



AGENDA

Greater Asheville Regional Airport Authority Special Meeting
Thursday, January 23, 2025, 8:30 a.m.
Board Room - Administration Building
Asheville Regional Airport
134 Wright Brothers Way
Fletcher, NC 28732

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. NEW BUSINESS:
 - A. Emergency Commercial North Apron Reconstruction ([document](#))
 - B. Approval of Amendment No. 2 to Ground Lease and Agreement with Sheetz, Inc. and the Greater Asheville Regional Airport Authority ([document](#))
- III. 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.



MEMORANDUM

TO: Members of the Airport Authority

FROM: Jared Merrill
Vice President – Planning

DATE: January 23, 2025

ITEM DESCRIPTION - New Business Item A

Approval for Emergency Reconstruction of the North Portion of the Commercial Apron

BACKGROUND

Over the last few years, the concrete for the north portion of the commercial apron has started to show accelerated deterioration. This portion of the apron was constructed in 2005. The airport tasked multiple consultants to evaluate the pavement and make a determination on the cause of the accelerated deterioration and whether the pavement would hold up until rehabilitation scheduled in the Capital Improvement Plan (CIP) for 2027.

The pavement evaluation showed that the concrete was exhibiting extensive ASR, Alkali-silica reaction, a chemical reaction that causes concrete to deteriorate, crack, swell and impact the other panels.

Because time is of the essence with continued deterioration of the apron and the terminal construction, it has been determined that we should perform the reconstruction before opening the north concourse.

The airport engaged their on-call consultant, Avcon, to look at this work since they are already designing the rehabilitation of the Taxiway that connects to this ramp. Upon review of cores taken, it was discovered there is no stone base under this ramp. Only concrete on top of a varying depth of asphalt. This discovery requires a more detailed design and for the project as a reconstruction instead of a rehabilitation.

New Business – Item A



Due to the time constraints in opening the North Concourse and since Hensel Phelps already has a portion of this apron in their current contract, the staff determined the quickest solution would be to add this to the Terminal Project scope of work. In order to meet the timeline Hensel Phelps needs an immediate change order to engage a subcontractor that can assist with the mix design, profile structure, and lead times for materials and work crews.

This reconstruction will also require an amendment to the Terminal Project design contract to complete the construction documents. Airport staff has negotiated with Gresham Smith & Avcon to complete this design, including geotechnical services, and survey with its subconsultants for a total cost of \$336,800.00. This is approximately 4.6% of the estimated construction cost.

ISSUES

The concrete is beginning to fail at an exponential rate and this project will be working around plant closures and available paving contractors. Time to bid the project separately would add several months to the schedule, delaying the North Concourse opening. Adding this work to the Terminal Project helps limit the impact this work will have on the North Concourse.

ALTERNATIVES

The Board could elect not to move forward with this. However, this could cause significant impacts to airport gate capacity and RON parking positions once the North Concourse is complete.

FISCAL IMPACT

The current estimate for this work from Hensel Phelps is \$7,288,234.00. The airport planned to rehab this apron at cost of approximately \$3,200,000.00 and utilize FAA Entitlement funds. The variance in these costs is the difference between the planned rehabilitation and a full reconstruction. This requires an addition of approximately \$4,000,000.00 to the CIP Budget. The additional design cost is \$336,800.00.



RECOMMENDED ACTION

It is respectfully requested that the Authority Board resolve to 1) approve the change order to Hensel Phelps in the amount of \$7,288,234.00 to add the Ramp Reconstruction scope of work to their contract for the Terminal Project; 2) approve the amendment to the design contract with Gresham Smith in the amount of \$336,800.00; 3) authorize the President & CEO to execute the necessary documents; and 4) amend the FY24/25 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, 2025:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Capital Improvements		\$7,625,034.00
Totals		\$7,625,034.00

This will result in a net increase of \$7,625,034.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Transfer from GARAA Cash		\$7,625,034.00
Totals		\$7,625,034.00



AIA®

Document G701® – 2017

Change Order

PROJECT: *(Name and address)*
Asheville Regional Airport Terminal
Building Modernization

Work Packages No. 1, 2, 3, 4, 5, and 6

OWNER: *(Name and address)*
Greater Asheville Regional Airport
Authority
61 Terminal Drive, Suite 1
Fletcher, NC 28732

CONTRACT INFORMATION:
Contract For: Asheville Regional Airport
Terminal
Building Modernization
AIA A133 - 2019 Standard Form of
Agreement Between Owner and
Construction Manager
Date: 12-11-2020

ARCHITECT: *(Name and address)*
Gresham Smith

919 East Main street, Ste 1200
Richmond, VA 23219

CHANGE ORDER INFORMATION:
Change Order Number: 004

Date: 01-23-2025

CONTRACTOR: *(Name and address)*
Hensel Phelps Construction Company

6557 Hazeltine National Drive, Suite 1
Orlando, FL 32822

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

The scope of this change consists of the Emergency Reconstruction of the North Portion of the Commercial Apron. Over the last few years, the concrete for the north portion of the commercial apron has started to show accelerated deterioration. The pavement evaluation showed that the concrete was exhibiting extensive ASR, Alkali-silica reaction, a chemical reaction that causes concrete to deteriorate, crack, swell and impact the other panels. Please reference attached exhibit A for current extents of the reconstruction.

An interim milestone date for substantial completion has not been established at this point in time and will be agreed upon once Hensel Phelps has fully executed agreements in place with all trade partners.

The contract sum increase is based on a summary estimate from Hensel Phelps. Any surplus funding from the summary estimate will revert fully back to construction manager contingency.

The original Contract Sum was	\$ 1,088,270.00
The net change by previously authorized Change Orders	\$ 345,792,821.00
The Contract Sum prior to this Change Order was	\$ 346,881,091.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 7,288,234.00
The new Contract Sum including this Change Order will be	\$ 354,169,325.00

The Contract Time will be unchanged by Zero (0) days.
The new date of Substantial Completion will be N/A

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Gresham Smith

ARCHITECT *(Firm name)*

SIGNATURE

Brad Sucher, Principal
PRINTED NAME AND TITLE

Hensel Phelps Construction Company

CONTRACTOR *(Firm name)*

SIGNATURE

Matt Decarli, Project Manager
PRINTED NAME AND TITLE

Greater Asheville Regional Airport
Authority

OWNER *(Firm name)*

SIGNATURE

Lew Bleiweis, CEO
PRINTED NAME AND TITLE

DATE

DATE

DATE



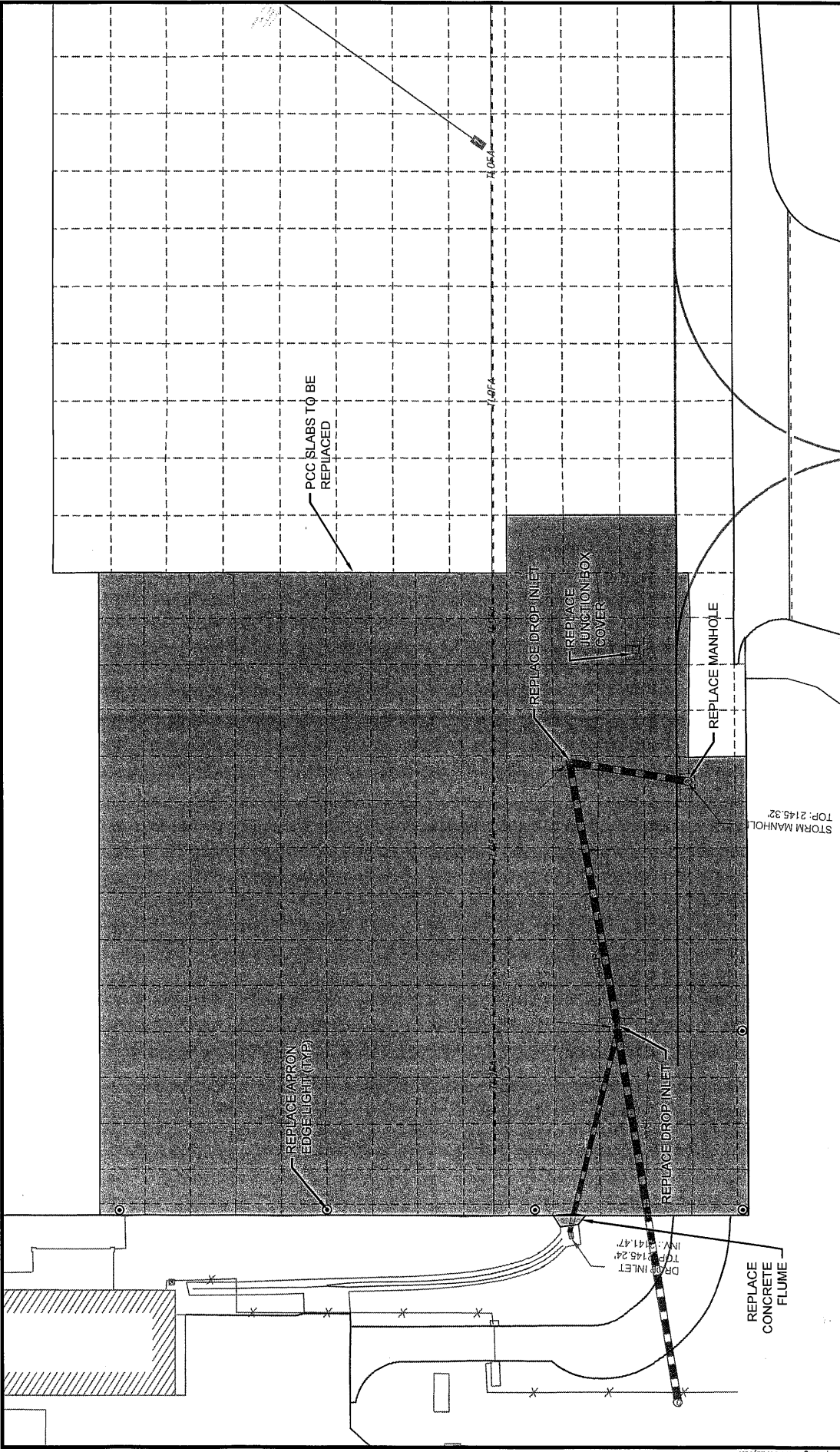


EXHIBIT
A

APRON PCC SLAB REPLACEMENT (OPTION 1)
ASHEVILLE REGIONAL AIRPORT

DRAWN BY: _____ CHECKED BY: _____ DATE: _____
 SCALE: _____



ROM on North Apron Replacement

Description	Total Cost / Unit	Quantity	Unit	Total Cost	Notes
DEMOLITION	\$40	9,000	/SY	\$360,000	
+Haul Offsite	\$60	5,000	CUYD	\$300,000	Existing pavement removal
SITE PREP (P152)	\$20	9,000	/SY	\$180,000	Grade, compact, proof roll, \$ in contingency for unsuitables as needed
AGGREGATE BASE (P209)	\$75	9,000	/SY	\$675,000	(Based on Pricing for similar scope at BNA)
ASPHALT BASE (P403)	\$150	3,105	/TON	\$465,750	P306 may be preferred for schedule/ asphalt plant
PCC SURFACE (P501)	\$345	9,000	/SY	\$3,105,000	(Based on Pricing for similar scope at BNA)
-Joints	w/above				
-Re-Striping	\$0	1	/LS	\$20,000	TOFA/ Other Striping outside terminal contract
UTILITY INTERFACE EMBEDS (4ea)	\$3,500	4	/EA	\$14,000	
CONCRETE FLUME Allowance		1	/LS	\$20,000	
APRON LIGHTING Allowance		1	/LS	\$30,000	
HIGH EARLY STRENGTH Allowance	\$10	4,356	/CY	\$43,560	
PBB STORAGE ON-SITE Allowance		1	LS	\$100,000	Revised delivery requires additional storage
DROP INLETS / UTILITIES Repair Allowance	\$15,000	4	EA	\$60,000	Utility structure repairs
SUBGRADE PROTECTION Allowance	\$1	9,900	/SY	\$9,900	
MATERIALS TESTING Allowance		1	LS	\$150,000	
TEMP CONSTRUCTION Allowance		1	LS	\$50,000	
			Subtotal	\$5,583,210	
Bldg Permit	CoW			\$2,500	
			Subtotal	\$5,585,710	
General Conditions	10%			\$558,571	*Additional Staff (PS, QCE, FE) 6 months- conservative
General Requirements	8%			\$446,857	** Itemized below
Subcontractor Bonds	2%			\$111,714	
4% Contingency	4%			\$223,428	Unsuitables/ other
Insurances Outside of OCIP	0.48%			\$26,811	
CMR P&P Bonds	1%			\$55,857	
CMR FEE	5%			\$279,286	
			Total ROM	\$7,288,234	

General Conditions* (6 Months)

- Salaries Staff (3/ea dedicated to Apron)
- Temp facilities use
- Equipment maintenance
- Dumpsters
- Temp toilets

General Requirements**

- AOA Fence Relocation
- Tools & Equipment
- Temp Lighting
- Escorting
- Surface Clean
- Surveying/ AsBuilts
- BHS Coordination & Tug Paths



**Gresham
Smith**

GS-NC P.C.
An Affiliate of Gresham Smith

Consultant Scope of Services

Greater Asheville Regional Airport Authority

Task Order number 2-part E for Professional Consulting Services, as referenced in the Professional Consulting Agreement between the Greater Asheville Regional Airport Authority and GS-NC P.C., an Affiliate of Gresham Smith, dated June 24, 2019.

Project: Phase 2 Terminal Modernization

Scope of Services: As indicated on the Scope of Work document attached to this proposal.

Consultant Team: Gresham Smith and its consultants will provide Overall Project Management, architecture, interior design, structural, mechanical, plumbing, electrical, airside civil, landside civil, special systems and baggage handling design for the Phase 2 Terminal Modernization. This is for additional services identified in correspondence dated January 20th, 2025.

Design Schedule: As indicated on the Scope of Work document attached to this proposal.

Project Budget: As defined by the CMR CGMP's

Fees: Lump Sum of \$336,800 for Additional Services related to the project scope.

Authority:

Greater Asheville Regional Airport Authority

By: _____

President & CEO

Date: _____

Consultant:

Gresham Smith

By: _____

Title: _____

Date: _____

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

Finance Officer

Genuine Ingenuity

201 S. College Street
Suite 1950
Charlotte, NC 28244
704.944.7970

GreshamSmith.com



January 20, 2025

Jared Merrill
 Greater Asheville Regional Airport Authority
 61 Terminal Drive, Suite 1
 Fletcher, NC 28732

Subject: North Commercial Ramp Rehabilitation
 AVL Terminal Modernization and Expansion
 Asheville Regional Airport
 Gresham Smith Project No. 43483.02

Dear Mr. Merrill:

We are pleased to present to you this scope of work for the North commercial Ramp Rehabilitation. Due to the emergency nature of this task and how it impacts the opening of the first phase of the terminal, we have previously begun with your direction. Please see attachment A for scope of work for AVCON. Please see attachment B for scope of work for SME. Gresham Smith will preform the following scope:

- manage this scope of work
- coordinate meetings between the owner, Construction Manager (Hensel Phelps) and their trade partners as needed to fast track the work as much as possible
- Assist with phasing of the work in relation to the opening of the terminal and aircraft parking positions
- Coordinate timing and locations of coring's preformed SME
- Coordinate communication between design and construction teams

	Gresham Smith	AME	Arora	Delta Consultants	JSM	AVCON	SME	JMT
Task 8	\$25,000	\$0	\$0	\$0	\$0	\$270,000	\$16,800	\$25,000

Total lump sum amount of \$336,800

Genuine Ingenuity

620 Tyron Street
 Suite 500
 Charlotte, NC 28202
 704.944.7970

GreshamSmith.com



Jared Merrill
January 20, 2025

Please note, we are carrying an allowance of \$25,000 for JMT for any potential survey needs for the rehabilitation of the north apron slab. We will notify you if the need for survey comes up. This proposal assumes the ramp rehabilitation construction effort is performed under the CMR contract of Hensel Phelps only. If there are any questions, please do not hesitate to reach out.

Sincerely,

Brad Sucher, AIA NCARB
Project Manager

BS

Attachments

- Attachment A – AVCON Proposal
- Attachment B – SME Proposal

Copy Lexie Farmer, Anna Henderson - GARAA
 Vin Del Nero - Parsons

Greater Asheville Regional Airport Authority

DESIGN AND CONSTRUCTION PHASE SERVICES

North Terminal Apron Reconstruction

Consultant Scope of Services

Overall Project Description – North Terminal Apron Reconstruction (Project)

The North Terminal Apron Reconstruction Project site is located at the northern end of the current Terminal Ramp and incorporates approximately 12,300 square yards(sy) of concrete (PCC) pavement. The Project site is generally bounded on the north by grassed area and access drive, as well as the AVL ARFF / Public Safety Facility; on the west by grassed infield area and a portion of Taxiway D; on the south by the main Terminal Ramp; and on the east by a PCC overnight parking apron.

The North Terminal Apron Reconstruction Design Project consists of the removal of approximately 12,300sy of existing concrete pavement and the replacement of 12,300sy of new portland cement concrete (PCC) pavement. The project will include, but not necessarily be limited to pavement demolition, new concrete pavement section design, jointing design and layout, associated pavement grading and drainage, aircraft parking layout and general apron marking plans, erosion and sediment control design and plans (as required), construction phasing, and safety and security plans and details.

The CONSULTANT will provide professional services that consist of design, permitting (as required), and bidding assistance and construction phase services. The overall services are described as follows:

1.0 Design Phase Services

Construction plans, technical specifications, project documents and project manual will be prepared for the construction of the Project.

1.1 Design Phase Services (30% Schematic Design Documents)

- 1.1.1 Conduct Scoping Meeting and Prepare Meeting Notes
- 1.1.2 Conduct Internal Design Team Kickoff Meeting
- 1.1.3 Document/Data Collection and Records Research
- 1.1.4 Conduct Site Visit and Surface Observations/Investigations
- 1.1.5 Prepare 30% Schematic Design Documents and QC Review

1.2 Design Phase Services (70%/IFB Design Documents)

- 1.2.1 Project/Task Management and Coordination
- 1.2.2 Team Coordination-Meetings (assume 2)
- 1.2.3 Develop Initial Overall Construction Phasing Plan and Individual Work Area Phasing Plans in Consultation with AVL
- 1.2.4 Develop Initial Safety, Security and Access Plan
- 1.2.5 Develop Initial Demolition Plans and Limits
- 1.2.6 Develop Initial Geometric Layout
- 1.2.7 Develop Initial Grading Design, Paving and Spot Elevations
- 1.2.8 Develop Initial Design of PCC Pavement Joint Layout Plans
- 1.2.9 Develop Initial Erosion and Sediment Control Design and Plans
- 1.2.10 Develop Initial Marking Plans
- 1.2.11 Prepare Construction Drawings (70%)
 - 1.2.11.1 Cover and Frontend Plans
 - 1.2.11.2 Phasing and Safety Plans
 - 1.2.11.3 Existing Conditions Plans
 - 1.2.11.4 Demolition Plans
 - 1.2.11.5 Geometry Plans
 - 1.2.11.6 Grading and Drainage Plans
 - 1.2.11.7 Paving Plans
 - 1.2.11.8 Marking Plans
 - 1.2.11.9 Civil and Drainage Details
 - 1.2.11.10 Pavement Structure Details
- 1.2.12 Development of 70% Design Documents (including plans, specs, engineers report)
- 1.2.13 Prepare and Submit FAA 7460 Documents
- 1.2.14 Meet and review completed 70% Design Documents with AVL (1)

1.3 Final Design Phase Services (100% Design)

- 1.3.1 Project/Task Management and Coordination
- 1.3.2 Team Coordination-Meetings (2)
- 1.3.3 Conduct Site Visit (with working plans in hand)
- 1.3.4 Prepare and Submit CATEX Document
- 1.3.5 Refine and Finalize Construction Phasing Plan in Consultation with AVL
- 1.3.6 Demolition Limits
- 1.3.7 Geometric Layout
- 1.3.8 Paving and Spot Elevations
- 1.3.9 Erosion and Sediment Control Design
- 1.3.10 Safety, Phasing, and Access Design
- 1.3.11 Prepare Construction Drawings (100%)
 - 1.3.11.1 Cover and Frontend Plans
 - 1.3.11.2 Phasing and Safety Plans
 - 1.3.11.3 Existing Conditions Plans
 - 1.3.11.4 Demolition Plans
 - 1.3.11.5 Geometry Plans

- 1.3.11.1.6 Grading and Drainage Plans
- 1.3.11.1.7 Paving Plans
- 1.3.11.1.8 Marking Plans
- 1.3.11.1.9 Civil and Drainage Details
- 1.3.11.1.10 Pavement Structure Details
- 1.3.12 Development of 100% Design Documents (including plans, specs, engineer's report)
- 1.3.13 Meet and review completed 100% Design Documents with AVL (1)

1.4 Other Services

- 1.4.1 Prepare and submit FAA Form 7460 and Construction Safety and Phasing Plan
- 1.4.2 Prepare Development Technical Specifications (70%/100%)
- 1.4.3 Prepare Engineer's Report (70%/100%)
- 1.4.4 Prepare Erosion and Sediment Control Permit documents for submittal to NCDEQ (As required)
- 1.4.5 Prepare and Submit CATEX Document
- 1.4.6 Assist with Development of Probable Construction Costs (30%/50%/75%/100%)
- 1.4.7 Quality Assurance Review (30%/70%/100%)
- 1.4.8 Finalize Construction Documents into Released for Construction (RFC) Documents

The Design Phase will be considered complete upon delivery of the 100% Final Bid Documents and associated permits.

2.0 Bidding Phase Assistance

As understood by the CONSULTANT, the Project will be constructed and delivered to AVL through AVL's Terminal Architect (Gresham Smith) and Construction Manager at Risk (Hensel Phelps). Conventional bidding and awarding the Project will not be the method for securing a contractor to construct the Project. CONSULTANT will assist and coordinate with AVL, Gresham Smith and Hensel Phelps during this procurement task regarding questions, clarifications, and assistance to procure contracts for this work.

The Bidding Phase will be considered complete upon the procurement of a contractor by Gresham Smith and Hensel Phelps.

3.0 Construction Phase Assistance

The CONSULTANT to provide consultation, recommendations, and site review as needed and required by AVL or HP. The CONSULTANT will acknowledge testing requirements for material testing for CONTRACTOR. Any testing and/or inspections required by permit or specifications, will be completed through a third party, as contracted directly by AVL or HP. The CONSULTANT shall review submittals for compliance with project documents.

4.0 Additional Information

4.1 Assumptions

The following assumptions have been made in the development of this Scope of Services:

- AVL will provide access to Airport property to AVCON and AVCON's subconsultants.
- Project drawings will be prepared in AutoCAD 2020 format or newer.
- AVL will coordinate with the FAA ATCT personnel for meeting attendance, review and input regarding construction phasing and sequencing of the construction work, as well as potential aircraft movements on the airfield during construction.
- A NCDEQ Land Disturbance Permit may be required for this project. CONSULTANT to verify if construction means and methods and schedule warrants submittal.
- A NCDEQ Stormwater Application and Permit are not required by this project since no additional impervious areas are being created. If additional impervious areas are created or drainage patterns changed beyond those expected, a NCDEQ Stormwater Application and Permit may be required.
- Full Time Inspection and Resident Project Representative (RPR) and construction related testing, observations, and survey to be provided by others.

4.2 Deliverables

- 30% Design Submittal (PDF Only)
- 70% Design Submittal (PDF Only)
- 100% Design Submittal (PDF Only)
- Released for Construction (RFC) Documents (PDF Only)
- NCDEQ application and permit (Word or PDF Only) (As Required)

4.3 Services Not Included In This Task Order

- Full Time Inspection and Resident Project Representative (RPR)
- Design Survey
- Cost Estimating
- Environmental Due Diligence including CATEX and/or EA
- Geotechnical Investigation
- QA/QC Testing
- QA/QC Survey
- Permitting fees (to be paid by AVL)

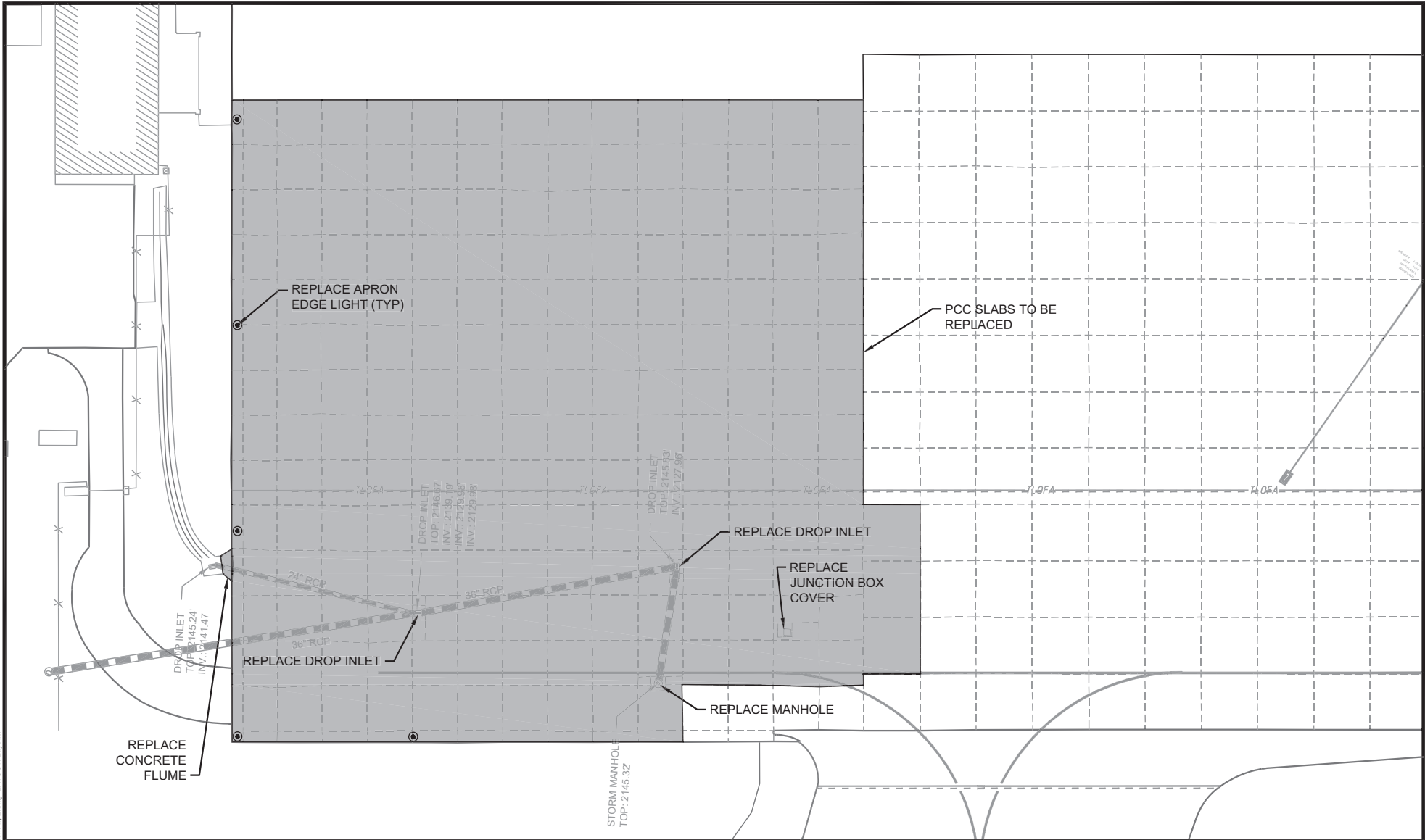
4.4 Schedule

- Notice to Proceed November 2024
- 30% Design Submittal December 2024
- 70% Design Submittal January 2025
- 100% Design Submittal February 2025

Schedule based on being providing a Notice to Proceed in November 2024. 30% Design Submittal to be provided 4 weeks after NTP, 70%/IFB Design Submittal 10 weeks after NTP, 100% Design Submittal 14 weeks after NTP. Schedule is also based on being provided base information, available survey, and geotechnical investigations prior to the 30% Design Submittal.

5.0 Fee

Fees: The Lump Sum (LS) Fee for the work outlined in this scope of work, including expenses, is \$270,000.00.



**APRON PCC SLAB REPLACEMENT (OPTION 1)
ASHEVILLE REGIONAL AIRPORT**

**EXHIBIT
1**

DRAWN BY: NLM CHECKED BY: KWM SCALE: 1" = 40' DATE: OCTOBER 2024



www.deltairport.com



November 13, 2024

Gresham Smith
919 East Main Street, Suite 1200
Richmond, Virginia 23219

Attention: Mr. Brad Sucher

Reference: **Proposal for Existing Concrete Pavement Testing Services**
Asheville Regional Airport - Concrete Apron
Arden, North Carolina
S&ME Proposal No. 24410155

Dear Mr. Sucher:

S&ME, Inc. (S&ME) submits this proposal for concrete pavement testing services related to the existing concrete apron pavements at the Asheville Regional Airport. This proposal describes our understanding of the project, discusses the intended scope of services, outlines the project schedule, and presents the associated compensation for our services. Our Agreement for Services (Form AS-071) is attached to and is incorporated as part of the proposal.

◆ Project Description

Information regarding the project was provided by Mr. Brad Sucher with Gresham Smith to Mr. Matt McCurdy with S&ME via email and phone conversation on October 23, 2024. Included in the email is a previous Boring Location Plan prepared by S&ME (Project No. 1451-20-003, dated May 2020) that was marked up with a portion of the existing apron where core testing is requested.

We understand that the Asheville Regional Airport is planning to repair an approximately 350-foot by 300-foot portion of the existing concrete commercial carrier apron. To aid in the design of the repair, Mr. Sucher requested that we prepare a proposal for services including coring of the concrete pavement in 6 locations to measure the thickness of the existing pavement section and perform in-situ testing of the existing base stone and subgrade. Based on previous experience at the Asheville Regional Airport, it is possible that coring and soil evaluation work on the existing apron will need to be performed at night between 12AM and 5AM. However, Mr. Sucher informed us it is likely the work can be performed during normal daytime working hours. Additionally, we expect Asheville Regional Airport will provide our representatives with an escort during the field work.



◆ Scope of Services

S&ME proposes to provide the following scope of services.

- Coordinate with airport personnel and Gresham Smith representatives to gain site access to S&ME and subcontractor personnel. We understand AVL will provide an escort for the work, but our personnel may be required to attend a safety meeting at the beginning of each day's or evening's work. If requested, we can also do the required background check and training for our field staff to be badged by the airport for this project.
- Contact NC 811 to field mark member underground utilities in the vicinity of the planned test locations. (This is required by law, although we anticipate the private utilities at this site will require location and marking by a private utility locator).
- Field layout of 6 test locations using Global Positioning System (GPS) equipment and/or measuring from existing site features. Some locations may be adjusted based on observations in the field. During the layout portion of the project, we will subcontract a private utility locator to identify private utilities not marked by NC 811 in the general vicinity of the planned test locations.
- We will subcontract with a pavement coring contractor to core the pavement at each test location. This service through a subcontractor to S&ME is important due to the depth of concrete sections expected within the pavement areas to be explored. We will measure the thicknesses of the concrete. Photographs of the cores will be taken in our laboratory.
- After removing the pavement materials, we will perform Kessler DCP testing to evaluate the stone base (where practical) and soil subgrade consistency to a depth of approximately 2 to 3 feet below the bottom of the pavement at each coring location. The base stone thickness will be estimated based on the results of the DCP testing, and we will also attempt to check the depth of the stone by penetrating it with a hand auger. The Kessler DCP results can be generally correlated to in-situ California Bearing Ratio (CBR) values using published information.
- After performing the DCP testing and measuring the base course thickness, the crushed stone will be replaced, and the pavement will be patched with fast setting concrete material.
- We estimate 3 nights will be required to complete the field work (1 for layout/private utility location and 2 for coring and testing). If the work can be performed during normal daytime hours, only 2 days should be required to complete the work.
- Following completion of the field work, we will prepare a formal report to document our findings of the exploration. The report will describe the existing pavement surface conditions, concrete and crushed stone thicknesses, and shallow subgrade conditions. We will also present recommendations for appropriate subgrade support (K) values, based on the Kessler DCP test data, for use by Gresham Smith in the pavement design. The report will be submitted electronically in PDF format.

◆ Excluded Services

Without attempting to make a list of all services or potential services that will be excluded from this proposal, the following services are specifically excluded from this proposal.

- Surveying of core locations.
- Clearing stored materials for access.



- Laboratory testing.
- Pavement design.
- Environmental site assessment (i.e., the assessment of site environmental conditions or testing for the presence of contaminants in the soil, surface water or groundwater).
- Construction-phase services (i.e., monitoring of construction or testing of construction materials).

If any of the excluded services are required, please contact us so that we can modify this proposal or prepare a proposal for additional services.

◆ Client Responsibilities

The Scope of Services, fee, and project schedule presented herein are contingent upon the client fulfilling the following responsibilities:

- ◆ Execute our Agreement for Services (attached Form AS-071) or provide other written authorization.
- ◆ Provide access to the property and permission to perform the proposed work.
- ◆ Provide information regarding underground utilities (if available).
- ◆ Provide the latest site/grading plans and project information (if available).
- ◆ Provide an AVL escort for field activities.

As part of our scope of services, we will request that buried utilities be located on the site by the North Carolina 811 (NC 811) and subcontract a private utility locator. NC 811 has information primarily limited to public utilities located within public rights-of-way. They do not typically include private utilities located outside the rights-of-way. Therefore, any on-site private utilities must be identified to us. We will not be responsible for damage to private or public utilities that are not identified to us prior to our commencing work.

◆ Schedule and Fee

We propose to complete the services outlined above for the following lump sum fees.

Scope Description	Fee
Field Exploration and Report Preparation (assuming daytime field work is allowable)	\$16,800
Additional Fees for Nightwork, if required (light plant, extra night due to shortened work hours)	\$4,900
Airport Badging, if required (2 personnel assumed)	\$2,500

We anticipate we can begin the field work within about 2 weeks of authorization, depending on the availability of AVL staff for escorting our personnel. If badging of our personnel is required, the additional time required will be dependent upon AVL's schedule. We anticipate private utility location and marking of coring locations will be done on the first day/night and coring/subgrade testing/patching will take 1 day or 2 nights. We anticipate preparation of the report will require another 1 to 2 weeks.



◆ Authorization

Our Agreement for Services, Form Number AS-071, is attached and is incorporated as a part of this proposal. Please indicate your acceptance of our proposal by signing the AS-071 and returning a copy to our office. We will then proceed with the performance of services. If you elect to accept our proposal by issuing a purchase order, then please reference this proposal number and date. Your purchase order will be an acceptance of our Agreement of Services and an authorization to proceed with the performance of our services. The terms and conditions included in any purchase order shall not apply, as our agreement is for services that are not compatible with purchase order agreements.

If this proposal is transmitted to you via e-mail, and if you chose to accept this proposal by e-mail, your reply e-mail acceptance will serve as your representation to S&ME that you have reviewed the proposal and the associated Agreement for Services (AS-071) and hereby accept both as written.

This proposal is solely intended for the Basic Services as described in the Proposed Scope of Service. The Scope of Service may not be modified or amended, unless the changes are first agreed to by the client and S&ME. Use of this proposal and resulting documents, including the final report, are limited to the referenced project and client. No other use is authorized by S&ME.

◆ Closing

S&ME appreciates the opportunity to be of service to you. If you have any questions regarding the outlined scope of services, or if we may be of any further assistance, please call us.

Sincerely,

S&ME, Inc.

Handwritten signature of Christopher Fujita-Mentch in blue ink.

Christopher Fujita-Mentch, PE
Project Engineer

Handwritten signature of Matthew H. McCurdy in blue ink.

Matthew H. McCurdy, PE
Principal Engineer

Attachments: Agreement for Services (AS-071)

parties without Consultant's specific written consent. Any acceptance by Client is limited to acceptance of the express terms set forth in this Agreement for Services.

3. **SCOPE OF SERVICES:** Unless otherwise stated in writing, Client assumes sole responsibility for determining whether the quantity and the nature of the services included in Consultant's proposal received by Client are adequate and sufficient for Client's intended purpose. Client shall communicate the provisions of this Agreement for Services to each and every third party to whom Client transmits any part of Consultant's work. Consultant shall have no duty or obligation to any third party except as specifically set forth in Consultant's proposal.

Consultant has provided Client with the Proposal identified under "Services to be Rendered." By signing below, Client agrees that Client or the Client's representative has examined Consultant's proposal, which includes a scope of work to be performed by Consultant, an opinion on the cost to perform Consultant's scope of work, and an opinion on the amount of time required to perform Consultant's scope of work along with any other documents, opinions, or advice prepared or provided by Consultant and Client agrees that Client is fully satisfied with Consultant's Proposal and Client obtained the advice of any other consultant(s) as the Client deems necessary to protect the Client's interests. Client also agrees by signing below it is responsible for requesting additional services not included in Consultant's proposal and if necessary, Client agrees it is responsible (even if delegated to a third party) for notifying and scheduling Consultant so Consultant can perform the Services. Consultant shall not be responsible for damages caused by services not performed due to any failure to request or schedule Consultant's Services. If project conditions change materially from those described to Consultant at the time of proposal, Consultant is entitled to a change order equitably adjusting its Services and fee.

Consultant shall not supervise, direct or have control over the Client's work nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Client's contractor and/or agents. These rights and responsibilities are solely those of the contractor or agent in accordance with its agreement with Client. Only Client has the right to reject or stop work of its contractor or agents. Consultant's presence on site does not in any way guarantee the completion, quality or performance of the work by any other party retained by Client. Consultant does not guarantee the performance of any contractor or agent of Client and shall not be responsible for such party's failure to perform its work in accordance with any applicable documents, including but not limited to, the plans and specifications or any applicable laws, codes, rules or regulations.

Any evaluations of the Client's budget for the project, and any preliminary or updated estimates of the cost of the work prepared by Consultant represent Consultant's judgment as a design professional familiar with the construction industry. It is recognized, however, that neither Consultant nor Client has control over the cost of the labor, materials or equipment, over the contractor's methods of determining bid prices, or over competitive bidding, market or negotiating conditions. Accordingly, Consultant does not warrant or represent that bids or negotiated prices will not vary from Client's budget for the project, or from any estimate of the cost of the work evaluation prepared or agreed to by Consultant.

4. **CHANGE ORDERS:** Client may request changes to the scope of Services by altering or adding to the Services to be performed. If Client so requests, Consultant will provide a change order proposal including Client's requested changes to the scope of Services for Client's review and approval. Following Client's approval, Client shall provide written acceptance and such Change Order Proposal shall become part of the Contract Documents and shall supersede any prior conflicting terms. If Client does not follow these procedures, but instead directs Consultant to perform changed or additional work without an executed change order, (1) the Services are changed according to Consultant's understanding of Client's direction; and (2) and Consultant will be paid for this work according to the current fee schedule plus fifteen percent (15%).
5. **PAYMENT:** Client will pay Consultant for Services and expenses in accordance with the Contract Documents. If prices for Services are not specified in the Contract Documents, Consultant's current fee schedule in effect for the type of services performed shall control. Unless otherwise agreed prior to the start of the Services, Consultant will submit invoices to Client monthly and a final invoice upon completion of Services. Payment is due upon receipt of the invoice unless otherwise agreed to in writing prior to the submittal of the invoice.

Invoices are past due 30 calendar days after the date of the invoice. Past due amounts are subject to a late fee of one and one-half percent per month (18 percent per annum) or the highest amount allowed by applicable law on the outstanding balance, whichever is less. Attorney's fees and other costs incurred in collecting past due amounts shall be paid by Client. The Client's obligation to pay under this Agreement is in no way dependent upon the Client's ability to obtain financing, payment from third parties, approval of governmental or regulatory agencies, or Client's successful completion of the Project. In addition, CONSULTANT reserves the right to suspend the performance of all services in any case where invoices remain unpaid more than sixty (60) days from the invoice date.

To verify the CLIENT's requirements for appropriate invoicing, the following information is requested.

CLIENT Accounts Payable contact name:

CLIENT Accounts Payable contact phone number:

CLIENT Accounts Payable email address:

Upon execution of this document, CONSULTANT will reach out to the contact provided to gather CLIENT's required information such as purchase order number, client project number, email address or website for invoice submission, monthly deadline for invoice submission, CLIENT legal entity name for invoicing, CLIENT address for invoicing, etc.

6. **STANDARD OF CARE**: Consultant and its agents, employees and subcontractors shall endeavor to perform the Services for Client with that degree of care and skill ordinarily exercised, under similar circumstances, by consultants practicing in the same discipline at the same time and location. In the event any portion of the Services fails to substantially comply with this standard of care obligation and Consultant is promptly notified in writing prior to one year after completion of such portion of the Services, Consultant will re-perform such portion of the Services, or if re-performance is impractical, Consultant will refund the amount of compensation paid to Consultant for such portion of the Services. **NOTWITHSTANDING ANY TERMS IN OR APPLICABLE TO THIS AGREEMENT, CONSULTANT MAKES NO WARRANTIES OR GUARANTEES, EXPRESS OR IMPLIED, RELATING TO CONSULTANT'S SERVICES OR WORK PRODUCT, AND CONSULTANT DISCLAIMS ANY IMPLIED WARRANTIES OR WARRANTIES IMPOSED BY LAW, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**
7. **LIMITATION OF LIABILITY**: Client and Consultant have evaluated the risks and rewards associated with this project, including Consultant's fee relative to the risks assumed, and agree to allocate certain of the associated risks. To the fullest extent permitted by law, Consultant's aggregate liability to Client, including that of Consultant's officers, directors, employees and agents, is cumulatively limited to \$100,000, hereinafter referred to as LIMITATION OF LIABILITY. This LIMITATION OF LIABILITY applies to all lawsuits, claims or actions, whether identified as arising in tort, INCLUDING NEGLIGENCE (WHETHER SOLE OR CONCURRENT), PROFESSIONAL ERROR OR OMISSIONS, BREACH OF WARRANTY (EXPRESS OR IMPLIED), NEGLIGENT MISREPRESENTATION, AND STRICT LIABILITY, contract, or other legal theory, including without limitation, Consultant's indemnity obligations to Client related to the Services provided in this Agreement and any continuation or extension of Consultant's Services.

By entering into this Agreement, Client acknowledges that this LIMITATION OF LIABILITY provision has been reviewed, understood and is a material part of this Agreement, and that Client has had an opportunity to seek legal advice regarding this provision.
8. **NO CONSEQUENTIAL DAMAGES**: In no event shall Consultant or Client be liable to the other for any special, indirect, incidental or consequential loss or damages, including, but not limited to, lost profits, damages for delay, or loss of use arising from or related to Services provided by Consultant.
9. **INSTRUMENTS OF SERVICE**: In connection with the performance of the Services, Consultant may deliver to Client reports, drawings, specifications, computer files, field data, notes, and other documents and instruments prepared by the Consultant reflecting Services provided and the results of such Services ("Instruments of

Service"). Statements made in Consultant's Instruments of Service are opinions based upon engineering judgment and are not to be construed as representations of fact. All Instruments of Service, other written documents, all original data gathered by Consultant and work papers produced by Consultant in the performance of or intrinsic to the Services included in the Services are, and shall remain, the sole and exclusive property of Consultant. Files shall be maintained in general accordance with Consultant's document retention policies and practices. Client shall indemnify, defend, and hold Consultant harmless from any and all claims, damages, or losses arising from any unauthorized reuse or modification of the Instruments of Service.

10. **SAFETY**: Consultant has no authority and no responsibility for general job safety and for the safety of persons who are not employed by Consultant. Should Client, or third parties, be conducting activities on the Site, then each shall have responsibility for their own safety and compliance with applicable safety requirements.
11. **SAMPLES**: Samples are consumed in testing or disposed of upon completion of tests (unless stated otherwise in the Services).
12. **HAZARDOUS MATERIALS**: Nothing contained within this agreement shall be construed or interpreted as requiring Consultant to assume the status of an owner, operator, generator, storer, transporter, treater or disposal facility as those terms appear within RCRA or within any Federal or State statute or regulation governing the generation, transportation, treatment, storage and disposal of pollutants. Client retains full responsibility for compliance with the provisions of RCRA and any other Federal or State statute or regulation governing the handling, treatment, storage and disposal of pollutants.
13. **CLIENT OBLIGATIONS**:
 - (a) Client warrants that all information provided to Consultant regarding the Project and Project location are complete and accurate to the best of Client's knowledge.
 - (b) Client agrees to furnish (or obtain from the Owner should the Client not be the Owner) Consultant, its agents, employees, and subcontractors a right-of-entry and any authorizations needed for Consultant to enter onto the project site to perform the Services included in this Agreement.
 - (c) Client recognizes that the performance of the Services included in this Agreement may cause alteration or damage to the Site. Client acknowledges that some site disturbance is inherent in the work for which Consultant will not be responsible. Should Client not be owner of the property, then Client agrees to notify the owner of the aforementioned possibility of unavoidable alteration and damage and Client shall arrange for the repair of any alteration and damage.
 - (d) Client agrees to disclose the identity of all utilities serving the Project Site, the presence and accurate location of hidden or obscured man-made objects known to Client that may be in Consultant's work area and the nature and location of any known or suspected hazardous materials that may exist on the property.
 - (e) The Client shall furnish, at the Client's expense, all information, requirements, reports, data, surveys and instructions required by this Agreement. The Consultant may use such information, requirements, reports, data, surveys and instructions in performing its services and is entitled to rely upon the accuracy and completeness thereof.
 - (f) In order to make informed decisions based on the Instruments of Service, Client's review and study of the Instruments of Service is vital to take full advantage of the consulting process. Client shall review in detail all Instruments of Service, including attachments and references therein, and in the event of questions or concerns, shall contact the project manager. Consultant provides information in the Instruments of Service which assists the Client and/or user in understanding and using the deliverable. The information includes direction on the extent to which the information can be relied on and applied to Client's decision-making process.
 - (g) Provide prompt written notice to CONSULTANT if CLIENT becomes aware of any fault or problem in the PROJECT, including any errors or omissions in CONSULTANT'S work.

(h) Client is responsible for reporting any releases of hazardous substances to appropriate government agencies as required by law. Client acknowledges that Consultant also may have reporting obligations under controlling law and regulations. Client waives any claim against Consultant and will indemnify and hold Consultant harmless from any claim, injury or loss arising from the discovery of unforeseen hazardous substances.

14. **CERTIFICATIONS:** Client understands and agrees that Consultant's Instruments of Services are limited to an expression of professional opinion based upon the Services performed by the Consultant and does not constitute a warranty or guarantee, either express or implied. In addition, Client agrees that Consultant will not be required to execute any document that would result in certifying, guaranteeing or warranting the existence of conditions whose existence the Consultant cannot reasonably ascertain.

15. **FAILURE TO FOLLOW RECOMMENDATIONS:** The Client agrees that it would be unfair to hold the Consultant liable for problems that may occur if the Consultant's recommendations are not followed. Accordingly, the Client waives any claim against the Consultant, and agrees to indemnify, and hold harmless the Consultant from any claim or liability for injury or loss that results from failure to implement the Consultant's recommendations or from implementation of the Consultant's recommendations in a manner that is not in strict accordance with them.

16. **TERMINATION:**

For Convenience - Upon written notice, Client or Consultant may terminate the performance of any further Services included in this Agreement if the terminating party determines termination is in the terminating party's interest. Upon receipt of a termination notice by either party, Consultant shall stop work on all Services included in this Agreement and deliver any Instruments of Service complete at that time to Client and Client shall pay Consultant within thirty (30) days for all Services performed up to the dispatch or receipt of the termination notice. Upon Termination for Convenience, Consultant and Client shall have no further rights or remedies other than those included in this paragraph.

For Cause –In the event of material breach of this Agreement, the party not breaching the Agreement may terminate it upon five (5) business days written notice delivered or mailed to the other party, which notice must identify the material breach. The Agreement may not be terminated for cause if the breaching party cures the breach within five (5) business days of receipt of the written notice. Upon Termination for Cause, Consultant shall stop work on all Services included in this Agreement and deliver any instruments of service complete at that time to Client and Client shall pay Consultant within thirty (30) days for all Services performed up to the termination. Upon Termination for Cause, Consultant and Client shall have no further rights or remedies other than those included in this paragraph.

17. **UNFORESEEN CONDITIONS OR OCCURRENCES:** If, during the performance of Services ,any unforeseen hazardous substance, material, element or constituent or other unforeseen or changed conditions or occurrences are encountered which, in Consultant's judgment, significantly affects or may affect the Services, the risk involved in providing the Services, or the recommended Scope of Services, Consultant will promptly notify Client. Subsequent to that notification, Consultant may: (a) If practicable, in Consultant's judgment and with approval of Client, complete the original Scope of Services in accordance with the procedures originally intended in the Proposal; (b) Agree with Client to modify the Scope of Services and the estimate of charges to include the previously unforeseen conditions or occurrences, such revision to be in writing and signed by the parties and incorporated into this Agreement; or (c) Terminate the Services effective on the date of notification pursuant to the terms of TERMINATION FOR CONVENIENCE.

18. **FORCE MAJEURE:** Consultant shall not be deemed to be in default of this Agreement to the extent that any delay or failure in the performance of the Scope of Work results from any causes beyond its reasonable control. For this purpose, such acts or events shall include, but are not limited to, storms, floods, unusually severe weather, epidemics, pandemics, quarantines, acts of government, civil disturbances, war, riot, strikes, lockouts or other industrial disturbances, and the inability within reasonable diligence to supply personnel, equipment, information or material to the Project. In the event that such acts or events occur, it is agreed that Consultant shall attempt to resume performance of the Services covered by this Agreement as soon as

reasonably possible. If the force majeure event adversely affects the scope or schedule, Client agrees to modify the Scope of Services and the estimate of charges, such revision to be in writing and signed by the parties and incorporated into this Agreement.

19. **INSURANCE**: Consultant shall maintain at its own expense, during the term of this Agreement, the following insurance: (1) Workers' Compensation providing statutory coverages required by the state where services are provided, (2) Employer's Liability with limits of \$1,000,000 each accident, (3) Commercial General Liability with limits of \$1,000,000 each occurrence / \$2,000,000 aggregate, (4) Commercial Automobile with limits of \$1,000,000 each accident, (5) Umbrella Excess Liability with limits of \$5,000,000 each occurrence and (6) Professional Liability with limits of \$1,000,000 each claim.
20. **INDEMNITY**: Consultant shall indemnify Client from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent caused by the negligent acts, errors, or omissions of Consultant in the performance of services under this Agreement. Notwithstanding any terms in or applicable to this Agreement, it is understood and agreed that Consultant shall have no affirmative defense obligations.
21. **DISPUTE RESOLUTION**: In the event of a dispute between Consultant and Client with regard to any matter arising out of or related to this Agreement, the Parties will use their best efforts to resolve the dispute amicably using negotiation and mediation within fifteen (15) calendar days. If the dispute cannot be settled amicably, the Parties agree that the dispute shall be resolved by litigation in a court of competent jurisdiction within the State where project is located.
22. **ASSIGNMENT**: Neither party may assign this Agreement, in whole or in part, without the prior written consent of the other party.
23. **NO WAIVER**: No waiver by either party of any default by the other party in the performance of any provision of this Agreement shall operate as or be construed as a waiver of any future default, whether like or different in character.
24. **MISCELLANEOUS**: The validity, interpretation, and performance of this Agreement shall be governed by and construed in accordance with the laws of the state where project is located without regard to choice of law provisions. This Agreement represents the entire understanding and agreement between the parties hereto relating to the Services and supersedes any and all prior negotiations, discussions, and Agreements, whether written or oral, between the parties regarding same. No amendment or modification to this Agreement or any waiver of any provisions hereof shall be effective unless in writing, signed by both Parties. If any part of this Agreement is found to be unenforceable, then the parties' intent is to have such part rewritten to attain as close as possible the original intent of the unenforceable provision, and all remaining provisions shall continue in full force and effect.
25. **TIME BAR**: Notwithstanding any applicable state statute of repose or statute of limitation, the Parties agree that all legal actions by either party against the other concerning this Agreement or the work performed in relation to this Agreement, will become barred two (2) years from the time the party knew or should have known of the claim, or two (2) years after completion of Consultant's Services, whichever occurs earlier.
26. **NO DISCRIMINATION**: To the extent applicable, this contractor and subcontractor shall abide by the requirements of 41 CFR §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a) and the posting requirement under 29 CFR Part 471, appendix A to subpart A. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability.
27. **NO THIRD PARTY LIABILITY**: Nothing in this Agreement or as a consequence of any of the Services provided gives any rights or benefits to anyone other than Client and Consultant. All duties and responsibilities

undertaken pursuant to this Agreement are for the sole and exclusive benefit of Client and Consultant and not for the benefit of any other party. No third party shall have the right to rely on the Instruments of Service without Consultant's prior written consent and the third party's agreement to be bound to the same terms and conditions as the Client.

28. **INDIVIDUAL LIABILITY:** CLIENT AGREES THAT CONSULTANT'S SERVICES WILL NOT SUBJECT CONSULTANT'S INDIVIDUAL EMPLOYEES, OFFICERS OR DIRECTORS TO ANY PERSONAL LIABILITY, AND THAT NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, CLIENT AGREES THAT ITS SOLE AND EXCLUSIVE REMEDY SHALL BE TO DIRECT OR ASSERT ANY CLAIM, DEMAND, OR SUIT ONLY AGAINST CONSULTANT.

CONSULTANT HEREBY ADVISES CLIENT THAT ITS PERFORMANCE OF THIS AGREEMENT IS EXPRESSLY CONDITIONED ON CLIENT'S ASSENT TO THE TERMS AND CONDITIONS DETAILED HEREIN.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representative.

CLIENT: _____

S&ME, Inc.

BY: _____
(Signature)

BY: _____
(Signature)

(Print Name / Title)

(Print Name / Title)

DATE: _____

DATE: _____

PROPOSAL NUMBER: _____

Client's FAXED or DIGITAL signature to be treated as original signature



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 23rd day of January, 2025.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to Board



MEMORANDUM

TO: Members of the Airport Authority

FROM: Christina M. Madsen, VP Business Development & Properties

DATE: January 23, 2025

ITEM DESCRIPTION – New Business Item B

Approval of Amendment No. 2 to Ground Lease and Agreement between Sheetz, Inc., and the Greater Asheville Regional Airport Authority

BACKGROUND

The Authority approved a lease with Sheetz, Inc., (“Sheetz”) on August 11, 2023. Due to Hurricane Helene and permitting for the project, the Authority granted an extension of the due diligence period to February 5, 2025, and the effective date for the rent to commence on May 10, 2025. However, there is one permit pending review with the North Carolina Department of Environmental Quality (NCDEQ). Administratively, NCDEQ has taken time to determine how they will permit this project due to an existing Airport permit. Sheetz continued to work with NCDEQ, and the decision was made last week by NCDEQ that the existing permit should be terminated and the Airport permit amended for the existing pond to add the new Sheetz location to meet DEQ high-density requirements as the Airport originally used low density requirements.

Sheetz amended the permit and resubmitted to NCDEQ. However, there will need to be additional time for NCDEQ to review and provide approval which will extend past the February 5, 2025, due diligence date provided to Sheetz. Therefore, staff recommends extending the permitting due diligence period to May 5, 2025, and the ground rent commencement date to July 1, 2025.

ISSUES

None.

ALTERNATIVES

The Board could disapprove the amendment.

New Business Item B



FISCAL IMPACT

Budgeted Fiscal Year 2025 revenue will not commence until Fiscal Year 2026.

RECOMMENDED ACTION

It is respectfully requested that the Greater Asheville Regional Airport Authority Board resolve to (1) approve the amendment as described above with Sheetz Inc.; (2) authorize the President & CEO to execute the necessary documents; and (3) amend the FY24/25 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, 2025:

Section 1. To amend the appropriations as follows:

EXPENDITURES:

	<u>Decrease</u>	<u>Increase</u>
Transfer to GARAA Cash	\$49,229.00	
Totals	<u>\$49,229.00</u>	

This will result in a net increase of \$49,229.00 in the appropriations. Revenues will be revised as follows:

REVENUES:

	<u>Decrease</u>	<u>Increase</u>
Land Leases	\$49,229.00	
Totals	<u>\$49,229.00</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 23rd day of January, 2025.

Brad Galbraith, Chair

Attested by:

Ellen Heywood, Clerk to the Board

Attachment

SECOND AMENDMENT TO GROUND LEASE AND AGREEMENT

THIS SECOND AMENDMENT TO GROUND LEASE AND AGREEMENT (this “Amendment”) is made and effective this ___ day of _____, 2025, by and between the **GREATER ASHEVILLE REGIONAL AIRPORT AUTHORITY**, created pursuant to Session Law 2012-121 by the General Assembly of North Carolina on June 28, 2012, and owner and operator of the Asheville Regional Airport (“Authority”), and **SHEETZ, INC.**, a Pennsylvania corporation (“Lessee”). Authority and Lessee are sometimes hereinafter collectively referred to as the “Parties”, and each individually as a “Party”.

RECITALS

A. Authority and Lessee are parties to that certain Lease Agreement dated August 11, 2023 (as so amended, the “Lease”), pursuant to which Authority has agreed to lease to Lessee, and Lessee has agreed to lease from Authority, certain parcels of real property located at the southwest corner of the intersection of NC-280 (Airport Road) and Airport Park Road in the Town of Fletcher, Henderson and Buncombe Counties, North Carolina (as more particularly defined in the Lease, the “Premises”); capitalized terms used in this Amendment and not otherwise defined shall have the meaning(s) ascribed to them in the Lease.

B. Authority and Lessee agreed to the First Amendment dated November 8, 2024 which amended the due diligence period and rent commencement date; and,

C. Authority and Lessee now desire to amend the Lease to memorialize their agreements as more particularly set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth and the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, agree and covenant as follows:

1. **Article 1.41. Rent Commencement Date** is hereby deleted in its entirety and replaced with the following:

“**Article 1.41. Rent Commencement Date** shall mean the earlier of (i) the date the Relocated Parking has been completed and the Authority delivers the Premises to Lessee to construct Lessee’s Improvements, or (ii) twenty-two (22) months, and twenty (20) days following the Effective Date.”

2. **Amendment to Article 2.** Article 2 of the Lease is hereby amended by adding the following provision after the last sentence of Section 2.4.1.1:

“2.4.1.2. **Additional Permitting Period:** The Parties agree to extend the Permitting Period for an additional ninety (90) days after February 5, 2025, for the sole purpose of obtaining any outstanding Governmental Approvals (“Additional Permitting Period”). The Additional Permitting Period shall end upon receipt of all Governmental Approvals or May 5, 2025, whichever occurs first.”

3. **Relationship with Lease.** Except as modified by this Amendment, all the terms and provisions of the Lease shall remain in full force and effect. All future references to the Lease shall be deemed to refer to the Lease as amended and modified by this Amendment. In the event of any conflict or inconsistency between the provisions of this Amendment and any provision(s) of the Lease, the provisions of this Amendment shall govern and control.

4. **Counterparts; Electronic Signatures.** This Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original without the production of any other counterpart. Any signature hereto delivered by Authority or Lessee by electronic transmission, legible facsimile transmission or pdf by email shall be deemed to be an original signature hereto, and the failure to deliver a manually executed counterpart shall not affect the delivery, enforceability or binding effect of this Amendment.

IN WITNESS WHEREOF, the parties hereto have fixed their hands and seals to this Amendment to Lease Agreement the day and year first above written.

AUTHORITY:
**GREATER ASHEVILLE REGIONAL
AIRPORT AUTHORITY**

By: _____
Lew Bleiweis, A.A.E.
President & CEO

LESSEE:
SHEETZ, INC.

By:  _____
Brian T. Dinges
AVP of Real Estate