

# BOARD PACKET

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY



**March 2, 2021**

**Grand Junction Regional Airport Authority**



**Date:** March 2, 2021

**Location:**

Join Electronic Zoom Meeting

**Link:** <https://us02web.zoom.us/j/81008276463>

**Meeting ID:** 810 0827 6463

**Time:** 5:15 PM

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**SPECIAL BOARD MEETING AGENDA**

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**I. Call to Order**

**II. National Anthem**

**III. Approval of Agenda**

**IV. Commissioner Comments**

**V. Citizens Comments**

The Grand Junction Regional Airport Authority welcomes respectful public comments at its meetings. The Citizens Comment section is open to all individuals that would like to comment. If you wish to speak under the Citizens Comment portion of the agenda, please e-mail your comment to the Board Clerk ([boardclerk@gjairport.com](mailto:boardclerk@gjairport.com)) 15 minutes prior to the meeting. Comments not related to specific agenda items will be addressed during the citizen comment section of the agenda. Citizen comments related to a specific action item will be addressed during the discussion of that action item. The Board Chair will indicate when you may come forward and comment. Please state your name for the record. Presentations are limited to **three minutes** and yielding time to others is not permitted. Speakers are to address the Chair, not each other or the audience, and are expected to conduct themselves in an appropriate manner. The use of abusive or profane language shall not be allowed. No debate or argument between speakers and/or members of the audience shall be permitted.

**VI. Public Hearing**

**A. Interview and Discuss At-large Commissioner Candidates**

- J.D. Evans
- Linde Marshall

**VII. Action Items**

- A. Amend the Standard Form Airline Operating License Agreement \_\_\_\_\_ 1
  - Amend the termination rights of the airline in Section 8 of the standard form Airline Operating License Agreement to allow termination with sixty (60) days prior notice and delegate authority to the Executive Director to sign the agreement with any new entrant airlines.
- B. Adopt the standard form Agreement for Operational Incentives offered in accordance with the Authority’s Air Service Incentive Program \_\_\_\_\_ 2
  - Staff recommends that the Board (i) adopt the standard form Agreement for Operational Incentives; (ii) authorize the Executive Director to execute individual agreements with airlines that meet the eligibility criteria in the Air Service Incentive Program, with only such modifications as needed to conform to the Program; and (iii) authorize the Executive Director to amend the Agreement for Operational Incentives with Allegiant Air consistent with the standard form.
- C. Adopt the standard form Agreement for Marketing Incentives offered in accordance with the Authority’s Air Service Incentive Program \_\_\_\_\_ 3
  - Adopt the standard form Agreement for Marketing Incentives and authorize the Executive Director to execute individual agreements with airlines that meet the eligibility criteria in the Air Service Incentive Program.

**VIII. Discussion**

- A. InterVISTAS Airport Development Plan Update
- B. Garver Drainage Study Presentation
- C. Governance Modernization Update \_\_\_\_\_ 4

**IX. Any other business which may come before the Board**

**X. Adjournment**

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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|                 |   |                                   |  |
|-----------------|---|-----------------------------------|--|
| TOPIC:          | Amend the Standard Form Airline Operating License Agreement   |                                   |  |
| PURPOSE:        | Information <input type="checkbox"/>  | Guidance <input type="checkbox"/> | Decision <input checked="" type="checkbox"/> |
| RECOMMENDATION: | Amend the termination rights of the airline in Section 8 of the standard form Airline Operating License Agreement to allow termination with sixty (60) days prior notice and delegate authority to the Executive Director to sign the agreement with any new entrant airlines.  |                                   |  |
| SUMMARY:        | <p>When first adopted, the Airline Operating License Agreement did not include any option for early termination by an Airline and the term of the agreement was twelve (12) months. Since airline use and lease agreements are in month-to-month holdover, it seems inequitable to require a new entrant to commit to a twelve (12) month term without a shorter notice for termination.</p> <p>The intent of the Agreement was to serve as a short-term agreement to define the rights and responsibilities for a new entrant airline wishing to provide service at the Airport and would govern the airline’s activities at the Airport until such time as a new Air Carrier Use and Lease Agreement is established. It was not the intent to require a new entrant to make a commitment substantially longer than the existing airlines serving GJT.</p> <p>The proposed modification to Section 8 of the Standard form would allow an airline operating under the Agreement to terminate service with sixty (60) days prior notice. No other changes are proposed to the standard form Agreement.</p> |                                   |  |
| REVIEWED BY:    | Executive Director and Legal Counsel  |                                   |  |
| FISCAL IMPACT:  | N/A - No direct fiscal impact   |                                   |  |
| ATTACHMENTS:    | Airline Operating License Agreement   |                                   |  |
| STAFF CONTACT:  | Angela Padalecki<br><a href="mailto:apadalecki@gjairport.com">apadalecki@gjairport.com</a><br>Office: 970-248-8588  |                                   |  |

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**GRAND JUNCTION REGIONAL AIRPORT  
AIRLINE OPERATING LICENSE AGREEMENT**

By execution of this Airline Operating License Agreement (“License”), the Grand Junction Regional Airport Authority (“Authority”) hereby grants to \_\_\_\_\_ (“Airline”) the right to use and occupy designated areas of the Grand Junction Regional Airport (“Airport”) for the purpose of conducting scheduled passenger service operations in accordance with the terms and conditions set forth herein. Any capitalized term not otherwise defined herein shall have the meaning ascribed to it in Exhibit A, Definitions.

**1. Premises.** The Authority hereby authorizes Airline the right to use and occupy the [Preferential/Shared/Joint Use Space] (the “Premises”) depicted in Exhibit B “as is” and in its present condition.

**2. Use of the Airport.** Subject to Applicable Laws (as defined in Paragraph 10 herein), the Airport’s Minimum Standards, Rules and Regulations, and other limitations expressed in this License, the Authority grants to Airline the right to conduct commercial air transportation at the Airport, which includes the right to use, in common with others, the Airport Operations Area for the landing, taking off, flying over, taxiing, towing and conditioning of Airline’s aircraft and, in areas designated by Authority, the extended parking, servicing, loading or unloading, storage or maintenance of Airline’s aircraft and support equipment. The Authority may prohibit the use of the Airport by any aircraft operated or controlled by Airline that exceeds the design strength or capability of the airfield.

**3. Use of the Airport and Premises as Signatory Airline.** In exchange for Airline’s commitment to conduct scheduled passenger service operations during the term hereof and to negotiate with the Authority on an Air Carrier Use and Lease Agreement to replace this License, the Authority grants Airline the right to use and occupy the Airport and Premises in like manner to other signatory airlines operating at the Airport pursuant to an airline operating agreement.

**4. Security and Safety.** Airline shall comply with all applicable provisions of the Authority’s approved security program, including but not limited to badging requirements. Airline must comply strictly and faithfully with any and all rules, regulations and directives which the Authority, the Federal Aviation Administration (“FAA”) or the Transportation Security

Administration (“TSA”) may issue from time to time with regard to security, safety, maintenance and operation of the Airport and must promptly report any information regarding suspected violations in accordance with those rules and regulations.

**5. Term.** The term of this License shall begin on \_\_\_\_\_, 2021, and expire upon the earlier of (i) twelve (12) months from the commencement date, or (ii) execution of an Air Carrier Use and Lease Agreement on the same terms and conditions as similarly-situated air carriers operating at the Airport (“Term”).

**6. Rents and Fees Payable.**

A. For the use and occupancy of the Premises, and the rights and privileges granted herein, Airline agrees to pay to the Authority the rates and charges prescribed by Authority Resolution No. 2020-003, as the same may be amended or superseded during the Term.

B. Airline agrees that it will prepare and deliver to the Executive Director, or its designee, on or before the tenth (10<sup>th</sup>) day of each calendar month during the term of this License, a statement which shall be subscribed and certified to as correct by Airline or its authorized representatives showing:

- i. The number of landings by the Airline's passenger or cargo aircraft, by aircraft type and by category (regularly scheduled, diversion, ferry, maintenance, charter, etc.) and the aggregate Maximum Gross Landing Weight of those aircraft;
- ii. The total weight of cargo enplaned and deplaned at the Airport;
- iii. The total of all Enplaned Passengers (including non-revenue passengers) and deplaned passengers (including non-revenue passengers) of Airline and its Affiliates at the Airport by destination; and
- iv. The total number of Loading Bridge Turns.

C. Airline’s failure to pay the prescribed rates and charges or to provide the statements and reports required in connection with rates and charges shall be considered a breach of this License, subject to notice and cure, pursuant to Paragraph 8 herein. It is further agreed by the parties that a service charge in the amount of up to fifteen (15) percent per month may be added to any balance due and owing by Airline for a period of thirty (30) days or more.

D. Airline or its affiliate(s) shall collect and promptly remit to the Authority (without notice

or demand by Authority and in accordance with 14 C.F.R. Part 158) the proceeds of the Authority's Passenger Facility Charge ("PFC"), so long as the Authority has an FAA-approved PFC in effect. Both Airline and the Authority hereby covenant to fulfill their responsibilities under the terms of 14 C.F.R. Part 158. If legislation and regulations in effect on the date of this License governing PFCs, use fees, or similar charges on Airline's passengers using the Airport are amended, changed, or eliminated during the Term, the Authority reserves the right to appropriately adjust such charges, levy new charges, revise charges, or implement additional charges as determined by the Authority to be necessary.

**7. Security Deposit.** Upon execution of this License, Airline shall deposit with the Authority a security deposit for the faithful performance by Airline of Airline's obligations under this License. The amount of the security deposit shall be the Authority's reasonable estimate of Airline's rates and charges for three (3) months of commercial air transportation operations at the Airport. The security deposit may be in the form of a cash deposit or an irrevocable letter of credit. In addition to other remedies, the Authority may use the security deposit to pay and set off any amounts due and owing by Airline. The security deposit, or any unused portion thereof, shall be returned to Airline without interest upon the expiration of the Term of this License.

**8. Termination.** This License shall expire at the end of the Term in accordance with Paragraph 5 hereof, and Airline thereafter shall have no further right or interest in the Premises. Airline shall have the right to terminate this License upon sixty (60) days prior written notice to the Authority. The Authority shall have the right to terminate this License upon a default in the performance, or breach, of any other covenant or warranty of Airline in this License and the continuation of such default or breach for a period of thirty (30) days after there has been given a written notice by the Authority to Airline. The Authority further shall have the right to terminate this License upon Airline's abandonment of the Premises or any action by a third party, including the United States, that renders Airline unable to conduct commercial air transportation at the Airport.

**9. Indemnification and Insurance.**

A. The Authority shall stand indemnified by Airline as provided herein. It is expressly understood and agreed by and between the parties that Airline is and shall be deemed to be an independent contractor responsible to all persons for its respective acts or omissions, and the Authority shall in no way be responsible therefor.

B. Airline agrees to indemnify, defend, save and hold harmless the Authority, its officers, directors, agents, and employees from any and all claims, liabilities, damages, losses, suits, fines, penalties, demands and expenses, including costs of suit and reasonable attorney's fees, which any or all of them may hereafter incur or pay out as a result of bodily injury (including death) to any person or damage to any property or person arising out of Airline's use of the Premises or any acts or omissions of Airline or its employees, contractors, subcontractors, agents, licensees, affiliates, vendors, or invitees (excluding Airline's passengers), in connection with the Airline's use of the Premises or its operations at the Airport, except to the extent caused by the negligence or willful misconduct of the Authority, its officers, directors, agents, employees, contractors, or representatives.

C. Upon the filing with the Authority of a claim for damages arising out of incidents for which Airline herein agrees to indemnify, defend, save and hold harmless the Authority, the Authority shall notify Airline of such claim and shall tender to Airline the defense of such claim. Any final judgment rendered against the Authority for any cause for which Airline is liable hereunder shall be conclusive against the Airline as to liability and amount provided the Authority has notified Airline of such claim as provided above.

D. Airline shall, at its own cost and expense, procure and maintain in full force and effect during the term of this License, minimum levels of insurance coverage, which shall be primary with respect to Airline's obligations hereunder as to any other valid and collectable insurance, in the amounts as detailed on Exhibit C, and as further described in this Paragraph.

- i. Aviation Liability. Airline shall procure and maintain a comprehensive general liability insurance policy, which shall include the coverages specified in Exhibit C. Contractual liability coverage shall specifically insure the hold harmless provision of this License.
- ii. Property Coverage. Airline shall procure and maintain "all-risks" property coverage in limits reasonably related to the value of Airline's personal property in the Premises and in the event of damage to or destruction of the Premises, the Airline shall use the insurance proceeds for the repair or replacement of the Premises.
- iii. The Authority and its officers, directors, agents and employees shall be named as additional insureds on the Commercial General Liability insurance policy, to the extent of Airline's obligations to indemnify the Authority hereunder. The policies



The Airline: [INSERT AIRLINE CONTACT]

or to such other respective addresses as may be designated in writing by the parties from time to time.

**12. Miscellaneous.**

- A. Airline shall comply with federally-required non-discrimination provisions, attached hereto as Exhibit D.
- B. Airline agrees that it will not sell, convey, transfer, mortgage or assign this License or any part thereof, or any rights created thereby.
- C. Nothing contained in this License shall be deemed to grant to Airline any exclusive right or privilege within the meaning of 49 U.S.C. Section 40103(e) with respect to aeronautical activity at the Airport.
- D. This License shall be subordinate to the provisions of any existing or future agreements between the Authority and the United States, relative to the development or improvement of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. Upon receipt of a final order by the FAA or an order by a court of competent jurisdiction that any provision hereof is in violation of any such agreement with the United States, the parties shall engage in good faith negotiations and seek to amend this License by mutual consent. In the event the parties are unable to agree to an amendment after good faith negotiations, the Authority shall have the right to amend this License unilaterally to the limited extent necessary to cure the violation of an agreement with the United States. If such unilateral amendment substantially restricts Airline's ability to conduct commercial air transportation at the Airport for any period of time, Airline shall have the right to terminate this License upon thirty (30) days prior written notice to the Authority.
- E. This License shall be performable and enforceable in Mesa County, Colorado, and shall be construed in accordance with the laws of the State of Colorado. Airline and Authority waive the right to a jury on all claims or demands that arise from the terms and conditions of this License, or the performance of this License.
- F. This License, inclusive of exhibits, constitutes the entire agreement of the parties hereto and supersedes any prior agreement or understanding, written or verbal, on the subject of this License.

The parties have executed this License on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_.

**GRAND JUNCTION REGIONAL AIRPORT  
AUTHORITY**

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

Title: \_\_\_\_\_

**[INSERT AIRLINE NAME]**

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

Title: \_\_\_\_\_

**EXHIBIT A**  
**DEFINITIONS**

1. AFFILIATE or AFFILIATED AIRLINE: Shall mean any airline that a Signatory Airline designates to Authority in writing as an Affiliate or Affiliated Airline and that (1) is a parent or wholly owned subsidiary of a Signatory Airline or is under the same ownership and control as a Signatory Airline, (2) operates under essentially the same trade name as a Signatory Airline at the Airport using aircraft with or without the same livery as a Signatory Airline, (3) operates using the same trade name of a parent or subsidiary as a Signatory Airline at the Airport using aircraft with or without the same livery as a Signatory Airline, or (4) shares an International Air Transport Association (IATA) flight designator code with a Signatory Airline and essentially the same livery (Code-Sharing Partner).
2. AIR TRANSPORTATION: Shall mean the conduct of the business of commercial air transportation of persons, property, cargo and mail.
3. AIRPORT OPERATIONS AREA: Shall mean the restricted areas of the Airport, inclusive of taxiways, runways, and aircraft parking areas contained within the Airport's security fencing.
4. ENPLANED PASSENGER: Shall mean any revenue passenger embarking at the Terminal, including any such passenger that shall previously have disembarked from another aircraft of the same or a different Airline.
5. JOINT USE SPACE: Shall mean the premises leased by the Authority to Lessee and one or more other Airlines, consisting of one or more of the following areas of the Terminal: the ticket queuing space, security, passenger boarding areas, loading bridges and gates, and baggage claim.
6. LOADING BRIDGE TURN: Shall mean each time an aircraft is "connected" to the loading bridge. If an aircraft enplanes and deplanes passengers without disconnecting, this will count as one "turn".
7. MAXIMUM GROSS LANDING WEIGHT: Shall mean the maximum certificated weight, in thousand (1,000) pound units, that each aircraft operated by an Airline is authorized by

the FAA to land at the Airport, as specified in the Airline's flight manual governing that aircraft.

8. PREFERENTIAL USE SPACE: Shall mean space used by Lessee on a priority basis over other Airlines, consisting of one or more of the following areas of the Terminal: airline ticket counters, office space, and garage/baggage space in the airline ticket office (ATO).
9. SHARED USE SPACE: Shall mean space leased by Lessee on a preferential basis along with one or more other Signatory Airlines within the following areas of the Terminal: airline ticket counters, office space, and garage/baggage space in the ATO.

**EXHIBIT B  
PREMISES**

**EXHIBIT C**  
**INSURANCE REQUIREMENTS**

**EXHIBIT D**  
**NON-DISCRIMINATION REQUIREMENTS**

As used herein, the term “Agreement” applies to and means this License.

1. Airline agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Airline transfers its obligation to another, the transferee is obligated in the same manner as Airline. This provision obligates Airline for the period during which the property is used or possessed by Airline and the Airport remains obligated to the FAA. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.
2. During the performance of this Agreement, Airline for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities:
  - A. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
  - B. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
  - C. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
  - D. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
  - E. The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
  - F. Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
  - G. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by

- expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- H. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
  - I. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
  - L. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).
3. Airline, including personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Airline will use the premises in

compliance with all other requirements imposed by or pursuant to the list of non-discrimination acts and authorities, as enumerated in the preceding subsection. In the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if the Agreement had never been made or issued. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 18.2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Article 18.

4. During the performance of this Agreement, Airline, for itself, its assignees, and successors in interest, agrees as follows:

A. Nondiscrimination: Airline, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Airline will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.

B. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by Airline for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Airline of contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities.

C. Information and Reports: Airline will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Authority or the FAA to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of

another who fails or refuses to furnish the information, Airline will so certify to the Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

- D. Sanctions for Noncompliance: In the event of Airline's noncompliance with the non-discrimination provisions of this Agreement, the Authority will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to, cancelling, terminating, or suspending this Agreement, in whole or in part. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 18.2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Article 18.
  - E. Incorporation of Provisions: Airline will include the provisions of this subsection in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Airline will take action with respect to any subcontract or procurement as the Authority or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Airline becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Airline may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Airline may request the United States to enter into the litigation to protect the interests of the United States.
  - F. The obligations of this subsection 4 shall, to the extent permitted by law, apply only to solicitations for subcontracts issued after the effective date of this Agreement and to subcontracts executed after the effective date of this Agreement.
5. In accordance with 49 U.S.C. Section 41705, Airline agrees that, in conducting Air Transportation at the Airport, it will not discriminate against an otherwise qualified individual on the following grounds: (a) the individual has a physical or mental impairment that substantially limits one or more major life activities; (b) the individual

has a record of such an impairment; and (c) the individual is regarded as having such an impairment.

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

|                 |   |
|-----------------|---|
| TOPIC:          | Adopt the standard form Agreement for Operational Incentives offered in accordance with the Authority's Air Service Incentive Program   |
| PURPOSE:        | Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>   |
| RECOMMENDATION: | Staff recommends that the Board (i) adopt the standard form Agreement for Operational Incentives; (ii) authorize the Executive Director to execute individual agreements with airlines that meet the eligibility criteria in the Air Service Incentive Program, with only such modifications as needed to conform to the Program; and (iii) authorize the Executive Director to amend the Agreement for Operational Incentives with Allegiant Air consistent with the standard form.  |
| SUMMARY:        | <p>The standard form Agreement for Operational Incentives defines the terms between GJRAA and an airline that provides new service to a targeted unserved destination in accordance with the Air Service Incentive Program for the operational incentives to be provided by GJRAA. The incentives are available to any airline that provides qualifying service, and the standard form defines the terms of the incentives offered.</p> <p>The terms of the Agreement are the same as the terms of the Allegiant Agreement for Operational Incentives that was approved at the February 16, 2021 board meeting with one revision to the termination clause in Section 3, which allows GJRAA to recover waived fees if service is discontinued within the first twelve (12) weeks, instead of twelve (12) months. Staff are also requesting authorization to amend the Allegiant incentive agreement to match the new standard form terms.</p> <p>The term of the Agreement is twenty-four (24) months from the commencement of the service. If service is discontinued within the first twelve (12) weeks, all amounts credited by GJRAA under the Agreement will be due and payable.</p> <p>In accordance with the Agreement, an airline providing service to a targeted, unserved destination will be eligible for the following operating expense credits:</p> <ul style="list-style-type: none"><li>• Landing fee credit equal to 100% of landing fees incurred by the Airline for the new service for the term of the Agreement.</li><li>• A 100% credit for joint-use space rent incurred related to the new service for the first 12-months of service, and a 50% credit for joint-use space rent incurred by the airline for the service for the second 12-months of service.</li></ul> |
| REVIEWED BY:    | Executive Director and Legal Counsel  |
| FISCAL IMPACT:  | N/A - No direct fiscal impact associated with the Standard Form   |
| ATTACHMENTS:    | Standard form Agreement for Operational Incentives  |
| STAFF CONTACT:  | Angela Padalecki<br><a href="mailto:apadalecki@gjairport.com">apadalecki@gjairport.com</a><br>Office: 970-248-8588  |

## AGREEMENT FOR OPERATIONAL INCENTIVES

**THIS AGREEMENT** is made and entered as of the date indicated on the signature page below, by and between the GRAND JUNCTION REGIONAL AIRPORT AUTHORITY (the “Authority”), a political subdivision of the State of Colorado, having an address of 2828 Walker Field Drive, Suite 301, Grand Junction, Colorado 81506, and [AIRLINE], a corporation organized and existing under and by virtue of the laws of [State] and authorized to do business in the State of Colorado (the “Airline”) (collectively referred to herein as the “Parties”).

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

**WHEREAS**, the Authority owns and operates Grand Junction Regional Airport (“GJT”); and

**WHEREAS**, the Airline will commence regular, non-stop passenger service between [destination] Airport (“[destination code]”) and GJT (the “Service”) on or about [date], 2021; and

**WHEREAS**, the Authority assesses operational fees for the Airline’s use of GJT; and

**WHEREAS**, through the Authority’s Air Service Incentive Program, attached hereto as **Exhibit A**, the Airline, by virtue of establishing qualified service between [destination] and GJT, is eligible for certain credits against those operational fees;

**NOW THEREFORE**, in consideration of the mutual agreements herein contained, and subject to the terms and conditions herein stated, the Parties agree as follows:

**1. CREDITS; CREDIT PAYMENT MECHANISM:**

A. Credits: If the Airline establishes and continues the Service for at least twenty-four (24) months beginning on or about [date], 2021, the Authority will provide a credit against the fees the Airline would owe to the Authority for Landing Fees and Joint-Use Space Rent, as follows:

1) Landing Fee Credit: The Authority shall provide the Airline a credit equal to one hundred percent (100%) of the landing fees incurred by the Airline for the Service for the full Term of the Agreement.

2) Joint-Use Space Rent Credit: The Authority shall provide the Airline a credit equal to one hundred percent (100%) of the Joint-Use Space Rent incurred by the Airline for the Service for the first twelve (12) months of the Term, and a credit equal to fifty percent (50%) of the Joint-Use Space Rent incurred by the Airline for the Service for the remaining twelve (12) months of the Term.

B. **Accounting for Credits:** Credits for Landing Fees and Joint-Use Space Rent shall be calculated in accordance with the methodology set forth in the Existing Agreement (as defined by Paragraph 4, below). For the purpose of obtaining the credits set forth under this Agreement, the Airline shall indicate in the monthly reporting required by the Existing Agreement the number of landings by Airline's passenger aircraft, number of enplaned and deplaned passengers, and the number of loading bridge turns associated with the Service.

**2. TERM:** The term of the Agreement shall begin on the date of commencement of service on or about [date], 2021 and shall expire twenty-four (24) months thereafter, unless sooner terminated in accordance with Paragraph 3, below.

**3. TERMINATION:** Airline's decision, at any time prior to the expiration of this Agreement under Paragraph 2, to terminate or suspend non-stop service between [destination] and GJT and/or Airline's failure to provide non-stop service between [destination] and GJT for more than seven consecutive calendar days shall constitute an event of default and warrant termination by the Authority. Termination shall be effective immediately upon notification by the Authority to the Airline. If the Authority terminates this Agreement within the first twelve (12) weeks of the Service, all amounts credited to the Airline by the Authority under this Agreement shall be paid to the Authority within thirty (30) days of the date of the notice of termination. This provision shall survive the termination of this Agreement or expiration of the Term.

**4. STATUS OF AIRLINE:** The Airline acknowledges and agrees that the Airline or its affiliate providing the Service has executed an Airport Use and Facilities Lease Agreement or Airline Operating License Agreement (the "Existing Agreement") prior to the commencement of the Service. This Agreement is expressly subject to all of the terms and conditions set forth in the Existing Agreement. It is further understood and agreed that the status of the Airline shall be that of an independent contractor, and it is not intended, nor shall it be construed, that the Airline or its employees are employees, agents, or servants of the Authority.

**5. AIRLINE'S INSURANCE:** The Airline agrees to insure its operations in accordance with the terms of the Existing Agreement.

**6. LIMITATION OF BENEFIT:** The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to

the Authority and Airline, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on such Agreement. It is the express intention of the Authority and the Airline that subconsultants and any other person other than the Authority or the Airline receiving any benefits from this Agreement shall be deemed to be incidental beneficiaries only.

**7. ASSIGNMENT:** The Authority is not obligated or liable under this Agreement to any party other than the Airline named herein. The Airline shall not assign or subcontract with respect to any of its rights, benefits, obligations, or duties under this Agreement except upon prior written consent and approval of the Authority. The Authority may assign this Agreement to any successor public or private entity with delegated authority over the governance, management and operation of the Airport.

**8. SUBORDINATION:** This Agreement shall be subordinate to the provisions of any existing or future agreements between the Authority and the United States, relative to the development or improvement of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. Upon receipt of a final order by the FAA or an order by a court of competent jurisdiction that any provision hereof is in violation of any such agreement with the United States, the parties shall engage in good faith negotiations and seek to amend this Agreement by mutual consent. In the event the parties are unable to agree to an amendment after good faith negotiations, the Authority shall have the right to amend this Agreement unilaterally to the limited extent necessary to cure the violation of an agreement with the United States.

**9. NON-DISCRIMINATION:** This Agreement is subject to the non-discrimination requirements contained in the attached **Exhibit B**, which are incorporated by reference as if fully set forth in the body of this Agreement. In the event of a conflict between the terms and conditions of Exhibit B and the body of this Agreement, the terms and condition of Exhibit B shall control. In the event the FAA changes any of the Federal Contract Provisions, the Parties shall incorporate the change in an amendment hereto.

**10. NOTICES:** Notices concerning termination of this Agreement, notices of alleged or actual violations of the terms of this Agreement, and other notices of similar importance shall be made as follows:

by Airline to: Grand Junction Regional Airport Authority  
2828 Walker Field Drive, Suite 301  
Grand Junction, Colorado 81506

And by Authority to: **[Airline]**

Said notices shall be delivered personally during normal business hours to the appropriate office above or by prepaid certified mail, return receipt requested. Mailed notices shall be deemed effective upon deposit with the U.S. Postal Service. Either party may from time-to-time designate substitute addresses or persons where and to whom such notices are to be mailed or delivered, but such substitutions shall not be effective until actual receipt of written notification thereof.

**11. AGREEMENT MADE IN COLORADO; VENUE FOR DISPUTES:** This Agreement shall be construed and enforced in accordance with the laws of the State of Colorado. Any lawsuit related to or arising out of disputes under this Agreement shall be commenced and tried in Mesa County, Colorado. Prior to, and as a condition of seeking judicial relief, the Airline shall submit a written petition to the Airport Executive Director identifying the specific dispute and the Airline's position, and the Airport Executive Director shall thereafter make a timely finding and proposed resolution of the dispute.

**12. ENTIRE AGREEMENT:** This Agreement, and any amendments subsequently entered into, constitutes the entire Agreement between the Parties and the terms and conditions hereof were negotiated between the Parties on an arms-length basis and no obligation or covenant of good faith or fair dealing shall be implied or interpreted as conferring upon either party any right, duty, obligation or benefit other than expressly set forth herein. No modifications or amendments to this Agreement shall be valid unless agreed to by the Parties in writing and signed by their authorized representatives. Notwithstanding that the Authority shall be the signatory to this Agreement and any material amendments hereto, minor modifications to this Agreement may be authorized by the Executive Director or their designee.

**13. LEGAL AUTHORITY:** Each person signing this Agreement, and any addendums or attachments hereto, represents and warrants that said person is fully authorized to enter and execute this Agreement and to bind the Party it represents to the terms and conditions hereof.

**[END OF AGREEMENT; SIGNATURE PAGES AND EXHIBITS FOLLOW]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this \_\_\_\_\_ day of \_\_\_\_\_, 202\_.

**GRAND JUNCTION REGIONAL AIRPORT  
AUTHORITY**

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

Title: \_\_\_\_\_

**[INSERT AIRLINE NAME]**

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

Title: \_\_\_\_\_

**EXHIBIT A**

**Air Service Incentive Program**

## EXHIBIT B

### NON-DISCRIMINATION

1. Airline agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Airline transfers its obligation to another, the transferee is obligated in the same manner as Airline. This provision obligates Airline for the period during which the property is used or possessed by Airline and the Airport remains obligated to the FAA. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.
2. During the performance of this Agreement, Airline for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities:
  - A. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
  - B. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
  - C. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
  - D. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
  - E. The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
  - F. Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
  - G. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by

- expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- H. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
  - I. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
  - L. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).
3. Airline, including personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or

otherwise be subjected to discrimination, (3) that Airline will use the premises in compliance with all other requirements imposed by or pursuant to the list of non-discrimination acts and authorities, as enumerated in the preceding subsection. In the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if the Agreement had never been made or issued. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Exhibit B.

4. During the performance of this Agreement, Airline, for itself, its assignees, and successors in interest, agrees as follows:

- A. Nondiscrimination: Airline, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Airline will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- B. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by Airline for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Airline of contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities.
- C. Information and Reports: Airline will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Authority or the FAA to be pertinent to ascertain

compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, Airline will so certify to the Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

- D. Sanctions for Noncompliance: In the event of Airline's noncompliance with the non-discrimination provisions of this Agreement, the Authority will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to, cancelling, terminating, or suspending this Agreement, in whole or in part. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Exhibit B.
- E. Incorporation of Provisions: Airline will include the provisions of this subsection in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Airline will take action with respect to any subcontract or procurement as the Authority or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Airline becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Airline may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Airline may request the United States to enter into the litigation to protect the interests of the United States.
- F. The obligations of this subsection 4 shall, to the extent permitted by law, apply only to solicitations for subcontracts issued after the effective date of this Agreement and to subcontracts executed after the effective date of this Agreement.

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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| TOPIC: | Adopt the standard form Agreement for Marketing Incentives offered in accordance with the Authority's Air Service Incentive Program |
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|----------|--------------------------------------|-----------------------------------|--|
| PURPOSE: | Information <input type="checkbox"/> | Guidance <input type="checkbox"/> | Decision <input checked="" type="checkbox"/> |
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| RECOMMENDATION: | Adopt the standard form Agreement for Marketing Incentives and authorize the Executive Director to execute individual agreements with airlines that meet the eligibility criteria in the Air Service Incentive Program. |
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| SUMMARY: | <p>The standard form Agreement for Marketing Incentives defines the terms between GJRAA and an airline that provides new service to a targeted unserved destination and qualifies for marketing support in accordance with the Air Service Incentive Program. The marketing incentive is available to any airline that provides qualifying service, the standard form allows GJRAA and the airline to define the terms of the incentive offered.</p> <p>The terms of the Agreement are the same as the terms of the Allegiant Agreement for Marketing Incentives that was approved at the February 16, 2021 board meeting except the amount of compensation which will be determined based on the frequency of service offered.</p> <p>Airlines offering year-round, daily service to a targeted, unserved destination are eligible for \$50,000 in marketing support.</p> <p>Airlines offering year-round, less than daily service or seasonal service to a targeted, unserved destination will be eligible for \$25,000 in marketing support.</p> <p>The term of the Agreement will commence on the date that the agreement is signed and will terminate twenty-four (24) months from the commencement of the service, unless sooner terminated as provided for in the agreement.</p> <p>Should an airline discontinue serving the route within the first twelve months, all amounts paid by GJRAA to the airline shall be refunded.</p> |
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| REVIEWED BY: | Executive Director and Legal Counsel |
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| FISCAL IMPACT: | N/A - No direct fiscal impact associated with the Standard Form |
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| ATTACHMENTS: | Standard form Agreement for Marketing Incentives |
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| STAFF CONTACT: | Angela Padalecki<br><a href="mailto:apadalecki@gjairport.com">apadalecki@gjairport.com</a><br>Office: 970-248-8588 |
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## **AGREEMENT FOR MARKETING INCENTIVES**

**THIS AGREEMENT** is made and entered as of the date indicated on the signature page below, by and between the GRAND JUNCTION REGIONAL AIRPORT AUTHORITY (the “Authority”), a political subdivision of the State of Colorado, having an address of 2828 Walker Field Drive, Suite 301, Grand Junction, Colorado 81506, and [AIRLINE], a corporation organized and existing under and by virtue of the laws of the [State] and authorized to do business in the State of Colorado (the “Airline”) (collectively referred to herein as the “Parties”).

### **WITNESSETH**

**WHEREAS**, the Authority owns and operates Grand Junction Regional Airport (“GJT”);  
and

**WHEREAS**, the Airline will commence regular, non-stop passenger service between [Destination Airport Name] (“[destination code]”) and GJT (the “Service”), on or about [date];  
and

**WHEREAS**, the Authority’s Air Service Incentive Program is intended to support new air service to GJT, in part through marketing new passenger service; and

**WHEREAS**, the Authority wishes to obtain professional services to specifically promote public and industry awareness and use of GJT and the Airline’s new regular passenger service between [destination] and GJT; and

**WHEREAS**, the Airline is ready, willing and able to provide the professional services required by the Authority, and to perform the services called for hereunder subject to the conditions hereinafter set out;

**NOW, THEREFORE**, in consideration of the mutual agreements herein contained, and subject to the terms and conditions herein stated, the Parties agree as follows:

1. **LINE OF AUTHORITY:** The Executive Director of the Airport, or their designee or successor in function, authorizes and directs all work performed under this Agreement.

Administrative reports, memoranda, correspondence and other submittals required of the Airline shall be processed in accordance with the Executive Director's directions.

**2. SCOPE OF SERVICES:**

A. All work performed under this Agreement shall be done in a manner consistent with the terms, spirit, and intent of the Authority's Air Service Incentive Program, as set forth in the attached **Exhibit A**. Upon execution of this Agreement, the Airline shall promptly provide to the Authority a marketing strategy in writing (the "Marketing Strategy"), and upon approval of the Marketing Strategy by the Authority, the Airline will promptly undertake, perform and furnish the services hereinafter described in this Agreement including:

1) Initiation and implementation of promotional events, advertising campaigns, and/or marketing programs directed toward promoting public and industry awareness of the new service offered by Airline at GJT. The Airline agrees that when printed materials are used, the name "Grand Junction Regional Airport" or "GJT," and the logo when possible, shall appear prominently on the material.

B. Nothing in this Agreement shall preclude the Airline from undertaking any advertising, marketing, or promotional program that it, in its sole discretion, deems appropriate. It is agreed, however, that if the particular advertising, marketing or promotional activity is not approved by the Authority and does not meet the conditions of this Agreement, it will not be included in the Airline's invoices to the Authority.

**3. COMPENSATION:**

A. Compensation for Services: The Authority agrees to pay to the Airline, and the Airline agrees to accept as its sole compensation for its complete costs incurred and services rendered hereunder, amounts approved pursuant to this Agreement to reimburse the Airline for certain costs incurred in undertaking the Scope of Services as set forth in Paragraph 2, above. Any other provisions of this Agreement notwithstanding, in no event shall the Authority be liable for payment under this Agreement for any total and combined amount in excess of [amount] United States Dollars and No Cents (US\$[\_\_\_],000.00) (the "Maximum Contract Amount"). The Authority is not under any obligation to make any

future encumbrances or appropriations for this Agreement nor is the Authority under any obligation to amend this Agreement to increase the Maximum Contract Amount.

B. Invoices: The Airline shall submit to the Authority invoices for payment, on no more frequently than a monthly basis and no less frequently than quarterly, which shall include the following items:

- 1) The nature of the services rendered to date;
- 2) Demonstration that the services have been performed and, if not, that the services will be performed according to a schedule and by a date certain;
- 3) Adequate documentation to support the invoice, including documentation of the content of any advertisements placed and published or other services provided pursuant to this Agreement, and receipts or other documentation demonstrating the amounts paid for such services; and
- 4) Upon request from the Authority, additional supporting documentation in connection with any invoice submitted by the Airline.

C. Use of Funds: All funds provided to the Airline under this Agreement must go directly toward production of materials and/or placement of marketing for the Service. Under no circumstances shall funds provided under this Agreement be used to offset any other Airline cost.

4. **TERM:** The term of this Agreement shall commence on the date set forth on the signature page, below, and shall terminate twenty-four (24) months from commencement of the Service, unless sooner terminated as provided for herein.

5. **TERMINATION; REFUND OF PAYMENTS:**

A. Termination for Convenience: Airline may cancel and terminate this Agreement without cause by giving prior written notice to the Authority. Any such notice shall state the effective date of such cancellation and termination. The Airline shall, immediately upon sending notice of termination for convenience to the Authority, cease all further work hereunder, take all reasonable and necessary steps or procedures to curtail and hold additional cost occurrence to a minimum, submit any final invoice to the Authority for services performed prior to the notice of termination, and otherwise commence an orderly termination of the Agreement.

1) Payment of Partial Services: If the Agreement is terminated for convenience, the Airline's total compensation shall be limited to the sum of invoices which have already been submitted and approved at the time of termination, plus the reasonable value of those costs and services which have been incurred and rendered prior to termination, but have not been approved for payment at the time of termination. The reasonable value of any such subsequent billed cost or service shall be determined in the sole discretion of the Executive Director.

2) Exception Where Agreement Terminated for Cause: Payment and refunds in the event the Authority terminates this Agreement for cause shall be governed by subsection B of this Paragraph 5.

B. Termination for Cause: The Authority may terminate this Agreement for cause, effective immediately upon notification to the Airline. Upon such notification, the Airline shall cease all further work, take all reasonable and necessary steps or procedures to curtail and hold additional cost occurrence to a minimum, and commence an orderly termination of the Agreement. Airline's decision, at any time prior to the expiration of this Agreement under Paragraph 4, to terminate or suspend non-stop service between [destination] and GJT and/or Airline's failure to provide non-stop service between [destination] and GJT for more than seven consecutive calendar days shall constitute an event of default and warrant termination for cause by the Authority.

1) **Refund of Payments:** If the Authority terminates this Agreement for cause within the first twelve (12) months of commencement of the Service, all amounts paid to the Airline by the Authority under this Agreement shall be refunded to the Authority within thirty (30) days of the date of the notice of termination. This provision shall survive the termination of this Agreement or expiration of the Term.

6. **OWNERSHIP OF WORK PRODUCT:** Each party agrees that it has no ownership interest in and will not infringe or interfere with any trademark, servicemark, symbol, logo, trade dress or intellectual property of the other party, but may use such upon the express written permission of the party owning the protected property. It is understood and agreed that all drawings, promotion media and other documents which are created by the Airline shall remain the property of the Airline, and the Authority may use such drawings, promotion media or other documents with the express written permission of the Airline; however, the Airline shall not be held liable for damage resulting from any use of said documents other than the original intended use.

7. **ADVERTISING AND PUBLIC DISCLOSURES:** The Airline shall not include any reference to this Agreement or to work performed hereunder in any of its advertising or public relations materials without first obtaining the written approval of the Executive Director. Nothing herein, however, shall preclude the transmittal of any information to the Authority itself.

8. **STATUS OF AIRLINE:** The Airline acknowledges and agrees that the Airline or its affiliate providing the Service has executed an Airport Use and Facilities Lease Agreement or Airline Operating License Agreement (the "Existing Agreement") prior to the commencement of the Service. This Agreement is expressly subject to all of the terms and conditions set forth in the Existing Agreement. It is further understood and agreed by and between the Parties hereto that the status of the Airline shall be that of an independent contractor retained on a contractual basis to perform professional or technical services for limited periods of time and it is not intended nor shall it be construed that the Airline, is an employee, agent, or servant of the Authority.

9. **AIRLINE'S INSURANCE:** The Airline agrees to insure its operations in accordance with the terms of the Existing Agreement.

10. **LIMITATION OF BENEFIT:** The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to the Authority and Airline, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person on such Agreement. It is the express intention of the Authority and the Airline that subconsultants and any other person other than the Authority or the Airline receiving any benefits from this Agreement shall be deemed to be incidental beneficiaries only.

11. **ASSIGNMENT:** The Authority is not obligated or liable under this Agreement to any party other than the Airline named herein. The Airline shall not assign any of its rights, benefits, obligations, or duties under this Agreement except upon prior written consent and approval of the Authority. The Authority may assign this Agreement to any successor public or private entity with delegated authority over the governance, management and operation of the Airport.

12. **SUBORDINATION:** This Agreement shall be subordinate to the provisions of any existing or future agreements between the Authority and the United States, relative to the development or improvement of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the Airport. Upon receipt of a final order by the FAA or an order by a court of competent jurisdiction that any provision hereof is in violation of any such agreement with the United States, the parties shall engage in good faith negotiations and seek to amend this Agreement by mutual consent. In the event the parties are unable to agree to an amendment after good faith negotiations, the Authority shall have the right to amend this Agreement unilaterally to the limited extent necessary to cure the violation of an agreement with the United States.

13. **NON-DISCRIMINATION:** This Agreement is subject to the non-discrimination requirements contained in the attached **Exhibit B**, which are incorporated by reference as if fully set forth in the body of this Agreement. In the event of a conflict between the terms and conditions of Exhibit B and the body of this Agreement, the terms and condition of Exhibit B shall control. In the event the FAA changes any of the Federal Contract Provisions, the Parties shall incorporate the change in an amendment hereto.

14. **NOTICES:** Notices concerning termination of this Agreement, notices of alleged or actual violations of the terms or provisions of this Agreement, and other notices of similar importance shall be made as follows:

By Airline to: Grand Junction Regional Airport Authority  
2828 Walker Field Dr., Suite 301  
Grand Junction, Colorado 81056

By Authority to:

**[Airline]**

Said notices shall be delivered personally during normal business hours to the appropriate office above or by prepaid certified mail, return receipt requested. Mailed notices shall be deemed effective upon deposit with the U.S. Postal Service. Either party may from time-to-time designate substitute addresses or persons where and to whom such notices are to be mailed or delivered, but such substitutions shall not be effective until actual receipt of written notification thereof.

15. **AGREEMENT MADE IN COLORADO; VENUE FOR DISPUTES:** This Agreement shall be deemed to have been made in and shall be construed in accordance with the laws of the State of Colorado. Any lawsuit related to or arising out of disputes under this Agreement shall be commenced and tried in Mesa County, Colorado. Prior to, and as a condition of seeking judicial relief, the Airline shall submit a written petition to the Airport Executive Director identifying the specific dispute and the Airline's position, and the Airport Executive Director shall thereafter make a timely finding and proposed resolution of the dispute.

16. **ENTIRE AGREEMENT:** This Agreement, and any amendments subsequently entered into, constitutes the entire Agreement between the Parties and the terms and conditions hereof were negotiated between the Parties on an arms-length basis and no obligation or covenant of good faith or fair dealing shall be implied or interpreted as conferring upon either party any right, duty, obligation or benefit other than expressly set forth herein. No modifications or amendments to this Agreement shall be valid unless agreed to by the Parties in writing and signed by their authorized representatives. Notwithstanding that the Authority shall be the signatory to

this Agreement and any material amendments hereto, minor modifications to this Agreement may be authorized by the Executive Director or their designee.

17. **LEGAL AUTHORITY:** Each person signing this Agreement, and any addendums or attachments hereto, represents and warrants that said person is fully authorized to enter and execute this Agreement and to bind the Party it represents to the terms and conditions hereof.

**[END OF AGREEMENT; SIGNATURE PAGES AND EXHIBITS FOLLOW]**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on this \_\_\_\_\_  
day of \_\_\_\_\_, 202\_.

**GRAND JUNCTION REGIONAL AIRPORT  
AUTHORITY**

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

Title: \_\_\_\_\_

**[INSERT AIRLINE NAME]**

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

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

**EXHIBIT A**  
**AIR SERVICE INCENTIVE PROGRAM**

## EXHIBIT B

### NON-DISCRIMINATION

1. Airline agrees to comply with pertinent statutes, Executive Orders and such rules as are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If Airline transfers its obligation to another, the transferee is obligated in the same manner as Airline. This provision obligates Airline for the period during which the property is used or possessed by Airline and the Airport remains obligated to the FAA. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.
2. During the performance of this Agreement, Airline for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities:
  - A. Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
  - B. 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
  - C. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
  - D. Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;
  - E. The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
  - F. Airport and Airway Improvement Act of 1982 (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
  - G. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by

- expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- H. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
  - I. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
  - J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
  - K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
  - L. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).
3. Airline, including personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or

otherwise be subjected to discrimination, (3) that Airline will use the premises in compliance with all other requirements imposed by or pursuant to the list of non-discrimination acts and authorities, as enumerated in the preceding subsection. In the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if the Agreement had never been made or issued. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Exhibit B.

4. During the performance of this Agreement, Airline, for itself, its assignees, and successors in interest, agrees as follows:

- A. Nondiscrimination: Airline, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Airline will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- B. Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by Airline for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Airline of contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities.
- C. Information and Reports: Airline will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Authority or the FAA to be pertinent to ascertain

compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, Airline will so certify to the Authority or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

- D. Sanctions for Noncompliance: In the event of Airline's noncompliance with the non-discrimination provisions of this Agreement, the Authority will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to, cancelling, terminating, or suspending this Agreement, in whole or in part. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Airline has violated the non-discrimination acts and authorities enumerated in Section 2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Exhibit B.
- E. Incorporation of Provisions: Airline will include the provisions of this subsection in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. Airline will take action with respect to any subcontract or procurement as the Authority or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if Airline becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, Airline may request the Authority to enter into any litigation to protect the interests of the Authority. In addition, Airline may request the United States to enter into the litigation to protect the interests of the United States.
- F. The obligations of this subsection 4 shall, to the extent permitted by law, apply only to solicitations for subcontracts issued after the effective date of this Agreement and to subcontracts executed after the effective date of this Agreement.

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC: Governance Modernization Update

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PURPOSE: Information  Guidance  Decision

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RECOMMENDATION:

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SUMMARY: As discussed at the February Workshop and Board Meeting, Commissioner McDaniel and staff have been working on a review of the current GJRAA governance documents and have proposed a plan to modernize and simplify the documents. As part of that project, the following documents are included in the board packet for Commissioner review, discussion, and further proposed revisions:

1. Redline of the Code of Professional Conduct
2. DRAFT of the Delegation of Authority Board Resolution

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REVIEWED BY: Executive Director, Commissioner McDaniel, and Legal Counsel (Dan Reimer)

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FISCAL IMPACT: N/A

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ATTACHMENTS:

1. Redline Code of Professional Conduct
2. Table of Changes to the Code of Professional Conduct
3. DRAFT Delegation of Authority Board Resolution

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STAFF CONTACT: Sarah Menge, Director of Finance  
[smenge@gjairport.com](mailto:smenge@gjairport.com)  
Office: 970-248-8581

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## **1 Introduction**

1.1 The Grand Junction Regional Airport Authority (“Authority”) ~~will~~has ~~adopted~~ a Corporate Compliance Program to ensure that the Authority operates in full compliance with applicable laws. An important component of the program is a Code of Conduct (~~referred to as~~ the “Code”), which sets out basic principles which the Authority’s Commissioners and employees (~~referred to as~~ “~~personnel~~Personnel”) must follow. The Code applies to all business operations and Personnel. Non-Personnel representatives of the Authority, such as sales agents or external advisors and consultants, should also be directed to conduct themselves in a manner consistent with this Code when they are acting on behalf of the Authority. If you have any questions about the Code or its applicability to a particular situation, please contact your supervisor or, the Compliance Consultant ~~or~~ Compliance Officer.

~~1.2 The Corporate Compliance Program and this Code are not intended to and shall not be deemed or construed to provide any rights, contractual or otherwise, to any personnel or to any third parties.~~

## **2 Policy Statement**

2.1 It is the policy of the Authority that it will comply with all applicable regulations and law, conduct business in an ethical manner, protect the public trust, and set the standard for professional conduct for its Personnel. Each individual shall be given a copy of this Code and review and attest to commitment to following this document on initial hire/affiliation and annually thereafter. Employment or affiliation is contingent on attesting to this commitment.

## **3 Standards of Conduct**

3.1 Personnel shall at all times observe and comply with ethical and professional standards and other obligations imposed by constitution, statute and other provision of law. The Authority will not condone behavior or activities of its Commissioners or employees that violate the law or participate in unethical business practices.

3.2 Personnel shall perform their duties conscientiously, honestly and in accordance with the best interests of the ~~Airport~~Authority.

3.3 All business conduct shall meet or exceed the minimum standards required by law. Personnel must ensure that their actions cannot be interpreted as being unethical or in contravention to laws and regulations governing the ~~Airport~~Authority. All Personnel shall act in compliance with the requirements of applicable law and this Code and in a sound ethical manner when conducting business and operations. Achieving business results by illegal acts or unethical conduct is not acceptable.

~~3.4 At no time shall personnel or any directors have any discussion with any prospective vendor, supplier, or contractor prior to or during a competitive research or bidding process other than in an open meeting and in accordance with government purchasing processes, where information is available to all prospective vendors et al.~~

~~3.5-4~~ Uncertainty about the application or interpretation of any legal requirements should be referred to the employee's manager, ~~or~~ the Authority's legal counsel or the compliance-Compliance officer-Officer as may be appropriate.

~~3.6-5~~ All Personnel are responsible for compliance. Each supervisor and manager is responsible for ensuring that the personnel within their supervision are acting ethically and in compliance with applicable law and the Code. All Personnel are responsible for acquiring sufficient knowledge to recognize potential compliance issues applicable to their duties and for appropriately seeking advice regarding such issues.

#### **4 Transparency**

4.1 Personnel shall conduct ~~Airport~~Authority business in an open and transparent manner.

4.2 The Authority shall make available for public review, as requested or required, all information to the maximum extent allowable by regulation or law and unless confidentiality is required for the proper conduct of the Authority's business, e.g., purchasing and bidding.

4.3 Personnel shall be completely honest in all dealings with government agencies and representatives. No misrepresentations shall be made, and no false bills or requests for

payment or other documents shall be submitted to government agencies or representatives. Personnel certifying the correctness of records submitted to government agencies, including bills or requests for payment, shall have knowledge that the information is accurate and complete before giving such certification.

- 4.4 All of the Authority's business transactions shall be carried out in accordance with management's general or specific directives. All of the books and records shall be kept in accordance with generally accepted accounting standards or other applicable standards. All transactions, payments, receipts, accounts, and assets shall be completely and accurately recorded on the ~~GJRA's Authority's~~ books and records on a consistent basis. No payment shall be approved or made with the intention or understanding that it will be used for any purpose other than that described in the supporting documentation for the payment. All information recorded and submitted to other persons must not be used to mislead those who receive the information or to conceal anything that is improper.
- 4.5 Books and records shall be created, maintained, retained, or destroyed only in accordance with applicable statutes, law, and the Authority's records management policy that may be adopted or amended from time to time.
- 4.6 The Authority shall make no payment to any vendor, contractor, et al, without certification from an authorized individual certifying—that the scope of work/services/supplies etc., have been received and is satisfactory, in accordance with the applicable agreement.

## **5 Conflicts of Interest**

- 5.1 Personnel shall at all times conduct their affairs in such a manner as to avoid a conflict of interest. No Personnel shall use their positions or confidential information gained in such work for personal gain or advantage.

~~5.2 Each calendar year during his/her term, each Director shall make a disclosure in writing to the Secretary of State, listing the amount of his/her financial interest, if any, the purpose and duration of his/her services rendered, if any, and the compensation received for the services or such other information as is necessary to describe his/her interest.~~

- 5.23 ~~Each calendar year the Authority Board shall direct~~ Compliance Management Officer shall to survey Personnel for conflicts and relationships. ~~The Authority shall also conduct a survey of its members for conflicts and relationships.~~ ~~T~~These reports ~~shall~~ may be requested and reviewed by the Authority's board for appropriateness and management thereof.
- 5.43 Any Commissioner, who has a financial interest or property interest in any matter proposed or pending before the Authority Board shall disclose such interest to the Board at the meeting at which such proposed or pending matter is to be considered. Any such disclosure shall be reflected in the minutes of the meeting.
- 5.54 Any Commissioner who has a personal or private interest in any matter proposed or pending before the Authority Board shall not vote on the matter and shall refrain from attempting to influence the decision of the other Commissioners.
- ~~5.65 Notwithstanding paragraph 5.4 54 above, a Director Commissioner may vote abstain in a matter voted upon by the board if his or her participation is necessary to obtain a quorum or otherwise enable the Authority Board to act, and if provided disclosure has been made to the Board Secretary and the Colorado Secretary of State, by giving the information required in Section 3.2 above, and the Director makes a public disclosure on the record at the time of voting, as set forth in Section 5.3 above as provided above.~~
- 5.65 In the event it is not clear whether a conflict of interest exists, the Director individual or employee with the potential conflict shall disclose the circumstances to the Airport Authority's designated Compliance Officer, ~~of the Board Compliance Committee,~~ who shall determine whether there exists a conflict of interest that is subject to this ~~policy~~ Code. The ~~Authority Board~~ Compliance Officer may consult with the Authority's legal counsel if any question continues to exist regarding the potential conflict of interest.
- 5.876 Other than compensation from the Authority, Personnel shall not have a financial or other personal interest in a transaction between the ~~GJRA~~ Authority or any of its business units and a vendor, supplier, provider, or customer.

5.987 Personnel shall not engage in any financial, business, or other activity which competes with the ~~GJRA's Authority's~~ business which may interfere or appear to interfere with the performance of their duties or that involve the use of ~~GJRA Authority~~ property, facilities, or resources, except to the extent consistent with conflict of interest as described herein.

## **6 Gifts, Entertainment and Favors**

6.1 Personnel shall not accept a gift of substantial value or a substantial economic benefit tantamount to a gift of substantial value:

- A. ~~6.1.1~~—Which would tend improperly to influence a reasonable person in ~~his~~their position to depart from the faithful and impartial discharge of his public duties; or
- B. ~~6.1.2~~—Which he or she knows or which a reasonable person in his or her position should know under the circumstances is primarily for the purpose of rewarding ~~him~~ them for official action ~~he~~they ~~have~~s taken.

6.2 No Personnel shall accept or receive any money, forbearance, or forgiveness of indebtedness from any person, without such person receiving lawful consideration of equal or greater value in return from the individual who accepted or received the money, forbearance or forgiveness of indebtedness (~~see C.R.S §24-18-104~~).

6.3 No Personnel, either directly or indirectly as the beneficiary of a gift or thing of value given to such person's spouse or dependent child, shall solicit, accept or receive any gift or other thing of value having either a fair market value or aggregate actual cost greater than fifty dollars (\$50) in any calendar year, including, but not limited to, gifts, loans, rewards, promises or negotiation of future employment, favors or services, honoraria, travel, entertainment, or special discounts, from a person, without the person receiving lawful consideration of equal or greater value in return from the individual who solicited, accepted or received the gift or other thing of value (~~see C.R.S §24-18-104~~).

6.4     —**Gifts between Employees.** Personnel may contribute to or give a gift to another employee as long as a personal friendship justifies the gift and the employee receiving the gift is not a direct supervisor of the employee(s) giving the gift.

~~6.4.1~~ The following exceptions apply ~~to paragraph 6.34~~:

- A. Food and refreshments intended to be shared with a group(s)
  - ~~Airport Authority~~ sanctioned events where gift exchanges are customary (i.e.
- B. holiday parties)
- C. Special occasions such as weddings, child-birth/adoption, illness, retirement or resignation.

**6.5 Awards and Honors.** Personnel are permitted to accept an award, or other mark of recognition because of their official position within the following guidelines:

- A. Items of little intrinsic value, such as plaques, certificates and trophies which are intended ~~solely~~ for presentation.
- B. Non-Cash (or cash equivalent) Awards for public service or achievement of less than \$250 in value, provided the award or honor does not conflict with paragraph 6.1.
- C. Service awards and recognition through the Authority's Employee Recognition Program.
- D. Scholarships for the purposes of education and training.
- E. Honorary Degrees from an institution of higher education.

6.6 ~~All~~ Any gifts, entertainment, ~~and or~~ favors ~~that Personnel are uncertain about~~ must be reported to the Authority's Compliance Officer for documentation and review as to compliance with this ~~policy~~ Code.

6.7 Personnel shall not directly or indirectly authorize, pay, promise, deliver, or solicit any payment, gratuity, or favor for the purpose of influencing any political official or government employee in the discharge of that person's responsibilities. Personnel shall not entertain government personnel in connection with Authority business.

## **7 Kickbacks, Incentives and Bribes**

7.1 Acceptance of kickbacks, incentives, bribes and other secret commissions from any vendor, or solicitation thereof, is strictly prohibited. Any breach of this rule may result in immediate termination and prosecution to the fullest extent of the law.

**8 Use of ~~Airport~~Authority Assets and Funds**

8.1 Personnel who have access to Authority funds in any form shall follow prescribed procedures for the disposition of those funds as outlined by regulation, law, and the Authority's Procurement Policy.

8.2 ~~Airport~~Authority assets and funds are purposed for the use of the ~~Airport~~Authority and not for personal benefit.

**9 Privacy and Confidentiality**

9.1 Personnel that have access to personal information or other information that is protected by regulation, law or attorney client privilege shall protect the privacy and confidentiality of that information.

9.2 Personnel shall maintain the confidentiality of the ~~GJRA's~~Authority's business information and of information relating to the Authority's vendors, suppliers, providers, and customers. Personnel shall not use any such confidential or proprietary information except as is appropriate for business.

**10 Sanctions**

10.1 Employees alleged to have violated the terms of this ~~Policy~~Code may be suspended without pay during the course of any investigation.

10.2 Employees found to have violated the terms of this Policy may be subject to disciplinary action, in accordance with the Employee Handbook, up to and including termination from employment.

10.3 Employees found to have knowledge of violations of this ~~Policy~~Code and who knowingly fail to report the violation may be subject to disciplinary action up to and including termination from employment.

10.4 If a Commissioner is found to have violated this ~~Policy~~Code, the remaining Commissioners may request the removal of such Commissioner by the City of Grand Junction or County of Mesa, whichever was the appointing entity.

## 11 Reporting of Violations

- 11.1 Illegal acts or improper conduct may subject the Authority to severe civil and criminal penalties, including large fines and being barred from certain types of business. It is, therefore, very important that any illegal activity or violations of the ~~is~~ Code be promptly brought to the Authority's attention. In many cases, if the Authority discovers and reports illegal acts to the appropriate governmental authorities, the Authority may be subject to lesser penalties.
- 11.2 Any Personnel who believes or becomes aware of any violation of this Code or any illegal activity by a director, officer, or employee or another person acting on the Authority's behalf shall promptly report the violation or illegal activity in person, by phone, or in writing, to one of the following persons:
- A. Compliance Officer/~~Compliance Contractor~~
  - ~~B. Airport Director~~
  - B.  
~~Confidential Compliance and Ethics Whistleblower Hotline at 1-844-GO-ETHIC~~
  - C. Any member of the Authority Board
  - D. Directly to the applicable government authority
- 11.3 It is a violation of this Code for Personnel not to report a violation of the Code or any illegal activity. If you have a question about whether particular acts or conduct may be illegal or violate the Code, you should contact one of the persons listed above. It is a violation of this Code for Personnel to whom a potential illegal act or violation of the Code is reported to not ensure that the illegal act or violation of the Code comes to the attention of those responsible for investigating such reports. If the illegal acts or conduct in violation of the Code involve a person whom such illegal acts or violations might otherwise be reported, the illegal acts or violation should be reported to another person to whom reporting is appropriate.
- 11.4 It is the Authority's policy to promptly investigate reports of illegal activity or violations of this Code. Personnel must cooperate with these investigations. You must not take any actions to prevent, hinder, or delay discovery and full investigation of illegal acts

or violations of this Code. It is a violation of this Code for Personnel to prevent, hinder, or delay discovery and full investigation of illegal acts or violations of this Code.

11.5 Personnel may report illegal acts or a violation of this Code anonymously. To the extent permitted by law, the Authority will take reasonable precautions to maintain the confidentiality of those individuals who report illegal activity or violations of this Code and of those individuals involved in the alleged improper activity, whether or not it turns out that the improper acts occurred. Failure to abide by this confidentiality obligation is a violation of this ~~Code~~ Code.

11.6 All Personnel shall follow safe work practices and comply with all applicable safety standards and health regulations.

11.7 All Personnel are responsible for ensuring that the work environment is free of discrimination or harassment due to age, race, gender, color, religion, national origin, disability, sexual orientation, gender identification, or covered veteran status. Any form of sexual harassment, including the creation of a hostile working environment, is completely prohibited.

## **12 Non Retaliation**

12.1 No reprisals or disciplinary action will be taken or permitted against Personnel for good faith reporting of, or cooperating in the investigation of, illegal acts or violations of this Code. It is a violation of this Code for Personnel to punish or conduct reprisals in regard to personnel who have made a good faith report of, or cooperated in the investigation of, illegal acts or violations of this Code.

12.2 Personnel who violate the Code or commit illegal acts or improper conduct, however, are subject to discipline up to and including dismissal. Personnel who report their own illegal acts or improper conduct, however, will have such self-reporting taken into account in determine the appropriate disciplinary action.

## **13 Government Interview or Investigations**

13.1 The Authority and its Personnel shall cooperate fully and promptly with appropriate government investigations into possible civil and criminal violations of the law. It is

important, however, that in this process the Authority is able to protect the legal rights of the Authority and its Personnel. To accomplish these objectives, any governmental inquiries or requests for information, documents or interviews should be promptly referred to the ~~General Counsel's office~~[legal counsel for the Authority](#).

~~13.2 The Authority and its personnel shall cooperate fully and promptly with appropriate government investigations into possible civil and criminal violations of the law. It is important, however, that in this process the Authority is able to protect the legal rights of the Authority and its personnel. To accomplish these objectives, any governmental inquiries or requests for information, documents or interviews should be promptly referred to the General Counsel's office.~~

13.32 Personnel who participate in government interviews shall give answers that are truthful, complete, and unambiguous.

## Code of Conduct Bandaid Changes

*Shaded rows of the table are changes to form/style. Unshaded are changes of substance.*

| Change   | Reason/discussion   |
|--|---|
| 1.1 Change to “Personnel” rather than “directors, officers and employees” throughout     | Consistent reference to those persons covered   |
| 1.1 Delete “officers”  | At most, we have one officer who is also an employee  |
| 1.1 Change “directors” to “Commissioners” throughout                                     | Use the statutory term  |
| 1.1 Delete “Compliance Consultant”   | No longer engaged (Jane Quimby)   |
| 1.2 Delete paragraph on no contract of employment  | Unnecessary. There is no way an ethics policy can create a right to employment (staff are at will employees).   |
| 3.4 Delete paragraph prohibiting any discussion with prospective contractors and bidders | Vague and overbroad. Discussions with bidders for proper reasons, e.g., clarification of requirements, are necessary. <i>Compare Procurement Policy</i>   |
| 4.2 Transparency   | Need to have a carve out for confidentiality for business purposes  |
| 4.6 Payment to vendors   | Indicate, generally, who certifies satisfactory performance   |
| 5.2 Annual reports to Secretary of State   | Deleted. The reporting system at the SOS is for reporting a conflict of interest, not the absence of a conflict of interest. Such a report gives the reporting person a defense against a claim. A Commissioner can use the statute to report a conflict and avail herself/himself of the defense but reporting “no conflicts” has no effect. |
| 5.6 Voting when a Commissioner has a conflict  | Rather than a Commissioner <i>voting</i> when a that Commissioner has a conflict and it is  |

|   |  |
|---|--|
|   | necessary to establish a quorum, changed to allow <i>abstention</i> to establish quorum.   |
| 6.6 Reporting gifts   | Reporting every gift (a cup of coffee paid for by a contractor) is cumbersome and unworkable.  |
| 11.2 Reporting violations of the Code or illegal activity<br><br>Deleted the Whistleblower Hotline as a reporting mechanism | Hotline has not been used in several years. It is difficult to maintain, has a cost and is overkill in an organization the size of the Airport. Reporting of this sort should be in the Employee Handbook. |
| 13.2 Government Investigations  | Deleted duplicate paragraph.   |

**RESOLUTION NO. 2021-\_\_**  
**RESOLUTION OF THE BOARD OF COMMISSIONERS**  
**REGARDING DELEGATION OF AUTHORITY**

**WHEREAS**, the Grand Junction Regional Airport Authority (“GJRAA”) is the owner and operator of the Grand Junction Regional Airport (“Airport”), located in Grand Junction, Colorado; and

**WHEREAS**, GJRAA was formed under and derives its authority from C.R.S. § 41-3-101, *et. seq.*, known as the “Public Airport Authority Act” (the “Act”), and is governed by the GJRAA Board of Commissioners (“Board”); and

**WHEREAS**, Section 41-3-105(1) provides, “All powers, privileges, and duties vested in or imposed upon any authority organized pursuant to the provisions of this article shall be exercised and performed by and through the board except as otherwise provided by law; but the exercise of any and all executive, administrative and ministerial powers may be by said board delegated and redelegated to any of the officers created or by the board acting under this article”; and

**WHEREAS**, Section 41-3-105(5)(f) provides that the Board shall have the power “[t]o prescribe by resolution a system of business administration; to create any and all necessary offices; [and] to establish and reestablish the powers and duties and compensation of all officers and employees”; and

**WHEREAS**, Section 41-3-105(5)(g) provides that the Board shall have the power “[t]o employ clerical, legal, consulting, and engineering assistance and labor, and to delegate and redelegate to such employees the powers conferred by this article, under such conditions and restrictions as shall be fixed by the board to authorize such employees to bind the authority by contract”; and

**WHEREAS**, the Board previously has delegated authority over Airport matters in, for example and without limitation, (i) annual resolutions on financial matters, including both banking and expenditures; (ii) the annual resolution adopting a budget; (iii) the Grand Junction Regional Airport Authority Purchasing and Procurement Policy (current version dated Aug. 20, 2019); (iv) policies on the capitalization and disposal of Airport assets; and (v) other Board resolutions and policies; and

**WHEREAS**, the Board believes that formal delegation over certain matters not addressed in other resolutions and policies is desirable in the exercise of the Board’s obligations under the Act; would remove ambiguity about the proper authority for many routine and recurring Airport matters; and further that such delegation should be revisited periodically.

**NOW, THEREFORE**, by this Resolution, the Board hereby delegates authority to the Executive Director of the Airport and their designees, and reserves other powers unto itself, as follows:

1. The following powers shall be delegated to the Executive Director and their designees:
  - a. To initiate procurements for goods and services.
  - b. To enter into contract negotiations, including with the apparent best proposer in a solicitation, and present contracts for the Board's consideration.
  - c. To authorize payment of invoices submitted by vendors, contractors and consultants in accordance with executed contracts (for services) and purchase orders (for goods), except to the extent expenditure approval is reserved to the Board in the then-current Purchasing and Procurement Policy or other source.
  - d. To extend or renew a contract or agreement where the GJRAA's consent is ministerial in nature and/or the power to extend or renew is delegated to the Executive Director in the contract or agreement.
  - e. To declare in default or terminate an agreement with which second party is not in compliance.
  - f. To approve permits and licenses for access to Airport property for terms not to exceed thirty (30) days and not to exceed ninety (90) days total, including extensions and renewals.
  - g. To set compensation for Authority employees in accordance with the annual budget approved by the Board.
  - h. To submit applications for grants from or through the State of Colorado and applications for grants that do not require a local match on the part of the GJRAA.
  - i. To amend grant agreements with the Federal Aviation Administration, provided the amendment does not increase the local match on the part of the GJRAA.
  - j. To execute airline operating license agreements, upon establishing that the airline is capable to satisfy the terms and conditions of the license and the license conforms in all material respect to the then-current standard form approved by the Board.
  - k. To execute airline incentive agreements (marketing and operations), provided the airline is eligible in accordance with the airline incentive policy approved by the Board and the agreement conforms in material respects to the then-current standard form approved by the Board.
  - l. To consent to the sublease of Airport property, upon establishing that the sublease agreement conforms to the then-current standard form approved by the Board.

- m. To approve commercial operator permits for the conduct of commercial aeronautical activities, upon establishing that the operator complies with the Airport Minimum Standards and the permit conforms to the then-current standard form approved by the Board.
  - n. To approve the form of and execute aviation easements.
  - o. To prepare such additional standard form contracts, permits, licenses and other agreements, provided that the authority to approve such agreements shall be reserved to the Board.
  - p. To develop, adopt, implement and enforce Standard Operative Procedures, directives and policies that implement, interpret, administer and enforce Board policies and/or that direct the conduct of GJRAA employees.
  - q. To develop, adopt, and administer internal forms and agreements for GJRAA employees, including, by way of example but without limitation: parking permit agreement, key agreement, uniform policy, purchase card agreement, motor vehicle record authorization form, and employee conflict-of-interest form.
  - r. To develop and implement the Airport Certification Manual and associated Letters of Agreement with the FAA; Airport Security Program; Airport Emergency Program; Tarmac Delay Contingency Plan; and such similar and related plans concerning the operation and management of the Airport as may be required to be prepared under federal law and regulation.
  - s. To issue Notices to Airmen, including the authority to temporarily close the Airport in coordination with the FAA.
  - t. To submit the Airport Capital Improvement Plan to the State of Colorado and the FAA.
  - u. To develop and implement policies and programs to preclude unlawful discrimination and promote participation in Airport programs by socially and economically disadvantaged individuals, in accordance with federal law and regulation, including the Disadvantaged Business Enterprise (DBE) Program, Airport Concession Disadvantaged Business Enterprise (ACDBE) Program, Title VI Nondiscrimination Program, and Language Assistance Plan.
  - v. To develop and implement a document retention program in accordance with all applicable legal requirements.
2. Notwithstanding the foregoing, the Board recognizes that the following non-exclusive list of powers rest with and shall be reserved to the Board:

- a. To bind the GJRAA by contract, except as explicitly delegated to the Executive Director hereunder or by separate resolution or writing, including contracts for the purchase of goods and services; and leases, licenses, permits and other agreements providing for the use and possession of Airport property.
  - b. To amend the Airport By-Laws.
  - c. To approve the application for grant funding through the FAA Airport Improvement Program and to approve grant agreements and co-sponsorship agreements.
  - d. To approve the form of standard agreements.
  - e. To consent to the assignment of lease agreements and other contracts.
  - f. To approve, revise and rescind policies applicable to the GJRAA and Airport, including but not limited to:
    - i. Airport operating policies and procedures, such as the Lease Policy, Design Intent Guidelines, Non-Commercial Use Policy, General Aviation Minimum Standards, Colorado Open Records Act Policy and Procedures, Airport Rules and Regulations, and Nondiscrimination Policy.
    - ii. Board and employee conduct policies, such as the Code of Professional Conduct, Airport Compliance Program, Employee Handbook, Bring Your Own Device Policy, and Whistleblower Policy.
    - iii. Financial policies, such as the Grant Management and Oversight Policy, Purchasing and Procurement Policy, Asset Capitalization Policy, and Asset Disposal Policy.
  - g. The power to adopt such resolutions as necessary and desirable in the interests of the GJRAA and Airport, consistent with the Act and in furtherance of the GJRAA's role as owner, operator and sponsor of the Airport.
3. Nothing in this Resolution shall be construed to prohibit the Executive Director and their staff, in their discretion, from bringing to the Board for its approval matters which have, by this Resolution, been deemed delegated to the Executive Director and their designees.
  4. This Resolution supersedes and replaces Resolution 2014-02 (Resolution of the Board of Commissioners Regarding Authority to Execute Standardized Agreements) but does not otherwise supersede or replace any other Board resolution or policy, except to the extent of a direct conflict, in which event this resolution shall control.

- 5. The Board intends that the delegations of authority granted by this Resolution shall be reviewed by the Board on an annual basis but shall not otherwise expire unless and until amended or rescinded by the Board.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

Board Members Voting AYE

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Board Members Voting NAY

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GRAND JUNCTION REGIONAL  
AIRPORT AUTHORITY

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Chairman

ATTEST:

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Clerk