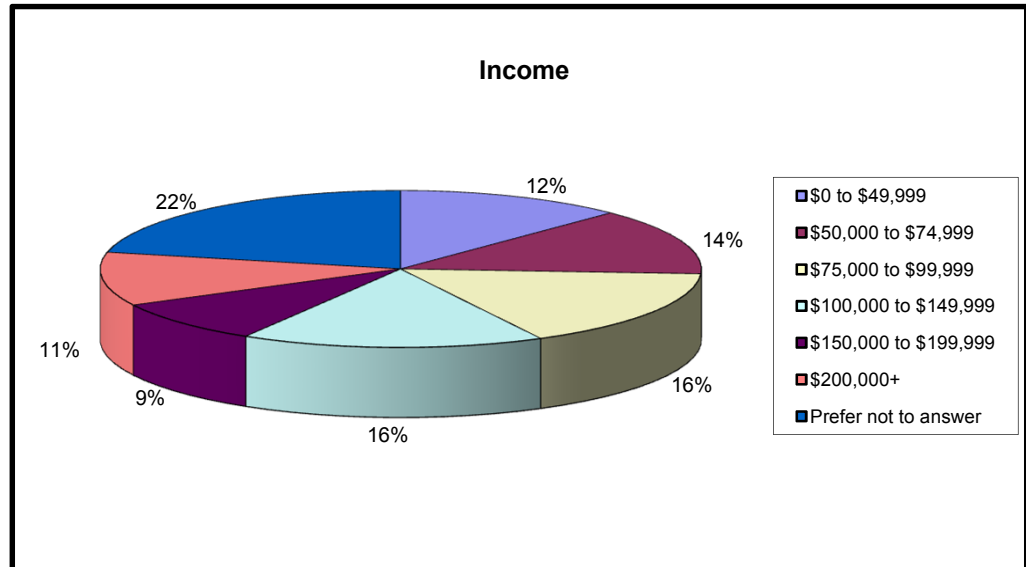
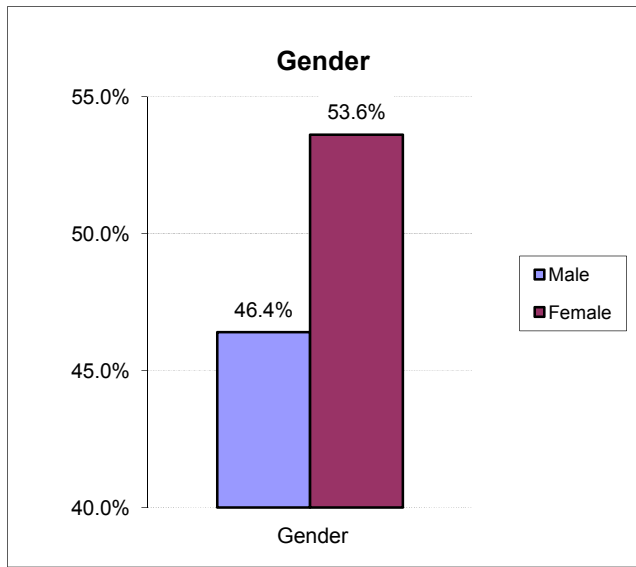
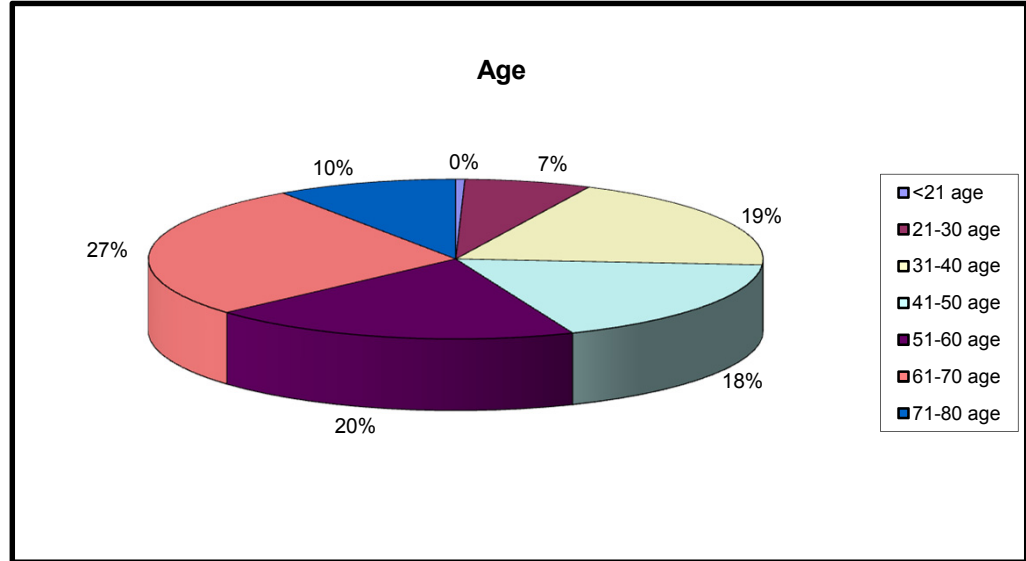
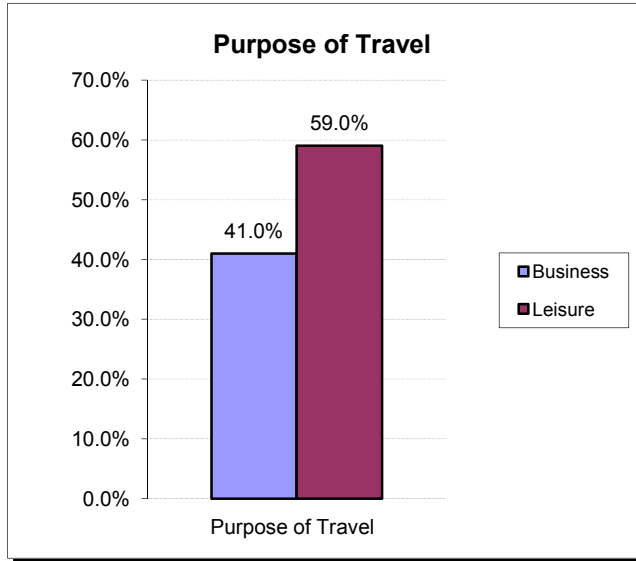
No representations are made as to the completeness or accuracy of information contained herein. Airport facility raw data is available upon request.

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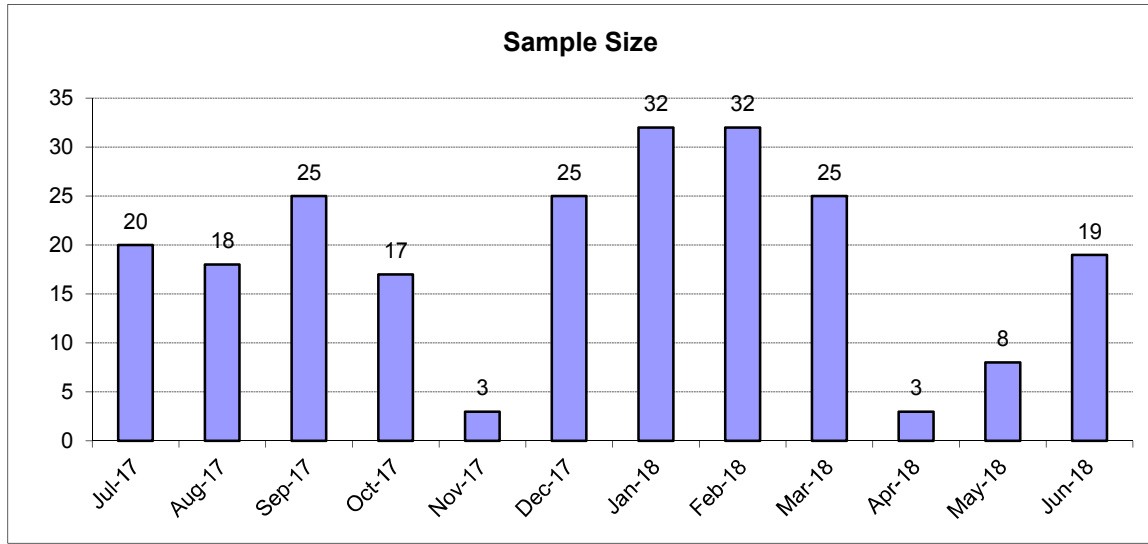
Overview

- ***Airportsurvey.com*** is an ongoing, all-inclusive online passenger satisfaction survey program from Canmark Research Center
- Invitations to take the survey are distributed at select airports across the country
- Over 30 airports participate
- Each survey invitation card is single-use, and must reference an actual flight
- Survey distribution occurs approximately three days per month
- Response scale is 1 through 5: Poor, Fair, Good, Very Good, Excellent
- Survey participants have a chance to win round-trip airline tickets
- Response rates vary from 10% to 20% based on location
- Facilities attributes are scored according to check-in airport
- Airports are grouped into three tiers according to available seats in calendar year 2017

Passenger Demographics



General Findings



Sample is clustered around airport invitation distribution dates.

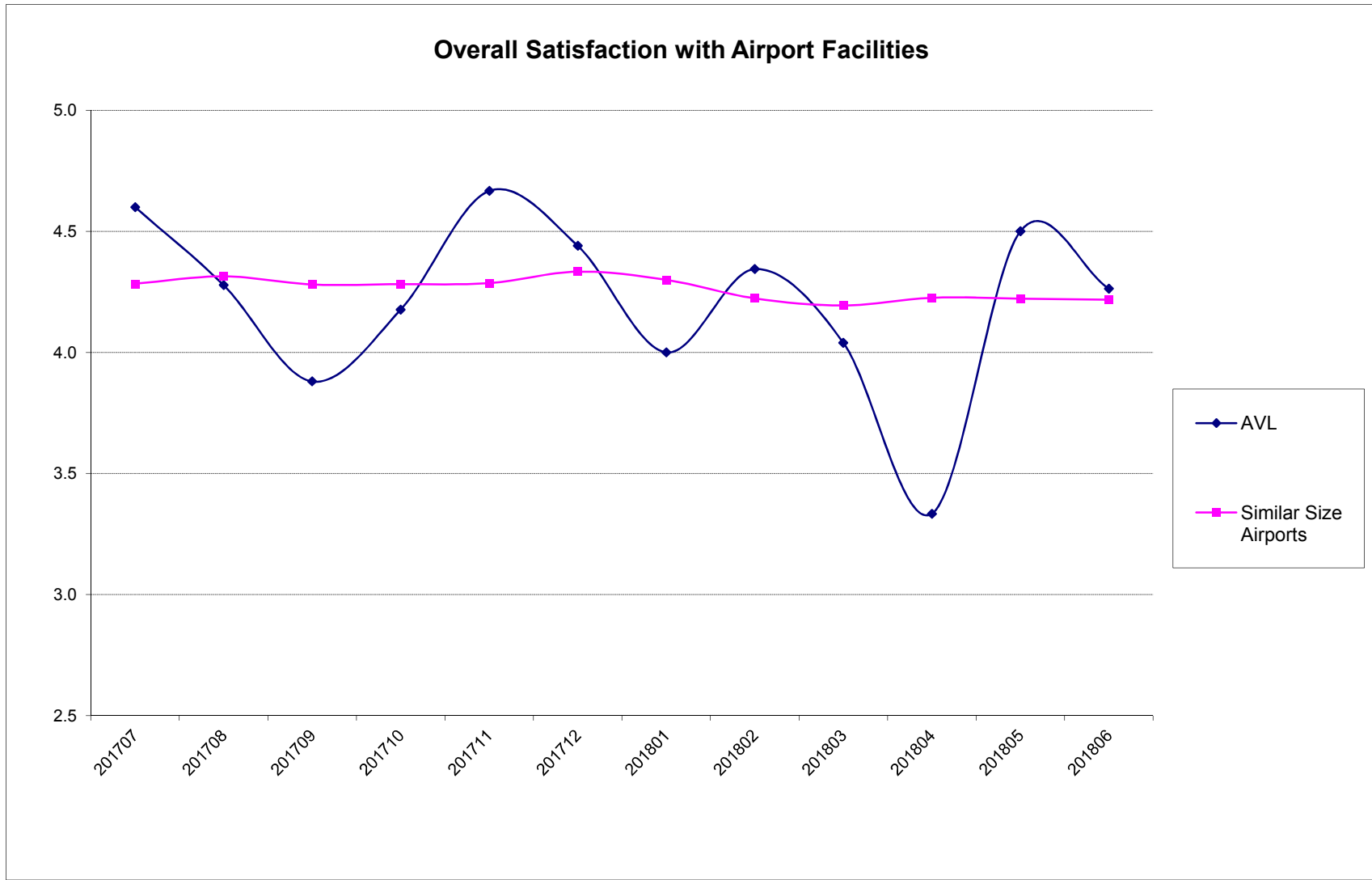
Sample reflects passengers intercepted at arrival airports who rated check-in airport.

	AVL	Similar	+/-	Pct
Overall	4.21	4.26	(0.05)	-1.3%
Availability of parking	3.83	4.16	(0.33)	-8.7%
Cost of parking	3.45	3.66	(0.20)	-5.9%
Clear, easy to follow signs	4.31	4.29	0.02	0.5%
Cleanliness	4.44	4.33	0.11	2.4%
Availability of restrooms	4.44	4.36	0.08	1.9%
Cleanliness of restrooms	4.40	4.29	0.11	2.6%
Concessions / restaurants	3.58	3.76	(0.18)	-5.1%
Transportation to your gate / concourse / terminal	4.28	4.17	0.11	2.5%
Airport Wi-Fi ease of use	4.14	4.01	0.12	3.0%
Overall airport Wi-Fi	4.15	3.94	0.21	5.0%
Overall departure airport concourse	4.22	4.21	0.00	0.0%
Security: Wait time at checkpoint	4.18	4.28	(0.10)	-2.4%
Security: Professionalism of personnel	4.31	4.37	(0.06)	-1.4%
Security: Confidence in airport security procedures	4.32	4.23	0.08	1.9%

Statistical means testing not performed on results

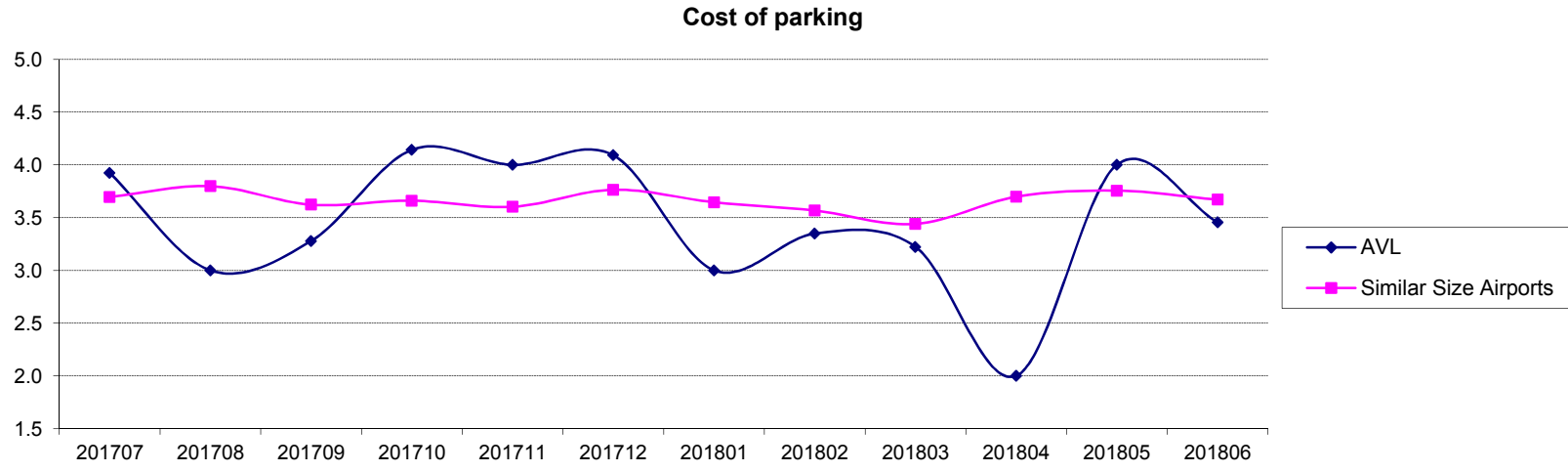
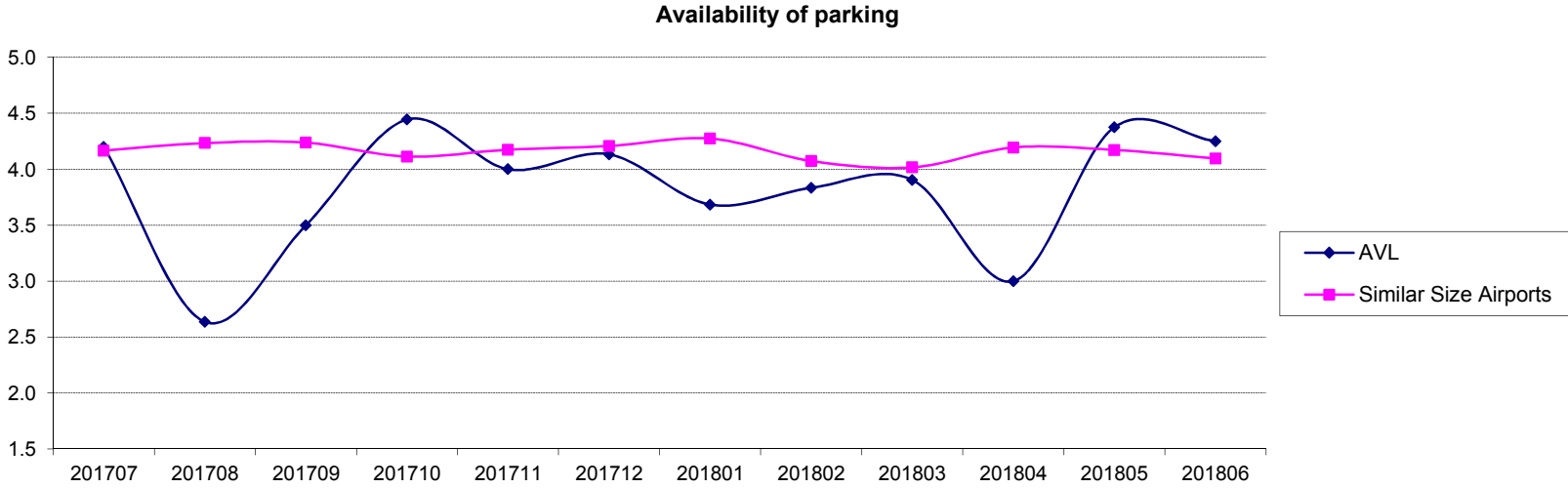
AVL	
Responses	227

Overall Satisfaction with Airport Facilities



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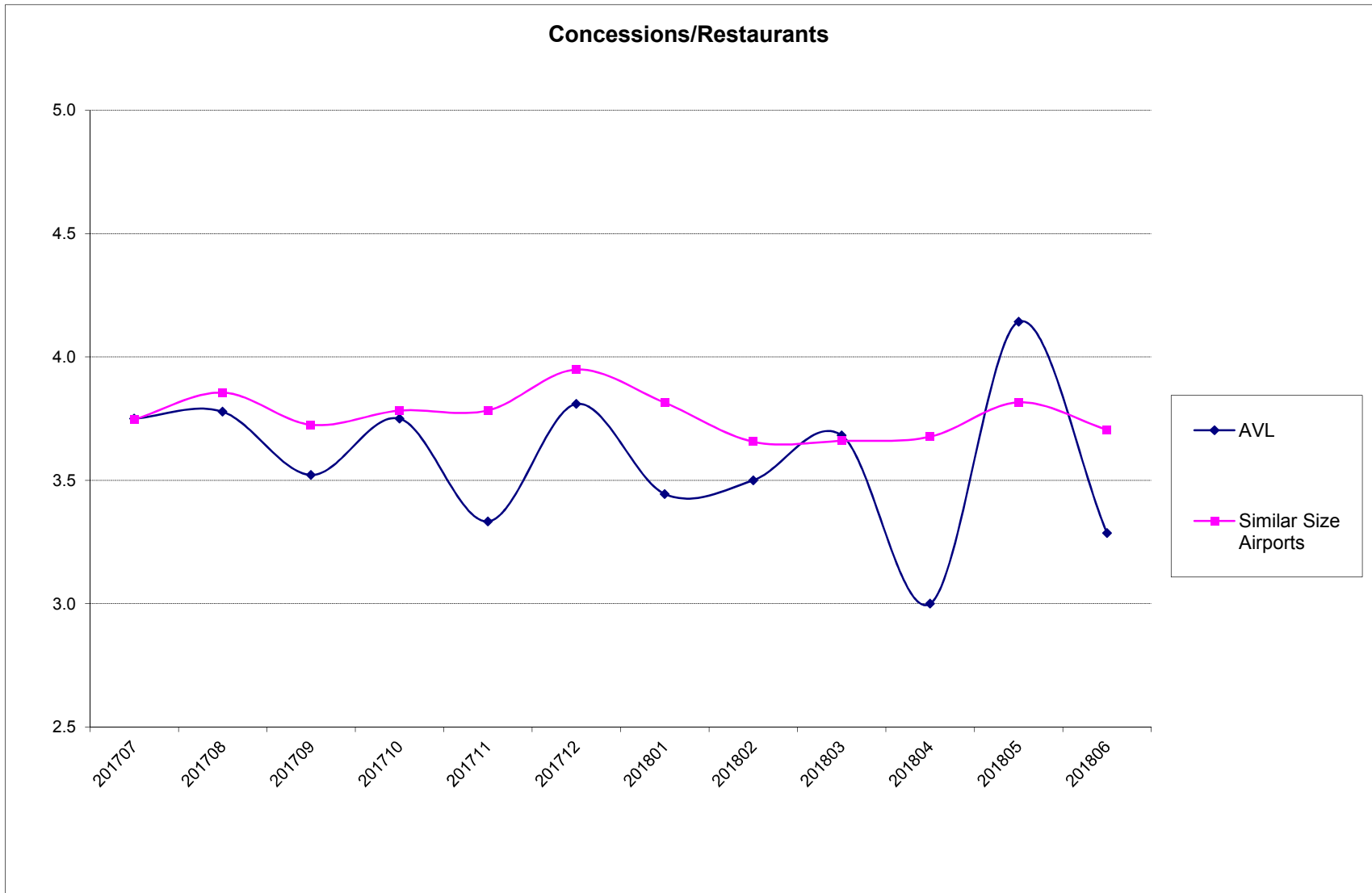
Parking Satisfaction



Cleanliness and Signage



Concessions

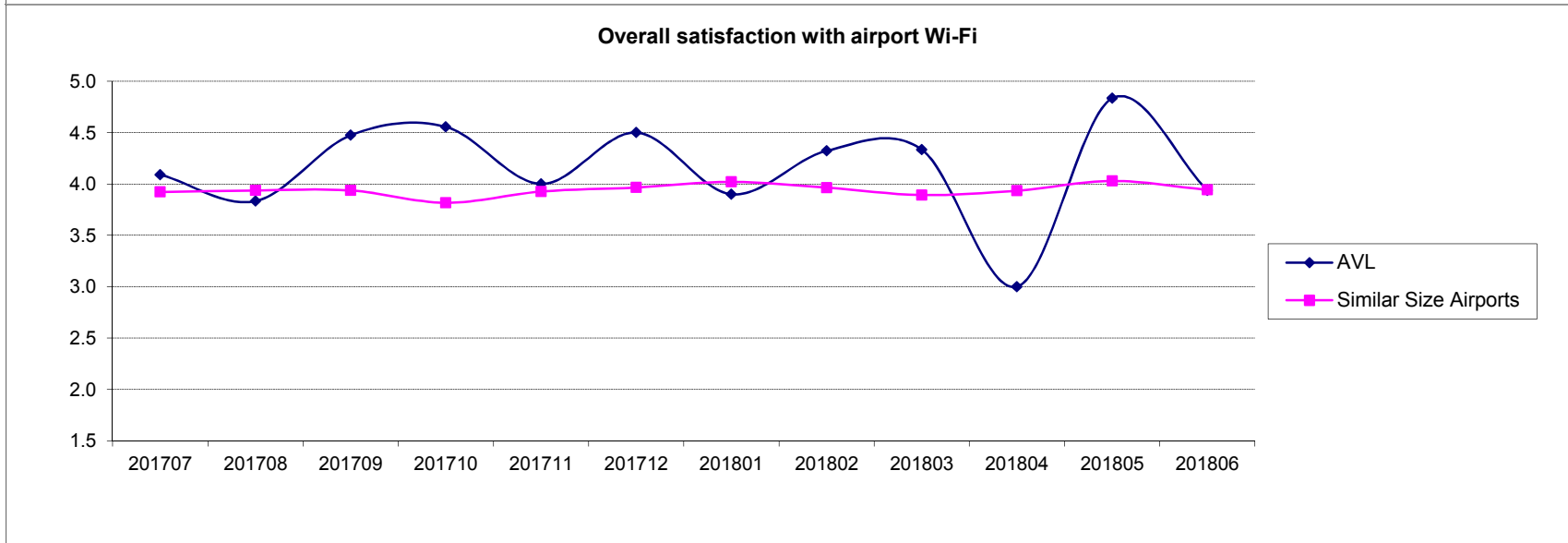
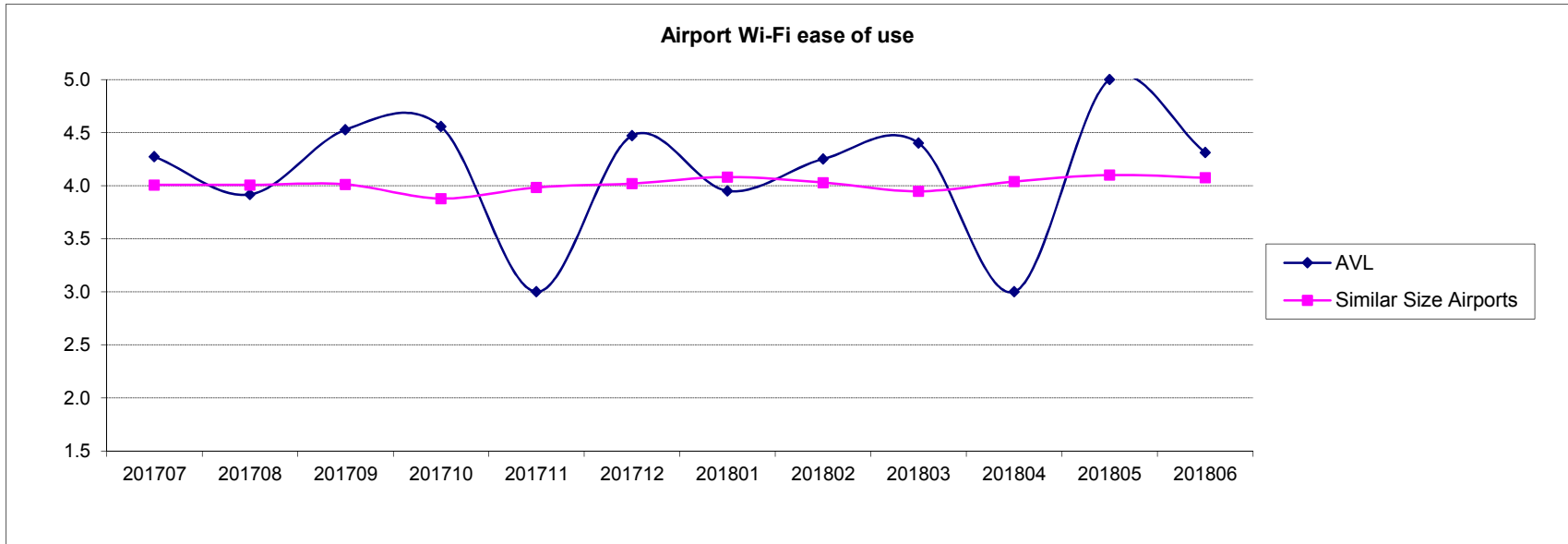


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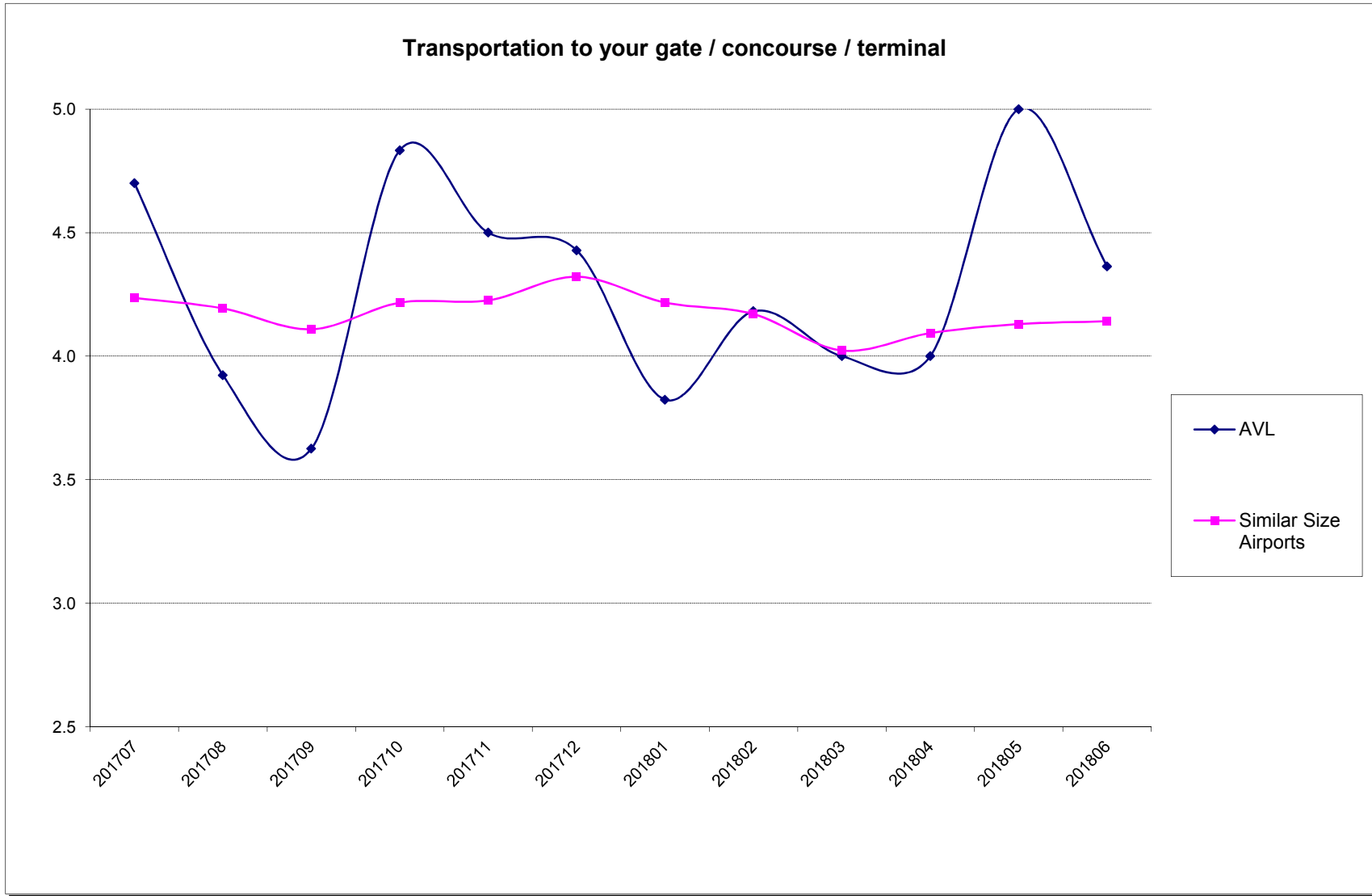
Restrooms



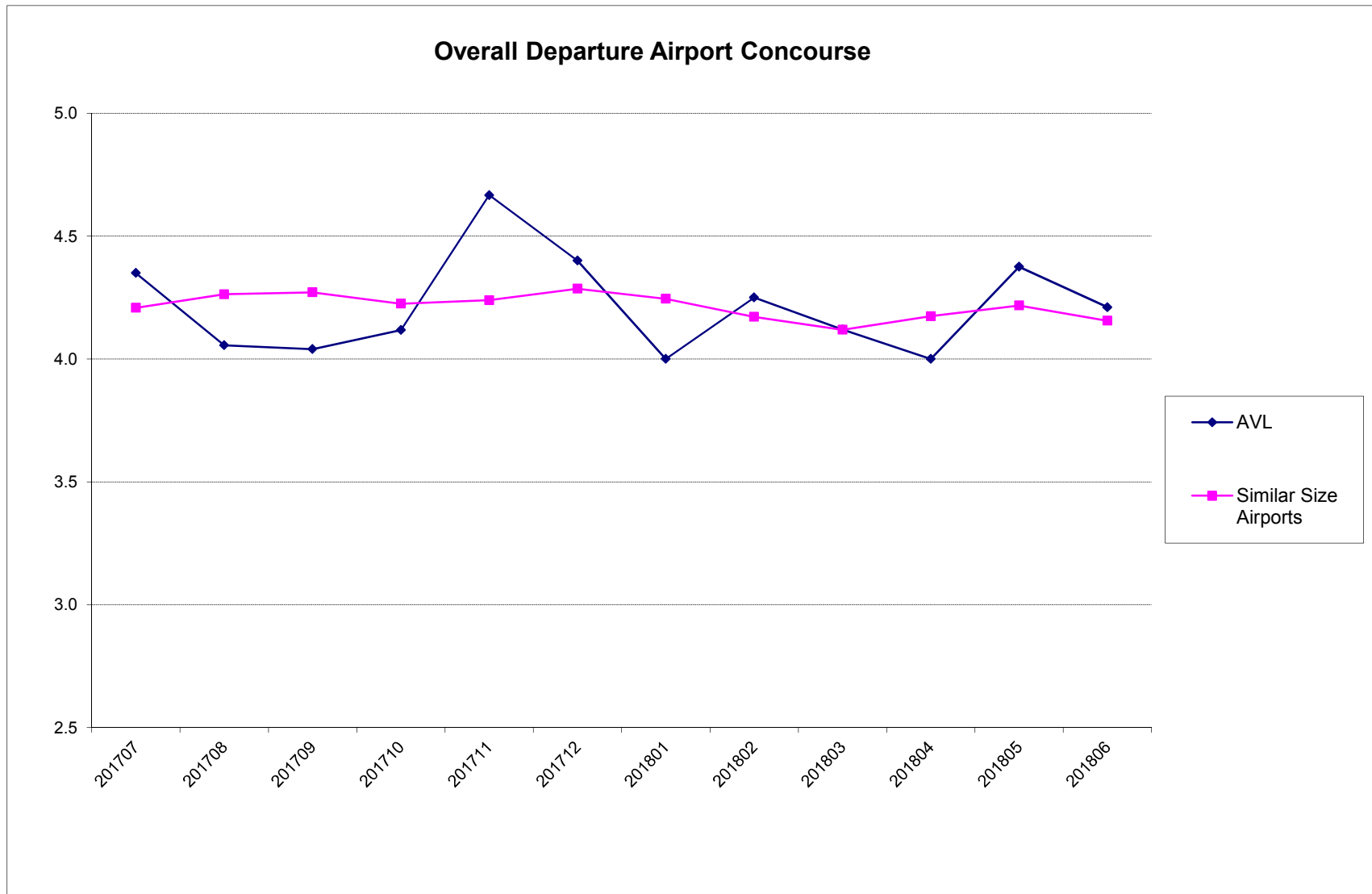
Wi-Fi



Transportation to Departure Gate

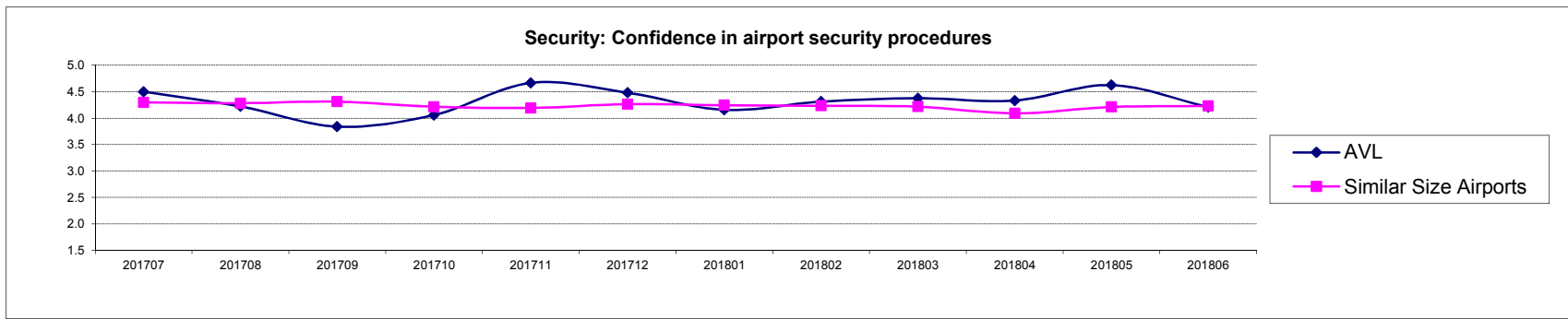
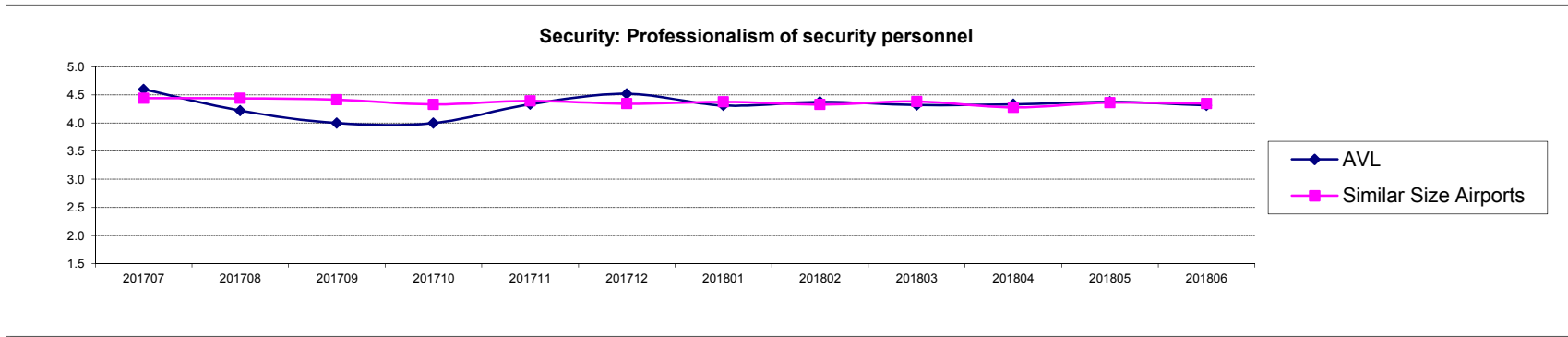
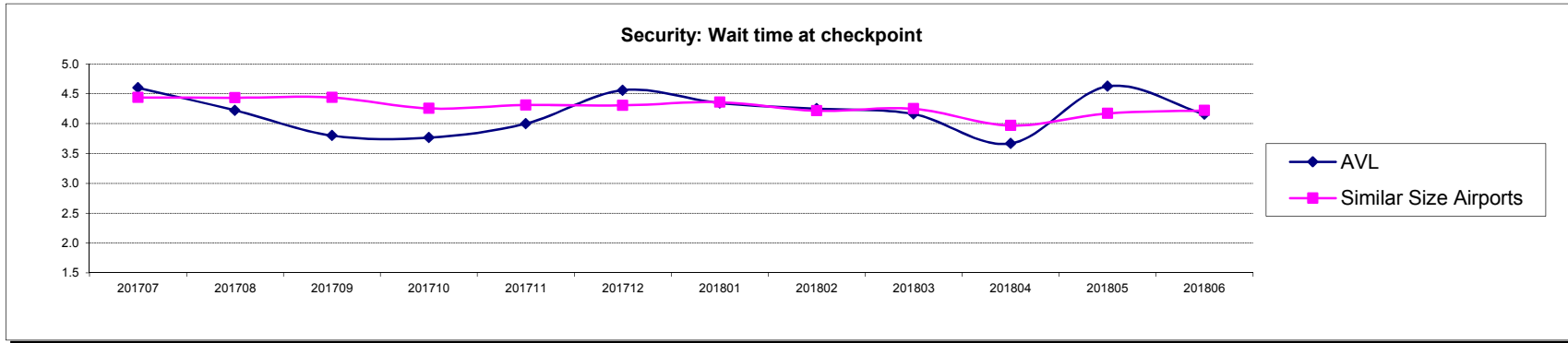


Overall Departure Airport Concourse



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Airport Security



Appendix A - Geographic Breakdown of Respondents

AK	1	OR	1
AL	1	PA	1
AZ	1	RI	1
CA	3	SC	2
CO	3	SD	1
CT	1	TN	2
DC	2	TX	5
FL	22	VA	3
GA	2	WA	3
HI	1	WV	1
IA	2	CANADA	2
IL	1		
IN	3		
LA	2		
MA	4		
MD	2		
MI	4		
MN	2		
MO	1		
MS	1		
NC	132		
NE	1		
NH	1		
NY	5		
OH	1		
OK	1		

Note: Only includes passengers who indicated state of residence

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Appendix B - About Canmark

- Since 1993 Canmark Technologies has combined market research, programming, and technical expertise with thoughtful attention to client needs. Our problem-solving orientation has earned the respect of business clients and market researchers across North America.
- With an experienced staff of technical experts and project managers specializing in various fields of data capture and manipulation, programming and software development, web design and scripting, Canmark is able to leverage superior technology and know-how to support projects of all types and scope in the most cost-effective manner possible.
- Areas of expertise include survey development and delivery, project and data management services, requirements gathering, data sampling, paper and web forms management, custom lasering and printing, distribution logistics, data processing, custom programming for data cleansing, reporting and data analysis, and project consulting.
- We stand ready to meet your data needs, if you have any questions, please do not hesitate to contact us.

Appendix C - Contacts

Paul Isaacs, President
pisaacs@canmarktech.com
1-877-441-2057, ext. 11



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Key strategic priorities

Governance vs. Management : Focus on setting governing direction (“guard rails”) for the organizational and holding management accountable for the execution of operational tactics. Pursue continuous educational opportunities for Authority Member development.

1. **Organizational Relevance**: Remaining relevant in an era of airport consolidation
2. **Financial Stewardship**: Sustainability/Operating Performance/Audit & Compliance
3. **Municipal Relations**: Positive relationships with all municipalities surrounding the airport
4. **Stakeholder Relations**: Positive relationships with neighbors and other community organizations
5. **Community Image**: Public Perception/Public Relations/Customer Service/Legal Entity
6. **Facilities Stewardship**: Future Master Facilities Plan
7. **Environmental Stewardship**: Accountability/Awareness of Environmental Issues
8. **Economic Development**: Engage Community Partners/Airline Service Development
9. **Vendor-Partner Relations**: General Aviation/Rental Car Agencies/Vendors
10. **Public Safety**: Airport Emergency Safety/TSA Relations/Municipal Partners
11. **Organizational Accountability**: Executive Director Supervision