

GRAND JUNCTION REGIONAL AIRPORT



C O L O R A D O
AIRPORT of the YEAR

SPECIAL BOARD MEETING PACKET

May 3, 2022

Grand Junction Regional Airport Authority



Date: May 3, 2022

Location:

GRAND JUNCTION REGIONAL AIRPORT
2828 WALKER FIELD DRIVE
GRAND JUNCTION, CO 81506
AIRPORT TERMINAL - 3rd FLOOR CONFERENCE ROOM

or

Electronic Meeting

Link: <https://us02web.zoom.us/j/81540366262?pwd=UWNSTVoyWld5aHZjc3N3bkdDVms5UT09>

Time: 5:15 PM

SPECIAL BOARD 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 (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. Action

- A. Land Lease Agreement with N70 Tech, LLC _____ 1
 - Approve the proposed farm lease with N70 Tech, LLC for the parcel of land at the southeast corner of the airport property and authorize the Executive Director to sign the lease.

VII. Discussion

A. West Star Aviation Update

- Dave Krogman will provide an update on West Star Aviation's business and planned projects at the airport.

B. Airport General Liability Insurance Policy Renewal _____ 2

VIII. Any other business which may come before the Board

IX. Adjournment

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Land Lease Agreement with N70 Tech, LLC
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve the proposed farm lease with N70 Tech, LLC for the parcel of land at the southeast corner of the airport property and authorize the Executive Director to sign the lease.
SUMMARY:	<p>GJRAA owns a parcel of land on the north side of I-70 between 29 and 30 road totaling approximately 53.65 acres. The land is undeveloped and is adjacent to a property owned by N70 Tech, LLC (N70) currently being used for farming and ranching operations. N70 contacted the airport and requested to lease the GJRAA property to expand their current operations. Given the location, this parcel is challenging for the airport to maintain and there has been an uptick in the amount of debris that is dumped there. This lease will ensure the land is maintained and kept cleaned up. Staff recommends approval of the lease.</p> <p>The existing irrigation system on the GJRAA parcel needs repairs before the land can be farmed. N70 has proposed to lease and operate the land in exchange for rents equal to the cost of installation of an irrigation pump (approximately \$12,500) over its useful life, annual operating and maintenance expenses, and to maintain the property.</p> <p>The term of the proposed lease is five (5) years, and the permitted use of the property is limited to farm, ranch, and agricultural purposes. There is one extension option for an additional five (5) years at the mutual agreement of both parties.</p>
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	Farm Lease Agreement
STAFF CONTACT:	Sarah Menge smenge@gjairport.com (970) 248-8581

FARM LEASE

This FARM LEASE is made and entered into by and between **GRAND JUNCTION REGIONAL AIRPORT AUTHORITY** (“Landlord”), of 2828 Walker Field Dr., Ste 301, Grand Junction, CO 81506-8667, and **N70 TECH, LLC, a Colorado limited liability company** (“Tenant”), of 330 Grand Ave., Ste B, Grand Junction, CO 81501.

RECITALS

A. Landlord is the owner of the following described real property located in Mesa County, Colorado, to-wit:

Parcel Number: 2705-324-00-036

ALL THAT PTN OF W2NW4SE4 & W2NW4SE4 & E2SW4 SEC 32 1N 1E LYG N OF I-70 & NELY OF FOLL-DESC LINE BEG S 0DEG12'46SEC W 484.74FT FR NW COR SD E2SW4 SEC 32 S 54DEG48'26SEC E 2011.36FT TO A PT ON N ROW LINE OF I-70

as depicted on Exhibit “A” and consisting of approximately 53.15 acres (hereinafter, collectively, the “Property”).

B. Landlord has determined that the Property will not be needed for aeronautical use in the foreseeable future and that leasing the Property for agricultural and ranching use is compatible with the operation of the Grand Junction Regional Airport (“Airport”).

C. For purposes of this Lease, the Property is intended and shall be deemed to include all Landlord's right, title, and interest in and to all water, water rights, ditches, and ditch rights, used on or in connection with the above-described acreage.

AGREEMENT

FOR AND IN CONSIDERATION of the covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Demise. Landlord does hereby lease to Tenant, all the Property, and Tenant hereby accepts the Property in its present condition and leases the Property from Landlord, EXCEPT Landlord reserves the right to inspect the land, fields and crops and travel over the interior drives and ways, at any time and without prior notice to Tenant.

2. Permitted Use. Tenant shall be permitted to use the Property to raise crops, and for farm, ranch, and agricultural purposes, but to specifically exclude hunting. Uses of the Property not directly related to the purposes of this Lease shall be not permitted. Tenant shall not use the Property, in whole or in part, for any other business operations or purposes without first obtaining the written consent of Landlord. Tenant shall use the Property for no purposes prohibited by the laws of the United States, the State of Colorado, or local ordinance.

3. Term of the Lease. This Lease shall commence on April 1, 2022, and continue in effect through March 31, 2027. The parties may, upon mutual written consent, extend the term of the Lease for an additional five years, in which event the Lease shall expire on March 31, 2032.

4. Rents Payable by Tenant. Tenant shall pay in lieu of annual rent the actual cost of installing and operating a new irrigation pump for irrigating the Property. Tenant shall provide evidence of any and all such expenses to the Landlord upon each anniversary of the effective date.

5. Irrigation System and Water Rights. Beginning with calendar year 2022, Tenant shall install, maintain and keep the irrigation pump in good condition and repair and replace damaged items as needed, at Tenant's sole expense. The actual cost of an irrigation pump shall not exceed \$12,500.00, which cost shall be amortized over a ten (10) year period. In the event of lease termination prior to the scheduled end of the Lease Term, or the Lease is not renewed, Landlord shall reimburse Tenant the unamortized cost of the pump. Upon the expiration of the Lease, Tenant shall peaceably surrender possession of the Property, and all right, title and interest in the irrigation pump and associated equipment shall vest in Landlord. The Property includes 180-acre feet of Class 1 water with the Grand Valley Water Users Association (GVWUA). Landlord has an agreement with the GVWUA to divert 26-acre feet of water for landscape maintenance from the Property to the Airport area near Walker Field Drive. Tenant shall utilize the non-diverted water and irrigation rights appurtenant to the Property for the growing of crops and otherwise prudently manage the water and irrigation resources. Any charges for usage that exceeds the existing water rights will be paid by the Landlord or Tenant based on usage above the apportioned shares. Landlord shall not be liable for any water shortages.

6. Maximize Crop. Tenant shall operate the Property in a business-like manner consistent with practices generally accepted as good farming and ranching technique in the local community. Tenant shall diligently manage irrigation waters available for use on the Property to maximize the yield from any irrigated alfalfa/hay lands.

7. Conservation. Tenant shall not cause waste by improper grazing, use or otherwise, and shall comply with good conservation practices and safeguard the water rights and other surface resources. Tenant shall not use the Property in a manner that will cause overgrazing, soil erosion, waste or otherwise cause damage to the Property. Tenant shall, at all times, employ sound farm management practices.

8. No Hazardous Wildlife Attractants. Tenant shall not use the Property in a manner that would constitute a hazard to air navigation. Without limiting the generality of the foregoing, Tenant shall not plant any seeds, grow any crops, leave crop residue, over-irrigate the Property, conduct confined livestock operations, or locate livestock feed and water tanks in such a manner that would attract hazardous wildlife to the Property and the Airport. Tenant shall consult with Landlord on seeds, crops, irrigation schedules and similar and related matters that have the potential to attract hazardous wildlife.

9. Assignment. Tenant shall not assign, sublease, mortgage, pledge or otherwise dispose of any interest in this Lease without the prior written approval of Landlord.

10. Utilities and Property Taxes. Tenant shall pay for Tenant's use of any utilities. Landlord shall pay any expense of irrigation water and property taxes.

11. Maintenance of Improvements. Tenant shall keep and maintain in good condition and repair, ordinary wear and tear excepted, all the improvements on the Property covered by this Lease. Any damages caused by Tenant, Tenant's agents or employees shall be promptly repaired at the expense of Tenant.

12. Seed, Fertilizer and Supplies. All seed, fertilizer and supplies requested or utilized in connection with the farm operations or otherwise in furtherance of the purposes of this Lease shall be furnished at the sole cost and expense of Tenant.

13. Indemnity, Liability, Insurance. Tenant shall indemnify, defend, and hold Landlord harmless from any damages, liabilities, or claims arising out of or incident to Tenant's use of the Property, or arising out of any other activities of Tenant or Tenant's agents or employees on or in respect to the Property. Tenant further agrees to neither hold, nor attempt to hold, Landlord liable for any injury or damage, either proximate or remote, caused by the negligence of any third party or any agent, lessee, invitee, or employee of Landlord, nor liable for injury or damage occasioned by any defect in the improvements or other conditions of the Property, nor for any damage to crops or improvements caused by fire or other casualty. Tenant shall maintain public liability insurance with the single limit liability coverage in the minimum amount of \$1,000,000.00 in respect to Tenant's activities, use and operations conducted on the Property, and shall cause Landlord to be named as an additional insured on such policy, and promptly furnish Landlord with copies of documents evidencing such coverage throughout the term of this lease, which coverage shall not be cancelled without 30 days prior notice to Landlord.

14. Workmen's Compensation Insurance. Tenant shall, at Tenant's sole cost and expense, maintain such workmen's compensation insurance as may be necessary or required to cover Tenant's employees for all work related to said Property. Tenant shall furnish copies of certificates and/or policies evidencing such coverage throughout the term of this Lease.

15. Property Taxes. All property taxes and special assessments levied against the Property during the term of this Lease shall be paid by Landlord. Tenant shall have no obligation to contribute to or pay any part of the property taxes, except to the extent of any possessory interest tax arising by virtue of Tenant's leasehold interest in the Property pursuant to this Lease.

16. Civil Rights Non-Discrimination. Tenant 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 Tenant transfers its obligations under this Lease to another, the transferee is obligated in the same manner as Tenant. This provision obligates Tenant during the term of this Lease. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964. During the performance of this Lease, Tenant for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities: Title VI of the Civil Rights Act of 1964 (42 USC § 2000d et seq., 78 stat. 252); 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);

the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601); Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 et seq.), as amended, and 49 CFR part 27; the Age Discrimination Act of 1975, as amended (42 USC § 6101 et seq.); the Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended; the Civil Rights Restoration Act of 1987 (PL 100-209); Titles II and III of the Americans with Disabilities Act of 1990 (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38; Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations; Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency; and Title IX of the Education Amendments of 1972, as amended.

17. Subordination. This Lease shall be subject and subordinate to the requirements of any existing or future contracts or agreements between the Landlord and Federal, State, or local governments, or any agencies thereof, and to the requirements of any Federal, State, or local statutes, rules, regulations, or directives governing the operation of the Airport, and Landlord shall not owe any damages to Tenant, such as lost profits or revenues, as a result of its compliance with said contracts, statutes, rules, regulations, or directives.

18. Default. In the event Tenant defaults in the performance of any of the covenants, conditions or provisions herein to be kept and performed by Tenant, and such default is not cured within fifteen (15) days after Tenant receives written notice thereof, Landlord may, at its option, pursue any legal remedy to recover for the breach while continuing this Lease in force, or Landlord may declare this Lease terminated and retake possession and exclude Tenants from the Property and recover such damages as may be proper.

19. Attorneys Fees. In the event of litigation arising out of or in connection with this Lease or the performance of any obligations hereunder, the prevailing party shall be entitled to recover from the other reasonable attorneys fees and costs.

20. Entire Agreement. This document constitutes the entire and complete agreement and understanding between the parties. There are no other terms, oral or written, except as herein expressed. This Lease may not be changed, modified, or amended except by writing signed by both parties.

21. Notices, Demands and Other Instruments. All notices, demands, requests, consents, approvals, and other instruments required or permitted to be given pursuant to the terms hereof shall be given in writing and shall be deemed to have been properly given if sent by certified mail, postage prepaid, addressed to the party to be served at that party's last known address.

22. Binding Effect. This Agreement and covenants, conditions and provisions contained herein shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

Signed this _____ day of _____, 2022.

“LANDLORD”

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

By: _____
Printed Name: _____
Title: _____

“TENANT”

N70 TECH, LLC, a Colorado limited liability company

By: _____
Printed Name: _____
Title: _____

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

This record was acknowledged before me on _____, 2022, by
_____, the _____ of Grand Junction
Regional Airport Authority.

Witness my hand and official seal.
My commission expires:

Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

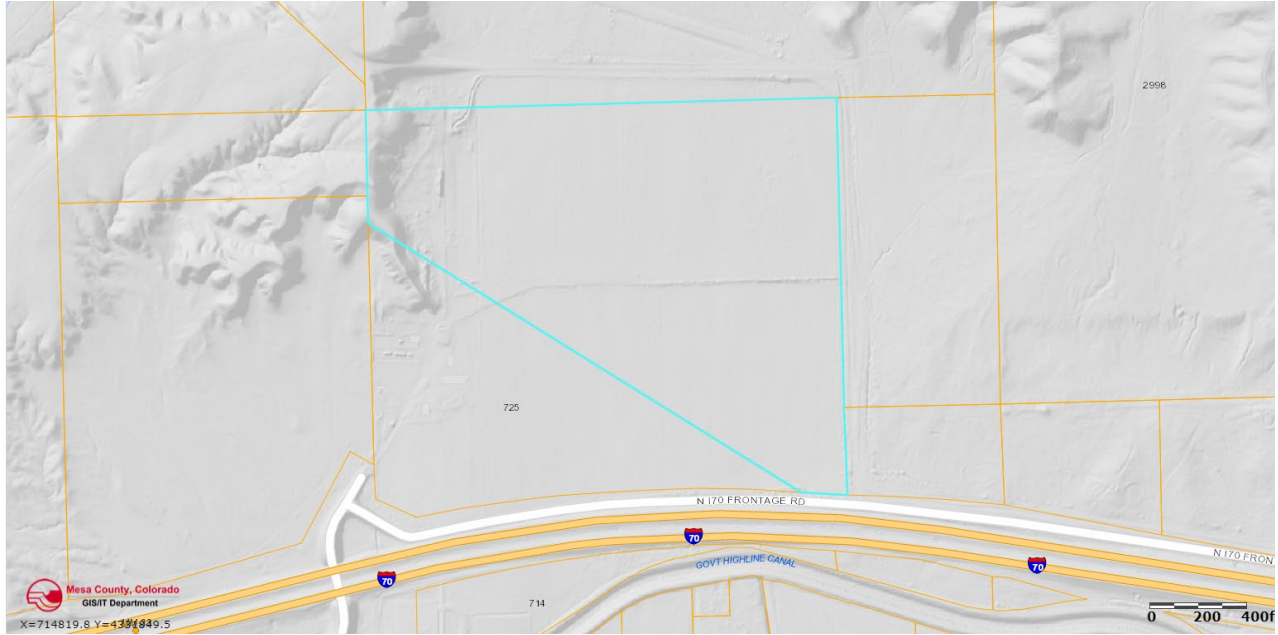
This record was acknowledged before me on _____, 2022, by
_____, the _____ of N70 Tech, LLC,
a Colorado limited liability company.

Witness my hand and official seal.
My commission expires:

Notary Public

EXHIBIT A

Parcel Number: 2705-324-00-036



Grand Junction Regional Airport Authority

Agenda Item Summary:

TOPIC:	Airport General Liability Insurance Policy Renewal
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input type="checkbox"/>
RECOMMENDATION:	N/A – Discussion Only
DISCUSSION:	<p>As our broker, HUB International is in the process of obtaining bids from various insurance agencies for the Airport general liability, automobile, property, and casualty insurance policies. Once received, HUB will review the proposals and recommend the carriers with the best pricing and coverage options.</p> <p>The coverage period for the airport has been from June 1 to May 31 each year. The purpose of this discussion topic is to review preliminary quotes for annual insurance coverage in advance of the May regular board meeting.</p>
REVIEWED BY:	Executive Director
FISCAL IMPACT:	TBD
ATTACHMENTS:	N/A
STAFF CONTACT:	Sarah Menge 970-248-8581 smenge@gairport.com