

Sky Harbour
Monthly Construction Report
July 2023

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Executive Summary

Sky Harbour continued to make progress at each of its developments during the month of July. At APA Centennial in Denver, Colorado, A&F General Contractors completed the pier installation and grade beams for building A and part of building B, despite above average rainfall that has hampered site work and added time to the project schedule. At DVT Deer Valley in Phoenix, Arizona, the standing seam metal roof on hangars A through D has been completed. The superstructure has been installed for hangars E, F and G. While hangar H was partially erected, a wind event overloaded five structural posts of hangar H, causing cracks in the grade beam. The structural engineer has designed a repair plan and the remediation work will be completed in August with the goal of a minimal impact to the overall schedule. At ADS Addison Airport in Addison TX, the RFP has been issued to a pre-approved list of general contractors with responses due by the end of August. At OPF Phase 2 OpaLocka Airport in Miami Florida, the design team continues to progress on the construction drawings with their completion targeted for September. The following is a summary of progress at each development.

Field: OPF Phase 1 – Opa-Locka, Florida
Reporting Period: July 2023

1. Property Status:

The project has been completed and turned over to Sky Harbour operations.

2. Progress Photos:



Site Plan



Sky Harbour



03-27-23

The picture above is looking southeast. Wright Road is toward the middle of the photo. Modification of the connectors between the ramp and taxi lane is complete. Phase 2 is in the lower right corner of the photo.



Sky Harbour



03-27-23

The picture above is looking Northeast. Phase 2 is in the bottom left corner of the photo.

Field: OPF Phase 2 – Opa-Locka, Florida

Reporting Period: July 2023

1. Design & Permitting Status:

The target completion date for construction drawings is September 15th, and will include architectural, MEPFS, and the civil set of drawings. The structural drawings (footings and foundations) will commence mid-August with a target completion of mid-September. Upon receipt of the structural drawings, the complete set of construction drawings will be submitted for permit review.

2. Schedule Variances:

None

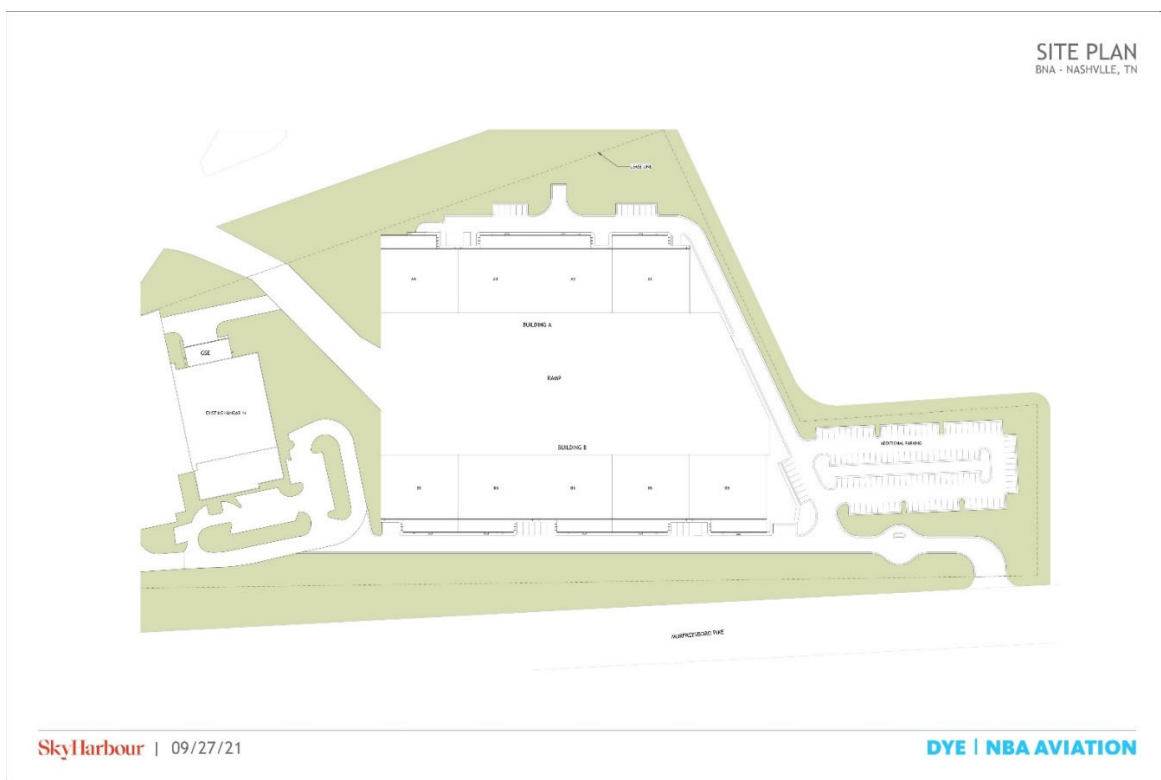
3. Change Orders that Impact Project Completion date:

Field: BNA – Nashville, Tennessee
Reporting Period: July 2023

1. Property Status:

The project has been completed and turned over to Sky Harbour operations.

2. Progress Photos:



Site Plan



The picture above is looking west. Murfreesboro Pike runs into the tunnel under the runway to the south of the hangar campus.



Monument Sign on eastern side of development at Murfreesboro Pike

Field: APA – Englewood, Colorado

Reporting Period: July 2023

1. Design and Permitting Status:

Arapahoe County Water and Wastewater Authority (ACWWA) ruled favorably on our request to eliminate the design requirement to loop the water main around the hangars. We are in negotiations with the general contractor on pricing for interior upgrades to meet the market (inclusive of additional windows, interior lighting, fire sprinklers, and marketing showroom upgrades).

2. Construction Status:

With the resolution of the water main loop by ACWWA, A&F General Contractors is now finalizing the water main installation on site. Public utility connections within Isbill Road were completed and placed back into service. A&F continues with the remaining grade beam installation for building A. RapidBuilt began delivering PEMB steel components for the SH-16A at the end of July with erection scheduled to begin in August.

3. Change Orders that Impact Project Completion Date:

None

4. Loss Events:

None

5. Design, Construction and Manufacturing Critical Issues:

The project has experienced challenges to its schedule due to substantial rain delays (30+ days since commencement) and in the approval process for receiving building permits. Taking these factors into account, the project team believes that the adjusted substantial completion date will extend to April 2024. However, we continuously seek to mitigate this impact with the goal of delivering occupancy as early as possible.

- RapidBuilt has delivered components of the SH-16As to the site, however, RapidBuilt is currently behind schedule on fabrication of the SH-10s and the SH-30 due to an engineering bottleneck and this delivery timeline is included in the extended completion date.
- A&F failed to install anchor bolts correctly per the plans in building A and is in the process of repairing them according to the structural engineer's guidance. Given the delivery sequencing from RapidBuilt, this repair is not anticipated to impact the schedule.

6. List of Construction Activities / Milestones to be Completed in August:

- Completion of water and sanitary sewer installation.
- Deferred PEMB permit issuance from Arapahoe County Building Department.
- Complete grade beams in building A and substantially complete repairs in building B.



Northwestern view of the project with installation of grade beams in progress for building A.



Northeastern view of the project towards Building B. Piers are in place and grade beams about to start.

1. Design and Permitting Status:

RapidBuilt has finalized the hangar door design for the SH-16C, approved the actuator shop drawings, and issued a purchase order to the manufacturer to produce and deliver them. RapidBuilt has engaged a leading industrial automation and control system manufacturer to design the programmable logic controller (PLC) that will interface with the actuator operating system. These controllers are expected to be released into production in August.

Due to unforeseen existing utility conflicts underground, the project's civil engineer, Kimley Horn, had to redesign the project's water service connection to the city's water mains. The City of Phoenix has instructed Sky Harbour to file a technical appeal to recover the costs for these revisions, as these underground conflicts were not shown on any as-built drawings.

Due to unforeseen underground utility conflicts at the fuel farm site, Kimley Horn must redesign an alternate routing for stormwater to an existing retention area on airport property. This stormwater redesign has received preliminary approval, and final design documents will be submitted to the City of Phoenix's Planning and Development Department (PDD) and the City of Phoenix Aviation department in August. Sky Harbour will file a technical appeal to recover the costs for these revisions as well.

2. Construction Status:

The general contractor (Haydon) has completed the roof panel installation on Hangars A thru D and the superstructure of hangars E-G. While hangar H was partially erected, a wind event overloaded five structural posts of hangar H, causing cracks in the grade beam. The structural engineer has designed a repair plan and the remediation work will be completed in August with the goal of a minimal impact to the overall schedule. The roof installation of hangars E-H and the metal trims for installation on hangars A-B are expected to be completed in August. The mezzanine structures have been installed in hangars A -D. Framing operations inside hangar A (the showroom model hangar) have commenced.

Haydon has completed the installation of underground utilities onsite. The team expects the aircraft rated storm structure tops to be delivered in August which will allow the final grading and then paving operations to begin. At the fuel farm, subgrade prep and lime treatment has been completed. The civil engineer has resolved several conflicts with existing utilities, but work is on hold pending approval of the permit revision for stormwater as noted above.

3. Change Orders that Impact Project Completion Date:

- The project site was hit by a windstorm in the overnight hours of July 26th / the morning of July 27th. The superstructure of hangar H was partially erected when the steel posts succumbed to the 80mph wind loading on them and cracked the concrete grade beams. The impact on the project schedule and cost is yet to be determined.

- The delivery of the PEMB trim package from Rapid Built was delayed and delivered at the end of July. With this delivery, Haydon and their team can begin the siding installation and evaluate if this delay will have any impact on the project's completion.

4. Loss Events:

None

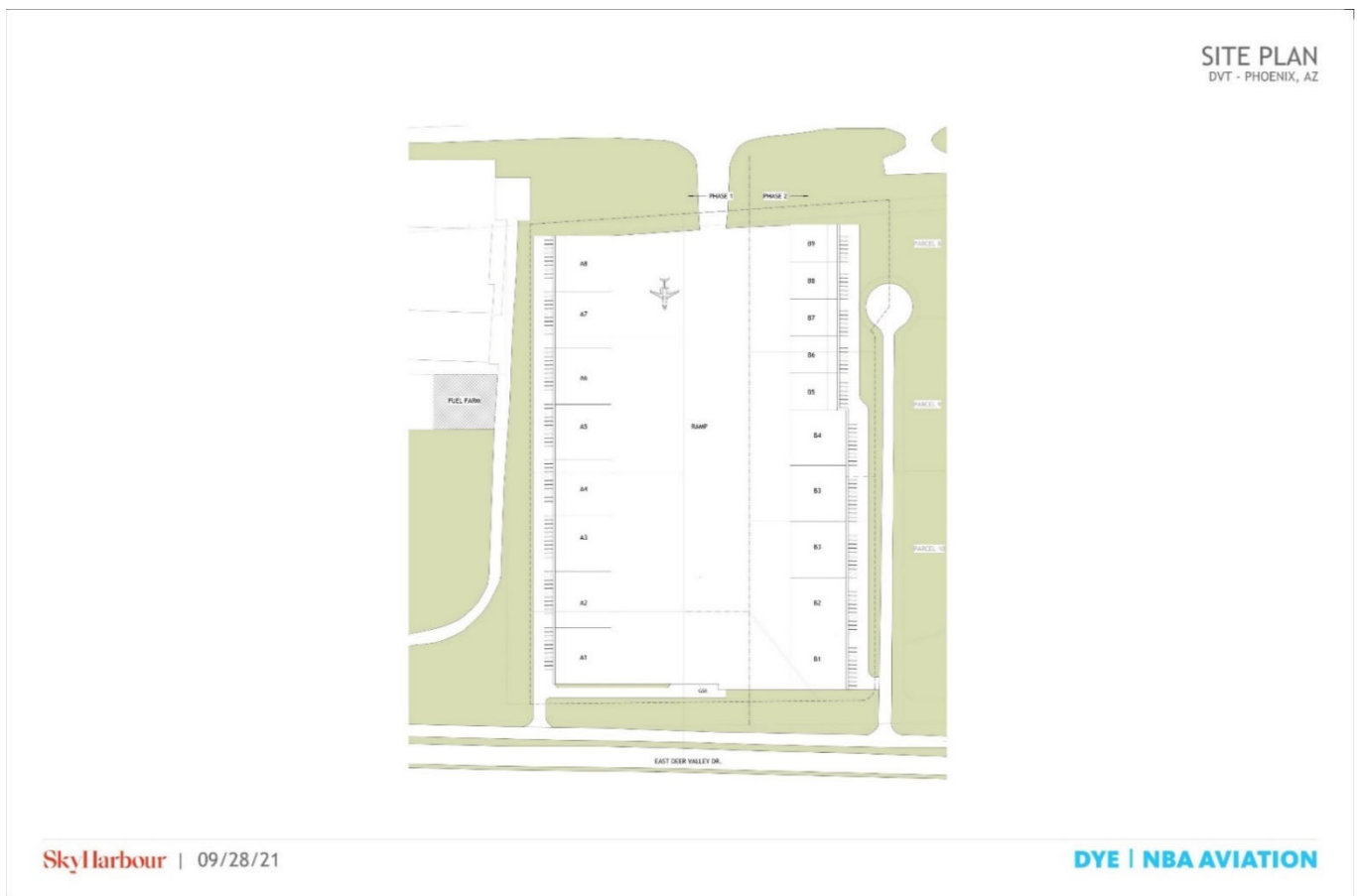
5. Design, Construction and Manufacturing Critical Issues:

- Rapid Built is finalizing the design of the hangar doors and fabrication of the hangar door structure has begun.

6. List of Construction Activities / Milestones to be Completed in August:

- Complete the roofing installation on hangars E-H.
- Complete the fabrication and delivery of remaining trims related to PEMBs.
- Commence the GSE building foundation.
- Commence with wall sheathing / siding installation on the PEMBs.

7. Progress Photos:



Site Plan



Western view of PEMB superstructure of hangars D-G with IMP walls installed and roof installed on hangar D.



Southern view of hangars A-H with roofing installed on hangars A-D

1. Design and Permitting Status

The structural engineer (Burns Engineering) continues to review the PEMB design and reactions to complete their structural design of the footing and foundation system. The structural design is expected to be completed and ready for permit submission by the middle of September.

The town of Addison's Public Works Department (PWD) issued conditional approval of the civil set of plans on July 13th. Airport and FAA approval of the Construction Safety and Phasing Plan (CSPP) was received on July 25th. With conditional approval of the civil set, and once the GMP contract is executed in September, site work can immediately commence.

The request for proposal (RFP) was issued to four select general contractors on July 7th with a due date of August 11th. Three proposals were received by the due date that are currently under review. The goal is to level the bids and evaluate proposals and make a recommendation to award on or before September 15th.

2. Schedule Variances

None

3. Change Orders that Impact Project Completion Date:

None

4. Loss Events:

None

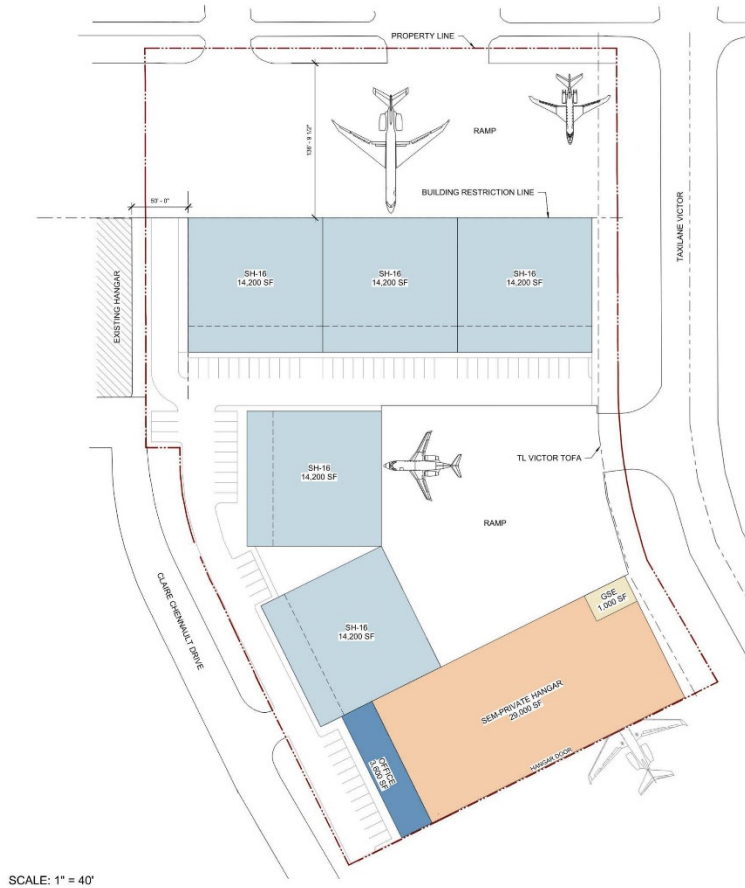
5. Design, Construction and Manufacturing Critical Issues:

None

6. List of Construction Activities / Milestones to be Completed in August:

- Receive proposals from invited general contractors and level the bids.

7. Progress Photos:



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ADS-1 Approved Site Plan

Update to Timing and Spent-to-Date

Facility	Status	Scheduled Construction Start	Scheduled Completion Date	Hard Costs (\$mm)	Soft Costs (\$mm)	Project Contingency (\$mm)	Total Project Cost (\$mm)	Spent-to-Date (\$mm)	Contractor	Contract Details
OPF Phase I	Occupancy	Aug-21	Feb-23	22.6 - 24.6	7.4	1.2	31.2 - 33.2	31.9	Link Construction	GMP with 100% P&P Surety
OPF Phase II	In Development	Dec-23	Feb-25	21.5 - 26.1	4.4	2.2	28.1 - 32.7	1.0		
BNA	Occupancy	Jul-21	Oct-22	19.0 - 20.0	5.8	1.0	25.8 - 26.8	25.7	Dunn Building Company	GMP with 100% P&P Surety
DVT Phase I	In Construction	Dec-22	Mar-24	26.1 - 31.4	4.1	2.3	32.5 - 37.8	13.7	Haydon Building Corp	GMP with 100%

										P&P Surety
DVT Phase II¹	Predevelopment	2Q-24	Feb-25	22.8 - 27.4	3.3	2.1	28.2 - 32.8	0.0		
APA Phase I	In Construction	Nov-22	Mar-24	28.4 - 34.4	6.1	2.7	37.2 - 43.2	11.9	A&F General Contractors	GMP with 100% P&P Surety
APA Phase II	Predevelopment	2Q-24	Nov-24	21.7 - 26.3	4.7	2.2	28.6 - 33.2	0.0		
ADS Phase I	In Development	Aug-23	Oct-24	19.0 - 21.0	5.2	1.2	25.4 - 27.4	2.0		
Total				189.2 - 221	\$42.2	\$15.9	247.3 - 279.1	\$86.0		

Change Orders Affecting Scheduled Completion

None

Loss Events

None

Critical Issues

See discussion for each airfield above.

Next Month Milestones

See discussion for each airfield above.

¹ Same as footnote 1.