



## REVISED AGENDA

Greater Asheville Regional Airport Authority Regular Meeting  
Friday, June 14, 2019, 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. PRESENTATIONS: None
- III. FINANCIAL REPORT ([document](#))
- IV. CONSENT ITEMS:
  - A. Approval of the Greater Asheville Regional Airport Authority May 10, 2019 Regular Meeting Minutes ([document](#))
  - B. Approval of the Greater Asheville Regional Airport Authority May 10, 2019 Closed Session Minutes
  - C. Approval of the Greater Asheville Regional Airport Authority May 14, 2019 Special Meeting Minutes ([document](#))
  - D. Approval of the Greater Asheville Regional Airport Authority May 14, 2019 Closed Session Minutes
  - E. Approval of Resolution Accepting Grants ([document](#))



- F. Approval of Business Insurance Renewal ([document](#))
- G. Approval of Amendment to the FY18/19 Budget ([document](#))
- V. OLD BUSINESS: None
- VI. NEW BUSINESS:
  - A. Approval of a New Concession Agreement with Tricopian, Inc. dba FuelRod ([document](#))
  - B. Approve Non-Federal Reimbursable Agreement with Federal Aviation Administration for Air Traffic Control Tower Siting Study ([document](#))
- VII. DIRECTOR'S REPORT:
  - A. NCDOT Grant
  - B. Parking Info Update
  - C. Snow Removal Equipment Vehicles
  - D. Jumpstart Update
  - E. Airfield Construction Update
- VIII. INFORMATION SECTION:  
(Staff presentations will not be made on these items. Staff will be available to address questions from the Board.)
  - A. April 2019 Traffic Report ([document](#))
  - B. April 2019 Monthly Financial Report ([document](#))
  - C. June 2019 Development/Project Status Report ([document](#))
  - D. Potential Board Items for the Next Regular Meeting:
    - None identified at this time
- IX. PUBLIC AND TENANTS' COMMENTS



X. CALL FOR NEXT MEETING

XI. 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.

XII. AUTHORITY MEMBER REPORTS:

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

XIII. 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.*

**Asheville Regional Airport  
Executive Summary  
April-19**

**AIRPORT ACTIVITY**

	Month	Variance to Prior Year	Calendar Year to Date	Variance to Prior Year
<b>Passenger Enplanements</b>	61,230	45.7%	211,512	45.7%
<b>Aircraft Operations</b>				
Commercial	1,698	20.7%	6,103	27.7%
Scheduled Flights	808	34.9%		
Flight Cancellations	6			
Seats	81,326	65.0%	281,316	58.7%
Load Factor	75.3%	(11.7%)	75.2%	(8.2%)
General Aviation	3,469	4.1%	12,699	10.6%
Military	354	(1.9%)	912	(7.9%)

**FINANCIAL RESULTS**

	Month	Variance to Budget	Fiscal Year to Date	Variance to Budget
<b>Operating Revenues</b>	\$ 1,348,310		\$ 11,882,874	
<b>Operating Expenses</b>	579,071		6,550,131	
<b>Net Operating Revenues before Depreciation</b>	<u>\$ 769,239</u>		<u>\$ 5,332,743</u>	
<b>Net Non-Operating Revenues</b>	<u>\$ 535,372</u>		<u>\$ 3,231,352</u>	
<b>Grants:</b>				
FAA AIP Grants	\$ -		\$ 3,076,579	
NC Dept of Transportation Grants	-		2,294,831	
Total	<u>\$ -</u>		<u>\$ 5,371,410</u>	

**CASH**

Restricted	\$ 13,180,820
Designated for O&M Reserve	4,608,465
Designated for Emergency Repair	650,000
Unrestricted, Undesignated	17,882,965
Total	<u>\$ 36,322,250</u>

**RECEIVABLES PAST DUE**

	Total	1-30 Days	31-60 Days	Over 60 Days
Advertising Customers	24,667	5,850	3,821	14,996
Allegiant	21,626	-	12,809	8,817
American	7,367	1,223	-	6,144
Avis	7,735	180	127	7,429
Budget	6,345	-	2,515	3,830
Delta	82,816	61,251	16,394	5,171
Dollar/Thrifty	6,320	-	6,320	-
Enterprise	5,838	-	-	5,838
TSA	13,112	10,450	-	2,662
Hertz	20,379	-	-	20,379
Paradies	23,980	1,584	605	21,791
Signature	4,054	107	-	3,947
Skywest	11,200	8,993	-	2,207
Spirit	4,096	354	-	3,742
United	2,683	486	-	2,197
Vanguard	38,421	-	-	38,421
Worldwide	4,439	111	111	4,218
Miscellaneous	9,187	262	393	8,532
Total	<u>\$ 294,264</u>	<u>\$ 90,851</u>	<u>\$ 43,093</u>	<u>\$ 160,320</u>
% of Total Receivables	<u>32.81%</u>			

Note: Excludes balances paid subsequent to month-end.

**REVENUE BONDS PAYABLE**

	Original Amount	Current Balance
Parking Garage Revenue Bond, Series 2016A	\$ 15,750,000	\$ 15,750,000
Parking Garage Taxable Revenue Bond, Series 2016B	5,250,000	3,080,000
	<u>\$ 21,000,000</u>	<u>\$ 18,830,000</u>

**CAPITAL EXPENDITURES**

Annual Budget	\$ 38,764,292
Year-to-Date Spending	\$ 5,801,583

**REGULAR MEETING  
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
May 10, 2019**

The Greater Asheville Regional Airport Authority ("Authority") met on Friday, May 10, 2019 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:** Matthew C. Burrell, Chair; K. Ray Bailey, Vice-Chair; Stephanie Pace Brown; George H. Erwin, Jr.; Brad Galbraith; and Carl H. Ricker, Jr.

**MEMBERS ABSENT:** William L. Moyer

**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; Tina Kinsey, Director of Marketing and Public Relations; Janet Burnette, Director of Finance and Accounting; Shane Stockman, IT Director; John Coon, Director of Operations and Maintenance; Christina Madsen, Airport Properties and Contracts Manager; Samuel Sales, Public Safety Captain; Juan Gonzalez, Public Safety Officer; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** Nick Loder, RS&H; James Moose, Avcon; Jon McCalmont, Parrish & Partners; Hunter Boniface, Parrish & Partners; Patrick Pettit, Haskell; Chuck Buckland, Signature Flight Support

**CALL TO ORDER:** The Chair called the meeting to order at 8:30 a.m.

**EMPLOYEE RECOGNITION:** The Director took a moment to recognize Juan Gonzalez for receiving his Intermediate Law Enforcement Certification from the North Carolina Criminal Justice Training and Standards Commission.

**PRESENTATIONS:** None

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

A discussion took place regarding comments made by airline flight crews to passengers in delay or diversion situations and their placing blame on closure of the airport. The Director stated that while these conversations have previously taken place with the

airlines, staff will request the airlines give factual information to passengers when there are delays or diversions.

**CONSENT ITEMS:** The Chair stated that Consent Items B and D, Approval of the Greater Asheville Regional Airport Authority April 5, 2019 Closed Session Minutes and Approval of the Greater Asheville Regional Airport Authority April 12 Closed Session Minutes, would be pulled for review in Closed Session.

**A. Approval of the Greater Asheville Regional Airport Authority April 5, 2019 Special Meeting Minutes:**

**C. Approval of the Greater Asheville Regional Airport Authority April 12, 2019 Regular Meeting Minutes:**

**E. Approval of Amendment to the FY18/19 Budget:** The Director advised the Board that a budget amendment was never done for the repairs to Jet Bridge 2. The final invoice has not yet arrived, but Delta will be billed for the repairs.

**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>
Emergency Repair Costs		\$122,500.00
Totals		\$122,500.00

This will result in a net increase of \$122,500.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$122,500.00
Totals		\$122,500.00

**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 May, 2019.

\_\_\_\_\_  
Matthew Burrell, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board

Mr. Galbraith moved to approve Consent Items A, C and E. Mr. Erwin seconded the motion and it carried unanimously.

**OLD BUSINESS:** None

**NEW BUSINESS:**

**A. Approval of Scope of Services No. 1 with Avcon Engineers and Planners, Inc.:** Mr. Reisman reminded the Board that staff was directed to proceed with the planning for the addition and/or modification of existing surface parking lots in order to meet increasing passenger parking demands. Scope of Services No. 1 is for the design and engineering services for the additional parking. Mr. Reisman advised the Board that the not to exceed cost for these services is \$189,962.00 and will be funded with airport funds. The following budget amendment will be necessary:

**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>
Capital Improvements		\$189,962.00
Totals	_____	_____
	=====	=====
		\$189,962.00

This will result in a net increase of \$189,962.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$189,962.00
Totals	<hr/> <hr/>	<hr/> <hr/> \$189,962.00

**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 10<sup>th</sup> day of May, 2019.

\_\_\_\_\_  
Matthew Burrell, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board

Mr. Reisman was asked which parking lots were covered with this scope of services. Mr. Reisman responded that there were four parking areas that would be addressed with this project and reviewed the specifics of the project including locations, type of work to be completed, and timeline.

Mr. Erwin moved to approve Scope of Services No. 1 with Avcon Engineers and Planners, Inc. in the amount of \$189,962.00; authorize the Executive Director to execute the necessary documents; and amend the FY2018/2019 budget by adopting the budget ordinance presented by staff. Mr. Bailey seconded the motion and it carried unanimously.

**B. Approval of Scope of Services No. 21 with Avcon Engineers and Planners, Inc.** Mr. Reisman advised the Board that the expenses associated with Scope of Services No. 21 with Avcon Engineers and Planners, Inc. are due to the delays in completion of BP-4 of the Airfield Re-development project. Mr. Reisman stated that the additional work is primarily construction administration services for a not to exceed cost of \$99,271.00 and 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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$99,271.00
Totals	<u>\$0</u>	<u>\$99,271.00</u>

This will result in a net increase of \$99,271.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$99,271.00
Totals	<u>\$0</u>	<u>\$99,271.00</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 10<sup>th</sup> day of May, 2019.

\_\_\_\_\_  
Matthew Burrell, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board

Mr. Ricker moved to approve Scope of Services No. 21 with Avcon Engineers and Planners, Inc. in an amount not to exceed \$99,271.00; authorize the Executive Director to execute the necessary documents; and amend the FY2018/2019 Budget by adopting the budget ordinance amendment as presented by staff. Mr. Galbraith seconded the motion and it carried unanimously.

**C. Approval of Scope of Services No. 16 and 17 with RS&H:** Mr. Reisman informed the Board that RS&H performs program management services for the Airfield Re-development project. Mr. Reisman reviewed the background of the Board's approval

of Bid Packages (BP) 3 and 4 and Scope of Services 14 and 15 with RS&H. Mr. Reisman advised the Board that as a result of the delays with the Airfield Re-development project, the funds associated with Scope of Services 14 and 15 have almost been exhausted. To accurately track the expenses and assure ease in accounting, the remaining work for BP 4 Volumes 2 and 3 should be split into separate scopes of work.

Mr. Reisman explained that Scope of Services No. 16 provides funding for the continuation of consulting services through the completion of BP 4, Volume 2 work which is primarily construction of the runway, connector taxiways, and their electrical systems.

Scope of Services No. 17 is for BP 4, Volume 3 work which is primarily the conversion of the temporary runway to a permanent taxiway as well as completion of permanent runway nav aids. Mr. Reisman pointed out that approximately \$400,000 of the fees for BP 4 Volume 3 have not been expended from Scope of Services 14 and these funds have been carried over to Scope of Services 17. This will reduce the final cost of Scope of Services 14 of this agreement by the same amount. Mr. Reisman also advised the Board that the cost for BP 4, Volume 3 work in Scope of Services 17 is substantially higher than what is carried over from Scope of Services 14 due to higher cost of hourly fees, sub-consultants and additional consultant oversight.

Mr. Reisman stated that the not to exceed cost for Scope of Services No. 16 is \$1,460,329.00 and the not to exceed cost for Scope of Services No. 17 is \$1,487,205.00 for a total of \$2,947,534.00. This 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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$2,947,534.00
Totals		\$2,947,534.00

This will result in a net increase of \$2,947,534.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$2,947,534.00
Totals		\$2,947,534.00

**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 10<sup>th</sup> day of May, 2019.

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Matthew Burrill, Chair

Attested by:

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Ellen Heywood, Clerk to the Board

The Board requested confirmation that this would be part of the conversation that could be held with the surety company at the conclusion of the project. Ms. Rice stated that this would be an additional expense for the Authority, but it could potentially be brought as damages depending on what the Board decides to do with respect to the surety.

Mr. Erwin moved to approve Scope of Services Nos. 16 and 17 with RS&H in the combined total amount of \$2,947,534.00; authorize the Executive Director to execute the necessary documents; and amend the FY2018/2019 Budget by adopting the budget ordinance amendment as presented by staff. Ms. Brown seconded the motion and it carried unanimously.

**D. Approval of Purchase of Two Shuttle Buses for Parking Operations:** John Coon stated that staff has been directed by the Board to proceed with planning for the addition and/or modification of existing surface parking lots in order to meet increasing passenger parking demands. Some of the parking areas would require shuttling passengers by bus operated by our parking operator, LAZ Parking, to and from the remote parking lots. The shuttle buses should be handicap accessible and able to accommodate luggage. Mr. Coon advised the Board that preliminary costs to purchase a 14-passenger bus that is handicap accessible and has luggage racks is approximately \$75,000.00 with a 12-week lead time to manufacture. It is anticipated that the shuttle operations may be necessary for up to a 5-year time frame making purchase of the buses more cost effective than leasing. Mr. Coon stated that the purchase of the two vehicles in an amount not to exceed \$150,000.00 will be funded from the Equipment and Small Capital Outlay account and 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, 2019:

**Section 1.** To amend the appropriations as follows:

**EXPENDITURES:**

	<u>Decrease</u>	<u>Increase</u>
Equipment and Small Capital Outlay	_____	\$150,000.00
Total	=====	=====

This will result in a net increase of \$150,000.00 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash	_____	\$150,000.00
Totals	=====	=====

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 May 2019.

\_\_\_\_\_  
Matthew Burrill, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board

Mr. Bailey moved to authorize the purchase of two shuttle buses for the amount not to exceed \$150,000.00; authorize the Executive Director to execute the necessary documents; and amend the FY2018/2019 Budget by adopting the budget ordinance amendment as presented by staff. Mr. Galbraith seconded the motion and it carried unanimously.

**DIRECTOR'S REPORT:**

**A. Items for June:** The Director reported that at the June Board meeting staff will have business insurance on the agenda for approval. Funding for the terminal building will also be addressed in a presentation in June. PFM, a bond consultant, has been

retained to analyze the Authority's financials and will provide a report that will be presented to the Board for the terminal expansion project.

**B. PFC:** The Director reported that he was working on an Op-ed with respect to PFCs that will likely appear in newspapers in the state. The industry is making headway in Washington, DC to increase the PFC, however, the airlines are trying to dispel the need for the increase and the Op-ed will help to counteract the airlines' stance.

**INFORMATION SECTION:** No comments

**PUBLIC AND TENANTS COMMENTS:** None

**CALL FOR NEXT MEETING:** The next regular meeting of the Authority Board will be held on June 14, 2019.

**AUTHORITY MEMBER REPORTS:** None

**CLOSED SESSION:** At 9:06 a.m. Mr. Bailey moved to go into Closed Session Pursuant to Subsection 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 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. Mr. Erwin 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 10:05 a.m.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MAY 10, 2019**

**CLOSED SESSION MINUTES:** Mr. Bailey 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. Erwin seconded the motion and it carried unanimously.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY APRIL 5, 2019 CLOSED**

**SESSION MINUTES:** Mr. Bailey moved to approve the minutes for the April 5, 2019 Closed Session and to seal and withhold the minutes for the April 5, 2019 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Galbraith seconded the motion and it carried unanimously.

## **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY APRIL 12, 2019**

**CLOSED SESSION MINUTES:** Mr. Bailey moved to approve the minutes for the April 12, 2019 Closed Session and to seal and withhold the minutes for the April 12, 2019 Closed Session from public inspection so long as public inspection would frustrate the purpose or purposes thereof. Mr. Erwin seconded the motion and it carried unanimously.

**TAKEOVER AGREEMENT:** Cindy Rice stated that the Takeover Agreement was not officially made a part of the meeting minutes following its acceptance and execution on behalf of the Greater Asheville Regional Airport Authority. Ms. Rice asked that a notation be included in the minutes documenting that:

The Greater Asheville Regional Airport Authority made a claim against the Performance Bond in Place for Bid Package 4 – Permanent Runway 17-35 Paving, Lighting and NAVAIDs.

In an attempt to resolve that claim, and after negotiations with Travelers, Board authorized the Authority's entry into Takeover Agreement with Travelers Casualty and Surety Company of America, Cedar Peaks Enterprises, Inc. and the Greater Asheville Regional Airport Authority, whereby:

- Travelers agreed to ensure completion of the Project, utilizing the defaulting contractor, Cedar Peaks Enterprises, Inc., along with project administration provided by WK Dickson and daily oversight and coordination by JS Held.
- Cedar Peaks Enterprises, Inc. agreed to complete the Project.
- The Greater Asheville Regional Airport Authority granted Travelers an extension of the Completion Milestones associated with the Project.
- The Greater Asheville Regional Airport Authority agreed to pay the balance of the contract price to the Travelers.
- The Greater Asheville Regional Airport Authority agreed to waive certain Delay Damages, in exchange for Travelers payment of Delay Costs up to a maximum of \$1.8 million, so long as the permanent runway was opened in 2018.
- Travelers and Cedar Peaks agreed to waive any and all claims they might have had against the Greater Asheville Regional Airport Authority, so long as the Greater Asheville Regional Airport Authority did not seek to recover any damages in addition to the Delay Costs.

Takeover Agreement was finalized and entered into on behalf of the Authority on April 3, 2018.

Ms. Rice asked that a copy of that Takeover Agreement be entered into the minutes of the open session:

[INTENTIONALLY LEFT BLANK]

## TAKEOVER AGREEMENT

This Takeover Agreement (the "Agreement") is made and entered into by and among GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY ("Owner"), TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA ("Surety") and CEDAR PEAKS ENTERPRISES, INC. ("Principal") (hereinafter collectively the "Parties") on this 3rd day of April, 2018 ("Effective Date").

### WITNESSETH:

**WHEREAS**, Principal entered into a construction contract with Owner (the "Bonded Contract") with respect to certain construction work on a project known as Bid Package 4—Permanent Runway 17-35 Paving, Lighting, and NAVAIDS (the "Project");

**WHEREAS**, Surety issued Performance Bond No. 106674877 (the "Performance Bond") and Payment Bond No. 106674877 (the "Payment Bond") (the Performance Bond and the Payment Bond collectively, the "Bonds") on behalf of Principal in relation to the Bonded Contract in their respective penal limits of \$33,703,095.70;

**WHEREAS**, Surety issued the Bonds on behalf of Principal in the favor of the Owner;

**WHEREAS**, in accordance with the Bonded Contract, on or about September 28, 2017, RS&H Architects-Engineers-Planners, Inc. ("RS&H"), as an Engineer, Project Manager and Resident Project Representative ("RPR") on the Project issued a Notice of Pending Default to Principal;

**WHEREAS**, on or about October 30, 2017 Owner declared Principal to be in default under the Bonded Contract;

**WHEREAS**, Principal disputes that it was in default under the Bonded Contract and asserts that Owner breached the Bonded Contract;

**WHEREAS**, on or about November 7, 2017 Owner terminated the Bonded Contract;

**WHEREAS**, Owner has terminated Principal's right to complete the Project and has requested that Surety perform its obligations under the Performance Bond;

**WHEREAS**, following Owner's termination of the Bonded Contract, remaining and/or remedial work remains to be performed under the Bonded Contract (the "Remaining Work");

**WHEREAS**, Surety has elected to arrange for completion of the Remaining Work by utilizing WK Dickson & Co., Inc. (the "Construction Administrator") for project administration and JS Held, LLC ("Held") for daily oversight and coordination and Principal as the General Contractor;



WHEREAS, the Bonded Contract called for the new permanent runway to be open by December 7, 2017, and the Owner is currently utilizing a temporary runway;

WHEREAS, in an effort of cooperation with the Surety, and to expedite the progress of completion of the Remaining Work such that the new permanent runway can be opened in 2018, Owner consents to Surety's arrangement for completion of the Remaining Work, subject to the terms and conditions of the Bonded Contract and this Agreement; and

WHEREAS, in an effort of cooperation with Owner, and to expedite the progress of completion of the Remaining Work, and to minimize the costs and inconvenience to those involved, and pursuant to the terms of the Bonds, Surety is willing and desirous of exercising its election to complete the Remaining Work and/or to procure the completion of the Remaining Work, provided it can be assured that in doing so it will receive the total amount payable by Owner to Principal under the Bonded Contract and any amendments thereto, less the amount previously paid by Owner to Principal or to third parties.

NOW, THEREFORE, in consideration of the foregoing, other good and valuable considerations, and the mutual covenants set forth herein, the receipt and sufficiency of all of which are hereby acknowledged, the Parties hereto agree as follows:

1. Recitals. The above Recitals and the following terms and conditions are contractual and not merely recitals.

2. Incorporation of the Bonded Contract. The Bonded Contract, which includes all drawings, specifications, Proposal made by Principal, Instructions to Bidders, Mandatory Contract Provisions, Special Conditions, General Provisions, Technical Specifications, and all addenda and modifications to those documents, and all approved Change Orders and backcharges, is incorporated herein by reference into this Agreement. While the Principal will serve as the General Contractor for the completion of the Remaining Work, for purposes of this Agreement the term "Contractor" as used in the Bonded Contract shall be deemed, after the Effective Date of this Agreement, to refer to the Surety rather than the Principal. Except to the extent modified in this Agreement, Owner shall have all of its rights under the Bonded Contract with respect to Surety, to the same extent and effect as if Surety had executed the Bonded Contract initially as the Contractor instead of Principal.

3. Surety to Perform Remaining Work. Surety agrees to arrange for Principal to perform the Remaining Work in accordance with the terms of the Bonded Contract and this Agreement, and pursuant to and subject to Surety's obligations under the Performance Bond and this Agreement. The Remaining Work shall also include, but shall not be limited to, the work identified on **Exhibit B**, which is attached hereto and incorporated herein by reference. Owner acknowledges and agrees that items 1, 2 and 6 on the attached **Exhibit B** are items that are added to the original scope of work under the Bonded Contract and Owner will issue a change order to Surety for the reasonable price for the performance of the additional work. The Owner further acknowledges that some of the work described in **Exhibit B** has been partially completed. The Owner acknowledges that, as the items listed on **Exhibit B** are performed and accepted by

Owner, it will pay sums due for the related work under the Bonded Contract and in accordance with the terms thereof.

Insofar as Owner has any right, title, or interest in and to any subcontract, purchase order, contract, equipment, materials, inventory, and appurtenances furnished or supplied to Principal for the Bonded Contract, however derived, Owner hereby irrevocably assigns all such rights, title, or interest to Surety and/or agrees that Surety and/or Principal shall have the right to utilize the same without charge. However, nothing in this provision will relieve Surety from the obligation to pay for materials, supplies, equipment or personal property to the extent that such is required by the terms of the Bonded Contract.

Owner and Surety agree to extend the dates for completion of designated milestones pursuant to the revised milestones set forth in **Exhibit A** (the "Revised Completion Milestones"). Surety shall be entitled to further extensions of the Revised Completion Milestones in accordance with the procedures set forth in the Bonded Contract and to the extent provided in the Bonded Contract. Surety acknowledges that, as of the Effective Date, no circumstances exist that would be a proper basis for such further extensions.

Any modifications to the Remaining Work must be addressed by a change order executed in accordance with the Bonded Contract. Surety shall not be responsible for any modifications to the Remaining Work that are not reflected in a change order approved by Owner in accordance with the Bonded Contract. Surety shall not unreasonably withhold approval of any change order submitted.

4. Rights of Surety. By Surety's execution of this Agreement, Owner acknowledges that Surety is acting in its capacity as surety for Principal in making arrangements for the performance and completion of the Remaining Work, and not as a completion contractor, and that Surety is not assuming any obligations or liabilities beyond those set forth in the Bonds or the Bonded Contract or this Agreement. As to the completion of the Remaining Work, Surety is entitled to all rights, title, and interest of Principal in and to the Bonded Contract.

5. Completion by Construction Administrator, Held and Principal. Pursuant to Surety's obligations under the Performance Bond, Surety is making arrangements with the Construction Administrator, Held, and Principal for the performance of the Remaining Work. A copy of the contract between Surety and Held is attached hereto as **Exhibit C** ("Held Contract"). A copy of the contract between Surety and the Construction Administrator is attached hereto as **Exhibit D** ("Administration Agreement").

During the progress of the Remaining Work, Owner shall have the right to deal directly with the Construction Administrator and Held, with the exception that neither the Construction Administrator nor Held shall be authorized, without Surety's prior written approval, to execute or enter into any pay estimates, change orders or extensions or reductions of time, relating to any work within the scope of the Bonded Contract. Surety's representative must execute pay estimates, change orders, and extensions or reductions of time, as may be required under the Bonded Contract, on behalf of Surety. All documents pertaining to pay estimates, progress and

final payments, change orders, extensions or reductions of time, and all other notices shall be sent to the Surety as follows:

**SURETY:**

**Travelers Casualty and Surety Company of America**  
c/o Ann Marie Donahue  
Claim Counsel  
Construction Services Claim  
Bond & Specialty Insurance  
1500 Market Street  
29<sup>th</sup> Floor West Tower (Mail Code 1166)  
Philadelphia, PA 19102  
ADONAHU2@travelers.com

**with a copy to:**

**Manier & Herod**  
ATTN: Jeffrey S. Price  
2200 One Nashville Place  
150 Fourth Avenue North  
Nashville, TN 37219  
[JPrice@manierherod.com](mailto:JPrice@manierherod.com)

Owner's Engineer, Project Manager, and RPR will work with the Construction Administrator and Held; however, the involvement of the Construction Administrator and Held shall not alter the roles of the Owner's Engineer, Project Manager and RPR in connection with the Project.

Surety is solely responsible for seeing that the Remaining Work is completed by the Revised Completion Milestones and in accordance with the Bonded Contract and this Agreement. In connection with such obligation, Surety shall ensure that:

- a. Principal has adequate equipment and adequate, qualified personnel on site to complete the Remaining Work by the Revised Completion Milestones;
- b. Principal, Construction Administrator, Held and representatives for Surety are onsite for a meeting with Owner and RS&H within) three (3) business days of a missed Revised Completion Milestone to discuss how Surety shall make up time lost;
- c. Principal completes the Remaining Work pursuant to the specifications contained in the Bonded Contract and pursuant to the direction and instruction of the Construction Administrator and Surety;
- d. Held is on the Project site daily to observe and coordinate Principal's work and to attend the Project meetings with RS&H, Principal and Owner;

- e. Construction Administrator is on site no less often than weekly to inspect and evaluate the status and quality of the Remaining Work and, when possible, to attend the Project meetings with Held, RS&H, Principal and Owner;
- f. Surety is available for a conference call and/or site meeting if Owner and/or RS&H believe that Principal's work does not comply with the Bonded Contract or the revised project schedule or that Principal's failure to meet a Revised Completion Milestone is likely.
- g. Owner and RS&H are available for a conference call and/or site meeting if Surety believes that Principal's work is being negatively impacted or delayed by Owner and/or RS&H.

6. Principal's Rights & Obligations. Principal agrees to complete the Remaining Work pursuant to the Bonded Contract and this Agreement under the direction and instruction of Surety, the Construction Administrator, and Held. Principal agrees that David Rifenburg shall not be on site at any time or direct Principal's employees regarding completion of the Remaining Work. Principal shall follow the direction of Surety, Construction Administrator and Held in completion of the Remaining Work. Principal will remain responsible for all warranties under the Bonded Contract, which warranties and related obligations are hereby fully ratified by Principal. Surety acknowledges that its financial responsibility for any warranty obligations under the Bonded Contract shall be the same as if the Bonded Contract and Principal were never terminated by Owner. Principal and Owner acknowledge that there are 269 airfield barricades that belong to Owner being used on the Project, as well as airfield barricades that belong to Principal. Principal will leave all of Owner's airfield barricades on the site during the completion of the Project and upon demobilization from the Project.

7. Contract Sum. Owner and Surety acknowledge that the original Bonded Contract sum was in the amount of \$33,703,095.70 and said amount has not been modified by change order. As of the date of this Agreement, Principal has performed, and Owner has approved and accepted work and billings in the amount of \$9,973,049.61, of which the Principal has been paid \$8,343,589.40 and of which \$997,304.96 is presently held as retainage. Pay Application No. 6 in the amount of \$632,155.25 (as revised by the Owner) was submitted pursuant to the Bonded Contract, and will be paid to Surety upon execution of this Agreement (the "Initial Completion Payment"). Owner and Surety further acknowledge that, since termination of the Bonded Contract, Owner has also paid, with the prior authorization of Surety, \$32,275.00 to a third-party and that such payment shall be a credit to Owner and further reduce the contract balance. Owner further acknowledges that the balance of the contract price (after payment of the Initial Completion Payment) available for completion of the Project, including any retainage, is in the amount of \$24,695,076.05, subject to further increases or decreases in accordance with the provisions of the Bonded Contract (the "Balance of the Contract Price"). Surety and Owner acknowledge that the Bonded Contract is based on unit prices and the final amount of the Bonded Contract and, therefore, the Balance of the Contract Price may be adjusted upon a determination of final unit quantities performed and installed in the Project.

8. Payments to Surety. The Balance of the Contract Price shall be paid to Surety as: (i) Principal completes the Remaining Work in accordance with the amounts and procedures of the Bonded Contract, based on the value of the work in place, or stored, calculated in accordance with the unit and/or lump sum prices set forth in the Bonded Contract, less retainage withheld in accordance with the Bonded Contract; and (ii) in a final payment once the Remaining Work is complete, based on Owner's final review, quantification and acceptance of the Remaining Work, in accordance with the procedures of the Bonded Contract and valued in accordance with the unit and/or lump sum prices set forth in the Bonded Contract. In order to meet Federal Aviation Administration ("FAA") requirements, in all pay applications submitted by the Surety to the Owner, whether for the Remaining Work or any change order, the Surety shall invoice the Owner utilizing the unit prices contained in the Bonded Contract. All payments due to Surety shall be sent payable to Travelers Casualty and Surety Company of America and sent to:

**Travelers Casualty and Surety Company of America**  
c/o Ann Marie Donahue  
Claim Counsel  
Construction Services Claim  
Bond & Specialty Insurance  
1500 Market Street  
29<sup>th</sup> Floor West Tower (Mail Code 1166)  
Philadelphia, PA 19102  
ADONAHU2@travelers.com

Surety asserts a right to the Balance of the Contract Price otherwise due from Owner to Principal and makes such assertion by reason of Surety's rights of subrogation as to Principal and Owner, by reason of its contractual assignment contained in a general agreement of indemnity executed by Principal, and pursuant to the Bonds. Owner agrees that it will not acknowledge or honor any claims or charges against the Balance of the Contract Price by Principal and/or its assignees, successors, creditors or transferees, or of any other party making claim to any of such proceeds or balances, without the consent of Surety.

Surety shall submit to Owner whatever information or documentation is required regarding the performance of the Remaining Work in order to conform with the procedures set forth in the Bonded Contract. Owner recognizes that Surety shall be arranging for completion of the Remaining Work through the services of Principal, Construction Administrator, and Held. Accordingly, Surety authorizes Owner to accept the representations and certifications of Principal, Construction Administrator and/or Held (as appropriate and/or applicable) with respect to all aspects of the work, progress of the work, quality of the work, payments to others, warranty and maintenance of the work, and all other matters pertinent to completion of the Remaining Work, as if those representations had been made by Surety.

9. No Offsets. All payments due to Surety pursuant to this Agreement including, without limitation, progress payments, payments for extra work or work performed pursuant to change orders, retention and final payment, for work on behalf of Surety by Principal, shall be made to Surety unconditionally and without offset including, but not limited to, any offset for

claims: (i) made by Principal's creditors; or (ii) made by parties claiming funds due or that may become due in completion of the Remaining Work.

10. Changes in Remaining Work. Owner reserves the right, to the extent appropriate for completion of the Remaining Work, to issue further change orders. The terms of these change orders, including extensions of time and valuation of the change order work, shall be determined as set forth in the Bonded Contract. Surety reserves the right to refuse to perform work pursuant to additional change orders if such work changes the total Bonded Contract cost or the cost of any major Bonded Contract item by more than 25% (total cost being based on unit prices and estimated quantities in the Bonded Contract). Further, in the event Owner seeks the performance of additional work pursuant to change order(s) which is not subject to valuation by application of the unit and/or lump sum prices set forth in the Bonded Contract, Owner and Surety shall negotiate, in good faith, the appropriate, commercially reasonable value for such work.

11. Waiver of Delay Damages. Owner waives all right to assert damages relating to or arising from the failure to timely complete the Project in accordance with the completion dates set forth in the Bonded Contract including, but not limited to, any damages alleged for lost profits, interest, fees assessed by third-parties, and liquidated damages arising prior to the Revised Completion Milestones ("Delay Damages"). Nothing herein is intended to waive any damages for breach of this Takeover Agreement or for liquidated damages arising due to the failure to meet the Revised Completion Milestones.

12. Additional Payments by Surety. Notwithstanding Section 11 above, Surety agrees to reimburse Owner for the actual out of pocket expenses incurred by Owner due to the termination of Principal under the Bonded Contract, which expenses shall include, but shall not be limited to, additional fees for the services of RS&H, additional fees for the services of Avcon, Inc., legal fees incurred by the Owner, and the additional force account expenses and personnel costs of Owner, accruing until the Remaining Work is completed ("Delay Costs"). Surety's payment for Delay Costs shall not exceed the total sum of \$1,800,000. However, in the event the permanent runway is not reopened in 2018 due to inexcusable delay caused by or attributable to Principal and/or Surety, in accordance with the Revised Completion Milestones, the cap on Delay Costs shall be inapplicable (provided that Surety shall be given a credit for any Delay Costs paid against any claims asserted by Owner). Surety shall then be responsible for the full amount of all Delay Costs, subject to the penal limit of the Performance Bond. Surety shall not be liable for any damages it would not be liable for absent the execution of this Agreement. If, and only if, Owner elects to seek damages in addition to the Delay Costs, Principal and Surety reserve all rights and defenses to any such claim including, any and all claims or counterclaims Surety or Principal may have against the Owner including, but not limited to, the right to recoup the Delay Costs paid by the Surety, if it is determined that Owner would not have been entitled to said payment under the Performance Bond.

13. Penal Limit of Bonds and Payments by Surety. Surety shall be solely responsible for all payments to Principal, Construction Administrator, Held and all subcontractors and suppliers for all labor and materials associated with completion of the Remaining Work. To the

extent that Surety expends such of its own funds as may be necessary to pay for completion of the Remaining Work, any and all costs and expenses paid or incurred by Surety in the course of completing the Remaining Work or in the course of paying those sums owed to subcontractors, materialmen and/or suppliers for labor, materials and equipment furnished after Owner's termination of Principal, shall in no event exceed, and it is hereby expressly limited to, the expenditure of the penal amount of the Performance Bond (\$33,703,095.70), which will be further reduced by all amounts expended by Surety including all expenditures made to complete the Remaining Work or to satisfy Surety's obligations under the Performance Bond. A list of sums already paid by Surety and credited against the penal limit of the Bonds, and a list of those sums the Surety forecasts will be paid by Surety and subsequently credited against the penal limit of the Bonds is attached hereto and incorporated herein by reference collectively as **Exhibit E**. The sums listed on **Exhibit E** are estimates based on the information available to Surety at this time and the amounts listed do not represent a cap of the reduction of the penal limit of the Performance Bond.

14. Effect of the Bonds. The Bonds will remain in full force and effect pursuant to the Bonds' terms and conditions, and nothing provided in this Agreement shall waive any right, defense, or obligation the parties may have pursuant to the Bonds or otherwise, other than as set forth herein. Owner acknowledges that Surety's obligations and performance under this Agreement are pursuant to its obligations under the Bonds, and all payments by Surety for labor and/or materials or for the performance of the Remaining Work are in discharge of Surety's obligations under the Bonds. Acceptance of the Remaining Work by Owner in accordance with the Bonded Contract or expenditures by Surety of the penal limit of the Performance Bond, whichever comes first, shall satisfy Surety's performance obligations under the Performance Bond and this Agreement.

15. Payment Bond. Surety agrees to investigate claims made against the Payment Bond, but shall have the right to settle, compromise, defend, appeal, pay, or dispute such claims as it, in its sole and complete discretion, may deem appropriate. In no event shall Owner withhold any portion of the Balance of the Contract Price on account of claims, liens, suits, or demands by persons or entities furnishing or alleging to have furnished labor and/or materials to the Project; provided, however, that Surety shall defend, indemnify, and hold harmless Owner from any loss which may arise by virtue of such claims, liens, suits, and demands, subject to the penal limit of the Bonds, as reduced by the payments made by Surety pursuant thereto.

16. No Third-Party Rights. Nothing in this Agreement shall be deemed to create any rights in favor of, or to inure to the benefit of, any third party or parties, or to waive or release any defense or limitation against third party claims. The Parties each acknowledge that as of the Effective Date of this Agreement there has been no assignment of rights or obligations under the Performance Bond or Bonded Contract to any third party, and the Parties agree that there will be no assignment of rights or obligations under the Performance Bond, Bonded Contract or this Agreement on or after the Effective Agreement, absent the written authorization of all Parties hereto.

17. No Modification Except in Writing. This Agreement contains the entire understanding and agreement among Surety, Owner and Principal with respect to the subject matter contained herein and may not be modified or amended except in writing and signed by all

Parties. As between Principal and Surety, nothing herein supersedes the separate agreements between Surety and Principal including, but not limited to, that certain Term Sheet and that certain General Agreement of Indemnity neither of which are modified by this Agreement.

18. Surety's Role as Surety and not Completion Contractor. Owner agrees and acknowledges: (i) Surety is entering into this Agreement not as a contractor, but as a means of satisfying Surety's obligations under the Bonds and (ii) that Owner hereby forever releases any and all claims that Surety is an unlicensed contractor. All Parties agree that Owner is not a party to the contract between Surety and Principal for completion of the Remaining Work and Owner shall look only to Surety for ensuring completion of the Remaining Work in accordance with the terms of this Agreement and the Bonded Contract, subject to the penal limit of the Bonds.

19. No Admission of Liability. Without limiting the obligations of the Parties as set forth in this Agreement, this Agreement shall not be deemed or construed as an admission or concession of liability of any kind or nature by Principal, Surety, or Owner.

20. Release from Liability. Principal and Surety hereby release and waive any rights, claims, actions or damages against Owner in anyway related to the Project, and arising or accruing up through the Effective Date of this Agreement, including, but not limited to, Principal's claims for damages, additional compensation and/or for wrongful termination of the Bonded Contract (the "Released Claims"). However, if, and only if, Owner elects to seek damages in addition to the Delay Costs, as described in Paragraph 12 above, then this waiver shall be void and Surety and Principal fully reserve all rights, claims, actions or damages against the Owner and defenses under the Bonds, the Bonded Contract, at law or in equity in relation to the Released Claims or otherwise.

21. Severability. The invalidity or enforceability of any particular provision of this Agreement shall not affect the other provisions of this Agreement and the Agreement shall be construed as if the invalid or unenforceable provisions were omitted.

22. Counterparts. This Agreement may be executed in any number of counterparts each of which when executed and delivered shall be deemed to an original with all the counterparts constituting but one and the same Agreement. The execution of this Agreement by any Parties hereto will not become effective until all the counterparts hereof have been executed by all the Parties.

23. Construction. Owner, Surety, and Principal have been represented by counsel who have mutually participated in the authorship of this Agreement. With this understanding, Owner, Surety, and Principal agree that the rule of construction that a written agreement is construed against the party drafting or preparing such an agreement shall not apply to the interpretation of this Agreement.

24. Governing Law. This agreement, including its interpretation and enforcement, shall be governed by the laws of the State of North Carolina.

25. Additional Actions that May be Required. The Parties shall execute such documents and other papers and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.



26. Headings. The headings of this Agreement are inserted for convenience only and shall not control or affect the meaning, construction or effect of this Agreement, or any provisions hereof.

27. Authority. Each of the undersigned persons executing this Agreement represents and warrants that: (a) he or she is fully empowered and duly authorized by all necessary action of the respective Parties to execute and deliver this Agreement; (b) he or she has full capacity, power, and authority to enter into and carry out this Agreement; and (c) this Agreement is the legal, valid, and binding obligation of the respective Parties.

28. FAA Approval. The Parties acknowledge that the FAA must approve this Agreement, and that Owner's execution of this Agreement is not effective until such time as FAA approval has been obtained.

**WHEREFORE**, Surety, Owner, and Principal have executed this Agreement by their authorized representatives.

**[SIGNATURE PAGE TO FOLLOW]**

OWNER:

**GREATER ASHEVILLE REGIONAL AIRPORT  
AUTHORITY**

BY:

W. Matt C. Bunnif

ITS:

Vice Chairman

DATE:

April 3, 2018

SURETY:

**TRAVELERS CASUALTY AND SURETY  
COMPANY OF AMERICA**

BY:

\_\_\_\_\_

ITS:

\_\_\_\_\_

DATE:

\_\_\_\_\_

PRINCIPAL:

**CEDAR PEAKS ENTERPRISES, INC.**

BY:

\_\_\_\_\_

ITS:

\_\_\_\_\_

DATE:

\_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

This the 3<sup>rd</sup> day of April, 2018.

Janet Burnette

Janet Burnette, Finance Officer  
Greater Asheville Regional  
Airport Authority

OWNER:

**GREATER ASHEVILLE REGIONAL AIRPORT  
AUTHORITY**

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

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

SURETY:

**TRAVELERS CASUALTY AND SURETY  
COMPANY OF AMERICA**

BY: Ann Debra

ITS: claim counsel

DATE: 4/3/18

PRINCIPAL:

**CEDAR PEAKS ENTERPRISES, INC.**

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

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

This the \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Janet Burnette, Finance Officer  
Greater Asheville Regional  
Airport Authority

OWNER:

**GREATER ASHEVILLE REGIONAL AIRPORT  
AUTHORITY**

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

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

SURETY:

**TRAVELERS CASUALTY AND SURETY  
COMPANY OF AMERICA**

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

ITS: CLAIM COUNSEL \_\_\_\_\_

DATE: April 2, 2018 \_\_\_\_\_

PRINCIPAL:

**CEDAR PEAKS ENTERPRISES, INC.**

BY: D. My \_\_\_\_\_

ITS: President \_\_\_\_\_

DATE: 4/3/18 \_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

This the \_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Janet Burnette, Finance Officer  
Greater Asheville Regional  
Airport Authority

## EXHIBIT A

Critical Milestone / Schedule	Liquidated Damages Cost	Allowed Duration
Night Closures	\$1,000 per 30 minute increment (or portion thereof)	12:00 AM – 5:30 AM
Notice of Violation Issued by NCDEQ	\$2,000 per calendar day from issuance of NOV until NOV is formally lifted by NCDEQ in writing	N/A
August 10, 2018 <b>Critical Milestone:</b> Construction of permanent Runway 17-35 and temporary runway markings to allow NAVAIDs flight inspection activities*	\$2,000 per calendar day	N/A
November 8, 2018 <b>Critical Milestone:</b> Runway 17-35 Open, ILS Runway 35 Approach Charted	\$2,000 per calendar day	N/A
November 16, 2018 <b>Critical Milestone:</b> Runway 17 Glide Slope Facility Complete	\$2,000 per calendar day	N/A
January 11, 2019 <b>Critical Milestone:</b> Runway 35 Glide Slope Facility Relocation Complete	\$2,000 per calendar day	N/A
Project Completion	\$2,000 per calendar day	Volume 2 Work: 234 Calendar Days Volume 3 Work: 194 Calendar Days
Project Phases Completion	\$2,000 per calendar day	As shown for on contract phasing plans for each phase.

## **EXHIBIT B**

### **Additional Work to be Completed as Part of the Remedial Work**

- 1) Airport Control Cable - Sheet G-12A
- 2) Drainage improvements on North End - Sheet C-42 & Sheet C-57
  - a. Remove Existing FES
  - b. Remove existing riprap
  - c. Backfill slope
  - d. Seed & mat slope
  - e. Install structures S-44 through s-47
  - f. Demo and re-construct concrete apron in ditch for pipe outfall
- 3) Basin L
  - a. Re-excavate soils
  - b. Remove temporary drainage structures (risers)
  - c. Seal existing pipes abandoned under TW A
  - d. Back fill basin with structural fill
  - e. Back fill around pipe
  - f. Install drainage structures
  - g. Seed & mulch stabilization
- 4) Basin K
  - a. Re-excavate soils
  - b. Remove temporary drainage structures (riser)
  - c. Remove existing pipe abandoned under TW A/ TW P
  - d. Seal existing pipe abandoned under TW A
  - e. Back fill basin with structural fill
  - f. Back fill around pipe
  - g. Install drainage structures
  - h. Seed & mulch stabilization
- 5) TW A/A1/A2/B2
  - a. Mill and replace final lift P-401
  - b. Re-mark TW permanent & Temporary markings
  - c. Temporarily remove TW edge lights
  - d. Finish grade & compact TW shoulders
- 6) FAA MH Adjustment,
  - a. RWY 17 MALSR Threshold MH to be raised to proposed pavement grades
  - b. Sheet C-69 & Sheet C-62 for proposed grades
  - c. Remove box top section and install riser to raise structure

## EXHIBIT C



### Travelers Bond & Specialty Insurance Surety Claim CONSULTANT AGREEMENT

Date: 2/28/2018

Consultant: JS Held, LLC  
Address: 135 W Central Blvd 720  
Orlando FL, 32801  
Contact: Richard Sexton, Vice President

Surety: Travelers Casualty & Surety

Legal Counsel for Surety: Manier & Herod, P.C. ("Counsel")

Principal: Cedar Peaks Enterprise, Inc.  
Obligee: Greater Asheville Regional Airport Authority  
Project(s): New Runway 17-35, Bid Package 4 – Paving, Lighting and Nav aids  
Claim No.: **T1711974**  
Bond No.: 106674877

1. This Consultant Agreement, Exhibits A through F and related attachments, constitutes the formal Agreement between Surety and Consultant to perform services and meet requirements as defined herein.
2. Consultant shall, within 21 calendar days after receipt of this Agreement, submit a written Budget for review and approval by Surety. The budget shall include a breakdown of estimated work hours, travel hours, lodging, mileage, meals and other expenses and anticipated costs associated with Consultant's work on the Project and shall be submitted to Surety in a format similar to that provided as Exhibit E "Consultant Budget Format".
3. The execution and completion of Consultant's anticipated work activities, as briefly defined in Exhibit A "Scope of Work" shall be in accordance with normal and accepted construction industry practices and principles. Consultant shall not assign this work scope or subcontract any part thereof, without prior written consent of Surety.
4. All available documents, records, specifications and key personnel, directly related with the work, will be made accessible to Consultant, as requested.
5. Consultant shall communicate their observations of the Contract Work to Surety verbally, and will provide communications in writing (reports, correspondence,

emails, etc.) if directed by Surety. Consultant's written communications shall be transmitted in a format as approved by Surety. Written communication, if directed and approved by Surety, shall be transmitted to street address(s), email address(s) and/or fax number(s) which are provided in Exhibit C "Project Information". In some instances it may be required that Consultant communicates with Surety, Principal and/or Obligee through Counsel.

6. This assignment shall commence on or about March 5, 2018, and shall be completed with due diligence. It is currently anticipated that the initial assignment will last through December 2018.
7. Surety reserves its right to terminate this agreement upon twenty-four (24) hours verbal notice from Counsel or Surety to Consultant. In such case, Surety shall pay Consultant for time and expenses incurred up through the time of effective termination, for work completed in accordance with normal and accepted construction industry practices and principles. Within forty-eight (48) hours after termination, the consultant shall surrender to Counsel any and all documents, records, reports, work papers, etc. which have been developed and obtained during this assignment, and are considered part thereof.
8. Consultant shall indemnify and hold Surety harmless from any loss, cost or expense, including attorneys' fees, arising from consultant's negligence, fraud, or breach of contract occurring in relation to or arising out of this agreement.
9. Payment for professional services rendered in the performance of this assignment will be on a rate basis, as per the following approved fee schedule. This fee schedule will remain firm for one year. Travel time portal to portal shall be billed and reimbursed at 50% of the approved professional fee rate, and shall not be included in the daily maximum rate. Any proposed modification to the travel time policy described herein must be approved by the surety prior to the commencement of the assignment. Surety will not reimburse professional fees to any interoffice conferences and/or duplication of effort.

APPROVED FEE SCHEDULE

<u>Consultant</u>	<u>Rate per hour</u>
Sexton	\$170
Field Personnel	\$155



3/2/2018

10. Consultant shall adhere to the requirements of Exhibit D "Travelers Guidelines for Consultant Billings and Expense Reimbursement".
11. Reasonable, out-of-pocket costs, expenses, etc. incurred by the consultant will be reimbursed at cost and should not include any markups. Any invoiced in-house office charges as denoted on Exhibit B "Office Costs" will be reimbursed at the not to exceed amount as indicated. All invoices submitted for payment must be accompanied with appropriate backup (i.e. time sheets, material receipts, vouchers greater than \$10.00, etc.), and shall be submitted for approval and payment to the Surety with each billing. ALL INVOICES must be accompanied by the form provided in Exhibit F "Consultant Invoice Reconciliation Form" filled out in it's entirety by the Consultant. Failure to do so will result in the invoice being returned to the Consultant and a delay in payment.
12. STANDARD OF CARE AND WARRANTY: Consulting services provided by Consultant will be performed, findings obtained, and recommendations prepared in accordance with accepted construction industry principles and practices. THIS WARRANTY IS IN ADDITION TO ALL OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED.
13. CERTIFICATE OF INSURANCE: Surety may require consultant to provide proof of insurance coverage under a general liability, professional errors and assignment, or some other instrument. If such is required, Consultant shall submit a copy of the required policy coverage naming Surety as an additional insured, where applicable.
14. RELATIONSHIP: This Agreement creates a relationship and obligations by and between only the Surety, Counsel and Consultant. This Agreement does not in any way establish or intend to establish a relationship or obligations between Consultant and the Oblige, its designers, consultants or other representatives.
15. CONFIDENTIALITY: Consultant agrees that all work product and communications between Consultant and Counsel and/or Surety shall be considered confidential and any such communications, documents, work materials, etc., shall be disclosed by Consultant only at Surety's request, or pursuant to valid order to judicial process from a properly constituted tribunal, court or administrative entity with full power, authority and jurisdiction to so order such disclosure. Consultant agrees to notify Surety IMMEDIATELY of any such demand upon your receipt of same, so that we may oppose same on behalf of Surety and Consultant as confidential material. Surety agrees to provide or pay for legal representation of Consultant in such event Surety opposes disclosure.

3/2/2018

In order to ensure consistent, accurate delivery of company information and compliance with all applicable laws and regulations, no consulting firm is authorized to speak to the media as a representative of Travelers (or in a circumstance in which the consulting firm might be perceived to be acting in a representative capacity) or disseminate Travelers information to the media, including via online social media forums, without prior approval from Counsel and Travelers Corporate Communications department. This includes requests that may come from partner organizations, associations or companies.

16. If the foregoing is in accordance with Consultant's understanding, please execute and return one original to the Surety address and contact person provided in Exhibit C, "Project Information".

CONSULTANT

TRSP

RICHARD SEXTON - VICE PRESIDENT  
Name & Title

Dated: MARCH 2, 2018

SURETY

Ann Donahue

Ann Donahue - Claim Counsel  
Name & Title

Dated: March 2, 2018

**EXHIBIT A**  
**SCOPE OF WORK**

Travelers's Principal, Cedar Peaks Enterprises ("Principal") entered into a Contract with the Greater Asheville Regional Airport Authority ("Obligee") on January 27, 2017 to perform certain paving and runway lighting work in connection with Greater Asheville Regional Airport Authority's New Runway 17-35 Project (Phase 4). Travelers issued a Performance Bond for the Project in the amount of \$33,703,095.70. On or around October 28<sup>th</sup>, 2017, Obligee formally declared the Principal in default of the Contract and called upon Travelers to perform under the Bond. Travelers opted to complete the Project with Cedar Peaks Enterprises as general contractor.

To that end, Travelers is engaging JS Held, LLC to assist in overseeing the work of the Project to completion. Although the schedule for resumption of the work has not yet been finalized, it is anticipated that two (2) 11-hour shifts will be employed, seven days a week. Travelers anticipates, as a minimum, the following tasks will be required:

- Preliminary visit with completing contractor's personnel for familiarization and discussion;
- Review Project documents for familiarity;
- Provide daily full-time observations of the Contract Work;
- Maintain daily reports and logs;
- Assist in preparation of Project correspondence and Project documentation as required at the request of Travelers;
- Attend weekly Project progress meetings;
- Provide verbal and/or written updates to Travelers as circumstances dictate, but not less than weekly;
- Consultant shall be prepared to provide any additional technical assistance, as requested and/or required by Travelers.

**EXHIBIT B**  
**OFFICE COSTS**

- |    |                                   |   |
|----|-----------------------------------|---|
| 1. | Photocopy:                        | \$0.10 per page   |
| 2. | Mileage:                          | \$0.515 per mile  |
| 3. | Telephone:                        | Actual long distance telephone line charges local telephone charges are reimbursable.               |
| 4. | Postage:                          | Reimbursable, at cost   |
| 5. | Facsimile Charges:                | Reimbursable. The Surety is to be charged only the actual telephone line charge for outgoing faxes. |
| 6. | Federal Express/Express Mail/etc. | At invoiced cost  |
| 7. | Messenger/Courier Services:       | Reimbursable, at cost   |
| 8. | Office Supplies:                  | Non-reimbursable  |
| 9. | Plans / Specifications:           | At invoiced cost  |

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**EXHIBIT C**  
**PROJECT INFORMATION**

**Principal:** Cedar Peaks Enterprise  
**Obligee:** Greater Asheville Regional Airport Authority.

**Project:** New Runway 17-35, Phase 4 – Paving, Lighting and Nav aids  
**Project Address:** 61 Terminal Drive Suite 1  
Fletcher, NC 28732

**Claim No.:** T1711974  
**Bond No.:** 106674877

**Surety:** Travelers Casualty & Surety  
**Surety Contact:** Kevin J. Kreitzer  
**Address:** 1500 Market Street  
West Tower  
Philadelphia, PA 19102

**Telephone No.:** 267-675-3059  
**Mobile No.:** 267-438-9626  
**Fax No.:** 267-675-3107  
**Email Address:** kkreitze@travelers.com

**Surety Claim Manager:** Ann Marie Donahue  
**Address:** 1500 Market Street  
West Tower  
Philadelphia, PA 19102

**Telephone No.:** 267-675-3084  
**Mobile No.:** 215-687-8175  
**Fax No.:** 267-675-3107  
**Email Address:** adonahu2@travelers.com

**Legal Counsel for Surety:** Manier & Herod, P.C.  
**Contact:** Jeffrey S. Price  
**Address:** 1201 Demonbreun Street  
Suite 900  
Nashville, TN 37203

**Telephone No.:** 615-742-9358  
**Email Address:** jprice@manierherod.com

**Principal:**  
**Contact:** Brian Birdsall, P.E.  
**Address:** 2717 Kearney Road  
Wake Forest, NC 27587

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Telephone No.: (919)623-6014  
Email Address: BIRDSALL.CEDARPEAKS@gmail.com

Obligee: **Greater Asheville Regional Airport Authority**  
Contact: Michael Reisman, Deputy Executive Director  
Address: 61 Terminal Drive, Suite 1  
Fletcher, NC, 28732  
Telephone No.: 828-654-3253

## EXHIBIT D

### Guidelines for Consultant Billings and Expense Reimbursement

The following guidelines pertain to Consultant expenses, which are or are not considered appropriate for reimbursement:

Air travel is limited to coach class of service. Airport departure taxes paid in connection with the business travel are reimbursable. Excess baggage fees are not reimbursable unless the excess is specifically required for the business equipment. Consultant may retain frequent flier mileage. Airline club memberships are not reimbursable.

Mileage allowance for use of a personal vehicle is as noted in Exhibit B. Incidental expenses (gas, oil, etc.) are not reimbursable; they are factored into the mileage allowance.

Car rentals should be appropriately sized for the number of people to be transported. For 1-2 people, an Intermediate car, or 3-4 people, a Full-Size car. Gas and oil are reimbursable.

Meals are reimbursable in conjunction with overnight stays. Meal expenses cannot be reimbursed when business travel does not require an overnight stay. Spending guidelines are \$45/day. Suggested amounts are breakfast and lunch, \$10 each; dinner, \$25. Beverages are reimbursable only when consumed with meals or directly preceding a meal. Reasonable tips are reimbursable and should be included with the cost of meals on the expense account.

Lodging is reimbursable for a standard room (e.g., non-concierge floor, and suite) Room service is reimbursable, but only at the cost of a normal hotel meal. Mini-bars, health clubs, and movies are not reimbursable. Reasonable tips are reimbursable.

Required attachments to expense billings include:

- Air/train ticket passenger receipts
- Itemized hotel bills marked paid. If not marked paid, submit evidence of payment (e.g., charge card receipt) with the itemized hotel bill
- Car rental agreements
- Original receipts for expenses of \$10 and more

Photography expense, (e.g., film, development, CDs/DVDs) are reimbursable.

Photocopying "in house" is not to exceed \$0.10 a copy. Outside photocopying where necessary is reimbursable at cost.

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Fax transmittals are reimbursable at actual telephone line costs.

No mark up on any expense item is reimbursable.

Any expenses, which are not addressed in the above listing, should be discussed with Surety Contact prior to incurring the expense, if at all possible.

### Consultant Billings

The following principles are to be followed in preparing and submitting an Invoice:

Invoices shall be submitted once each month. ALL INVOICES must be accompanied by the form provided in Exhibit F "Consultant Invoice Reconciliation Form" filled out in it's entirety by the Consultant. Failure to do so will result in the invoice being returned to the Consultant and a delay in payment. (Note – This form is an example and may be modified with the approval of the Surety Contact).

Invoices' hourly billings shall be in 1/2 hour increments. Time billed should be recorded contemporaneously with the tasks performed. Time billed should not be reconstructed or "reverse engineered" at the end of the day.

Each task and its associated time must be listed separately on the statement (no standard or block billing).

Individual time sheets (including the time and tasks required for other clients' work) and pre-bills, both handwritten and computer generated, must be retained for at least one year after the closure of the matter. Computer reports of daily, monthly and annual total hours billed by firm personnel must also be retained. Surety reserves the right to conduct audits of the firm's records to assure compliance with these requirements. By accepting assignment of matter, the firm agrees to cooperate with any audit and provide the auditor with access to the above mentioned records.

Surety will not pay for preparation of invoices/billings, secretarial work, word processing, file organization or other overhead costs. Time for individuals assigned to a matter without prior approval by the Surety Contact will not be recompensed. Any reassignment of work must be pre-approved.

No duplicative tasks will be reimbursed. If two or more individuals perform the same task, (e.g., attendance at job meetings) without prior approval of the Surety Contact, the task will be recompensed for only one individual.



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**EXHIBIT E**  
**CONSULTANT BUDGET FORMAT**

**Consultant Budget**

Date:

Consultant:

Principal:

Claim No.:

Bond No.:

Project:

<u>Task</u>	<u>Original Budget</u>	<u>Revisions</u>	<u>Revised Budget</u>
Site Visits, Site Investigations			
Attend Meetings			
Review of documents			
Prepare Cost To Complete			
Prepare Bid Packages, Relet Projects, Inventories			
Monitor Project Status, Status Reports			
Drawing Analysis			
Schedule Analysis			
Payment Bond Claim Analysis, Ratifications			
Travel, meals, hotel, telephone, comm.			
Fuel for travel, meals, rental			
Duplication			
<b>TOTALS</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>

3/2/2018

Exhibit F  
Consultant Invoice Reconciliation

**Consultant Invoice Reconciliation**

Consultant: Your Company Name  
Obligee Name: Obligee  
Principal Name: Principal  
Project Name: The Project  
Claim File Number: Txxxxxxxxxx  
Invoice #: 123456789  
Invoice Period through: December 25, 2011

Submitted Consulting Fees:	\$100.00
Submitted Consulting Expenses:	\$50.00
Total Submitted Invoice (A):	<hr/> \$150.00
Previously Submitted and Not Paid Invoice Amounts (B):	\$250.00
<b>Total Outstanding Amount Due (A+B):</b>	<hr/> <b><u>\$400.00</u></b>
Total Amount Invoiced to Date:	\$1,500.00
Estimated Budget:	\$6,000.00
Percent Invoiced to date:	25%

Comments:

3/2/2018

Cc: Brian Fern  
Ann Marie Donahue  
Kevin Kreitzer  
File

## EXHIBIT D

### CONSTRUCTION ADMINISTRATION AGREEMENT Bid Package 4—Permanent Runway 17-35 Paving, Lighting and NAVAIDs Bond No. 106674877

This Construction Administration Agreement (hereinafter "Agreement") is entered into this \_\_\_\_\_ day of March, 2018 by and between Travelers Casualty & Surety Company of America (hereinafter "Surety"), a corporation organized and existing under the laws of the State of Connecticut, and WK Dickson & Co., Inc. (hereinafter "Construction Administrator"), a corporation organized and existing under the laws of the State of North Carolina \_.

WHEREAS, the Greater Asheville Regional Airport Authority (hereinafter "Obligee" or "Owner") awarded a Contract (hereinafter the "Construction Contract"), for the performance of certain construction work known as Bid Package 4—Permanent Runway 17-35 Paving, Lighting and NAVAIDs (the "Project") to Cedar Peaks Enterprises, Inc. (hereinafter the "Principal" or "Contractor"). As required by the Construction Contract, and pursuant to the request of the Principal, Surety issued a Performance Bond and a Payment Bond with Principal as principal and Owner as obligee in the penal sum of \$33,703,095.70. By letter dated November 7, 2017, Principal was declared in default and subsequently terminated and Owner called upon Surety to perform under the Performance Bond as Surety. Surety has agreed with Owner to complete certain work at the Project (hereinafter the "Remaining Work" or "Work") utilizing Principal. In turn, the Construction Administrator has agreed to administer the completion of the Remaining Work for the Surety subject to the terms and conditions of this Agreement.

WHEREAS, it is the intent of the parties hereto to provide for the prompt and orderly completion of the Construction Contract and the Remaining Work in accordance with the Construction Contract and the Takeover Agreement executed between Surety and Owner.

NOW, THEREFORE, in consideration of the promises and covenants set forth herein and intending to be legally bound thereby, Surety and Construction Administrator agree as follows:

#### ARTICLE I

##### Relationship, Duties and Responsibilities

1.1 The Construction Administrator shall furnish its services in a manner consistent with that degree of skill, effort, care and judgment ordinarily exercised by practicing design professionals performing similar services in the same locality and under the same or similar circumstances and conditions in administering the completion of the Construction Contract. The Construction Administrator makes no other representations or warranties, whether express or implied, with respect to the services rendered hereunder.

1.2 The Construction Administrator shall perform the scope of services set forth in the attached Exhibit A, which are hereafter referred to as the "Services."

1.3 All payments from Owner under the Construction Contract shall be paid directly to Travelers, and Construction Administrator shall not have any responsibility relating to the receipt, processing or distribution of any such payments and shall have no obligation to Principal or any of Principal's subcontractor or suppliers regarding payment for their labor, materials or other services.

1.4 Construction Administrator shall be responsible for preparing weekly progress reports and shall attend and participate in weekly Project status meetings as required under the Construction Contract during the completion of the Project.

1.5 The Construction Administrator shall review Contractor's submittals, shop drawings, requests for information and other administrative paperwork required by the Construction Contract for completeness and compliance with the Construction Contract prior to Surety's review and submission to the Owner.

1.6 The Construction Administrator acknowledges its expertise in construction administration and agrees to work with Surety, Principal, and the Surety's scheduling consultant to monitor the project schedules utilized to complete the Construction Contract. Construction Administrator does not assume any responsibility or liability for any liquidated damages or other delay damages arising from Principal's failure to maintain the Project schedule or meet Project milestones or deadlines.

1.7 In consideration for the performance by the Construction Administrator of its obligations hereunder, Surety agrees to pay the Construction Administrator in accordance with the provisions of this Agreement.

1.8 The Construction Administrator and the Surety acknowledge that this Agreement is solely between the signatory parties and in no way creates or intends to create an agreement with the Owner.

## ARTICLE II Payment

2.1 Surety shall pay the Construction Administrator its "Fee," which is defined as the sum of (i) the actual hours spent and travel expenses incurred and charged at the rates set forth on **Exhibit B** and (ii) a lump sum (the "Lump Sum") intended to compensate the Construction Administrator for its Costs of Services, as defined below. The Fee will be billed by Construction Administrator to Surety on a monthly basis and paid by Surety within thirty (30) days of receipt of the monthly billing. The Lump Sum shall be due and owing to Construction Administrator upon execution of this Agreement by all parties, regardless of whether either party later terminates this Agreement. Notwithstanding the foregoing, Construction Administrator will invoice Surety for the Lump Sum in two equal shares on the first two invoices.

2.2 The term "Cost of the Services" refers to those out-of-pocket costs necessarily incurred by the Construction Administrator in the proper performance of the Services.

ARTICLE III  
Miscellaneous

3.1 Indemnity. To the fullest extent permitted by applicable law, the Construction Administrator shall hold harmless and indemnify Surety for claims by third parties for damage (including purely economic loss) or injury of any nature (including death) to persons and property, to the extent arising out of or related to Construction Administrator's breach of its obligations under this Agreement and/or breach of its obligations relating to the Project.

3.2 Insurance. The Construction Administrator shall obtain, pay for and maintain in full force and effect the insurance coverages and limits set forth below:

Employer's Liability	\$1,000,000	Limit Each Accident
	\$1,000,000	Limit Disease Policy Aggregate
	\$1,000,000	Limit Disease Each Employee
General Liability	\$2,000,000	Bodily Injury & Property Damage Liability (Combined Single Limit Each Occurrence and Aggregate)
Automobile Liability	\$2,000,000	Bodily Injury & Property Damage Liability (Combined Single Limit Each Accident)
Umbrella Liability	\$5,000,000	Bodily Injury & Property Damage Liability (Combined Single Limit Each Occurrence and Aggregate)

The Construction Administrator shall provide Surety with insurance certificates demonstrating coverage complying therewith. The Construction Administrator shall add Surety as an additional insured under all applicable policies (except Workers Compensation and Professional Liability) for the purpose of this Project.

3.3 Termination. This Agreement also may be terminated in whole or in part by either party at any time for convenience, provided the terminating party provides the other party no less than seven (7) calendar days written notice of intent to terminate and an opportunity for consultation prior to termination. Upon receipt of a termination notice, the Construction Administrator shall promptly discontinue all Services (unless the notice directs otherwise) and deliver or otherwise make available to the Surety all data, drawings, specifications, reports, estimates, summaries, and such other information and materials that may have been accumulated by the Construction Administrator related to the Project. The termination of the Agreement for any reason, whether for convenience or for cause, shall not relieve the either party of its responsibilities under the Agreement for the Services performed and materials supplied.

3.4 The Construction Administrator represents to Surety that it has the power and authority to execute, deliver and perform this Agreement, and that this Agreement represents its valid, legal and binding obligation to provide the construction services set forth herein. The Construction Administrator represents that it has the financial and technical capacity and ability to fulfill all of the requirements under this Agreement.

3.5 The Construction Administrator represents that it has reviewed all data made available to it related to this Agreement or the Construction Contract. Construction Administrator shall be entitled to rely, without liability, on the accuracy and completeness of any and all information provided by Surety, Obligee, or either of their consultants and contractors, and information from public records, without the need for independent verification.

3.6 Each of the parties hereto is commercially and legally sophisticated regarding construction contracting. Each has been independently advised by counsel and each has cooperated and participated in the drafting and preparation of this Agreement. Accordingly, the parties hereby acknowledge and agree that this Agreement shall not be construed or interpreted in favor of or against any party by virtue of the identity of any alleged preparer.

3.7 Surety and Construction Administrator agree that all disputes of any kind whatsoever relating directly or indirectly to this Agreement or to its execution by either party, whether such a dispute arises in tort, contract(s) or otherwise, including all statutorily based claims of any kind, may, at the discretion of the parties, be submitted to binding arbitration.

3.8 Surety and Construction Administrator waive consequential damages for claims, disputes, or other matters in question, arising out of or relating to this Agreement, the Services or the Project. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement.

3.9 Surety and Construction Administrator agree that the services provided pursuant to this Agreement involve risks of liability which cannot be adequately compensated for by the payments Surety will make under this Agreement, and without this limitation of liability, Construction Administrator would not be willing to enter into this Agreement. Therefore, notwithstanding the policy limits of any insurance carried by Construction Administrator, its total cumulative liability for this Project, the Services and this Agreement shall be limited to the coverage provided under Construction Administrator's errors and omissions policy for damages due to its negligent acts, errors, omissions, breach of contract, or any other cause related to or arising from the Services, this Agreement or the Project.

3.10 The parties hereto agree to execute such other documents and to enter into such other agreements as may be reasonably necessary to carry out the terms of this Agreement.

3.11 All notices, or demands hereunder shall be in writing and shall be addressed to the party of such notice or demand at the address set forth herein and such other addresses as such parties shall furnish in writing:

Travelers Casualty & Surety Company of America  
Travelers Bond & Specialty Insurance  
1500 Market Street, West Tower  
Suite 2900  
Philadelphia, PA 19102  
Attention: Kevin J. Kreitzer, Senior Construction Manager  
Copy to: Ann Marie Donahue, Claims Counsel

WK Dickson  
W.K. Dickson & Co., Inc.  
720 Corporate Center Drive  
Raleigh, NC 27607  
Attention: Paul Smith, Vice President  
Copy to: David Peeler, President/CEO

3.12 This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

3.13 The failure of either party hereto to insist upon strict performance of any of the terms or conditions of this Agreement shall not constitute a waiver of any of its rights hereunder.

3.14 The Construction Administrator may not assign any of its rights, obligations or duties hereunder without the prior written consent of Surety.

3.15 This Agreement binds, inures to the benefit of, and is enforceable by and against any successors of either party.

3.16 This Agreement is not intended nor shall it be deemed to confer any rights upon any person or entity other than the parties hereto, including specifically, but without limitation, any obligee under Surety bonds, or any party to the Construction Contracts.

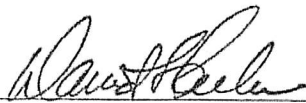
3.17 This agreement may be executed in any number of counterparts, all of which taken together, shall constitute one instrument.

3.18 Any materials, tools, equipment, parts and supplies purchased by Construction Administrator on behalf of Surety during the course of the Services for which the cost thereof is reimbursed by Surety are the property of Surety. The Construction Administrator will assist Surety with any necessary relocation, shipment, sale or disposal of such items.

IN WITNESS WHEREOF, intending to be legally bound, the parties have signed this Agreement on the \_\_ day of March, 2018.

**Construction Administrator**

**Surety**

By: 

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

Its: PRESIDENT/CEO

Its: \_\_\_\_\_

Date: 3-1-18

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



## Exhibit A – Scope of Work

**to CONSTRUCTION ADMINISTRATION AGREEMENT  
Bid Package 4 – Permanent Runway 17-35 Paving, Lighting and NAVAIDS  
Bond No. 106674877**

The CONSTRUCTION ADMINISTRATOR shall provide the following services:

1. Make weekly visits to the site to observe as an experienced and qualified professional the progress and quality of the executed work of Contractor(s) and to determine in general if such work is proceeding in accordance with the contract documents. CONSTRUCTION ADMINISTRATOR shall not be required to make exhaustive or continuous on-site inspections to check the quality or quantity of such work. CONSTRUCTION ADMINISTRATOR shall not be responsible for the means, methods, techniques, sequences or procedures of construction selected by Contractor(s) or the safety precautions and programs incident to the work of Contractor(s). CONSTRUCTION ADMINISTRATOR's efforts will be directed toward providing a greater degree of confidence for SURETY that the completed work of Contractor(s) will conform to the contract documents, but CONSTRUCTION ADMINISTRATOR shall not be responsible for the failure of Contractor(s) to perform the work in accordance with the contract documents. During such visits and on the basis of on-site observations, CONSTRUCTION ADMINISTRATOR shall keep SURETY informed of the progress of the work, shall endeavor to guard SURETY against defects and deficiencies in such work and may disapprove or reject work failing to conform to the contract documents.
2. Recommend to SURETY change orders and/or supplemental agreements to the construction contract incidental to existing field conditions or improvements in the project design. Prepare estimates of cost or savings from proposed order(s), prepare change order(s) along with basis for recommendation and negotiate on behalf of SURETY with the Contractor to arrive, if possible, at an appropriate compensation resulting from the proposed revisions. The CONSTRUCTION ADMINISTRATOR is not required by this provision to accomplish extensive design revisions and drawings resulting from a change in project scope or major changes in design concept previously accepted by the SURETY where changes are due to causes beyond the CONSTRUCTION ADMINISTRATOR's control.
3. Advise the SURETY of any needed special services and assist the SURETY in acquisition of such services as appropriate.
4. Based upon CONSTRUCTION ADMINISTRATOR's on site observations as an experienced and qualified professional and on review of applications for payment and the accompanying data and schedules, determine the amounts owing to Contractor(s) and recommend in writing payments to Contractor(s) in such amounts; such recommendations of payment will constitute a representation to SURETY, based on such observation and review, that the work has progressed to the point indicated, that, to the best of CONSTRUCTION ADMINISTRATOR's knowledge, information and belief, the quality of such work is in accordance with the contract documents (subject to an evaluation of such work as a functioning project upon substantial completion, to the results of any subsequent tests called for in the contract documents, and to any qualifications stated in his recommendation),

and that payment of the amount recommended is due Contractor(s); but by recommending any payment CONSTRUCTION ADMINISTRATOR will not thereby be deemed to have represented that continuous or exhaustive examinations have been made by CONSTRUCTION ADMINISTRATOR to check the quality or quantity of the work or to review the means, methods, sequences, techniques or procedures of construction or safety precautions or programs incident thereto or that CONSTRUCTION ADMINISTRATOR has made an examination to ascertain how or for what purposes any Contractor has used the monies paid on account of the contract price, or that title to any of the work, materials or equipment has passed to SURETY free and clear of any lien, claims, security interests or encumbrances, or that Contractor(s) have completed their work exactly in accordance with the contract documents.

5. Conduct an inspection to determine if the Project is substantially complete and a final inspection to determine if the work has been completed in accordance with the contract documents and if each Contractor has fulfilled all of his obligations thereunder so that CONSTRUCTION ADMINISTRATOR may recommend, in writing, final payment to each Contractor and may give written notice to SURETY and the Contractor(s) that the work is acceptable (subject to any conditions therein expressed), but such recommendation and notice shall be subject to the limitations expressed herein.
6. The CONSTRUCTION ADMINISTRATOR shall not be responsible for the acts of omissions of any Contractor, or subcontractor, or any of the Contractor(s) or subcontractor(s)' agents or employees or any other persons (except CONSTRUCTION ADMINISTRATOR's own employees and agents) at the site or otherwise performing any of the contractor(s)' work; however, nothing contained herein shall be construed to release the CONSTRUCTION ADMINISTRATOR from liability for failure to perform properly duties undertaken by the CONSTRUCTION ADMINISTRATOR under this Contract.

**Exhibit B - CONSTRUCTION ADMINISTRATOR AND RATES**

**to CONSTRUCTION ADMINISTRATION AGREEMENT  
Bid Package 4 – Permanent Runway 17-35 Paving, Lighting and NAVAIDS  
Bond No. 106674877**

**PERSONNEL**

Principal	Paul Smith, PE David Peeler, PE	\$250/hour
Senior Project Manager	Mick Metcalf, PE	\$200/hour
Admin Support	Theresa Bill	\$65/hour

**ESTIMATED FEE**

Based on 30 weeks of service:

Principal	2 hours/week	\$15,000
Sr Project Manager	10 hours/week	\$60,000
Admin Support	2 hours/week	\$3,900
	<b>Subtotal - Estimated</b>	<b>\$78,900</b>
Expenses (travel)		
	Mileage	\$.545/mile
	Meals	at cost
	<b>Subtotal – Estimated</b>	<b>\$6,000</b>
Cost of Services	<b>Lump Sum</b>	<b>\$9,000</b>
	<b>Estimated Fee</b>	<b>\$93,900</b>

Note: Construction Administrator travel time to be billed at 50% of above rates with the maximum not to exceed 8 hours total (including travel & regular hours) for any individual on any given day without prior approval by the Surety.

**EXHIBIT E**

<b>Category</b>		<b>Amount</b>
CPE Job Cost To Complete (Excluding Equipment)	\$	23,223,025.00
WK Dickson & JS Held Budget	\$	1,200,000.00
Equipment Costs	\$	3,300,000.00
Material Supplier Costs (Paid to Date)	\$	2,750,000.00
CPE Overhead and Miscellaneous	\$	2,250,000.00
Less Contract Balance	\$	(\$ 24,695,076.05)
Max. Delay Costs	\$	1,800,000.00
<b>Net</b>	<b>\$</b>	<b>\$9,827,948.95</b>

**ADJOURNMENT**: Mr. Bailey moved to adjourn the meeting at 10:08 a.m. Ms. Brown seconded the motion and it carried unanimously.

Respectfully submitted,

Ellen Heywood  
Clerk to the Board

Approved:

Matthew C. Burrell  
Chair

**SPECIAL MEETING  
GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
May 14, 2019**

The Greater Asheville Regional Airport Authority ("Authority") met on Tuesday, May 14, 2019 at 8:00 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:** Matthew C. Burril, Chair; K. Ray Bailey, Vice-Chair; Stephanie Pace Brown; George H. Erwin, Jr.; Brad Galbraith; and Carl H. Ricker, Jr. (via telephone)

**MEMBERS ABSENT:** William L. Moyer

**STAFF AND LEGAL COUNSEL PRESENT:** Cindy Rice, Authority Legal Counsel; Lew Bleiweis, Executive Director; and Ellen Heywood, Clerk to the Board

**ALSO PRESENT:** None

**CALL TO ORDER:** The Chair called the meeting to order at 8:00 a.m.

**CLOSED SESSION:** At 8:04 a.m. Mr. Bailey moved to go into Closed Session Pursuant to Subsection 143-318.11(a)(3) of the General Statutes of North Carolina to Consult with Legal Counsel in Order to Preserve the Attorney-Client Privilege. Ms. Brown seconded the motion and it carried unanimously.

Open Session resumed at 8:53 a.m.

Mr. Galbraith left the meeting during Closed Session.

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY MAY 14, 2019 CLOSED SESSION MINUTES:** Mr. Bailey 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. Erwin seconded the motion and it carried by a 5 to 0 vote.

**APPROVAL OF FIRST AMENDMENT TO TAKEOVER AGREEMENT:** Ms. Brown moved to approve the First Amendment to Takeover Agreement between the Greater Asheville Regional Airport Authority and Travelers Casualty and Surety Company of America ("Amendment"), which will amend that Takeover Agreement between the

Greater Asheville Regional Airport Authority, Travelers Casualty and Surety Company of America, and Cedar Peaks Enterprises, Inc. dated April 3, 2018 and authorize the Executive Director in conjunction with legal counsel to negotiate the final form of Exhibits 1 through 5 to the Amendment; and authorize the Executive Director or the Board Chair to execute the Amendment. Mr. Bailey seconded the motion and it carried by a 5 to 0 vote.

[INTENTIONALLY LEFT BLANK]

## **FIRST AMENDMENT TO TAKEOVER AGREEMENT**

This First Amendment to Takeover Agreement (the "Amendment") is made and entered into by and between GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY ("Owner") and TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA ("Surety") (hereinafter collectively the "Parties") on this \_\_\_ day of May, 2019 ("Effective Date"). This Amendment amends the Takeover Agreement among the Parties and Cedar Peaks Enterprises, Inc. ("Principal") dated April 3, 2018 (the "Takeover Agreement"). Except as expressly amended by this Amendment, the Takeover Agreement shall remain in full force and effect and is not otherwise modified. Any capitalized term not defined herein shall have the meaning set forth in the Takeover Agreement.

### **W I T N E S S E T H:**

**WHEREAS**, Principal entered into a construction contract with Owner (the "Bonded Contract") with respect to certain construction work on a project known as Bid Package 4—Permanent Runway 17-35 Paving, Lighting, and NAVAIDS (the "Project");

**WHEREAS**, Surety issued Performance Bond No. 106674877 (the "Performance Bond") and Payment Bond No. 106674877 (the "Payment Bond") (the Performance Bond and the Payment Bond collectively, the "Bonds") on behalf of Principal in relation to the Bonded Contract in their respective penal limits of \$33,703,095.70 (respectively as to the Performance Bond and the Payment Bond, the "Penal Limit");

**WHEREAS**, Surety issued the Bonds on behalf of Principal in the favor of the Owner;

**WHEREAS**, in accordance with the Bonded Contract, on or about September 28, 2017, RS&H Architects-Engineers-Planners, Inc. ("RS&H"), as an Engineer, Project Manager and Resident Project Representative ("RPR") on the Project issued a Notice of Pending Default to Principal;

**WHEREAS**, on or about October 30, 2017 Owner declared Principal to be in default under the Bonded Contract;

**WHEREAS**, Principal disputed that it was in default under the Bonded Contract;

**WHEREAS**, on or about November 7, 2017 Owner terminated the Bonded Contract and Principal's right to complete the Project, and Owner requested that Surety perform its obligations under the Performance Bond;

**WHEREAS**, the Bonded Contract called for a new permanent runway to be open by December 7, 2017, but it has not been opened and the Owner is currently utilizing a temporary runway;

**WHEREAS**, Surety elected to arrange for completion of the Remaining Work (as defined in the Takeover Agreement) by utilizing WK Dickson & Co., Inc. ("Dickson") for



project administration, JS Held, LLC (“Held”) for daily oversight and coordination, and Principal as the general contractor;

**WHEREAS**, Surety, Principal and Owner entered into the Takeover Agreement setting forth the agreement between Surety, Principal and Owner as of that date;

**WHEREAS**, Owner asserts that Principal performed limited additional work on the Project, and that problems arose when the Principal’s work failed to meet the specifications in the Bonded Contract and the Principal fell behind schedule in the work (Surety disputes some or all of Owner’s assertions);

**WHEREAS**, as early as June of 2018, Owner expressed concern to Surety regarding Principal’s performance under the Takeover Agreement and ability to complete the Remaining Work or to meet the Revised Critical Milestones set forth in the Takeover Agreement;

**WHEREAS**, the Surety made efforts to respond to the Owner’s concerns, including, but not limited to, supplementing the personnel, equipment and materials being provided by Principal to the Project;

**WHEREAS**, in or around August of 2018, Surety, with Owner’s knowledge, removed Principal from the Project, and undertook completion of its obligations under the Takeover Agreement utilizing Dickson and Held, and by enforcing certain contacts between Principal and third party subcontractors and suppliers, and by contracting directly with other contractors, subcontractors and suppliers;

**WHEREAS**, the new permanent runway did not open in 2018; the Revised Critical Milestones in the Takeover Agreement have not yet been reached and a significant amount of the Remaining Work remains unfinished;

**WHEREAS**, Surety asserts that weather, site conditions, non-payment by the Owner and other circumstances impacted Surety’s ability to advance the Project and meet the Revised Critical Milestones (Owner disputes some or all of Surety’s assertions);

**WHEREAS**, in or around January of 2019, Surety notified Owner that there were insufficient funds left on the Penal Limit for Surety to complete the Remaining Work;

**WHEREAS**, Surety asserts that, during the attempted performance of the Takeover Agreement, it encountered unforeseen site conditions, weather delays, interference from the Owner and/or its agents, and other circumstances beyond its control which would entitle it to additional time and compensation under the Takeover Agreement and the Bonded Contract (together, with all other rights and claims of Surety since the Effective Date of the Takeover Agreement, the “Surety Claims”);

**WHEREAS**, the Owner disputes some or all of the Surety Claims;

**WHEREAS**, Owner asserts that Surety, among other things, has since the Effective Date of the Takeover Agreement: wrongfully continued to place its trust and confidence in the Principal, who completed very little work on the Project and repeatedly failed to produce work that met the Project specifications; responded too slowly to Principal's deficiencies and in bringing in other contractors and resources to work on the Project; failed to have adequate resources and personnel on site to complete the Remaining Work; failed to meet the Revised Completion Milestones in the Takeover Agreement; wasted financial resources that should have been available for completion of the Project; failed to honor its contractual obligations; is responsible to Owner for liquidated damages that have accrued and that continue to accrue under the Takeover Agreement; has counted expenses towards the Penal Limit that were not incurred in furtherance of the Remaining Work; and is liable to the Owner for amounts that are in excess of the Penal Limit (together, with all other rights and claims of Owner since the Effective Date of the Takeover Agreement, the "Owner Claims");

**WHEREAS**, Surety disputes some or all of Owner Claims; and

**WHEREAS**, Surety and Owner desire to work together to complete the Project and to and settle their disputes, disagreements and controversies surrounding the Project.

**NOW, THEREFORE**, in consideration of the foregoing, other good and valuable considerations, and the mutual covenants set forth herein, the receipt and sufficiency of all of which are hereby acknowledged, the Parties hereto agree as follows:

1. Recitals. The above Recitals and the following terms and conditions are contractual and not merely recitals.

2. Incorporation of the Takeover Agreement. Except as expressly amended and/or modified by this Amendment, the Takeover Agreement is incorporated herein by reference and remains in full force and effect.

3. Surety to Arrange for Performance of the Remaining Work. Surety shall utilize Rogers Group, Inc. (the "Asphalt Contractor"), RG Tenney Electric, Inc. and Prima Nova LLC (collectively, the "Electrical Contractor"), and Young & McQueen Grading Company, Inc. (the "Earthwork Contractor") for performance of the incomplete Remaining Work (the Asphalt Contractor, the Earthwork Contractor, and the Electrical Contractor, hereinafter collectively, the "Contractors") in accordance with the terms of the Bonded Contract, Takeover Agreement and this Amendment. The Surety shall ensure that the Contractors maintain insurances and meet other contractual obligations sufficient to, collectively, meet the obligations and requirements under the Bonded Contract. If Surety determines it is efficient or necessary to replace one or more of the Contractors in order to effectively advance the Remaining Work, it shall submit the proposed replacement contractor to the Owner for approval and Owner shall promptly approve or reject the replacement contractor, which approval shall not be unreasonably withheld or delayed. A list of other subcontractors and suppliers Surety and/or Contractors may utilize in the completion of the Remaining Work is attached hereto as Exhibit A-4. Surety will not utilize any other subcontractors or suppliers without written notification to the Owner. Once the mid-field connector is opened, Owner agrees that Surety may proceed to perform Alternate 2 work in

conjunction with and contemporaneously with Volume 2 and Volume 3 work. Surety shall phase such work, in consultation with Owner, to minimize any disruption of airport operations. Owner acknowledges that Surety will need extended access to Alternate 2 shoulders and will work with Surety to provide such access. The Parties acknowledge that Jacquith (the manufacturer of base can lights and parts utilized for this Project) was on site in January of 2019 to inspect the Touch Down Zone ("TDZ") and Center Line ("CL") in pavement base can installations, and, after doing so, submitted to Held some recommendations for addressing potential azimuth/slope discrepancies in the currently installed base cans. The issue is still being evaluated by the Parties, and the Parties agree that if it is later determined that corrective or replacement work is necessary to correct such defective work related to the TDZ and CL base cans, Surety shall be responsible for such corrective or replacement work at their sole cost and expense to the extent the defective work was performed or installed after the execution of the Takeover Agreement, and Owner will not be responsible for repayment for such costs.

4. Rights of Surety. By Surety's execution of this Amendment, Owner acknowledges that Surety continues to act in its capacity as surety for Principal in making arrangements for the performance and completion of the Remaining Work pursuant to the Performance Bond, and not as a completion contractor, and that Surety is not assuming any obligations beyond those set forth in the Bonds, the Bonded Contract, the Takeover Agreement, or this Amendment. As to the completion of the Remaining Work, Surety is entitled to all rights, title, and interest of Principal in and to the Bonded Contract. The Parties agree that Owner is not a party to the contracts between Surety and the Contractors for completion of the Remaining Work and Owner shall look only to Surety for ensuring completion fo the Remaining Work in accordance with the terms of the Bonded Contract, the Takeover Agreement, and this Amendment.

5. Oversight and Coordination by JS Held, LLC. Pursuant to Surety's obligations under the Performance Bond and for the completion of the Remaining Work pursuant to the Takeover Agreement, the Surety shall have Held continue to provide daily oversight and coordination of the work of the Contractors and others in the completion of the Remaining Work, and to direct the work of the Contractors as is necessary. The Surety shall have Dickson provide project administration and have Delta Consulting Group ("Delta") provide scheduling assistance as is necessary. With the exception of replacing Principal with the Contractors, nothing else shall change regarding the coordination and administration of the Remaining Work as set forth in the Takeover Agreement. Without the express approval of Owner, which approval shall not be unreasonably withheld or delayed, no other consultants shall be utilized by Surety in connection with the completion of the Remaining Work. Surety shall be solely responsible for all costs and expenses associated with the services provided by Held in completion of the Remaining Work for services provided after the Effective Date ("Consulting Costs").

6. Notice to Surety. Any notices to Surety under the Takeover Agreement or this Amendment shall be sent to:

**SURETY:**

**Travelers Casualty and Surety Company of America**  
c/o Mark S. Marino  
2nd Vice President

Construction Services Claim  
Bond & Specialty Insurance  
1500 Market Street  
29<sup>th</sup> Floor West Tower (Mail Code 1166)  
Philadelphia, PA 19102  
[MSMarino@travelers.com](mailto:MSMarino@travelers.com)

**with a copy to:**

**Manier & Herod**  
ATTN: Jeffrey S. Price  
1201 Demonbreun Street  
Suite 900  
Nashville, TN 37203  
[JPrice@manierherod.com](mailto:JPrice@manierherod.com)

Any notices to Owner under the Takeover Agreement or this Amendment shall be sent to:

**OWNER:** **Greater Asheville Regional Airport Authority**  
c/o Lew Bleiweis, A.A.E., Executive Director  
61 Terminal Drive  
Suite 1  
Fletcher, NC 28732  
[lbleiweis@flyavl.com](mailto:lbleiweis@flyavl.com)

**with a copy to:**

**Patla, Straus, Robinson & Moore, P.A.**  
ATTN: Cindy M. Rice  
29 N. Market Street  
Suite 300  
Asheville, NC 28801  
[cmr@psrmlaw.com](mailto:cmr@psrmlaw.com)

7. Removal of Principal from the Takeover Agreement. As contemplated in this Amendment, the Contractors shall replace Principal for the purposes of performance of the Remaining Work. Therefore, Principal is not a party to this Amendment and will not be involved in the completion of the Remaining Work.

8. Payment to Surety.

a. Owner and Surety agree that Surety will be compensated for the completion of the Remaining Work based upon Surety's actual costs incurred.

b. Surety and Owner will cooperate to attempt to minimize costs to the extent possible, while efficiently and promptly completing the Remaining Work.

c. Owner will pay Surety according to the amended schedule of values attached in **Exhibit A-1** to this Amendment (the "Amended Schedule of Values"), except that Surety will pay for the Consulting Costs. The Amended Schedule of Values may be further amended by agreement of the Parties to address currently unaccounted for costs and expenses. Upon execution of this Agreement, Owner will pay Surety the full outstanding balance of pay applications 5 through 9 without offsets (including any sums previously withheld). The Parties will begin to utilize the Amended Schedule of Values for billings for all work performed on or after May 16, 2019.

d. On the first and sixteenth day of each month (or as soon thereafter as possible), Surety will submit a payment application for reimbursement of actual costs and expenses incurred in the performance of the Remaining Work through the fifteenth and through the last day of the prior month, respectively, along with any prior costs and expenses incurred, but not yet included on a prior payment application (the "Semi-Monthly Pay Requests"). The Semi-Monthly Pay Requests will be submitted in a format that corresponds to the Amended Schedule of Values.

e. The Semi-Monthly Pay Requests must include all of the documents listed on the attached **Exhibit A-2**, and the documents must be accurate and fully completed.

f. Upon receipt of the Semi-Monthly Pay Requests with all of the documents listed on **Exhibit A-2** (accurate and fully complete), RS&H will review all quantities and certify for payment all approved pay items within sixth (6th) business days. If there are quantities or pay items that RS&H does not approve and certify for payment, RS&H will nonetheless certify the undisputed quantities and pay items for payment. RS&H will then submit the approved (or partially approved) Semi-Monthly Pay Requests to the Owner for payment. RS&H shall approve and submit for payment fractional quantities for items that are partially, but not finally, completed. By way of illustration, if a Semi-Monthly Pay Request contemplates payment of any percentage of a line item that would, under normal circumstances, not be paid at all until it is 100% complete, RS&H will determine the percentage of completion for each partially completed line item and certify and approve that percentage of the line item's unit value for payment.

g. Upon receipt of the certified and approved (or partially approved) Semi-Monthly Pay Requests from RS&H, the Owner will promptly process payment to Surety with payment to be sent to Surety no later than ten (10) calendar days from the date the Semi-Monthly Pay Request is received by the Owner.

h. Time is of the essence with regard to payment, and the timing of payment pursuant to this Section 7 is a material provision of the Takeover Agreement and this Amendment. Surety must provide Owner with written notice of any default of this Section 7, and Owner shall be given seven (7) calendar days, from the written notice of default, to cure the default before such default becomes a material breach of Section 7 of this Amendment. If Owner materially breaches the payment terms set forth herein, Surety may not be required to incur

additional costs and expenses in completion of the Remaining Work and may suspend work on the Project.

i. Surety shall pay approved invoiced amounts due to Contractors and other subcontractors and suppliers with whom Surety has contracted to provide labor or materials to the Project within seven (7) days of receipt of payment from Owner. Time is also of the essence with regard to Surety's payments.

j. The Parties acknowledge that the intent of this Amendment and this Section 7 is to assure that Surety does not incur or expend sums in performance of the Remaining Work in excess of the Penal Limit of the Performance Bond, while also reserving the Parties' respective rights and claims under the Takeover Agreement and this Amendment. The Owner shall not withhold from any progress payments for delay damages, liquidated damages or any other setoffs on account of sums asserted by Owner against Surety, Principal or any other party.

k. The Parties agree to cooperate in the resolution of any disputed quantities or pay items.

l. Surety further acknowledges that Owner shall have no obligation to pay for costs or expenses associated with work that fails to meet the specifications of the Bonded Contract and is not approved and certified by RS&H or for the costs and expenses associated with the correction of work that does not meet the specifications of the Bonded Contract and is not approved and certified by RS&H. If RS&H does not approve or certify any work for which Surety has submitted a pay application, RS&H will provide a written, detailed basis for its refusal to approve and certify the work within ten (10) business days of receipt of the Semi-Monthly Pay Request.

m. Upon completion of the Remaining Work, the Parties will confirm that the final, total expenditures by Surety in performance of the Remaining Work (as originally defined in the Takeover Agreement) are equal to and neither exceed nor are less than the Penal Limit of the Performance Bond (subject to the claims expressly reserved in this Amendment). If the total of said expenditures exceeds the Penal Limit of the Performance Bond, the Owner will, without prejudice, reimburse Surety for said excess expenditures. If the total of said expenditures is less than the Penal Limit of the Performance Bond, the Surety will, without prejudice, make payment to Owner in an amount required to reach the Penal Limit of the Performance Bond. The Consulting Costs will not be included in this determination. Surety and Owner agree that Owner shall receive a credit for any unused or unusable stored electrical materials (which Owner paid for in Pay Application #8).

9. Known Change Orders. Owner and Surety acknowledge and agree that, at this time, the work items identified in **Exhibit A-5** must be added to the scope of the Remaining Work to be undertaken by the Contractors; that the Parties will execute Change Orders in connection with such work; and that Surety will be paid for such work pursuant to such Change Orders. Owner agrees and acknowledges that Surety shall not be required to meet the revised Project schedule (as set forth in **Exhibit A-3**) to the extent the Change Order work delays the completion of the Project or impacts the Project schedule.

10. Payment Bond. Surety agrees that the Payment Bond for this Project will remain in full force and effect subject to and pursuant to the Payment Bond's terms and conditions and the Contractors and any subcontractors and suppliers that work to complete the Remaining Work shall have a claim under the Payment Bond to the same extent as if they had contracted with Principal.

11. Joint Checks. Owner and Surety agree that payment to the Asphalt Contractor will be made by joint check from Owner to Surety and the Asphalt Contractor. The payment shall be equal to the payment due to Asphalt Contractor under its contract with Surety and based upon work performed by Asphalt Contractor and confirmed by RS&H and Owner. Nothing herein places Owner in privity with Asphalt Contractor or modifies Surety's obligations to Asphalt Contractor under its separate contract. From time to time, Surety and Owner may agree that additional contractors may be paid by joint check and such payments, if any, will be treated the same as payment to the Asphalt Contractor.

12. Owner Claims and Surety Claims. As consideration for the agreements in this Amendment, Owner and Surety agree as follows:

a. Owner grants an extension of the Project schedule as set forth in the attached **Exhibit A-3** (subject to additional extensions as provided for under the Bonded Contract);

b. Owner does not waive and expressly reserves the right to assert Owner Claims against the Surety up to and in excess of the Penal Limit. Surety reserves all rights and defenses relating to the Owner Claims including, but not limited to, the Penal Limit. Owner further does not waive and expressly reserves the right to challenge the Surety's costs and expenses that Surety claims are attributable to the Penal Limit. Owner agrees that Owner Claims shall be limited to a maximum total recovery of \$5,000,000.

c. Surety does not waive and expressly reserves the right to assert Surety Claims, solely as an offset to Owner Claims. Owner reserves all rights and defenses relating to the Surety Claims.

d. Notwithstanding any other provisions hereof, nothing herein shall preclude or limit (in any way) either Owner's or Surety's liability to one another for breach of this Amendment or the Takeover Agreement after the Effective Date of this Amendment.

e. It is the intent for of the Parties that, upon execution of this Amendment, that the only claims that survive are: (1) the Owner Claims (subject to the \$5,000,000 cap and offset by any valid Surety Claims); (2) claims for breach of the terms of this Amendment arising after the Effective Date of this Agreement (Surety asserts that these claims are subject to and capped by the Penal Limit); and (3) liquidated damages accruing after the milestones set forth in the Project schedule as set forth in the attached **Exhibit A-3** (subject to additional extensions as provided for under the Bonded Contract)(Surety asserts that all claims for liquidated damages are subject to and capped by the Penal Limit).

13. Dispute Resolution. Owner and Surety agree to work in good faith to reach a settlement regarding Surety Claims and Owner Claims and to mediate their disputes prior to either party commencing litigation against the other party. If one party demands mediation and the other party refuses to mediate or if mediation cannot be scheduled within thirty (30) days of the demand, the parties may commence litigation without mediation.

14. No Third-Party Rights. Nothing in this Amendment shall be deemed to create any rights in favor of, or to inure to the benefit of, any third party or parties, or to waive or release any defense or limitation against third party claims. The Parties each acknowledge that as of the Effective Date of this Amendment there has been no assignment of rights or obligations under the Bonds, the Bonded Contract or the Takeover Agreement to any third party, and the Parties agree that there will be no assignment of rights or obligations under the Bond, Bonded Contract, the Takeover Agreement or this Amendment on or after the Effective Date of this Amendment, absent the written authorization of all Parties hereto.

15. No Admission of Liability. Without limiting the obligations of the Parties as set forth in this Amendment and the Takeover Agreement, this Amendment shall not be deemed or construed as an admission or concession of liability of any kind or nature by Surety or Owner.

16. Counterparts. This Amendment may be executed in any number of counterparts each of which when executed and delivered shall be deemed to an original with all the counterparts constituting but one and the same Amendment. The execution of this Amendment by any Parties hereto will not become effective until all the counterparts hereof have been executed by all the Parties.

17. No Modification Except In Writing. This Amendment, the Takeover Agreement, and the incorporated documents, contain the entire understanding and agreement among Surety and Owner with respect to the subject matter contained herein and may not be modified or amended except in writing signed by all of the Parties.

18. Severability. The invalidity or enforceability of any particular provision of this Amendment shall not affect the other provisions of this Amendment and the Amendment shall be construed as if the invalid or unenforceable provisions were omitted.

19. Construction. Owner and Surety have been represented by counsel who have mutually participated in the authorship of this Amendment. With this understanding, Owner and Surety agree that the rule of construction that a written agreement is construed against the party drafting or preparing such an agreement shall not apply to the interpretation of this Amendment.

20. Governing Law. This Amendment, including its interpretation and enforcement, shall be governed by the laws of the State of North Carolina.

21. Additional Actions that May be Required. The Parties shall execute such documents and other papers and take such further actions as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated hereby.



22. Headings. The headings of this Amendment are inserted for convenience only and shall not control or affect the meaning, construction or effect of this Amendment, or any provisions hereof.

23. Authority. Each of the undersigned persons executing this Amendment represents and warrants that: (a) he or she is fully empowered and duly authorized by all necessary action of the respective Parties to execute and deliver this Amendment; (b) he or she has full capacity, power, and authority to enter into and carry out this Amendment; and (c) this Amendment is the legal, valid, and binding obligation of the respective Parties.

**WHEREFORE**, Surety and Owner have executed this Amendment by their authorized representatives.

**[SIGNATURE PAGE TO FOLLOW]**

**SURETY:  
TRAVELERS CASUALTY AND SURETY  
COMPANY OF AMERICA**

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

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

**OWNER:**

**GREATER ASHEVILLE REGIONAL AIRPORT  
AUTHORITY**

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

ITS: \_\_\_\_\_

DATE: \_\_\_\_\_

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

This the \_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_  
Janet Burnette, Finance Officer  
Greater Asheville Regional  
Airport Authority

# Exhibit A-1

Preliminary and For Discussion Purposes Only

1 of 6

## Runway 17-35 Bid Package 4

### Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDS

Item No.	Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
<b>Volume 2</b>					
GP-105-2.1	MOBILIZATION	LS	1.00	-	See page 6 of 6
S-140-4.1	REMOVAL OF DRAINAGE STRUCTURES (SIZE AND MATERIAL VARIES)	EA	8.00	2,437.50	19,500.00
S-140-4.2	REMOVAL OF DRAINAGE PIPES (SIZE AND MATERIAL VARIES)	LF	0.00	-	0.00
S-140-4.3	REMOVAL OF EXISTING CONCRETE LINED DITCH	LF	200.00	24.38	4,876.00
P-101-5.1	AIRFIELD PAVEMENT REMOVAL	SY	6,744.00	9.61	64,809.84
P-101-5.2	HAUL ROAD PAVEMENT REMOVAL	SY	4,662.19	9.61	44,803.65
P-101-5.3	PAVEMENT MILLING (4.75")	SY	1,800.00	12.50	22,500.00
P-101-5.4	PAVEMENT MILLING (2")	SY	2,995.63	12.50	37,445.38
P-101-5.5	CRACK REPAIR	LF	1,000.00	4.00	4,000.00
P-102-1	SAFETY AND SECURITY	WK	32.00	18,600.00	595,200.00
P-102-2	MAINTAIN EXISTING BARRICADE	EA	85.00	165.91	14,102.35
P-102-3	BARRICADE	EA	50.00	320.00	16,000.00
P-102-4	TAXIWAY CROSSING 1	LS	1.00	200,000.00	200,000.00
P-102-6	TAXIWAY CROSSING 3	LS	1.00	200,000.00	200,000.00
P-104-5.1	PROJECT SURVEY AND STAKEOUT	LS	1.00	150,000.00	150,000.00
P-152-4.1	EMBANKMENT IN PLACE	CY	8,595.03	125.29	1,076,871.31
P-152-4.2	UNSUITABLE EXCAVATION	CY	3,500.00	32.00	112,000.00
P-152-4.3	SLOPE REPAIR	SY	14,500.00	5.00	72,500.00
P-152-4.4	DITCH REPAIR	SY	8,200.00	7.50	61,500.00
P-156-5.1-1	BLOCK AND GRAVEL INLET PROTECTION	EA	11.00	450.00	4,950.00
P-156-5.1-2	MAINTAIN EXISTING BLOCK AND GRAVEL INLET PROTECTION	EA	24.00	300.00	7,200.00
P-156-5.1-3	COMPOST SOCK INLET PROTECTION	EA	0.00	-	0.00
P-156-5.1-4	MAINTAIN COMPOST SOCK INLET PROTECTION	EA	0.00	-	0.00
P-156-5.1-5	COMPOST SOCK	LF	0.00	-	0.00
P-156-5.1-6	MAINTAIN EXISTING COMPOST SOCK	LF	0.00	-	0.00
P-156-5.1-7	TEMPORARY SILT FENCE	LF	450.00	3.00	1,350.00
P-156-5.1-8	MAINTAIN EXISTING TEMPORARY SILT FENCE	LF	10,951.00	1.80	19,711.80
P-156-5.1-9	MAINTAIN EXISTING SPECIAL SEDIMENT CONTROL FENCE	LF	1,600.00	5.20	8,320.00
P-156-5.1-10	EXCELSIOR MATTING	SY	24,235.00	1.65	39,987.75
P-156-5.1-11	MAINTAIN EXISTING CONSTRUCTION ENTRANCE	EA	1.00	7,700.00	7,700.00
P-156-5.1-12	CONSTRUCTION ENTRANCE	EA	0.00	4,000.00	0.00
P-156-5.1-13	TEMPORARY DIVERSION DITCH	LF	500.00	7.50	3,750.00
P-156-5.1-14	MAINTAIN EXISTING TEMPORARY DIVERSION DITCH	LF	3,000.00	7.50	22,500.00
P-156-5.1-15	MAINTAIN EXISTING ROCK CHECK DAMS	EA	7.00	550.00	3,850.00
P-156-5.1-16	REMOVE EXISTING ROCK CHECK DAMS	EA	13.00	550.00	7,150.00
P-156-5.1-17	MAINTAIN EXISTING RIP RAP, CLASS A	CY	47.00	125.00	5,875.00
P-156-5.1-18	RIP RAP, CLASS B	CY	100.00	210.00	21,000.00
P-156-5.1-19	MAINTAIN EXISTING RIP RAP, CLASS B	CY	1,185.00	5.36	6,351.60
P-156-5.1-21	MAINTAIN EXISTING RIP RAP, CLASS 1	CY	590.00	41.31	24,372.90
P-156-5.1-23	MAINTAIN EXISTING RIP RAP, CLASS 2	CY	1,215.00	43.72	53,119.80
P-156-5.1-24	REMOVE AND REUSE EXISTING RIP RAP	CY	265.00	19.50	5,167.50
P-156-5.1-25	GROUT EXISTING RIP RAP	LS	1.00	12,500.00	12,500.00
P-156-5.1-27	MAINTAIN EXISTING SEDIMENT BASIN "A"	LS	1.00	30,200.00	30,200.00
P-156-5.1-29	REMOVE EXISTING SEDIMENT BASIN "B"	LS	1.00	73,500.00	73,500.00
P-156-5.1-30	MAINTAIN EXISTING SEDIMENT BASIN "C"	LS	1.00	30,200.00	30,200.00
P-156-5.1-32	MAINTAIN EXISTING SEDIMENT BASIN "D"	LS	1.00	30,200.00	30,200.00
P-156-5.1-34	MAINTAIN EXISTING SEDIMENT BASIN "E"	LS	1.00	30,200.00	30,200.00
P-156-5.1-36	MAINTAIN EXISTING SKIMMER BASIN "F"	LS	1.00	30,200.00	30,200.00
P-156-5.1-38	MAINTAIN EXISTING SKIMMER BASIN "G"	LS	1.00	30,200.00	30,200.00
P-156-5.1-40	MAINTAIN EXISTING SEDIMENT BASIN "H"	LS	1.00	30,200.00	30,200.00
P-156-5.1-42	MAINTAIN EXISTING SEDIMENT BASIN "I"	LS	1.00	30,200.00	30,200.00
P-156-5.1-43	REMOVE EXISTING SEDIMENT BASIN "I"	LS	1.00	79,500.00	79,500.00
P-156-5.1-44	MAINTAIN EXISTING SEDIMENT BASIN "J"	LS	0.00	-	0.00
P-156-5.1-45	REMOVE EXISTING SEDIMENT BASIN "J"	LS	0.00	-	0.00
P-156-5.1-46	MAINTAIN EXISTING SEDIMENT BASIN "K"	LS	0.00	-	0.00
P-156-5.1-47	REMOVE EXISTING SEDIMENT BASIN "K"	LS	0.00	-	0.00
P-156-5.1-48	MAINTAIN EXISTING SEDIMENT BASIN "L"	LS	0.00	-	0.00
P-156-5.1-49	REMOVE EXISTING SEDIMENT BASIN "L"	LS	0.00	-	0.00
P-156-5.1-50	MAINTAIN EXISTING SEDIMENT BASIN "M"	LS	1.00	30,200.00	30,200.00
P-156-5.1-52	MAINTAIN EXISTING SEDIMENT BASIN "N"	LS	1.00	30,200.00	30,200.00
P-156-5.1-54	MAINTAIN EXISTING SEDIMENT BASIN "O"	LS	1.00	30,200.00	30,200.00
P-156-5.1-56	MAINTAIN EXISTING SKIMMER BASIN "P"	LS	1.00	30,200.00	30,200.00
P-156-5.1-57	REMOVE EXISTING SKIMMER BASIN "P"	LS	1.00	73,500.00	73,500.00
P-156-5.1-58	MAINTAIN EXISTING SEDIMENT BASIN "Q"	LS	1.00	30,200.00	30,200.00
P-209-5.1	CRUSHED AGGREGATE BASE COURSE	CY	24,668.67	144.00	3,552,288.48
NC DOT 520-1	AGGREGATE BASE COURSE	CY	400.00	75.00	30,000.00
P-401-8.1-1	BITUMINOUS ASPHALT PAVEMENT (SURFACE WITHOUT RAP)	TN	17,553.57	220.00	3,861,785.40
P-401-8.1-2	BITUMINOUS ASPHALT PAVEMENT (SURFACE WITH RAP)	TN	30,164.81	220.00	6,636,258.20
P-403-8.1	BITUMINOUS ASPHALT PAVEMENT (BASE)	TN	15,491.92	220.00	3,408,222.40
P-602-5.1	BITUMINOUS PRIME COAT	GAL	13,000.00	4.00	52,000.00

Runway 17-35 Bid Package 4

Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDs

Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item	
P-603-5.1	BITUMINOUS TACK COAT	GAL	37,915.52	2.65	100,476.13
P-609-5.1	DOUBLE BITUMINOUS SURFACE TREATMENT	SY	1,800.00	4.00	7,200.00
P-620-5.1	TEMPORARY AIRFIELD MARKING (WHITE), W/O REFLECTIVE MEDIA	SF	124,400.00	0.35	43,540.00
P-620-5.2	TEMPORARY AIRFIELD MARKING (YELLOW), W/O REFLECTIVE MEDIA	SF	26,744.00	0.40	10,697.60
P-620-5.3	TEMPORARY AIRFIELD MARKING (RED), W/O REFLECTIVE MEDIA	SF	1,800.00	2.25	4,050.00
P-620-5.4	PERMANENT AIRFIELD MARKING (WHITE), W/ REFLECTIVE MEDIA	SF	124,240.00	0.98	121,755.20
P-620-5.5	PERMANENT AIRFIELD MARKING (YELLOW), W/ REFLECTIVE MEDIA	SF	47,460.00	1.05	49,833.00
P-620-5.6	PERMANENT AIRFIELD MARKING (RED), W/ REFLECTIVE MEDIA	SF	5,304.00	5.25	27,846.00
P-620-5.7	PERMANENT AIRFIELD MARKING (BLACK), W/O REFLECTIVE MEDIA	SF	11,725.00	0.50	5,862.50
P-620-5.8	MARKING REMOVAL	SF	150.00	2.50	375.00
P-621-5.1	PAVEMENT GROOVING	SY	122,700.00	3.85	472,395.00
D-701-5.1-1	18" HIGH DENSITY POLYETHYLENE (HDPE)	LF	105.00	120.00	12,600.00
D-701-5.1-2	24" HIGH DENSITY POLYETHYLENE (HDPE)	LF	391.00	136.00	53,176.00
D-701-5.1-3	18" REINFORCED CONCRETE PIPE, CLASS III	LF	200.00	50.07	10,014.00
D-701-5.1-4	24" REINFORCED CONCRETE PIPE, CLASS III	LF	100.00	88.75	8,875.00
D-701-5.1-5	30" REINFORCED CONCRETE PIPE, CLASS III	LF	0.00	-	0.00
D-701-5.1-6	30" REINFORCED CONCRETE PIPE, CLASS IV	LF	381.00	121.91	46,447.71
D-701-5.1-7	36" REINFORCED CONCRETE PIPE, CLASS III	LF	0.00	-	0.00
D-701-5.1-8	36" REINFORCED CONCRETE PIPE, CLASS IV	LF	0.00	-	0.00
D-701-5.1-9	42" REINFORCED CONCRETE PIPE, CLASS III	LF	0.00	-	0.00
D-751-5.1-1	30" NYLOPLAST DRAIN BASIN	EA	4.00	3,750.00	15,000.00
D-751-5.1-2	ADJUST EXISTING DROP INLET	EA	1.00	4,875.00	4,875.00
D-751-5.1-3	ADJUST EXISTING DROP INLET - AIRCRAFT RATED	EA	1.00	4,875.00	4,875.00
D-751-5.1-4	ADJUST EXISTING MANHOLE - AIRCRAFT RATED	EA	4.00	4,875.00	19,500.00
D-751-5.1-5	DROP INLET - DOUBLE GRATE - NCDOT RATED	EA	6.00	8,000.00	48,000.00
D-751-5.1-6	DROP INLET - DOUBLE GRATE - AIRCRAFT RATED - INSTALLATION ONLY	EA	1.00	4,875.00	4,875.00
D-751-5.1-7	PIPE COLLAR (CONCRETE)	EA	1.00	5,375.00	5,375.00
D-751-5.1-8	PIPE COLLAR (HDPE)	EA	5.00	950.00	4,750.00
D-751-5.1-9	ADJUST CONCRETE STRUCTURE	EA	1.00	4,875.00	4,875.00
D-752-5.1	24" FLARED END SECTION	EA	1.00	5,675.00	5,675.00
M-103.4.1	RUNWAY CLOSURE MARKERS (VINYL)	EA	5.00	2,250.00	11,250.00
T-901-5.1	SEEDING	AC	52.50	1,200.00	63,000.00
T-904-5.1	SODDING	SY	12,200.00	11.00	134,200.00
T-905-5.1	TOPSOILING	CY	10,083.24	17.50	176,456.70
T-908-5.1	MULCHING	AC	52.00	1,000.00	52,000.00
L-104-1	TEMPORARY POWER & TEMPORARY AIRFIELD LIGHTING/SIGNAGE/NAVIGATIONAL FACILITIES	LS	1.00	80,000.00	80,000.00
L-105-1	REMOVAL OF AIRFIELD ELECTRICAL	LS	1.00	20,194.03	20,194.03
L-105-2	REMOVAL OF TAXIWAY EDGE LIGHT, ELEVATED / INPAVEMENT	EA	265.00	198.51	52,605.07
L-105-3	REMOVAL OF RUNWAY EDGE LIGHT, ELEVATED / INPAVEMENT	EA	4.00	2,994.58	11,978.33
L-108-1	1/C L-824-TYPE C UNSHIELDED #8 AWG 5 KV STRANDED COPPER CABLE, INSTALLED IN DUCT OR CONDUIT	LF	156,675.00	2.36	369,179.78
L-108-2	1/C #6 AWG SOLID COPPER COUNTERPOISE WIRE, INSTALLED OVER DUCT OR CONDUIT	LF	74,478.50	3.10	230,880.28
L-108-3	0.75" DIAMETER BY 10.00' LONG COPPER CLAD STEEL SECTIONAL GROUND ROD	EA	1,919.00	48.95	93,930.55
L-108-4	GROUND DISSIPATION PLATE - .25"x24"x24" WITH PINKERED EDGE, INCLUDING 8 FOOT SECTION OF COUNTERPOISE WIRE	EA	4.00	3,112.23	12,448.91
L-109-1	AIRFIELD LIGHTING CONTROL SYSTEM MODIFICATIONS:	LS	1.00	231,550.00	231,550.00
L-109-2	AIRFIELD ELECTRICAL VAULT MODIFICATIONS	LS	1.00	92,500.00	92,500.00
L-110-1	1 WAY 1" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	5,039.00	8.34	42,017.02
L-110-2	1 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	14,359.00	1.35	19,385.83
L-110-3	2 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	827.00	24.24	20,045.64
L-110-4	4 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	900.00	21.63	19,464.83
L-110-5	6 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	1,600.00	22.50	36,006.43
L-110-6	10 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	400.00	50.44	20,177.83
L-110-7	1 WAY 1" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	682.00	24.84	16,937.96
L-110-8	1 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	33,313.00	1.67	55,574.43
L-110-9	2 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	287.00	47.72	13,694.66
L-110-10	4 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	671.50	30.45	20,450.34
L-110-11	6 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	75.00	176.63	13,247.47
L-110-12	10 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	75.00	186.33	13,974.73
L-110-13	1 WAY 2" SCHEDULE 40 PVC DIRECTIONAL BORED DUCT	LF	180.00	79.30	14,274.19
L-110-14	2 WAY 2" SCHEDULE 40 PVC DIRECTIONAL BORED DUCT	LF	444.00	36.77	16,327.63
L-110-15	4 WAY 2" SCHEDULE 40 PVC DIRECTIONAL BORED DUCT	LF	250.00	64.74	16,185.03
L-110-16	1 WAY 4" SPLIT DUCT CONCRETE ENCASED	LF	400.00	47.24	18,894.43
L-111-1	ARC FLASH STUDY FOR AIRFIELD ELECTRICAL VAULT	LS	1.00	76,912.29	76,912.29
L-111-2	PHOTOMETRIC TESTING OF RUNWAY AND TAXIWAY LIGHTING AND SIGNAGE	LS	1.00	86,741.32	86,741.32
L-125-1	L-850A(L) RUNWAY CENTERLINE LIGHT-CLEAR/CLEAR, LED - IN NEW ASPHALT PAVEMENT (N)	EA	49.39	2,399.57	118,514.79
L-125-2	L-850A(L) RUNWAY CENTERLINE LIGHT-RED/CLEAR, LED - IN NEW ASPHALT PAVEMENT (N)	EA	50.13	2,404.54	120,539.71
L-125-3	L-850B(L) TOUCHDOWN ZONE LIGHT, LED - IN NEW ASPHALT PAVEMENT (N)	EA	90.00	2,672.16	240,494.83
L-125-9	L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 1 MODULE	EA	11.55	5,599.05	64,669.03
L-125-10	L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 2 MODULE	EA	7.76	7,708.84	59,820.63
L-125-11	L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 3 MODULE	EA	13.91	9,028.59	125,587.75

Runway 17-35 Bid Package 4

Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDs

Description		Unit	Estimated Quantity	Unit Price in Numbers		Total Amount Per Item
L-125-12	L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 4 MODULE	EA	0.54		31,979.24	17,268.79
L-125-14	L-858(L) SIGN - CONSTRUCT SIGN PAD FOR FUTURE, SIZE 3 - 1 MODULE SIGN	EA	0.88		14,665.03	12,905.23
L-125-15	L-858(L) SIGN - CONSTRUCT SIGN PAD FOR FUTURE, SIZE 3 - 2 MODULE SIGN	EA	5.20		4,670.14	24,284.71
L-125-16	L-858(L) SIGN - CONSTRUCT SIGN PAD FOR FUTURE, SIZE 3 - 3 MODULE SIGN	EA	2.68		7,177.86	19,236.67
L-125-18	L-858(L) SIGN - CONSTRUCT SIGN PAD FOR FUTURE, SIZE 4, RDR SIGN	EA	6.13		5,408.55	33,154.43
L-125-20	L-858(L) RELOCATE GUIDANCE SIGN, SIZE 3	EA	7.01		2,215.27	15,529.07
L-125-21	L-858 NEW SIGN PANEL	EA	1.00		11,715.95	11,715.95
L-125-22	L-858 EXCHANGE AND/OR INSTALL SIGN PANEL	EA	0.00			0.00
L-125-23	NON-LIGHTED BOUNDARY SIGN	EA	3.00		5,485.32	16,455.97
L-125-27	L-861T(L) OMNIDIRECTIONAL, RED, LED, TAXIWAY EDGE LIGHT (NE)	EA	3.31		5,432.56	17,981.79
L-125-28	L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT - IN ASPHALT SHOULDER (N)	EA	87.37		2,736.61	239,097.35
L-125-30	L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT - IN TURF (T)	EA	35.05		2,294.54	80,423.48
L-125-31	L-861T(L) OMNIDIRECTIONAL, RED, LED, TAXIWAY EDGE LIGHT - IN TURF (T)	EA	2.03		7,448.88	15,121.23
L-125-33	L-862 RUNWAY EDGE LIGHT, STAKE MOUNTED	EA	2.65		5,235.82	13,874.91
L-125-40	FIELD LIGHTNING ARRESTOR ASSEMBLY	EA	55.22		1,053.36	58,166.47
L-125-41	L-867B/D LIGHT BASE FOR L-862 / L-862E LIGHT FIXTURE (N)	EA	66.98		862.12	57,745.13
L-125-42	L-868B LIGHT BASE FOR L-850C LIGHT FIXTURE (N)	EA	4.85		4,108.05	19,924.03
L-125-43	L-867B JUNCTION CAN	EA	2.24		5,757.33	12,896.43
L-125-44	L-867D JUNCTION CAN	EA	5.49		2,888.99	15,860.53
L-125-45	L-867E JUNCTION CAN	EA	0.60		19,831.72	11,899.03
L-125-46	JUNCTION CAN PLAZA -TWO "D" CAN	EA	11.47		4,675.94	53,633.03
L-125-47	JUNCTION CAN PLAZA -FOUR "D" CAN	EA	6.13		7,626.11	46,748.03
L-125-48	JUNCTION CAN PLAZA -SIX "D" CAN	EA	3.11		10,899.37	33,897.03
L-125-49	JUNCTION CAN PLAZA -TEN "D" CAN	EA	1.51		18,413.26	27,804.03
L-125-50	EXISTING AIRCRAFT RATED ELECTRICAL MANHOLE ELEVATION ADJUSTMENT	EA	5.00		3,950.01	19,750.03
L-125-51	7.5 KW L-829 CONSTANT CURRENT REGULATOR- 3 STEP - 480V	EA	0.49		37,745.20	18,495.15
L-125-52	10 KW L-829 CONSTANT CURRENT REGULATOR- 3 STEP - 480V	EA	0.25		71,699.00	17,924.75
L-125-53	7.5 KW L-829 CONSTANT CURRENT REGULATOR- 5 STEP - 480V	EA	0.24		81,643.20	19,750.03
L-125-54	15 KW L-829 CONSTANT CURRENT REGULATOR- 5 STEP - 480V	EA	0.24		132,481.73	32,013.63
L-153-1	PAVEMENT SURFACE MONITORING SYSTEM/WEATHER INFORMATION SYSTEM	EA	1.00		520,194.03	520,194.03
L-154-1	24 FIBER SINGLE-MODE OSP FIBER OPTIC CABLE - INSTALLED COMPLETE	LF	3,500.00		10.12	35,436.03
N-1001-1	RELOCATE RUNWAY 35 GLIDE SLOPE FACILITY WITH RVR	LS	1.00		105,524.00	105,524.00
N-1002-1	INSTALL RUNWAY 17 GLIDE SLOPE FACILITY WITH RVR AND ALS	LS	1.00		105,524.00	105,524.00
N-1003-1	INSTALL NEW FAA OWNED RUNWAY 35 PAPI SYSTEM, L-880, 4 BOX	LS	1.00		71,300.00	71,300.00
N-1003-2	INSTALL RELOCATED FAA OWNED RUNWAY 17 PAPI SYSTEM, L-880, 4 BOX	LS	1.00		71,300.00	71,300.00
					VOLUME 2 BID TOTAL	26,958,509.91

Runway 17-35 Bid Package 4

Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDS

Description		Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
<b>Volume 3</b>					
Item No.	Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
GP-105-2.1	MOBILIZATION	LS	1.00	0.00	See page 6 of 6
S-140-4.1	REMOVAL OF DRAINAGE STRUCTURES (SIZE AND MATERIAL VARIES)	EA	3.00	4,875.00	14,625.00
S-140-4.2	REMOVAL OF DRAINAGE PIPES (SIZE AND MATERIAL VARIES)	LF	33.00	2,437.50	80,437.50
S-140-4.4	REMOVAL OF EXISTING FENCE	LF	800.00	6.53	5,224.00
S-140-4.5	REMOVAL OF EXISTING PERIMETER ROAD	SY	5,900.00	9.51	56,699.00
S-140-4.6	REMOVAL OF DIRECTIONAL SIGN	EA	3.00	2,437.50	7,312.50
P-101-5.2	HAUL ROAD PAVEMENT REMOVAL	SY	550.00	9.61	5,285.50
P-102-1	SAFETY AND SECURITY	WK	32.00	18,600.00	595,200.00
P-104-5.1	PROJECT SURVEY AND STAKEOUT	LS	1.00	100,000.00	100,000.00
P-152-4.1	EMBANKMENT IN PLACE	CY	45,700.00	125.29	5,725,753.00
P-152-4.2	UNSUITABLE EXCAVATION	CY	1,800.00	32.00	57,600.00
P-152-4.5	BORROW AREA GRADING, CLEAN UP, AND CLOSE OUT	LS	1.00	191,250.00	191,250.00
P-156-4.1-1	BLOCK AND GRAVEL INLET PROTECTION	EA	6.00	450.00	2,700.00
P-156-4.1-7	TEMPORARY SILT FENCE	LF	1,100.00	3.00	3,300.00
P-156-4.1-10	EXCELSIOR MATTING	SY	9,200.00	1.65	15,180.00
P-156-4.1-20	RIP RAP, CLASS 1	CY	130.00	41.31	5,370.30
P-156-4.1-22	RIP RAP, CLASS 2	CY	75.00	43.72	3,279.00
P-156-4.1-24	REMOVE AND REUSE EXISTING RIP RAP	CY	210.00	19.50	4,095.00
P-156-4.1-26	SHOREMAX PROTECTION MAT	SY	4,700.00	16.19	76,093.00
P-156-4.1-28	REMOVE EXISTING SEDIMENT BASIN "A"	LS	1.00	52,500.00	52,500.00
P-156-4.1-31	REMOVE EXISTING SEDIMENT BASIN "C"	LS	1.00	24,000.00	24,000.00
P-156-4.1-33	CONVERT EXISTING SEDIMENT BASIN "D" TO DETENTION BASIN	LS	1.00	98,500.00	98,500.00
P-156-4.1-35	REMOVE EXISTING SEDIMENT BASIN "E"	LS	1.00	26,000.00	26,000.00
P-156-4.1-37	REMOVE EXISTING SKIMMER BASIN "F"	LS	1.00	10,750.00	10,750.00
P-156-4.1-39	REMOVE EXISTING SKIMMER BASIN "G"	LS	1.00	16,625.00	16,625.00
P-156-4.1-41	REMOVE EXISTING SEDIMENT BASIN "H"	LS	1.00	16,625.00	16,625.00
P-156-4.1-51	CONVERT EXISTING SEDIMENT BASIN "M" TO DETENTION BASIN	LS	1.00	26,000.00	26,000.00
P-156-4.1-53	CONVERT EXISTING SEDIMENT BASIN "N" TO DETENTION BASIN	LS	1.00	26,000.00	26,000.00
P-156-4.1-55	REMOVE EXISTING SEDIMENT BASIN "O"	LS	1.00	26,000.00	26,000.00
P-156-4.1-59	REMOVE EXISTING SEDIMENT BASIN "Q"	LS	1.00	33,000.00	33,000.00
NCDDOT 520-1	CRUSHED AGGREGATE BASE COURSE	CY	510.00	253.76	129,417.60
NCDDOT 520-2	PERIMETER ROAD REPAIRS	SY	1,800.00	48.00	86,400.00
NCDDOT 600	PRIME COAT	GAL	130.00	2.65	344.50
NCDDOT 610	BITUMINOUS ASPHALT PAVEMENT (9.5C)	TN	240.00	265.00	63,600.00
P-608-8.1	ASPHALT SURFACE TREATMENT	SY	93,600.00	2.13	199,368.00
P-620-5.5	PERMANENT AIRFIELD MARKING (YELLOW), W/ REFLECTIVE MEDIA	SF	23,200.00	1.25	29,000.00
P-620-5.6	PERMANENT AIRFIELD MARKING (RED), W/ REFLECTIVE MEDIA	SF	3,300.00	5.25	17,325.00
P-620-5.7	PERMANENT AIRFIELD MARKING (BLACK), W/O REFLECTIVE MEDIA	SF	8,300.00	0.50	4,150.00
P-620-5.8	MARKING REMOVAL	SF	157,400.00	1.03	162,122.00
D-701-5.1-1	18" HIGH DENSITY POLYETHYLENE (HDPE)	LF	52.00	127.00	6,604.00
D-701-5.1-7	36" REINFORCED CONCRETE PIPE, CLASS III	LF	64.00	156.37	10,007.58
D-701-5.1-9	42" REINFORCED CONCRETE PIPE, CLASS III	LF	140.00	166.29	23,280.60

Runway 17-35 Bid Package 4

Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDs

Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
D-701-5.1-10 48" REINFORCED CONCRETE PIPE, CLASS IV	LF	140.00	184.35	25,809.00
D-701-5.1-11 54" REINFORCED CONCRETE PIPE, CLASS III	LF	697.00	215.74	150,370.78
D-751-5.1-1 30" NYLOPLAST DRAIN BASIN	EA	1.00	3,750.00	3,750.00
D-751-5.1-5 DROP INLET - DOUBLE GRATE - NCDOT RATED	EA	5.00	8,000.00	40,000.00
D-751-5.1-7 PIPE COLLAR (CONCRETE)	EA	1.00	5,375.00	5,375.00
D-754-5.1 CONCRETE LINED DITCH	LF	565.00	240.00	135,600.00
F-160-5.1 20' DOUBLE SWING GATE	EA	3.00	2,500.00	7,500.00
F-160-5.2 WILDLIFE FENCE	LF	769.00	12.00	9,228.00
T-901-5.1 SEEDING	AC	80.00	1,200.00	96,000.00
T-908-5.1 MULCHING	AC	80.00	1,000.00	80,000.00
L-104-1 TEMPORARY POWER & TEMPORARY AIRFIELD LIGHTING/SIGNAGE/NAVIGATIONAL FACILITIES	LS	1.00	80,000.00	80,000.00
L-105-1 REMOVAL OF AIRFIELD ELECTRICAL	LS	1.00	25,000.00	25,000.00
L-105-2 REMOVAL OF TAXIWAY EDGE LIGHT, ELEVATED / INPAVEMENT	EA	46.00	603.69	27,769.77
L-105-3 REMOVAL OF RUNWAY EDGE LIGHT, ELEVATED / INPAVEMENT	EA	105.00	351.52	36,909.18
L-107-1 L-806(L) WIND CONE, SIZE 1, STYLE 1A, NEW COMPLETE	EA	0.56	219,126.87	122,711.04
L-107-2 RELOCATE L-806 (L) LED WINDCONE	EA	0.93	141,568.52	131,658.73
L-108-1 1/2" L-824-TYPE C UNSHIELDED #8 AWG 5 KV STRANDED COPPER CABLE, INSTALLED IN DUCT OR CONDUIT	LF	14,182.00	7.47	105,985.27
L-108-2 1/2" #6 AWG SOLID COPPER COUNTERPOISE WIRE, INSTALLED OVER DUCT OR CONDUIT	LF	10,000.00	7.25	72,476.21
L-108-3 0.75" DIAMETER BY 10.00' LONG COPPER CLAD STEEL SECTIONAL GROUND ROD	LF	200.00	95.87	19,173.60
L-108-4 GROUND DISSIPATION PLATE - .25"x24"x24" WITH PINKERED EDGE, INCLUDING 8 FOOT SECTION OF COUNTERPOISE WIRE	EA	4.00	703.03	2,812.13
L-110-1 1 WAY 1" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	65.00	21.09	1,370.91
L-110-2 1 WAY 2" SCHEDULE 40 PVC DIRECT EARTH BURIED DUCT	LF	8,426.00	23.65	199,253.34
L-110-16 1 WAY 4" SPLIT DUCT CONCRETE ENCASED	LF	200.00	57.52	11,504.16
L-125-8 L-853 ELEVATED RETROREFLECTIVE MARKER	EA	7.46	8,138.93	60,716.40
L-125-9 L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 1 MODULE	EA	1.22	13,096.72	15,978.00
L-125-10 L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 2 MODULE	EA	1.56	12,700.46	19,812.72
L-125-11 L-858(L) SIGN - SINGLE/DOUBLE FACE, LED, SIZE 3 - 3 MODULE	EA	5.79	25,299.88	146,486.31
L-125-13 L-858C SIGN - SINGLE FACE, NON-LIGHTED, TAXIWAY END MARKER	EA	0.58	6,269.99	3,636.59
L-125-17 L-858(L) SIGN - EXTEND EXISTING 2 MODULE SIGN PAD TO INSTALL A NEW 3 MODULE SIGN, SIZE 3	EA	1.85	4,905.68	9,075.50
L-125-19 L-8580(L) RELOCATE RUNWAY DISTANCE REMAINING SIGN, LED, SIZE 4	EA	3.62	10,628.46	38,475.03
L-125-20 L-858(L) RELOCATE GUIDANCE SIGN, SIZE 3	EA	6.14	2,185.92	13,421.52
L-125-21 L-858 NEW SIGN PANEL	EA	1.26	4,057.90	5,112.96
L-125-22 L-858 EXCHANGE AND/OR INSTALL SIGN PANEL	EA	7.00	639.12	4,473.84
L-125-23 NON-LIGHTED BOUNDARY SIGN	EA	2.00	5,112.96	10,225.92
L-125-24 L-860HR(L) OMNIDIRECTIONAL, GREEN, LED ELEVATED HELIPORT LIGHT - IN TURF (T)	EA	2.63	13,268.42	34,895.95
L-125-25 L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT (A)	EA	14.30	3,834.72	54,836.50
L-125-26 L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT (NE)	EA	9.03	4,706.70	42,501.48
L-125-30 L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT - IN TURF (T)	EA	33.20	3,678.79	122,135.84
L-125-31 L-861T(L) OMNIDIRECTIONAL, RED, LED, TAXIWAY EDGE LIGHT - IN TURF (T)	EA	4.68	2,663.00	12,462.84
L-125-32 L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT - ON EXISTING L-868 LIGHT BASE (68)	EA	19.08	3,718.15	70,942.32
L-125-40 FIELD LIGHTNING ARRESTOR ASSEMBLY	EA	1.45	1,190.09	1,725.62
L-125-56 L-867B LIGHT BASE 1/2" THICK GALVANIZED STEEL COVER (NE)	EA	1.00	798.90	798.90
L-125-57 L-868B LIGHT BASE 3/4" THICK GALVANIZED STEEL COVER (NE)	EA	6.00	159.78	958.68
L-125-50 EXISTING AIRCRAFT RATED ELECTRICAL MANHOLE ELEVATION ADJUSTMENT	EA	1.00	3,834.72	3,834.72
NA-1005-1 FAA ALLOWANCE	AL	50,000.00	1.00	50,000.00
			<b>VOLUME 3 BID TOTAL</b>	<b>10,149,787.96</b>

Runway 17-35 Bid Package 4

Schedule of Values

Airport: Asheville Regional Airport  
 Project: Bid Package 4  
 Permanent Runway 17-35 Paving, Lighting, and NAVAIDS

Description		Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
<b>Alternate 1</b>					
Item No.	Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
L-125-6	L-850C(L) RUNWAY EDGE LIGHT - CLEAR/CLEAR, LED (N)	EA	1.85	\$ 3,250.00	6,012.50
L-125-7	L-850C(L) RUNWAY EDGE LIGHT - CLEAR/YELLOW, LED (N)	EA	1.79	\$ 3,375.00	6,041.25
L-125-37	L-862(L) RUNWAY EDGE LIGHT - CLEAR/CLEAR, LED (N)	EA	19.43	\$ 2,850.00	55,375.50
L-125-38	L-862(L) RUNWAY EDGE LIGHT - CLEAR/YELLOW, LED (N)	EA	24.78	\$ 2,850.00	70,623.00
L-125-39	L-862E(L) RUNWAY THRESHOLD LIGHT - GREEN/RED, LED (N)	EA	11.95	\$ 2,470.00	29,516.50
L-125-53	7.5 KW L-829 CONSTANT CURRENT REGULATOR - 5 STEP - 480V	EA	0.46	\$ 11,935.00	5,490.10
ALTERNATE 1 BID TOTAL					173,058.85

Description		Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
<b>Alternate 2</b>					
Item No.	Description	Unit	Estimated Quantity	Unit Price In Numbers	Total Amount Per Item
P-152-4.1	EMBANKMENT IN PLACE	CY	1,000.00	325.69	325,690.00
P-156-4.1-1	BLOCK AND GRAVEL INLET PROTECTION	EA	7.00	450.00	3,150.00
P-156-4.1-7	TEMPORARY SILT FENCE	LF	2,340.00	3.00	7,020.00
P-209-5.1	CRUSHED AGGREGATE BASE COURSE	CY	5,200.00	115.00	598,000.00
P-401-8.1.2	BITUMINOUS ASPHALT PAVEMENT (SURFACE WITH RAP)	TN	5,370.00	265.00	1,423,050.00
P-602-5.1	BITUMINOUS PRIME COAT	GAL	9,300.00	2.65	24,645.00
P-620-5.2	TEMPORARY AIRFIELD MARKING (YELLOW), W/O REFLECTIVE MEDIA	SF	11,600.00	0.40	4,640.00
P-620-5.5	PERMANENT AIRFIELD MARKING (YELLOW), W/ REFLECTIVE MEDIA	SF	11,600.00	1.22	14,152.00
P-620-5.7	PERMANENT AIRFIELD MARKING (BLACK), W/O REFLECTIVE MEDIA	SF	17,400.00	0.50	8,700.00
T-901-5.1	SEEDING	AC	5.00	1,200.00	6,000.00
T-904-5.1	SODDING	SY	5,000.00	11.00	55,000.00
T-908-5.1	MULCHING	AC	5.00	1,000.00	5,000.00
L-110-8	1 WAY 2" SCHEDULE 40 PVC CONCRETE ENCASED DUCT	LF	11,400.00	27.50	313,500.00
L-125-29	L-861T(L) OMNIDIRECTIONAL, BLUE, LED, TAXIWAY EDGE LIGHT - IN ASPHALT SHOULDER (N)	EA	92.87	2,650.00	246,105.50
ALTERNATE 2 BID TOTAL					3,034,652.50

Consultant Fees	LS	1.00	3,545,870.00	3,545,870.00	
Mobilization Volume 2	LS	1.00	1,347,925.50	1,347,925.50	
Mobilization Volume 3	LS	1.00	507,489.40	507,489.40	
VOLUME 2 BID TOTAL					26,958,509.91
VOLUME 3 BID TOTAL					10,149,787.96
ALTERNATE 1 BID TOTAL					173,058.85
ALTERNATE 2 BID TOTAL					3,034,652.50
TOTAL					45,717,294.11



**EXHIBIT A-2**  
**DOCUMENTS TO BE SUBMITTED WITH SEMI-MONTHLY PAY REQUESTS**

Invoice/Payment Application # \_\_\_\_\_

Period of time for this invoice from \_\_\_\_\_ to \_\_\_\_\_  
(MM/DD/YYYY) (MM/DD/YYYY)

Items to include with Invoice/Payment Application:

1. Invoice/Payment Application (with a line item breakdown of quantities and unit prices)
2. Contractor Certification of Payroll
3. Subcontractor Certification of Payroll
4. DBE / Non-DBE Subcontractor Participation Form
5. List of DBE and Non-DBE Contractors/Subcontractors (only needed if a Contractor/Subcontractor is added or deleted)
6. Contractor/Subcontractor Partial Waiver (release of lien for any subcontractor who is completed with all portions of their work)
7. State of North Carolina County Sales and Use Tax Report (Contractor and Subcontractors invoices and evidence of purchases generating sales tax)

Individual preparing documentation has fully reviewed documentation for correctness and verifies that the attached are correct and submitted for payment.

\_\_\_\_\_  
Signature / Printed Name

\_\_\_\_\_  
Date

## Exhibit A-3 Project Schedule

Critical Milestone / Schedule	Liquidated Damages Cost	Allowed Duration
Night Closures	\$1,000 per 30 minute increment (or portion thereof)	12:00 AM – 5:30 AM
Notice of Violation Issued by NCDEQ	\$2,000 per calendar day from issuance of NOV until NOV is formally lifted by NCDEQ in writing	N/A
September 12, 2019 <b>Critical Milestone:</b> Construction of permanent Runway 17-35 and temporary runway markings to allow NAVAIDs flight inspection activities*	\$2,000 per calendar day	N/A
December 05, 2019 <b>Critical Milestone:</b> Runway 17-35 Open, ILS Runway 35 Approach Charted	\$2,000 per calendar day	N/A
Decemebr 13, 2019 <b>Critical Milestone:</b> Runway 17 Glide Slope Facility Complete	\$2,000 per calendar day	N/A
February 07, 2020 <b>Critical Milestone:</b> Runway 35 Glide Slope Facility Relocation Complete	\$2,000 per calendar day	N/A
Project Completion	\$2,000 per calendar day	Volume 2 Work: Duration TBD Volume 3 Work: 200 Calendar Days
Project Phases Completion	\$2,000 per calendar day	As shown for on contract phasing plans for each phase.

## EXHIBIT A-4

### SUBCONTRACTORS AND SUPPLIERS

NAME OF SUBCONTRACTOR & SUPPLIER	MATERIAL OR SERVICE TO BE PROVIDED
ADB Safegate	Electrical materials
Asheville Water & Sewerage	Water
Cardinal Grooving	Grooving
City of Asheville	Hydrant usage
Delta Consulting Group	Scheduling Consultant
Dropbox	Document Storage
Duke Energy	Electrical Power
Ed Holmes & Associates	Surveyors
Froehling & Robertson	Geotechnical Engineering
Gossett Concrete Pipe Co.	Reinforced Concrete Pipe
Grainger	Tools and materials
Griffin Waste	Porta-Johns and waste collection
GuardOne Protective Services	Guard Shacks
Hamilton Hauling	Trucking
HASCO	mobilization for water blaster and paint, and temporary yellow paint markings
High Country Hydroseeding, Inc.	Seeding & Sod
Image Solutions	Trailer Multi-function Printer
J.S. Held LLC	Construction Management
Loewke Brill Consulting	Construction Consultant
Merry Maids	Trailers cleaning services (RS&H, and Held)
Mobile Mini	Material Storage
MRS Airfield Lights & Supplies	Airport Electrical Supplies
Pac Van	Portable Office Trailer
Prima Nova Electric	Electrical work
Reddylce	Ice
RG Tenney Electric, Inc.	Electrical work
Rogers Group Inc	Asphalt Paving work
Southern Concrete Materials	Concrete
United Rentals	Pickup Truck, two dump trucks, two pumps, other as needed
Viasat Communications	Internet
Vulcan Materials Company	Stone Materials
Waste Pro	Garbage Collection
Williams Scotsman	Portable Office Trailer
WK Dickson & Co., Inc.	Project Administrator
Young & Mcqueen Grading Co	Earthwork and Storm Pipe

EXHIBIT A5  
18030031 - Runway 17-35 Bid Package 4  
SI Status – Pending Change Orders

Relative to outstanding or pending change orders: to reflect the changes proposed for the following Supplemental Instructions:

- SI-002
  - Adding drainage structure 43, 44, 45, 46, 47 and additional 24" and 30" class three (3) reinforced concrete pipe. Work is not complete, change order is pending.
- SI-004
  - Add drainage structure s-1A and S-2, additional 18" reinforced concrete pipe, class three (3), 230 linear feet. Work is not complete, change order is pending.
- SI-003\*
  - Reconfigure grading to address drainage issue at structure S1 and surrounding area. Work is not complete, change order is pending.
- SI-010
  - Adjust tie-in grade at taxiways A3, A4, and A5. Work is not complete, change order is pending.
- RFI-018
  - Drawing G12-A was issued for the previous re-bid of the project. No pertinent details were provided on drawing G12-A. An RFI answer is still pending. Work is not complete, change order is pending.
- FAA Manhole Adjustment per Drawing C-68 and C-69
  - No information is provided in the plans and no pay item exists. Work is not complete, change order is pending.
- Re-Alignment of perimeter road along Sediment Basin B
  - No information is provided in the plans. Work is not complete, change order is pending.

The above extra work can be accomplished using the applicable unit price line items contained in the proposed revised schedule of values that is pending per the new take over agreement. Completion of this scope of work may be accomplished in conjunction with work activities in the immediate vicinity provided reasonable access can be obtained from GARAA so that costs can be controlled and the applicable unit price line items can be utilized.

**ADJOURNMENT**: Mr. Erwin moved to adjourn the meeting at 8:54 a.m. Ms. Brown seconded the motion and it carried by a 5 to 0 vote.

Respectfully submitted,

Ellen Heywood  
Clerk to the Board

Approved:

Matthew C. Burrell



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: June 14, 2019

### ITEM DESCRIPTION – Consent Item E

Approval of Resolution Accepting Grants

### BACKGROUND

The Federal Aviation Administration (“FAA”) and the North Carolina Division of Aviation (“DOA”) distributes both entitlement and discretionary grants on an annual basis. The grants requests are submitted by staff each year and are a component of the annual budget based on the Greater Asheville Regional Airport Authority’s (“Authority”) capital improvement program. The grants, once awarded, must be accepted by the Authority and the attached resolution will provide the ability to do so.

### ISSUES

None

### ALTERNATIVES

None

### FISCAL IMPACT

The fiscal impact has a direct correlation to the capital improvement program, the initial grant request per project, and the amount of either entitlement or discretionary funds available each year from the FAA or DOA. Any amount not received due to untimely acceptance and signature is detrimental to the Authority.

### RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board approve the attached Resolution.

Attachment

Consent – Item E

# *Greater Asheville Regional Airport Authority*

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## *~ Resolution ~*

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A RESOLUTION CONFERRING STANDBY AUTHORITY TO ACCEPT GRANTS BY THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY DURING THE FISCAL YEAR 2019-2020

**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:

Lew 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 14<sup>th</sup> day of June, 2019

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Matthew C. Burril, Chair

Attested by:

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Ellen M. Heywood, Clerk to the Board



## **MEMORANDUM**

TO: Members of the Airport Authority

FROM: Lew Bleiweis, Executive Director

DATE: June 14, 2019

### **ITEM DESCRIPTION – Consent Item F**

Approval of Business Insurance Renewal

### **BACKGROUND**

USI, our business insurance broker, is in the process of finalizing quotes for our business insurances. They have presented the following costs, which total above the budgeted amounts in the FY2019/2020 budget. USI will be renewing our property coverage with Alliant at approximately \$71,516 (Property market has hardened in 2019) general liability coverage with ACE USA for \$33,000, auto coverage with American Southern Insurance for \$16,891 worker's compensation coverage with AmTrust for \$127,656 (Experience Mod increased from 1.00 to 1.07 and number of employees increased), and commercial crime coverage with National Union Fire for \$725. Our public official's coverage will be placed with Chubb for \$17,525, and law enforcement liability will be placed with QBE for \$15,241. The annual service fee is \$15,000, in lieu of commission. Our total estimated FY2019/2020 business insurance cost is \$297,592. This is an increase of \$56,001 from FY2018/2019's cost of \$247,145.

### **ISSUES**

At the beginning of the budget process, USI predicted we would see an increase in premiums from 10-15%. They were not anticipating the large increase of the property coverage. They are currently working with another property carrier and are expecting better results. Because time is of the essence for the renewal process, the Director needs to execute the necessary renewal documents.





## ALTERNATIVES

None.

## FISCAL IMPACT

The costs for the business insurance coverages outlined above were provided in the Authority's FY2019/2020 budget for a total of \$275,600. A spreadsheet comparing the quoted actual costs to the FY2019/2020 budget amounts and to the prior year's actual costs are provided. Because of the higher cost over budget, we are requesting an amendment to the FY2019/2020 budget as outlined below.

## RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the renewal of Authority's insurance coverages in an amount not to exceed premiums outlined above, (2) authorize the Executive Director to execute the necessary documents, and (3) amend the FY 2019/2020 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, 2020:

Section 1. To amend the appropriations as follows:

### EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Administration Department		\$30,000
Totals	<hr/>	<hr/> \$30,000

This will result in a net increase of \$30,000.00 in the appropriations. Revenues will be revised as follows:



**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**  
**Business Insurance Expense**

	FY2019		FY2020		FY2020 Estimate to 2020 Budget Over/(Under)		FY2020 Estimate vs FY2019 Actuals Over/(Under)	
	FY2019 Budget	FY2019 Actual	FY2020 Budget	FY2020 Estimates	Amount	%	Amount	%
	<b>Insurance</b>							
Property & Casualty	\$ 47,000	\$ 60,100	\$ 51,700	\$ 71,516	\$ 19,816	38.3%	\$ 11,416	19.0%
General Liability	35,000	28,352	36,750	33,000	(3,750)	(10.2%)	4,648	16.4%
Auto Liability	18,000	16,891	21,780	16,929	(4,851)	(22.3%)	38	0.2%
Other Insurance	39,000	32,997	42,900	33,491	(9,409)	(21.9%)	494	1.5%
Worker's Compensation	95,000	93,805	107,470	127,656	20,186	18.8%	33,851	36.1%
Service Fee	15,000	15,000	15,000	15,000	-	0.0%	-	0.0%
<b>Total Insurance</b>	<b>\$ 249,000</b>	<b>\$ 247,145</b>	<b>\$ 275,600</b>	<b>\$ 297,592</b>	<b>\$ 21,992</b>	<b>8.0%</b>	<b>\$ 50,447</b>	<b>20.4%</b>



## **MEMORANDUM**

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance and Accounting

DATE: June 14, 2019

### **ITEM DESCRIPTION – Consent Item G**

Approval of Amendment to the FY18/19 Budget

### **BACKGROUND**

As a result of issues with both the Airfield Redevelopment Project and Area One of the Structural Fill Project, we need to amend our FY18/19 budget to cover some unbudgeted legal costs. A budget increase in the amount of \$25,000 for legal fees is necessary.

We recommend that the Airport Authority Board amend the FY18/19 budget as outlined below.

### **ISSUES**

None.

### **ALTERNATIVES**

None.

### **FISCAL IMPACT**

The budget amendment will increase both FY18/19 budgeted revenues and expenditures by \$25,000. The net increase in Transfers from GARAA Cash is \$25,000.

### **RECOMMENDED ACTION**

It is respectfully requested that the Airport Authority Board resolve to amend the FY18/19 budget by adopting the following budget ordinance amendment:

Consent -Item G



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>
Executive Department	_____	\$25,000
Totals	_____	\$25,000

This will result in a net increase of \$25,000 in the appropriations. Revenues will be revised as follows:

**REVENUES:**

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash	_____	\$25,000
Totals	_____	\$25,000

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 14th day of June, 2019.

\_\_\_\_\_  
Matthew C. Burril, Chair

Attested by:

\_\_\_\_\_  
Ellen Heywood, Clerk to the Board



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Christina Madsen, Airport Properties and Contracts Manager

DATE: June 14, 2019

### ITEM DESCRIPTION – New Business Item A

Approval of a New Concession Agreement with Tricopian Inc., dba FuelRod

### BACKGROUND

FuelRod was founded in 2011 and is a reusable, portable charging system that allows you to charge your mobile device on the go, and then recharge or swap the portable power device for a new one. FuelRod is currently located in 31 airports across North America, including Charlotte, Raleigh Durham, Greenville-Spartanburg, Atlanta, Philadelphia, Houston and Washington-Dulles. The FuelRod meets the FAA specific standards for lithium ion batteries and are allowed on board an aircraft.

With the increased passenger growth the airport has experienced over the past few years, adding additional amenities to our concession program will enhance the customer experience and increase revenues to the Authority.

FuelRod will install a minimum of three (3) units, one location pre-security and two locations post security. All costs for installation and deployment will be at the sole cost and expense of FuelRod. The term of this agreement will be for five (5) years, with one, five-year option to extend. The Executive Director may terminate the agreement with six (6) months advance written notification at his sole discretion. One year after implementation, the parties will mutually agree as to whether a swap fee will be implemented.

FuelRod will pay to GARAA fifteen percent (15%) of gross receipts. If the option period is exercised, the parties will meet to determine if a Minimum Annual Guarantee (MAG) will be established for the remaining term of the agreement.



## **ISSUES**

None.

## **ALTERNATIVES**

The Board could decide not to allow the new business opportunity.

## **FISCAL IMPACT**

Over the initial term and option period, this contract will generate approximately \$85,000 to the Authority.

## **RECOMMENDED ACTION**

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the agreement as described above with Tricopian Inc., dba Fuel Rod, and (2) authorize the Executive Director to execute the necessary documents.

Attachment

**SPACE/USE/OPERATING PERMIT  
GREATER ASHEVILLE REGIONAL AIRPORT**

**THE GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**, hereinafter referred to as "Authority," by its execution hereof, hereby authorizes the following person or entity, hereinafter referred to as "Company" to conduct business and/or occupy space at Asheville Regional Airport, hereinafter referred to as "the Airport," for the purpose or purposes and on the terms and conditions hereinafter stated.

1. **Company**. The name, address and telephone number of the Company hereunder are as follows:

Name: **Tricopian, Inc., dba FuelRod**  
Address: **2683 Via De La Valle, G228**  
**Del Mar, CA 92014**

Contact: **Claudio Frescas, Regional Sales VP**  
Cell: **423-914-9647** Fax:  
E-mail: **claudio@fuel-rod.com** Pager:

**Company Financial Billing Contact(s):**

Name: **Kathleen Yau**  
Address: **2683 Via Del La Valle, G228**  
**Del Mar, CA 92014**  
Telephone: **760-803-2493** Fax: **844-383-5763**  
E-mail: **Kathleen@fuel-rod.com**

**Company - 24 Hour Emergency Contacts – minimum of 2 contacts required:**

Name & Title: **Kendall Cloidt**  
Address: **2683 Via Del La Valle, G228**  
**Del Mar, CA 92014**  
Telephone: **844-383-5763**  
Cell: **858-414-3227** Fax: **844-383-5763**  
E-mail: **Kendall@fuel-rod.com**

Name & Title: **Claudio Frescas**  
Address: **2340 Carta Way #4000**  
**Herndon, VA 20171**  
Telephone: **844-383-5783** Fax: **844-383-5763**  
Cell: **423-914-9647**  
E-mail: **Claudio@fuel-rod.com**



2. **Business to be Conducted**. Company is only authorized to conduct the following business at the Airport, and may conduct none other, to wit:

Provide portable power FuelRod stations through two-way automated kiosks to be located throughout the terminal building.

3. **Space to be Occupied**. Company is authorized to use the Assigned Space, which is that space at the Airport defined in **Attachment A-1**.

4-a. **Payments**. All payments due hereunder shall be remitted to the Director of Finance and Accounting, Greater Asheville Regional Airport Authority, 61 Terminal Drive, Suite 1, Fletcher, North Carolina, 28732; without demand, set-off or deduction.

In the event that the term of this Permit shall commence or end on any day other than the first and last day, respectively, of a calendar month such consideration due hereunder for a portion of such month shall be prorated on a per-diem basis, and the first payment shall be due on or before the effective date hereof.

4-b. **Consideration-Space Rental and/or Use/Operating Permit**. In consideration for the rights granted hereunder by Authority, Company hereby agrees to pay to Authority monthly, in advance, on the first (1st) day of each calendar month during the term hereof, the sum shown in **Attachment A-2** plus any and all sales or use taxes due thereon.

4-c. **Consideration-Percentage of Receipts**. Company hereby agrees to pay to Authority a percentage of the gross receipts derived from its business at the Airport as specified in **Attachment A-3** and in accordance with the provisions of Paragraph H ("Percentage Fees"), plus any and all sales or use taxes thereon.

5. **Term**. This Permit is effective, July 1, 2019, to permit use or occupancy for the period stated in **Attachment A-4**, unless sooner terminated in accordance with the terms and provisions hereof. Notwithstanding the foregoing, however, Authority will have the right to terminate this Permit prior to the date upon which it would otherwise expire by giving at least six (6) months written notice to Company for reasons other than default as listed herein.

6. **Amount of Insurance Required**. Commercial general liability, automobile liability, and workers compensation and employer's liability insurance is required to be carried by Company under subparagraphs K(1) and K(2) of the Terms and Conditions attached hereto. The amounts of coverage are specified in **Attachment A-5**.

7. **Security Deposit**. The amount of the security deposit to be held subject to the provisions of Paragraph T hereof is shown in **Attachment A-6**.

8. **Utility and Service Charges**. Company shall be responsible for all costs as shown on **Attachment A-7**.

9. **Company's Right to Occupy**. The Company's right to use and occupy the Assigned Space is conditioned upon Company complying with all provisions hereof shown

on that attachment hereto entitled "Asheville Regional Airport Authority Terms and Conditions of Space/Use Permit", which is incorporated herein by reference.

10 **Amendments.** Amendments to this Permit may only be made by a written revision of it bearing the signatures of both Company and Authority.

**TRICOPIAN, Inc., dba FuelRod**

**GREATER ASHEVILLE REGIONAL  
AIRPORT AUTHORITY**

BY: \_\_\_\_\_  
Joe Yeagley  
Chief Operating Officer

BY: \_\_\_\_\_  
Lew Bleiweis, A.A.E  
Executive Director

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_

**ATTACHMENT A  
SPACE USE PERMIT**

**A-1. SPACE TO BE OCCUPIED (“Assigned Space”).**

<u>Location</u>	<u>S.F.</u>	<u>Rate P.S.F.</u>	<u>Annual Rate</u> (Applicable sales tax not included)	<u>Monthly Rate</u> (Applicable sales tax not included)
Minimum of three (3) units/locations. Additional locations may be added at the Sole Discretion of the Executive Director.	Approximately 10 sq.ft per unit.	n/a	\$0	\$0
See Attached Exhibit “A”				
		<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>

Authority reserves the right to relocate any of the devices to a different location for any reason with advance written notification to Company.

**A-2. SPACE RENTAL/USE/OPERATING PERMIT CHARGE**

(Not applicable)

**A-3. PERCENTAGE OF RECEIPTS AND EXCHANGE FEE**

Company will pay **fifteen percent (15%)** of its Gross Receipts to Authority for the first five years of the agreement for any month in the period in which this permit is in effect, plus applicable sales tax. In year six (6) of the agreement, the parties will review the sales information for the first five (5) years and may establish a Minimum Annual Guarantee (MAG) for the remaining term of the agreement.

Company shall offer an exchange or swap service for the portable power device that will be free of charge for a minimum of one year. In the second year of the agreement, upon mutual agreement by the parties, a swap fee may be implemented.

**A-4. TERM.**

The term of this Permit is **July 1, 2019 through June 30, 2024, unless terminated per Section 5 above.**

**A-5. INSURANCE REQUIREMENTS**

The minimum coverage required is:

Automobile liability	<b>\$1,000,000</b>
Commercial General Liability	<b>\$1,000,000</b>

**Worker's Compensation and Employer's Liability will be provided by the third party vendor servicing the machines.**

Workers Compensation <u>Employer's Liability</u>	<b>As required by the laws of North Carolina. \$100,000 each accident, \$500,000 disease-policy limit and \$100,000 disease-policy – each employee</b>
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**Evidence of current coverage is to be kept on file with the Authority**

**A-6. AMOUNT OF SECURITY DEPOSIT**

\$2,125.00 payable at time of move-in.

**A-7. UTILITY, SERVICE CHARGES.**

All costs for power and internet services to be supplied to the FuelRod Kiosk locations will be the responsibility of Company.

**A-8. SPECIAL CONDITIONS**

N/A

## GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY

### TERMS AND CONDITIONS OF SPACE/USE PERMIT

A. **Maintenance of Assigned Space.** Company accepts the space, if any, assigned under Attachment A-1 hereof, hereinafter referred to as "Assigned Space," in its present condition, "as is," and Company shall be responsible for maintaining the Assigned Space in good, clean and attractive condition.

Authority shall have the right, at any time and from time to time, to cause maintenance to be performed and repairs to be made in and to the Assigned Space and the fixtures, equipment and mechanical systems located therein, and the term of this Permit shall not be extended nor shall there be any abatement of the sums payable to Authority hereunder by reason thereof. Specifically, the Authority shall be responsible for all structural, HVAC, roof, gutters/downspouts, and exterior door/window repairs.

Company shall promptly pay or reimburse Authority for the cost to Authority of any and all maintenance, replacement and repair which may be required to restore the Assigned Space and any of its fixtures, equipment and mechanical systems as a result of the neglect of, or loss or damage caused by, Company or any of its officers, employees, agents, invitees or licensees, or which otherwise results from Company's use or occupancy of the Assigned Space. The performance of maintenance and repair by the Authority shall in no event be construed as a waiver of the Company's duty to maintain and repair as herein provided.

Unless Authority's written approval has been first obtained in each instance, Company shall not post any signs in the Assigned Space or at the Airport which are in public view, nor shall Company make any alterations, additions, decorations, improvements, or structural changes in or to the Assigned Space, or alter the point of supply of any utilities therein. The installation of telecommunication systems including but not limited to voice, data, wired, and wireless systems all require the written approval of the Airport Director.

Company shall not permit a work of visual art, as defined in 17 USC § 101, to be installed in the Assigned Space without providing Authority with a written waiver, in form acceptable to the Authority, of the artist's rights under the Visual Artists Rights Act of 1990, Pub. L. 101-650, and without obtaining the Authority's prior written approval.

B. **Company's Property.** Any and all property belonging to, or brought onto the Airport by, Company or any of its officers, employees, agents, invitees or licensees shall be at the sole risk of Company. Subject to Authority's right of approval as set forth in paragraph A hereof, Company may place and install trade fixtures and other personal property in the Assigned Space for use in connection with its operations hereunder, and the same shall be and remain the property of Company. Company shall, however, be responsible for the cost of repairing any damage to the Assigned Space or any other

improvements of Authority which are caused by the removal of any such trade fixtures and personal property. Notwithstanding the foregoing, however, if Company shall at any time be in default hereunder, then Authority shall have the benefit of any statutory liens on Company's property located in the Assigned Space which are available to it under the laws of the State of North Carolina, and Company shall not remove or permit the removal of any of such property until all amounts secured by such liens have been paid and all other defaults under this Permit have been cured.

C. **Authority's Right to Enter**. Authority and its designated agents shall have the right to enter the Assigned Space at any reasonable time for inspection, maintenance, repair, attending to emergencies or any other reasonable purpose.

D. **Utilities**. Company shall be responsible for all costs for power and internet services to be supplied to the FuelRod Kiosk locations.

E. **Access**. Company and its officers, employees, agents and invitees shall, subject to the reasonable rules and regulations of the Authority, have the right of ingress and egress to and from the Assigned Space.

F. **Taxes and Assessments**. Company shall pay, on or before the due date established therefor, all taxes, assessments (including, without limitation, storm water utility charges) and impact fees which are levied against or in connection with the Assigned Space, Company's interest therein and the property and improvements of Company for the term hereof or attributable to Company's activities at the Assigned Space or at the Airport. If the term of this Permit expires or is earlier terminated prior to the close of the tax year for which any such tax is payable, or if the term of this Permit commences on a date other than the first day of such tax year, Company shall be responsible for paying a percentage of the tax calculated by dividing the number of days that this Permit was in effect during such tax year by the total number of days that the Assigned Space was leased to tenants (excluding any tenant performing a governmental, municipal or public purpose or function or which uses the Assigned Space exclusively for literary, scientific, religious or charitable purposes) during such tax year. If this Permit is in effect for a period less than any entire period for which an assessment other than a tax is imposed, Company shall pay a percentage of the assessment calculated by dividing the number of days this Permit was in effect during that assessment period by the total number of days in the assessment period. Company's obligations under this Paragraph F shall survive the expiration or earlier termination of this Permit. Nothing contained herein shall be construed as a release or waiver on the part of the Authority, as a political subdivision of the State of North Carolina of the right to assess, levy or collect any license, personal, tangible, intangible, occupation or other tax, fee or assessment which may lawfully be imposed on the business or property of Company.

G. **Rules and Regulations**. Company covenants and agrees to observe and comply with all reasonable rules and regulations of Authority which now exist or may hereafter be promulgated from time to time governing conduct on and operations at the

Airport and the use of its facilities. Company further covenants and agrees to observe and comply with any and all valid and applicable requirements of all duly-constituted public authorities and with all federal, state and local statutes, ordinances and regulations applicable to Company, the Assigned Space or the Airport. Company agrees to pay or reimburse Authority for any fines which may be assessed against Authority as a result of the violation by Company of any applicable security regulation at the Airport, which payment shall be made by Company within fifteen (15) days from receipt of Authority's invoice for such amount and documentation showing that payment of such fine is Company's responsibility hereunder.

H. **Percentage Fees.** In the event that the consideration to be paid under Paragraph 4 hereof is based in whole or in part on a percentage of Company's "Gross Receipts," such term as used herein shall mean all amounts billed or received by Company or any agent of Company or sublessees from its business at the Airport, excluding only (i) the amount of all credits and refunds to customers actually made by Company, (ii) the amount of any federal, state or municipal sales or other similar taxes separately stated to and paid by customers of Company now or hereafter levied and imposed and (iii) the proceeds from the sale of capital assets. If Company shows the percentage of Gross Receipts payable to Authority as a separate charge to Company's customers, then this separate charge must also be included in Company's Gross Receipts.

No deduction shall be made from Gross Receipts by reason of any credit loss sustained or financing discount that may be applicable by reason of the acceptance or use of credit cards or by reason of any other credit arrangements. If any charge customarily made by Company for goods or services is not assessed, charged or collected, irrespective of the reason therefor, then the amount of Company's customary charge therefor shall nevertheless be included in determining Gross Receipts. All computations in the determination of Gross Receipts shall be made in accordance with the terms of this Permit.

On or before the twentieth (20th) day of each calendar month during the term hereof and of the calendar month immediately following the end of the term, Company shall deliver to Authority a statement signed by an officer of Company, in such form and with such detail as Authority may reasonably request, setting forth Company's Gross Receipts (as the same are hereinbefore defined) during the preceding calendar month, and separately identifying all receipts derived by Company during such month which have been excluded from the computation of Gross Receipts, together with payment of the Percentage Fees due by reason thereof.

Company shall maintain complete and accurate books and records as would normally be examined by an independent certified public accountant pursuant to generally accepted auditing standards, of all receipts with respect to its business at the Airport in a form consistent with generally accepted accounting principles. Such books and records of the Company shall contain itemized records of all amounts billed or received by the Company from its operations in the Assigned Space or otherwise hereunder. The

Company shall supply to the Authority, within thirty (30) days of the Authority's request, the books and records required to be maintained hereby and any other financial or statistical reports or records that the Authority may reasonably request for the purpose of determining the accuracy of the Gross Receipts reported by the Company. In addition, the Company shall account for all revenues of any nature related to transactions in connection with this Permit entered into in the Assigned Space or otherwise hereunder in a manner which segregates in detail those transactions from other transactions of the Company and which supports the amounts reported to the Authority in the Company's monthly Gross Receipts reports prepared in accordance with Paragraph 4-b. In the event of any conflict between any provision of this Permit and generally accepted accounting principles or generally accepted auditing standards, the provisions of the Permit shall control even where this Permit references such principles or standards.

Such records may be in the form of (a) electronic media compatible with or convertible to format compatible with computers utilized by the Authority at its offices, (b) a computer run hard copy, or (c) legible microfiche or microfilm, together with access to a microfiche or microfilm reader. Records maintained by the Company in the form of electronic media shall be provided to the Authority in electronic read only form compatible with computers utilized by the Authority if requested in such form by the Authority. The Airport Director may require the Company to provide any other records the Airport Director determines, in his or her opinion, are necessary to enable the Authority to perform an accurate audit of the Company's Gross Receipts hereunder. Such records shall be provided within thirty (30) days of the request thereof and, in the event that exclusions, deductions or allocations reducing Gross Receipts are not supported or substantiated by such records, all such amounts shall be deemed Gross Receipts for purposes of determining amounts payable to the Authority. All such original books and records shall upon reasonable notice from Authority be made available, either at the Assigned Space, if assigned, or at the offices of the Authority, for inspection, examination or audit by Authority through its duly authorized representatives at any time for up to three (3) years after the calendar year to which such books and records pertain; provided, however, that if prior to the expiration of such three (3) year period, any audit, review or investigation is commenced by the Authority, or any claim is made or litigation is commenced relating to this Permit by the Authority, such books and records shall continue to be maintained by Company, and Authority shall continue to have the right to inspect such books and records in the manner stated above, until the audit, claim or litigation is finally resolved (including the determination of any and all appeals or the expiration of time for an appeal). Any such inspection at the Assigned Space will be conducted during reasonable business hours and in such a manner and at such time as to not unduly interfere with the conduct of Company's business.

Should the Company not wish to make its original books and records available for inspection at the Airport, the Company shall have the option of having representatives of the Authority inspect the Company's books and records at a location where the Company maintains its records within forty five (45) days of Authority's request



to inspect Company's books and records. Should the Company elect to have the inspection, examination or audit performed at a location outside the limits of Buncombe County, the Company shall pay the Authority for travel expenses incurred in connection with such inspection, examination or audit in accordance with the Authority's adopted travel policies, from the auditor's duty station to the location at which the books and records are maintained for each day of travel and on-site work. After the inspection is complete, the Authority shall bill the Company for such travel expenses and the Company shall promptly pay such bill. Authority shall further have the right, upon reasonable written notice to Company, to cause an audit to be made of the books and records of Company and its assignees and agents which relate to its operations at the Airport to determine the correctness of the Percentage Fees paid by Company hereunder. Such audit may include, but is not limited to, a review of general, input, processing, and output controls of information systems, using read only access, for all computerized applications used to record financial transactions and information. The Company shall, if requested, freely lend its own assistance in making such inspection, examination, or audit, and, if such records are maintained in electronic and other machine-readable format, shall provide the Authority and/or its representative such assistance as may be required to allow complete access to such records. The Company also shall lend such assistance and support freely to the Authority as the Authority may reasonably request in the conduct of any inspection, examination or audit as the Authority deems necessary. If, as a result of such audit, it is established that Percentage Fees have been underpaid to Authority, Company shall forthwith, upon written demand from Authority, pay the difference to Authority, together with interest thereon at the rate of eighteen percent (18%) per annum from the date such amount or amounts should have been paid. Further, if such audit establishes that Company has understated and underpaid the total Percentage Fees due hereunder during the audit period by two percent (2%) or more, then the entire expense of such audit shall be borne by Company.

I. **Indemnification**. Company agrees to indemnify, defend and hold completely harmless the Authority, and its members (including, without limitation, members of the Authority's Board), officers, employees and agents of each, from and against all liabilities (including, without limitation, liability under the Comprehensive Environmental Response, Compensation and Liability Act, 42 USC Section 9601, et seq., or any other federal, state or local environmental statute, ordinance regulation or rule), losses, suits, claims, demands, judgments, damages, fines, penalties, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, expert fees and reasonable attorneys' fees prior to institution of legal proceedings and at both trial and appellate levels), which may be incurred by, charge to or recovered from any of the foregoing (i) by reason or on account of damage to or destruction of any property of the Authority, or any property of, injury to or death of any person resulting from or arising out of the use, occupancy, or maintenance of the Assigned Space or any improvements thereto, of Company's operations thereon, or the acts or omissions of Company's officers, agents, employees, contractors, subcontractors, invitees or licensees, regardless of where the damage, destruction, injury or death occurred, unless such liability, loss, suit, claim,

demand, judgment, damage, fine, penalty, cost or expense was proximately caused solely by Authority's negligence or by the joint negligence of Authority and any person other than Company or its officers, agents, employees, contractors, subcontractors, invitees or licensees, or (ii) arising out of the failure of Company to keep, observe or perform any of the covenants or agreements in this Permit to be kept, observed or performed by Company. The provisions of this Paragraph I shall survive the expiration of earlier termination of the term of this Permit with respect to any acts or omissions occurring during the term of this Permit.

The foregoing provisions of this Paragraph I are not intended and shall not be construed to limit in any manner whatsoever the protection or benefits to which Authority otherwise would be entitled as an additional insured under any liability insurance maintained or required to be maintained by Company under this Permit.

J. **Waiver of Damage**. Company hereby expressly waives and releases any cause of action or right of recovery for compensation for any and all loss or damage sustained by reason of any fire, defect, deficiency or impairments of any of the services in or to the Assigned Space or the Airport, including, but not limited to, electrical power, gas, telephone service, steam, heating, air conditioning, water supply, drainage or sewage systems, or from wires leading to or inside of any space or structure, or by reason of any loss resulting from the failure of any such system or facility unless such loss or damage is due to the negligence or willful misconduct of Authority or its officers, agents or employees.

K. **Insurance Requirements**. Company shall, at its own cost and expense, purchase and maintain throughout the term of this Permit the following insurance:

(1) Automobile liability insurance (any auto, including owned autos, non-autos and hired autos), and Commercial general liability insurance (including, but not limited to Premises/Operations, Products/Completed Operations, Contractual, Independent Contractors, Broad Form Renter's coverage and Personal Injury coverage, as applicable), protecting Company, the Greater Asheville Regional Airport Authority, and the members (including, without limitation, members of Authority Board), officers, agents and employees of each, all of whom shall be named as additional insureds, from and against any and all liabilities arising out of or relating to Company's use or occupancy of, or the conduct of its operations on, the Assigned Space and any improvements thereto, and on the Airport, in such form and with such company or companies as the Authority may reasonably approve, with a combined single limit (or its equivalent) per occurrence of not less than the amount set forth in Paragraph 6 hereof, with a deductible reasonably acceptable to the Authority, with a waiver of any right of subrogation that the insurer may have against the Authority, with contractual liability coverage for Company's covenants to and indemnification of the Authority under this Permit, and with the insurance company obligated to use counsel reasonably acceptable to the Authority in carrying out its obligations to the Authority. This insurance shall provide that it is primary insurance as respects any other valid and collectible insurance Authority may possess, including any

self-insured retention or deductible Authority may have, and that any other insurance Authority does possess shall be considered excess insurance only. This insurance shall also provide that it shall act for each insured and each additional insured as though a separate policy has been written for each; provided, however, that this provision shall not operate to increase the policy limits of the insurance; and

(2) Workers compensation insurance as required by the laws of North Carolina; provided, however, that Company may self-insure its workers compensation liability, if in compliance with North Carolina law. Employers Liability coverage is also required with limits of liability not less than \$500,000 each accident, \$500,000 disease policy limit and \$500,000 disease-each employee.

At least three (3) business days prior to the commencement of the term of this Permit and at least ten (10) days prior to the expiration of any policy or policies theretofore provided hereunder by Company, Company shall cause a certificate or certificates of insurance to be furnished to Authority evidencing all such coverage, and such certificate shall provide that the policy or policies will not be cancelled nor the limits thereunder be materially changed without first providing at least thirty (30) days' written notice thereof to Authority.

L. **Assignment and Subletting.** Company shall not assign this Permit or any of the rights granted to it hereunder or sublet the Assigned Space or any portion thereof without the prior express written consent of Authority in each instance, which may be granted or withheld in the Authority's sole discretion.

M. **Default.** In the event that Company shall fail to remit any payment due to Authority under Paragraph 4 hereof, or shall fail to submit any financial report required to be submitted in connection therewith, within five days after the same shall become due, or in the event that Company or any of its officers, employees, agents, invitees or licensees violates any other term, covenant or condition of this Permit and such violation continues or reoccurs after Authority has given written notice thereof to Company, the Authority shall have the right to declare the entire balance of the consideration due to Authority under Paragraph 4 of this Permit due and payable forthwith; or Authority may elect to terminate this Permit, with 7 days written notice, and resume possession of the Assigned Space, thereafter using the same for its own purposes without having to account to Company therefor; or Authority may elect to retake possession of and relet the Assigned Space as agent for the Company, collecting and applying the proceeds first, toward the payment of all costs and expenses incurred in connection with such reletting, and next, toward the payment of any consideration and other charges due Authority under this Permit, in which event Company shall be responsible for paying any deficiency to Authority. In addition, Authority shall have any and all other rights or remedies available to it as a landlord under the applicable laws of the State of North Carolina by reason of any such default.

N. **End of Term**. At the end of the term or upon the earlier termination of this Permit, Company shall deliver to Authority possession of the Assigned Space and all of the fixtures and equipment of Authority in their original condition in all respects, reasonable use and wear excepted, and Company agrees to reimburse Authority for the cost of any alterations, replacement, repairs or cleaning required to restore the same to such condition; provided, however, in the event Company has caused any alterations or improvements to be made to the Assigned Space, including but not limited to the addition, relocation or removal of partitions and doorways (which such alterations or improvements shall be made at Company's cost and only with the prior express written approval of Authority in each instance), the Authority may elect, with respect to each such alteration or improvement, to accept it as it was at the time it was made or constructed, reasonable use and wear excepted, or to require the same to be restored to its original condition at Company's expense.

O. **Holding Over**. It is agreed that if Company, or any assignee or sublessee thereof, shall continue to occupy the Assigned Space after the termination of this Permit (including a termination under paragraph M hereof) without the prior written consent of Authority, then such tenancy shall be a tenancy-at-sufferance, the Authority shall be entitled to double the monthly rent specified in Paragraph 4 hereof, and acceptance by Authority of any sums after any such termination shall not constitute a renewal of this Permit or a consent to such occupancy, nor shall it waive Authority's right of re-entry or any other right available to it under the laws of North Carolina or the provisions of this Permit.

P. **Costs and Attorneys' Fees**. In the event that Authority elects to engage the services of an attorney to collect any sums due hereunder from Company, or in the event the Authority is the prevailing party in any action to enforce any provision of this Permit or in any other legal proceeding at law or in equity arising hereunder or in connection herewith, Company shall reimburse Authority for all reasonable costs, attorneys' fees and all other actual expenses incurred by the Authority in the defense and/or prosecution of such legal proceeding and in any appeals, including, but not limited to, fees and expenses for paralegals, investigators, legal support personnel and expert witnesses.

Q. **Notice**. Any notice permitted or required to be given to Company hereunder shall be in writing and delivered either by hand to the Assigned Space, by nationally recognized overnight courier service or by U.S. Certified Mail, Return Receipt Requested, postage prepaid, to the address contained in Paragraph 1 of this Permit or such other address as Company may, by written notice, direct from time to time. Any notice permitted or required to be given to Authority hereunder shall be in writing and delivered either by hand to the Office of the Executive Director, Greater Asheville Regional Airport Authority, Asheville Regional Airport, Fletcher, North Carolina, provided Company obtains a written acknowledgment of receipt therefor from Authority, by nationally recognized overnight courier service or by U.S. Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows:

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

or such other address as Authority may request from time to time.

R. **Sums Paid by Authority**. If Authority has paid any sum or sums or has incurred any obligation or expense which Company has agreed to pay or reimburse Authority for, or if Authority is required or elects to pay any sum or sums or incurs any obligation or expense because of the failure, neglect or refusal of Company to perform or fulfill any of the terms or conditions of this Permit, then the same shall be deemed additional rent due hereunder and Company shall reimburse Authority therefor promptly upon demand.

S. **Interest on Sums Due Authority**. Any sums payable by Company to Authority under any provision of this Permit which are not paid when due shall bear interest at the rate of 18% per annum from the date the same became due and payable until paid.

T. **Security Deposit**. In the event that a security deposit is required under Paragraph 7 hereof, Company shall deposit such sum with Authority upon execution of this Permit, and such sum shall be retained by Authority as security for the faithful performance of Company's obligation hereunder. 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, including, but not limited to, reimbursement of any expenses incurred by Authority in curing any default of Company, or to the cost of restoring the Assigned Space or its furnishings, fixtures or equipment to their original condition, reasonable use and wear excepted. In the event that all or any portion of the security deposit is so applied, Company shall promptly upon demand by Authority remit to Authority the amount of cash required to restore the security deposit to its original sum, and Company's failure to do so within five days after its receipt of such demand shall constitute a default under this Permit. If said deposit shall not have been applied for any of the foregoing purposes, it shall be returned to Company, without interest, within sixty (60) days after the end of the term of this Permit. The Authority will not pay interest on any security deposit.

U. **Brokerage Commissions**. Unless expressly provided otherwise herein, Company warrants that no real estate commission is payable by Authority to any person or entity in connection with this Permit, and Company does hereby agree to indemnify, defend and hold completely harmless Authority from and against any and all liabilities, costs and expenses (including all costs for investigation and defense thereof, including, but not limited to, court costs, expert fees and reasonable attorneys' fees prior to institution of legal proceedings and at both trial and appellate levels) incurred by Authority as a result of any claims therefor.

## **V. Authority's Reserved Rights.**

(1) Authority reserves the right for itself and others to utilize and maintain existing utility easements over, under, across and through the Assigned Space, and to run water, electrical, telephone, gas, drainage and other lines over, under, across and through the Assigned Space and to grant necessary utility easements therefor.

(2) Authority reserves the right (a) to further develop, improve, repair and alter the Airport and all roadways, parking areas, terminal facilities, landing areas and taxiways as it may reasonably see fit, free from any and all liability to Company for loss of business or damages of any nature whatsoever to Company occasioned during the making of such improvements, repairs, alterations and additions, including but not limited to any damages resulting from negligence of the Authority or its employees, agents or contractors, and (b) to establish such fees and charges for the use of the Airport by Company and all others as Authority may deem advisable.

(3) Company covenants and agrees that this Permit shall be subject and subordinate to the provisions of any existing or future agreement between Authority and the United States Government relative to the operation or maintenance of Airport, the execution of which has been or will be required as a condition precedent to the granting of federal funds for the development or operation of Airport. In the event that the Federal Aviation Administration or its successors shall require any modifications to this Permit as a condition precedent to the granting of such federal funds, Company shall promptly consent in writing to such modifications.

## **W. Discrimination Not Permitted.**

(1) Company, for itself, its successors in interest and its assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that (a) no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the use of the Assigned Space or the Airport under the provisions of this Permit; (b) that in the construction of any improvements on, over or under the Assigned Space and the furnishing of services thereon, no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subject to discrimination; and (c) that Company shall use the Assigned Space in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the Department of Transportation-effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

Likewise, Company shall comply with laws of the State of North Carolina prohibiting discrimination because of race, color, religion, sex, national origin, age, handicap or marital status. Should the Company authorize another person, with Authority's prior

written consent, to provide services or benefits from the Assigned Space or at the Airport, Company shall obtain from such person a written agreement pursuant to which such person shall, with respect to the services or benefits which it is authorized to provide, undertake for itself the obligations contained in this paragraph. Company shall furnish the original or a true copy of such agreement to Authority. Authority may from time to time be required by the United States Government, or one or more of its agencies, to adopt additional or amended provisions, including non-discrimination provisions, concerning the use and operation of the Airport, and Company agrees that it will adopt any such requirement as a part of this Permit.

(2) If Company shall furnish any services to the public at the Airport, it shall furnish said services on a fair, equal and not unjustly discriminatory basis to all users thereof and shall charge fair, reasonable and not unjustly discriminatory prices for each unit of service, provided that Company shall be allowed to make reasonable and non-discriminatory discounts, rebates or other similar types of price reductions to volume purchasers, if any.

(3) In the event of breach of any of the above nondiscrimination covenants, Authority shall have the right to terminate this Permit and to re-enter and repossess said Assigned Space, and hold the same as if this Permit had never been made or issued. The right granted to Authority by the foregoing sentence shall not be effective until applicable procedures of Title 49, Code of Federal Regulations, Part 21 are followed and completed, including exercise or expiration of appeal rights.

(4) Further, Company assures Authority that no person shall be excluded on the grounds of race, creed, color, national origin or sex from participating in or receiving the services or benefits of any program or activity covered by Title 14, Code of Federal Regulations, Part 152, Subpart E, Federal Aviation Administration, Non-discrimination in Airport Aid Program, and that it will be bound by and comply with all other applicable provisions of such Subpart E, as it may be amended. Company also assures Authority that it will require its covered suborganizations to provide written assurances to the same effect and provide copies thereof to Authority.

(5) Company assures Authority that it will comply with pertinent statutes, Executive Orders, and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age or handicap be excluded from participating in any activity conducted in connection with its operations under this Permit. Company also assures Authority that it will require any contractors and sublessees (to the extent that such sublessees are allowed under other provisions of this Permit) to provide assurances to the same effect and ensure that such assurances are included in subcontracts at all tiers which are entered into in connection with Company's operations under this Permit.

**X. Federal Aviation Administration Requirements.**

(1) Company shall comply with all applicable regulations of the Federal Aviation Administration relating to Airport security and shall control the Assigned Space so as to prevent or deter unauthorized persons from obtaining access to the air operations area of the Airport.

(2) Authority reserves unto itself, and unto its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft through the airspace above the surface of the Assigned Space, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft now known or hereafter used, and for navigation of or flight in the said airspace, and use of said airspace for landing on, taking off from or operating on the Airport.

(3) Company expressly agrees, on behalf of itself and its successors and assigns, to restrict the height of structures, objects of natural growth and other obstructions on the Assigned Space in compliance with the requirements of Federal Aviation Regulations, 14 CFR Part 77.

(4) Company agrees to require any lights in the Assigned Space to be constructed, focused or arranged in a manner that will prevent them from casting their beams in an upward direction so as to interfere with the vision of pilots in aircraft landing at or taking off from the Airport.

(5) Company expressly agrees, on behalf of itself and its successors and assigns, to prevent any use of the Assigned Space which would interfere with or adversely affect the operation or maintenance of the Airport, or which would otherwise constitute a hazard or nuisance at the Airport.

(6) Company agrees that it will not exercise or grant any right or privilege which would operate to prevent any person, firm or corporation operating aircraft on the Airport from performing any service (including, but not limited to maintenance and repair) on its own aircraft with its own employees that it may choose to perform.

(7) The Company 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 covered by 49 CFR, Part 23, Subpart F. The Company also agrees to include the above statements in any subsequent complementary aeronautical activity agreements that it enters into and to cause those businesses to similarly include the statements in further agreements.



Y. **Hazardous Materials.**

(1) **Definitions.** As used herein, the following terms shall have the meanings hereinafter set forth:

i. **“Environmental Laws”** shall mean any federal, state, local or administrative law, rule, regulation, order or requirement relating to industrial hygiene, environmental conditions or Hazardous Materials, whether now in effect or hereafter adopted.

ii. **“Hazardous Materials”** shall mean any material that, because of its quantity, concentration or physical or chemical characteristics, is deemed by any federal, state or local governmental authority to pose a present or potential hazard to human health or safety or to the environment. **“Hazardous Material”** includes, without limitation, any material or substance defined as a “hazardous substance,” or “pollutant” or “contaminant” pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, also commonly known as the “Superfund” law, as amended (42 U.S.C. **Sections** 9601 et seq.) (**“CERCLA”**), or pursuant to the General Statutes of North Carolina, or any waste which conforms to the criteria for hazardous material adopted by the Authority; any asbestos and asbestos containing materials; lead based paint; petroleum, including crude oil or any fraction thereof; natural gas or natural gas liquids; and any materials listed as a hazardous substance in the Authority’s rules and regulations.

iii. **“Release”** when used with respect to Hazardous Material shall include any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or on any property.

(2) **Company’s Agreement.** Company agrees that neither it nor its officers, agents, employees, contractors, subcontractors, sublessees, licensees or invitees shall cause any Hazardous Materials to be brought upon, kept, used, stored, generated or disposed of in, on or about the Airport, or transported to or from the Airport; provided that Company may use such substances as are customarily used in aviation so long as such use is in strict compliance with all applicable Environmental Laws and the Authority’s rules and regulations.

(3) **Environmental Indemnity.** Company shall indemnify, defend and hold harmless the Authority from and against any and all loss, damage, cost or expense (including attorney’s fees) arising during or after the term of this Permit as a result of or arising from (i) a breach by Company of its obligations contained in subparagraph Y(2) above, or (ii) any Release of Hazardous Materials from, in, or about the Airport caused by the act or omission of Company, its officers, agents, employees, contractors, subcontractors, sublessees, licensees or invitees.

(4) **Environmental Audit.** Upon reasonable notice to Company, the Authority may conduct or cause to be conducted through a third party that it selects, an

environmental audit or other investigation of Company's operations to determine whether Company has breached its obligations under subparagraph Y(2) above. Company shall pay all costs associated with said investigation if such investigation shall disclose any such breach by Company.

Z. **Miscellaneous.**

(1) the paragraph headings contained in this Permit are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope or intent of any provision hereof.

(2) Notwithstanding anything herein contained that may appear to be to the contrary, it is expressly understood and agreed that, except for Company's right to possession of the Assigned Space, the rights granted under this Permit are non-exclusive.

(3) Except as expressly prohibited herein, the provisions of this Permit shall bind and inure to the benefit of the successors and assigns of the parties hereto.

(4) Time is expressed to be of the essence of this Permit.

(5) This Permit shall be governed by and construed in accordance with the laws of the State of North Carolina. It is agreed that if any covenant, condition or provision contained herein is held to be invalid by any court of competent jurisdiction, such invalidity shall not affect the validity of any other covenant, condition or provision herein contained.

(6) No recourse under or upon any obligation, covenant or agreement contained in this Permit, or any other agreement or document pertaining to the operations of Company hereunder, as such may from time to time be altered or amended in accordance with the provisions hereof, or under any judgment obtained against Authority, or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any statute or otherwise, under or independent of this Permit, shall be had against any member (including, without limitation, members of Authority's Board), officer, employee or agent, as such, past, present and future, of Authority, either directly or through Authority or otherwise, for any claim arising out of this Permit or the operations conducted pursuant to it, or for any sum that may be due and unpaid by Authority. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any Authority member, officer, employee or agent, as such, to respond by reason of any act or omission on his or her part or otherwise for any claim arising out of this Permit or the operations conducted pursuant to it, or for the payment for or to Authority, or any receiver therefor or otherwise, or any sum that may remain due and unpaid by Authority, is hereby expressly waived and released as a condition of and as consideration for the execution of this Permit.

(7) Company represents and warrants to Authority that, to the best of its knowledge, except as may be disclosed in an Addendum hereto, no member, officer, employee or agent of Authority has any material interest, either directly or indirectly, in the business of Company to be conducted hereunder.

(8) This Permit constitutes the entire agreement between the parties hereto with respect to the subject matter hereof, and any representation or statements heretofore made with respect to such subject matter, whether oral or written, are merged herein. This Permit may be altered or amended only by written instrument executed by both parties hereto.

(9) As required by North Carolina law, Authority hereby includes the following notifications as part of this Permit:

**RADON GAS:** Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in North Carolina. Additional information regarding radon and radon testing may be obtained from your county public health unit.

(10) Company hereby consents to the jurisdiction of the courts of the State of North Carolina and of the Federal District Court for the Western District of North Carolina with respect to any action instituted by the Authority and arising against Company under this Permit, and waives any objection which Company may have at any time to the laying of venue of any such action brought in any such court, waives any claim that such action has been brought in an inconvenient forum and further waives the right to object, with respect to such action, that such court does not have any jurisdiction over Company. Company further irrevocably consents to the service of process by certified or registered mail (airmail if overseas) or the equivalent (return receipt requested), or the service of process in any other manner permitted by law, in any action instituted by the Authority and arising against Company under this Permit.

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

**GREATER ASHEVILLE REGIONAL  
AIRPORT AUTHORITY**

By: \_\_\_\_\_  
Lew Bleiweis, A.A.E.  
Executive Director

**TRICOPIAN, INC., DBA FUELROD**

By: \_\_\_\_\_  
Joe Yeagley  
Chief Operating Officer

# Exhibit "A" Assigned Space

Exhibit A - Assigned Space

Minimum Fuel Rod Locations (Total 3)

## AIRPORT TERMINAL LAYOUT





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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: June 14, 2019

### ITEM DESCRIPTION – New Business Item B

Approve Non-Federal Reimbursable Agreement with Federal Aviation Administration for Air Traffic Control Tower Siting Study

### BACKGROUND

AVL's air traffic control tower and associated structural facility is owned by the Authority, and leased to the FAA for the conduct of providing air traffic services on the airport. The tower is original to the airport and has been in continuous operation since the airport opened in June 1961. The 58-year-old control tower is one of the oldest operating FAA control towers in the U.S. and is considered obsolete on multiple levels. The tower no longer meets FAA tower siting requirements, which includes its location atop the terminal building, ensuring it cannot meet security setback requirements from the general public. Additionally, its limited height requires that any future building constructed on the airport also be limited in its design in order to ensure it does not cause line of sight issues for the controllers. Lastly, its location atop the terminal building will restrict the Authority's ability to design and expand the terminal building as needed in the future to serve the needs of the traveling public.

Prior to programming and design of a new tower, a formal study must be performed following FAA requirements to determine the most appropriate location and height for a new air traffic control tower. This study must be performed by the FAA.

### ISSUES

Regardless of plans for terminal building modernization, the current tower is obsolete and needs to be replaced.

New Business – Item B



**ALTERNATIVES**

None. Approval, programming and undertaking design of a new air traffic control tower typically takes years, but it appears the FAA is expediting the process because of the potential for the Authority’s terminal building modernization project. This task is the first step towards that goal and is required before any other actions can be undertaken by the FAA.

**FISCAL IMPACT**

The not-to-exceed cost of this Agreement is \$453,248.19. It is staff’s intent to get a commitment from the FAA to fund and build their new control tower, but in the interim the Authority should collaborate and cover the cost of this expenditure and seek reimbursement.

**RECOMMENDED ACTION**

It is respectfully requested that the Airport Authority Board resolve to (1) approve the Non-Federal Reimbursable Agreement with the FAA; and (2) authorize the Executive Director to execute the necessary documents; and (3) amend the FY 2018/2019 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>
Capital Improvements		\$453,248.19
Totals		\$453,248.19





**NON-FEDERAL REIMBURSABLE AGREEMENT**

**BETWEEN**

**DEPARTMENT OF TRANSPORTATION  
FEDERAL AVIATION ADMINISTRATION**

**AND**

**GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY  
ASHEVILLE REGIONAL AIRPORT  
ASHEVILLE, NORTH CAROLINA**

**WHEREAS**, the Federal Aviation Administration (FAA) can furnish directly or by contract, material, supplies, equipment, and services which the Greater Asheville Regional Airport Authority (Sponsor) requires, has funds available for, and has determined should be obtained from the FAA;

**WHEREAS**, it has been determined that competition with the private sector for provision of such material, supplies, equipment, and services is minimal; the proposed activity will advance the FAA's mission; and the FAA has a unique capability that will be of benefit to the Sponsor while helping to advance the FAA's mission;

**WHEREAS**, the authority for the FAA to furnish material, supplies, equipment, and services to the Sponsor upon a reimbursable payment basis is found in 49 U.S.C. § 106(l)(6) on such terms and conditions as the Administrator may consider necessary;

**NOW THEREFORE**, the FAA and the Sponsor mutually agree as follows:

**ARTICLE 1. Parties**

The Parties to this Agreement are the FAA and Greater Asheville Regional Airport Authority.

**ARTICLE 2. Type of Agreement**

This Agreement is an "other transaction" authorized under 49 U.S.C. § 106(l)(6). It is not intended to be, nor will it be construed as, a partnership, corporation, joint venture or other business organization.

**ARTICLE 3. Scope**

A. The Project Sponsor has requested that the FAA develop a reimbursable agreement to perform a formal siting effort for a new Airport Traffic Control Tower. They have provided three sites selected during their Master Plan process for consideration. This agreement may be amended to take this effort further, if necessary. This Agreement

provides funding for the FAA to provide these services. Therefore, this Agreement is titled:

Relocate Airport Traffic Control Tower (ATCT), Asheville Regional Airport (AVL),  
Asheville, North Carolina

B. The FAA will perform the following activities:

1. Obtain photogrammetry data and develop a model of the airfield.
2. Conduct an investigation of potential sites using the model data at the AFTIL lab. Participants will include project sponsor representative(s), Air Traffic Organization representatives (air traffic, terminal planning, flight procedures, flight standards, and engineering services), and an Airport's Division representative. This evaluation shall yield at least three mutually agreeable candidate sites for further evaluation.
3. Perform an in depth evaluation of the candidate sites including environmental due diligence audits.
4. Conduct a final evaluation of the candidate sites at the AFTIL lab with the same representatives to make a determination as to the site that shall be pursued.
5. Finalize the siting report describing the location and height of the selected ATCT and obtaining ATO approval. Provide a copy of the information to the project sponsor.
6. Develop a requirements document that identifies space and equipage needs. This document shall also include budget estimates for the project, and be approved by the ATO. Provide a copy of the information to the project sponsor.

C. The Sponsor will perform the following activities:

1. Provide any available photogrammetry data and master planning data. This shall include an approved Airport Layout Plan and elevation data for future structures.
2. Participate in AFTIL lab visits to determine candidate sites and select final site.
3. Include the proposed ATCT relocation in the Environmental Assessment for the terminal project.

D. This agreement is in whole or in part funded with funding from an AIP grant [ ] Yes [X] No. If Yes, the grant date is: \_\_\_\_\_ and the grant number is: \_\_\_\_\_ . If the grant information is not available at the time of agreement execution, the Sponsor will provide the grant information to the FAA when it becomes available.

#### **ARTICLE 4. Points of Contact**

##### **A. FAA:**

1. The FAA Eastern Service Area, Planning and Requirements will provide administrative oversight of this Agreement. John Fowler is the Lead Planner and liaison with the Sponsor and can be reached at (404) 305-7326 or via email at john.fowler@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes that affect the estimated cost, period of performance, or other terms and conditions of this Agreement.
2. The FAA Eastern Service Area, Terminal Engineering Center, will perform the scope of work included in this Agreement. Courtney Nolan is the Terminal Engineering Center Plants Manager and liaison with the Sponsor and can be reached at (404) 305-7431 or via email at courtney.nolan@faa.gov. This liaison is not authorized to make any commitment, or otherwise obligate the FAA, or authorize any changes that affect the estimated cost, period of performance, or other terms and conditions of this Agreement.
3. FAA Contracting Officer: The execution, amendment, and administration of this Agreement must be authorized and accomplished by the Contracting Officer, Gail Edwards who can be reached at (404) 305-5182 or via email at gail.edwards@faa.gov.

##### **B. Sponsor:**

Greater Asheville Regional Airport Authority  
Attn: Mr. Lew Bleiweis, Airport Director  
61 Terminal Drive, Suite 1  
Fletcher, NC 28732  
(828) 684-2226

#### **ARTICLE 5. Non-Interference with Operations**

The Sponsor understands and hereby agrees that any relocation, replacement, or modification of any existing or future FAA facility, system, and/or equipment covered by this Agreement during its term or any renewal thereof made necessary by Sponsor improvements, changes, or other actions which in the FAA's opinion interfere with the technical and/or operations characteristics of an FAA facility, system, and/or piece of equipment will be at the expense of the Sponsor, except when such improvements or changes are made at the written request of the FAA. In the event such relocations, replacements, or modifications are necessitated due to causes not attributable to either the Sponsor or the FAA, the parties will determine funding responsibility.

## **ARTICLE 6. Property Transfer**

- A. To the extent that the Sponsor provides any material associated with the Project, and to the extent that performance of the requirements of this Project results in the creation of assets constructed, emplaced, or installed by the Sponsor, all such material (buildings, equipment, systems, components, cable enclosures, etc.) and assets will become the property of the FAA upon project completion. For purposes of this Article 6, "project completion" means that FAA has inspected the specific equipment or construction, and has accepted it as substantially complete and ready for use. The creation of an additional agreement will not be required, unless such other agreement is required by the laws of the state in which the subject property is located. The Sponsor and FAA acknowledge that the FAA has accepted the fundamental responsibilities of ownership by assuming all operations and maintenance requirements for all property transferred to the FAA, and that the subject transfer to FAA is in the best interest of both the Sponsor and FAA.

In order to ensure that both FAA and the Sponsor have complete and accurate documentation of all property transferred to FAA and subject to this Agreement, the transfer of ownership of such real and personal property to the FAA shall be supported and memorialized by FAA's and the Sponsor's execution of Attachment A (Sponsor Cost and Transfer Certification Form) within ninety (90) calendar days from the date of project completion. The Sponsor will provide a line item property listing in tabular format including costs, as set forth in Attachment A, consisting of all real and personal property that is included in the Project. The cost data for each item will be supported by documentary evidence of reasonable cost and ownership, including, for example, the original invoice or billing statement, bill of lading, a copy of the construction contract, and verification of the contract acceptance date. At FAA's request, all supporting cost documentation shall be made available by the Sponsor within 5 workdays of the request. The FAA shall retain the original copy of Attachment A. A complete copy of Attachment A will be provided to the sponsor upon request.

- B. In order to ensure that the assets and materials subject to this Article remain fully accounted-for and operational, the Sponsor will provide the FAA any additional documents and publications that will enhance the FAA's ability to manage, maintain and track the assets being transferred. Examples may include, but are not limited to, operator manuals, maintenance publications, warranties, inspection reports, etc. These documents will be considered required hand-off items upon Project completion.

**ARTICLE 7. Estimated Costs**

The estimated FAA costs associated with this Agreement are as follows:

DESCRIPTION OF REIMBURSABLE ITEM	ESTIMATED COST
<b>Labor</b>	
WB4030 EOSH	\$8,720.00
WB4040 Site Selection and Acquisition	\$102,960.00
Labor Subtotal	\$111,680.00
Labor Overhead	\$17,682.67
<b>Total Labor</b>	<b>\$129,362.67</b>
<b>Non-Labor</b>	
WB4030/4040 Travel	\$1,302.00
AFTIL I/ AFTIL II	\$271,794.00
AFTIL I/ AFTIL II Travel	\$26,798.00
Non-Labor Subtotal	\$299,894.00
Non-Labor Overhead	\$23,991.52
<b>Total Non-Labor</b>	<b>\$323,885.52</b>
<b>TOTAL ESTIMATED COST</b>	<b>\$453,248.19</b>

**ARTICLE 8. Period of Agreement and Effective Date**

The effective date of this Agreement is the date of the last signature. This Agreement is considered complete when the final invoice is provided to the Sponsor and a refund is sent or payment is received as provided for in Article 9, Section E of this Agreement. This Agreement will not extend more than five years beyond its effective date.

**ARTICLE 9. Reimbursement and Accounting Arrangements**

- A. The Sponsor agrees to prepay the entire estimated cost of the Agreement. The Sponsor will send a copy of the executed Agreement and submit full advance payment in the amount stated in Article 7 to the Reimbursable Receipts Team listed in Section C of this Article. The advance payment will be held as a non-interest bearing deposit. Such advance payment by the Sponsor must be received before the FAA incurs any obligation to implement this Agreement. Upon completion of this Agreement, the final costs will be netted against the advance payment and, as appropriate, a refund or final bill will be sent to the sponsor. Per U.S. Treasury guidelines, refunds under \$1.00 will not be processed. Additionally, FAA will not bill the sponsor for amounts less than \$1.00.

- B. The Sponsor certifies that arrangements for sufficient funding have been made to cover the estimated costs of the Agreement.
- C. The Reimbursable Receipts team is identified by the FAA as the billing office for this Agreement. The preferred method of payment for this agreement is via Pay.Gov. The sponsor can use a check or credit card to provide funding in this manner and receipt-processing time is typically within 3 working days. Alternatively, the sponsor can mail the payment to the address shown below. When submitting funding by mail, the Sponsor must include a copy of the executed Agreement and the full advance payment. All payments mailed to the FAA must include the Agreement number, Agreement name, Sponsor name, and project location. Payments submitted by mail are subject to receipt-processing delay of up to 10 working days.

FAA payment remittance address using USPS or overnight method is:

Federal Aviation Administration  
Reimbursable Receipts Team  
800 Independence Ave S.W.  
Attn: Rm 612  
Washington D.C. 20591  
Phone 202-267-1307

The Sponsor hereby identifies the office to which the FAA will render bills for the project costs incurred as:

Greater Asheville Regional Airport Authority  
Attn: Mr. Lew Bleiweis, Airport Director  
61 Terminal Dr, Suite 1  
Fletcher, NC 28732  
(828) 684-2226

- D. The FAA will provide a quarterly Statement of Account of costs incurred against the advance payment.
- E. The cost estimates contained in Article 7 are expected to be the maximum costs associated with this Agreement, but may be amended to recover the FAA's actual costs. If during the course of this Agreement actual costs are expected to exceed the estimated costs, the FAA will notify the Sponsor immediately. The FAA will also provide the Sponsor an amendment to the Agreement which includes the FAA's additional costs. The Sponsor agrees to prepay the entire estimated cost of the amendment. The Sponsor will send a copy of the executed amendment to the Agreement to the Reimbursable Receipts Team with the additional advance payment. Work identified in the amendment cannot start until receipt of the additional advance payment. In addition, in the event that a contractor performing work pursuant to the scope of this Agreement brings a claim against the FAA and the FAA incurs additional costs as a result of the claim, the Sponsor agrees to reimburse the FAA for the additional costs incurred whether or not a final bill or a refund has been sent.

## **ARTICLE 10. Changes and Amendments**

Changes and/or amendments to this Agreement will be formalized by a written amendment that will outline in detail the exact nature of the change. Any amendment to this Agreement will be executed in writing and signed by the authorized representative of each party. The parties signing this Agreement and any subsequent amendment(s) represent that each has the authority to execute the same on behalf of their respective organizations. No oral statement by any person will be interpreted as amending or otherwise affecting the terms of the Agreement. Any party to this Agreement may request that it be amended, whereupon the parties will consult to consider such amendments.

## **ARTICLE 11. Termination**

In addition to any other termination rights provided by this Agreement, either party may terminate this Agreement at any time prior to its expiration date, with or without cause, and without incurring any liability or obligation to the terminated party other than payment of amounts due and owing and performance of obligations accrued, in each case on or prior to the termination date, by giving the other party at least thirty (30) days prior written notice of termination. Payment of amounts due and owing may include all costs reimbursable under this Agreement, not previously paid, for the performance of this Agreement before the effective date of the termination; the total cost of terminating and settling contracts entered into by the FAA for the purpose of this Agreement; and any other costs necessary to terminate this Agreement. Upon receipt of a notice of termination, the receiving party will take immediate steps to stop the accrual of any additional obligations which might require payment. All funds due after termination will be netted against the advance payment and, as appropriate, a refund or bill will be issued.

## **ARTICLE 12. Order of Precedence**

If attachments are included in this Agreement and in the event of any inconsistency between the attachments and the terms of this Agreement, the inconsistency will be resolved by giving preference in the following order:

- A. This Agreement
- B. The attachments

## **ARTICLE 13. Legal Authority**

This Agreement is entered into under the authority of 49 U.S.C. § 106(l)(6), which authorizes the Administrator of the FAA to enter into and perform such contracts, leases, cooperative agreements and other transactions as may be necessary to carry out the functions of the Administrator and the Administration on such terms and conditions as the Administrator may consider appropriate. Nothing in this Agreement will be construed as incorporating by reference or implication any provision of Federal acquisition law or regulation.

#### **ARTICLE 14. Disputes**

Where possible, disputes will be resolved by informal discussion between the parties. In the event the parties are unable to resolve any dispute through good faith negotiations, the dispute will be resolved by alternative dispute resolution using a method to be agreed upon by the parties. The outcome of the alternative dispute resolution will be final unless it is timely appealed to the Administrator, whose decision is not subject to further administrative review and, to the extent permitted by law, is final and binding (see 49 U.S.C. § 46110).

#### **ARTICLE 15. Warranties**

The FAA makes no express or implied warranties as to any matter arising under this Agreement, or as to the ownership, merchantability, or fitness for a particular purpose of any property, including any equipment, device, or software that may be provided under this Agreement.

#### **ARTICLE 16. Insurance**

The Sponsor will arrange by insurance or otherwise for the full protection of itself from and against all liability to third parties arising out of, or related to, its performance of this Agreement. The FAA assumes no liability under this Agreement for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf.

#### **ARTICLE 17. Limitation of Liability**

To the extent permitted by law, the Sponsor agrees to indemnify and hold harmless the FAA, its officers, agents and employees from all causes of action, suits or claims arising out of the work performed under this Agreement. However, to the extent that such claim is determined to have arisen from the act or omission by an officer, agent, or employee of the FAA acting within the scope of his or her employment, this hold harmless obligation will not apply and the provisions of the Federal Tort Claims Act, 28 U.S.C. § 2671, et seq., will control. The FAA assumes no liability for any losses arising out of any action or inaction by the Sponsor, its employees, or contractors, or any third party acting on its behalf. In no event will the FAA be liable for claims for consequential, punitive, special and incidental damages, claims for lost profits, or other indirect damages.

#### **ARTICLE 18. Civil Rights Act**

The Sponsor will comply with Title VI of the Civil Rights Act of 1964 relating to nondiscrimination in federally assisted programs.



**ARTICLE 19. Protection of Information**

The parties agree that they will take appropriate measures to identify and protect proprietary, privileged, or otherwise confidential information that may come into their possession as a result of this Agreement.

**ARTICLE 20. Security**

In the event that the security office determines that the security requirements under FAA Order 1600.72A applies to work under this Agreement, the FAA is responsible for ensuring that security requirements, including compliance with AMS clause 3.14.2.1, Contractor Personnel Suitability Requirements are met.

**ARTICLE 21. Entire Agreement**

This document is the entire Agreement of the parties, who accept the terms of this Agreement as shown by their signatures below. In the event the parties duly execute any amendment to this Agreement, the terms of such amendment will supersede the terms of this Agreement to the extent of any inconsistency. Each party acknowledges participation in the negotiations and drafting of this Agreement and any amendments thereto, and, accordingly that this Agreement will not be construed more stringently against one party than against the other. If this Agreement is not executed by the Sponsor within 120 calendar days after the FAA transmits it to the Sponsor, the terms contained and set forth in this Agreement shall be null and void.

**AGREED:**

**FEDERAL AVIATION  
ADMINISTRATION**

**GREATER ASHEVILLE  
REGIONAL AIRPORT  
AUTHORITY**

SIGNATURE \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE Contracting Officer  
DATE \_\_\_\_\_

SIGNATURE \_\_\_\_\_  
NAME \_\_\_\_\_  
TITLE \_\_\_\_\_  
DATE \_\_\_\_\_



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Lew Bleiweis, A.A.E., Executive Director

DATE: June 14, 2019

### ITEM DESCRIPTION – Information Section Item A

April, 2019 Traffic Report – Asheville Regional Airport

### SUMMARY

April, 2019 overall passenger traffic numbers were up 45.0% compared to the same period last year. Passenger traffic numbers reflect a 45.7% increase in passenger enplanements from April, 2018. Enplanements for Fiscal Year to Date total 540,702 which is a 26.7% increase over the same period last year.

### AIRLINE PERFORMANCE

Allegiant Airlines: Year over Year passenger enplanements for Allegiant in April 2019 were up by 85.1%. There were no flight cancellations for the month.

American Airlines: American's April 2019 passenger enplanements represent a 27.2% increase over the same period last year. There was one (1) flight cancellation for the month.

Delta Airlines: Delta's April 2019 enplanements increased by 10.9% compared to April 2018. There were no flight cancellations for the month.

United Airlines: In April 2019, United Airlines saw a decrease in enplanements by 4.8% over the same period last year. There were no flight cancellations for the month.

# Monthly Traffic Report Asheville Regional Airport

April 2019



Category	Apr 2019	Apr 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change	*MOV12-2019	*MOV12-2018	Percentage Change
<b>Passenger Traffic</b>									
Enplaned	61,230	42,025	45.7%	211,512	145,134	45.7%	634,554	505,038	25.6%
Deplaned	<u>61,960</u>	<u>42,932</u>	44.3%	<u>208,249</u>	<u>144,079</u>	44.5%	<u>630,562</u>	<u>504,825</u>	24.9%
<b>Total</b>	<b>123,190</b>	<b>84,957</b>	<b>45.0%</b>	<b>419,761</b>	<b>289,213</b>	<b>45.1%</b>	<b>1,265,116</b>	<b>1,009,863</b>	<b>25.3%</b>
<b>Aircraft Operations</b>									
Airlines	1,100	737	49.3%	3,574	2,477	44.3%	10,327	8,051	28.3%
Commuter/ Air Taxi	<u>598</u>	<u>670</u>	-10.7%	2,529	2,304	9.8%	10,365	10,853	-4.5%
<b>Subtotal</b>	<u>1,698</u>	<u>1,407</u>	20.7%	<u>6,103</u>	<u>4,781</u>	27.7%	<u>20,692</u>	<u>18,904</u>	9.5%
General Aviation	3,469	3,332	4.1%	12,699	11,480	10.6%	39,950	42,622	-6.3%
Military	<u>354</u>	<u>361</u>	-1.9%	<u>912</u>	<u>990</u>	-7.9%	<u>3,119</u>	<u>4,535</u>	-31.2%
<b>Subtotal</b>	<u>3,823</u>	<u>3,693</u>	3.5%	<u>13,611</u>	<u>12,470</u>	9.1%	<u>43,069</u>	<u>47,157</u>	-8.7%
<b>Total</b>	<b>5,521</b>	<b>5,100</b>	<b>8.3%</b>	<b>19,714</b>	<b>17,251</b>	<b>14.3%</b>	<b>63,761</b>	<b>66,061</b>	<b>-3.5%</b>
<b>Fuel Gallons</b>									
100LL	16,206	7,904	105.0%	48,280	41,521	16.3%	170,206	162,517	4.7%
Jet A (GA)	81,882	103,542	-20.9%	252,392	318,720	-20.8%	1,391,619	1,472,464	-5.5%
<b>Subtotal</b>	<u>98,088</u>	<u>111,446</u>	-12.0%	<u>300,672</u>	<u>360,241</u>	-16.5%	<u>1,561,825</u>	<u>1,634,981</u>	-4.5%
Jet A (A/L)	<u>502,274</u>	<u>304,949</u>	64.7%	<u>1,675,363</u>	<u>1,149,926</u>	45.7%	<u>4,883,386</u>	<u>3,856,715</u>	26.6%
<b>Total</b>	<b>600,362</b>	<b>416,395</b>	<b>44.2%</b>	<b>1,976,035</b>	<b>1,510,167</b>	<b>30.8%</b>	<b>6,445,211</b>	<b>5,491,696</b>	<b>17.4%</b>

\*CYTD = Calendar Year to Date and \*Mov12 = Moving Twelve Months.

Tuesday, May 21, 2019

# Airline Enplanements, Seats, and Load Factors

## Asheville Regional Airport

April 2019



	Apr 2019	Apr 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change
<b>Allegiant Air</b>						
Enplanements	26,096	14,099	85.1%	88,779	49,513	79.3%
Seats	35,181	16,461	113.7%	121,110	60,678	99.6%
Load Factor	74.2%	85.7%	-13.4%	73.3%	81.6%	-10.2%
<b>American Airlines</b>						
Enplanements	11,618	9,137	27.2%	43,092	32,735	31.6%
Seats	14,191	10,855	30.7%	52,418	40,745	28.6%
Load Factor	81.9%	84.2%	-2.7%	82.2%	80.3%	2.3%
<b>Delta Air Lines</b>						
Enplanements	13,303	11,991	10.9%	44,685	43,409	2.9%
Seats	15,478	14,100	9.8%	52,160	50,709	2.9%
Load Factor	85.9%	85.0%	1.1%	85.7%	85.6%	0.1%
<b>Elite Airways</b>						
Enplanements	0	102	-100.0%	0	102	-100.0%
Seats	0	320	-100.0%	0	320	-100.0%
Load Factor	#Num!	31.9%	#Type!	#Num!	31.9%	#Type!
<b>Spirit Airlines</b>						
Enplanements	3,841	0	#Div/0!	16,526	0	#Div/0!
Seats	8,918	0	#Div/0!	31,668	0	#Div/0!
Load Factor	43.1%	#Num!	#Type!	52.2%	#Num!	#Type!
<b>United Airlines</b>						
Enplanements	6,372	6,696	-4.8%	18,430	19,375	-4.9%
Seats	7,558	7,562	-0.1%	23,960	24,819	-3.5%
Load Factor	84.3%	88.5%	-4.8%	76.9%	78.1%	-1.5%

Tuesday, May 21, 2019

\*CTYD = Calendar Year to Date and \*Mov12 = Moving Twelve Months.

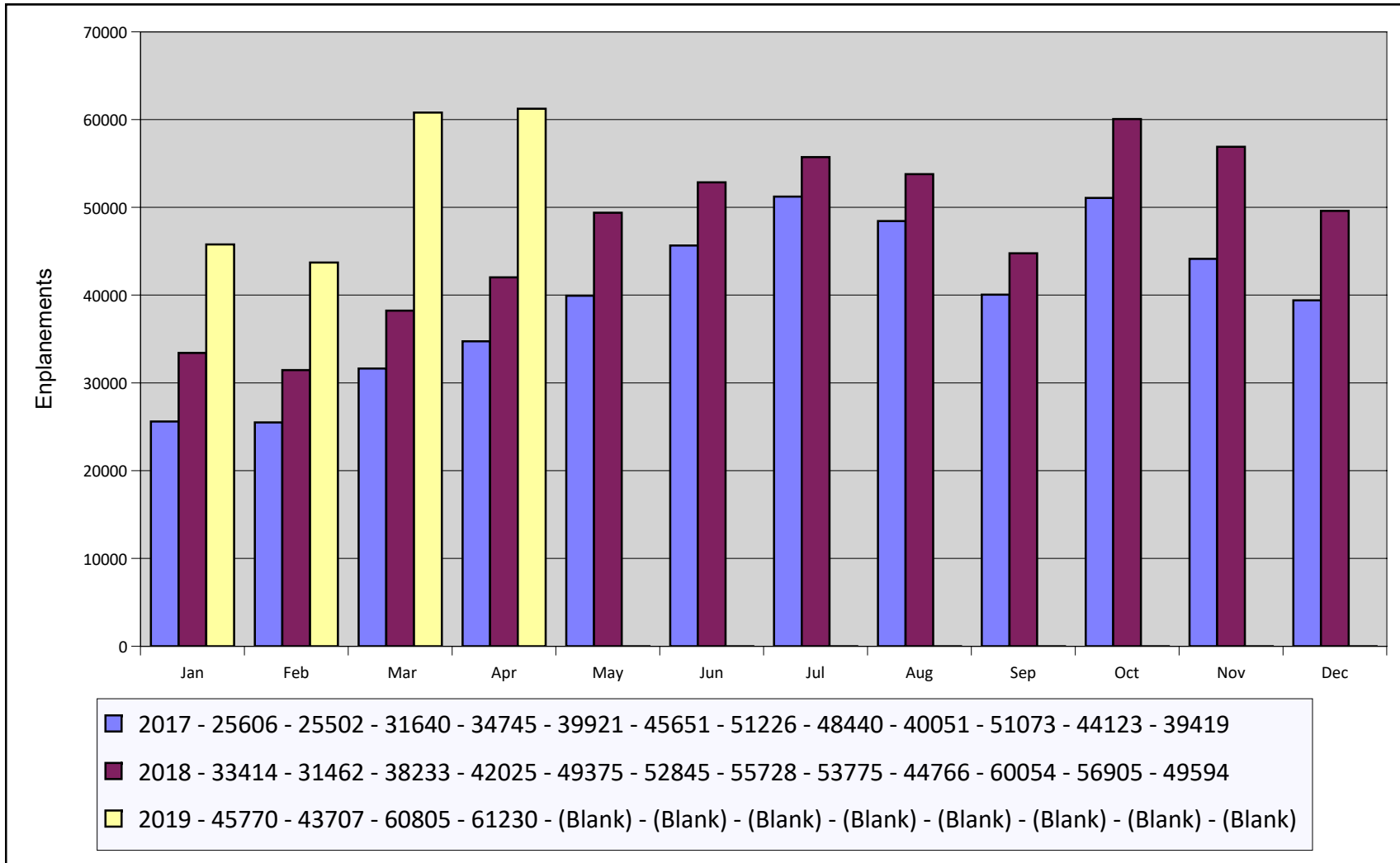
	Apr 2019	Apr 2018	Percentage Change	*CYTD-2019	*CYTD-2018	Percentage Change
<b>Totals</b>						
Enplanements	61,230	42,025	45.7%	211,512	145,134	45.7%
Seats	81,326	49,298	65.0%	281,316	177,271	58.7%
Load Factor	75.3%	85.2%	-11.7%	75.2%	81.9%	-8.2%

# Airline Flight Completions Asheville Regional Airport April 2019

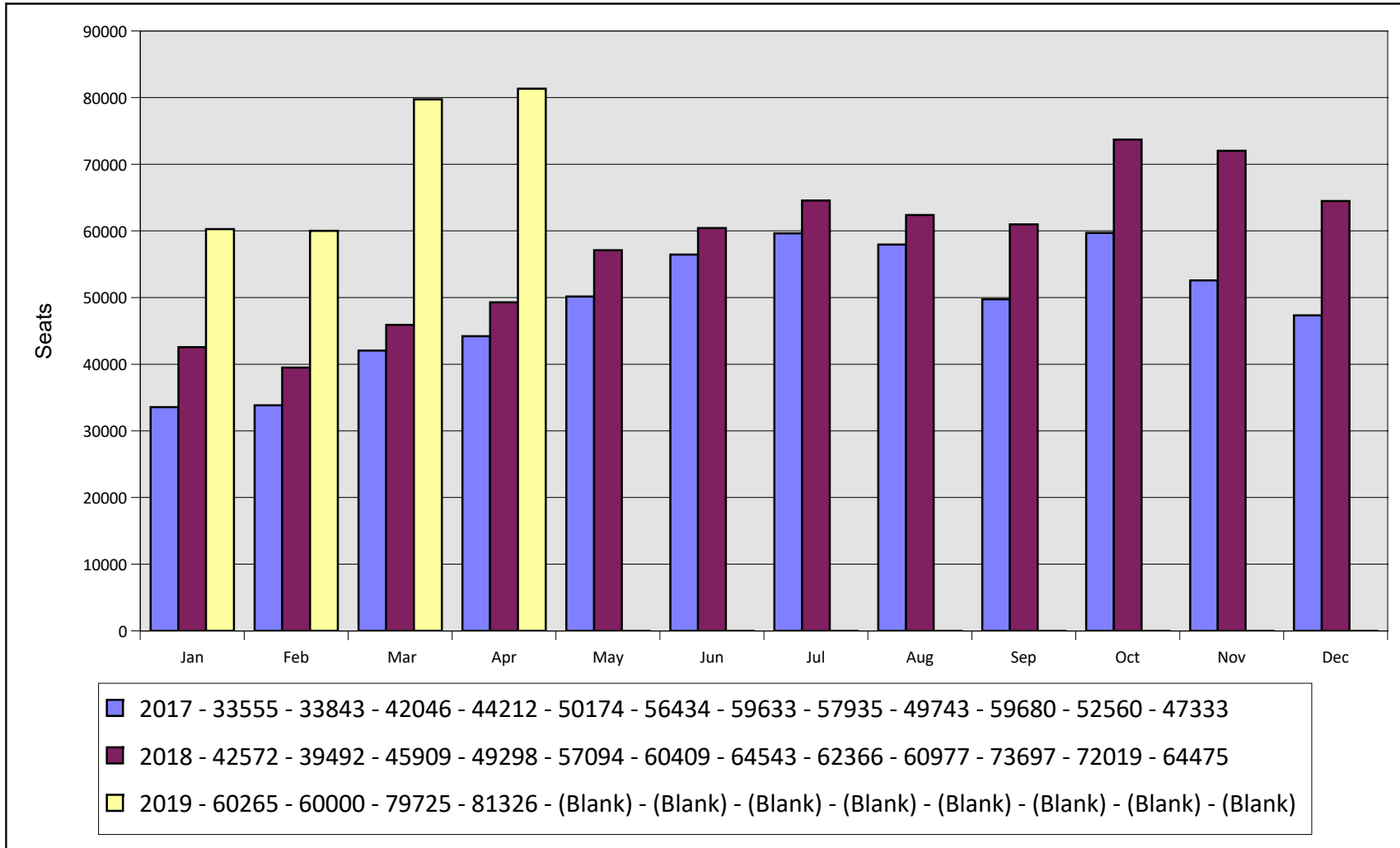


Airline	Scheduled Flights	Field	Cancellations Due To			Total Cancellations	Percentage of Completed Flights
			Mechanical	Weather	Other		
Allegiant Air	199	0	0	0	0	0	100.0%
American Airlines	211	0	0	1	0	1	99.5%
Delta Air Lines	201	0	0	0	0	0	100.0%
Elite Airways	0	0	0	0	0	0	#Num!
Spirit Airlines	47	0	0	4	1	5	89.4%
United Airlines	150	0	0	0	0	0	100.0%
<b>Total</b>	<b>808</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>6</b>	<b>99.3%</b>

# Monthly Enplanements By Year Asheville Regional Airport

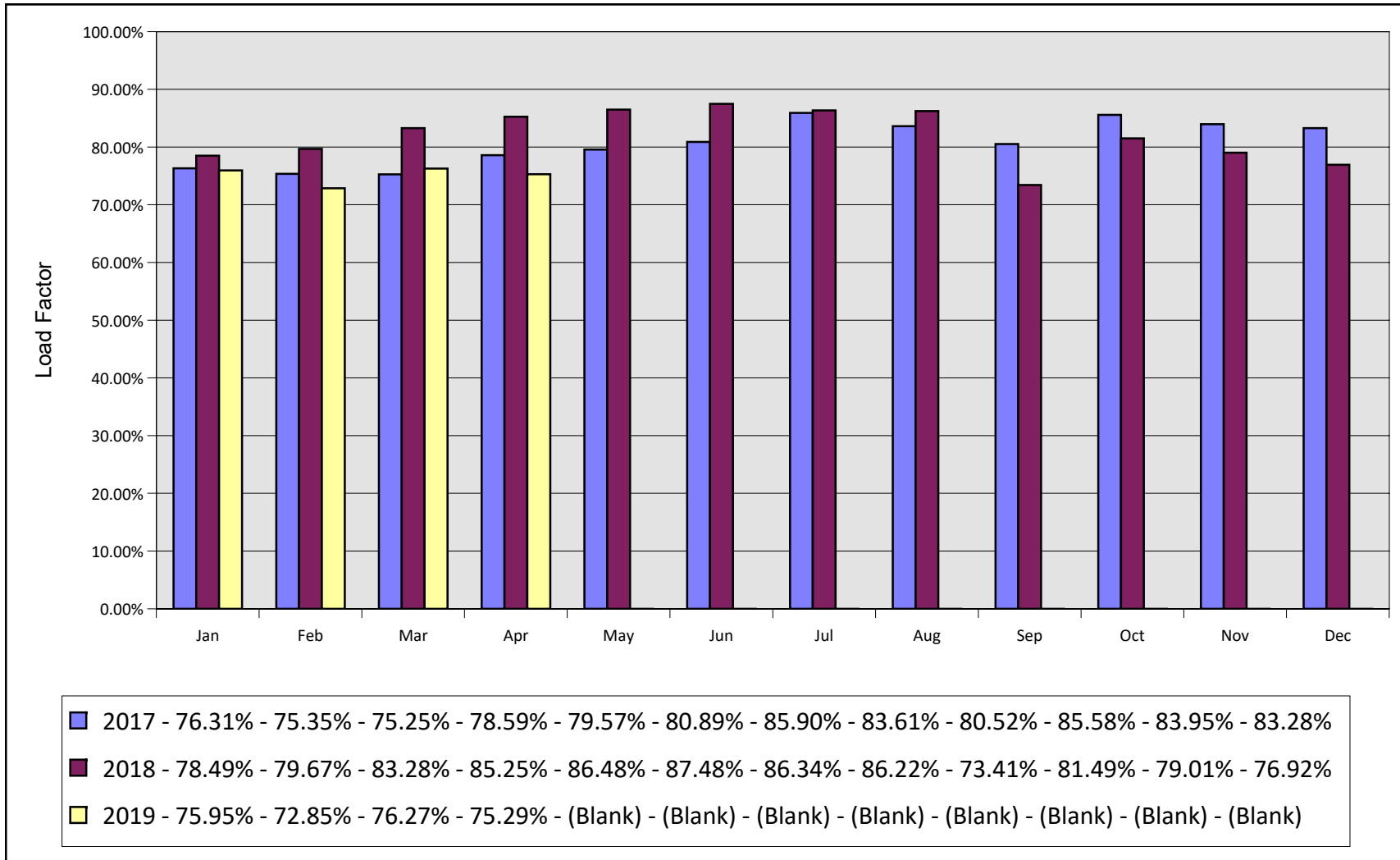


# Monthly Seats By Year Asheville Regional Airport

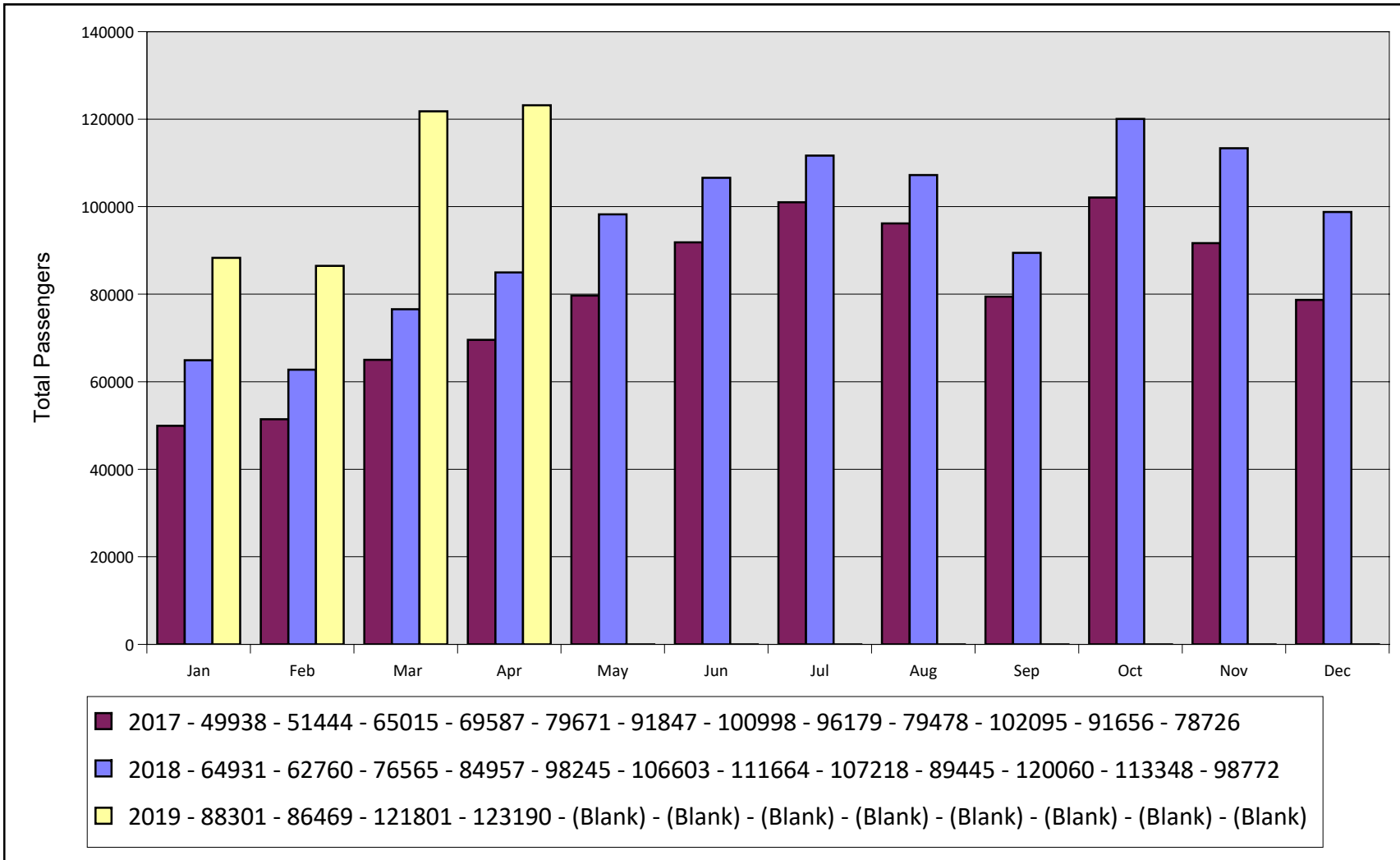




# Monthly Load Factors By Year Asheville Regional Airport

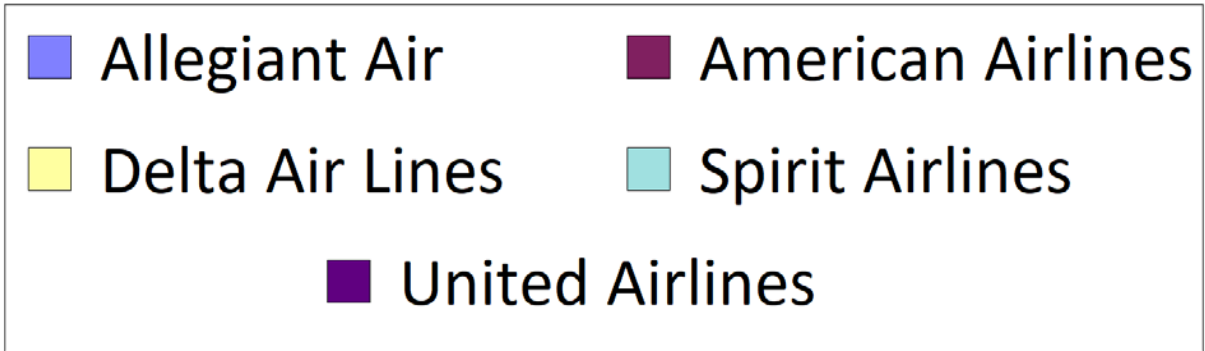
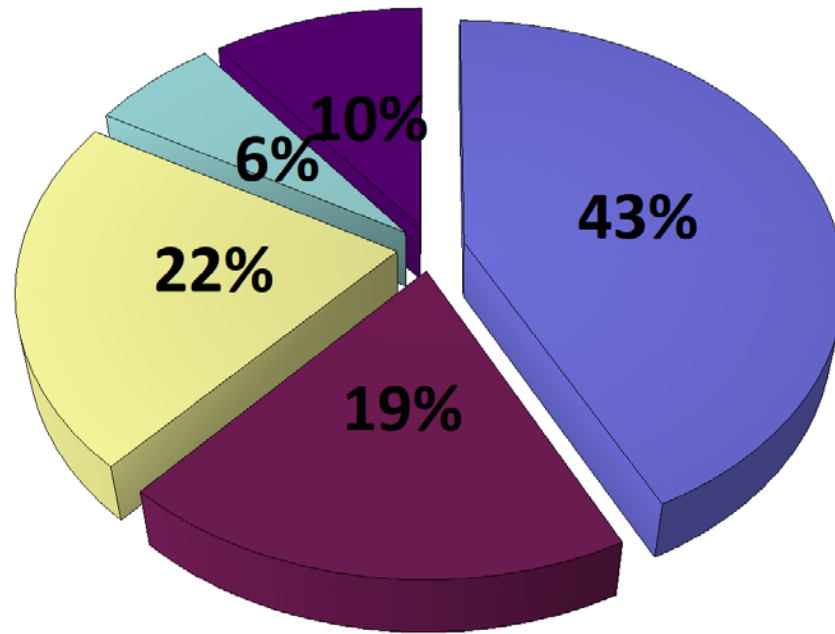


# Total Monthly Passengers By Year Asheville Regional Airport



# Airline Market Share Analysis (Enplanements) Asheville Regional Airport

Report Period From April 2019 Through April 2019



July 2019 vs. July 2018

Travel Period			Jul-19		Jul-18		Diff		Percent Diff	
Mkt AI	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	55	3,586	48	2,933	7	653	14.6%	22.3%
AA	CLT	AVL	55	3,586	48	2,933	7	653	14.6%	22.3%
AA	AVL	DFW	7	532	1	65	6	467	600.0%	718.5%
AA	DFW	AVL	7	532	1	65	6	467	600.0%	718.5%
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	55	3,664	54	3,556	1	108	1.9%	3.0%
DL	AVL	ATL	55	3,664	54	3,556	1	108	1.9%	3.0%
DL	AVL	DTW	1	50	0	0	1	50	-	-
DL	DTW	AVL	1	50	0	0	1	50	-	-
DL	AVL	LGA	1	76	1	50	0	26	0.0%	52.0%
DL	LGA	AVL	1	76	1	50	0	26	0.0%	52.0%
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	DEN	4	708	2	354	2	354	100.0%	100.0%
G4	DEN	AVL	4	708	2	354	2	354	100.0%	100.0%
G4	AVL	EWR	5	885	4	708	1	177	25.0%	25.0%
G4	EWR	AVL	5	885	4	708	1	177	25.0%	25.0%
G4	AVL	FLL	16	2,832	9	1,593	7	1,239	77.8%	77.8%
G4	FLL	AVL	16	2,832	9	1,593	7	1,239	77.8%	77.8%
G4	AVL	PGD	5	885	4	708	1	177	25.0%	25.0%
G4	PGD	AVL	5	885	4	708	1	177	25.0%	25.0%
G4	AVL	PIE	11	1,884	7	1,239	4	645	57.1%	52.1%
G4	PIE	AVL	11	1,884	7	1,239	4	645	57.1%	52.1%
G4	AVL	SFB	9	1,509	7	1,228	2	281	28.6%	22.9%
G4	SFB	AVL	9	1,509	7	1,228	2	281	28.6%	22.9%
G4	AVL	SRQ	2	354	0	0	2	354		
G4	SRQ	AVL	2	354	0	0	2	354		
NK	AVL	FLL	4	580	0	0	4	580		
NK	FLL	AVL	4	580	0	0	4	580		
NK	AVL	MCO	4	580	0	0	4	580		
NK	MCO	AVL	4	580	0	0	4	580		
NK	AVL	TPA	3	435	0	0	3	435		
NK	TPA	AVL	3	435	0	0	3	435		
UA	AVL	EWR	8	400	8	1,000	0	(600)	0.0%	(60.0%)
UA	EWR	AVL	8	400	8	1,000	0	(600)	0.0%	(60.0%)
UA	AVL	IAD	16	800	0	0	16	800		
UA	IAD	AVL	16	800	0	0	16	800		
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%
<b>Total</b>			<b>494</b>	<b>44,232</b>	<b>354</b>	<b>30,564</b>	<b>140</b>	<b>13,688</b>	<b>39.5%</b>	<b>44.7%</b>

August 2019 vs. August 2018

Travel Period			Aug-19		Aug-18		Diff		Percent Diff	
Mkt AI	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
7Q	AVL	VRB	2	100	2	100	0	0	0.0%	0.0%
7Q	VRB	AVL	2	100	2	100	0	0	0.0%	0.0%
AA	AVL	CLT	55	3,586	48	2,933	7	653	14.6%	22.3%
AA	CLT	AVL	55	3,586	48	2,933	7	653	14.6%	22.3%
AA	AVL	DFW	7	532	1	65	6	467	600.0%	718.5%
AA	DFW	AVL	7	532	1	65	6	467	600.0%	718.5%
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	55	3,690	53	3,395	2	295	3.8%	8.7%
DL	AVL	ATL	55	3,690	53	3,402	2	288	3.8%	8.5%
DL	AVL	DTW	1	50	0	0	1	50	-	-
DL	DTW	AVL	1	50	0	0	1	50	-	-
DL	AVL	LGA	1	76	1	50	0	26	0.0%	52.0%
DL	LGA	AVL	1	76	1	50	0	26	0.0%	52.0%
G4	AVL	BWI	2	354	3	531	(1)	(177)	(33.3%)	(33.3%)
G4	BWI	AVL	2	354	3	531	(1)	(177)	(33.3%)	(33.3%)
G4	AVL	DEN	3	531	2	354	1	177	50.0%	50.0%
G4	DEN	AVL	3	531	2	354	1	177	50.0%	50.0%
G4	AVL	EWR	5	885	4	708	1	177	25.0%	25.0%
G4	EWR	AVL	5	885	4	708	1	177	25.0%	25.0%
G4	AVL	FLL	14	2,478	9	1,593	5	885	55.6%	55.6%
G4	FLL	AVL	14	2,478	9	1,593	5	885	55.6%	55.6%
G4	AVL	PGD	4	708	4	708	0	0	0.0%	0.0%
G4	PGD	AVL	4	708	4	708	0	0	0.0%	0.0%
G4	AVL	PIE	11	1,821	7	1,239	4	582	57.1%	47.0%
G4	PIE	AVL	11	1,821	7	1,239	4	582	57.1%	47.0%
G4	AVL	SFB	9	1,488	4	697	5	791	125.0%	113.5%
G4	SFB	AVL	9	1,488	4	697	5	791	125.0%	113.5%
G4	AVL	SRQ	3	531	0	0	3	531		
G4	SRQ	AVL	3	531	0	0	3	531		
NK	AVL	FLL	4	580	0	0	4	580		
NK	FLL	AVL	4	580	0	0	4	580		
NK	AVL	MCO	4	580	0	0	4	580		
NK	MCO	AVL	4	580	0	0	4	580		
NK	AVL	TPA	3	435	0	0	3	435		
NK	TPA	AVL	3	435	0	0	3	435		
UA	AVL	EWR	8	400	8	1,000	0	(600)	0.0%	(60.0%)
UA	EWR	AVL	8	400	8	1,000	0	(600)	0.0%	(60.0%)
UA	AVL	IAD	16	800	0	0	16	800		
UA	IAD	AVL	16	800	0	0	16	800		
UA	AVL	ORD	28	1,400	25	1,250	3	150	12.0%	12.0%
UA	ORD	AVL	28	1,400	25	1,250	3	150	12.0%	12.0%
<b>Total</b>			<b>488</b>	<b>43,054</b>	<b>342</b>	<b>29,253</b>	<b>146</b>	<b>13,801</b>	<b>42.7%</b>	<b>47.2%</b>

September 2019 vs. September 2018

Travel Period			Sep-19		Sep-18		Diff		Percent Diff	
Mkt AI	Orig	Dest	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats	Ops/Week	Seats
7Q	AVL	VRB	0	0	2	100	(2)	(100)	(100.0%)	(100.0%)
7Q	VRB	AVL	0	0	2	100	(2)	(100)	(100.0%)	(100.0%)
AA	AVL	CLT	49	3,155	55	3,556	(6)	(401)	(10.9%)	(11.3%)
AA	CLT	AVL	49	3,155	55	3,556	(6)	(401)	(10.9%)	(11.3%)
AA	AVL	DFW	7	532	0	0	7	532		
AA	DFW	AVL	7	532	0	0	7	532		
AA	AVL	LGA	2	152	0	0	2	152		
AA	LGA	AVL	2	152	0	0	2	152		
AA	AVL	PHL	7	350	0	0	7	350		
AA	PHL	AVL	7	350	0	0	7	350		
DL	ATL	AVL	46	3,937	46	3,740	0	197	0.0%	5.3%
DL	AVL	ATL	46	3,937	46	3,781	0	156	0.0%	4.1%
DL	AVL	DTW	1	50	0	0	1	50	-	-
DL	DTW	AVL	1	50	0	0	1	50	-	-
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	DEN	2	354	0	0	2	354		
G4	DEN	AVL	2	354	0	0	2	354		
G4	AVL	EWR	5	885	2	354	3	531	150.0%	150.0%
G4	EWR	AVL	5	885	2	354	3	531	150.0%	150.0%
G4	AVL	FLL	14	2,478	6	1,062	8	1,416	133.0%	133.0%
G4	FLL	AVL	14	2,478	6	1,062	8	1,416	133.0%	133.0%
G4	AVL	PGD	2	354	4	708	(2)	(354)	(50.0%)	(50.0%)
G4	PGD	AVL	2	354	4	708	(2)	(354)	(50.0%)	(50.0%)
G4	AVL	PIE	9	1,593	4	708	5	885	125.0%	125.0%
G4	PIE	AVL	9	1,593	4	708	5	885	125.0%	125.0%
G4	AVL	SFB	5	864	3	509	2	355	66.7%	69.7%
G4	SFB	AVL	5	864	3	509	2	355	66.7%	69.7%
G4	AVL	SRQ	2	354	0	0	2	354		
G4	SRQ	AVL	2	354	0	0	2	354		
NK	AVL	FLL	7	1,015	3	546	4	469	133.0%	85.9%
NK	FLL	AVL	7	1,015	3	546	4	469	133.0%	85.9%
NK	AVL	MCO	3	435	3	546	0	(111)	0.0%	(20.3%)
NK	MCO	AVL	3	435	3	546	0	(111)	0.0%	(20.3%)
NK	AVL	TPA	2	290	2	364	0	(74)	0.0%	(20.3%)
NK	TPA	AVL	2	290	2	364	0	(74)	0.0%	(20.3%)
UA	AVL	EWR	7	350	7	806	0	(456)	0.0%	(56.6%)
UA	EWR	AVL	7	350	7	806	0	(456)	0.0%	(56.6%)
UA	AVL	IAD	14	700	0	0	14	700		
UA	IAD	AVL	14	700	0	0	14	700		
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%
<b>Total</b>			<b>428</b>	<b>39,204</b>	<b>334</b>	<b>29,547</b>	<b>94</b>	<b>9,657</b>	<b>28.1%</b>	<b>32.7%</b>



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## MEMORANDUM

TO: Members of the Airport Authority

FROM: Janet Burnette, Director of Finance & Accounting

DATE: June 14, 2019

### **ITEM DESCRIPTION – Information Section Item B**

Greater Asheville Regional Airport – Explanation of Extraordinary Variances  
Month of April 2019

### **SUMMARY**

Operating Revenues for the month of April were \$1,348,310. Operating Expenses for the month were \$579,071. As a result, Net Operating Revenues before Depreciation were \$769,239. Net Non-Operating Revenues were \$535,372.

Year-to-date Operating Revenues were \$11,882,874, 108.3% of annual budget. Year-to-date Operating Expenses were \$6,550,131, 65.1% of annual budget. Both percentages represent positive results as we have now completed 83% of the fiscal year. Year-to-date Net Operating Revenues before Depreciation were \$5,332,743. Net Non-Operating Revenues for the year were \$3,231,352, 114.2% of annual budget.

### **STATEMENT OF NET ASSETS**

Significant variations to prior month were:

Cash and Cash Equivalents – Cash and Cash Equivalents increased by \$1,623k mainly due to increase in revenue and decreased expenses for the month.

Construction in Progress – Construction in Progress increased by \$50k due to expenditures for capital projects.

Property and Equipment, Net – Property and Equipment, Net decreased by \$387k due to depreciation.

Information Section – Item B

**ASHEVILLE REGIONAL AIRPORT  
INVESTMENT AND INTEREST INCOME SUMMARY  
As of April 30, 2019**

<b><u>Institution:</u></b>	<b><u>Interest Rate</u></b>	<b><u>Investment Amount</u></b>	<b><u>Monthly Interest</u></b>
Bank of America - Operating Account	0.80%	\$ 13,437,758	8,642
First Citizens - Money Market Account	0.35%	403,967	50
NC Capital Management Trust - Cash Portfolio		17,797	34
NC Capital Management Trust - Term Portfolio		9,281,709	18,536
Petty Cash		200	
 <b><u>Restricted Cash:</u></b>			
BNY Mellon		1,189,576	
Bank of America - PFC Revenue Account	0.80%	1,860,771	1,032
NC Capital Management Trust - Term Port - PFC		10,130,473	20,231
<b>Total</b>		<b><u>\$ 36,322,251</u></b>	<b><u>\$ 48,525</u></b>

**Investment Diversification:**

Banks	47%
NC Capital Management Trust	53%
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 April 30, 2019**

	<b>Current Month</b>	<b>Prior Period</b>
<b>Cash and Investments Beginning of Period</b>	<b>\$ 34,699,074</b>	<b>\$ 33,964,551</b>
Net Income/(Loss) Before Capital Contributions	917,316	792,105
Depreciation	387,295	387,295
Decrease/(Increase) in Receivables	140,914	(152,907)
Increase/(Decrease) in Payables	209,190	(42,769)
Decrease/(Increase) in Prepaid Expenses	18,883	18,883
Decrease/(Increase) in Fixed Assets	(50,421)	(292,716)
Principal Payments of Bond Maturities	-	-
Capital Contributions	-	24,632
System Conversion (Prior Period) Adjustment	-	-
<b>Increase(Decrease) in Cash</b>	<b>1,623,177</b>	<b>734,523</b>
<b>Cash and Investments End of Period</b>	<b>\$ 36,322,251</b>	<b>\$ 34,699,074</b>

**ASHEVILLE REGIONAL AIRPORT  
STATEMENT OF FINANCIAL POSITION  
As of April 30, 2019**

	<b>Current Month</b>	<b>Last Month</b>
<b><u>ASSETS</u></b>		
<b>Current Assets:</b>		
<b>Unrestricted Net Assets:</b>		
Cash and Cash Equivalents	\$23,141,430	\$22,223,652
Investments	0	0
Accounts Receivable	896,909	866,588
Passenger Facility Charges Receivable	300,000	475,000
Refundable Sales Tax Receivable	102,945	99,180
Grants Receivable	3,760,297	3,760,297
Prepaid Expenses	37,916	56,798
Total Unrestricted Assets	28,239,497	27,481,515
<b>Restricted Assets:</b>		
Cash and Cash Equivalents	13,180,820	12,475,422
Total Restricted Assets	13,180,820	12,475,422
Total Current Assets	41,420,317	39,956,937
<b>Noncurrent Assets:</b>		
Construction in Progress	81,800,769	81,750,348
Net Pension Asset - LGERS	(760,162)	(760,162)
Benefit Payment - OPEB	25,682	25,682
Contributions in Current Year	617,323	617,323
Property and Equipment - Net	49,835,879	50,223,174
Total Noncurrent Assets	131,519,491	131,856,365
	\$172,939,808	\$171,813,302
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b>Current Liabilities:</b>		
<b>Payable from Unrestricted Assets:</b>		
Accounts Payable & Accrued Liabilities	\$7,466	\$57,266
Customer Deposits	10,660	10,660
Unearned Revenue	752,118	531,145
Construction Contracts Payable	0	0
Construction Contract Retainages	1,933,007	1,933,007
Revenue Bond Payable - Current	1,245,000	1,245,000
Interest Payable	152,066	114,049
Total Payable from Unrestricted Assets	4,100,317	3,891,127
Total Current Liabilities	4,100,317	3,891,127
<b>Noncurrent Liabilities:</b>		
Pension Deferrals - OPED	56,737	56,737
Other Postemployment Benefits	1,248,463	1,248,463
Compensated Absences	359,211	359,211
Net Pension Obligation-LEO Special Separation Allowance	474,558	474,558
Revenue Bond Payable - Noncurrent	17,585,000	17,585,000
Total Noncurrent Liabilities	19,723,969	19,723,969
Total Liabilities	23,824,286	23,615,096
<b>Net Assets:</b>		
Invested in Capital Assets	112,806,648	113,143,522
Restricted	13,180,820	12,475,422
Unrestricted	23,128,054	22,579,262
Total Net Assets	149,115,522	148,198,206
	\$172,939,808	\$171,813,302



# Income Statement

Through 04/30/19  
Summary Listing

Classification	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category <b>Governmental Funds</b>						
Fund Type <b>General Fund</b>						
Fund <b>10 - General Fund</b>						
<i>Operating revenues</i>						
Terminal space rentals - non airline	247,909.00	20,930.04	195,282.17	52,626.83	79	.00
Terminal space rentals - airline	2,067,331.00	211,751.76	1,898,702.38	168,628.62	92	.00
Landing fees	904,038.00	103,121.10	919,673.14	(15,635.14)	102	.00
Concessions	490,780.00	68,103.28	539,244.97	(48,464.97)	110	.00
Auto parking	3,600,000.00	610,226.11	4,750,079.17	(1,150,079.17)	132	.00
Rental car - car rentals	1,530,000.00	138,440.25	1,620,448.02	(90,448.02)	106	.00
Rental car - facility rent	647,012.00	58,551.71	556,998.65	90,013.35	86	.00
Commerce ground transportation	94,500.00	8,976.00	228,546.64	(134,046.64)	242	.00
FBO's	1,038,185.00	86,705.82	891,507.36	146,677.64	86	.00
Building leases	73,197.00	8,492.03	59,773.77	13,423.23	82	.00
Land leases	59,961.00	4,450.06	44,948.81	15,012.19	75	.00
Other leases and fees	221,800.00	28,561.99	177,668.70	44,131.30	80	.00
<i>Operating revenues Totals</i>	<b>\$10,974,713.00</b>	<b>\$1,348,310.15</b>	<b>\$11,882,873.78</b>	<b>(\$908,160.78)</b>	<b>108%</b>	<b>\$0.00</b>
<i>Non-operating revenue and expense</i>						
Customer facility charges	1,400,000.00	157,530.50	1,429,721.75	(29,721.75)	102	.00
Passenger facility charges	1,850,000.00	367,333.44	2,414,847.65	(564,847.65)	131	.00
Interest revenue	35,000.00	48,524.22	414,349.19	(379,349.19)	1,184	.00
Interest expense	(456,197.00)	(38,016.42)	(380,164.20)	(76,032.80)	83	.00
Reimbursable cost expenses	.00	.00	(649,919.93)	649,919.93	+++	.00
Gain or loss on disposal of assets	.00	.00	45.00	(45.00)	+++	.00
P-card rebate	.00	.00	2,472.15	(2,472.15)	+++	.00
<i>Non-operating revenue and expense Totals</i>	<b>\$2,828,803.00</b>	<b>\$535,371.74</b>	<b>\$3,231,351.61</b>	<b>(\$402,548.61)</b>	<b>114%</b>	<b>\$0.00</b>
Capital contributions	.00	.00	5,371,409.87	(5,371,409.87)	+++	.00
<i>Operating expenses</i>						
Personnel services	5,902,003.00	339,771.77	4,053,950.97	1,848,052.03	69	.00
Professional services	387,450.00	17,506.12	199,340.25	188,109.75	51	.00
Other contractual services	855,723.00	89,671.00	638,133.52	217,589.48	75	.00
Travel and training	201,075.00	18,389.05	143,349.03	57,725.97	71	.00
Communications	62,850.00	3,955.17	44,904.54	17,945.46	71	.00
Utility services	525,467.00	27,396.67	342,453.68	183,013.32	65	.00
Rentals and leases	13,600.00	33.62	10,107.10	3,492.90	74	.00
Insurance	234,000.00	18,882.76	222,081.40	11,918.60	95	.00
Advertising, printing and binding	8,050.00	161.90	6,502.10	1,547.90	81	.00
Promotional activities	317,390.00	12,805.77	194,470.18	122,919.82	61	.00
Other current charges and obligations	54,000.00	4,215.60	51,391.88	2,608.12	95	.00
Operating supplies	493,425.00	28,515.51	306,687.90	186,737.10	62	.00



# Income Statement

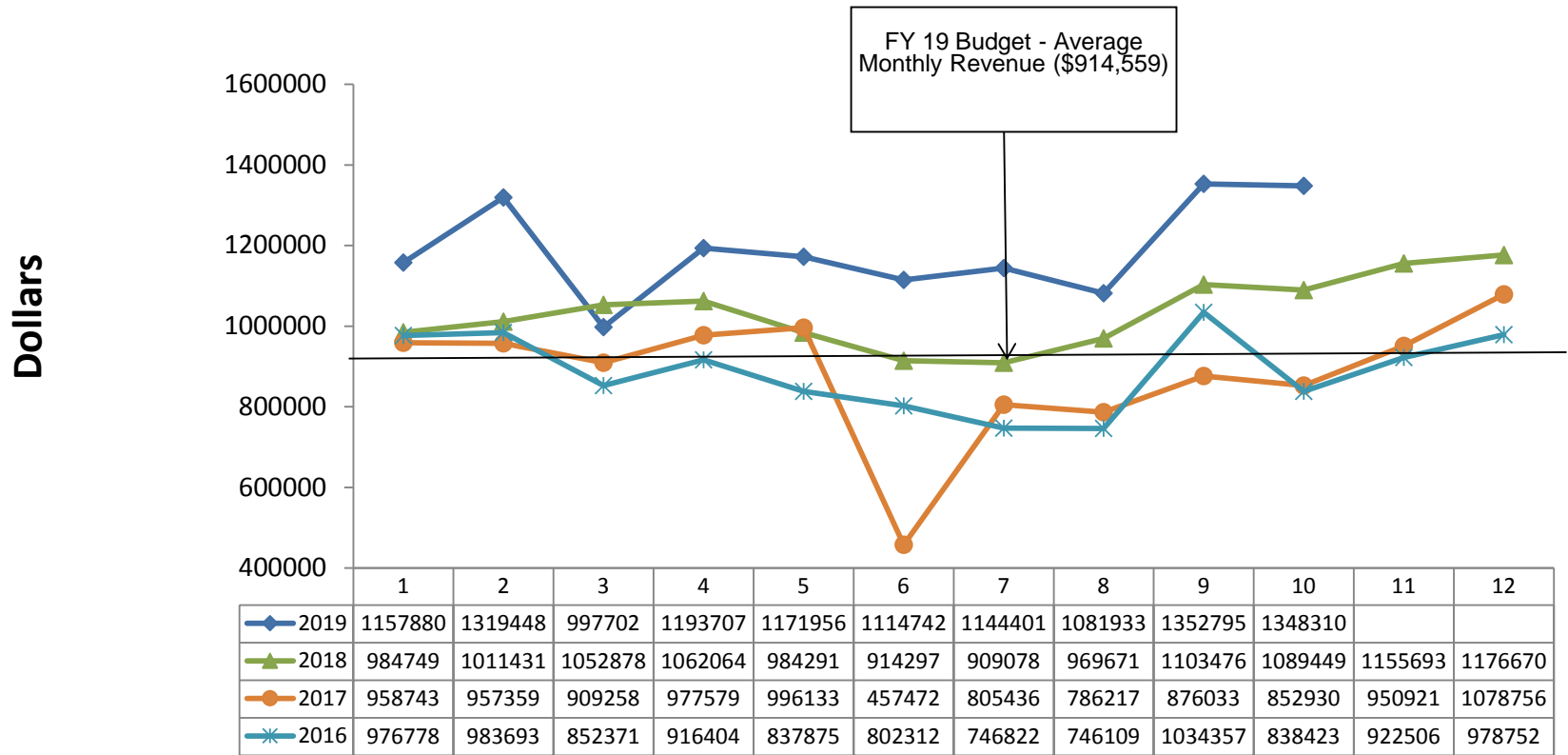
Through 04/30/19  
Summary Listing

Classification	Annual Budget Amount	MTD Actual Amount	YTD Actual Amount	Budget Less YTD Actual	% of Budget	Prior Year Total Actual
Fund Category <b>Governmental Funds</b>						
Fund Type <b>General Fund</b>						
Fund <b>10 - General Fund</b>						
<i>Operating expenses</i>						
Publications, subscriptions, memberships, etc.	54,330.00	2,669.20	47,389.67	6,940.33	87	.00
Repairs and maintenance	181,700.00	12,040.46	145,512.53	36,187.47	80	.00
Small equipment	80,500.00	3,056.40	61,055.88	19,444.12	76	.00
Contingency	45,000.00	.00	.00	45,000.00	0	.00
Emergency repairs	50,000.00	.00	68,633.92	(18,633.92)	137	.00
Business development	600,000.00	.00	14,166.50	585,833.50	2	.00
<i>Operating expenses Totals</i>	<b>\$10,066,563.00</b>	<b>\$579,071.00</b>	<b>\$6,550,131.05</b>	<b>\$3,516,431.95</b>	<b>65%</b>	<b>\$0.00</b>
<i>Depreciation</i>						
Depreciation	.00	387,295.00	3,872,950.00	(3,872,950.00)	+++	.00
<i>Depreciation Totals</i>	<b>\$0.00</b>	<b>\$387,295.00</b>	<b>\$3,872,950.00</b>	<b>(\$3,872,950.00)</b>	<b>+++</b>	<b>\$0.00</b>
Fund <b>10 - General Fund Totals</b>						
REVENUE TOTALS	13,803,516.00	1,883,681.89	20,485,635.26	(6,682,119.26)	148%	.00
EXPENSE TOTALS	10,066,563.00	966,366.00	10,423,081.05	(356,518.05)	104%	.00
Fund <b>10 - General Fund Net Gain (Loss)</b>	<b>\$3,736,953.00</b>	<b>\$917,315.89</b>	<b>\$10,062,554.21</b>	<b>\$6,325,601.21</b>	<b>269%</b>	<b>\$0.00</b>
Fund Type <b>General Fund Totals</b>						
REVENUE TOTALS	13,803,516.00	1,883,681.89	20,485,635.26	(6,682,119.26)	148%	.00
EXPENSE TOTALS	10,066,563.00	966,366.00	10,423,081.05	(356,518.05)	104%	.00
Fund Type <b>General Fund Net Gain (Loss)</b>	<b>\$3,736,953.00</b>	<b>\$917,315.89</b>	<b>\$10,062,554.21</b>	<b>\$6,325,601.21</b>	<b>269%</b>	<b>\$0.00</b>
Fund Category <b>Governmental Funds Totals</b>						
REVENUE TOTALS	13,803,516.00	1,883,681.89	20,485,635.26	(6,682,119.26)	148%	.00
EXPENSE TOTALS	10,066,563.00	966,366.00	10,423,081.05	(356,518.05)	104%	.00
Fund Category <b>Governmental Funds Net Gain (Loss)</b>	<b>\$3,736,953.00</b>	<b>\$917,315.89</b>	<b>\$10,062,554.21</b>	<b>\$6,325,601.21</b>	<b>269%</b>	<b>\$0.00</b>
Grand Totals						
REVENUE TOTALS	13,803,516.00	1,883,681.89	20,485,635.26	(6,682,119.26)	148%	.00
EXPENSE TOTALS	10,066,563.00	966,366.00	10,423,081.05	(356,518.05)	104%	.00
Grand Total Net Gain (Loss)	<b>\$3,736,953.00</b>	<b>\$917,315.89</b>	<b>\$10,062,554.21</b>	<b>\$6,325,601.21</b>	<b>269%</b>	<b>\$0.00</b>

# ASHEVILLE REGIONAL AIRPORT

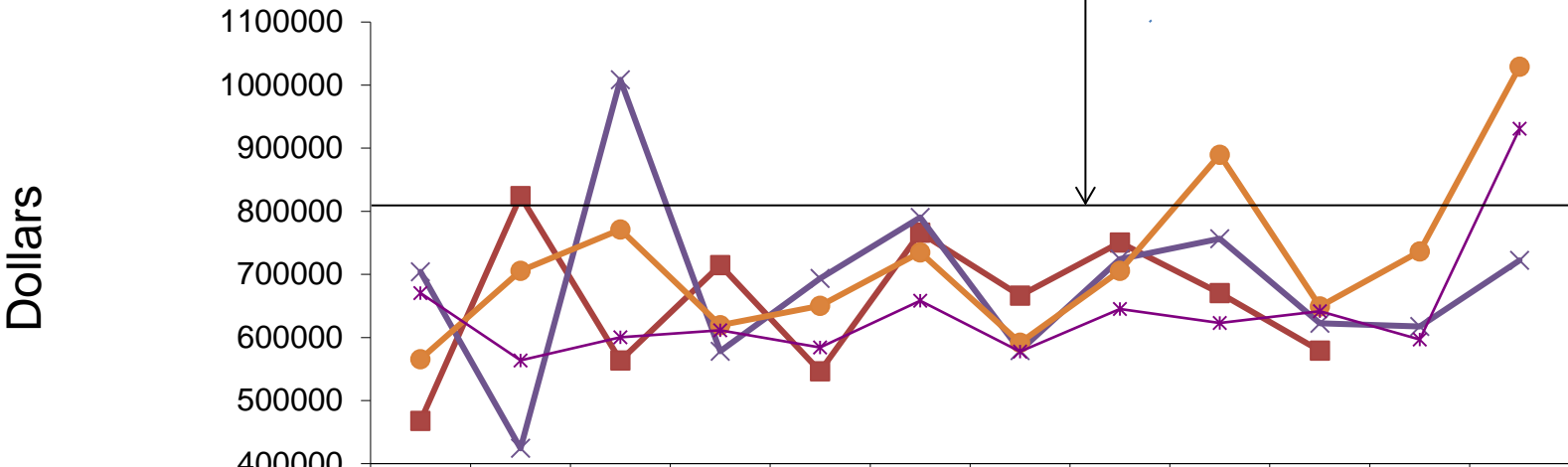
## Annual Operating Revenue by Month

### April 2019



# ASHEVILLE REGIONAL AIRPORT Annual Operating Expenses by Month April 2019

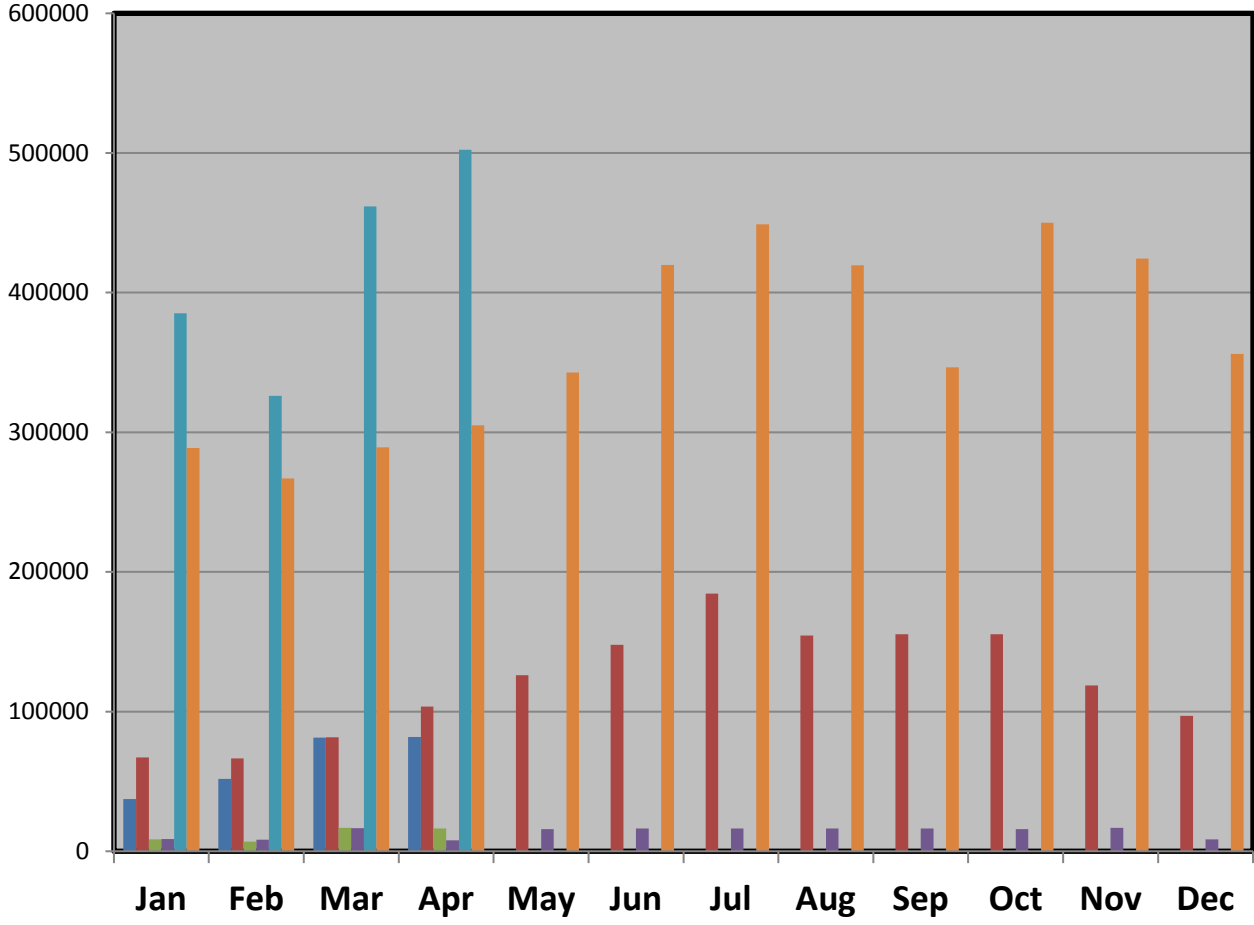
FY 19 Budget - Average  
Monthly Expenses (\$801,411)



	1	2	3	4	5	6	7	8	9	10	11	12
2019	467701	823824	563350	714938	546502	766012	666544	750376	670406	579071		
2018	704085	424161	1008520	578153	693612	790093	579052	724027	756743	622562	617623	722128
2017	565737	705715	771249	619423	649959	734910	591499	705568	889485	649186	736270	1029219
2016	670287	563714	600262	611567	584219	658023	577720	645039	622755	641782	596505	930918

**ASHEVILLE REGIONAL AIRPORT  
FUEL SALES - GALLONS  
April 2019**

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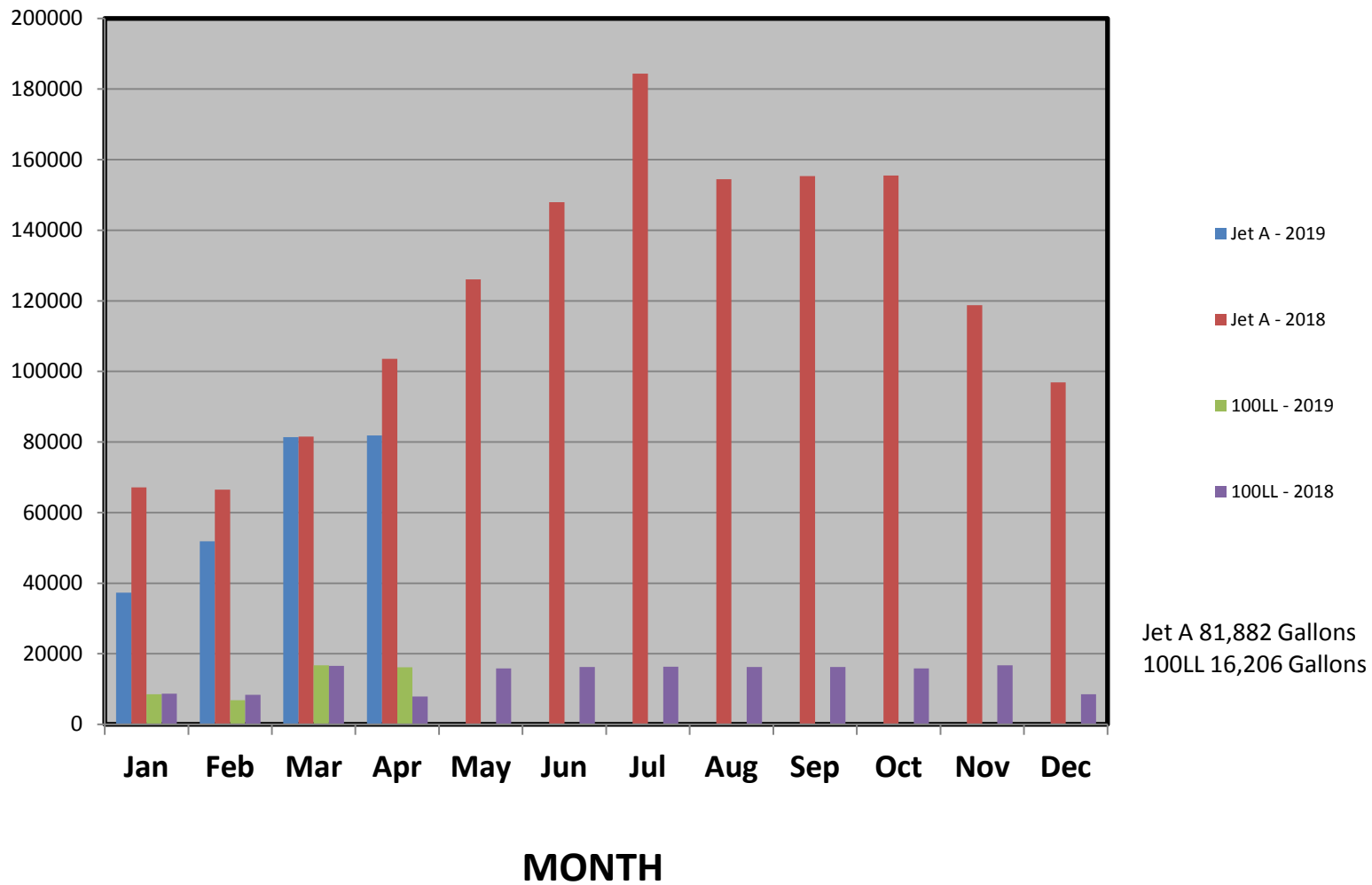


Jet A 81,882 Gallons  
100LL 16,206 Gallons  
Airline 502,274 Gallons

**MONTH**

**ASHEVILLE REGIONAL AIRPORT  
GENERAL AVIATION FUEL SALES - GALLONS  
April 2019**

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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 06/01/2019)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 06/01/2019)	Start Date	End Date	Current Project Status (as of 06/01/2019)
1	Airfield Re-Development Project	Budget for the complete project				\$64,100,000.00	\$15,900,000.00		\$80,000,000.00	73.9%	\$59,126,100			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%	\$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	\$4,417,146.00	65.90%	<i>(Overall total included in above number)</i>	31%	\$2,130,653	Dec-14	Dec-19	Phase IV Project Management continues.
1D	Airfield Re-Development Project	New Runway Design	AVCON	\$1,967,476.00	N/A	N/A	\$185,924.00	4.40%	<i>(Overall total included in above number)</i>	89.7%	\$1,931,588	Mar-13	Dec-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>		\$4,042,174	Jan-13	Dec-19	Miscellaneous Administrative Expenses, Reimbursable Agreement and Land Acquisition
2	Airport Security and Identity Management	Security system, ID badging and CCTV camera equipment	Faith Group LLC	\$327,486.27	N/A	N/A	\$0.00	0.00%	\$327,486.27	50.0%	\$164,140.00	Aug-18	Jan-20	Project Management continues.
3	Apron Expansion South	Terminal apron to be expanded and added for aircraft use.	Parrish and Partners	\$821,196.00	N/A	N/A	\$0.00	0%	\$0.00	39.0%	\$320,701.00	Nov-18	Nov-19	100% Design Complete.
4	Terminal Building Renovations	Phase 1 - Utility Modernization of Water and Sewer	Gresham Smith	\$168,820.00	N/A	N/A	\$0.00	14.5%	\$168,820.00	17.2%	\$29,024.00	Jan-19	Oct-19	100% Design Complete.
5	Pipe Repairs	60" Stormwater Pipe repairs in North area of property	Kimley Horn	\$152,700.40	N/A	N/A	\$0.00	0%	\$170,840.40	0.0%	\$0.00	Apr-19	Aug-19	Design continues.

**Construction Phase**

Project Number	Project Name	Project Description	Professional Services Consultant	Professional Services Contract	General Contractor	Original Construction Contract	Change Orders (thru 06/01/2019)	Percent of Original Contract	Board Approved Project Cost	Percent Complete	Expensed to Date (thru 06/01/2019)	Start Date	End Date	Current Project Status (as of 06/01/2019)
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	\$33,703,095.70	\$0.00	0.00%	\$34,703,095.70	42.4%	\$14,295,987	Mar-17	Dec-19	Construction work moving forward. Shoulder work on taxiway, electrical and paving to begin once test strip is approved.
2	Airport Security & Identity Management System	Replace, Upgrade and Install new Security System	Faith Group	Amount in Design Fees	Johnson Control, Inc.	\$2,197,707.00	\$0.00	0.00%	\$2,605,672.28	0%	\$0.00	May-19	Feb-20	NTP pending FAA Approval.

*(Construction and Administrative Costs included)*

# 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