



# Agenda

CITY CLERK'S OFFICE

DATE 6/3/14 TIME 9:45am

STEWARDED BY Anita Medina

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**AIRPORT ADVISORY BOARD**  
**Santa Fe Municipal Airport**  
**Building 3002 (Just North of Terminal Building)**  
**Thursday, June 5, 2014**  
**4:00 PM**

1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of May 1, 2014 Minutes  
Approval of November 7, 2013 Minutes
5. From the Airport Manager
  - a. Month in Review
  - b. Status - Construction Projects in Progress
    - i. TWY F Extension
    - ii. RWY 2/20 MIRL Upgrade
    - iii. RWY 10/28 MIRL Flight Check
  - c. Upcoming Projects
    - i. Airport Master Plan Update
    - ii. Air Service Study
    - iii. Rules, Regulations, Minimum Standards, Rates & Fees
    - iv. RWY 33 Safety Area
    - v. Passenger Facility Charge Application
  - d. FY 14/15 Budget
  - e. DRAFT After Action Report 2014 Triennial/After Action Review Meeting
6. Review & Discussion Item(s):
  - a. DRAFT Standard Land Lease Non-Commercial Hangar Developer/Operator
7. Action Item(s):
  - a. Action Item – Discussion & Vote
    - i. AAB Chair's Letter to the Editor
8. Items from the Board
9. Public Comment:

**\*REMINDER: ALL PUBLIC COMMENTS BE LIMITED TO 5 MINUTES**
10. Items to be Discussed at the July 3, 2014 Airport Advisory Board Meeting
11. Adjourn

Persons with disabilities in need of accommodations, contact the City Clerk's office at 955-6520, five (5) working days prior to meeting date.

AIRPORT ADVISORY BOARD  
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JUNE 5, 2014

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| Approval of Agenda  | <p>July meeting date changed to July 11, 2014 and reflected as July 3, 2014.</p> <p><b><i>Mr. Ortega moved to approve the agenda as amended, second by Mr. Padilla, motion carried by unanimous voice vote.</i></b></p>   | Page 3   |
| Approval of May 1, 2014 and November 7, 2013 Minutes  | <p><b><i>Mr. Ortega moved to defer action on minutes of May 1, 2014; insufficient time to review, second by Mr. Krohn, motion carried by unanimous voice vote.</i></b></p> <p><b><i>Mr. Krohn moved to reapprove the minutes of November 7, 2013 at the City Clerk's request, second by Mr. Ortega, motion carried by unanimous voice vote.</i></b></p> | Page 3   |
| From the Airport Manager  | <b><i>Informational</i></b>   | Page 3-6 |
| Discussion and Vote<br>- Draft Standard Land Lease<br>Non-Commercial Hangar<br>Development/Operator | <b><i>Informational</i></b>   | Page 6-8 |
| Action Items<br>AAB Chair's Letter to the Editor  | <p><b><i>Mr. Krohn moved to defer action on the AAB Chair's Letter to the Editor discussion until the next meeting. Died for lack of a second.</i></b></p> <p><b><i>Ms. Hunke moved to send the letter to the New Mexican, second by Mr. Miller, motion carried by unanimous voice vote.</i></b></p>  | Page 8   |

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| Items to be discussed at the July 11, 2014 meeting | Agenda Topics <ul style="list-style-type: none"> <li>- Mission statement</li> <li>- Continued Discussion of Lease Agreement</li> <li>- Tie Down Agreement</li> <li>- Definitions</li> </ul> | Page 10   |
| Adjournment/Signature Sheet                        | <b><i>There being no further business to come before the Airport Advisory Board, the meeting was adjourned at 5:50 pm</i></b>   | Page 12   |

**AIRPORT ADVISORY BOARD**  
**Santa Fe Municipal Airport**  
**Building 3002 (Just North of Terminal Building)**  
**Thursday, June 5, 2014**  
**4:00 PM – 5:45 pm**

**MINUTES**

**1. Call to Order**

Carolyn Cook, Chair for the Airport Advisory Board called the meeting to order at 4:00 pm at the Santa Fe Municipal Airport, Building 3002, Santa Fe, NM. A quorum was declared by roll call.

**2. Roll Call**

Present:

Carolyn Cook, Chair  
Elizabeth Hunke  
Chris Ortega  
Ron Krohn  
Troy Padilla  
Mark Miller

Not Present:

Others Present:

Kent Freier, Molzen Corbin  
Richard Allison  
Ken DeLapp, SFAC  
Bill Sauter  
Dee Cerda, Envoy Air  
William Aneshensel, Aviation Association of Santa Fe  
John Elling

Staff Present:

Francey Jesson, Airport Manager  
Anita Medina, Executive Assistant  
Jon Bulthuis, City Transportation Director

Others Present:

Fran Lucero, Stenographer

### 3. Approval of Agenda

July meeting date changed to July 11, 2014 and reflected as July 3, 2014.

*Mr. Ortega moved to approve the agenda as amended, second by Mr. Padilla, motion carried by unanimous voice vote.*

### 4. Approval of May 1, 2014 Minutes and November 7, 2013

*Mr. Ortega moved to defer action on minutes of May 1, 2014; insufficient time to review, second by Mr. Krohn, motion carried by unanimous voice vote.*

*Mr. Krohn moved to reapprove the minutes of November 7, 2013 at the City Clerk's request, second by Mr. Ortega, motion carried by unanimous voice vote.*

### 5. From the Airport Manager

#### a. Month in Review (Francey Jesson, Airport Manager)

The Airport Manager announced that the airport Intern, Mr. Justin Lowe, completed his last day on June 4, 2013. Ms. Jesson made a request was made for an extension to the City Manager but due to funding limitations the Mayor and City Council did not approve. The Airport Manager is in hopes to reinstate the position when the budget improves. Mr. Lowe did an excellent job while at the Airport.

Airport Manager reported that Landmark acquired Ross Holdings (FBO's) and the City of Santa Fe Attorney and Landmark's Attorney are exchanging letters of agreement. The purchase process is not complete at this time and is expected to close by October 2014. When the closing is complete they will rebrand as Landmark.

Attachments provided in Board Packet:

- Tower Operations Counts, no questions from the Board.
- Enplanement numbers do not include United Airline as numbers were not available for this meeting date. May Enplanements: 3,587, Deplanements, 3,564, May total is 7,151. Total Y-T-D: Enplanements: 23,311, Deplanements: 23,743, Total Y-T-D: 47,054.

Ms. Jesson informed the board members that American Airlines and United Airlines are introducing overnight business to their schedule starting on June 12, 2014. There will be a necessity to expand the box to accommodate American Airlines. The Airport Engineer and their Engineers are working together to assure that these airlines can be accommodated. It is also important to note that both airlines will arrive about 10-15 minutes apart and they will also leave the following morning about the same time difference. This will bring in over 150

passengers to the airport along with needed luggage services, use of the restaurant facility, etc.

Mr. Padilla: Stated that negative press has been received about our facilities; with these airlines arriving in the small scope of time, it was asked if there is anything we can do to prevent any inconvenience or comments?

Ms. Jesson answered that everything that can be done has been researched and reviewed. The airlines have been told about the limited space and services in our facility and they do not want to make any changes to their schedules.

Mr. Padilla asked if all other points of service had been notified, such as car rentals, shuttle service and restaurant services. Ms. Jesson said yes she has kept everyone informed. Ms. Jesson also informed the board members that she does not have staff after 5:00 pm or on the weekends. She will be asking her staff to assist on the date and times of these arrivals to assure everything is smooth.

Ms. Hunke questioned that the schedule reflects an hour difference between the arrival and departure of UA and AA flights.

Dee Cerda stated that the airline representatives said that although this is the published schedule it has not been holding to that schedule.

Mr. Ortega asked if there was an update on the bond sale.

Ms. Jesson said that the bonds are going to be sold.

**b. Status – Construction Projects in Progress**

- TWY F Extension paving has started today. It will take about another 6 weeks for electrical work to begin; estimated time for completion is 8 weeks. It is a non-commercial taxiway.
- RWY 2/20 MIRL Upgrade has not been started. The start date should have been June 13<sup>th</sup> and could be June 20<sup>th</sup>, airport engineer is waiting for a confirmed update.
- RWY 10/28 MIRL Flight Check – the paperwork is now at the City Clerk's office. Once it is signed it can be sent to the FFA.

**c. Upcoming Projects**

- Airport Master Plan  
Q: When do you anticipate the work on the Airport Master Plan to begin?  
Ms. Jesson said it depends on when the grant is received. It will take about 1 year to 14 months for completion. It requires a minimum of 2 public meetings and it could be that they have up to 4 meetings for public input.
- Air Service Study
- Rules, Regulations, Minimum Standards, Rates & Fees

Ms. Jesson confirmed that this should be enough. We are still looking to have a boarding area for 150 people capacity and a baggage claim area that is connected to that.

- RWY 33 Safety Area
- Passenger Facility Charge Application

Explained that this is a significant amount of money that can be used for the airport and it does not affect any of the federal grants. If the airline industry stay health, provides good service the PSC revenue is extremely helpful.

PSCs are good for the capital projects and they can be used for AIP since it is considered as local money it can be used for AIP projects that are low on the list. PSCs can be used for terminal projects.

**d. FY 14/15 Budget**

(Budget included in the packet.)

Ms. Jesson indicated this is the approved budget from the city of Santa Fe. Front page is all of the revenues, Dept. Base FY 14/15 is approved at the airport and CM Base FY 14/15 is approved by the City Manager. Landing fees were increased by \$70,000 from \$200,000 to \$270,000, Flowage fee was increased from \$160,000 to \$179,000, Gate Fees, Fire Protection Fees, Airline Equipment Fees, Terminal Concessions and Car Rental Receipts were all increased and budget reflected in budget exhibit. Parking fees was also increased and follow-up action will be needed and presented to increase the daily parking fee from \$3.00 a day to \$4.00 a day.

Mr. Krohn asked as of what date the Y-T-D actuals reflect. Ms. Jesson said they reflect the beginning of the fiscal year and explained that there were discrepancies from historical accounting files. Ms. Jesson has done an up to date budget reconciliation to assure that the funding line items are directed to the correct line items.

Ms. Jesson made reference to Repair and Maintenance, this is to repair a window in the tower, which is about a \$10,000 expense. Dues went from \$500/yr to \$1200/yr. to continue on-line training for facility maintenance and upkeep. Equipment and Machinery for \$180,000 did not get in to the City Manager's Data Base as well as Data Processing and Software. The hopes are to review the revenues mid-year and request funding for these areas to acquire the equipment.

Mr. Krohn asked about terminal concessions accuracy. Ms. Jesson said that there were errors in the general ledger and after reconciliation the numbers projected should be precise.

Ms. Jesson was pleased to be in the black for EXP Taxiways A&C.

Mr. Ortega asked if there was a line item for marketing? Ms. Jesson said it was not in the budget as they went by what was specified last year.

There was a question related to the parking meter status and the Airport Manager was asked if revenue is being lost. Mr. Padilla said that many travellers don't even carry cash anymore. It was asked if an ATM has been considered.

Ms. Jesson said that the loss is minimal, she believes that people are honest and do pay as indicated. This parking area is not monitored. She would very much like to have an ATM at the airport and what is holding her back is more the space allocation on where to place it. She noted that travellers will call the airport if they are delayed to assure that the cars will not be towed. Cars are not towed for lack of payment as customer service is the highlight of the airport service.

**e. DRAFT - After Action Report 2014 Triennial/After Action Review Meeting**

Ms. Jesson noted that this report is a preliminary draft and a final draft will be sent to all of the participants for a review. A final report will be brought back to the Airport Advisory Board for approval. Information is very inclusive, good information for emergency responders. Ms. Jesson has had a formal debriefing with the major stakeholders; i.e., the Fire Department, Hospital and other Public Safety leads to discuss how to work collaboratively and cohesively in the future should a plane crash.

The Chair congratulated the Airport Manager and staff for the excellent coordination of this activity.

**6. Review and Discussion Items**

**a. DRAFT Standard Land Lease Non-Commercial Hanger Development/Operator**

Mr. Ortega asked what is the origin of this process and document?

Ms. Jesson stated that the Airport does not have a formal document format or process. Ms. Jesson also stated that in discussion with the City Attorney, the continuity of information and wording is important to be consistent. The City Attorney has approved the wording in this draft document for the AAB review.

Mr. Padilla asked if this is a non-commercial lease? Ms. Jesson said yes and that there will be a commercial developer lease forthcoming for review. Other leases are being formalized and will come back to the Airport Board for approval.

The reason this was developed is because there was a person interested in leasing and building their own hangar.

If you look at the FAA on minimum standards, and what it says is if the Airport doesn't have minimum standards it can take up to 1 year for formalization to take place.

Mr. Padilla asked if we are looking at just non-commercial lease and if we are taking the Airport Master Plan in to consideration and do we know what the Master Plan might divulge?

Ms Jesson said that the Airport does have an outdated Master Plan and that right now the consideration is for the non-commercial lease. Ms. Jesson added that from the FAAs perspective is, if an airport sponsor is approached and the airport has the land we need to say the land is available and these are the terms. If it is a commercial request, the Airport Manager can defer to the Airport Master Plan and a decision does not have to automatically be granted.

Mr. Krohn commented that the language in the document, the buy out can be optional assuming the airport has a plan to consummate the buy out. The language should be in there.

Mr. Ortega stated that a decision should not be made at this time until public input is received. There should also be a recap provided to the AAB on the lessees who already have terms that go decades in to the future and considering those who might be a victim based on poor timing and wants to do it now and would have to follow the rules.

Ms. Jesson stated that in 2006, the airport in Medford, Oregon had this same issue. They had a great deal of leases that had inconsistent language; none of them had rules and clause. They decided at the county level, by ordinance to enact provision clauses at the airport because the county itself outside of the airport, the county had a revisionary clause for the property that they owned and were developed on non-airport property and they tried to extend that by ordinance. They had much of the same questions from the community and it took them about 5 years to get this enacted. None of this is going to happen quickly. They hired a consultant to include all community and public involvement and work with the FAA. Their final findings were that revisionary clauses are common for airports, it protects the airport, it provides revenue for the airport, it is recommended by the FAA. Every airport does it differently but they gave recommendations that revisionary clauses were common and they worked on language for equitable buy-out. It is a suitable way to protect the airport. As far as the disparity between different leases that are existing, the FAA is clear that if you find some old leases that may or may not be compliant with the grant assurance as the grant assurance may have changed, the FAA expects the airport operator at the earliest opportunity to begin making policy changes that put them in compliance with their current statutes. If a lease was signed in 1980 before any grant assurances were put in place, the FAA will allow you to honor that lease but their expectation is that when you get in new tenants you need to comply with the new legal language. There is always an expectation that you will have old leases and the FAA understands that but what they want to see is that we are working towards coming in to compliance with new regulations that are coming down.

Mr. Padilla asked if currently at this airport, are there any leases that have this clause in it?

Ms. Jesson said that to her knowledge there is only one that she has re-negotiated since she has been the Airport Manager.

Mr. Ortega asked what is the timeline for comments from the AAB?

Ms. Jesson said that next step is for her to send to the FAA Compliance Office in Dallas and there is no timeline for their return.

The FAA has made it very clear that they do not approve reversionary clauses.

## **7. Action Item**

AAB Chair's Letter to the Editor

Mr. Padilla explained the two documents presented today are the first one was taken and redlined. Wording needs to be under 600 words, comments refer to the master plan.

***Mr. Krohn moved to defer action on the AAB Chair's Letter to the Editor discussion until the next meeting. Died for lack of a second.***

***Ms. Hunke moved to send the letter to the New Mexican, second by Mr. Miller, motion carried by unanimous voice vote.***

Ms. Hunke made the request to have the board packet with minutes sent to her with sufficient time for review. Mr. Padilla asked what the timeframe is, when does the process begins to create the packet. Ms. Jesson said that due to staffing constraints, she and Anita work on the packet 1 week prior to the meeting. This allows them to post the meeting within 72 hours of the meeting; which is required by State Statute.

## **8. Items from the Board**

The Chair shared a beautiful plaque for Mr. Talarczyk for his dedicated service. A card was circulated for signature. Thank you to Mr. Padilla for purchasing the plaque.

It was noted that there were 5 interested candidates for the position and they have been submitted to the Mayor for selection and approval.

Mission Statement will be a topic for next month meeting.

The AAB would like to have the draft Agenda and a copy of the minutes 1 week before the meeting date.

## **9. Public Comments**

John Elling, Owns a hanger at the Santa Fe Airport.

Standard Lease Agreement follow up was from Mr. Elling. Mr. Elling said that he heard that this was the standard lease agreement and he opposes that it should be part of the airport lease. It is also dangerous and unfair for present owners who have been here for 10, 20 years. When their lease runs out in 20, 30 years they will be confronted to sign a new lease with this new clause. People want to fly out of this Santa Fe Airport. I was told that this reversionary clause would be required in all leases. I heard FAA would support this, I can't understand why they would support this lease. I have started talking to some of the other hangar owners and again I was told this was the standard lease. I think it should be reviewed by the city council and it should have public debate. You can't put a removable building on this airport, which has 3 walls. If we are starting to invest in a standardized lease, than I think we should discuss it with the public and the city council.

Richard Allison: In regards to the lease, the idea of limiting a person to 20 years and not even buying their building back, you aren't going to find any business person who is going to do that. I would ask the board to look at other leases, say in Albuquerque, I would not send it to the FAA until you have decided what language has to be in it and get more input. Are there any book projects on the shelf now?

Kent Freier: A book project is not really something that is designed it is basically a location map. Yes we do projects that have already been designed. Francey has a list of what we can do and if FAA calls and says they have ½ million dollars we can spend it.

Mr. Allison said that he is serious about getting the Department of Tourism to do a billboard indicating why not fly Santa Fe. The Chair will have a conversation with Mr. Allison after the meeting.

Ms. Allison asked, what is the difference between a commercial and a private lease. We have corporate jets that are parked out here owned by a corporation, is that a commercial lease or a private lease.

Ms. Jesson said it would be a non-commercial lease.

Mr. Allison asked if a commercial lease distinction is that they bring in revenue, is that the definition.

Ms. Jesson said that the structure itself, the facility itself would be bringing in money.

Bill Aneshensel: I had the opportunity a couple of hours ago to depart without traffic and the airport looks good since the construction work has been done.

On the issue of the leases, I will speak on behalf of the association. We would like to see a plan for commercial and non-commercial leases that make sense for the people who have a business or hangar on the airport. I can understand the need for the airport to have some flexibility for the airport to expand. Everyone who invests in the airport needs to have a fair deal over a long period of time. Mr. Aneshensel asked that the AAB come out

with a longer review before initiating panic with existing leaseholders. I would not send to the FAA until we have a finished product which might steer them away.

The Chair stated that the AAB is only advisory, thank you for the comments.

John: A business would be more inclined to sign a reversionary clause.

#### **10. Items to be Discussed at the July 11, 2014 Meeting**

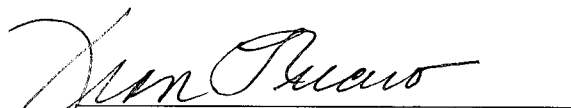
Agenda Topics

- Mission statement
- Continued Discussion of Lease Agreement
- Tie Down Agreement – Definitions

#### **11. Adjourn**

*Mr. Miller moved to adjourn at 5:50 pm, second by Ms. Hunke, motion carried by unanimous voice vote.*

Signature Page:

  
\_\_\_\_\_  
Carolyn Cook, Chair  
\_\_\_\_\_  
Fran Lucero, Stenographer

**SANTA FE MUNICIPAL AIRPORT  
LAND LEASE AGREEMENT  
NON-COMMERCIAL HANGAR DEVELOPER/OPERATOR  
[INSERT TENANT NAME]**

**THIS LEASE AGREEMENT**, is made and entered into by and between the CITY OF SANTA FE, NEW MEXICO, a municipality and political subdivision of the State of New Mexico, hereinafter (the "Lessor"), and [insert tenant name] hereinafter (the "Lessee" or "Tenant"). The date of this Lease Agreement shall be the date when it is executed by the Lessor.

**WHEREAS**, the Lessor owns and operates an airport known as the Santa Fe Municipal Airport ("Airport") and is desirous of leasing to the Lessee certain premises and facilities at the said Airport; and

**WHEREAS**, the Lessee is a [*choose only one as applicable* - Corporation, Individual, Limited Liability Partnership, Limited Liability Corporation, Hangar Association, Flying Association, Flying Club, Pilot's Association, Government Agency] desirous of constructing a hangar(s) [and related office space] [and vehicle parking] for the purpose of storing privately owned aircraft; and

**WHEREAS**, both the Lessor and Lessee have the right and power to enter into this Lease Agreement; and

**NOW, THEREFORE**, in consideration of the mutual covenants and agreements hereinafter contained the parties agree as follows:

**1. Basic Provisions and Definitions.**

The following terms shall have the definitions set forth below:

**1.1. Days** means calendar days; provided, however, that in the event any date for payment or performance falls on a Saturday, Sunday or federally recognized holiday, the date for such payment or performance shall be extended to the next "business" day.

**1.2. Environmental Laws** means any and all federal, state, local statutes, ordinances, regulations, rules or guidelines now or hereafter in effect, as the same may be amended from time to time, which govern Hazardous Substances or relate to the protection of human health, safety or the environment and include but are not limited to: the Solid Waste Disposal Act, 42 U.S.C. 3251, et seq.; the Federal Insecticide, Fumicide, and Rodenticide Act/Pesticide Act, 7 U.S.C. Section 13 et seq.; the Safe Drinking Water Act, 42 U.S.C. Section 300(f) et seq.; the Oil Pollution Control Act of 1990, 33 U.S.C. Section 2761 et

seq.; Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. Section 9601 et seq. And as amended by the Superfund Amendments and Reauthorization Act of 1986, Pub. Law No. 99-499, 100 Stat. 1613; the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq.; the Clean Air Act, 42 U.S.C. 7401 et seq.; the Clean Water Act, 33 U.S.C. 1251 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801 et seq.; the Resources Conservation Act, 42 U.S.C. Section 6901 et seq.; and laws of New Mexico that define substances as hazardous waste or as hazardous substances and regulate their use or disposal, and regulations promulgated pursuant to such laws. The term Environmental Laws shall be interpreted in the broadest sense.

- 1.3. **Hazardous Substances** means substances, materials, wastes, pollutants, oils or governmentally regulated substances or contaminants as defined or designated as hazardous, toxic, radioactive, dangerous, or any other similar term in or under any of the Environmental Laws, including but not limited to asbestos and asbestos containing materials, petroleum products including crude oil or any fraction thereof, gasoline, diesel fuel, lubricating oils and solvents, urea formaldehyde, flammable explosives, PCBs, radioactive materials or waste, or any other substance that, because of its quantity, concentration, physical, chemical, or infectious characteristics may cause or threaten a present or potential hazard to human health or the environment when improperly generated, used, stored handled, treated, discharged, distributed, disposed, or released. Hazardous Substances shall also mean any hazardous materials, hazardous wastes, toxic substances, or regulated substances under any Environmental Laws and shall be interpreted in the broadest sense.
- 1.4. **Improvements** means the Hangar and all Improvements on the land described in Exhibit B to the Lease, by whomever and whenever constructed, including but not limited to the Hangar.
- 1.5. **Lease Term** means the Term of this Lease, including the Initial Term and any and all properly exercised Options.
- 1.6. **Lessor** means [insert name], a [state of incorporation] [type of corporation/organization], successors and assigns.
- 1.7. **Premises** means the land described in Exhibit A to the Lease and all Improvements thereon.
- 1.8. **Removable Improvements** means trade fixtures including but not limited to cabinets, bookcases, security alarms systems, window coverings, personal property, floor coverings, and partitions, all of which may be removed by Tenant without damage (or with complete repair of any damage by Tenant).

DRAFT REVIEWED BY CITY ATTORNEY NOVEMBER 8, 2013  
FOR REVIEW BY AAB JUNE 5, 2014

- 1.9. **Tenant** means the Tenant identified in the Lease and the Tenant's assigns and successors in interest.

DRAFT

**2. Premises.**

2.1. Lessor hereby leases to Tenant and Tenant leases from Lessor the Premises and the Improvements, as depicted in Exhibit A, on the terms and conditions of this Lease, commencing on the Commencement Date and ending on the last day of the Lease Term, unless sooner terminated as herein provided.

2.2. The Tenant has inspected the Premises and accepts the Premises in their "as is" condition.

**3. Use of Premises.**

3.1. Lessee shall use Premises solely for the purposes of storage of Lessee's own aircraft(s). Aircraft stored on Premises shall be in an airworthy condition unless under current and on-going repairs, inspection, rehabilitation, maintenance, restoration, or renovation.

3.2. Lessee shall be permitted on the Premises to perform regular maintenance and repairs on Lessee's own aircraft by Lessee or by using Lessee's employees, in accordance with Airport Minimum Standards and Airport Rules & Regulations, as enacted and amended, from time to time.

3.3. Storage of lockboxes, other storage bins, units, crates, boxes, tools, parts, and other articles necessary for Lessee's maintenance and operation of the aircraft may be stored inside the Hangar on the Premises. No outside storage is approved without written authorization from Lessor.

3.4. The Lessee agrees not to discharge any Hazardous Substances and agrees to comply with all Environmental Laws related to the deposit, discharge, or release waste, fuel, oil or other petroleum products or fractions at the Airport or on the Premises and not to use the Premises for any unlawful purpose, or for any purpose that may constitute a nuisance.

3.5. Aircraft fueling inside the hangar is strictly prohibited. Aircraft fueling may only be performed on the Premises when the aircraft is outside the hangar, in accordance with Airport Rules & Regulations, as enacted and amended, from time to time.

3.6. Lessee shall not be prohibited from self-fueling Lessee's own aircraft, in accordance with Airport Minimum Standards, as may be amended from time to time, and Airport Rules & Regulations, as enacted and amended, from time to time. However, no fuel storage shall be permitted on Premises without express written authorization of the Lessor and amendment to this Lease.

- 3.7. No right or privilege has been granted which would prevent Lessee or sub-lessees from performing any maintenance, repair or self-fueling on its own aircraft as long as such work or services are not contrary to any Federal State or Local law, rule, regulation, now or hereafter in effect.
- 3.8. Except as otherwise provided herein, Lessee shall only use the Premises for the storage of the aircraft in the area designated in this Agreement and shall not take or use any other area at the Airport that is not part of the Premises, unless the Lessee has an additional lease agreement with Lessor.
- 3.9. No commercial business activities of any kind shall be conducted on the leasehold by Lessee or any Sublessee, Invitee, Guest or Agent.
- 3.10. No vehicles of any type shall be parked on the Premises or inside the Hangar except for those used for transportation to and from the Premises. No long-term parking or storage of any other vehicle shall be permitted unless specifically approved in writing as an exception by the Lessor, and unless the Hangar's primary use remains as aircraft storage. Lessor reserves the right to revise vehicle parking provisions of this Section at any time Lessor may deem necessary.
4. **Lease Term.**
- 4.1. **Initial Term.** This Lease Agreement shall be for an Initial Term of ten (10) years beginning when executed by the Lessor, and terminating on                     . Such ten (10) year Initial Term, as the same may be sooner terminated or extended both as specifically provided in this Lease Agreement, is referred to in this Lease Agreement as the "Term." Upon expiration of the Term or upon cancellation of this Lease Agreement, Lessee shall peacefully surrender and vacate the Premises.
- 4.2. **Option to Renew.** The Lessor hereby grants to Lessee the option to renew this Lease Agreement for two (2) additional five (5) year terms (Options).
- 4.2.1. The terms and conditions of such Option(s) shall be the same terms and conditions as are set forth in this Lease Agreement except for rent and fees, which shall be modified from time to time pursuant to Section 5 of this Lease Agreement. Provided, however, that at such time as either Option is exercised this Lease Agreement will be amended to conform to all federal and other regulations and grant assurances related to the Airport development and operation.
- 4.2.2. Lessee shall notify Lessor in writing of its intention to exercise each of

Lessee's two (2) Renewal Options not less than 90 days before the expiration of the Initial Term and subsequent First Option; otherwise, the Option shall be deemed to have been waived, Lessee's rights to use the Premises shall cease and the Lessee shall peacefully vacate the Premises, removing its property at its own expense no later than the expiration of the Initial Term or First Renewal Option, as applicable.

**4.2.3.** At expiration of this Lease Agreement, Lessee shall peacefully vacate the Premises, removing its Removable Improvements, and as may be applicable unless otherwise provided for in this Lease Agreement, Improvements, at its own expense no later than the expiration of the Term.

**4.3. Termination.** Upon termination of this Lease Agreement by either party, the Lessee's rights to use the Premises shall cease and the Lessee shall peacefully vacate the Premises, removing its Removable Improvements, and as may be applicable unless otherwise provided for in this Lease Agreement, Improvements, within 30 days of written notification of termination by Lessor. Termination by the Lessor shall not relieve the Lessee of liability for any damages sustained by the Lessor caused by Lessee's breach of this Lease Agreement.

## **5. Rent and Fees.**

**5.1.** The Lessee agrees to pay to the Lessor, at the office of the Airport Manager, at the Santa Fe Municipal Airport, or at such place as the Lessor may designate from time to time, for the use of the Premises the following rents and fees:

**5.1.1. Ground Rent.** Lessee shall pay to Lessor a Ground Rent of [insert rate] per square foot for the Premises, except as adjusted as per Section 6 of this Lease Agreement.

**5.1.2. Fuel Flowage Fees.** If Lessee elects to Self-Fuel Lessee's own aircraft, as per this Lease Agreement, Airport Rules & Regulations, as enacted and amended, and Airport Minimum Standards, as amended, Lessee shall pay to Lessor a Fuel Flowage Fee for every gallon of fuel Lessee dispenses into Lessee's own aircraft. Said Fuel Flowage Fee shall be set, as necessary, and by the sole discretion of the Governing Body of the City of Santa Fe, through Resolution.

**5.1.3. Security and Fire Protection Fees.** Lessor reserves the right to impose fair and equitable fees for Security and Fire Protection should such services be provided by Lessor. Said Security and Fire Protection Fee shall be set, as necessary, and by the sole discretion of the Governing Body of the City

of Santa Fe, through Resolution.

**5.2. Schedule of Payments for Rent and Fees.**

**5.2.1.** The Ground Rent, as provided in this Section, shall be payable in advance, with or without invoice, to the Lessor on a quarterly basis on the fifteenth (15<sup>th</sup>) day of the beginning of each calendar quarter.

**5.2.2.** Fuel Flowage and Security and Fire Protection Fees, as provided in this Section, shall be payable in arrears, with or without invoice, to the Lessor on a quarterly basis on the fifteenth (15<sup>th</sup>) day of the beginning of each calendar quarter for the previous calendar quarter.

**5.2.3. Accounting.** Lessor reserves the right to inspect Lessee's accounts to ensure proper payment of those fees in this Section which are variable, specifically, Fuel Flowage Fees. Lessee shall include with payment of variable fees an accounting spreadsheet provided by Lessor to Lessee.

**5.3. Late Payment Penalty.** If the rent and fees payment as provided in this Section is not made within ten (10) days of its due date, the Lessee shall pay, without invoice or demand by Lessor, a finance charge of 1-1/2% per month (18% percent annually) on such past due payment for each month or partial month thereafter that any payment due is not paid.

**6. Escalation Clause.**

**6.1.** The Ground Rent as noted above shall be adjusted as follows:

**6.1.1.** The Ground Rent, as noted in Section 5, shall be adjusted upward annually, except as provided in the following paragraph, in the lease anniversary month by an amount equal to the percentage increase in the CPI Index. CPI Index shall mean the Consumer Price Index presently designated by the United States Bureau of Labor Statistics Consumer Price Index for all Urban Consumers, U.S. City Average, for the month which is four (4) months prior to the Rent Adjustment Date compared to the index published for the month which is sixteen (16) months prior to the Rent Adjustment Date. In the event that the statistics are not available or in the event that publication of the CPI is modified or discontinued in its entirety, the adjustment provided for herein shall be made on the basis of an index chosen by Lessor as a comparable and recognized index of purchasing power of the United States consumer dollar published by the U.S. Department of Labor or other governmental agency; and,

**6.1.2.** Once every five years, the ground rent shall be adjusted upward in the

lease anniversary month by the use of an appraisal for Fair Market Value. The appraised value per square foot shall become the basis for the Ground Rent. Said appraisal shall be paid for by the Lessor, and shall not be conducted more than once every five years. The year that the appraised value takes effect shall become the base year for calculating adjustments of the annual rent under this Section.

**7. Operation and Maintenance.**

7.1. Lessee shall, at Lessee's sole cost and expense, continually keep and maintain the Premises and all Improvements, including but not limited to, landscaping, systems and equipment located thereon (whether constructed by Lessee or Lessor). This responsibility shall also include, without limitation, maintaining the exterior and interior of the Hangar in an attractive, clean and safe condition, and in good repair and operating condition. Lessee shall make all necessary and appropriate preventative maintenance, repairs and replacements. Lessee shall develop and adhere to a maintenance plan and maintenance schedule for all machinery, heating and fire prevention systems located on the Premises. Lessee shall also maintain all pavement and grounds located on the Premises. Without limiting the effect of any other provision of this Lease, it is a material term of this Lease that any Improvements, which are to become the property of Lessor upon the termination or earlier expiration of this Lease, shall be in good condition and repair at such time, reasonable wear and tear excepted.

**8. Construction of Improvements**

8.1. **Lessee's Construction Obligations.** The Lessee shall construct [describe for example "one building consisting of one aircraft hangar and related office space and parking upon said premises"] as depicted on Exhibit B attached hereto. Lessee will also ensure that any Ramp area constructed or reconstructed to accommodate Lessee's Hangar will match existing Ramp surfaces in the area surrounding the new Hangar, will blend seamlessly with the existing Ramp pavement and will conform to Airport Master Plan (as amended), the Airport Layout Plan (as amended), Airport Minimum Standards Ordinance (as amended), the Building Code requirements of the New Mexico Construction Industries Division, the Building Code requirements of the City of Santa Fe, and any City of Santa Fe or Santa Fe County ordinance now in effect.

8.1.1. **Plans.** Prior to beginning any construction, Lessee shall submit design and construction drawings ("Preliminary Plans") to the Airport for review and approval. Once submitted, the Airport shall have thirty (30) days to review and comment on the Preliminary Plans. Lessee will revise the Preliminary Plans on the Airport's comments. "Final Plans", containing the Airport's

required revisions, along with final construction drawings, will be submitted to the Airport for final Airport review.

**8.1.2. Permits.** Once Final Plans are approved by the Airport, Lessee must obtain all required construction permits, fire and storm water permits (as may be necessary) and the approved FAA Form 7460-1 before commencement of construction. Copies of all Permits shall be submitted to Lessor to be included in Lessee's file. Final Plans may not be altered or deviated from without written approval from the Airport and any other required authority. Lessor assumes no liability or responsibility for any defect in any structure constructed from such plans or specifications.

**8.2. Title to Utilities Off Premises.** Title to any and all utility connections located off the Premises shall become the property of the Lessor upon completion of construction and upon written acceptance of Lessor, which shall not be unreasonably withheld or denied.

**8.2.1.** Lessor reserves the right to reject acceptance of such utility connection(s) if, in the sole determination of the Lessor, such utility connection(s) does not conform to the requirements of this Lease Agreement, State law and regulations and City Ordinances. In the event Lessor rejects such utility connection(s), Lessee shall make every necessary and timely attempt to correct any and all issue(s) of non-conformance and shall retain title to and sole responsibility for all costs associated with said utility connection including repair, maintenance and billing.

**8.2.2.** In accordance with State law and regulations and City Ordinances, Lessee shall seek and receive all necessary permits for construction of said utility connections and shall be solely responsible for all design and construction of said utility connections, including associated permitting costs and other costs.

**8.3. General Construction Obligations.** The following general construction obligations apply to all construction work ("Work") occurring on the Premises throughout the term of this Lease, including, but not limited to, Work on the new Hangar and related improvements.

**8.3.1. Construction Schedule.** Once approved and commenced, the Work shall be performed diligently to completion in a timely and good workmanlike manner, only in accordance with the approved plans and specifications, construction schedule and with any conditions imposed upon such approval.

**8.3.2.** Work must begin within 6 (six) months of the date of this Lease Agreement, and complete construction within 12 (twelve) months after the

start of such construction or this Lease Agreement will be null and void, provided, however, that the start and completion times may be extended on a day for day basis for delays caused by adverse weather or other unforeseen circumstances as determined by Lessor.

**8.3.3. Construction Related Costs and Activities.** Lessee shall be responsible for construction and maintenance of any pedestrian sidewalks or walkways or access roads or driveways located on the Premises and for installation of attractive landscaping, utilities and other necessary improvements required to be constructed in conjunction with any Work, pursuant to any requirements of any construction plans approved by the Airport and the terms of this Lease Agreement. All site preparation, including compaction or surcharge of any construction site, shall be the responsibility of the Lessee.

**8.3.4. Utilities.** Lessee shall promptly pay any charges for sanitary sewer, storm sewer, water, gas, electricity, telephone and all other charges for utilities which may be furnished to the Premises. Lessee will be responsible to pay all costs and do all work required to connect to those utilities, if not already connected as of the Commencement Date. Lessee shall be responsible for the cost of maintenance and repair of all existing and newly-installed utility lines serving the Premises from the lease line, into and continued within the Premises, except as detailed in Section 8.2.1 of this Lease Agreement. Lessor agrees to give Lessee reasonable access to adjacent Lessor property, if needed for utility work, subject to the requirement that Lessee keep the property in good condition and repair.

**8.3.5. Construction Bonds.** Lessee shall not commence the performance of any Work upon the Premises, including, but not limited to, construction of the Hangar, nor permit any contractor working the Lessee's behalf to commence work upon the Premises, until Lessee has provided to Lessor a payment bond and a performance bond, acceptable to Lessor, providing coverage to Lessor for: (1) Full performance of the construction; and (2) Payment of all labor and materials expended thereon. Each bond provided under this Section shall be issued by a surety approved by Lessor, in an amount not less than the total costs of the construction Work being undertaken, and shall contain terms and be in a form reasonably acceptable to Lessor.

**8.3.6. Signs.** Lessee shall not erect, install nor permit upon the Premises any exterior sign or other exterior advertising device without first having obtained Lessor's written consent, which consent shall not be unreasonably withheld or delayed.

**8.3.7. Inspection of Construction.** Lessor and its agent, employees and representatives shall, at all reasonable times, with advance notice, have the right to come upon the Premises for the purposes of inspecting the construction of the Work. When exercising its rights under this Section, Lessor agrees to interfere as little as reasonably possible with Lessee's use and occupancy of the Premises and the Work in progress. Lessor shall be entitled to enter onto the Premises at any time, and without notice, in the case of an emergency. Lessor shall be responsible for the acts of its employees, agents and contractors who enter the Premises pursuant to this Section.

**8.3.8. Submission of Drawings.** Within sixty (60) days after the completion of the Hangar, and or any other Work under this Section, where applicable, Lessee shall deliver to Lessor complete and fully detailed "As-Built" drawings of the completed Improvements prepared by an architect or engineer licensed by the State of New Mexico. Failure to provide "As-Built" within this period of time will result in an assessment of a five hundred dollar (\$500) late charge. Failure to provide "As-Built" within ninety (90) days of their due date will constitute an Event of Default, as more particularly described in this Lease Agreement.

**8.3.9. Lessor Approval of Subsequent Construction.** Except as otherwise provided in this Lease Agreement, Lessee shall not make or suffer or permit to be made any alterations, additions or improvements whatsoever in or about the Premises without first obtaining the written consent of Lessor. If Lessor gives such consent, all alterations or improvements shall be done solely at Lessee's expense and in accordance and in compliance with all applicable municipal, state and federal ordinances, laws, rules and regulations.

**8.3.10. Ownership of Improvements.** Subject to the Lessor's Reversionary rights described in this Lease Agreement, Lessee shall be the owner of all the Improvements constructed by and paid for by Lessee located on the Premises during the Initial Term of the Lease ("Lessee's Improvements"). Any improvement paid for by Lessor shall be and always remain owned by Lessor ("Lessor Improvements"). Any Improvements made and paid for by Lessee located outside the Premises on the Airport, including, but not limited to ramps, access roads, gates, fencing, sidewalks, pedestrian walkways, utility connections, will be considered Lessor Improvements. Lessee shall claim no depreciation on any Lessor Improvements. Any Improvements made by Lessee during the Option Term(s) shall be considered Lessee Improvements for depreciation purposes only, to the extent that tax law then allows such depreciation.

**8.3.11. Waste, Removal and Demolition.** Lessee shall not cause or permit any waste, damage, or disfigurement or injury to the Premises or the Improvements and shall not remove or demolish, in whole or in part, any Improvements on the Premises without the prior written approval of Lessor, which Lessor may condition upon the obligation of Lessee to replace the same by a comparable Improvement or other Improvement specified in such approval.

**8.3.12. Cost of Construction of Improvements.** Except as otherwise specifically provided in this Lease Agreement, Lessee shall be solely responsible for paying for all of the above-referenced construction and for ensuring that all construction is completed in accordance with Final Plans.

**9. Reversionary Clause.**

**9.1.** All Improvements remaining on the Premises as of the Termination Date of the Lease Agreement are owned by the City of Santa Fe.

**9.2.** Title to Removable Improvements shall remain in Lessee and Lessee shall be entitled to remove the Removable Improvements on expiration or termination of the Lease Agreement, and shall be required to so remove them if requested by the Lessor. In either case, Lessee shall repair any damage to the Premises and the remaining Improvements caused by removal of the Removable Improvements.

**9.3.** Title to such construction shall remain the property of the Lessee during the term of the lease and the Lessee shall have the right to remove the buildings and improvements at any time during the term of the lease. Lessee agrees to maintain all buildings, hangers, and related office space until the expiration of the Lease. Upon expiration of this Lease Agreement, or as it may be amended in the future, the Lessor has sole choice to direct the Lessee to remove any and all buildings, hangers, and related office space, at Lessee's own cost or, if the Lessor chooses, the title to such construction, as remains, shall pass to the Lessor.

**10. Rights, Reservations and Obligations of Lessor.**

**10.1.** Lessor reserves the right to:

**10.1.1.** Operate the Airport in the best interest of the public and the right, without interference or hindrance to maintain, improve, or further develop the landing area or public use facilities of the Airport as it sees fit, regardless of any protest of the Lessee and to lease additional space to other individuals or corporations at the Airport regardless of any objection of

the Lessee.

- 10.1.2.** Temporarily close all or portions of the Airport for emergencies, regular and routine maintenance and construction or any other reason deemed necessary by Lessor as it sees fit, regardless of any protest of the Lessee, and Lessor shall not be responsible or held accountable for any material or perceived damage to Lessee resulting from such closures. During any such closure, Lessee shall not be relieved of its responsibility to pay rent and fees for Premises, as per this Lease Agreement, unless, in extraordinary circumstances, Lessor agrees to rent and fees abatement that apply to all similar Lessees on the Airport.
- 10.1.3.** Relocate the Lessee at Lessor's expense if the physical development of the airport or the terminal requires relocation of the Lessee provided Lessor provides 60 days written notice to Lessee and the Lessor provides a location substantially similar in form and access. Lessor will compensate Lessee for any actual expenses of relocation incurred by Lessee, subject to Lessor's prior approval of such expenses.
- 10.1.4.** Enter upon the Premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease Agreement and any federal, state, county or city laws, ordinances, regulations, rules and codes now or hereafter in effect.
- 10.1.5.** Require the Lessee to temporarily or permanently relocate his/her aircraft for Airport safety, security, operational or maintenance purposes.
- 10.1.6.** In a non-emergency situation, if, after notice by Lessor, Lessee is not available to move the aircraft, Lessor may move the aircraft without liability, using its best efforts to prevent damage. During the period of relocation, Lessee will be charged the lesser amount of: the Lease Amount due under the Lease Agreement or the lease amount for the unoccupied area in the hanger or tie-down space Lessee's Aircraft is occupying.
- 10.1.7.** Inspect the Leased Premises with reasonable notice to Lessee.
- 10.1.8.** Lease other portions of the Airport or Airport terminal to other lessees, including other ground, air and transportation services. Lessee understands and agrees that nothing in this Lease Agreement shall be construed as granting or authorizing the granting of an exclusive right within the meaning of Section 308 of the Federal Aviation Act of 1958, as amended.

**11. Rights, Reservations and Obligations of Lessee.**

11.1. So long as Lessee conducts itself in a fair, reasonable and workmanlike manner, to peaceably have and enjoy the Premises, and all the rights and privileges herein granted, Lessee shall have the right:

11.1.1. In common with others so authorized, to use common areas of the airport, including runways, taxiways, aprons, roadways, and other conveniences for the take-off, flying and landing of aircraft.

11.1.2. To the non-exclusive use, in common with others, of the airport, appurtenances and improvements thereon, but this shall not restrict the right of the Lessor to charge a fee for the use of such areas.

11.1.3. To install, operate, maintain, repair and store subject to approval of Lessor in the interests of safety and convenience of all concerned, all equipment necessary for the conduct of Lessee's activities.

11.1.4. Of access to and from the Premises, limited to streets, driveways and sidewalks designated for such purposes by the Lessor, and which right shall extend to Lessee's members and guests.

11.1.5. Lessee is authorized to utilize the premises for:

11.1.5.1. Private aircraft storage.

**12. Security Requirements.**

12.1. Lessee shall adhere to any and all local, state and federal requirements, Airport Rules & Regulations, Airport Security Plan, Airport Minimum Standards, Airport Emergency Program, now or enacted in the future, pertaining to airport, aircraft and aviation security.

12.2. Lessee shall ensure that any and all Lessee's guests, agents, contractors, suppliers, vendors, employees, invitees and visitors operating on the Airport adhere to any and all local, state and federal requirements, Airport Rules & Regulations, Airport Security Plan, Airport Minimum Standards, Airport Emergency Program, now or enacted in the future, pertaining to airport, aircraft and aviation security.

**13. Damage to Facilities.**

13.1. If the Premises should be damaged or destroyed by fire or other casualty, Lessee shall give immediate written notice to Lessor.

**13.2.** In the event of damage to or destruction of the Improvements, Lessee shall, in accordance with this Lease Agreement, repair or reconstruct the Improvements; provided, however, that if the Improvements are so damaged that they are un-tenantable and cannot reasonably be repaired, in the reasonable judgment of the Lessee, within six months from the date of the casualty, then Lessee may elect to terminate this Lease Agreement by providing thirty (30) days written notice of such termination to the Lessor within sixty (60) days after the date of the casualty.

**13.3.** Lessee shall within sixty (60) days of the casualty, remove debris, damaged fixtures and Improvements, etc. to insure the Premises do not represent a safety hazard and have a reasonable appearance. If the Lessee does not provide the above mentioned notice to terminate within sixty (60) days after the casualty, Lessee shall be required to promptly rebuild the Improvements to a standard at least equal in size and quality to that which existed prior to the casualty in accordance with the requirements of this Lease Agreement.

**14. Insurance.**

**14.1. Insurance Required.** Lessee shall, at its own cost and expense, procure and maintain in full force and effect during the Term of this Lease Agreement, the following insurances:

**14.1.1. Aircraft Liability Insurance.** The Lessee shall procure and maintain Aircraft Liability Insurance for any and all aircraft stored on Premises in an amount not less than:

**14.1.1.1.** Single Limit Liability \$1,000,000 per occurrence

**14.1.1.2.** Property Damage \$1,000,000 per occurrence

**14.1.1.3.** Bodily Injury Per Person \$100,000 per occurrence

**14.1.2. Real Property Insurance.** Lessee shall procure and maintain Real Property Insurance in an amount not less than 100% the replacement value of the real property on Premises, whether owned by Lessee or by Lessor and leased by Lessee.

**14.1.3. Builders All-Risk.** In the amount of the cost of the Work approved in Section 8 of this Lease Agreement and for the total duration of said project.

**14.1.4. Completion Bond.** In the amount of the cost of the Work approved in Section 8 of this Lease Agreement and for the total duration of

said project.

**14.1.5. Additional Insured.** Lessee shall name the City of Santa Fe/Santa Fe Municipal Airport as Additional Insured on all insurance policies required in this Lease Agreement.

**15. Environmental.**

**15.1.** Lessee shall not commit, or suffer to be committed, any waste upon the Premises, or any nuisance or other act or thing which may disturb the quiet enjoyment of the Airport or surrounding property. Lessee shall provide, as necessary, a separate drainage, collection, and/or separation system to ensure that no untreated liquid waste from any type of operation, including vehicle cleaning, and oil change operations, will enter the Airport storm drainage or sanitary system.

**15.2.** Lessee shall, at all times, comply with all applicable laws, rules and regulations of the federal, state and local governmental agencies. Lessee shall not permit any activity which directly or indirectly produces unlawful amounts or levels of air pollution, noise, glare, heat emission, electronic or radio interference with navigational and communications facilities for the operation of the Airport and for Airport use by aircraft, trash or refuse accumulation, vibration, prop-wash, or jet blast, which is hazardous or dangerous by reason or risk of explosion, fire or harmful emission. Any waste oil storage tanks shall be in approved containers and in accordance with all environmental and fire protection regulations.

**15.3.** Hazardous substances are any substance, material, or waste, (including any petroleum products, solvents, thinners, herbicides and soil sterilants and aircraft deicing fluids) which is or become designated, classified or regulated as being "toxic," "hazardous," a "pollutant," or is in the future given a similar designation under any federal state or local law, regulation or ordinance.

**15.4.** Lessee agrees to defend, indemnify and hold Lessor harmless from and against all liabilities, claims, actions, foreseeable and unforeseeable consequential damages, costs and expenses (including sums paid in settlement of claims and all consultant, expert and legal fees and expenses of Lessor's counsel) or loss directly or indirectly arising out of or resulting from the presence of any hazardous substance as a result of Lessee's or any sub-tenant's activities on the Premises, subsequent to the execution of this Lease Agreement but before, during or after construction, in or around any part of the property or the soil, groundwater or soil vapor on or under the property, including those incurred in connection with any investigation of site conditions or any cleanup, remedial, removal or restoration work, or any resulting damages

or injuries to the person or property of any parties or to any natural resources. Upon demand by Lessor, Lessee shall defend any investigation, action or proceeding alleging the presence of any hazardous substance as a result of Lessee's or its subtenant's occupancy of the leased property, in any such location which affects the property or which is brought against the Lessor, whether alone or together with Lessee or any other person, all at Lessee's own cost and by counsel to be approved by Lessor in the exercise of its reasonable judgment. Should Lessee fail to defend such action, then Lessor may elect to conduct its own defense at the expense of the Lessee. Lessee shall comply and cause all occupants of the property to comply with all laws, regulations, and ordinances governing or applicable to hazardous substances. Lessee acknowledges that hazardous substances may permanently and materially impair the value and use of real property. Lessee shall promptly notify Lessor if it knows, suspects or believes, there may be any hazardous substance in or around the property or in the soil, groundwater, or on or under the leased property, or that Lessee or the property may be subject to any threatened or pending investigation by any governmental agency under any law, regulation, or ordinance pertaining to any hazardous substance. Lessee shall have no obligation to defend, indemnify, or hold harmless Lessor from any claims, causes of action, or damages which arise on account of Lessor's own conduct, the conduct of third parties other than Lessee's subtenants, or which is attributable to pre-existing conditions or events over which Lessee exercise no control, even though the leased Premises may be impacted thereby.

**16. Taxes and Fees.**

**16.1.** The Lessee shall promptly pay any and all taxes, personal property tax, leasehold tax, gross receipts tax, transaction privilege tax or other exaction assessed or assessable and pay all license fees and permit fees applicable to the Lessee's operation, and acquire and keep current, all licenses, municipal, state or federal as the result of the Lessee's operations at the Airport pursuant to this Lease Agreement, and shall not allow any of said taxes, excises or licenses to become delinquent.

**16.2.** The Lessee shall not permit any mechanic's or materialman's or any other lien to be placed or foreclosed upon the Leased Premises or Improvements thereto. The Lessee shall have the ability to contest payment demand by a contractor. Should the Lessee withhold payments to a contractor, the Lessee shall be required, at the Lessor's option, to deposit with the Lessor or a court of competent jurisdiction, an amount equal to the amount in dispute.

**17. Liens.**

**17.1.** Lessee agrees to pay, when due, all sums for labor, services, materials,

supplies, utilities, furnishings, machinery or equipment which have been provided to the Premises. Lessee shall not suffer or permit any liens to attach to the interest of Lessee in all or any part of the Premises by reason of any work, labor, services, or materials done for, or supplied to, or claimed to have been done for or supplied to, Lessee, or anyone occupying or holding an interest of Lessee in all or any part of the Improvements on the Premises through or under Lessee. If any lien is filed against the Premises, Lessee shall cause the lien to be discharged of record within thirty (30) days after the date of filing of same, by either payment, deposit or bond. In the event that Lessee fails to remove the lien with thirty (30) days, then, Lessor shall automatically have the right, but not the obligation, to pay the lien off, after giving notice of its intent to do so to Lessee and Lessee shall immediately reimburse Lessor for any sums so paid to remove any such lien, together with a delinquency charge due thereon, calculated from the date Lessor funds were expended thereon.

**18. Defaults.**

**18.1.** Lessor may cancel this Lease Agreement by giving Lessee written notice of any alleged default under or breach of the Lease Agreement and thirty (30) days within which to cure any default or breach upon or after the happening of any of the following events:

**18.1.1. Cancellation for Non-Payment.** If the Lessee shall default in any payment obligations contained herein, and the default shall continue for thirty (30) days after the effective date of written notice thereof to the Lessee, given by the Lessor in accordance with the provisions of this Lease Agreement, then the Lessor shall have the option to declare the Term ended, without forfeiture, waiver or release of the Lessor's rights to any sum of money due, and to recover and enjoy possession of the Leased Premises, whether with or without process of law. In the event of cancellation for non-payment, Lessor may, at its option, attach a landlord's lien to any improvements on the Premises, and said improvements may not be removed from the Premises without Lessor's prior approval.

**18.1.2. Cancellation for Default other than Payment.** If the Lessee shall default in the performance of any terms, covenants, agreements or conditions of this Lease Agreement other than in the performance or payment obligations, as set forth above, and the default shall continue for thirty (30) days after written notice thereof to the Lessee, given by the Lessor in accordance with the provisions of this Lease Agreement, then the Lessor shall have the option to declare the Term ended, without forfeiture, waiver or release of the Lessor's rights to any sum of money due, and to recover and enjoy possession of the Leased Premises, whether with or without process of law. However, if any default or breach may not

reasonably and capably be cured within thirty (30) days after written notice thereof, and if Lessee diligently attempts to cure the default or breach, Lessee shall pay Lessor for all costs incurred by Lessor as a result of Lessee's default; and such payment shall be made promptly upon Lessee's receipt of written demand from Lessor.

**18.2.** No waiver of default by the Lessor of any of the terms, covenants, agreements or conditions hereof to be performed, kept and observed by the Lessee shall be construed to be an act of waiver of any subsequent default of any of the terms, covenants, agreements and conditions herein contained to be performed, kept and observed by the Lessee. The acceptance of rental by the Lessor for any period or periods after a default of any of the terms, covenants, agreements and conditions herein contained to be performed, kept and observed by the Lessee, shall not be deemed a waiver of any right on the part of the Lessor to cancel this Lease Agreement for failure by the Lessee to so perform, keep or observe any of the terms, covenants, agreements or conditions of this Lease Agreement.

**18.3. Other Cancellation.** The Lessor may cancel this Lease Agreement only by giving the Lessee thirty (30) days written notice and opportunity to cure, with or without process of Law, upon or after the happening of any one of the following events:

**18.3.1.** If Lessee fails to use the Premises for the purposes set forth in this Lease Agreement, Lessor may declare this Lease Agreement to be terminated and to re-enter the Premises or any part thereof, with or without the process of law, to expel, remove and put out Lessee or any other persons occupying the Premises, using such force as may be reasonably necessary in doing so. Lessee shall pay all costs, including reasonable attorney's fees and expenses and court costs that may arise in enforcing the covenants, conditions and terms of this Lease Agreement.

**18.3.2.** The filing by the Lessee of a voluntary petition in bankruptcy, or the institution of proceedings in bankruptcy against the Lessee and the adjudication of the Lessee as a bankrupt pursuant to such proceedings.

**18.3.3.** The taking of a court of jurisdiction of Lessee and its assets pursuant to proceedings brought under the provisions of any Federal reorganization act.

**18.3.4.** The appointment of a receiver of the Lessee's assets.

**18.3.5.** The cancellation, reduction below minimums, or other termination of any insurance policy issued in compliance with this Lease Agreement

shall automatically terminate this Lease Agreement, unless another policy has been filed and approved pursuant to this Lease Agreement.

**18.3.6.** If the Lessee should breach any of the nondiscrimination covenants, Lessor shall have the right to terminate this Lease Agreement and to reenter and repossess said Leased Premises and hold the same as if said Lease Agreement had never been made or issued.

**19. Cancellation by Lessee.**

**19.1.** The Lessee may cancel this Lease Agreement and terminate all or any of its obligations hereunder at any time that the Lessee is not in default in the payment of any rents or fees to the Lessor pursuant to this Lease Agreement by giving the Lessor thirty (30) days advance written notice of its intentions to discontinue its activities at the Airport.

**20. Assignment and Subletting.**

Lessee may not, without the prior written consent of Lessor, at any time during the Term of this Lease Agreement, sell, lease, assign, transfer, sublease or permit to be acquired, this Lease Agreement or any interest herein.

**21. Regulatory Compliance**

**21.1.** Lessee and Lessor agree to observe and obey during the Term of this Lease Agreement, all laws, ordinances, minimum standards, rules and regulations promulgated and enforced by Lessor, and by any other proper authority having jurisdiction over the conduct of operations at the airport, including the federal government, the state, the county and the city now or hereafter in effect.

**22. Hold Harmless.**

**22.1.** Lessee agrees to defend, indemnify and hold harmless Lessor from loss from each and every claim and demand of whatever nature, made on behalf of or by any person or persons, for any wrongful, careless or negligent act or omission of Lessee or Lessee's employees, members and guests, and from all losses and damages by reason of such acts or omissions.

**23. Nondiscrimination.**

**23.1.** The Lessee, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration under this Lease Agreement, does hereby covenant and agree as a covenant running with the land that:

- 23.2.** No person on the grounds of race, color, sex, disability or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- 23.3.** In the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, sex, disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise subjected to discrimination.
- 23.4.** The Lessee shall use the premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.
- 23.5.** The Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, disability or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the service or benefits of any program or activity covered by this subject. The Lessee assures that it will require that its covered sub-organizations provide assurances to the Lessee that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152 Subpart E, to the same effect.

**24. Living Clauses.**

Lessee shall not use the Premises or knowingly permit the same to be used by any of its employees, officers, agents, subtenants, invitees, guests, visitors, suppliers, contractor, vendors or licensees for any illegal purposes and shall at all times during the Lease Term comply with all present and future regulations, ordinances, and laws of the City of Santa Fe, the County of Santa Fe, the State of New Mexico and the United States, and of any political division or subdivision, agency, or authority, thereof which may have jurisdiction to pass laws or ordinances or to make and enforce rules or regulations with respect to the uses hereunder or the Premises. Lessee shall make, at its own expense, all Improvements, repairs, and alterations to the Premises that are required to comply with or conform to any of such statutes and ordinances. Without limitation, Lessee shall comply with all applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12101) and federal regulations promulgated thereunder (28 C.F.R. Parts 35, 36, and 37).

**25. Force Majeure.**

Except as expressly provided in this Agreement, neither Lessor nor Lessee shall be deemed to be in Default hereunder if and for as long as it is prevented from performing any obligation other than payment of rentals, fees and charges by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of the public enemy, weather conditions and results of acts of nature, riots, rebellion, sabotage, or any other similar circumstances for which it is not responsible or which are not within its control.

**26. Holdover.**

Upon the expiration of the Term of this Lease Agreement, Lessor may, in its sole discretion, allow Lessee to Holdover for a period not to exceed 60 days from the expiration of this Lease Agreement. Holding-over by the Lessee after the expiration of the Term of this Lease Agreement, whether with or without the consent of the Lessor, shall not operate to extend or renew this Lease Agreement or any unexecuted Option. Any such Holding-over shall be construed as a tenancy from month-to-month at the rents set forth in this Lease Agreement under the terms herein.

**27. Subordinate Provisions.**

This Lease Agreement shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States or the State of New Mexico relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development of the Airport.

**28. Amendment in Writing.**

No amendment between the Lessor and Lessee relative to the leasehold interest herein shall be valid and enforceable unless in writing and executed by both the Lessor and Lessee.

**29. Governing Law and Venue.**

This Lease Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico. Lessee shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the City of Santa Fe. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. The parties agree that any action or suit to enforce the terms of this Agreement commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

**30. Entire Agreement.**

This Lease Agreement constitutes the entire agreement between the parties. No statements, promises, or inducements made by any party to this Lease Agreement, or any agent or employees of either party, which are not contained in this written contract shall be valid or binding. This Lease Agreement may not be enlarged, modified, or altered except in writing signed by the parties.

**31. New Mexico Tort Claims Act.**

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. Tenant and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

**32. Third Party Beneficiary.**

It is specifically agreed between the parties executing this Lease Agreement that it is not intended by any of the provisions of this Lease Agreement to create in the public or any member thereof, third party beneficiary status in connection with the performance of the obligations herein without the written consent of the Lessor and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof in fulfilling the obligations of the Lease Agreement.

**33. Sufficient Appropriations.**

Lessor's financial obligations, if any, under this Lease Agreement are contingent upon sufficient appropriations and authorization being made by the Governing Body of the City of Santa Fe for the performance of this Lease Agreement. Lessor's decision as to whether sufficient appropriations are available shall be accepted by the Lessee or or any party to this Lease Agreement, and shall be final.

**34. Approvals, Consent and Notices.**

Any approvals, consents and/or notices required to be given to the Lessor shall be hand-delivered, sent via overnight courier service, or sent by certified mail, postage prepaid, addressed to:

Airport Manager  
Santa Fe Municipal Airport  
P.O. Box 909

Santa Fe New Mexico, 87504-0909

Any approvals, consents and/or notices to be given to the Lessee shall be hand-delivered, sent via overnight courier service or sent by certified mail to:

Contact name  
Contact title  
Contact address  
Contact fax number  
Contact email address

Or to such other respective addresses as shown by the date of the notice if delivered by hand or by the date of receipt as shown by the U.S. Postal Service Certified Mail Return Receipt, if mailed.

**35. Article Headings.**

The paragraph and subparagraph headings contained in this Lease Agreement are inserted for reference and convenience and are not intended to define or limit the scope of any provision of this Lease Agreement.

**36. Invalid Provisions.**

In the event any covenant, condition or provision contained in this Lease Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, conditions or provisions contained in this Lease Agreement shall not affect the enforceability of the balance of this Lease Agreement; provided that the invalidity of such covenant, condition or provision does not materially prejudice either the Lessor or the Lessee in its respective rights and obligations contained in this Lease Agreement.

In Witness Whereof, the parties hereto have caused this Lease Agreement to be executed as of the day and year first above written.

, Mayor

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

, City Clerk

City Attorney

, Finance Director

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

Date:

STATE OF NEW MEXICO )

)SS.

COUNTY OF SANTA FE )

Subscribed and Acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_ by \_\_\_\_\_.

My Commission Expires:

DRAFT REVIEWED BY CITY ATTORNEY NOVEMBER 8, 2013  
FOR REVIEW BY AAB JUNE 5, 2014

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DRAFT

DRAFT REVIEWED BY CITY ATTORNEY NOVEMBER 8, 2013  
FOR REVIEW BY AAB JUNE 5, 2014

EXHIBIT A  
SITE PLAN OF LEASEHOLD AREA

A CERTAIN LEASE PARCEL, CONSISTING OF, AND BEING MORE PARTICULARLY  
DESCRIBED BY METES AND BOUNDS ON THE FOLLOWING PAGES.



DRAFT REVIEWED BY CITY ATTORNEY NOVEMBER 8, 2013  
FOR REVIEW BY AAB JUNE 5, 2014

EXHIBIT B  
PLAN

PLANS AND SPECIFICATIONS FOR IMPROVEMENTS TO LEASEHOLD AREA



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## **Exhibit A SCOPE OF SERVICES**

### **SANTA FE MUNICIPAL AIRPORT MASTER PLAN**

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#### ***INTRODUCTION***

This Airport Master Plan Scope of Services has been prepared to provide an element and task description of the study efforts to conduct an airport master plan for the Santa Fe Municipal Airport, owned and operated by the City of Santa Fe, New Mexico. The objective of the airport master planning effort is to provide City of Santa Fe (Sponsor) officials with proper guidance for future airport development. The airport master plan will be prepared under guidelines established by the Federal Aviation Administration (FAA) and the New Mexico Department of Transportation (NMDOT) – Aviation Division. Coordination between the City of Santa Fe, NMDOT, the FAA, and the consultant team will be essential to bringing together all facts and data relevant to the project and to developing a mutual agreement regarding both the short and long term (20-year) airport development. The Consultant (Molzen-Corbin in association with Coffman Associates) will provide the services outlined below. Specific issues to be addressed include but are not limited to the following:

- To examine the projected aviation demand and identify the facilities necessary to accommodate the demand.
- To determine projected needs of airport users for the next 20 years by which to support airport development alternatives.
- To recommend improvements that will enhance the airport's safety and capability to serve the community's aviation needs.
- To establish a schedule of development priorities and a program for the improvements proposed by this master planning effort.
- To prepare and prioritize a new airport capital improvement program.
- To prepare an updated Airport Layout Plans (ALP) for the airport in accordance with FAA and NMDOT Guidelines.
- To develop active and productive public involvement throughout the planning process.

#### **ELEMENT 1 - INITIATION**

##### **Task 1.1 - Study Design**

**Description:** Detailed descriptions of each item of work required for completion of the Airport Master Plan for the Santa Fe Municipal Airport will be prepared. Guidelines provided by the City of Santa Fe and those drawn from the FAA and NMDOT will be integrated into the scope of work. Initial and final draft copies of the work program will be prepared and delivered to the City of Santa Fe for comments. The final product of this task will be a scope of services which will be attached

and made a part of the project contract documents. Charts of the project workflow/schedule will also be included.

Each task to be performed will be evaluated to estimate the number of person-days necessary to accomplish the work efforts and the cost per person-day based on the billing classifications of the planning professionals assigned. Expenses for materials, reproduction and printing, and miscellaneous study-related costs will also be estimated. When estimated person-days have been established, it will provide input to the development of a project schedule identifying allowable timeframes for major phases of the study. This schedule will also identify milestones for deliverables of each element to be submitted for review. A task-by-task itemization of project person-days and costs, with a final project time schedule in graph form, will be attached to all copies of the final work scope.

***Responsibilities:***

***Consultant:*** Organize and review the work scope and cost estimates with the Sponsor.

***Sponsor:*** Review and approve the work scope and cost estimates.

***Product:*** A work scope and cost estimate that becomes the basis for the airport master plan.

**Task 1.2 - Establish Master Plan Advisory Committee**

**Description:** Potential members will be identified and asked to serve on a Master Plan Advisory Committee (MPAC) for the master plan. The MPAC will be composed of a) representatives of local, regional, state, or federal agencies; b) airport users and tenants; c) local community representatives; and d) the local business community. The MPAC, which is a non-voting body, will advise the Sponsor and Consultant on the content and recommendations of the Master Plan study through meetings and review of working papers. The MPAC shall not exceed (20) members.

The MPAC will provide input and comment to the Consultant during the preparation of the master plan through meetings and review of working papers. Workbooks will be provided to the MPAC for use during the study. A standard three-ring notebook will be used with a format designed to allow working papers to be inserted as the study progresses.

***Responsibilities:***

***Consultant:*** Assist Sponsor in selection of MPAC members, design project cover and set up project workbooks.

***Sponsor:*** Extend invitations to potential committee members.

***Product:*** A Master Plan Advisory Committee which will meet during the course of the Master Plan Study, along with up to 30 MPAC Workbooks to keep working papers study information.

## **ELEMENT 2 - INVENTORY**

The purpose of this Study Element is to assemble and organize relevant information, data and mapping to be used throughout the study in support of various analyses. In addition, this element will maximize the use of existing information and will prepare new data and documentation only when existing information is unavailable, incomplete or outdated. Specific attention will be paid to airport development and other changes that have occurred since the completion of the last master plan.

### **Task 2.1 - Inventory Airfield Facilities**

**Description:** Perform an inventory of the physical facilities associated with the airfield at Santa Fe Municipal Airport (i.e., runway, taxiway, ramp and apron pavement structures, marking, lighting and navigational aids). This inventory will include a collection and examination of record drawings and documents, interviews with airport management and maintenance staff, and limited on-site investigation of the airfield facilities to determine condition.

#### ***Responsibilities:***

**Consultant:** Perform on-site inspection of facilities and collect information.

**Sponsor:** Assist Consultant with collection of data and coordinate interviews as necessary.

**Product:** Airport facilities inventory.

### **Task 2.2 - Inventory Landside Physical Facilities**

**Description:** Perform an inventory of non-airfield physical facilities and land uses which presently exist within the boundaries of the airport. The inventory will include a review of plans and documents as well as inspection of the facilities to determine type and size, condition, adequacy, and use. The physical facilities inventory will include the following relevant items as a minimum:

**Terminal Complex** - Passenger and cargo (including latest terminal expansion plans).

**Operations Area** - Maintenance, ARFF, FBO areas and Fueling.

**Hangar Area** - T-hangars, conventional hangars, etc.

**Access and Parking** – Off-airport access and international roadway system, auto parking locations and spaces.

**Ancillary Facilities** – Aviation-related industry and business facilities, as well as individual non-aviation related land uses.

***Responsibilities:***

***Consultant:*** Perform on-site inspection of landside physical facilities.

***Sponsor:*** Assist Consultant with collection of data and coordinate interviews as necessary.

***Product:*** Landside facilities inventory to be used in later analysis.

**Task 2.3 - Inventory Aircraft Activity**

**Description:** Perform inventories of available information pertaining to aviation activity at Santa Fe Municipal Airport. The assembled data will include, as available:

- a) Historical operations including air carrier, air taxi, general aviation, and military (annual: 20 years; monthly: 5 years; hourly: peak month operations).
- b) Local and itinerant operational splits.
- c) Historical airline passenger enplanements (annual: 20 years; monthly: 5 years; hourly: peak month operations).
- d) Based aircraft, by n-number and type, as available.

***Responsibilities:***

***Consultant:*** Assemble data.

***Sponsor:*** Assist Consultant in obtaining available airport records.

***Product:*** Aircraft activity inventory for input to subsequent tasks.

**Task 2.4 - Inventory Airspace, ATC, and Regional Airports**

**Description:** Review and perform inventories of airspace and air traffic procedures and operations at Santa Fe Municipal Airport. Conduct interviews with airport officials, FAA representatives, pilots, and others as necessary or appropriate to develop a complete description of aircraft operations and airspace at the airport. Basic inventory items will include:

- a) Airways and air traffic patterns.
- b) Noise abatement procedures.
- c) Approach and departure procedures.
- d) Airspace conflicts and obstructions.
- e) Military airspace
- d) National Parks/Wilderness Areas

Identify and describe existing public airport facilities within a 30-nautical mile radius of the Santa Fe Municipal Airport. Basic inventory items will include at a minimum:

- a) Runway lengths and widths.
- b) Instrument approach procedures.
- c) Airline service.
- d) General aviation services.
- e) Total based aircraft, annual operations, and annual enplaned airline passengers.

***Responsibilities:***

***Consultant:*** Assemble data.

***Sponsor:*** Assist in arranging interviews as necessary.

***Product:*** Inventory of airspace and air traffic control at and around Santa Fe Municipal Airport for input into later analysis.

**Task 2.5 - Inventory Socioeconomic Data**

**Description:** Obtain statistical data on historical and forecast socioeconomic factors for the Santa Fe area. These factors will include employment, income, and population with emphasis placed upon identification of specific socioeconomic characteristics and growth patterns of the region. At a minimum, state, county, and community data will be obtained from the University of New Mexico Bureau of Business and Economic Research (BBER).

***Responsibilities:***

***Consultant:*** Assemble data based on latest information available.

***Sponsor:*** Assist in collection of data.

***Product:*** Inventory of area socioeconomic data for input to later analysis.

**Task 2.6 - Inventory Vicinity Land Use and Control**

**Description:** Review the existing land use mapping, recent aerial photography, comprehensive plans, general plans, specific plans, aviation easements, and other documentation pertaining to land use and land use management in the vicinity of the airport.

***Responsibilities:***

***Consultant:*** Assemble data based on latest information available.

***Sponsor:*** Assist in collection of data.

***Product:*** Inventory of vicinity land use for input to later analysis.

### **Task 2.7 - Obtain Updated Aerial Photography and Topographic/Planimetric Mapping**

**Description:** Digital color aerial photography and topographic/planimetric mapping of the airports and surrounding environs will be flown and develop for use in the master plan and ALP development. Top of structure heights will also be obtained for all buildings on-airport, as well as any that may be in a runway protection zone (RPZ) currently extending off airport property. An 18B survey or eALP/AGIS is not considered a part of this task. An optional eALP/AGIS element is provided at the end of this Scope of Services.

#### ***Responsibilities:***

*Consultant:* Obtain aerial photography.

*Sponsor:* Review coverage area prior to flights.

*Product:* Updated photography and mapping.

### **Task 2.8 - Obtain Tabulated Wind Data**

**Description:** The Consultant will obtain the most current ten years of wind data for Santa Fe Municipal Airport for which records are maintained by the National Oceanic and Atmospheric Administration, National Climatic Center. This data will be utilized in preparing an updated wind rose for the airport.

#### ***Responsibilities:***

*Consultant:* Obtain 36-point wind data from NOAA.

*Sponsor:* Review wind data on Airport Layout Plan Drawing.

*Product:* Updated wind rose.

### **Task 2.9 - Prepare Inventory Working Paper**

**Description:** Assemble summarized data, information, and mapping from work efforts associated with the inventory tasks, and organize these findings into a working paper which will describe existing conditions. Up to thirty (30) copies of the working paper will be provided for review and comment.

#### ***Responsibilities:***

*Consultant:* Develop narrative and graphics for the working paper. Responsible for distribution of the working paper to the MPAC members.

**Sponsor:** Review. Coordinate with the Consultant as necessary.

**Product:** Thirty (30) copies of the working paper for the master plan covering the items outlined in the Inventory element. This working paper will become a chapter in the final report.

### **ELEMENT 3 - FORECASTS**

This study element is intended to determine an estimate of future levels of air traffic by quantity and by characteristics that will identify the demand to be planned for at the airports and in the surrounding airport environs area. The work tasks to be carried out as part of the element include the following.

#### **Task 3.1 - Review Regional Aviation and Socioeconomic Forecasts**

**Description:** Review and analyze current local and regional socioeconomic forecasts obtained in the inventory element. Organize historical and forecast socioeconomic data into relevant categories for comparison with related aviation statistics. Similarly review the forecasts and assumptions of the aviation forecasts prepared by NMDOT - Aviation Division for the *State Aviation System Plan* and by FAA for its *Terminal Area Forecasts*. The forecasts prepared by the previous master planning effort for the airport will also be reviewed and analyzed.

#### **Responsibilities:**

**Consultant:** Analysis of statistics and socioeconomic forecasts.

**Sponsor:** Review.

**Product:** Historical and forecast socioeconomic statistics.

#### **Task 3.2 - Prepare Commercial Service Forecasts**

**Description:** Develop commercial service demand forecasts for Santa Fe Municipal Airport using mathematical approaches, and taking into consideration forecasts from other sources such as the FAA and NMDOT. The passenger enplanement forecasts will take into account the air service potential of the region. Historical passenger and operations data will be organized to evaluate fleet mix and peaking characteristics. Recent orders for new aircraft placed with manufacturers will be reviewed for fleet mix and operations forecasts. This will result in estimates of commercial demand for periods ending in 2020, 2025 and 2035 which will be presented as:

- Annual enplaned passenger volumes
- Annual commercial service aircraft operations.

- Peak hour enplanements and operations.
- Commercial service aircraft mix

***Responsibilities:***

*Consultant:* Prepare commercial service forecasts.

*Sponsor:* Review forecast.

*Product:* New commercial service forecast.

**Task 3.3 - Prepare General Aviation, Military, and Air Cargo Forecasts**

**Description:** Develop general aviation, military, and air cargo demand forecasts using simple graphical approaches and more complex methodologies, taking into consideration forecasts from other sources such as the FAA and NMDOT. Historical general aviation, military, and air cargo activity statistics for the airport will be organized to evaluate airport peaking characteristics and fleet mix ratios. The methodology used in this analysis will involve a variety of techniques that will factor in national general aviation transportation statistics, local socioeconomic factors, and independent airport data. A final refinement of activity forecasts will be conducted to integrate the effects of changing technology in general aviation and air cargo, and re-alignments in the military, to result in estimates of aviation demand for 2020, 2025, and 2035. These will be presented as:

- Based aircraft totals and mix
- Annual general aviation operations (local vs. itinerant)
- Tons of enplaned air cargo
- Annual air cargo operations and fleet mix
- Annual military operations (local vs. itinerant)
- Peak hour operations
- Annual instrument approaches (AIA's)
- Critical aircraft

***Responsibilities:***

*Consultant:* Prepare general aviation, military, and air cargo forecasts.

*Sponsor:* Review forecast.

*Product:* New forecasts.

### **Task 3.4 - Prepare Forecasts Working Paper**

**Description:** The findings of the forecast effort will be presented in a working paper. Thirty (30) copies will be prepared for distribution. At the end of this task the new forecasts will be submitted to FAA for approval. If the five-year forecasts vary more than 10 percent from the FAA TAF data, or if the ten-year forecasts vary more than 15 percent from the FAA TAF data, a letter will be prepared by the Consultant and forwarded to FAA Southwest Region New Mexico-Louisiana Airports District Office, explaining any differences and requesting approval of the forecasts.

#### ***Responsibilities:***

**Consultant:** Prepare narrative and graphics, print copies, and distribute to committee, upon review submit forecasts to FAA for review and approval.

**Sponsor:** Review.

**Product:** Working paper summarizing forecasting analysis, and FAA forecast approval.

### **ELEMENT 4 - FACILITY REQUIREMENTS**

The purpose of this study element is to convert basic capacity needs into types and quantities of actual physical facilities required to meet forecast demands in aviation activity, and to identify short-term corrective strategies for problems that demand immediate attention.

#### **Task 4.1 - Establish Physical Planning Criteria**

**Description:** Identify physical planning criteria for use in assessing the adequacy of various airport facilities to meet forecast demands at the airport. These criteria shall be based upon the latest FAA requirements and standards outlined in FAA Advisory Circular 150/15300-13A, Airport Design as they apply to the, the level of activity identified, new technology, and the role of the airport. These criteria shall include dimensional standards for safety, including runway/taxiway safety areas, runway protection zones, and other general physical planning requirements. A table listing all deviations from current design standards will be prepared. Any recommended changes to an airport's design standards will be supported by specific written justification.

#### ***Responsibilities:***

**Consultant:** Identify dimensional design standards and possible deviations.

**Sponsor:** Review assumptions.

**Product:** Physical planning criteria.

#### **Task 4.2 - Determine Airfield Capacity and Delay**

**Description:** Using appropriate airfield capacity/delay techniques provided in FAA Advisory Circular 5060-5, "Airport Capacity and Delay", estimate current and future levels of airfield capacity and delay. These analyses will be prepared for the existing airfield orientation. The analysis will be based upon the aviation demand forecasts and will involve the investigation of management and operational procedures in order to optimize the use of the total airside.

##### ***Responsibilities:***

**Consultant:** Prepare inputs and calculate airfield capacity and delay.

**Sponsor:** Review.

**Product:** Airfield capacity is annual and hourly outputs, and estimate of annual delays for each planning horizon.

#### **Task 4.3 - Determine Airfield Requirements**

**Description:** Using the results of the demand/capacity studies (Task 4.2), as well as relevant information from other tasks, determine and prepare a preliminary list of facility requirements needed to meet projected demands for existing, short, intermediate, and long range planning horizons. These facility requirements will be used in the later comparative evaluations and will be based upon both the airport physical planning criteria and the aviation forecasts.

Facility requirements to meet aviation demands for the airfield will include (but not be limited to):

- Runways, taxiways, and aprons
- Lighting and marking
- Navigational aids
- Airport Traffic Control Tower

The facility requirements will be developed in the form of gross areas and basic units and will be compared to those that presently exist to identify the future development items needed to maintain adequate service, function, and operations of the airport. In subsequent tasks, the above facility requirements will be translated into alternative plans for further evaluation in relation to established planning criteria. Because facility requirements are a function of airport concept possibilities (particularly in staging), these later analyses will be performed in coordination with other factors and may undergo several modifications.

##### ***Responsibilities:***

**Consultant:** Identify airfield requirements.

**Sponsor:** Review.

**Product:** Airfield requirements for the planning horizons.

#### **Task 4.4 - Determine Airline Terminal and Parking Requirements**

**Description:** Utilizing aviation industry standards and FAA criteria identify and analyze the basic passenger terminal requirements at Santa Fe Municipal Airport for each planning horizon. This will include an examination of the functional spatial requirements within the terminal as well as gates and apron requirements. Similarly requirements for public, rental car and employee parking will be determined based upon the activity forecasts and compared to that which is currently available.

##### ***Responsibilities:***

**Consultant:** Identify terminal and parking requirements.

**Sponsor:** Provide input and review assumptions.

**Product:** Planning horizon requirements for terminal and auto parking.

#### **Task 4.5 - Determine General Aviation and Air Cargo Requirements**

**Description:** Identify physical planning criteria for evaluating the adequacy of various facilities to meet general aviation and air cargo forecast demands. Apply state and federal requirements and standards to compare the capacity of existing facilities with the projected demand. Prepare a preliminary list of general aviation and air cargo requirements for Santa Fe Municipal Airport including:

- Aircraft parking apron
- Aircraft storage hangars
- Fixed base operator (FBO) facilities
- Air cargo facilities (if any)
- General aviation parking facilities

##### ***Responsibilities:***

**Consultant:** Assess general aviation and air cargo requirements.

**Sponsor:** Review.

**Product:** General aviation and air cargo requirements.

#### **Task 4.6 - Determine Support Requirements**

**Description:** Using information provided by existing studies and aviation planning criteria established under preceding tasks, develop a set of facility requirements addressing the landside facilities necessary to support the airfield and its related activity. Requirements for facilities such as aircraft fueling, ARFF, airport maintenance, and potential revenue support facilities will be developed under this task.

***Responsibilities:***

**Consultant:** Assess fueling, ARFF, maintenance, and potential revenue support requirements.

**Sponsor:** Review.

**Product:** Support requirements.

#### **Task 4.7 - Prepare Facility Requirements Working Paper**

**Description:** Organize demand-capacity analyses and facility requirements work efforts, and prepare a working paper in narrative and graphical form. Thirty (30) copies of the working paper will be prepared for distribution.

***Responsibilities:***

**Consultant:** Prepare narrative and graphics, print copies, and distribute to committee.

**Sponsor:** Review.

**Product:** Working paper summarizing facility needs evaluations.

### **ELEMENT 5 - AIRPORT ALTERNATIVES**

Using the facility requirements determined under the previous element, alternative development for Santa Fe Municipal Airport will be identified. These scenarios should take into account the airfield, general aviation area, revenue support area and terminal area safety and capacity needs established under the facility requirements element.

#### **Task 5.1 - Identify Airfield Alternatives**

**Description:** Based upon the updated facility requirements, identify airfield development alternatives. This alternative review will consider all runway and taxiway development during the planning period and either confirm previous planning efforts or recommend changes. This task will be conducted simultaneously with following tasks and result in a series of overall development

options for the airport. Each alternative will be analyzed from the standpoint of safety, functional efficiency, cost, environmental factors and ability to meet future needs. The “no-build” or “no-action” alternative will be considered.

***Responsibilities:***

*Consultant:* Analysis of airfield alternatives.

*Sponsor:* Review and input.

*Product:* Airfield alternatives.

**Task 5.2 - Identify Airline Terminal, Parking, and Access Alternatives**

**Description:** Based on the airline terminal facility requirements determined under the previous element, formulate preliminary airline terminal, parking and access alternatives. This task will be conducted simultaneously with other tasks in this element and will result in a series of overall development options for the airport. Alternatives for the terminal building will consider operational factors, space requirements, security factors, and functional relationships.

***Responsibilities:***

*Consultant:* Identification and analysis terminal and access alternatives for both short and long term needs.

*Sponsor:* Review and input.

*Product:* Airline terminal and access alternatives.

**Task 5.3 - Identify General Aviation and Air Cargo Alternatives**

**Description:** Based on the facility requirements determined under the previous element, formulate preliminary alternatives for general aviation and air cargo landside facility alternatives. This task will be conducted simultaneously with other tasks in this element and result in a series of overall development options for the airport.

***Responsibilities:***

*Consultant:* Identification and analysis of general aviation and air cargo alternatives.

*Sponsor:* Review and input.

*Product:* General aviation and air cargo alternatives.

#### **Task 5.4 - Identify Support Alternatives**

**Description:** Based upon facility requirements determinations, formulate development alternatives for support facilities such as ARFF, airport maintenance, and airport traffic control facilities. Also consider options for development of other land areas for revenue support.

##### ***Responsibilities:***

**Consultant:** Identification and analysis of airport support and land use alternatives.

**Sponsor:** Review and input.

**Product:** Airport support and land use alternatives.

#### **Task 5.5 - Prepare Alternatives Working Paper**

**Description:** A working paper describing the various airfield and landside development alternatives will be prepared for submission to the MPAC and Sponsor for review and comment. The working paper will detail the analyses involved in the assessment of the alternatives and enable the logical and systematic evaluation of each alternative concept. Thirty (30) copies of the working paper will be prepared for distribution. FAA's master plan checklist will be updated.

##### ***Responsibilities:***

**Consultant:** Narrative, graphics, printing, and distribution of working papers.

**Sponsor:** Review.

**Product:** Working paper summarizing airport development alternatives and preliminary master plan concept.

### **ELEMENT 6 – RECOMMENDED MASTER PLAN CONCEPT/CAPITAL PROGRAM**

The purpose of this study element is to describe the recommended direction for the future use and development of Santa Fe Municipal Airport as well as establish a capital implementation program to taking into account funding sources and development priorities for each planning horizon.

#### **Task 6.1 - Recommended Master Plan Concept**

**Description:** Following input from the MPAC, FAA, NMDOT, and City of Santa Fe airport staff on the airside and landside alternatives for the Santa Fe Municipal Airport prepared in the previous element, prepare a detailed comparative evaluation and the supporting rationale to sufficiently describe the single recommended program for development and use of airport facilities. The

recommendation for the most prudent and feasible Master Plan concept will become the basis for the final refinement of development costs and scheduling.

***Responsibilities:***

***Consultant:*** Complete evaluations and recommend master plan concept.

***Sponsor:*** Review and input into recommended concept.

***Product:*** Master plan concept.

**Task 6.2 - Prepare Airport Development Schedules and Cost Estimates**

**Description:** Based upon the previous evaluations and technical meetings, prepare a development schedule to reflect economic feasibility and operational requirements of the recommended airport concepts. Prepare airport development cost estimates to reflect the revised requirements and schedule of development.

***Responsibilities:***

***Consultant:*** Refine all development items and organize them as to when they should be undertaken. Prepare development costs for each project.

***Sponsor:*** Review and input.

***Product:*** A schedule and cost estimates for the improvements proposed as a part of the selected master plan concepts.

**Task 6.3 - Prepare Capital Improvement Program**

**Description:** Prepare a recommended airport capital improvement program for the airport which includes estimates of the amount of funds available from federal grant-in-aid programs to determine the net amount of capital funds required by the City of Santa Fe to accomplish each proposed stage of improvements for the airport. Analyze alternative financing strategies that may be available for implementing the proposed development program. Analyze the sources and uses of all airport funds that will be required to finance designated improvements and estimate the magnitude and timing of any financing that may be required.

***Responsibilities:***

***Consultant:*** Develop capital improvement program and evaluate potential funding sources.

***Sponsor:*** Provide input and review.

**Product:** A recommended Capital Improvement Program with financing schedules which indicate whether the potential sources of funding will be reasonably available in the amounts and time frame required to support the CIP.

#### **Task 6.4 - Environmental Overview**

**Description:** The purpose of this task is to identify any potential environmental concerns that will need to be addressed prior to program implementation. This evaluation will be structured in a table format and will include an analysis of potential impacts on environmental resources as defined within FAA Order 5050.4A, *Airport Environmental Handbook*, and Order 1050.1E. Projects which may require further NEPA analysis will be identified at this time. Existing and future (20-year) airport noise contours (60, 65, 70, 75 DNL) will be prepared for the airport. The Environmental Overview is not intended to serve as a formal Environmental Assessment under the National Environmental Policy Act (NEPA).

##### ***Responsibilities:***

**Consultant:** Prepare environmental overview

**Sponsor:** Review

**Product:** An Environmental Overview of the proposed development in the master plan.

#### **Task 6.5 - Prepare Master Plan Concept/Capital Program Working Paper**

**Description:** Prepare a working paper which outlines the overall airport master plan development concept and capital improvement program. Organize narrative and graphical presentations of the information in this working paper to allow for a final review and adjustment of the overall master plan concept. Up to thirty (30) copies of the working paper for the master plan will be prepared for distribution.

##### ***Responsibilities:***

**Consultant:** Develop complete graphics and narrative for the working paper.

**Sponsor:** Review and provide comments.

**Product:** Thirty (30) copies of the working paper for the master plan covering the items outlined in the Master Plan Concept/Capital Program element.

## **ELEMENT 7 – AIRPORT LAYOUT PLANS**

The purpose of this study element is to develop a new set of Airport Layout Plans and Drawings for Santa Fe Municipal Airport. Guidelines for the preparation of an airport layout plan set as defined by the FAA Southwest Region will be followed. All plans will be produced utilizing AutoCAD software and can be utilized by the City of Santa Fe in carrying out implementation. The AutoCAD drawings will be a deliverable item to the Airport at the completion of this project. In addition to submitting the Airport Layout Drawing to the FAA for approval, the drawings will also be submitted to NMDOT – Aviation Division for review.

### **Task 7.1 – Airport Layout Plan Drawing**

**Description:** Following the recommended Airport Master Plan Concept developed under the preceding task and *FAA AC 150/5070.6B, "Airport Master Plans"*, an Airport Layout Plan Drawing for Santa Fe Municipal Airport. The ALP will reflect updated physical features, top of structure elevations (as provided by the Sponsor), location of airfield facilities (runways, taxiways, nav aids) and existing general aviation development. Development of ultimate airfield facilities including runways and taxiways; property and runway protection zone boundaries; and revenue support areas will also be shown. Guidelines for the preparation of an airport layout plan as defined by the FAA Southwest Region will be followed. The ALP drawing will follow guidance in *FAA AC 150/5070.6B, Airport Master Plans*, Appendix F.

#### ***Responsibilities:***

**Consultant:** Update current drawings.

**Sponsor:** Review.

**Product:** Update of airport layout plan drawing, airport data sheet, and cover sheet.

### **Task 7.2 - Airspace and Inner Approach Surface Drawings**

**Description:** Prepare the Santa Fe Municipal Airport Part 77 airspace and the inner portion of the approach surface drawings in accordance with *FAA AC 150/5070, Airport Master Plans*, Appendix F and the FAA Southwest Region ALP checklist. Obstruction information will be obtained from existing approach plans, the current Airport Obstruction Chart (OC), and other mapping available from the County, unless the AGIS/eALP optional tasks are undertaken. USGS base maps will be superimposed on the airspace drawing.

#### ***Responsibilities:***

**Consultant:** Update current drawings.

**Sponsor:** Review.

**Product:** Update of airspace and inner approach surface drawings.

### **Task 7.3 – Terminal Area Drawing**

**Description:** Prepare a terminal area drawing for Santa Fe Municipal Airport reflecting recommended development in the terminal area resulting from the recommendations of this study. The landside facility drawing will be updated in accordance with *FAA AC 150/5070-6B, Airport Master Plans*, Appendix F and the FAA Southwest Region ALP checklist.

#### **Responsibilities:**

**Consultant:** Update current drawing.

**Sponsor:** Review.

**Product:** Update of terminal area drawing.

### **Task 7.4 - Airport Land Use Drawing**

**Description:** The Airport Land Use Drawing for Santa Fe Municipal Airport will be prepared in accordance with *FAA AC 150/5070-6b, Airport Master Plans*, Appendix F and the FAA Southwest Region ALP checklist. The noise contours prepared in Task 6.5 will be depicted on this drawing. Besides on-airport land uses, off-airport land uses adjacent to the airport and/or within the 65 DNL contour will be depicted as well.

#### **Responsibilities:**

**Consultant:** Update current drawings.

**Sponsor:** Review.

**Product:** Update of airport land use drawing.

### **Task 7.5 - Airport Property Map**

**Description:** Prepare an Airport Property Map for Santa Fe Municipal Airport, which will include the appropriate graphics and information to indicate the type of acquisition (i.e., federal funds, surplus property, local funds only, etc.) of various land areas within the airport's boundaries. The primary purpose of this drawing is to provide information for analyzing the current and future aeronautical use of land acquired with Federal funds. Details will be limited to the depiction of existing and future facilities (i.e., runways, taxiways, runway protection zones, and terminal facilities) which would indicate aeronautical need for airport property. This work effort will utilize information obtained from the current "Exhibit A - Property Map" as well as other sources. The

Property Map will be updated in conformance with the standards of FAA AC 150/5070-6B, *Airport Master Plans*, Appendix F and the FAA Southwest Region ALP checklist. The Sponsor will provide historical information regarding the acquisition of existing airport property and easements, as well as boundary surveys, if needed.

***Responsibilities:***

*Consultant:* Update current drawings.

*Sponsor:* Review.

***Product:*** Update of airport property map drawing.

**Task 7.6 – Departure Surface Drawings**

**Description:** Prepare new departure surface drawings for the runways at Santa Fe Municipal Airport in accordance with Appendix 2 of FAA AC 150/5070-6B, Change 1. Obstruction information will be obtained from existing approach plans, the current Airport Obstruction Chart (OC), and other mapping available from the County.

***Responsibilities:***

*Consultant:* Update current drawings.

*Sponsor:* Review.

***Product:*** Departure surface drawings for all three runways.

**ELEMENT 8 – PUBLIC COORDINATION AND FINAL DOCUMENTATION**

The purpose of this element is to provide documents which depict all the findings of the study effort and to present draft information regarding the study and its recommendations to the Master Plan Advisory Committee, the public, the City of Santa Fe at key points during the process.

**Task 8.1 – Master Plan Advisory Committee (PAC) Meetings**

**Description:** Prepare graphic displays and handout materials necessary to describe the evaluations and findings of the working papers prepared for the Master Plan Study. Meet with the PAC to review working papers and to discuss study findings. Comments received during these meetings will be considered in preparing the final documents. A total of three (3) MPAC meetings are scheduled at key points in the study.

***Responsibilities:***

***Consultant:*** Provide notices to the MPAC and present draft materials to MPAC.

***Sponsor:*** Review and provide comments and analysis.

***Product:*** Up to three (3) MPAC meetings.

**Task 8.2 - Public Workshops and Project Website**

**Description:** The phase reports prepared for during the master planning process will be presented to the general public at a series of public workshops. In addition the Consultant will host a project website that will provide the public access to information about the master planning process as well as the Phase Reports when they are available. The workshops will be held in the early evening on the same day of the corresponding MPAC meeting. Advertising for the workshops will be accomplished using press releases and newspaper advertising, and direct mailings to tenants and interested public groups in the vicinity of the Santa Fe Municipal Airport. The Consultant will provide flyers for mailings, text for press releases, and art work for advertisements. It will also place a notice on the project website ahead of each workshop. The City of Santa Fe will be responsible for advertising and mailing as well as for arranging for the workshop locations. Up to three (3) public workshops have been budgeted for the study.

***Responsibilities:***

***Consultant:*** Provide public notices narrative and graphics and conduct workshop. Establish project website and post public workshop notices as well as working papers on the website.

***Sponsor:*** Publish public notices, and provide link to master plan project website from the City website.

***Product:*** Up to three (3) public information workshops and a master plan project website.

**Task 8.3 - Master Plan Document**

**Description:** Review comments received during the study process and incorporate them, as appropriate, into a final Master Plan document. This document shall incorporate the revisions to previous working papers prepared under earlier elements into a usable Master Planning document. Up to fifty (50) copies of the Master Plan will be provided. If a draft report is determined to be necessary for approvals, the quantity of copies can be split into two different submittals. Upon approval, eight (8) blackline copies of the Airport Layout Plan set will be submitted for signature by the City and FAA. Up to a maximum of ten (10) copies of the final Master Plan document will be provided to the Sponsor, FAA, and NMDOT on CDs in PDF file format.

***Responsibilities:***

***Consultant:*** Prepare and print fifty (50) copies of the Master Plan document, and eight (8) blackline sets of the Airport Layout Plan Drawings.

***Sponsor:*** Review and Comment.

***Product:*** Fifty (50) Master Plan Reports and eight (8) blackline sets of the Airport Layout Plan Drawings.

**Task 8.4 - Prepare Master Plan Executive Summary Brochure**

**Description:** Prepare an executive summary brochure for the airport. The executive summary is anticipated to summarize recommendations of the master plan and the economic benefit study. The brochure will be composed of two 11 x 17-inch sheets of paper folded in the middle and printed on both sides of the paper. Review comments from client and print in suitably large volume for mass distribution. Up to 500 copies of the summary brochure will be submitted to the City for the airport.

***Responsibilities:***

***Consultant:*** Prepare 500 copies of the summary brochure for the airport.

***Sponsor:*** Review and comment prior to distribution.

***Product:*** Summary brochure (500 copies) for the airport.

**Task 8.5 – Coordination/Approval Meetings**

**Description:** This task provides for up to two presentations to officials of the City of Santa Fe related to the review and approval of the master plan. These meetings will be held as needed during the course of the master plan process so that the consultant can have an opportunity for detailed input and direction from the sponsor.

***Responsibilities:***

***Consultant:*** Attend Coordination meetings as required.

***Sponsor:*** Attend Coordination meetings as required.

***Product:*** Input and direction from the Sponsor to the Consultant.

EXHIBIT B  
COST SUMMARY  
AIRPORT MASTER PLAN  
SANTA FE MUNICIPAL AIRPORT  
July 2013

July 2013

| ELEMENT/TASK   | PERSON DAYS (COFFMAN) |              |           | COFFMAN           |                  | MOLZEN CORBIN<br>CONSULTANTS | TASK/ELEMENT<br>TOTAL |
|--|-----------------------|--------------|-----------|-------------------|------------------|------------------------------|-----------------------|
|  | PRINCIPAL             | PROFESSIONAL | TECHNICAL | LABOR             | EXPENSES         |                              |                       |
|  | \$2,080               | \$1,440      | \$904     |                   |                  |                              |                       |
| <b>ELEMENT 1 - INITIATION</b>                                      |                       |              |           |                   |                  |                              |                       |
| 1.1 Study Design   | 2                     | 0            | 0         | \$ 4,160          | \$ -             | \$ -                         | \$ 4,160              |
| 1.2 Establish Planning Advisory Committee (20 Maximum)             | 0                     | 0            | 2         | 1,808             | 400              | -                            | 2,208                 |
| <b>SUBTOTAL - ELEMENT 1</b>  | <b>2</b>              | <b>0</b>     | <b>2</b>  | <b>\$ 5,968</b>   | <b>\$ 400</b>    | <b>\$ -</b>                  | <b>\$ 6,368</b>       |
| <b>ELEMENT 2 - INVENTORY</b>                                       |                       |              |           |                   |                  |                              |                       |
| 2.1 Inventory Airfield Facilities                                  | 1                     | 2            | 0         | \$ 4,960          | \$ 500           | \$ -                         | \$ 5,460              |
| 2.2 Inventory Landside Facilities                                  | 1                     | 2            | 0         | 4,960             | 500              | -                            | 5,460                 |
| 2.3 Inventory Air Traffic Activity                                 | 1                     | 1            | 0         | 3,520             | 500              | -                            | 4,020                 |
| 2.4 Inventory Airspace, ATC, and Regional Airports                 | 0                     | 1            | 0         | 1,440             | 500              | -                            | 1,940                 |
| 2.5 Inventory Socioeconomic Data                                   | 0                     | 1            | 0         | 1,440             | 500              | -                            | 1,940                 |
| 2.6 Inventory Vicinity Land Use and Controls                       | 1                     | 2            | 1         | 840               | 500              | -                            | 1,340                 |
| 2.7 Obtain Aerial Photography/Topographic/Planimetric Data         | 0                     | 0            | 1         | 904               | -                | -                            | 904                   |
| 2.8 Obtain Tabulated Wind Data                                     | 0                     | 0            | 1         | 904               | -                | -                            | 904                   |
| 2.9 Prepare Inventory Working Paper (30)                           | 1                     | 3            | 2         | 8,208             | 600              | -                            | 8,808                 |
| <b>SUBTOTAL - ELEMENT 2</b>  | <b>5</b>              | <b>12</b>    | <b>5</b>  | <b>\$ 27,176</b>  | <b>\$ 3,600</b>  | <b>\$ -</b>                  | <b>\$ 30,776</b>      |
| <b>ELEMENT 3 - FORECASTS</b>                                       |                       |              |           |                   |                  |                              |                       |
| 3.1 Review Historical Statistics and Socioeconomic Forecasts       | 0                     | 2            | 0         | \$ 2,880          | \$ -             | \$ -                         | \$ 2,880              |
| 3.2 Prepare Commercial Service Forecasts                           | 1                     | 3            | 0         | 6,400             | -                | -                            | 6,400                 |
| 3.3 Prepare General Aviation, Air Taxi, and Military Forecasts     | 0                     | 2            | 0         | 2,880             | -                | -                            | 2,880                 |
| 3.4 Prepare Forecast Working Paper (30)                            | 1                     | 3            | 2         | 8,208             | 600              | -                            | 8,808                 |
| <b>SUBTOTAL - ELEMENT 3</b>  | <b>2</b>              | <b>10</b>    | <b>2</b>  | <b>\$ 20,368</b>  | <b>\$ 600</b>    | <b>\$ -</b>                  | <b>\$ 20,968</b>      |
| <b>ELEMENT 4 - FACILITY REQUIREMENTS</b>                           |                       |              |           |                   |                  |                              |                       |
| 4.1 Establish Airport Physical Planning Criteria                   | 0                     | 1            | 0         | \$ 1,440          | \$ -             | \$ -                         | \$ 1,440              |
| 4.2 Determine Airfield Capacity and Delay                          | 0                     | 1            | 1         | 2,344             | \$ -             | \$ -                         | \$ 2,344              |
| 4.3 Determine Airfield Requirements                                | 0                     | 2            | 0         | 2,880             | -                | -                            | 2,880                 |
| 4.4 Determine Airline Terminal and Parking Requirements            | 0                     | 2            | 0         | 2,880             | -                | -                            | 2,880                 |
| 4.5 Determine General Aviation and Air Cargo Facility Requirements | 0                     | 2            | 0         | 2,880             | -                | -                            | 2,880                 |
| 4.6 Determine Support Requirements                                 | 0                     | 1            | 0         | 1,440             | -                | -                            | 1,440                 |
| 4.7 Prepare Facility Requirements Working Paper (30)               | 1                     | 2            | 2         | 6,768             | 600              | -                            | 7,368                 |
| <b>SUBTOTAL - ELEMENT 4</b>  | <b>1</b>              | <b>11</b>    | <b>3</b>  | <b>\$ 20,832</b>  | <b>\$ 600</b>    | <b>\$ -</b>                  | <b>\$ 21,232</b>      |
| <b>ELEMENT 5 - AIRPORT ALTERNATIVES</b>                            |                       |              |           |                   |                  |                              |                       |
| 5.1 Airfield Alternatives  | 0                     | 2            | 1         | \$ 3,784          | \$ -             | \$ -                         | \$ 3,784              |
| 5.2 Airline Terminal, Parking, and Access Alternatives             | 0                     | 2            | 1         | 3,784             | -                | -                            | 3,784                 |
| 5.3 General Aviation Alternatives                                  | 0                     | 2            | 1         | 3,784             | -                | -                            | 3,784                 |
| 5.4 Support Alternatives   | 0                     | 2            | 1         | 3,784             | -                | -                            | 3,784                 |
| 5.5 Prepare Alternatives Working Paper (30)                        | 1                     | 3            | 3         | 9,112             | 600              | -                            | 9,712                 |
| <b>SUBTOTAL - ELEMENT 5</b>  | <b>1</b>              | <b>11</b>    | <b>7</b>  | <b>\$ 24,248</b>  | <b>\$ 600</b>    | <b>\$ -</b>                  | <b>\$ 24,848</b>      |
| <b>ELEMENT 6 - RECOMMENDED MASTER PLAN CONCEPT/CAPITAL PROGRAM</b> |                       |              |           |                   |                  |                              |                       |
| 6.1 Recommended Master Plan Concept                                | 1                     | 3            | 2         | \$ 8,208          | \$ -             | \$ -                         | \$ 8,208              |
| 6.2 Prepare Airport Development Schedules and Cost Estimates       | 0                     | 1            | 1         | 2,344             | -                | -                            | 2,344                 |
| 6.3 Prepare Capital Improvement Program                            | 0                     | 3            | 1         | 5,224             | -                | -                            | 5,224                 |
| 6.4 Environmental Overview   | 0                     | 10           | 3         | 17,112            | -                | -                            | 17,112                |
| 6.5 Prepare Master Plan Concept/Capital Program Working Paper      | 1                     | 3            | 3         | 9,112             | 600              | -                            | 9,712                 |
| <b>SUBTOTAL - ELEMENT 6</b>  | <b>2</b>              | <b>20</b>    | <b>10</b> | <b>\$ 42,000</b>  | <b>\$ 600</b>    | <b>\$ -</b>                  | <b>\$ 42,600</b>      |
| <b>ELEMENT 7 - AIRPORT PLANS</b>                                   |                       |              |           |                   |                  |                              |                       |
| 7.1 ALP Drawing  | 1                     | 2            | 15        | \$ 18,520         | \$ -             | \$ -                         | \$ 18,520             |
| 7.2 Airspace and Inner Approach Surface Dwgs                       | 0                     | 1            | 7         | 7,768             | -                | -                            | 7,768                 |
| 7.3 Terminal Area Drawing  | 0                     | 1            | 4         | 5,056             | -                | -                            | 5,056                 |
| 7.4 Airport Land Use Drawing                                       | 0                     | 0            | 3         | 2,712             | -                | -                            | 2,712                 |
| 7.5 Airport Property Map   | 0                     | 1            | 3         | 4,152             | -                | -                            | 4,152                 |
| 7.6 Prepare New Departure Surface Drawings                         | 0                     | 0            | 6         | 5,424             | -                | -                            | 5,424                 |
| <b>SUBTOTAL - ELEMENT 7</b>  | <b>1</b>              | <b>5</b>     | <b>38</b> | <b>\$ 43,832</b>  | <b>\$ -</b>      | <b>\$ -</b>                  | <b>\$ 43,832</b>      |
| <b>ELEMENT 8 - PUBLIC COORDINATION AND FINAL DOCUMENTATION</b>     |                       |              |           |                   |                  |                              |                       |
| 8.1 Planning Advisory Committee (PAC) Meetings (3)                 | 8                     | 6            | 3         | \$ 23,832         | \$ 7,500         | \$ -                         | \$ 31,332             |
| 8.2 Public Workshops (3) and Project Website                       | 3                     | 3            | 6         | 15,984            | 900              | -                            | 16,884                |
| 8.3 Prepare Master Plan Document                                   | 1                     | 6            | 6         | 16,144            | 6,500            | -                            | 22,644                |
| 8.4 Prepare Summary Brochure                                       | 1                     | 1            | 3         | 6,232             | 1,500            | -                            | 7,732                 |
| 8.5 Approval Meetings  | 4                     | 4            | 1         | 14,984            | 4,000            | -                            | 18,984                |
| <b>SUBTOTAL - ELEMENT 8</b>  | <b>18</b>             | <b>20</b>    | <b>19</b> | <b>\$ 77,176</b>  | <b>\$ 20,400</b> | <b>\$ -</b>                  | <b>\$ 97,576</b>      |
| <b>PROJECT TOTAL</b>   | <b>29</b>             | <b>89</b>    | <b>86</b> | <b>\$ 261,200</b> | <b>\$ 26,800</b> | <b>\$ -</b>                  | <b>\$ 288,000</b>     |



## **Proposal of Services Santa Fe Municipal Airport Air Service Potential Analysis & Recommendations**

### **Overview**

Boyd Group International will accomplish a comprehensive analysis of air service demand and potential for additional capacity and access at Santa Fe Municipal Airport, New Mexico (SAF).

Deliverable will be a report outlining the potential for additional air service at SAF, including a determination of traffic demand in top 25 market O&D destinations, current levels of local traffic capture v leakage. Leakage will be defined and matrixed by destination, and determinations made regarding potential for recapture within the realities of the US airline system.

The report will provide a matrix of traffic potential by market, and will relate the findings to the potential value to both incumbent and potential new carriers. The merger of US Airways and American will result in both new management and possibly new strategies in regard to application of regional aircraft. This will be carefully analyzed and strategic recommendations made to assure both maintenance of current air service access and capture of additional traffic at SAF.

### **Project Outline**

Boyd Group International will analyze the following:

- The specific metrics of the Santa Fe market in regard air service demand, air service capture, and will include:
  - Estimated total traffic generation in the region, and determination of capture rates to top 25 US destinations
  - Determination of current traffic generation based on service to the AA hub at DFW and LAX, and the United connecting hub at DEN; This will encompass both local and connecting flows captured over each connecting hub. Historic scheduled service will be analyzed as well.
  - Determination of destination distribution of traffic generated locally as well as that generated in-bound.
- Review of air service-related factors that may affect levels of local ridership. These include frequency and fare comparisons with alternative service available at ABQ.
- Specific new revenue opportunities that SAF represents to carriers in adding service and capacity.
- Recommendations regarding air service development strategies for SAF.

Boyd Group International will provide a traffic forecast to the client outlining the estimated true traffic generation by the SAF region.

## **Professional Fees and Timeframe**

The project can be completed and final report presented within 45 days of project approval.

Professional fees for the project will be \$19,200, plus project expenses billed at cost. These are only expenses usual and reasonable to the project, and are anticipated to be under \$200.

It is anticipated that all work will be accomplished at Boyd Group International offices in Evergreen, Colorado. If the client requests an on-site visit, the fees will be \$1,100 plus travel expenses billed at cost.

## **INTRODUCTION**

The Scope of Services contained herein is to establish goals and work tasks for updating the Airport's Fees and Charges Study and assisting City staff with establishing Minimum Standards for potential airport tenants, users, and future applicants who may wish to conduct commercial and non-commercial aeronautical activities at the Santa Fe Municipal Airport. Specific Elements and Tasks are outlined below.

### **ELEMENT 1 – MINIMUM STANDARDS AND RULES AND REGULATIONS**

#### **Task 1.1 – Inventory/Field Visit**

**Description:** Compile relevant information, data, and documentation on the community, marketplace and the airport including fixed based and specialty operators (FBOs and SASOs) and non-commercial tenants on the airport. Conduct a site visit which will include an initial project meeting with city/airport management, a tour of the airport and the FBOs, specialty operators, and future potential lease areas. Select stakeholders will also be interviewed.

#### **Task 1.2 – Minimum Standards Worksheet**

**Description:** Develop worksheets identifying the products, services, and facilities currently being provided by the airport's FBOs and SASOs and provide baseline minimum standards recommendations. Discuss by conference call with airport management to review worksheets and solicit comments, input, and direction.

#### **Task 1.3 – Develop First Draft Minimum Standards and Rules and Regulations**

**Description:** Based upon the comments and direction obtained from Task 1.1, develop a first draft of Minimum Standards for the airport. In addition prepare first drafts of the Commercial Aeronautical Activities and Application Permit, the General (Umbrella) Provisions, and Rules and Regulations for the airport. Submit an electronic copy to the city/airport management for review. Set up a video conference work session with city/airport management to review the first draft of documents, solicit comments, input, and direction.

#### **Task 1.4 – Prepare Preliminary Draft Documents**

**Description:** Based upon the results on the work session prepare a second draft of the documents. Submit to then review with the city/airport management in a conference call. Upon concurrence, a preliminary draft of the documents will be prepared for external

review (e.g. City legal and risk management, FAA, ADOT, etc.). Up to twenty (20) hard copies and one electronic copy will be provided for this review.

#### **Task 1.5 – Prepare Public Review Draft Documents**

**Description:** Upon conclusion of external review, prepare a compilation and analysis of comment and input and provide recommendations to city/airport management. Conduct a conference call with city/airport management to review and discuss the comments. Revise the preliminary draft based upon agreed to comments and input. Submit the public draft documents for review by airport operators, tenants, and other interested parties to provide input. An electronic copy will be provided to the City for publication as they prefer.

#### **Task 1.6 – Public Forum**

**Description:** Conduct a public forum to provide the opportunity for airport operators, other tenants, and interested parties to provide input. The forum will be conducted following a 30-day public review period. A two-week period will be provided after the forum for the public to provide additional comments.

#### **Task 1.7 – Prepare Revised Draft Documents**

**Description:** Upon conclusion of the public comment period, prepare a compilation and analysis of public comments and input and provide recommendations to the city/airport management. Conduct a conference call with management to review comments and input and solicit direction. Based upon this review and input, revise the public draft documents and submit a revised draft for review by airport operators, tenants, and other interested parties. An electronic copy will be provided to the City for publication as they prefer.

#### **Task 1.8 – Prepare Final Draft Documents**

**Description:** Upon conclusion of the public comment period, prepare a compilation and analysis of public comments and input and provide recommendations to the city/airport management. Conduct a conference call with management to review comments and input and solicit direction. Based upon this review and input, prepare the final draft documents and submit for review by airport operators, tenants, and other interested parties. An electronic copy will be provided to the City for publication as they prefer.

#### **Task 1.9 – Final Public Forum**

**Description:** A final public forum will be conducted to provide the opportunity for the public to comment and provide input to the final draft documents. If desired, the city may conduct this forum as a public hearing in front of the City Council. The forum will be conducted following a two-week public review period. A two-week period will be provided after the forum for the public to provide additional comments.

#### **Task 1.10 – Final Documents**

**Description:** Upon conclusion of the public comment period, prepare a compilation and analysis of public comments and input and provide recommendations to the city/airport management. Conduct a conference call with management to review comments and input and solicit direction. Based upon this review and input, prepare the final documents for presentation to the City for adoption. Five (5) hard copies and on electronic copy will be submitted as the final work product.

### **ELEMENT 2 – MARKET RENT STUDY AND RATES AND CHARGES ANALYSIS**

#### **Task 2.1 – Airport Profile**

**Description:** Develop a profile of the airport using information and documentation provided by the airport management and collected from airport operators and tenants, industry sources, and the community. Identify comparable and competitive airports based upon the airport profile. Submit a preliminary list to airport management for review.

#### **Task 2.2 – Conduct Comparative Analysis of Market Rents**

**Description:** Obtain and validate relevant data from comparable, competitive regional and national airports using AAAE rent surveys as well as direct surveys of these airports to be conducted by the consultant. Analyze the information obtained on a comparative basis to recommend a market rental rate for each component of subject properties (land and/or improvements).

#### **Task 2.3 – Conduct Comparative Analysis of Rates and Charges**

**Description:** Obtain and validate relevant data from comparable, competitive regional and national airports using AAAE rates and charges surveys as well as direct surveys of these airports to be conducted by the consultant. Analyze the information obtained on a comparative basis for use in the rates and charges program.

#### **Task 2.4 – Establish Rates and Charges Program**

**Description:** Identify industry standards and practices for establishing rates and charges programs for setting and adjusting fees. Identify the general aviation rates and charges

program elements that currently exist for the airport. Recommend the general aviation rates and charges program elements that are most appropriate for the airport.

#### **Task 2.5 – Fee Recommendations**

**Description:** Based upon financial information provided by the City and working closely with city/airport management, develop fee recommendations for each program element.

#### **Task 2.6 – Draft Summary Report**

**Description:** Prepare a draft summary report conveying the recommended rental rates for each component as well as the recommended rates and charges structure and fee recommendations for each program element. Five (5) hard copies and one electronic copy of the summary report will be provided to city/airport management for review.

#### **Task 2.7 – Final Summary Report**

**Description:** Based upon comments and input from the review of the draft summary report, prepare a final summary report. One hard copy and one electronic copy will be provided as the final work product.

**EXHIBIT A**  
**SCOPE OF SERVICES**  
**PASSENGER FACILITY CHARGE APPLICATION**  
**For The**  
**SANTA FE MUNICIPAL AIRPORT**  
**SANTA FE, NEW MEXICO**

**ELEMENT 1 - PASSENGER FACILITY CHARGE APPLICATION**

**Description:** The purpose of this work effort is to prepare a new Passenger Facility Charge (PFC) Application for submittal to the Federal Aviation Administration (FAA). This new application will identify new projects and, if necessary, previously completed projects. More specifically the application will include passenger terminal building expansion, reconstruction and expansion of the passenger terminal building parking lot, and other short term projects included in the current Airport Capital Improvement Program (ACIP).

**Task 1.1 - Prepare Airport Capital Plan**

**Description:** After consultation with the Airport/City staff, the Consultant will prepare an Airport Capital Plan for inclusion in the PFC Application. The plan will identify those projects that the Airport/City intends to include in the PFC application as well as other funding sources to be used. This task includes one (1) coordination meeting with the Airport/City staff.

***Responsibilities:***

**Consultant:** Prepare the Airport Capital Plan.

**Sponsor:** Review and approve.

**Product:** Airport Capital Plan for inclusion in the PFC Application.

**Task 1.2 - Air Carrier Consultation**

**Description:** The Consultant will prepare for the Airport/City, the written Notice of Intent to file a PFC Application. The Consultant will attend the Airline consultation meeting and assist the Airport/City with the presentation of the projects proposed for the PFC Application.

***Responsibilities:***

**Consultant:** Prepare Notice of Intent. Attend and assist with the Airline Consultation Meeting.

*Sponsor:* Mail Notice of Intent letters to the Airlines. Schedule date for Airline Consultation meeting. Reserve the meeting room.

*Product:* Notice of Intent Letters. Airline Consultation Meeting.

**Task 1.3 - Prepare PFC Application**

**Description:** In accordance with the requirements and guidelines outlined in Federal Aviation Regulation (FAR) Part 158 (as amended), as well as those provided by the FAA Southwest Region Airports Division Office, a "Draft" PFC Application package will be prepared for both Airport/City and FAA review. Following a reasonable review period, modification and/or changes will be made to the application package and submitted to the Airport/City for signature and submittal to the FAA. Up to ten (10) copies of the "Final" Application package will be prepared. This task includes one (1) coordination meeting with the Airport/City staff.

***Responsibilities:***

*Consultant:* Prepare "Draft" and "Final" PFC Application.

*Sponsor:* Review "Draft" PFC Application. Submit "Final" PFC Application.

*Product:* PFC Application.

**Task 1.4 - Coordination Meetings**

**Description:** Meet and consult with Airport staff, City staff, or FAA as needed for consultation and coordination with regard to the PFC Application. Up to three (3) coordination meetings have been budgeted over the course of the project. One of the meetings will be used as a kick-off meeting with the Sponsor.

***Responsibilities:***

*Consultant:* Attend up to three (3) coordination meetings as necessary.

*Sponsor:* Coordination with, and direction to, the consultant.

*Product:* Up to three (3) coordination meetings.