



City of Scottsdale
Airport Advisory Commission
Regular Meeting

5:00p.m., Wednesday, September 16, 2026
Scottsdale Airport Aviation Business Center
Stearman/Thunderbird Meeting Room
15000 N. Airport Dr, Second Floor, Scottsdale, AZ

AIRPORT ADVISORY COMMISSION

April Beauboeuf, Chair
Tom Kube, Vice-Chair
Craig Bennett
Peter Lenton
David Mecartney
Peter Mier
John Spalj

Call to Order

Roll Call

Pledge of Allegiance

Aviation Director's Report

The public body may not propose, discuss, deliberate, or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

Approval of Minutes

Regular Meeting: August 19, 2026

Public Comment

Citizens may complete one Request to Speak "Public Comment" card per night and submit it to Aviation Staff. Public Comment time is reserved for citizen comment regarding non-agendized items. No official action can be taken on these items. Public Comment is limited to a total of 15 minutes at the beginning and 15 minutes at the end of the meeting. **Speakers are limited to three minutes to address the Commission during "Public Comment."**

 Persons who require a reasonable modification based on a language or a disability may request a reasonable accommodation by contacting Airport Administration at (480-312-2321). Requests should be made 24 hours in advance, or as early as possible for time to arrange accommodation. For TTY users, the Arizona Relay Service (1-800-367-8939) may contact Airport Administration (480-312-2321).

REGULAR AGENDA

ITEMS 1-9

How the Regular Agenda Works: The Commission takes a separate action on each item on the Regular Agenda. If you wish to address the Commission regarding any or all of the items on the Regular Agenda, please complete a Comment Card for each topic you wish to address and submit it to Aviation Staff. Speakers will be given three minutes to speak per item. Additional time may be granted to speakers representing two or more persons. Cards for designated speakers and the persons they represent must be submitted together. **Comment cards must be submitted before public testimony has begun on any Regular Agenda or Public Hearing item.**

1. Annual Update from Scottsdale Chamber of Commerce.
Staff contact: Mark Stanton, President & CEO, 480-355-2709,
mstanton@scottsdalechamber.com
2. Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for DTA Americas Inc. to conduct Aircraft Sales at Scottsdale Airport.
Staff contact: Richard Formo, Assistant Airport Director, 480-312-7735,
rformo@scottsdaleaz.gov
3. Discussion and Input regarding Airport and Airpark Aeronautical Business Permit Additions, Cancellations, and Revocations.
Staff contact: Richard Formo, Assistant Airport Director, 480-312-7735,
rformo@scottsdaleaz.gov
4. Discussion and Possible Action to recommend to City Council, Adoption of Resolution No. 13758 authorizing Construction Manager at Risk Contract (CMAR) No. 2026-143-COS with J. Banicki Construction, Inc., in the amount of \$783,980.54 for the Runway 3-21 Pavement Preservation Project at Scottsdale Airport.
Staff contact: Matthew Johnson, Director - Operations & Maintenance, 480-312-2674,
mljohnson@scottsdaleaz.gov
5. Discussion and Input regarding Monthly Financial Reports July 2026.
Staff contact: Richard Formo, Assistant Airport Director, 480-312-7735,
rformo@scottsdaleaz.gov
6. Discussion and Input regarding Monthly Operations Report.
Staff contact: Matthew Johnson, Director - Operations & Maintenance, 480-312-2674,
mljohnson@scottsdaleaz.gov
7. Discussion and Input regarding Public Outreach Programs and Planning Projects.
Staff contact: Kelli Kuester, Aviation Planning & Outreach Coordinator, 480-312-8482,
kkuester@scottsdaleaz.gov

8. Summary of the Administrative Report from the Aviation Director, or designee, regarding the status of pending aviation-related items. The Commission may not propose, discuss, deliberate, or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

Staff contact: Rick Wielebski, Airport Director, 480-312-8475, rwielebski@scottsdaleaz.gov

9. Discussion and Possible Action to modify the Airport Advisory Commission Meeting Schedule and Commission Item Calendar.

Staff contact: Rick Wielebski, Airport Director, 480-312-8475, rwielebski@scottsdaleaz.gov

Public Comment

Citizens may complete one Request to Speak “Public Comment” card per night and submit it to Aviation Staff. Public Comment time is reserved for citizen comment regarding non-agendized items. No official action can be taken on these items. Public Comment is limited to a total of 15 minutes at the beginning and 15 minutes at the end of the meeting. **Speakers are limited to three minutes to address the Commission during “Public Comment.”**

Future Agenda Items

Discussion and possible action to add Commissioner requested item on a future agenda.

Adjournment



COMMISSION INFORMATION REPORT

APPROVAL OF MINUTES

Meeting Date: 9/16/26

Staff Contact: Kelli Kuester,
Aviation Planning & Outreach
Coordinator

Phone: (480) 312-8482

ACTION

Approval of Minutes – Regular Meeting

Attachment(s): 1. Draft of minutes for the August 19, 2026, Regular Meeting

Action Taken:



**SCOTTSDALE AIRPORT ADVISORY COMMISSION
PUBLIC MEETING**

**Scottsdale Airport Aviation Business Center
Stearman/Thunderbird Meeting Room
15000 N. Airport Drive, Second Floor
Scottsdale, Arizona
Wednesday, August 19, 2026**

DRAFT MINUTES

PRESENT: April Beauboeuf, Chair
Thomas Kube, Vice-Chair
Craig Bennett, (arrived at 5:12 p.m. via telephone)
Peter Lenton
David McCartney
Peter Mier

ABSENT: John Spalj

STAFF: Rick Wielebski, Aviation Director
Matthew Johnson, Director of Airport Operations & Maintenance
Mia Notorial, Airport Administrative Coordinator
Kelli Kuester, Aviation Planning and Outreach Coordinator

GUESTS: George Woods
Bianca Orta
Quinten McDaniel
Michael Figueroa
Doug Davies

CALL TO ORDER

The meeting was called to order at 5:00 p.m.

ROLL CALL

A formal roll call confirmed the presence of Commissioners as noted above.

PLEDGE OF ALLEGIANCE

Commissioner Beauboeuf led the Commission in the Pledge of Allegiance.

AVIATION DIRECTOR'S REPORT

Aviation Director, Rick Wielebski provided the Director's Report introducing and welcoming Mia Notorio as the new Airport Administrative Coordinator. He noted staff have continued to work through the summer approving contracts and permits and conduct normal tasks of running a busy airport. An upcoming item is the closure of the runway at the end of October which Mr. Johnson will expand upon during his update.

APPROVAL OF MINUTES

Regular Meeting: May 20, 2026

VICE-CHAIR KUBE MADE A MOTION TO APPROVE THE MAY 20, 2026, REGULAR MEETING MINUTES AS PRESENTED. COMMISSIONER MIER SECONDED THE MOTION, WHICH CARRIED 5/0 WITH CHAIR BEAUBOEUF, COMMISSIONERS KUBE, LENTON, MECARTNEY, AND MIER, VOTING IN THE AFFIRMATIVE.

PUBLIC COMMENT

There was no response to the call for public comment.

REGULAR AGENDA ITEMS 1-15

1. Annual Update from City of Scottsdale Risk Management.

Safety and Risk Management Director George Woods provided an update on the insurance programs procured for the Airport, including property insurance, workers' compensation, and fine art coverage, which encompasses items such as the aircraft displayed at the terminal entrance. He acknowledged the significant claim associated with last year's incident.

Mr. Woods reported that, based on analysis conducted with the City's insurance brokers, the Airport is adequately insured at \$200 million. For context, he noted that the City of Scottsdale carries \$393 million in coverage.

In response to Commissioner questions, Mr. Woods explained that Airport liability premiums are influenced by global market conditions, including events such as COVID-19. He added that rates have also increased in anticipation of potential resolution of last year's incident, reflected in the current \$32,000 premium.

COMMISSIONER BENNETT ARRIVED AT 5:12 P.M.

Mr. Woods outlined additional services provided to the Airport, including contract review to ensure risk is appropriately assigned to entities conducting business on City property.

Addressing further inquiries, Mr. Woods confirmed that the minimum commercial general liability requirement is \$1 million, consistent with State standards. A discussion followed regarding aeronautical business permit requirements, concluding with Mr. Wielebski and Mr. Woods collaborating to review existing insurance limits and determine whether adjustments are warranted.

Mr. Woods also noted that Safety and Training Coordinators could work with vendors to ensure OSHA training compliance prior to performing work at the Airport, which could be incorporated into permit requirements. Mr. Wielebski emphasized that, as a public-use airport receiving federal funding, it is best practice to maintain clear minimum standards, rules, and regulations to ensure consistent compliance.

As part of a broader citywide initiative, Mr. Woods stated that a comprehensive review of insurance requirements across all departments will be conducted, and findings will be presented to the Commission.

2. Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for Mach One Structural Solutions, LLC to conduct Mobile Aircraft Maintenance services at Scottsdale Airport.

Aviation Director, Rick Wielebski, Mach One Structural Solutions, LLC has met the minimum operating standards to obtain a permit. He introduced Bianca Orta, a representative from the company, who provided additional details about the business and noted the company focuses on building a company that aircraft owners and operators can trust when safety, quality, and reliability matters.

Responding to Commissioner queries, Ms. Orta explained Mr. Smith has over 20 years of exclusive airplane repair coming from Virginia and being in Phoenix for the last two years. She further noted Mr. Smith currently works out of his home, and the business only has two employees for now. They have secured a location at Scottsdale and Mesa airports to conduct their repair work.

COMMISSIONER LENTON MADE A MOTION TO APPROVE THE APPLICATION FOR AIRPORT AERONAUTICAL BUSINESS PERMIT FOR MACH ONE STRUCTURAL SOLUTIONS, LLC, TO CONDUCT MOBILE AIRCRAFT MAINTENANCE SERVICES AT SCOTTSDALE AIRPORT. COMMISSIONER MECARTNEY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MEIR VOTING IN THE AFFIRMATIVE.

3. Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for Bright Wing, LLC to conduct Mobile Aircraft Washing services at Scottsdale Airport.

Aviation Director, Rick Wielebski, Bright Wing Detailing, LLC has met the minimum operating standards to obtain a permit. He introduced Quinten McDaniel, a representative from the company, who provided additional details about the business and noted the company is 100 percent mobile and conducts dry wash only.

Responding to Commissioner queries, Mr. McDaniel explained the dry wash process which leaves no debris. He further explained that the company does not have any intention to transition to wet washing. The company provides services at Deer Valley, Goodyear, Glendale, among other airports.

VICE-CHAIR KUBE MADE A MOTION TO APPROVE THE APPLICATION FOR AIRPORT AERONAUTICAL BUSINESS PERMIT FOR BRIGHT WING DETAILING, LLC, TO CONDUCT MOBILE AIRCRAFT WASHING SERVICES AT SCOTTSDALE AIRPORT. COMMISSIONER MECARTNEY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER VOTING IN THE AFFIRMATIVE.

4. Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for ROMF Solutions, LLC dba Real Clean Greater Phoenix. to conduct Mobile Aircraft Washing services at Scottsdale Airport.

Aviation Director, Rick Wielebski, ROMF Solutions, LLC dba Real Clean Greater Phoenix has met the minimum operating standards to obtain a permit. He introduced Michael Figueroa, a representative from the company, who provided additional details about the business. He noted the company is a franchise from expanding from the East coast and they conduct all detailing services and dry washes.

Responding to Commissioner queries, Mr. Figueroa discussed the company expanding from the East coast and currently provide services at Mesa, Gateway, Falcon, Deer Valley, Good Year airports. The company has been in the valley for eight months with four employees. Mr. Figueroa noted all employees attend a three-week training course and are provided with standard operating procedures.

COMMISSIONER LENTON MADE A MOTION TO APPROVE THE APPLICATION FOR AIRPORT AERONAUTICAL BUSINESS PERMIT FOR ROMF SOLUTIONS LLC DBA REAL CLEAN GREATER PHOENIX, TO CONDUCT MOBILE AIRCRAFT WASHING SERVICES AT SCOTTSDALE AIRPORT. COMMISSIONER MIER SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER VOTING IN THE AFFIRMATIVE.

5. Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for DTA Americas Inc. to conduct Aircraft Sales at Scottsdale Airport.

Aviation Director, Rick Wielebski, DTA Americas Inc. has met the minimum operating standards to obtain a permit. Unfortunately, they are unable to be present for this meeting; however, they have advised they can be present at Septembers meeting. Mr. Wielebski noted DTA Americas will be marketing VTOL (vertical take-off and landing) aircraft.

A discussion ensued among the Commissioners resulting in a decision to defer this presentation.

COMMISSIONER MIER MADE A MOTION TO DEFER REVIEW OF APPLICATION FOR AIRPORT AERONAUTICAL BUSINESS PERMIT FOR DTA AMERICAS INC, TO CONDUCT AIRCRAFT SALES AT SCOTTSDALE AIRPORT UNTIL THE SEPTEMBER MEETING. COMMISSIONER LENTON SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER VOTING IN THE AFFIRMATIVE.

6. Discussion and Input regarding Airport and Airpark Aeronautical Business Permit Additions, Cancellations and Revocations.

Aviation Director Rick Wielebski, noted the applications approved tonight have been added to the report, which will be modified due to the deferral of DTA Americas Inc. to September. Executive Jet Management has moved from the airport to the airpark, and the chart reflects their removal from the airport and addition to the airpark. Further, during an audit staff found Sawyer Aviation had requested to cancel their contract in 2024 and were therefore removed from the list.

Commissioner Mier suggested including a tally for each category in the report. In response to Commissioner McCartney's query Mr. Wielebski discussed the applications for aircraft washing without an increased presence at the airport.

7. Discussion and Possible Action to Adopt Resolution No. 13764 and Authorize Contract 2026-145-COS a Memorandum of Agreement with U.S. Customs and Border Protection at Scottsdale Airport

Aviation Director, Rick Wielebski provided an overview noting that a third Customs and Border Protection Officer was requested for the Customs and Border Protection (CBP) Facility at Scottsdale Airport in August 2025. The request is due to increased JSX flights to Cabo San Lucas with up to 30 passengers per flight. Recently the requisition was approved, and a third CBP officer will start in October 2026.

Mr. Wielebski reviewed revenues and expenses, noting this position was added to the current fiscal years budget. Revenues are expected to be over \$427,000 from JSXs user fees.

COMMISSIONER MIER MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 13764, AUTHORIZING CONTRACT 2026-145-COS A MEMORANDUM OF AGREEMENT WITH U.S. CUSTOMS AND BORDER PRETOECTION AT SCOTTSDALE AIRPORT. VICE-CHAIR KUBE SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER, VOTING IN THE AFFIRMATIVE.

8. Discussion and Possible Action to Recommend to City Council Adoption of Resolution No. 13768, Authorizing Contract No. 2026-147-COS with DMD Real Estate Group, LLC for Aviation Real Estate Brokerage Consulting Services.

Aviation Director, Rick Wielebski, explained the Airport's use of a real estate contract to work through various real estate matters. The previous contract was initiated 10 years ago and expired this year. Following the RFP process a new five-year contract has been drawn up with DMD Real Estate Group, LLC. There is an option for five, one-year contract renewals. The contract has been reviewed by staff, there were no large pricing increases, and the contract includes the ability for real estate broker to seek out properties for the airport to purchase. Mr. Wielebski introduced Doug Davies from DMD Real Estate Group, LLC.

In response to Commissioner's questions, Mr. Wielebski advised this is a final contract that is compensated through the airport budget in the amount of \$56,000 per year. The consulting service option on real estate opportunities will be billed at an hourly rate.

VICE-CHAIR KUBE MADE A MOTION TO RECOMMEND ADOPTION OF RESOLUTION NO. 13768, AUTHORIZING CONTRACT NO. 2026-147-COS WITH DMD REAL ESTATE GROUP, LLC FOR AVIATION REAL ESTATE BROKERAGE CONSULTING SERVICES. COMMISSIONER MECARTNEY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER VOTING IN THE AFFIRMATIVE.

9. Discussion and Input Regarding Monthly Financial Reports for April, May, and June 2026

Aviation Director, Wielebski, reviewed the Monthly Financial Report for June included in the agenda packet, the Aviation Cash Fund Balance, the accounts receivable aging report, the monthly revenue and expenditure comparison, the year-to-date figures, and fuel flowage numbers. This included the end of the fiscal year numbers.

10. Discussion and Input regarding Monthly Operations Report.

Director of Airport Operations & Maintenance, Matthew Johnson, reviewed the Operations Report included in the agenda packet, highlighting statistics about based aircraft, operations, alerts, incidents, enforcement actions, U.S. Customs and Border Protection, airport operations, and the Business Jet Report. He noted Scottsdale Airport is holding the #8 ranking.

Responding to Commissioner questions, Mr. Wielebski explained the contract with CBP is with the City of Scottsdale and is paid through user fees. This contract can be terminated with 120-day notice. Mr. Johnson reported it was a very busy summer with people remaining on the move.

11. Discussion and Input regarding Public Outreach Programs and Planning Projects.

Aviation Planning & Outreach Coordinator, Kelli Kuester reviewed the items highlighted in the staff report for this item, noting it will cover May through July and part of August.

In response to Commissioner questions, Ms. Kuester advised the consultant handled the one questions asked during the June presentation to City Council.

12. Discussion and Input Regarding Quarterly Noise Complaint Summary

Aviation Planning & Outreach Coordinator Kelli Kuester reviewed the staff report included in the agenda packet for this item, adding that most noise complaints were due to low aircraft flights and general aviation noise.

Replying to Commissioner questions, she explained two people not from the same household, made the 37 complaints throughout the day. Upon looking at the tower reports nothing unusual was found. Ms. Kuester reviewed how complaints can be made using the ScottsdaleAZ.gov website and the automated Noise line.

13. Discussion and Input regarding Monthly Construction Report.

Director of Airport Operations & Maintenance, Matthew Johnson, reviewed the monthly Construction Report. The Security Gate Improvement project has been completed on time and

on budget. The GMP is under development for the Runway 3-21 Pavement Preservation Pre-Construction and Construction Phase Project. A construction update will be provided at the next meeting.

In response to Vice-Chair Kube's question, Mr. Wielebski explained they are in the beginning phases of planning and design for the recently purchased building to create a temporary parking lot.

14. Summary of the Administrative Report from the Aviation Director, or Designee, Regarding the Status of Pending Aviation Related Items.

Aviation Director, Rick Wielebski reviewed the Commission items listed in the staff report for this item, that included items voted on this evening. There were no updates on items on the boards and commissions list.

15. Discussion and Possible Action to Modify the Airport Advisory Commission Meeting Schedule and Commission Item Calendar

There were no suggested changes to the calendar. The next meeting is September 16, 2026.

PUBLIC COMMENT

There was no public comment.

FUTURE AGENDA ITEMS

There were no future agenda items suggested.

ADJOURNMENT

With no further business to discuss, Chair Beauboeuf called for a motion to adjourn at 6:19 p.m.

COMMISSIONER LENTON MADE A MOTION TO ADJOURN THE MEETING. COMMISSIONER MECARTNEY SECONDED THE MOTION, WHICH CARRIED 6/0 WITH CHAIR BEAUBOEUF, VICE-CHAIR KUBE, AND COMMISSIONERS BENNETT, LENTON, MECARTNEY, AND MIER, VOTING IN THE AFFIRMATIVE.

SUBMITTED BY:

eScribers, LLC



COMMISSION ACTION REPORT

Annual update from the Scottsdale Chamber of Commerce

Agenda Item No.: 1

Meeting Date: 9/16/26

Staff Contact: Mark Stanton,
President & CEO
Scottsdale Chamber of Commerce

Phone: (480) 355-2709

INFORMATION

Mark Stanton will provide an annual update to the Airport Advisory Commission.

Action Taken:



COMMISSION ACTION REPORT

Discussion and Possible Action regarding application for Airport Aeronautical Business Permit for DTA Americas Inc. to conduct Aircraft Sales

Agenda Item No.: 2

Meeting Date: 9/16/26

Staff Contact: Richard Formo,
Assistant Aviation Director

Phone: (480) 312-7735

ACTION

Ratification of Airport Aeronautical Business Permit for DTA Americas Inc. to conduct Aircraft Sales at Scottsdale Airport.

PURPOSE

Pursuant to Scottsdale Revised Code, Chapter 5, Article 3, commercial aeronautical activity conducted on the Airport requires a valid Aeronautical Business Permit. In addition, the Airport Minimum Operating Standards outline the process for obtaining such a permit. DTA Americas Inc. has requested an Airport Aeronautical Business Permit to conduct Aircraft Sales at Scottsdale Airport.

APPLICANT(S)

DTA Americas Inc.
Theo Parant
8311 E Via de Venture
Unit 2051
Scottsdale, AZ 85258

KEY CONSIDERATIONS

DTA Americas Inc. has provided the required documentation in accordance with the Airport Minimum Operating Standards.

Attachment(s):

1. Completed Airport Aeronautical Business Permit
2. Attached Map (company co-located with Jet Aviation)

Action taken:



SCOTTSDALE AIRPORT AERONAUTICAL BUSINESS PERMIT



(Required to conduct commercial aeronautical activity on the airport)
Fields in RED are required fields.

Business or activity to be conducted (check all that apply):

- | | |
|--|---|
| ☐ Aircraft Charter Services | ☐ Hangar/Shade Leasing Services |
| ☐ Aircraft Leasing or Rental Services | ☐ Flight Training Services |
| ☐ Aircraft Maintenance and Repair Services | ☐ Fixed Base Operator |
| ☐ Aircraft Management | ☐ On-Airport Rental Car Concession |
| ☐ Aircraft Washing Services | ☐ Other (list service): |
| ☒ Aircraft Sales Services | |
| ☐ Mobile Aircraft Maintenance and Repair Services | |
| ☐ Specialized Aircraft Repair Services (list service): | |
| ☐ Specialized Commercial Flying Service (list service): | |

These activities are limited to the airport by ordinance. Please refer to the Airport Minimum Operating Standards for further information on each type of business.

Applicant
(Business Name): DTA Americas INC

Authorized
Representative, title: Theo PARANT

Email Address: theo@dta-aircraft.com

Work Phone:

Cell Phone:

Fax:

Mailing Address: 8311 E via de Ventura #2051

City: Scottsdale

State: AZ

Zip Code: 85258

Billing Address:

City:

State:

Zip Code:

Billing Phone:

Billing Email:

The Applicant hereby requests the above action(s), and in consideration of this request being granted, agrees to the following:

1. FEE PAYMENT: The Applicant agrees to pay all applicable fees on time, and all required fees including late fees, interest and penalties without deduction of any kind.
2. PERMIT LIMITATIONS: This permit may not be assigned or transferred, and is limited to the approved business activity listed above
3. INFORMATION CHANGES: The Applicant shall notify Airport Administration, in writing within fifteen (15) days , of any change to the information provided.
4. RELEASE OF LIABILITY: The City assumes no liability for damage or loss to personal property while operating at Scottsdale Airport.
5. INDEMNIFICATION: The Applicant and invitees shall indemnify the City pursuant to Chapter 5 of the Scottsdale Revised Code. As required by the Airport Minimum Operating Standards, permit holder shall endorse all liability insurance policies to include the City of Scottsdale as an additional insured. Applicant further agrees to waive their insurers' subrogation rights against the City of Scottsdale, and its Officers, Directors, Commissioners, and Employees.
6. COMPLIANCE WITH THE LAW: The Applicant shall comply with all applicable laws, ordinances, rules and regulations. To view regulations, go to <http://www.scottsdaleaz.gov/airport/regulatorydocs>

Please check the box for each item attached and submitted with the application:

☒ Lease/License Agreement

☐ Sublease Agreement

☒ Certificates of Insurance

☒ Business/ Privilege Tax License

☐ FAA Certificates

For Flight Training Schools:

☐ Noise Abatement Pilot Briefing

The undersigned representative certifies he/she is authorized to sign for the business and acknowledges receipt of a copy of this permit.

Applicant Signature:



Date: July 01, 2026

☒ By checking this box, I affirm that the information entered above is accurate and that the name typed above represents my official signature.

Please save the form to your documents, submit the form with an electronic signature to rformo@scottsdaleaz.gov OR print, sign and return to: 15000 N. Airport Drive, Suite 100, Scottsdale, AZ 85260.

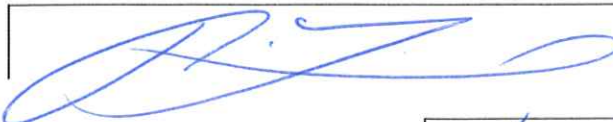
Staff Use Only

Application, permits and insurance reviewed by:

Aviation
Director's
Comments/
Stipulations:

2026-08

Approved by Aviation
Director or designee:

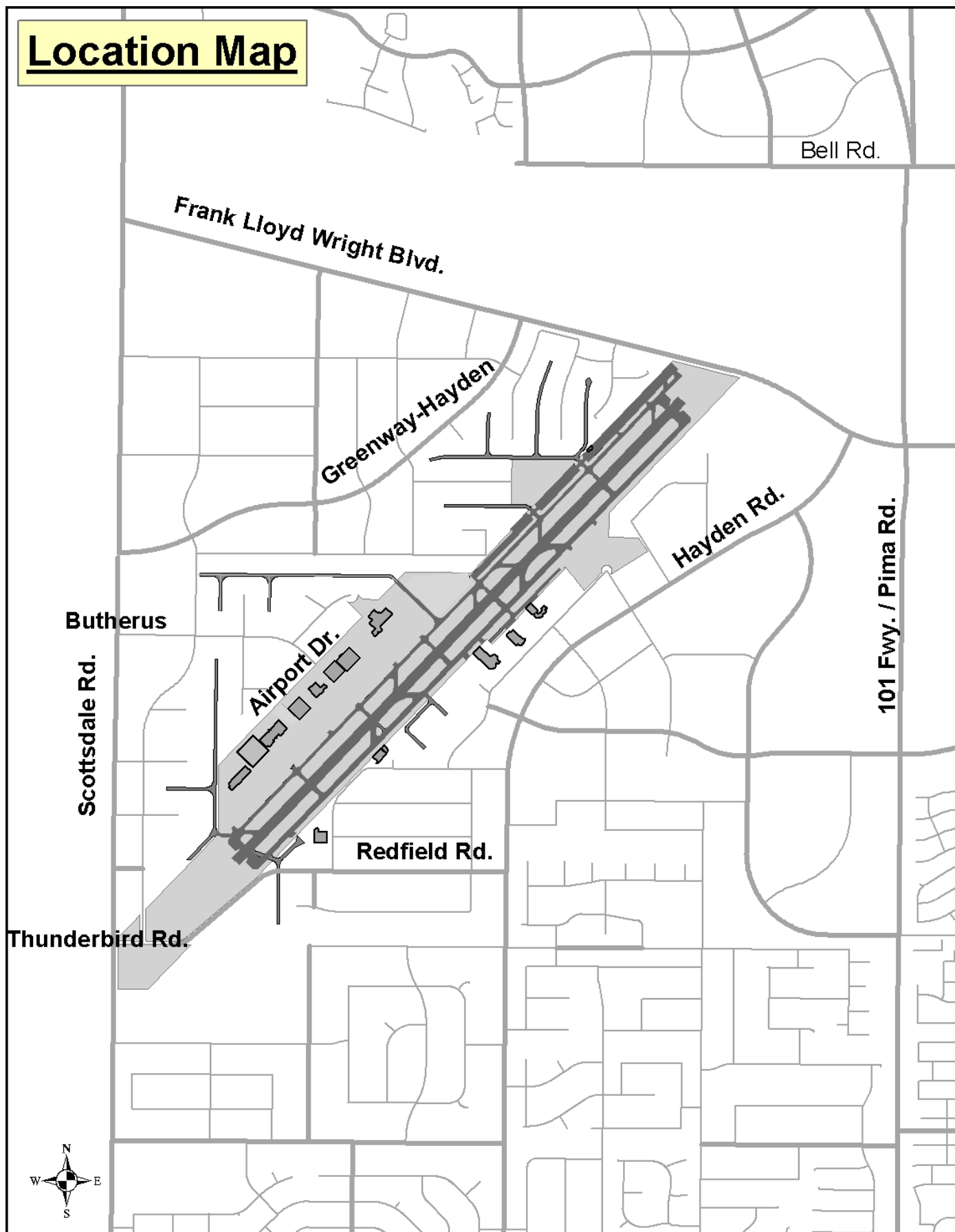


Date Ratified by the Airport Advisory Commission:

8/19/26

December 2025

Location Map





COMMISSION ACTION REPORT

Discussion and input regarding Airport and Airpark Aeronautical
Business Permit Additions, Cancellations, and Revocations

Agenda Item No.: 3

Meeting Date: 9/16/26

Staff Contact: Richard Formo,
Assistant Airport Director

Phone: (480) 312-7735

INFORMATION

Review of Airport and Airpark permittees and major tenant Aeronautical Business Permit additions, cancellations, and revocations.

PURPOSE

Per the request of the Airport Advisory Commission, a report will be provided as needed indicating additions, cancellations, and revocations of Aeronautical Business Permits.

KEY CONSIDERATIONS

- Attached are the current lists of Airport and Airpark permittees.
- List provides what type of aeronautical activity the business is conducting and the contact information.
- Any additions, cancellations, suspensions, and revocations will be highlighted on the list.

Attachment(s):
1. Current Airport Permittee List by Category
2. Current Airpark Permittee List by Category

AIRPORT AERONAUTICAL BUSINESS PERMITS & TENANTS

September 2026

AIRCRAFT CHARTER, SALES & MANAGEMENT				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
ALL ACCESS MOTORSPORTS, LLC dba ALL ACCESS JETS	CHARTER BROKERAGE	SFS	BRADLEY CRAIG	
AMERICAN FLIGHT SUPPORT, LLC	CHARTER BROKERAGE	JA	BEN MOKE	888-245-4017
BUSINESS AIRCRAFT MANAGEMENT dba EXECUTIVE AIRCRAFT	AIRCRAFT CHARTER/SALES/MANAGEMENT	SFS	GORDON JOHNSON	480-905-8659
C. WRIGHT AVIATION, LLC	AIRCRAFT SALES/CHARTER BROKERAGE	AASC	CYGNE LASHAE SWAN	480-500-1818
CIRRUS DESIGN CORP DBA CIRRUS AIRCRAFT	AIRCRAFT MANAGEMENT/SALES	AA	RAVI DHARNIDHARKA	865-724-1959
DELUX PUBLIC CHARTER LLC, DBA JSX AIR	AIRCRAFT CHARTER	AA	DAVID DRABINSKY	469-791-7270
DTA AMERICAS INC.	AIRCRAFT SALES	JA	THEO PARANT	
EXECUTIVE JET MANAGEMENT	AIRCRAFT MANAGEMENT	NJ	CHRISTINE LEBER	513-979-6709
G.G.R. AVIATION	AIRCRAFT MANAGEMENT	SFS	GUY MILANOVITS	480-614-1166
GARY AIR SERVICES LLC, DBA AD ASTRA	AIRCRAFT CHARTER	SFS	RYAN STRAND	602-999-5629
JET LINX SCOTTSDALE	AIRCRAFT CHARTER/MANAGEMENT	AASC	JON HULBURD	866-538-5469
JET FLEET, LLC	AIRCRAFT SALES	SFS	STEVE GAGE	480-286-0029
JET OUT, INC.	AIRCRAFT CHARTER	JA	MATT WILD	316.347.1216
JET PROS, LLC	AIRCRAFT CHARTER/BROKERAGE/MANAGEMENT	SFS	MARGARET PIONTEK	480-444-2452
JOHN HOPKINSON & ASSOCIATES	AIRCRAFT SALES	AA	CHRISTINA HOPKINSON	403-637-2250
M&N EQUIPMENT, LLC dba M&N AVIATION	AIRCRAFT CHARTER/MANAGEMENT	SFS	TODD SCHIECK	720-356-4830
MACKIN AVIATION, LLC	AIRCRAFT SALES	AA	BRIAN MACKIN	480-363-0058
MAINE AVIATION AIRCRAFT CHARTER, LLC dba MAC JET CENTER	AIRCRAFT CHARTER	SPH	ALYSAN CARUSO	207-780-1811
NETJETS AVIATION INC.	AIRCRAFT CHARTER/MANAGEMENT		DAVID FRASH	614-696-3308
PARADISE JETS, LLC	AIRCRAFT CHARTER/MANAGEMENT	AA	JAMIE THOMAS	937-654-1914
PRISMJET, LLC	AIRCRAFT CHARTER/BROKERAGE/MANAGEMENT/SALES		SCOTT CASEY	
SOUTHWEST AERO, LLC	AIRCRAFT SALES	AA	BRIAN MACKIN	480-363-0058
AIRCRAFT RENTAL, LEASING & FLIGHT TRAINING				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
AMERICAN FLYERS, INC.	FLIGHT TRAINING	AANC	STEVEN DAUN	954-784-2122
CIRRUS DESIGN CORP DBA CIRRUS AIRCRAFT	AIRCRAFT RENTAL/FLIGHT TRAINING	AA	RAVI DHARNIDHARKA	865-724-1959
DAXAIR AVIATION, LLC	FLIGHT TRAINING	JA	NOAH KNOX	763-807-1187
FLY WHISKEY TANGO, LLC	AIRCRAFT RENTAL/LEASING/FLIGHT TRAINING	JA	CLARA CANON	201-681-9727
LEGACY FLIGHT TRAINING	FLIGHT TRAINING	ACC	WILLIAM INGLIS	772-539-0420
LEOPARD AVIATION	AIRCRAFT RENTAL/FLIGHT TRAINING	AASC	THOMAS NOON	760-419-2252
PLUS 5 SPORT AERO	FLIGHT TRAINING	JA	BUD DAVIDSON	602-971-3991
SCOTTSDALE EXECUTIVE FLIGHT TRAINING	AIRCRAFT RENTAL/FLIGHT TRAINING	SFS	GUY MILANOVITS	480-614-1166
SDL HOLDINGS - ATP	FLIGHT TRAINING	AASC	JIM KOZIARSKI	904-273-3018
SIERRA CHARLIE AVIATION	AIRCRAFT RENTAL/FLIGHT TRAINING	SFS	SCOTT CAMPBELL	480-390-2346
UNIVERSAL HELICOPTERS, INC.	FLIGHT TRAINING/LEASING	JA	GORDON JIROUX	480-951-6283
AIRCRAFT MAINTENANCE & REPAIR				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
ACROPRO LLC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	PIKE KELLY	805-268-4962
ARIZONA AIRCRAFT INTERIOR DESIGN	SPECIALIZED AIRCRAFT REPAIR	SFS	MICHAEL BRYANT	480-832-1330
AZ JET SERVICES	AIRCRAFT MAINTENANCE	SFS	DAVE FERNEAU	602-380-5555
CESSNA AIRCRAFT COMPANY	AIRCRAFT MAINTENANCE	SFS	RANDALL SOUTIERE	480-840-9430
CIRRUS DESIGN CORP DBA CIRRUS AIRCRAFT	AIRCRAFT MAINTENANCE	AASC	RAVI DHARNIDHARKA	865-724-1959

CONSTANT AVIATION, LLC	AIRCRAFT MAINTENANCE	AASC	NATHAN ROMNEY	469-323-4081
DALLAS AIRMOTIVE	AIRCRAFT MAINTENANCE	SFS	DAVID HUTCHISON	214-477-9033
DIRECTMX AVIATION LLC	AIRCRAFT MAINTENANCE	AASC	VAN NGUYEN	520-409-7860
DUNCAN AVIONICS	AIRCRAFT MAINTENANCE	SFS	JIM DAVIS	480-922-3575
G.G.R. AVIATION	MOBILE AIRCRAFT MAINTENANCE	SFS	GUY MILANOVITS	480-614-1166
GULFSTREAM PRODUCT SUPPORT CORPORATION	AIRCRAFT MAINTENCE/MOBILE MAINTENCE	JA	BRIAN SOTNER	480-806-6720
HELIPONENTS, INC.	MOBILE AIRCRAFT MAINTENANCE	MOBILE	CHAD BARTA	480-981-8300
INFINITY AIRCRAFT SERVICES, LLC DBA EMPIRE AVIATION USA	AIRCRAFT MAINTENANCE	AA	MIKE BARLEY	561-932-0680
JET AVENUE, INC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	JORGE DUARTE	323-707-9567
JET EAST AVIATION	AIRCRAFT MAINTENANCE	SFS	SHAWN GEORGE	216-212-8056
KELLEY AVIATION LLC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	KEN WILSON	623-451-4512
LEARJET/BOMBARDIER INC.	AIRCRAFT MAINTENANCE	SFS	SEBASTIAN MOORE	520-746-5100
MACH ONE STRUCTURAL SOLUTIONS, LLC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	ABRAM SMITH	602-600-8907
NJL AVIATION, LLC.	AIRCRAFT MAINTENANCE	ACC	ANDRE LEARY	727-401-2089
PDR SERVICES	SPECIALIZED AIRCRAFT REPAIR	SFS	PHILIP CHAPMAN	480-202-2908
PREMIER AIR CENTER dba WEST STAR AVIATION	AIRCRAFT MAINTENANCE	SFS	RODGER RENAUD	618-258-8020
STAR GATE AVIATION CORP	MOBILE AIRCRAFT MAINTENANCE	MOBILE	ALTON SERRAO JR	602-909-7533
SILVER STATE JET SERVICES, LLC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	CARY CARAWAY	725-373-1876
TRUE STAR AVIATION	MOBILE AIRCRAFT MAINTENANCE	MOBILE	KYLE GOODRICH	623-256-2605
TURBINE ENGINE SPECIALISTS INC.	AIRCRAFT MAINTENANCE	AA	RICKIE RAMEY	817-625-6100
VELOCITY MAINTENANCE SOLUTIONS, LLC	MOBILE AIRCRAFT MAINTENANCE	MOBILE	MIKE BAKER	513-477-6998

AIRCRAFT WASHING & DETAILING

BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
AERO PANACHE	AIRCRAFT WASHING	SFS	TODD PUCKETT	602-531-5505
APPEARANCE GROUP	AIRCRAFT WASHING	SFS	DONALD HENRY	480-580-1658
AVIDJET, INC	AIRCRAFT WASHING	MOBILE	BRANDON WILSON	989-397-4299
AZ SPECIALITY DETAILING	AIRCRAFT WASHING	MOBILE	NICHOLAS ELLENBERGER	602-541-2572
BRIGHTWING, LLC	AIRCRAFT WASHING	MOBILE	QUINTEN McDANIEL	602-767-2717
DAPPER SERVICES, LLC	AIRCRAFT WASHING	MOBILE	HENRY BRIGGS	801-541-9801
DETAIL BOYS, LLC	AIRCRAFT WASHING	MOBILE	ALEX DAY	866-899-6241
EXECUCARE DETAIL SERVICES, LLC	AIRCRAFT WASHING	MOBILE	THOMAS THOMASSEN	832-915-6161
FOXTROT AVIATION SERVICES, LLC AIRCRAFT WASHING AA HEIDI	AIRCRAFT WASHING	MOBILE	HEIDI CROMER	951-365-4621
GOLDEN AUTO AND AIRCRAFT DETAILING, LLC AIRCRAFT WASHING	AIRCRAFT WASHING	MOBILE	MIKE IZAGUIRRE	714-272-2927
HD PRECISION MOBILE DETAILING DBA AVENTO AVIATION	AIRCRAFT WASHING	MOBILE	HARRISON WOOD	480-747-2101
JB'S EXECUTIVE DETAILING	AIRCRAFT WASHING	MOBILE	JEFFREY BURROWS	480-808-4229
NUBIAN AIR, CO. DBA MARS AVIATION PHOENIX	AIRCRAFT WASHING	MOBILE	OSMAN KHALIL	602-860-5414
PURE AVIATION, LLC	AIRCRAFT WASHING	MOBILE	BEN HANCOCK	480-353-1575
ROMF SOLUTIONS DBA REAL CLEAN GREATER PHOENIX	AIRCRAFT WASHING	MOBILE	ROBERT OLIVERA	646-842-6934
SHINY JETS PHOENIX, LLC	AIRCRAFT WASHING	MOBILE	GREG BIRD	480-268-4286
SPLENDORE AVIATION, LLC	AIRCRAFT WASHING	MOBILE	ALBERT VALICENTI	910-447-1159
TIME FOR SALE	AIRCRAFT WASHING	MOBILE	CAROLYN NELSON	602-295-7181
WEST COAST WASH STATION	AIRCRAFT WASHING	AANC	MIKE ADAMS	480-443-7320

AUTO RENTAL COMPANIES

BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
ALAMO/NATIONAL CAR RENTAL	OFF-AIRPORT RENTAL CAR	OFF	MIKE ROLLINS	480-948-4884
AVIS RENT-A-CAR SYSTEMS	OFF-AIRPORT RENTAL CAR	OFF	PETER SERENA	480-948-4993
ENTERPRISE RENT-A-CAR	RENTAL CAR	SFS	ERIC BULLIS	480-315-8051

GO RENTALS	RENTAL CAR	AA	KAVOUS GITIBIN	480-991-0117
HERTZ RENT-A-CAR	OFF-AIRPORT RENTAL CAR	OFF	STEPHEN BLUM	239-301-7794

FIXED BASE OPERATORS				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
ATLANTIC AVIATION	FIXED BASE OPERATOR	AA	KEVIN THOMPSON	480-948-2400
JET AVIATION OF AMERICA	FIXED BASE OPERATOR	JA	TIMOTHY VALLOWE	
SIGNATURE FLIGHT SUPPORT	FIXED BASE OPERATOR	SFS	GREG GIBSON	480-951-2525

HANGAR, SHADE & OFFICE LEASING SERVICES				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
OUT WEST AVIATION, LLC	HANGAR LEASING	BOX	SHANNON DAY	
SIGNATURE/TAC PRIVATE HANGARS	HANGAR LEASING	SPH	GREG GIBSON	480-951-2525

IN-FLIGHT CATERING SERVICES				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
AIR CULINAIRE WORLDWIDE, LLC	IN-FLIGHT CATERING	MOBILE	CHRIS EVANS	1-800-247-2433
ATYOURJET LLC	IN-FLIGHT CATERING	MOBILE	DAVID HENNINGER	949-491-3370
EMILY'S EVENTS LLC	IN-FLIGHT CATERING	MOBILE	EMILY GARNER	480-361-1800
JETFARE CATERING	IN-FLIGHT CATERING	MOBILE	JONATHAN ALLEN	480-771-4161
VOLANTI PRIVATE JET CATERING	IN-FLIGHT CATERING	MOBILE	DEE DEE MAZA	480-636-1722
GAT AIRLINE GROUND SUPPORT, INC.	OFF-AIRPORT CATERING	NETJETS	MICHAEL RENO	480-259-0402

U.S. GOVERNMENT				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
FAA CONTROL TOWER	SDL AIR TRAFFIC CONTROL	TOWER	JONATHAN WILLIAMS	480-609-7585
U.S. CUSTOMS	U.S. CUSTOMS	OPS	OFF. KENNEDY/ARVIZU	480-312-8483

OTHER				
BUSINESS NAME	ACTIVITY	LOCATION	CONTACT	TELEPHONE
AERO INTERIOR MAINTENANCE	OTHER (LEATHER RESTORATION)	OFF AIRPORT	SHANNON HUDGINS	623-910-2878

LEGEND:

Green = New Permit	ACC = Air Commerce Center; 14605 N. Airport Drive, Scottsdale, AZ 85260
Yellow = Recently Cancelled Permit	JA = Jet Aviation; 14650 N. Airport Drive, Scottsdale, AZ 85260
Orange = Suspension/Pending Revocation	AA = Atlantic Aviation (Main); 14600 N. Airport Drive, Scottsdale, AZ 85260
Red = Permit Revoked	AASC = Atlantic Aviation South Complex; 14700 N. Airport Drive, Scottsdale, AZ 85260
	NJ = NetJets; 7811 E Greenway Rd, Scottsdale, AZ 85260
	SFS = Signature Flight Support; 15290 N. 78th Way, Scottsdale, AZ 85260
	AANC = Atlantic Aviation North Complex; 15115 N. Airport Drive, Scottsdale, AZ 85260
	SPH = Signature Private Hangars, 15003 N. Airport Drive, Scottsdale, AZ 85260
	TOWER = FAA Air Traffic Control Tower; 14960 N. 78th Way, Scottsdale, AZ 85260

AIRPARK AERONAUTICAL BUSINESS PERMITS & TENANTS

September 2026

AIRCRAFT CHARTER, SALES & MANAGEMENT & SPECIALTY SERVICES			
BUSINESS NAME	ACTIVITY	CONTACT	TELEPHONE
ACE AIRCRAFT SALES, LLC	AIRCRAFT SALES	DOUGLAS YOUNG	714-501-9339
ALPHA JET CHARTER INC.	AIRCRAFT CHARTER SERVICES	Deb Sedlak	602-909-5573
BRADLEY MACK AVIATION, INC.	AIRCRAFT MANAGEMENT	MARY RANDOLPH	480-393-0770
COPPER STATE TURBINE ENGINE CO.	AIRCRAFT ENGINE OVERHAUL SERVICES	JIM NORDSTROM	480-500-6677
ELEVAGE FLIGHT TRAVEL, LLC	AIRCRAFT CHARTER/MANAGEMENT	JOEL CLAPICK	602-622-2429
EXECUTIVE JET MANAGEMENT	AIRCRAFT MANAGEMENT	CHRISTINE LEBER	513-979-6709
GOLDEN WEST AIRLINES DBA FLYHOUSE	AIRCRAFT CHARTER/MANAGEMENT	DEVANN-RAY HAMILTON	786-970-0193
JET AVIATION FLIGHT SERVICES, INC	AIRCRAFT CHARTER/MANAGEMENT	BEN NEMATZADEH	818-618-9234
LEGACY JETS	AIRCRAFT CHARTER/MANAGEMENT	PAUL WOODFORD	480-788-7233
LINDBLOOM AVIATION	AIRCRAFT MANAGEMENT	PEYTON LINDBLOOM	720-300-2145
LUXURY AERO COLLECTION, LLC	AIRCRAFT MANAGEMENT/SALES	BRIAN MCNANNA	480-771-2389
PINNACLE AIR GROUP	AIRCRAFT CHARTER/MANAGEMENT/SALES	CURT PAVLICEK	602-618-6200
SAWYER AVIATION	AIRCRAFT CHARTER	CHAD VERDAGLIO	480-922-2723
SIGLO AVIATION	AIRCRAFT MANAGEMENT	EDWARD LANGERVELD	888-908-9398
SILVER AIR, LLC	AIRCRAFT MANAGEMENT	BRANDON MARTIN	800-889-5840
SCOTTSDALE HANGAR ONE	AIRCRAFT MANAGEMENT	MATT BEVERAGE	480-624-9000

HELICOPTER RENTAL, LEASING & FLIGHT TRAINING			
BUSINESS NAME	ACTIVITY	CONTACT	TELEPHONE
H5 PRODUCTIONS, INC. dba H5 HELICOPTERS	SPECIAL COMMERCIAL FLYING	MITCH KELLDORF	480-607-3400
SUNSTATE HELICOPTERS	SPECIAL COMMERCIAL FLYING	CHRIS DOBKINS	602-469-3182
WESTERN SKY HELICOPTERS	SPECIAL COMMERCIAL FLYING	VANESSA CLIFTON	480-416-6415

HANGAR, SHADE & OFFICE LEASING SERVICES			
BUSINESS NAME	ACTIVITY	CONTACT	TELEPHONE
7345 ACOMA LLC	HANGAR/SHADE LEASING	WILL COUNTS	480-483-8107
7689, LLC	HANGAR/SHADE LEASING	BETH AERTS	480-289-5715
AIRPARK LAND, LLC	HANGAR/SHADE LEASING	CRAIG JACKSON	480-421-6694

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s1 "Airpark"

ASTOR AIRPARK HOLDINGS	HANGAR/SHADE LEASING	REG COOPER	480-483-1999
AVALON ONE	HANGAR/SHADE LEASING	SAMIR KANUGA	480-718-2412
BATES FAMILY TRUST	HANGAR/SHADE LEASING		480-443-8287
BECK LANE HANGARS LLC	HANGAR/SHADE LEASING	RYAN HAMILTON	
BCO, LLC	HANGAR/SHADE LEASING	LYNN BABCOCK	480-922-0490
BUILDING D	HANGAR/SHADE LEASING	SCOTT LYON	480-367-6200
CENTRAL IMPLEMENT	HANGAR/SHADE LEASING	PERRY CASE	480-998-8989
CC OFFICE LLC	HANGAR/SHADE LEASING	JOSEPH ODDO	480-998-1444
CWIE MANAGEMENT RESOURCES	HANGAR/SHADE LEASING	FRANK CADWELL	480-449-7751
DEVELOPMENT SERVICES OF AMERICA	HANGAR/SHADE LEASING	RICHARD WILSON	480-927-4888
GRAYSTAR CORPORATION	HANGAR/SHADE LEASING	BETH AERTS	480-483-1985
GREAT AMERICAN HANGAR	HANGAR/SHADE LEASING	MARK BOSCO	916-391-5000
HANGAR THREE	HANGAR/SHADE LEASING	JIM KEELEY	480-596-9000
JJS INVESTMENTS LLC	HANGAR/SHADE LEASING	JOHN J. SHUFELDT	602-399-1514
LARRY COFFEY	HANGAR/SHADE LEASING	LARRY COFFEY	480-607-0140
MN Designs, Inc	HANGAR/SHADE LEASING	MAGNE NERHEIM	480-363-4668
PACIFIC MARINE MANAGEMENT	HANGAR/SHADE LEASING	AL CHITTENDEN	360-653-4266
SCOTTSDALE HANGAR ONE	HANGAR/SHADE LEASING	MATT BEVERAGE	480-624-9000
SKY HARBOR LEASING, LLC	HANGAR/SHADE LEASING	REG COOPER	480-483-1999
SOUTHWEST JET CENTER	HANGAR/SHADE LEASING	GARY DAICHENDT	949-254-3027
TANGO ONE, LLC	HANGAR/SHADE LEASING	BECKY JONES	623-209-2173
THE EVANS BUSINESS COMPLEX, LLC	HANGAR/SHADE LEASING	GABE LAKATOSH	
VESELY DESCENDANT'S TRUST	HANGAR/SHADE LEASING	BETH AERTS	480-483-1985
VISIONMAKERS INTL LLC	HANGAR/SHADE LEASING	LANE COOK	480-218-1500
WALLACE HOLDINGS	HANGAR/SHADE LEASING	BOB WALLACE	480-998-8861
WATTS INVESTMENTS, LLC	HANGAR/SHADE LEASING	CHRIS NUTE	602-761-4571

LEGEND:

Green = New Permit

Yellow = Recently Cancelled Permit

Orange = Suspension/Pending Revocation

Red = Permit Revoked

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COMMISSION ACTION REPORT

Discussion and possible action to recommend to City Council, Adoption of Resolution No. 13758 authorizing Construction Manager at Risk Contract (CMAR) No. 2026-143-COS with J. Banicki Construction, Inc., in the amount of \$783,980.54 for the Runway 3-21 Pavement Preservation Project at Scottsdale Airport

Agenda Item No.: 4

Meeting Date: 09/16/26

Staff Contact: Matt Johnson
Director Operations & Maintenance

Phone: (480) 312-2674

ACTION

Airport Advisory Commission considers recommending to City Council, Adoption Resolution No. 13758, authorizing Contract No. 2026-143-COS in the amount of \$783,980.54 with J. Banicki Construction, Inc. to conduct the construction phase services as CMAR for the Runway 3-21 Pavement Preservation Project.

PURPOSE

This contract will provide the services necessary to complete the construction phase work related to the Runway Rehabilitation project. More specifically, this will include surface preparation and placement of a seal coat on Runway 3-21 pavement surface, which also includes Runway 3 and 21 blast pad and paved shoulders. The project also consists of the removal of existing rubber deposits from the landing zones at both ends of the Runway 3-21. Following rubber removal, marking removal and surface preparation, Runway 3-21 will receive an application of an emulsified asphalt seal coat, crack repair, and installation of new pavement markings.

KEY CONSIDERATIONS

- The Aviation Department worked in conjunction with the City of Scottsdale's Purchasing Department staff to prepare the Request for Qualifications (RFQ) for qualified construction firms.
- Three (3) firms submitted statements of qualification and all three (3) of those firms were short-listed and subsequently interviewed.
- The RFQ Selection Committee included two (2) members of City staff, one (1) construction executive employed by a private construction firm, one (1) local fix base operator manager and one (1) professional engineer.
- Using a point/rank-based system, the selection committee concluded that J. Banicki Construction, Inc., was the most qualified company to conduct this work.
- The entire project, from design to final construction will be paid for by the Aviation Enterprise funds.
- The runway will need to be closed 24 hours a day/7-days a week to complete this work. Prior to the work being completed, six (6) overnight closures have been scheduled to remove rubber and surface prep on the runway.
- The Aviation Department launched an extensive outreach program to keep all our tenants and users informed. Most of the tenants based at the airport typically relocate their aircraft to other airports during these types of extended closures. Early outreach enables them to find a hangar or tie-down space that they will need to keep their operations running.

Attachment(s): 1. Draft Resolution No. 13758
2. Draft Contract No. 2026-143-COS
3. Project Area Map

Action Taken:

Attachment #1

RESOLUTION NO. 13758

A RESOLUTION OF THE COUNCIL OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA AUTHORIZING CONSTRUCTION CONTRACT NO. 2026-143-COS WITH J. BANICKI CONSTRUCTION, INC. TO PROVIDE CONSTRUCTION SERVICES FOR AIRPORT RUNWAY 3-21 PAVEMENT PRESERVATION PROJECT IN AN AMOUNT NOT TO EXCEED \$783,980.54.

WHEREAS, the City desires to construct the Airport Runway 3-21 Pavement Preservation Project located at 15000 N. Airport Drive, Scottsdale, Arizona; and

WHEREAS, J. Banicki Construction, Inc. has been selected through a competitive solicitation process (No. 26RFSQ058) and is qualified to render the construction services desired by the City.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Scottsdale as follows:

Section 1. The Mayor of the City of Scottsdale is authorized and directed to execute Construction Contract No. 2026-143-COS with J. Banicki Construction, Inc. for construction services for the Airport Runway 3-21 Pavement Preservation Project, in an amount not to exceed seven hundred eighty-three thousand and nine hundred eighty and 54/100 dollars (\$783,980.54).

Section 2. The City Manager, or designee, is hereby authorized to execute such other documents and take such other actions as necessary to carry out the intent of this Resolution.

PASSED AND ADOPTED by the Council of the City of Scottsdale this ____ day of _____ 2026.

ATTEST:

CITY OF SCOTTSDALE,
an Arizona municipal corporation

Ben Lane, City Clerk

Lisa Borowsky, Mayor

APPROVED AS TO FORM:

Luis E. Santaella, City Attorney
By: Lydia Tulin, Assistant City Attorney

Attachment #2



CITY OF SCOTTSDALE

CONSTRUCTION MANAGER AT RISK

CONSTRUCTION SERVICES

PROJECT NAME: Airport Runway 3-21 Pavement Preservation Project

SOLICITATION NO: 26RFSQ058

CONTRACT NO: 2026-143-COS

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CONTRACTOR’S NOTICE OF FINAL ACCEPTANCE	

CITY OF SCOTTSDALE
CONSTRUCTION MANAGER AT RISK
CONSTRUCTION SERVICES

SOLICITATION NO: 26RFSQ058
CONTRACT NO: 2026-143-COS

THIS CONTRACT is entered into this ____ day of _____, 20__, by the City of Scottsdale, an Arizona municipal corporation, (the "City") and J. Banicki Construction, Inc., an Arizona corporation (the "Construction Manager at Risk" or "CMAR" or "Contractor").

RECITALS

- A. The Mayor of the City of Scottsdale is authorized by provisions of the City Charter to execute contracts for Professional Services and Construction Services.
- B. The City intends to construct the Airport Runway 3-21 Pavement Preservation Project, as more fully described in Exhibit A attached and by reference made a part of this Contract, and hereinafter referred to in this Contract as the "Project" located at 15000 N. Airport Drive, Scottsdale, Arizona, hereinafter referred to the "Site".
- C. The CMAR has represented to the City the ability to provide Preconstruction and Construction Services and to construct the Project. Based on these representations the City desires to engage the CMAR to provide the services identified in this Contract.
- D. City of Scottsdale Contract No. 2026-073-COS has been executed previously between the City and the CMAR for Preconstruction Services (the "Preconstruction Contract"), attached hereto as Exhibit B. Those services may continue during the duration of this Contract.

IN AND FOR CONSIDERATION of the mutual promises and obligations set forth herein, the parties agree as follows:

ARTICLE 1 – CMAR'S SERVICES AND RESPONSIBILITIES

- 1.0 The CMAR shall furnish any and all labor, materials, equipment, transportation, utilities, services and facilities required to perform all Work for the Project's Scope of Work, as more fully described in Exhibit A attached hereto, for the construction services described in and reasonably inferable from this Contract. The Work must be to the satisfaction of the City and strictly in accordance with all legal requirements and Project Contract Documents, as modified. The services may not be required to be performed in the sequence in which they are described.

1.1. GENERAL SERVICES

- 1.1.1. The CMAR's Representative must be reasonably available to the City and have the necessary expertise and experience required to supervise the Work. CMAR's Representative must communicate regularly with the City but not less than once a week and must be vested with the authority to act

on behalf of the CMAR. The CMAR's Representative may be replaced only with the written consent of the City.

1.2. GOVERNMENT APPROVALS AND PERMITS

- 1.2.1.** Unless otherwise provided, the CMAR shall apply for and obtain or assist the City and the Design Team in obtaining all necessary permits, approvals and licenses required for the prosecution of the Work from any government or quasi-government entity having jurisdiction over the Project. The CMAR is specifically required to obtain the necessary environmental permits or file the necessary environmental notices. Any environmental permits and licenses will be paid by the City in accordance with the provisions of Article 2.4.
- 1.2.2.** Copies of all necessary permits and notices must be provided to the Construction Coordinator and/or Contract Administrator before starting the permitted activity. This provision is not an assumption by the City of an obligation of any kind for violation of the permit or notice requirements.
- 1.2.3.** The CMAR shall apply for and obtain permit(s) for building and demolition, but the fees will be paid by the City in accordance with Article 2.4. The CMAR will also obtain any necessary regulatory or permitting, reviews for grading and drainage, water, sewer and landscaping, but the fees for the permitting will be paid by the City in accordance with Article 2.4.
- 1.2.4.** The CMAR shall be responsible for all other review and permit fees not specifically listed in Article 2.4 below or as qualified in Exhibit B.
- 1.2.5.** The CMAR shall be responsible for the cost of construction-related water meter(s), water and sewer taps, fire lines and taps, and all water bills on the project meters until Substantial Completion of the Project. Arrangement for construction water is the CMAR's responsibility. Construction water does not include "test water" required to complete new water line pressure tests.
- 1.2.6.** For purposes of this Contract, the Maricopa Association of Governments (M.A.G.) Standard Specification 107.12 is modified to read as follows: The CMAR, at its own expense, shall be responsible for the acquisition of any necessary temporary easements for construction purposes, storage, maintenance, and refuge haul-off as indicated upon the plans, which are required in addition to existing easements and right-of-way secured by the City.

1.3. PRECONSTRUCTION CONFERENCE

- 1.3.1.** Before beginning any Work, the Contract Administrator will schedule a Preconstruction Conference. The City and the CMAR have entered into a separate written contract for Design Phase Services establishing the fee the City will pay the CMAR for all Preconstruction Services.
- 1.3.2.** The purpose of the Preconstruction Conference is to establish a working relationship between the CMAR, design firms, utility firms, and various City agencies and staff. The agenda will include critical elements of the work

schedule, submittal schedule, cost breakdown of major lump sum items, CMAR Payment Requests and processing, coordination with the involved utility firms and/or utility companies (i.e. APS, SRP, SW Gas, etc.), and emergency telephone numbers for all representatives involved in the construction.

- 1.3.3. The construction Notice-to-Proceed (NTP) date will be established at the Preconstruction Conference.
- 1.3.4. The CMAR will provide a Baseline Project Schedule indicating duration, manpower and equipment resources required to complete all major Work activities. The City and Design Team will review and comment on the Baseline Project Schedule. The CMAR will revise the Baseline Project Schedule to the satisfaction of the Construction Coordinator and Contract Administrator. No Work will begin until the City accepts the Baseline Project Schedule.
- 1.3.5. The CMAR will submit a Schedule of Values based on the work and bids accepted from selected Subcontractors. These Values must reflect the actual labor time, materials, profit and overhead for the Work.
- 1.3.6. CMAR attendees must include CMAR's Representative who is authorized to sign documents on behalf of the firm, the job superintendent, and the CMAR's safety officer.

1.4. CONTROL OF THE WORK

- 1.4.1. The CMAR must properly secure and protect all finished or partially finished Work, and is responsible for the Work until the entire Work is completed and accepted by the City. Any payment for completed portions of the Work will not release the CMAR from this responsibility; however, it must turn over the entire Work in full accordance with these specifications before final settlement will be made. In case of suspension of the Work for any cause, the CMAR shall take all precautions as necessary to prevent damage to the Project and shall erect any necessary temporary structures, signs, or other facilities at no cost to the City.
- 1.4.2. After all Work under the Contract is completed, the CMAR shall remove all loose concrete, lumber, wire, reinforcing, debris and other materials not included in the final Work from the Project site.
- 1.4.3. The CMAR must provide, through itself or its Subcontractors, the necessary supervision, labor, inspection, testing, start-up, material, equipment, machinery, temporary utilities, temporary fencing, other temporary facilities to permit the CMAR to complete the Work consistent with the Contract Documents, unless otherwise provided in the Contract Documents to be the responsibility of the City or a separate contractor.
- 1.4.4. The CMAR must perform all construction activities efficiently and with the requisite expertise, skill and competence to satisfy the requirements of the Contract Documents. The CMAR shall at all times exercise complete and exclusive control over the means, methods, sequences and techniques of construction.

- 1.4.5. Survey stakes and marks required for the completion of the construction shown on the plans and as described in the specifications shall be furnished by the CMAR.
- 1.4.6. Where the Contract Documents require that a particular product be installed or applied by an applicator approved by the manufacturer, the CMAR shall ensure that the Subcontractor employed for that portion of the Work is pre-approved by the manufacturer.
- 1.4.7. The CMAR shall take field measurements and verify field conditions and shall carefully compare all field measurements and conditions and other information known to the CMAR with the Contract Documents before commencing activities. Errors, inconsistencies or omissions discovered shall be immediately reported to the City.
- 1.4.8. Before ordering materials or conducting the Work, the CMAR and each Subcontractor must verify measurements at the Site and will be responsible for the correctness of these measurements. No extra charge or compensation will be allowed because of differences between actual dimensions and the dimensions indicated on the drawings; differences, which may be found, shall be submitted to the City for resolution before proceeding with the Work.
- 1.4.9. The CMAR will establish and maintain all building and construction grades, lines, levels, and benchmarks, and will be responsible for the accuracy and protection of these items. This portion of the Work will be performed or supervised by an Arizona licensed civil engineer or surveyor.
- 1.4.10. Any person employed by the CMAR or any Subcontractor who, in the opinion of the City, does not perform his work in a proper, skillful and safe manner or is intemperate or disorderly shall, at the written request of the City, be removed from the Work by the CMAR or the Subcontractor employing the person, and shall not be employed again in any portion of Work without the written approval of the City. The CMAR or Subcontractor shall hold the City harmless from damages or claims that may occur in the enforcement of this Article.
- 1.4.11. The CMAR assumes responsibility for the proper performance of the Work of Subcontractors and any acts and omissions in connection with this performance. Nothing in the Contract Documents creates any legal or contractual relationship between the City and any Subcontractor or Sub-Subcontractor, including but not limited to any third-party beneficiary rights.
- 1.4.12. The CMAR must coordinate the activities of all Subcontractors. If the City performs other work on the Project or at the Site with separate contractors under the City's control, the CMAR agrees to reasonably cooperate and coordinate its activities with those of the separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.
- 1.4.13. On a daily basis, the CMAR shall prepare a Contractor's Daily Report. The City's Construction Coordinator or its Transportation & Infrastructure Inspector will provide a sample report format to the CMAR. The report must

detail the activities that occurred during the course of the day, all equipment utilized and the number of hours operated, and all personnel on the site inclusive of Subcontractors. The Daily Reports shall be submitted to the Construction Inspector a daily basis, unless otherwise arranged. Failure to provide Daily Reports as arranged or requested above may result in the retention of monthly progress payments until the Reports are brought up to date.

- 1.4.14.** In the event of noncompliance with this Article 1.4, the City may require the CMAR to stop or suspend the construction in whole or in part. Any suspension, due to the CMAR's noncompliance will not be considered a basis for a change in the Contract Price, GMP Proposal, or extension of the Contract Time.

1.5. CONTROL OF THE WORK SITE

- 1.5.1.** Throughout all phases of construction, including any suspension of the Work, the CMAR must keep the Site reasonably free from debris, trash and construction waste to permit the performance of its construction services efficiently, safely and without interfering with the use of adjacent land areas. Upon Substantial Completion of the Work, or a portion of the Work, the CMAR will remove all debris, trash, construction wastes, materials, equipment, machinery and tools arising from the Work to permit the City to occupy the Project or a portion of the Project for its intended use.
- 1.5.2. Dust Control.** The CMAR and Subcontractors must comply with Maricopa County Air Pollution Control Rule 310 and A.R.S. §49-474.05, as amended, and any other applicable state or county rules and regulations regarding air quality and dust control.
- 1.5.3.** If applicable, the CMAR shall maintain ADA and ANSI accessibility requirements during construction activities in an occupied building or facility. ADA and ANSI accessibility requirements must include, but not be limited to, parking, building access, entrances, exits, restrooms, areas of refuge, and emergency exit paths of travel. The CMAR shall coordinate all Work to minimize disruption to building occupants and facilities.
- 1.5.4.** Only materials and equipment used directly in the Work may be brought to and stored on the Site by the CMAR. When equipment is no longer required for the Work, it shall be removed promptly from the Site. Protection of construction materials and equipment stored at the Site from weather, theft, damage and all other adversity is solely the responsibility of the CMAR.
- 1.5.5.** The CMAR is responsible for the cost to dispose of all waste products including excess earth material which will not be incorporated into the Work under this Contract. The waste product referred to will become the property of the CMAR. The CMAR will provide for the legal disposal at an appropriate off-site location for all waste products, debris, etc., and will make necessary arrangements for its disposal. Any disposal/dumping of waste products or unused materials will conform to applicable Federal, State and Local Regulations.

- 1.5.6.** The CMAR shall supervise and direct the Work. The CMAR is solely responsible for the means, methods, techniques, sequences and procedures of construction. The CMAR shall employ and maintain on the Work a qualified supervisor or superintendent who has been designated in writing by the CMAR as the CMAR's representative at the Site. The representative must have full authority to act on behalf of the CMAR and all communications given to the representative will be as binding as if given to the CMAR. The representative must be present on the Site at all times as required to perform adequate supervision and coordination of the Work. Where appropriate, all Provisions of M.A.G., Section 105.5, will be applicable.
- 1.5.7.** In the event of abnormal weather conditions, such as windstorms, rainstorms, etc., the CMAR shall immediately inspect the Work and Site and take all necessary actions to ensure public access and safety are maintained.
- 1.5.8. Damage to Property at the Site.** The CMAR is responsible for any damage or loss to property at the Site, except to the extent caused by the acts or omissions of the City or its representatives, employees or agents and not covered by insurance. The costs and expenses incurred by the CMAR under this Article may be paid as a Cost of the Work to the extent that the costs and expenses are in excess of or are not covered by required insurance, and to the extent of any deductibles, but shall not change the Contract Price or GMP Proposal.
- 1.5.9. Damage to Property of Others.** The CMAR shall avoid damage, as a result of the CMAR's operations, to existing sidewalks, curbs, streets, alleys, pavements, utilities, adjacent property, the work of Separate Contractors and the property of the City. The CMAR shall repair any damage caused by the operations of the CMAR, which costs will be paid as a Cost of the Work to the extent that these costs and expenses are in excess of or are not covered by required insurance, and to the extent of any deductible, but shall not change the Contract Price or GMP Proposal.
- 1.5.10. Failure of CMAR to Repair Damage.** If the CMAR fails to begin the repair of damage to property as required in Articles 1.5.9, and 1.5.10 and diligently pursue the repair, the City will give the CMAR ten (10) days written notice to begin repairs. If the CMAR fails to begin the repairs within the ten (10) day notice period, the City may elect to repair the damages with its own forces and to deduct from payments due or to become due to the CMAR amounts paid or incurred by the City in correcting the damage.

1.6. SHOP DRAWINGS, PRODUCT DATA AND SAMPLES

- 1.6.1.** When required, Shop Drawings, Product Data, Samples and similar submittals are to be forwarded to the Construction Coordinator and the Contract Administrator for review in order to demonstrate the way in which the CMAR proposes to conform to the information given and the design concept expressed in the Contract Documents.
- 1.6.2.** The CMAR shall review, approve, and verify that all submittals meet the intent of the Contract Documents. Six (6) hard copies of each Shop

Drawing, Product Data, Sample, and similar submittal required by the Contract Documents will be delivered to the Construction Coordinator for review. Electronic submittals may be acceptable if approved by the Construction Coordinator. Submittals made by the CMAR, which are not required by the Contract Documents, may be returned without action.

- 1.6.3. Shop Drawings, Product Data, Samples and similar submittals are not Contract Documents. The purpose of their submittal is to demonstrate for those portions of the Work for which submittals are required the way the CMAR proposes to conform to the information given and the design concept expressed in the Contract Documents. The CMAR will review, approve and verify that all submittals meet the intent of the Contract Documents.
- 1.6.4. The CMAR will direct specific attention, in writing or on resubmitted Shop Drawings, Product Data, Samples, or similar submittals, to revisions other than those requested by the City on previous submittals.
- 1.6.5. The CMAR shall perform no portion of the Work requiring submittal and review of Shop Drawings, Product Data, Samples, or similar submittals until the necessary submittal has been approved by the City. All Work shall be in accordance with approved submittals. The CMAR shall not be relieved of responsibility for errors or omissions in Shop Drawings, Product Data, Samples, or similar submittals by the City's approval. Deviation from the original specifications will be specifically noted on the submittal to the City and the City will be allowed seven (7) days to approve or reject any deviations.
- 1.6.6. By approving, verifying and submitting Shop Drawings, Product Data, Samples and similar submittals, the CMAR represents that the CMAR has determined and verified materials, field measurements and related field construction criteria, or will do so, and has checked and coordinated the information contained within the submittals with the requirements of the Work and of the Contract Documents.
- 1.6.7. The CMAR shall not be relieved of responsibility for deviations from requirements of the Contract Documents by City approval of Shop Drawings, Product Data, Samples or similar submittals unless the CMAR has specifically informed the City in writing of the deviation at the time of submittal and the City has given written approval to the specific deviation.
- 1.6.8. Informational submittals upon which the City is not expected to take responsive action may be identified as informational submittals in the Contract Documents.
- 1.6.9. When Professional Certification of performance criteria of materials, systems or equipment is required by the Contract Documents, the City shall be entitled to rely upon the accuracy and completeness of the calculations and certifications.

1.7. QUALITY CONTROL, TESTING AND INSPECTION

- 1.7.1. Inspection.** The City's Construction Inspectors may be stationed on the Site. The Construction Inspector may direct the attention of the CMAR and report to the Construction Coordinator the progress of the Work, the manner in which Work is being performed, and whether it appears that material furnished or Work performed by the CMAR fails to fulfill the requirements of the specifications and this Contract, but the inspection will not relieve the CMAR from any obligation to furnish acceptable materials or to provide completed construction that is in compliance with the Contract Documents in every particular. The Construction Inspector's purpose is to assist the City's Representative and should not be confused with an inspector associated with a City regulatory agency or with an inspector from a City Laboratory under Article 1.8.
- 1.7.2.** In case of any dispute arising between the Construction Coordinator or Construction Inspector and the CMAR as to material furnished or the manner of performing the Work, the Construction Inspector will have the authority to reject materials or suspend the Work until the question and issue can be referred to and decided by the City. Construction Inspectors are not authorized to revoke, alter, enlarge, relax, or release any requirements of the specifications. Construction Inspectors will in no case act as or be considered as foremen or supervisors or perform other duties for the CMAR.
- 1.7.3.** The furnishing of any services for the City shall not make the City responsible for or give the City control over construction means, methods, techniques, sequenced procedures or for safety precautions or programs or responsibility for the CMAR's failure to perform the Work in accordance with Contract Documents.

1.8. MATERIALS TESTING

- 1.8.1.** All materials used in the Work must be new and unused, unless otherwise noted, and must meet all quality requirements of the Contract Documents.
- 1.8.2.** All construction materials to be used on the Work or incorporated into the Work, equipment, plant, tools, appliances or methods to be used in the Work may be subject to the inspection and approval or rejection of the City. Any material rejected by the City will be removed immediately and replaced in a manner acceptable to the City.
- 1.8.3.** The procedures and methods used to sample and test material will be determined by the City. Unless otherwise specified, samples and tests will be made in accordance with the following: The City of Scottsdale Material Testing Manual and the standard methods of American Association of State and Highway Transportation Off Roads (AASHTO) or American Society for Testing and Materials (ASTM), and Maricopa Association of Governments (MAG) supplements.
- 1.8.4.** The City may select a pre-qualified Independent Testing Laboratory and will pay for initial City Acceptance Testing.

1. When the first and subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance will be paid for by the CMAR. Construction contingency cannot be utilized for the cost of re-testing.
 2. When the first and subsequent tests indicate noncompliance with the Contract Documents, all retesting will be performed by the same testing agency.
- 1.8.5.** The CMAR shall cooperate with the selected testing laboratory and all others responsible for testing and inspecting the Work and will provide them access to the Work at all times upon reasonable notice.
- 1.8.6.** All soils and materials testing will be performed by the City's designated agent and payment for testing shall be paid for as outlined below. In coordination with the CMAR, the City will order tests and distribute test results for all construction areas. The City will distribute test results within twenty-four (24) hours of receipt.
1. The City will pay for soils or materials testing through a separate contract.
 2. Other material testing: When the first or subsequent tests indicate noncompliance with the Contract Documents, the cost associated with that noncompliance will be paid by the CMAR. The City's Project Contingency cannot be utilized for the cost of re-testing.
- 1.8.7.** At the option of the City, materials may be approved at the source of supply before delivery is started.
- 1.8.8.** Code compliance testing and inspections required by codes or ordinances or by a plan approval authority, and which are made by a legally constituted authority are the responsibility of and will be paid by the CMAR, unless otherwise provided.
- 1.8.9.** The CMAR's quality control testing and inspections shall be the sole financial responsibility of the CMAR.

1.9 PROJECT RECORD DOCUMENTS/AS-BUILTS

- 1.9.1** During the construction period, the CMAR shall maintain at the Site a set of blueline or blackline prints of the Construction Document drawings and Shop Drawings for Project Record Document purposes.
1. The CMAR shall mark these drawings to indicate the actual installation where the installation varies appreciably from the original Construction Documents. The CMAR shall give particular attention to information on concealed elements which are difficult to identify or measure and record later. Items required to be marked include but are not limited to:

- Dimensional changes to the drawings;
- Revisions to details shown on drawings;

- Depths of foundations below first floor;
 - Locations and depths of underground utilities;
 - Revisions to routing of piping and conduits;
 - Revisions to electrical circuitry;
 - Actual equipment locations;
 - Duct size and routing;
 - Locations of concealed internal utilities;
 - Changes made by Contract Amendments; and
 - Details not on original Contract Drawings.
2. The CMAR shall mark completely and accurately Project Record Drawing prints of Construction Documents or Shop Drawings, whichever is the most capable of indicating the actual physical condition. Where Shop Drawings are marked they shall include cross-reference locations on the Construction Documents.
 3. The CMAR will mark Project Record Drawing sets with red erasable colored pencil.
 4. The CMAR will note Requests for Information (RFI) Numbers, Architects' Supplemental Information (ASI) Numbers and Contract Amendment Proposal Numbers, etc., as required to identify the source of the change to the Construction Documents.
 5. The CMAR will at the time of Substantial Completion, submit Project Record Drawing prints and Shop Drawings to the City or its representative for review and comment.
- 1.9.2** Immediately upon receipt of the reviewed Project Record Drawings from the City, the CMAR shall correct any deficiencies or omissions to the drawings and prepare the following for resubmission to the City:
1. A complete set of PDF electronic files of all Project Record Drawings clearly marked with "As-Built Document." Files shall be named consistent with the Plan Set Index.
 2. The PDF files will be converted from the CADD files of the Construction Documents provided by the City under Article 2.0 accurately bearing the CMAR's As-Built information from the Project Record Drawings in red and delivered to the City as part of the Project closeout.
 3. The CMAR's original redlined mark-up prints of the Project Record Drawings.

1.10 PROJECT SAFETY

- 1.10.1 CMAR Safety Program.** All Work will be performed in compliance with all applicable federal, state and local laws, ordinances, statutes, rules and regulations including Arizona Division of Occupational Safety and Health (ADOSH) policies and procedures. The CMAR is required to attend a City

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safety briefing session at the Preconstruction Conference. The CMAR will provide a safe jobsite and work environment for the safety and health of employees and members of the general public and will comply with all legal requirements including but not limited to the following:

Occupational Safety and Health Act (OSHA)
Electrical Safe Work Practices Standards
OSHA Personal Protective Equipment Standards
National Fire Protection Association (NFPA) 70E Standard for
Electrical Safety in the Workplace
OSHA Fall Protection Standards
OSHA Confined Space Entry

All other applicable requirements of OSHA and local codes and agencies having jurisdiction.

Contractors that violate these rules and regulations may be subject to job shutdown or removal from City facilities.

- 1.10.2 City Safety Rules and Expectations.** Risk Management Division makes available a packet that contains the City's OSHA compliance guidelines, emergency evacuation, the City's safety and health plan, and other safety information.
- 1.10.3 Contractor Safety Tailgate Meetings.** The CMAR shall conduct tailgate safety meetings regularly to ensure that safety on the job is given priority. The Sign-in sheet of the tailgate meeting must be given to the City Inspector within forty-eight (48) hours after the meeting.
- 1.10.4 Accident/Injury Procedure.** The CMAR shall contact the Contract Administrator and Risk Management Department within twenty-four (24) hours of the occurrence of an accident or injury arising out of the CMAR's Work under this Contract.
- 1.10.5 Unsafe Acts.** The CMAR employees shall abate or remedy any unsafe act or condition which may arise in the course of CMAR's work under this Contract.
- 1.10.6 Safety Audits.** The City reserves the right to conduct safety audits at the job site and stop unsafe acts at any time. In addition, the Construction Coordinator or CPM Inspector must be notified within four (4) hours should any OSHA inspections occur at the Site.
- 1.10.7** The CMAR recognizes the importance of performing the Work in a safe manner so as to prevent damage, injury or loss to (i) all individuals at the Site, whether working or visiting, (ii) the Work, including materials and equipment incorporated into the Work or stored on-site or off-site, and (iii) all other property at the Site or adjacent to the Site.

- 1.10.8** The CMAR assumes responsibility for implementing, monitoring, and documenting all safety precautions and programs related to the performance of the Work.
- 1.10.9** The CMAR will, before beginning construction, designate a Safety Representative with the necessary qualifications and experience to supervise the implementation and monitoring of all safety precautions and programs related to the Work. Unless otherwise required by the Contract Documents, the CMAR's Safety Representative will be an individual stationed at the Site who may have responsibilities on the Project in addition to safety.
- 1.10.10** The CMAR must provide OSHA 300A Summary log information including total recordable cases, total case rates, and lost workday incident rates for the past two (2) calendar years. This information can be compared to Bureau of Labor Statistics (BLS) rates to determine whether a contractor has below average or above average accident/injury rates. Bureau of Labor Statistics information can be obtained through Risk Management. The Safety Representative will make routine daily inspections of the Site and will hold weekly safety meetings with CMAR's personnel, Subcontractors and others as applicable.
- 1.10.11** The CMAR will immediately report in writing any safety-related injury, loss, damage or accident arising from the Work to the Contract Administrator and, to the extent mandated by Legal Requirements, to all government or quasi-governmental authorities having jurisdiction over safety-related matters involving the Project or the Work.
- 1.10.12** The CMAR's responsibility for safety under this Article 1.10 is not intended in any way to relieve Subcontractors and Sub-Subcontractors of their own contractual and legal obligations and responsibility for (i) complying with all Legal Requirements, including those related to health and safety matters, and (ii) taking all necessary measures to implement and monitor all safety precautions and programs to guard against injury, losses, damages or accidents resulting from their performance of the Work.
- 1.10.13** The CMAR and Subcontractors must provide Material Safety Data Sheets for all substances that are delivered to the City, that come under the OSHA Toxic and Hazardous Substances – Hazard Communication Standard, 29 CFR 1910.1200, Hazard Communication (reference Occupational Safety and Health Standards, Subpart Z Toxic and Hazardous Substances – Hazardous Communication Standard).

The CMAR and all Subcontractors using chemicals on City property must use only the safest chemicals, with the least harmful ingredients. These chemicals must be approved for use by a City of Scottsdale representative before bringing them to the Project Site.

The CMAR and all Subcontractors will make every attempt to apply approved chemicals with highly volatile organic compounds, outside of normal working hours. Adequate ventilation must be used at all times during the application of these approved chemicals.

In conjunction with the Occupational Safety and Health Standards, Subpart Z Toxic and Hazardous Substances – Hazard Communication Standard, 29 CFR 1910.1200 Hazard Communication, the CMAR and Subcontractors are informed of the presence of (or possible presence of) chemicals in the area where the work requested will be performed. All selected Contractors shall contact the City for specific information relative to the type of chemicals present and location of appropriate Material Safety Data Sheets.

Unless included in the Work, if the CMAR encounters on-site material which it reasonably believes to contain asbestos, polychlorinated biphenyl (PCB), or other hazardous substances or materials regulated by Public Health Laws, it will immediately stop work and report the condition to the City.

If the material is found to contain asbestos, PCB or other hazardous substances or materials regulated by Public Health Laws, the CMAR will not resume work in the affected area until the material has been abated or rendered harmless. The CMAR and the City may agree, in writing, to continue work in non-affected areas on-site. An extension of Contract Time may be granted in accordance with Article 5.

1.11 WARRANTY

1.11.1 The provisions of M.A.G. Section 108.8 shall apply with the following additional requirements:

1. Should the CMAR fail to begin repairs or corrective work within fourteen(14) calendar days after receipt of written notice from the City, the City may perform the necessary work and the CMAR shall reimburse the City for the actual cost without a change in the Contract Price or GMP Proposal.
2. The warranty period on any part of the work repaired or replaced is extended for a period of one (1) year from the date of the repair or replacement.
3. In addition to the provisions of M.A.G. Section 108.8, the CMAR's warranty obligation will be the maximum allowed by the Arizona Registrar of Contractors.

1.11.2 Nothing in this warranty is intended to limit any manufacturer's warranty which provides the City with greater warranty rights than provided in this Article 1.11 or the Contract Documents. The CMAR will provide the City with all manufacturers' warranties upon Substantial Completion.

1.11.3 The CMAR's warranty obligation excludes defects caused by abuse, alterations, or failure to maintain the Work by persons other than the CMAR or anyone for whose acts the CMAR may be liable.

- 1.11.4** The CMAR further warrants that any material or service supplied to the City shall fully conform to all requirements of this Contract Documents and all representations of the CMAR, and shall be fit for all purposes and uses required by the Contract Documents. The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the CMAR shall maintain all applicable licenses and permits.

1.12 CORRECTION OF DEFECTIVE WORK

- 1.12.1** The CMAR agrees to correct any Work that is found to not be in conformance with the Contract Documents, including that part of the Work subject to Article 1.11 above within a period of one (1) year from the date of Substantial Completion of the Work or any portion of the Work, or within any longer period, to the extent required by the Contract Documents. A Progress Payment, or partial or entire use or occupancy of the Project by the City will not constitute acceptance of the Work if not in accordance with the Contract Documents.
- 1.12.2** During the Work, the CMAR shall take meaningful steps to begin correction of any nonconforming Work as notified by the City. This includes the correction, removal or replacement of the nonconforming Work and any damage caused to other parts of the Work affected by the nonconforming Work. If the CMAR fails to initiate necessary measures for this Work within seven (7) days of receipt of written notice from the City, the City, in addition to any other remedies provided under the Contract Documents, may provide CMAR with written notice that the City will commence correction of the nonconforming Work, at its discretion, through its employees, agents or other third parties.
- 1.12.3** If the City does perform this corrective Work, the CMAR will be responsible for all reasonable costs incurred by the City in performing this correction without changing the Contract Price or GMP Proposal.
- 1.12.4** The CMAR will immediately respond to any nonconforming Work that creates an emergency.
- 1.12.5** The one (1) year period referenced in this Article 1.12 applies only to the CMAR's obligation to correct nonconforming Work and is not intended to be a period of limitations for any other rights or remedies the City may have regarding the CMAR's other obligations under the Contract Documents.

1.13 SUBCONTRACTOR AND MAJOR SUPPLIER SELECTION

The CMAR shall prepare a Subcontractor/Supplier selection plan and submit the plan to the City for approval or the CMAR may use the City's plan. If the Parties have entered into a Preconstruction Contract that contains Subcontractor and Major Supplier provisions, in selecting Subcontractors and Major Suppliers, the CMAR will comply with the provisions

in the Preconstruction Contract. For Horizontal Construction the CMAR must self-perform not less than 45% of the Work as required by A.R.S. § 34-605(G).

ARTICLE 2 – CITY’S SERVICES AND RESPONSIBILITIES

2.0 DUTY TO COOPERATE. The City will, throughout the performance of the Work, cooperate with the CMAR and perform its responsibilities, obligations and services in a timely manner to facilitate the CMAR’s timely and efficient performance of the Work and so as not to delay or interfere with the CMAR’s performance of its obligations under the Contract Documents. The City will furnish the CMAR a CADD file of the Construction Documents acceptable to the City, at no cost to the CMAR.

2.1 CONTRACT ADMINISTRATOR/CONSTRUCTION COORDINATOR

2.1.1 The Construction Coordinator will provide City-supplied information and approvals in a timely manner to permit the CMAR to fulfill its obligations under the Contract Documents.

2.1.2 The Construction Coordinator will promptly notify the CMAR if the Construction Coordinator observes any failure on the part of the CMAR to fulfill its contractual obligations, including any default or defect in the Project or non-conformance with the drawings and specifications.

2.1.3 The City may contract separately with a Design Team, and may include partial construction administration services for the Project. A copy of the Design Team’s contract will be furnished to the CMAR.

2.1.4 Both the Contract Administrator and Construction Coordinator are responsible for construction administration of the Work. The Design Team, if authorized by the City, will review, approve or take other appropriate action upon the CMAR’s submittals such as Shop Drawings, Product Data and Samples in accordance with Article 1.6. Communications by and with the Design Team will be through the Contract Administrator and Construction Coordinator.

2.1.5 The Contract Administrator or Construction Coordinator and the Design Professional will interpret and decide matters concerning performance under the requirements of the Contract Documents. The Design Professional’s response to these requests will be made to the City. The City will timely forward the response to the CMAR.

2.1.6 The Contract Administrator has the authority to authorize Change Orders up to the limits permitted by the City’s Procurement Code.

2.2 CITY’S SEPARATE CONTRACTORS. The City is responsible for all Work performed on the Project or at the Site by separate contractors under the City’s control. The City will contractually require its separate contractors to cooperate with, and coordinate their activities, so as not to interfere with the CMAR, in order to enable timely completion of Work consistent with the Contract Documents. The CMAR agrees to reasonably cooperate and coordinate its activities with those of the separate contractors so that the Project can be completed in an orderly and coordinated manner without unreasonable disruption.

2.3 PERMIT REVIEW AND INSPECTIONS. Approving specific parts of the Building Permit is the responsibility of the City's Transportation & Infrastructure. The City of Scottsdale Plan Review Division issues Certificates of Occupancy.

2.4 FURNISHING OF SERVICES AND INFORMATION

2.4.1 The City will be responsible for the payment or waiver of the following:

1. City review and permit(s) fees for building, encroachment, and demolition permits.
2. City review fees for grading and drainage, water, sewer and landscaping.
3. Utility design fees for permanent services.
4. Obtaining Clean Water Act Nationwide 404 Permits.
5. City Development Fees.
6. Environmental Permits and Licenses.

2.4.2 Unless expressly stated to the contrary in the Contract Documents, the City will provide (at its own cost and expense) to the CMAR, the following information:

1. To the extent available, surveys describing the property, boundaries, topography and reference points for use during construction, including existing service and utility lines;
2. Temporary and permanent easements, zoning and other requirements and encumbrances affecting land use, or necessary to permit the proper design and construction of the Project and enable the CMAR to perform the Work;
3. A legal description and Street or Physical address of the Site;
4. To the extent available, as-built record and historical drawings of any existing structures at the Site;
5. To the extent available, environmental studies, environmental impact statements, reports and impact statements describing the environmental conditions (including hazardous materials) known to exist at the site;
6. Upon request, the City will provide all City standards and guidelines, supplementary conditions and special provisions that will be included in the plans and specifications for the Project. These may include but are not limited to: disposal of surplus material, special security provisions, investigation of underground facilities, traffic controls and regulations, special quality control testing and termite treatment requirements.

The City will secure and execute all necessary Contracts with adjacent land or property owners that are reasonably necessary to enable the CMAR to perform the construction.

2.5 PROJECT MANAGEMENT SERVICES

- 2.5.1** The City may contract separately with one or more Technical Consultants to provide project management assistance to the Project. The Technical Consultant's contract as well as the contracts of other firms hired by the City will be furnished to the CMAR upon request. The CMAR will not have any right however, to limit or restrict any contract modifications that are mutually acceptable to the City and Technical Consultant.
- 2.5.2** The Technical Consultant services will augment the City staffing resources to effectively manage the objectives of the City and this Project with the goal of managing the key project communication, cost and time parameters.
- 2.5.3** The Technical Consultant may provide preprogramming and design standards.
- 2.5.4** The City may contract with the Technical Consultant to provide some or all of the following services during the performance of the construction:
1. Conduct Site visits at intervals appropriate to the stage of construction to become generally familiar with the progress and quality of the completed construction and to determine in general if the construction is being performed in accordance with the Construction Documents. The Technical Consultant will keep the City informed of progress of the construction and will endeavor to guard the City against defects and deficiencies in the construction. The Technical Consultant may have authority to reject construction which does not conform to the Construction Documents and to require additional inspection or testing of the construction in accordance with Articles 1.7 and 1.8;
 2. Review and recommend approval of the CMAR's Payment Requests;
 3. Interpret matters concerning performance under and requirements of the Contract Documents on written request of the City. The Technical Consultant's response to these requests will be made with reasonable promptness and within any time limits agreed upon;
 4. Analyze, recommend and assist in negotiations of Change Orders;
 5. Conduct inspections to determine Substantial Completion and Final Acceptance;
 6. Receive and forward to the City for the City's review and records, written warranties and related documents required by the Contract Documents and assembled by the CMAR.

ARTICLE 3 – CONTRACT TIME

3.0 CONTRACT TIME

3.1 Contract Time will be fourteen (14) days as indicated in the Notice-to-Proceed (NTP).

3.1.1 Contract Time will start with the Notice to Proceed (NTP) and end with Substantial Completion. The City will issue a NTP letter establishing the mutually agreed upon NTP date for this Contract.

3.1.2 Failure on the part of the CMAR to adhere to the Project Schedule requirements for activities for which it is responsible will be sufficient grounds for termination of this Contract by the City.

3.1.3 Each GMP amendment to this Contract will establish a separate construction NTP date, Performance Period and Substantial Completion date for the entire Project. The Performance Period(s) may be sequential or may run concurrently.

3.1.4 The CMAR agrees to commence performance of the Work and achieve Performance Periods and the Contract Time.

3.1.5 All of the times stated in this Article 3 are subject to adjustment in accordance with Article 5.

3.2 PUNCH LIST PREPARATION

A minimum of thirty (30) days before Substantial Completion, the CMAR, in conjunction with the City, will prepare a comprehensive list of Punch List items, which the City may edit and supplement. The CMAR will proceed promptly to complete and correct the Punch List items. Failure to include an item on the Punch List does not alter the responsibility of the CMAR to complete all Work in accordance with the Contract Documents. Warranties required by the Contract Documents will not commence until the date of Final Acceptance unless otherwise provided in the Contract Documents. Seven (7) days before the City issues its Final Acceptance Letter, the CMAR will deliver to the City all operation and maintenance manuals necessary for the City to assume responsibility for the operation and maintenance of that portion of the Work.

3.3 LIQUIDATED DAMAGES

If Substantial Completion is not attained within the Contract Time, as may be adjusted, the City will suffer damages which are difficult to determine and accurately specify. The CMAR agrees that if Substantial Completion is not attained within the Contract Time, as may be adjusted, the CMAR will pay as liquidated damages the amounts specified in Section 108.9 of the M.A.G. Standard Specifications, incorporated in this Contract by reference. These amounts may be adjusted depending on the anticipated or actual loss caused by the delay and the difficulty of proof of loss.

3.4 PROJECT SCHEDULE & CONSTRUCTION SCHEDULE. Each approved GMP proposal shall include a Project Schedule with a Critical Path Method diagram

construction schedule that will indicate the path of critical activities and establish the Performance Period encompassed by the GMP. The CMAR will maintain the construction schedule throughout the construction.

3.4.1 The Baseline Project Schedule will be initially submitted at the start of this Contract as required by Article 1 and updated and maintained throughout the Contract Services.

3.4.2 The Project Schedule will be revised as required by conditions and progress of the Work, but any revisions will not relieve the CMAR of its obligations to complete the Work within the Contract Time(s), as these dates may be adjusted in accordance with the Contract Documents.

3.4.3 An updated Project Schedule will be submitted monthly to the City at least five (5) days before the CMAR's monthly Payment Request.

1. The CMAR will provide the City with a monthly status report with each Project Schedule detailing the progress of Construction, including whether (i) the construction is proceeding according to schedule, (ii) discrepancies, conflicts, or ambiguities exist in the Contract Documents that require resolution, and (iii) other items that require resolution so as not to jeopardize the ability to complete the construction as presented in the GMP and within the Contract Time(s). The monthly status report and Project schedule shall be provided electronically to the Contract Administrator and Construction Coordinator no later than the 25th of each month.

2. With each updated Project Schedule submitted, the CMAR will include a transmittal letter including the following:

- Description of problem tasks (referenced to field instructions, Requests for Information (RFIs), Change Order or claim numbers) as appropriate.
- Current and anticipated delays not resolved by approved change orders, including:
 - Cause of the delay.
 - Corrective action and schedule adjustments to correct the delay.
 - Known or potential impact of the delay on other activities, milestones, and the date of Substantial Completion.
 - Changes in construction sequence.
- Pending items and status including but not limited to:
 - Pending Change Orders.
 - Time extension requests.
 - Other items.
- Substantial Completion date status:
 - If ahead of schedule, the number of days ahead.
 - If behind schedule, the number of days behind.

- Other project or scheduling concerns.

3.4.4 The City's review of and response to the Project Schedule is only for general conformance with the scheduling requirements of the Contract Documents. The review will not relieve the CMAR from compliance with the requirements of the Contract Documents or be construed as relieving the CMAR of its complete and exclusive control over the means, methods, sequences and techniques for executing the Work.

3.4.5 The Project Schedule will include a Critical Path Method diagram schedule that will show the sequence of activities, the interdependence of each activity and indicate the path of critical activities.

The Critical Path Method diagram schedule will be in days and indicate duration, earliest and latest start and finish dates, and will be presented in a time scaled graphical format for the Project as a whole.

1. The activities making up the schedule will be of sufficient detail to assure that adequate planning has been done for proper execution of the Work and provide an appropriate basis for monitoring and evaluating the progress of the Work.
2. The Critical Path Method diagram construction schedule will be based upon activities which would coincide with the Schedule of Values.
3. The Critical Path Method diagram schedule will show all submittals associated with each Work activity and the review time for each submittal.
4. The schedule will show milestones, including milestones for City-furnished information, and will include activities for City-furnished equipment and furniture, if any, when those activities are interrelated with the CMAR's Work.
5. The schedule will include a critical path activity that reflects anticipated rain delay during the performance of the Contract. The duration will reflect the average climatic range and usual industrial conditions prevailing in the locality of the Site. Weather data will be based on information provided by the National Weather Service or other approved source.

3.5 COST ESTIMATES

Provisions pertaining to cost estimates may be found in the GMP Proposal, attached as Exhibit C.

3.6 CONSTRUCTION MANAGEMENT PLAN

The CMAR is required to prepare for the City a Construction Management Plan.

ARTICLE 4 – CONTRACT PRICE

- 4.0** The CMAR agrees to do all Work for the construction of the Project and to completely construct the improvements and install the material, as called for by this Contract, free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified within the time, or times, as set forth in the GMP Proposal, as may be amended from time to time, attached as Exhibit C hereto, and by reference made a part of this Contract.

4.1 CONTRACT PRICE

- 4.1.1** The Contract Price is a not-to-exceed price of seven hundred eighty-three thousand and nine hundred eighty and 54/100 dollars (\$783,980.54), as stated in detail in the GMP Proposal, attached as Exhibit C.
- 4.1.2** The Contract Price is the sum of the GMP including the City's Project Contingency and Allowances as defined in Article 12 and is subject to adjustments made in accordance with Article 5.
- 4.1.3** The CMAR is responsible for payment of all State of Arizona and City of Scottsdale transaction privilege (sales) taxes due on construction income, whether or not these taxes are specifically separated in the bid amount.
- 4.1.4** Unless otherwise provided in the Contract Documents, the Contract Price is to include all sales, use, consumer and other taxes throughout the term of this Contract, whether or not yet effective or merely scheduled to go into effect.
- 4.1.5** Any contingencies and allowances as agreed upon between the City and the CMAR will be in the GMP.

- 4.2 CMAR CONSTRUCTION FEE FOR CHANGES.** If the GMP requires an adjustment due to changes in the Work, the cost of any changes will be determined under Article 5.

4.3 GUARANTEED MAXIMUM PRICE (GMP)

- 4.3.1** At the end of the design phase or at a time determined by the City, and as a part of the Work done under the Preconstruction Contract, the City will request the CMAR to provide a GMP, or series of GMPs if the CMAR

determines phased construction would be in the City's best interest. The approved GMP Proposal is set forth in **Exhibit C**, attached to this Contract.

4.3.2 The CMAR guarantees to bring the completion of the construction of the Project within the GMP or the CMAR alone will be required to pay the difference between the actual cost and the GMP.

1. Buy-out savings are any savings of the CMAR's GMP at the conclusion of the selection of Subcontractors. Buy-out savings may be used during construction by the City as a City Project Contingency. Unused savings will be returned to the City.
2. Any Savings realized may be incorporated into the construction of the Project to fund additional scope items or will be returned to the City upon the City's request.

4.3.3 The Cost of the Work (Direct Costs), plus the Indirect Costs, plus taxes, plus the City's Project Contingency and Allowances equals the Total GMP. The GMP is composed of the following actual costs, not-to-exceed cost reimbursable, fixed fee or lump sum amounts defined below:

1. The Cost of the Work (Direct Costs) is a negotiated cost and not-to-exceed amount defined by the individual work items and their associated negotiated unit prices as part of the hard construction work as defined in Article 12.
2. Indirect Costs include the costs for General Conditions, Payment and Performance Bonds, Insurance, the Construction Fee and Taxes.
 - a. The General Conditions Costs are a negotiated amount for Project supervision and other Indirect Costs according to construction terms as defined in Article 12. These costs are not reflected in other GMP items. Costs may include, but are not limited to, the following: Project Manager, Superintendent, Full-time General Foremen, workers not included as direct labor costs engaged in support (e.g. loading/unloading, clean-up, etc.) and administrative office personnel. Other costs may include: temporary office, building permit and licensing fees, fencing and other facilities, office supplies, office equipment, minor expenses, utilities, vehicles, fuel, sanitary facilities, and telephone services at the site.
 - b. Payment Bonds, Performance Bonds and Insurance are fixed percentages or actual costs applied to Cost of Work and General Conditions Costs as detailed in the GMP Proposal.
 - c. The Construction Fee is a negotiated fixed fee that is proposed by the CMAR for the project as defined in Article 12. It accounts for the CMAR's profit and overhead for the Project.
3. Taxes include all sales, use, consumer and other taxes which are legally enacted when negotiations of the GMP were concluded, whether or not yet effective or merely scheduled to go into effect. Taxes are actual costs and are a not-to-exceed reimbursable amount.

4. The City's Project Contingency is defined in Article 12. It is to be used at the sole discretion of the City to cover any increases in Project costs that result from City directed changes or unforeseen Site conditions. The City's Project Contingency will be added to the GMP amount provided by the CMAR, the sum of which will be the total Contract Price. Taxes will be applied by the CMAR at the time of the City's Project Contingency as an additional negotiated Construction Fee.

4.3.4 The GMP is cumulative. The amount of any GMP amendment will be negotiated separately and will reflect the CMAR's risk from that point forward in the Project.

4.4 GMP PROPOSAL. The GMP Proposal will be that as provided in the Preconstruction Contract, and the GMP Proposal is attached as Exhibit C.

4.5 GMP APPROVAL. The approval of the GMP will be in accordance with the provisions of the Preconstruction Contract, attached hereto as Exhibit B.

4.6 TAX/LICENSE

The CMAR must secure and maintain, during the life of the Contract, a combined State of Arizona and City of Scottsdale Transaction Privilege (sales) Tax Licenses.

For information on how to obtain a combined State of Arizona and City of Scottsdale Privilege (Sales) Tax License, please go to the following websites:
<https://azdor.gov/transaction-privilege-tax/tpt-license/applying-tpt-license>

4.7 RESPONSIBILITY FOR PRIVILEGE (SALES) TAXES

The CMAR is responsible for payment of all applicable State of Arizona and City of Scottsdale (sales) taxes due on construction income whether or not these taxes are specifically separated in the bid amount. The taxes are to be reported on either a progressive billing (accrual) basis or cash receipts basis, depending on the method chosen at the time application was made for the Privilege (sales) Tax License.

City Privilege (sales) tax exemptions/deductions may be applicable to certain projects. The CMAR is advised to consider this as it prepares its bid. Please review, in detail, Sections 415, 465, and 110 of the Scottsdale Revised City Code, Appendix C to determine if exemptions/ deductions are applicable. For tax guidance, please reference the City Code and other tax resources at the following website: <https://www.scottsdaleaz.gov/taxes>

The State of Arizona has similar exemptions, please reference A.R.S. Title 42 at the following website: <https://www.azleg.gov/arsDetail/?title=42>

For further questions regarding tax treatment, please contact the Arizona Department of Revenue at (602) 255-2060 and the City of Scottsdale Tax & Audit Section at (480) 312-2625.

ARTICLE 5 – CHANGES TO THE CONTRACT PRICE AND TIME

5.0 DELAYS TO THE WORK

5.1 DELAYS TO THE WORK

- 5.1.1 Delays may be compensable, concurrent, excusable or non-excusable as defined in Article 12.
- 5.1.2 If the CMAR is delayed in the performance of the Work due to acts, omissions, conditions, events, or circumstances beyond its control and due to no fault of its own or those for whom CMAR is responsible, the Contract Time or Performance Period may be reasonably extended by Change Order.
- 5.1.3 The CMAR must request an increase in the Contract Time or Performance Period by written notice including an estimate of the probable effect of delay on progress of the Work. In the case of a continuing delay only one request is necessary.
1. Written notice shall be submitted within fourteen (14) days of the commencement of the cause of the delay.
 2. If written notice is submitted more than fourteen (14) days after commencement of the cause of the delay, the period of delay will be considered to commence fourteen (14) days before the giving of the notice.
- 5.1.4 If adverse weather conditions are the basis for a request for additional Contract Time, these requests will be documented by data substantiating that weather conditions were abnormal for the period of time and could not have been reasonably anticipated, and that weather conditions had an adverse effect on the scheduled construction.
- 5.1.5 Permitting the CMAR to proceed to complete any Work, or any part of the Work, after the date to which the time of completion may have been extended, will in no way act as a waiver on the part of the City of any of its legal rights under this Contract.
- 5.1.6 In the event the CMAR incurs expenses related to a delay for which the City is responsible pursuant to A.R.S. §34-609(E), as amended, the CMAR and the City will negotiate an equitable adjustment to the Contract Price and/or Contract Time. This provision does not void any other section of this Contract or Preconstruction Contract that requires notice of delays, provides for arbitration or other procedures for settlement or provides for liquidated damages.
- 5.1.7 In addition to the CMAR's right to a time extension for those events stated in this Article 5.1, the CMAR may also be entitled to an appropriate adjustment of the Contract Price provided, however, that the Contract Price or GMP Proposal will not be adjusted for delays caused by reason of force majeure as defined in this Contract.

5.2 DIFFERING SITE CONDITIONS

- 5.2.1** If the CMAR encounters a Differing Site Condition(s), the CMAR may be entitled to an adjustment in the Contract Price or Contract Time(s) to the extent the increase in cost or time of performance are the direct result of a Differing Site Condition(s).
- 5.2.2** Upon encountering a Differing Site Condition, the CMAR shall notify the Construction Coordinator or Contract Administrator of the condition within seven (7) days after the condition has been encountered. Final costs must be submitted within thirty (30) days after notice is received by the City, unless extended by written agreement of the parties. The CMAR must give the City's Contract Administrator written notice of and an opportunity to observe such condition(s) before disturbing or altering the Differing Site Condition(s). The failure of the CMAR to give written notice and make the Claim as required by this Article and Article 7.1.5 shall constitute a waiver by Contractor of any rights arising out of or relating to such Differing Site Conditions.
- 5.2.3** In order for the CMAR to obtain any additional compensation or time extensions for Differing Site Conditions, the CMAR must demonstrate that it encountered a material difference at the Site, as defined in Article 12, that required it to expend additional cost or time. The CMAR must also establish that it actually and reasonably relied upon the representations found in the Contract Documents concerning the Site conditions.

5.3 APPLICATION FOR EXTENSION OF TIME

- 5.3.1** If performance by the CMAR is delayed for a reason set forth in Article 5, the CMAR may be allowed a reasonable extension of time in conformance with this Article. Before the CMAR's time extension request may be considered, the CMAR shall notify the City of the condition(s) which allegedly caused or is causing the delay, and shall submit a written application to the City identifying:
1. Liquidated damage assessment rate, as specified in the Contract;
 2. Original total GMP;
 3. The original Contract Time;
 4. Any previous time extensions granted (number and duration);
 5. The extension of time requested.
- 5.3.2** In addition, the application for extension of time shall set forth in detail;
1. The nature of each alleged cause of delay in completing the Work; and

2. The date upon which each such cause of delay began and ended and the number of dates attributable to each such cause; and
3. A statement that the CMAR waives all claims except for those delineated in the application, and the particulars of any claims which the CMAR does not agree to waive. For time extensions for Substantial Completion and final completion payments, the application shall include a detailed statement of the dollar amounts of each claim item reserved; and
4. A statement indicating the CMAR's understanding that the time extension is granted only for purposes of permitting continuation of Contract performance and payment for Work performed and that the City retains its right to conduct an investigation and assess liquidated damages as appropriate in the future.

5.4 ERRORS, DISCREPANCIES AND OMISSIONS

- 5.4.1 If the CMAR observes errors, discrepancies or omissions in the Contract Documents, it shall promptly notify the Construction Coordinator and request clarification. The CMAR shall also provide a copy of any notice to the City Contract Administrator.
- 5.4.2 If the CMAR proceeds with the Work affected by any errors, discrepancies or omissions, without receiving clarifications, it does so at its own risk. Adjustments involving these circumstances made by the CMAR before clarification by the Design Professional are at the CMAR's risk.

5.5 CITY REQUESTED CHANGE IN WORK. The City reserves the right to make, at any time during the progress of the Work, any alterations as may be found necessary or desirable.

- 5.5.1 Any alterations and changes shall not invalidate this Contract nor release the surety, and the CMAR agrees to perform the Work as altered, the same as if it had been a part of the original Contract Documents. The CMAR shall notify the surety of the changes and will assure that the alterations and changes are adequately covered by the surety bond.
- 5.5.2 Upon receipt of a request for Change in Work, the CMAR will prepare a proposal in significant detail according to Article 5.11. The CMAR's proposal will include a detailed description of any schedule impact.
- 5.5.3 Legal Requirements. The Contract Price or Contract Times will be adjusted to compensate the CMAR for the effects of any changes in the Legal Requirements enacted after the date of the Contract or the date of the GMP, affecting the performance of the Work.
- 5.5.4 In the event an alteration or modification in the character of the Work or Deliverable results in a substantial change in this Contract, materially increasing or decreasing the scope of services, cost of performance, or Project Schedule, the Work or Deliverable will be performed as directed by the City. But before any altered or modified Work begins, a Change Order or Contract Modification

will be approved and executed by the City and the CMAR pursuant to the City's Procurement Code, as amended. This Change Order or Contract Modification will not be effective until approved by the City. Change Orders are authorized up to the limits of the City's Procurement Code, as amended.

5.5.5 Additions to, modifications of, or deletions from the Project provided in this Contract may be made, and the compensation to be paid to the CMAR may accordingly be adjusted by mutual agreement of the contracting parties.

5.5.6 No claim for extra Work done or materials furnished by the CMAR will be allowed by the City except as provided in this Contract, nor will the CMAR do any Work or furnish any material(s) not covered by this Contract unless the Work or material is first authorized in writing. Work or material(s) furnished by the CMAR without first obtaining written authorization will be at the CMAR's sole responsibility, cost, and expense, and the CMAR agrees that without first obtaining written authorization, no claim for compensation for the Work or materials furnished will be made.

5.6 CHANGE ORDERS

5.6.1 In accordance with the City of Scottsdale Procurement Code, as amended, and related Rules and Procedures, the City and the CMAR will negotiate in good faith and as expeditiously as possible the appropriate Change Order(s) as defined in Article 12. Upon reaching an agreement, the Parties will prepare and execute an appropriate Change Order reflecting the terms of the adjustment. The Change Order may or may not include an adjustment in the Contract Price, GMP Proposal and/or Contract Time.

5.6.2 All changes in the Work authorized by Change Orders will be performed under the conditions of the Contract Documents. The decision to issue Change Orders rests solely with the City and any decision to issue a Change Order must be promptly complied with by the CMAR, subject to the provisions of Article 5.7. As the Work authorized by a Change Order progresses, the Contractor must provide an accounting of actual costs incurred in completing the Work authorized by the Change Order. Change Orders are authorized up to the limits of the City's Procurement Code, as amended.

5.6.3 The execution of a Change Order by the CMAR shall constitute conclusive evidence of the CMAR's agreement to the ordered changes in the Work, this Contract as thus amended, the Contract Price, GMP Proposal and/or the Contract Time for performance by the CMAR. The CMAR, by executing the Change Order, waives and forever releases any claim against the City for any additional time or compensation for matters relating to, arising out of, or resulting from the work included within or affected by the executed Change Order of which the CMAR knew or should have known.

5.6.4 Changes to the Work may be directed by Construction Change Directive, as defined in Article 12, in the event City and CMAR cannot agree on the cost or time of a Change Order or if the cost or time of the Change Order cannot be reasonably determined prior to beginning the change in Work. The City, without

invalidating the Contract, may order changes in the Work utilizing Construction Change Directives with the City's Project Contingency and/or the Contract Time being adjusted as deemed appropriate. Upon receipt, the CMAR shall promptly proceed with the directed changes.

5.7 UNILATERAL DETERMINATION OF CHANGE ORDER VALUE

If no mutual agreement occurs between the City and the CMAR, the change in Contract Price or GMP Proposal resulting from Change Order or Construction Change Directive, if any, shall be derived by determining the reasonable actual costs incurred or savings achieved, resulting from revisions to the Work. Such reasonable actual costs or savings shall include a component for direct job site overhead and profit, but shall not include home-office overhead or other indirect costs and components. The calculation of actual costs shall conform to the markup schedule in Article 5.11.2. Any such costs or savings shall be documented in the format and with such content and detail as the City requires. The CMAR shall promptly submit such documentation and other backup as the City may require in evaluating the actual costs incurred.

5.8 ADDITIONAL CHANGE ORDER COST REQUIREMENTS

The CMAR's or Subcontractor's submittals shall include the cost of materials, sales tax, cost of all transport, equipment costs and any direct Project expenses. The cost of all items listed in the CMAR's proposal shall be directly related to the Change Order. Indirect costs not specifically related to the Change Order shall not be considered. CMAR's or Subcontractor's Direct Labor Costs shall be limited to the hourly rate of directly involved workmen, employer contributions toward CMAR standard benefits, pensions, unemployment or social security (if any), and employer costs for paid sick and annual leave. CMAR's or Subcontractor's Indirect Costs may include license fees, bond premiums, supervision, and vehicle expense directly related to the Change Order.

5.9 LIMITATION OF COMPENSABLE ITEMS

5.9.1 For Change Orders, the total cost or credit to the City shall be based on the following schedule:

1. CMAR's Materials Costs.
2. CMAR's Direct Labor Costs.
3. CMAR's Equipment Costs (includes owned/rented equipment).
4. Applicable Subcontractor Costs.
5. Subtotal of Costs to the CMAR.
6. CMAR's Overhead and Profit.
7. Total Cost or Credit to the City.

5.10 FIELD ORDERS

- 5.10.1** The City has authority to initiate Field Orders that do not materially and adversely affect the Work, including the design, quality, performance and workmanship required by the Contract Documents. Field Orders will be imposed by written order and will be binding on the City and the CMAR. The CMAR will carry out any written Field Orders promptly.
- 5.10.2** Field Orders will not involve an adjustment in the Contract Price or Contract Time unless or until an adjustment becomes a Change Order.
- 5.10.3** The CMAR may make minor changes in the Work, but the CMAR will promptly inform the City, in writing, of any changes and record the changes, if appropriate, on the Project Record Documents maintained by the CMAR.

5.11 CONTRACT PRICE ADJUSTMENTS

- 5.11.1** The increase or decrease in Contract Price or GMP resulting from a Change Order will be determined by one or more of the following methods:
1. Using direct cost labor and material rates established in the Contract Documents as a basis of the Contract Price/GMP adjustment;
 2. Using unit prices found in the Contract Documents or as subsequently agreed between the Parties;
 3. A mutually agreed upon lump sum allowance, properly itemized and supported by sufficient substantiating data to permit evaluation by the City; and
 4. A negotiated Construction Fee for the Change Order equal to additional Indirect Costs resulting from the Change Order plus any negotiated profit.
- 5.11.2** The markups that will be allowed on these changes will be no greater than the markups outlined in the approved GMP Proposal as shown on Exhibit C.
- 5.11.3** If an increase or decrease cannot be agreed to as provided in Articles 5.7 and 5.8, the cost of the Change Order will be determined by the reasonable expense and savings in the performance of the Work resulting from the change, including a reasonable CMAR Construction Fee, according to the methodology used to establish the contract GMP. The CMAR will maintain a documented, itemized accounting evidencing the expenses and savings associated with the changes.
- 5.11.4** If unit prices are included in the Contract Documents or are subsequently agreed to by the parties, but application of the unit prices will cause substantial inequity to the City or the CMAR because of differences in the character or quantity of the unit items as originally contemplated, the unit prices will be equitably adjusted.

5.11.5 If the City and the CMAR disagree upon the amount to be paid, whether the CMAR is entitled to be paid for any services required by the City, or if there are other disagreements over the Scope of Work, proposed changes to the Work, or the time required to complete the Work, the City and the CMAR will resolve the dispute in accordance with Article 7.

1. As part of the negotiation process, the CMAR will furnish the City with a good faith estimate of the costs to perform the disputed services or the additional time required in accordance with the City's interpretations.
2. If the parties are unable to agree and the City expects the CMAR to perform the services in accordance with the City's interpretations, the CMAR will proceed to perform the disputed services, conditioned upon the City issuing a written order to the CMAR (i) directing the CMAR to proceed and (ii) specifying the City's interpretation of the services that are to be performed.

5.11.6 Emergencies. In any emergency affecting the safety of persons or property, or both, the CMAR will act, at its discretion, to prevent threatened damage, injury or loss. Any change in the Contract Price or Contract Time(s), or both, resulting from emergency work will be determined as provided in this Article 5.

ARTICLE 6 – PROCEDURE FOR PAYMENT

6.0 For and in consideration of the faithful performance of the Work required to be done by the Contract Documents, and in accordance with the directions of the City and to its satisfaction, the City agrees to pay the CMAR the Cost of the Work actually performed and any applicable costs for general conditions, insurance, bonding, and taxes, but no more than the GMP, as may be adjusted by any Change Orders and/or Contract Modification pursuant to this Contract and City's Procurement Code, as amended. Payment for the specific Work under this Contract will be made in accordance with payment provisions of this Article 6.

6.1 GMP PAYMENT REQUEST

6.1.1 At the Preconstruction Conference, the CMAR will submit, for the City's review and approval, a Schedule of Values. The Schedule of Values will (i) be based on the bids accepted from the successful Subcontractors (ii) include values for all items comprising the GMP including any City allowances, and (iii) serve as the basis for monthly progress payments made to the CMAR throughout the Work.

6.1.2 At least five (5) working days before the date established for a Payment Request, the CMAR will meet with the Contract Administrator to review the progress of the Work, as it will be reflected on the CMAR Payment Request. The CMAR Payment Request will constitute the CMAR's representation that the Work has been performed consistent with the Contract Documents, has progressed to the point indicated in the CMAR Payment Request, and that title to all the Work will pass to the City free and clear of all claims, liens, encumbrances, and security interests upon the incorporation of the Work into the Project.

- 6.1.3** The CMAR's Payment Request may request payment for equipment and materials not yet incorporated into the Project if construction progress is in reasonable conformance with the approved schedule.
1. For equipment and materials properly stored at the Site, the equipment and materials will be protected by suitable insurance and the City will receive the equipment and materials free and clear of all liens and encumbrances.
 2. For materials and equipment stored off the Site, the City must approve the storage. The material and equipment must be stored within Maricopa County and be accessible for the City's inspection. Title to the materials and equipment will protect the City's interest and will include applicable insurance, bonding, storage and transportation to the Site.
 3. The City will be named as an Additional Insured on all insurance required for stored materials or equipment.
 4. All bonds and insurance required for stored materials will be in the City's name.
- 6.1.4** The CMAR will submit a Payment Request in a format acceptable to the City on a date established by the City and the CMAR. The Payment Request will be submitted to the City's Contract Administrator. This submittal will include, at a minimum, a narrative description of the Work accomplished during the billing period, a listing of any Deliverables submitted, and the Subcontractors' actual request for payment plus similar narrative and listing of their Work.
- 6.1.5** Payments for these services negotiated as a fixed unit price will be made in accordance with actual measured quantities completed during the preceding month as itemized on the Schedule of Values and stated in Exhibit C. Payment for services negotiated as a lump sum will be made in accordance with the percentage of the services completed during the preceding month as itemized on the Schedule of Values in Exhibit C. Those services negotiated as a not-to-exceed reimbursable sum will be paid in accordance with the actual costs of the service expended during the preceding month. The City will review Payment Requests and make recommendations for approval or denial within seven (7) days after the City's receipt of each properly submitted and accurate Construction Payment Request, but in each case less the total of payments previously made, and less amounts properly withheld as retention under Article 6.3. Payment Requests will be considered approved and certified for payment after seven (7) days unless before that time, the Contract Administrator issues a specific finding setting forth in detail those items in Payment Request that are not approved for payment.
- 6.1.6** The CMAR agrees at its own cost and expense, to perform all construction, as called for by this Contract free and clear of all claims, liens, and charges whatsoever, in the manner and under the conditions specified within the time, or times, stated in this Contract.

6.1.7 The Schedule of Values will be submitted as prescribed in this Contract, and subject to adjustment in accordance to this Contract and will serve as the basis for monthly progress payments made to the CMAR throughout the construction.

6.1.8 The CMAR will submit to the City, on the monthly anniversary of the NTP date beginning with the first month after the construction NTP date, the monthly Payment Request.

6.2 PAYMENT OF GMP

6.2.1 The City will make payment in accordance with A.R.S. § 34-609, as amended. Payment will be made no later than fourteen (14) days after the CMAR Payment Request is certified and approved by the City's Contract Administrator, less amounts properly retained under Article 6.3.

6.2.2 The City will pay the CMAR all amounts properly due. If the City determines that the CMAR is not entitled to all or part of a CMAR Payment Request, it will notify the CMAR in writing within seven (7) days after the date the CMAR Payment Request is received by the City. The notice will indicate the specific amounts the City intends to withhold, the reasons and contractual basis for the withholding, and the specific measures the CMAR must take to rectify the City's concerns. The CMAR and the City will attempt to resolve the City's concerns. If the parties cannot resolve these concerns, the CMAR may pursue its rights under the Contract Documents, including those under Article 7.

6.3 RETENTION OF GMP

6.3.1 The City will retain 10% of each CMAR Payment Request amount, provided, however, that when 50% of the Work has been completed by the CMAR, on CMAR's request one-half of the amount retained, including any substituted securities, will be paid to the CMAR if the CMAR is making satisfactory progress on the Work, and there is no specific cause or claim requiring a greater amount to be retained. After the Contract is 50% completed, no more than 5% of the amount of any subsequent progress payments may be retained if the CMAR is making satisfactory progress on the Work. If, however, the City determines that satisfactory progress is not being made on the Work, the City may reinstate the 10% retention for all remaining progress payments.

6.3.2 In lieu of retention, the CMAR may provide an assignment of time certificates of deposit (CDs) from a bank licensed by the State of Arizona, securities guaranteed by the United States, securities of the United States, the State of Arizona, Arizona counties, Arizona municipalities, Arizona school districts, or shares of savings and loan institutions authorized to transact business in Arizona.

1. Securities deposited in lieu of retention must be deposited into a separate account with a bank having a branch located in the City of Scottsdale.

2. CDs and Securities will be assigned exclusively for the benefit of the City of Scottsdale in accordance with the City's form of Retainage Escrow Contract.

6.4 SUBSTANTIAL COMPLETION

- 6.4.1** Substantial Completion will be for the entire Project unless a partial Substantial Completion is identified in the approved GMP schedule and stated in the Notice to Proceed letter. Substantial Completion will be in accordance with its definition in Article 12, and with the criteria in the Notice to Proceed letter.
- 6.4.2** Before notifying the City as required in Article 6.4.3 below, the CMAR must inspect the Work and prepare and submit to the City a comprehensive list of items to be completed or corrected. The CMAR will proceed promptly to complete and correct items on the list. Failure to include an item on the list does not alter the responsibility of the CMAR to complete all Work in accordance with the Contract Documents.
- 6.4.3** The CMAR will notify the City when it believes the Work, or to the extent permitted in the Contract Documents, a portion of the Work, has achieved Substantial Completion.
- 6.4.4** Within five (5) days of the City's receipt of the CMAR's notice of Substantial Completion in accordance with Article 6.4.3, the City and the CMAR will jointly inspect the Work to confirm Substantial Completion.
- 6.4.5** Once Substantial Completion of the Work is confirmed in accordance with Article 6.4.4, the City will prepare and issue a Certificate of Substantial Completion that will establish (i) the date of Substantial Completion of the Work or portion of the Work, (ii) the remaining items of Work that have to be completed within thirty (30) calendar days before Final Acceptance, (iii) provisions (to the extent not already provided in the Contract Documents) establishing the City's and the CMAR's responsibility for the Project's security, maintenance, utilities and insurance pending Final Acceptance and (iv) an acknowledgment that warranties commence to run on the date of Substantial Completion, except as may otherwise be noted in the Certificate of Substantial Completion.
- 6.4.6** The City, at its option, may use a portion of the Work that has achieved Substantial Completion, provided, however, that (i) a Certificate of Substantial Completion has been issued for the portion of Work addressing the items in Article 6.4.5 above, (ii) the CMAR and the City have obtained the consent of their sureties and insurers, and to the extent applicable, the appropriate government authorities having jurisdiction over the Project, and (iii) the City and the CMAR agree that the City's use or occupancy will not interfere with the CMAR's completion of the remaining Work.
- 6.4.7** Upon Substantial Completion of the entire Work or, if applicable, any portion of the Work, the City may release to the CMAR all retained amounts relating, as applicable, to the entire Work or completed portion of the Work, not to exceed two and one half times (2.5) the reasonable value of all

remaining or incomplete items of Work as noted in the Certificate of Substantial Completion.

6.5 FINAL ACCEPTANCE

Upon receipt of written notice that the Work or identified portions of the Work are ready for final inspection and acceptance, the City and the CMAR will jointly inspect to verify that the remaining items of Work have been completed as described in Article 6.4, including items on the Punch List. Upon verification that the items have been satisfactorily completed, the City will issue a Final Acceptance Letter.

6.6 FINAL PAYMENT

6.6.1 After receipt of a final CMAR Payment Request, and provided that the CMAR has completed all of the Work in conformance with the Contract Documents, the City will make final payment fourteen (14) days after the City has issued its Final Acceptance Letter.

6.6.2 At the time of submission of its final CMAR Payment Request, the CMAR will provide the following information:

1. An affidavit that there are no claims, obligations or liens outstanding or unsatisfied for labor, services, material, equipment, taxes or other items performed, furnished or incurred for or in connection with the Work which will in any way affect the City's interests;
2. A general release executed by the CMAR waiving, upon receipt of final payment by the CMAR, all claims, except those claims previously made in writing to the City and remaining unsettled at the time of final payment; and
3. Consent of the CMAR's surety, if any, to final payment.

6.7 EXTENSION OF TIME FOR FINAL PERFORMANCE

In the event the CMAR is delayed in performing any task, which at the time of the delay is then critical, or which during the delay becomes critical, as the sole and exclusive result of any act or omission by the City, or someone acting on the City's behalf, or by City authorized Change Orders, Differing Site Conditions, adverse weather conditions that could not reasonably anticipated, or other events caused by reason of force majeure as defined in this Contract and occurring without the fault or negligence of the CMAR, the date for achieving Substantial Completion, or, as applicable, final completion, will be appropriately adjusted by the City upon the written claim of the CMAR to the City filed in full compliance with the Contract Documents. A task is critical within the meaning of this Article if the task is on the critical path of the most recently approved Progress Schedule so that a Delay in performing the task will Delay the ultimate completion of the Project. ANY CLAIM FOR AN EXTENSION OF TIME BY THE CMAR MUST STRICTLY COMPLY WITH THE REQUIREMENTS OF ARTICLE 7 BELOW. IF THE CMAR FAILS TO

MAKE SUCH CLAIM AS REQUIRED IN THIS ARTICLE, ANY CLAIM FOR AN EXTENSION WILL BE WAIVED AND SHALL BE DISMISSED.

6.8 PAYMENTS TO SUBCONTRACTORS OR SUPPLIER

- 6.8.1** The CMAR will pay its Subcontractors or suppliers within seven (7) calendar days after receipt of each progress payment from the City, unless otherwise agreed in writing by the CMAR and Subcontractor or Supplier. The CMAR will pay for the amount of the Work performed or materials supplied by each Subcontractor or Supplier as accepted and approved by the City with each Payment Request. In addition, any reduction of retention by the City to the CMAR will result in a corresponding reduction to Subcontractors or suppliers who have performed satisfactory work. The CMAR will pay Subcontractors or suppliers the reduced retention within seven (7) calendar days of the payment of the reduction of the retention to the CMAR. No Contract between the CMAR and its Subcontractors and suppliers may materially alter the rights of any Subcontractor or supplier to receive prompt payment and retention reduction as provided in this Contract.
- 6.8.2** If the CMAR fails to make payments in accordance with these provisions, the City may take any of one or more of the following actions:
1. To hold the CMAR in default under this Contract;
 2. Withhold future payments including retention until proper payment has been made to Subcontractors or Suppliers in accordance with these provisions;
 3. Reject all future offers to perform work for the City from the CMAR for a period not to exceed one (1) year from Substantial Completion Date of the Project; or
 4. Terminate this Contract.
- 6.8.3** If the CMAR's payment to a Subcontractor or Supplier is in dispute, the CMAR and Subcontractor or Supplier agree to submit the dispute to any one of the following dispute resolution processes within fourteen (14) calendar days from the date any party gives notice to the other: (a) binding arbitration; (b) a form of alternative dispute resolution (ADR) agreeable to all parties, or (c) a City of Scottsdale facilitated mediation. When a disputed claim is resolved through ADR or otherwise, the CMAR and Subcontractor or supplier agrees to implement the resolution within seven (7) calendar days after the resolution date.
- 6.8.4** Should the City fail or delay in exercising or enforcing any right, power, privilege, or remedy under this Article, this failure or delay will not be considered a waiver, release or modification of the requirements of this Article or of any of the terms or provisions of this Contract.
- 6.8.5** The CMAR will include these prompt payment provisions in every subcontract, including procurement of materials and leases of equipment for this Contract.

6.9 RECORD KEEPING AND FINANCE CONTROLS

- 6.9.1** Records of the CMAR's direct personnel payroll and reimbursable expenses pertaining to this Project and records of accounts between the City and the CMAR will be kept on a generally recognized accounting basis and will be available for three (3) years after completion of the Project.

From the effective date of this Contract and until three (3) years after the date of final payment by the City of Scottsdale to the CMAR, the City, its authorized representative, and the appropriate federal or state agencies, reserve the right to audit the CMAR's records to verify the accuracy and appropriateness of all pricing data, including data used to negotiate Contract Documents and any Change Orders or Contract Modifications. The City of Scottsdale or its authorized representative will have access, during normal working hours, to all necessary Contractor and Subcontractor facilities, and will be provided adequate and appropriate workspace, in order to conduct audits in compliance with the provisions of this Article. The City of Scottsdale will give the Contractor or Subcontractor reasonable advance notice of intended audits.

The City reserves the right to decrease the Contract Price, GMP or payments made on this Contract if, upon audit of the CMAR's records, the audit discloses the CMAR has provided false, misleading, or inaccurate cost and pricing data.

- 6.9.2** The CMAR will include similar provisions in all of its Contracts with Suppliers, Subconsultants and Subcontractors providing services under the Contract Documents to ensure the City, its authorized representative, and the appropriate Federal and State agencies, have access to the Suppliers', Subconsultants' and Subcontractors' records to verify the accuracy of cost and pricing data.
- 6.9.3** The City reserves the right to decrease Contract Price, GMP and/or payments, made on this Contract if the above provision is not included in Supplier, Subconsultant and Subcontractor contracts, and one or more Suppliers, Subconsultants, or Subcontractors do not allow the City to audit their records to verify the accuracy and appropriateness of pricing data.
- 6.9.4** If an audit discloses overcharges, of any nature, by the CMAR to the City in excess of one percent (1%) of the total contract billings, the actual cost of the City's audit will be reimbursed to the City by the CMAR. Any adjustments or payments, or both, which must be made as a result of any audit or inspection of the CMAR's invoices and records will be made within a reasonable amount of time (not to exceed 90 days) after presentation of the City's findings to the CMAR.
- 6.9.5** This audit provision includes the right to inspect personnel records as required by Section 11.41.
- 6.9.6** City may, at reasonable times, inspect the place of business of the CMAR or its Suppliers, Subconsultants and Subcontractors that is related to the performance of this Contract.

ARTICLE 7 – CLAIMS AND DISPUTES

7.0 REQUESTS FOR CONTRACT ADJUSTMENTS AND RELIEF

7.1 REQUESTS FOR CONTRACT ADJUSTMENTS AND RELIEF

- 7.1.1 If either the CMAR or the City believes that it is entitled to relief against the other for any event arising out of or related to the Work, that party will provide written notice to the other party of the basis for its claim for relief. The claims shall set forth in detail all known facts and circumstances supporting the claim and final costs associated with any claim upon which notice has been given must be submitted in writing to the City within thirty (30) days after notice has been received.
- 7.1.2 That notice will, if possible, be made before incurring any cost or expense and in accordance with any specific notice requirements contained in this Contract.
- 7.1.3 Written notice will be given within a reasonable time, not to exceed ten (10) calendar days, after the occurrence giving rise to the claim for relief or after the claiming party reasonably should have recognized the event or condition giving rise to the request, whichever is later.
- 7.1.4 Notice must include sufficient information to advise the other party of the circumstances giving rise to the claim for relief, the specific contractual adjustment or relief requested and the basis of the request. ANY NOTICE OF CLAIM NOT FILED WITH THE CITY WITHIN SUCH TIME AND IN COMPLIANCE WITH THE PRECEEDING PROVISIONS SHALL BE CONSIDERED TO HAVE BEEN WAIVED AND SHALL BE DISMISSED.
- 7.1.5 In the event the CMAR seeks to make a claim for an increase in the Contract Price or GMP, as a condition precedent to any liability of the City therefore, unless emergency conditions exist, the CMAR shall strictly comply with the requirements of this Article and such claim shall be made by the CMAR before proceeding to execute any work for which a claim is made. Failure to comply with this condition precedent shall constitute a waiver by the CMAR of any claims for compensation.
- 7.1.6 The CMAR must continue its performance under this contract regardless of the existence of any claims by the CMAR.
- 7.1.7 In a claim by the CMAR against the City for compensation in excess of the Contract Price or GMP, any liability of the City to the CMAR shall be strictly limited and computed in accordance with the Contract Documents and shall in no event include indirect costs, such as home office overheads or consequential damages of the CMAR or any estimated costs or damages.

7.2 DISPUTE AVOIDANCE AND RESOLUTION

- 7.2.1 The parties are fully committed to working with each other throughout the Project and agree to communicate regularly with each other at all times so as to avoid or minimize disputes or disagreements. If disputes or

disagreements do arise, the CMAR and the City each commit to resolving any disputes or disagreements in an amicable, professional and expeditious manner so as to avoid unnecessary losses, delays and disruptions to the Work.

- 7.2.2** The CMAR and the City will first attempt to resolve disputes or disagreements at the field level through discussions between the CMAR's Representative(s) and the City's Contract Administrator as described in Article 7.3.
- 7.2.3** If a dispute or disagreement cannot be resolved through the CMAR's Representative and the Contract Administrator, the CMAR's Senior Representative and the City's Senior Representative, upon the request of either party, will meet as soon as conveniently possible, but in no case later than thirty (30) days after the request is made, to attempt to resolve the dispute or disagreement.
- 7.2.4** Before any meetings between the parties' Senior Representatives, the parties will exchange relevant information that will assist the parties in resolving their dispute or disagreements. Should the parties' Senior Representatives be unable to resolve the dispute or disagreement, either party may file an action in the Maricopa County Superior Court..
- 7.2.5** In the event the CMAR incurs expenses related to a delay for which the City is responsible pursuant to A.R.S. §34-609(E), as amended, the CMAR and the City will negotiate an equitable adjustment to the Contract Price and/or Contract Time. This provision does not void any other section of this Contract that requires notice of delays, provides for arbitration or other procedures for settlement or provides for liquidated damages.
- 7.2.6** Duty to Continue Performance. Unless provided to the contrary in the Contract Documents, the CMAR will continue to perform the Work and the City will continue to satisfy its payment obligations to the CMAR pending the final resolution of any dispute or disagreement between the CMAR and the City.

7.3 REPRESENTATIVES OF THE PARTIES

7.3.1 City's Representatives

The City designates the individual listed below as its Senior Representative ("City's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Article 7.2:

City of Scottsdale
Rick Wielebski, Aviation Director
Aviation Business Center Suite 100
15000 N. Airport Drive
Scottsdale, AZ 85260
(480) 312-8475

The City designates the individual listed below as its Contract Administrator:

City of Scottsdale
Matthew Johnson, Contract Administrator
Aviation Department - Scottsdale Airport
15000 N. Airport Dr., Suite 100
Scottsdale, Arizona 85260
(480) 312-2674

The City designates the individual listed below as its Construction Coordinator:

Mead & Hunt, Inc.
Brad Mikulecky, Project Manager
8800 E. Raintree Dr. #285
(480) 376-0581

7.3.2 CMAR's Representatives

The CMAR designates the individual listed below as its Senior Representative ("CMAR's Senior Representative"), which individual has the authority and responsibility for avoiding and resolving disputes under Article 7.2:

Mike Abraham, President CMAR Representative
J. Banicki Construction, Inc.
4720 E. Cotton Gin Loop # 240
Phoenix, AZ 85040
602-390-1243

ARTICLE 8 – SUSPENSION AND TERMINATION

8.0 CITY'S RIGHT TO STOP WORK

The City may, at its discretion and without cause, order the CMAR in writing to stop and suspend the Work. Immediately after receiving this notice, the CMAR must discontinue advancing the Work specified in this Contract. The suspension will not exceed one hundred eighty (180) consecutive days. If the City suspends the Work for one hundred eighty-one (181) consecutive days or more, the suspension will be considered a termination for convenience.

The CMAR may seek an adjustment of the Contract Price, GMP, or Contract Time if its cost or time to perform the Work has been adversely impacted by any suspension or stoppage of the Work by the City.

8.1 TERMINATION FOR CONVENIENCE

8.1.1 Upon written notice to the CMAR, the City reserves the right to terminate this Contract, in whole or in part, or abandon any portion of the Work for

which services have not been performed by the CMAR, at its sole convenience and discretion.

1. The CMAR will estimate the value of the Work it has completed and submit its appraisal to the City for evaluation. The City will have the right to inspect the Work to appraise the Work completed.
2. As provided in Article 6, the CMAR will receive compensation for services performed to the date of termination and the fee will be paid in an amount mutually agreed upon by the CMAR and the City. If there is no mutual agreement, the final determination will be made in accordance with Article 7.
3. The CMAR will not be entitled to anticipated profit or anticipated overhead, but is entitled to recover apportioned profit and overhead proportional to the amount of the Work completed. In no event will the fee exceed that stated in Article 8.1.4 of this Contract, as amended.
4. The City will make the final payment within sixty (60) days after the CMAR has delivered the last of the partially completed items and the final fee has been agreed upon.
5. If the City terminates this Contract in accordance with the provisions of this Article and proceeds to construct the Project through its employees, agents or third parties, the City's rights to use the work product will be as provided in Article 8.3.

8.1.2 Upon any termination during construction services, the CMAR will proceed with the following obligations:

1. Stop Work as specified in the notice;
2. Place no further subcontracts or orders;
3. Terminate all subcontracts to the extent they relate to the Work terminated;
4. Assign to the City all right, title and interest of the CMAR under the subcontracts terminated, in which case the City will have the right to settle or to pay any termination settlement proposal arising out of those terminations;
5. Take any action that may be necessary for the protection and preservation of the property related to the Contract that is in the possession of the CMAR and to which the City has or may acquire an interest; and
6. Comply with the requirements of Article 6.6.2.

8.1.3 The CMAR will submit complete termination inventory schedules no later than sixty (60) days from the date of the notice of termination.

8.1.4 The City will pay CMAR the following:

1. The direct value of its completed Work and materials supplied as of the date of termination;
2. The reasonable costs and expenses attributable to any termination; and
3. The CMAR will be entitled to profit and overhead on completed Work only, but will not be entitled to anticipated profit or anticipated overhead. If it appears the CMAR would have sustained a loss on the entire Work had the Project been completed, the CMAR will not be allowed profit and the City will reduce the settlement to reflect the indicated rate of loss.

8.1.5 The CMAR will maintain all records and documents for three (3) years after final settlement. These records will be maintained and subject to auditing as prescribed in Article 6.9.

8.2 CANCELLATION FOR CAUSE

The City may also cancel this Contract or any part of it with seven (7) days notice for cause in the event of any default by the CMAR, or if the CMAR fails to comply with any of the terms and conditions of the Contract Documents. Unsatisfactory performance despite a reasonable opportunity to cure, as judged by the Contract Administrator, and failure to provide the City, upon request, with adequate assurances of future performance will all be causes allowing the City to cancel this Contract for cause. In the event of cancellation for cause, the CMAR will be entitled to amounts due and owing to the CMAR under this Contract for Work performed through the date of termination, but will also be liable to the City for any and all damages available under the Contract sustained by reason of the default that gave rise to the cancellation.

8.3 CITY'S RIGHT TO PERFORM AND CANCEL FOR CAUSE

8.3.1 If the CMAR persistently fails to (i) provide a sufficient number of skilled workers, (ii) supply the materials required by the Contract Documents, (iii) comply with applicable Legal Requirements, (iv) timely pay, without cause, Subconsultants or Subcontractors, or both, (v) prosecute the Work with promptness and diligence to ensure that the Work is completed by the Contract Time, as these times may be adjusted, or (vi) perform material obligations under the Contract Documents, then the City, in addition to any other rights and remedies provided in the Contract Documents or by law, has the rights stated in this Article 8.3.

8.3.2 In the event the CMAR is in violation of any applicable Federal, State, County or City law, regulation or ordinance, the City may cancel this Contract immediately upon giving notice to the CMAR. In the event the City cancels this Contract or any part of the services, the City will notify the CMAR in writing, and immediately upon receiving notice, the CMAR will discontinue advancing the Work under this Contract and proceed to close all operations.

8.3.3 If the City provides the CMAR with a written order to correct deficiencies, to provide adequate maintenance of traffic, adequate cleanup, adequate dust control, or to repair damage resulting from adverse weather conditions, and the CMAR fails to comply within the time frame specified,

the City may have work accomplished by other sources at the CMAR's sole expense without an increase in the Contract Price or GMP.

- 8.3.4** Upon the occurrence of an event as stated in Article 8.3.1, the City may provide written notice to the CMAR that it intends to cancel the Contract unless the problem cited is cured, or commenced to be cured, within seven (7) days of the CMAR's receipt of notice.
- 8.3.5** If the CMAR fails to cure or undertake reasonable efforts to cure the problem within seven (7) days of the CMAR's receipt of the notice, then the City may give a second written notice to the CMAR of its intent to cancel within an additional seven (7) day period.
- 8.3.6** If the CMAR, within this second seven (7) day period, fails to cure, or undertake reasonable efforts to cure the problem, then the City may declare the Contract canceled for cause by providing written notice to the CMAR of this declaration.
- 8.3.7** Upon declaring the Contract canceled in accordance with Article 8.3.6, the City may enter upon the premises and take possession of all materials, equipment, scaffolds, tools, appliances and other items, which have been purchased or provided for the performance of the Work, all of which the CMAR now transfers, assigns and sets over to the City for this purpose, and to employ any person or persons to complete the Work and provide all of the required labor, services, materials, equipment and other items.
- 8.3.8** Upon termination, cancellation or abandonment, the CMAR will deliver to the City all drawings, special provisions, field survey notes, reports, and estimates, entirely or partially completed, in any format, including but not limited to written or electronic media, together with all unused materials supplied by the City. Use of incomplete data will be the City's sole responsibility and at its sole risk.
- 8.3.9** The CMAR will appraise the Work it has completed and submit its appraisal to the City for evaluation.
- 8.3.10** If through any cause, the CMAR fails to fulfill in a timely and proper manner its obligations under this Contract, or if the CMAR violates any of the covenants, agreements, or stipulations of this Contract, the City may withhold any payments to the CMAR for the purpose of setoff until such time as the exact amount of damages due the City from the CMAR is determined by a court of competent jurisdiction.
- 8.3.11** In the event of cancellation for cause, the CMAR will not be entitled to receive any further payments under the Contract Documents until the Work is finally completed in accordance with the Contract Documents. At that time, the CMAR will only be entitled to be paid for Work performed and accepted by the City before its default.
- 8.3.12** If the City's cost and expense of completing the Work exceeds the unpaid balance of the Contract Price, then the CMAR will be obligated to pay the difference to the City. These costs and expense will include not only the cost of completing the Work, but also losses, damages, costs and expense,

including attorneys' fees and expenses, incurred by the City in connection with the procurement and defense of claims arising from the CMAR's default.

- 8.3.13** If the City improperly cancels the Contract for cause; the cancellation for cause will be converted to a termination for convenience in accordance with the provisions of Article 8.1.

ARTICLE 9 – INSURANCE AND BONDS

9.0 INSURANCE REQUIREMENTS

9.1 INSURANCE REQUIREMENTS

- 9.1.1** At the same time as execution of this Contract, the CMAR will furnish the City of Scottsdale a certificate of insurance on a standard insurance industry ACORD form. The ACORD form must be issued by an insurance company authorized to transact business in the State of Arizona or one that is named on the List of Qualified Unauthorized Insurers maintained by the Arizona Department of Insurance.
- 9.1.2** The CMAR, Subcontractors and Subconsultants must procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property, which may arise from or in connection with the performance of the Work by the CMAR, his agents, representatives, employees, or Subcontractors.
- 9.1.3** The insurance requirements are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract.
- 9.1.4** The City in no way warrants that the minimum limits contained in this Contract are sufficient to protect the CMAR from liabilities that might arise out of the performance of the Contract services under this Contract by the CMAR, his agents, representatives, employees, Subcontractors or Subconsultants and the CMAR is free to purchase any additional insurance as may be determined necessary. The City will not pay for higher limits, but if the CMAR pays for insurance with higher limits, the CMAR will name the City as an additional insured on any additional insurance.
- 9.1.5** Claims Made. In the event any insurance policies required by this Contract are written on a "claims made" basis, coverage shall continue uninterrupted throughout the term of this Contract by keeping coverage in force using the effective date of this Contract as the retroactive date on all "claims made" policies. The retroactive date for exclusion of claims must be on or before the effective date of this Contract, and can never be after the effective date of this Contract. Upon completion or termination of this Contract, the "claims made" coverage shall be extended for an additional three (3) years using the original retroactive date, either through purchasing an extended reporting option; or by continued renewal of the original insurance policies. Submission of annual Certificates of Insurance, citing the applicable coverages and provisions specified herein, shall continue for three (3) years past the completion or termination of this Contract.

9.1.6 Deductibles and Self-Insured Retentions. The policies stated in this Article may provide coverage which contains deductibles or self-insured retention amounts. Any deductibles or self-insured retention are not applicable to the policy limits provided to the City. The CMAR is solely responsible for any deductible or self-insured retention amount. The City, at its option, may require the CMAR to secure payment of any deductible or self-insured retention by a surety bond or irrevocable and unconditional Letter of Credit. Any self-insured retentions and deductibles must be declared to and approved by the City. If not approved, the City may require that the insurer reduce or eliminate any self-insured retentions with respect to the City, its officers, officials, agents, employees, and volunteers.

9.2 MINIMUM SCOPE AND LIMITS OF INSURANCE.

The CMAR will provide coverage and with limits of liability not less than those stated below.

9.2.1 Commercial General Liability - Occurrence Form

General Aggregate	\$2,000,000
Products-Completed Operations Aggregate	\$2,000,000
Personal & Advertising Injury	\$2,000,000
Each Occurrence	\$2,000,000
Fire Damage (Any one fire)	\$100,000
Medical Expense (Any one person)	Optional

CMAR must maintain "occurrence" form Commercial General Liability insurance with a limit of not less than \$2,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate, and a \$2,000,000 operations, independent contractors, products completed operations, personal injury and advertising injury. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

The CMAR, its successors or assigns, is required to maintain Commercial General Liability insurance as specified in this Contract for a minimum period of three (3) years following completion and acceptance of the Work. The CMAR must submit Certificates of Insurance evidencing the Commercial General Liability insurance during this three (3) year period containing all the insurance requirements stated in this Contract including naming the City of Scottsdale, its agents, representatives, officers, directors, officials and employees as Additional Insured as required.

The Commercial General Liability policy will be at least as broad as the Insurance Service Office, Inc.'s CG 00 01 07 98.

9.2.2 Automobile Liability - Any Auto or Owned, Hired and Non-Owned Vehicle

Combined Single Limit Per Accident	\$1,000,000
For Bodily Injury and Property Damage	

CMAR must maintain Business/Automobile Liability insurance with a limit of \$1,000,000 each accident on CMAR owned, hired, and non-owned vehicles assigned to or used in the performance of the CMAR's work or services under this Contract. If any Excess insurance is utilized to fulfill the requirements of this paragraph, the Excess insurance must be "follow form" equal or broader in coverage scope than underlying insurance.

9.2.3 Workers Compensation and Employers Liability

Workers' Compensation	<i>Statutory</i>
Employers Liability: Each Accident	\$500,000
Disease - Each Employee	\$500,000
Disease - Policy Limit	\$1,000,000

CMAR must maintain Workers Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of CMAR employees engaged in the performance of work or services under this Contract and must also maintain Employers' Liability insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit. The insurer must agree to waive all rights of subrogation against the City, its officers, officials, agents, employees, and volunteers for losses arising from Work performed by the CMAR for the City.

9.2.4 Coverage Term and Required Endorsements

1. The Commercial General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions: The City, its officers, officials, agents, and employees are to be named as additional insureds with respect to liability arising out of activities performed by, or on behalf of, the CMAR including the City's general supervision of CMAR, products and completed operations of CMAR, and automobiles owned, leased, hired, or borrowed by CMAR.
2. Except for Contractors Professional Liability and Workers Compensation insurance, for all insurance policies required under this Contract, the City, its officers, officials, agents, and employees must be additional insureds to the full limits of liability purchased by the CMAR even if those limits of liability are in excess of those required by this Contract.
3. Except for Contractors Professional Liability and Workers Compensation insurance, all insurance policies required under this Contract, including any excess insurance policies, must be primary insurance with respect to the City, its officers, officials, agents, and employees. Any insurance or self-insurance maintained by the City, its officers, officials, agents, and employees must be in excess of the coverage provided by the CMAR and must not contribute to it.
4. For all insurance policies required under this Contract, insurance coverage must apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5. For all insurance policies required under this Contract, insurance coverage must not be limited to the liability assumed under the indemnification provisions of this Contract.
6. All insurance policies required under this Contract must contain a waiver of subrogation against the City, its officers, officials, agents, and employees, for losses arising from Work performed by the CMAR for the City.
7. For all insurance policies required under this Contract, if the CMAR receives notice that any of the required policies of insurance are materially reduced or cancelled, it will be CMAR's responsibility to provide prompt notice to the Contract Administrator for the City, unless such coverage is immediately replaced with similar policies.
8. The CMAR's Insurance must contain broad form contractual liability coverage and must not exclude liability arising out of explosion, collapse, or underground property damage hazards ("XCU") coverage.

9.3 OTHER INSURANCE REQUIREMENTS.

9.3.1 Contractors Professional Liability. The CMAR must carry Contractors Professional Liability insurance to cover the residual, contingent, and passive design exposures of the CMAR. The CMAR must carry limits of \$1,000,000 each Project and \$2,000,000 in the Aggregate under a stand-alone policy or included by endorsement under the Commercial General Liability policy. The CMAR, its successors and or assigns, is required to maintain this Professional Liability insurance as specified in this Contract for a minimum period of three (3) years following completion and acceptance of the Work. Certificates of Insurance citing that applicable coverage is in force and contains the provisions required by this Contract must be submitted for the three (3) year period. In the event the Professional Liability insurance policy is written on a "claims made" basis, coverage will extend for three (3) years past completion and acceptance of the work or services, and the CMAR, or its selected Design Professional will submit Certificates of Insurance as evidence the required coverage is in effect. The Design Professional must annually submit Certificates of Insurance citing that the applicable coverage is in force and contains the required provisions for a three (3) year period. If there is no Professional Liability work or service as a part of this Contract, the City will waive the Professional Liability insurance requirement in writing.

9.3.2 Builders Risk-Installation Insurance (Course of Construction). Builders Risk-Installation and/or Boiler and Machinery Insurance coverage to be provided by the CMAR as determined necessary by the City prior to the start of construction.

The CMAR bears all responsibility for loss to all Work being performed and to buildings under construction. Unless waived in writing by the City of Scottsdale, the CMAR will purchase and maintain in force Builders' Risk-Installation insurance on the entire Work until completed and accepted by the City. This insurance will be Special Causes of Loss or Open Perils

policy form for the completed value at replacement cost equal to the GMP and all subsequent modifications.

Builders' Risk-Installation insurance must cover the entire Work including reasonable compensation for architects and engineers' services and expenses and other "soft costs" made necessary by an insured loss. Builders' Risk-Installation insurance must provide coverage from the time any covered property comes under the CMAR's control and or responsibility, and continue without interruption during course of construction, renovation and or installation, including any time during which any project property or equipment is in transit, off site, or while on site for future use or installation. Insured property must include, but not be limited to, scaffolding, false work, and temporary buildings at the site. This insurance must also cover the cost of removing debris, including demolition as may be legally required by operation of any law, ordinance, regulation or code.

The CMAR must also purchase and maintain Boiler and Machinery insurance with the same requirements as Builders' Risk-Installation insurance cited above if the Work to be performed involves any exposures or insurable property normally covered under a Boiler and Machinery insurance policy or made necessary as required by law or testing requirements in the performance of this Contract.

The CMAR will be responsible for any and all deductibles and the City must also be named as a Loss Payee under these policies. The CMAR's insurance must be primary and not contributory; and waive all rights of subrogation against the City of Scottsdale, its officer, officials and employees. CMAR's insurance must name the City of Scottsdale, the CMAR and all tiers of Subcontractors as insureds as respects their insurable interest at the time of loss. It must contain a provision that this insurance will not be canceled or materially altered without at least thirty (30) days advance notice to the City. The CMAR is also required to give the City thirty (30) days advance written notice of the coverage termination for the Project.

The Builders' Risk insurance must be endorsed so that the insurance will not be canceled or lapse because of any partial use or occupancy by the City. Builders' Risk Insurance must be maintained until whichever of the following first occurs: (i) final payment has been made; or, (ii) until no person or entity, other than the City, has an insurable interest in the property required to be covered.

- 9.4 SUBCONSULTANT'S AND SUBCONTRACTOR'S INSURANCE.** Unless the CMAR's Subconsultants and Subcontractors can provide the same level of coverage as detailed in Article 9 and name the City and the CMAR as Additional Insureds, the CMAR's certificates must include all Subcontractors and Subconsultants as insureds under its policies or the CMAR must maintain separate certificates and endorsements for each Subcontractor and Subconsultant. All coverage for Subcontractors and Subconsultants must be in the amounts shown in Article 9.2, except for the General Liability Each Occurrence limit which shall be \$1,000,000. Certificates must contain a provision that the insurance will not be canceled or materially altered without at least 30 days advance notice to the City.

- 9.5 NOTICE OF CANCELLATION.** If the CMAR receives notice that any of the required policies of insurance are materially reduced or cancelled, it will be the CMAR's responsibility to provide prompt notice to the City's Contract Administrator, unless such coverage is immediately replaced with similar policies. Each insurance policy required by the insurance provisions of this Contract must provide the required coverage and must not be suspended, voided, canceled by either party, reduced in coverage or in limits until thirty (30) days written notice has first been given in accordance with Article 11.24 herein, with a copy to:

City of Scottsdale
Risk Management Office
7447 E. Indian School Road, Suite 225
Scottsdale, Arizona 85251

- 9.6 ACCEPTABILITY OF INSURERS.** Without limiting any obligations or liabilities of the CMAR, the CMAR must purchase and maintain, at its own expense, the required minimum insurance with duly licensed or approved non-admitted insurers in the State of Arizona with an A.M. Best rating of not less than B++6 with policies and forms satisfactory to City. Failure to maintain insurance as required may result in termination of this Contract at the City's sole discretion.

9.7 VERIFICATION OF COVERAGE

- 9.7.1** The CMAR must furnish the City Certificates of Insurance (ACORD form or equivalent approved by the City) and with original endorsements effecting coverage as required by this Contract. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverages must be clearly noted on the Certificate of Insurance.

- 9.7.2** All certificates and endorsements are to be received and approved by the City before Work commences except for Builders' Risk Insurance. Each insurance policy required by this Contract must be in effect at or before the earlier of commencement of Work under the Contract Documents or the signing of this Contract except for Builders' Risk Insurance which must be in effect before commencement of Work and remain in effect for the duration of the Project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of this Contract.

- 9.7.3** All certificates of insurance required by this Contract must be sent directly to the City of Scottsdale, Transportation & Infrastructure. **The project number and project description must be included on the Certificates of Insurance.** The City reserves the right to require complete certified copies of all insurance policies required by this Contract, at any time. Failure to provide a Certificate of Insurance with the appropriate verbiage will result in rejection of the CMAR's Certificate and delay in contract execution. Additional Certificates of Insurance submitted without referencing a Contract number will be subject to rejection and returned or discarded.

- 9.8 APPROVAL.** Any variation from the requirements in this Article 9 must be approved by the City's Safety & Risk Management Division, whose decision will

be final. Said amendment will not require a formal contract modification but may be made by administrative action.

9.9 BONDS AND OTHER PERFORMANCE SECURITY

- 9.9.1** Before execution of this Contract, the CMAR must provide a performance bond and a labor and materials bond, each in an amount equal to the full amount of the GMP. Bonds must be submitted in accordance with Title 34, Chapter 6 of the Arizona Revised Statutes and will be in substantially the same form as Exhibit D and Exhibit E attached to this Contract.
- 9.9.2** Each bond must be executed by a surety company or companies holding a Certificate of Authority to transact surety business in the State of Arizona, issued by the Director of the Arizona Department of Insurance. A copy of the Certificate of Authority must accompany the bonds. The Certificate must have been issued or updated within two (2) years before the execution of this Contract.
- 9.9.3** The bonds must be made payable and acceptable to the City of Scottsdale.
- 9.9.4** The bonds must be written or countersigned by an authorized representative of the surety and the bonds must have attached a certified copy of the Power of Attorney of the signing official.
1. If one Power of Attorney is submitted, it must be for twice the total GMP amount.
 2. If two Powers of Attorney are submitted; each must be for the total GMP amount. Personal or individual bonds are not acceptable.
- 9.9.5** Upon the request of any person or entity appearing to be a potential beneficiary of bonds covering payment of obligations arising under the Contract Documents, the CMAR must promptly furnish a copy of the bonds or permit a copy to be made.
- 9.9.6** All bonds submitted for this Project must be provided by a company which has been rated "A- or better" by the A.M. Best Company.

ARTICLE 10 – INDEMNIFICATION

- 10.0 CMAR'S GENERAL INDEMNIFICATION.** To the fullest extent permitted by law, upon the assertion of a claim, the CMAR, its successors, assigns and guarantors, must defend, indemnify and hold harmless the City of Scottsdale, its agents, representatives, officers, directors, officials and employees from and against all allegations, demands, proceedings, suits, actions, claims, damages, losses, expenses, including but not limited to, attorney fees, court costs, and the cost of appellate proceedings, and all claim adjusting and handling expense, investigation and litigation, for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, related to, arising from or out of, or resulting from any act, omission, negligence, recklessness, or intentional wrongful conduct by the CMAR or any of its owners, officers, directors, agents, or employees performing work or services under this Contract, including but not limited to, any Subcontractor or anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable and any

injury or damages by any of the CMAR employees. This indemnity includes any claim or amount arising out of, or recovered under, the Worker's Compensation Law or arising out of the failure of the CMAR to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. . The CMAR will be responsible for primary investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this Contract, the CMAR agrees to waive all rights of subrogation against the City, its officers, agents, representatives, directors, officials, and employees for losses arising from the work performed by the CMAR for the City.

Insurance provisions in this Contract are separate and independent from the indemnity provisions of this Article and will not be construed in any way to limit the scope and magnitude of the indemnity provisions. The indemnity provisions of this paragraph will not be construed in any way to limit the scope and magnitude and applicability of the insurance provisions.

10.1 INTELLECTUAL PROPERTY

10.1.1 The CMAR must pay all royalties and license fees associated with its performance of services.

10.1.2 To the extent permitted by law, CMAR shall indemnify and hold harmless the City against any liability, including costs and expenses, for infringement of any patent, trademark, or copyright arising out of Contract performance or use by the City of materials furnished or work performed under this Contract.

10.1.3 The CMAR must defend any action or proceeding brought against the City based on any claim that the Work, or any part of it, or the operation or use of the Work or any part of it, constitutes infringement of any United States patent or copyright, now or subsequently issued. The City will give prompt written notice to the CMAR of any action or proceeding and will reasonably provide authority, information and assistance in the defense of the action. The CMAR will indemnify and hold harmless the City from and against all damages, expenses, losses, royalties, profits and costs, including but not limited to attorneys' fees and expenses awarded against the City or the CMAR in any action or proceeding. The CMAR agrees to keep the City informed of all developments in the defense of these actions. The City may be represented by and actively participate through its own counsel in any suit or proceedings if it so desires.

10.1.4 If the City is enjoined from the operation or use of the Work, or any part of the Work, as the result of any patent or copyright suit, claim, or proceeding, the CMAR must at its sole expense take reasonable steps to procure the right to operate or use the Work. If the CMAR cannot procure the right within a reasonable time, the CMAR must promptly, at the CMAR's option and at the CMAR's expense, (i) modify the Work so as to avoid infringement of any patent or copyright or (ii) replace the Work with Work that does not infringe or violate any patent or copyright.

10.1.5 Articles 10.1.3 and 10.1.4 above will not be applicable to the extent any suit, claim or proceeding based on infringement or violation of a patent or copyright (i) relating solely to a particular process or product of a particular manufacturer specified by the City and not offered or recommended by the

CMAR to the City or (ii) arising from modifications to the Work by the City or its agents after acceptance of the Work, or (iii) relating to the copyrights of any specification, drawings, or any Design Services provided by the City, the Design Professional, any consultant retained by the City, or by a Subcontractor or Supplier.

- 10.1.6** The obligations contained in this Article 10.1 will constitute the sole Contract between the parties relating to liability for infringement or violation of any patent or copyright.

ARTICLE 11 – GENERAL PROVISIONS

- 11.0 MARSHALING AREA.** The CMAR is advised to contact the City of Scottsdale Development Services to determine the requirements for obtaining a permit for marshaling areas it proposes to use. Marshaling areas must be fenced. The CMAR must obtain written approval from the property owner for marshaling area use. This approval must contain any requirements which are a condition of this approval. Marshaling yard requirements according to M.A.G. Subsection 107.6.1 and the City of Scottsdale Supplemental Specifications will apply.

11.1 CONTRACT DOCUMENTS

- 11.1.1** Contract Documents are as defined in Article 12.

- 11.1.2** The Contract Documents form the entire Contract between the City and the CMAR. No oral representations or other contracts have been made by the parties except as specifically stated in the Contract Documents. Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated herein.

- 11.1.3** In the event of any inconsistency, conflict, or ambiguity between or among the Contract Documents, the Contract Documents will take precedence in the order in which they are listed in the definition of Contract Documents in Article 12. As to drawings and plans, given dimensions will take precedence over scaled measurements, and large scale plans over small-scale plans. Contract specifications will take precedence over contract plans.

- 11.1.4** The Contract Documents are intended to permit the parties to complete the Work and all obligations required by the Contract Documents within the Contract Time for the Contract Price. The Contract Documents are intended to be complementary and interpreted in harmony so as to avoid conflict, with words and phrases interpreted in a manner consistent with construction and design industry standards.

- 11.1.5** The Preconstruction Contract, the Plans, Standard Specifications and Details, Special Provisions, Performance Bond, Payment Bond, Certificates of Insurance, and Change Orders, and Contract Modifications (if any) are by reference made a part of this Contract.

- 11.1.6** Work Product

1. All work products (electronically or manually generated) including but not limited to: cost estimates, studies, design analyses, original mylar drawings, Computer Aided Drafting and Design (CADD) file diskettes, and other related documents which are prepared or procured in the performance of this Contract (collectively referred to as documents) are to be and remain the property of the City and are to be delivered to the City before the final payment is made to the CMAR. In the event these documents are altered, modified or adapted without the written consent of the CMAR or the Subconsultants, which consent the CMAR or the Subconsultants will not unreasonably withhold, the City agrees to hold the CMAR and the Subconsultants harmless to the extent permitted by law from the legal liability arising out of the City's alteration, modification or adoption of the documents.
 2. The copyrights, patents, trade secrets or other intellectual property rights associated with the ideas, concepts, techniques, inventions, processes or works of authorship developed, created by the CMAR, its Subconsultants or personnel, during the course of performing this Contract or arising out of the Project will belong to the CMAR.
- 11.2 MODIFICATIONS.** The Contract Documents may not be changed, altered, or amended in any way except as mutually agreed by the parties and as consistent with the City of Scottsdale Procurement Code, as amended.
- 11.3 TIME IS OF THE ESSENCE.** The City and the CMAR mutually agree that time is of the essence with respect to the dates and times contained in the Contract Documents.
- 11.4 MUTUAL OBLIGATIONS.** The City and the CMAR commit at all times to cooperate fully with each other, and proceed on the basis of trust and good faith, to permit each party to realize the benefits afforded under the Contract Documents.
- 11.5 COOPERATION AND FURTHER DOCUMENTATION.** The CMAR agrees to provide the documents, as the City will reasonably request to implement the intent of the Contract Documents.
- 11.6 ASSIGNMENT.** Neither the CMAR nor the City will, without the written consent of the other assign, transfer or sublet any portion of this Contract or part of the Work or the obligations required by the Contract Documents.
- 11.7 FORCE MAJEURE.** Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injections-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
- 11.8 FUNDS APPROPRIATION.** If the City Council does not appropriate funds to continue this Contract and pay for Contract charges, the City may terminate this

Contract at the end of the current fiscal period. The City agrees to give written notice to the CMAR at least thirty (30) days before the end of its current fiscal period and will pay the CMAR for all approved charges incurred through the end of the period.

- 11.9 COMPLETENESS AND ACCURACY OF CMAR'S WORK.** The CMAR will be responsible for the completeness and accuracy of its reviews, reports, supporting data, and all other preconstruction phase Deliverables prepared or compiled in accordance with its obligations under this Contract and will at its sole expense correct its Work or Deliverables. The materials and services supplied under this Contract shall comply with all applicable federal, state and local laws, and the CMAR shall maintain all applicable licenses and permits. The fact that the City has accepted or approved the CMAR's Work or Deliverables will in no way relieve the CMAR of any of its responsibilities under this Contract, nor does this requirement to correct the Work or Deliverable constitute a waiver of any claims or damages otherwise available by law or Contract to the City.
- 11.10 UTILITY RELOCATIONS FOR CONSTRUCTION METHODS.** If any utility is relocated or rebuilt to accommodate the CMAR's construction methods and available equipment, the expense will be borne by the CMAR and will be replaced to the original location before completion of the Project at the request of the City, at the CMAR's sole expense, without an increase in the Contract Price or GMP.
- 11.11 DAMAGED UTILITIES DURING CONSTRUCTION.** Any utilities damaged during construction will be replaced at the CMAR's sole expense, without an increase in the Contract Price or GMP, as required by the M.A.G. Standard Specifications.
- 11.12 THIRD PARTY BENEFICIARY.** Nothing under the Contract Documents will be construed to give any rights or benefits in the Contract Documents to anyone other than the City and the CMAR, and all duties and responsibilities undertaken in accordance with the Contract Documents will be for the sole and exclusive benefit of the City and the CMAR and not for the benefit of any other or third party.
- 11.13 GOVERNING LAW AND VENUE.** This Contract and all Contract Documents will be considered to be made under and will be construed in accordance with and governed by the laws of the State of Arizona without regard to the conflicts or choice of law provisions. Any action to enforce any provision of this Contract or to obtain any remedy with respect to this Contract shall be brought in the Superior Court of Maricopa County, Arizona, and for this purpose, each party expressly and irrevocably consents to the jurisdiction and venue of that Court and waives the right to have such action removed to Federal District Court.
- 11.14 SEVERABILITY.** If any provision of the Contract Documents or their application to any person or circumstance is invalid, illegal or unenforceable to any extent, the remainder of the Contract Documents and the application of the Contract Documents will not be affected and will be enforceable to the fullest extent permitted by law. In accordance with the provisions of A.R.S. § 41-194.01, as amended, should the Attorney General give notice to the City that any provision of the Contract Documents violates state law or the Arizona Constitution, or that it may violate a state statute or the Arizona Constitution, and the Attorney General submits the offending provision to the Arizona Supreme Court, the offending provision(s) shall be immediately severed and struck from the Contract Documents

and the City and the CMAR shall, within ten (10) days after such notice, negotiate in good faith to resolve any issues related to the severed provision(s).

- 11.15 LEGAL REQUIREMENTS.** The CMAR will perform all Work in accordance with all Legal Requirements and will provide all notices applicable to the Work as required by the Legal Requirements.
- 11.16 INDEPENDENT CONTRACTOR.** The services the CMAR provides to the City are that of an Independent the CMAR. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract. Upon request, the CMAR shall provide the required I.R.S. Form W-9 which is available from the IRS website at www.IRS.gov under its forms section. Any provisions in the Contract Documents that may appear to give the City the right to direct the CMAR as to the details of accomplishing the Work or to exercise a measure of control over the Work means that the CMAR will follow the wishes of the City as to the results of the Work only. These results will comply with all applicable laws and ordinances.
- 11.17 CITY'S RIGHT OF CANCELLATION.** Pursuant to A.R.S. § 38-511, as amended, the City may cancel any contract or agreement, without penalty or obligation, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the contract on behalf of the City's departments or agencies is, at any time while the contract or any extension of the contract is in effect, an employee of any other party to the contract in any capacity or a contractor to any other party to the contract with respect to the contract's subject matter. The cancellation will be effective when all other parties to the contract receive the City's written notice unless the notice specifies a later time.
- 11.18 SURVIVAL.** Except as expressly agreed herein, all warranties, representations and indemnifications by the CMAR shall survive the completion, expiration, and/or termination of this Contract.
- 11.19 COVENANTS AGAINST CONTINGENT FEES.** The CMAR warrants that no person other than a bona fide employee working solely for the CMAR has been employed or retained to solicit or secure this Contract or any Contract or understanding for a commission, percentage, brokerage, or contingent fee. For breach or violation of this covenant, the City will have the right to annul this Contract without liability or at its discretion to deduct from the Contract Price or consideration, or otherwise recover the full amount of such commission, percentage, brokerage, or contingent fee, together with costs and attorney's fees.
- 11.20 SUCCESSORS AND ASSIGNS.** This Contract will extend to and be binding upon the CMAR, its successors and assigns, including any individual, company, partnership, or other entity with or into which the CMAR will merge, consolidate, or be liquidated, or any person, corporation, partnership, or other entity to which the CMAR will sell its assets, except that services covered by this Contract may not be assigned or sublet in whole or in part without first obtaining the written consent of the Purchasing Director and Contract Administrator..
- 11.21 ATTORNEY'S FEES.** In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Contract, or on account of any breach or default, the prevailing party will be entitled to receive from the other party an award of reasonable attorneys' fees and reasonable costs and expenses, as determined by the court sitting without a jury, which will be considered to have

accrued on the commencement of any action and will be enforceable whether or not the action is prosecuted to judgment.

11.22 HEADINGS. The headings used in this Contract, or any other Contract Documents, are for ease of reference only and will not in any way be construed to limit or alter the meaning of any provision.

11.23 NO WAIVER. Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

11.24 NOTICE. All notices or demands required by this Contract must be given to the other party in writing, delivered by hand or by registered or certified mail at the addresses stated below, or to any other address the parties may substitute by giving written notice as required by this section. Notice by electronic mail or facsimile will not be considered notice.

To City:	City of Scottsdale Purchasing Department 9191 E. San Salvador Scottsdale, Arizona 85258
Copy to:	City of Scottsdale Matthew Johnson, Contract Administrator 15000 N. Airport Drive, Suite #100 Scottsdale, Arizona 85260
To CMAR:	J. Banicki Construction, Inc. 4720 E. Cotton Gin Loop Phoenix, AZ 85040
To Design Professional:	Mead & Hunt, Inc. 8800 E. Raintree Dr., Ste 285 Scottsdale, AZ 85260

11.25 ADDITIONAL CITY RIGHTS REGARDING SECURITY INQUIRIES. Projects may be completed in both secure and non-secure City facilities. All the CMAR and Subcontractor employees may be required to pass mandatory background checks prior to the start of any Work and be issued access badges by City of Scottsdale Municipal Security. In addition to the foregoing, the City reserves the right to: (1) have an employee/prospective employee of the CMAR be required to provide fingerprints and execute any other documentation as may be necessary to obtain criminal justice information pursuant to A.R.S. § 41-1750(G)(4); (2) act on newly acquired information whether or not that information should have been previously discovered; (3) unilaterally change its standards and criteria relative to the acceptability of the CMAR's employees or prospective employees; and, (4) object, at any time and for any reason, to an employee of the CMAR performing Work (including supervision and oversight) under this Contract.

11.25.1 Provisions Applicable to all Contractor Contracts and Subcontracts. The CMAR will include the terms of this provision for employee background and security checks and screening in all contracts and subcontracts for Work performed under this Contract, including supervision and oversight.

11.25.2 Materiality of Security Inquiry Provisions. The Security Inquiry provisions of this Contract, as stated above, are material to the City's entry into this Contract and any breach by the CMAR may, at the City's sole option and unfettered discretion, be considered to be a breach of contract of sufficient magnitude to terminate this Contract. Termination will subject the CMAR to liability for its breach of contract.

11.26 HAZARDOUS MATERIALS. Upon discovery of hazardous materials the CMAR will comply with all applicable laws/ordinances and regulations and take all appropriate health and safety precautions.

11.26.1 Unless included in the Work, if the CMAR encounters onsite or as material to be incorporated in the Work, any material which he reasonably believes to contain asbestos, polychlorinated biphenyl (PCB), or other hazardous substances or materials regulated by public health laws, he will immediately stop work and report the condition to the City.

11.26.2 If the material is found to contain asbestos, PCB or other hazardous substances or materials regulated by public health laws, the CMAR will not resume work in the affected area until the material has been abated or rendered harmless. The CMAR and the City may agree, in writing, to continue Work in non-affected areas onsite.

11.26.3 An extension of Contract Time may be granted in accordance with Article 5.

11.26.4 The CMAR will comply with all applicable laws/ordinances and regulations and take all appropriate health and safety precautions upon discovery.

11.26.5 Despite the provisions of this Article 11.26, the City is not responsible for Hazardous Conditions introduced to the Site by the CMAR, Subcontractors or anyone for whose acts they may be liable. The CMAR will indemnify, defend and hold harmless the City and the City's officers, directors, employees and agents from and against all claims, losses, damages, liabilities and expenses, including attorneys' fees and expenses, arising out of or resulting from those Hazardous Conditions introduced to the Site by the CMAR, Subcontractors or anyone for whose acts they may be liable.

11.27 TRAFFIC CONTROL

11.27.1 Complete street closures will not be permitted unless specified in the Special Provisions. The Traffic Engineering Director or designee must approve the timing and sequence of street closures at least fourteen (14) days before the closure. This approval is necessary to provide coordination with other roadway projects and special events.

11.27.2 Adequate barricades and lighted warning signs must be installed and maintained by the CMAR throughout the duration of the Project. All traffic control must be in accordance with the City of Phoenix Traffic Control Manual or the approved barricade plan unless otherwise specified in the Special Provisions.

- 11.27.3** The CMAR must submit a construction schedule and a barricade plan to the Construction Coordinator for approval or modification at least seventy-two (72) hours before construction is initiated. After review, the Construction Coordinator will forward the construction schedule and barricade plan to the Right of Way Manager (Traffic Engineering). The Construction Coordinator will return the approved barricade plan to the CMAR or ask for additional information.
- 11.27.4** The CMAR will comply with all provisions of the City of Phoenix Traffic Barricade Manual and any other traffic control provisions as may be provided in the technical specifications or in the approved barricade plan.
- 11.27.5** The CMAR must insure that placement and maintenance of all temporary traffic control adheres to the City's Barricade Ordinance. Violations of the Ordinance are subject to fines set forth in the Ordinance.
- 11.28 EXISTING WORK OCCURRING NEAR TRAFFIC SIGNAL EQUIPMENT.** The CMAR will use due care when excavating at or near intersections where traffic signal underground conduit is located. The CMAR will notify the Transportation Maintenance Traffic Signal Division (tel. 480.312.5620) forty-eight (48) hours in advance, of any work at the intersections. The CMAR will be responsible for the installation and maintenance of temporary overhead traffic signal cable as specified by the Transportation Department when underground conduit is to be severed by excavations at the intersection. The Traffic Signals Supervisor will have all underground traffic conduit located and will provide the necessary City Traffic Signal Technicians to assist the CMAR in identifying wiring phases and direction of conduit runs upon twenty-four (24) hours notice from the CMAR and at least one (1) day before the CMAR's scheduled wiring and installation of temporary cables. The CMAR will be responsible for the wiring and connection of all temporary cable within the pull boxes and terminal compartments. The Traffic Signals Supervisor will provide a City Traffic Signal Technician to assist the CMAR with connecting field wiring within the traffic signal control cabinet. The CMAR will provide, at its expense, at least one (1) off-duty uniformed Police Officer as may be required to direct traffic while the traffic signal is turned off and the wiring is transferred. The CMAR will be responsible as specified by the Streets Department for the repair and restoration of all traffic signal overhead and underground items that have been damaged or modified. Intersections with communications or CCTV cameras will be restored to full functionality within twenty-four (24) hours, if they are disturbed during construction. The CPM Inspector will contact the Traffic Management Center (TMC) (480) 312-7777, 24 hours in advance, to coordinate the outage. The City does not allow the splicing of Magnetic Detector Loops.
- 11.29 TEMPORARY TRAFFIC SIGNALS.** The CMAR will provide and install temporary traffic signals if at any time during construction the alignment of the traffic lanes is such that two traffic signal indications for any movement are not within a twenty (20) degree cone of vision from the driver's eye located ten feet behind the stop bar position as specified in Section 4D.15 of the MUTCD. The CMAR will submit a temporary traffic signal plan to the Construction Coordinator for approval at least fourteen (14) days in advance of installation of the temporary traffic signal equipment. For short durations, the CMAR may obtain approval from the Construction Coordinator to utilize a uniformed Police Officer to direct traffic through the intersection when the above criteria are not met. The Construction Coordinator shall be responsible for notifying the City of Scottsdale Intelligent

Transportation Systems (ITS) division of any and all changes that will have an effect on the normal flow of traffic operation. (See TMC note above)

11.30 TEMPORARY VEHICLE DETECTION. For all construction projects in the City of Scottsdale within duration of fifteen (15) days or more, temporary vehicle detection will be required for all approaches at signalized intersections that currently have loop detection which will be disturbed by the construction. In addition, traffic signal communications (telephone or other) to the central signal computer and CCTV (if present) will be maintained continuously during the course of the project. Work under this item will consist of furnishing all labor, equipment and materials necessary to install temporary traffic signal detection, and maintain signal communications. The CMAR or Sub-contractor, through the life of the Project, will maintain the detection zones and communications by ensuring full functionality twenty-four (24) hours a day, seven (7) days a week. The CMAR will be responsible for the ongoing operation of the detection equipment, which may require redeployment of detection zones as traffic barricading and lane use changes require.

11.31 MATERIAL SOURCE. No material source has been designated by the City for use on this Project. MAG Specification, Section 106 will apply as will 2008 ADOT Standard Specifications, Section 106.1, 106.2, 106.7 & 106.8, which outline controls and Section 1001-1, -2, & -4, concerning approval of CMAR furnished material source and supplemental Contracts in regards to environmental analysis and the liability for materials testing costs.

11.31.1 A CMAR and Subcontractor furnished source will be defined as a material source, which is neither an A.D.O.T. furnished source nor a commercial source, as defined in this Contract.

11.31.2 A commercial source will be defined as a material source in which the owner or producer has been for at least one year regularly engaged during regular business hours on a continuous basis in the processing and selling of sand, rock, ready mixed Portland cement concrete, asphaltic concrete and other similar products normally produced and sold to all parties. The company will have an Arizona retail sales tax license.

11.31.3 The CMAR and Subcontractor furnished material sources situated in the 100-year flood plain of any stream or watercourse, and located within 1.0 mile upstream and 2.0 miles downstream of any highway structure or surfaced roadway crossing will not be allowed.

11.31.4 The location of any new material source or existing non-commercial material source proposed for use on this Project will be reviewed by the appropriate agency having flood plain management jurisdiction over the area of proposed source location. The CMAR and Subcontractor will obtain a letter from the agency addressed to the Contract Administrator certifying that the proposed source location conforms to the requirements of this Contract and applicable Standard Specifications as referenced.

11.32 NATIVE PLANTS. The CMAR agrees it will take whatever steps, procedures or means necessary to remove, move, displace and save all native plants within the contract work area in accordance with the City of Scottsdale Revised Code, as amended, and all applicable state and county statutes, ordinances, codes and

other policy requirements and recognized methods, procedures, techniques and equipment for protection, salvage, and handling of all plants to be moved from the construction area. This is not a pay item unless specified upon the Schedule of Bid Items.

11.33 ENDANGERED HARDWOODS. The CMAR agrees any construction, building addition or alteration project which is financed by monies of this state or its political subdivisions will not use endangered tropical hardwood unless an exemption is granted by the Director of the State of Arizona, Department of Administration.

11.34 CONSTRUCTION ACTIVITY. The CMAR agrees that all construction activity occurring on Site shall conform to the hour and noise requirements of the City of Scottsdale Revised Code, as amended.

11.35 DATA CONFIDENTIALITY

11.35.1 As used in this Contract, data means all information, whether written or verbal, including plans, photographs, studies, investigations, audits, analyses, samples, reports, calculations, internal memos, meeting minutes, data field notes, work product, proposals, correspondence and any other similar documents or information prepared by or obtained by the CMAR in the performance of this Contract.

11.35.2 The parties agree that all data, including originals, images, and reproductions, prepared by, obtained by, or transmitted to the CMAR in connection with the CMAR's performance of this Contract is confidential and proprietary information belonging to the City.

11.35.3 Except for Subcontractors, Material and Equipment Suppliers, Consultants or other like parties necessary to complete the Work or as required by the City, the CMAR will not divulge data to any third party without first obtaining the written consent of the City. The CMAR will not use the data for any purposes except to perform the services required under this Contract. These prohibitions will not apply to the following data provided the CMAR has first given the required notice to the City:

1. Data, which is or becomes publicly available other than as a result of a violation of this Contract;
2. Data, which was in the CMAR's possession legally and without restrictions before its performance under this Contract. unless the data was acquired in connection with the Work performed for the City;
3. Data, which was acquired by the CMAR in its performance under this Contract and which was disclosed to the CMAR by a third party, who to the best of the CMAR's knowledge and belief, had the legal right to make any disclosure and the CMAR is not otherwise required to hold the data in confidence; or
4. Data, which is required to be disclosed by virtue of law, regulation, or court order to which the CMAR is subject.

11.35.4 In the event the CMAR is required or requested to disclose data to a third party, or any other information to which the CMAR became privy as a result of any other contract with the City, the CMAR will first notify the City as required in this Article of the request or demand for the data. The CMAR will give the City sufficient facts so that the City can be given an opportunity to first give its consent or take the action that the City may consider appropriate to protect the data or other information from disclosure.

11.35.5 The CMAR, unless prohibited by law, shall promptly deliver, as stated in this Article a copy of all data in its possession and control to the City. All data will continue to be subject to the confidentiality requirements of this Contract.

11.35.6 The CMAR assumes all liability for maintaining the confidentiality of the data in its possession and agrees to compensate the City if any of the provisions of this Article are violated by the CMAR, its employees, agents or Subconsultants. Solely for the purposes of seeking injunctive relief, it is agreed that a breach of this Article will cause irreparable harm that justifies injunctive relief in court.

11.36 TAXES AND INDEMNIFICATION. The fee listed in this Contract includes any and all taxes applicable to the activities authorized by this Contract. The City will have no obligation to pay additional amounts for taxes of any type. CMAR and all Subcontractors shall pay all Federal, state and local taxes applicable to its operation and any persons employed by the CMAR. CMAR shall, and require all Subcontractors to hold the City harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

11.37 CONFLICT OF INTEREST

11.37.1 To evaluate and avoid potential conflicts of interest, the CMAR will provide written notice to the City, as stated in this Article, of any Work or services performed by the CMAR for third parties that may involve or be associated with any real property or personal property owned or leased by the City. This notice will be given seven (7) business days before the start of the Project by the CMAR for a third-party or seven (7) business days before an adverse action as defined below. Written notice and disclosure will be sent to the City's Senior Representative identified in Article 7.3.

11.37.2 Actions that are considered to be adverse to the City under this Contract include but are not limited to:

1. Using data as defined in this Contract acquired in connection with this Contract to assist a third party in pursuing administrative or judicial action against the City;

2. Testifying or providing evidence on behalf of any person in connection with an administrative or judicial action against the City; and
3. Using data to produce income for the CMAR or its employees independently of performing the services under this Contract, without first obtaining the written consent of the City.

11.37.3 The CMAR represents that except for those persons, entities and projects identified to the City, the services to be performed by the CMAR under this Contract are not expected to create an interest with any person, entity, or third party project that is or may be adverse to the interests of the City.

11.37.4 The CMAR's failure to provide a written notice and disclosure of the information as required in this Article will constitute a material breach of this Contract.

11.37.5 This Contract is subject to cancellation by the City of Scottsdale in accordance with the provisions of A.R.S. § 38 511, as amended.

11.38 COMMENCEMENT OF STATUTORY LIMITATION PERIOD AND STATUTE OF REPOSE

11.38.1 Before Final Completion. As to acts or failures to act occurring before the relevant date of Final Completion, any applicable statute of limitations will commence to run and any alleged cause of action will have accrued in any and all events not later than the date of Final Completion.

11.38.2 Between Punch List Preparation and Final Completion. As to acts or failures to act occurring between the relevant date of Punch List Preparation and before Final Completion, any applicable statute of limitation will begin to run and any alleged cause of action will have accrued in any events not later than the date of Final Completion.

11.38.3 After Completion. As to acts or failures to act occurring after the date of Final Completion, any applicable statute of limitations will commence to run and any alleged cause of action will have accrued in any and all events not later than the date of any correction of the Work or failure to correct the Work by the CMAR, or the date of actual commission of any other act or failure to perform any duty or obligation by the CMAR or the City, whichever occurs last.

11.38.4 Statute of Repose. The time period for the applicable Statute of Repose will begin to run at the time specified in A.R.S §12-552 as it is amended or renumbered from time to time.

11.39 NO BOYCOTT OF ISRAEL. By executing this contract, the CMAR certifies that it is not currently engaged in and will not for the duration of this Contract engage in boycott activity proscribed by A.R.S. § 35-393, *et seq*, as amended.

11.40 FORCED LABOR PROVISIONS

Pursuant to A.R.S. § 35-394, as amended, the CMAR warrants and certifies that it does not currently, and agrees for the duration of this Contract that it will not use:

- 1) The forced labor of ethnic Uyghurs in the People's Republic of China.
- 2) Any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.
- 3) Any contractors, subcontractors or suppliers that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

If the CMAR becomes aware during the term of this Contract that the CMAR is not in compliance with this Article, the CMAR shall notify the City within five (5) business days after becoming aware of the noncompliance. Failure of the CMAR to provide a written certification that the CMAR has remedied the noncompliance within one hundred eighty (180) days after notifying the City of its noncompliance will result in automatic termination of this Contract, unless an earlier contract termination, cancellation, or expiration date applies.

11.41 COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS

11.41.1 The CMAR will familiarize itself with the nature and extent of the Contract Documents, work to be performed, all local conditions, and federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress or performance of the Work. The CMAR shall comply with all applicable federal, state, and local laws, statutes, ordinances, standards, orders, rules, and regulations, including, as applicable, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, prompt payment and licensing laws and regulations.

11.41.2 The CMAR understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989, Fair Labor Standards Act, Age Discrimination in Employment Act, Family and Medical Leave Act, National Labor Relations Act, Occupational Safety and Health Act, and other local, state or federal law governing the CMAR's labor and employment practices. The CMAR agrees to comply with these laws in performing this Contract and to permit the City to verify compliance. The CMAR further agrees that any violation of provision on the part of the CMAR, its employees, agents or assigns will constitute a material breach of this Contract.

The CMAR will also comply with A.R.S. §34-301, "Employment of Aliens on Public Works Prohibited," and A.R.S. §34-302, "Residence Requirements for Employees," as amended. The CMAR will include the

terms of this provision in all contracts and subcontracts for Work performed under this Contract, including supervision and oversight.

Under the provisions of A.R.S. §41-4401 and Exhibit F, attached hereto and incorporated herein by this reference, the CMAR warrants to the City that the CMAR and all its Subcontractors will comply with all Federal Immigration laws and regulations that relate to its employees and that the CMAR and all its Subcontractors now comply with the E-Verify Program under A.R.S. §23-214(A).

A breach of this warranty by the CMAR or any of its Subcontractors will be considered a material breach of this Contract and may subject the CMAR or Subcontractor to penalties up to and including termination of this Contract or any subcontract.

The City retains the legal right to inspect the papers of any employee of the CMAR or any Subcontractor who works on this Contract to ensure that the CMAR or any Subcontractor is complying with the warranty given above.

The City may conduct random verification of the employment records of the CMAR and any of its Subcontractors to ensure compliance with this warranty. The CMAR agrees to indemnify, defend and hold the City harmless for, from and against all losses and liabilities arising from any and all violations of these statutes.

The City will not consider the CMAR or any of its Subcontractors in material breach of this Contract if the CMAR and its Subcontractors establish that they have complied with the employment verification provisions prescribed by 8 USCA §1324(a) and (b) of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214(A), as amended. The "E-Verify Program" means the employment verification pilot program as jointly administered by the United States Department of Homeland Security and the Social Security Administration or any of its successor programs.

The provisions of this Article must be included in any contract the CMAR enters into with any and all of its Subcontractors who provide services under this Contractor any Subcontract. "Services" are defined as furnishing labor, time or effort in the State of Arizona by a Contractor or Subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property. The CMAR will take appropriate steps to assure that all Subcontractors comply with the requirements of the E-Verify Program. The CMAR's failure to assure compliance by all its Subcontractors with the E-Verify Program may be considered a material breach of this Contract by the City.

11.41.3 Compliance with Americans with Disabilities Act.

The City of Scottsdale assures full compliance with Title VI of the Civil Rights Act of 1964, Title II of the Americans with Disabilities Act of 1990 (ADA), and other related authorities in all of its programs and activities.

The City's Title VI and ADA Programs require that no person shall, on the grounds of race, color, national origin and disability, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. This policy is also applicable to contractors and or consultants conducting work on behalf of the City.

The CMAR acknowledges that, in accordance with the Americans with Disabilities Act (ADA), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor, must be accessible to the disabled public. The CMAR will provide the services specified in this Contract in a manner that complies with the ADA and any and all other applicable federal, state and local disability rights legislation. The CMAR agrees not to discriminate against disabled persons in the provision of services, benefits or activities provided under this Contract and further agrees that any violation of this provision on the part of the CMAR, its employees, agents or assigns will constitute a material breach of this Contract.

11.41.4 Equal Employment Opportunity and Discrimination. For the duration of this Contract, the CMAR represents and warrants it will comply with all applicable local, state and federal laws governing equal employment opportunities, or prohibiting employment or other discrimination based on any protected characteristic including but not limited to actual or perceived race, color, religion, sex, age, disability, national origin, sexual orientation, gender identity, or U.S. military status. City of Scottsdale Revised Code, Chapter 15 mandates contractor compliance with the policies contained therein. The CMAR agrees that any violation of provision on the part of the CMAR, its employees, agents or assigns will constitute a material breach of this Contract.

The CMAR will include the terms of this provision in all contracts and subcontracts for work performed under this Contract, including supervision and oversight. The CMAR will, in all solicitations or advertisements for employees placed by or on behalf of the CMAR, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

11.41.5 No Preferential Treatment or Discrimination. In accordance with the provisions of Article II, Section 36 of the Arizona Constitution, the City will not grant preferential treatment to or discriminate against any individual or group on the basis of race, sex, color, ethnicity or national origin. To avoid the appearance of impropriety, the CMAR shall not make any donation to the City, of any goods or services during the term of this Contract, unless it has specifically been approved by the City Manager or designee.

11.41.6 Advertising. No advertising or publicity concerning the City using the CMAR's services shall be undertaken without prior written approval of such advertising or publicity by the Contract Administrator and the City Attorney.

11.42 AUTHORITY. Each Party warrants that it has full power and authority to enter into and perform this Agreement, and that the person signing on behalf of each Party has been properly authorized and empowered to enter into this Contract. Each Party acknowledges that it has read, understands, and agrees to be bound by the terms and conditions of this Contract.

ARTICLE 12 – DEFINITIONS

“Addenda” – Written or graphic instruments issued before the submittal of the GMP Proposal(s), which clarify, correct, or change the GMP Proposal(s) requirements.

“Allowance” means an agreed amount by the City and the CMAR for items or services which may be added to the GMP Proposal to complete the Work.

“Alternate Systems Evaluations” - Alternatives for design, means, and methods or other scope of work considerations that are evaluated using value engineering principles and have the potential to reduce construction costs while still delivering a quality and functional Project that meets City requirements.

“As-Built Document” – “As-built” in construction is equivalent to “as-is.” Drawings deemed “as-built” are final drawings that include all changes made during the actual construction process. These drawings represent the actual existing constructed conditions as opposed to designs or a proposed condition. The As-Built Documents should be per Arizona Revised Statutes §32-152.

“Blueline or Blackline Prints” – Prints that allows comparison of document versions to show what has been revised.

“Change Order” – A written order signed by authorized representatives of the City and CMAR and which approves changes in the cost or time of the Work, including changes in Contract Price, GMP Proposal, or Contract Time, consistent with the City of Scottsdale Procurement Code, as amended.

“City” (or “Owner”) means the City of Scottsdale, Arizona, an Arizona municipal corporation. Regulatory activities handled by the City of Scottsdale Development Services, Planning and Fire Departments or any other City department are not subject to the responsibilities of the City under this Contract.

“City’s Project Contingency” is an allowance established solely by the City to be used at the sole discretion of the City to cover any increases in Project costs that result from City directed changes or unforeseen site conditions. The amount of the City’s Contingency may be set solely by the City and will be in addition to the Project costs included in the GMP Proposal. Any Construction Fee on changes using the City’s Project Contingency will be determined under Article 5.

“City’s Senior Representative” means the person designated in Article 7.3.

“Construction” - as used in this Contract is defined in A.R.S. §34-101, as amended.

“Construction Manager at Risk” means a project delivery as defined in A.R.S. §34-101, as amended.

"Construction Fee" is a negotiated fixed fee for the CMAR's administrative costs, home office overhead, and profit, whether at the CMAR's principal or branch offices. This includes the administrative costs and home office costs and any limitations or exclusions that may be included in the General Conditions for the construction phase.

"Claim" means a written request for either payment of additional monies or extension of contract time, submitted in accordance with the terms of this Contract or applicable law.

"Clarifications and Assumptions List" means a list prepared by the CMAR and accepted by the Contract Administrator. Generally, the List identifies the CMAR's means and methods used in developing the GMP and identifies unresolved construction or site issues that may impact construction progress. The List of Clarifications and Assumptions may need additional confirmation or study by the project design team to avoid cost impact to the GMP.

"Construction Change Directive" is a written directive to the CMAR, which shall serve as formal and binding direction for the CMAR to proceed with a defined change in the Work in the event the City and CMAR cannot agree on the cost or time of a Change Order or if the cost or time of the Change Order cannot be reasonably determined prior to beginning the change in the Work. A Construction Change Directive may be implemented by the City when deemed necessary as an interim action until a Change Order can be formally assessed and executed.

"Construction Coordinator" means a City employee who coordinates the daily construction activities with the CMAR, and with their inspection staff that performs quality control inspections, enforces project plans and specifications and adopted City codes and ordinances.

"Construction Documents" means the plans, specifications, and drawings prepared by the Design Professional after correcting for permit review requirements and incorporating Addenda and approved Change Orders, and the Preconstruction Contract and the Construction Contract, if any.

"Construction Services" – as used in this Contract is defined in A.R.S. §34-101, as amended.

"Contract Administrator" means the person designated in Article 7.3. The Contract Administrator will serve as the CMAR's primary point of contact with the City, monitor CMAR's performance, review and approve invoices, establish delivery schedules, and in conjunction with Purchasing ensure Certificates of Insurance are current, conform to the requirements of this Contract, and are in the City's possession. The CMAR will direct any reports and/or special requests to the Contract Administrator.

"CMAR's Representative" means the person designated in Article 7.3.

"CMAR's Senior Representative" means the person designated in Article 7.3.

"Contract Documents" – means the following items and documents in descending order of precedence executed by the City and the CMAR: (i) all written Contract Modifications, Addenda and Change Orders; (ii) the Construction Contract, including all exhibits and attachments; (iii) the Preconstruction Contract, including all exhibits and attachments; (iv) written Supplementary Conditions; (v) Construction Documents; (vi) GMP Proposal(s), GMP Plans and Specifications.

"Contract Modification" – means a specific written concurrence between the City and CMAR for changes to this Contract consistent with the City of Scottsdale Procurement Code, as amended.

"Contract Time(s)" means the Day(s) set forth in Article 3 for completion of the Work subject to adjustment in accordance with this Contract.

"Cost of the Work (Direct Costs)" means the direct costs necessarily incurred by the CMAR in the proper performance of the Work, including direct labor costs, subcontract costs, costs of materials and equipment incorporated in the completed construction, costs of other materials and equipment, materials testing, and warranty of the work together with self-performed work that the CMAR established in the Subcontractor Selection Plan. The Cost of Work does not include the CMAR's Indirect Costs.

"Critical Path Method" is a schedule in the form of precedents, networks and time sequences. The critical path method is a project management planning and control technique implemented on computers. The critical path is the series of activities and tasks in the Project that have no built-in slack time. Any task in the critical path that takes longer than expected will lengthen the total time of the Project.

"Day(s)" mean calendar days unless otherwise specifically noted in the Contract Documents.

"Delay" means an unanticipated event or interference with the progress of a critical path work activity being performed at the time that causes the completion date of the Project to be extended. Delays may be caused by the City, the CMAR, third parties or Force Majeure events. Delays may be excusable, compensable, non-compensable or concurrent.

"Delay, Compensable" means delay that results from the City's actions or inactions that entitle the CMAR to both a time extension and delay damages.

"Delay, Concurrent" means two or more delays, within the same timeframe, both of which would independently impact the Project's critical path. If one delay is caused by the City and the other by the CMAR, the CMAR will generally be entitled to an excusable, non-compensable time extension, to the degree the delays may "overlap."

"Delay, Excusable" means an unforeseeable delay caused by an event beyond the control and without the fault or negligence of the CMAR (including its Suppliers and Subcontractors). Excusable delays may be compensable or non-compensable, depending upon whether the terms of the Contract or the law allows recovery of delay costs. Unless otherwise shown, it will generally be presumed that these delays are non-compensable.

"Delay, Non-Excusable" means a delay within the control of the CMAR, its Suppliers and Subcontractors, or a delay resulting from a risk taken by the CMAR under the terms of the Contract. The CMAR will not be due any time extension or delay damages, and may be responsible for paying to the City, actual or liquidated damages for the delay.

"Deliverables" means the work products prepared by the CMAR in performing the Scope of Work described in **Exhibit A** of this Contract or required by the Project Team.

"Design Phase Services" or "Preconstruction Services" or "Preconstruction Contract" means the contract entered into between the CMAR and the City in accordance with A.R.S. §34-603(C)(1)(c) that may include the following services: design review, project scheduling, constructability reviews, Alternate Systems Evaluation, cost estimates, GMP preparation, and Subcontractor bid

phase services. Wherever a conflict exists between this Contract and the Preconstruction Contract, the terms of this Contract will control.

"Design Services" - as used in this Contract is defined in A.R.S. §34-101, as amended.

"Design Team" or "Design Professional" refers to licensed design professionals, as defined in A.R.S. §34-101 as amended, that have been selected to work on the Project by the City. The Design Team is led by Brad Mikulecky PE of Mead & Hunt, a licensed Professional Engineer

"Differing Site Conditions" comply with M.A.G Standard Specifications Subsection 102.4.

"Drawings" or "Plans" - Documents which visually represent the scope, extent, and character of the Work to be furnished and performed by the CMAR during the construction phase and which have been prepared or approved by the Design Professional and the City. Drawings include documents that have reached a sufficient stage of completion and released by the Design Professional solely for the purposes of review or use in performing constructability or biddability reviews and in preparing cost estimates (e.g. conceptual design Drawings, preliminary design Drawings, detailed design Drawings at 30%, 60%, 90% or 100%), but *"not for construction"*. Drawings do not include shop drawings.

"Effective Date" - The date specified in this Contract on which the Contract becomes effective, but if no date is specified, the date on which the City executes this Contract.

"Field Order" means a written field directive prepared by the City, directing a change in Work that does not include an adjustment in the Contract Price, GMP Proposal or Contract Time which would otherwise require a Change Order.

"Final Acceptance" means the completion of all the Work as prescribed in Article 6.5.

"Financial Services" - as used in this Contract is defined in A.R.S. §34-101, as amended.

"General Conditions Costs" are negotiated indirect costs of the Work necessarily incurred by the CMAR, including but is not limited to the following types of costs: (i) payroll costs for project manager or construction manager but not both for Work conducted at the site; (ii) payroll costs for the superintendent and full-time general foremen; (iii) payroll costs for other management personnel resident and working on the site; (iv) workers not included as direct labor costs engaged in support (e.g. loading/unloading, clean-up, etc.); (v) administrative office personnel; (vi) costs of offices and temporary facilities including office materials, office supplies, office equipment, minor expenses; (vii) utilities, fuel, sanitary facilities and telephone services at the site; (viii) costs of consultants not in direct employ of the CMAR or Subcontractors, fees for permits and licenses, and some administrative personnel who may work at the home office. Charges for some home office administrative personnel may be included in General Conditions if agreed upon by both CMAR and City.

"Guaranteed Maximum Price (GMP) Plans and Specifications" means the documents used to establish the GMP and made part of this Contract by reference.

"Guaranteed Maximum Price" or "GMP" is the maximum cost for the Work. The CMAR agrees to construct the Project for this amount or less. Costs which would cause the GMP to be exceeded shall be paid by the CMAR without reimbursement by the City.

"Guaranteed Maximum Price (GMP) Proposal" – is the offer or proposal of the CMAR submitted on the prescribed form stating the total itemized dollar amount negotiated between the City and CMAR for constructing the Project or portions of the Work to be performed during the construction phase or portions of the Work to be performed throughout all phases.

"Hazardous Substance" – means:

- (a) Any substance designated pursuant to sections 311(b) (2) (A) and 307(a) of the clean water act.
- (b) Any element, compound, mixture, solution or substance designated pursuant to section 102 of CERCLA.
- (c) Any hazardous waste having the characteristics identified under or listed pursuant to section 49-922.
- (d) Any hazardous air pollutant listed under section 112 of the federal clean air act (42 United States Code section 7412).
- (e) Any imminently hazardous chemical substance or mixture with respect to which the administrator has taken action pursuant to section 7 of the federal toxic substances control act (15 United States Code section 2606).
- (f) Any substance which the director, by rule, either designates as a hazardous substance following the designation of the substance by the administrator under the authority described in subdivisions (a) through (e) of this paragraph or designates as a hazardous substance on the basis of a determination that such substance represents an imminent and substantial endangerment to public health.

"Horizontal Construction" - as used in this Contract is defined in A.R.S. §34-101, as amended.

"Indirect Costs" means costs associated with the Work that cannot be directly attributed to labor, materials, or equipment, and includes the costs for General Conditions, Payment and Performance Bonds, Insurance, the Construction Fee and Taxes.

"Informational Submittals" – Submittals are required (common with construction projects) for the architect and engineer to verify that the correct products and quantities will be installed on a project.

"Legal Requirements" means all applicable federal, state and local laws, codes, ordinances, rules, regulations, orders and decrees of any government or quasi-governmental entity having jurisdiction over the Project or Site, the practices involved in the Project, Site, or any Work.

"Liquidated Damages" means an amount the CMAR will pay as required in Article 3.

"Maintenance Services" - as used in this Contract is defined in A.R.S. §34-101, as amended.

"Must", "will", and "shall" as used in this Contract are mandatory.

"Notice-to-Proceed" or "NTP" means a written notice given by the City to the CMAR fixing the date on which the CMAR will commence performance of the CMAR's obligations under this Contract.

"Operations Services" - as used in this Contract is defined in A.R.S. §34-101, as amended.

"Owner Agent," "City's Agent" or "Owner Representative" see "City's Senior Representative."

PROJECT NAME –AIRPORT RUNWAY 3-21 PAVEMENT PRESERVATION PROJECT

SOLICITATION No: 26RFSQ058

9626760v8 (Rev 7.13.2026)

"Payment Request" means a form that is accepted by the City and used by the CMAR in requesting progress payments or final payment and which will include any supporting documentation as is required by the Contract Documents or the City, and is based on a monthly estimate of the dollar value of the Work completed.

"Preconstruction Contract" – means that certain agreement entered into by the City and the CMAR to cover Preconstruction Services.

"Preconstruction Services" or "Preconstruction Phase Services" – means services and other activities during the design phase, as defined in A.R.S. §34-101 as amended, that may include the following services: design review, project scheduling, constructability reviews, Alternate Systems Evaluation, cost estimates, GMP preparation, and subcontractor bid phase services.

"Product Data" means illustrations, standard schedules, performance charts, instructions, brochures, diagrams and other information furnished by the CMAR to illustrate materials or equipment for some portion of the Work.

"Professional Certification" – Professional certification is a designation which indicates that a person is qualified to perform a job or task. Professional certification can be trade certification or professional designation.

"Project" means the Work to be completed in the execution of this Contract as described in the Recitals and in Exhibit A attached.

"Project Record Documents" means the documents created pursuant to Article 1.6.

"Project Record Drawing Prints" – Set of current design drawings used by construction contractor for reference during construction. These drawings are typically marked up during the construction process and are used to develop the subsequent As-Built Documents.

"Project Schedule" – means a schedule as prescribed in Article 3.4.

"Project Team" – Consists of the Design Professional, the CMAR, the Contract Administrator, the City's representatives and other stakeholders who are responsible for making decisions regarding the Project.

"Punch List" means those minor items of Work to be completed before Final Acceptance which do not prevent the Project from being used for the purpose for which it is intended and which will not prevent the issuance of a Certificate of Occupancy.

"Samples" means physical examples that illustrate materials, equipment, or workmanship representative of a part of the Work and which establish the standards by which that portion of the Work will be judged.

"Savings" means the difference between the Guaranteed Maximum Price and the Final Cost of the Work (including the Construction Fee). One Hundred Percent (100%) of Savings will accrue to the City, unless otherwise agreed in the GMP Proposal.

"Schedule of Values (SOV)" means the Document specified in the construction phase, which divides the Contract Price into pay items so that the sum of all pay items equals the Contract Price for the construction phase Work, or for any portion of the Work having a separate specified Contract Price. The SOV may or may not be output from the Progress Schedule depending on whether the Progress Schedule is cost-loaded or not.

"Shop Drawings" mean drawings, diagrams, schedules and other data specially prepared for the Work by the CMAR or a Subcontractor, Sub-subcontractor, manufacturer, supplier or distributor to illustrate some portion of the Work.

"Site" means the land or premises on which the Project is located. The CMAR and each Subcontractor at any level shall include in each subcontract the full street or physical address of each separate location at which construction work will be performed.

"Specifications" means those sections of the Contract Documents for the construction phase consisting of written technical descriptions of materials, equipment, construction systems, standards and workmanship as applied to the Work and certain applicable administrative details.

"Subcontractor" or "Subconsultant" – means a person or firm having a direct contract with the CMAR or any other person or firm having a contract with the CMAR at any tier, who undertake to perform a part of the Work for which the CMAR is responsible. All Subcontractors, Subconsultants and Suppliers must be selected in accordance with the subcontractor and major supplier selection provisions of the Preconstruction Contract.

"Substantial Completion" means when the Work, or when an agreed upon portion of the Work is sufficiently complete so that the City can occupy and use the Project or a portion of it for its intended purposes. This may include, but is not limited to: (a) approval by the City Fire Marshall and local authorities (Certificate of Occupancy); (b) issuance of elevator permit; (c) demonstration to the City that all systems are in place, functional, and displayed to the City or its representative; (d) installation of all materials and equipment; (e) City review and acceptance of all systems; (f) City review and acceptance of draft O&M manuals and record documents; (g) City operation and maintenance training completed; (h) HVAC test and balance completed (provide minimum 30 days before projected substantial completion); (i) completed landscaping and site work; and (j) final cleaning.

"Supplier" means a manufacturer, fabricator, supplier, distributor, material man or vendor having a direct contract with the CMAR or any Subcontractor or Subconsultant to furnish materials or equipment to be incorporated in the Work by the DBM or any Subcontractor or Subconsultant.

"Work" means the entire completed Project or the various separately identifiable parts of the Project, required to be furnished in accordance with the Contract Documents and as described in **Exhibit A** attached. Work includes and is the result of performing or furnishing labor and furnishing and incorporating materials, resources and equipment into the Project, and performing or furnishing services and documents as required by the Contract Documents.

[END OF TEXT- SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Contract as of the Effective Date.

CITY OF SCOTTSDALE,
an Arizona municipal corporation

CONTRACTOR:
J. Banicki Construction, Inc.,
an Arizona corporation

By: _____
Lisa Borowsky, Mayor

By: _____

Name: _____

ATTEST:

Title: _____

Ben Lane, City Clerk

REVIEWED BY:

Matthew Johnson,
City Contract Administrator

Jenn Myers, MPA, CPPO, NIGP-CPP, CPPB
Purchasing Director

George Woods, Safety & Risk Management Director

APPROVED AS TO FORM:

Luis E. Santaella, City Attorney
By: Lydia Tulin, Assistant City Attorney

**EXHIBIT A
PROJECT DESCRIPTION
SCOPE OF WORK**

This project includes the removal of approximately 22,400SF of rubber removal from Runway 3-21, 90% obliteration of the centerline striping, the application of approximately 110,837 SY of P-608R Seal Coat followed by a complete restoration of the pavement markings. The table below lists the timeline and description for each work phase.

PHASE	REQUIREMENTS	TIMELINE	WORK ELEMENTS
PHASE 1	7 CALENDAR DAYS	OCTOBER 18, 2026 TO OCTOBER 24, 2026	RUBBER REMOVAL, CRACK SEAL
PHASE 2A	7 CALENDAR DAYS	OCTOBER 25, 2026 – OCTOBER 31, 2026	SEAL COAT, INITIAL COAT OF PAVEMENT MARKINGS
PHASE 2B	3 CALENDAR DAYS	SPECIFIC DATES TO BE DETERMINED	SECOND COAT OF PAVEMENT MARKINGS
TOTAL DURATION	17 CALENDAR DAYS	OCTOBER 18, 2026 – OCTOBER 31, 2026	

**EXHIBIT B
PRECONSTRUCTION CONTRACT**

PRECONSTRUCTION PHASE SERVICES CONTRACT

2026-073-COS

**IS ON FILE AT THE SCOTTSDALE CITY CLERK'S OFFICE
AND CAN BE FOUND AT THE BELOW LINK:**

<HTTPS://ESERVICES.SCOTTSDALEAZ.GOV/CITYCLERK/DOCUMENTSEARCH>

Draft

Exhibit C

Project Number:		Scottsdale Contract No: 2026-143-COS	Date:	8/21/2026
Project Title:		Scottsdale Airport Runway 3-21 Pavement Preservation Project		
GMP SUMMARY				
CONSTRUCTION SERVICES				
	COST OF THE WORK - DIRECT COSTS			AMOUNT
A.	Sub-Contractors Cost of the Work		\$	229,275.90
B.	CMAR Self-Performed Cost of the Work		\$	344,056.26
C.	Total Cost of the Work (A+B)		\$	573,332.16
	INDIRECT COSTS			AMOUNT
D.	General Conditions (Excluding Bonds and Insurance)		\$	86,046.14
E.	Total Cost of the Work + General Conditions Fee (C+D)		\$	659,378.30
F.	CMAR Construction Fee (% of E or negotiated Fixed Fee)		\$	66,638.35
G.	Payment and Performance Bond (On E. Total Cost of the work + General Conditions Fee)		\$	3,724.00
H.	Insurance (Additional CMAR's Insurance not provided in the Total Cost of the Work)		\$	5,488.00
I.	Subtotal Direct + Indirect Costs (E+F+G+H)		\$	735,228.65
J.	Taxes (Actual Reimbursable Limited by Not To Exceed) 5.2% = 65% x 8%		\$	38,751.89
K.	Project Subtotal (I+J)		\$	773,980.54
L.	CITY'S PROJECT CONTINGENCY (As determined by the City)		\$	10,000.00
M.	TOTAL GMP (Not to Exceed) (K+L)		\$	783,980.54

Exhibit C

Schedule of Values

Scottsdale Airport Runway 3-21 Pavement

Preservation Project

ITEM#	SPEC#	BID ITEM DESCRIPTION	QTY	UNIT	OTHER AMOUNT	COMPETITIVE BID / SUB AMOUNT	TOTAL		SELECTED BIDDER NOTES
							UNIT PRICE	TOTAL AMOUNT	
Bid Schedule									
C-105-6.1		Mobilization (Maximum 4%)	1	LS	\$28,153.69	\$0.00	\$28,153.69		
		JBCI Mobilization	1	EA	\$0.00		\$12,333.69	\$12,333.69	J Banicki
		Pavement Marking Mobilization	2	EA	-\$4,000.00	\$4,000.00	\$2,000.00	\$4,000.00	Hulke
		Rubber Removal Mobilization	1	EA	-\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	Hulke
		Obliteration Mobilization	1	EA	-\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00	Hulke
		Seal Coat Sub Mob	1	EA	-\$7,820.00	\$7,820.00	\$7,820.00	\$7,820.00	CR
SP-100-3.1		Airfield Safety and Traffic Control	1	LS	\$106,685.02	\$0.00	\$106,685.02		J Banicki
		Safety Manager	40	HR	\$0.00		\$98.30	\$3,932.00	J Banicki
		Safety Manager Vehicle	40	HR	\$0.00		\$19.00	\$760.00	J Banicki
		FOD Inspection/cleanup (1 OP2 @ 88.02, 2 Lb3 @61.98)	9	HR	\$0.00		\$202.54	\$1,822.86	J Banicki
		Airside Pickup Broom with Vacuum	208	HR	\$0.00		\$150.00	\$31,200.00	J Banicki
		Water Haul(1 OP2 @ 88.02, 1 4k water truck @ 56.00)	208	HR	\$0.00		\$144.02	\$29,955.16	J Banicki
		Safety Training & Equipment	1468	HR	\$0.00		\$1.00	\$1,468.00	J Banicki
		Pilot Car/Escort, Vehicles (2 trucks x 10hr shift x 8 shifts)	160	HR	\$0.00		\$19.00	\$3,040.00	J Banicki
		Pilot Car/Escort, Labor (2 escorts x 10hr shift x 8 shifts)	160	HR	\$0.00		\$60.36	\$9,657.60	J Banicki
		Gate Guard & Flagger (1 gate guard x 10hr shift x 4 shifts)	40	HR	\$0.00		\$58.71	\$2,348.40	J Banicki
		Light Plant Rental (10 x 10 x 15)	1500	HR	\$0.00		\$15.00	\$22,500.00	J Banicki
SP-100-3.2		Construction Staking and Survey Layout	1	LS	\$0.00	\$13,901.00	\$13,901.00		TRACE
P-101-5.1		Asphalt Surface Preparation (Rubber Removal)	18100	SF	\$0.00	\$23,530.00	\$1.30	\$23,530.00	Hulke
P-101-5.2		90% Marking Removal	14260	SF	\$0.00	\$17,112.00	\$1.20	\$17,112.00	Hulke
P-608-1.1		Asphalt Surface Treatment (Seal Coat)	110840	SY	\$289,292.40	\$0.00	\$2.61	\$289,292.40	
		Sealing Sub Apply	110840	SY	-\$95,322.40	\$95,322.40	\$0.86	\$95,322.40	CR
		P-608 Material Buy	16800	GAL	\$0.00		\$11.54	\$193,872.00	J Banicki
P-620-5.1		Pavement Marking, White, Reflective Media, Type I	88530	SF	\$79,677.00	\$0.00	\$0.90	\$79,677.00	Hulke
		Pavement Marking, White, Reflective Media, Type I Apply	88530	SF	-\$44,265.00	\$44,265.00	\$0.50	\$44,265.00	J Banicki
		Paint & Beads Material Buy	1	LS	\$0.00		\$27,530.00	\$27,530.00	Hulke
		Temporary Markings	1	LS	-\$7,336.50	\$7,336.50	\$7,336.50	\$7,336.50	
P-620-5.2		Pavement Marking, Yellow, Reflective Media, Type I	9305	SF	\$14,981.05	\$0.00	\$1.61	\$14,981.05	Hulke
		Pavement Marking, Yellow, Reflective Media, Type I Apply	9305	SF	-\$4,652.50	\$4,652.50	\$0.50	\$4,652.50	J Banicki
		Paint & Beads Material Buy	1	LS	\$0.00		\$2,900.00	\$2,900.00	Hulke
		Temporary Markings	1	LS	-\$7,336.50	\$7,336.50	\$7,336.50	\$7,336.50	
		Subtotal			\$344,056.26	\$229,275.90		\$573,332.16	

Exhibit C

Schedule of Values
Scottsdale Airport Runway 3-21 Pavement Preservation Project

ITEM#	SPEC#	BID ITEM DESCRIPTION	QTY	UNIT	OTHER AMOUNT	COMPETITIVE BID / SUB AMOUNT	UNIT PRICE	TOTAL Detail Totals	TOTAL AMOUNT	SELECTED BIDDER / NOTES
General Conditions										
640	P-106-5.1	General Conditions	1	LS	\$86,046.14	\$0.00	\$86,046.14		\$86,046.14	J. Banicki
		Subtotal							\$86,046.14	
Bonds & Insurance										
650		Payment & Performance Bond	1	LS	\$3,724.00	\$0.00	\$3,724.00		\$3,724.00	J. Banicki
660		Insurance	1	LS	\$5,488.00	\$0.00	\$5,488.00		\$5,488.00	J. Banicki
		Subtotal			\$9,212.00	\$0.00			\$9,212.00	
Total										
		Direct Cost Section							\$573,332.16	
		General Conditions							\$86,046.14	
		Payment & Performance Bond							\$5,488.00	
		Insurance							\$3,724.00	
		Indirect Cost Section							\$95,258.14	
		Subtotal of Direct and Indirect Costs							\$668,590.30	
		Construction Fee (Overhead & Profit)							\$66,638.35	
		Taxes							\$38,751.89	
		Total Owner Contingency							\$10,000.00	
		This GMP Amount							\$783,980.54	

Exhibit C
General Conditions
Scottsdale Airport Runway 3-21 Pavement Preservation Project

ITEM#	BID ITEM DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL AMOUNT
Supervision					
	Project Manager	160	HR	\$132.20	\$21,152.00
	<i>Owner point of contact, management and oversight of entire project, project documentation, schedule adherence, contract compliance, project meetings,</i>				
	<i>Project Management, Progress, 2 weeks x 40 hours = 80 hours</i>				
	<i>Project Management, Closeout, 2 weeks x 40 hours = 80 hours</i>				
	Project Engineer / Project Coord	160	HR	\$86.07	\$13,771.20
	<i>Change order preparation, Subcontractor coordination, quantity verification and tracking</i>				
	<i>Project Management, Progress, 2 weeks x 40 hours = 80 hours</i>				
	<i>Project Management, Closeout, 2 weeks x 40 hours = 80 hours</i>				
	Project Superintendent	216	HR	\$103.12	\$22,273.92
	<i>Nightly Supervisor, management of onsite construction activities</i>				
	<i>6 nights x 8 = 48hrs, 6 nights x 8 = 48 x 3 supers = 144hrs, 3 nights x 8 = 24 hrs = 216 hrs</i>				
	Construction Manager	20	HR	\$160.67	\$3,213.40
	<i>Project oversight, resource management and coordination, inspection and monitoring of project.</i>				
	QC Manager	60	HR	\$92.58	\$5,554.80
	<i>Project quality control oversight</i>				
	Pickup 3/4 Ton	616	HR	\$19.00	\$11,704.00
	Dumpster	1	MO	\$490.00	\$490.00
	Water Buy	100	MG	\$20.54	\$2,054.00
	Washout Setup & Removal	1	LS	\$4,347.63	\$4,347.63
	Internet Service	1	MO	\$195.26	\$195.26
	Portable Toilets	1	MO	\$671.38	\$671.38
	Drinking Water & Ice	1	MO	\$417.96	\$417.96
	Cell Phones	1	MO	\$200.59	\$200.59
Total General Conditions					
Total					\$86,046.14

Exhibit C

Project Field Office Item Monthly Average Costs

Drinking Water and Ice	
\$19.95	3/23/26
\$19.59	3/24/26
\$19.95	3/25/26
\$19.95	3/26/26
\$25.05	3/27/26
\$104.49	Per Week

\$417.96 Per Month Average

\$417.96 Monthly cost for ice and drinking water

MIFI Devices for Internet		Access Charge	Verizon Fees
\$75.08	PM	\$75.00	\$0.08
\$61.58	Super	\$58.50	\$3.08
\$58.60	Engineer	\$58.50	\$0.10

\$195.26 Monthly internet cost

Cell Phones		Access Charge	Verizon Fees
\$55.00	PM	\$48.89	\$6.11
\$49.01	Super	\$42.90	\$6.11
\$53.87	Engineer	\$50.70	\$3.17
\$42.71	1/2 QCPA	\$81.90	\$3.51

\$200.59 Monthly phone cost

Monthly Facilities	
\$200.00	Porta john rent \$100/unit/month x 2 units
\$400.00	Monthly porta john service \$200/unit / month x 2 units
\$15.38	Delivery(50 ea unit x 2 units / 13 months) Pickup (50 ea unit x 2 units / 13 months)
\$56.00	Rental Tax 9.1%

\$671.38 Monthly portable facilities cost

City of Scottsdale Water for Construction	
\$173.05	Base Fee
\$132.54	Water Usage
\$5.20	City Service Tax
\$19.25	Sate Tax
\$8.10	Stormwater fee
\$0.11	AZ Water Quality Fee
\$338.25	Total Bill
16,464	Gallons
16.464	Mgallons

\$20.54 Price per MG

Exhibit C
Selected Vendors
Scottsdale Airport Runway 3-21 Pavement Preservation Project

ITEM#	SPEC#	BID ITEM DESCRIPTION	QTY	UNIT	UNIT PRICE	TOTAL AMOUNT
Survey - TRACE						
	SP-100-3.2	Construction Survey and Layout	1	LS	\$13,901.00	\$13,901.00
	Total					\$13,901.00
Asphalt Seal Coat - CR Contractors						
	C-105-6.1	Mobilization	1	EA	\$7,820.00	\$7,820.00
	P-608-1.1	Asphalt Surface Treatment (Seal Coat)	110840	SY	\$0.86	\$95,322.40
	Total					\$103,142.40
Pavement Markings - Hulxe						
	C-105-6.1	Mobilizations (Pavement Markings)	2	EA	\$2,000.00	\$4,000.00
	C-105-6.1	Mobilizations (Rubber Removal)	1	EA	\$2,000.00	\$2,000.00
	P-101-5.1	Asphalt Surface Preparation (Rubber Removal)	18100	SF	\$1.30	\$23,530.00
	C-105-6.1	Mobilizations (Obliteration)	1	EA	\$2,000.00	\$2,000.00
	P-101-5.2	90% Marking Removal	14260	SF	\$1.20	\$17,112.00
	P-620-5.1	Pavement Marking, White, Reflective Media, Type I	88530	SF	\$0.50	\$44,265.00
	P-620-5.1	Temporary Markings	1	LS	\$7,336.50	\$7,336.50
	P-620-5.2	Pavement Marking, Yellow, Reflective Media, Type I	9305	SF	\$0.50	\$4,652.50
	P-620-5.2	Temporary Markings	1	LS	\$7,336.50	\$7,336.50
	Total					\$112,232.50
Total		Total Subcontracted Amount				\$229,275.90

**EXHIBIT D
STATUTORY PERFORMANCE BOND**

PURSUANT TO TITLE 34, CHAPTER 6,
OF THE ARIZONA REVISED STATUTES
(Penalty of this bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter called the Principal) as Principal, and _____, a corporation organized and existing under the laws of the State of _____ with its principal office in the City of _____, (hereinafter called the Surety), as Surety, are held and firmly bound unto the City of Scottsdale, County of Maricopa, State of Arizona in the amount of _____ Dollars (\$ _____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the City of Scottsdale, dated the ____ day of _____, 20____, for Bid No. (bid number), Project No. 26RFSQ058, (Airport Runway 3-21 Pavement Preservation Project) which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

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

PROVIDED HOWEVER, that this Bond is executed pursuant to the provisions of Title 34, Chapter 6, Arizona Revised Statutes, and all liabilities on this Bond shall be determined in accordance with the provisions of Title 34, Chapter 6, Arizona Revised Statutes, to the extent as if it were copied at length in this Contract. The prevailing party in a suit on this bond shall recover as part of the judgment reasonable attorney fees that may be fixed by a Judge of the Court. The performance under this bond is limited to the construction to be performed under the contract and does not include any design services, Preconstruction services, financial services, maintenance services, operations services or any other related services included in the contract.

WITNESS our hands the ____ day of _____, 20____.

PRINCIPAL

BY:

SURETY (SEAL)

AGENCY OF RECORD

AGENCY ADDRESS

**EXHIBIT E
STATUTORY PAYMENT BOND**

PURSUANT TO TITLE 34, CHAPTER 6,
OF THE ARIZONA REVISED STATUTES
(Penalty of this bond must be 100% of the Contract Amount)

KNOW ALL MEN BY THESE PRESENTS:

That, _____ (hereinafter called the Principal), as Principal, and _____ a corporation organized and existing under the laws of the State of _____, with its principal office in the City of _____ (hereinafter called the Surety), as Surety, are held and firmly bound unto the City of Scottsdale, County of Maricopa, State of Arizona, in the amount of _____ Dollars (\$_____), for the payment whereof, the said Principal and Surety bind themselves, and their heirs, administrators, executors, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has entered into a certain written contract with the City of Scottsdale dated the _____ day of _____, 20____, for Bid No. (bid number), Project No. 26RFSQ058, which contract is hereby referred to and made a part hereof as fully and to the same extent as if copied at length herein.

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

PROVIDED, HOWEVER, that this bond is executed pursuant to the provisions of Title 34, Chapter 6, of the Arizona Revised Statutes, and all liabilities on this bond shall be determined in accordance with the provisions, conditions and limitations of Title 34, Chapter 6, Arizona Revised Statutes, to the same extent as if they were copied at length in this Contract.

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

WITNESS our hands the _____ day of _____, 20____.

PRINCIPAL

BY:

SURETY (SEAL)

AGENCY OF RECORD

AGENCY ADDRESS

EXHIBIT F

CONTRACTOR E-VERIFY COMPLIANCE WARRANTY

Contract Title/Number ("Contract"): _____

Contractor (Legal Name): _____

E-Verify Company ID#: _____

Date of Enrollment: _____

The undersigned contractor ("Contractor") hereby represents, warrants, and certifies to the City of Scottsdale that:

- ☐ The Contractor has employees that will be providing services within the State of Arizona and agrees with the following:
1. The Contractor complies with all federal immigration laws.
 2. The Contractor is registered with and actively uses the federal E-Verify system to verify employment eligibility of all newly hired employees in Arizona, as required by Arizona Revised Statutes § 41-4401 and § 23-214(A).
 3. The Contractor does not employ unauthorized aliens for the performance of services related to the Contract.
 4. The Contractor shall retain records demonstrating E-Verify compliance and will produce such records upon request from the City.
 5. The Contractor will require all subcontractors who perform work under the Contract within the State of Arizona to comply with these requirements.
- ☐ The Contractor and any of its subcontractors do not have employees within the State of Arizona or employees that will be providing services for the Contract in the State of Arizona.

A breach of this warranty is considered a material breach of contract, subject to penalties up to and including termination of the contract. The undersigned represents and warrants that he or she is duly authorized to execute this warranty on behalf of Contractor.

Authorized Representative Signature: _____

Name: _____

Title: _____

Date: _____

AFFIDAVIT REGARDING SETTLEMENT OF CLAIMS

CONTRACT NUMBER: 2026-143-COS

PROJECT NUMBER: 26RFSQ058

PROJECT NAME: Airport Runway 3-21 Pavement Preservation Project

CONTRACTOR/CMAR NAME: J. Banicki Construction, Inc.

To the City of Scottsdale, Arizona

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

The undersigned, for the total consideration of \$ _____, including the final pay estimate of \$ _____, as full and complete payment under the terms of the contract, hereby waives and relinquishes any and all further claims or right of lien under, in connection with, or as a result of the above described Project. The undersigned further agrees to defend, indemnify and hold harmless the City of Scottsdale against any and all liens, claims of liens, suits, action, damages, charges and expenses whatsoever, which said City may suffer arising out of the failure of the undersigned to pay for all labor performances and materials furnished for the performance of said Project construction items or services.

Signed and dated this _____ day of _____ 20____.

CONTRACTOR/CONSTRUCTION MANAGER AT RISK:

By: _____

Print Name & Title: _____

STATE OF ARIZONA)
) ss
COUNTY OF MARICOPA)

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

NOTARY PUBLIC

My Commission Expires

Page 1 of 1

**CONTRACTOR'S NOTICE OF
FINAL ACCEPTANCE**

PROJECT NUMBER: 26RFSQ058

PROJECT NAME: Airport Runway 3-21 Pavement Preservation Project

CONTRACTOR/CMAR NAME: J. Banicki Construction, Inc.

FINAL CONTRACT AMOUNT:

Construction on the above project was completed on _____ and on _____ a final inspection was made of the subject improvements by this office. The work substantially conforms to the approved plans and specifications. We, therefore, accept those portions within the public right-of-way into our system for maintenance.

Approved By: The City of Scottsdale

Contract Administrator

Construction Admin Supervisor

cc: City Clerk
Accounting Director
Risk Management Director
Tax Audit Manager

**RUNWAY 3-21 PAVEMENT PRESERVATION
PROJECT AREA MAP**

Project Area

Scottsdale Airport



COMMISSION INFORMATION REPORT
Discussion and Input Regarding Monthly
Financial Report for July 2026

Agenda Item No.: 5

Meeting Date: 09/16/26

Staff Contact: Richard Formo
Asst. Aviation Director
Phone: 480-312-7735

AVIATION OPERATING BUDGET
FISCAL YEAR 2026/27

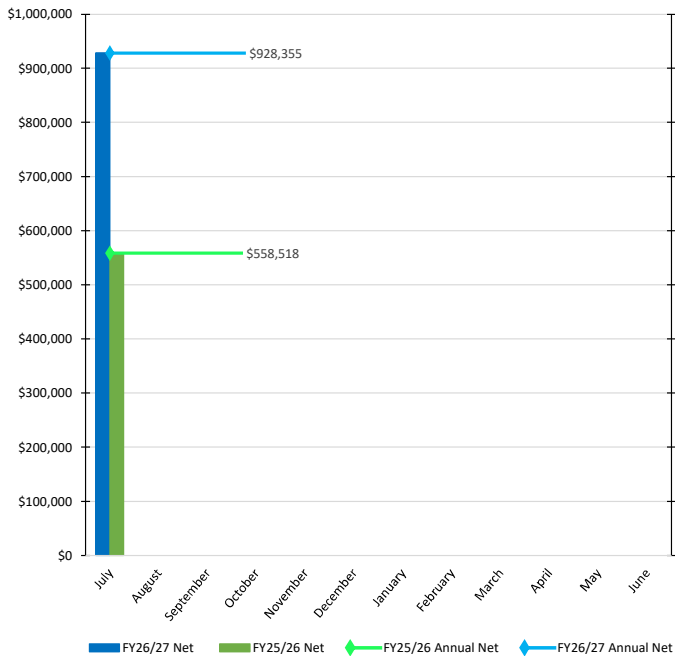
FY 2026/27		AVIATION FUND CASH BALANCE			ACCOUNTS RECEIVABLE AGING REPORT				
APPROVED BUDGET			July-25	July-26		61-90 Days	91-120 Days	>120 Days	Total Amt Due
Revenue	\$10,994,532	Operating	\$16,535,284	\$22,258,513	9/1/2026	\$116.14	\$109.80	\$83.42	\$309.36
Expenses	\$3,924,294	CIP Funds	\$3,714,251	-\$4,752,519	8/1/2026	\$109.80	\$17.89	\$65.53	\$193.22
Net	\$7,070,238	Total	\$20,249,535	\$17,505,994	7/1/2026	\$17.89	\$17.89	\$47.64	\$83.42

MONTHLY REVENUE AND EXPENDITURE COMPARISON						FY 2026/27 YEAR TO DATE				
	July-25	July-26	YOY Variance	Budget	% of Budget		Budget	Actual	\$ Variance	% of Budget
Revenue	\$775,753	\$1,347,501	\$571,748	\$1,080,558	▲ 25%	Revenue	\$1,080,558	\$1,347,501	\$266,943	▲ 25%
Expenses	\$217,234	\$419,146	\$201,912	\$449,578	▼ -93%	Expenses	\$449,578	\$419,146	-\$30,432	▼ -93%
Net	\$558,518	\$928,355	\$369,836	\$630,980	▲ 47%	Net	\$630,980	\$928,355	\$297,375	▲ 47%

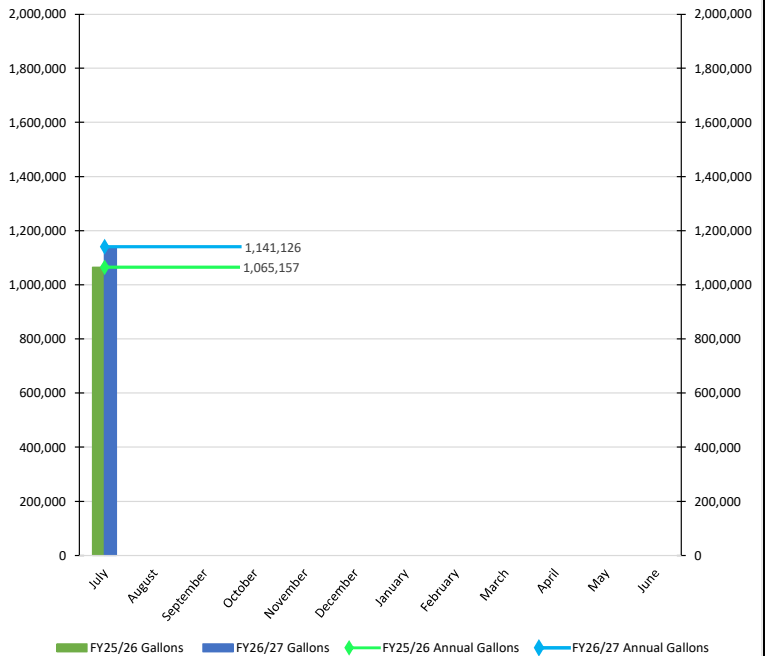
FUEL FLOWAGE (@ \$0.10 per gallon)

	July-25		July-26		% Change	Fiscal YTD 2025/26		Fiscal YTD 2026/27		% Change
	Revenue	Gallons	Revenue	Gallons		Revenue	Gallons	Revenue	Gallons	
Airport JET	\$76,852	768,523	\$86,334	863,339	▲ 12.3%	\$76,852	768,523	\$86,334	863,339	▲ 12.3%
Airport AVGAS	\$3,286	32,857	\$2,892	28,919	▼ -12.0%	\$3,286	32,857	\$2,892	28,919	▼ -12.0%
Airpark	\$26,378	263,777	\$24,887	248,868	▼ -5.7%	\$26,378	263,777	\$24,887	248,868	▼ -5.7%
	\$106,516	1,065,157	\$114,113	1,141,126	▲ 7.1%	\$106,516	1,065,157	\$114,113	1,141,126	▲ 7.1%

Net Income By Month & Annual



Monthly & Year Over Year Gallons





COMMISSION INFORMATION REPORT

Discussion and input regarding Operations Report for August 2026

Agenda Item No.: 6

Meeting Date: 09/16/26

Staff Contact: Matthew Johnson,
Director – Operations and
Maintenance

Phone: (480) 312-2674

INFORMATION

Airport Monthly Operations Update for August 2026

PURPOSE

The purpose of this item is to keep the Airport Advisory Commission informed as to the operational status of the Airport.

BASED AIRCRAFT

	<u>Helicopter</u>	<u>Single Piston</u>	<u>Single turboprop</u>	<u>Twin Piston</u>	<u>Twin Turboprop</u>	<u>Jet</u>	<u>Total</u>
Current Month	47	124	27	6	10	219	433
August 2025	54	133	26	7	13	205	438

OPERATIONS

	<u>August 2025</u>	<u>August 2026</u>	<u>% Δ</u>	<u>2025 YTD</u>	<u>2026 YTD</u>	<u>% Δ</u>
Total	13,389	11,989	-10.4	108,853	105,610	-3.0
IFR	4,107	4,474	15.6	43,310	45,798	5.7

ALERTS

<u>Date</u>	<u>Type</u>	<u>Description</u>
08/15/26	1	Piper PA-28, rough running engine
08/21/26	2	Cessna Citation 700, aircraft experienced a depressurization

INCIDENTS

<u>Date</u>	<u>Description</u>
08/07/26	SA Private Hangar fuel farm, small fuel spill from overfilled Jet A tank while accepting a fuel load

ENFORCEMENT ACTIONS

<u>Date</u>	<u>Violation</u>	<u>Enforcement Method Used</u>	<u>Comments</u>
08/11/26	Vehicle parking violation	Verbal	1 st Violation

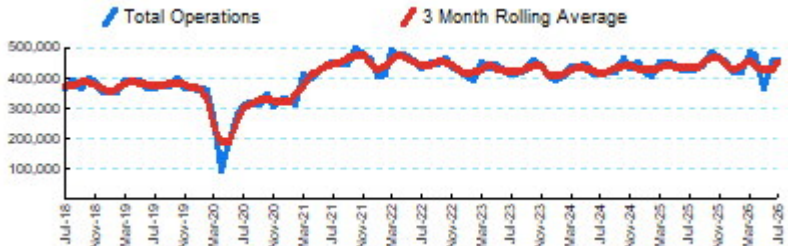
AUGUST U.S. CUSTOMS & BORDER PROTECTION		
<u>*Revenue (FYTD)</u>	<u>Total Uses Month</u>	<u>Total Uses (FYTD)</u>
2026/2027 \$90,975	August 2026 72	2026/2027 157
2025/2026 \$86,275	August 2025 74	2025/2026 144

**Revenue = User Fees and Overtime Fees Charged to Users*

- Attachments:*
- 1. Scottsdale Airport Operations 2025 – 2026*
 - 2. Federal Aviation Administration – Business Jet Report – August 2026 Issue*

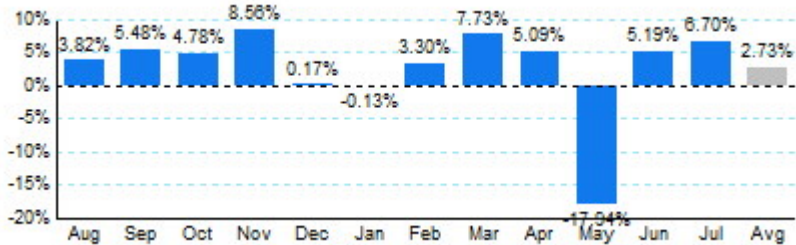


1.Total Business Jet Operations



Source: ETMSC
Note: Operations refer to arrivals and departures.

2.Year Over Year Change in Business Jet Operations
Aug 25 - Jul 26 vs. Aug 24 - Jul 25



Source: ETMSC

3.Monthly Trends

Month	Total			Domestic			International		
	2025-2026	2024-2025	Change	2025-2026	2024-2025	Change	2025-2026	2024-2025	Change
Aug	432,982	417,066	3.82%	378,514	365,200	3.65%	54,468	51,866	5.02%
Sep	446,108	422,950	5.48%	395,500	373,296	5.95%	50,608	49,654	1.92%
Oct	486,786	464,564	4.78%	431,244	411,040	4.92%	55,542	53,524	3.77%
Nov	468,754	431,786	8.56%	404,356	368,504	9.73%	64,398	63,282	1.76%
Dec	450,822	450,052	0.17%	384,026	377,824	1.64%	66,796	72,228	-7.52%
Jan	417,194	417,750	-0.13%	350,552	347,632	0.84%	66,642	70,118	-4.96%
Feb	417,256	403,938	3.30%	354,992	340,166	4.36%	62,264	63,772	-2.36%
Mar	489,374	454,276	7.73%	415,992	379,946	9.49%	73,382	74,330	-1.28%
Apr	470,492	447,690	5.09%	406,272	376,824	7.81%	64,220	70,866	-9.38%
May	365,992	446,010	-17.94%	319,652	385,798	-17.15%	46,340	60,212	-23.04%
Jun	451,484	429,208	5.19%	390,214	371,580	5.01%	61,270	57,628	6.32%
Jul	459,510	430,672	6.70%	399,546	373,894	6.86%	59,964	56,778	5.61%
Total	5,356,754	5,215,962	2.70%	4,630,860	4,471,704	3.56%	725,894	744,258	-2.47%

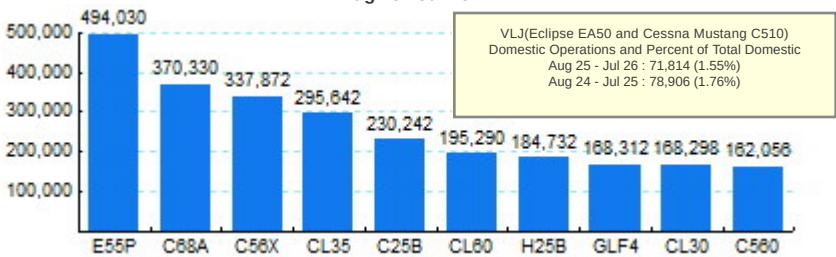
Source: ETMSC
Note: International flights include US to Foreign, Foreign to US and all foreign operations.

4.Overall Trends (Calendar Year)

Year	Total		Domestic		International	
	Operations	Change	Operations	Change	Operations	Change
2016	4,349,740		3,667,338		682,402	
2017	4,483,614	3.08%	3,793,700	3.45%	689,914	1.10%
2018	4,520,968	0.83%	3,824,528	0.81%	696,440	0.95%
2019	4,533,920	0.29%	3,836,578	0.32%	697,342	0.13%
2020	3,501,192	-22.78%	3,033,148	-20.94%	468,044	-32.88%
2021	5,099,528	45.65%	4,421,070	45.76%	678,458	44.96%
2022	5,369,454	5.29%	4,577,730	3.54%	791,724	16.69%
2023	5,139,626	-4.28%	4,362,470	-4.70%	777,156	-1.84%
2024	5,134,988	-0.09%	4,399,320	0.84%	735,668	-5.34%
2025	5,314,996	3.51%	4,569,480	3.87%	745,516	1.34%
2026*	3,071,302		2,637,220		434,082	

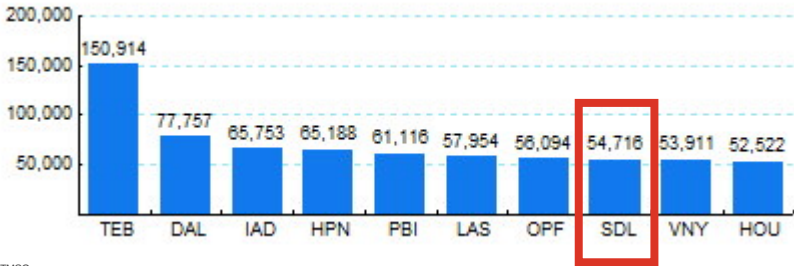
* - Year to date
Source: ETMSC
Note: International flights include US to Foreign, Foreign to US and all foreign operations.

5.Top Ten Aircraft for Domestic Business Jet Operations
Aug 25 - Jul 26



Source: ETMSC

6.Top Ten Airports for Domestic Business Jet Operations
Aug 25 - Jul 26

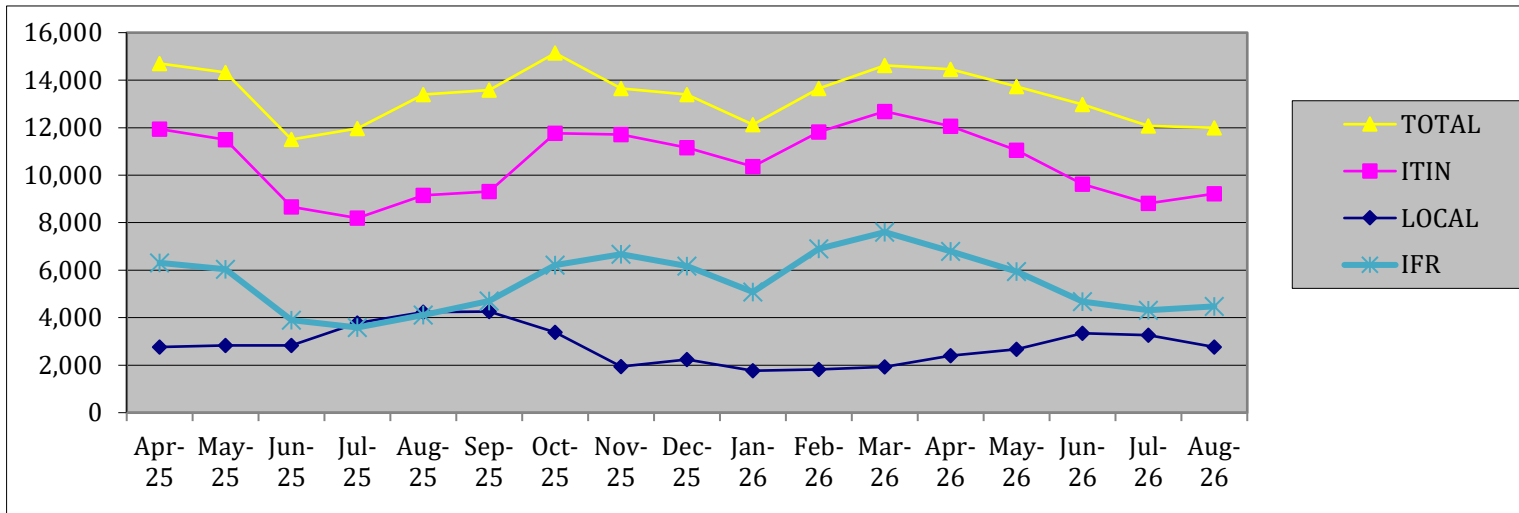


Source: ETMSC

SCOTTSDALE AIRPORT OPERATIONS 2025-2026



	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26
ITIN	11,945	11,494	8,668	8,193	9,153	9,319	11,760	11,711	11,156	10,361	11,821	12,685	12,056	11,055	9,624	8,808	9,218
LOCAL	2,761	2,833	2,835	3,774	4,236	4,258	3,380	1,945	2,242	1,766	1,827	1,931	2,406	2,670	3,347	3,264	2,771
IFR	6,303	6,039	3,898	3,586	4,107	4,711	6,214	6,670	6,172	5,087	6,896	7,601	6,798	5,948	4,675	4,319	4,474
TOTAL	14,706	14,327	11,503	11,967	13,389	13,577	15,140	13,656	13,398	12,127	13,648	14,616	14,462	13,725	12,971	12,072	11,989



ITIN - Itinerant - an operation is arriving from outside the traffic pattern or departs the airport traffic pattern

LOCAL - an operation that stays within the traffic pattern airspace (non-itinerant)

IFR - an operation that is conducted under instrument flight rules. IFR operations are a sub-category of the total number of operations as they can either Local or Itinerant.

Total Operations = Itinerant Operations + Local Operations



COMMISSION INFORMATION REPORT

Discussion and Input Regarding
Public Outreach Programs and Planning Projects

Agenda Item No: 7

Meeting Date: 9/16/26

Staff Contact: Kelli Kuester,
Aviation Planning & Outreach
Coordinator

Phone: (480) 312-8482

INFORMATION

Monthly update of the marketing, community, planning and pilot outreach programs at Scottsdale Airport.

PURPOSE

The purpose of this item is to keep the Airport Advisory Commission informed of the airport's marketing, outreach, and planning projects efforts.

Noise Program Related Items

Topic	Purpose	Status
Phoenix Terminal Area Procedure	The FAA needs additional time to complete the environmental review process. As a result, the implementation of the Phoenix Area FAA Modernization Project is now targeted for June 10, 2027. This additional time will allow the FAA to thoroughly review, analyze, and address the substantial feedback received from the public and local agencies during the Draft Environmental Assessment comment period. The FAA will also complete ongoing consultation with various local, state and federal agencies and tribes.	In progress
Pilot Briefing & Outreach	Pilot/Controller Forum: Held on July 16, approx. 40 attendees. Runway Safety Action Team (RSAT) meeting held on August 5, approx. 20 attendees	Completed
Noise Outreach	Calls with residents related to noise concerns- August: 1	Completed
Voluntary Curfew Outreach (10:00 p.m.- 6:00 a.m.)	The Voluntary Curfew Program is designed to respond to a complaint received for an operation between 10 p.m. and 6 a.m. If a flight is confirmed, a letter is sent out to the operator to ask them for their cooperation in flying outside these hours when possible. The following Voluntary Curfew letters were sent out in- August: 1	Completed

Planning Projects		
Topic	Purpose	Status
Property Development within Airport Influence Areas	Working with the Planning Department to protect the airspace and development uses near Scottsdale Airport. The Planning and Zoning reports listed the following number of projects within the Airport Influence Area in- August: 0	Completed
Development Adjacent to Taxiways	Working with the Planning Department to protect the airspace and development uses near Scottsdale Airport. The Planning and Zoning reports listed the following number of projects adjacent to airport taxiways in- August:0	Completed
Airport Master Plan	Final Council Approval – December 2	In progress
Community Outreach and Marketing		
Topic	Purpose	Status
Presentations, and events	Tours: Scottsdale PD Interns, Scottsdale Insider, Travel Agent Events: Blood Drive Sept. 30, Run SDL Oct. 25, Movie Night Nov. 7 Presentations: AZBAA Yo-pro Panel Sept. 24	Completed
Media, social media, & list serve notices	Media: Social media: Runway closure updated schedule, Blood Drive, Run SDL List Serves: Runway closure updated schedule, Blood Drive,	Completed
Brochures, flyers, other print materials, webpages & videos	Webpage: Runway closure updated schedule	Completed



COMMISSION INFORMATION REPORT

Summary of the administrative report from the Aviation Director, or designee, regarding the status of pending aviation-relative items

Agenda Item No: 8

Meeting Date: 9/16/26

Staff Contact: Rick Wielebski,
Aviation Director

Phone: (480) 312-8475

INFORMATION

Discussion regarding status of the Airport Advisory Commission's items to City Council, and aviation-related items approved by Planning Commission, Design Review Board, or City Council.

Attachment(s):

1. Airport Advisory Commission Items to City Council.
2. Aviation-related items to Planning Commission, Design Review Board, or City Council.
3. City Council Meeting Calendar.

**AIRPORT ADVISORY COMMISSION AVIATION ITEMS TO CITY COUNCIL
2026**

AIRPORT COMMISSION DATE	APPROVED	ITEM DESCRIPTION	CITY COUNCIL DATE	APPROVED
5/20/26	7-0	Recommend to City Council adoption of Resolution No. 13653, authorizing lease agreement with 3R Ranch, Inc. (2026-061-COS) for the lease of the North General Aviation Executive Box Hangar space at Scottsdale Airport.	6/9/26	7-0
5/20/26	7-0	Recommend to City Council adoption of Resolution No. 13654, authorizing lease agreement with SDL AZ Holdings, LLC dba Atlantic Aviation (2026-062-COS) for the lease of the North General Aviation Executive Box Hangar space at Scottsdale Airport.	6/9/26	7-0
5/20/26	7-0	Recommend to City Council adoption of Resolution No. 13696, authorizing lease agreement with SDL AZ Holdings, LLC dba Atlantic Aviation (2010-166-COS-A5) for the lease assignment at Scottsdale Airport.	6/9/26	7-0
5/20/26	7-0	Recommend to City Council adoption of Resolution No. 13664, authorizing construction manager at risk contract No. 2026-073-COS with J. Banicki Construction, Inc. for pre-construction services in the amount of \$23,67.43 for the airport runway 3-21 Pavement Preservation Project at Scottsdale Airport.	6/9/26	7-0
4/15/26	6-0	Recommend to City Council adoption of Resolution No. 13747, approving the Scottsdale Airport 2026 Master Plan.	12/2/26	
8/19/26	6-0	Recommend to City Council adoption of Resolution No. 13764, authorizing Contract 2026-145-COS a Memorandum of Agreement with U.S. Customs and Border Protection at Scottsdale Airport.	9/8/26	7-0
8/19/26	6-0	Recommend to City Council adoption of Resolution No. 13768, authorizing Contract No. 2026-147-COS with DMD Real Estate Group, LLC for Aviation Real Estate Brokerage Consulting Services.	9/8/26	7-0

9/16/26		Recommend to City Council adoption of Resolution No. 13758, authorizing Construction manager at Risk (CMAR) No. 2026-143-COS with J. Banicki Construction Inc., in the amount of \$783,950.54 for the Runway 3-21 Pavement Preservation Project at Scottsdale Airport	10/6/26	
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AVIATION-RELATED ITEMS TO PLANNING COMMISSION, DESIGN REVIEW BOARD OR CITY COUNCIL
(Projects that may be on airport, have taxi lane access, have height implications, or have sensitive noise uses)
2026

AIRPORT COMMISSION DATE	APPROVED	ITEM DESCRIPTION	PLANNING, DRB, OR CITY COUNCIL	APPROVED
9/17/25	1-5	Banner Health Medical Campus Request by owner for a zoning district map amendment from Planned Community Development with P-C comparable Central Business District (P-C C-2) and comparable Industrial Park District (P-C I-1) to Special Campus (S-C) District, including development plan, for a new medical campus including full-service hospital with helipad, on a +/- 48-acre site located at 18500 N. Hayden Road. 5-ZN-2023	PC 1/14/2026 CC TBD	Continued 7-0 ?
2/10/2016	6-0	One Scottsdale Request to amend the existing Planned Community District (P-C) with comparable Planned Regional Center (PRC) zoning, Development Plan, and Amended Development Standards approved in case 20-ZN-2002#5, along with an amendment to the Development Plan and Development Agreement.	PC 5/13/26 CC 6/9/26	7-0 7-0



2026 City Council Meeting Calendar

Jan 15-MLK Dinner
22-Mayor's State of the City Address

Mar 15-19-NLC Congressional City Conference

May 5-Proposed Budget and CIP Presentation
15-History Hall of Fame Ceremony
19-Tentative Budget Adoption

Jun 9-Final Budget Adoption
16-Charter Officer Evaluations (3pm)
23-Property Tax Adoption

Aug 4-Election Day
18-21-AZ League Annual Conference (AZ Biltmore)

Nov 3-Election Day
18-22-NLC Summit

Revised: 12/08/25

JANUARY						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

FEBRUARY						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28

MARCH						
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15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
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12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
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3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

JULY						
S	M	T	W	T	F	S
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5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

AUGUST						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

SEPTEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

OCTOBER						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

NOVEMBER						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

DECEMBER						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

Key

 	Council Meeting	 	Election
 	Special Meeting	 	No meetings will be scheduled
 	Optional Additional Mtg and/or Work Study Session	 	City of Scottsdale Holiday
 	Events **Dates are subject to change**		



COMMISSION ACTION REPORT

Discussion and possible action to modify the Airport Advisory Commission meeting schedule and Commission item calendar

Agenda Item No.: 9

Meeting Date: 9/16/26

Staff Contact: Rick Wielebski,
Aviation Director

Phone: (480) 312-8475

ACTION

Review Airport Advisory Commission meeting schedule.

PURPOSE

Pursuant to By-Laws of the Scottsdale Airport Advisory Commission, Section 202, *“Regular meetings of the Commission shall be held on the third Wednesday of each month immediately following the study session, unless otherwise scheduled by majority vote of its members. In the event the Commission desires not to hold the preceding study session, the regular meeting shall begin at 5:00 p.m., unless otherwise scheduled by majority vote of its members.”*

Attachment(s): 1. Airport Advisory Commission meeting schedule

Action Taken:

Airport Advisory Commission Meetings 2026

January						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Election of Officers

By-Laws Review

Quarterly Noise Program Update

February						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

Five-Year CIP Budget

April						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Special Meeting April 13 (5:00 PM)

Quarterly Noise Program Update

May						
Su	Mo	Tu	We	Th	Fr	Sa
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

AZBAA Update

June						
Su	Mo	Tu	We	Th	Fr	Sa
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Meeting Cancelled

July						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

Meeting Cancelled

August						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

Risk Management Update

September						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

Chamber of Commerce Update

October						
Su	Mo	Tu	We	Th	Fr	Sa
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

Quarterly Noise Program Update

Experience Scottsdale Update

November						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

Five-Year CIP Budget

Five-Year Financial Plan

December						
Su	Mo	Tu	We	Th	Fr	Sa
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		