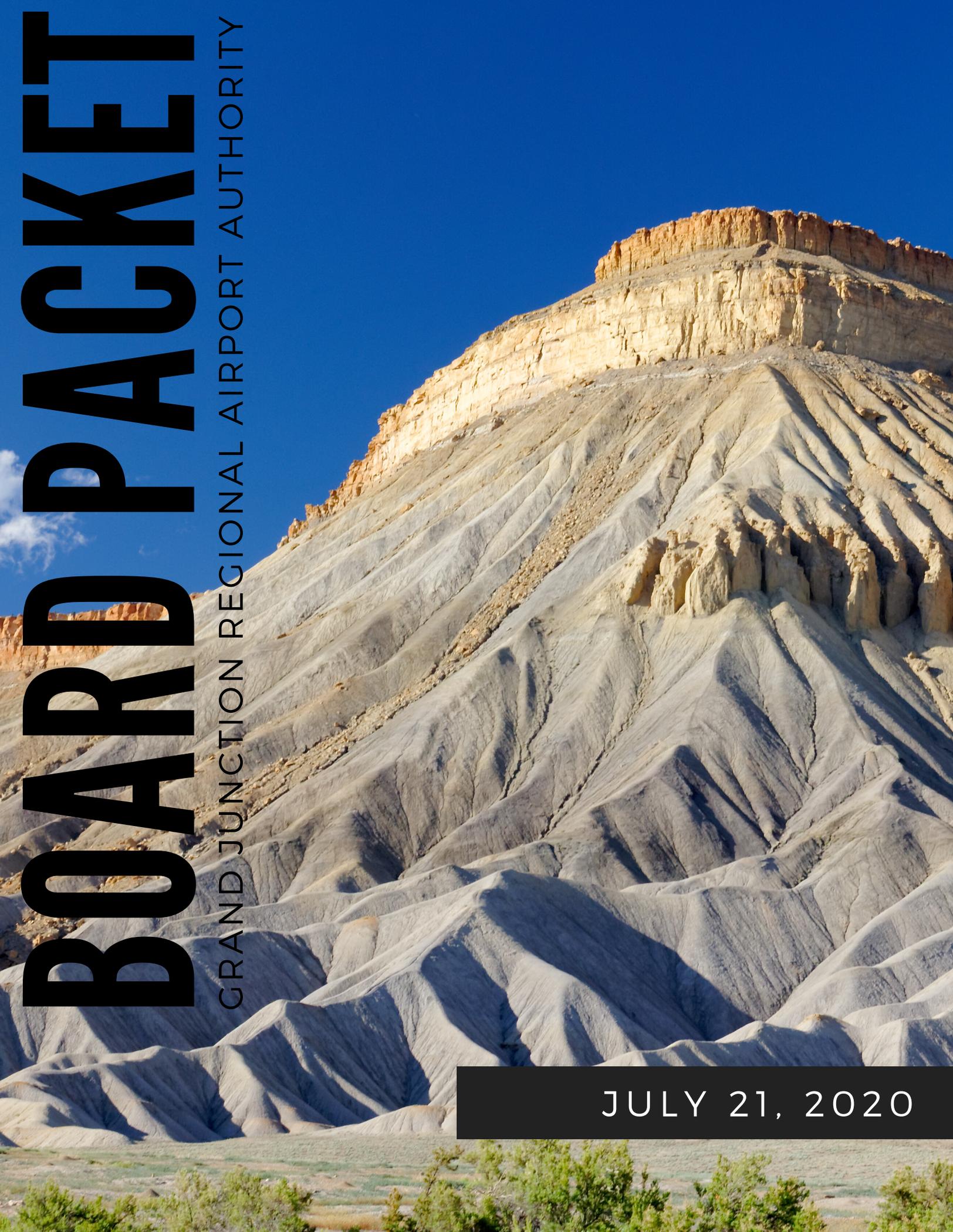


BOARD PACKET

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY



JULY 21, 2020

Grand Junction Regional Airport Authority



Date: July 21, 2020

Location:

Electronic Meeting

Link: <https://us02web.zoom.us/j/813501044?pwd=Zi82UIQ5Rnpjc2ZQU1JqRDNpc0NYUT09>

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**
 - A. June 16, 2020 Meeting Minutes _____ 1
 - Approval of June 16, 2020 Board Meeting Minutes
 - B. July 7, 2020 Special Board Meeting Minutes _____ 2
 - Approval of July 7, 2020 Special Board Meeting Minutes
 - C. 2019 Audit Acceptance _____ 3
 - Approval of 2019 Audit.
- VII. Action Items**
 - A. GJRAA Employee Health Benefit Selection _____ 4

- Approval to renew the existing employee health insurance plans and authorize the Executive Director to sign the plan documents.
- B. Grant Agreement and Co-Sponsorship Agreement – Rehabilitation Design of Runway 11/29 and Taxiway A _____ 5
 - Approval of FAA AIP Grant offer in the amount of \$553,295 for the rehabilitation design of Runway 11/29 and the rehabilitation design of Taxiway A and authorize the Chairmen to sign the Grant Agreement and the Executive Director to sign the Co-Sponsorship Agreement.
- C. Grant Application for TWY A and Runway 11/29 Rehab Construction _____ 6
 - Approval of Airport Improvement Project (AIP) Grant Application for submittal to the FAA for the construction on the second phase of the rehabilitation of Taxiway A and Runway 11/29 with a total estimated cost of \$7,777,778 and authorize the Executive Director to sign. The amount requested from the FAA for this project is \$7,000,000 and GJRAA’s portion is \$777,778.
- D. Contract Change Order No. 04 for 27 ¼ Rd Project with United Companies _____ 7
 - Approval of the proposed change order with United Companies in the amount of \$129,036.75, pending the approval of additional funding from the FAA, to address an ongoing water issue in a small section of pavement and accept the proposed reimbursement from Mead and Hunt in the amount of \$32,156.30.

VIII. Discussion

IX. Staff Reports

- A. Executive Director Report (Angela Padalecki)
- B. Operations Report (Dylan Heberlein)
- C. Finance and Activity Report (Sarah Menge) _____ 8
- D. External Affairs Report (Joe Burtard)
- E. Facilities Report (Ben Peck)
- F. Project Report

X. Any other business which may come before the Board

XI. Adjournment



Grand Junction Regional Airport Authority Board
Regular Board Meeting
Meeting Minutes
June 16, 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 June 16, 2020 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted electronically.

<p><u>Commissioners Present:</u> Tom Benton (Chairman) Chuck McDaniel Thaddeus Shrader Clay Tufly Erling Brabaek Ron Velarde Linde Marshall</p> <p><u>Airport Staff:</u> 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 Victoria Hightower</p>	<p><u>Guests:</u> Jeff Hurd, Ireland Stapleton Pryor & Pascoe, PC. Brad Rolf, Mead and Hunt Jeremy Lee, Mead and Hunt Shannon Kinslow, TOIL Julie Theissen, Armstrong Colin Bible, Garver Jake Hoban, Garver Shannon Casner, RS&H Stan Stoll, Knott Laboratory Jeffrey Warkoski, AECOM Lisa Meacham, Plante Moran Jennifer Laporte, Plante Moran</p>
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II. Pledge of Allegiance

III. Approval of Agenda

*Commissioner Brabaek made a motion to approve the June 16, 2020 Board Agenda.
Commissioner Tufly 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

No Commissioner comments were made.

V. Citizen Comments

No citizen comments were made.

VII. Action Items

May 19, 2020 Meeting Minutes

Commissioner McDaniel made a motion to approve the May 19, 2020 Board Meeting Minutes. Commissioner Velarde 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.

Tailwind Concessions Agreement Extension

Commissioner Tufly made a motion to authorize the two one-year extension options with Tailwind GJT, LLC resulting in a lease expiration date of April 30, 2023. Commissioner Velarde 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.

2019 Audit Presentation and Acceptance

Commissioner Brabaek made a motion move the 2019 Audit Presentation and Acceptance to the July 21, 2020 Board Meeting. 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.

Banking Resolution No. 2020-006- Dual Signature Requirement for ACH Payments

Commissioner Tufly made a motion to adopt Resolution No. 2020-006: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts. 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.

VIII. Discussion

A. Terminal Building Structural Assessment Presentation by Knott Laboratory.

Knott Laboratory specializes in forensic engineering work. Knott Laboratory performed a structural assessment on the main terminal building. Representatives from Knott Laboratory will give a presentation on their report.

B. Employee Benefits

HUB representatives will present the proposed employee benefit rates for September 1, 2020. Employee Benefits will be discussed at the July 21, 2020 Board Meeting.

IX. Staff Reports

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

X. Any other business which may come before the Board

No additional business was discussed.

XI. Adjournment

The meeting adjourned at approximately 7:51 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
July 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 July 7, 2020 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted electronically.

<p><u>Commissioners Present:</u> Tom Benton (Chairman) Chuck McDaniel Thaddeus Shrader Clay Tufly Ron Velarde Linde Marshall</p> <p><u>Airport Staff:</u> Angela Padalecki (Executive Director) Joseph Burtard (Clerk) Karl Hanlon (Counsel) Dan Reimer (Counsel) Sarah Menge</p>	<p><u>Guests:</u> Jeff Hurd, Ireland Stapleton Pryor & Pascoe, PC.</p>
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II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Marshall made a motion to approve the July 7, 2020 Special Board Agenda. Commissioner McDaniel second the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

IV. Commissioner Comments

No Commissioner comments were made.

V. Citizen Comments

No citizen comments were made.

VII. Action Items

Extension of GJRAA/GJASA Agreement

Commissioner McDaniel made a motion to approve extending the agreement between Grand Junction Regional Airport Authority (GJRAA) and Grand Junction Regional Air Service Alliance (GJRASA) and authorize the Executive Director to sign. The agreement defines how monies will flow between GJRAA and GJRASA under the Small Community Air Service Development Program (SCASDP) Grant. Commissioner Velarde seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

SCASDP Grant Agreement

Commissioner Shrader made a motion to approve the \$950,000 Small Community Air Service Development Program (SCASDP) Grant Agreement and authorize the Executive Director to sign. 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.

VIII. Discussion

IX. Any other business which may come before the Board

No additional business was discussed.

X. Adjournment

The meeting adjourned at approximately 5:35 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

Agenda Item Summary

TOPIC:	2019 Audit Acceptance		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Recommend that the Board approve the Audit as presented in Draft form at the June Meeting.		
SUMMARY:	<p>The Airport staff and the Finance and Audit Committee have reviewed the draft and all recommended changes from staff and Board member review have been incorporated. The following is a summary of significant audit findings and opinions issued with the 2019 financial statement audit:</p> <ul style="list-style-type: none">- Plante Moran is issuing an unmodified opinion.- There were no material weaknesses identified- There were no findings in the Single Audit over the PFC or AIP Grant Revenues that were reported.- No financial statement adjustments were identified during the audit that required posting to the financial statements.- The auditors have recommended ongoing review, oversight, and monitoring by the Finance and Audit Committee for tasks completed by the Director of Finance due to the small size of our finance and accounting staff at the Airport Authority.		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	N/A		
ATTACHMENTS:	Final Draft of the Audited Financial Statements		
STAFF CONTACT:	Sarah Menge 970-248-8581 smenge@gairport.com		

Grand Junction Regional Airport Authority

**Financial Report
with Supplemental Information
December 31, 2019**

DRAFT

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Independent Auditor's Report

To the Board of Commissioners
Grand Junction Regional Airport Authority

Report on the Financial Statements

We have audited the accompanying financial statements of Grand Junction Regional Airport Authority (the "Authority") as of and for the years ended December 31, 2019 and 2018 and the related notes to the financial statements, which collectively comprise the basic financial statements of the Authority.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of Grand Junction Regional Airport Authority as of December 31, 2019 and 2018 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 2 to the financial statements, subsequent to year end, the COVID-19 pandemic has impacted the Authority's operations and has resulted in a severe decline in the Authority's activity. Our opinion is not modified with respect to this matter.

To the Board of Commissioners
Grand Junction Regional Airport Authority

Other Matters

Required Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplemental information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Grand Junction Regional Airport Authority's basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the schedule of passenger facility charges, as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, are presented for the purpose of additional analysis and are not a required part of the basic financial statements.

The schedules of expenditures of federal awards and passenger facility charges are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedules of expenditures of federal awards and passenger facility charges are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2020 on our consideration of Grand Junction Regional Airport Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Grand Junction Regional Airport Authority's internal control over financial reporting and compliance.

June 16, 2020

INTRODUCTION

Grand Junction Regional Airport, Colorado, Public Airport Authority was created in 1971 under the Public Airport Authority Act of 1965. The Grand Junction Regional Airport Authority (the "Authority") is composed of seven appointed members: three from Mesa County, three from the City of Grand Junction and one at-large selection. The term of each Commissioner of the Authority Board is four years; no member may serve more than two consecutive four-year terms. The Board of Commissioners selects and appoints an Executive Director who implements the policies established by the Board, manages the airport, and serves at the pleasure of the Board.

The Authority engages in business-type activities. These are activities that are intended to recover all or a significant portion of their costs through user fee charges to external parties for goods or services. The Authority reports its business-type activities in a single enterprise fund, meaning that its activities are operated and reported like a private-sector business. An enterprise fund uses the accrual basis of accounting, and accordingly, revenues are recognized when earned and expenses are recognized as incurred.

GJT Description

The National Plan of Integrated Airport Systems classifies the Grand Junction Regional Airport (the "Airport" or "GJT") as a short-haul primary commercial service airport. These airports provide commercial airline service, mostly to destinations within 500 miles, in addition to general aviation services. The Grand Junction metropolitan area is classified as a non-hub commercial service market, as the Airport enplanes less than 0.05% of all commercial airline enplanements in the United States.

The Airport is located on approximately 2,800 acres of land and has two active runways and an air traffic control tower. The primary runway is Runway 11/29, which measures 10,501 feet long and 150 feet wide with a northwest-southeast orientation. Crosswind Runway 4/22 measures 5,501 feet long and 75 feet wide in a southwest/northeast orientation. The secondary runway is designed to facilitate the operations of smaller aircraft during crosswind conditions on Runway 11/29.

The passenger terminal building opened in 1982 and contains approximately 76,000 square feet of space and offers one airside concourse with three passenger boarding bridges. The terminal building accommodates passenger ticketing, baggage claim, passenger screening, concessions, and rental car facilities and public parking is available on site. In addition to the passenger terminal building, the Authority also provides cargo and general aviation facilities and has an aircraft rescue firefighting building.

Location

Grand Junction is situated on the western slope of the Rocky Mountains in Mesa County, Colorado. The Airport and the City of Grand Junction are located between Denver and Salt Lake City, approximately 260 miles from each. The closest airports, which provide regularly scheduled commercial or regional jet service, are Aspen-Pitkin County Airport, Eagle County, and Montrose County Regional Airport.

Air Traffic

As of December 31, 2019, GJT offered direct service to Dallas/Fort Worth, Denver, Las Vegas, Mesa, AZ, Phoenix, and Salt Lake City, and seasonal direct service to Los Angeles and Chicago. Air service is provided in GJT by Allegiant, American Airlines, Delta, Denver Air Connection, and United. As of December 31, 2018, GJT offered direct air service to Dallas/Fort Worth, Denver, Las Vegas, Phoenix, and Salt Lake City, and seasonal direct service to Los Angeles through five different commercial carriers.

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis of the financial position and activity of the Authority provides an introduction and overview of the basic financial statements of the Authority as of and for the years ended December 31, 2019 and 2018. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

Financial Highlights

In 2019, Allegiant added year-round twice-weekly service to Mesa, Arizona and United added a seasonal direct flight from GJT to Chicago weekly. In addition to these new destinations, air carriers up-gauged the size of aircraft flown to GJT and added additional flights. The Airport realized a 12% increase in passengers from 2018 to 2019 which resulted in a \$357,000 increase in operating revenues from 2018.

Operating revenues in 2018 exceeded budgeted revenues by \$235,000 and 2017 revenues by \$146,000. This increase was primarily related to non-passenger airline revenue from cargo and other itinerant operations at the airport. In 2018 the Airport served as a base for firefighting operations in the region and served over 300 diversions throughout the year compared to approximately 175 in 2017.

In 2019, the Authority completed a major terminal remodel project that included a new HVAC system, back-up generator, new escalators, and new office space for Authority staff. This project was funded by the 2016 refunded bonds and cost approximately \$5,775,000.

The Authority broke ground on a runway replacement project in 2018 and as of December 31, the Authority has ten (2019) and eight (2018) Airport Improvement Program (AIP) projects still in process with the FAA, primarily related to enabling projects for the runway replacement. These AIP projects are funded primarily by the Federal Aviation Administration. Capital assets increased over \$6,500,000 related to AIP capital projects from 2018 to 2019. Total assets increased over \$13,400,000 from 2017 to 2018 due to increases in capital grants receivable and capital assets.

The Authority began construction on an administration building in 2013 to house the Authority staff offices, however, construction was stopped in 2014. During 2019, after exhaustive efforts by the board to procure a public-private partnership to complete the build-out, or identify airport funds to complete construction, it was determined that the partially completed building would be demolished. Accumulated construction costs totaling \$4,092,316 were considered impaired and a loss was recognized in the year ended December 31, 2019.

In 2018 the Authority adopted Governmental Accounting Standards Board ("GASB") No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* which changes the accounting and presentation for the Authority's postemployment health benefits that are administered through the Colorado Public Employees' Retirement Association. Additional information related to the Authority's pension and other postemployment benefit plans can be found in Note 9 and Note 10.

The Authority also elected to adopt GASB No. 89, *Accounting for Interest Costs Incurred before the End of a Construction Period* which requires interest costs incurred during construction be expensed in the period in which the cost is incurred. The requirements of the statement are effective for reporting periods beginning after December 15, 2019; however, early adoption is encouraged and the Authority elected to implement this GASB in 2018. As a result, no interest was capitalized and added to the cost of capital assets construction in progress but was recognized as interest expense during the year.

Overview of the Financial Statements

The Authority's financial statements consist of its statement of net position; statement of revenues, expenses, and changes in net position; statement of cash flows and notes to the financial statements. The statement of net position presents information on the Authority's assets, deferred outflows, liabilities, deferred inflows, and net position. Over time, increases or decreases in net position serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating. The statement of revenues, expenses, and changes in net position present information showing how the Authority's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. This report also includes required supplementary information for the Authority's pension and other postemployment benefit plan for the purpose of additional analysis.

These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America as promulgated by the GASB.

Grand Junction Regional Airport Authority

Management's Discussion and Analysis

Year Ended December 31, 2019

Summary of Revenues, Expenses, and Changes in Net Position

The following is a summary of the revenues, expenses, and changes in net position for the years ended December 31, 2019, 2018 and 2017.

	2019	2018	2017
Total operating revenues	\$6,863,913	\$6,506,646	\$6,360,576
Total non-operating revenues	2,016,461	1,941,478	1,808,815
Total revenues	8,880,374	8,448,124	8,169,391
Total operating expenses	8,815,254	8,774,636	8,447,618
Net non-operating expenses	4,696,104	650,029	1,468,896
Total expenses	13,511,358	9,424,665	9,916,514
Loss before capital contributions	(4,630,984)	(976,541)	(1,747,123)
Capital contributions	6,004,320	10,154,051	5,201,808
Increase in net position	\$1,373,336	\$9,177,510	\$3,454,685

The following is a summary of operating revenues for the years ended December 31, 2019, 2018 and 2017.

	2019	2018	2017
Aeronautical revenue			
Passenger airline revenue			
Passenger airline landing fees	\$632,143	\$549,237	\$528,794
Terminal rent	1,183,776	1,181,845	1,185,356
Other	128,216	113,722	102,575
Total passenger airline revenue	1,944,135	1,844,804	1,816,725
Non-passenger airline revenue			
Non-passenger landing fees	102,453	179,586	143,955
Cargo and hangar rentals	53,466	52,213	51,173
Fuel flowage fees and aviation fuel tax	752,110	697,084	629,287
Other	9,780	5,880	3,030
Total non-passenger airline revenue	917,809	934,763	827,445
<i>Total aeronautical revenue</i>	2,861,944	2,779,567	2,644,170
Non-aeronautical revenue			
Land and building leases	601,551	596,586	573,411
Terminal – restaurant and retail	170,591	142,064	125,230
Terminal - rent	180,686	199,259	255,550
Rental cars	1,306,055	1,270,226	1,217,503
Parking and ground transportation	1,663,556	1,442,888	1,476,492
Other	79,530	76,056	68,220
<i>Total non-aeronautical revenue</i>	4,001,969	3,727,079	3,716,406
<i>Total operating revenue</i>	\$6,863,913	\$6,506,646	\$6,360,576

Rates and charges for airport operations remained unchanged from 2017 to 2019 so changes in operating revenues were driven by activity and not changes in fees.

Management’s Discussion and Analysis

Year Ended December 31, 2019

Passenger airline revenue is primarily from terminal rent which is currently based on a fixed rates and charges model, therefore there was almost no change to terminal rent from 2017 to 2019. In 2019, the airlines flew larger aircraft and increased flight frequency compared to 2018. GJT received 434 additional landings in 2019 compared to 2018, an increase of almost 8%. As a result of the increased flights and landed weight, passenger airline landing fees increased almost \$83,000 from 2018. Overall passenger traffic remained flat from 2017 to 2018, so there was little change in passenger airline revenues in 2018.

Non-passenger airline revenue consists primarily of landing fees from non-passenger airline activity like cargo, and fuel flowage fees and taxes. Fuel flowage fees are collected for general aviation activity and fuel taxes are collected on all jet fuel sold at the airport. The decrease in non-passenger airline revenue from 2018 to 2019 is primarily related to a decrease in activity from the Airport’s main cargo airline provider and decreased activity related to firefighting operations that occurred in 2018. Non-passenger landing fees and fuel flowage fees increased 10.8% from 2017 to 2018. This was primarily the result of increased cargo deliveries in 2018 and increased landing fees from firefighting operations staged from the Airport. In the first half of 2018, the primary cargo carrier at the Airport started making two daily flights instead of just one flight which caused an increase in non-passenger landing fees and fuel flowage fees. They have since returned to their regular flight schedule.

Non-aeronautical revenue consists of some fixed rent charges and other variable revenues that are directly correlated to passenger traffic. With the 12% increase in passengers in 2019, non-aeronautical revenue was \$275,000 higher than 2018. Non-aeronautical revenue remained flat from 2017 to 2018 although there were some changes in the revenue sources. The decrease in terminal rent was related to a decrease in total space rented by the tenant. Rental car revenues increased from 2017 to 2018 due to a combination of increased rental days and higher average daily rates. Daily rates charged for diversion traffic tends to be higher than regular rates, and the Airport had almost twice as many diversions in 2018 as 2017.

The following is a summary of operating expenses for the years ended December 31, 2019, 2018 and 2017.

	2019	2018	2017
Personnel compensation and benefits	\$1,894,114	\$2,422,735	\$2,294,107
Communications and utilities	308,906	305,528	292,520
Supplies and materials	574,646	545,175	440,370
Contract services	601,889	578,406	547,622
Repairs & maintenance	584,486	390,626	349,878
Insurance	108,989	92,983	93,944
Depreciation	4,459,034	4,196,715	4,161,422
Other	283,190	242,468	267,755
Total operating expenses	\$8,815,254	\$8,774,636	\$8,447,618

The majority of the Airport’s operating expenses are fixed in nature, and do not fluctuate with increases and decreases in passenger traffic. The most notable changes from 2018 to 2019 were a decrease in personnel compensation and benefits of \$529,000, an increase in repairs and maintenance of \$194,000, and an increase in depreciation of \$262,000. The change in personnel costs was entirely related to the Airport’s proportionate share of pension expense which was a reduction of costs this year. Actual cash compensation paid was comparable to 2018. Repairs and maintenance cost increases were mostly related to repairs and improvements made to the terminal in conjunction with the terminal remodel project that were below the capitalization policy of the Airport. The Authority painted all existing bathroom tiles and partitions within the terminal which cost approximately \$115,000. The increase in depreciation expense was directly related to the terminal project and airfield projects completed in 2019.

The largest increases from 2017 to 2018 were in personnel compensation and benefits and supplies and materials. The increase in personnel compensation and benefits was related to hiring a new executive director in 2018 and other staffing changes in 2018 as well as changing insurance benefits. This resulted in an increase in personnel compensation and benefits of \$129,000. Supplies and materials increased \$105,000 due to the purchase of new office furniture and IT equipment in 2018. The Authority was in the process of remodeling office space for staff in 2018 and these purchases were below the capitalization threshold and therefore were expensed.

Grand Junction Regional Airport Authority

Management's Discussion and Analysis

Year Ended December 31, 2019

Non-Operating Revenues and Expenses, Capital Grants and Capital Contributions

The following is a summary of non-operating revenues and expenses for the years ended December 31, 2019, 2018 and 2017.

	2019	2018	2017
Passenger facility charges	\$1,050,179	\$1,019,592	\$901,543
Interest income	225,138	197,674	187,301
Interest expense	(619,600)	(648,434)	(1,318,486)
Customer facility charges	741,144	724,212	719,971
Capital contributions	6,004,320	10,154,051	5,201,808
Other	(4,076,504)	(1,595)	(150,410)
Total non-operating revenue (expense), net	\$3,324,677	\$11,445,500	\$5,541,727

The most notable changes in non-operating revenue and expense from 2017 to 2019 are the increases and decreases in capital contributions from the FAA. These contributions represent grant revenue towards the Authority's AIP projects, primarily focused on the new replacement runway projects. Grant revenue will fluctuate year to year depending on the projects awarded and the amount of construction completed.

The decrease in interest expense from 2017 to 2019 is due to the payoff of the State Infrastructure Bond in 2019 and scheduled annual debt service payments.

Summary of Net Position

The following is a summary of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position as of December 31, 2019, 2018 and 2017:

	2019	2018	2017
Current assets	\$10,642,105	\$13,872,991	\$9,727,950
Restricted assets	8,287,328	11,890,978	11,690,440
Capital assets, net	72,192,203	69,407,202	60,304,804
Total assets	91,121,636	95,171,171	81,723,194
Deferred outflows of resources	719,284	413,509	847,415
Total assets and deferred outflows of resources	\$91,840,920	\$95,584,680	\$82,570,609
Current liabilities	\$4,478,598	\$8,467,783	\$3,371,417
Non-current liabilities	21,621,750	22,294,813	23,699,175
Total liabilities	26,100,348	30,762,596	27,070,592
Deferred inflows of resources	64,023	518,871	165,052
Net position			
Total net position	65,676,549	64,303,213	55,334,965
Total liabilities, deferred inflows of resources and net position	\$91,840,920	\$95,584,680	\$82,570,609

Current Assets

Current assets decreased by approximately \$3,231,000 from 2018 to 2019. The decrease was primarily related to the decrease in grants receivable for AIP projects of \$1,858,000 and a decrease in unrestricted cash of \$1,352,000. The balance of grants receivable fluctuates based on the amount of work being completed and the timing of receiving reimbursements from the FAA. The decrease in cash from 2018 to 2019 is primarily related to the terminal improvement project that was paid with bond project funds and unrestricted cash.

The increase in current assets from 2017 to 2018 was related to the increase in the accounts receivable for the FAA for AIP project grants. Grants receivable as of December 31, 2018 was approximately \$5,802,000 higher than grants receivable as of December 31, 2017.

Grand Junction Regional Airport Authority

Management's Discussion and Analysis

Year Ended December 31, 2019

Capital Assets

In 2019, the Authority completed a \$5,775,000 terminal improvement project, completed work on five multi-year AIP projects on the airfield totaling \$10,991,000, and started two more AIP projects that incurred approximately \$3,963,000. As of December 31, 2019, the Authority recognized an impairment of \$4,092,316 associated with an incomplete construction project. Refer to note 4 for a full summary of capital assets and additional information on asset impairments.

During 2018, the Authority had a net increase in construction in progress of approximately \$7,000,000. The AIP provides grants to public agencies for the planning and development of public-use airports. The Authority completed the East Apron replacement and the passenger boarding bridge projects during 2018 with a final cost of approximately \$4,661,595 and \$1,550,962, respectively. The following table illustrates the project costs incurred and the balance of construction in progress as of and for the year ended December 31, 2018:

Current Liabilities

The change in current liabilities is directly related to the change in capital payables. Accounts payable decreased \$3,835,000 from 2018 to 2019 due to a slower winter construction season. Current liabilities increased from 2017 to 2018 related to capital assets payable related to projects totaling \$5,600,000.

Long-Term Debt

Capital acquisitions are funded using a variety of financing mechanisms, including federal and state grants, passenger facility charges, public debt issues, and airport operating revenues. During 2016 the Authority refunded the 2007 Revenue Bonds with the 2016 Revenue Bonds resulting in a \$9,000,000 project fund. As of December 31, the balance due on the 2016 Bonds was \$17,650,000 (2019) and \$18,345,000 (2018). In addition, the Authority had approximately \$230,000 outstanding on a note payable to the Colorado State Infrastructure Bank to finance construction of a rental car parking lot and rental car service area as of December 31, 2018. The note was fully repaid in 2019.

Deferred Outflows and Deferred Inflows of Resources

Changes in deferred outflows and deferred inflows are related to the changes in the Authority's proportionate share of the pension and OPEB liability for the cost-sharing plan that the Authority participates in. See Note 9 and Note 10 for additional information on the calculation of these amounts.

Budgetary Highlights

The Authority establishes its annual operating budget using the modified cash basis which is different than the basis of accounting used to present the Authority's financial statements. Cash outflows for debt principle payments and capital asset purchases that are recorded as changes in the statement of net position are included in the operating budget for the Authority, and no amount is budgeted for non-cash adjustments to the pension and OPEB liability that are recognized in personnel costs, depreciation, and amortization of the bond premium.

	2019 Actual	2019 Budget	Budget to Actual Variance
Operating Revenues			
Aeronautical revenue	\$2,861,944	\$2,615,000	\$246,944
Non-aeronautical revenue	4,001,969	3,463,400	538,569
Total Operating Revenue	6,863,913	6,078,400	785,513
Operating Expenses Excluding Depreciation	4,356,220	4,725,850	(369,630)
Net Operating Revenues Over (Under) Operating Expense	\$2,507,693	\$1,352,550	\$1,155,143

As a result of the increase in passenger traffic in 2019, operating revenues exceeded budget by \$785,500 or 13%. Passenger airline revenue accounted for \$121,000 of the budget variance, non-passenger airline revenue was \$126,000 ahead of budget, and non-aeronautical revenue was \$538,500 above budgeted expectations led by parking revenue and rental car revenue.

Grand Junction Regional Airport Authority

Management's Discussion and Analysis

Year Ended December 31, 2019

Operating expenses were below budget in 2019, with the majority of the budget variance being related to personnel compensation and benefits.

	2018 Actual	2018 Budget	Budget to Actual Variance
Operating Revenues			
Aeronautical revenue	\$2,779,567	\$2,645,400	\$134,167
Non-aeronautical revenue	3,727,079	3,626,000	101,079
Total Operating Revenue	6,506,646	6,271,400	235,246
Operating Expenses Excluding Depreciation	4,577,923	4,734,155	(156,232)
Net Operating Revenues Over (Under) Operating Expense	\$1,928,723	\$1,537,245	\$391,478

Operating revenue from both aeronautical and non-aeronautical sources exceeded budget in 2018. Aeronautical revenue exceeded budget primarily due to the increased activity in Cargo and the firefighting operations described above. Non-aeronautical revenue performance was led by rental car revenues and restaurant and retail sales.

Operating expenses were below budget in a number of categories in 2018, but the primary areas that were below budget were contract services and other expenses including marketing and air service development.

	2017 Actual	2017 Budget	Budget to Actual Variance
Operating Revenues			
Aeronautical revenue	\$2,644,170	\$2,649,000	\$(4,830)
Non-aeronautical revenue	3,716,406	3,239,700	476,706
Total Operating Revenue	6,360,576	5,888,700	471,876
Operating Expenses Excluding Depreciation	4,286,196	4,277,959	8,237
Net Operating Revenues Over (Under) Operating Expense	\$2,074,380	\$1,610,741	\$463,639

Non-aeronautical revenue from parking and rental cars both exceeded budgeted expectations in 2017 by \$85,000 and \$260,000, respectively. Additionally, terminal rent was \$65,000 ahead of budget.

Subsequent Events Impacting Current Operations

On March 10, 2020, Colorado Governor Jared Polis declared a State of Emergency related to the presence of the Novel Coronavirus 2019 (COVID-19) in the State of Colorado. On March 11, 2020, the World Health Organization (WHO) declared the outbreak a global pandemic and on March 13, 2020, President Donald J. Trump issued a proclamation declaring the COVID-19 outbreak in the United States a national emergency. Nationally and at the state level, business activities and public gatherings have been limited and air traffic declined sharply following the declarations from the President and the WHO. The pandemic has caused a severe decline in Airport activity with national air carriers canceling more than 50% of domestic flights through the summer of 2020 and passenger numbers declining by more than 75% in April and May 2020.

Due to the severe impact of the pandemic nationwide, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law on March 27, 2020. The CARES Act included \$10 billion in funding for U.S. airports. The Authority has received a grant for \$5,679,740 in connection with the CARES Act to help supplement lost revenues from the pandemic. The Authority may seek reimbursement for any lawful purpose for four years from the date of acceptance of the grant. No impairments were recorded as of December 31, 2019 as a result of the pandemic; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future.

Request for Information

The Authority's financial statements are designed to present interested parties (customers, tenants, creditors, and the community) with a general overview of the Authority's finances and to demonstrate the accountability to all interested parties. If you have any questions concerning this report or need additional financial information, please

contact the Grand Junction Regional Airport Authority, 2828 Walker Field Drive, Ste 301, Grand Junction, Colorado 81506 or at 970-244-9100.

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Grand Junction Regional Airport Authority

Statement of Net Position

December 31, 2019 and 2018

	2019	2018
Assets		
Current assets:		
Cash and cash equivalents (Note 3)	\$ 4,082,138	\$ 5,433,977
Receivables:		
Accounts receivable - Net	711,617	724,388
Grants	5,762,033	7,619,536
Prepaid expenses and other assets	86,317	95,090
Total current assets	10,642,105	13,872,991
Non-current assets:		
Restricted assets - Cash and cash equivalents (Note 3)	8,287,328	11,890,978
Capital assets: (Note 4)		
Assets not subject to depreciation	9,764,781	19,543,446
Assets subject to depreciation - Net	62,427,422	49,863,756
Total non-current assets	80,479,531	81,298,180
Total assets	91,121,636	95,171,171
Deferred Outflows of Resources		
Deferred pension costs (Note 9)	694,046	392,348
Deferred OPEB costs (Note 10)	25,238	21,161
Total deferred outflows of resources	719,284	413,509
Liabilities		
Current liabilities:		
Accounts payable	192,984	251,878
Accounts payable - Capital assets	2,773,147	6,607,828
Accrued expenses (Note 5)	346,261	302,000
Lease deposits	164,409	164,546
Current portion of revenue received in advance	83,419	25,067
Current portion of note payable (Note 6)	-	229,673
Current portion of revenue bonds payable (Note 6)	906,791	886,791
Current portion of capital leases (Note 6)	11,587	-
Total current liabilities	4,478,598	8,467,783
Non-current liabilities:		
Revenue received in advance - Net of current portion	419,867	444,933
Revenue bonds payable - Net of current portion (Note 6)	18,167,178	19,073,896
Net pension liability (Note 9)	2,778,666	2,545,148
Net OPEB liability (Note 10)	233,195	230,836
Capital leases - Net of current portion (Note 6)	22,844	-
Total non-current liabilities	21,621,750	22,294,813
Deferred Inflows of Resources		
Deferred pension cost reductions (Note 9)	56,766	514,969
Deferred OPEB cost reductions (Note 10)	7,257	3,902
Total deferred inflows of resources	64,023	518,871
Net Position		
Net investment in capital assets	53,083,804	49,216,842
Restricted for debt service and capital assets	8,287,328	11,890,978
Unrestricted	4,305,417	3,195,393
Total net position	<u>\$ 65,676,549</u>	<u>\$ 64,303,213</u>

Grand Junction Regional Airport Authority

Statement of Revenue, Expenses, and Changes in Net Position

Years Ended December 31, 2019 and 2018

	2019	2018
Operating Revenue		
Aeronautical revenue:		
Passenger airlines revenue:		
Passenger airlines landing fees	\$ 632,143	\$ 549,237
Terminal rent	1,183,776	1,181,845
Other aeronautical revenue	128,216	113,722
Total passenger airlines revenue	1,944,135	1,844,804
Non-passenger airline revenue:		
Landing fees from cargo	102,453	179,586
Cargo and hangar rentals	53,466	52,213
Aviation fuel tax	210,628	158,851
Fuel flowage fees	541,482	538,233
Other nonpassenger airline revenue	9,780	5,880
Total non-passenger airline revenue	917,809	934,763
Total aeronautical revenue	2,861,944	2,779,567
Non-aeronautical revenue:		
Land and building leases	601,551	596,586
Terminal - Food and beverage	137,189	110,929
Terminal - Retail	33,402	31,135
Terminal - Other	180,686	199,259
Rental cars	1,306,055	1,270,226
Parking and ground transportation	1,663,556	1,442,888
Other non-aeronautical revenue	79,530	76,056
Total non-aeronautical revenue	4,001,969	3,727,079
Total operating revenue	6,863,913	6,506,646
Operating Expenses		
Personnel compensation and benefits	1,894,114	2,422,735
Communications and utilities	308,906	305,528
Supplies and materials	574,646	545,175
Contract services	601,889	578,406
Repairs and maintenance	584,486	390,626
Insurance	108,989	92,983
Depreciation	4,459,034	4,196,715
Other	283,190	242,468
Total operating expenses	8,815,254	8,774,636
Operating Loss	(1,951,341)	(2,267,990)
Non-operating Revenue (Expense)		
Passenger facility charges	1,050,179	1,019,592
Interest income	225,138	197,674
Customer facility charges	741,144	724,212
Interest expense	(619,600)	(648,434)
Gain (loss) on sale of assets	15,812	(1,595)
Total non-operating revenue	1,412,673	1,291,449
Loss - Before capital contributions	(538,668)	(976,541)
Capital Contributions	6,004,320	10,154,051
Special Item - Asset impairment (Note 4)	(4,092,316)	-
Change in Net Position	1,373,336	9,177,510
Net Position - Beginning of year	64,303,213	55,125,703
Net Position - End of year	<u>\$ 65,676,549</u>	<u>\$ 64,303,213</u>

See notes to financial statements.

Grand Junction Regional Airport Authority

Statement of Cash Flows

Years Ended December 31, 2019 and 2018

	2019	2018
Cash Flows from Operating Activities		
Cash received from customers and users	\$ 6,905,538	\$ 6,133,355
Cash paid to vendors for goods and services	(2,517,685)	(2,392,122)
Cash paid to and for employees	(2,367,062)	(2,089,357)
Net cash and cash equivalents provided by operating activities	2,020,791	1,651,876
Cash Flows from Capital and Related Financing Activities		
Grants received	7,861,823	4,352,251
Customer facility charges received	741,144	724,212
Passenger facility charges received	1,050,179	1,019,592
Interest paid	(809,175)	(837,670)
Acquisition and construction of capital assets	(15,120,789)	(7,703,389)
Principal payments on note and bonds payable	(924,600)	(1,129,158)
Net cash and cash equivalents used in capital and related financing activities	(7,201,418)	(3,574,162)
Cash Flows Provided by Investing Activities - Interest received on cash equivalents	225,138	197,674
Net Decrease in Cash and Cash Equivalents	(4,955,489)	(1,724,612)
Cash and Cash Equivalents - Beginning of year	17,324,955	19,049,567
Cash and Cash Equivalents - End of year	<u>\$ 12,369,466</u>	<u>\$ 17,324,955</u>
Classification of Cash and Cash Equivalents		
Operating cash	\$ 4,082,138	\$ 5,433,977
Restricted cash and cash equivalents	8,287,328	11,890,978
Total cash and cash equivalents	<u>\$ 12,369,466</u>	<u>\$ 17,324,955</u>
Reconciliation of Operating Loss to Net Cash and Cash Equivalents from Operating Activities		
Operating loss	\$ (1,951,341)	\$ (2,267,990)
Adjustments to reconcile operating loss to net cash and cash equivalents from operating activities:		
Depreciation expense	4,459,034	4,196,715
Changes in assets and liabilities:		
Receivables	12,771	(238,267)
Prepaid expenses	8,773	(30,124)
Accounts payable	(58,894)	143,210
Accrued liabilities	41,908	(337,382)
Net pension and net OPEB liability and related deferred inflows and outflows of resources	(524,746)	315,632
Revenue received in advance	33,286	(129,918)
Total adjustments	3,972,132	3,919,866
Net cash and cash equivalents provided by operating activities	<u>\$ 2,020,791</u>	<u>\$ 1,651,876</u>

December 31, 2019 and 2018

Note 1 - Nature of Business

Grand Junction Regional Airport Authority (the "Authority") was established in 1971 under the provisions of the Public Airport Authority Act of 1965 when all assets of the city/county-owned airport were transferred to the Authority. The Authority's Board of Commissioners (the "Board") is composed of seven appointed members: three from Mesa County, Colorado; three from the City of Grand Junction, Colorado; and one at-large selection. The term of each director of the Board is four years; no member may serve more than two consecutive four-year terms.

As noted above, neither the City of Grand Junction, Colorado nor Mesa County, Colorado appoint a voting majority of the Board; however, both have signed a supplemental co-sponsorship agreement between the Authority and the Federal Aviation Administration (FAA). The co-sponsorship mandates that the City of Grand Junction, Colorado and Mesa County, Colorado would be liable for the financial commitments of the sponsor under the grant agreements should the Authority not be able to satisfy the financial commitments out of the revenue generated by the operation of the airport.

The reporting entity of the Authority includes those activities and functions over which the Authority is considered to be financially accountable. The Authority's financial statements include the accounts and operations of all of the Authority's functions. The Authority is the primary government and does not include any component units using the criteria set forth in accounting principles generally accepted in the United States of America.

The Authority is a special-purpose government engaged only in business-type activities. For this type of government, only enterprise financial statements are presented.

Note 2 - Significant Accounting Policies

Accounting and Reporting Principles

The accompanying financial statements of the Authority have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) prescribed in pronouncements of the Governmental Accounting Standards Board (GASB). The following is a summary of the significant accounting policies used by the Authority:

Basis of Accounting

The financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recognized when earned, and expenses are recognized when the liability is incurred. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets. When both restricted and unrestricted resources are available for use, it is the Authority's policy to use restricted resources first with the exception of the debt service on the revenue bonds that is paid partially from the restricted passenger facility charges (PFC) and partially from operating funds.

The operations of the Authority are accounted for on a fund basis in a single enterprise fund. Enterprise funds may be used to account for operations (a) that are financed and operated in a manner similar to business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges or (b) where the governing body has decided that periodic determination of revenue earned, expenses incurred, and/or changes in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Significant Accounting Policies (Continued)

Specific Balances and Transactions

Cash and Cash Equivalents

The Authority considers all highly liquid instruments purchased with an original maturity of three months or less to be cash equivalents.

Receivables

Accounts receivable are stated at invoiced amounts. An allowance for doubtful accounts is established based on a specific assessment of all invoices that remain unpaid following normal customer payment periods. In addition, a general valuation allowance is established for other accounts receivable based on historical loss experience. All amounts deemed to be uncollectible are charged against the allowance for doubtful accounts in the period that determination is made. As of December 31, 2019 and 2018, the allowance for doubtful accounts was \$24,000 and \$0, respectively.

Grants receivable represent reimbursements due from the federal government for allowable costs incurred on federal award programs.

Restricted Assets

The following amounts are reported as restricted assets:

- *Passenger Facility Charges* - The Authority received approval from the FAA to impose and use a PFC of \$4.50 per eligible enplaned passenger. The PFCs are restricted for use in the construction of certain airport improvements and related construction debt, as approved by the FAA. During 2007, the Authority was approved to collect PFCs to help fund airport improvement projects and was approved to collect approximately \$15,857,760 in connection with these projects. In 2018, the Authority was approved to collect an additional \$11,530,025 of PFCs for improvement projects being completed in 2018 and 2019. As of December 31, 2019 and 2018, the Authority had collected \$12,052,991 and \$11,017,476, respectively, of the approved charges, and, based on the project costs in the approved PFC applications and the estimated future PFC collection rate determined by the FAA, the Authority is approved to collect PFCs through 2036. The PFC receipts are recognized and recorded as non-operating revenue in the year collected. PFCs are paid by the carriers, with unexpended amounts reflected as a restriction of net position.
- *Revenue Bond Reserve Fund* - The debt service account is used to segregate resources authorized for use on capital projects with the 2016 bond refinancing. The bond reserve account is drawn down to reimbursement funds spent by the Authority on capital projects. Unexpended amounts are reflected as a restriction of net position.
- *Rental Car Improvements* - During 2008, the Authority began assessing a daily use fee, or customer facility charge (CFC), of up to \$3.25 per on airport rental car per day. In 2016, the CFC was increased to \$4.00 per on airport rental car per day. These funds are being used to make payments on debt and fund capital projects in on airport rental car service areas. Unexpended amounts are reflected as a restriction of net position.

Capital Assets

Capital assets are defined by the Authority as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, ranging from 5 to 50 years. Depreciation of construction in progress assets begins when an asset is placed in service.

Note 2 - Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Net Position

Net position of the Authority is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Operating Revenue and Expenses

The statement of revenue, expenses, and changes in net position distinguishes operating revenue and expenses from non-operating activity and capital contributions. Operating revenue and expenses generally result from providing services in connection with the Authority's principal ongoing operations. The principal operating revenue is charges to airline tenants for facility rentals and landing fees and revenue from passenger services, such as parking and rental cars. Operating expenses include the cost of providing services, administrative costs, repairs and maintenance of the facilities, and depreciation on capital assets.

Non-operating Revenue and Expenses

All revenue and expenses not meeting the above definition of operating revenue and expenses are reported as non-operating revenue and expenses or capital contributions. Such items include passenger facility charges, car rental customer facility charges, interest income and expense, and grants.

Grants and Contributions

Outlays for airport capital improvements are subject to reimbursement from federal grant programs through the Airport Improvement Program (AIP) of the FAA. Funds are also received for airport development from the State of Colorado. Funding provided from government grants is considered earned as the related approved capital outlays are incurred. Costs claimed for reimbursement are subject to audit and acceptance by the granting agency.

Note 2 - Significant Accounting Policies (Continued)

Pension

The Authority participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado (PERA). The LGDTF provides retirement and disability, postretirement annual increases, and death benefits for members or their beneficiaries. The net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense have been determined using the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*; GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*; and GASB Statement No. 82, *Pension Issues - an amendment of GASB Statement No. 67, No. 68, and No. 73*. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Other Postemployment Benefit Costs

In addition to the LGDTF described above, the Authority also participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit fund administered by PERA that is considered an other postemployment benefit (OPEB). The HCTF provides a healthcare premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA healthcare plans. The net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense have been determined using the economic resources measurement focus and the accrual basis of accounting in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. For this purpose, benefits paid on behalf of healthcare participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated Absences (Vacation and Sick Leave)

In accordance with the vesting method provided under GASB Statement No. 16, *Accounting for Compensated Absences*, accumulated vacation and personal time is accrued based on assumptions concerning the probability that certain employees will become eligible to receive these benefits in the future.

Budgeting Requirements

The Authority's budgeting process is a financial planning tool used to establish the estimated revenue and expenditures for the airport. The budget is prepared by the Authority and approved by the Board in accordance with the State of Colorado's Financial Management Manual and in accordance with Colorado Revised Statutes. The initial budget is submitted to the Board by October 15, and the Authority adopts an appropriation resolution for the next fiscal year by December 31. The Board may amend the appropriation resolution at any time during the year if warranted by circumstances.

The Authority appropriates, and may not exceed appropriations, at a total fund level. Appropriations for the years ended December 31, 2019 and 2018 were \$33,033,950 and \$30,308,230, respectively.

The budget basis of accounting differs from the generally accepted accounting principles basis in that debt proceeds are included as revenue, outlays for acquisition of capital assets and debt principal payments are included as expenditures, and depreciation is not included in expenditures.

Note 2 - Significant Accounting Policies (Continued)

Long-lived Assets

The Authority reviews the recoverability of long-lived assets, including buildings and equipment, when events or changes in circumstances occur that indicate the carrying value of the asset may not be recoverable. The assessment of possible impairment is based on the ability to recover the carrying value of the asset from the expected future pretax cash flows (undiscounted and without interest charges) of the related operations. If these cash flows are less than the carrying value of such asset, an impairment loss is recognized for the difference between estimated fair value and carrying value. The measurement of impairment requires management to make estimates of these cash flows related to long-lived assets, as well as other fair value determinations.

As of December 31, 2019 and 2018, the Authority had identified an impaired asset that was considered idle due to construction stoppage. In 2014, the Authority stopped construction on an administration building that was to be part of the long-term terminal expansion. As of December 31, 2018, the Authority believed that this impairment was temporary, and, therefore, no impairment loss was recognized in the statement of revenue, expenses, and changes in net position. As of December 31, 2018, the uncompleted building had a carrying value of \$4,092,316 and was included in capital assets not subject to depreciation in the statement of net position. After reviewing cost estimates to complete the building and considering possible public-private partnerships to fund and complete construction, the Authority made a decision in 2019 to demolish the partially completed structure; therefore, the impairment was considered permanent. As of December 31, 2019, the building was written off and is not included in capital assets not subject to depreciation in the statement of net position, and an impairment loss was recognized in the statement of revenue, expenses, and changes in net position as a special item.

Revenue Received in Advance

During March 2017, the Authority granted a lease to the Bureau of Land Management (BLM) for use of airport land for a term of 20 years. The BLM prepaid the entire lease in the amount of \$500,000. The prepayment is reflected as revenue received in advance and is being amortized over the life of the lease in the amount of \$25,000 per year. As of December 31, 2019 and 2018, the unamortized balance was \$444,933 and \$470,000, respectively.

Terminal space rentals and land and building lease payments collected in advance are recorded as a liability and recognized into revenue in the applicable period.

Risk Management

The Authority is exposed to various risks of loss related to torts; errors and omissions; violations of civil rights; theft of, damage to, and destruction of assets; and natural disasters. These risks are covered by commercial insurance. There has been no significant reduction in insurance coverage, and settlement amounts have not materially exceeded coverage for the current or prior three years.

Adoption of New Accounting Pronouncements

As of January 1, 2019, the Authority adopted GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. As a result of implementing this standard, there were no changes in reported business fund activities that would now be reported as fiduciary activities.

As of January 1, 2019, the Authority adopted GASB Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*. This statement establishes criteria to improve the information that is disclosed in the notes to the government financial statements related to debt, including direct borrowings and direct placements. It also clarifies which liabilities governments should include when disclosing information related to debt. See Note 6 for related disclosures.

December 31, 2019 and 2018

Note 2 - Significant Accounting Policies (Continued)

Upcoming Accounting Pronouncements

In June 2017, the GASB issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2021.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, which improves accounting and financial reporting for arrangements where a governmental entity contracts with an operator to provide public services by conveying control of the right to operate or use nonfinancial assets, such as infrastructure or other capital assets, for a period of time in an exchange or exchange-like transaction. It establishes the definitions of public-private and public-public partnerships (PPPs) and availability payment arrangements (APAs) and provides uniform guidance on accounting and financial reporting for transactions that meet those definitions. It requires governments to report assets and liabilities related to PPPs consistently and disclose important information about PPP transactions. The Authority is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Authority's financial statements for the year ending December 31, 2023.

In May 2020, the GASB issued Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*, which provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in statements and implementation guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018 and later. The effective dates of certain provisions contained in the following pronouncements that the Authority has not yet adopted are postponed by one year: Statement No. 91, *Conduit Debt Obligations*; Statement No. 92, *Omnibus 2020*; Statement No. 93, *Replacement of Interbank Offered Rates*; Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*; Implementation Guide No. 2018-1, *Implementation Guidance Update - 2018*; Implementation Guide No. 2019-1, *Implementation Guidance Update - 2019*; and Implementation Guide No. 2019-2, *Fiduciary Activities*. The effective dates of the following pronouncements are postponed by 18 months: Statement No. 87, *Leases*, and Implementation Guide No. 2019-3, *Leases*.

Subsequent Events

The financial statements and related disclosures include evaluation of events up through and including June 16, 2020, which is the date the financial statements were available to be issued.

As described in Notes 2 and 4, the Authority made a decision during 2019 to demolish a partially constructed building. The Authority entered into a construction contract in November 2019, and demolition of the building commenced in January 2020. As of the date of the report, the demolition of the building has been completed for a final contract amount of \$560,000.

Note 2 - Significant Accounting Policies (Continued)

On March 10, 2020, Colorado Governor Jared Polis declared a state of emergency related to the presence of the novel coronavirus (COVID-19) in the state of Colorado. On March 11, 2020, the World Health Organization (WHO) declared the outbreak a global pandemic, and, on March 13, 2020, President Donald J. Trump issued a proclamation declaring the COVID-19 outbreak in the United States a national emergency. Nationally and at the state level, business activities and public gatherings have been limited, and air traffic declined sharply following the declarations from the president and the WHO. The pandemic has caused a severe decline in airport activity with national air carriers canceling more than 50 percent of domestic flights through the summer of 2020 and passenger numbers declining by more than 75 percent in April and May 2020.

Due to the severe impact of the pandemic nationwide, the president signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act into law on March 27, 2020. The CARES Act included \$10 billion in funding for U.S. airports. The Authority has received a grant for \$5,679,740 in connection with the CARES Act to help supplement lost revenue from the pandemic. The Authority may seek reimbursement for any lawful purpose for four years from the date of acceptance of the grant. No impairments were recorded as of December 31, 2019 as a result of the pandemic; however, due to significant uncertainty surrounding the situation, management's judgment regarding this could change in the future.

Note 3 - Cash and Cash Equivalents

Deposits and investments are reported in the financial statements as follows:

	2019	2018
Unrestricted cash and cash equivalents	\$ 4,082,138	\$ 5,433,977
Restricted cash - Passenger facility charges	2,172,391	1,901,305
Restricted cash - Rental car improvements	1,219,769	775,124
Restricted cash equivalents - Revenue bond reserve fund	4,895,168	9,214,549
	<u>\$ 12,369,466</u>	<u>\$ 17,324,955</u>
Restricted cash - Rental car improvements	<u>\$ 12,369,466</u>	<u>\$ 17,324,955</u>

The Authority's cash is subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk; however, the Authority's deposits are not deemed to be subject to custodial credit risk, as they are covered by federal depository insurance or are collateralized under the Public Deposit Protection Act (PDPA). At December 31, 2019 and 2018, the Authority had \$6,835,191 and \$7,957,434, respectively, of bank deposits that were in excess of Federal Deposit Insurance Corporation (FDIC) limits and are covered by PDPA collateral requirements at the financial institution.

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Authority places no limit on the amount the Authority may invest in any one issuer. The Authority does not have any investments subject to concentration of credit risk.

Note 3 - Cash and Cash Equivalents (Continued)

Investments

The Authority does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Colorado statutes limit authorized investments to investments having maturities of five years or less, unless the entity's governing body specifically authorizes longer maturities. Currently, the Authority has no investments.

Fair Value Measurements

The Authority categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Authority's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

The Authority did not have any investments valued with Level 1, 2, or 3 inputs at December 31, 2019 and 2018.

Note 4 - Capital Assets

Capital asset activity of the Authority as of December 31, 2019 is as follows:

	Balance January 1, 2019	Additions	Disposals and Adjustments	Balance December 31, 2019
Capital assets not being depreciated:				
Land	\$ 2,416,058	\$ -	\$ -	\$ 2,416,058
Construction in progress	17,127,388	11,144,207	(20,922,872)	7,348,723
Subtotal	19,543,446	11,144,207	(20,922,872)	9,764,781
Capital assets being depreciated:				
Buildings and improvements	19,239,838	5,472,569	(123,741)	24,588,666
Land improvements	89,234,657	11,015,716	(514,731)	99,735,642
Equipment	5,377,983	543,590	(177,821)	5,743,752
Subtotal	113,852,478	17,031,875	(816,293)	130,068,060
Accumulated depreciation:				
Buildings and improvements	11,428,446	802,828	(121,529)	12,109,745
Land improvements	48,672,665	3,372,853	(507,800)	51,537,718
Equipment	3,887,611	283,353	(177,789)	3,993,175
Subtotal	63,988,722	4,459,034	(807,118)	67,640,638
Net capital assets being depreciated	49,863,756	12,572,841	(9,175)	62,427,422
Net business-type activities capital assets	<u>\$ 69,407,202</u>	<u>\$ 23,717,048</u>	<u>\$ (20,932,047)</u>	<u>\$ 72,192,203</u>

December 31, 2019 and 2018

Note 4 - Capital Assets (Continued)

Capital asset activity of the Authority as of December 31, 2018 is as follows:

	Balance January 1, 2018	Additions	Disposals and Adjustments	Balance December 31, 2018
Capital assets not being depreciated:				
Land	\$ 2,416,058	\$ -	\$ -	\$ 2,416,058
Construction in progress	10,119,140	13,220,806	(6,212,558)	17,127,388
Subtotal	12,535,198	13,220,806	(6,212,558)	19,543,446
Capital assets being depreciated:				
Buildings and improvements	17,752,371	1,550,962	(63,495)	19,239,838
Land improvements	85,578,079	4,668,322	(1,011,744)	89,234,657
Equipment	5,343,531	73,178	(38,726)	5,377,983
Subtotal	108,673,981	6,292,462	(1,113,965)	113,852,478
Accumulated depreciation:				
Buildings and improvements	10,832,689	659,249	(63,492)	11,428,446
Land improvements	46,448,278	3,236,131	(1,011,744)	48,672,665
Equipment	3,623,408	301,335	(37,132)	3,887,611
Subtotal	60,904,375	4,196,715	(1,112,368)	63,988,722
Net capital assets being depreciated	47,769,606	2,095,747	(1,597)	49,863,756
Net business-type activities capital assets	\$ 60,304,804	\$ 15,316,553	\$ (6,214,155)	\$ 69,407,202

Construction in progress activity of the Authority as of December 31, 2019 is as follows:

	Balance January 1, 2019	Additional Cost	Transfer to Capital Assets	Balance December 31, 2019
AIP55 - Runway phase 1	\$ 2,757,247	\$ -	\$ (2,757,247)	\$ -
AIP56 - Runway phase 2	2,016,814	949	(2,017,763)	-
AIP57 - RTR Relocation	2,741,656	883,032	(3,624,688)	-
AIP58 - 27 1/4 road relocation	1,696,995	915,995	-	2,612,990
AIP59 - Taxiway alpha rehabilitation	1,493,992	138,808	(1,632,800)	-
AIP60 - RTR RA and Xcel	678,203	-	-	678,203
AIP61 - Runway phase 3	363,009	595,739	(958,748)	-
AIP62 - Relocate perimeter road	-	2,603,152	-	2,603,152
AIP63 - Phase 8	-	1,359,871	-	1,359,871
AIP64 - Run-up pad and apron	-	63,191	-	63,191
*Administration/ARFF building	4,092,316	-	(4,092,316)	-
Terminal renovations	1,230,995	4,543,878	(5,774,873)	-
Various improvement projects	56,161	39,592	(64,437)	31,316
Total	\$ 17,127,388	\$ 11,144,207	\$ (20,922,872)	\$ 7,348,723

December 31, 2019 and 2018

Note 4 - Capital Assets (Continued)

*The administration/ARFF building was not transferred to capital assets, but was deemed impaired in 2019. See special item- asset impairment note below for additional informaion.

Construction in progress activity of the Authority as of December 31, 2018 is as follows:

	Balance January 1, 2018	Additional Cost	Transfer to Capital Assets	Balance December 31, 2018
AIP54 - Rehabilitate apron	\$ 2,982,420	\$ 1,679,177	\$ (4,661,597)	\$ -
AIP55 - Runway phase 1	1,856,900	900,347	-	2,757,247
AIP 56 - Runway phase 2	708,830	1,307,984	-	2,016,814
AIP57 - RTR Relocation	156,078	2,585,578	-	2,741,656
AIP58 - 27 1/4 road relocation	2,975	1,694,020	-	1,696,995
AIP59 - Taxiway alpha rehabilitation	5,049	1,488,943	-	1,493,992
AIP60 - RTR RA and Xcel	-	678,203	-	678,203
AIP61 - Runway phase 3	-	363,009	-	363,009
Administration/ARFF building	4,092,316	-	-	4,092,316
Passenger boarding bridge	157,145	1,393,816	(1,550,961)	-
Terminal renovations	157,427	1,073,568	-	1,230,995
Various improvement projects	-	56,161	-	56,161
Total	\$ 10,119,140	\$ 13,220,806	\$ (6,212,558)	\$ 17,127,388

Special Item - Asset Impairment - As disclosed in Note 2, as of December 31, 2018, construction in progress included an uncompleted administration building with a cost basis of \$4,092,316 that was considered idle and temporarily impaired. During the year ended December 31, 2019, the impairment was no longer considered temporary, and the building was written off and is not included in capital assets as of December 31, 2019.

The Authority entered into contract on November 8, 2019 to demolish the uncompleted administration building. As of the date of the report, the demolition of the building has been completed for a final contract amount of \$560,000. See Note 2 for additional information.

Note 5 - Accrued Expenses

Accrued expenses for the years ended December 31, 2019 and 2018 consist of the following:

	2019	2018
Accrued vacation	\$ 154,884	\$ 142,892
Compensation and related	111,050	66,375
Interest	65,865	68,081
Other	14,462	24,652
Total	\$ 346,261	\$ 302,000

December 31, 2019 and 2018

Note 6 - Long-term Debt

Long-term debt activity for the years ended December 31, 2019 and 2018 can be summarized as follows:

	2019				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable - Direct borrowings and direct placements:					
Revenue bonds, Series 2016A and 2016B	\$ 18,345,000	\$ -	\$ (695,000)	\$ 17,650,000	\$ 715,000
Bond premium	1,615,687	-	(191,718)	1,423,969	191,791
Colorado State Infrastructure Bank note	229,673	-	(229,673)	-	-
Capital lease	-	44,200	(9,769)	34,431	11,587
Total direct borrowings and direct placements principal outstanding	\$ 20,190,360	\$ 44,200	\$ (1,126,160)	\$ 19,108,400	\$ 918,378

	2018				
	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable - Direct borrowings and direct placements:					
Revenue bonds, Series 2016A and 2016B	\$ 19,025,000	\$ -	\$ (680,000)	\$ 18,345,000	\$ 695,000
Bond premium	1,807,478	-	(191,791)	1,615,687	191,791
Colorado State Infrastructure Bank note	678,831	-	(449,158)	229,673	229,673
Total direct borrowings and direct placements principal outstanding	\$ 21,511,309	\$ -	\$ (1,320,949)	\$ 20,190,360	\$ 1,116,464

Interest expense consists of the following for the years ended December 31:

	2019	2018
Revenue bonds, Series 2016 A and B	\$ 808,245	\$ 826,003
Colorado State Infrastructure Bank note	2,004	14,222
Bond premium	(191,791)	(191,791)
Capital lease	1,142	-
Total	\$ 619,600	\$ 648,434

2016 Bonds

The Authority issued Airport Revenue Bonds, Series 2016A and 2016B, dated November 22, 2016, in the amount of \$19,670,000, for the purpose of refunding the 2007 Series bonds. The bonds are secured by net operating revenue by the Authority. The bonds bear interest from 2.3 percent to 5.0 percent with interest payable semiannually on June 1 and December 1, with principal payable annually on December 1 and maturing on December 1, 2036. The bonds are subject to certain restrictive covenants.

Note 6 - Long-term Debt (Continued)

The debt service requirements to maturity, excluding any unamortized premium, are as follows:

Years Ending December 31	Principal	Interest	Total
2020	\$ 715,000	\$ 790,375	\$ 1,505,375
2021	735,000	767,850	1,502,850
2022	765,000	738,450	1,503,450
2023	795,000	707,850	1,502,850
2024	835,000	668,100	1,503,100
2025-2029	4,845,000	2,670,500	7,515,500
2030-2034	6,100,000	1,422,000	7,522,000
2035-2036	2,860,000	151,025	3,011,025
Total	\$ 17,650,000	\$ 7,916,150	\$ 25,566,150

Colorado State Infrastructure Bank Note

The Authority borrowed \$4,000,000 from the Colorado State Infrastructure Bank on May 29, 2009 for the purpose of funding complete reconstruction of the rental car parking lot, including construction and installation of all supporting infrastructure and the design phase of the vehicle service area. The note is secured by an on-airport rental car facility fee. The note carries an interest rate of 3 percent and is to be paid in quarterly installments of principal and interest of \$116,122 through June 2019. The note is paid in full as of December 31, 2019.

Capital Lease

The Authority entered into a vehicle lease agreement with GM Financial on May 17, 2019. The finance agreement is secured by a vehicle with a net book value of \$40,730 as of December 31, 2019 and carries an interest rate of 7.7 percent. The lease payments are paid in annual installments of principal and interest of \$11,965 through May 2022.

	Principal	Interest	Total
2020	\$ 11,587	\$ 378	\$ 11,965
2021	11,434	532	11,966
2022	11,410	678	12,088
Total	\$ 34,431	\$ 1,588	\$ 36,019

Revenue Pledged

The Authority has pledged substantially all of the net operating revenue of the Authority, net of operating expenses (before depreciation), to repay the Series 2016A and 2016B bonds. Proceeds from the bonds were used for the refunding of the 2007 Series bonds, which were primarily used in financing for the construction of Walker Field Road improvements. The bonds are payable solely from the net revenue of the Authority. The remaining principal and interest to be paid on the bonds is \$25,566,150 and \$27,071,033 as of December 31, 2019 and 2018, respectively. For the year ended December 31, 2019, net revenue of the Authority pledged for debt service was approximately \$2,508,000 compared to the annual debt requirements of \$1,505,183. For the year ended December 31, 2018, net revenue of the Authority pledged for debt service was approximately \$1,929,000 compared to the annual debt requirements of \$1,507,523.

Note 7 - Future Rental Revenue

The Authority leases a portion of its property under noncancelable operating lease agreements for airline operations, concessions, and other commercial and private purposes.

The following is a summary of approximate future minimum rental payments to be received under noncancelable operating leases:

Years Ending	Amount
2020	\$ 1,271,013
2021	677,046
2022	482,070
2023	450,457
2024	381,141
Thereafter	812,424
Total	<u>\$ 4,074,151</u>

Note 8 - Concession Agreements

In April 2011, the Authority renewed an agreement with Republic Parking Inc. (Republic), a privately held corporation, under which Republic will operate, maintain, and retain fees from the airport's terminal building public parking areas through March 2016. In January 2016, the agreement was extended for one additional five-year term, terminating on March 31, 2021 at the mutual agreement of the Authority and Republic. Republic is required to operate and maintain the public parking areas in accordance with the Parking Lot Operating Agreement (the "Agreement"); the Agreement also regulates the parking rates and fees that may be charged. In consideration of its operating rights hereunder, Republic shall pay the Authority the greater of (a) the applicable percentage of annual gross revenue or (b) the minimum annual guarantees for each year the Agreement is in effect as amended. The term "applicable percentage of annual gross revenue" means 80.45 percent of gross revenue from \$0 up to and including \$500,000 plus 91.50 percent of gross revenue in excess of \$500,000. The term "minimum annual guarantees" means for each year the Agreement is in effect, as amended, and the guarantees shall be \$350,000 each year.

In May 2015, the Authority renewed agreements with various rental car companies or concessionaires, under which the rental car companies are granted the right to operate and retain fees from a nonexclusive rental car concession from the Authority, lease motor vehicles from the rental car office and ticket counter area located in the airport terminal building assigned to the respective companies, and to park and store motor vehicles owned or leased by it in the parking lot spaces assigned to the respective companies through April 2022. The rental car companies are required to operate and maintain the rental car areas in accordance with the Airport Facilities Lease and Rental Car Concession Agreement. In consideration of its operating rights hereunder, the rental car companies shall pay the Authority the guaranteed minimum concession fee set forth for each period of the concession term set forth on the bid proposal or 10 percent of their gross revenue for each such period of the concession term, whichever amount is greater. For each of the subsequent years of the concession term, the annual guaranteed minimum concession shall be the year-one MAG or 85 percent of 10 percent of their previous contract year's annual gross revenue, whichever is greater.

In May 2016, the Authority entered into a service agreement with a concession company. Under the agreement, the company is granted the right to operate a restaurant and retail space in the airport through April 30, 2021, with an option to extend the term of the contract by two additional one-year terms. In consideration of its operating rights, the company shall pay the Authority the guaranteed minimum annual fee of \$60,000, prorated monthly, or a graduated percentage of gross revenue for each such period of the concession term, whichever is the greater amount.

December 31, 2019 and 2018

Note 8 - Concession Agreements (Continued)

In 2019, the minimum concession fees were approximately \$1,298,000, which includes minimum concession fees from rental car companies, Republic, and a concession company of approximately \$888,000, \$350,000, and \$60,000, respectively. In 2018, the minimum concession fees were approximately \$1,140,000, which includes minimum concession fees from rental car companies, Republic, and a concession company of approximately \$730,000, \$350,000, and \$60,000, respectively.

According to the rental car contracts and the concessionaire contract for restaurant and retail services, the minimum annual guarantee will be temporarily suspended if the number of revenue passengers for a period of two consecutive calendar months is less than 75 percent of the average number of passengers in the same two calendar months of the preceding calendar year. As a result of COVID-19, which has significantly reduced passenger traffic in 2020, the minimum annual guarantee has been temporarily suspended in 2020.

Note 9 - Pension Plans

Plan Description

The Authority participates in the LGDTF, a cost-sharing multiple-employer defined benefit pension fund administered by PERA. Plan benefits are specified in Title 24 of the Colorado Revised Statutes (CRS) and applicable provisions of the federal Internal Revenue Code. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplemental information for the LGDTF that can be obtained at www.copera.org/investments/pera-financial-reports. The report can also be obtained by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, CO 80203 or by calling PERA at 1-800-759-PERA (7372) or 303-832-9550.

The LGDTF provides retirement, disability, and survivor benefits for members or their beneficiaries. Retirement benefits are based upon a number of factors including retirement age, years of credited service, and highest average salary. Retirement eligibility is specified in tables set forth in the Colorado Revised Statutes. The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is generally the greater of the following:

- Highest average salary multiplied by 2.5 percent and then multiplied by the credited years of service
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases, the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code. Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers, waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether five years of service credit has been obtained, and the benefit structure under which contributions were made.

Disability benefits are available for eligible employees once they reach five years of earned service credit and meet the definition of a disability. These benefits are divided into a two-tier disability program consisting of a short-term disability program and a disability retirement benefit. At benefit commencement, the member can choose from different payment options, some of which can continue after the retiree's death to a named beneficiary, and for which the benefit amount is appropriately adjusted. Generally, the disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Note 9 - Pension Plans (Continued)

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure under which service credit was obtained, and the qualified survivor who will receive the benefits.

Funding Policy

Eligible employees and the Authority are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements of plan members and the Authority are established under Title 24, Article 51, Part 4 of the CRS, as amended. The contribution rate is 8.00 percent of covered salary for eligible employees. The Authority's contribution requirements as a percentage of employee salaries for the years ended December 31, 2019 and 2018 are summarized in the table below:

Employer contribution rate apportioned to the LGDTF	8.98 %
Amortization equalization disbursement (AED)	2.20
Supplemental amortization equalization disbursement (SAED)	<u>1.50</u>
Total employer contribution rate to the LGDTF	<u><u>12.68 %</u></u>

The Authority's contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions to the LGDTF. The Authority's contributions to LGDTF for the years ended December 31, 2019 and 2018 were \$183,815 and \$182,848, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2019 and 2018, the Authority reported a liability of \$2,778,666 and \$2,545,148, respectively, for its proportionate share of the net pension liability. The net pension liability as of December 31, 2019 and 2018 was measured as of December 31, 2018 and 2017, respectively, and the total pension liability used to calculate the net pension liability was determined as of December 31, 2018 and 2017, respectively, using standard roll-forward techniques in actuarial valuations as of December 31, 2017 and 2016, respectively. The Authority's proportion of the net pension liability for the years ended December 31, 2019 and 2018 was based on the Authority's contributions to the LGDTF for the calendar years 2018 and 2017, respectively, relative to the total contributions of participating employers to the LGDTF. At December 31, 2018, the Authority's proportion was 0.2210 percent, which was a decrease of 0.0076 percent from its proportion measured as of December 31, 2017. At December 31, 2017, the Authority's proportion was 0.2286 percent, which is an increase of 0.0036 percent from its proportion measured as of December 31, 2016. For the years ended December 31, 2019 and 2018, the Authority recognized pension (recovery) expense of \$(278,834) and \$495,132, respectively.

Note 9 - Pension Plans (Continued)

The Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 116,185	\$ -	\$ 159,222	\$ -
Changes in assumptions	-	-	26,886	-
Net difference between projected and actual earnings on pension plan investments	361,862	-	-	494,716
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	2,552	56,766	22,425	20,253
Employer contributions to the plan subsequent to the measurement date	213,447	-	183,815	-
Total	\$ 694,046	\$ 56,766	\$ 392,348	\$ 514,969

Deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date of \$213,447 and \$183,815 will be recognized as a reduction of the net pension liability in the years ending December 31, 2019 and 2018, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ending December 31	Amount
2020	\$ 83,562
2021	108,336
2022	89,677
2023	72,372
2024	69,886
Total	\$ 423,833

Note 9 - Pension Plans (Continued)

Actuarial Assumptions

The total pension liability in the December 31, 2017 and 2016 actuarial valuations was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

	LGDTF
Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases (including inflation)	3.50 - 10.45 percent
Long-term investment rate of return (net of plan investment expenses, including price inflation)	7.25 percent
Discount rate	7.25 percent
Postretirement benefit increases:	
PERA benefit structure hired prior to January 1, 2007 and DPS benefit structure (automatic)	2.00 percent compounded annually
PERA benefit structure hired after December 31, 2006 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, postretirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males - Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- Females - Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016 valuation were based on the results of the 2016 experience analysis for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by the PERA board during the November 18, 2016 board meeting.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent for the years ended December 31, 2019 and 2018. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.

December 31, 2019 and 2018

Note 9 - Pension Plans (Continued)

- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree healthcare benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc postretirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the single equivalent interest rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and, therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

Investment Rate of Return

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

December 31, 2019 and 2018

Note 9 - Pension Plans (Continued)

As of the most recent adoption of the long-term expected rate of return by the PERA board, the target asset allocation and best estimates of geometric real rates of return for each major asset class for December 31, 2019 and 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
U.S. equity - Large cap	21.20 %	4.30 %
Core fixed income	19.32	1.20
Non-U.S. equity - Developed	18.55	5.20
Core real estate	8.50	4.90
Private equity	8.50	6.60
U.S. equity - Small cap	7.42	4.80
Opportunity fund	6.00	3.80
Non-U.S. equity - Emerging	5.83	5.40
Non-U.S. fixed income - Developed	1.84	0.60
High yield	1.38	4.30
Cash	1.00	0.20
Emerging market debt	0.46	3.80

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the Authority's proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the Authority's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25 percent) or 1 percentage point higher (8.25 percent) than the current rate:

	1 Percentage Point Decrease	Current Discount Rate	1 Percentage Point Increase
Authority's proportionate share of the net pension liability as of December 31, 2019	\$ 4,250,785	\$ 2,778,666	\$ 1,547,090
Authority's proportionate share of the net pension liability as of December 31, 2018	4,053,595	2,545,148	1,287,640

Detailed information about the pension plan's fiduciary net position is available in PERA's Comprehensive Annual Financial Report, which can be obtained at www.copera.org/investments/pera-financial-reports.

Changes between the Measurement Date of the Net Pension Liability and December 31, 2018

During the 2018 legislative session, the Colorado General Assembly passed significant pension reform through SB 18-200: *Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan within the Next Thirty Years*. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to the plans administered by PERA with the goal of eliminating the unfunded actuarial accrued liability of the Division Trust Funds and thereby reach a 100 percent funded ratio for each division within the next 30 years. Some of the major changes to plan provisions include modification of the retirement benefits, changes to future member and employer contributions, and expanded eligibility to participate in the defined contribution plan as an alternative to the defined benefit plan. The full bill can be found online at www.leg.colorado.gov.

December 31, 2019 and 2018

Note 9 - Pension Plans (Continued)

During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: *PERA Public Employees' Retirement Association Local Government Division Member Contribution Rate*. The bill was signed into law by Governor Polis on May 20, 2019 and eliminates the 2 percent increase in the contribution rate for members in the Local Government Division mandated by SB 18-200.

As of December 31, 2019 and 2018, the Authority has not estimated the change in its proportionate share of the net pension liability as a result of these changes had the bill become law on December 31, 2017.

Note 10 - Other Postemployment Benefit Plan

Plan Description

In addition to the defined benefit pension plan, employees of the Authority are provided with OPEB through the HCTF, a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF provides a healthcare premium subsidy to eligible PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the PERA board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado state law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available Comprehensive Annual Financial Report that includes financial statements and required supplemental information for the HCTF. That report may be obtained online at www.copera.org; by writing to Colorado PERA, 1301 Pennsylvania Street, Denver, CO 80203; or by calling PERA at 1-800-759-PERA (7372) or 303-832-9550

Benefits Provided

The HCTF provides a healthcare premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA healthcare plans; however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The healthcare premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit.

Enrollment in PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) (the "CRS") provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B, and the difference in premium cost is paid by the HCTF on behalf of benefit recipients not covered by Medicare Part A.

Note 10 - Other Postemployment Benefit Plan (Continued)

Contributions

In accordance with the CRS, certain contributions are apportioned to the HCTF. The Authority is required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF. Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Authority is statutorily committed to pay the contributions. The Authority's contributions to the HCTF for the years ended December 31, 2019 and 2018 were \$14,786 and \$14,708, respectively.

Net OPEB Liability

At December 31, 2019 and 2018, the Authority reported a liability of \$233,195 and \$230,836, respectively, for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018 and 2017, respectively, and the total OPEB liability used to calculate the net OPEB liability was determined by actuarial valuations as of December 31, 2017 and 2016, respectively. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2018 and 2017.

The Authority's proportion of the net OPEB liability for the years ended December 31, 2019 and 2018 was based on the Authority's contributions to the HCTF for the calendar years 2018 and 2017, respectively, relative to the total contributions of participating employers to the HCTF. At December 31, 2018, the Authority's proportion was 0.01714 percent, which was a decrease of 0.0006 percent from its proportion measured as of December 31, 2017. At December 31, 2017, the Authority's proportion was 0.01776 percent, which was an increase of 0.0005 percent from its proportion measured as of December 31, 2016.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the years ended December 31, 2019 and 2018, the Authority recognized OPEB expense of \$18,807 and \$19,101, respectively.

At December 31, 2019 and 2018, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2019		2018	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 846	\$ 355	\$ 1,092	\$ -
Changes in assumptions	1,636	-	-	-
Net difference between projected and actual earnings on OPEB plan investments	1,341	-	-	3,862
Changes in proportionate share or difference between amount contributed and proportionate share of contributions	4,245	6,902	5,283	40
Employer contributions to the plan subsequent to the measurement date	17,170	-	14,786	-
Total	\$ 25,238	\$ 7,257	\$ 21,161	\$ 3,902

Note 10 - Other Postemployment Benefit Plan (Continued)

Deferred outflows of resources related to pensions resulting from the Authority's contributions subsequent to the measurement date of \$14,746 and \$14,708, respectively, will be recognized as a reduction of the net pension liability in the years ending December 31, 2019 and 2018, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Years Ending December 31	Amount
2020	\$ 303
2021	303
2022	303
2023	303
2024	(769)
Thereafter	<u>368</u>
Total	<u>\$ 811</u>

Actuarial Assumptions

The total OPEB liability in the December 31, 2017 and 2016 actuarial valuations was determined using the following actuarial cost method, actuarial assumptions, and other inputs:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00 %	3.25 %
2019	5.00	3.50
2020	5.00	3.75
2021	5.00	4.00
2022	5.00	4.25
2023	5.00	4.50
2024	5.00	4.75
2025+	5.00	5.00

The HCTF utilizes the same mortality assumptions as the LGDTF. The following economic and demographic assumptions were specifically developed for, and used in, the measurement of the obligations for the HCTF:

- The assumed rates of PERACare participation were revised to reflect more closely actual experience.
- Initial per capita healthcare costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2017 plan year.
- The percentages of PERACare enrollees who will attain age 65 and older ages and are assumed to not qualify for premium-free Medicare Part A coverage were revised to more closely reflect actual experience.
- The percentage of disabled PERACare enrollees who are assumed to not qualify for premium-free Medicare Part A coverage were revised to reflect more closely actual experience.
- Assumed election rates for the PERACare coverage options that would be available to future PERACare enrollees who will qualify for the "No Part A Subsidy" when they retire were revised to more closely reflect actual experience.

December 31, 2019 and 2018

Note 10 - Other Postemployment Benefit Plan (Continued)

- Assumed election rates for the PERACare coverage options that will be available to those current PERACare enrollees, who qualify for the “No Part A Subsidy” but have not reached age 65, were revised to more closely reflect actual experience.
- The healthcare cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.
- The rates of PERACare coverage election for spouses of eligible inactive members and future retirees were revised to more closely reflect actual experience.
- The assumed age differences between future retirees and their participating spouses were revised to reflect more closely actual experience.

The actuarial assumptions used in the December 31, 2017 and 2016 valuations were based on the results of the 2016 experience analysis for the period from January 1, 2012 through December 31, 2015, as well as the October 28, 2016 actuarial assumptions workshop, and were adopted by the PERA board during the November 18, 2016 board meeting. In addition, certain actuarial assumptions pertaining to per capita healthcare costs and their related trends are analyzed and reviewed by PERA’s actuary, as needed.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent at December 31, 2019 and 2018. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated healthcare cost trend rates for Medicare Part A premiums as of the December 31, 2017 measurement date
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date. For future plan members, employer contributions were reduced by the estimated amount of total service costs for future plan members.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and, therefore, the discount rate is 7.25 percent.

December 31, 2019 and 2018

Note 10 - Other Postemployment Benefit Plan (Continued)

Investment Rate of Return

The long-term expected return on OPEB plan investments is the same as the long-term expected return on the LGDTF investments described above and is reviewed as part of regular experience studies prepared every four or five years for PERA.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the proportionate share of the net OPEB liability of the Authority, calculated using the discount rate of 7.25 percent, as well as what the Authority's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.25%)	Current Discount Rate (7.25%)	1 Percentage Point Increase (8.25%)
Proportionate share of the net OPEB liability as of December 31, 2019	\$ 260,924	\$ 233,195	\$ 209,488
Proportionate share of the net OPEB liability as of December 31, 2018	259,532	230,836	206,343

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate

The following presents the proportionate share of the net OPEB liability of the Authority, calculated using the current healthcare cost trend rates applicable to the PERA benefit structure, as well as what the Authority's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower or 1 percentage point higher than the current rates:

	1 Percentage Point Decrease in Trend Rates	Current Healthcare Cost Trend Rates	1 Percentage Point Increase in Trend Rates
Net OPEB liability as of December 31, 2019	\$ 226,775	\$ 233,195	\$ 240,600
Net OPEB liability as of December 31, 2018	224,484	230,836	238,485

Note 11 - Defined Contribution Pension Plan

Employees of the Authority that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the plan provisions to the PERA board of trustees. PERA issues a publicly available CAFR, which includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. In addition, the Authority has agreed to match employee contributions up to 4 percent of covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions, and investment earnings. For the years ended December 31, 2019 and 2018, the Authority made matching contributions of \$43,940 and \$31,420, respectively.

December 31, 2019 and 2018

Note 12 - Commitments

Tax, Spending, and Debt Limitations

In November 1992, voters passed an amendment to the Constitution of the State of Colorado, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment excludes enterprises from its provisions. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10 percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the amendment. It is the Authority's opinion that it qualifies for the exclusion and is, therefore, excluded from the provisions of the amendment.

Federally Assisted Grant Programs

The Authority participates in federally assisted grant programs. These programs are subject to the provisions of the Single Audit Act of 1996 and the Uniform Grant Guidance. The amount, if any, of expenditures that may be disallowed by the granting agency cannot be determined at this time, although the Authority expects such amounts, if any, to be immaterial.

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Required Supplemental Information

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Grand Junction Regional Airport Authority

Required Supplemental Information
 Schedule of the Authority's Proportionate Share of the Net Pension Liability
 Local Government Division Fund
 Administered by the Colorado Public Employees' Retirement Association

	Last Six Plan Years*					
	Measurement Periods Ended December 31					
	2018	2017	2016	2015	2014	2013
Authority's proportion of the net pension liability	0.22102 %	0.22859 %	0.22504 %	0.25758 %	0.23838 %	0.26113 %
Authority's proportionate share of the net pension liability	\$ 2,778,666	\$ 2,545,148	\$ 3,038,815	\$ 2,837,459	\$ 2,136,600	\$ 2,148,912
Authority's covered payroll	\$ 1,449,631	\$ 1,442,006	\$ 1,363,996	\$ 1,462,822	\$ 1,306,200	\$ 1,393,165
Authority's proportionate share of the net pension liability as a percentage of its covered payroll	191.68 %	176.50 %	222.79 %	193.97 %	163.57 %	154.25 %
Plan fiduciary net position as a percentage of the total pension liability	79.37 %	79.37 %	73.65 %	76.87 %	80.72 %	77.66 %

*The required supplemental information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

DRAFT

Grand Junction Regional Airport Authority

Required Supplemental Information
 Schedule of Pension Contributions
 Local Government Division Trust Pension Plan
 Administered by the Colorado Public Employees' Retirement Association

**Last Six Fiscal Years*
 Years Ended December 31**

	2019	2018	2017	2016	2015	2014
Statutorily required contribution	\$ 213,447	\$ 183,815	\$ 182,848	\$ 172,959	\$ 185,490	\$ 165,627
Contributions in relation to the statutorily required contribution	213,447	183,815	182,848	172,959	185,490	165,627
Contribution Deficiency	\$ -					
Authority's Covered Payroll	\$ 1,683,336	\$ 1,449,631	\$ 1,442,006	\$ 1,363,996	\$ 1,462,822	\$ 1,306,200
Contributions as a Percentage of Covered Payroll	12.68 %					

*The required supplemental information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

DRAFT

Grand Junction Regional Airport Authority

Required Supplemental Information
Schedule of the Authority's Proportionate Share of the Net OPEB Liability
Health Care Trust Fund
Administered by the Colorado Public Employees' Retirement Association

	Last Three Plan Years*		
	Measurement Periods Ended December 31		
	<u>2018</u>	<u>2017</u>	<u>2016</u>
Authority's proportion of the net OPEB liability	0.01714 %	0.01776 %	0.01727 %
Authority's proportionate share of the net OPEB liability	\$ 233,195	\$ 230,836	\$ 223,970
Authority's covered payroll	\$ 1,449,631	\$ 1,442,006	\$ 1,363,996
Authority's proportionate share of the net OPEB liability as a percentage of its covered payroll	16.09 %	16.01 %	16.42 %
Plan fiduciary net position as a percentage of total OPEB liability	79.37 %	79.37 %	16.72 %

* The required supplemental information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

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Grand Junction Regional Airport Authority

**Required Supplemental Information
Schedule of OPEB Contributions
Health Care Trust Fund**

Administered by the Colorado Public Employees' Retirement Association

**Last Three Fiscal Years*
Years Ended December 31**

	2019	2018	2017
Contractually required contribution	\$ 17,170	\$ 14,786	\$ 14,708
Contributions in relation to the contractually required contribution	17,170	14,786	14,708
Contribution Deficiency	\$ -	\$ -	\$ -
Authority's Covered Payroll	\$ 1,683,336	\$ 1,449,631	\$ 1,442,006
Contributions as a Percentage of Covered Payroll	1.02 %	1.02 %	1.02 %

*The required supplemental information is intended to show information for 10 years, and additional years' information will be displayed as it becomes available.

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Pension Information

Benefit Changes

There were no changes of benefit terms in 2019 and 2018.

Changes in Assumptions

There were no changes of benefit assumptions in 2019 and 2018.

Changes in Size or Composition of the Covered Population

There were no significant changes in size or composition of the covered population in 2019 and 2018.

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Other Supplemental Information

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Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	GJRAA Employee Health Insurance		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	We recommend the Board approve the proposed health insurance benefits for the plan year of September 1, 2020 through August 31, 2021.		
SUMMARY:	<p>Based on a review of health insurance plan options presented to GJRAA staff by HUB, and based on our evaluation of those options, we are recommending that the board approve the following employee health insurance options for the 2020-2021 plan year that were presented at the June board meeting for discussion:</p> <ol style="list-style-type: none">1. Rocky Mountain Monument Health (1) PPO Silver HSA and (2) PPO Silver Tiered Network SG PPO Plans. Cost sharing between the Airport and Employees will be as presented in the attached summary.2. Continued offering of Appleton Clinic memberships for all staff paid for by the Airport3. Continued offering of dental and vision plans paid 100% by employees4. Continued offering of the deductible reimbursement program which reimburses up to the last \$1,000 for individual deductibles, and \$2,000 for dependent deductibles <p>We are continuing to plan for a change in plan years to convert to a calendar year for 2021 so the proposed plans may not be in place for the full year. We will present and discuss any additional plan changes as they arise.</p>		
REVIEWED BY:	Executive Director		
FISCAL IMPACT:	Based on the current participation in the Plans, and a 30% utilization of the Deductible Reimbursement program, we project a total cost of \$315,000 for the Plan year compared to \$322,000 estimated for the previous plan year.		
ATTACHMENTS:	<ul style="list-style-type: none">• Budget and Employee Cost Comparisons, and• Plan Comparisons		
STAFF CONTACT:	Sarah Menge 970-248-8581 smenge@gjairport.com		

GJRAA Budget Impact	2020			
	Budget	2021 Renewal	\$ Change	% Change
Monthly Health Insurance	\$ 273,900	\$ 272,100	\$ (1,800)	-0.7%
HSA/Appleton	36,000	32,100	(3,900)	-10.8%
Deductible Reimb Plan	12,100	10,800	(1,300)	-10.7%
<i>Total ER Cost</i>	\$ 322,000	\$ 315,000	\$ (7,000)	-2.2%
Estimated Employees Covered	30	26	(4)	-13.3%
GJRAA Cost per Employee	\$ 10,700	\$ 12,100	\$ 1,400	13.1%

Employee Annual Cost Comparison	2019-2020	2020-2021	\$ Change	% Change
	Plan Year	Plan Year		
Annual EE Cost - HSA Employee Only	\$ 385	\$ 429	\$ 44	11.4%
Annual EE Cost - HSA Employee & Spouse	\$ 4,851	\$ 4,960	\$ 109	2.2%
Annual EE Cost - HSA Employee & Children	\$ 4,158	\$ 4,251	\$ 93	2.2%
Annual EE Cost - HSA Family Plan	\$ 8,764	\$ 8,975	\$ 211	2.4%
Annual EE Cost - PPO Employee Only	\$ 381	\$ 407	\$ 26	6.8%
Annual EE Cost - PPO Employee & Spouse	\$ 4,803	\$ 4,697	\$ (106)	-2.2%
Annual EE Cost - PPO Employee & Children	\$ 4,117	\$ 4,026	\$ (91)	-2.2%
Annual EE Cost - PPO Family Plan	\$ 8,692	\$ 8,499	\$ (193)	-2.2%



Carrier:	Rocky Mountain Health Plans	Rocky Mountain Health Plans	Rocky Mountain Health Plans	Rocky Mountain Health Plans
Plan Name:	Monument Health Silver HSA 4500/6500	Monument Health Silver HSA 4500/6500	Monument Health Silver 3500/5000	Monument Health Silver 3500/5000
Plan Type:	Tiered Network PPO	PPO	Tiered Network PPO	PPO
Effective Date:	9/1/2019	9/1/2020	9/1/2019	9/1/2020

DEDUCTIBLE & COINSURANCE	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Individual	Tier 1: \$4,500 Tier2: \$6,500	Tier 1: \$4,500 Tier2: \$6,000	Tier 1: \$3,500 Tier2: \$5,000	Tier 1: \$3,500 Tier2: \$5,000
Family	Tier 1: \$9,000 Tier 2: \$13,000	Tier 1: \$9,000 Tier 2: \$12,000	Tier 1: \$7,000 Tier 2: \$10,000	Tier 1: \$7,000 Tier 2: \$10,000

OUT-OF-POCKET MAX	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Individual	Tier 1: \$4,500 Tier2: \$6,500	\$6,500	\$7,350	\$8,150
Family	Tier 1: \$9,000 Tier 2: \$13,000	\$13,000	\$14,700	\$16,300

PHYSICIAN SERVICES	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Office Visits	100% after deductible	100% after deductible	Tier 1: PCP-1st 3 visits 100% covered, then \$35 copay / Specialist - \$70 copay Tier 2: PCP \$50 copay / Specialist- \$80 copay after deductible	Tier 1: PCP-1st 3 visits \$10 copay, then \$35 copay / Specialist - \$70 copay Tier 2: PCP \$50 copay / Specialist- \$80 copay after deductible
Preventive Care	No charge	No charge	No charge	No charge
Diagnostic Lab/X-Ray	100% after deductible	100% after deductible	Tier1: Lab-\$40/X-Ray-\$70 copay Tier2: 50% after deductible	Tier1: Lab-\$40 copay/X-Ray-70% after deductible Tier2: 50% after deductible
Imaging (CT/PET scans, MRIs)	100% after deductible	100% after deductible	Tier1: 70%/ Tier 2: 50% after deductible	Tier1: 70%/ Tier 2: 50% after deductible

PRESCRIPTION DRUGS	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Rx	100% after deductible	90% after deductible	\$15/\$50/\$80/\$300/\$450 copay	\$15/\$50/\$80/\$300 copay

HOSPITAL FACILITY SERVICES	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Inpatient Hospital Services	100% after deductible	100% after deductible	Tier1: \$750/day up to 4 days Tier 2: 50% after deductible	Tier1: \$750/day up to 4 days Tier 2: 50% after deductible
Outpatient Surgery in a Hospital	100% after deductible	100% after deductible	Tier1: 70%/ Tier 2: 50% after deductible	Tier1: 70%/ Tier 2: 50% after deductible

EMERGENCY SERVICES	Current Plan 1	Renewal Plan 1	Current Plan 2	Renewal Plan 2
Emergency Room	100% after Tier 1 deductible	100% after Tier 1 deductible	\$600 copay, then 70% after Tier 1 deductible	\$600 copay, then 70% after Tier 1 deductible
Urgent Care	100% after deductible	100% after Tier 1 deductible	\$60 copay	\$60 copay

Employee Rate Data		Current Plan 1		Renewal Plan 1		Current Plan 2		Renewal Plan 2	
Tier	Total Enrollment	Enrolled	Rate	Enrolled	Rate	Enrolled	Rate	Enrolled	Rate
EE	16	4	\$642.05	4	\$715.68	12	\$635.72	12	\$677.75
ES	5	1	\$1,284.10	1	\$1,431.36	4	\$1,271.44	4	\$1,355.50
EC	1		\$1,187.79		\$1,324.01	1	\$1,176.08	1	\$1,253.84
FAM	4	2	\$1,829.84	2	\$2,039.69	2	\$1,811.80	2	\$1,931.59

Total Plan Cost:	\$7,511.98	\$8,373.46	\$17,514.08	\$18,672.02
Δ (%) to Current Plans	NA	11.5%	NA	6.6%
Δ (\$) to Current Plans	NA	\$861.48	NA	\$1,157.94

Carrier:	Delta Dental		
Plan Name:	PPO plus Premier Plan 4C Enhanced		
Plan Type:	DPPO		
Effective Date:	9/1/2020 - Rate Pass		
DEDUCTIBLE			
Individual	PPO:	\$50	
Family	PPO:	\$150	
Waived for Preventive	PPO:	Yes	
WAITING PERIODS			
Major	PPO:	None	
Waived for major if there was prior group	PPO:	Not Applicable	
Ortho	PPO:	Not Applicable	
DENTAL SERVICES			
Preventive Care	PPO:	100%	
Basic Services	PPO:	80%	
Major Services	PPO:	50%	
Periodontal Surgery	PPO:	Basic	
Endodontic Surgery	PPO:	Basic	
ORTHO			
Co-pay	PPO:	N/A	
Orthodontics	PPO:	Not Covered	
Takeover	PPO:	N/A	
BENEFIT MAXIMUMS			
Annual Benefit Max	PPO:	\$2,000 per person per calendar year	
Lifetime - Ortho	PPO:	N/A	
Employee Rate Data			
Tier	Total Enrollment	Actual Enrollment	Total Rates
EE		11	\$47.69
ES		3	\$95.01
EC		0	\$97.11
FAM		5	\$145.89
Totals:	0	19	\$1,539.07
% Difference to Current Base Plan:			NA
\\$ Difference to Current Base Plan:			NA
Comparison Total (assumes full enrollment):			\$0.00

Carrier:	<u>VSP</u>			
Plan Name:	<u>VSP Choice Vision Plan</u>			
Plan Type:	<u>PPO</u>			
Effective Date:	<u>9/1/2020 - Rate Pass</u>			
VISION EXAMS				
Exam	PPO:	Covered in full after \$10 copay		
LENSES AND FRAMES				
Single Vision Lenses	PPO:	\$25 copay		
Bifocals	PPO:	\$25 copay		
Trifocals	PPO:	\$25 copay		
Frames	PPO:	\$130 allowance		
CONTACTS				
Necessary	PPO:	\$130 allowance		
Elective	PPO:	\$130 allowance		
BENEFIT FREQUENCY				
Examination	PPO:	One visit/12 months		
Lenses	PPO:	12 months		
Frames	PPO:	24 months		
Employee Rate Data				
	Tier	Total Enrollment	Actual Enrollment	Total Rates
	EE	13	13	\$7.49
	ES	1	1	\$11.98
	EC	0	0	\$12.23
	FAM	3	3	\$19.72
	Totals:	17	17	\$168.51
% Difference to Current Base Plan:			NA	
\$ Difference to Current Base Plan:			NA	
Comparison Total (assumes full enrollment):			\$168.51	

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Grant Agreement – Rehabilitation Design of Runway 11/29 and Taxiway A and Acceptance of Co-Sponsorship Agreements
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PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
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RECOMMENDATION:	Approval of FAA AIP Grant offer in the amount of \$553,295 for the rehabilitation design of Runway 11/29 and the rehabilitation design of Taxiway A and authorize the Chairmen to sign the Grant Agreement and the Executive Director to sign the Co-Sponsorship Agreement.
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SUMMARY:	<p>In addition to the multi-year runway relocation project, the Grand Junction Regional Airport Authority (GJRAA) has ongoing pavement maintenance projects scheduled on the existing runway and taxiway in our Capital Improvement Plan (CIP). The Board approved a work order with Garver at the April 21, 2020 Board meeting in anticipation of receiving this grant offer from the FAA.</p> <p>The design work was awarded and started before receiving the grant so GJRAA could begin the procurement for construction in anticipation of receiving additional grant money from the FAA in 2020. The design is over 80% complete at this time and GJRAA has opened procurement for construction.</p>
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REVIEWED BY:	Executive Director and Legal Counsel
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FISCAL IMPACT:	<p><u>Funding Sources</u></p> <ul style="list-style-type: none">• Federal - \$553,295• GJRAA - \$0 (no local match requirement for 2020 AIP grants) <p>Total Estimated Project Cost - \$553,295</p>
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ATTACHMENTS:	<ol style="list-style-type: none">1. Grant Offer 3-08-0027-065-20202. Co-Sponsorship Agreement (City of Grand Junction and Mesa County)
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STAFF CONTACT:	Angela Padalecki apadalecki@gjairport.com Office: 970-248-8588
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U.S. Department
of Transportation
**Federal Aviation
Administration**

Northwest Mountain Region
Colorado · Idaho · Montana · Oregon · Utah
Washington · Wyoming

Denver Airports District Office
26805 E. 68th Ave., Suite 224
Denver, CO 80249

July 15, 2020

Mr. Scott McInnis, Chair
Mesa County Board of Commissioners
544 Rood Avenue
Grand Junction, Colorado 81501

Mr. Greg Caton, Manager
City of Grand Junction
250 North Fifth Street
Grand Junction, Colorado 81501

Mr. Thomas Benton, Chair
Grand Junction Regional Airport Authority
800 Eagle Drive
Grand Junction, Colorado 81506

Dear Commissioner McInnis, Mr. Caton, and Mr. Benton:

We are enclosing an electronic copy of the Grant Offer for Airport Improvement Program (AIP) Project No. 3-08-0027-065-2020 at the Grand Junction Regional Airport. Please read this letter and the Grant Offer carefully.

To properly enter into this agreement, you must do the following:

- The governing body must provide authority to execute the grant to the individual signing the grant; i.e. the sponsor's authorized representative.
- The sponsor's authorized representative must execute the grant, followed by the attorney's certification, no later than August 7, 2020 in order for the grant to be valid.
- You may not make any modification to the text, terms or conditions of the grant offer.
- The grant offer must be digitally signed by the sponsor's legal signatory authority and then the grant offer will be routed via email to the sponsor's attorney. Once the attorney has digitally attested to the grant, an email with the executed grant will be sent to all parties.

Subject to the requirements in 2 CFR § 200.305, each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

The terms and conditions of this agreement require you to complete the project without undue delay. To ensure proper stewardship of Federal funds, **you are expected to submit payment requests for reimbursement of allowable incurred project expenses in accordance with project progress.** Should you fail to make draws on a regular basis, your grant may be placed in "inactive" status, which will affect your ability to receive future grant offers.

Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- A signed/dated SF-270 (non-construction projects) or SF-271 or equivalent (construction projects) and SF-425 annually, due 90 days after the end of each federal fiscal year in which this grant is open (due December 31 of each year this grant is open); and
- Performance Reports, which are due within 30 days of the end of a reporting period as follows:
 1. Non-construction project: Due annually at the end of the Federal fiscal year.
 2. Construction project: Submit FAA form 5370-1, Construction Progress and Inspection Report at the end of each fiscal quarter.

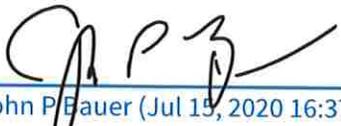
Once the project is completed and all costs are determined, we ask that you close the project without undue delay and submit the final closeout report documentation as required by FAA's Denver Airports District Office.

As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to assure your organization will comply with applicable audit requirements and standards. **A copy of a "Single Audit Certification Form" will be sent separately via email.** Please complete and return a copy to our office with the executed Grant Agreement. Please make a copy for your files.

Kristin Brownson is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein. If you should have any questions, please contact Kristin at 303-342-1279.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,



John P. Bauer (Jul 13, 2020 16:37 MDT)

John P. Bauer
Manager, Denver Airports District Office

Enclosures



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer	<u>July 15, 2020</u>
Airport/Planning Area	<u>Grand Junction Regional Airport</u>
AIP Grant Number	<u>3-08-0027-065-2020 (Contract No. DOT-FA20NM-1063)</u>
DUNS Number	<u>156135394</u>

TO: County of Mesa, Colorado, City of Grand Junction, Colorado, and the Grand Junction Regional Airport Authority
(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated February 25, 2020, for a grant of Federal funds for a project at or associated with the Grand Junction Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Grand Junction Regional Airport (herein called the "Project") consisting of the following:

**Rehabilitate Runway 11/29 (design) and Rehabilitate Taxiway A
[phase 2-commercial apron section and BLM to twin otter section (design)]**

which is more fully described in the Project Application.

NOW THEREFORE, according to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. § 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. § 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, as applied and interpreted consistent with the FAA Reauthorization Act of 2018 (see 2018 Reauthorization grant condition), (b) the Sponsor's acceptance of this Offer, and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided.

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 100.00 percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and **SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:**

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is \$553,295.
The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):
\$0 for planning
\$553,295 for airport development or noise program implementation; and,
\$0 for land acquisition.
2. **Period of Performance.** The period of performance begins on the date the Sponsor formally accepts this agreement. Unless explicitly stated otherwise in an amendment from the FAA, the end date of the period of performance is 4 years (1,460 calendar days) from the date of formal grant acceptance by the Sponsor.
The Sponsor may only charge allowable costs for obligations incurred prior to the end date of the period of performance (2 CFR § 200.309). Unless the FAA authorizes a written extension, the sponsor must submit all project closeout documentation and liquidate (pay off) all obligations incurred under this award no later than 90 calendar days after the end date of the period of performance (2 CFR § 200.343).
The period of performance end date does not relieve or reduce Sponsor obligations and assurances that extend beyond the closeout of a grant agreement.
3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Indirect Costs – Sponsor.** Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application, as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with the regulations, policies, and procedures of the Secretary. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this agreement, and the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the Sponsor agrees to report to the FAA any disengagement from performing the project that exceeds three months. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the assurances which are part of this agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before August 7, 2020, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal

share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.

10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.
11. **System for Award Management (SAM) Registration And Universal Identifier.**
 - A. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR 25.110, the Sponsor must maintain the currency of its information in the SAM until the Sponsor submits the final financial report required under this grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).
 - B. Data Universal Numbering System: DUNS number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D & B) to uniquely identify business entities. A DUNS number may be obtained from D & B by telephone (currently 866-705-5771) or on the web (currently at <http://fedgov.dnb.com/webform>).
12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.
13. **Informal Letter Amendment of AIP Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of condition No. 1.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.
14. **Air and Water Quality.** The Sponsor is required to comply with all applicable air and water quality standards for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this agreement.
15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
16. **Buy American.** Unless otherwise approved in advance by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for which funds are provided under this grant. The Sponsor will include a provision implementing Buy American in every contract.
17. **Maximum Obligation Increase for Primary Airports.** In accordance with 49 U.S.C. § 47108(b), as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
 - A. may not be increased for a planning project;
 - B. may be increased by not more than 15 percent for development projects;
 - C. may be increased by not more than 15 percent for a land project.

18. **Audits for Public Sponsors.** The Sponsor must provide for a Single Audit or program specific audit in accordance with 2 CFR part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Provide one copy of the completed audit to the FAA if requested.
19. **Suspension or Debarment.** When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:
- A. Verify the non-federal entity is eligible to participate in this Federal program by:
 - 1. Checking the excluded parties list system (EPLS) as maintained within the System for Award Management (SAM) to determine if the non-federal entity is excluded or disqualified; or
 - 2. Collecting a certification statement from the non-federal entity attesting they are not excluded or disqualified from participating; or
 - 3. Adding a clause or condition to covered transactions attesting individual or firm are not excluded or disqualified from participating.
 - B. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions (e.g. Sub-contracts).
 - C. Immediately disclose to the FAA whenever the Sponsor (1) learns they have entered into a covered transaction with an ineligible entity or (2) suspends or debar a contractor, person, or entity.
20. **Ban on Texting When Driving.**
- A. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:
 - 1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
 - 2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - a. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - b. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
 - B. The Sponsor must insert the substance of this clause on banning texting when driving in all subgrants, contracts, and subcontracts
21. **AIP Funded Work Included in a PFC Application.** Within 90 days of acceptance of this award, Sponsor must submit to the Federal Aviation Administration an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this grant award. The airport sponsor may not make any expenditure under this award until project work addressed under this award is removed from an approved PFC application by amendment.
22. **Exhibit "A" Property Map.** The Exhibit "A" Property Map dated April 2012, is incorporated herein by reference or is submitted with the project application and made part of this grant agreement.
23. **Employee Protection from Reprisal.**
- A. Prohibition of Reprisals –
 - 1. In accordance with 41 U.S.C. § 4712, an employee of a grantee or subgrantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (A)(2), information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;

- iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
2. Persons and bodies covered: The persons and bodies to which a disclosure by an employee is covered are as follows:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal office or employee responsible for oversight of a grant program;
 - v. A court or grand jury;
 - vi. A management office of the grantee or subgrantee; or
 - vii. A Federal or State regulatory enforcement agency.
 3. Submission of Complaint – A person who believes that they have been subjected to a reprisal prohibited by paragraph A of this grant term may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.
 4. Time Limitation for Submittal of a Complaint - A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
 5. Required Actions of the Inspector General – Actions, limitations, and exceptions of the Inspector General’s office are established under 41 U.S.C. § 4712(b)
 6. Assumption of Rights to Civil Remedy - Upon receipt of an explanation of a decision not to conduct or continue an investigation by the Office of Inspector General, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c).
24. **2018 FAA Reauthorization.** This grant agreement is subject to the terms and conditions contained herein including the terms known as the Grant Assurances as they were published in the Federal Register on April 3, 2014. On October 5, 2018, the FAA Reauthorization Act of 2018 made certain amendments to 49 U.S.C. chapter 471. The Reauthorization Act will require FAA to make certain amendments to the assurances in order to best achieve consistency with the statute. Federal law requires that FAA publish any amendments to the assurances in the Federal Register along with an opportunity to comment. In order not to delay the offer of this grant, the existing assurances are attached herein; however, FAA shall interpret and apply these assurances consistent with the Reauthorization Act. To the extent there is a conflict between the assurances and Federal statutes, the statutes shall apply. The full text of the Act is at <https://www.congress.gov/bill/115th-congress/house-bill/302/text>.

SPECIAL CONDITIONS

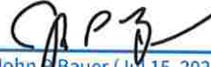
25. **Current FAA Advisory Circulars for AIP Projects.** The sponsor will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the *Current FAA Advisory Circulars Required For Use In AIP Funded and PFC Approved Projects*, dated February 28, 2020, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.
26. **Co-Sponsorship Agreement.** The FAA in tendering this Grant Offer on behalf of the United States recognizes the existence of a Co-Sponsorship Agreement between the County of Mesa, Colorado, the City of Grand Junction, Colorado, and the Grand Junction Regional Airport Authority. By acceptance of the Grant Offer, said parties assume their respective obligations as set forth in said Co-Sponsorship Agreement. It is understood and agreed that said Agreement will not be amended, modified, or terminated without prior written approval of the FAA.

27. **Final Project Documentation.** The Sponsor understands and agrees that in accordance with 49 USC 47111, and with the Airport District Office's (ADO) concurrence, that no payments totaling more than 90.00 percent of United States Government's share of the project's estimated allowable cost may be made before the project is complete. Completed means the following: (1) The project results in a complete, usable unit of work as defined in the grant agreement, (2) The sponsor submits all necessary closeout documentation, and (3) The sponsor receives final payment notification from the ADO.
28. **Design Grant.** This grant agreement is being issued in order to complete the design of the project. The Sponsor understands and agrees that within 2 years after the design is completed that the Sponsor will accept, subject to the availability of the amount of federal funding identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the construction of the project in order to provide a useful and useable unit of work. The Sponsor also understands that if the FAA has provided federal funding to complete the design for the project, and the Sponsor has not completed the design within four (4) years from the execution of this grant agreement, the FAA may suspend or terminate grants related to the design.

#

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**



John P. Bauer (Jul 15, 2020 16:37 MDT)

(Signature)

John P. Bauer

(Typed Name)

Manager, Denver Airports District Office

(Title of FAA Official)

PART II - ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct.¹

Dated July 15, 2020

COUNTY OF MESA, COLORADO

(Name of Sponsor)


Scott McInnis (Jul 15, 2020 16:41 MDT)

(Signature of Sponsor's Authorized Official)

By: **Scott McInnis**

(Printed Name of Sponsor's Authorized Official)

Title: **Chair, Mesa County Board of Commissioners**

(Title of Sponsor's Authorized Official)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, J. Patrick Coleman, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated July 15, 2020

By J. Patrick Coleman
J. Patrick Coleman (Jul 15, 2020 17:06 MDT)
(Signature of Sponsor's Attorney)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated July 16, 2020

CITY OF GRAND JUNCTION, COLORADO

(Name of Sponsor)


Greg Caton (Jul 16, 2020 09:44 MDT)

(Signature of Sponsor's Authorized Official)

By: Greg Caton

(Printed Name of Sponsor's Authorized Official)

Title: City Manager

(Title of Sponsor's Designated Authorized Official)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, John Shaver, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated July 16, 2020


John Shaver (Jul 16, 2020 09:58 MDT)

(Signature of Sponsor's Attorney)

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated July 16, 2020

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

(Name of Sponsor)

Thomas R Benton
Thomas R Benton (Jul 16, 2020 11:51 MDT)

(Signature of Sponsor's Authorized Official)

By: Thomas R Benton

(Printed Name of Sponsor's Authorized Official)

Title: Board Chairman

(Title of Sponsor's Designated Authorized Official)

CERTIFICATE OF SPONSOR'S ATTORNEY

I, Karl Hanlon, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated July 19, 2020

By *Karl Hanlon*
Karl Hanlon (Jul 19, 2020 18:10 MDT)
(Signature of Sponsor's Attorney)

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. Section 1001 (False Statements) and could subject you to fines, imprisonment, or both.



ASSURANCES AIRPORT SPONSORS

A. General.

- a. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
- b. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
- c. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1,2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

EXECUTIVE ORDERS

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 –Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice
- g. Executive Order 13788 - Buy American and Hire American
- h. Executive Order 13858 – Strengthening Buy-American Preferences for Infrastructure Projects

FEDERAL REGULATIONS

- a. 2 CFR Part180 – OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4, 5, 6}
- c. 2 CFR Part 1200 – Non-procurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.

- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1,2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 –Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 –Government-wide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 –Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

FOOTNOTES TO ASSURANCE C.1.

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

- ⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the

Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.

- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-
 - 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with

respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
 - 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
 - a. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
 - b. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
 - c. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
 - d. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
 - e. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
 - f. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

- g. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated

by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
- 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
 - a. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - b. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. by gross weights of such aircraft) is in excess of five million pounds Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied).

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 - 3) the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity

with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.
- b. Applicability
 - 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 - 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
 - 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

- c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

- e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1)

reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
- d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

Engineering and Design Services. If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U. S. C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated April 18, 2019, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or

operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.



**FAA
Airports**

Current FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects

Updated: 2/28/2020

View the most current versions of these ACs and any associated changes at:
http://www.faa.gov/airports/resources/advisory_circulars and
http://www.faa.gov/regulations_policies/advisory_circulars/

NUMBER	TITLE
70/7460-1L Changes 1 - 2	Obstruction Marking and Lighting
150/5000-9A	Announcement of Availability Report No. DOT/FAA/PP/92-5, Guidelines for the Sound Insulation of Residences Exposed to Aircraft Operations
150/5000-17	Critical Aircraft and Regular Use Determination
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-6B Changes 1 - 2	Airport Master Plans
150/5070-7 Change 1	The Airport System Planning Process
150/5100-13C	Development of State Aviation Standards for Airport Pavement Construction
150/5200-28F	Notices to Airmen (NOTAMs) for Airport Operators
150/5200-30D Change 1	Airport Field Condition Assessments and Winter Operations Safety
150/5200-31C Changes 1 - 2	Airport Emergency Plan
150/5210-5D	Painting, Marking, and Lighting of Vehicles Used on an Airport
150/5210-7D	Aircraft Rescue and Fire Fighting Communications
150/5210-13C	Airport Water Rescue Plans and Equipment

NUMBER	TITLE
150/5210-14B	Aircraft Rescue Fire Fighting Equipment, Tools and Clothing
150/5210-15A	Aircraft Rescue and Firefighting Station Building Design
150/5210-18A	Systems for Interactive Training of Airport Personnel
150/5210-19A	Driver's Enhanced Vision System (DEVs)
150/5220-10E	Guide Specification for Aircraft Rescue and Fire Fighting (ARFF) Vehicles
150/5220-16E, Change 1	Automated Weather Observing Systems (AWOS) for Non-Federal Applications
150/5220-17B	Aircraft Rescue and Fire Fighting (ARFF) Training Facilities
150/5220-18A	Buildings for Storage and Maintenance of Airport Snow and Ice Control Equipment and Materials
150/5220-20A	Airport Snow and Ice Control Equipment
150/5220-21C	Aircraft Boarding Equipment
150/5220-22B	Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns
150/5220-23	Frangible Connections
150/5220-24	Foreign Object Debris Detection Equipment
150/5220-25	Airport Avian Radar Systems
150/5220-26, Changes 1 - 2	Airport Ground Vehicle Automatic Dependent Surveillance - Broadcast (ADS-B) Out Squitter Equipment
150/5300-13A, Change 1	Airport Design
150/5300-14C	Design of Aircraft Deicing Facilities
150/5300-16B	General Guidance and Specifications for Aeronautical Surveys: Establishment of Geodetic Control and Submission to the National Geodetic Survey
150/5300-17C Change 1	Standards for Using Remote Sensing Technologies in Airport Surveys
150/5300-18B Change 1	General Guidance and Specifications for Submission of Aeronautical Surveys to NGS: Field Data Collection and Geographic Information System (GIS) Standards
150/5320-5D	Airport Drainage Design

NUMBER	TITLE
150/5320-6F	Airport Pavement Design and Evaluation
150/5320-12C, Changes 1 - 8	Measurement, Construction, and Maintenance of Skid Resistant Airport Pavement Surfaces
150/5320-15A	Management of Airport Industrial Waste
150/5325-4B	Runway Length Requirements for Airport Design
150/5335-5C	Standardized Method of Reporting Airport Pavement Strength - PCN
150/5340-1M	Standards for Airport Markings
150/5340-5D	Segmented Circle Airport Marker System
150/5340-18G	Standards for Airport Sign Systems
150/5340-26C	Maintenance of Airport Visual Aid Facilities
150/5340-30J	Design and Installation Details for Airport Visual Aids
150/5345-3G	Specification for L-821, Panels for the Control of Airport Lighting
150/5345-5B	Circuit Selector Switch
150/5345-7F	Specification for L-824 Underground Electrical Cable for Airport Lighting Circuits
150/5345-10H	Specification for Constant Current Regulators and Regulator Monitors
150/5345-12F	Specification for Airport and Heliport Beacons
150/5345-13B	Specification for L-841 Auxiliary Relay Cabinet Assembly for Pilot Control of Airport Lighting Circuits
150/5345-26D	FAA Specification For L-823 Plug and Receptacle, Cable Connectors
150/5345-27E	Specification for Wind Cone Assemblies
150/5345-28H	Precision Approach Path Indicator (PAPI) Systems
150/5345-39D	Specification for L-853, Runway and Taxiway Retroreflective Markers
150/5345-42J	Specification for Airport Light Bases, Transformer Housings, Junction Boxes, and Accessories
150/5345-43J	Specification for Obstruction Lighting Equipment

NUMBER	TITLE
150/5345-44K	Specification for Runway and Taxiway Signs
150/5345-45C	Low-Impact Resistant (LIR) Structures
150/5345-46E	Specification for Runway and Taxiway Light Fixtures
150/5345-47C	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49D	Specification L-854, Radio Control Equipment
150/5345-50B	Specification for Portable Runway and Taxiway Lights
150/5345-51B	Specification for Discharge-Type Flashing Light Equipment
150/5345-52A	Generic Visual Glideslope Indicators (GVGI)
150/5345-53D	Airport Lighting Equipment Certification Program
150/5345-54B	Specification for L-884, Power and Control Unit for Land and Hold Short Lighting Systems
150/5345-55A	Specification for L-893, Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56B	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-12F	Airport Signing and Graphics
150/5360-13A	Airport Terminal Planning
150/5360-14A	Access to Airports By Individuals With Disabilities
150/5370-2G	Operational Safety on Airports During Construction
150/5370-10H	Standard Specifications for Construction of Airports
150/5370-11B	Use of Nondestructive Testing in the Evaluation of Airport Pavements
150/5370-13A	Off-Peak Construction of Airport Pavements Using Hot-Mix Asphalt
150/5370-15B	Airside Applications for Artificial Turf
150/5370-16	Rapid Construction of Rigid (Portland Cement Concrete) Airfield Pavements
150/5370-17	Airside Use of Heated Pavement Systems
150/5390-2C	Heliport Design
150/5395-1B	Seaplane Bases

THE FOLLOWING ADDITIONAL APPLY TO AIP PROJECTS ONLY

Updated: 3/22/2019

NUMBER	TITLE
150/5100-14E, Change 1	Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects
150/5100-17, Changes 1 - 7	Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects
150/5300-15A	Use of Value Engineering for Engineering and Design of Airport Grant Projects
150/5320-17A	Airfield Pavement Surface Evaluation and Rating Manuals
150/5370-12B	Quality Management for Federally Funded Airport Construction Projects
150/5380-6C	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-7B	Airport Pavement Management Program
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness

SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

This Supplemental Co-Sponsorship Agreement is entered into and effective this ____ day of _____, 2020, by and between the Grand Junction Regional Airport Authority (“Airport Authority”), and the City of Grand Junction (City).

RECITALS

A. The Airport Authority is a political subdivision of the State of Colorado, organized pursuant to Section 41-3-101 et seq., C.R.S. The Airport Authority is a separate and distinct entity from the City.

B. The Airport Authority is the owner and operator of the Grand Junction Regional Airport, located in Grand Junction, Colorado (“Airport”).

C. Pursuant to the Title 49, U.S.C., Subtitle VII, Part B, as amended, the Airport Authority has applied for monies from the Federal Aviation Administration (“FAA”), for the construction of certain improvements upon the Airport, pursuant to the terms, plans and specifications set forth in AIP Grant No. 3-08-0027-065-2020 (“Project”).

D. The FAA is willing to provide \$553,295 toward the estimated costs of the Projects, provided the City of Grand Junction and Mesa County execute the Grant Agreements as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreements as co-sponsors for two primary reasons. First, the City and County have taxing authority, whereas the Airport Authority does not; accordingly, the FAA is insisting that the City and County execute the Grant Agreement so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreements, should the Airport Authority not be able to satisfy said financial commitments out of the net revenues generated by the operation of the Airport. In addition, the City and County have jurisdiction over the zoning and land use regulations of the real property surrounding the Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreements, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans for the development of the area surrounding the Airport, and that they will take appropriate actions, including the adoption of zoning laws, to restrict the use of land surrounding the Airport to activities and purposes compatible with normal Airport operations.

E. The City is willing to execute the Grant Agreement, as a co-sponsor, pursuant to the FAA’s request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the City and Airport Authority.

Therefore, in consideration of the above Recitals and the mutual promises and representations set forth below, the City and Airport Authority hereby agree as follows:

AGREEMENT

1. By its execution of this Agreement, the City hereby agrees to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request.
2. In consideration of the City's execution of the Grant Agreement, as co-sponsor, the Airport Authority hereby agrees to hold the City, its officers, employees, and agents, harmless from, and to indemnify the City, its officers, employees, and agents for:
 - (a) Any and all claims, lawsuits, damages, or liabilities, including reasonable attorney's fees and court costs, which at any time may be or are stated, asserted, or made against the City, its officers, employees, or agents, by the FAA or any other third party whomsoever, in any way arising out of, or related under the Grant Agreements, or the prosecution of the Projects contemplated by the Grant Agreements, regardless of whether said claims are frivolous or groundless, other than claims related to the City's covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the City has regulatory jurisdiction, to activities and purposes compatible with normal Airport operations, set forth in paragraph 21 of the Assurances incorporated by reference into the Grant Agreements ("Assurances"); and
 - (b) The failure of the Airport Authority, or any of the Airport Authority's officers, agents, employees, or contractors, to comply in any respect with any of the requirements, obligations or duties imposed on the Sponsor by the Grant Agreements, or reasonably related to or inferred there from, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the City's responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.
3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreements, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, in recognition of the fact that the Airport Authority does not have the power to effect the zoning and land use regulations required by said paragraph.
4. By its execution of this Agreement and the Grant Agreement, the City agrees to comply with the zoning and land use requirements of paragraph 21 of the Assurances, with respect to all lands surrounding the Airport that are subject to the City's regulatory jurisdiction. The City also hereby warrants and represents that, in accordance with paragraph 6 of the Special Assurances; the Projects contemplated by the Grant Agreements are consistent with present plans of the City for the development of the area surrounding the Airport.
5. The parties hereby warrant and represent that, by the City's execution of the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, the City is not a co-owner, agent, partner, joint venture, or representative of the Airport Authority in the ownership, management or administration of the Airport, and the Airport Authority is, and remains, the sole owner of the Airport, and solely responsible for the operation and management of the Airport.

Done and entered into on the date first set forth above.

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

By _____
Executive Director, Angela Padalecki
Grand Junction Regional Airport

CITY OF GRAND JUNCTION

By _____
Greg Caton, City Manager
City of Grand Junction

SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

This Supplemental Co-Sponsorship Agreement is entered into and effective this ____ day of _____, 2020, by and between the Grand Junction Regional Airport Authority (“Airport Authority”), and the Mesa County, Colorado (“County”).

RECITALS

A. The Airport Authority is a political subdivision of the State of Colorado, organized pursuant to Section 41-3-101 et seq., C.R.S. The Airport Authority is a separate and distinct entity from the County.

B. The Airport Authority is the owner and operator of the Grand Junction Regional Airport, located in Grand Junction, Colorado (“Airport”).

C. Pursuant to the Title 49, U.S.C., Subtitle VII, Part B, as amended, the Airport Authority has applied for monies from the Federal Aviation Administration (“FAA”), for the construction of certain improvements upon the Airport, pursuant to the terms, plans and specifications set forth in AIP Grant No. 3-08-0027-065-2020 (“Project”).

D. The FAA is willing to provide \$553,295 toward the estimated costs of the Projects, provided the City of Grand Junction and Mesa County execute the Grant Agreements as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreements as co-sponsors for two primary reasons. First, the City and County have taxing authority, whereas the Airport Authority does not; accordingly, the FAA is insisting that the City and County execute the Grant Agreement so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreements, should the Airport Authority not be able to satisfy said financial commitments out of the net revenues generated by the operation of the Airport. In addition, the City and County have jurisdiction over the zoning and land use regulations of the real property surrounding the Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreements, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans for the development of the area surrounding the Airport, and that they will take appropriate actions, including the adoption of zoning laws, to restrict the use of land surrounding the Airport to activities and purposes compatible with normal Airport operations.

E. The County is willing to execute the Grant Agreement, as a co-sponsor, pursuant to the FAA’s request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the County and Airport Authority.

Therefore, in consideration of the above Recitals and the mutual promises and representations set forth below, the County and Airport Authority hereby agree as follows:

AGREEMENT

1. By its execution of this Agreement, the County hereby agrees to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request.
2. In consideration of the County's execution of the Grant Agreement, as co-sponsor, the Airport Authority hereby agrees to hold the County, its officers, employees, and agents, harmless from, and to indemnify the County, its officers, employees, and agents for:
 - (a) Any and all claims, lawsuits, damages, or liabilities, including reasonable attorney's fees and court costs, which at any time may be or are stated, asserted, or made against the County, its officers, employees, or agents, by the FAA or any other third party whomsoever, in any way arising out of, or related under the Grant Agreements, or the prosecution of the Projects contemplated by the Grant Agreements, regardless of whether said claims are frivolous or groundless, other than claims related to the County's covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the County has regulatory jurisdiction, to activities and purposes compatible with normal Airport operations, set forth in paragraph 21 of the Assurances incorporated by reference into the Grant Agreements ("Assurances"); and
 - (b) The failure of the Airport Authority, or any of the Airport Authority's officers, agents, employees, or contractors, to comply in any respect with any of the requirements, obligations or duties imposed on the Sponsor by the Grant Agreements, or reasonably related to or inferred there from, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the County's responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.
3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreements, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, in recognition of the fact that the Airport Authority does not have the power to effect the zoning and land use regulations required by said paragraph.
4. By its execution of this Agreement and the Grant Agreement, the County agrees to comply with the zoning and land use requirements of paragraph 21 of the Assurances, with respect to all lands surrounding the Airport that are subject to the County's regulatory jurisdiction. The City also hereby warrants and represents that, in accordance with paragraph 6 of the Special Assurances; the Projects contemplated by the Grant Agreements are consistent with present plans of the County for the development of the area surrounding the Airport.
5. The parties hereby warrant and represent that, by the County's execution of the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, the County is not a co-owner, agent, partner, joint venture, or representative of the Airport Authority in the ownership, management or administration of the Airport, and the Airport Authority is, and remains, the sole owner of the Airport, and solely responsible for the operation and management of the Airport.

Done and entered into on the date first set forth above.

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

By _____
Executive Director, Angela Padalecki
Grand Junction Regional Airport

MESA COUNTY, COLORADO

By _____
Scott McInnis, Chair
Board of County Commissioners

Grand Junction Regional Airport Authority
Agenda Item Summary

TOPIC: Grant Application Taxiway A Rehabilitation Construction

PURPOSE: Information Guidance Decision

RECOMMENDATION: Approve the Grant Application for Taxiway A Rehab and Runway 11-29 crack seal, seal coat and re-mark Construction for submittal to the FAA, and the Authorize the Executive Director to sign the Application

SUMMARY: The Airport Improvement Program (AIP) grant application includes the construction of the second phase of Rehabilitation of portions of Taxiway A and includes the Rehabilitation of existing Runway 11/29. The construction projects are listed on the Airports 2021 Capital Improvement Plan (CIP); however, the FAA is allowing GJT to apply for the grant in case additional funding is available at the end of the 2020 Federal Fiscal Year.

The projects to be accomplished for this year and every year going forward as per the CIP are an important part of providing a safe and efficient airfield/overall airport operation.

REVIEWED BY: Executive Director and Legal Counsel

FISCAL IMPACT: **Funding Sources**

- **Federal - \$7,000,000***
- **GJRAA - \$777,778****

Total Estimated Project Cost - \$7,777,778

*Subject to the availability of Federal Funds

** If awarded in 2020 the GJRAA local portion will be \$0, but if 2020 grant funds are not available, GJRAA will be responsible for the 10% match

ATTACHMENTS: Grant Application

STAFF CONTACT: Sarah Menge
smenge@gjairport.com
Office: 970-248-8581

Application for Federal Assistance SF-424	
* 1. Type of Submission <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application * If Revision, select appropriate letter(s): <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation * Other (Specify) <input type="checkbox"/> Revision
* 3. Date Received:	4. Application Identifier:
5a. Federal Entity Identifier:	* 5b. Federal Award Identifier:
State Use Only:	
6. Date Received by State:	7. State Application Identifier:
8. APPLICANT INFORMATION:	
* a. Legal Name:	
* b. Employer/Taxpayer Identification Number (EIN/TIN):	*c. Organizational DUNS:
d. Address:	
* Street1: Street 2: * City: County: * State: Province: Country: *Zip/ Postal Code:	
e. Organizational Unit:	
Department Name:	Division Name:
f. Name and contact information of person to be contacted on matters involving this application:	
Prefix: First Name: Middle Name: * Last Name: Suffix: Title:	
Organizational Affiliation:	
* Telephone Number:	Fax Number:
* Email:	

Application for Federal Assistance SF-424

*9. Type of Applicant 1: Select Applicant Type:

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

11. Catalog of Federal Domestic Assistance Number:

20.106

CFDA Title:

Airport Improvement Program

*12. Funding Opportunity Number:

Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

* 15. Descriptive Title of Applicant's Project:

Attach supporting documents as specified in agency instructions.

Application for Federal Assistance SF-424

16. Congressional Districts Of:

*a. Applicant:

*b. Program/Project:

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

*a. Start Date:

*b. End Date:

18. Estimated Funding (\$):

*a. Federal _____

*b. Applicant _____

*c. State _____

*d. Local _____

*e. Other _____

*f. Program Income _____

*g. TOTAL _____

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on _____

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation on next page.)**

Yes

No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:

*First Name:

Middle Name:

*Last Name:

Suffix:

*Title:

*Telephone Number:

Fax Number:

* Email:

*Signature of Authorized Representative:

*Date Signed:

Application for Federal Assistance SF-424

***Applicant Federal Debt Delinquency Explanation**

The following field should contain an explanation if the Applicant organization is delinquent on any Federal Debt. Maximum number of characters that can be entered is 4,000. Try and avoid extra spaces and carriage returns to maximize the availability of space.

INSTRUCTIONS FOR THE SF-424

Public reporting burden for this collection of information is estimated to average 60 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043), Washington, DC 20503.

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

This is a standard form (including the continuation sheet) required for use as a cover sheet for submission of preapplications and applications and related information under discretionary programs. Some of the items are required and some are optional at the discretion of the applicant or the Federal agency (agency). Required items are identified with an asterisk on the form and are specified in the instructions below. In addition to the instructions provided below, applicants must consult agency instructions to determine specific requirements.

Item	Entry
1.	<p>Type of Submission: (Required) Select one type of submission in accordance with agency instructions.</p> <ul style="list-style-type: none"> • Preapplication • Application • Changed/Corrected Application – If requested by the agency, check if this submission is to change or correct a previously submitted application. Unless requested by the agency, applicants may not use this to submit changes after the closing date.
2.	<p>Type of Application: (Required) Select one type of application in accordance with agency instructions.</p> <ul style="list-style-type: none"> • New – An application that is being submitted to an agency for the first time. • Continuation - An extension for an additional funding/budget period for a project with a projected completion date. This can include renewals. • Revision - Any change in the Federal Government's financial obligation or contingent liability from an existing obligation. If a revision, enter the appropriate letter(s). More than one may be selected. If "Other" is selected, please specify in text box provided. <ul style="list-style-type: none"> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration E. Other (specify)
3.	Date Received: Leave this field blank. This date will be assigned by the Federal agency.
4.	Applicant Identifier: Enter the entity identifier assigned by the Federal agency, if any, or applicant's control number, if applicable.
5a.	Federal Entity Identifier: Enter the number assigned to your organization by the Federal Agency, if any.
5b.	Federal Award Identifier: For new applications leave blank. For a continuation or revision to an existing award, enter the previously assigned Federal award identifier number. If a changed/corrected application, enter the Federal Identifier in accordance with agency instructions.
6.	Date Received by State: Leave this field blank. This date will be assigned by the State, if applicable.
7.	State Application Identifier: Leave this field blank. This identifier will be assigned by the State, if applicable.
8.	<p>Applicant Information: Enter the following in accordance with agency instructions:</p> <ol style="list-style-type: none"> a. Legal Name: (Required) Enter the legal name of applicant that will undertake the assistance activity. This is the name that the organization has registered with the Central Contractor Registry. Information on registering with CCR may be obtained by visiting the Grants.gov website. b. Employer/Taxpayer Number (EIN/TIN): (Required): Enter the Employer or Taxpayer Identification Number (EIN or TIN) as assigned by the Internal Revenue Service. If your organization is not in the US, enter 44-4444444. c. Organizational DUNS: (Required) Enter the organization's DUNS or DUNS+4 number received from Dun and Bradstreet. Information on obtaining a DUNS number may be obtained by visiting the Grants.gov website. d. Address: Enter the complete address as follows: Street address (Line 1 required), City (Required), County, State (Required, if country is US), Province, Country (Required), Zip/Postal Code (Required, if country is US). e. Organizational Unit: Enter the name of the primary organizational unit (and department or division, if applicable) that will undertake the assistance activity, if applicable. f. Name and contact information of person to be contacted on matters involving this application: Enter the name (First and last name required), organizational affiliation (if affiliated with an organization other than the applicant organization), telephone number (Required), fax number, and email address (Required) of the person to contact on matters related to this application.
9.	<p>Type of Applicant: (Required) Select up to three applicant type(s) in accordance with agency instructions:</p> <ol style="list-style-type: none"> A. State Government B. County Government C. City or Township Government D. Special District Government E. Regional Organization F. U.S. Territory or Possession G. Independent School District H. Public/State Controlled Institution of Higher Education I. Indian/Native American Tribal Government (Federally Recognized) J. Indian/Native American Tribal Government (Other than Federally Recognized) K. Indian/Native American Tribally Designated Organization L. Public/Indian Housing Authority M. Nonprofit with 501C3 IRS Status (Other than Institution of Higher Education) N. Nonprofit without 501C3 IRS Status (Other than Institution of Higher Education) O. Private Institution of Higher Education P. Individual Q. For-Profit Organization (Other than Small Business) R. Small Business S. Hispanic-serving Institution

Item	Entry
	T. Historically Black Colleges and Universities (HBCUs) U. Tribally Controlled Colleges and Universities (TCCUs) V. Alaska Native and Native Hawaiian Serving Institutions W. Non-domestic (non-US) Entity X. Other (specify)
10.	Name Of Federal Agency: (Required) Enter the name of the Federal agency from which assistance is being requested with this application.
11.	Catalog Of Federal Domestic Assistance Number/Title: Enter the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested, as found in the program announcement, if applicable.
12.	Funding Opportunity Number/Title: Enter the Funding Opportunity Number and title of the opportunity under which assistance is requested, as found in the program announcement.
13.	Competition Identification Number/Title: Enter the Competition Identification Number and title of the competition under which assistance is requested, if applicable.
14.	Areas Affected By Project: List the areas or entities using the categories (e.g., cities, counties, states, etc.) specified in agency instructions. Use the continuation sheet to enter additional areas, if needed.
15.	Descriptive Title of Applicant's Project: (Required) Enter a brief descriptive title of the project. If appropriate, attach a map showing project location (e.g., construction or real property projects). For preapplications, attach a summary description of the project.
16.	Congressional Districts Of: (Required) 16a. Enter the applicant's Congressional District, and 16b. Enter all District(s) affected by the program or project. Enter in the format: 2 characters State Abbreviation – 3 characters District Number, e.g., CA-005 for California 5 th district, CA-012 for California 12 th district, and NC-103 for North Carolina's 103 rd district. <ul style="list-style-type: none"> • If all congressional districts in a state are affected, enter "all" for the district number, e.g., MD-all for all congressional districts in Maryland. • If nationwide, i.e. all districts within all states are affected, enter US-all. • If the program/project is outside the US, enter 00-000.
17.	Proposed Project Start and End Dates: (Required) Enter the proposed start date and end date of the project.
18.	Estimated Funding: (Required) Enter the amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines, as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses.
19.	Is Application Subject to Review by State Under Executive Order 12372 Process? Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process. Select the appropriate box. If "a." is selected, enter the date the application was submitted to the State.
20.	Is the Applicant Delinquent on any Federal Debt? (Required) Select the appropriate box. This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes. If yes, include an explanation on the continuation sheet.
21.	Authorized Representative: (Required) To be signed and dated by the authorized representative of the applicant organization. Enter the name (First and last name required), title (Required), telephone number (Required), fax number, and email address (Required) of the person authorized to sign for the applicant. A copy of the governing body's authorization for you to sign this application as the official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.)



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-100, Application for Federal Assistance (Development and Equipment Projects)

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 28 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200; no assurance of confidentiality is provided. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the FAA at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.

INSTRUCTIONS FOR FORM 5100-100

PART I – Application for Federal Assistance

Part I of the Application for Federal Assistance consists of a completed Standard Form (SF) 424. The remaining parts of Form 5100-100 (Parts II, III and IV) represent continuation pages that the Sponsor must attach to the associated SF-424 form. The signature of the Sponsor's authorized representative on the SF-424 form represents acceptance of the representations and certifications made within the corresponding FAA 5100-100 form.

PART II – Project Approval Information

This information is necessary for the Federal Aviation Administration to evaluate this request for Federal assistance. Responses do not require an explanation unless explicitly requested by the question.

SECTION A. STATUTORY CONDITIONS

Item 1 – Indicate whether the Sponsor maintains an active registration in the Federal System for Award Management (SAM). Pursuant to 2 CFR §25.200(b), a Sponsor must maintain an active registration in the Central Contractor Registration repository (housed within SAM) with current information at the time of the application and during the active period of the Federal award.

Item 2 – Indicate whether the Sponsor can commence the project within the same fiscal year the grant is made or within 6 months of when the grant is made, whichever is later. Attach explanation for negative responses. This information is considered when allocating discretionary funds. (49 U.S.C. § 47115(d)(2))

Item 3 – Indicate whether the Sponsor can complete the project without unreasonable delays. If applicable, provide listing of foreseeable events (winter shutdown, land acquisition issues, non-aeronautical events, etc.) that have potential to delay completion of the project. (49 USC § 47106(a))

Item 4 – Indicate whether the environmental review (i.e. environmental assessment, mitigated FONSI, etc.) identified impacts or effects on the environment that require mitigating measures that lessen the impact or effect on the environment. If yes, provide a summary listing of mitigating measures. (49 U.S.C. § 47106(c))

Item 5 – Indicate whether the project covered by this request is also covered by an approved Passenger Facility Charge (PFC) application or other Federal assistance program by selecting all applicable check boxes (49 U.S.C. § 40117(d) and 2 CFR § 200.403). If the approved PFC application only addresses the Sponsor's AIP matching share, select the appropriate check box.

If the project, or portions thereof, is covered by another Federal assistance program, identify the Federal assistance program by name and the Catalog of Federal Domestic Assistance (CFDA) number.

Item 6 – Indicate whether the Sponsor intends to seek reimbursement of Sponsor indirect costs as defined by 2 CFR §200.414 and 2 CFR Appendix VII to Part 200. This information request **does not** include the indirect costs claimed by a for-profit entity (e.g. consultant).

- The de minimis rate may only be used if the Sponsor has not previously received a negotiated Indirect Cost Rata (ICR) and does not exceed the limitations prescribed in Appendix VII to Part 200.
- A Sponsor with an existing approved negotiated ICR must identify the ICR value, the name of the cognizant agency that approved the ICR and the date of approval.

Limitations of use: Per policy, Sponsor's may only apply an approved ICR to allowable direct salary expenses that are reasonable and necessary to carry-out the project.

SECTION B. CERTIFICATION REGARDING LOBBYING

This section addresses the Sponsor's declaration regarding lobbying activities. The declaration made in the section are under signature of the authorized representative as identified in box 21 of form SF-424, to which this form is attached.

Title 31 U.S.C. § 1352 establishes that no appropriated funds may be expended by a recipient of a Federal grant to pay any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this covered Federal assistance action. Pursuant to 40 CFR part 20, this certification attests that the Sponsor has not made, and will not make, any payment prohibited payment by 31 U.S.C. § 1352.

SECTION C. REPRESENTATIONS AND CERTIFICATION

1. **Compatible Land Use** (49 U.S.C. § 47107(a)(10)) – Identify actions the Sponsor has taken to assure land uses in close proximity to the airport are compatible with normal airport operations.
2. **Defaults** – Confirm that Sponsor is not in default on any obligation to the United States or any agency of the United States government.
3. **Possible Disabilities** – Confirm that Sponsor has no facts or circumstances (i.e. legal, financial or otherwise) that might adversely affect the Sponsor in completing the project and carrying out the provisions of the associated Grant Assurances.
4. **Consistency with Local Plans** (49 U.S.C. § 47106(a)) – Confirm project is consistent with plans (existing at the time the project is approved) of public agencies authorized by the State in which the airport is located to plan.
5. **Consideration of Local Interests** (49 U.S.C. § 47106(b)) – Confirm the Sponsor has given fair consideration to the community in and near the project.
6. **Consultation with Users** (49 U.S.C. § 47105(a)) - Confirm the Sponsor has consulted with airport users that will be affected by the project.
7. **Public Hearings** (49 U.S.C. § 47106(c)) – For projects involving the location of an airport, runway or major runway extension, confirm the Sponsor:
 - a. Provided an opportunity for a public hearing to consider economic, social and environmental effects of the project.
 - b. Has voting representation from the communities in which the project is located; or has advised the communities that they have the right to petition the Secretary about the proposed project.
8. **Air and Water Quality Standards** - Confirm Sponsor will comply with applicable air and water quality standards.
9. **Exclusive Rights** (49 U.S.C. § 47107(a)) – Identify all instances of exclusive rights to conduct aeronautical services at the airport.
10. **Land (49 U.S.C. § 47106(b))** –
 - a. Identify property interests specific to the development project and/or land acquisition. The declaration of property interest is to be based upon a title opinion submitted by an attorney. When identifying the property interest, use the same parcel numbers as used to identify the property on the associated Exhibit A property map.
Example: “*Sponsor maintains property interest as depicted within the property table on the Exhibit A property map dated __/__/__ originally filed with AIP Project ###.*”
 - b. Complete this subpart if the Sponsor proposes a project for which they have not yet obtained appropriate property interests. Note that the work may not commence until Sponsor obtains acceptable property interests. Identify such property by parcel number that corresponds to the associated Exhibit A property map.
 - c. Complete this subpart when acquiring property interests under the grant. Identify such property by parcel number that corresponds to the associated Exhibit A property map.

PART III – Budget Information

SECTION A. GENERAL

1. Federal Domestic Assistance Catalog Number - Show the Federal Domestic Assistance Catalog Number from which the assistance is requested.

2. Functional or Other Breakout: Indicate “Airport Improvement Program”. Prepare a separate set of Part III forms for other Federal program categories.

SECTION B. CALCULATION OF FEDERAL GRANT

When applying for a new grant, use the Total Amount Column only. Use all columns when requesting revisions of previously awarded amounts.

Line 1 - Enter amounts needed for administration expenses, which may include such items as: legal fees, mailing/shipping expenses, audit fees and documented Sponsor employee time that is necessary to administer the grant.

Line 2 - Enter amounts pertaining to allowable preliminary expenses. These include such expenses as independent fee estimate preparation, advertising expenses and permits.

Line 3 - Enter amounts directly associated with the acquisition of land, existing structures, and related right-of-way.

Line 4 - Enter fees for architectural engineering basic services.

Line 5 - Enter amounts for architectural engineering special services (e.g. surveys, tests and borings).

Line 6 - Enter fees for inspection, testing and monitoring of construction and related programs.

Line 7 - Enter amounts associated with the development of land where the primary purpose of the grant is land improvement. Site work normally associated with major construction should be excluded from this category and shown on line 11.

Line 8 - Enter the dollar amounts needed to provide relocation advisory assistance, and the net amounts for replacement (last resort) housing. Do not include relocation administration expenses on this Line; include them on Line 1.

Line 9 - Enter the estimated amount of relocation payments to be made to displaced persons, business concerns, and non-profit organizations for moving expenses and replacement housing.

Line 10 - Enter the cost of demolition or removal of improvements on developed land. Reduce the costs on this line by the amount of expected proceeds from the sale of salvage, if so instructed by the Federal grantor agency. Otherwise, show the proceeds on Line 15.

Line 11 - Enter amounts for the actual construction of, addition to or restoration of a facility. Include in this category the amounts of project improvements such as grading, drainage, paving, marking, lighting, buildings, seeding/sodding, etc.

Line 12 - Enter amounts for equipment. Examples include ARFF vehicles, SRE equipment, AWOS equipment, interactive training, NAVAID equipment, etc.)

Line 13 - Enter miscellaneous amounts for items not specifically covered by previous categories.

Line 14 - Enter the sum of Lines 1-13.

Line 15 - Enter the estimated amount of program income that will be earned during the grant period and applied to the program. Examples include vehicle trade-in value, sale of millings resulting from project, credits passed on from contractor, etc. This line may be used to indicate applied liquidated damages.

Line 16 - Enter the difference between Line 14 and Line 15.

Line 17 - Enter the aggregate amount for those items, which are a part of the project but not subject to Federal participation. Refer to Section C, exclusions.

Line 18 - Enter the subtotal sum of Lines 16 and 17. (This is the amount to which the matching share ratio prescribed in program legislation is applied.)

Line 19 - Indicate the total amount of the Federal assistance requested. This value is determined by multiplying the grant participation rate by the amount indicated in line 18.

Line 20 - Indicate the amount of the Grantee's share (from Section D).

Line 21 - Indicate the amount of other shares (from Section D)

Line 22 - Indicate sum of Lines 19, 20 and 21.

SECTION C. EXCLUSIONS

Line 23 a-g - Identify and list those costs which are part of the project cost but are not subject to Federal participation because of program legislation or Federal grantor agency instructions. The total amount on Line g should agree with the amount shown on Line 17 of Section B.

SECTION D. PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

Line 24 a-g - Show the source of the grantee's share. If cash is not immediately available, specify the actions completed to date and those actions remaining to make cash available under Section E - Remarks. Indicate also the period of time that will be required after execution of the grant agreement to obtain the funds. If there is a non-cash contribution, explain what this contribution will consist of.

Line 24h - Indicate total of Lines 24 a-g. This amount must equal the amount in Section B, Line 20.

Line 25a - Show the amount that will be contributed by a State or state agency, only if the applicant is not a State or state agency. If there is a non-cash or other contribution, explain what the contribution will consist of under Section E - Remarks.

Line 25b - Show the amount that will be contributed from other sources. If there is a non-cash contribution, explain what the contribution will consist of under Section E - Remarks.

Line 25c - Show the total of Lines 25a and 25b. This amount must be the same as the amount shown in Section B, Line 21.

Line 26 - Enter the totals of Lines 24h and 25c.

SECTION E. OTHER REMARKS

Make any remarks pertinent to the project and provide any other information required by these instructions or the grantor agency. Attach additional sheets, if necessary.

PART IV – Program Narrative

Prepare the program narrative statement in accordance with the following instructions for all new grant programs. Requests for supplemental assistance should be responsive to Item 5b only. Requests for continuation or refunding or other changes of an approved project should be responsive to Item 5c only.

1. OBJECTIVES AND NEED FOR THIS ASSISTANCE

Provide a short and concise description of the proposed improvement. Include a narrative on why this improvement is needed.

2. RESULTS OR BENEFITS EXPECTED

Identify results and benefits to be derived. For example, include a description of who will occupy the facility and show how the facility will be used. For land acquisition or development projects, explain how the project will benefit the public.

3. APPROACH

- a. Outline a plan of action pertaining to the scope and detail of how the Sponsor proposes to accomplish the work.
- b. Cite factors, which might accelerate or decelerate the work, and your reason for taking this approach as opposed to others. Describe any unusual features of the project such as construction approach, reductions in cost or time or extraordinary social and community involvements.
- c. Provide projections of project milestone dates. As a minimum, identify target dates for defining project costs (i.e. bid opening or completion of negotiations), anticipated issuance of notice-to-proceed and anticipated project completion date.
- d. Identify monitoring and oversight mechanisms the Sponsor proposes to implement.
- e. List key individuals and entities such as consultant, Sponsor personnel and contractor who will work on the project. Provide a short description of the nature of their effort or contribution.

4. GEOGRAPHIC LOCATION

Identify location of the project. This will typically be the name of the airport.

5. IF APPLICABLE, PROVIDE THE FOLLOWING INFORMATION:

- a. Describe the relationship between this project and other work planned, anticipated or underway under the Federal Assistance listed under Part II, Section A, Item 5.
- b. Explain the reason for all requests for supplemental assistance and justify the need for additional funding.
- c. If there have been significant changes in the project objectives, location, approach or time delays, explain and justify. For other requests for changes or amendments, explain the reason for the change(s). If the scope, budget, or objectives have changed or an extension of time is necessary, explain the circumstances and justify.

6. SPONSOR'S REPRESENTATIVE

Identify contact information of Sponsor's representative.

PART II - SECTION B

Certification Regarding Lobbying

The declarations made on this page are under the signature of the authorized representative as identified in box 21 of form SF-424, to which this form is attached. The term "Sponsor" refers to the applicant name provided in box 8 of the associated SF-424 form.

The Authorized Representative certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the Sponsor, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the Authorized Representative shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The Authorized Representative shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

PART II – SECTION C

The Sponsor hereby represents and certifies as follows:

1. Compatible Land Use – The Sponsor has taken the following actions to assure compatible usage of land adjacent to or in the vicinity of the airport:

2. Defaults – The Sponsor is not in default on any obligation to the United States or any agency of the United States Government relative to the development, operation, or maintenance of any airport, except as stated herewith:

3. Possible Disabilities – There are no facts or circumstances (including the existence of effective or proposed leases, use agreements or other legal instruments affecting use of the Airport or the existence of pending litigation or other legal proceedings) which in reasonable probability might make it impossible for the Sponsor to carry out and complete the Project or carry out the provisions of the Grant Assurances, either by limiting its legal or financial ability or otherwise, except as follows:

4. Consistency with Local Plans – The project is reasonably consistent with plans existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

5. Consideration of Local Interest – It has given fair consideration to the interest of communities in or near where the project may be located.

6. Consultation with Users – In making a decision to undertake an airport development project under Title 49, United States Code, it has consulted with airport users that will potentially be affected by the project (§ 47105(a)(2)).

7. Public Hearings – In projects involving the location of an airport, an airport runway or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

8. Air and Water Quality Standards – In projects involving airport location, a major runway extension, or runway location it will provide for the Governor of the state in which the project is located to certify in writing to the Secretary that the project will be located, designed, constructed, and operated so as to comply with applicable and air and water quality standards. In any case where such standards have not been approved and where applicable air and water quality standards have been promulgated by the Administrator of the Environmental Protection Agency, certification shall be obtained from such Administrator. Notice of certification or refusal to certify shall be provided within sixty days after the project application has been received by the Secretary.

PART II – SECTION C (Continued)

9. Exclusive Rights – There is no grant of an exclusive right for the conduct of any aeronautical activity at any airport owned or controlled by the Sponsor except as follows:

10. Land – (a) The sponsor holds the following property interest in the following areas of land, which are to be developed or used as part of or in connection with the Airport subject to the following exceptions, encumbrances, and adverse interests, all of which areas are identified on the aforementioned property map designated as Exhibit “A”. [1]

The Sponsor further certifies that the above is based on a title examination by a qualified attorney or title company and that such attorney or title company has determined that the Sponsor holds the above property interests.

(b) The Sponsor will acquire within a reasonable time, but in any event prior to the start of any construction work under the Project, the following property interest in the following areas of land on which such construction work is to be performed, all of which areas are identified on the aforementioned property map designated as Exhibit “A”. [1]

(c) The Sponsor will acquire within a reasonable time, and if feasible prior to the completion of all construction work under the Project, the following property interest in the following areas of land which are to be developed or used as part of or in connection with the Airport as it will be upon completion of the Project, all of which areas are identified on the aforementioned property map designated as Exhibit “A”. [1]

¹ State the character of property interest in each area and list and identify for each all exceptions, encumbrances, and adverse interests of every kind and nature, including liens, easements, leases, etc. The separate areas of land need only be identified here by the area numbers shown on the property map.

PART III – BUDGET INFORMATION – CONSTRUCTION

SECTION A – GENERAL

1. Federal Domestic Assistance Catalog Number:
2. Functional or Other Breakout:

SECTION B – CALCULATION OF FEDERAL GRANT

Cost Classification	Latest Approved Amount (Use only for revisions)	Adjustment + or (-) Amount (Use only for revisions)	Total Amount Required
1. Administration expense			
2. Preliminary expense			
3. Land, structures, right-of-way			
4. Architectural engineering basic fees			
5. Other Architectural engineering fees			
6. Project inspection fees			
7. Land development			
8. Relocation Expenses			
9. Relocation payments to Individuals and Businesses			
10. Demolition and removal			
11. Construction and project improvement			
12. Equipment			
13. Miscellaneous			
14. Subtotal (Lines 1 through 13)			
15. Estimated Income (if applicable)			
16. Net Project Amount (Line 14 minus 15)			
17. Less: Ineligible Exclusions (Section C, line 23 g.)			
18. Subtotal (Lines 16 through 17)			
19. Federal Share requested of Line 18			
20. Grantee share			
21. Other shares			
22. TOTAL PROJECT (Lines 19, 20 & 21)			

SECTION C – EXCLUSIONS	
23. Classification (Description of non-participating work)	Amount Ineligible for Participation
a.	
b.	
c.	
d.	
e.	
f.	
g. Total	

SECTION D – PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE	
24. Grantee Share – Fund Categories	Amount
a. Securities	
b. Mortgages	
c. Appropriations (by Applicant)	
d. Bonds	
e. Tax Levies	
f. Non-Cash	
g. Other (Explain):	
h. TOTAL - Grantee share	
25. Other Shares	Amount
a. State	
b. Other	
c. TOTAL - Other Shares	
26. TOTAL NON-FEDERAL FINANCING	

SECTION E – REMARKS (Attach sheets if additional space is required)

PART IV – PROGRAM NARRATIVE
(Suggested Format)

PROJECT:
AIRPORT:
1. Objective:
2. Benefits Anticipated:
3. Approach: (See approved Scope of Work in Final Application)
4. Geographic Location:
5. If Applicable, Provide Additional Information:
6. Sponsor's Representative: (include address & telephone number)

CIP/PREAPPLICATION DATA SHEET

AIRPORT: Grand Junction Regional Airport **LOCAL PRIORITY:** N/A. **UPDATED:** June 2020

WORK ITEM: TW A Phase 2 Rehab of BLM & Commercial Apron Sections & rehab RW 11-29- Construction

SKETCH:



JUSTIFICATION: This project will serve as the continuation of the previous Taxiway A Rehabilitation projects and includes construction costs for rehabilitation of portions of Taxiway A and all Runway 11-29 pavement at Grand Junction Regional Airport. The objective of this project will serve as construction for an asphalt rehabilitation of approximately 4,390 LF x 75 ft wide of existing Taxiway A pavement which is displaying significant levels of alligator cracking, linear cracking, and rutting along wheel paths, plus rejuvenation of existing Runway 11-29 pavements including rubber removal, crack seal, seal coat, and remark. This project will provide construction for a portion of new asphalt pavement surface to Taxiway A in order to achieve the required 10-year structural life required for FAA funded maintenance projects as well as help prevent the high risk for foreign object debris (FOD) associated with the existing pavement distress. This project will also prolong the life of RW 11-29 pavement.

SPONSOR SIGNATURE: _____ **DATE:** 07/22/2020

COST ESTIMATE: Item (Construction)

ADMINISTRATION:	\$ 10,000	1: Construction	\$ 7,317,778	4	\$
ENGINEERING:	\$		\$	5	\$
INSPECTION:	\$ 450,000	3:	\$		
				TOTAL:	\$ 7,777,778

ADO USE:

PREAPP NO: _____ **GRANT NO:** _____ **NPIAS CODE:** _____ **WORK CODE:** _____ **FAA PRIOR:** _____ **FED \$** _____



ASSURANCES AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this grant agreement.

B. Duration and Applicability.

1. Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.

The terms, conditions and assurances of this grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.

The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. Airport Planning Undertaken by a Sponsor.

Unless otherwise specified in this grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 25, 30, 32, 33, and 34 in Section C apply to planning projects. The terms, conditions, and assurances of this grant agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements.

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:

- a. Title 49, U.S.C., subtitle VII, as amended.
- b. Davis-Bacon Act - 40 U.S.C. 276(a), et seq.¹
- c. Federal Fair Labor Standards Act - 29 U.S.C. 201, et seq.
- d. Hatch Act – 5 U.S.C. 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 Title 42 U.S.C. 4601, et seq.^{1,2}
- f. National Historic Preservation Act of 1966 - Section 106 - 16 U.S.C. 470(f).¹
- g. Archeological and Historic Preservation Act of 1974 - 16 U.S.C. 469 through 469c.¹
- h. Native Americans Grave Repatriation Act - 25 U.S.C. Section 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended.
- j. Coastal Zone Management Act, P.L. 93-205, as amended.
- k. Flood Disaster Protection Act of 1973 - Section 102(a) - 42 U.S.C. 4012a.¹
- l. Title 49, U.S.C., Section 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 - 29 U.S.C. 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.), prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 - 42 U.S.C. 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968 -42 U.S.C. 4151, et seq.¹
- s. Power plant and Industrial Fuel Use Act of 1978 - Section 403- 2 U.S.C. 8373.¹
- t. Contract Work Hours and Safety Standards Act - 40 U.S.C. 327, et seq.¹
- u. Copeland Anti-kickback Act - 18 U.S.C. 874.1
- v. National Environmental Policy Act of 1969 - 42 U.S.C. 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended.
- x. Single Audit Act of 1984 - 31 U.S.C. 7501, et seq.²
- y. Drug-Free Workplace Act of 1988 - 41 U.S.C. 702 through 706.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).

EXECUTIVE ORDERS

- a. Executive Order 11246 - Equal Employment Opportunity¹
- b. Executive Order 11990 - Protection of Wetlands
- c. Executive Order 11998 –Flood Plain Management
- d. Executive Order 12372 - Intergovernmental Review of Federal Programs
- e. Executive Order 12699 - Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 - Environmental Justice
- g. Executive Order 13788 - Buy American and Hire American
- h. Executive Order 13858 – Strengthening Buy-American Preferences for Infrastructure Projects

FEDERAL REGULATIONS

- a. 2 CFR Part180 – OMB Guidelines to Agencies on Government-wide Debarment and Suspension (Non-procurement).
- b. 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. [OMB Circular A-87 Cost Principles Applicable to Grants and Contracts with State and Local Governments, and OMB Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations].^{4,5,6}
- c. 2 CFR Part 1200 – Non-procurement Suspension and Debarment
- d. 14 CFR Part 13 - Investigative and Enforcement Procedures14 CFR Part 16 - Rules of Practice For Federally Assisted Airport Enforcement Proceedings.
- e. 14 CFR Part 150 - Airport noise compatibility planning.
- f. 28 CFR Part 35- Discrimination on the Basis of Disability in State and Local Government Services.
- g. 28 CFR § 50.3 - U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964.
- h. 29 CFR Part 1 - Procedures for predetermination of wage rates.¹
- i. 29 CFR Part 3 - Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States.¹
- j. 29 CFR Part 5 - Labor standards provisions applicable to contracts covering federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act).¹
- k. 41 CFR Part 60 - Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and federally assisted contracting requirements).¹
- l. 49 CFR Part 18 - Uniform administrative requirements for grants and cooperative agreements to state and local governments.³
- m. 49 CFR Part 20 - New restrictions on lobbying.

- n. 49 CFR Part 21 – Nondiscrimination in federally-assisted programs of the Department of Transportation - effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 - Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally Assisted Programs.^{1,2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance.¹
- s. 49 CFR Part 28 –Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities conducted by the Department of Transportation.
- t. 49 CFR Part 30 - Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors.
- u. 49 CFR Part 32 –Government-wide Requirements for Drug-Free Workplace (Financial Assistance)
- v. 49 CFR Part 37 –Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 41 - Seismic safety of Federal and federally assisted or regulated new building construction.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this grant agreement.

FOOTNOTES TO ASSURANCE C.1.

- ¹ These laws do not apply to airport planning sponsors.
- ² These laws do not apply to private sponsors.
- ³ 49 CFR Part 18 and 2 CFR Part 200 contain requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation and circular shall also be applicable to private sponsors receiving Federal assistance under Title 49, United States Code.
- ⁴ On December 26, 2013 at 78 FR 78590, the Office of Management and Budget (OMB) issued the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in 2 CFR Part 200. 2 CFR Part 200 replaces and combines the former Uniform Administrative Requirements for Grants (OMB Circular A-102 and Circular A-110 or 2 CFR Part 215 or Circular) as well as the Cost Principles (Circulars A-21 or 2 CFR part 220; Circular A-87 or 2 CFR part 225; and A-122, 2 CFR part 230). Additionally it replaces Circular A-133 guidance on the Single Annual Audit. In accordance with 2 CFR section 200.110, the standards set forth in Part 200 which affect administration of Federal awards issued by Federal agencies become effective once implemented by Federal agencies or when any future amendment to this Part becomes final. Federal agencies, including the Department of Transportation, must implement the policies and procedures applicable to Federal awards by promulgating a regulation to be effective by December 26, 2014 unless different provisions are required by statute or approved by OMB.

- ⁵ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.
- ⁶ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this grant agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this grant agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this grant agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this grant agreement without approval by the

Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this grant agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this grant agreement.

- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to insure that the airport will be operated and maintained in accordance Title 49, United States Code, the regulations and the terms, conditions and assurances in this grant agreement and shall insure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of Sec. 136 of Public Law 112-95 and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under section 44706 of Title 49, United States Code, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this grant, the total cost of the project in connection with which this grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this grant agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor, in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a-5), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this grant agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in Section 47112 of Title 49, United States Code. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this grant agreement, and, upon approval of the Secretary, shall be incorporated into this grant agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this grant agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.
- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.

- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for-
 - 1) Operating the airport's aeronautical facilities whenever required;
 - 2) Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3) Promptly notifying airmen of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with

respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to-
 - 1) furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 - 2) charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.
- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1) If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated

by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

- 2) If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
- 3) Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at Section 47102 of title 49 United States Code), if the FAA determines the airport sponsor meets the requirements set forth in Sec. 813 of Public Law 112-95.
 - b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.
 - c. Any civil penalties or other sanctions will be imposed for violation of this assurance in accordance with the provisions of Section 47107 of Title 49, United States Code.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this grant agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 - 1) all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 - 2) all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that –

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein, or rights in buildings of the sponsor as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan of the airport showing:
 - 1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto;
 - 2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities;
 - 3) the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 - 4) all proposed and existing access points used to taxi aircraft across the airport's property boundary. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity

with the airport layout plan as approved by the Secretary and which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary (1) eliminate such adverse effect in a manner approved by the Secretary; or (2) bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, creed, color, national origin, sex, age, or disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any activity conducted with, or benefiting from, funds received from this grant.

- a. Using the definitions of activity, facility and program as found and defined in §§ 21.23 (b) and 21.23 (e) of 49 CFR § 21, the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by, or pursuant to these assurances.

b. Applicability

- 1) Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
- 2) Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
- 3) Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.

c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

- 1) So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
- 2) So long as the sponsor retains ownership or possession of the property.

- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this grant agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(Name of Sponsor)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises and airport concession disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

- e. Required Contract Provisions.

- 1) It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the DOT, and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
- 2) It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
- 3) It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
- 4) It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin, creed, sex, age, or handicap as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.
- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order, (1)

- reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund. If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.
- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, (1) upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order: (1) reinvestment in an approved noise compatibility project, (2) reinvestment in an approved project that is eligible for grant funding under Section 47117(e) of title 49 United States Code, (3) reinvestment in an approved airport development project that is eligible for grant funding under Sections 47114, 47115, or 47117 of title 49 United States Code, (4) transferred to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport, and (5) paid to the Secretary for deposit in the Airport and Airway Trust Fund.
 - c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.
 - d. Disposition of such land under (a) (b) or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

Engineering and Design Services. If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U. S. C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, the advisory circulars listed in the Current FAA Advisory Circulars for AIP projects, dated _____, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1936 (31 U.S.C. 3801).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or

operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in section 47102 of title 49, U.S.C.) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that-
 - 1) Describes the requests;
 - 2) Provides an explanation as to why the requests could not be accommodated; and
 - 3) Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.



**FAA
Airports**

Current FAA Advisory Circulars Required for Use in AIP Funded and PFC Approved Projects

Updated: 2/28/2020

View the most current versions of these ACs and any associated changes at:
http://www.faa.gov/airports/resources/advisory_circulars and
http://www.faa.gov/regulations_policies/advisory_circulars/

NUMBER	TITLE
70/7460-1L Changes 1 - 2	Obstruction Marking and Lighting
150/5000-9A	Announcement of Availability Report No. DOT/FAA/PP/92-5, Guidelines for the Sound Insulation of Residences Exposed to Aircraft Operations
150/5000-17	Critical Aircraft and Regular Use Determination
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-6B Changes 1 - 2	Airport Master Plans
150/5070-7 Change 1	The Airport System Planning Process
150/5100-13C	Development of State Aviation Standards for Airport Pavement Construction
150/5200-28F	Notices to Airmen (NOTAMs) for Airport Operators
150/5200-30D Change 1	Airport Field Condition Assessments and Winter Operations Safety
150/5200-31C Changes 1 - 2	Airport Emergency Plan
150/5210-5D	Painting, Marking, and Lighting of Vehicles Used on an Airport
150/5210-7D	Aircraft Rescue and Fire Fighting Communications
150/5210-13C	Airport Water Rescue Plans and Equipment

NUMBER	TITLE
150/5210-14B	Aircraft Rescue Fire Fighting Equipment, Tools and Clothing
150/5210-15A	Aircraft Rescue and Firefighting Station Building Design
150/5210-18A	Systems for Interactive Training of Airport Personnel
150/5210-19A	Driver's Enhanced Vision System (DEVs)
150/5220-10E	Guide Specification for Aircraft Rescue and Fire Fighting (ARFF) Vehicles
150/5220-16E, Change 1	Automated Weather Observing Systems (AWOS) for Non-Federal Applications
150/5220-17B	Aircraft Rescue and Fire Fighting (ARFF) Training Facilities
150/5220-18A	Buildings for Storage and Maintenance of Airport Snow and Ice Control Equipment and Materials
150/5220-20A	Airport Snow and Ice Control Equipment
150/5220-21C	Aircraft Boarding Equipment
150/5220-22B	Engineered Materials Arresting Systems (EMAS) for Aircraft Overruns
150/5220-23	Frangible Connections
150/5220-24	Foreign Object Debris Detection Equipment
150/5220-25	Airport Avian Radar Systems
150/5220-26, Changes 1 - 2	Airport Ground Vehicle Automatic Dependent Surveillance - Broadcast (ADS-B) Out Squitter Equipment
150/5300-13A, Change 1	Airport Design
150/5300-14C	Design of Aircraft Deicing Facilities
150/5300-16B	General Guidance and Specifications for Aeronautical Surveys: Establishment of Geodetic Control and Submission to the National Geodetic Survey
150/5300-17C Change 1	Standards for Using Remote Sensing Technologies in Airport Surveys
150/5300-18B Change 1	General Guidance and Specifications for Submission of Aeronautical Surveys to NGS: Field Data Collection and Geographic Information System (GIS) Standards
150/5320-5D	Airport Drainage Design

NUMBER	TITLE
150/5320-6F	Airport Pavement Design and Evaluation
150/5320-12C, Changes 1 - 8	Measurement, Construction, and Maintenance of Skid Resistant Airport Pavement Surfaces
150/5320-15A	Management of Airport Industrial Waste
150/5325-4B	Runway Length Requirements for Airport Design
150/5335-5C	Standardized Method of Reporting Airport Pavement Strength - PCN
150/5340-1M	Standards for Airport Markings
150/5340-5D	Segmented Circle Airport Marker System
150/5340-18G	Standards for Airport Sign Systems
150/5340-26C	Maintenance of Airport Visual Aid Facilities
150/5340-30J	Design and Installation Details for Airport Visual Aids
150/5345-3G	Specification for L-821, Panels for the Control of Airport Lighting
150/5345-5B	Circuit Selector Switch
150/5345-7F	Specification for L-824 Underground Electrical Cable for Airport Lighting Circuits
150/5345-10H	Specification for Constant Current Regulators and Regulator Monitors
150/5345-12F	Specification for Airport and Heliport Beacons
150/5345-13B	Specification for L-841 Auxiliary Relay Cabinet Assembly for Pilot Control of Airport Lighting Circuits
150/5345-26D	FAA Specification For L-823 Plug and Receptacle, Cable Connectors
150/5345-27E	Specification for Wind Cone Assemblies
150/5345-28H	Precision Approach Path Indicator (PAPI) Systems
150/5345-39D	Specification for L-853, Runway and Taxiway Retroreflective Markers
150/5345-42J	Specification for Airport Light Bases, Transformer Housings, Junction Boxes, and Accessories
150/5345-43J	Specification for Obstruction Lighting Equipment

NUMBER	TITLE
150/5345-44K	Specification for Runway and Taxiway Signs
150/5345-45C	Low-Impact Resistant (LIR) Structures
150/5345-46E	Specification for Runway and Taxiway Light Fixtures
150/5345-47C	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49D	Specification L-854, Radio Control Equipment
150/5345-50B	Specification for Portable Runway and Taxiway Lights
150/5345-51B	Specification for Discharge-Type Flashing Light Equipment
150/5345-52A	Generic Visual Glideslope Indicators (GVGI)
150/5345-53D	Airport Lighting Equipment Certification Program
150/5345-54B	Specification for L-884, Power and Control Unit for Land and Hold Short Lighting Systems
150/5345-55A	Specification for L-893, Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56B	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-12F	Airport Signing and Graphics
150/5360-13A	Airport Terminal Planning
150/5360-14A	Access to Airports By Individuals With Disabilities
150/5370-2G	Operational Safety on Airports During Construction
150/5370-10H	Standard Specifications for Construction of Airports
150/5370-11B	Use of Nondestructive Testing in the Evaluation of Airport Pavements
150/5370-13A	Off-Peak Construction of Airport Pavements Using Hot-Mix Asphalt
150/5370-15B	Airside Applications for Artificial Turf
150/5370-16	Rapid Construction of Rigid (Portland Cement Concrete) Airfield Pavements
150/5370-17	Airside Use of Heated Pavement Systems
150/5390-2C	Heliport Design
150/5395-1B	Seaplane Bases

THE FOLLOWING ADDITIONAL APPLY TO AIP PROJECTS ONLY

Updated: 3/22/2019

NUMBER	TITLE
150/5100-14E, Change 1	Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects
150/5100-17, Changes 1 - 7	Land Acquisition and Relocation Assistance for Airport Improvement Program Assisted Projects
150/5300-15A	Use of Value Engineering for Engineering and Design of Airport Grant Projects
150/5320-17A	Airfield Pavement Surface Evaluation and Rating Manuals
150/5370-12B	Quality Management for Federally Funded Airport Construction Projects
150/5380-6C	Guidelines and Procedures for Maintenance of Airport Pavements
150/5380-7B	Airport Pavement Management Program
150/5380-9	Guidelines and Procedures for Measuring Airfield Pavement Roughness

STANDARD DOT TITLE VI ASSURANCES

Grand Junction Regional Airport Authority (hereinafter referred to as the Sponsor) hereby agrees that as a condition to receiving Federal financial assistance from the Department of Transportation (DOT), it will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and all requirements imposed by 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act of 1964 (hereinafter referred to as the "Regulations") to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement. Without limiting the above general assurance, the Sponsor agrees concerning this grant that:

1. Each "program" and "facility" (as defined in Section 21.23(a) and 21.23(b)) will be conducted or operated in compliance with all requirements of the Regulations.
2. It will insert the clauses of Attachment 1 of this assurance in every contract subject to the Act and the Regulations.
3. Where Federal financial assistance is received to construct a facility, or part of a facility, the assurance shall extend to the entire facility and facilities operated in connection therewith.
4. Where Federal financial assistance is in the form or for the acquisition of real property or an interest in real property, the assurance shall extend to rights to space on, over, or under such property.
5. It will include the appropriate clauses set forth in Attachment 2 of this assurance, as a covenant running with the land, in any future deeds, leases, permits, licenses, and similar agreements entered into by the Sponsor with other parties:

(a) for the subsequent transfer of real property acquired or improved with Federal financial assistance under this project; and

(b) for the construction or use of or access to space on, over, or under real property acquired or improved with Federal financial assistance under this Project.

6. This assurance obligates the Sponsor for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon, in which case the assurance obligates the Sponsor or any transferee for the longer of the following periods:

(a) the period during which the property is used for a purpose for which Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or

(b) the period during which the Sponsor retains ownership or possession of the property.

7. **It will provide for such methods of administration for the program as are found by the Secretary of transportation of the official to whom he delegates specific authority to give reasonable guarantees that it, other sponsors, subgrantees, contractors, subcontractors, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the act, the Regulations, and this assurance.**

STANDARD DOT TITLE VI ASSURANCES *(Continued)*

8. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Act, the Regulations, and this assurance.

THIS ASSURANCE is given in consideration of and for the purpose of obtaining Federal financial assistance for this Project and is binding on its contractors, the Sponsor, subcontractors, transferees, successors in interest and other participants in the Project. The person or persons whose signatures appear below are authorized to sign this assurance on behalf of the Sponsor.

DATED 07/22/2020

Grand Junction Regional Airport Authority
(Sponsor)

(Signature of Authorized Official)

CONTRACTOR CONTRACTUAL REQUIREMENTS

ATTACHMENT 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:

1. Compliance with Regulations. The contractor shall comply with the regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.

2. Nondiscrimination. The contractor, with regard to the work performed by it during the contract, shall 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 shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

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 lease of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.

4. Information and Reports. The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall 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 Regulations, orders, and instructions. Where any information required of a contract is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.

5. Sanctions for Noncompliance. In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:

- a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
- b. Cancellation, termination, or suspension of the contract, in whole or in part.

6. Incorporation of Provisions. The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such 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, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

CLAUSES FOR DEEDS, LICENSES, LEASES, PERMITS OR SIMILAR INSTRUMENTS

ATTACHMENT 2

The following clauses shall be included in deeds, licenses, leases, permits, or similar instruments entered into by the Sponsor pursuant to the provisions of Assurances 5(a) and 5(b).

1. The (grantee, licensee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that in the event facilities are constructed, maintained, or otherwise operated on the said property described in this (deed, license, lease, permit, etc.) for a purpose for which a DOT program or activity is extended or for another purpose involving the provision of similar services or benefits, the (grantee, licensee, lessee, permittee, etc.) shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

2. The (grantee, licensee, lessee, permittee, etc., as appropriate) for himself, his heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add "as a covenant running with the land") that: (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (grantee, licensee, permittee, etc.) shall use the premises in compliance with all other requirements imposed by or pursuant to 49 CFR Part 21, Nondiscrimination in Federally Assisted Programs of the Department of Transportation, and as said Regulations may be amended.

**REQUIRED STATEMENTS
AIRPORT IMPROVEMENT PROGRAM PROJECTS**

AIRPORT: Grand Junction Regional Airport

LOCATION: Grand Junction, Colorado

AIP PROJECT NO.: _____

STATEMENTS APPLICABLE TO THIS PROJECT

- a. **INTEREST OF NEIGHBORING COMMUNITIES:** In formulating this project, consideration has been given to the interest of communities that are near Grand Junction Regional Airport.
- b. **THE DEVELOPMENT PROPOSED IN THIS PROJECT** will not require the use of publicly owned land from a public park, recreation area, wildlife and fowl refuge, or a historical site under Federal, State, or Local jurisdiction.
- c. **FBO COORDINATION:** The airport development proposed in this project has been coordinated with the Fixed Base Operator(s) utilizing Grand Junction Regional Airport, and they have been informed regarding the scope and nature of this project.
- d. **THE PROPOSED PROJECT IS CONSISTENT** with existing approved plans for the area surrounding the airport.

The above statements have been duly considered and are applicable to this project. (Provide comment for any statement not checked).

BY: _____ **DATE:** July 22, 2020

TITLE: Executive Director

SPONSORING AGENCY: Grand Junction Regional Airport Authority

NOTE: Where opposition is stated to an airport development project, whether expressly or by proposed revision, the following specific information concerning the opposition to the project must be furnished.

- a. Identification of the Federal, state, or local governmental agency, or the person or persons opposing the project;
- b. The nature and basis of opposition;
- c. Sponsor's plan to accommodate or otherwise satisfy the opposition;
- d. Whether an opportunity for a hearing was afforded, and if a hearing was held, an analysis of the facts developed at the hearing as they relate to the social, economic, and environmental aspects of the proposed project and its consistency with the goals and objectives of such urban planning as has been carried out by the community.
- e. If the opponents proposed any alternatives, what these alternatives were and the reason for nonacceptance;
- f. Sponsor's plans, if any, to minimize any adverse effects of the project;
- g. Benefits to be gained by the proposed development; and
- h. Any other pertinent information which would be of assistance in determining whether to proceed with the project.

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal Grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL "Disclosure of Lobby Activities", in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signed _____ Date July 22, 2020
Sponsor's Authorized Representative

Title Executive Director

TITLE VI PRE-AWARD SPONSOR CHECKLIST

Airport/Sponsor: Grand Junction Regional Airport

AIP #: _____

Project Description(s): TW A Phase 2 Rehab of BLM & Commercial Apron Sections & rehab RW 11-29 - Construction

- 1) Please describe any of the following IF they apply to your project: Title VI issues raised at public hearing(s) and the conclusions made; EIS data concerning the race, color, or national origin of the affected community; steps taken or proposed to guard against unnecessary impact on persons on the basis of race, color or national origin.
 None

- 2) Please list any airport related Title VI lawsuits or complaints filed in the preceding year against the sponsor. Include a summary of the findings.
 None (If "None", continue with questions 3 and 4).

- 3) Please list any current applications for federal funding (other than FAA) of airport related projects which exceed the amount for this grant.
 None

- 4) Please list any airport related Title VI compliance review(s) received by the sponsor in the preceding two years. Include who conducted the review and any findings of noncompliance.
 None

To be completed by the Civil Rights Staff

Review completed and approved: _____
Signature

Date: _____

This checklist is only required for projects that involve one of the following: Environmental Assessment or Impact Statement (EIS); airport or runway relocation; major runway extension; relocation of any structure of person; or impact to access or preservation of any burial ceremonial or other sacred or historical structures or lands of any indigenous or ethnic population.

Return to: FAA, Civil Rights, Northwest Mountain Region; 1601 Lind Ave. SW; Renton, WA 98057-3356. FAX: (425) 227-1009 Phone (425) 227-2009



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-129, Construction Project Final Acceptance – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.



Construction Project Final Acceptance Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d), authorizes the Secretary to require me certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program. General standards for final acceptance and close out of federally funded construction projects are in 2 CFR § 200.343 – Closeout and supplemented by FAA Order 5100.38. The sponsor must determine that project costs are accurate and proper in accordance with specific requirements of the grant agreement and contract documents.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgment and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The personnel engaged in project administration, engineering supervision, project inspection, and acceptance testing were or will be determined to be qualified and competent to perform the work (Grant Assurance).

Yes	No	N/A
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2. Construction records, including daily logs, were or will be kept by the resident engineer/construction inspector that fully document contractor’s performance in complying with:
 - a. Technical standards (Advisory Circular (AC) 150/5370-12);
 - b. Contract requirements (2 CFR part 200 and FAA Order 5100.38); and
 - c. Construction safety and phasing plan measures (AC 150/5370-2).

Yes	No	N/A
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3. All acceptance tests specified in the project specifications were or will be performed and documented. (AC 150/5370-12).

Yes	No	N/A
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4. Sponsor has taken or will take appropriate corrective action for any test result outside of allowable tolerances (AC 150/5370-12).
- Yes No N/A
5. Pay reduction factors required by the specifications were applied or will be applied in computing final payments with a summary made available to the FAA (AC 150/5370-10).
- Yes No N/A
6. Sponsor has notified, or will promptly notify the Federal Aviation Administration (FAA) of the following occurrences:
- a. Violations of any federal requirements set forth or included by reference in the contract documents (2 CFR part 200);
- b. Disputes or complaints concerning federal labor standards (29 CFR part 5); and
- c. Violations of or complaints addressing conformance with Equal Employment Opportunity or Disadvantaged Business Enterprise requirements (41 CFR Chapter 60 and 49 CFR part 26).
- Yes No N/A
7. Weekly payroll records and statements of compliance were or will be submitted by the prime contractor and reviewed by the sponsor for conformance with federal labor and civil rights requirements as required by FAA and U.S. Department of Labor (29 CFR Part 5).
- Yes No N/A
8. Payments to the contractor were or will be made in conformance with federal requirements and contract provisions using sponsor internal controls that include:
- a. Retaining source documentation of payments and verifying contractor billing statements against actual performance (2 CFR § 200.302 and FAA Order 5100.38);
- b. Prompt payment of subcontractors for satisfactory performance of work (49 CFR § 26.29);
- c. Release of applicable retainage upon satisfactory performance of work (49 CFR § 26.29); and
- d. Verification that payments to DBEs represent work the DBE performed by carrying out a commercially useful function (49 CFR §26.55).
- Yes No N/A
9. A final project inspection was or will be conducted with representatives of the sponsor and the contractor present that ensure:
- a. Physical completion of project work in conformance with approved plans and specifications (Order 5100.38);
- b. Necessary actions to correct punch list items identified during final inspection are complete (Order 5100.38); and
- c. Preparation of a record of final inspection and distribution to parties to the contract (Order 5100.38);
- Yes No N/A
10. The project was or will be accomplished without material deviations, changes, or modifications from approved plans and specifications, except as approved by the FAA (Order 5100.38).
- Yes No N/A

11. The construction of all buildings have complied or will comply with the seismic construction requirements of 49 CFR § 41.120.

Yes No N/A

12. For development projects, sponsor has taken or will take the following close-out actions:

- a. Submit to the FAA a final test and quality assurance report summarizing acceptance test results, as applicable (Grant Condition);
- b. Complete all environmental requirements as established within the project environmental determination (Order 5100.38); and
- c. Prepare and retain as-built plans (Order 5100.38).

Yes No N/A

13. Sponsor has revised or will revise their airport layout plan (ALP) that reflects improvements made and has submitted or will submit an updated ALP to the FAA no later than 90 days from the period of performance end date. (49 USC § 47107 and Order 5100.38).

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-130, Drug-Free Workplace – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.

Drug-Free Workplace Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on the drug-free workplace within federal grant programs are described in 2 CFR part 182. Sponsors are required to certify they will be, or will continue to provide, a drug-free workplace in accordance with the regulation. The AIP project grant agreement contains specific assurances on the Drug-Free Workplace Act of 1988.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A statement has been or will be published prior to commencement of project notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the sponsor's workplace, and specifying the actions to be taken against employees for violation of such prohibition (2 CFR § 182.205).

Yes No N/A

2. An ongoing drug-free awareness program (2 CFR § 182.215) has been or will be established prior to commencement of project to inform employees about:
 - a. The dangers of drug abuse in the workplace;
 - b. The sponsor's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

Yes No N/A

3. Each employee to be engaged in the performance of the work has been or will be given a copy of the statement required within item 1 above prior to commencement of project (2 CFR § 182.210).

Yes No N/A

4. Employees have been or will be notified in the statement required by item 1 above that, as a condition employment under the grant (2 CFR § 182.205(c)), the employee will:

- a. Abide by the terms of the statement; and
- b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction.

Yes No N/A

5. The Federal Aviation Administration (FAA) will be notified in writing within 10 calendar days after receiving notice under item 4b above from an employee or otherwise receiving actual notice of such conviction (2 CFR § 182.225). Employers of convicted employees must provide notice, including position title of the employee, to the FAA (2 CFR § 182.300).

Yes No N/A

6. One of the following actions (2 CFR § 182.225(b)) will be taken within 30 calendar days of receiving a notice under item 4b above with respect to any employee who is so convicted:

- a. Take appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; and
- b. Require such employee to participate satisfactorily in drug abuse assistance or rehabilitation programs approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

Yes No N/A

7. A good faith effort will be made, on a continuous basis, to maintain a drug-free workplace through implementation of items 1 through 6 above (2 CFR § 182.200).

Yes No N/A

Site(s) of performance of work (2 CFR § 182.230):

Location 1

Name of Location:

Address:

Location 2 (if applicable)

Name of Location:

Address:

Location 3 (if applicable)

Name of Location:

Address:

Attach documentation clarifying any above item marked with a "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-131, Equipment and Construction Contracts – Airport Improvement Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to: Information Collection Clearance Officer, Federal Aviation Administration, 10101 Hillwood Parkway, Fort Worth, TX 76177-1524.



Equipment and Construction Contracts Airport Improvement Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General procurement standards for equipment and construction contracts within Federal grant programs are described in 2 CFR §§ 200.317-200.326. Labor and Civil Rights Standards applicable to the AIP are established by the Department of Labor (www.dol.gov) AIP Grant Assurance C.1—General Federal Requirements identifies all applicable Federal Laws, regulations, executive orders, policies, guidelines and requirements for assistance under the AIP. Sponsors may use state and local procedures provided the procurement conforms to these federal standards.

This certification applies to all equipment and construction projects. Equipment projects may or may not employ laborers and mechanics that qualify the project as a “covered contract” under requirements established by the Department of Labor requirements. Sponsor shall provide appropriate responses to the certification statements that reflect the character of the project regardless of whether the contract is for a construction project or an equipment project.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. A written code or standard of conduct is or will be in effect prior to commencement of the project that governs the performance of the sponsor’s officers, employees, or agents in soliciting, awarding and administering procurement contracts (2 CFR § 200.318).

Yes	No	N/A
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2. For all contracts, qualified and competent personnel are or will be engaged to perform contract administration, engineering supervision, construction inspection, and testing (Grant Assurance C.17).

Yes No N/A

3. Sponsors that are required to have a Disadvantage Business Enterprise (DBE) program on file with the FAA have included or will include clauses required by Title VI of the Civil Rights Act and 49 CFR Part 26 for Disadvantaged Business Enterprises in all contracts and subcontracts.

Yes No N/A

4. Sponsors required to have a DBE program on file with the FAA have implemented or will implement monitoring and enforcement measures that:

- a. Ensure work committed to Disadvantaged Business Enterprises at contract award is actually performed by the named DBEs (49 CFR § 26.37(b));
- b. Include written certification that the sponsor has reviewed contract records and has monitored work sites for performance by DBE firms (49 CFR § 26.37(b)); and
- c. Provides for a running tally of payments made to DBE firms and a means for comparing actual attainments (i.e. payments) to original commitments (49 CFR § 26.37(c)).

Yes No N/A

5. Sponsor procurement actions using the competitive sealed bid method (2 CFR § 200.320(c)). was or will be:

- a. Publicly advertised, allowing a sufficient response time to solicit an adequate number of interested contractors or vendors;
- b. Prepared to include a complete, adequate and realistic specification that defines the items or services in sufficient detail to allow prospective bidders to respond;
- c. Publicly opened at a time and place prescribed in the invitation for bids; and
- d. Prepared in a manner that result in a firm fixed price contract award to the lowest responsive and responsible bidder.

Yes No N/A

6. For projects the Sponsor proposes to use the competitive proposal procurement method (2 CFR § 200.320(d)), Sponsor has requested or will request FAA approval prior to proceeding with a competitive proposal procurement by submitting to the FAA the following:

- a. Written justification that supports use of competitive proposal method in lieu of the preferred sealed bid procurement method;
- b. Plan for publicizing and soliciting an adequate number of qualified sources; and
- c. Listing of evaluation factors along with relative importance of the factors.

Yes No N/A

7. For construction and equipment installation projects, the bid solicitation includes or will include the current federal wage rate schedule(s) for the appropriate type of work classifications (2 CFR Part 200, Appendix II).

Yes No N/A

8. Concurrence was or will be obtained from the Federal Aviation Administration (FAA) prior to contract award under any of the following circumstances (Order 5100.38D):

- a. Only one qualified person/firm submits a responsive bid;
- b. Award is to be made to other than the lowest responsible bidder; and
- c. Life cycle costing is a factor in selecting the lowest responsive bidder.

Yes No N/A

9. All construction and equipment installation contracts contain or will contain provisions for:

- a. Access to Records (§ 200.336)
- b. Buy American Preferences (Title 49 U.S.C. § 50101)
- c. Civil Rights - General Provisions and Title VI Assurances(41 CFR part 60)
- d. Federal Fair Labor Standards (29 U.S.C. § 201, et seq)
- e. Occupational Safety and Health Act requirements (20 CFR part 1920)
- f. Seismic Safety – building construction (49 CFR part 41)
- g. State Energy Conservation Requirements - as applicable(2 CFR part 200, Appendix II)
- h. U.S. Trade Restriction (49 CFR part 30)
- i. Veterans Preference (49 USC § 47112(c))

Yes No N/A

10. All construction and equipment installation contracts exceeding \$2,000 contain or will contain the provisions established by:

- a. Davis-Bacon and Related Acts (29 CFR part 5)
- b. Copeland “Anti-Kickback” Act (29 CFR parts 3 and 5)

Yes No N/A

11. All construction and equipment installation contracts exceeding \$3,000 contain or will contain a contract provision that discourages distracted driving (E.O. 13513).

Yes No N/A

12. All contracts exceeding \$10,000 contain or will contain the following provisions as applicable:

- a. Construction and equipment installation projects - Applicable clauses from 41 CFR Part 60 for compliance with Executive Orders 11246 and 11375 on Equal Employment Opportunity;
- b. Construction and equipment installation - Contract Clause prohibiting segregated facilities in accordance with 41 CFR part 60-1.8;
- c. Requirement to maximize use of products containing recovered materials in accordance with 2 CFR § 200.322 and 40 CFR part 247; and
- d. Provisions that address termination for cause and termination for convenience (2 CFR Part 200, Appendix II).

Yes No N/A

13. All contracts and subcontracts exceeding \$25,000: Measures are in place or will be in place (e.g. checking the System for Award Management) that ensure contracts and subcontracts are not awarded to individuals or firms suspended, debarred, or excluded from participating in federally assisted projects (2 CFR parts 180 and 1200).

Yes No N/A

14. Contracts exceeding the simplified acquisition threshold (currently \$250,000) include or will include provisions, as applicable, that address the following:

- a. Construction and equipment installation contracts - a bid guarantee of 5%, a performance bond of 100%, and a payment bond of 100% (2 CFR § 200.325);
- b. Construction and equipment installation contracts - requirements of the Contract Work Hours and Safety Standards Act (40 USC 3701-3708, Sections 103 and 107);
- c. Restrictions on Lobbying and Influencing (2 CFR part 200, Appendix II);
- d. Conditions specifying administrative, contractual and legal remedies for instances where contractor or vendor violate or breach the terms and conditions of the contract (2 CFR §200, Appendix II); and
- e. All Contracts - Applicable standards and requirements issued under Section 306 of the Clean Air Act (42 USC 7401-7671q), Section 508 of the Clean Water Act (33 USC 1251-1387, and Executive Order 11738.

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-132, Project Plans and Specifications – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.



Project Plans and Specifications

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). Labor and civil rights standards applicable to AIP are established by the Department of Labor (www.dol.gov/). AIP Grant Assurance C.1—General Federal Requirements identifies applicable federal laws, regulations, executive orders, policies, guidelines and requirements for assistance under AIP. A list of current advisory circulars with specific standards for procurement, design or construction of airports, and installation of equipment and facilities is referenced in standard airport sponsor Grant Assurance 34 contained in the grant agreement.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting “Yes” represents sponsor acknowledgement and confirmation of the certification statement. The term “will” means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. The plans and specifications were or will be prepared in accordance with applicable federal standards and requirements, so that no deviation or modification to standards set forth in the advisory circulars, or FAA-accepted state standard, is necessary other than those explicitly approved by the Federal Aviation Administration (FAA) (14 USC § 47105).

Yes No N/A

2. Specifications incorporate or will incorporate a clear and accurate description of the technical requirement for the material or product that does not contain limiting or proprietary features that unduly restrict competition (2 CFR §200.319).

Yes No N/A

3. The development that is included or will be included in the plans is depicted on the current airport layout plan as approved by the FAA (14 USC § 47107).

Yes No N/A

4. Development and features that are ineligible or unallowable for AIP funding have been or will be omitted from the plans and specifications (FAA Order 5100.38, par. 3-43).

Yes No N/A

5. The specification does not use or will not use "brand name" or equal to convey requirements unless sponsor requests and receives approval from the FAA to use brand name (FAA Order 5100.38, Table U-5).

Yes No N/A

6. The specification does not impose or will not impose geographical preference in their procurement requirements (2 CFR §200.319(b) and FAA Order 5100.38, Table U-5).

Yes No N/A

7. The use of prequalified lists of individuals, firms or products include or will include sufficient qualified sources that ensure open and free competition and that does not preclude potential entities from qualifying during the solicitation period (2 CFR §319(d)).

Yes No N/A

8. Solicitations with bid alternates include or will include explicit information that establish a basis for award of contract that is free of arbitrary decisions by the sponsor (2 CFR § 200.319(a)(7)).

Yes No N/A

9. Concurrence was or will be obtained from the FAA if Sponsor incorporates a value engineering clause into the contract (FAA Order 5100.38, par. 3-57).

Yes No N/A

10. The plans and specifications incorporate or will incorporate applicable requirements and recommendations set forth in the federally approved environmental finding (49 USC §47106(c)).

Yes No N/A

11. The design of all buildings comply or will comply with the seismic design requirements of 49 CFR § 41.120. (FAA Order 5100.38d, par. 3-92)

Yes No N/A

12. The project specification include or will include process control and acceptance tests required for the project by as per the applicable standard:

a. Construction and installation as contained in Advisory Circular (AC) 150/5370-10.

Yes No N/A

b. Snow Removal Equipment as contained in AC 150/5220-20.

Yes No N/A

c. Aircraft Rescue and Fire Fighting (ARFF) vehicles as contained in AC 150/5220-10.

Yes No N/A

13. For construction activities within or near aircraft operational areas(AOA):

a. The Sponsor has or will prepare a construction safety and phasing plan (CSPP) conforming to Advisory Circular 150/5370-2.

b. Compliance with CSPP safety provisions has been or will be incorporated into the plans and specifications as a contractor requirement.

c. Sponsor will not initiate work until receiving FAA's concurrence with the CSPP (FAA Order 5100.38, Par. 5-29).

Yes No N/A

14. The project was or will be physically completed without federal participation in costs due to errors and omissions in the plans and specifications that were foreseeable at the time of project design (49 USC §47110(b)(1) and FAA Order 5100.38d, par. 3-100).

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-133, Real Property Acquisition – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Burden Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.



Real Property Acquisition Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements on real property acquisition and relocation assistance are in 49 CFR Part 24. The AIP project grant agreement contains specific requirements and assurances on the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as amended.

Certification Statements

Except for certification statements below marked not applicable (N/A), this list includes major requirements of the real property acquisition project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards.

1. The sponsor's attorney or other official has or will have good and sufficient title as well as title evidence on property in the project.

Yes No N/A

2. If defects and/or encumbrances exist in the title that adversely impact the sponsor's intended use of property in the project, they have been or will be extinguished, modified, or subordinated.

Yes No N/A

3. If property for airport development is or will be leased, the following conditions have been met:

- a. The term is for 20 years or the useful life of the project;
- b. The lessor is a public agency; and
- c. The lease contains no provisions that prevent full compliance with the grant agreement.

Yes No N/A

4. Property in the project is or will be in conformance with the current Exhibit A property map, which is based on deeds, title opinions, land surveys, the approved airport layout plan, and project documentation.

Yes No N/A

5. For any acquisition of property interest in noise sensitive approach zones and related areas, property interest was or will be obtained to ensure land is used for purposes compatible with noise levels associated with operation of the airport.

Yes No N/A

6. For any acquisition of property interest in runway protection zones and areas related to 14 CFR 77 surfaces or to clear other airport surfaces, property interest was or will be obtained for the following:

- a. The right of flight;
- b. The right of ingress and egress to remove obstructions; and
- c. The right to restrict the establishment of future obstructions.

Yes No N/A

7. Appraisals prepared by qualified real estate appraisers hired by the sponsor include or will include the following:

- a. Valuation data to estimate the current market value for the property interest acquired on each parcel; and
- b. Verification that an opportunity has been provided to the property owner or representative to accompany appraisers during inspections.

Yes No N/A

8. Each appraisal has been or will be reviewed by a qualified review appraiser to recommend an amount for the offer of just compensation, and the written appraisals as well as review appraisal are available to Federal Aviation Administration (FAA) for review.

Yes No N/A

9. A written offer to acquire each parcel was or will be presented to the property owner for not less than the approved amount of just compensation.

Yes No N/A

10. Effort was or will be made to acquire each property through the following negotiation procedures:

- a. No coercive action to induce agreement; and
- b. Supporting documents for settlements included in the project files.

Yes No N/A

11. If a negotiated settlement is not reached, the following procedures were or will be used:
- a. Condemnation initiated and a court deposit not less than the just compensation made prior to possession of the property; and
 - b. Supporting documents for awards included in the project files.

Yes No N/A

12. If displacement of persons, businesses, farm operations, or non-profit organizations is involved, a relocation assistance program was or will be established, with displaced parties receiving general information on the program in writing, including relocation eligibility, and a 90-day notice to vacate.

Yes No N/A

13. Relocation assistance services, comparable replacement housing, and payment of necessary relocation expenses were or will be provided within a reasonable time period for each displaced occupant in accordance with the Uniform Act.

Yes No N/A

Attach documentation clarifying any above item marked with "No" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Designated Official Representative: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-134, Selection of Consultants – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

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Selection of Consultants

Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

49 USC § 47105(d) authorizes the Secretary to require certification from the sponsor that it will comply with the statutory and administrative requirements in carrying out a project under the Airport Improvement Program (AIP). General requirements for selection of consultant services within federal grant programs are described in 2 CFR §§ 200.317-200.326. Sponsors may use other qualifications-based procedures provided they are equivalent to standards of Title 40 chapter 11 and FAA Advisory Circular 150/5100-14, Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects.

Certification Statements

Except for certification statements below marked as not applicable (N/A), this list includes major requirements of the construction project. Selecting "Yes" represents sponsor acknowledgement and confirmation of the certification statement. The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance. This list is not comprehensive and does not relieve the sponsor from fully complying with all applicable statutory and administrative standards. The source of the requirement is referenced within parenthesis.

1. Sponsor acknowledges their responsibility for the settlement of all contractual and administrative issues arising out of their procurement actions (2 CFR § 200.318(k)).

Yes No N/A

2. Sponsor procurement actions ensure or will ensure full and open competition that does not unduly limit competition (2 CFR § 200.319).

Yes No N/A

3. Sponsor has excluded or will exclude any entity that develops or drafts specifications, requirements, or statements of work associated with the development of a request-for-qualifications (RFQ) from competing for the advertised services (2 CFR § 200.319).

Yes No N/A

4. The advertisement describes or will describe specific project statements-of-work that provide clear detail of required services without unduly restricting competition (2 CFR § 200.319).
- Yes No N/A
5. Sponsor has publicized or will publicize a RFQ that:
- a. Solicits an adequate number of qualified sources (2 CFR § 200.320(d)); and
- b. Identifies all evaluation criteria and relative importance (2 CFR § 200.320(d)).
- Yes No N/A
6. Sponsor has based or will base selection on qualifications, experience, and disadvantaged business enterprise participation with price not being a selection factor (2 CFR § 200.320(d)).
- Yes No N/A
7. Sponsor has verified or will verify that agreements exceeding \$25,000 are not awarded to individuals or firms suspended, debarred or otherwise excluded from participating in federally assisted projects (2 CFR §180.300).
- Yes No N/A
8. A/E services covering multiple projects: Sponsor has agreed to or will agree to:
- a. Refrain from initiating work covered by this procurement beyond five years from the date of selection (AC 150/5100-14); and
- b. Retain the right to conduct new procurement actions for projects identified or not identified in the RFQ (AC 150/5100-14).
- Yes No N/A
9. Sponsor has negotiated or will negotiate a fair and reasonable fee with the firm they select as most qualified for the services identified in the RFQ (2 CFR § 200.323).
- Yes No N/A
10. The Sponsor's contract identifies or will identify costs associated with ineligible work separately from costs associated with eligible work (2 CFR § 200.302).
- Yes No N/A
11. Sponsor has prepared or will prepare a record of negotiations detailing the history of the procurement action, rationale for contract type and basis for contract fees (2 CFR §200.318(i)).
- Yes No N/A
12. Sponsor has incorporated or will incorporate mandatory contact provisions in the consultant contract for AIP-assisted work (49 U.S.C. Chapter 471 and 2 CFR part 200 Appendix II)
- Yes No N/A

13. For contracts that apply a time-and-material payment provision (also known as hourly rates, specific rates of compensation, and labor rates), the Sponsor has established or will establish:

- a. Justification that there is no other suitable contract method for the services (2 CFR §200.318(j));
- b. A ceiling price that the consultant exceeds at their risk (2 CFR §200.318(j)); and
- c. A high degree of oversight that assures consultant is performing work in an efficient manner with effective cost controls in place 2 CFR §200.318(j)).

Yes No N/A

14. Sponsor is not using or will not use the prohibited cost-plus-percentage-of-cost (CPPC) contract method. (2 CFR § 200.323(d)).

Yes No N/A

Attach documentation clarifying any above item marked with "no" response.

Sponsor's Certification

I certify, for the project identified herein, responses to the forgoing items are accurate as marked and additional documentation for any item marked "no" is correct and complete.

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.

Executed on this day of , .

Name of Sponsor:

Name of Sponsor's Authorized Official:

Title of Sponsor's Authorized Official:

Signature of Sponsor's Authorized Official: _____

I declare under penalty of perjury that the foregoing is true and correct. I understand that knowingly and willfully providing false information to the federal government is a violation of 18 USC § 1001 (False Statements) and could subject me to fines, imprisonment, or both.



U.S. Department
of Transportation
**Federal Aviation
Administration**

FAA Form 5100-135, Certification and Disclosure Regarding Potential Conflicts of Interest – Airport Improvement Program Sponsor Certification

Paperwork Reduction Act Statement

A federal agency may not conduct or sponsor, and a person is not required to respond to, nor shall a person be subject to a penalty for failure to comply with a collection of information subject to the requirements of the Paperwork Reduction Act unless that collection of information displays a currently valid OMB Control Number. The OMB Control Number for this information collection is 2120-0569. Public reporting for this collection of information is estimated to be approximately 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, completing and reviewing the collection of information. All responses to this collection of information are required under 49 U.S.C. Section 47105 to retain a benefit and to meet the reporting requirements of 2 CFR 200. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden to the Federal Aviation Administration at: 800 Independence Ave. SW, Washington, DC 20591, Attn: Information Collection Clearance Officer, ASP-110.



Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification

Sponsor:

Airport:

Project Number:

Description of Work:

Application

Title 2 CFR § 200.112 and § 1201.112 address Federal Aviation Administration (FAA) requirements for conflict of interest. As a condition of eligibility under the Airport Improvement Program (AIP), sponsors must comply with FAA policy on conflict of interest. Such a conflict would arise when any of the following have a financial or other interest in the firm selected for award:

- a) The employee, officer or agent,
- b) Any member of his immediate family,
- c) His or her partner, or
- d) An organization which employs, or is about to employ, any of the above.

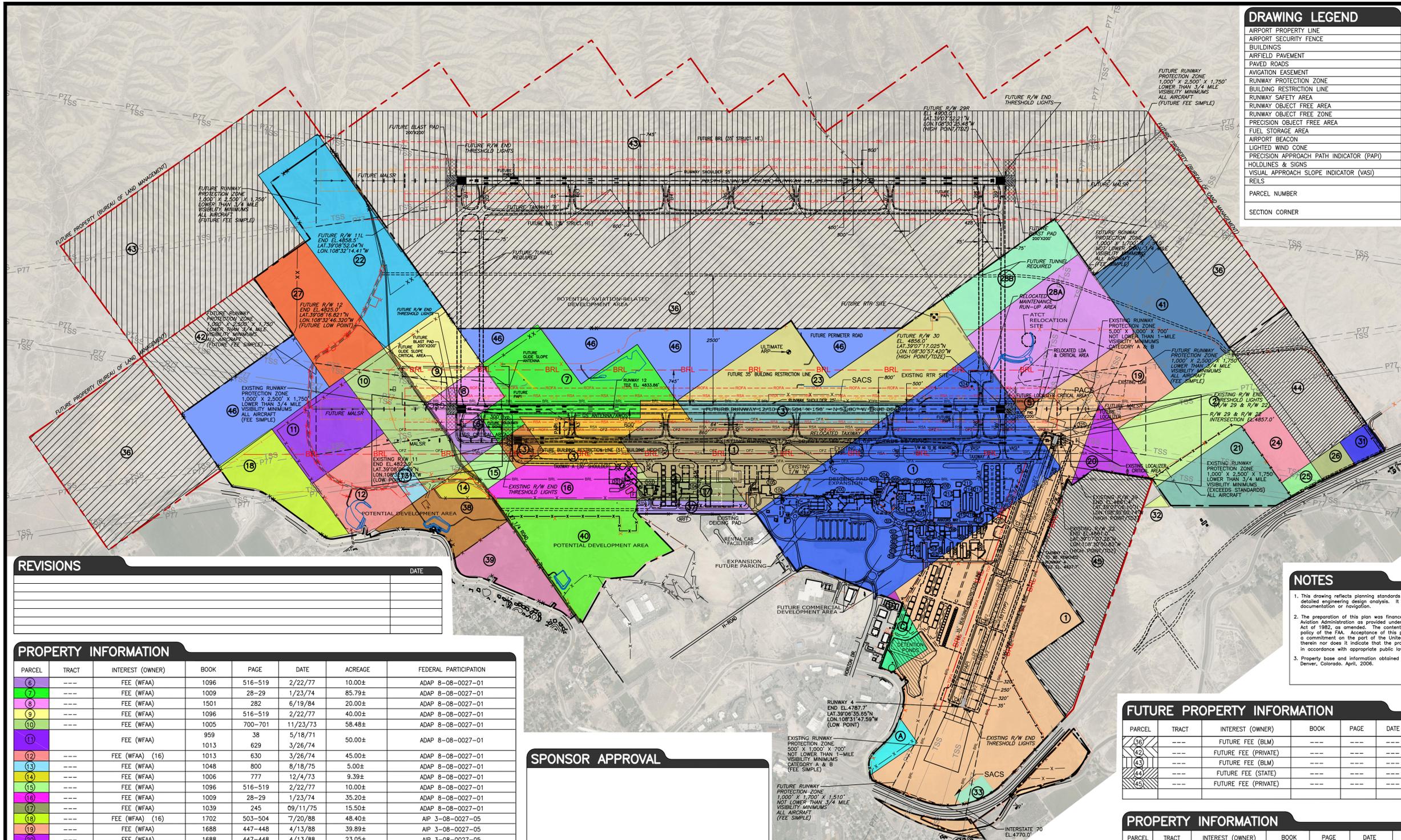
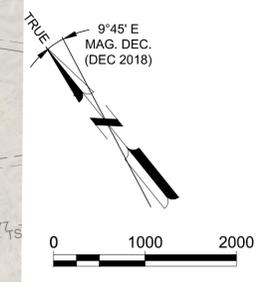
Selecting "Yes" represents sponsor or sub-recipient acknowledgement and confirmation of the certification statement. Selecting "No" represents sponsor or sub-recipient disclosure that it cannot fully comply with the certification statement. If "No" is selected, provide support information explaining the negative response as an attachment to this form. This includes whether the sponsor has established standards for financial interest that are not substantial or unsolicited gifts are of nominal value (2 CFR § 200.318(c)). The term "will" means Sponsor action taken at appropriate time based on the certification statement focus area, but no later than the end of the project period of performance.

Certification Statements

1. The sponsor or sub-recipient maintains a written standards of conduct governing conflict of interest and the performance of their employees engaged in the award and administration of contracts (2 CFR § 200.318(c)). To the extent permitted by state or local law or regulations, such standards of conduct provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the sponsor's and sub-recipient's officers, employees, or agents, or by contractors or their agents.

Yes No

DRAWING LEGEND		EXISTING	FUTURE
AIRPORT PROPERTY LINE		---	---
AIRPORT SECURITY FENCE		---	---
BUILDINGS		---	---
AIRFIELD PAVEMENT		---	---
PAVED ROADS		---	---
AVIGATION EASEMENT		---	---
RUNWAY PROTECTION ZONE		---	---
BUILDING RESTRICTION LINE		---	---
RUNWAY SAFETY AREA		---	---
RUNWAY OBJECT FREE AREA		---	---
RUNWAY OBJECT FREE ZONE		---	---
PRECISION OBJECT FREE AREA		---	---
FUEL STORAGE AREA		---	---
AIRPORT BEACON		---	---
LIGHTED WIND CONE		---	---
PRECISION APPROACH PATH INDICATOR (PAPI)		---	---
HOLDLINES & SIGNS		---	---
VISUAL APPROACH SLOPE INDICATOR (VASI)		---	---
REILS		---	---
PARCEL NUMBER		⑩	⑩
SECTION CORNER		24 19 25 136	



REVISIONS	DATE

NOTES

- This drawing reflects planning standards specific to this airport, and is not a product of detailed engineering design analysis. It is not intended to be used for construction documentation or navigation.
- The preparation of this plan was financed in part through a planning grant from the Federal Aviation Administration as provided under Section 505 of the Airport and Airway Improvement Act of 1982, as amended. The contents do not necessarily reflect the official views or policy of the FAA. Acceptance of this plan by the FAA does not in any way constitute a commitment on the part of the United States to participate in any development depicted therein nor does it indicate that the proposed development is environmentally acceptable in accordance with appropriate public laws.
- Property base and information obtained from "Exhibit A" drawing file, by Carter; Burgess, Denver, Colorado, April, 2006.

PROPERTY INFORMATION							
PARCEL	TRACT	INTEREST (OWNER)	BOOK	PAGE	DATE	ACREAGE	FEDERAL PARTICIPATION
6	---	FEE (WFAA)	1096	516-519	2/22/77	10.00±	ADAP 8-08-0027-01
7	---	FEE (WFAA)	1009	28-29	1/23/74	85.79±	ADAP 8-08-0027-01
8	---	FEE (WFAA)	1501	282	6/19/84	20.00±	ADAP 8-08-0027-01
9	---	FEE (WFAA)	1096	516-519	2/22/77	40.00±	ADAP 8-08-0027-01
10	---	FEE (WFAA)	1005	700-701	11/23/73	58.48±	ADAP 8-08-0027-01
11	---	FEE (WFAA)	959	38	5/18/71	50.00±	ADAP 8-08-0027-01
12	---	FEE (WFAA) (16)	1013	629	3/26/74	45.00±	ADAP 8-08-0027-01
13	---	FEE (WFAA)	1048	800	8/18/75	5.00±	ADAP 8-08-0027-01
14	---	FEE (WFAA)	1006	777	12/4/73	9.39±	ADAP 8-08-0027-01
15	---	FEE (WFAA)	1096	516-519	2/22/77	10.00±	ADAP 8-08-0027-01
16	---	FEE (WFAA)	1009	28-29	1/23/74	35.20±	ADAP 8-08-0027-01
17	---	FEE (WFAA)	1039	245	09/11/75	15.50±	ADAP 8-08-0027-01
18	---	FEE (WFAA) (16)	1702	503-504	7/20/88	48.40±	AIP 3-08-0027-05
19	---	FEE (WFAA)	1888	447-448	4/13/88	39.89±	AIP 3-08-0027-05
20	---	FEE (WFAA)	1888	447-448	4/13/88	23.05±	AIP 3-08-0027-05
21	---	FEE (WFAA)	1747	137	6/5/89	53.15±	AIP 3-08-0027-06
22	---	FEE (WFAA)	1501	280	6/19/84	120.00±	SPONSOR ACQUIRED (6)
23	---	FEE (WFAA)	1682	962	3/2/88	126.00±	AIP 3-08-0027-06
24	---	FEE (WFAA)	1703	815	7/22/88	20.12±	AIP 3-08-0027-06
25	---	FEE (WFAA)	1687	741	4/8/88	6.05±	AIP 3-08-0027-06
26	---	FEE (WFAA)	1728	767	1/25/89	7.53±	AIP 3-08-0027-06
27	---	FEE (WFAA)	2402	145	2/2/98	80.00±	SPONSOR ACQUIRED (6)
28A	---	FEE (WFAA)	1688	447-448	4/13/88	105.95±	AIP 3-08-0027-05
28B	---	FEE (WFAA)	1688	447-448	4/13/88	52.98±	AIP 3-08-0027-05
31	1	FEE (WFAA)	1703	815	7/22/88	9.20±	SPONSOR ACQUIRED (6)
32	---	AVIGATION EASEMENT	---	---	11/21/89	3.82±	SPONSOR ACQUIRED (6)
33	---	FEE (WFAA)	4063	363-365	12/22/05	4.75±	SPONSOR ACQUIRED (6)
37	---	FEE (WFAA)	3494	998	9/29/03	15.31±	AIP 3-08-0027-28
38	---	FEE (WFAA) (15) (16)	1826	923	3/6/91	18.50±	SPONSOR ACQUIRED (6)
39	---	FEE (WFAA) (16)	1920	527	8/7/92	15.91±	SPONSOR ACQUIRED (6)
40	---	FEE (WFAA)	2050	421-422	2/17/94	96.5±	SPONSOR ACQUIRED (6)
41	---	FEE	4367	319	03/04/07	70±	SPONSOR ACQUIRED (6)
A	---	FEE (CITY/COUNTY)	972	901	1/19/70	6.91±	---
C	---	FEE (WFAA)	972	901	1/19/70	13.65±	---
D	---	FEE (WFAA)	1096	516-519	2/22/77	1.10±	---
46	---	FEE (GJRAA)	---	---	05/22/2019	188.04	AIP 05-2019-0003

SPONSOR APPROVAL	
NAME	DATE

PROPERTY INFORMATION FOOTNOTES

- INFORMATION OBTAINED FROM MESA COUNTY CLERK AND RECORDER'S OFFICE.
- PROPERTY OWNED BY CITY OF GRAND JUNCTION AT TIME OF FAAP-01.
- PARCELS B AND E TRADED FOR PARCELS A, C, AND D.
- PARCEL B (3.00 +/- ACRES) REMOVED FROM PARCEL 1 TRACT 3.
- PARCEL E (18.59 +/- ACRES) REMOVED FROM PARCEL 1 TRACT 1.
- NO FEDERAL PARTICIPATION.
- NO PROPERTY ACQUIRED UNDER THE SURPLUS PROPERTY ACT.
- PARCEL 1 TRACT 2, PARCEL 1 TRACT 3, A PORTION OF PARCEL 2, PARCEL 3 TRACT 1, PARCEL 3 TRACT 2, PARCEL 3 TRACT 3, PARCEL 6 TRANSFERRED FROM OWNERSHIP BY CITY OF GRAND JUNCTION AND COUNTY OF MESA TO WALKER FIELD, COLORADO, PUBLIC AIRPORT AUTHORITY IN BOOK 1096, PAGES 516-519.
- EASEMENTS IN PARCEL 2 SUBSEQUENTLY ACQUIRED IN FEE AS PORTIONS OF PARCELS 19, 20 & 21.
- EASEMENTS IN PARCEL 2 SUBSEQUENTLY ACQUIRED IN FEE AS PORTIONS OF PARCELS 19, 20 & 21.
- EASEMENTS IN PARCEL 2 SUBSEQUENTLY ACQUIRED IN FEE AS PORTIONS OF PARCELS 19, 20 & 21.
- PARCELS F, G, H, I, J, AND K ARE PART OF PARCEL 1 TRACT 1. PARCELS F, G, I, J, AND K WERE RELEASED FROM REQUIRED AERONAUTICAL USE ON 2/1/79.
- PARCELS A AND C EXCLUDE ROAD AS DESCRIBED IN BOOK 714 PAGE 521.
- PARCEL 1 TRACT 3 EXCLUDES 3.00 ACRES DESCRIBED IN BOOK 962 PAGE 720.
- PARCEL 38 EXCLUDES TRACT OF LAND CONVEYED TO COLORADO-UTE ELECTRIC ASSOCIATION, INC. AS DESCRIBED IN BOOK 795 PAGE 28 AND A TRACT OF LAND CONVEYED TO GRAND VALLEY RURAL POWER LINES, INC. AS DESCRIBED IN BOOK 746 PAGE 278.
- PARCEL 1 TRACT 3, 18, 12, 38 AND 39 EITHER BORDER THE RIGHT-OF-WAY OF THE GOVERNMENT HIGHLINE CANAL OR ARE OFFSET FROM IT.
- FED. APT. ACT IS FEDERAL AIRPORT ACT OF 1946.
- PER PREVIOUSLY APPROVED EXHIBIT A, DATED 5/28/97.

FUTURE PROPERTY INFORMATION							
PARCEL	TRACT	INTEREST (OWNER)	BOOK	PAGE	DATE	ACREAGE	FEDERAL PARTICIPATION
36	---	FUTURE FEE (BLM)	---	---	---	1010±	---
42	---	FUTURE FEE (PRIVATE)	---	---	---	80±	---
43	---	FUTURE FEE (BLM)	---	---	---	935±	---
44	---	FUTURE FEE (STATE)	---	---	---	80±	---
45	---	FUTURE FEE (PRIVATE)	---	---	---	120±	---

PROPERTY INFORMATION							
PARCEL	TRACT	INTEREST (OWNER)	BOOK	PAGE	DATE	ACREAGE	FEDERAL PARTICIPATION
1	1	FEE (WFAA)	1096 (18)	516-519	2/22/77	321.04±	FED. APT. ACT. SEC. 16 (17)
1	2	FEE (WFAA)	402	8	8/15/41	---	---
1	3	FEE (WFAA)	399	482-483	9/17/41	112.08±	---
1	3	FEE (WFAA)	1096	516-519	2/22/77	---	---
1	3	FEE (WFAA)	375	294	10/31/38	---	---
1	3	FEE (WFAA)	325	143	5/19/30	---	---
1	3	FEE (WFAA)	325	78	5/12/30	---	---
1	3	FEE (WFAA)	313	214	3/7/30	---	---
1	3	FEE (WFAA)	313	235	4/21/30	415.00±	---
1	3	FEE (WFAA)	357	90	9/5/35	---	---
1	3	FEE (WFAA)	315	49	9/14/38	---	---
1	3	FEE (WFAA)	373	145	7/15/38	---	---
1	3	FEE (WFAA)	399	482-483	9/17/41	---	---
1	3	FEE (WFAA)	1096	516-519	2/22/77	---	---
2	1	FEE (WFAA) (9,10,&11)	1096	516-519	2/22/77	102.44±	9-05-004-5802
3	1	FEE (WFAA)	778	290	4/20/60	37.95±	9-05-004-5802
3	1	FEE (WFAA)	1096	516-519	2/22/77	---	---
3	2	FEE (WFAA)	778	289-290	4/20/60	---	---
3	2	FEE (WFAA)	1096	516-519	2/22/77	112.08±	9-05-004-5802
3	3	FEE (WFAA)	1096	516-519	2/22/77	10.00±	9-05-004-5802
4	---	FEE (WFAA)	778	289	4/20/60	---	---
4	---	FEE (WFAA)	1096	516-519	2/22/77	2.18±	9-05-004-5802
5	---	FEE (WFAA)	778	289	4/20/60	---	---
5	---	FEE (WFAA)	1096	516-519	2/22/77	1.08±	9-05-004-5802

**Grand Junction Regional Airport
 AIRPORT LAYOUT PLAN UPDATE**

ISSUED

NOT FOR CONSTRUCTION

M&H NO.: 2331300-170312.05
 DATE: FEB 2019
 DESIGNED BY: M&H
 DRAWN BY: JWB
 CHECKED BY: EWJ
 DO NOT SCALE DRAWINGS

SHEET CONTENTS
 AIRPORT PROPERTY
 MAP - EXHIBIT 'A'

SHEET NO.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Contract Change Order No. 04 for 27 ¼ Rd Project with United Companies		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approval of the proposed change order with United Companies in the amount of \$129,036.75, pending the approval of additional funding from the FAA, to address an ongoing water issue in a small section of pavement and accept the proposed reimbursement from Mead and Hunt in the amount of \$32,156.30, and authorize the Executive Director to sign.		
SUMMARY:	<p>This change order completes the resolution of paving on the 27-1/4 Rd. project to complete the project. The original roadway design provided recommendations to construct a reinforced pavement section the entire length of the roadway. However, through value engineering, these recommendations were limited to identify a method for isolated repairs in construction, saving the program approximately \$850,000 and reducing construction costs to roughly \$225/linear feet (LF) for the 8,250 ft roadway construction.</p> <p>In 2019 300LF of isolated repairs were identified requiring roughly \$100/LF of improvements to address deflections experienced during construction. Observation of the roadway performance since completion has demonstrated acceptable performance of the reduced pavement section with the exception of a 110LF section that is addressed by this change order.</p> <p>Analysis of the roadway performance over the past year identified the need for an increased structural section and subsection drainage from original design to address subsurface conditions and limit surface movement to acceptable limits. The increased pavement section includes excavation of existing materials, placement of a chip seal top mat, and pavement markings.</p> <p>The FAA advised that prior roadway construction costs will not be eligible for FAA reimbursement. As a partner to the resolution of this issue Mead & Hunt is proposing to reimburse the Airport for the ineligible project expenses to a value of \$32,156.30 and is not requesting additional compensation above and beyond the current scopes of work for this project totaling \$499,519.97.</p>		

The FAA has approved the proposed revisions, has expressed agreement in the funding allocations, however we are still finalizing associated grant amendments with the FAA to fund this change order. The Change Order will not be signed by the Executive Director until the grant amendment plans are finalized.

REVIEWED BY: Executive Director and Legal Counsel

FISCAL IMPACT: **Anticipated Funding Sources**

- Mead & Hunt – \$32,156.30
- FAA - \$87,192.41
- GJRAA - \$9,688.05

Total Change Order Cost - \$129,036.75

ATTACHMENTS:

1. Contract Change Order No. 04, supporting letters from David Evans and Ground Engineering, and maps depicting the proposed work area
2. Change Order 04 – Mead & Hunt Support of Resolution Letter

STAFF CONTACT: Angela Padalecki
apadalecki@gairport.com
Office: 970-248-8588

CONTRACT CHANGE ORDER NO. 04

AIRPORT Grand Junction Regional Airport

Date 7/17/2020

LOCATION Grand Junction, CO

AIP No. 3-08-0027-

CONTRACTOR Oldcastle SW Group, Inc. dba United Companies

You are requested to perform the following described work upon receipt of an approved copy of this document or as directed by the Engineer.

Item No.	Description	Unit	Unit Price	Quantity	Amount
202 (2020)	Pavement Removal (Non-Federal)	SY	\$12.50	300	\$3,750.00
304-06007 (2020)	Unclassified Excavation	CY	\$55.50	400	\$22,200.00
304-06007 (2020)	Base Aggregate	CY	\$80.00	110	\$8,800.00
401-(CDOT) (2020)	Hot Mix Asphalt (Grading S) (75)(PG 64-22)	TON	\$187.00	70	\$13,090.00
627 (2020)	Pavement Markings (Double Yellow & White) Epoxy Base	LF	\$3.00	150	\$450.00
630 (2020)	Traffic Control (Non-Federal)	LS	\$11,500.00	1	\$11,500.00
304-06007A (2020)	Backfill – CDOT Class 2	CY	\$65.25	347	\$22,641.75
712 (2020)	Geotextile Fabric (RS580i)	SY	\$7.75	800	\$6,200.00
401-(CDOT) (2020)	Chipseal	SY	\$28.75	300	\$8,625.00
624 (2020)	Perforated, Rigid PVC Pipe – 4” Dia.	LF	\$9.00	220	\$1,980.00
624 (2020)	Non-Perforated, Rigid PVC Discharge Pipe – 4” Dia.	LF	\$30.00	820	\$24,600.00
G105A (2020)	Mobilization	UNIT	\$5,200.00	1	\$5,200.00
This Change Order Total					\$ 129,036.75
Previous Change Order(s) Total					\$ 221,816.75
Original Contract Total					\$ 1,893,328.10
Revised Contract Total					\$ 2,244,181.60

The additional time provided for completion in the contract is twelve (12) working days. This document shall become an amendment to the contract and all provisions of the contract will apply.

Recommended by: _____
Jeremy K. Lee, P.E., Engineer (Mead & Hunt, Inc.)

_____ **7/17/2020**
Date

Approved by: _____
Sponsor (Grand Junction Regional Airport Authority)

_____ **Date**

Accepted by: _____
Contractor (Oldcastle SW Group, Inc. dba United Companies)

_____ **Date**

Approved by: _____
Federal Aviation Administration

_____ **Date**

NOTE: Change Orders and Supplemental Agreements require FAA approval prior to construction, otherwise no Federal participation can be granted.

AIP NO. 3-08-0027-

CHANGE ORDER NO. 04

AIRPORT Grand Junction Regional Airport

LOCATION Grand Junction, CO

JUSTIFICATION FOR CHANGE

1. Brief description of the proposed contract change(s) and location(s).

Analysis of the roadway performance over the past year identified the need for an increased structural section and subsection drainage from original design to address subsurface conditions and limit surface movement to acceptable limits. The increased pavement section includes construction excavation of existing materials to 44 inches below finished grade, placement of 36" of CDOT Class 2 Base with 2 fabric layers and integral underdrains, placement of 8" of CDOT Class 6 Base, placement of 4" of CDOT Hot Mix Asphalt, placement of a chip seal top mat, and pavement markings. Performance of the work shall be as shown on the attached markup drawings, C-103 and C-301 per the recommendations of the geotechnical engineer. The work shall be performed from approximately station 50+90 to 52+00 along 27 ¼ road.

2. Reason(s) for the change(s) *(Continue on reverse if necessary)*

Field investigations of the deflections observed along stations 50+90 to 52+00 on 27 ¼ road determined a structural section will need to be constructed to in this 110 ft section of the road section as describe in the attached letter from Ground Engineering. Ground Engineering provides a recommendation for repairing this area. The road section will be excavated to stable conditions then backfilled with pit run. The area will then be repaved.

3. The Sponsor's share of this cost is available from:

N/A

4. If this is a supplemental agreement involving more than \$2,000, is the cost estimate based on the latest wage rate decision? Yes No Not Applicable

5. Has consent of surety been obtained? Yes Not Necessary

6. Will this change affect the insurance coverage? Yes No

7. If yes, will the policies be extended? Yes No Not Applicable

8. Has this Change Order been discussed with FAA officials? Yes No

When: 07/16/2020

With Whom: Kristin Brownson

Attachments:

- Letter David Evans with Drawings C-103 and C-301
- Letter Ground Engineering
- Exhibit 1 – Summary of Roadway Section Development Base Bid, Change Order #3, and Change Order #4



DAVID EVANS
AND ASSOCIATES INC.

June 29, 2020

Jeremy Lee, PE
Mead & Hunt
1743 Wazee Street, Suite 400
Denver, CO 80202

RE: 27 ¼ Road Pavement

Dear Mr. Lee,

David Evans and Associates, Inc. (DEA) has been advised regarding the recommendations by Ground Engineering Consultants, Inc. (Ground) in their letter to you dated May 20, 2020 regarding the pavement deformations between approximate stations 51+00 and 52+00 along 27 ¼ Road. This letter serves to respond to the specific comments about the roadway and drainage design to date, namely:

- Surface Drainage. Our drainage design and report were completed by professional engineers with certification and experience in the management, treatment, and conveyance of surface stormwater. Our design and report have been confirmed, and the recommendation to install an additional cross culvert under the roadway is not substantiated by the design and calculations. The design and subsequent installation of facilities per that design is adequate.
- Subgrade Underdrain System. The attached schematic indicates the approximate locations of the proposed underdrain system, as per the specifications of Ground's 5/20/2020 letter. A 1% minimum slope on the underdrain outfall will require approximately 400 linear feet of outfall pipe and should be field-verified based on depth of actual excavation to get to material deemed acceptable by field observers for placement thereon of the underdrain system and pit run material.
- Overexcavation and Replacement Materials. We have no comment on Ground's recommendation for the revisions to the subgrade system to be installed in the subject area (overexcavation, pit run, fabric, and replacement of pavement section).



Additionally, we note the following:

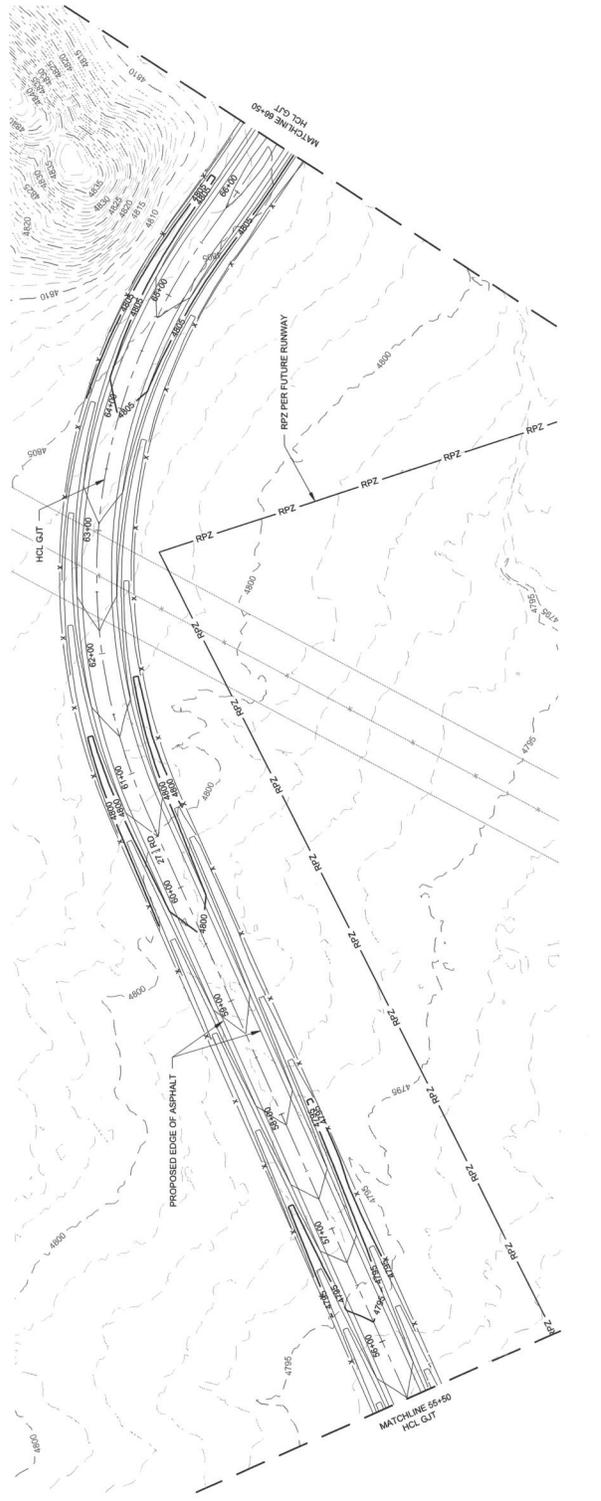
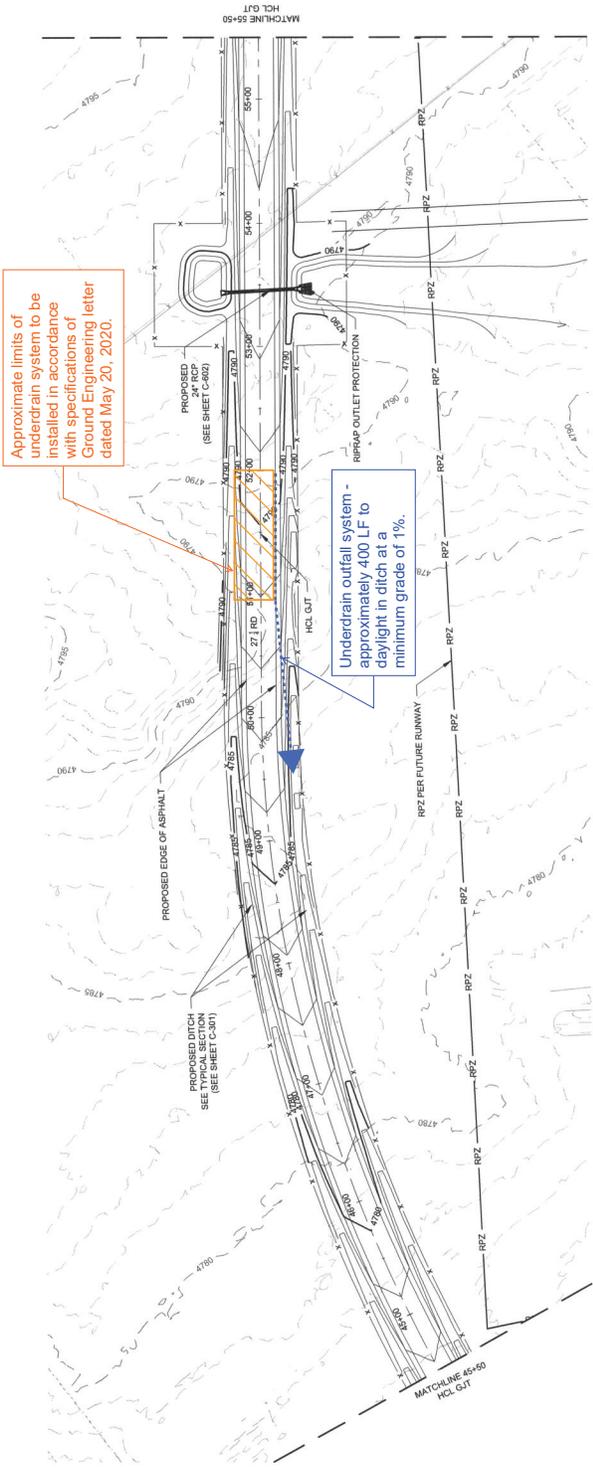
- Because the contractor will be installing a system recommended by Ground, Ground personnel should be on site during excavation to confirm the depth of overexcavation and to accept the condition of the native material at the base of the overexcavation.
- A 4" plastic pipe installed at 1% minimum grade over approximately 400 LF will discharge more than 5 gallons per minute to meet the capacity requirements proposed by Ground.

Please contact me directly with any additional questions.

Sincerely,

A handwritten signature in blue ink that reads "Sara K. Ciasto". The signature is written in a cursive, flowing style.

Sara K. Ciasto, PE
Project Manager



GROUND

ENGINEERING

May 20, 2020

Subject: Geotechnical Parameters, **27¼ Road Repair**, Grand Junction, Colorado.

Job Number 20-3578

Jeremy Lee
Mead & Hunt
1743 Wazee Street, Suite 400
Denver, Colorado 80202

Dear Mr. Lee:

GROUND Engineering Consultants, Inc. (GROUND) previously performed a geotechnical subsurface exploration program to provide geotechnical data and considerations for the Runway 11/29 relocation project located within the Grand Junction Regional Airport (GJT). Our findings and conclusions were presented in the report titled, *Geotechnical Subsurface Exploration Program, Grand Junction Regional Airport Runway 11/29 Relocation Program, Grand Junction, Colorado, Final Submittal*, Job No. 17-3641, dated June 5, 2018. Within this report (Chapter 4), we provided various parameters for 27¼ Road.

On May 13, 2020, GROUND met on-site with representatives of Mead & Hunt, the City of Grand Junction, and the Grand Junction Regional Airport to discuss previously observed pavement distress. We understand that in December 2019, a “bulge” was observed predominantly in the northbound lane and less so in the southbound lane of 27¼ Road within an area that had been previously repaired (near Stations 51+00 to 52+00). According to Mead & Hunt and the City of Grand Junction, this bulge displayed at least 4 to 6 inches (or more) of vertical movement; the southbound lane reportedly exhibited smaller bulges.

Based on our observations during this site meeting in this reach (approximately 110 feet in length), the road surface was somewhat rough and the chip seal appeared to be failing / sloughing off. The bulges that were previously observed by others were essentially gone.

The following conditions were observed during our site meeting:

- Elevated moisture in the subgrade soils when hand excavated adjacent to the pavement section.
- Significantly more extensive efflorescence / evaporative salt deposits on the ditch slopes adjacent to the subject roadway section to the west and east.
- Efflorescence at the surface of the shoulder, immediately adjacent to the eastern edge of the northbound lane pavement.
- Incipient rutting of the asphalt in the area.
- A native swale in the land from the west to the east within the effective reach.

**27¼ Road
Grand Junction, Colorado**

While on-site, it was generally agreed that surface-generated water is infiltrating the pavement subgrade materials in this reach of roadway, likely resulting in the observed pavement distress. In GROUND's opinion, the temporary doming of the roadway surface during the winter of 2019 – 2020 likely was the result of ice accumulation beneath the asphalt. This interpretation is supported by the relatively rapid time development of the doming and its subsequent subsidence.

We understand the City of Grand Junction is willing to accept some amount of movement due to the nature of the use of 27¼ Road. To reduce the likelihood and resultant magnitude of further distress in the subject reach of the road, in GROUND's opinion, the subgrade soils should be excavated to a depth of **3 feet** below the pavement section (approximately 4 feet below pavement surface elevation) and replaced with clean, pit-run material (maximum particle size of 3 inches, and less than 5 percent passing the No. 200 Sieve.). Pit-run material should be placed in uniform lifts not exceeding 12 inches in loose thickness and compacted. Additionally, a layer of woven geotextile (Mirafi® RS 580i or other the equivalent) should be placed at a depth of approximately 12 inches above the base of the pit-run section. As generally agreed to by Mead & Hunt and the City of Grand Junction, standard nuclear moisture-density testing may not be sufficient to determine stability and therefore, visual observations to verify stability should also be incorporated. Adequate compaction should be demonstrated by the absence of rutting, pumping, or deflection following a proof roll on each lift, or as directed by the City of Grand Junction. Following the final proof roll of the pit run section, another layer of geotextile should be placed at the surface of the pit-run prior to the replacement of the pavement section (asphalt + aggregate base course). The remedial section, as outlined above, should extend the entire width of the roadway including the shoulders.

The base of the pit-run section should be sloped at an angle of at least 1 percent to a drain system. The drain system should consist of perforated, rigid PVC collection pipe at least **4 inches** in diameter and non-perforated, rigid, PVC discharge pipe at least **4 inches** in diameter. The drain system should be designed to discharge at least **5 gallons per minute** of collected water via gravity discharge. At least **12 inches** of pit-run material should enclose the collection pipe on the sides and top. The actual underdrain layout should be developed by a civil engineer.

During the on-site meeting, it was discussed that representatives of Mead & Hunt, GROUND, and the City of Grand Junction would be on-site during the repair work. The remedial earthwork discussed above should not be expected to eliminate all future pavement movements.

Furthermore, as discussed during the site meeting, appropriate civil drainage improvements such as re-grading the slopes in this area and the installation of a culvert pipe should be considered to further improve localized drainage and reduce the potential for additional pavement/roadway distress. It is imperative that positive site drainage is implemented and maintained throughout the life of the pavement. As indicated in our June 5, 2018 geotechnical report and as exhibited by the roadway section discussed herein, pavements that are not properly drained may experience a loss of soil support and subsequent reduction in pavement life. If pavement subgrade materials are subjected to further moisture infiltration, movements, associated distress, and additional maintenance should be expected.

27¼ Road
Grand Junction, Colorado

Should you have any questions, please contact this office.

Sincerely,
GROUND ENGINEERING CONSULTANTS, INC.



Amy Crandall, P.E.

A handwritten signature in black ink, appearing to read "Jason A. Smith".

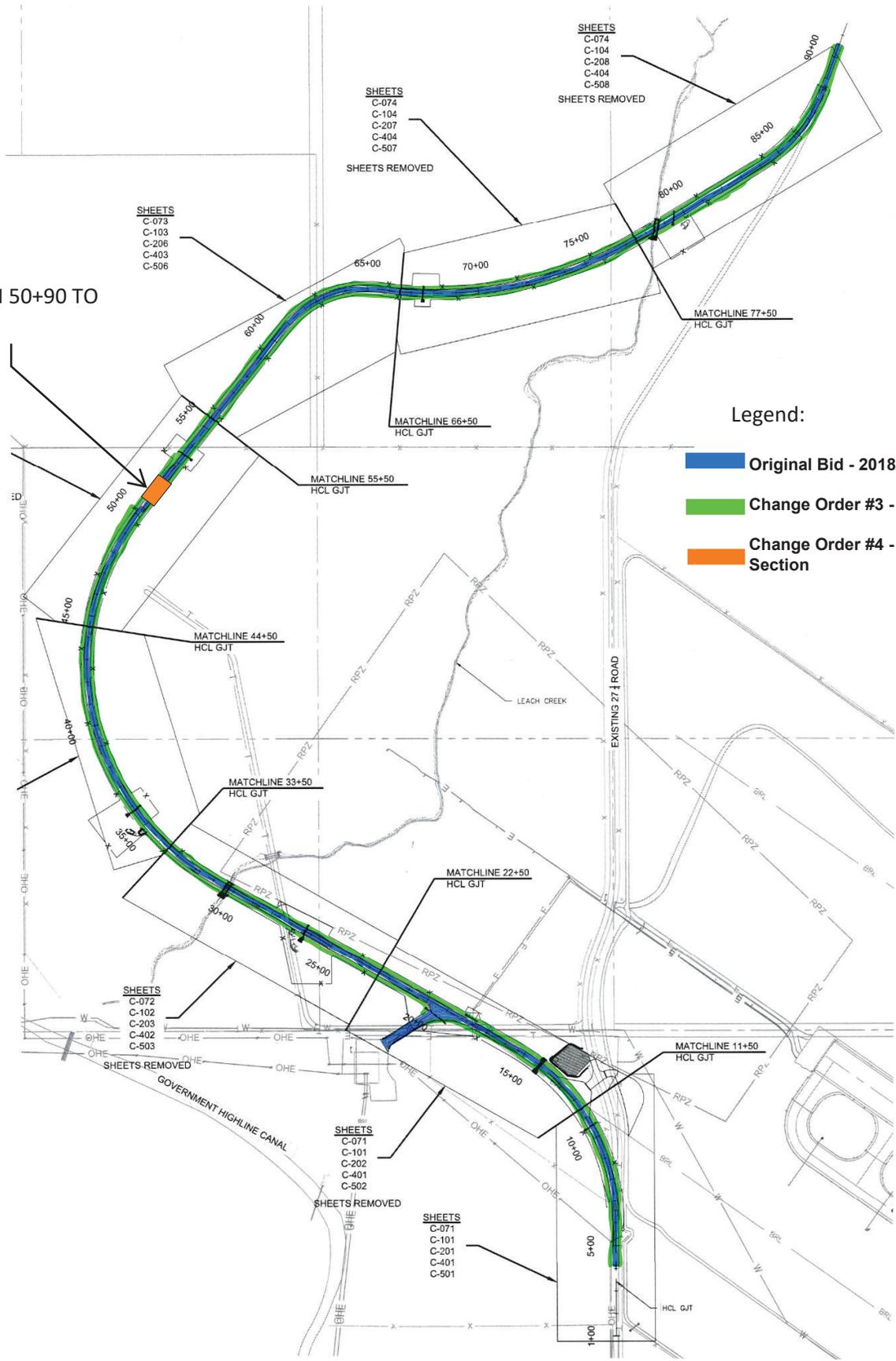
Reviewed by Jason A. Smith, REM, P.E.

A handwritten signature in blue ink, appearing to read "Brian H. Reck".

Reviewed by Brian H. Reck, C.E.G., P.G., P.E.

27 1/4 Rd Change Order #04 – Exhibit 1

STATION 50+90 TO 52+00



Legend:

- Original Bid - 2018/2019 Construction
- Change Order #3 - 2019 Shoulder Addition
- Change Order #4 - 2020 Roadway Structural Section



July 17, 2020

Angela Padalecki
Executive Director

(Transmitted via Email – No hard copy transmitted)

Grand Junction Regional Airport

Subject: Grand Junction Regional Airport – 27-1/4 Road Project
Change Order 04 – Mead & Hunt Support of Resolution

Dear Ms. Padalecki:

As we complete resolution of the pavement deflection issues on 27-1/4 with City of Grand Junction support of the revised construction details and in coordination with the FAA for reimbursement of Change Order #04 costs, it has been identified that prior roadway construction costs will not be eligible for FAA reimbursement. Excluded from the overall eligibility are the following expenses within the work area (station 50+90 to 52+00):

- Change Order #04 Items totaling \$15,250
 - o Temporary traffic control, Pavement removal
- Change Order #03 Items totaling \$11,064.80
 - o Unclassified Excavation, Pavement Removal
 - o Shoulder and Base Course, Hot Mix Asphalt
- Base Bid Items totaling \$5,841.50
 - o Original Base Course and Hot Mix Asphalt

Mead & Hunt has and will complete tasks towards the resolution of this issue in accordance with Mead & Hunt's Professional Services Agreement with Grand Junction Regional Airport Authority and Task Orders 1 and 4 authorizing these efforts. As a partner to the resolution of this issue Mead & Hunt is not requesting additional compensation above and beyond the current scopes of work for this project totaling \$499,519.97. Additionally, Mead & Hunt is proposing to reimburse the airport for the ineligible project expenses to a value of \$32,156.30.

If you have any questions or require additional information, please contact me at (303) 518-8559.

Sincerely,
MEAD & HUNT, Inc.

Jeremy K. Lee, PE
Project Manager

Cc: Brad Rolf, Mead & Hunt

GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT

Report Date: **5/31/2020**
 PY Comparison Date: 5/31/2019

May, 2020

PASSENGER ENPLANEMENTS:	CURRENT MONTH			YEAR-TO-DATE		
	2019	2020	PERCENT CHANGE	2019	2020	PERCENT CHANGE
AMERICAN	10,089	2,275	-77.45%	43,798	29,151	-33.44%
ALLEGIANANT	2,044	476	-76.71%	7,467	5,743	-23.09%
UNITED	7,446	520	-93.02%	30,638	15,742	-48.62%
DELTA	3,860	296	-92.33%	17,817	8,775	-50.75%
DENVER AIR CONNECTION	593	-	-100.00%	3,323	1,703	-48.75%
Misc Charters	144	-	-100.00%	697	241	-65.42%
TOTAL ENPLANEMENTS	24,176	3,567	-85.25%	103,740	61,355	-40.86%
TOTAL SEAT CAPACITY	31,453	8,480	-73.04%	132,760	98,941	-25.47%
PASSENGER DEPLANEMENTS:	2018	2020	CHANGE	2019	2020	CHANGE
AMERICAN	10,250	2,327	-77.30%	44,857	28,726	-35.96%
ALLEGIANANT	2,009	421	-79.04%	7,296	5,610	-23.11%
UNITED	8,152	407	-95.01%	35,555	19,728	-44.51%
DELTA	4,577	323	-92.94%	19,671	9,770	-50.33%
DENVER AIR CONNECTION	586	-	-100.00%	3,234	1,596	-50.65%
Misc Charters	144	-	-100.00%	635	167	-73.70%
TOTAL DEPLANEMENTS	25,718	3,478	-86.48%	111,248	65,597	-41.04%
TOTAL PASSENGERS	49,894	7,045	-85.88%	214,988	126,952	-40.95%

LOAD FACTOR:(OUTBOUND ONLY)	CURRENT MONTH			YEAR-TO-DATE		
	2019	2020	Difference	2019	2020	Difference
AMERICAN	75.35%	52.97%	-22.38%	79.22%	64.65%	-14.57%
ALLEGIANANT	68.34%	34.80%	-33.54%	72.63%	63.92%	-8.71%
UNITED	84.52%	30.29%	-54.23%	82.65%	62.66%	-19.99%
DELTA	81.87%	26.91%	-54.96%	78.03%	53.66%	-24.37%
DENVER AIR CONNECTION	42.42%	N/A	N/A	48.58%	50.24%	1.65%
GJT TOTAL	76.86%	42.06%	-34.80%	78.14%	62.01%	-16.13%

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

05/31/2020

	Month			Forecast Variance		Prior Year Variance		
	12/31/2020	05/31/2020	05/31/2019	Forecast \$ Var	Forecast % Var	PY \$ Var	PY % Var	
	Forecast	Actual	PY Actual					
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	19,041	17,484	56,153	(1,557)	(8.18) %	(38,669)	(68.86) %
2	Terminal rent	102,956	102,957	98,487	1	0.00 %	4,470	4.54 %
3	Other (boarding bridge)	848	997	11,078	149	17.57 %	(10,081)	(91.00) %
	Total Passenger airline revenue	122,845	121,438	165,718	(1,407)	(1.15) %	(44,280)	(26.72) %
Non-passenger airline revenue								
4	Non-passenger landing fees	8,367	10,184	8,079	1,817	21.72 %	2,105	26.06 %
5	Cargo and hangar rentals	4,488	4,561	4,483	73	1.63 %	78	1.74 %
6	Fuel tax & flowage fees	8,631	27,467	71,941	18,836	218.24 %	(44,474)	(61.82) %
7	Other (ramp parking, rapid refuel)	328	270	660	(58)	(17.68) %	(390)	(59.09) %
	Total Non-passenger airline revenue	21,814	42,482	85,163	20,668	94.75 %	(42,681)	(50.12) %
	Total Aeronautical revenue	144,659	163,920	250,881	19,261	13.31 %	(86,961)	(34.66) %
Non-aeronautical revenue								
8	Land and building leases	49,343	49,293	48,859	(50)	(0.10) %	434	0.89 %
9	Terminal - restaurant & retail	1,775	1,669	14,203	(106)	(5.97) %	(12,534)	(88.25) %
10	Terminal - other	15,041	15,294	15,041	253	1.68 %	253	1.68 %
11	Rental cars	23,634	34,520	106,378	10,886	46.06 %	(71,858)	(67.55) %
12	Parking	19,171	16,332	128,929	(2,839)	(14.81) %	(112,597)	(87.33) %
13	Ground Transportation	856	763	5,558	(93)	(10.86) %	(4,795)	(86.27) %
14	Other (advertising, security fee, vending, etc)	2,080	5,206	15,157	3,126	150.29 %	(9,951)	(65.65) %
	Total Non-aeronautical revenue	111,900	123,077	334,125	11,177	9.99 %	(211,048)	(63.16) %
	Total Operating revenues	256,559	286,997	585,006	30,438	11.86 %	(298,009)	(50.94) %

Variance Explanations - May 2020 compared to Forecast and May 2019 Preliminary Financial Statements

Note that expenses have not been presented and compared on a monthly basis, because almost all variance in expenses are timing related at this point. Variance explanations and account explanations have been provided for most revenue accounts below to help describe the revenue source and how the changes in assumptions and activity impacted May 2020.

Operating Revenues:

- 1 ***Passenger airline landing fees*** – The forecasted passenger landing revenue estimated that we would have 50% of the commercial landings in May 2020 compared to May 2019. Actual May landings were below the estimated activity level and were still at about 25% of the 2019 landings. As a result, our passenger airline landing revenues are below the May Forecast by about \$1,500. We received 365 fewer scheduled landings in May 2020 compared to May 2019 and 21 less diversions.
- 2 ***Terminal Rent*** – Terminal rent is a fixed charge to the airlines that covers their individual ticket counters and office space, as well as the ticket queuing area, baggage claim, and secure hold room. The increase from prior year was based on the calculated increase in rates from the formula based rates and charges model that was adopted in the December 2019 board meeting.
- 3 ***Other (Boarding Bridge)*** – Although the total dollar amount is small, I wanted to note that the decrease in boarding bridge fees from 2019 is not tied directly to usage because the "per turn" fee charged for using the boarding bridge was decreased from \$25/use to \$8.50/use from 2019 to 2020 with the new rate model.
- 4 ***Non-passenger landing fees*** – Landing fees from non-passenger traffic (primarily cargo) was within \$2,000 of the prior year amount and on-track with budget. There was a decrease of 11 cargo landings in May 2020 compared to May 2019, however, 8 of the landings were from Key Lime Air, Fed Ex had only 3 fewer landings in May 2020. The increase in revenue is the result of the increase in landing fees that was enacted and effective January 1, 2020.
- 5 ***Cargo and hangar rentals*** – FedEx leases a hangar and "exclusive" space on the commercial apron. This fixed rent charge is based on their lease.
- 6 ***Fuel tax & flowage fees*** – Based on discussions with CDOT, fuel tax is typically collected by the State and remitted to the airports about two months after the activity occurred. The forecast did not account for the lag in receipts, therefore the actual May revenue exceeded forecast for state fuel tax disbursements. Fuel flowage fees from GA operations were down 55% compared to 2019, and our forecast had predicted a 75% decrease so our revenues exceeded expectations for fuel flowage fees and GA activity.
Non-aeronautical revenues – Aside from Land and building leases and terminal - other accounts that represent fixed rent charges, the non-aeronautical revenues are tied directly to passenger traffic. In May 2020, the airport had 3,358 enplanements compared to 23,169 enplanements in May 2019; a decline of almost 85.5%. The May forecast estimated an 85% decline, so passenger numbers were in-line with forecast expectations.
- 9 ***Terminal - restaurant & retail*** - The decline in restaurant and retail revenue from 2019 of 88% was slightly higher than the decrease in passengers. This indicates that people that were still flying were not spending as much on food or gifts as was previously spent and is consistent with the April activity. However, restaurant and retail revenues are still within \$100 of forecast expectations.
- 11 ***Rental Cars*** - Rental car revenue only declined 68% year over year. We believe that the decrease was less than the total decrease in passengers due to local rental car activity that was consolidated at the airport which was not anticipated in our forecast; therefore, actual revenues in May 2020 exceeded expectations.
- 12 ***Parking and Ground Transportation*** - Parking revenue and Ground Transportation revenue declined by 87% year over year from 2019 to 2020 in May. Similar to restaurant and retail sales the decline in revenue was slightly higher than the decline in passengers and appears to be recovering slower than other revenues.

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

	Year to Date			Forecast Variance		Prior Year Variance		
	12/31/2020	05/31/2020	05/31/2019	Forecast \$	Forecast %	PY \$ Var	PY % Var	
	Forecast	Actual	PY Actual	Remaining	Remaining			
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	\$ 445,599	\$ 206,181	\$ 248,212	\$ (239,418)	(53.73) %	\$ (42,031)	(16.93) %
2	Terminal rent	1,235,472	520,247	492,435	(715,225)	(57.89) %	27,812	5.65 %
3	Other (boarding bridge)	20,246	9,993	54,935	(10,253)	(50.64) %	(44,942)	(81.81) %
	<i>Total Passenger airline revenue</i>	<u>1,701,317</u>	<u>736,421</u>	<u>795,582</u>	<u>(964,896)</u>	<u>(56.71) %</u>	<u>(59,161)</u>	<u>(7.44) %</u>
Non-passenger airline revenue								
4	Non-passenger landing fees	100,404	43,359	37,362	(57,045)	(56.82) %	5,997	16.05 %
5	Cargo and hangar rentals	53,856	22,573	22,084	(31,283)	(58.09) %	489	2.21 %
6	Fuel tax & flowage fees	356,179	202,721	288,095	(153,458)	(43.08) %	(85,374)	(29.63) %
7	Other (ramp parking, rapid refuel)	3,936	2,190	2,520	(1,746)	(44.36) %	(330)	(13.10) %
	<i>Total Non-passenger airline revenue</i>	<u>514,375</u>	<u>270,843</u>	<u>350,061</u>	<u>(243,532)</u>	<u>(47.35) %</u>	<u>(79,218)</u>	<u>(22.63) %</u>
	<i>Total Aeronautical revenue</i>	<u>2,215,692</u>	<u>1,007,264</u>	<u>1,145,643</u>	<u>(1,208,428)</u>	<u>(54.54) %</u>	<u>(138,379)</u>	<u>(12.08) %</u>
Non-aeronautical revenue								
8	Land and building leases	587,872	262,124	246,821	(325,748)	(55.41) %	15,303	6.20 %
9	Terminal - restaurant & retail	80,070	48,265	71,281	(31,805)	(39.72) %	(23,016)	(32.29) %
10	Terminal - other	180,492	75,824	75,398	(104,668)	(57.99) %	426	0.57 %
11	Rental cars	637,782	342,891	488,948	(294,891)	(46.24) %	(146,057)	(29.87) %
12	Parking	747,890	406,346	627,998	(341,544)	(45.67) %	(221,652)	(35.30) %
13	Ground Transportation	29,425	14,206	33,060	(15,219)	(51.72) %	(18,854)	(57.03) %
14	Other (advertising, security fee, etc.)	40,125	16,090	43,074	(24,035)	(59.90) %	(26,984)	(62.65) %
	<i>Total Non-aeronautical revenue</i>	<u>2,303,656</u>	<u>1,165,746</u>	<u>1,586,580</u>	<u>(1,137,910)</u>	<u>(49.40) %</u>	<u>(420,834)</u>	<u>(26.52) %</u>
	Total Operating Revenues	<u>\$ 4,519,348</u>	<u>\$ 2,173,010</u>	<u>\$ 2,732,223</u>	<u>\$ (2,346,338)</u>	<u>(51.92) %</u>	<u>\$ (559,213)</u>	<u>(20.47) %</u>

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

	Year to Date			Forecast Variance		Prior Year Variance		
	12/31/2020	05/31/2020	05/31/2019	Forecast \$ Remaining	Forecast % Remaining	PY \$ Var	PY % Var	
	Forecast	Actual	PY Actual					
Operating expenses								
14	Personnel compensation and benefits	\$ 2,554,248	\$ 993,291	\$ 979,386	\$ (1,560,957)	(61.11) %	\$ 13,905	1.42 %
15	Communications and utilities	321,849	127,447	128,190	(194,402)	(60.40) %	(743)	(0.58) %
16	Supplies and materials	416,813	166,742	215,335	(250,071)	(60.00) %	(48,593)	(22.57) %
17	Contract services	663,350	252,462	286,309	(410,888)	(61.94) %	(33,847)	(11.82) %
18	Repairs & maintenance	382,412	112,278	124,029	(270,134)	(70.64) %	(11,751)	(9.47) %
19	Insurance	120,699	43,387	38,019	(77,312)	(64.05) %	5,368	14.12 %
20	Training, Travel, & Air Service Development	156,810	49,472	85,240	(107,338)	(68.45) %	(35,768)	(41.96) %
21	Other Expense (marketing, professional dues, etc)	117,250	23,738	16,998	(93,512)	(79.75) %	6,740	39.65 %
22	Contingency Expense	25,000	-	1,446	(25,000)	(100.00) %	(1,446)	(100.00) %
	<i>Total Operating expenses</i>	<u>4,758,431</u>	<u>1,768,817</u>	<u>1,874,952</u>	<u>(2,989,614)</u>	<u>(62.83) %</u>	<u>(106,135)</u>	<u>(5.66) %</u>
Non-operating revenue (expenses)								
23	Passenger facility charges	518,236	297,203	444,954	221,033	42.65 %	(147,751)	(33.21) %
24	Interest income	34,581	42,613	108,349	(8,032)	(23.23) %	(65,736)	(60.67) %
25	Interest expense	(790,376)	(329,033)	(339,580)	(461,343)	58.37 %	10,547	3.11 %
26	Customer facility charges	216,642	143,580	270,248	73,062	33.72 %	(126,668)	(46.87) %
27	Capital contributions	14,163,501	3,969,534	1,238,965	10,193,967	71.97 %	2,730,569	220.39 %
27	Capital expenditures	(17,657,510)	(6,222,534)	(4,760,399)	(11,434,976)	64.76 %	(1,462,135)	(30.71) %
28	Debt principal payments	715,000	-	-	715,000	100.00 %	-	#DIV/0!
29	Other	(1,505,375)	-	-	(1,505,375)	100.00 %	-	0.00 %
	<i>Total Non-operating revenue (expenses)</i>	<u>(4,305,301)</u>	<u>(2,098,637)</u>	<u>(3,037,463)</u>	<u>(2,206,664)</u>	<u>51.25 %</u>	<u>938,826</u>	<u>(30.91) %</u>
	Excess of revenue over (under) expense	<u>\$ (4,544,384)</u>	<u>\$ (1,694,444)</u>	<u>\$ (2,180,192)</u>	<u>\$ (1,563,388)</u>	<u>34.40 %</u>	<u>\$ 485,748</u>	<u>(22.28) %</u>

Variance Explanations - May 31, 2020 Year to Date Preliminary Financial Statements

Please note that the Forecast column that replaced the budget column represents the forecast for the entire year, not just YTD. By presenting the full year forecast, the Forecast Variance columns now represent what we have remaining to earn or spend for the remainder of the year, and what percentage of revenue or expense remains. Since many variances in expenses are due to timing, we thought this presentation would be more meaningful than estimating a monthly spend amount.

With the reductions in passenger traffic in March 2020 - May 2020, year-to-date passenger traffic is down 41% through May 2020 compared to May 2019. The explanations below are intended to provide additional explanations about forecasted revenues and expenses.

Operating Revenues:

- 1 **Passenger Landing Fees** - Passenger landing fees exceeded expectations in April 2020 compared to the forecast, but fell short of the forecast for May 2020. Year-to-date landing fees are \$42,000 lower than 2019, however, landing fees are about \$10,000 ahead of the year to date revenue forecast.
- 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. We have not made any changes in our assumptions for terminal rent at this time.
- 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.
- 4 **Non-Passenger Landing Fees** - Non-passenger landing fees year to date are approximately \$6,000 higher than 2019. The total number of landings has been consistent year over year, and the majority of the increase is a result of the increase in landing fees.
- 5 **Cargo and hangar rentals** - The cargo hangar rental is a fixed rent charge and is on budget and consistent with prior year.
- 6 **Fuel Tax and Flowage Fees** - As noted in the monthly revenue variance explanation, state fuel tax disbursements have a 2 month lag, but this was not built into the forecast, therefore our year to date revenues exceeded the forecast for fuel tax. Additionally, GA activity did not decrease as much as we originally forecasted so we have collected more revenues year to date than was anticipated. Year-to-date fuel tax and flowage fee revenue of \$203,000 is about \$40,000 ahead of the forecast.
- 8 **Non-aeronautical revenues** - Year-to-date through May 2020, total enplaned passengers are approximately 41% lower than the same time period in 2019. Aside from
- land and building leases and the terminal - other revenue which are fixed rents, the other non-aeronautical revenues are almost entirely tied to enplaned passengers at
1 the airport and therefore would be expected to reflect a comparable decline in year-to-date revenues from 2019. Declines through May 2020 for restaurant, rental cars,
4 and parking are below the 41% decrease in passenger traffic. Local rental traffic has sustained rental car revenue above the forecast amount and higher per passenger
spending in restaurant and parking in January and February account for the year-to-date position. Restaurant and parking revenues are lagging slightly behind forecast
expectations for April and May 2020.

Operating Expenses:

Note that Year-to-Date activity through May 2020 represents about 42% of the year. Forecast variances of 58% or higher indicate spending that is at or below the forecast amount for the year.

- 14 **Personnel Compensation & Benefits** – Compensation and benefits are within 1.5% of the prior year actual costs year-to-date through May. With 61% of the forecast budget remaining, compensation and benefits are on track with budget.
- 16 **Supplies & Materials** – Supplies & Materials costs are approximately \$48,000 below prior year spending to date through May and 60% of the forecast budget is remaining. The decrease is almost entirely related to decreases in unleaded fuel purchases. Fuel is purchased and sold to the rental car companies and airlines to fuel their equipment. With the decrease in demand, the consumption has decreased and the purchases are less frequent.
- 17 **Contract Services** – Contract services are \$33,000 lower year-to-date through May 2020 compared to May 2019. The year over year decrease is due primarily to the timing of work performed for the audit, legal, and IT services. Additionally, in 2019 the Airport was working on the terminal capacity study and had spent \$40k in professional engineering services. In 2020 we have not yet paid for any engineering planning services.
- 20 **Training, Travel, & Air Service Development** – Costs for training, travel and air service development are \$36,000 below the prior year actual year-to-date expenses through May. A temporary "freeze" has been placed on travel for conferences and training and employees are looking to take advantage of on-line and local training opportunities where available. The annual ARFF certification and burn was completed in May which represents about \$20,000 worth of training costs.

Non-Operating Revenues and Expenses:

- 22 **PFC Revenue** – PFC revenue is below prior year actual due to the decrease in passenger activity. Year to date, total passenger traffic is down 41% which is consistent with the decline in PFC revenue, however, we are researching why PFC revenues are only down 33% from 2019.
- 23 **Interest Income** - Interest income is less than half of the amount received in 2019 YTD through May. The second half of the bond funds were drawn down in March 2020 and therefore we expect the monthly and year-to-date income to reduce substantially from the prior year.
- 25 **CFC Revenue** – CFC revenues are temporarily waived from April 2020 through September 2020 and with the decrease in passenger traffic, revenue is down almost 47% from May 2019.
- 27 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. In 2020 we have performed more AIP and Non-AIP work year to date through May 2020 compared to May 2019.

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

	Month Ending 05/31/2020	Month Ending 04/30/2020	Variance
Assets			
Current Assets			
	\$ 7,774,503	\$ 9,054,229	\$ (1,279,726)
	4,118,775	4,067,665	51,109
1	<i>Total Cash and Cash Equivalents</i>	13,121,895	(1,228,617)
	Accounts Receivable		
	724,094	584,382	139,712
	2,643,360	3,058,404	(415,044)
2	<i>Total Accounts Receivable, Net</i>	3,642,786	(275,332)
3	Prepaid Expenses	64,897	(11,259)
	<i>Total Current Assets</i>	16,829,578	(1,515,207)
Non-Current Assets			
Capital Assets			
	9,764,782	9,764,782	-
	60,339,318	60,756,576	(417,258)
4	<i>Total Capital Assets, Net</i>	70,521,358	(417,258)
5	Bond Project Fund	415,467	99
	<i>Total Non-Current Assets</i>	70,936,824	(417,159)
	Total Assets	87,766,403	(1,932,366)
6	Deferred Outflows of Resources - Pension Plan	719,284	-
Liabilities			
Current Liabilities			
7	Accounts Payable - Ops	138,566	31,815
7	Accounts Payable - Capital	2,072,219	(624,371)
8	Accrued Expenses	238,712	11,420
9	Lease Deposits	164,469	-
10	Deferred Revenue	25,067	-
11	Current portion of capital lease and bonds payable	1,247,701	(329,323)
	<i>Total Current Liabilities</i>	3,886,732	(910,459)
Long Term Liabilities			
	18,190,023	18,190,023	-
	408,932	411,021	(2,089)
	3,011,861	3,011,861	-
12	<i>Total Long Term Liabilities</i>	21,612,905	(2,089)
	<i>Total Liabilities</i>	25,499,637	(912,548)
13	Deferred Inflows of Resources - Pension Plan	64,024	-
	Total Net Position	\$ 62,922,026	\$ (1,019,818)

Variance Explanations - May 31, 2020 Statement of Financial Position

Assets: Total Assets decreased by \$1.93M from April 2020 to May 2020. \$1.2M of the decrease is due to a decrease in cash.

- 1 **Cash** – Cash decreased by \$1.2M from April 2020 to May 2020. The decrease was primarily due to payments made on capital accounts payable totaling \$625k and \$395k of interest paid on the bonds.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Operating receivables increased approximately \$140k as payments due in May were deferred for most tenants. The operating receivable balance will continue to increase as activity begins to increase again and we defer collection of payment for two more months. Capital receivables decreased \$415k as we received grant reimbursements from April contractor activity.
- 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 used in May.
- 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 remaining bond project fund balance represents interest earnings that were accumulated on the project funds. The accumulated interest is still restricted in purpose, but is available to cover debt service. The change in balance from April to May represents interest income received.

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. The pension liability is only re-valued annually so there is no change from month to month. 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 \$913k from April 2020 to May 2020 due to payments made to contractors for capital projects and the first semi-annual bond payment for interest.

- 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 which was the case in May. Capital payables decreased from April to May as the fence project was getting closer to completion.
- 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 capital lease and bonds payable** – This balance represents principal and interest due on the outstanding revenue bond and Yukon capital lease in the current calendar year. We have semi-annual payments due June 1 and December 1 for the bond and one annual payment on the vehicle lease in June. The decrease this month represents the first semi-annual bond payment for interest that was paid on May 27.
- 12 **Long-Term Liabilities** – The long-term bond payable and capital payable balance is updated annually in December to reflect the remaining portion due beyond one year, therefore there is no change from the prior month. 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 2020.

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.