

BOARD PACKET

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

APRIL 21, 2020

Grand Junction Regional Airport Authority



Date: April 21, 2020

Location:

Electronic Meeting

Link: <https://zoom.us/j/813501044?pwd=Zi82UlQ5RnpjczZQU1JqRDNpc0NYUT09>

Time: 5:15 PM

REGULAR MEETING AGENDA

- I. Call to Order
- II. Pledge of Allegiance
- 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 (jburtard@gjairport.com) 30 minutes prior to the meeting. Comments not sent 30 minutes prior to the meeting will not be accepted. The Board Chairman 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 Chairman, 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. Consent Agenda

The Consent Agenda is intended to allow the Board to spend its time on the more complex items on the agenda. These items are perceived as non-controversial and can be approved by a single motion. The public or Board Members may ask that an item be removed from the Consent Agenda and be considered individually.

- A. March 24, 2020 Meeting Minutes _____ 1
 - Approval of March 24, 2020 Board Meeting Minutes
- B. April 7, 2020 Special Board Meeting Minutes _____ 2
 - Approval of April 7, 2020 Special Board Meeting Minutes

April 21, 2020

- C. ProDIGIQ Three-Year Contract Extension Approval for FIDS System _____ 3
- Approval of three-year contract with ProDIGIQ Inc. to provide Flight Information Display System (FIDS) at the Airport.

VII. Action Items

- A. Lease Assignment and Consent to Lease Assignment –R & L Investments, LLC and Colorado Mesa University (CMU) _____ 4
- Approval of Lease Assignment between R & L Investments, LLC and Colorado Mesa University, and authorize the Executive Director to execute the assignment.
- B. Garver Task Order for Pavement Rehab Design _____ 5
- Approval of the work order for Garver for \$549,795 and authorize the Executive Director to sign.
- C. Scope of Work for Terminal and Landside Planning with InterVISTAS _____ 6
- Approval of the on-call planning services task order with InterVISTAS for \$69,985 and authorize the Executive Director to sign.
- D. Resolution No. 2020-005 Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts _____ 7
- Adopt Resolution No. 2020-005: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts.

VIII. Discussion

- A. COVID-19 Update
- B. Airport Insurance Policy Renewal _____ 8

IX. Staff Reports

- A. Executive Director Report (Angela Padalecki)
- B. Operations Report (Dylan Heberlein)
- C. Finance and Activity Report (Sarah Menge) _____ 9
- D. External Affairs Report (Joe Burtard)
- E. Facilities Report (Ben Peck)
- F. Project Report (Eric Trinklein)

X. Any other business which may come before the Board

XI. Adjournment



Grand Junction Regional Airport Authority Board
Regular Board Meeting
Meeting Minutes
March 24, 2020

REGULAR BOARD MEETING

I. Call to Order

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on March 24, 2020 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted electronically.

Commissioners Present:

Tom Benton (Chairman)
Chuck McDaniel
Thaddeus Shrader
Clay Tufly
Erling Brabaek
Ron Velarde
Linde Marshall

Airport Staff:

Angela Padalecki (Executive Director)
Joseph Burtard (Clerk)
Karl Hanlon (Counsel)
Dan Reimer (Counsel)
Sarah Menge
Ben Peck
Eric Trinklein
Dylan Heberlein
Cameron Reece
Shelagh Flesch

Guests:

Joe Vaccarelli, Daily Sentinel
Jeff Herd, Ireland Stapleton Pryor & Pascoe, PC.
Jon Labrum
Brad Rolf, Mead and Hunt
Shannon Kinslow, TOIL

II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Brabaek made a motion to approve the March 24, 2020 Board Agenda. Commissioner Marshall second the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

IV. Commissioner Comments

The Airport's new Director of Operations. Dylan Heberlein was introduced.

V. Citizen Comments

No citizen comments were made.

VII. Action Items

Resolution 2020-002 Electronic Participation Policy

Commissioner Marshall made a motion to adoption Resolution 2020-002 authorizing the Board to conduct regular or special Board meetings by electronic means according to Electronic Participation Policy. Commissioner McDaniel seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

VI. Consent Agenda

February 18, 2020 Meeting Minutes

Commissioner McDaniel made motion to approve the Consent Agenda. Commissioner Shrader seconded. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

VIII. Action Items

Resolution 2020-003 Rates and Charges

Commissioner Shrader made a motion to adopt of Resolution 2020-003 amending the Airport's Rates and Charges to be effective April 1, 2020 to reflect the current rental car service area rates adjusting by CPI according to their agreement. Commissioner Tufly seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

Amend Executive Director's Employment Contract

Commissioner Tufly made a motion to approve the amendment to Executive Director's Employment Contract. Commissioner Velarde seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, no; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

COVID-19 Related Matters

Commissioner Velarde made a motion to adopt of Resolution 2020-004 giving the Executive Director authority to take necessary action during COVID-19 pandemic and the creation of a COVID-19 Task Force Committee for GJRAA. Commissioner Marshall and Commissioner Tufly

were assigned to the COVID-19 Task Force Committee. Commissioner Brabaek seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

IX. Discussion

No additional discussion to place.

X. Staff Reports

- A. Executive Director Report (Angela Padalecki)
- B. Operations Report (Eric Trinklein)
- C. Finance and Activity Report (Sarah Menge)
- D. External Affairs Report (Joseph Burtard)
- E. Facilities Report (Ben Peck)
- F. Project Report (Eric Trinklein)

XI. Any other business which may come before the Board

No additional business was discussed.

XII. Adjournment

The meeting adjourned at approximately 6:42 PM.

*Audio recording of the complete meeting can be found at
https://gjairport.com/Board_Meetings*

Tom Benton, Board Chairman

ATTEST:

Joseph R. Burtard, Clerk to the Board



Grand Junction Regional Airport Authority Board
Special Board Meeting
Meeting Minutes
April 7, 2020

REGULAR BOARD MEETING

I. Call to Order

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on April 7, 2020 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted electronically.

Commissioners Present:

Tom Benton (Chairman)
Chuck McDaniel
Thaddeus Shrader
Clay Tufly
Erling Brabaek
Ron Velarde
Linde Marshall

Airport Staff:

Angela Padalecki (Executive Director)
Joseph Burtard (Clerk)
Karl Hanlon (Counsel)
Dan Reimer (Counsel)
Sarah Menge
Ben Peck
Eric Trinklein
Dylan Heberlein
Cameron Reece
Shelagh Flesch

Guests:

Jeff Herd, Ireland Stapleton Pryor & Pascoe, PC.
Kent Taylor, CAF
Brad Rolf
Shannon Kinslow, TOIL

II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Brabaek made a motion to approve the March 24, 2020 Board Agenda. Commissioner McDaniel second the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. Commissioner Shrader called into the meeting after this motion was made. The motion carries.

IV. Commissioner Comments

No Commissioner Comments were made.

V. Citizen Comments

No citizen comments were made.

VII. Action Items

Approval of DSR LLC Task Order for Legal Service

Commissioner Marshall made a motion to approve the proposed task order for DSR LLC authorizing up to \$50,000 for legal support on various airport matters. Commissioner Velarde seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tuffy, yes; and Commissioner Velarde, yes. The motion carries.

VIII. Discussion

Evaluation of Legal Counsel Services

COVID-19 Related Matters

IX. Any other business which may come before the Board

No additional business was discussed.

X. Adjournment

The meeting adjourned at approximately 6:22PM.

*Audio recording of the complete meeting can be found at
https://gjairport.com/Board_Meetings*

Tom Benton, Board Chairman

ATTEST:

Joseph R. Burtard, Clerk to the Board

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Approval of three-year contract with ProDIGIQ, Inc. to provide Flight Information Display System (FIDS).		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	The Board approve the three-year contract with ProDIGIQ Inc. to provide Flight Information Display System (FIDS) at the airport.		
SUMMARY:	<p>In 2012 the Authority entered into an eight-year contract with ProDIGIQ, Inc. (ProDIGIQ) to provide the FIDS service at the Airport which displays real-time flight information for arrivals and departures on the video monitors at the Airport. In 2012 we paid an initial set-up cost of \$24,000 to design the system and purchase software licensing. The annual cost over the original eight-year contract was \$10,800 per year. We have been satisfied with their level of service. The new three-year contract includes a one-time 12% price increase to \$12,096 per year but will not require any additional set-up costs. The proposed contract also includes two extension options of two years each, so a total potential contract of seven years.</p> <p>Airport staff researched alternative FIDS providers and called other airports to see what service they are using. From what we found, there are three primary providers including ProDIGIQ that are used by regional airports, all with comparable annual costs and set-up fees.</p> <p>If the Authority were to change providers right now, we would pay a comparable annual fee, but would also have to pay approximately \$25,000 for set-up costs. ProDIGIQ has indicated that the licensing software and system design will need to be updated in the next 5-7 years, so the Authority will have to incur the set-up cost at that time regardless of the provider.</p> <p>Based on the current level of service that we are receiving from ProDIGIQ, the annual cost proposed, and estimated set-up cost of switching providers, we believe that establishing a new three-year contract with ProDIGIQ is the best option.</p>		
REVIEWED BY:	Executive Director & Legal Counsel		
FISCAL IMPACT:	\$12,096 annual cost of operating expenses which is included in the professional IT services category		
ATTACHMENTS:	Proposed Contract with ProDIGIQ		
STAFF CONTACT:	Sarah Menge Email: SMenge@gjairport.com Office: (970) 248-8581		

PRODIGIQ SERVICE AND SUPPORT AGREEMENT

This Agreement is entered between ProDIGIQ, Inc. (hereafter "ProDIGIQ") and Grand Junction Regional Airport Authority (hereafter "Airport") on 17th of April, 2020. In consideration of the mutual covenants and obligations contained herein, the Airport and ProDIGIQ agree as follows:

1. SCOPE OF SERVICES

- 1.01 **LICENSE.** ProDIGIQ will provide Airport a non-exclusive, non-transferable license to the "Flight Information Display System" (herein referred to as "System") to Airport.
- 1.02 **PROVISION OF SERVICES.** The provisions of the Services shall be through a completely automated, cloud-based process. ProDIGIQ shall provide all support and services for the System.

2. TERM, TRANSITION AND INSTALLATION, AND RENEWAL PERIODS

- 2.01 **TERM.** The Initial Term of the Agreement shall commence on 05/16/2020 and shall terminate three (3) years later at midnight on 05/15/2023 (the "Initial Termination Date"), unless earlier terminated or extended as provided in the Agreement under section 5.01 below.
- 2.02 **RENEWAL.** The Agreement may be extended for two (2) additional periods of twenty-four (24) months ("Secondary Term" or "Renewal term") upon mutual written consent of the Airport and ProDIGIQ.

3. FEES, PRICE AND PAYMENT

- 3.01 **FEES.** The costs subject to additions and deductions for change orders made in accordance with this Agreement. Airport shall pay \$12,096 Annually for the System to ProDIGIQ. Such payments shall be billed on an Annual basis and payable within thirty (30) days of the date Airport receives invoices from ProDIGIQ. For clarification, the amount due on each statement shall be for Services to be provided during the following year. Payments shall be made payable to ProDIGIQ under the name set forth on the invoice received by Airport at the address for payment set forth on the invoice received by Airport.
- 3.02 **CHANGE ORDERS.** Airport may modify this Agreement by requesting additional Systems and/or Services, provided however, ProDIGIQ is given thirty (30) day written notice of any such modification and approves of such modification, and Airport shall be responsible for paying ProDIGIQ for any additional fees related to such modification. Contract fees, prices, or schedules shall be equitably adjusted where an issued change so demands. For avoidance of doubt, any modification related to the reduction or termination of any portion(s), whether in part or in whole, of the Services or fees shall require the written approval of both parties prior to being implemented.

4. RIGHTS AND OBLIGATIONS

- 4.01 **PRODIGIQ'S OBLIGATIONS.** The parties understand that ProDIGIQ shall be responsible for the following matters.
 - 4.01.1 **SERVICING OF SYSTEM.** ProDIGIQ shall provide 24x7 remote monitoring of all systems necessary for the provision of the real-time System data to Airport. ProDIGIQ

shall provide all software upgrades and system maintenance to Airport. ProDIGIQ shall provide prompt maintenance and repair service to keep Services operating properly. Such service shall be provided as soon as possible, following notification to ProDIGIQ by Airport that such service is required. In the event immediate repair is not possible, ProDIGIQ shall make repairs and restore any malfunctioning or inoperative System software to a satisfactory working condition within a brief period of time following notification by the Airport unless an extended period is agreed upon prior to the service repair commencement. ProDIGIQ will provide the Airport with daytime and after hours contact information for the maintenance provider.

4.01.2 **SOFTWARE UPGRADES.** ProDIGIQ shall provide System software upgrades, if any, during the life of this Agreement. All such upgrades will be provided to the Airport's system within a reasonable amount of time after they become available.

4.02 **AIRPORT'S OBLIGATIONS.** The parties understand that the Airport shall be responsible for the following matters.

4.02.1 **SITE VISIT EXPENSES.** Should Airport request and require site visits by ProDIGIQ that are not a part of a scheduled maintenance or system upgrade visit, or upon termination of this Agreement whereby ProDIGIQ is required to or requested to visit the site, Airport shall pay all reasonable travel expenses and costs of ProDIGIQ incurred in such site visits.

4.03 **PRODIGINQ'S RIGHT OF INGRESS AND EGRESS.** If necessary, and upon reasonable notice to Airport and subject to applicable laws and regulations and the Airport's rules and regulations, ProDIGIQ, its agents and employees, shall have the right of ingress and egress to and from the airline terminal building at all reasonable times in order to carry out the terms and conditions of this Agreement.

5. MISCELLANEOUS

5.01 **TERMINATION AND DEFAULT.** Termination of this Agreement shall occur either upon (i) the natural termination date of this Agreement pursuant to section 2 above, (ii) upon receipt of notice of an uncured material breach as described under section 5.06 below, (iii) upon complete execution of a written mutual release by the parties.

5.02 **REPRESENTATION AND WARRANTY.**

5.02.1 **ProDIGIQ** represents and warrants that: (a) it has full right and power to enter into and perform this Agreement and that its performance under this Agreement will not violate any law and will not conflict with or violate any other obligation ProDIGIQ may have to any other party; (b) it is the owner or licensee of any and all intellectual property or software that will be used in providing the Services to Airport; and (c) no provision of this Agreement nor the delivery of the Services to Airport will infringe the intellectual property rights of any third party.

5.02.2 **Airport** represents and warrants that it has full right and power to enter into and perform this Agreement and that its engagement into this Agreement will not violate any law and will not conflict with or violate any other obligation Airport may have to any other party. Airport represents and warrants that it shall use the Services and shall not, or induce any third party to, reverse engineer or distribute ProDIGIQ intellectual property as described under paragraph 5.07 below. Lastly, it

shall only provide access to the Services to personnel trained and authorized by Airport to use the Services.

5.03 DISCLAIMERS, LIMITATIONS OF LIABILITY. PRODIGIQ WILL NOT BE LIABLE TO AIRPORT FOR INDIRECT, CONSEQUENTIAL, SPECIAL, PUNITIVE OR EXEMPLARY DAMAGES OR PENALTIES ARISING FROM OR RELATED TO THIS AGREEMENT EXCEPT FOR WILLFUL MISCONDUCT BY PRODIGIQ AND ITS AFFILIATES, SUBSIDIARIES, OR PARENT.

5.04 NOTICES. All notices required or permitted by this Agreement shall be in writing and will be delivered in person or by the U.S. Postal Service via certified mail, return receipt requested, and shall be deemed sufficiently given if served in the manner specified herein. Any notice which is delivered in person shall be deemed to have been given on the date it is delivered in person. Any notice which is delivered by U.S. Postal Service via certified mail, return receipt requested, shall be deemed to have been given four (4) days after the date it was mailed. If such notice is intended for Airport, it shall be addressed to:

Grand Junction Regional Airport Authority
2828 Walker Field Dr. Suite 301
Grand Junction, CO 81506

And if intended for ProDIGIQ it shall be addressed to:

Anita Venkataraman
President
ProDIGIQ, Inc.
26500 West Agoura Road, Ste. 102-796
Calabasas, CA 91302

5.05 FORCE MAJEURE. Neither party will be liable for or be considered to be in breach of or default under this Agreement, other than monetary obligations, as a result of any cause or condition beyond such party's reasonable control.

5.06 NONPERFORMANCE. In the event that a party fails to perform as required by this Agreement and is in material breach of this Agreement, and such material breach is not related to actions solely attributable to the non-breaching or to matters totally beyond the reasonable control of the breaching party, i.e., by virtue of matters typically referred to as force majeure, the non-breaching shall provide to the breaching party a notice of material breach. If the material breach identified in the notice of material breach is not cured by the breaching party within thirty (30) calendar days, the parties agree that the non-breaching shall be entitled to immediately terminate the Agreement with a notice of a failure to cure breach. In the event that such legal action is necessary, parties shall also be entitled to recover all reasonable and verifiable costs and expenses of such action, including without limitation its reasonable attorneys' fees, costs of court, and any fees or expenses of expert witnesses.

5.07 INTELLECTUAL PROPERTY.

5.07.1 ProDIGIQ and/or its licensors own and shall retain all proprietary rights, including all patents, copyrights, trade secrets, know-how, trademarks and other intellectual property rights now known or hereafter devised, in and to the Services and Systems including, but not limited to, software, code, hardware, technology, schematics, web and mobile applications, as well as any upgrades or derivative

works thereof provided to Airport pursuant to this Agreement ("ProDIGIQ Intellectual Property"). Airport acknowledges that the license granted under this Agreement shall not assign Airport any title to or ownership interest in the ProDIGIQ Intellectual Property as well as any upgrades or derivative works provided pursuant to this Agreement, and shall only have a license to use the Services in accordance with the terms and conditions of this Agreement. ProDIGIQ retains all intellectual property rights not specifically granted herein.

5.07.2 Notwithstanding the foregoing, Airport shall retain ownership of any maps, pictures, documents, as well as other copyrighted materials and trademarks it has supplied ProDIGIQ pursuant to the performance of this Agreement ("Airport Intellectual Property"). Further, Airport shall have all right and title to the data generated for the Airport through its use of the Systems and Services. For avoidance of doubt, ProDIGIQ shall be entitled to maintain copies of all Airport Intellectual Property and data as described hereunder for its records and internal use.

5.08 CONFIDENTIALITY.

5.08.1 To the extent provided by law, each party agrees to protect each other's Confidential Information of the other party from disclosure to anyone other than the directors, officers and employees of the receiving party who have a business related need to have access to such Confidential Information in conjunction with the purposes of this Agreement. Each party will use the same degree of care to protect such Confidential Information of the other party as it uses to protect its own information of like importance.

5.08.2 ProDIGIQ acknowledges that the Airport is subject to the Colorado Open Records Act, C.R.S. 24-72-201 *et seq.*, which may require disclosure of Confidential Information. The Airport agrees to assert all available grounds for denying public access to Confidential Information. Notwithstanding the foregoing, the Airport shall not be liable ProDIGIQ for any disclosures made pursuant to the Act. Airport shall provide ProDIGIQ with at least 15 day (or the maximum extent provided under Colorado Law) advance written notice prior to any such disclosure, so that ProDIGIQ may obtain a protective orders or exercise any recourse to prevent the disclosure available as provided under Colorado law. ProDIGIQ agrees to indemnify the Airport for any attorneys fees arising from a legal proceeding relating to Confidential Information under the Act.

5.08.3 The term "Confidential Information," as used in this Agreement, shall mean any and all technical and business information, whether written or graphic, that is clearly marked as "Proprietary Business Information" that representatives of either party may disclose or reveal to the other party, including but not limited to: financial plans and records; marketing plans; business strategies and relationships with third parties; client lists; retailer lists; present and proposed products; trade secrets; computer software programs and descriptions of functions and features of software; source code; computer hardware designs; information regarding customers, suppliers, founders, employees and affiliates.

5.09 HOLD HARMLESS. To the extent permitted by law, each party agrees that it shall indemnify and hold the other and all its elected officials, officers, employees, volunteers and agents harmless from and against any and all claims for injury, loss of life, or damage to or

loss of use of property and all forms of damage, including special, punitive, and consequential, caused or alleged to be caused, by acts or omissions of indemnifying party, its employees, and invitees on or about the premises and which arise out of indemnifying party's performance or failure to perform as specified in the Agreement. Indemnifying party shall be responsible for any reasonable and verifiable associated costs, including, but not limited to, all expenses, costs of court, reasonable attorneys' fees, and fees and costs of any expert witnesses.

- 5.10 RELATION OF THE PARTIES. The performance by ProDIGIQ of its duties and obligations under this Agreement will be that of an independent contractor, and nothing in this Agreement will create or imply an agency relationship between ProDIGIQ and Airport, nor will this Agreement be deemed to constitute a joint venture or partnership between the parties.
- 5.11 ASSIGNMENT. Upon written notice to the Airport, ProDIGIQ may assign its rights or delegate its obligations under this Agreement to any parent, subsidiary, or as part of a merger or acquisition of its business or its assets. Except as provided herein, this Agreement shall not be assigned without written consent of the Airport. Any such assignment to the contrary shall be void.
- 5.12 SEVERABILITY: The parties agree that if any provision of this Agreement is held by a court to be unenforceable, then the court shall have the power to reform the unenforceable provision to be in compliance and reflect the reasonable intentions of the parties, if possible. In any event, the parties agree that the invalidity of any provision shall not prejudice or affect the enforceability of this Agreement or any other provision in it.
- 5.13 CONTROLLING LAW. The laws of the state of Colorado shall govern this Agreement, without reference to any of its conflict of laws provisions. Parties may bring action in the district court of Mesa County, Colorado.
- 5.14 SURVIVAL. The following sections shall survive the termination of this Agreement: 5.02, 5.03, 5.04, 5.05, 5.06, 5.07, 5.08, 5.09, 5.10, 5.11, 5.12, 5.13, 5.14, 5.15 and 5.16.
- 5.15 MODIFICATION AND WAIVER. This Agreement may not be cancelled, altered, modified, amended or waived, in whole or in part, in any way, except by an instrument in writing signed by both parties. The waiver by either party of any breach of this Agreement in any one or more instances shall in no way be construed as a waiver of any subsequent breach of this Agreement (whether or not of a similar nature).
- 5.16 ENTIRE AGREEMENT. This Agreement constitutes the entire understanding and agreement between the parties hereto and supersedes all prior and contemporaneous written and oral agreements between the parties regarding the subject matter of this Agreement. This Agreement and all exhibits and schedules attached hereto shall be binding and shall inure to the benefit of the respective parties hereto, their respective successors in interest, legal representatives and assigns, and represents the entire understanding between the parties. Section headings are for convenience only and shall not affect the interpretation of the terms of this Agreement. This Agreement may be executed in counterparts, which together constitute a single agreement and each of which will serve as evidence of the parties' binding agreement. By signing below, the signatories accept this Agreement on behalf of the entities listed below and hereby represent and warrant that they (i) have full legal authority to bind the entity to this Agreement, (ii) have read and understand this Agreement, (iii) have reviewed this Agreement with an attorney of its choice

or have waived its right to do so; and (iii) agree to all terms and conditions of this Agreement.

- 5.17 ProDIGIQ shall be responsible for its own independent general liability insurance, automobile insurance, worker's compensation, and any other insurance necessary to perform the duties contemplated by this Agreement and shall indemnify and hold harmless the Airport from any acts attributable to ProDIGIQ's negligence for which the GJRAA may be held liable not covered by the Airport's insurance.
- 5.18 No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*
- 5.19 The required federal contract provisions contained in Appendix A to this Agreement are hereby incorporated as part of this Agreement as if set forth in full. References to "Contractor" in the Appendix shall mean ProDIGIQ.

IN WITNESS WHEREOF, Airport and ProDIGIQ have executed this Agreement the day and year first written above.

**GRAND JUNCTION REGIONAL
AIRPORT AUTHORITY**

Signature

Name

Title

ProDIGIQ, Inc.

Arpit Malaviya

Signature
Arpit Malaviya

Name
CEO, ProDIGIQ Inc.

Title

APPENDIX A REQUIRED FEDERAL CONTRACT PROVISIONS

ARTICLE 1 GENERAL CIVIL RIGHTS PROVISIONS

1.1 The Contractor 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. This provision binds the Contractor and subcontractors from the solicitation period through the completion of the contract. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

ARTICLE 2 COMPLIANCE WITH NONDISCRIMINATION REQUIREMENTS

2.1 During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the "Contractor"), agrees as follows:

2.1.1 Compliance with Regulations: The Contractor will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.

2.1.2 Nondiscrimination: The Contractor, with regard to the work performed by it during the contract, 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. The Contractor 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.

2.1.3 Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by the Contractor 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 the Contractor of the contractor's obligations under this contract and the Nondiscrimination Acts and Authorities on the grounds of race, color, or national origin.

2.1.4 Information and Reports: The Contractor 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 sponsor or the Federal Aviation Administration ("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, the Contractor will so certify to the sponsor or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.

2.1.5 Sanctions for Noncompliance: In the event of a Contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to: Guidelines for Contract Provisions for Obligated Sponsors and Airport Improvement Program Projects Issued on June 19, 2018 Page 18

(i) Withholding payments to the Contractor under the contract until the Contractor complies; and/or

(ii) Cancelling, terminating, or suspending a contract, in whole or in part.

2.1.6 Incorporation of Provisions: The Contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The Contractor will take action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the Contractor may request the sponsor to enter into any litigation to protect the interests of the sponsor. In addition, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

ARTICLE 3

TITLE VI LIST OF PERTINENT NONDISCRIMINATION ACTS AND AUTHORITIES

3.1 During the performance of this contract, the Contractor, for itself, its assignees, and successors in interest agrees to comply with the following nondiscrimination statutes and authorities; including but not limited to:

3.1.1 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);

3.1.2 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);

3.1.3 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);

3.1.4 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;

3.1.5 The Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.) (prohibits discrimination on the basis of age);

3.1.6 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);

3.1.7 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, subrecipients and contractors, whether such programs or activities are Federally funded or not);

3.1.8 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;

3.1.9 The FAA's Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

3.1.10 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;

3.1.11 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);

3.1.12 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).

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Lease Assignment and Consent to Lease Assignment –R & L Investments, LLC and Colorado Mesa University (CMU)		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approval of lease assignment between R & L Investments, LLC and Colorado Mesa University, and authorize the Executive Director to execute the assignment.		
SUMMARY:	R & L Investments, LLC is selling their property at 782 Heritage Way to Colorado Mesa University. The lease to be assigned has an initial expiration date of July 31, 2020 with one ten-year and four five-year renewal options remaining. This action allows the consent and lease assignment to transfer from R & L Investments, LLC to Colorado Mesa University.		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	None		
ATTACHMENTS:	Assignment of Ground Lease Agreement and Consent to Assignment. Full lease document available upon request.		
STAFF CONTACT:	Chance Ballegeer cballegeer@gjairport.com (970) 248-8586		

ASSIGNMENT OF GROUND LEASE AGREEMENT AND CONSENT TO ASSIGNMENT

This Assignment of Ground Lease and Consent to Assign is entered into this ___ day of March, 2020, by R&L of GJ Investments, LLC (“R&L”) and Colorado Mesa University (“CMU”), and which is consented to by the Grand Junction Regional Airport Authority (“GJRAA”).

Recitals

Whereas, on or about October 1, 2016, GJRAA entered into a Ground Lease Agreement (“Ground Lease Agreement”) by which Steve L Bottom and Lynette K. Bottom agreed to lease certain real property and improvements (the “improvements”) from GJRAA; and

Whereas, the Bottoms assigned the Ground Lease Agreement to R&L by assignment dated July 1, 2017.

Whereas, the Ground Lease Agreement shall be referred to herein as the “Lease,” and

Therefore, in consideration of the agreements set forth herein, as well as for other good and valuable consideration, all Parties agree as follows:

1. R&L hereby assigns to CMU all of its right, title and interest in, to and under the Lease. Except as stated in Paragraph 6 hereof, CMU hereby agrees to assume and perform all obligations, liabilities, and responsibilities of R&L under the Lease, which will arise or be incurred, or which are required to be performed, on or after “closing” between R&L and CMU for the sale of the Improvements. However, R&L still remains responsible for all liabilities and obligations which accrued prior to the “closing” in regard to the Lease.
2. This Agreement is to become effective on March 31, 2020, the date of the “closing,” on the condition of the closing of the Contract between R&L and CMU for the sale of the improvements. Should such a closing not be completed by March 31, 2020, this Agreement, as well as the consent of GJRAA, shall become null and void.
3. Subject to the conditions set forth in paragraph 2, above, GJRAA releases R&L from any and all obligations under the Lease that accrue on or after “closing,” except for any hold harmless and/or indemnification obligations that R&L may have under the Lease, but which may arise after “closing.” However, this release is contingent upon CMU’s agreement to assume and perform all obligations, liabilities, and responsibilities of R&L under the Lease. Additionally, this release shall not be construed as a consent or waiver of any rights that GJRAA has to object to any subsequent sublease or assignment of the Lease.
4. R&L hereby agrees to indemnify, defend and hold harmless CMU and GJAA harmless from and against any and all liabilities, claims, demands, obligations, assessments, losses, costs, and attorneys’ fees, which CMU and GJRAA may incur, sustain, or suffer, or which

may be asserted or charged against CMU or GJRAA as a result of R&L's actions, omissions, and/or performance or non-performance of its obligations, duties, responsibilities, covenants, and liabilities under the Lease being assigned prior to the "closing."

5. Except as stated in Paragraph 6 hereof, CMU hereby warrants, covenants and agrees to diligently perform and discharge each and all of R&L's obligations, duties, responsibilities, and covenants under the Lease.
6. Colorado law and the Fiscal Rules of Colorado Mesa University prohibit the University from contractually agreeing to certain provisions, including but not limited to provisions that require the University to indemnify, defend, save or hold harmless any party, be governed by or subject to any venue or choice of state law other than Colorado, waive the right to jury trial or agree to binding arbitration. Any such provision or provisions in the Lease or appearing on GJRAA's website(s) or online agreement(s), as hereinafter amended, or subsequently incorporated into the Lease, are null and void. In this regard, the parties acknowledge and agree that paragraphs 8.3.1, 8.3.2 and 8.3.3 of the Ground Lease Agreement do not apply to, are not binding upon, and are not enforceable against CMU. Nothing in this Contract shall be construed as a waiver of any provision of §24-106-109, C.R.S. by any party.
7. Nothing in this Contract shall alter the insurance requirements under the Lease or GJRAA's General Aviation Minimum Standards, as may be amended from time to time, including but not limited to the requirement to cover GJRAA, its representatives, officers, officials, employees, agents, and volunteers as additional insured parties under all insurance policies that may cover CMU's occupancy and uses under the Lease.
8. R&L warrants and agrees that as of the "closing" date, all payable rents, taxes, and/or assignments pertaining to the Lease or the Improvements have been paid in full.
9. CMU certifies that neither it nor its principals are presently disbarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any governmental department or agency.
10. Upon execution of this Agreement, CMU shall provide a Security Deposit in accordance with the Lease.
11. Upon execution of this Agreement, CMU shall provide GJRAA with the Certificate of Insurance required under Section 8.2 of the Lease evidencing insurance coverage as required by the Lease and GJRAA's General Aviation Minimum Standards.

12. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
13. This Agreement shall bind and inure to the benefit of the Parties executing this

Assignment and Consent to Assignment and their respective heirs, successors, and permitted assigns.

IN WITNESS THEREOF, the Parties hereto have executed this Agreement on the date set forth below their signatures.

R&L of GJ Investments, LLC

Colorado Mesa University

By _____

By _____

Its: _____

Its: _____

Date: _____

Date: _____

Approval of Assignment of Ground Lease Agreement

Effective upon proper execution by R&L and CMU and contingent on the closing of the agreement between R&L and CMU for the sale of the Improvements, GJRAA hereby consents to the assignment of the Lease to CMU. Nothing in this consent shall be construed to expand or extend any term or condition of the Lease, or waive any performance of any term or condition of the Lease, either before or after March 31, 2020, except as otherwise provide in this Assignment of Ground Lease Agreement.

Grand Junction Regional Airport Authority

By _____

Its: _____

Date: _____

Grand Junction Regional Airport Authority
Agenda Item Summary

TOPIC:	Airfield Pavement Rehabilitation – Design Only		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approval of the work order for Garver for \$549,795 and authorize the Executive Director to sign.		
SUMMARY:	<p>The work order includes the design of the second phase of Rehabilitation of Taxiway A (first phase was completed in 2019), and includes the design for rehabilitation of portions of existing Runway 11/29. The construction projects are listed on the Airports 2021 Capital Improvement Plan (CIP), however the FAA has indicated they will be able to provide a 2020 grant for the design. The intent is to have the design complete and receive bids from paving contractors to receive a grant offer before the end of the federal fiscal year.</p> <p>FAA funded projects for fiscal year 2020 (AIP) will be funded at 100% thanks to the CARES Act.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	Federal - \$549,795 GJRA - \$0 (no match for 2020 AIP)		
ATTACHMENTS:	Garver Work Order Available Upon Request		
STAFF CONTACT:	Eric Trinklein etrinklein@gjairport.com Office: 970-248-8597		

Grand Junction Regional Airport Authority
Agenda Item Summary

TOPIC:	Scope of Work for Terminal and Landside Planning with InterVISTAS		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approval of the on-call planning services task order for \$69,985 and authorize the Executive Director to sign.		
SUMMARY:	<p>This is the first task order with InterVISTAS under selection in February as the on-call Terminal and Airside Planner. All work will be completed on a time and materials basis, and we will only pay for work we authorize and actual time spent; the task order reflects estimated time needed and corresponding expenses. This task includes several design elements including:</p> <ol style="list-style-type: none">1. A review of the proposed TSA checkpoint remodel layout2. Assistance with design and procurement of rental car counters and a canopy over the rental car fuel site (CFC funded)3. Assistance with securing a TSA grant to design a central baggage screening area and complete initial design work4. An allowance for other planning assistance <p>These planning and design efforts are consistent with the priority non-AIP projects that we still plan to complete this year and provides an allowance for additional planning if needed.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	<p>\$69,985</p> <ul style="list-style-type: none">- \$10,192 to be paid for by CFC funds- \$59,793 from Non-AIP capital project budget and/or professional services operating budget		
ATTACHMENTS:	Task order		
STAFF CONTACT:	<p>Sarah Menge Email: smenge@gjairport.com Phone: (970) 248-8581</p>		

TERMINAL AND LANDSIDE PLANNING

TASK AUTHORIZATION 1 - SCOPE OF SERVICES

The Grand Junction Regional Airport Authority (the Authority) would like to engage InterVISTAS Consulting Inc. and their team to assist with the following analysis to inform decisions about improvements to various terminal and landside facilities.

Task 1 – Security screening checkpoint analysis and planning

We would perform the following analysis to inform decisions regarding the security screening checkpoint:

- a. Review past efforts and current “Phase 1” design proposed by GJT
 - i. Understand fixed constraints (e.g., EDS vibrations, structural components)
 - ii. Review passenger flow data through the checkpoint
 - iii. Compare against new CDG update issued in April 2020
- b. Finalize “Phase 1” checkpoint design with an architect to allow for permitting
 - i. Ensure design is compatible with a future “Phase 2” expansion
 - ii. Evaluate compatibility with improvements to queue area
- c. Prepare requirements for the SSCP on future levels of demand to stress test the design
 - i. Validate lane throughput assumptions
 - ii. Establish level of service parameters (e.g. maximum or average passenger wait time)
- d. Draw future “Phase 2” concept

Deliverable: MS PowerPoint style report documenting the assumptions, alternatives, and preferred concept and its phasing (11 x 17 PDF/CAD concept drawings will also be provided; note this task assumes design services would, if necessary, be subject to a future task authorization.)

Task 2 – On-call planning support and consultation

This task provides an allowance for on-call planning support and consultation, which could include:

- a. Monthly meetings with Authority staff
- b. Consultation regarding the checked baggage handling system (BHS)
- c. Drawing of three concepts for the BHS improvements
- d. Review of rental car counter best practices and modern aesthetics, function, ADA compliance, et cetera
- e. Assistance in procuring new rental car counters, and fueling canopy planning and design
- f. Requests for planning or analysis of other facilities not referred to in previous tasks

Deliverable: meeting and teleconference notes, drawings (if prepared).

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution No. 2020-005 Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Adopt resolution No. 2020-005: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts.
SUMMARY:	<p>In anticipation of receiving grant funds from the CARES Act in 2020 and restricted funds from the SCASDP Grant in 2021, staff recommends that an additional bank account be opened to hold those restricted grant funds.</p> <p>Additionally, in response to Eric Trinklein's announcement that he will leave the Authority to go work for the FAA in July 2020, staff recommends that the back-up signer on the bank accounts be changed from Eric Trinklein, Director of Planning and Development, to Ben Peck, Director of Facilities, on the Authority's bank accounts.</p>
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	Resolution No. 2020-005:
STAFF CONTACT:	Sarah Menge, Finance Director Email: smenge@gjairport.com Office: 970-248-8581

Resolution No. 2020-005
Of the
GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
A Resolution Concerning
Execution of Documents Pertaining to Bank Accounts

WHEREAS, the Board of Grand Junction Regional Airport Authority (“the Board”) desires to authorize the deposit of Authority funds, and funds due to the Authority, into Authority accounts in eligible financial institutions in Mesa County which have been designated by the Board as meeting the requirements for deposit of Authority monies under appropriate federal and Colorado laws; and

WHEREAS, in addition to the accounts currently authorized and used by the Authority, the Board desires to establish a separate account for the deposit of grant funds received by the Authority exclusive of Airport Improvement Plan grant funds under the same conditions as set forth below; and

WHEREAS, the Board desires to authorize the Board Chairman, Vice Chairman, Executive Director, Director of Facilities or Director of Finance to transfer funds between Authority accounts within the same Authority Board-designated financial institution; and

WHEREAS, The Board desires to authorize the Chairman, Vice Chairman, Executive Director or Director of Facilities as designated below, to **execute with only one (1) signature any and all (A) bank documents, checks and other instruments of withdrawal in the sum of less than \$10,000, and (B) any payroll and payroll related expenditures, including but is not limited to, payments for tax withholding, payments for retirement and 401(k) contributions and garnishments and sales tax:**

<u>Tom Benton</u>	Chairman
<u>Chuck McDaniel</u>	Vice Chairman
<u>Angela Padalecki</u>	Executive Director
<u>Ben Peck</u>	Director of Facilities

Provided, however, that checks or other instruments of withdrawal **(other than payroll and payroll related expenditures including but not limited to payments for tax withholding, payments for retirement and 401(k) contributions, and garnishments and sales tax)** in an amount equal to or greater than \$10,000 shall have two (2) such signatories, as follows:

- Chairman; AND/OR
- Vice Chairman; AND
- Executive Director OR
- Director of Facilities

AND,

WHEREAS, The Board desires to require three (3) signatories, as follows, **to execute any promissory note or other evidence of indebtedness** at any financial institution:

- Chairman or Vice Chairman; AND
- Executive Director; AND
- One (1) additional Board Commissioner

NOW THEREFORE, IT IS RESOLVED that the Board authorizes the deposit of Authority funds, and funds due to the Authority, into an Authority account in a eligible financial institution in Mesa County which has been designated by the Board as meeting the requirements for deposit of public monies under appropriate federal and Colorado laws; and

IT IS FURTHER RESOLVED, that the Board authorizes the Board Chairman, Vice Chairman, Executive Director, Director of Facilities, or Director of Finance to transfer funds between Authority accounts within the same Authority Board-designated financial institution; and

IT IS FURTHER RESOLVED that the Board authorizes the Chairman, Vice Chairman, Executive Director or Director of Facilities to execute with one (1) signature **any and all (A) bank documents, checks and other instruments of withdrawal in the sum of less than \$10,000, and (B) all payroll and payroll related expenditures, including but not limited to, payments for tax withholding, payments for retirement and 401(k) contributions, and garnishments and sales tax:**

<u>Tom Benton</u>	Chairman
<u>Chuck McDaniel</u>	Vice Chairman
<u>Angela Padalecki</u>	Executive Director
<u>Ben Peck</u>	Director of Facilities

Provided, however, that checks or other instruments of withdrawal **(other than payroll and payroll related expenditures, including but not limited to payments for tax withholding, payments for retirement and 401(k) contributions, garnishments and sales tax)** in an amount equal to or greater than \$2,000 shall require two (2) such signatures as follows:

- Chairman; AND/OR
- Vice Chairman; AND
- Executive Director; OR
- Director of Facilities

AND,

IT IS FURTHER RESOLVED that the Board requires three (3) signatures, as follows, **to execute any promissory note or other evidence of indebtedness** at any financial institution:

- Chairman or Vice Chairman; AND
- Executive Director; AND
- One (1) additional Board Commissioner

PASSED AND ADOPTED this ____ day of _____, 2019.

Board Members Voting Aye:

Those Voting Nay:

Grand Junction Regional Airport Authority

Agenda Item Summary:

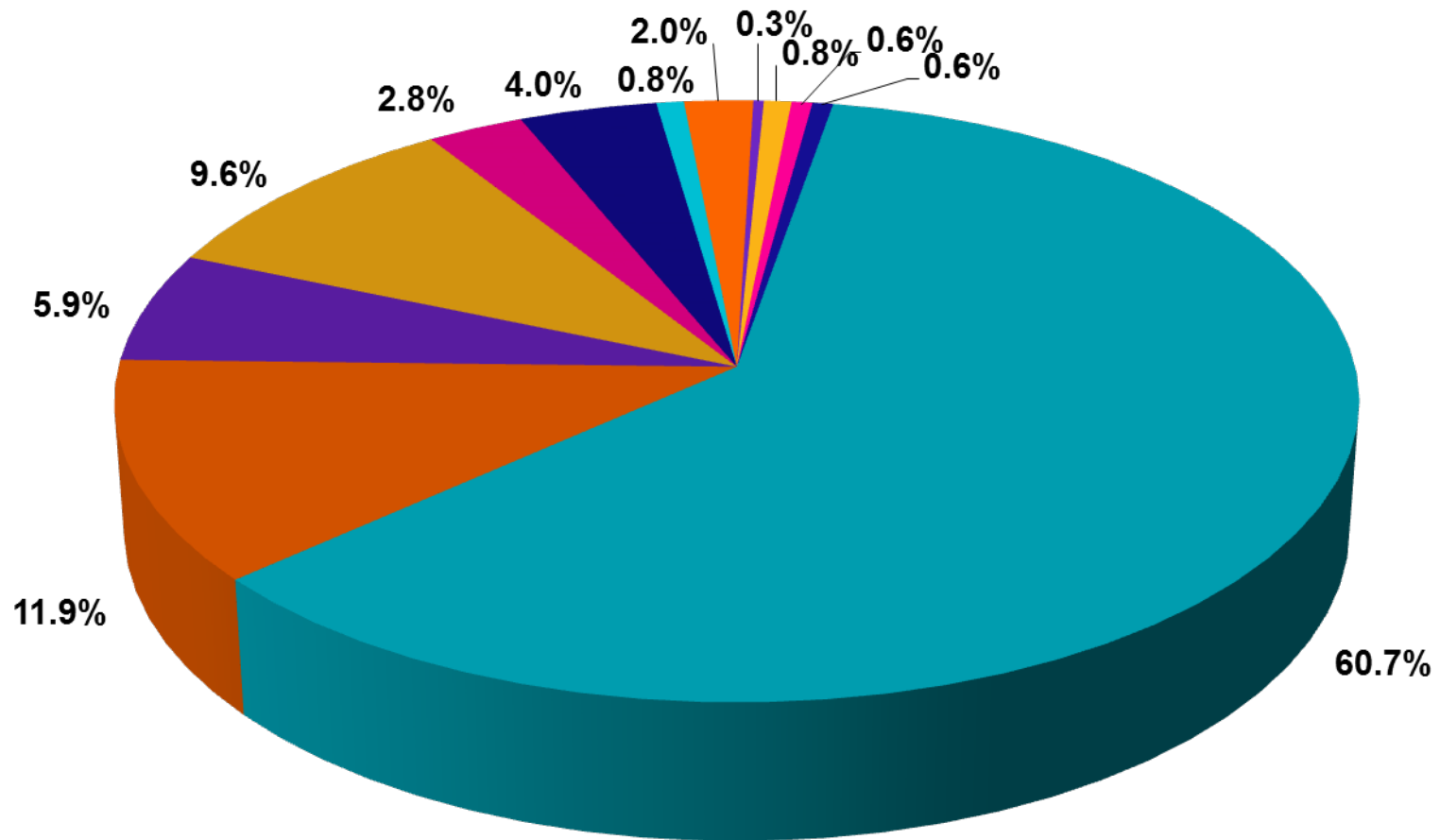
TOPIC:	Airport Insurance Policy Renewal		
PURPOSE:	Information <input checked="" type="checkbox"/>	Guidance <input checked="" type="checkbox"/>	Decision <input type="checkbox"/>
RECOMMENDATION:	For discussion purposes only		
DISCUSSION:	<p>As our broker, HUB International requested bids from various insurance agencies on behalf of the Airport for general liability, property, automobile, and public officials liability coverage. HUB has compiled the lowest quotes for each type of coverage and provided those for review along with some additional coverage limit options requested by the Board.</p> <p>Based on feedback and questions received at the March Board meeting, HUB has also provided some aviation loss data from the industry and researched alternative coverage options including CIRSA. Included in the materials is a list of current issues for the industry and a slide showing the types of claims filed by accident type from 2014-2018. HUB will discuss the CIRSA option in more detail in their presentation.</p> <p>The attached renewal premium summary shows the expiring coverage and rates as well as the quoted renewal rates assuming no change in coverage limits. The largest increase is in the property and inland marine coverage which reflects the increase in property value with the completion of the fence project and increased terminal building replacement cost as well as some rate increase.</p> <p>The Subjectives and Items for Discussion highlight some of the additional limit options quoted by HUB and discusses what criteria is used to evaluate rates.</p> <p>The Client Authorization to Bind Coverage shows the available coverage renewals with multiple limit options for general liability, public officials liability, and an optional coverage for active shooter.</p> <p>If the same coverage limits are selected, we expect the total premiums to increase approximately \$11,183 based on the preliminary quotes from HUB.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	To be determined based on coverage selected		
ATTACHMENTS:	Industry Data and Commercial Insurance Proposal Summary prepared by HUB		
STAFF CONTACT:	Sarah Menge 970-248-8581 smenge@gjairport.com		

AVIATION INSURANCE

Current Issues/Recommendations

- Construction Booming
 - Continued human factor related accidents / incidents
 - Weather – Hurricanes continue
 - AOA Activities (incursions, excursions and accidents)
 - Pilot Fatigue or Error (closed or wrong runway landings)
 - EMAS
 - Staffing issues (retirements, understaffing, inexperience)
-
- Provide Safety/Risk Management Input
 - Participate in Safety Risk Assessments/Construction Meetings
 - Encourage adopting Safety Management Systems
 - Utilize data effectively

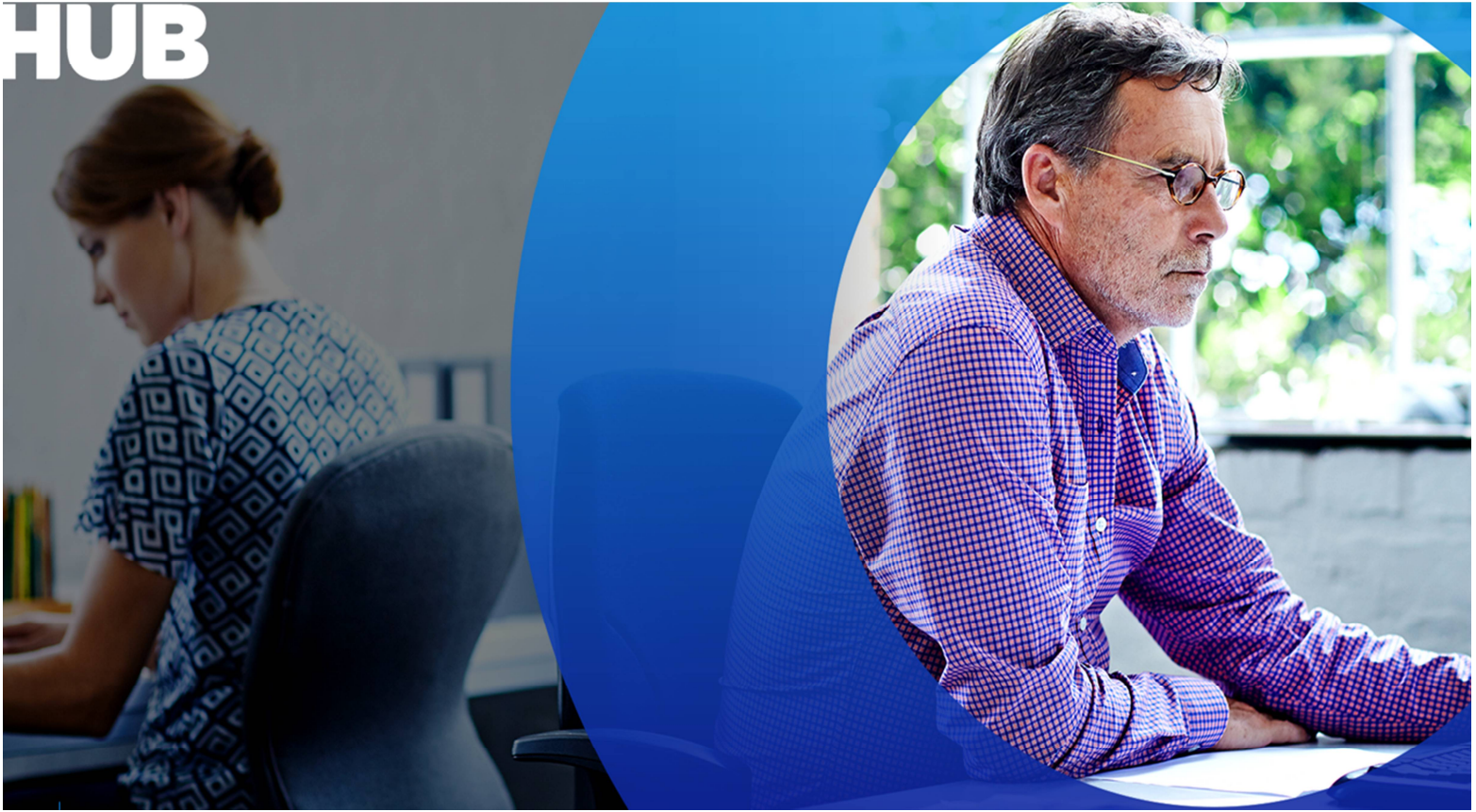
Percentage of Number of Airport Liability Claims >\$5000 by Accident Type Years 2014-2018



- | | | |
|---------------------------|-------------------|---------------------|
| ■ Falls | ■ Aircraft Claims | ■ Other |
| ■ Vehicle Accident/Damage | ■ Flood Loss | ■ Struck by/Against |
| ■ Electrocutions/shock | ■ Caught In/On | ■ Fire |
| ■ Dog/Animal Bite | ■ Property Damage | ■ Burns |



HUB



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June 1, 2020 to June 1, 2021



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Colorado President

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Claims

**Gary Wetter, ARM, AINS
Senior Vice President
Claims Manager**

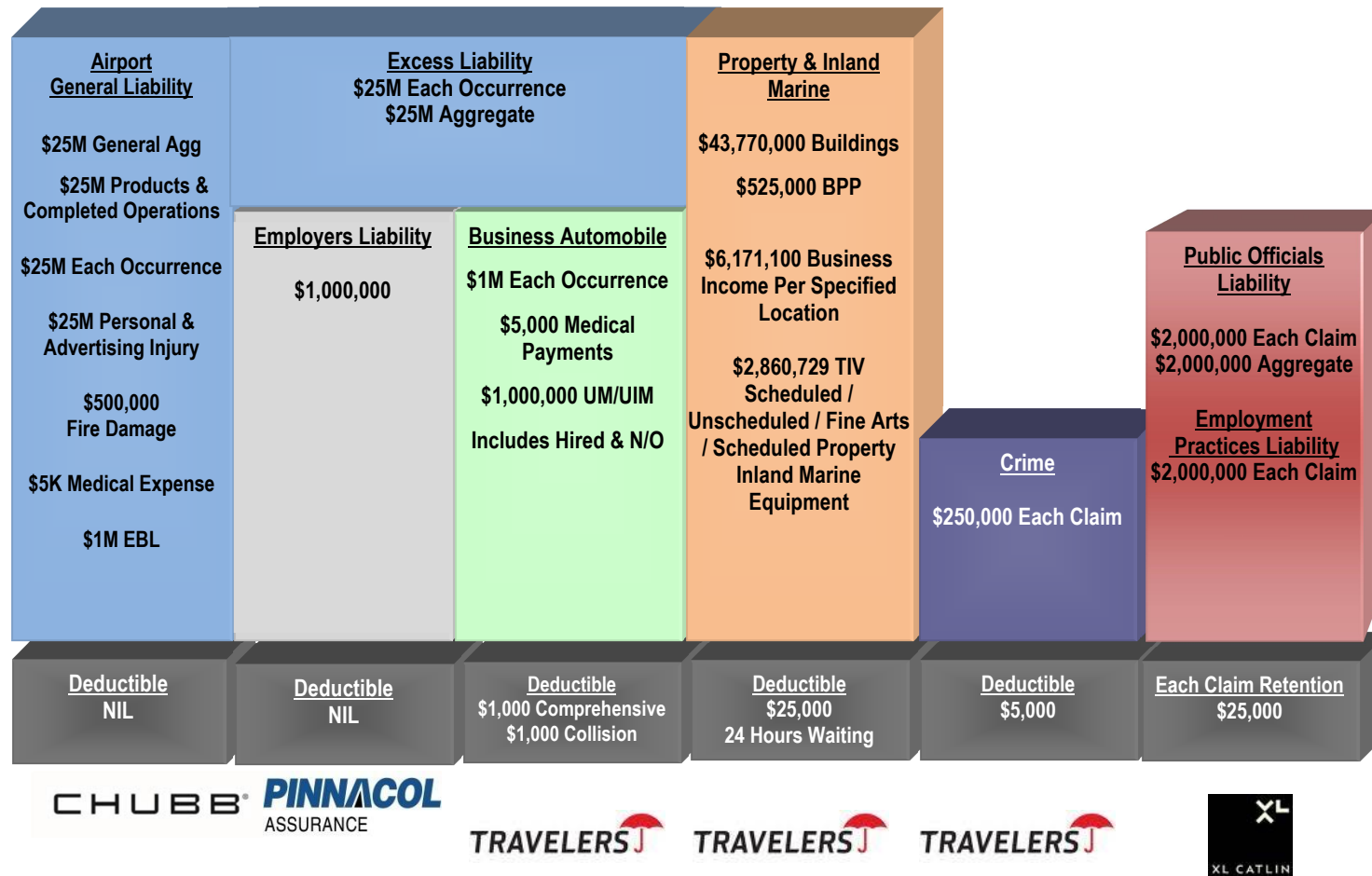
Phone: 720.207.2416

Mobile: 303.656.8927

Gary.Wetter@hubinternational.com













Property & Casualty Program Structure





Renewal Premium Summary - With No Change in Coverage Limits

Coverage	Expiring		Renewal	
	Carrier	Premium	Carrier	Premium
Property and Inland Marine	 TRAVELERS	\$49,346	 TRAVELERS	\$56,878
Airport General Liability Including Terrorism and War	CHUBB®	\$24,336	CHUBB®	\$27,986
Automobile Liability & Physical Damage	 TRAVELERS	\$11,846	 TRAVELERS	\$11,846
Public Officials Liability	 XL CATLIN	\$28,596.92	 XL CATLIN	\$28,596.92
Crime	 TRAVELERS	\$1,854	 TRAVELERS	\$1,854
Broker Fee	 HUB	\$10,000	 HUB	\$10,000
Total Premium		\$125,978.92		\$137,161.92

Expiring premiums have been annualized to reflect the exposure changes being presented on the current renewal proposal utilizing the rates from the expiring policies.



Subjectivities and Items for Discussion

Crime Coverage

- No subjectivities to bind.

Public Officials Liability Coverage

- No subjectivities to bind.
- Increased limit options:
 - \$3MM Limit is \$31,560.23
 - \$4MM Limit is \$33,129.95

Business Auto Liability Coverage

- Receipt of signed state forms.

General Liability Coverage

- Receipt of signed TRIA and Signed Application needed to bind coverage.
- Operations, aircraft landings, and revenue estimate factoring into the renewal quote over last year. Passenger and landing totals up slightly, revenue down, industry rates have increased.
- Increased limit options:
 - \$35M Limit is \$33,399 including TRIA and War
 - \$50M Limit is \$41,520 including TRIA and War.
 - Excess limits would remain at \$25M with either option.



Property and Inland Marine

- No subjectivities to bind.
- Factors in the property and inland marine rating: 19% rate increase on property taken by Travelers, 35% increased values on building, 18% increased business income limit, flat business personal property limit, and 7% decreased total TIV on fine arts and scheduled/unlisted equipment items.
 - Property – Expiring Building TIV \$32,314,847 to Renewal TIV \$43,770,000
 - Contractor Equipment – Expiring TIV \$2,815,141 to Renewal \$2,601,780
 - Scheduled Property – Expiring \$610,000 to Renewal \$600,000
 - Business Income – Expiring \$5,197,000 to Renewal \$6,171,100

Additional Optional Quotes

- Active Shooter – outlined within proposal. Reviewed, Completed, and Signed Application needed for binding.
- Full Pollution Liability - forthcoming
- Chubb is providing Auto, Property, Inland Marine quote options - forthcoming

Policy Cancellation Terms for Consideration

- If certain policy coverages were to move into another program mid-term such as CIRSA, some of those policy considerations are:
 - Property/Inland Marine have no minimum premiums and are cancelled pro-rata
 - Auto has no minimum premium and is cancelled pro-rata
 - Public Officials Liability cannot be cancelled flat and has a 25% minimum earned premium
 - Crime policy cannot be cancelled flat and carries a short rate penalty as found within the policy terms



Client Authorization to Bind Coverage

Effective **June 1, 2020**, we have decided to accept your proposal and authorize HUB International Insurance Services to bind coverage as follows and understand that our instructions constitute acceptance of the policy terms, conditions, exclusions and proposal disclosures. It is understood that this document contains only a summary of our insurance coverages. It is our (client) responsibility to carefully and completely review the actual policies for actual terms, limits and conditions. In the event of any inconsistency between the terms of the policies and the provisions of this document, the terms of the policies will govern and control. Furthermore, we confirm the values, schedules, and other data contained in the proposal are from our (client) records and acknowledge that it is our (client) responsibility to see that they are accurately maintained.

Coverage	Carrier	Accept / Reject (Please Check Box)		Premium Charge including Taxes & Fees
Property and Inland Marine	TRAVELERS 	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$56,878

General/Airport Liability including Terrorism and War Expiring \$25M Limit	CHUBB	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$27,986
General/Airport Liability including Terrorism and War \$35M Limit Option	CHUBB	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$33,399
General/Airport Liability including Terrorism and War \$50M Limit Option	CHUBB	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$41,250

Automobile Liability & Physical Damage	TRAVELERS 	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$11,846
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Public Officials Liability Expiring \$2M Limit		Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$28,596.92
Public Officials Liability \$3M Limit Option		Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$31,560.23
Public Officials Liability \$4M Limit Option		Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$33,129.95



Coverage	Carrier	Accept / Reject (Please Check Box)		Premium Charge including Taxes & Fees
Crime	TRAVELERS 	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$1,854

Active Shooter / Workplace Violence \$1M Limit Option	Certain Underwriters at Lloyd's	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$5,320.98
Active Shooter / Workplace Violence \$2m Limit option	Certain Underwriters at Lloyd's	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$6,384.97
Active Shooter / Workplace Violence \$3M Limit Option	Certain Underwriters at Lloyd's	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$9,258.67
Active Shooter / Workplace Violence \$4M Limit Option	Certain Underwriters at Lloyd's	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$11,014.82
Active Shooter / Workplace Violence \$5M Limit Option	Certain Underwriters at Lloyd's	Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$12,663.85

Broker Fee		Yes <input type="checkbox"/>	No <input type="checkbox"/>	\$10,000
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Print Name _____

Signature _____

Title _____

Date _____

GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT

Report Date: 2/29/2020
 PY Comparison Date: 2/28/2019

February, 2020

CURRENT MONTH				YEAR-TO-DATE		
PASSENGER ENPLANEMENTS:	2019	2020	PERCENT CHANGE	2019	2020	PERCENT CHANGE
AMERICAN	7,565	9,880	30.60%	16,164	20,578	27.31%
ALLEGiant	1,043	1,913	83.41%	2,131	4,100	92.40%
UNITED	4,733	5,927	25.23%	9,274	11,420	23.14%
DELTA	2,862	3,093	8.07%	6,290	6,447	2.50%
DENVER AIR CONNECTION	697	689	-1.15%	1,286	1,367	6.30%
Misc Charters	-	159		144	241	67.36%
TOTAL ENPLANEMENTS	16,900	21,661	28.17%	35,289	44,153	25.12%
TOTAL SEAT CAPACITY	23,420	27,682	18.20%	46,529	56,390	21.19%
PASSENGER DEPLANEMENTS:	2018	2020	CHANGE	2019	2020	CHANGE
AMERICAN	8,764	9,706	10.75%	16,999	19,816	16.57%
ALLEGiant	1,003	1,906	90.03%	2,084	3,937	88.92%
UNITED	6,569	7,173	9.19%	11,451	14,811	29.34%
DELTA	3,341	3,563	6.64%	6,765	7,315	8.13%
DENVER AIR CONNECTION	760	651	-14.34%	1,292	1,288	-0.31%
Misc Charters	-	167	N/A	144	167	15.97%
TOTAL DEPLANEMENTS	20,437	23,166	13.35%	38,735	47,334	22.20%
TOTAL PASSENGERS	37,337	44,827	20.06%	74,024	91,487	23.59%

CURRENT MONTH				YEAR-TO-DATE		
LOAD FACTOR:(OUTBOUND ONLY)	2019	2020	Difference	2019	2020	Difference
AMERICAN	71.45%	83.21%	11.76%	77.65%	82.36%	4.71%
ALLEGiant	83.57%	72.96%	-10.61%	75.89%	73.24%	-2.65%
UNITED	76.91%	79.20%	2.29%	81.75%	81.10%	-0.65%
DELTA	68.14%	68.70%	0.56%	70.66%	70.05%	-0.61%
DENVER AIR CONNECTION	56.67%	57.42%	0.75%	51.28%	54.25%	2.97%
GJT TOTAL	72.16%	78.25%	6.09%	75.84%	78.30%	2.46%

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		02/29/2020	02/29/2020	02/28/2019				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	\$ 101,500	\$ 118,737	\$ 89,817	\$ 17,237	16.98 %	\$ 28,920	32.20 %
2	Terminal rent	210,010	210,355	196,974	345	0.16 %	13,381	6.79 %
3	Other (boarding bridge)	3,000	5,652	25,249	2,652	88.40 %	(19,597)	(77.61) %
	<i>Total Passenger airline revenue</i>	<i>314,510</i>	<i>334,744</i>	<i>312,040</i>	<i>20,234</i>	<i>6.43 %</i>	<i>22,704</i>	<i>7.28 %</i>
Non-passenger airline revenue								
4	Non-passenger landing fees	16,544	16,186	14,474	(358)	(2.16) %	1,712	11.83 %
5	Cargo and hangar rentals	8,976	8,967	8,745	(9)	(0.10) %	222	2.54 %
6	Fuel tax & flowage fees	111,098	104,588	102,472	(6,510)	(5.86) %	2,116	2.06 %
7	Other (ramp parking, rapid refuel)	1,074	1,110	750	36	3.35 %	360	48.00 %
	<i>Total Non-passenger airline revenue</i>	<i>137,692</i>	<i>130,851</i>	<i>126,441</i>	<i>(6,841)</i>	<i>(4.97) %</i>	<i>4,410</i>	<i>3.49 %</i>
	<i>Total Aeronautical revenue</i>	<i>452,202</i>	<i>465,595</i>	<i>438,481</i>	<i>13,393</i>	<i>2.96 %</i>	<i>27,114</i>	<i>6.18 %</i>
Non-aeronautical revenue								
8	Land and building leases	97,228	108,145	97,421	10,917	11.23 %	10,724	11.01 %
9	Terminal - restaurant & retail	25,027	36,734	26,486	11,707	46.78 %	10,248	38.69 %
10	Terminal - other	30,082	29,942	30,274	(140)	(0.47) %	(332)	(1.10) %
11	Rental cars	181,801	188,612	173,429	6,811	3.75 %	15,183	8.75 %
12	Parking	216,353	294,547	228,777	78,194	36.14 %	65,770	28.75 %
13	Ground Transportation	9,655	10,210	9,256	555	5.75 %	954	10.31 %
14	Other (advertising, security fee, etc.)	8,711	6,073	12,712	(2,638)	(30.28) %	(6,639)	(52.23) %
	<i>Total Non-aeronautical revenue</i>	<i>568,857</i>	<i>674,263</i>	<i>578,355</i>	<i>105,406</i>	<i>18.53 %</i>	<i>95,908</i>	<i>16.58 %</i>
	Total Operating Revenues	\$ 1,021,059	\$ 1,139,858	\$ 1,016,836	\$ 118,799	11.63 %	\$ 123,022	12.10 %

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		02/29/2020	02/29/2020	02/28/2019				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
Operating expenses								
14	Personnel compensation and benefits	\$ 494,856	\$ 398,669	\$ 407,745	\$ (96,187)	(19.44) %	\$ (9,076)	(2.23) %
15	Communications and utilities	61,877	54,168	60,324	(7,709)	(12.46) %	(6,156)	(10.20) %
16	Supplies and materials	115,279	92,693	77,746	(22,586)	(19.59) %	14,947	19.23 %
17	Contract services	117,408	95,105	78,062	(22,303)	(19.00) %	17,043	21.83 %
18	Repairs & maintenance	65,314	28,704	28,601	(36,610)	(56.05) %	103	0.36 %
19	Insurance	19,000	17,355	15,207	(1,645)	(8.66) %	2,148	14.13 %
20	Training, Travel, & Air Service Development	27,280	21,744	37,755	(5,536)	(20.29) %	(16,011)	(42.41) %
21	Other Expense (marketing, dues, etc.)	25,656	18,246	7,578	(7,410)	(28.88) %	10,668	140.78 %
<i>Total Operating expenses</i>		<i>926,670</i>	<i>726,684</i>	<i>713,018</i>	<i>(199,986)</i>	<i>(21.58) %</i>	<i>13,666</i>	<i>1.92 %</i>
Non-operating revenue (expenses)								
22	Passenger facility charges	149,838	217,296	170,059	67,458	45.02 %	47,237	27.78 %
23	Interest income	10,800	20,023	43,341	9,223	85.40 %	(23,318)	(53.80) %
24	Interest expense	(131,730)	(131,729)	(136,163)	1	(0.00) %	4,434	(3.26) %
25	Customer facility charges	107,283	97,172	85,463	(10,111)	(9.42) %	11,709	13.70 %
26	Capital contributions	14,263,000	48,029	600,757	(14,214,971)	(99.66) %	(552,728)	(92.01) %
26	Capital expenditures	(19,372,310)	(1,229,498)	(1,115,095)	18,142,812	(93.65) %	(114,403)	10.26 %
<i>Total Non-operating revenue (expenses)</i>		<i>(4,973,119)</i>	<i>(978,707)</i>	<i>(351,638)</i>	<i>3,994,412</i>	<i>(80.32) %</i>	<i>(627,069)</i>	<i>178.33 %</i>
Excess of revenue over (under) expense		\$ (4,878,730)	\$ (565,533)	\$ (47,820)	\$ 4,313,197	(88.41) %	\$ (517,713)	1,082.63 %

Variance Explanations - 02/29/2020 Year to Date Preliminary Financial Statements

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$10,000 YTD through February 2020. The \$10,000 threshold represents approximately 1% of budgeted revenue through February 2020.

Operating Revenues:

- 1 **Passenger Landing Fees** - Passenger landing fees exceeded both budget expectations and prior year actual through the end of February 2020. In the first two months of 2020, we received 133 additional scheduled commercial landings, an increase of 17% compared to the prior year. United and American both averaged one additional daily flight in January and February 2020 compared to 2019, which represents an increase of over 20% for both airlines. We also received 98 diversions in the first two months of 2020, only 7 less than 2019.
- 2 **Terminal Rent** - The increase in terminal rent revenue from prior year is a reflection of the increased rates calculated using the new formula based rate setting methodology and adopted in December by resolution in anticipation of adopting the new lease and use agreements in 2020.
- 3 **Boarding Bridge Revenue** - The decrease in boarding bridge revenue was budgeted for and expected. With the change in rates mentioned in the terminal rent explanation above, we also adjusted the boarding bridge per turn charge which decreased from the 2019 rates.
- 6 **Fuel Tax and Flowage Fees** - Fuel tax and flowage fees are comparable to the prior year, but below budgeted expectations. The difference is attributable to a decrease in military traffic in January 2020 compared to January 2019.
- 8 **Land and Building Leases** - The difference between budget and actual revenue is due to the timing of billings. We have some tenants that request an annual billing, rather than monthly, and the amounts are small enough that we recognized the full amount of revenue when billed, rather than recording deferred revenue and amortizing it across the rent period. We have one tenant in particular with a \$10k annual rent that we pre-billed in March 2020 that was billed in February 2019 which accounts for most of the difference.
- 9 **Restaurant & Retail** - Restaurant and retail revenue out performed the prior year and budgeted expectations due to the increased passenger traffic in January and February. The revenues are also in the "third tier" of the contract where we collect a higher percentage of revenues on amounts sold by our concessionaire.
- 11 **Rental Cars** - Rental Car Revenue exceeded budget and prior year revenue year-to-date through February 2020 as a result of the higher than expected passenger traffic. The average revenue per rental day was down in the first two months of 2020 compared to 2019, but there were approximately 2,900 additional rental days compared to 2019. Total enplanements were up over 24% YTD February 2020 compared to February 2019.
- 12 **Parking** - Parking revenue exceeded budget and prior year revenue year to date through February 2020 due to the 24% increase in passengers. Parking revenue per passenger increased approximately \$0.15 in the first two months of 2020 compared to 2019.

Operating Expenses:

- 14 **Personnel Compensation & Benefits** – The variance from budget is related to the unfilled positions that we had in January and February 2020. Our budget anticipated 30 full time employees, and 3 part-time employees, however, in January and February we had only 27 full time employees and one part-time employee.
- 16 **Supplies & Materials** – Supplies & Materials costs were budgeted to increase over prior year with the expected increase in passenger traffic. The budget reflects even spending over all 12 months, however, we recognize that there will be some variance from timing. YTD through February, supplies is approximately \$22k below budget, but \$15k higher than 2019. Spending for additional sanitation supplies and additional stock were added in March so those costs are not reflected in these amounts.
- 17 **Contract Services** – Contract services were budgeted to increase over the prior year. The budget reflects even monthly spending, however, the variance to budget is related to the timing of expenses incurred. The monthly IT services cost is below the expected monthly amount, and we have not yet spent any of the professional engineering and planning services budget through February 2020 that was budgeted which accounts for the majority of the difference compared to budget.
- 18 **Repairs & Maintenance** – Repairs and Maintenance activities are currently below budget, but on track with prior year spending. The timing of incurring these costs is unpredictable, so we have estimated even spending for budget purposes, although some months will have higher costs than others.
- 20 **Training, Travel, & Air Service Development** – Costs for training, travel and air service development have been separated from the "Other Expense" category. These expenses are in line with the 2020 budget amount, but lower than last year due to the timing of conferences attended.

- 21 **Other Expense (marketing, professional dues, etc.)** – Other expenses are consistent with budget, but above the prior year actual spending. In 2020 additional amounts were spent for personnel recruiting for the Director of Operations position that was vacant in January and February and marketing costs were higher.

Non-Operating Revenues and Expenses:

- 22 **PFC Revenue** – PFC revenue exceeded prior year actual and current year budget due to increased activity. Year to date, total passengers was up approximately 24%, consistent with the 27% increase over prior year.
- 23 **Interest Income** - Interest income is less than half of the amount received in 2020 which is due to the fact that we drew down approximately half of the balance of bond funds at this time. The income was budgeted conservatively and we are still ahead of budgeted income through February 2020.
- 25 **CFC Revenue** – CFC revenue exceeded prior year actual earnings, but was below budget for the first two months of the year. The budgeted CFC charges were estimated based on average spending per passenger, but CFC revenue is directly tied to the number of rental days. This resulted in a budget variance. We will look to adjust the expectations with the revised forecast.
- 26 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable, therefore the YTD budget amount reflects the entire budget for the year, rather than an estimated monthly amount. Capital expenditures in January and February were primarily related to the demolition of the administration building and the flooring replacement project. With the winter shut-down on the fencing project, only minimal costs were incurred related to AIP grant activities.

Grand Junction Regional Airport Authority
Statement of Financial Position - Unaudited, subject to change

		Month Ending 02/29/2020	Month Ending 12/31/2019	Variance
Assets				
Current Assets				
	Cash and Cash Equivalents - Unrestricted	\$ 6,166,984	\$ 3,947,549	\$ 2,219,436
	Cash and Cash Equivalents - Restricted	3,738,615	3,526,749	211,866
1	<i>Total Cash and Cash Equivalents</i>	<u>9,905,599</u>	<u>7,474,297</u>	<u>2,431,302</u>
Accounts Receivable				
	Accounts Receivable - Ops	833,321	686,072	147,249
	Accounts Receivable - Capital	1,909,399	5,762,033	(3,852,634)
2	<i>Total Accounts Receivable, Net</i>	<u>2,742,720</u>	<u>6,448,105</u>	<u>(3,705,385)</u>
3	Prepaid Expenses	53,030	86,317	(33,287)
	<i>Total Current Assets</i>	<u>12,701,349</u>	<u>14,008,720</u>	<u>(1,307,371)</u>
Non-Current Assets				
Capital Assets				
	Capital Assets not subject to depreciation	9,764,782	9,764,782	-
	Capital Assets subject to depreciation, net	61,752,332	62,523,100	(770,768)
4	<i>Total Capital Assets, Net</i>	<u>71,517,114</u>	<u>72,287,882</u>	<u>(770,768)</u>
5	Bond Project Fund	4,908,060	4,895,168	12,892
	<i>Total Non-Current Assets</i>	<u>76,425,174</u>	<u>77,183,050</u>	<u>(757,876)</u>
	Total Assets	<u>89,126,523</u>	<u>91,191,770</u>	<u>(2,065,247)</u>
6	Deferred Outflows of Resources - Pension Plan	<u>413,509</u>	<u>413,509</u>	<u>-</u>
Liabilities				
Current Liabilities				
7	Accounts Payable - Ops	130,123	192,984	(62,861)
7	Accounts Payable - Capital	2,114,785	2,773,149	(658,364)
8	Accrued Expenses	203,905	280,396	(76,490)
9	Lease Deposits	164,469	164,409	60
10	Deferred Revenue	25,067	83,419	(58,352)
11	Current portion of note and bonds payable	1,115,972	984,243	131,729
	<i>Total Current Liabilities</i>	<u>3,754,321</u>	<u>4,478,599</u>	<u>(724,278)</u>
Long Term Liabilities				
	Bond Payable	18,190,023	18,190,023	-
	Deferred Revenue	415,199	419,867	(4,668)
	Net Pension and OPEB Liability	2,775,984	2,775,984	-
12	<i>Total Long Term Liabilities</i>	<u>21,381,206</u>	<u>21,385,873</u>	<u>(4,668)</u>
	<i>Total Liabilities</i>	<u>25,135,526</u>	<u>25,864,472</u>	<u>(728,946)</u>
13	Deferred Inflows of Resources - Pension Plan	<u>518,872</u>	<u>518,872</u>	<u>-</u>
	Total Net Position	<u>\$ 63,885,635</u>	<u>\$ 65,221,936</u>	<u>\$ (1,336,301)</u>

Variance Explanations - 02/29/2020 Statement of Financial Position

Assets: Total Assets decreased by approximately \$2M From December 2019 to February 2020. We paid down approximately \$770k in outstanding payables and recognized \$770k in depreciation expense which accounts for the majority of the decrease in assets.

- 1 **Cash** – Cash increased by over \$2.4M, primarily due to the receipt of outstanding AIP reimbursements receivable.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Operating receivables increased approximately \$147k due to the timing of regular billings and receipts. The January airline billings were sent out later than normal due to delayed reporting from American Airlines. Capital receivables decreased \$3.85M as we received reimbursement payments from the FAA. With the winter shut-down for projects, we incurred very few AIP grant costs in January and February and the remaining balance of the capital receivable represents grant reimbursements awaiting final close-out and approval.
- 3 **Prepaid Expenses** – Prepaid expenses are primarily related to insurance contracts and software subscriptions that we pay annually, or in advance, that we will receive benefit for over a period of time. As we use these services over the policy or contract period, the amount is recognized as an expense, rather than expensing the entire annual cost in the month that it is paid. The decrease in this balance represents the portion of the expenses for January and February 2020.
- 4 **Capital Assets, Net** – Historically, the airport has not capitalized equipment throughout the year as it is purchased, but instead, expenses all purchases as part of capital expenditures and then capitalizes assets at year end. This allows us to track spending for budget purposes. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation based on assets placed in service as of December 31, 2019.
- 5 **Bond Project Fund** – The bond project fund balance represents unused bond funds. The change in balance from December to February represents interest income as no draws were taken. The drawdown was completed in March.

Deferred Outflows of Resources:

- 6 **Deferred Outflows of Resources - Pension Plan** – The deferred outflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Due to the timing of when the pension liability is estimated and reported on by PERA and the timing of when each local government entity must present financial statements, there is a one year lag in the calculation of the pension liability. We are therefore reporting our estimated liability based on information calculated as of December 31, 2017 for reporting in our 2018 financial statements as the final calculation for the 2019 year end has not been reviewed and posted. The change in these accounts all represent accounting estimates and non-cash transactions. These amounts will only change once per year when the calculation is updated.

Liabilities: Total Liabilities decreased \$729k from December 2019 to February 2020. The decrease is related to payments on outstanding payable balances and a reduction in the amount of accrued payroll expenses.

- 7 **Accounts Payable** – Similar to accounts receivable, the majority of the balance and the variance from month to month is caused by the capital expenses payable to contractors and engineers associated with our capital projects. Capital accounts payable and receivable should have a positive correlation in periods when we are working primarily on AIP projects where the majority of the cost is funded by the FAA. However, in January and February, very little time was spent on the AIP grant projects, therefore capital payables remained consistent while the grants receivable decreased.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used PTO (approximately 154,000) and payroll accruals to properly recognize payroll expenses in the periods that the employees have worked. Changes in this account month to month are almost entirely related to changes in the payroll accruals.
- 9 **Lease Deposits** – Lease deposits are primarily made up of General Aviation Lease deposits that were required in the standard ground lease based on a number of month's rent. We also hold deposits for parking passes held by airport tenant employees. These amounts are payable back to tenants at the end of the lease, or as parking passes are returned. The balance of deposits typically does not change materially from period to period as activity is limited.
- 10 **Deferred Revenue** – This liability represents rent received in advance and is primarily made up of a pre-payment received by the BLM in 2017. Prepaid rent is a liability because we have not provided our tenant with the space for the period of time that they paid us for.
- 11 **Current Portion of note and bonds payable** – This balance represents principal and interest due on the outstanding revenue bonds in the current calendar year. We have semi-annual payments due June 1 and December 1. The increase this month represents the accrual for interest expense incurred this period.
- 12 **Long-Term Liabilities** – The long-term bond payable balance is updated annually in December to reflect the remaining portion due, therefore there is no change from the prior months. The net Pension liability is also only calculated annually, so there will be no change in this amount. This is the actuarial estimate of the airports portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents pre-paid revenues for years after 2019.

Deferred Inflows of Resources:

- 13 **Deferred Inflows of Resources - Pension Plan** – Similar to deferred outflows described above, the deferred inflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Deferred Inflows of resources actually represent increases to the pension liability that will be recognized in future years, primarily related to changes in actuarial assumptions. These will only be calculated annually, and therefore no changes will be seen month to month.