

GRAND JUNCTION REGIONAL AIRPORT



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

BOARD PACKET

July 18, 2023

Grand Junction Regional Airport Authority



Date: July 18, 2023

Location:

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

or

Electronic Meeting

Link: <https://us02web.zoom.us/j/83715700081?pwd=OGpFVWczRzlGUmpzNjkwVBOb3M2Zz09>

Time: 11:30 AM

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 (boardclerk@gairport.com) 15 minutes prior to the meeting. Comments not related to specific agenda items will be addressed during the citizen comment section of the agenda. Citizen comments related to a specific action item will be addressed during the discussion of that action item. The Board Chair will indicate when you may come forward and comment. Please state your name for the record. Presentations are limited to **three minutes** and yielding time to others is not permitted. Speakers are to address the Chair, not each other or the audience, and are expected to conduct themselves in an appropriate manner. The use of abusive or profane language shall not be allowed. No debate or argument between speakers and/or members of the audience shall be permitted.

VI. Consent Agenda

- A. May 16, 2023 Meeting Minutes _____ 1
 - Approve the May 16, 2023 Board Meeting Minutes.
- B. June 2, 2023 Meeting Minutes _____ 2
 - Approve the June 2, 2023 Special Board Meeting Minutes.

July 18, 2023

C.	Airline Use and Lease Agreement _____	3
	- Approve Standard Form of Airline Use and Lease Agreement and Authorize Board Chair to Sign.	
VII.	Action	
A.	Resolution No. 2023-006 - Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts _____	4
	- Adopt resolution No. 2023-006: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts to update banking access and permissions.	
B.	Resolution No. 2023-007 – Designating the Location for the Posting of Notice of Meetings for 2023 _____	5
	- Adopt Resolution No. 2023-007 Designating the Location for the Posting of the Notice of Meetings.	
VIII.	Public Hearing	
A.	First Reading of Proposed Amendments to the Grand Junction Regional Airport Authority Bylaws _____	6
IX.	Discussion	
A.	Proposed Improvements to Airport Policies _____	7
X.	Staff Reports	
A.	Executive Director Report	
B.	Finance Report _____	8
C.	Capital Improvement Plan Update	
XI.	Any other business which may come before the Board	
XII.	Adjournment	



Grand Junction Regional Airport Authority Board
Regular Board Meeting
Meeting Minutes
May 16, 2023

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 11:30 AM on May 16, 2023 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted in the 3rd floor conference room as well as electronically.

<p><u>Commissioners Present:</u> Tom Benton (Chairman) Linde Marshall Ron Velarde Thaddeus Shrader Randall Reitz Cody Davis Chris West</p> <p><u>Airport Staff:</u> Angela Padalecki Travis Boyd Dan Reimer (Counsel) Dylan Heberlein Ben Peck Cameron Reece (Clerk) Kristina Warren Brandon Mittan</p>	<p><u>Guests:</u> Colin Bible, Garver Jen Boehm, Mead and Hunt John Cessar, Mead and Hunt Harrison Earl, CMT Fred Suevel, CAF Allison Thomas, Garver Telisha M., HUB International Jonathan Purdy, Horizon Drive District</p>
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II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Velarde made a motion to approve the May 16, 2023 Board Agenda. Commissioner Marshall seconded the motion. Voice Vote: All Ayes; motion carried.

IV. Commissioner Comments

Commissioner Benton welcomed Commissioner Davis and Commissioner West to the board and had each Commissioner give a brief introduction of themselves.

Commissioner Marshall thanked operations staff for their work on the Emergency Triennial and for making it a very successful event.

V. Citizen Comments

No Citizen Comments were made.

VI. Consent Agenda

A. April 18, 2023 Meeting Minutes

Approve the April 18, 2023 Board Meeting Minutes.

B. Airport Insurance Policy Renewal

Approve the renewal of property and casualty insurance brokered by HUB International for the period June 1, 2023 – May 31, 2024.

C. CDOT Division of Aeronautics Grant 23-GJT-02

Approve CDOT Grant Agreement 23-GJT-02 for \$375,115 for Runway 12/30 Construction and/or Terminal Bipartisan Infrastructure Law and authorize the Executive Director to sign.

D. Amended and Restated Ground Lease – RSI EnTech, LLC

Authorize Executive Director to execute an amended and restated Ground Lease with RSI EnTech, LLC which provides RSI with an additional twenty-year term.

E. First Amendment to FCI Agreement – Waiver of Subrogation Language

Authorize Executive Director to execute a First Amendment to its agreement with FCI Constructors, Inc. to remove the Waiver of Subrogation language.

Commissioner Shrader made a motion to approve the Consent Agenda. Commissioner Reitz seconded the motion. Voice Vote: All Ayes; motion carried.

VII. Action

A. Seventh Addendum to Use and Lease Agreement with Federal Express Corporation

Approve seventh addendum to Use and Lease Agreement with Federal Express Corporation and authorize Chair to sign.

Commissioner Reitz made a motion to Approve seventh addendum to Use and Lease Agreement with Federal Express Corporation and authorize Chair to sign. Commissioner West seconded the motion. Voice Vote: All Ayes; motion carried.

B. Officer and Committee Appointments

Elect the Officers and appoint committees in accordance with the bylaws of the Authority.

Commissioner Shrader nominated Commissioner Marshall as Vice-Chairman. Commissioner Davis seconded the nomination. Commissioner Davis made a motion for the Vice-Chairman nominations to close. Commissioner Shrader seconded the motion. Voice Vote: All Ayes; motion carries. Commissioner Velarde made a motion to elect Commissioner Marshall as Vice-Chairman. Commissioner Davis seconded the motion. Voice Vote: All Ayes; motion carries.

Resulting Officer Election:

Vice Chairman – Linde Marshall

VIII. Staff Reports

- A. Legal Update (Dan Reimer)
- B. Activity Report (Harrison Earl)
- C. Executive Director Report (Angela Padalecki)
- D. Finance Report (Travis Boyd)
- E. Operations Report (Dylan Heberlein)
- F. Capital Improvement Plan Update (Colin Bible)

IX. Any other business which may come before the Board

X. Adjournment

The meeting adjourned at approximately 1:22pm

Audio recording of the complete meeting can be found at [https://gjairport.com/Board Meetings](https://gjairport.com/Board_Meetings)

Tom Benton, Board Chairman

ATTEST:

Cameron Reece, Clerk to the Board



Grand Junction Regional Airport Authority Board
Special Board Meeting
Meeting Minutes
June 2, 2023

SPECIAL 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 11:30 AM on June 2, 2023 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted in the 3rd floor conference room as well as electronically.

<p><u>Commissioners Present:</u> Tom Benton (Chairman) Linde Marshall (Vice-Chairman) Ron Velarde Thaddeus Shrader Cody Davis</p> <p><u>Airport Staff:</u> Angela Padalecki Travis Boyd Dan Reimer (Counsel) Ben Peck Cameron Reece (Clerk) Kristina Warren Hayden Carpenter</p>	<p><u>Guests:</u> Lisa Rorden, Legal Counsel Sam Klomhaus, Daily Sentinel</p>
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II. Approval of Agenda

Commissioner Velarde made a motion to approve the June 2, 2023 Board Agenda. Commissioner Davis seconded the motion. Roll Call Vote: Commissioner Shrader, yes; Commissioner Davis, yes; Commissioner Benton, yes; Commissioner Velarde, yes; and Commissioner Marshall, yes. The motion carries.

III. Commissioner Comments

No Commissioner Comments were made.

IV. Citizen Comments

No Citizen Comments were made.

V. Action

A. Work Order for Elevator Repair

Authorize the Executive Director or her designee to execute the TKE Elevator Repair Work Order, Reference ID: ACIA-23HNMLL, for \$14,796.14.

Commissioner Shrader made a motion to Authorize the Executive Director or her designee to execute the TKE Elevator Repair Work Order, Reference ID: ACIA-23HNMLL, for \$14,796.14. Commissioner Davis seconded the motion. Roll Call Vote: Commissioner Shrader, yes; Commissioner Davis, yes; Commissioner Benton, yes; Commissioner Velarde, yes; and Commissioner Marshall, yes. The motion carries.

VI. Any other business which may come before the Board

VII. Adjournment

The meeting adjourned at approximately 11:36am

Audio recording of the complete meeting can be found at [https://qjairport.com/Board Meetings](https://qjairport.com/Board_Meetings)

Tom Benton, Board Chairman

ATTEST:

Cameron Reece, Clerk to the Board

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Airline Use and Lease Agreement
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve Standard Form of Airline Use and Lease Agreement and Authorize Board Chair to Sign
SUMMARY:	<p>The airline use and lease agreement is the chief governing document for commercial air carrier activity and business at the Airport. It applies to all commercial carriers, both passenger and cargo. An airline is financially incentivized to sign the agreement and become a “Signatory Airline” in exchange for a long-term commitment to the Airport. Furthermore, both parties benefit by defining the methodology and parameters by which airline rates and charges will be set.</p> <p>The current airline use and lease agreement was executed in 2009 for a one-year term and has been in month-to-month holdover status since 2010. This has not adversely impacted the Airport, in part because the agreement permits the Airport Authority to establish rates and charges by resolution during the holdover period. The new version modernizes the agreement and the rate making methodology. In addition, FedEx occupies its on-Airport facility pursuant to a separate lease agreement, recently amended by the Board.</p> <p>Airport Staff worked with the Signatory Airlines in 2019 and early 2020 to comprehensively review and update the airline use and lease agreement. Lease negotiations were disrupted by the COVID pandemic, but resumed in 2022. In November 2022, Airport Staff sent a complete use and lease agreement to the airlines for review and execution, with a planned effective date of January 1, 2023.</p> <p>It has taken several months for the airlines to review and obtain internal approvals for the new use and lease agreement. To date, we have an executed agreement only from American Airlines.</p> <p>Airport Staff seeks Board approval of the standard form use and lease agreement and authority for the Board Chair to sign the American Airlines agreement and further agreements upon receiving signed versions from the Signatory Airlines.</p>
REVIEWED BY:	Executive Director and Legal Counsel

FISCAL IMPACT:	Total passenger airline revenue in 2022 was \$1,752,646
ATTACHMENTS:	1. Standard Form of Airline Use and Lease Agreement
STAFF CONTACT:	Angela Padalecki 970-248-8588 apadalecki@gairport.com

FINAL DRAFT: November 2022

AIR CARRIER USE AND LEASE AGREEMENT
BETWEEN
GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

AND

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AIR CARRIER USE AND LEASE AGREEMENT

THIS AIR CARRIER USE AND LEASE AGREEMENT, made this ____ day of _____, 2022, between the **GRAND JUNCTION REGIONAL AIRPORT AUTHORITY**, an airport authority organized and existing under the Laws of the State of Colorado, having its offices at 2828 Walker Field Drive, Grand Junction, Colorado (the "**Authority**"), and _____, a _____ corporation with offices at _____ (the "**Lessee**").

WITNESSETH:

WHEREAS, the Authority is the operator of Grand Junction Regional Airport (the "**Airport**");

WHEREAS, the Lessee is engaged in commercial air transportation of passengers, property, mail and cargo;

WHEREAS, the Lessee desires to lease from the Authority certain premises and facilities in connection with Lessee's commercial air transportation business; and

WHEREAS, the Authority deems this Agreement to be advantageous to itself, the Lessee, the public and the efficient operation of the Airport.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

ARTICLE 1 DEFINITIONS

The following words and phrases, wherever used in this Agreement, shall for the purpose of this Agreement, have the following meanings:

1. AFFILIATE or AFFILIATED AIRLINE: Shall mean any airline that a Signatory Airline designates to Authority in writing as an Affiliate or Affiliated Airline and that (1) is a parent or wholly owned subsidiary of a Signatory Airline or is under the same ownership and control as a Signatory Airline, (2) operates under essentially the same trade name as a Signatory Airline at the Airport using aircraft with or without the same livery as a Signatory Airline, (3) operates using the same trade name of a parent or subsidiary as a Signatory Airline at the Airport using aircraft with or without the same livery as a Signatory Airline, or (4) shares an International Air Transport Association (IATA) flight designator code with a Signatory Airline and essentially the same livery (Code-Sharing Partner).
2. AGREEMENT: Shall mean this Air Carrier Use and Lease Agreement between Authority and Lessee, as the same may be amended or supplemented from time to time.
3. AIR TRANSPORTATION: Shall mean the conduct of the business of commercial air transportation of persons, property, cargo and mail.
4. AIRLINE: Shall mean a company certificated by the United States Department of Transportation to engage for hire in Air Transportation.
5. AIRLINE RATES AND CHARGES: Shall mean Terminal Rental Rates, Joint Use Fees, Landing Fees and any Rents, Fees and Other Miscellaneous Fees all as described in Article 7.
6. AIRPORT: Shall mean the Grand Junction Regional Airport owned and operated by the Authority, as may be improved or expanded from time to time.
7. AIRPORT OPERATIONS AREA: Shall mean the restricted areas of the Airport, inclusive of taxiways, runways, and aircraft parking areas contained within the Airport's security fencing.
8. ASSOCIATED PARTIES: Shall mean Lessee's employees, contractors, subcontractors, agents, licensees, sublessees, Affiliates, vendors, and invitees (excluding passengers).
9. BOND RESOLUTION: Shall mean the resolution adopted by the Authority on October

18, 2016, as amended, authorizing and providing for the issuance of certain airport revenue bonds by Authority, as such resolution may be supplemented or amended from time to time.

10. CAPITAL PROJECTS: Shall mean those projects or equipment purchases classified in the annual budget of the Authority as a capital project, and not an operation and maintenance expense.
11. COMMERCIAL DEVELOPMENT COST CENTER: Shall mean the cost center that includes all future commercial non-aeronautical developments at the Airport.
12. DAYS: Shall mean calendar days unless otherwise expressly noted.
13. DEBT SERVICE: Shall mean principal and interest payments on, and fees such as trustee fees, letter of credit fees and other program fees related to, existing bonds, required deposits to the funds established pursuant to the Bond Resolution and deposits necessary to satisfy the rate covenants in the Bond Resolution.
14. DIRECT COST CENTERS: Shall mean the Airfield Cost Center, Commercial Development Cost Center, Landside Cost Center, Other Airside Buildings Cost Center, Rental Car Cost Center, and Terminal Cost Center all as described in Article 7.
15. ENPLANED PASSENGER: Shall mean any revenue passenger embarking at the Terminal, including any such passenger that shall previously have disembarked from another aircraft of the same or a different Airline.
16. EXECUTIVE DIRECTOR: Shall mean the Executive Director of the Airport or such other person designated to act on behalf of the Authority.
17. FAA: Shall mean the Federal Aviation Administration of the U.S. Government or any federal agencies succeeding to its jurisdiction.
18. FISCAL YEAR: Shall mean the 12-month period beginning on January 1 and ending on December 31.
19. INDIRECT COST CENTERS: Shall mean the Administration Cost Center, ARFF Cost Center, Fleet Cost Center, and Security Cost Center all as described in Article 7.
20. JOINT USE SPACE: Shall mean the premises leased by the Authority to Lessee and one or more other Airlines, consisting of one or more of the following areas of the Terminal:

the ticket queuing space, security, passenger boarding areas, loading bridges and gates, and baggage claim.

21. LEASED PREMISES: Shall mean the space in the Terminal leased to Lessee under this Agreement, consisting of Preferential Use Space, Shared Use Space and Joint Use Space.
22. LOADING BRIDGE TURN: Shall mean each time an aircraft is “connected” to the loading bridge. If an aircraft enplanes and deplanes passengers without disconnecting, this will count as one “turn”.
23. MAXIMUM GROSS LANDING WEIGHT: Shall mean the maximum certificated weight, in thousand (1,000) pound units, that each aircraft operated by an Airline is authorized by the FAA to land at the Airport, as specified in the Airline's flight manual governing that aircraft.
24. NON-SIGNATORY AIRLINE: Shall mean an Airline that operates at the Airport and is not a Signatory Airline.
25. OPERATION AND MAINTENANCE EXPENSE or O&M EXPENSE: Shall mean those expenses required to operate the Airport, presented as operating expenses in the annual budget of the Authority.
26. PERMANENT IMPROVEMENTS: Shall mean any major repairs, construction, alterations, modifications, additions or replacements but excluding removable trade fixtures, furniture, and equipment.
27. PREFERENTIAL USE SPACE: Shall mean space used by Lessee on a priority basis over other Airlines, consisting of one or more of the following areas of the Terminal: airline ticket counters, office space, and garage/baggage space in the airline ticket office (ATO).
28. PUBLIC AREAS: Shall mean those areas of the Terminal not used by, or leased to, any person, company, or corporation, on a preferential, shared or joint use basis or otherwise, and that are open to the public.
29. RATE ABATEMENT: Shall mean the rental abatement more fully described in Article 7, Section 11.
30. REVENUE SHARING: Shall mean the revenue sharing more fully described in Article 7, Section 10.
31. RULES AND REGULATIONS: Shall mean those rules, regulations, ordinances and

directives promulgated by the Authority or the Executive Director, for the orderly use of the Airport by the Airlines and other tenants, users, guests, and passengers of the Airport, as may be adopted, amended, modified, or supplemented from time to time.

32. SHARED USE SPACE: Shall mean space leased by Lessee on a preferential basis along with one or more other Signatory Airlines within the following areas of the Terminal: airline ticket counters, office space, and garage/baggage space in the ATO.
33. SIGNATORY AIRLINES: Shall mean those Airlines providing Air Transportation to and from the Airport that have executed substantially similar agreements to this Agreement with the Authority covering the use and occupancy of the facilities at the Airport. Airlines must satisfy the following requirements to qualify as a Signatory Airline:
 - A. An Airline providing commercial passenger service to and from the Airport must lease, throughout the Term of this Agreement, at least one ticket counter position and a minimum of 400 square feet within the Terminal of Preferential Use Space and/or Shared Use Space; or
 - B. An Airline engaged in all-cargo or maintenance services must lease a hangar or other cargo facility space at the Airport, or, if the Airline does not lease space at the Airport, the Airline must, throughout the Term of this Agreement, have a minimum annual landed weight of 7,700,000 pounds.
34. TERMINAL: Shall mean the existing Passenger Terminal Building at the Airport.
35. TERMINAL RENTAL RATE: Shall mean the rental rate charged by the Authority for the Leased Premises in the Terminal.
36. TOTAL LANDED WEIGHT: Shall mean the sum of the Maximum Gross Landing Weights for all of the Airlines' aircraft landings over a stated period of time.
37. TSA: Shall mean the Transportation Security Administration or other federal agency which assumes the security-related functions of the Transportation Security Administration, if the Transportation Security Administration is abolished or combined with or merged into any other federal agency.

ARTICLE 2 LEASED PREMISES

1. The Authority hereby leases to the Lessee the following Leased Premises, together with the privileges, uses and rights as stated herein.

- A. **Preferential Use Space**: The Lessee's Preferential Use Space includes airline ticket counters, office space, and garage/baggage space in the ATO shown in Exhibit A. Lessee will have priority use of its Preferential Use Space. Other Airlines may from time to time be permitted by the Authority to use Lessee's Preferential Use Space provided that Lessee's and its Affiliates' scheduled, unscheduled and charter operations shall have priority use, no other facilities are available, and Authority provides twenty-four (24) hours' written notice to Lessee. Prior to any such use by another Airline, such other Airline shall agree in writing to indemnify Lessee for such use and obtain the property coverage insurance required of Lessee hereunder and list Lessee as an additional insured party. Lessee shall receive a credit on its monthly Rents (as defined in Article 7) from the Authority for the portion of its Preferential Use Space used by the other Airline. The Authority shall credit the Lessee's Rents based on the percentage of total Enplaned Passengers of all Airlines using the Preferential Use Space during such month. Such credit shall be applied to the subsequent month's Rents.
- B. **Shared Use Space**: Lessee may be granted the right to occupy Preferential Use Space along with one or more other Signatory Airlines in those areas explicitly designated on Exhibit A as Shared Use Space. In the event of a change in the operational needs necessitating that a Signatory Airline is no longer willing to use the Shared Use Space, the Signatory Airline currently using the Shared Use Space which has the largest market share (based on enplanements over the last 12 months) shall have a right of first refusal for similar space as identified by the Authority ("New Space"). In the event that the Signatory Airline which has the largest market share declines the New Space, then the Signatory Airline with the smallest market share(s) agrees to relocate to the New Space. The costs of such relocation shall be paid by the Signatory Airline whose change in operational needs necessitates the relocation.
- C. **Joint Use Space**: The Joint Use Space to be shared by the Lessee with other Airlines includes the ticket queuing space, security, passenger boarding area, loading bridges, gates and baggage claim shown in Exhibit A. The Lessee will be assigned a primary boarding gate and a primary ramp parking position(s) as shown in Exhibit A. However, the assignment of a primary boarding gate may be adjusted by the Authority from time to time in its reasonable discretion, taking into consideration the

aircraft to be used by Lessee, the needs of the Authority, and the needs of all other Airlines serving the Airport.

ARTICLE 3 USE OF THE AIRPORT AND LEASED PREMISES

Subject to Applicable Laws (as defined herein), the Rules and Regulations, and other limitations expressed in this Agreement, the Authority grants to Lessee the following rights and privileges:

1. Use of Airport for Air Transportation. Lessee shall have the right to conduct Air Transportation at the Airport, which includes the right to use, in common with others, the Airport Operations Area for the landing, taking off, flying over, taxiing, towing and conditioning of Lessee's aircraft and, in areas designated by Authority, the extended parking, servicing, loading or unloading, storage or maintenance of Lessee's aircraft and support equipment. The Authority may prohibit the use of the Airport by any aircraft operated or controlled by Lessee that exceeds the design strength or capability of the airfield.
2. Aircraft Maintenance. Lessee shall have the right to conduct necessary emergency repairs, and to conduct maintenance upon its aircraft. Lessee agrees to promptly remove any of its disabled aircraft from any part of the Airport, including without limitation, runways, taxiways and ramp, but excluding storage areas as may be designated by the Executive Director, and place any such disabled aircraft in such designated storage areas. Lessee may store such disabled aircraft only for such length of time and on such terms and conditions as may be established by the Executive Director. If Lessee fails to remove any of its disabled aircraft promptly, Authority may, but shall not be obligated to, cause the removal of such disabled aircraft, provided, however, that the obligation to remove or store such disabled aircraft shall not be inconsistent with federal and state laws and regulations. Lessee agrees to reimburse Authority for all costs of such removal, and Lessee further releases Authority from any and all claims for damage to such disabled aircraft or otherwise arising from or in any way connected with such removal by the Authority, except to the extent such claims arise from the gross negligence or willful misconduct of the Authority, its employees, agents, representatives or contractors.
3. Communications. Lessee shall have the right to install, maintain and operate, at Lessee's expense, or in conjunction with other Signatory Airlines or through a third-party contractor,

the following:

- A. Radio communications, meteorological and aerial navigation equipment and facilities on the Leased Premises subject to the approval of Authority; provided, however, that such approval shall not be withheld unless such installation, maintenance and operation shall be such as to interfere with the reasonable use of the Airport by others, shall be deemed by the FAA to constitute an obstruction or hazard to air navigation, or shall be contrary to FAA or other governmental regulations, or to applicable zoning ordinances, or unless some other reasonable basis exists for withholding approval. Any antennae or other outside equipment required in connection with the foregoing shall be labeled and installed only at such location as approved by the Authority.
 - B. A private communication system between the several spaces of the Leased Premises; provided, however, that such system shall not interfere with Authority's public address system and, provided, further, that such system shall be subject to the approval of the Authority.
 - C. Lessee's use of computers, telephones, or private communication systems at the Airport shall conform to best industry practice with respect to cybersecurity, data privacy and like matters and shall not cause disruption or interference with the Authority's operation of the Airport.
4. Signs. Lessee shall have the right to install and maintain one or more signs on its Leased Premises identifying it and its operations at the Airport. No signs or advertising displays shall be painted on or erected in any manner upon the Leased Premises without the prior written approval of the Executive Director. Signs identifying the Lessee will conform to reasonable standards established by the Authority for like signs with respect to type, content, size, design, elevation, lighting and location. The Executive Director shall not unreasonably withhold approval of standard industry trade fixtures or signage.
 5. Parking Space. Lessee shall have the right to the use of the vehicular parking facilities for its employees employed at the Airport, in common with other employees. Such facilities shall be located in an area designated by the Authority. The Authority reserves the right to assess a reasonable charge to the Lessee's employees for such parking facilities.
 6. Public Address System. The Authority agrees to allow the Lessee to use the Authority's Public Address System.
 7. Right to Handle Persons, Property, Cargo and Mail. Lessee and its Affiliates shall have the

right to load and unload persons, property, cargo and mail by motor vehicles, or other means of conveyance, at such areas designated for said use by the Authority. Lessee may designate the particular ground carrier, or carriers, that may transport Lessee's employees, property, cargo and mail to, from, and on the Airport. Before any such ground carrier or carriers begins providing services to Lessee or its Affiliates, such carrier or carriers shall first obtain approval from the Authority.

8. Right to Provide Services. Within the Leased Premises and other areas designated hereunder, Lessee shall have the right to operate its Air Transportation business including the right to sell tickets and services; to process passengers and their property for air travel; to sell, handle, and provide mail and cargo services; and to perform other similar activities reasonably related to the operation of Lessee's Air Transportation business.
9. Right to Provide Training. Lessee shall have the right to provide ground training of its employees or candidates for employment at the Airport, provided that such training shall be directly related to the use of the Airport in the operation by Lessee of its Air Transportation business. Such training shall not unreasonably hamper or interfere with the use of the Airport by other users or tenants thereof, or conflict with the terms of this Agreement. Training provided by Lessee shall not excuse Lessee and Associated Parties from completing training provided and required by the Authority.
10. Right to Purchase from Person or Company of its Choice. Lessee and its Affiliates shall have the right to purchase from any person or company of its choice and, where applicable, store at the Airport or elsewhere, their requirements of aviation fuel, ground vehicle fuel, lubricating oil, and greases; food, beverage, and other passenger supplies; ticketing and ground handling services and all other materials and supplies they require for the operation of their Air Transportation business. Before any such person or company begins providing services to Lessee or its Affiliates, such person or company shall first obtain approval from the Authority to provide such services, and/or to lease ground or facilities if such person or company requires such ground or facilities for use in operating its business on the Airport, and Authority may charge such person or company a reasonable rental and/or fee for any rights granted to such person or company.
11. Right to Obtain Service for Aircraft and Other Equipment. Lessee and its Affiliates shall have the right to self-service or to have their aircraft and other equipment serviced by

suppliers and maintenance operators of their choice. Such suppliers of service or maintenance operators may provide materials and services, including, but not limited to: aviation fuel, ground vehicle fuel, lubricating oil, greases, parts, and all other materials, supplies and services required by Lessee or its Affiliates in the conduct of their Air Transportation business. Before such person or company begins providing services to Lessee or its Affiliates, such person or company shall first obtain a permit from the Authority to provide such services, or to lease ground or facilities if such supplier or operator requires such ground or facilities for use in operating its business on the Airport. The Authority may charge such person or company a reasonable rental and/or fee for any rights granted to such person or company.

12. Right to Accommodate Passengers During Irregular Operations. Lessee may provide food and beverages, at no cost, to its customers and passengers in the passenger hold rooms during irregular operations. For purposes of this section, irregular operations are defined as situations in which actual flight operations vary from scheduled flight operations.
13. Right to Ingress and Egress. Lessee shall have the right of ingress and egress to and from the Leased Premises and the Airport for its Associated Parties to the extent reasonably necessary in connection with the conduct of any of the foregoing activities. Areas designated as restricted areas by the Authority shall be excluded.
14. All Other Uses Prohibited. Lessee agrees to not use the Leased Premises or the Airport, and agrees to not cause or permit Associated Parties to use the Leased Premises or the Airport, for any purpose other than the purposes specified in this Article 3.

ARTICLE 4 RIGHTS OF AFFILIATES

1. Lessee may designate any Airline that meets the definition of Affiliate as Lessee's Affiliate by providing written notice of such designation to the Authority. The written designation of an Affiliate must include the written consent of the Affiliate.
2. Lessee agrees to serve as financial guarantor for all rentals, landing fees, fees and charges and Passenger Facility Charges (PFCs) for each of its Affiliates, in connection with its operations as Lessee's designated Affiliate at the Airport.
3. An Airline may serve as an Affiliate to more than one Signatory Airline; provided,

however, that each Signatory Airline shall only serve as a financial guarantor of an Airline to the extent of its operations as an Affiliated Airline of such Signatory Airline.

4. Lessee or an Affiliate may, at any time, give the Authority no less than thirty (30) days' prior written notice that such an airline will no longer be considered an Affiliate of Lessee for purposes of this Agreement ("Affiliate Termination Notice"), and any guaranty by Lessee of such Affiliate's rentals, landing fees, fees and charges, and PFCs will terminate and be ineffective as to any amounts incurred by such Airline after the effective date of such Affiliate Termination Notice.
5. During such period of time that an Airline is an Affiliate of Lessee, such Affiliate (1) will have the same rights to use Lessee's Leased Premises and the Airport as Lessee; and (2) will be charged at the same rate for fees and charges as if the Affiliate were a Signatory Airline; provided, however, that the Affiliate's activity as an Affiliate of the Lessee shall be treated as an activity of the Lessee in calculating the Lessee's total passengers.

ARTICLE 5 SECURITY AND SAFETY

1. Lessee agrees to bear responsibility for the conduct and demeanor of its Associated Parties. Lessee must obtain a valid Airport security badge for all its Associated Parties, or any person(s) over whom Lessee has control, based at the Airport to access areas of the Airport for which a security badge is required. Such Airport security badge must be visibly displayed at all times while at the Airport. Flight crews are permitted to wear Lessee-provided badges while conducting Lessee business at the Airport.
2. Lessee agrees to comply with applicable provisions of the Authority's approved security program. Lessee must comply strictly and faithfully with any and all rules, regulations and directions which the Authority, the FAA or the TSA may issue from time to time with regard to security, safety, maintenance and operation of the Airport and must promptly report any information regarding suspected violations in accordance with those rules and regulations.
3. All gates and doors that permit entry into restricted areas at the Airport must be kept locked at all times when not in use or under constant security surveillance. Lessee agrees to ensure that such gates and doors within its Leased Premises are kept locked at all times when not

in use or under Lessee's constant security surveillance.

4. Lessee agrees to report to the Executive Director any defects, obstacles or obstructions on or about the airfield or at the Leased Premises or otherwise affecting Lessee's operations which create or constitute a hazard to aircraft, aircraft personnel or the general public, of which the Lessee has knowledge.
5. Lessee agrees to not permit any unauthorized Associated Parties on the Airport Operations Area as designated by the Authority.

ARTICLE 6 TERM

1. The term of this Agreement shall begin on January 1, 2023, and expire on December 31, 2025 ("Term").
2. The Term of this Agreement may be extended for two successive three-year periods through December 31, 2028, and December 31, 2031. The Executive Director shall provide written notice to the Lessee of the intent to not extend the term at least six (6) months prior to the end of the then-current Term. In the event that Lessee does not want to extend the Term, Lessee must provide written notice to the Authority of its intent to not extend the term at least six (6) months prior to the end of the then-current Term. If neither party timely notifies the other of its intent not to extend the term, this Agreement shall automatically be extended by the applicable three-year period.
3. In the event the Lessee, or its successor in interest, if any, shall remain beyond the Term, although no right to remain is given by this Article, it is the intention of the parties and it is hereby agreed that a tenancy from month-to-month shall then arise subject to all provisions and conditions of this Agreement in connection with such tenancy. The Authority shall have the right to charge non-signatory rents and fees for any such holdover period; provided, however, that no such non-signatory rents and fees shall be charged if Lessee and Authority are negotiating in good faith to extend this Agreement or enter into a replacement thereof.

ARTICLE 7 RENTS, FEES AND CHARGES

1. Establishment of Cost Centers. The Authority has established the following Direct and

Indirect Cost Centers to provide a basis for developing Airline Rates and Charges.

A. The Authority will track the following Direct Cost Centers:

1. Airfield – includes all existing and future runways, runway safety areas, taxiways, taxilanes, airfield grounds, navigational aids, land, equipment, all aircraft parking facilities and appurtenances associated with the Airport Operations Area.
2. Commercial Development – includes all future commercial non-aeronautical development at the Airport, including, for illustration and without limitation, hotels, gas stations, restaurants (outside of the Terminal), retail, office, warehousing, and manufacturing. O&M Expenses and Capital Project expenses for this cost center will be excluded from the calculation of Airline Rates and Charges.
3. Landside – includes all personnel, supplies, equipment, landside fuel purchases, utilities and maintenance for the roadways, parking lot, sidewalks and undeveloped lots owned by the Authority.
4. Other Airside Buildings – includes supplies, equipment utilities and maintenance costs for the aircraft rescue and firefighting facility, the air traffic control tower, airside fueling facilities and fixtures, and the aircraft hangar currently used by the Authority to store supplies and equipment.
5. Rental Car – includes personnel, supplies, equipment, and maintenance costs for the facilities occupied by the rental car vendors operating at the Airport. O&M Expenses and Capital Project expenses for this cost center paid for by Customer Facility Charges (“CFC”) will be excluded from the calculation of Airline Rates and Charges.
6. Terminal – includes the commercial passenger Terminal building and spaces associated within it such as Leased Premises located in the Terminal and Public Areas.

B. In addition, the Authority will track the following Indirect Cost Centers, which shall be allocated as set forth in Article 7, Section 4 below:

1. Administration – includes all personnel, facilities, equipment and administrative services for the management, administration and general operation of the Authority and the Airport.
 2. ARFF – includes all personnel, supplies, and equipment for the provision of supporting airport operations and aircraft rescue and firefighting functions.
 3. Fleet – includes all personnel, supplies, equipment, fuel, and maintenance costs associated with maintaining vehicles and equipment used for operations at the Airport.
 4. Security – includes all personnel, supplies, equipment, and facilities for the provision of security services, curbside traffic control and general airport security.
- C. The Authority reserves the right to add additional cost centers in the future. If O&M Expenses from newly established cost centers will be included in the determination of Airline Rates and Charges, the Authority will provide notice to the Lessee, including the estimated impact of the creation of such cost center.
2. Preparation of Rates and Charges:
- A. Each Fiscal Year, the Authority Board of Commissioners (“Board”) shall adopt, by resolution, a schedule of Airline Rates and Charges based on budgeted revenues and expenditures for the following Fiscal Year using the methodology described in this Article 7. Illustrative calculations displaying how Airline Rates and Charges will be calculated under the methodology set forth in this Article 7 are attached as Exhibit B.
 - B. Authority shall provide the Lessee and other Signatory Airlines preliminary draft operating budget projections, including Capital Projects, at least thirty (30) days prior to submission for Board approval of the Airport’s preliminary annual budget. Lessee and other Signatory Airlines shall be given an opportunity to review, question, and comment on information submitted. Authority shall reasonably consider and respond to Lessee’s and Signatory Airlines’ questions regarding the preliminary draft budget prior to submission to the Board for final approval.
 - C. Authority shall provide to Lessee and other Signatory Airlines final Airline Rates and

Charges for the next Fiscal Year upon approval by the Board, and no later than December 20.

- D. The Authority will prepare operating activity assumptions by airline and provide the assumptions to Lessee and other Signatory Airlines for review by August 31 of each Fiscal Year. Lessee will review the operating assumptions prepared by the Authority and return comments, if any, by September 30. Operating information to be provided for review includes the following:
 - i. Projected landed weights and operations for the next Fiscal Year, by aircraft type.
 - ii. Projected total passengers for the next Fiscal Year, including breakouts by origin, destination and connecting passengers; and domestic and international passengers.

3. Year End Reconciliation and Prior Period Rate Adjustments:

- A. At the end of each Fiscal Year, Authority shall reconcile the budgeted and actual Airline Rates and Charges according to the methodologies described in this Article 7.
- B. No later than seven (7) months after the end of each Fiscal Year, Authority shall provide Lessee with its annual financial statements and accompanying “Auditor’s Report”, which have been audited by an independent auditor 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.
- C. Upon the determination of any difference(s) between the actual Airline Rates and Charges paid by the Signatory Airlines during the preceding Fiscal Year and the Airline Rates and Charges that would have been paid by Signatory Airlines using recalculated Airline Rates and Charges in Section 3.B above, Authority shall, in the event of an overpayment, credit or return to the Signatory Airline the amount of such overpayment within thirty (30) days from the completion of the final annual

audit described above, and, in the event of an underpayment, invoice the Signatory Airline for the amount of such underpayment. The Signatory Airline shall have thirty (30) days from the receipt date of the invoice to pay the underpayment to the Authority.

- D. If an Airline has annual Enplaned Passengers below the minimum requirement to qualify as a Signatory Airline, or an Airline engaged in all-cargo or maintenance services has a total landed weight below the minimum required to qualify as a Signatory Airline, the Authority shall invoice the Airline for any deficiency to bring the total payments for the year to the minimum requirement to qualify as a Signatory Airline.
 - E. If a Signatory Airline that occupies Shared Use Space with one or more other Signatory Airlines discontinues providing Air Transportation at the Airport, and the amount of Preferential Use Space leased by the Signatory Airline no longer providing service is below the minimum required to qualify as a Signatory Airline, the Authority shall invoice the Signatory Airline for any deficiency to bring the total payments for the Preferential Use Space to the minimum requirement to qualify as a Signatory Airline. The Signatory Airline Terminal Rental Rate for the Shared Use Space occupied by any remaining Airline(s) will be credited by the same amount.
4. Allocation Methodology:
- A. Operation and Maintenance Expenses shall be charged directly to the respective Cost Center generating the O&M Expenses. O&M Expenses of the Indirect Cost Centers shall then be allocated to the Direct Cost Centers as follows:
 - i. Administration, less allocation to Rental Car and Commercial Development, shall be allocated based on the percent of direct O&M Expenses plus allocated portions of ARFF, Fleet, and Security to total O&M Expenses.
 - ii. ARFF shall be allocated ninety-five (95) percent to the Airfield Cost Center and five (5) percent to the Terminal Cost Center.
 - iii. Fleet shall be allocated seventy (70) percent to the Airfield Cost Center and

thirty (30) percent to the Terminal Cost Center.

iv. Security shall be allocated thirty (30) percent to the Airfield Cost Center and seventy (70) percent to the Terminal Cost Center.

B. Debt Service will be allocated to appropriate Cost Centers based upon actual project costs funded by debt, taking into consideration PFC eligible projects. Any debt service costs not directly associated with a cost center project will be allocated to the Administration Cost Center.

C. The portion of Capital Projects funded from Authority funds shall be amortized over their useful life as of the year that the Capital Project is placed in service, and such amortization shall be allocated to appropriate Cost Centers based upon actual project costs funded. Amortization assigned to Indirect Cost Centers shall be allocated to Direct Cost Centers according to Section 4.A.

5. Calculation of Terminal Rental Rates: The Terminal Rental Rate shall be an amount equal to the sum of, for each Fiscal Year:

A. Direct O&M Expenses allocated to the Terminal and Landside

B. Plus allocated indirect O&M Expenses to the Terminal and Landside

C. Less the cost of Loading Bridges

D. Plus amortization of Capital Projects allocated to the Terminal

E. Plus Debt Service allocated to the Terminal

F. Equals the Requirement of the Terminal

G. The Terminal Rental Rate shall then be calculated by dividing the Requirement of the Terminal by the Rentable Square Feet of the Terminal.

H. The Terminal Rental Revenue shall then be calculated by multiplying total Signatory Airline Leased Square Feet by the Terminal Rental Rate.

I. Less Revenue Sharing allocated to the Terminal

J. Less Rate Abatement, if any

K. Equals Signatory Airline Terminal Requirement

- L. The Signatory Airline Terminal Rental Rate shall then be calculated by dividing the Signatory Airline Terminal Requirement by the total Signatory Airline Leased Square Feet.
6. Calculation of Loading Bridge Per Turn Fee: The Loading Bridge Per Turn Fee shall be an amount equal to the sum of the following for each Fiscal Year:
- A. Estimated cost of Loading Bridges
 - B. Divided by the total number of Loading Bridge Turns.
7. Calculation of Landing Fee: The Landing Fee shall be an amount equal to the sum of, for each Fiscal Year:
- A. Direct O&M Expenses allocated to the Airfield and Other Airside Buildings
 - B. Plus allocated indirect O&M Expenses to the Airfield and Other Airside Buildings
 - C. Plus Amortization of Capital Projects allocated to Airfield
 - D. Plus Debt Service allocated to the Airfield
 - E. Equals the Requirement of the Airfield
 - F. Less Revenue Sharing allocated to the Airfield
 - G. Less Rate Abatement, if any
 - H. Equals Signatory Airfield Requirement
 - I. The Landing Fee shall then be calculated by dividing the Signatory Airfield Requirement by the Total Landed Weight.
8. Joint Use Calculation:
- The total rentals due monthly for the Joint Use Space shall be prorated among the Non-Signatory and Signatory Airlines using the Joint Use Space based upon each such Airline's Enplaned Passengers during the month as a percentage of total Enplaned Passengers of all Airlines using the Joint Use Space during such month.
9. Calculation of Revenue Sharing:
- The Authority shall calculate the amount of revenues to be shared with Signatory Airlines

as follows:

- A. Total Requirement of the Terminal before revenue sharing
- B. Plus total Requirement of the Airfield before revenue sharing
- C. Plus loading bridge use revenue
- D. Plus non-airline revenues including:
 - i. Cargo and hangar rent income
 - ii. Land and building lease revenue
 - iii. Aviation fuel tax revenue
 - iv. Flowage Fee Revenue
 - v. Other non-passenger airline revenue (rapid refuel, ramp parking, etc.)
 - vi. Terminal restaurant and retail income
 - vii. Other Terminal rent
 - viii. Rental car revenue including rent revenue, percentage of gross revenue, and fuel sales
 - ix. Parking and ground transportation revenue
 - x. Other non-aeronautical revenues from security and badging, advertising, and terminal vending.
- E. Equals Total Revenues before Operating Expenses and Debt Service
- F. Less Total O&M Expenses
- G. Less Debt Service
- H. Plus PFC revenues only to the extent used to repay Debt Service
- I. Plus interest income
- J. Equals amount available for revenue sharing, which shall be split fifty (50) percent to Authority and fifty (50) percent to reduce Terminal Rental Rate and Landing Fee.
The Allocation to the Terminal and Airfield shall be calculated as follows:
 - i. Total Terminal Rental Revenue before Revenue Sharing
 - ii. Plus total Requirement of the Airfield before Revenue Sharing plus aviation fuel tax and fuel flowage fees
 - iii. Equals Airline Revenue
 - iv. Allocation of Revenue Sharing to the Terminal shall be equal to the percentage calculated by taking the total Terminal Rental Revenue before Revenue Sharing

divided by Airline Revenue and allocation of Revenue Sharing to the Airfield shall be equal to percentage calculated by taking the total Requirement of the Airfield before Revenue Sharing, aviation fuel tax and fuel flowage fee divided by Airline Revenue.

10. Calculation of Rate Abatement: If during any Fiscal Year the annual Terminal Rent increase from the prior Fiscal Year, after Revenue Sharing, is fifteen (15) percent or greater, the Authority will reduce the Requirement of the Terminal so that the increase from the prior Fiscal Year does not exceed fifteen (15) percent unless the twelve (12) month CPI (December-to-December All-Urban Customers U.S. City Average) is greater than 15% at which time the rate abatement will be limited to the twelve (12) month CPI. Similarly, if during any Fiscal Year the annual Landing Fee increase from the prior Fiscal Year is fifteen (15) percent or greater, the Authority will reduce the Requirement of the Airfield so that the increase from the prior Fiscal Year does not exceed fifteen (15) percent or the twelve (12) month CPI if it is greater than fifteen (15) percent.

11. Recalculation of Airline Rates and Charges:

- A. If during any Fiscal Year, Authority anticipates that collected revenues will be less than projected revenues by an amount of five (5) percent or greater, then the Authority may increase Airline Rates and Charges during such Fiscal Year, upon thirty (30) days' prior written notice, in an amount sufficient to recover the shortfall by the end of such Fiscal Year up to the maximum annual increase in section 7, article 10 above.
- B. Authority may lower Airline Rates and Charges at any time.
- C. Notwithstanding anything to the contrary, nothing herein will limit the ability of Authority to adjust rates, fees and charges from time to time in order to meet the requirements of the Bond Resolution, including, without limitation, debt service reserve fund requirements, the rate covenant, and flow of funds requirements under the Bond Resolution.
- D. Authority will provide the Signatory Airlines a minimum of thirty (30) days' prior written notice of any change in Airline Rates and Charges.

12. Monthly Statements - The Lessee agrees that it will prepare and deliver to the Executive Director, or its designee, on or before the tenth (10th) day of each calendar month during the term of this Agreement, a statement which shall be subscribed and certified to as correct by Lessee or its authorized representatives showing:

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

13. Rents and Fees Payable – For the use and occupancy of the Leased Premises, and the rights and privileges granted herein, the Lessee agrees to pay to the Authority the Airline Rates and Charges as follows:

- A. Rents. The rents provided for the Preferential Use Space shall be paid monthly in advance, due on the first day of each and every month, payable at the office of the Executive Director (“Rents”).
- B. Fees. The Fees provided for the Joint Use Space, Shared Use Space, Landing Fees and any per use passenger loading bridge fees shall be paid monthly in arrears for the previous month's activity (“Fees”). Joint Use Space fees will be allocated based on the Lessee’s number of enplanements compared to total enplanements of all Airlines using the Joint Use Space based on the certified monthly statement as provided in Section 13 of this Article 7. Shared Use Space fees will be allocated based on the Lessee’s number of enplanements compared to total enplanements of all Airlines using the Shared Use Space based on the certified monthly statement. Fees shall be due on the twentieth (20th) day after receipt of an invoice from the Authority and shall be payable at the office of the Executive Director. The Lessee hereby acknowledges that the Authority shall base its calculation and payment of such Fees

on the Lessee's certified monthly statement.

C. Other Miscellaneous Fees. Separate billings will be provided by the Authority for security badge fees, keys and other fees imposed by the Board by resolution and not in conflict with the rents and fees under this Agreement, as well as for other products and services provided to Lessee by the Authority.

D. The Lessee's failure to provide such statement, or pay the Rents, Fees or other miscellaneous fees as herein provided, shall be considered a breach of this Agreement, subject to notice and cure, pursuant to Article 12, Section 3 contained herein.

E. It is further agreed by the parties that a service charge in the amount of up to fifteen (15) percent per month may be added to any balance due and owing by the Lessee for a period of thirty (30) days or more.

14. Passenger Facility Charges. Lessee or its Affiliate(s) shall collect and promptly remit to the Authority (without notice or demand by Authority and in accordance with 14 C.F.R. Part 158) the proceeds of the Authority's PFC, so long as the Authority has an FAA-approved PFC in effect. Except to the extent precluded by FAA regulations, Airline may pay the Authority interest for late payment of PFC proceeds in accordance with Article 7, Section 14.E above. Both the Lessee and the Authority hereby covenant to fulfill their responsibilities under the terms of 14 C.F.R. Part 158. If legislation and regulations in effect on the date of this Agreement governing PFCs, use fees, or similar charges on Lessee's passengers using the Airport are amended, changed, or eliminated during the term of this Agreement, the Authority reserves the right to appropriately adjust such charges, levy new charges, revise charges, or implement additional charges as determined by the Authority to be necessary.

15. Non-Signatory Rate. Subject to any Authority incentive policy for new service, all Non-Signatory Airlines will pay Airline Rates and Charges at the non-signatory rate, which will be no less than one hundred and twenty (120) percent of the Terminal Rental Rate, Loading Bridge Per Turn Fee and Landing Fee payable hereunder; provided, however, that Affiliates shall be permitted to pay Airline Rates and Charges at the signatory rate so long as the applicable Airline is a Signatory Airline.

16. Security Deposit.

- A. Upon the execution of this Agreement, Lessee agrees to deposit with the Authority an amount determined in the method set forth below, as a security deposit for the faithful performance by Lessee of Lessee's obligations under this Agreement; provided, however, that if the Lessee has had a satisfactory history of performance under all of its agreements or leases at the Airport, for a period of not less than three (3) years, the Authority will waive the requirement for the posting of such a security deposit.
- B. In in the event the requirement for such a deposit is initially waived, the Authority reserves the right to demand such security deposit if Airline is in uncured default of its payment obligations under Article 7, for a period of more than thirty (30) days, and upon demand the Lessee agrees to immediately post such a security deposit.
- C. The amount of any such security deposit shall be the Authority's reasonable estimate of Lessee's Airline Rates and Charges during a typical four (4) month period. The security deposit may be in the form of a cash deposit or an irrevocable letter of credit or other manner satisfactory to the Authority. The security deposit shall be returned to the Lessee without interest upon the expiration of the Term of this Agreement.
- D. In addition to other remedies, the Authority may use the security deposit to pay and set off any amounts due and owing by the Lessee. If the Authority uses all or any portion of the security deposit to pay and set off any amounts due and owing by the Lessee, then within fifteen (15) days' notice by the Authority, Lessee agrees to re-deposit an amount necessary to restore the balance of the security deposit to the amount set forth above.

ARTICLE 8 TAXES, LICENSES, DEBTS, LIENS AND MORTGAGES

- 1. Lessee agrees to promptly pay, when due, any and all taxes or assessments which may be assessed upon its interest in the Leased Premises or its property located at the Airport to the appropriate taxing authority. Lessee shall not be considered in default hereunder if it is withholding payment of a property tax or assessment under protest, provided (i)

applicable law does not compel payment during protest, and (ii) Lessee is pursuing its protest diligently.

2. Lessee agrees to promptly pay, when due, all taxes, license fees and permit fees applicable to its business to the appropriate government entity. Lessee shall not be considered in default hereunder if it is withholding payment of a business tax or fee under protest, provided (i) applicable law does not compel payment during protest, and (ii) Lessee is pursuing its protest diligently.
3. Lessee shall have no power to do any act or make any contract which may create any lien, mortgage, or other encumbrance upon an interest of the Authority in the Airport premises or the buildings, or improvements thereon. If, because of any act or omission (or alleged act or omission) of Lessee, any mechanic's or other lien, is filed against the Leased Premises, any improvements thereon, or against the Authority (whether or not such lien, charge or order is valid or enforceable as such), Lessee agrees to, at its cost and expense, cause the same to be canceled and discharged of record or bonded within thirty (30) days after notice to Lessee of the filing thereof, and Lessee agrees to indemnify, defend, save and hold harmless the Authority against all costs, expenses, liabilities, losses, damages, suits, fines, penalties, claims and demands, including reasonable attorney's fees, resulting therefrom. If after ten (10) days Lessee fails to have the lien canceled, discharged, or bonded as aforesaid, then the Authority may, after serving forty-eight (48) hours' notice on Lessee, pay the amount of said lien, or discharge the same by depositing or filing the bond required by law, and may pay any judgment recovered under such claim. The amount or amounts so paid or deposited, and all expenses incurred, including reasonable attorney's fees, shall, at the option of the Authority, be deemed additional rent and added by the Authority to the next or any subsequent installment of rent hereunder, and the Authority at its option shall have the same remedies for the nonpayment thereof as for the nonpayment of rent reserved.

ARTICLE 9 IMPROVEMENT REQUIREMENTS

1. Any Permanent Improvements done or erected upon the Leased Premises by Lessee shall conform to all applicable federal, state and local codes and/or requirements in effect at the time the improvement is placed on the Airport. Plans and specifications for any such

Permanent Improvements shall be submitted to the Authority and approved by the Authority in writing prior to commencement of the work. Permanent Improvements placed by Lessee shall revert to, and become the property of, the Authority at the termination or expiration of this Agreement.

2. Subsequent to completion of the Permanent Improvements, the Lessee agrees to electronically submit in PDF format or such other electronic or hardcopy format reasonably required by the Authority a set of "as built" drawings depicting the Permanent Improvements. The drawings shall be signed and sealed by an architect or engineer licensed in the State of Colorado.
3. Unless otherwise provided for herein or agreed by Lessee and the Authority, the cost of all Permanent Improvements installed by Lessee shall be paid by Lessee, and the Authority shall have no responsibility therefor, provided, however, that if the Permanent Improvements are done or erected upon the Leased Premises by the Authority at the request of the Lessee, the cost of such Permanent Improvements and all costs associated therewith (the "**Cost**") shall be paid by the Lessee to the Authority within thirty (30) days of receipt of an invoice from the Authority, unless otherwise agreed to in writing between the Lessee and the Authority prior to the commencement of the improvements.

ARTICLE 10 CARE, MAINTENANCE AND REPAIR

1. Subject to obligations of the Authority herein, Lessee agrees to accept possession of the Leased Premises and improvements thereon "as is" in its present condition, and subject to all limitations imposed upon the use thereof by any governmental authority having jurisdiction over the Airport and by the Rules and Regulations and admits its suitability and sufficiency for the uses permitted hereunder. Except as may otherwise be provided herein, the Authority shall not be required to maintain nor make improvements, repairs or restoration to the Preferential Use Space or the Shared Use Space, or any of the Permanent Improvements located thereon or placed thereon by Lessee. Lessee agrees to assume the entire responsibility for all non-structural repairs and maintenance of the Preferential Use Space and Shared Use Space and all Permanent Improvements thereon in a good workmanlike manner to the satisfaction of the Authority.

2. The Authority agrees to maintain in good repair and provide janitorial and cleaning services on behalf of, and for the account of the Lessee, in the Joint Use Space. Lessee agrees to provide its own janitorial services within its Preferential Use Space and Shared Use Space and shall keep at all times its Preferential Use Space and Shared Use Space, including its fixtures, equipment and personal property in a clean, safe and orderly appearance. Any trash generated by its operations shall be disposed of lawfully and promptly. The Authority agrees to maintain in good repair the structural portions of the Preferential Use Space and Shared Use Space.
3. In the event Lessee fails to maintain, clean, or repair its Preferential Use Space or Shared use Space, Authority may, upon giving thirty (30) days' written notice, to Lessee perform any such work required by this Agreement to be done by Lessee. The Authority, at its option, and in addition to any other remedies available to it, may enter the areas involved and perform such work, and the cost and expenses thereof shall be payable to Authority by Lessee on demand. Said cost and expenses shall be considered Additional Rents. If the Lessee's failure to perform such work endangers the health or safety of the public and if the Authority so states in a written notice to the Lessee, the Authority may, but shall not be obligated to, perform such work at any time after the giving of such notice and without waiting the expiration of said thirty (30) day period.
4. Damage by Fire or Other Casualty. If any property, including Leased Premises, shall be partially damaged by fire or other sudden, unexpected casualty event, not occasioned by the act of negligence of Lessee, but not rendered untenable, the same shall be repaired with due diligence by the Authority, at the Authority's cost and expense. If the damage, not occasioned by the act or negligence of the Lessee, shall be so extensive as to render part, or all, of such premises untenable, but capable of being repaired in sixty (60) days, the same shall be repaired with due diligence by Authority, at the Authority's cost and expense, and the rents and fees payable hereunder shall be proportionately paid to the time of such damage and shall thereafter cease as to the untenable premises, until such premises shall be put in order. If such property, or any part thereof, is completely destroyed by fire or other casualty, not occasioned by the act of negligence by the Lessee, or so damaged as to remain untenable for more than sixty (60) days, then at the option of Lessee: either 1) said premises shall be repaired, or reconstructed with due diligence by the Authority, at the Authority's cost and expense, and the rents and fees payable hereunder

for the destroyed premises shall be proportionately paid to the time of such damage or destruction and shall thereafter cease until such time as the premises shall be put in order; or 2) within ninety (90) days after the time of such damage or destruction and before the said premises shall be put in order, and before a contract for repair or reconstruction thereof has been signed, Lessee agrees to give the Authority notice of its intention to cancel this Agreement or the portion thereof relating to such property and this Agreement shall forthwith cease and terminate accordingly. Nothing in this Article or any other provision of this Agreement shall apply to damage to buildings, runways, ramps, taxiways, equipment, or other property caused by the willful or negligent acts of Lessee. In the event of such damage caused by the willful or negligent acts of Lessee, the same shall be repaired with due diligence by the Lessee at its cost and expense.

5. Improvements. The Authority may, upon reasonable notice to the Lessee, alter, remodel, expand, remove, or improve any of the facilities of the Terminal, or any of its appurtenances, including the Leased Premises, at any time during the term of this Agreement, when determined, in the Authority's reasonable discretion, to be necessary or appropriate in the best interest of the Airport.
 - A. Should any such improvements require the Lessee to relocate all or part of its Leased Premises, on a temporary or permanent basis, Authority shall provide sixty (60) days' advance written notice to Lessee and shall compensate Lessee for all reasonable costs or expenses incurred as a result of such relocation. Any permanent change to Leased Premises shall be reflected in a revised Exhibit A.
 - B. Should such alterations, remodeling, expansion, removal, or improvement render untenable or unusable any of Lessee's Leased Premises, in whole or in part, and alternative premises have not been provided by the Authority, there shall be a proportionate abatement of rentals and charges related thereto which are chargeable to Lessee during the period that such are untenable, or unusable. The Authority will use its best efforts to schedule construction so as to minimize the disruption of Lessee's business.

ARTICLE 11 ASSIGNMENT AND SUBLEASING

1. Lessee agrees that it will not sell, convey, transfer, mortgage or assign this Agreement or

any part thereof, or any rights created thereby, without prior written consent of the Authority, which shall not be unreasonably withheld; provided, however, that the Authority's consent shall not be required for any assignment to any affiliated corporation or any corporation with which Lessee may merge or be consolidated, or any corporation to which Lessee may sell substantially all of its assets. Any successor corporation shall notify the Authority of the assignment within sixty (60) days after the consummation of such transaction. A request for assignment shall be submitted in writing at least sixty (60) days prior to the proposed date of the assignment. The Authority shall not unreasonably delay action on Lessee's request for assignment.

2. Any assignment approved by the Authority shall be on the conditions that the assignee accepts and agrees to all of the terms, conditions and provisions of this Agreement, including, but not limited to, the payment of all sums due, and to become due, by Lessee under the terms hereof and that at the time of assignment Lessee is in compliance with all the terms and conditions of this Agreement.
3. Lessee agrees that it will not sublease the Leased Premises without prior written consent of the Authority, which shall not be unreasonably withheld. A request to sublet the Leased Premises shall be submitted in writing at least thirty (30) days prior to the proposed date of the sublease.
4. In the event that the Lessee subleases any of its Leased Premises, the Lessee agrees to charge the sublessee no more than the sum of the following (i) an amount equal to the pro rata share of the sum of the Terminal Rentals payable by the Lessee with respect to such areas during the period of such sublease as calculated herein; and (ii) additional amounts sufficient for the Lessee to recover its direct costs, if any, of such sublease, which additional amounts shall not exceed fifteen (15) percent of the sublessee's pro rata share of the Terminal Rentals.
5. Notwithstanding the foregoing, in no event shall Lessee be authorized to assign or sublease Shared Use Space or any portions thereof.
6. Except for those assignments that do not require the Authority's consent, as set forth in Subsection 1 above, any assignment or transfer of this Agreement or any rights of Lessee hereunder, or subleasing all or any part of the Leased Premises, without the prior written consent of the Authority shall convey to the Authority the right to terminate this Agreement at its sole discretion.

7. Authority reserves for itself the right to assign any or all of its interest in this Agreement to any public or private successor to the Authority's ownership, operation or management of the Airport or parts thereof.

ARTICLE 12 TERMINATION

1. This Agreement shall expire at the end of the Term in accordance with Article 6 hereof, and the Lessee thereafter shall have no further right or interest in the Leased Premises.
2. Default by Lessee in the payment of any of the rents, fees or additional rent reserved herein to the Authority shall give the Authority the right to terminate this Agreement at any time after no less than thirty (30) days' prior written notice has been given to Lessee, unless, within said time or a further cure period agreed to by the Authority, Lessee has cured the default.
3. The Authority shall have the right to terminate this Agreement upon a default in the performance, or breach, of any other covenant or warranty of Lessee in this Agreement (other than the payment of any rents, fees or other charges due to Authority) and the continuation of such default or breach for a period of thirty (30) days after there has been given a written notice in accordance with Article 17 hereof by Authority to Lessee, specifying such default or breach and requiring it to be remedied and stating that such notice is a "notice of default" hereunder; provided, however, that if Lessee commences to cure such default within thirty (30) days after receipt of such "notice of default" and continuously thereafter exercises good faith and due diligence to cure said default, Lessee shall be given reasonable additional time in which to cure such default.
4. The Authority shall have the right to terminate this Agreement upon no less than thirty (30) days' prior written notice, and opportunity to cure as described under Section 3 of this Article 12, after the happening of any of the following additional events of default:
 - A. Assignment for Creditors. Lessee makes a general assignment of all of its assets or substantially all of its assets for the benefit of creditors.
 - B. Bankruptcy. Lessee files a petition for relief as a debtor under any section or chapter of the Federal Bankruptcy Code, as amended from time to time, or under any similar law or statute of the United States or the State of Colorado; or a petition or an answer proposing the entry of any order for relief against the Lessee as a debtor in a

bankruptcy or reorganization proceeding under any present or future bankruptcy or similar law shall be filed in any court.

- C. Receivership. A receiver, trustee, or custodian is appointed for all or substantially all of the assets of the Lessee in any proceeding brought by or against the Lessee or the Lessee shall consent to or acquiesce in such appointment in any such proceeding.
5. Authority shall have the right to terminate this Agreement upon Lessee's abandonment of the Leased Premises. For the purpose of this Agreement, the Leased Premises shall be considered abandoned if not used by the Lessee for a period of thirty (30) consecutive days, but only if such non-use is for a reason other than those described in Article 10, Section 4; Article 12, Section 7; or Article 20, Section 22.
6. If this Agreement is terminated by the Authority due to the Lessee's default, the Authority shall have the right to repossess the Leased Premises in accordance with applicable law, without prejudice to any other remedies available to the Authority for such default, absent such re-entry. Lessee agrees that upon such termination and repossession it shall indemnify the Authority against all damages incurred by the Authority resulting from the Lessee's default.
7. Lessee shall have the right to terminate this Agreement upon or after the happening of any one of the following events:
- A. The failure or refusal of the FAA, or other successor agency having jurisdiction at any time during the term of this Agreement, to permit Lessee to operate into or from the Airport with aircraft of a type or types licensed to operate into or from other airports of like size and character; provided, however, that such failure or refusal is not due to any fault of Lessee.
 - B. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Airport or any part thereof so as to substantially affect Lessee's use of the Airport and the remaining in force of such injunction for a period of ninety (90) days or more, provided, however, that said court action is not due to any fault of Lessee.
 - C. The inability of the Lessee to use the Airport for a period of ninety (90) days or more because of the issuance of any order, rule or regulation by the FAA, the United States Department of Transportation, the TSA or other governmental authority preventing

Lessee from operating into and from the Airport; provided, however, that such inability or such order, rule or regulation is not due to any fault of Lessee.

- D. The default by the Authority in the performance of any covenant herein required to be performed by the Authority, and failure by the Authority to cure or commence to cure and diligently pursue such cure within thirty (30) days after receipt of notice of such default from the Lessee.
 - E. The assumption by the United States Government or by any authorized agency thereof of the operation, control or use of the Airport and its facilities or of any substantial part or parts thereof, in such manner as substantially to exclude the Lessee from the Airport or to prevent it from operating at the Airport, for a period of at least ninety (90) days.
 - F. The substantial restriction of the Lessee's ability to conduct its business at the Airport for a period of ninety (90) days or more because of the action of the federal or state government or any agency or political subdivision thereof substantially restricting the operation of the Airport by the Authority.
8. Upon expiration of the term, or upon termination of this Agreement, the Lessee agrees to peacefully surrender and vacate the Leased Premises in substantially the same condition as when the term of this Agreement commenced, excepting ordinary wear and tear and damage by casualty or condemnation. The Lessee and the Authority agree that all Permanent Improvements placed on the Leased Premises shall become the Authority's property upon the expiration of the term or upon the termination of this Agreement. Personal property, fixtures, furniture, and equipment of the Lessee shall be removed at the Lessee's expense, within thirty (30) days of the expiration or termination of this Agreement. In the event Lessee fails to remove its personal property within said thirty (30) day period the Authority may remove the property and store it, all at the expense of the Lessee. Any aircraft or support equipment not removed by the Lessee within forty-eight (48) hours after termination or expiration of this Agreement may be deemed abandoned by the Authority, and the Authority may move or remove the aircraft at its option and at the expense of the Lessee if the Authority determines in its reasonable discretion that the aircraft impedes the safe and efficient operation of the Airport. The Authority, its officers, employees, or contractors, shall not have any liability to the Lessee with respect to such abandoned

property.

ARTICLE 13 SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

1. In the event that this Agreement shall have been terminated in accordance with the provisions of Sections 12.2 through 12.6 of Article 12 hereof and the Authority has reentered, regained or resumed possession of the Leased Premises, all the obligations of Lessee under this Agreement shall survive such termination, reentry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Authority to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. The Authority may maintain separate actions to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of this Agreement.
2. The amount of damages for the period of time subsequent to termination (or reentry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:
 - A. The amount of the total of all installments of rents due for the period following the effective date of termination; and
 - B. An amount equal to all actual expenses including reasonable legal expenses incurred by the Authority and not reimbursed in connection with regaining possession, restoring the Leased Premises, acquiring a new lease for the Leased Premises, and putting the Leased Premises in order.
3. There shall be credited to the account of the Lessee against its survived obligations hereunder, 1) the amount actually received from any lessee, licensee, permittee or other occupier in connection with the use of the Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement; and 2) the market value of the occupancy of such portion of the Leased Premises as the Authority itself, or an entity related to the Authority, during such period actually use and occupy. No such use and occupancy shall be or be construed to be an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of

any rights of the Authority hereunder.

ARTICLE 14 USE SUBSEQUENT TO CANCELLATION OR TERMINATION

1. The Authority, upon termination or cancellation pursuant to Article 12 hereof, may occupy the Leased Premises or may enter into an agreement with another lessee and shall have the right to permit any person, firm or corporation to enter upon the Leased Premises and use the same. Such use may be of part only of the Leased Premises or of the entire Leased Premises, together with other premises, and for a period of time the same as or different from the balance of the term hereunder remaining, and on terms and conditions the same as or different from those set forth in this Agreement.
2. The Authority shall also, upon said termination or cancellation, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided, that any structural changes shall not be at Lessee's expense.

ARTICLE 15 RIGHTS OF ENTRY RESERVED

1. The Authority, by its officers, employees, agents and contractors, shall have the right (at such times as may be reasonable under the circumstances and with as little interruption to the Lessee's operations as is reasonably practicable, and with prior notice to the Lessee when practical) to enter upon the Leased Premises, or at any time in case of emergency.
2. Subject to the preceding paragraph, the Authority may inspect the Leased Premises at reasonable intervals during regular business hours to determine whether the Lessee has complied and is complying with the terms and conditions of this Agreement with respect to the Leased Premises or in furtherance of any Airport safety management system. Lessee has the right to have an employee, agent, or other representative accompany any representative of the Authority during any such inspection.
3. Without limiting the generality of the foregoing, the Authority, by its officers, employees, agents, contractors and furnishers of utilities and other services, shall have the right at its own expense and upon no less than twenty-four (24) hours' written notice to Lessee and approval by Lessee, whether for its own benefit, or for the benefit of others to maintain

existing and future mechanical, electrical and other utility systems and to enter upon the Leased Premises at all times and upon reasonable notice to make such repairs, replacements or alterations thereto, as may, in the opinion of the Authority, be necessary or advisable, and from time to time to construct or install over, in or under the Leased Premises such systems or parts thereof and, in connection with such maintenance, use the Leased Premises for access to other areas of the Airport otherwise not conveniently accessible, provided, however, that in the exercise of such right of access, repair, alteration or new construction, the Authority shall not unreasonably interfere with Lessee's operations or use of the Leased Premises.

4. Any use by the Authority of the Leased Premises for access, repair, alteration or new construction shall be performed by the Authority with reasonable dispatch, and the Leased Premises shall be left in as good order and condition as it was prior to commencement of the work.

ARTICLE 16 INDEMNIFICATION AND INSURANCE

1. The Authority shall stand indemnified by the Lessee as provided herein. It is expressly understood and agreed by and between the parties that the Lessee is and shall be deemed to be an independent contractor responsible to all persons for its respective acts or omissions, and the Authority shall in no way be responsible therefor.
2. The Lessee agrees to indemnify, defend, save and hold harmless the Authority, its officers, directors, agents, and employees from any and all claims, liabilities, damages, losses, suits, fines, penalties, demands and expenses, including costs of suit and reasonable attorney's fees, which any or all of them may hereafter incur or pay out as a result of bodily injury (including death) to any person or damage to any property or person arising out of Lessee's use of the Leased Premises or any acts or omissions of the Lessee or Associated Parties in connection with the Lessee's use of the Leased Premises or its operations at the Airport, except to the extent caused by the negligence or willful misconduct of the Authority, its officers, directors, agents, employees, contractors, or representatives.
3. Upon the filing with the Authority of a claim for damages arising out of incidents for which Lessee herein agrees to indemnify, defend, save and hold harmless the Authority, the Authority shall notify Lessee of such claim and shall tender to the Lessee the defense of such claim. Any final judgment rendered against the Authority for any cause for which

Lessee is liable hereunder shall be conclusive against the Lessee as to liability and amount provided the Authority has notified the Lessee of such claim as provided above.

4. The Lessee agrees to, at its own cost and expense, procure and maintain in full force and effect during the term of this Agreement, minimum levels of insurance coverage, which shall be primary with respect to Lessee's obligations hereunder as to any other valid and collectable insurance, in the amounts as detailed on Exhibit C, and as further described in this Article.
 - A. Aviation Liability. The Lessee agrees to procure and maintain a comprehensive general liability insurance policy, which shall include the coverages and limits specified in Exhibit C. Contractual liability coverage shall specifically insure the hold harmless provision of this Agreement.
 - B. Automobile Liability. The Lessee agrees to procure and maintain automobile liability insurance in connection with this Agreement, which shall include the coverages and limits specified in Exhibit C.
 - C. Property. The Lessee agrees to procure and maintain "all risks" property insurance, which shall include the coverages and limits as specified in Exhibit C. In the event of damage to or destruction of the Leased Premises, the Lessee agrees to use the insurance proceeds for the repair or replacement of the Leased Premises.
 - D. Environmental. The Lessee agrees to procure and maintain pollution liability insurance in connection with this Agreement, which shall include the coverages and limits specified in Exhibit C.
 - E. Workers Compensation and Employer's Liability. The Lessee agrees to at all times during the course of its operations at the Airport maintain Workers Compensation Insurance in the form and amount required by applicable Colorado law and as specified in Exhibit C.
 - F. Additional Insurance. The Lessee agrees to procure and maintain additional insurance in connection with this Agreement as may be applicable to the activities of Lessee and its Affiliates at the Airport, including hangar keepers liability and liquor liability, as specified in Exhibit C.

- G. The Authority and its officers, directors, agents and employees shall be named as additional insureds on the Commercial General Liability insurance policy, to the extent of Lessee’s obligations to indemnify the Authority hereunder.
- H. The policies shall be written by reputable companies authorized to pay claims in the State of Colorado, rated no less than A-IX by A.M. Best or its equivalent. Policies shall provide that thirty (30) days’ written notice be given to the Authority before a policy is canceled, materially changed or not renewed. Lessee shall furnish to the Authority copies of the required Certificates of Insurance in a form satisfactory to the Authority.
- I. The Lessee agrees to promptly notify the Authority of any claim or loss under such insurance policies and certify that proper notice has been given to the appropriate insurance carrier.

ARTICLE 17 NOTICES

Notices to the parties shall be deemed sufficient if sent in writing by certified or registered mail, postage prepaid, addressed to:

The Authority:	Grand Junction Regional Airport Authority
	ATTN: Executive Director
	Grand Junction Regional Airport
	2828 Walker Field Drive, Suite 301
	Grand Junction, CO 81506

The Lessee: AIRLINE NAME

ATTN: POSITION

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

ARTICLE 18 NON-DISCRIMINATION

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

- G. The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
 - H. Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 USC §§ 12131 – 12189) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
 - I. The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
 - J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
 - K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
 - L. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC 1681 et seq).
3. Lessee, including personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color,

or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that Lessee will use the premises in compliance with all other requirements imposed by or pursuant to the list of non-discrimination acts and authorities, as enumerated in the preceding subsection. In the event of breach of any of the above nondiscrimination covenants, the Authority will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if the Agreement had never been made or issued. The right to terminate shall not become effective unless and until there has been a final order by the Department of Transportation or FAA or an order by a court of competent jurisdiction concluding that Lessee has violated the non-discrimination acts and authorities enumerated in Section 18.2, engaged in discriminatory actions prohibited by 49 C.F.R. Part 21, or otherwise violated the nondiscrimination requirements contained in this Article 18.

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

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

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

individual on the following grounds: (a) the individual has a physical or mental impairment that substantially limits one or more major life activities; (b) the individual has a record of such an impairment; and (c) the individual is regarded as having such an impairment.

ARTICLE 19 COMPLIANCE WITH LAWS

1. Lessee and its Associated Parties shall comply with all applicable federal, state, and local laws, regulations, ordinances, and directives governing the Airport or activities performed or engaged in at the Airport, including without limitation requirements imposed by the FAA, TSA, Department of Homeland Security (“DHS”), U.S. Environmental Protection Agency, Occupational Health and Safety Administration, State of Colorado, Mesa County and the City of Grand Junction (collectively referred to as “Applicable Laws”).
2. Lessee and its Associated Parties shall comply with the Rules and Regulations, which shall be reasonable and not unjustly discriminatory and enforced in a not unjustly discriminatory manner. In the event of a direct conflict between the terms and conditions of this Agreement and such Rules and Regulations, the terms and conditions of this Agreement shall control. At the time of execution of this Agreement, the Authority is in the process of revising its Rules and Regulations. Authority shall provide a copy of proposed Rules and Regulations to the Lessee. Such revised Rules and Regulations shall be effective after reasonable notice and the opportunity for comment.
3. The obligations hereunder to comply with Applicable Laws and the Rules and Regulations shall include any amendments to Applicable Laws and the Rules and Regulations adopted or promulgated after the effective date of this Agreement and any new enactments governing the Airport or activities performed or engaged in at the Airport.
4. Whenever any Applicable Law relating to environmental protection requires the Lessee to notify, make a report, or submit any documents to a governmental unit with respect to the Airport or its operation at the Airport, the Lessee shall comply therewith and shall promptly notify the Authority and make available to the Authority copies of such notices, reports, or documents submitted to the governmental unit.
5. Lessee agrees to acquire and keep current all licenses and permits that are required to conduct Air Transportation at the Airport issued by any federal, state or local government

entity.

6. Lessee agrees to cooperate fully with investigations by regulatory agencies and law enforcement including but not limited to the Federal Bureau of Investigation, National Transportation Safety Board, Department of Transportation, FAA, DHS and TSA.
7. The parties acknowledge the FAA's exclusive jurisdiction over the flight of aircraft and management of the navigable airspace. Notwithstanding the foregoing, Lessee agrees to educate itself about any voluntary noise abatement procedures published by the Authority and communicate this information to pilots and other Associated Parties.

ARTICLE 20 GENERAL PROVISIONS

1. The Authority reserves the right to further develop or improve the Airport as it sees fit.
2. The Authority reserves the right to maintain and keep in repair the Airport Operations Area and all publicly owned facilities of the Airport, together with the right to direct all activities of Lessee in this regard.
3. Nothing contained in this Agreement shall be deemed to grant to Lessee any exclusive right or privilege within the meaning of 49 U.S.C. Section 40103(e) with respect to aeronautical activity at the Airport.
4. During a time of war or national emergency, the Authority shall have the right to lease the Airport Operations Area or any part of the Airport to the United States Government for military or naval use, and, if such lease is executed, the provisions of this Agreement, insofar as they are inconsistent with the provisions of the lease to the government, shall be suspended.
5. The Authority reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction or hazard, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or any other structure on, or adjacent to, the Airport, which, in the opinion of the Authority, would limit the usefulness of the Airport or, in the opinion of the FAA, constitute an obstruction or hazard to air navigation, as determined in accordance with 14 C.F.R. Part 77.
6. This Agreement shall be subordinate to the provisions of any existing or future agreements between the Authority and the United States, relative to the development or improvement of the Airport, the execution of which has been or may be required as a condition precedent

to the expenditure of federal funds for the development of the Airport. Upon receipt of a final order by the FAA or an order by a court of competent jurisdiction that any provision hereof is in violation of any such agreement with the United States, the parties shall engage in good faith negotiations and seek to amend this Agreement by mutual consent. In the event the parties are unable to agree to an amendment after good faith negotiations, the Authority shall have the right to amend this Agreement unilaterally to the limited extent necessary to cure the violation of an agreement with the United States. If such unilateral amendment substantially restricts Lessee's ability to conduct Air Transportation at the Airport for any period of time, Lessee shall have the right to terminate this Agreement upon thirty (30) days prior written notice to the Authority.

7. Should the operation of the Airport by the Authority be restricted substantially by action of the federal or state governments, or any agency or political subdivision thereof, so as to substantially affect the operation of Lessee's business, the Lessee shall have the right, on thirty (30) days' written notice, to a suspension of this Agreement and an abatement of a just proportion of the payments to become due hereunder, or both, until such time as such restrictions shall have been lifted and normal operations restored.
8. It is expressly understood that if funds for the provision, maintenance, and operation of the air traffic control tower, instrument landing system, ground control approach and such other air navigation aids or other facilities required or permitted by the United States and needed by Lessee or Lessee's operation at the Airport which are now or may hereafter be furnished by the United States are discontinued by the United States; the Authority shall not be required to furnish such facilities. In such instance, the Lessee shall have the right to terminate this Agreement upon no less than thirty (30) days' prior written notice to the Authority.
9. Each of the rights and remedies provided by this Agreement shall be cumulative and shall not be exclusive of any other rights or remedies provided by this Agreement or allowed by law.
10. Failure by either party to insist upon the strict performance by the other party of any of the terms or conditions herein contained shall not constitute a waiver of such party's right to thereafter enforce any such term or condition, but the same shall continue in full force and effect. The exercise of any right to terminate arising under this Agreement shall not operate to deprive such party of any co-existing right to seek damages or other remedies arising

from the other party's default.

11. The acceptance of rents or fees or the continued performance by the Authority of its obligations under this Agreement after a default by the Lessee in its performance of any of its obligations under this Agreement shall not be deemed a waiver of the Authority's right to terminate this Agreement for such default other than a default in the payment of rents or fees which are subsequently accepted by the Authority.
12. Lessee agrees to not use, or permit the use of, the Leased Premises, or any part thereof, for any purpose or use other than those authorized by this Agreement.
13. This Agreement shall be performable and enforceable in Mesa County, Colorado, and shall be construed in accordance with the laws of the State of Colorado. Lessee and Authority waive the right to a jury on all claims or demands that arise from the terms and conditions of this Agreement, or the performance of this Agreement.
14. This Agreement is made for the sole and exclusive benefit of the Authority and the Lessee, their successors and assigns, and is not made for the benefit of any third party.
15. In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did nor did not author the same.
16. All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, and its successors and assigns.
17. The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.
18. Nothing herein contained shall create or be construed to create a co-partnership between the Authority and the Lessee or to constitute the Lessee an agent of the Authority. The Authority and the Lessee each expressly disclaim the existence of any such a relationship between them.
19. The Authority agrees that absent an event of default by the Lessee beyond all applicable notice and cure periods, the Lessee shall have the right of "quiet enjoyment" of the Leased Premises subject to the provisions of this Agreement.
20. In the event any covenant, condition or provision contained in this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenants, conditions or provision contained in this Agreement; provided, however, that the validity of such covenant,

condition or provision does not materially prejudice either the Authority or the Lessee in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

21. Nothing in this Agreement shall be construed or interpreted in any manner whatsoever as limiting, relinquishing or waiving any right of ownership enjoyed by the Authority in the Airport property, or in any manner waiving or limiting the Authority's control over the management, operation, or maintenance of the Airport property, except as specifically provided for in this Agreement, or in any manner impairing the governmental rights of the Authority.
22. Neither the Authority nor Lessee shall be deemed to be in violation of this Agreement for reason of failure to perform any of its obligations hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of materials, acts of God, acts of the public enemy, acts of public authority, flight restrictions, weather conditions, riots, rebellion, accidents, sabotage or any other events, conditions or circumstances for which it is not responsible and/or which are not within its control.
23. In the event of any conflict between this Agreement and the Bond Resolution, the terms and conditions of the Bond Resolution will control.
24. The Authority shall not enter into or amend an agreement with any Airline having comparable leased premises, facilities, rights, and privileges and imposing similar obligations to those of Lessee hereunder which grants more favorable terms, rents, fees, or charges to said Airline than those granted to Lessee hereunder unless the Authority also makes a substantially similar agreement or amendment available to Lessee.

ARTICLE 21 ENVIRONMENTAL

1. Lessee agrees that Lessee's handling of all Hazardous Materials used by it during its operations shall comply with all applicable local, state and federal environmental laws and regulations.
2. For purposes of this Lease, the term "Hazardous Material" shall mean any explosives, radioactive materials and materials designated as "hazardous waste" or "hazardous substances" in the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended; Hazardous Materials Transportation Act of 1975, as amended;

Resource Conservation and Recovery Act of 1976, as amended; or other applicable federal, state or local statute, law, ordinance, code, rule, regulation, order or decree relating to, or imposing liability or standards of conduct concerning, hazardous materials, waste or substances now or at any time hereafter in effect.

3. Lessee agrees to be responsible for and will defend, indemnify and hold the Authority, its agents, employees and elected officials harmless from and against all claims, cost and liabilities, including reasonable attorney's fees and costs, arising out of Lessee's breach of its obligations in this Article 21, except to the extent caused by the gross negligence or willful misconduct of the Authority, its officers, directors, agents, employees, contractors or representatives. Lessee will hold the Authority harmless from and against any and all claims, costs and liabilities, including reasonable attorney's fees, arising out of the remediation of any Hazardous Material to the extent caused by Lessee's, Affiliate's or Associated Party's spill or release of any such Hazardous Material, all in accordance with Applicable Laws and except to the extent caused by the gross negligence or willful misconduct of the Authority, its officers, directors, agents, employees, contractors or representatives. In making the foregoing covenant, Lessee does not undertake any obligation to remediate, or any liability for the cost of remediating, the Leased Premises or any other part of the Airport to a level of contamination lower than that which exists on the Commencement Date or to a level of contamination lower than that which the governmental authorities having jurisdiction over the environmental condition require in accordance with Applicable Laws. Lessee's obligations under this Article will survive the expiration of the Term or any earlier termination of this Agreement. In making the foregoing covenant, Lessee also does not undertake any obligation to remediate, or any liability for the cost of remediating, any contamination or other environmental condition that the Authority, any of its employees, agents, contractors or other invitees, or any third party other than Associated Parties cause or that occurs by reason of subterranean migration from property adjoining the Leased Premises. The provisions of this Article 21 shall survive the expiration or early termination of this Agreement, and, with respect to environmental matters, the indemnity in this Article 21 shall apply rather than the general indemnity. Prior to the end of the Term or earlier termination of the Agreement, the Airline shall remove or remediate in accordance with applicable environmental laws and the

Airport rules and regulation, all of the Lessee's Hazardous Materials spilled or released by Lessee, its Affiliates and Associated Parties in violation of Applicable Laws from the Airport and surrounding lands and waters. Prior to vacating the Airport, and unless instructed otherwise by the Authority, the Lessee agrees to remove all tanks, piping and other equipment installed, owned and operated exclusively by the Lessee which stored the Hazardous Materials, or which are contaminated by Hazardous Material.

ARTICLE 22 APPROVALS

1. Whenever the consent or approval of Authority or Lessee is called for herein, it is understood and agreed that such approval shall be in writing and obtained in advance and shall not be unreasonably withheld, conditioned or delayed.

ARTICLE 23 ENTIRE AGREEMENT

1. This Agreement consists of Articles 1 to 23, inclusive, and Exhibits A, B and C.
2. This Agreement constitutes the entire agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the Authority and the Lessee.
3. The parties agree that no representations or warranties shall be binding upon the Authority or the Lessee unless expressed in writing in this Agreement.
4. This Agreement may be executed in any number of counterparts, each of which shall be considered an original.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year written above.

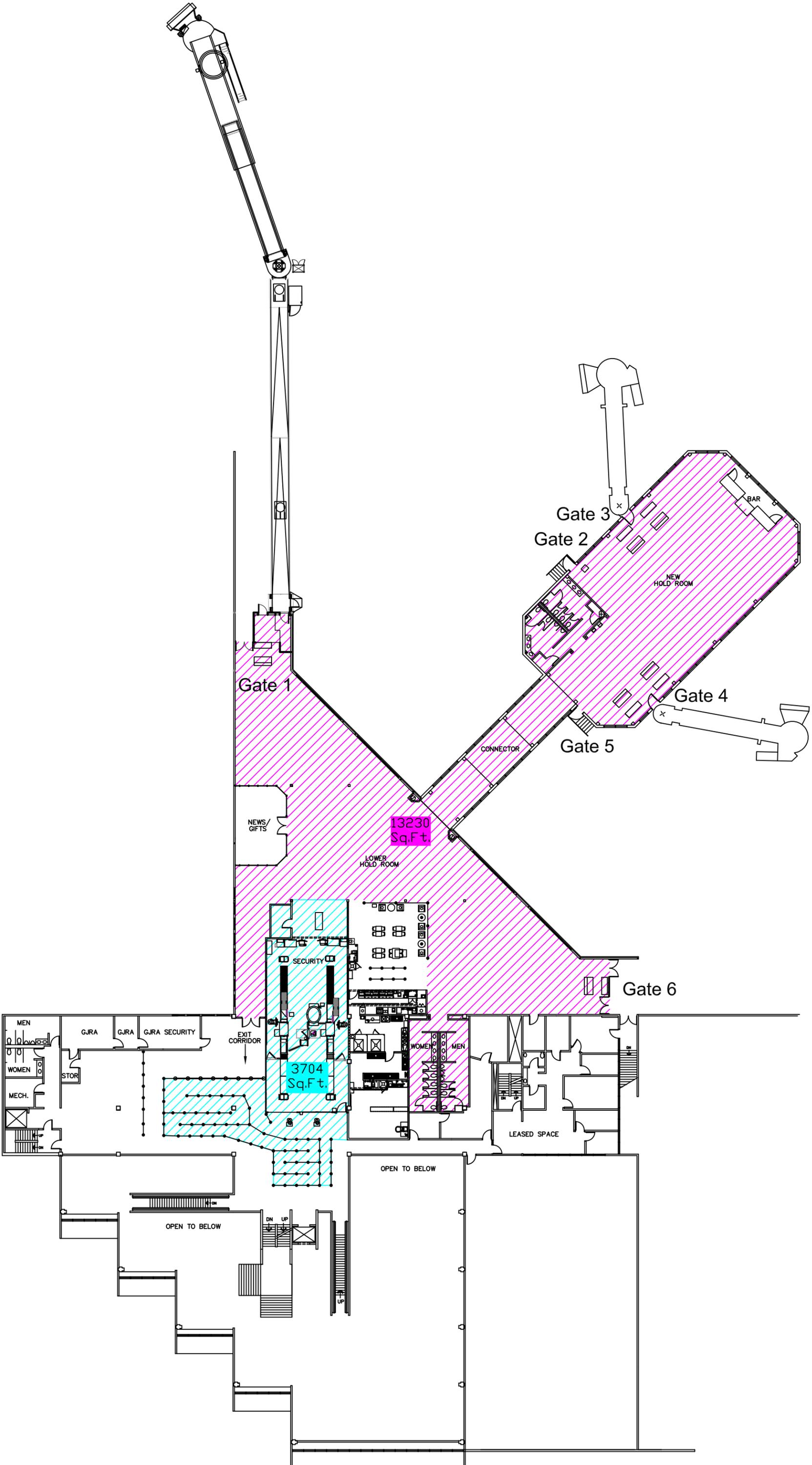
GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

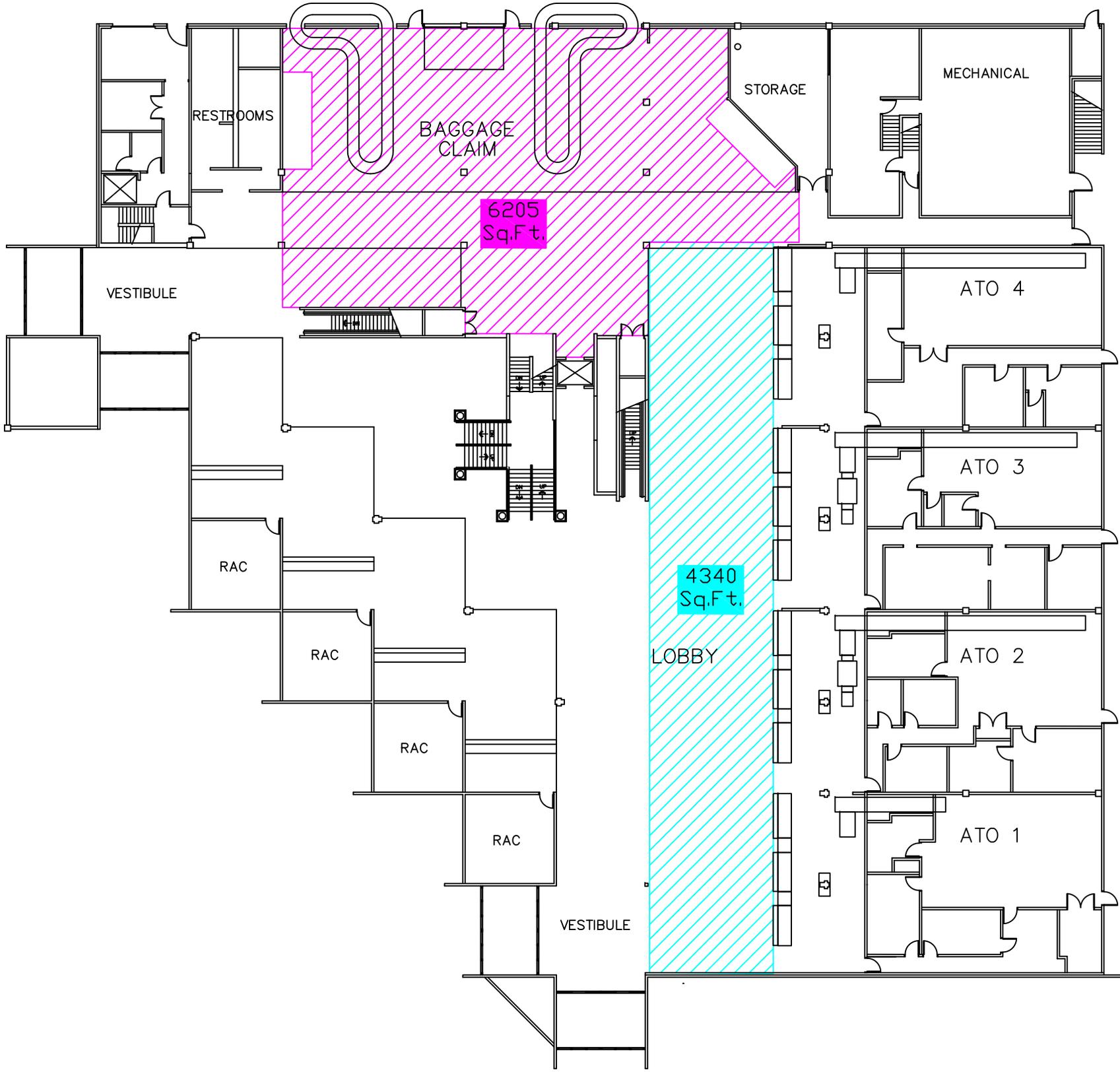
By: _____
Chairperson

By: _____
Secretary

By: _____

Its: _____





RESTROOMS

BAGGAGE CLAIM

STORAGE

MECHANICAL

6205
Sq.Ft.

VESTIBULE

ATO 4

ATO 3

RAC

4340
Sq.Ft.

LOBBY

RAC

ATO 2

RAC

ATO 1

RAC

VESTIBULE



Grand Junction Regional Airport Authority
Grand Junction Regional Airport

FY 2023 Airline Rates and Charges

November 9, 2022

Table 1
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Summary of Rates and Charges

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Signatory terminal rental rate	2	\$35.67	\$41.02	\$47.17	\$54.25
% increase			15.0%	15.0%	15.0%
Nonsignatory terminal rental rate (1.20x)	2	\$42.80	\$49.22	\$56.61	\$65.10
Loading Bridge Per Turn Fee	2	\$10.00	\$16.19	\$13.34	\$13.20
Signatory landing fee rate	6	\$1.86	\$2.14	\$2.46	\$2.83
% increase			15.0%	15.0%	15.0%
Non-signatory landing fee (1.20x)	6	\$2.23	\$2.57	\$2.95	\$3.39
Airline cost per enplanement	9	\$8.18	\$9.12	\$9.41	\$10.66

Table 2
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Terminal Rental Rate Calculation

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
O&M Expenses					
Direct					
Terminal	A-5	\$1,199,332	\$1,543,443	\$1,590,000	\$1,638,000
Landside	A-5	613,684	691,550	712,000	733,000
Allocated indirect					
Terminal	A-6	1,204,112	1,355,947	1,396,675	1,439,180
Landside	A-6	327,403	357,277	367,969	378,941
Less: costs of loading bridges		(24,000)	(27,000)	(27,800)	(28,600)
Debt Service - non-PFC eligible					
Terminal	A-3	126,116	126,065	126,086	126,359
Landside	A-3	0	181,843	181,843	181,843
Amortization of Capital Projects					
Direct					
Terminal	A-4	0	13,948	50,307	86,666
Landside	A-4	0	0	0	0
Indirect					
Terminal	A-4	0	19,045	41,911	64,805
Landside	A-4	0	5,018	11,042	17,063
Total requirement		\$3,446,647	\$4,267,138	\$4,450,034	\$4,637,257
Rentable square feet	A-2	48,987	48,987	48,987	48,987
Terminal rental rate		\$70.36	\$87.11	\$90.84	\$94.66
Airline leased square feet	A-2	34,117	34,117	34,117	34,117
Terminal rental revenue		\$2,400,417	\$2,971,848	\$3,099,226	\$3,229,618
Revenue sharing	8	(702,256)	(900,334)	(1,054,388)	(1,120,887)
Rate abatement		(481,208)	(672,018)	(435,417)	(257,897)
Net signatory airline requirement		\$1,216,953	\$1,399,496	\$1,609,421	\$1,850,834
Airline leased square feet	A-2	34,117	34,117	34,117	34,117
Signatory terminal rental rate		\$35.67	\$41.02	\$47.17	\$54.25
% change			15.0%	15.0%	15.0%
Nonsignatory terminal rental rate (1.20x)		\$42.80	\$49.22	\$56.61	\$65.10
Per turn fee					
O & M Cost of loading bridges		\$25,000	\$27,000	\$27,800	\$28,600
Amortization of Capital Projects- Bridges					
Loading Bridges		0	21,569	21,569	21,569
Total requirement of loading bridge		25,000	48,569	49,369	50,169
Number of Loading Bridge Turns	A-1	2,500	3,000	3,700	3,800
Loading Bridge Per Turn Fee		\$10.00	\$16.19	\$13.34	\$13.20

Table 3
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Terminal Rental Revenue by Airline

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Signatory terminal rental rate	2	\$35.67	\$41.02	\$47.17	\$54.25
Space by airline					
Allegiant	A-2	916	916	916	916
American	A-2	2,861	2,861	2,861	2,861
Skywest (UA)	A-2	2,861	2,861	2,861	2,861
Ticket lobby queuing	A-2	4,340	4,340	4,340	4,340
Bag claim	A-2	6,205	6,205	6,205	6,205
Boarding	A-2	13,230	13,230	13,230	13,230
Security	A-2	3,704	3,704	3,704	3,704
Total airline space		34,117	34,117	34,117	34,117
Terminal rental revenue by airline					
Allegiant		\$32,674	\$37,575	\$43,211	\$49,693
American		102,052	117,360	134,964	155,208
Skywest (UA)		102,052	117,360	134,964	155,208
Ticket lobby queuing		154,808	178,029	204,733	235,443
Bag claim		221,332	254,532	292,712	336,619
Boarding		471,914	542,701	624,106	717,722
Security		132,122	151,940	174,731	200,941
Total		\$1,216,953	\$1,399,496	\$1,609,421	\$1,850,834
Summary by account code					
Rent - Airline Preferential Space		\$236,777	\$272,294	\$313,138	\$360,109
Rent - Airline Joint-Use Space		980,176	1,127,202	1,296,283	1,490,725
Total		\$1,216,953	\$1,399,496	\$1,609,421	\$1,850,834

Table 4
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Allocation of Joint Use

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Total Joint Use					
Ticket lobby queuing	3	\$154,808	\$178,029	\$204,733	\$235,443
Bag claim	3	221,332	254,532	292,712	336,619
Boarding	3	471,914	542,701	624,106	717,722
Security	3	132,122	151,940	174,731	200,941
Subtotal		\$980,176	\$1,127,202	\$1,296,283	\$1,490,725
Enplanement Market Share					
Allegiant	A-1	9.9%	10.1%	10.1%	10.1%
American	A-1	51.9%	52.6%	52.6%	52.6%
Frontier	A-1	0.9%	0.0%	0.0%	0.0%
Skywest (DL)	A-1	0.5%	0.0%	0.0%	0.0%
Skywest (UA)	A-1	36.9%	37.4%	37.4%	37.4%
		100.0%	100.0%	100.0%	100.0%
Joint use revenue by airline					
Allegiant		\$97,327	\$113,463	\$130,482	\$150,055
American		508,310	592,581	681,468	783,689
Frontier		8,378	0	0	0
Skywest (DL)		4,896	0	0	0
Skywest (UA)		361,265	421,158	484,332	556,982
Total Joint Use		\$980,176	\$1,127,202	\$1,296,283	\$1,490,725

Table 5
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Loading Bridge Revenue by Airline

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Loading Bridge Per Turn Fee	2	\$10.00	\$16.19	\$13.34	\$13.20
Turns by airline					
Allegiant	A-1	132	161	200	210
American	A-1	1,201	1,459	1,800	1,850
Frontier	A-1	29	0	0	0
Skywest (DL)	A-1	2	0	0	0
Skywest (UA)	A-1	1,136	1,380	1,700	1,740
Total		2,500	3,000	3,700	3,800
Loading bridge revenue by airline					
Allegiant		\$1,322	\$2,600	\$2,669	\$2,773
American		12,010	23,625	24,018	24,425
Frontier		290	0	0	0
Skywest (DL)		20	0	0	0
Skywest (UA)		11,358	22,344	22,683	22,972
Total		\$25,000	\$48,569	\$49,369	\$50,169

Table 6
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Calculation of Landing Fee Rate

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
O&M Expenses					
Direct					
Airfield	A-5	\$141,000	\$177,450	\$183,000	\$188,000
Other Airside Buildings	A-5	104,300	138,339	142,000	146,000
Allocated indirect					
Airfield	A-6	1,590,014	1,657,132	1,706,870	1,757,518
Other Airside Buildings	A-6	55,645	71,471	73,387	75,478
Debt Service - non-PFC eligible					
Airfield	A-3	0	0	0	0
Other Airside Buildings	A-3	0	0	0	0
Amortization of Capital Projects					
Direct					
Airfield	A-4	0	162,400	332,075	524,776
Other Airside Buildings	A-4	0	0	0	0
Indirect					
Airfield	A-4	0	23,276	51,219	79,139
Other Airside Buildings	A-4	0	1,004	2,202	3,399
Total requirement		\$1,890,958	\$2,231,071	\$2,490,753	\$2,774,310
Total landed weight	A-1	328,170	348,129	370,000	390,000
Landing fee		\$5.76	\$6.41	\$6.73	\$7.11
Total landing fee revenue		\$1,890,958	\$2,231,071	\$2,490,753	\$2,774,310
Revenue sharing	8	(751,856)	(892,222)	(1,095,052)	(1,220,388)
Rate abatement		(528,707)	(594,202)	(485,556)	(450,680)
Net airfield requirement		\$610,396	\$744,648	\$910,145	\$1,103,243
Total landed weight	A-1	328,170	348,129	370,000	390,000
Signatory landing fee rate		\$1.86	\$2.14	\$2.46	\$2.83
% change		67.0%	15.0%	15.0%	15.0%
Non-signatory landing fee (1.20x)		\$2.23	\$2.57	\$2.95	\$3.39

Table 7
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Landing Fee Revenue by Airline

	Source Table	Account Code	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Signatory landing fee rate	6		\$1.86	\$2.14	\$2.46	\$2.83
Non-signatory landing fee (1.20x)	6		\$2.23	\$2.57	\$2.95	\$3.39
Landed weight by airline						
Allegiant	A-1	Passenger	30,842	22,687	24,000	25,000
American	A-1	Passenger	142,049	151,359	161,000	170,000
Frontier	A-1	Passenger	4,124	0	0	0
Skywest (DL)	A-1	Passenger	1,618	0	0	0
Skywest (UA)	A-1	Passenger	95,087	120,623	128,000	135,000
FedEx	A-1	Cargo	54,450	53,460	57,000	60,000
Key Lime	A-1	Cargo	0	0	0	0
Total			328,170	348,129	370,000	390,000
Landing fee revenue by airline						
Allegiant		Passenger	\$57,365	\$48,527	\$59,036	\$70,721
American		Passenger	264,212	323,757	396,036	480,901
Frontier		Passenger	7,670	0	0	0
Skywest (DL)		Passenger	3,009	0	0	0
Skywest (UA)		Passenger	176,861	258,013	314,861	381,892
FedEx		Cargo	101,277	114,351	140,211	169,730
Key Lime		Cargo	0	0	0	0
Total			\$610,396	\$744,648	\$910,145	\$1,103,243
Summary by lease status						
Signatory			\$610,396	\$744,648	\$910,145	\$1,103,243
Non-Signatory			0	0	0	0
Total			\$610,396	\$744,648	\$910,145	\$1,103,243
Summary by account code						
Landing Fees - Passenger		Passenger	\$509,119	\$630,297	\$769,933	\$933,513
Landing Fees - Non-Passenger		Cargo	101,277	114,351	140,211	169,730
Total			\$610,396	\$744,648	\$910,145	\$1,103,243

Table 8
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Revenue Sharing Calculation

	Source Table	Cost Center	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Revenues						
Terminal rentals before revenue sharing	2		\$2,400,417	\$2,971,848	\$3,099,226	\$3,229,618
Loading bridge revenues	2		25,000	48,569	49,369	50,169
Landing fees before revenue sharing	6		1,890,958	2,231,071	2,490,753	2,774,310
Non-airline						
Cargo and hangar rentals	A-7		55,000	59,000	60,000	61,000
Aviation fuel tax	A-7		203,000	210,000	214,000	218,000
Fuel flowage fee	A-7		476,000	504,000	514,000	524,000
Other nonpassenger airlines revenue	A-7		7,000	8,000	8,200	8,400
Land and building leases	A-7		595,000	637,000	650,000	663,000
Terminal - food and beverage	A-7		160,000	171,000	194,000	200,000
Terminal - retail	A-7		0	0	0	0
Terminal - other	A-7		162,000	181,000	205,000	211,000
Rental cars	A-7		1,376,000	1,529,000	1,732,000	1,786,000
Parking and ground transportation	A-7		1,298,000	1,714,000	1,941,000	2,001,000
Other nonaeronautical revenue	A-7		38,000	83,000	84,700	86,400
Total Revenues			\$8,686,376	\$10,347,489	\$11,242,249	\$11,812,898
Less: operating expenditures	A-5		(\$5,268,000)	(\$6,067,000)	(\$6,248,500)	(\$6,435,000)
Less: debt service net of PFCs	A-3		(546,153)	(727,778)	(727,868)	(729,049)
Plus: interest income on operating fund			36,000	32,400	33,000	33,700
Amount available for revenue sharing			\$2,908,223	\$3,585,112	\$4,298,880	\$4,682,549
Revenue sharing split						
Authority	50.0%		\$1,454,112	\$1,792,556	\$2,149,440	\$2,341,274
Airlines	50.0%		1,454,112	1,792,556	2,149,440	2,341,274
	100.0%		\$2,908,223	\$3,585,112	\$4,298,880	\$4,682,549
Allocation of airline share to rate base						
Base for allocation						
Terminal rentals before revenue sharing		Terminal	\$2,400,417	\$2,971,848	\$3,099,226	\$3,229,618
Landing fees before revenue sharing		Airfield	1,890,958	2,231,071	2,490,753	2,774,310
Aviation fuel tax	A-7	Airfield	203,000	210,000	214,000	218,000
Fuel flowage fee	A-7	Airfield	476,000	504,000	514,000	524,000
Total			\$4,970,376	\$5,916,920	\$6,317,979	\$6,745,928
Allocation %s						
Terminal			48.3%	50.2%	49.1%	47.9%
Airfield			51.7%	49.8%	50.9%	52.1%
			100.0%	100.0%	100.0%	100.0%
Allocation of airline share to rate base						
Terminal			\$702,256	\$900,334	\$1,054,388	\$1,120,887
Airfield			751,856	892,222	1,095,052	1,220,388
			\$1,454,112	\$1,792,556	\$2,149,440	\$2,341,274

Table 9
Grand Junction Regional Airport Authority
Grand Junction Regional Airport
FY 2023 Rates and Charges
Airline Cost Per Enplanement

	Source Table	Budget 2022	Budget 2023	Forecast 2024	Forecast 2025
Passenger airline revenues					
Terminal rental revenues	2	\$1,216,953	\$1,399,496	\$1,609,421	\$1,850,834
Loading bridge revenues	2	25,000	48,569	49,369	50,169
Landing fee revenues	6	610,396	744,648	910,145	1,103,243
Less: cargo landing fees	6	(101,277)	(114,351)	(140,211)	(169,730)
Total passenger airline revenues		\$1,751,072	\$2,078,363	\$2,428,723	\$2,834,517
Enplanements	A-1	213,994	227,787	258,000	266,000
Airline cost per enplanement		\$8.18	\$9.12	\$9.41	\$10.66
By airline					
Allegiant		\$8.77	\$9.09	\$9.35	\$10.53
American		\$7.99	\$9.07	\$9.36	\$10.61
Frontier		\$8.93	\$0.00	\$0.00	\$0.00
Skywest (DL)		\$7.41	\$0.00	\$0.00	\$0.00
Skywest (UA)		\$8.26	\$9.20	\$9.49	\$10.74

EXHIBIT C
AIRLINE AND AFFILIATE INSURANCE REQUIREMENTS

- A. Airline Liability Insurance and Comprehensive General Liability Insurance: Insurance limits of liability for Lessee and each of its individual Affiliates shall be determined by the capacity, in passenger seats or cargo, of the largest aircraft in Lessee's and its Affiliate's fleet as follows:
- a. Not less than five hundred million dollars (\$500,000,000) per occurrence for Airlines operating aircraft of one hundred (100) seats or more;
 - b. Not less than two hundred million dollars (\$200,000,000) per occurrence for Airlines operating aircraft of ninety-nine (99) or fewer seats;
 - c. Not less than two hundred million dollars (\$200,000,000) per occurrence for cargo legal liability for all-cargo carriers operating aircraft with more than 60,000 pounds;
 - d. Not less than fifty million dollars (\$50,000,000) per occurrence for cargo legal liability for all-cargo carriers operating aircraft with less than 60,000 pounds;
 - e. An aggregate sublimit of twenty-five million dollars (\$25,000,000) is allowed for all of the levels stated above for personal injury to non-passengers.
- B. Mobile Equipment: The comprehensive airline liability insurance shall include the coverage for mobile or other ground vehicle equipment operated on those parts of the Airport that are not accessible to the public and are designated as restricted areas with a limit of not less than twenty-five million dollars (\$25,000,000) for each occurrence. Mobile or other ground vehicle equipment shall include, but not be limited to baggage tugs, aircraft pushback tugs, provisioning trucks, air stair trucks, belt loaders and any auto.
- C. Automobile Liability Insurance: Provide coverage for automobile liability for personal injury, bodily injury, or death arising out of the use of motor vehicles and covering operations on or off the Airport of all motor vehicles and controlled by the Lessee. Automobile liability insurance in an amount adequate to cover automobile insurance while on Airport premises in an amount not less than ten million dollars (\$10,000,000) per person per occurrence. Automobile liability insurance in an amount adequate to cover automobile insurance for vehicles licensed for road use in an amount not less than five million dollars (\$5,000,000) combined single limit per person per occurrence.
- D. Property Insurance: Property insurance, naming the Authority as a loss payee and the Lessee as their respective interests may appear, insuring (i) that portion of the Leased Premises that the Lessee is required to maintain under this Agreement and (ii) any personal property at the Leased Premises against the perils of fire (with extended coverage) and physical loss or damage. Such insurance shall be in an amount equal to full replacement cost of the insured property.
- E. Pollution Legal Liability and Remediation and/or Errors & Omissions applicable to underground or aboveground fuel storage tanks, fueling or refueling operations with a

limit no less than one million dollars (\$1,000,000) per claim or occurrence and two million dollars (\$2,000,000) aggregate per policy period of one year. This policy shall include coverage for bodily injury, property damage, personal injury and environmental site restoration, including fines and penalties in accordance with applicable EPA or state regulations.

- F. Hangar Keepers Liability Insurance (If Applicable): Hangar keepers liability insurance in an amount adequate to cover any non-owned property in the care, custody and control of Lessee or any of its individual Affiliates on the Airport, but in any event in an amount not less than fifty million dollars (\$50,000,000).

- G. Workers' Compensation and Employer's Liability Insurance:
 - a. Workers' Compensation Insurance must be provided in full force, and at all times relevant to this Agreement, for the protection of claims under workers' compensation laws, with limits in accordance with all applicable federal and state laws and regulations, but in no event shall coverage be less than one million dollars (\$1,000,000) per occurrence.
 - b. Employer's Liability - coverage in amounts not less than one million dollars (\$1,000,000) per accident and one million dollars (\$1,000,000) for disease per each employee with a policy limit of one million dollars (\$1,000,000).

- H. Liquor Liability (if applicable) for any facility of Lessee serving alcoholic beverages on the Airport in an amount not less than one million dollars (\$1,000,000) per occurrence.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution No. 2023-006 Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Adopt resolution No. 2023-006: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts to update banking access and permissions
SUMMARY:	<p>The Banking Resolution defines permissions within bank accounts for the Airport Authority. The proposed revisions incorporate the following:</p> <ul style="list-style-type: none">• Change in Vice Chair from Clay Tufly to Linde Marshall• Changes in roles and responsibilities amongst Airport staff;• Incorporates the addition of the COLOTRUST investment accounts approved by the Board at the January 17, 2023 Regular Board Meeting.
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	Resolution No. 2023-006: Revised Resolution Concerning Execution of Documents Pertaining to Bank Accounts
STAFF CONTACT:	Angela Padalecki, Executive Director Email: apadalecki@gairport.com Office: 970-248-9100

Resolution No. 2023-006

**Of the
GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
A Resolution Concerning
Execution of Documents Pertaining to Bank Accounts**

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

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

WHEREAS, the Board desires to authorize the Chairman, Vice Chairman, Executive Director or Director of Facilities, as designated below, to **execute with only one (1) signature any and all (A) bank documents, checks and other instruments of withdrawal up to \$30,000, and (B) any payroll and payroll related expenditures, including but is not limited to, payments for tax withholding, payments for retirement and 401(k) contributions and garnishments and sales tax and investment account transfers:**

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

WHEREAS, the Board desires to authorize the Chairman as designated below to **execute with only one (1) signature any and all automated clearing house (ACH) payments:**

<u>Tom Benton</u>	Chairman
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Provided, however, that checks or other instruments of withdrawal (**other than payroll and payroll related expenditures including but not limited to payments for tax withholding, payments for retirement and 401(k) contributions, garnishments and sales tax, investment account transfers, and ACH payments**) in an amount greater than **\$30,000 shall have two (2) such signatories, as follows:**

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

AND,

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

- Chairman or Vice Chairman; AND

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

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

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

IT IS FURTHER RESOLVED that the Board authorizes the Chairman, Vice Chairman, Executive Director, or Director of Facilities, to execute with one (1) signature **any and all (A) bank documents, checks and other instruments of withdrawal up to \$30,000, and (B) all payroll and payroll related expenditures, including but not limited to, payments for tax withholding, payments for retirement and 401(k) contributions, and garnishments and sales tax and investment account transfers:**

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

IT IS FURTHER RESOLVED, that the Board authorizes the Chairman as designated below to **execute with only one (1) signature any and all ACH Payments:**

<u>Tom Benton</u>	Chairman
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Provided, however, that checks or other instruments of withdrawal (**other than payroll and payroll related expenditures, including but not limited to payments for tax withholding, payments for retirement and 401(k) contributions, garnishments and sales tax, investment account transfers, and ACH payments**) in an amount greater than **\$30,000 shall require two (2) such signatures as follows:**

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

AND,

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

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

PASSED AND ADOPTED this 18th day of July, 2023.

Board Members Voting Aye:

Those Voting Nay:

Board Members Voting Aye:	Those Voting Nay:

GRAND JUNCTION REGIONAL
AIRPORT AUTHORITY

ATTEST:

Chairman

Clerk

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution No. 2023-007 – Designating the Location for the Posting of Notice of Meetings for 2023
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Adopt Resolution No. 2023-007 Designating the Location for the Posting of the Notice of Meetings
SUMMARY:	<p>HB 23-1156, amending the Colorado Public Airport Authority Act, was passed by the Colorado Legislature, signed by the Governor and will take effect in August 2023. One of the changes eliminates separate requirements for the posting of meeting notices and instead requires airport authorities to comply with the open meeting and notice requirements of the Colorado Open Meetings Law.</p> <p>In 2019, the Colorado Legislature, in HB 19-1087, amended the Open Meetings Law to permit local governments and special districts to satisfy the meeting notice requirement by posting on a public website. With the recent change in the Public Airport Authority Act, GJRAA can now post notice of meetings on our public website, like other local governments and special districts.</p> <p>The proposed resolution designates the GJRAA’s public website as the official location for the posting of meeting notices.</p>
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	1. Resolution 2023-007
STAFF CONTACT:	Angela Padalecki 970-248-8588 apadalecki@gjairport.com

RESOLUTION NO. 2023-007
RESOLUTION OF THE BOARD OF COMMISSIONERS
DESIGNATING THE LOCATION FOR
THE POSTING OF THE NOTICE OF MEETINGS

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

WHEREAS, the Colorado Public Airport Authority Act, (C.R.S. § 41-3-105(5)(a)) provides, “All regular or special meetings are subject to the open meeting and notice requirements of Section 24-6-402”; and

WHEREAS, C.R.S Section 24-6-402(2)(c)(I) provides, “Any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public. In addition to any other means of full and timely notice, a local public body shall be deemed to have given full and timely notice if the notice of the meeting is posted in a designated public place within the boundaries of the local public body no less than twenty-four hours prior to the holding of the meeting. The public place or places for posting such notice shall be designated annually at the local public body’s first regular meeting of each calendar year. The posting shall include specific agenda information where possible”; and

WHEREAS, C.R.S. Section 24-6-402(2)(c)(III) provides, “On and after July 1, 2019, a local public body shall be deemed to have given full and timely notice of a public meeting if the local public body posts the notice, with specific agenda information if available, no less than twenty-four hours prior to the holding of the meeting on a public website of the local public body”; and

WHEREAS, C.R.S. Section 41-3-105(5)(i) delegates to the Board the power to “constitute and appoint an official newspaper in this state to be used for the official publications of the authority”.

NOW, THEREFORE, by this Resolution, the Board hereby resolves and directs as follows:

1. The Board designates the Grand Junction Regional Airport website – www.gjairport.com/Board_Meetings, to be the public place at which all notices of public meetings shall be posted.
2. The Board directs Airport Staff to ensure that the public website is maintained in conformance with C.R.S. Section 24-6-402(2)(c)(III).
3. The Board directs Airport Staff to post each notice of public meeting on the notice board at the Grand Junction Regional Airport Terminal Building, 2828 Walker Field Drive, Third Floor, Grand Junction, Colorado, 81501.

4. The Board appoints the Grand Junction Daily Sentinel to be the official newspaper for the official publications of the GJRAA.
5. This Resolution shall terminate and be of no further force and effect upon the adoption of a superseding resolution at the Board's first regular public meeting in 2024.

PASSED AND ADOPTED this 18th day of July, 2023.

Board Members Voting AYE

Board Members Voting NAY

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

ATTEST:

Chairman

Clerk

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution No. 2023-00_ – Airport Authority Bylaws
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Adopt Resolution No. 2023-00_ Adopting the Amended and Restated Bylaws of the Grand Junction Regional Airport Authority
SUMMARY:	<p>HB 23-1156, amending the Colorado Public Airport Authority Act, was passed by the Colorado Legislature, signed by the Governor and will take effect in August 2023. HB 23-1156 makes several changes to the powers and responsibilities of public airport authorities, including matters addressed in the GJRAA Bylaws.</p> <p>In 2021, the Board comprehensively reviewed and updated the Bylaws as part of an overall review of its governing documents. The proposed resolution makes minor modifications to the Bylaws to conform to the update to the Public Airport Authority Act.</p> <p>Amending the Bylaws requires two readings, the first at the July 18 Board meeting and the second planned for the August 15 Board meeting.</p>
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	1. Resolution 2023-00_
STAFF CONTACT:	Angela Padalecki 970-248-8588 apadalecki@gjairport.com

RESOLUTION NO. 2023-__
RESOLUTION OF THE BOARD OF COMMISSIONERS
ADOPTING THE AMENDED AND RESTATED BYLAWS
OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

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

WHEREAS, GJRAA was formed by the City of Grand Junction, Colorado and the County of Mesa, Colorado, acting in combination pursuant to C.R.S. § 41-3-101, *et. seq.*, known as the “Public Airport Authority Act”; and

WHEREAS, the City of Grand Junction, by Ordinance 1388 (dated March 20, 1971), acting jointly with the County of Mesa, directed as follows: “At the first meeting of the Board of Commissioners, there shall be adopted By-laws of the Authority, which By-Laws shall designate the officers of the Authority, the time and place for all regular meetings of the Board and shall prescribe the powers and duties of the officers and the Authority, not inconsistent with law, and other details in connection with the Airport Authority.”

WHEREAS, GJRAA consistently has maintained, implemented and updated its Bylaws, the most recent version of which is entitled “Amended and Restated Bylaws of the Grand Junction Regional Airport Authority”, adopted on June 15, 2021; and

WHEREAS, the Colorado Legislature amended the Public Airport Authority Act in House Bill 23-1156, *Concerning Modernization of the Public Airport Authority Act (2023)*, which amendment necessitates conforming amendments to the Bylaws; and

WHEREAS, the Bylaws Section 6.3 (Amendment) provides, “These Bylaws may be altered, amended or repealed by Resolution adopted at each of two special or regular meetings of the Board held not less than 27 days nor more than 45 days apart”; and

WHEREAS, the GJRAA has complied with the procedural requirements to amend the Bylaws, including by (1) publishing public notice of the Board’s consideration of the amended Bylaws; (2) holding a public hearing and approving the amended Bylaws at the Regular Meeting on July 18, 2023; and (3) providing public notice of the second action by the Board on the amended Bylaws to be considered at the Regular Meeting on August 15, 2023.

NOW, THEREFORE, by this Resolution, the Board hereby resolves and directs as follows:

1. The attached document entitled “Amended and Restated Bylaws of the Grand Junction Regional Airport Authority” is hereby adopted and, on and after August 15, 2023, shall constitute the operative Bylaws of the GJRAA. The Board and Airport Staff hereafter shall act in conformance with the Bylaws.

2. The Board directs the Airport Executive Director to post the Bylaws on the Airport Authority website and to make the Bylaws available in the Airport Administration Office.
3. The Board hereby repeals the “Amended and Restated Bylaws of the Grand Junction Regional Airport Authority”, adopted June 15, 2021, and any prior documents with the same or similar title, and any such documents no longer shall be effective, provided that past actions of the Board shall be considered according to the version of the Bylaws then in effect.
4. Any further amendments to the Bylaws must conform to the procedural requirements prescribed in attached Bylaws, provided that the Board Chair is authorized to direct the correction of any typographical or clerical errors that may be identified in the attached Bylaws.
5. Nothing in this Resolution or the attached Bylaws shall be construed to create a cause of action or right of action by any third party, except as may exist under law.

PASSED AND ADOPTED this 15th day of August, 2023.

Board Members Voting AYE

Board Members Voting NAY

GRAND JUNCTION REGIONAL
AIRPORT AUTHORITY

Chairman

ATTEST:

Clerk

AMENDED AND RESTATED BYLAWS OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

Adopted ~~June 15, 2021~~ August 15, 2023

ARTICLE I: Statement of Authority

1.1. PURPOSE OF AUTHORITY. The purpose of the Grand Junction Regional Airport Authority ("Authority") is to operate, maintain, and develop the Grand Junction Regional Airport and its related facilities and to oversee and manage the business and affairs of the Grand Junction Regional Airport.

1.2. CREATION AND LEGAL STATUS. The Authority was established, organized and incorporated in 1971 by the City of Grand Junction and the County of Mesa acting jointly in accordance with the Public Airport Authority Act, now codified at Title 41, Article 3 of the Colorado Revised Statutes, as amended by Colorado HB 23-1156 (2023) (the "Act"). The Authority is a political subdivision of the State of Colorado.

1.3. PRINCIPAL OFFICE. The principal office of the Authority shall be located within the City of Grand Junction, Mesa County, Colorado.

ARTICLE II: Board of Commissioners

2.1. PURPOSE AND POWERS OF THE BOARD. The Authority's Board of Commissioners (the "Board"), shall govern the Grand Junction Regional Airport. The Board shall have and exercise on behalf of the Authority those duties and powers set forth in the Act and such other duties and powers as are authorized by the laws of the State of Colorado. The Board shall act only at a duly called meeting that is open to the public unless otherwise provided for by the laws of the State of Colorado.

2.2. SELECTION AND QUALIFICATION OF COMMISSIONERS. The Board shall consist of seven (7) Commissioners. The Mesa County Board of Commissioners shall appoint three (3) Commissioners, only one of whom may, but need not be, a County Commissioner. The City Council of Grand Junction shall appoint three (3) Commissioners, only one of whom may, but need not be, a member of the City Council. Each Commissioner shall be a resident and taxpaying elector of Mesa County; each Commissioner appointed by the City Council shall also be a resident and taxpaying elector of the City of Grand Junction. Each of the Commissioners so appointed shall serve at the pleasure of, and be removed with or without cause by, the body appointing her or him.

A seventh At-Large Commissioner shall be selected by the County- and City-appointed Commissioners in accordance with procedures established by the Board. The Board shall then advise the Mesa County Commissioners and the Grand Junction City Council of the person selected as At-Large Commissioner for ratification of the appointment.

2.3. TERM. The term of each Commissioner shall be four (4) years. No Commissioner may serve more than two (2) consecutive four (4) year terms. Each Commissioner shall hold

office until her or his successor has been appointed and qualified. If a vacancy occurs, the Commissioner appointed shall serve the remainder of the term to which he or she is appointed. If the remainder of such term is less than two years, that Commissioner may serve two additional consecutive four-year terms. If the remainder of such term is greater than two years, then that Commissioner may serve one additional term.

2.4. VACANCIES. Vacancies that occur on the Board, through death, resignation, removal of one of the Commissioners, or for any other reason, shall be filled in the same manner as provided for the appointment of the Commissioner being replaced. A change of residence of a Commissioner to a place outside of the City of Grand Junction, if he or she is an appointee of the City of Grand Junction, or outside of Mesa County, if he or she is an appointee of Mesa County, automatically creates a vacancy on the Board as to that Commissioner. A change in residence of the At-Large Commissioner to a place outside of Mesa County will also automatically create a vacancy on the Board as to the At-Large Commissioner position.

2.5. COMPENSATION. No Commissioner shall receive compensation for serving on the Board or as an employee of the Authority.

ARTICLE III: Meetings

3.1. REGULAR MEETINGS. Regular meetings of the Board shall be held within Mesa County, ~~at least monthly~~, on such dates and times as the Board may determine.

3.2. EXECUTIVE SESSIONS. At any duly convened meeting, the Board may go into executive session in the manner and for the consideration of matters as permitted by the Colorado Open Meetings Law, now codified at Title 24, Article 6, Part 4 of the Colorado Revised Statutes.

3.3. SPECIAL MEETINGS. Special meetings may be called by any officer or member of the Board by informing the other members of the date, time, and place of such meeting and the purpose for which it is called, and by posting notice of the meeting in the method provided for in the Act.

3.4. EMERGENCY MEETINGS. An emergency meeting may be called by the Chairman or Vice Chairman, upon giving as much notice as is practical under the circumstances, to address unforeseen circumstances or an emergency that calls for immediate action. Any action taken at an emergency meeting must be ratified at the next meeting of the Board at which full and timely public notice is provided.

3.5. WORKSHOPS. The Board may hold workshops, as necessary, to allow it to discuss issues without taking any formal action. Workshops may be held without a quorum of the Board, but full and timely public notice is required for all workshops to be held and conducted.

3.6. NOTICE OF MEETING. Notice of the time and place of all regular and special meetings, as well as workshops, shall be posted as required by the ~~Aet~~Colorado Open Meetings Law.

3.7. QUORUM. ~~Five-Four (54)~~ Commissioners of the Board shall constitute a quorum necessary to open a regular, special or emergency meeting and to take formal action on any and all matters. If a Commissioner is disqualified from voting on any action of the Board, his or her attendance will be included for purposes of determining a quorum even though that Commissioner does not participate in discussions or vote on the matter. Formal action by the Board shall be approved and adopted upon the affirmative vote of four (4) or more Commissioners.

3.8. METHOD OF ATTENDANCE AND ATTENDANCE REQUIREMENT. Commissioners may attend a meeting or workshop in person or by any electronic or telephonic means which permits all of those who are physically in attendance to hear such Commissioner, and such Commissioner to hear persons physically in attendance. Commissioners must attend at least seventy-five (75) percent of all regular and special meetings of the Board, either in person or by electronic or telephonic means, within an ongoing six (6) month period. If a Commissioner fails to meet said attendance requirement, he or she may be subject to removal from the Board as provided in these Bylaws.

3.9. REMOVAL. By a unanimous vote of the remaining Commissioners, the Board may adopt a resolution requesting either the Mesa County Commissioners or the City Council of Grand Junction (or both the County and City in the case of an At-Large Commissioner) to remove a Commissioner appointed or approved by them.

3.10. MINUTES AND RECORDS. Board meetings will be recorded by audio or video means and such recordings will be kept in the permanent records of the Authority as the official minutes. Written minutes of the Board meetings shall be limited to actions and resolutions of the Board including motions, seconds, and votes on such actions. The record of executive sessions shall be maintained as provided in the Colorado Open Meetings Law.

3.11. PROCEDURE. The Board shall take official action by resolution, order, or motion. On all resolutions the rolls shall be called, and the ayes and nays recorded. Any other matter requiring a vote of the Board may be adopted by viva voce vote, but on demand of any Commissioner, the roll shall be called.

ARTICLE IV: Officers and Committees

4.1. OFFICERS. The officers of the Authority shall be the Chairman, Vice Chairman, Clerk and Treasurer. The same person may not hold two (2) offices.

4.1.1. CHAIRMAN. The Chairman shall preside over all meetings of the Board and shall exercise such authority as is duly conferred upon him or her, from time to time, by the Board. He or she shall sign, ~~either~~ by manual, electronic or facsimile signature, together with the Clerk, any leases, deeds, mortgages, bonds, contracts or other instruments which the Board has authorized to be executed, provided however, that the Board may delegate the Chairman's authority over certain routine matters to the Executive Director, to the extent not prohibited by law.

4.1.2. VICE CHAIRMAN. In the absence of the Chairman or in the event of his or her inability to act, the Vice Chairman shall perform the duties of the Chairman, and

when so acting, shall have all of the powers of the Chairman.

4.1.3. TREASURER. The Treasurer shall perform all duties incidental to the office and all duties as may be assigned by the Board.

4.1.4. CLERK. The Clerk shall keep the minutes of the meetings of the Board; maintain a book of resolutions and inform the Board of any resolutions that are set to expire; be custodian of the corporate records and the Seal of the Authority; affix the Seal of the Authority to documents where the Seal is required; and perform all other duties incident to the office.

4.2. ELECTION OR APPOINTMENT AND TERM. The Chairman and Vice Chairman shall be elected from the members of the Board at the first regular meeting in January of each calendar year, and they shall hold office until their successors have been duly elected. The Board shall appoint a Clerk and Treasurer. The Clerk and Treasurer need not be members of the Board, and such positions shall continue in office at the pleasure of the Board.

4.3. REMOVAL. Any officer may be removed by an affirmative vote of a majority of Commissioners.

4.4. VACANCY. A vacancy in any office may be filled by the Board for the unexpired portion of the term.

4.5. COMMITTEES OF THE BOARD. There shall be the following Standing Committees: (i) the Executive Committee, consisting of the Chairman and Vice Chairman; and (ii) the Finance and Audit Committee, consisting of such Commissioners and other persons as shall be determined by the Chairman. The Board shall adopt a charter for each Standing Committee. The Chairman may also create and appoint any other Ad Hoc Committees from time to time to address specific concerns of the Authority. Committees may be composed of Commissioners and/or non-Commissioners as the Board deems advisable. All committees shall report directly to the Board.

The Chairman shall appoint a Committee Chair for each committee. Meetings of any committee are to be called by the Committee Chair.

ARTICLE V: Staffing

5.1. EMPLOYEES. The Board shall select and appoint the Executive Director, who shall serve at its pleasure. Other individuals selected by the Executive Director may be employed by the Authority, and those individuals will serve at the pleasure of the Executive Director, except where the Board approves a contract of employment.

5.2. RELATIONSHIP BETWEEN BOARD AND STAFF. The Board, acting for the Authority, has the responsibility to determine and establish the Authority's policies in the fulfillment of its statutory responsibilities. The Executive Director shall have the responsibility for the management and operation of the Grand Junction Regional Airport in accordance with such policy.

5.3. DELEGATION. The Board may reserve for itself or delegate to the Executive Director such powers and duties as may be permitted by the Act and determined to be in the best interests of the Authority.

ARTICLE VI: Miscellaneous

6.1. SEAL. The corporate seal of the Authority shall be in the form of a circle containing on the perimeter thereof GRAND JUNCTION REGIONAL AIRPORT AUTHORITY, within the center COLORADO 1971, a facsimile of the runway configuration and a beacon marker with GRAND JUNCTION and MESA COUNTY inscribed therein.

6.2. FISCAL YEAR. The fiscal year of the Authority shall begin on the 1st day of January of each year and end on the 31st day of December of that year.

6.3. AMENDMENT. These Bylaws may be altered, amended or repealed by Resolution adopted at each of two special or regular meetings of the Board held not less than 27 days nor more than 45 days apart. Notice of the proposed amendment(s) shall be posted as required by the [ActColorado Open Meetings Law](#).

6.4. NO LIABILITY FOR DEBTS AND INDEMNIFICATION. No Commissioner shall be personally liable for any claims against or debts of the Authority. The Authority shall indemnify Commissioners and hold them harmless from and against any and all claims and liabilities to which they may become subject by reason of their actions, omissions, or status as a Commissioner, to the maximum extent permitted by law, provided, however, that the Authority need not indemnify any Commissioner adjudged to have intentionally acted wrongly or fraudulently.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Proposed Improvements to Airport Policies
PURPOSE:	Information <input type="checkbox"/> Guidance <input checked="" type="checkbox"/> Decision <input type="checkbox"/>
RECOMMENDATION:	Review and provide feedback on proposed improvements to GJRAA Governance Documents
SUMMARY:	<ol style="list-style-type: none">1. Attached are proposed changes to the GJRAA Purchasing and Procurement Policy for review and discussion. The revisions attempt to incorporate past feedback from the Board as well as HB 23-1156, amending the Colorado Public Airport Authority Act, as well as slightly reorganize the document.2. Attached is a first draft of a proposed GJRAA Investment Policy for review and discussion.
REVIEWED BY:	Executive Director and Legal Counsel
FISCAL IMPACT:	None
ATTACHMENTS:	<ol style="list-style-type: none">1. Proposed Purchasing and Procurement Policy2. Draft Investment Policy
STAFF CONTACT:	Angela Padalecki 970-248-8588 apadalecki@gjairport.com

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
PURCHASING AND PROCUREMENT POLICY

Effective Date: August 15, 2023

I. Purpose and Application

- A. It is the policy of the Grand Junction Regional Airport Authority (the “Authority”) that goods and services be purchased in such manner as to obtain the highest quality at the lowest price. Goods and services will be procured in compliance with federal and state requirements and in conformance with the highest ethical standards.
- B. The purposes of this policy are to: (i) prescribe standards and requirements for the selection of vendors and contractors; and (ii) delegate specific authorities and responsibilities in connection with purchasing and procurement to the Executive Director and Airport Staff.
- C. This policy applies to the purchase of goods and services, regardless of funding source, meeting the approval limits set forth in Section IV. This policy does not apply to the purchase of goods and services by Airport tenants and users.
- D. All goods and services will be purchased in conformance with the budget approved by the Board of Commissioners.
- E. This Policy is intended to complement and shall be interpreted consistently with the Authority Bylaws, Code of Conduct, Delegation of Authority and similar and related Board policies.
- F. The Executive Director is authorized to issue directives for the purpose of implementing this Policy and to oversee procurement and contracting consistent with the requirements of this Policy.
- G. This Policy supersedes any prior Board policy on the same subject and shall remain in effect until amended or superseded by formal action of a majority of the Board of Commissioners at a duly noticed public meeting.

II. Applicable and Relevant Authorities

- A. The Colorado Public Airport Authority Act imposes two principal obligations on the Authority with respect to purchasing and procurement: (1) C.R.S. Section 41-3-105(5)(d) requires “any expenditures in excess of two hundred fifty thousand dollars must be approved by a majority of the members of the board”; and (2) C.R.S.

Section 41-3-105(5)(h) requires the Board “[t]o prescribe . . . a method for procuring contracts to carry out the Authority’s purposes pursuant to this Article 3, including contracts for the construction of works and structures, equipment, the performance of labor or services, or the furnishing of supplies or materials.”

- B. As a political subdivision of the State of Colorado created pursuant to the Colorado Public Airport Authority Act, the Authority is not subject to the Colorado Procurement Code (C.R.S. Title 24, Arts. 101-112) or the procurement-related ordinances and policies of the City of Grand Junction and Mesa County. Nevertheless, the Authority will look to the Colorado Procurement Code and City and County ordinances and policies to promote consistency and best practice.

III. Ethics and Confidentiality

- A. Authority Commissioners, employees, consultants and contractors involved in the negotiation, performance, or administration of Airport contracts on behalf of the Authority are bound to act in good faith. Any person who purchases goods and services, or is involved in the procurement process for the Authority, shall be held to the highest degree of trust and shall be bound to C.R.S. Section 24-18-104, the Airport’s Code of Conduct, the Employee Handbook, or any successor code or policy addressing ethics in purchasing and procurement.
- B. The Authority is subject to the Colorado Open Meetings Law (C.R.S. Section 24-6-401 – 24-6-402) and to the Colorado Open Records Act (C.R.S. Section 24-72-200.1 – 24.72.206). Final decisions on procurements and contracts as delegated to and reserved by the Board of Commissioners shall be acted on in accordance with the Colorado Open Meetings Law and the Authority Bylaws. Purchase orders and contracts subject to Board review and approval as provided herein shall bind the Authority only after formal action by the Board, and the Authority assumes no responsibility or liability for the actions of, or costs incurred by, any entities in advance or anticipation of contract approval.
- C. Bidders and respondents to a procurement action shall be obligated to mark any information shared with the Authority in connection with a procurement action that the entity considers confidential. The Authority assumes no responsibility or

liability for the disclosure of records in accordance with the Colorado Open Records Act.

- D. The Executive Director may prescribe standards for conflicts-of-interest that may preclude or disqualify a firm or individual from bidding or entering into a purchase order or contract with the Authority. Without limiting the generality of the foregoing, firms or individuals that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals will be excluded from competing for such procurements.
- E. From the formal initiation of a procurement action, typically the issuance of a Request for Qualifications, Request for Proposals or Invitation for Bid, prospective proposers and bidders shall not contact any Authority Commissioner or employee about the procurement, except the designated contract administrator, Executive Director or Airport Attorney, or otherwise seek to influence the selection or outcome of the procurement action. Unsolicited contacts in violation of this standard may result in disqualification.

IV. Purchasing Approval Requirements and Procedures

The following section defines the general purchasing requirements and approval limits for goods, materials, supplies, and services for operational needs purchased by the Authority.

- A. Purchases up to \$5,000
 - 1. No written quotes required
 - 2. No pre-approval of purchase required
 - 3. Post-purchase approval of the Executive Director's designee is required
- B. Purchases over \$5,000 and up to \$10,000
 - 1. Written price or rate quotations shall be obtained from an adequate number of qualified sources.
 - 2. Pre-approval of purchase is required by Executive Director's designee
- C. Purchases over \$10,000 and up to \$50,000
 - 1. Written price or rate quotations shall be obtained from an adequate number of qualified sources.
 - 2. Pre-approval of purchase is required by Executive Director.
- D. Purchases over \$50,000 and up to \$100,000

1. Competitive procurement shall be required, except as provided herein.
 2. Executive Director is authorized to approve the purchase and execute the purchase order or contract, provided the Executive Director or Budget Officer confirms that the maximum contract liability is within the Board-approved budget for the good or service.
- E. Purchases over \$100,000
1. Competitive procurement is required, except as provided herein.
 2. All purchases and contracts must be approved, prior to purchase or contract execution, by a majority of the Board of Commissioners.
 3. Once the purchase or contract has been approved in a public meeting by the Board of Commissioners, the Board Chair, Executive Director, or the Executive Director's designee in the Executive Director's absence, as the Board may direct, shall be authorized to sign and execute the purchase order or contract on behalf of the Authority.

V. Contracts Supported with Federal Grant-in-Aid

- A. C.R.S. Section 41-3-105(5)(h) provides, "For any contract involving federal funds, the board shall comply with all applicable federal statutes, regulations, guidelines, and policies." Federal requirements for procurement and contracting shall control in the event of a conflict with this Policy. This Policy shall be followed where possible, including the standards for ethics and confidentiality.
- B. The Authority shall comply with federal requirements and standards for procurement and contracting regardless of whether portions of a purchase order or contract are funded with Airport revenues or other non-grant-in-aid funding.
- C. In general, contracts supported with federal grant-in-aid shall be procured through a competitive process. Non-competitive procurement may be permissible in accordance with this Policy and federal regulation, including without limitation 2 C.F.R. Section 200.320(c) (Noncompetitive procurement).
- D. 49 U.S.C. Section 47107(a)(17) provides, "each contract and subcontract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping, and related services will be awarded in the same way that a

contract for architectural and engineering services is negotiated under chapter 11 of title 40 [Title IX of the Federal Property and Administrative Services Act of 1949] or an equivalent qualifications-based requirement prescribed for or by the sponsor.”

- E. Airport Staff shall adhere, without limitation, to the requirements for procurement, contracting, accounting and auditing set forth in the following federal regulations, policies and guidance documents: 2 C.F.R. Part 200 (*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*), 49 C.F.R. Part 26 (*Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs*), FAA Order 5100.38D (*Airport Improvement Program Handbook*), FAA Advisory Circular 150/5100-14E (*Architectural, Engineering, and Planning Consultant Services for Airport Grant Projects*), and FAA Advisory Circular 150/5370-10H (*Standard Specifications for Construction of Airports*), as each of the same may be amended or superseded from time to time.
- F. Competitive solicitations for contracts supported with federal grant-in-aid shall not include a geographic preference, except as may be permitted by federal law or regulation.
- G. Airport Staff shall ensure that contracts supported with federal grant-in-aid include the provisions set forth in the then-current version of FAA’s *Contract Provision Guidelines for Obligated Sponsors and Airport Improvement Program Projects*.
- H. The Authority shall disqualify any vendor or bidder that has been suspended, debarred or otherwise declared ineligible to receive federal grant-in-aid. Airport Staff shall be responsible for implementation of this requirement, using databases maintained by the U.S. General Services Administration (and available through sam.gov).

VI. Requests for Qualifications (RFQs) and Requests for Proposals (RFPs)

- A. The Authority typically will use a competitive process to procure goods and services valued greater than \$50,000 that considers factors in addition to price, including experience and expertise and a specific plan or proposal that best meets the needs, requirements and specifications of the Authority. This type of

procurement will be used unless the Authority is required to award a contract to the lowest responsive and responsible bidder pursuant to federal or state law.

- B. The Authority shall use an RFQ where the selection will be made on the basis of qualifications alone (not including price) and shall use an RFP where the selection will be made on the basis of one or more factors including price.
- C. The Authority may use an RFQ for the purpose of short-listing one or more qualified firms that will be invited to respond to a subsequent RFP.
- D. Each RFQ or RFP must, at a minimum, define the scope of services requested and identify the evaluation criteria, and any weighting of each criterion, to include such factors as experience, resource availability, financial capacity, and demonstrated understanding of proposed project and scope of services.
- E. In limited instances, the Executive Director may issue a request for information, request for expressions of interest or similar document to collect information and assess market interest in a potential project. In such instances, the Executive Director may issue an RFQ or RFP upon determining that sufficient interest exists and that proceeding with a competitive solicitation is in the best interest of the Airport and Authority.

VII. Capital Improvement Projects, New Vehicles and New Equipment

- A. C.R.S. Section 41-3-105(5)(h) provides, “For all capital improvement projects and the purchase of new vehicles and new equipment, the board shall: (I) solicit the contract by an invitation for bids. An invitation for bids may include criteria for the board to determine acceptability of a bid, including inspection, testing, quality, workmanship, delivery, and suitability for a particular purpose. Any criteria that the board considers in evaluating the bid must be objectively measurable; (II) include within an invitation for bids a purchase description and all contractual terms and conditions applicable to the procurement; (III) provide adequate public notice of the invitation for bids within a reasonable time prior to the time the board sets for the opening of bids; (IV) record the amount of each bid and the name of each bidder, which the board shall keep open for public inspection; (V) allow the withdrawal of an inadvertently erroneous bid is awarded if the bidder submits documentary evidence that clearly and convincingly demonstrates an error was

made; (VI) award the contract with reasonable promptness to the low responsible bidder whose bid meets the criteria set forth in the invitation for bids; except that the board shall resolve any tie in accordance with Section 24-103-902; and (VII) maintain for public inspection all bids and bid documents in accordance with Sections 24-72-203 and 24-72-204.”

- B. Capital improvement projects subject to this method of procurement shall include the construction, expansion, rehabilitation or repair of vertical structures owned and operated by the Authority along with earthwork, grading, paving, placement and rehabilitation of pavements owned and maintained by the Authority. Capital improvement projects valued less than \$50,000 shall not require an invitation for bid. Maintenance and repair shall not be considered a capital improvement.
- C. Invitations for bid shall not be required for the purchase of used vehicles or used equipment. The purchase of used vehicles and used equipment shall be subject to the approval limits and procurement methods set forth in Section IV. Typically, used vehicles and used equipment will be purchased on a sole source basis, in conformance with Section IX, through an auction, on a secondary market, or directly from another airport or government agency.
- D. In the case of vehicles and equipment, the invitation for bids may include a brand requirement or preference, provided the vehicle or equipment is available from more than one supplier, dealer or broker.
- E. Bidders will be afforded no less than fourteen (14) calendar days to respond to an invitation for bids, except in the event of a significant time constraint necessitating a shorter time period prior to bid opening.
- F. In the event only one bid is received in response to an invitation for bids and the bid exceeds the Authority’s cost estimate for the capital improvement, vehicle or equipment, the Executive Director may withdraw the solicitation or negotiate with the single bidder for a purchase order or contract at the most advantageous price.
- G. In lieu of an invitation for bids, the Executive Director may authorize purchase of a new vehicle or new equipment through a government cooperative purchasing program in which the pre-qualified vendor(s) were selected through a competitive process that meets the requirements of this section.

- H. Limited instances may exist in which only one vehicle or piece of equipment is available that will meet the prescribed specification or performance standard required by the Authority. Sole source selection may be used as provided herein.

VIII. Informal Bids and Quotes (\$5,000 - \$50,000)

- A. This Policy does not dictate any specific means of securing bids or quotes for purchase orders and contracts valued between \$5,000 and \$50,000. Airport Staff shall seek to identify and contact no less than three (3) firms or individuals likely to be capable to supply the required good or service and to solicit bids or quotes from each such firm or individual determined capable. Contacts typically should be in writing but may be verbal if circumstances warrant.
- B. Airport Staff typically shall select the firm or individual offering to provide the good or service at the lowest price; however, Airport Staff may take other factors into consideration and make a selection considered to be in the best interest of the Airport and Authority.

IX. Sole Source Selection

- A. This method of procurement principally shall apply with respect to the purchase of goods (equipment, supplies, software, and materials) and associated labor for installation, operation, maintenance and repair. This method also may be used to procure utility and like services. In limited instances, sole source selection may be warranted for professional services. Sole source selection will not be used for capital improvement projects and other projects requiring skilled or non-skilled labor that is available from multiple firms or individuals.
- B. Goods may be selected without a competitive solicitation only if it can be established that the chosen item has certain specifications that all other goods lack and that those specifications are required to meet a stated need. Professional consulting services may be selected without competitive bidding only if it can be established that the consultant can provide professional services that cannot be provided at the same level by another consultant.
- C. Professional preference is not, standing alone, a basis for sole source selection.
- D. Goods and services valued at less than \$5,000 may be sole source selected without need for justification as provided in this section.

- E. The sole source justification may be used to repurchase or replace goods and/or to renew services in connection with previously-acquired goods and services; provided that Authority Staff shall evaluate in each instance whether other goods and services have become available that meet the Authority's specifications and the cost to convert to another good. For illustration and without limitation, the Authority shall consider whether there are alternatives to subscription renewals for proprietary software and the associated cost of using new software.
- F. Airport Staff may authorize the repeat purchase of aviation and ground vehicle fuels by a known fuel vendor without competition.
- G. A sole source justification must be in writing and submitted to the Executive Director for review and approval. The sole source justification must be supported with evidence that all other potentially competitive items have been investigated with due diligence.

X. Emergencies

- A. When an emergency condition prevents the use of a competitive procurement method, the Authority may contract for goods or services on a sole source or limited competition basis as dictated by the circumstances surrounding the emergency.
- B. An emergency condition justifies the use of an emergency procurement when that condition threatens one (1) or more of the following:
 - 1. The functioning of the Airport;
 - 2. The preservation or protection of property; and/or
 - 3. The health or safety of any person(s) or animal(s).
- C. Emergencies do not include:
 - 1. Procurements that need to be rushed because of an avoidable failure to plan ahead;
 - 2. End of the fiscal year procurements; or
 - 3. End of a grant/contract procurement.
- D. In the event of an emergency, the Executive Director, upon notice to the Board Chair or Vice-Chair, is authorized to select a vendor or contractor and execute a purchase order or contract valued at less than \$100,000. If the value of the purchase order or contract exceeds \$100,000, the Executive Director shall select the vendor

or contractor, negotiate the purchase order or contract, and present the item to the Board at a regular, special or emergency meeting.

- E. Emergency procurements shall be limited to the procurement of only the types of items and quantities or time period sufficient to meet the emergency condition and shall not be used to meet long-term requirements.

XI. Contract Amendments and Change Orders

- A. Price is a material term of any purchase order or contract. Accordingly, amendments or change orders to purchase orders and contracts approved by the Board that increase the value above the maximum contract liability shall require Board approval, unless otherwise specified in the purchase order or contract. If no maximum contract liability is specified, amendments that increase the Authority's financial obligation by more than fifteen percent (15%) of the amount billed against the purchase order or contract shall require Board approval.
- B. The Executive Director shall be authorized to approve amendments and change orders using "owner contingency" as specified in a purchase order or contract.
- C. For purchase orders and contracts initially valued at less than \$100,000, Board approval shall be required for any amendment or change order that would increase the maximum contract liability above \$100,000.

XII. Protests

Any actual or prospective bidder, contractor, or vendor who is aggrieved in connection with the solicitation or award of a purchase order or contract may protest as set forth in this section.

- A. The protest shall be submitted in writing to the Executive Director within seven (7) working days after the aggrieved party knows or should have known of the facts giving rise thereto.
- B. The protest shall include a concise statement indicating the grounds and evidence, including facts, rules, regulations, statutes, and constitutional provisions, upon which the protest is based, with inclusion of all supporting documentation, a statement of specific ruling or relief requested, and signature of the protestor or an authorized agent of the protestor.

- C. The Executive Director shall have the authority to settle and resolve a protest of an aggrieved bidder, contractor, or vendor, actual or prospective, concerning a solicitation or award of a contract. A written decision regarding the protest shall be rendered within twenty-five (25) working days after the protest is filed. This authority shall be exercised in accordance with this Policy.
- D. If a protestor formally disputes the procurement because the bid solicitation is allegedly defective, it is the responsibility of the protestor to notify the Executive Director in writing prior to the bid opening to allow the correction of the deficiency by amending the solicitation.
 - 1. If a protestor disputes a defective solicitation after bid opening the Executive Director may dismiss the protest without action.
 - 2. No formal protest may challenge the chosen procurement method, the evaluation criteria, the relative weight of the evaluation criteria or the formula specified for assigning points in any competitive selection process.
- E. A protestor may appeal the decision of the Executive Director to the Board Chair, who may refer the matter to the Board as a whole or render a decision, provided the Authority's final decision shall be issued no more than sixty (60) days from receipt of the appeal.
- F. During any protest, the protestor shall not contact any Authority Commissioner or Authority employee about the protest, other than the procurement agent identified in the solicitation, the Executive Director, and the Authority's General Counsel. Such *ex parte* communication may result in an automatic disqualification from selection for the pending solicitation.
- G. Protestors shall exhaust the administrative remedy provided herein before filing suit in state or federal court.

XIII. General Procurement Approval Limits Chart

Procurement Threshold	Written Quotes	Pre-Approval Required	Required Approvals			
			Executive Director's Designee	Executive Director	GJRAA Board	RFP/RFQ Required
Goods, Materials, Supplies and General Services						
\$0 - \$5,000	None	No	X			
\$5,000.01 - \$10,000	3	No	X			
\$10,000.01 - \$50,000	3	Yes		X		
\$50,000.01 - \$100,000	Yes	Yes		X		Yes
Over \$100,000	Yes	Yes		X	X	Yes

RESOLUTION NO. 2023-0_
RESOLUTION OF THE BOARD OF COMMISSIONERS
ADOPTING A STATEMENT OF INVESTMENT POLICY

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

WHEREAS, the Colorado Public Airport Authority Act, (C.R.S. § 41-3-106(1)(I)), authorizes GJRAA, “To invest any surplus money in the treasury of the authority including money in any sinking or trust fund established for the purpose of retiring bonds at or prior to maturity not required for the immediate necessities of the authority, in any local government investment pool trust fund pursuant to part 7 of article 75 of title 24, or in securities meeting the investment requirements established in part 6 of article 75 of title 24. Any investment in securities may be made by direct purchase of any issue of securities, or part thereof, at the original sale of the securities or by the subsequent purchase of the securities. Any securities purchased and held by an authority may be sold, unless the sale is prohibited by any agreement under which the securities have been or will be deposited and the proceeds of the securities reinvested in the securities as provided in this subsection (1)(I). The sale of any securities purchased and held by the authority must be made at a time when the proceeds may be applied to the purposes for that money within which the securities were originally purchased was placed in the treasury of the authority.”; and

WHEREAS, the purpose of this Statement of Investment Policy is to identify authorized investments of public funds held by the GJRAA and to ensure compliance with all state and federal statutes governing the investment of public funds.

NOW, THEREFORE, by this Resolution, the Board hereby resolves and directs as follows:

1. Airport funds may only be invested in instruments of a type listed in and authorized by C.R.S. Section 24-75-601.1 (Legal Investments of Public Funds), as the same may be amended or superseded from time to time, and other provisions of Colorado law enumerating the permissible investments of public funds by political subdivisions ("Authorized Investments").
2. Airport funds may only be deposited in institutions designated by the Board that comply with the requirements of Colorado law, including without limitation C.R.S. Section 24-75-603 (Depositories).
3. Subject to the foregoing limitations, it shall be the policy of the Board that its investments comply with the following:
 - a. Airport funds shall be invested in a manner that is in the best interest of the Board, and which conforms to all federal, state, and local laws and regulations governing the investment of public funds.

- b. Airport investments shall be matched with anticipated cash flow requirements and sufficient liquidity maintained to satisfy short-term financial obligations.
 - c. Airport funds in excess of cash flow requirements may be invested in instruments maturing not more than five (5) years from the date of purchase, unless Colorado law prescribes a lesser maturity. In all cases, the maturity of investments shall be made to coincide as nearly as practicable with the expected use of funds.
 - d. Airport funds shall be invested in one or more of the following Authorized Investments:
 - i. A bank or savings and loan association insured by the federal deposit insurance corporation or its successor, as authorized by C.R.S. Section 24-75-603.
 - ii. Certificates of deposit, time deposits and other bank securities, as authorized by C.R.S. Section 24-75-601.1(p).
 - iii. U.S. Treasury instruments, as authorized by C.R.S. Section 24-75-601.1(1)(a).
 - iv. A local government investment pool trust fund as authorized by C.R.S. Section 24-75-702 and Section 24-75-601.1(1)(j). As of the effective date of this Statement of Investment Policy, the Board only has authorized participation in the Colorado Local Government Liquid Asset Trust (“COLOTRUST”). Participation in the Colorado Statewide Investment Program, Colorado Surplus Asset Fund Trust, or any other local government investment pool trust fund shall require separate Board resolution authorizing participation.
 - e. In addition to the Authorized Investments identified in the preceding subsection, the Airport Executive Director, with prior written notice to the Board President and Board Treasurer, may invest in the types of investments authorized under Colorado law, as it exists or hereafter may be enacted, including without limitation C.R.S. Section 24-75-601.1.
 - f. To the extent they are not otherwise invested, the monies collected and held by the Airport shall be deposited in banks which qualify as depositories for public funds. To provide assurance that the Airport will be able to continue financial operations without interruption, and dependent upon interest rates and satisfaction with services, the Airport will generally attempt to utilize at least two financial institutions as depositories. Deposits further shall be allocated to maximize protection by the federal deposit insurance corporation.
4. The use of Airport funds for the capital and operating costs of the Airport, including to acquire real and personal property and improve Airport property, is not subject to this

Statement of Investment Policy but rather to federal law and Federal Aviation Administration policy on the permissible use of airport revenue.

5. The Airport Executive Director or finance director shall provide regular financial reports to the Board. No less than annually, the Airport Executive Director or finance director shall share with the Board a written report on deposits and investment activity.
6. The deposit, withdrawal, and transfer of Airport funds to, from and among the Authorized Investments shall be subject to the Resolution Concerning Execution of Documents Pertaining to Bank Accounts (Banking Resolution) and any other internal controls and signature authorization designed to prevent fraud and error.
7. Unless sooner amended by the Board, the foregoing policy shall remain effective until repealed or amended.

PASSED AND ADOPTED this 15th day of August, 2023.

Board Members Voting AYE

Board Members Voting NAY

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

ATTEST:

Chairman

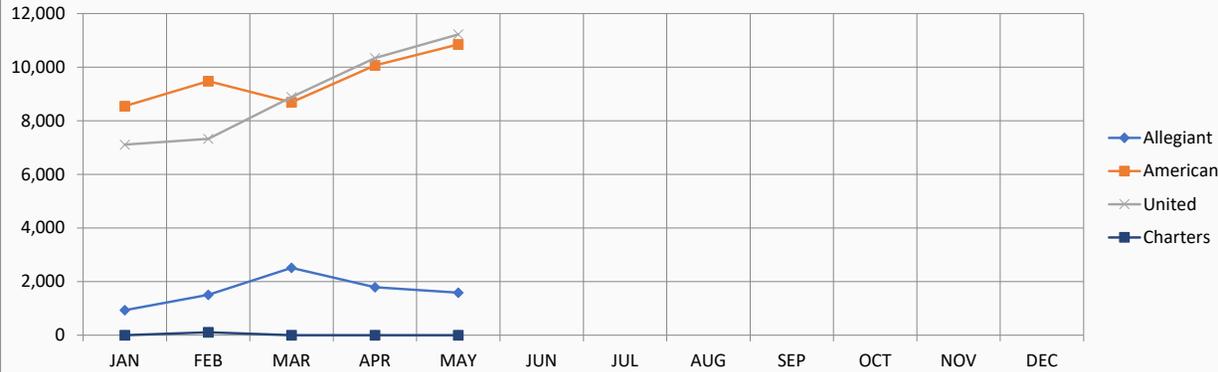
Clerk



GRAND JUNCTION REGIONAL AIRPORT

May **2023**
DATA & STATISTICS

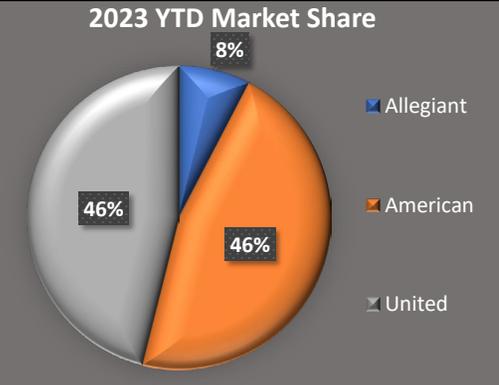
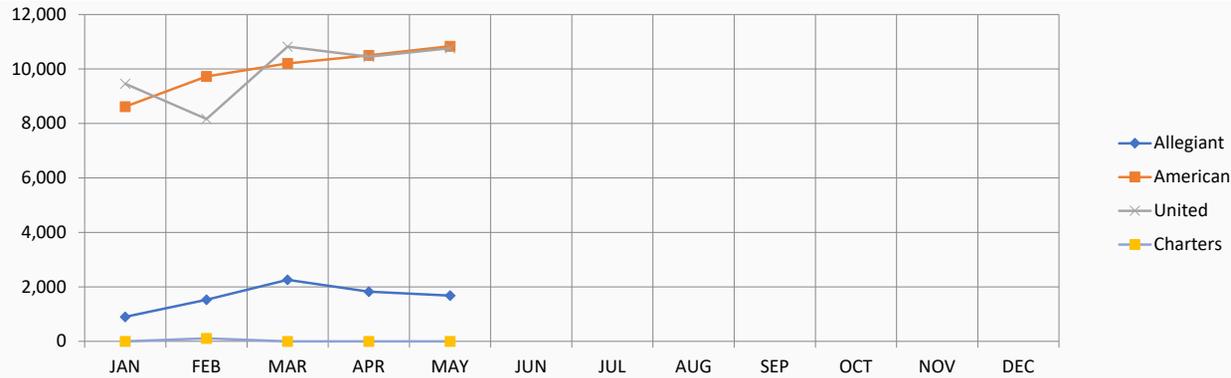
Total Passenger Enplanements



2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	932	8,545	0	0	7,110	0	16,587	↑ 13.0%
FEB	1,507	9,479	0	0	7,326	108	18,420	↑ 22.3%
MAR	2,512	8,687	0	0	8,886	0	20,085	↑ 10.6%
APR	1,790	10,063	0	0	10,339	0	22,192	↑ 15.3%
MAY	1,587	10,848	0	0	11,221	0	23,656	↑ 16.4%
JUN							0	
JUL							0	
AUG							0	
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	8,328	47,622	-	-	44,882	108	100,940	
Market Share	8.25%	47.18%	0.00%	0.00%	44.46%	0.11%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	2,180	7,420	975	88	4,013	0	14,676
FEB	2,220	7,199	0	0	5,637	0	15,056
MAR	2,327	7,540	0	0	8,108	177	18,152
APR	1,240	9,790	0	131	8,083	0	19,244
MAY	1,142	9,582	0	435	9,064	94	20,317
JUN	1,764	9,237	0	369	7,980	0	19,350
JUL	2,710	9,019	0	560	8,302	0	20,591
AUG	1,764	9,669	0	246	8,421	0	20,100
SEP	1,185	10,932	0	0	9,860	0	21,977
OCT	1,206	11,578	0	0	10,743	0	23,527
NOV	1,039	10,744	0	0	7,483	0	19,266
DEC	1,034	8,335	0	0	7,157	0	16,526
TOTAL	19,811	111,045	975	1,829	94,851	271	228,782
Market Share	8.66%	48.54%	0.43%	0.80%	41.46%	0.12%	100.00%

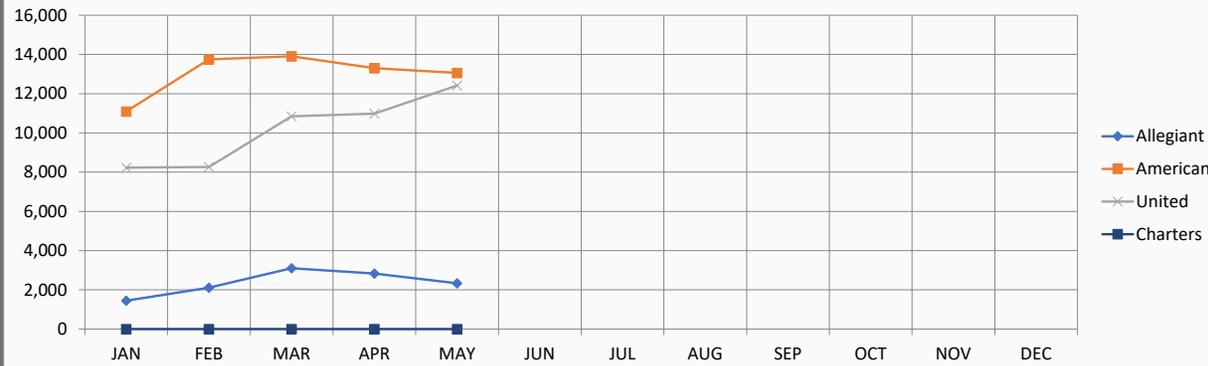
Total Passenger Deplanements



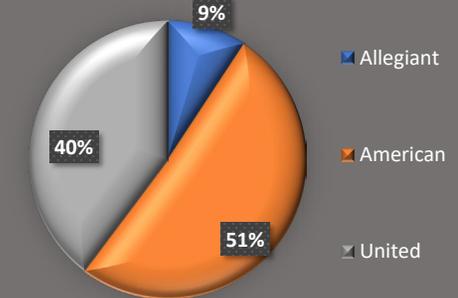
2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	900	8,617	131	0	9,461	0	19,109	↑ 25.4%
FEB	1,529	9,723	0	0	8,164	110	19,526	↑ 10.8%
MAR	2,259	10,202	202	0	10,820	0	23,483	↑ 23.1%
APR	1,827	10,498	54	0	10,453	0	22,832	↑ 20.5%
MAY	1,683	10,837	0	0	10,761	0	23,281	↑ 15.9%
JUN							0	
JUL							0	
AUG							0	
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	8,198	49,877	387	-	49,659	110	108,231	
Market Share	7.57%	46.08%	0.36%	0.00%	45.88%	0.10%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	2,141	7,474	874	69	4,682	0	15,240
FEB	2,066	7,829	147	0	7,404	181	17,627
MAR	2,135	7,527	81	0	9,341	0	19,084
APR	1,270	9,715	0	133	7,823	0	18,941
MAY	1,154	9,654	0	423	8,790	67	20,088
JUN	1,727	8,858	0	407	8,145	0	19,137
JUL	2,633	8,617	0	624	8,136	0	20,010
AUG	1,763	9,173	0	242	8,414	0	19,592
SEP	1,083	10,525	0	0	10,147	0	21,755
OCT	1,165	10,457	0	0	10,702	0	22,324
NOV	1,071	10,341	0	0	7,724	0	19,136
DEC	989	9,205	0	0	8,132	0	18,326
TOTAL	19,197	109,375	1,102	1,898	99,440	248	231,260
Market Share	8.30%	47.30%	0.48%	0.82%	43.00%	0.11%	100.00%

Scheduled Capacity



2023 YTD Market Share



2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total	Annual Inc/Dec
JAN	1,446	11,096	0	0	8,230	0	20,772	↑ 1.9%
FEB	2,112	13,749	0	0	8,262	0	24,123	↑ 29.1%
MAR	3,102	13,908	0	0	10,846	0	27,856	↑ 34.6%
APR	2,826	13,300	0	0	10,980	0	27,106	↑ 22.5%
MAY	2,334	13,057	0	0	12,418	0	27,809	↑ 16.4%
JUN							0	
JUL							0	
AUG							0	
SEP							0	
OCT							0	
NOV							0	
DEC							0	
TOTAL	11,820	65,110	-	-	50,736	-	127,666	
Market Share	9.26%	51.00%	0.00%	-	39.74%	0.00%	100.00%	

2022	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Charters	Total
JAN	4,599	9,896	1,300	180	4,416	0	20,391
FEB	3,246	8,848	0	0	6,592	0	18,686
MAR	2,862	8,044	0	0	9,598	186	20,690
APR	1,779	10,999	0	558	8,790	0	22,126
MAY	1,434	10,571	0	1,488	10,206	186	23,885
JUN	2,202	10,468	0	1,116	8,490	0	22,276
JUL	3,078	10,693	0	1,488	9,498	0	24,757
AUG	2,274	11,980	0	558	10,158	0	24,970
SEP	1,425	12,677	0	0	12,676	0	26,778
OCT	1,545	12,762	0	0	11,562	0	25,869
NOV	1,362	13,717	0	0	10,266	0	25,345
DEC	1,494	12,587	0	0	10,770	0	24,851
TOTAL	27,300	133,242	1,300	5,388	113,022	372	280,624
Market Share	9.73%	47.48%	0.46%		40.28%	0.13%	98.08%

Load Factor

*Includes Scheduled Flights ONLY



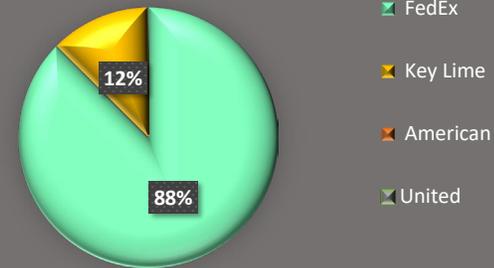
2023	Allegiant (LAX, AZA, LAS)	American (DFW, PHX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Total	Annual Inc/Dec
JAN	64%	77%	0%	0%	86%	80%	↑ 8%
FEB	71%	69%	0%	0%	89%	76%	↓ -4%
MAR	81%	62%	0%	0%	82%	72%	↓ -16%
APR	63%	76%	0%	0%	91%	81%	↓ -6%
MAY	68%	83%	0%	0%	90%	85%	↓ 0%
JUN							
JUL							
AUG							
SEP							
OCT							
NOV							
DEC							
TOTAL	70%	73%	0%	0%	88%	79%	

2022	Allegiant (SNA, AZA, LAS)	American (DFW, PHX, LAX)	Delta (SLC)	Frontier (DEN)	United (DEN)	Total
JAN	47%	79%	75%	49%	91%	72%
FEB	68%	81%	0%	0%	85%	81%
MAR	81%	88%	0%	0%	84%	88%
APR	70%	89%	0%	23%	92%	87%
MAY	80%	91%	0%	29%	89%	85%
JUN	80%	87%	0%	33%	84%	87%
JUL	88%	84%	0%	38%	87%	83%
AUG	78%	79%	0%	44%	83%	80%
SEP	83%	86%	0%	0%	86%	82%
OCT	78%	91%	0%	0%	93%	91%
NOV	76%	78%	0%	0%	86%	76%
DEC	69%	66%	0%	0%	83%	67%
TOTAL	73%	83%	73%	83%	84%	82%

2023 Enplaned and Deplaned Airfreight - Lbs

2023 Market Share

2023 YTD	
Enplaned Freight	1,375,637
Deplaned Freight	2,252,649
2022 YTD	
Enplaned Freight	1,419,631
Deplaned Freight	2,409,478



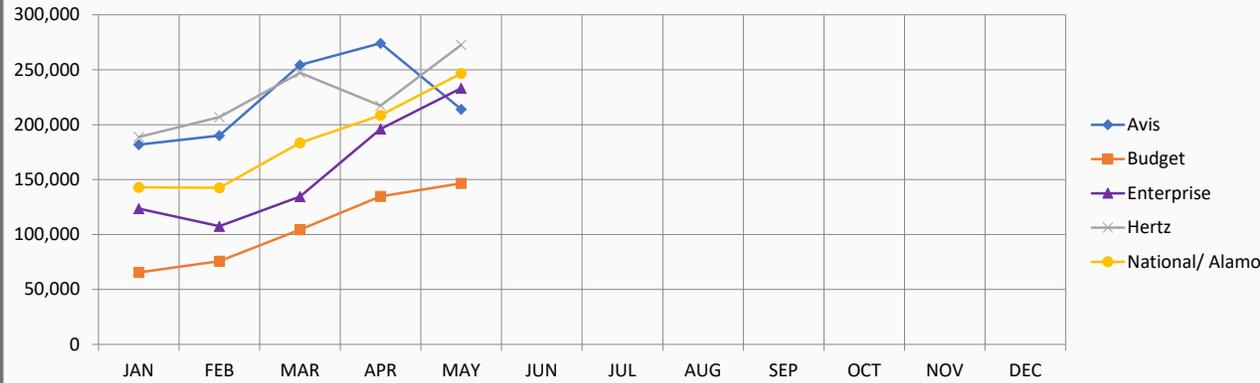
Enplaned	FedEx	Key Lime	American	United	Total	YTD Total	Annual Inc/Dec
JAN	250,575	25,894	-	55	276,524	276,524	↓ -9.1%
FEB	220,287	16,565	84	14	236,950	513,474	↓ -16.6%
MAR	298,243	26,558	-	-	324,801	838,275	↓ -1.0%
APR	257,621	17,332	147	-	275,100	1,113,375	↑ 3.1%
MAY	245,734	16,272	253	3	262,262	1,375,637	↑ 10.9%
JUN	-	-	-	-	-	-	
JUL	-	-	-	-	-	-	
AUG	-	-	-	-	-	-	
SEP	-	-	-	-	-	-	
OCT	-	-	-	-	-	-	
NOV	-	-	-	-	-	-	
DEC	-	-	-	-	-	-	
TOTAL	1,272,460	102,621	484	72	1,375,637	1,375,637	
Market Share	92.50%	7.46%	0.04%	0.01%	100.00%		

Deplaned	FedEx	Key Lime	American	United	Total	YTD Total	Month over Month Inc/Dec
JAN	380,660	64,871	2,732	105	448,368	448,368	↑ 27.2%
FEB	362,156	67,111	927	119	430,313	878,681	↓ -7.2%
MAR	435,946	80,510	1,568	135	518,159	1,396,840	↓ -21.7%
APR	343,904	69,893	442	149	414,388	1,811,228	↓ -12.7%
MAY	377,914	62,714	338	455	441,421	2,252,649	↓ -3.3%
JUN	-	-	-	-	-	-	
JUL	-	-	-	-	-	-	
AUG	-	-	-	-	-	-	
SEP	-	-	-	-	-	-	
OCT	-	-	-	-	-	-	
NOV	-	-	-	-	-	-	
DEC	-	-	-	-	-	-	
TOTAL	1,900,580	345,099	6,007	963	2,252,649	2,252,649	
Market Share	84.37%	15.32%	0.27%	0.04%	100.00%		

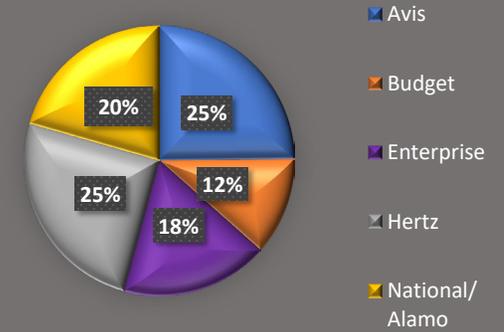
2023 Aircraft Operations

2023	Itinerant					LOCAL			TOTAL
	Air Carrier	Air Taxi	General Aviation	Military	TOTAL ITINERANT	Local Civilian	Local Military	TOTAL LOCAL	
JAN	625	647	1,410	74	2,756	1,278	20	1,298	4,054
FEB	552	476	1,411	128	2,567	820	70	890	3,457
MAR	619	721	1,608	132	3,080	1,222	88	1,310	4,390
APR	505	571	1,940	162	3,178	1,298	62	1,360	4,538
MAY	609	480	1,969	66	3,124	1,296	20	1,316	4,440
JUN					0			0	0
JUL					0			0	0
AUG					0			0	0
SEP					0			0	0
OCT					0			0	0
NOV					0			0	0
DEC					0			0	0
TOTAL	2,910	2,895	8,338	562	14,705	5,914	260	6,174	20,879
Historical Data	2018	2019	2020	2021	2022	2023	2022-2023 Inc/Dec		
JAN	3,320	3,425	3,713	4,904	4,477	4,054	↓	-9.45%	
FEB	2,945	3,473	4,378	4,195	4,672	3,457	↓	-26.01%	
MAR	3,931	4,119	3,241	4,710	4,636	4,390	↓	-5.31%	
APR	3,670	3,378	2,436	4,238	4,357	4,538	↑	4.15%	
MAY	3,908	4,075	3,826	4,514	5,235	4,440	↓	-15.19%	
JUN	4,287	4,293	4,588	5,000	4,785	-			
JUL	5,195	4,348	4,784	5,014	4,039	-			
AUG	5,139	4,256	5,436	4,858	4,983	-			
SEP	4,161	3,941	4,777	5,355	4,890	-			
OCT	4,600	4,004	5,216	5,095	5,171	-			
NOV	4,092	3,811	4,612	4,841	3,974	-			
DEC	3,612	4,216	4,532	4,269	3,746	-			
TOTAL	48,860	47,339	51,539	56,993	54,965	20,879			

2023 Rental Car Revenues



2023 Market Share



2023	Avis	Budget	Enterprise	Hertz	National/ Alamo	Total	YTD Total	Annual YTD Inc/Dec	
JAN	181,827	65,487	123,652	188,798	143,046	702,810	702,810	↑	2.0%
FEB	190,145	75,821	107,590	206,867	142,539	722,962	1,425,772	↑	8.8%
MAR	254,342	104,412	134,608	247,316	183,427	924,105	2,349,877	↑	6.5%
APR	274,156	134,658	196,094	217,265	208,603	1,030,775	3,380,652	↑	7.0%
MAY	214,029	146,630	233,204	272,627	246,679	1,113,171	4,493,823	↑	5.6%
JUN						0			
JUL						0			
AUG						0			
SEP						0			
OCT						0			
NOV						0			
DEC						0			
TOTAL	1,114,498	527,009	795,148	1,132,874	924,294	4,493,823	4,493,823		
Market Share	24.80%	11.73%	17.69%	25.21%	20.57%	100.00%			

2022	Avis	Budget	Enterprise	Hertz	National/ Alamo	Total	YTD Total
JAN	176,166	89,345	95,880	224,219	103,471	689,081	689,081
FEB	143,863	96,759	72,822	214,043	93,316	620,803	1,309,884
MAR	240,024	122,561	88,755	319,526	126,531	897,398	2,207,282
APR	227,825	135,356	118,265	321,883	149,140	952,468	3,159,751
MAY	253,564	154,634	139,193	388,020	159,108	1,094,518	4,254,269
JUN	307,601	188,738	141,273	410,136	176,650	1,224,398	5,478,667
JUL	291,685	163,564	133,813	412,711	162,717	1,164,489	6,643,157
AUG	272,047	144,127	119,251	386,339	141,719	1,063,483	7,706,640
SEP	279,133	162,152	169,651	350,376	165,881	1,127,193	8,833,832
OCT	305,409	150,280	206,331	378,976	227,963	1,268,961	10,102,793
NOV	163,151	72,511	148,808	253,682	143,677	781,830	10,884,623
DEC	125,971	54,498	132,123	193,037	127,754	633,383	11,518,006
TOTAL	2,786,439	1,534,525	1,566,164	3,852,949	1,777,929	11,518,006	
Market Share	24.19%	13.32%	13.60%	33.45%	15.44%	100.00%	

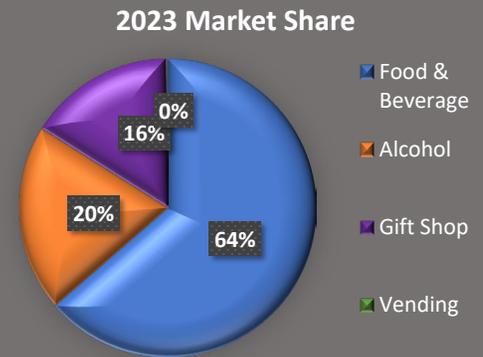
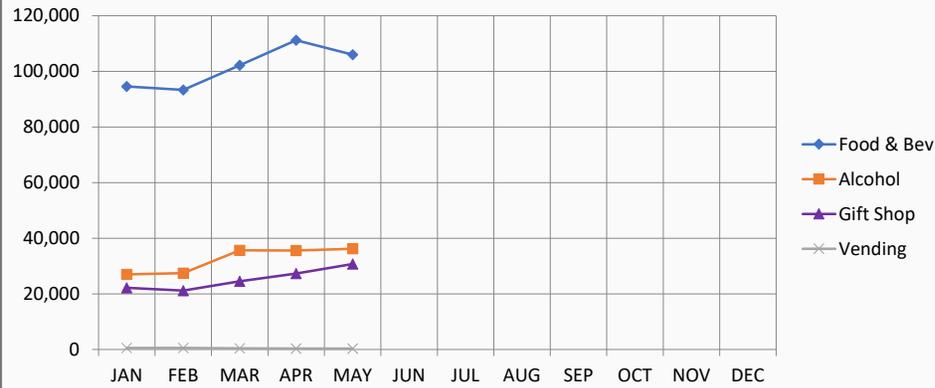
2023 Parking Revenues



2023	Gross Revenue	Transactions	YTD Gross Revenue	YTD Transactions	Revenue per Transaction	Annual YTD Inc/Dec
JAN	182,662	6,875	182,662	6,875	\$ 26.57	↑ 31.1%
FEB	201,062	7,137	383,724	14,012	\$ 28.17	↑ 34.3%
MAR	214,738	8,079	598,462	22,091	\$ 26.58	↑ 38.2%
APR	243,795	8,458	842,257	30,549	\$ 28.82	↑ 42.0%
MAY	250,617	9,550	1,092,874	40,099	\$ 26.24	↑ 33.1%
JUN						
JUL						
AUG						
SEP						
OCT						
NOV						
DEC						
TOTAL	1,092,874	40,099	1,092,874	40,099	\$ 27.25	

2022	Gross Revenue	Transactions	YTD Gross Revenue	YTD Transactions	Revenue per Transaction
JAN	121,929	6,017	121,929	6,017	\$ 20.26
FEB	122,490	5,838	244,419	11,855	\$ 20.98
MAR	132,255	6,876	376,674	18,731	\$ 19.23
APR	144,445	7,116	521,119	25,847	\$ 20.30
MAY	156,412	7,935	677,531	33,782	\$ 19.71
JUN	123,087	7,568	800,618	41,350	\$ 16.26
JUL	137,341	8,201	937,959	49,551	\$ 16.75
AUG	145,288	8,109	1,083,247	57,660	\$ 17.92
SEP	153,041	8,447	1,236,288	66,107	\$ 18.12
OCT	178,323	8,716	1,414,611	74,823	\$ 20.46
NOV	202,956	7,939	1,617,567	82,762	\$ 25.56
DEC	166,129	7,221	1,783,696	89,983	\$ 23.01
TOTAL	1,783,696	89,983	1,783,696	89,983	\$ 19.82

2023 Terminal Concessions Revenues



2023	Food & Beverage	Alcohol	Gift Shop	Vending	Total	Annual Inc/Dec
JAN	94,581	27,001	22,149	542	\$ 144,273	↑ 63.8%
FEB	93,333	27,432	21,176	525	\$ 142,465	↑ 40.5%
MAR	102,174	35,647	24,536	433	\$ 162,790	↑ 41.2%
APR	111,201	35,582	27,274	344	\$ 174,402	↑ 46.2%
MAY	106,032	36,213	30,735	316	\$ 173,296	↑ 45.3%
JUN						
JUL						
AUG						
SEP						
OCT						
NOV						
DEC						
TOTAL	507,322	161,875	125,870	2,160	797,226	-48%

2022	Food & Beverage	Alcohol	Gift Shop	Vending	Total
JAN	51,472	20,758	12,776	3,070	\$ 88,076
FEB	58,525	24,891	15,427	2,525	\$ 101,369
MAR	65,297	28,772	18,980	2,206	\$ 115,255
APR	60,875	34,303	21,927	2,208	\$ 119,314
MAY	58,830	32,478	25,633	2,317	\$ 119,257
JUN	58,144	27,597	24,343	2,305	\$ 112,388
JUL	63,414	31,535	27,593	2,331	\$ 124,872
AUG	83,768	29,995	30,164	1,900	\$ 145,826
SEP	92,577	34,068	30,497	1,791	\$ 158,933
OCT	101,481	35,545	31,633	1,115	\$ 169,773
NOV	89,651	32,333	25,552	577	\$ 148,112
DEC	81,532	27,861	23,943	543	\$ 133,878
TOTAL	865,567	360,134	288,467	22,886	1,537,054
Market Share	56%	23%	19%	1%	100%

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

05/31/2023

	Month			Budget Variance		Prior Year Variance		
	05/31/2023	05/31/2023	05/31/2022	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var	
	Budget	Actual	PY Actual					
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	56,000	66,554	47,081	10,554	18.85 %	19,473	41.36 %
2	Terminal rent	116,417	116,967	99,330	550	0.47 %	17,637	17.76 %
3	Other (boarding bridge)	2,476	4,517	2,500	2,041	82.43 %	2,017	80.68 %
	Total Passenger airline revenue	174,893	188,038	148,911	13,145	7.52 %	39,127	26.28 %
Non-passenger airline revenue								
4	Non-passenger landing fees	8,900	10,385	8,758	1,485	16.69 %	1,627	18.58 %
5	Cargo and hangar rentals	5,002	5,284	4,904	282	5.64 %	380	7.75 %
6	Fuel tax	17,552	35,192	40,489	17,640	100.50 %	(5,297)	(13.08) %
7	Fuel Flowage Fees and Sales	39,800	25,084	37,846	(14,716)	(36.97) %	(12,762)	(33.72) %
8	Other (ramp parking, rapid refuel)	667	877	1,500	210	31.48 %	(623)	(41.53) %
	Total Non-passenger airline revenue	71,921	76,822	93,497	4,901	6.81 %	(16,675)	(17.83) %
	Total Aeronautical revenue	246,814	264,860	242,408	18,046	7.31 %	22,452	9.26 %
Non-aeronautical revenue								
9	Land and building leases	51,563	51,944	51,938	381	0.74 %	6	0.01 %
10	Terminal - restaurant & retail	15,000	18,023	12,343	3,023	20.15 %	5,680	46.02 %
11	Terminal - other	15,116	15,406	15,369	290	1.92 %	37	0.24 %
12	Rental cars	134,830	143,714	144,371	8,884	6.59 %	(657)	(0.46) %
13	Parking	147,567	194,354	120,189	46,787	31.71 %	74,165	61.71 %
14	Ground Transportation	5,045	3,894	4,840	(1,151)	(22.81) %	(946)	(19.55) %
15	Other (advertising, security fee, vending, etc)	8,086	11,535	4,776	3,449	42.65 %	6,759	141.52 %
	Total Non-aeronautical revenue	377,207	438,870	353,826	61,663	16.35 %	85,044	24.04 %
	Total Operating revenues	624,021	703,730	596,234	79,709	12.77 %	107,496	18.03 %

Variance Explanations -May 2023 Revenue Compared to Budget - Preliminary Financial Statements

	May-23 Budget	May-23 Actual	May-22 Actual	Budget Variance		PY Variance	
Capacity	26,567	27,809	23,885	1,242	5%	3,924	16%
Passenger Landed Weight	26,102,961	27,365,597	23,526,790	1,262,636	5%	3,838,807	16%
Enplanements	21,019	23,656	20,317	2,637	11%	3,339	16%
Load Factor	79%	85%	85%		6%		0%

Note that expenses have not been presented and compared on a monthly basis, because the timing of incurring expenses are more difficult to estimate and the YTD variances are more meaningful. Variance explanations and account explanations have been provided below for revenue accounts that have a budget-to-actual variance of more than 5% and where the revenue account makes up at least 5% of the monthly budgeted operating revenue for May (\$31K).

Operating Revenues:

- 1 ***Passenger airline landing fees*** - Passenger landing fees were 19% higher than budget driven by more scheduled landings than budgeted and diversions.
- 7 ***Fuel flowage fees and fuel sales*** – Fuel flowage fees are collected from non-commercial fueling at the airport and therefore are driven by GA and Military operations. Military activity decreased from budgeted expectations and drove this variance from budget.
- 12 ***Rental Cars*** - Rental car revenues exceeded budget by almost \$7K (7%) due to more passengers than budgeted. Rental car revenue per passenger was lower than budgeted due to fewer passengers renting cars.
- 13 ***Parking*** - Parking revenues exceeded budget by over \$47K (31%). The variance is attributable to 11% more enplanements than budgeted, a longer average length of stay, and conservatism incorporating the November 1, 2022 parking rate adjustments into the 2023 budget.

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		05/31/2023	05/31/2023	05/31/2022				
		Budget	Actual	PY Actual	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var
Operating revenue								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	\$ 253,000	\$ 304,618	\$ 206,387	\$ 51,618	20.40 %	\$ 98,231	47.60 %
2	Terminal rent	582,085	584,834	484,773	2,749	0.47 %	100,061	20.64 %
3	Other (boarding bridge)	10,497	25,451	12,360	14,954	142.46 %	13,091	105.91 %
	<i>Total Passenger airline revenue</i>	<i>845,582</i>	<i>914,903</i>	<i>703,520</i>	<i>69,321</i>	<i>8.20 %</i>	<i>211,383</i>	<i>30.05 %</i>
Non-passenger airline revenue								
4	Non-passenger landing fees	45,300	49,929	45,931	4,629	10.22 %	3,998	8.70 %
5	Cargo and hangar rentals	24,716	25,278	23,655	562	2.27 %	1,623	6.86 %
6	Fuel tax	87,761	182,266	163,722	94,505	107.68 %	18,544	11.33 %
7	Fuel Flowage Fees and Sales	190,100	202,772	192,681	12,672	6.67 %	10,091	5.24 %
8	Other (ramp parking, rapid refuel)	3,335	6,653	5,460	3,318	99.49 %	1,193	21.85 %
	<i>Total Non-passenger airline revenue</i>	<i>351,212</i>	<i>466,898</i>	<i>431,449</i>	<i>115,686</i>	<i>32.94 %</i>	<i>35,449</i>	<i>8.22 %</i>
	<i>Total Aeronautical revenue</i>	<i>1,196,794</i>	<i>1,381,801</i>	<i>1,134,969</i>	<i>185,007</i>	<i>15.46 %</i>	<i>246,832</i>	<i>21.75 %</i>
Non-aeronautical revenue								
9	Land and building leases	274,203	275,150	266,536	947	0.35 %	8,614	3.23 %
10	Terminal - restaurant & retail	67,000	105,631	67,794	38,631	57.66 %	37,837	55.81 %
11	Terminal - other	75,580	77,031	76,845	1,451	1.92 %	186	0.24 %
12	Rental cars	616,978	617,018	577,389	40	0.01 %	39,629	6.86 %
13	Parking	657,980	913,870	560,377	255,890	38.89 %	353,493	63.08 %
14	Ground Transportation	22,493	31,249	20,762	8,756	38.93 %	10,487	50.51 %
15	Other (advertising, security fee, etc.)	35,814	32,179	15,211	(3,635)	(10.15) %	16,968	111.55 %
	<i>Total Non-aeronautical revenue</i>	<i>1,750,048</i>	<i>2,052,128</i>	<i>1,584,914</i>	<i>302,080</i>	<i>17.26 %</i>	<i>467,214</i>	<i>29.48 %</i>
	Total Operating Revenues	\$ 2,946,842	\$ 3,433,929	\$ 2,719,883	\$ 487,087	16.53 %	\$ 714,046	26.25 %

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

	Year to Date			Budget Variance		Prior Year Variance	
	05/31/2023	05/31/2023	05/31/2022				
	Budget	Actual	PY Actual	Budget \$ Var	Budget % Var	PY \$ Var	PY % Var
Operating expenses							
16 Personnel compensation and benefits	\$ 1,248,840	\$ 953,083	\$ 1,087,374	(295,757)	(23.68) %	(134,291)	(12.35) %
17 Communications and utilities	189,984	159,225	147,366	(30,759)	(16.19) %	11,859	8.05 %
18 Supplies and materials	259,506	280,314	217,054	20,808	8.02 %	63,260	29.14 %
19 Contract services	350,996	240,462	261,608	(110,534)	(31.49) %	(21,146)	(8.08) %
20 Repairs & maintenance	274,544	163,791	135,242	(110,753)	(40.34) %	28,549	21.11 %
21 Insurance	62,915	61,179	51,741	(1,736)	(2.76) %	9,438	18.24 %
22 Training, Travel, & Air Service Development	72,789	64,391	70,122	(8,398)	(11.54) %	(5,731)	(8.17) %
23 Other Expense (marketing, professional dues, etc)	48,184	27,221	24,461	(20,963)	(43.51) %	2,760	11.28 %
24 Contingency Expense	-	-	-	-	0.00 %	-	0.00 %
<i>Total Operating expenses</i>	2,507,758	1,949,666	1,994,968	(558,092)	(22.25) %	(45,302)	(2.27) %
Excess of Operating revenue over (under) expense	\$ 439,084	\$ 1,484,263	\$ 724,915	1,045,179	238.04 %	759,348	104.75 %
Non-operating revenue (expenses)							
25 Passenger facility charges	380,700	426,904	382,102	46,204	12.14 %	44,802	11.73 %
26 Interest income	13,750	347,709	14,019	333,959	2,428.79 %	333,690	2,380.27 %
27 Interest expense	(295,420)	(294,937)	(307,688)	483	0.16 %	12,751	4.14 %
28 Customer facility charges	259,742	245,284	253,244	(14,458)	(5.57) %	(7,960)	(3.14) %
29 Capital contributions	34,843,823	7,032,088	594,596	(27,811,735)	(79.82) %	6,437,492	1,082.67 %
29 Capital expenditures	(40,764,795)	(7,334,877)	(2,264,834)	33,429,918	82.01 %	(5,070,043)	(223.86) %
30 Non-Capital Contributions	29,585	14,058	27,449	(15,527)	(52.48) %	(13,391)	(48.79) %
31 Debt principal payments	-	-	-	-	0.00 %	-	0.00 %
32 Other	-	-	-	-	0.00 %	-	0.00 %
<i>Total Non-operating revenue (expenses)</i>	(5,532,615)	436,229	(1,301,112)	5,968,844	107.88 %	1,737,341	133.53 %
Excess of revenue over (under) expense	\$ (5,093,531)	\$ 1,920,492	\$ (576,197)	7,014,023	137.70 %	2,496,689	(433.30) %

Variance Explanations - May 31, 2023 Preliminary Financial Statements

Below are variance explanations for revenue and expense accounts with a budget variance of more than 5% and when the revenue or expense category makes up at least 5% of the YTD operating budget of \$147K for revenue and \$158K for all non-capital expenses and non-operating revenues.

	YTD May -23 Budget	YTD May -23 Actual	YTD May -22 Actual	Budget Variance		PY Variance	
Seat Capacity	119,770	127,666	105,778	7,896	7%	21,888	21%
Passenger Landed Weight	118,285,450	121,756,183	103,403,346	3,470,733	3%	18,352,837	18%
Enplanements	93,722	100,940	87,445	7,218	8%	13,495	15%
Load Factor	78%	79%	83%	1%		-4%	

Operating Revenues: Operating revenues were \$487K (17%) ahead of budget through May 2023. Parking, fuel tax, passenger airline landing fees, and terminal restaurant sales were the main revenue streams contributing to this variance.

- 1 **Passenger airline landing fees** - More scheduled and diversion landings than budgeted drove higher landing fees.
- 7 **Fuel flowage fees and fuel sales** - Fuel flowage fees are collected from non-commercial fueling at the airport and therefore are driven by GA and Military operations. Military activity exceeded our expectations and this drove this increase from the budget.
- 13 **Parking** - Parking revenue was \$256k (39%) above budget. The variance is attributable to 7% more enplanements than budgeted, a longer average length of stay, and conservatism incorporating the November 1, 2022 parking rate adjustments into the 2023 budget.

Operating Expenses: Operating expenses were \$558K below budget through May due to underspending in most categories.

- 16 **Personnel Compensation & Benefits** - Expenses were below budget due to higher-than-anticipated position vacancy rates.
- 17 **Communications and Utilities** - Both natural gas and electricity expenses were less than budgeted and resulted in some savings.
- 18 **Supplies & Materials** - Expenditures were above budget due to higher-than-anticipated prices. We are anticipating this to be over budget throughout the year but will fluctuate monthly due to bulk supply purchases.
- 19 **Contract Services** - Expenditures were below budget driven by higher-than-budgeted AIP eligibility for planning and engineering services and the timing of contracted IT expenditures.
- 20 **Repairs & Maintenance** - The monthly budget reflects expenses for Repairs & Maintenance spread throughout the year. Actual expenses are incurred on an as-needed basis. This spending category is under budget through May, but we anticipate the full annual budget will be spent.

Non-Operating Revenues and Expenses:

- 25 **PFC Revenue** - PFC revenue was \$46K (12%) above budget through May, driven by higher-than-budgeted enplanements and higher capacity in the months ahead. PFC revenues are remitted by the airlines based on ticket sales/refunds, and as a result the timing of revenues are hard to estimate and often don't match enplanement trends in a given month or quarter.
- 26 **Interest Income** - Interest income is far exceeding the budget due to higher-than-expected market yield and investments into the COLOTRUST investment accounts at the beginning of 2023.
- 28 **CFC Revenue** - This revenue was lower than budgeted due to fewer rental days than budgeted.
- 29 **Capital Contributions & Expenditures** - The differences to budgeted amounts in these accounts were attributed to construction activity. The construction work is budgeted in total for the entire year. These expenditures are largely driven by the phase of construction to be completed in the reporting period.

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

	Month Ending 05/31/2023	Month Ending 04/30/2023	Variance
Assets			
Current Assets			
	\$ 20,334,813	\$ 20,504,347	\$ (169,533)
	3,061,957	2,909,881	152,076
1	<i>Total Cash and Cash Equivalents</i>	23,414,227	(17,457)
Accounts Receivable			
	1,170,592	1,071,454	99,139
	7,134,542	7,579,623	(445,081)
2	<i>Total Accounts Receivable, Net</i>	8,651,077	(345,942)
3	Prepaid Expenses	39,521	52,192
	31,741,426	32,117,496	(376,070)
Non-Current Assets			
Capital Assets			
	40,276,113	40,276,113	-
	50,750,611	51,151,360	(400,750)
4	<i>Total Capital Assets, Net</i>	91,427,474	(400,750)
5	Bond Project Fund	428,839	427,172
	91,455,563	91,854,645	(399,082)
	Total Assets	123,972,141	(775,152)
6	Deferred Outflows of Resources - Pension Plan	625,066	625,066
Liabilities			
Current Liabilities			
7	Accounts Payable - Ops	144,234	177,888
7	Accounts Payable - Capital	2,307,628	2,823,726
8	Accrued Expenses	200,471	297,517
9	Lease Deposits	151,054	151,054
10	Deferred Revenue	25,067	25,067
11	Current portion of bonds payable	970,476	1,265,061
	3,798,929	4,740,313	(941,383)
Long Term Liabilities			
	15,507,711	15,507,711	-
	334,222	336,311	(2,089)
	1,395,594	1,395,594	-
12	<i>Total Long Term Liabilities</i>	17,239,616	(2,089)
	21,036,457	21,979,929	(943,472)
13	Deferred Inflows of Resources - Pension Plan	1,425,215	1,425,215
	Total Net Position	\$ 101,360,383	\$ 101,192,063
			\$ 168,320

GJRAA - Breakdown of Capital Expenditure Costs Year-to-Date through May 31, 2023

2023 GRANT FUNDED CAPITAL EXPENDITURES INCURRED AND GRANT REVENUE RECOGNIZED

Grant Number	Project/Grant Description	2023 Project Costs Incurred	Grant Revenue	
			Recognized in 2023	2023 GJRAA Local Share
AIP 69	Airport Development Plan	61,470	61,470	-
AIP 72	Taxiway A and RWY 11-29 Construction	4,308,965	4,308,965	-
AIP 75	Runway Design -Schedule 4-7 Utility Infrastructure	44,422	39,979	4,442
AIP 76	RWY 11-29 Construction Schedule 4	1,979,901	1,835,567	144,335
AIP 77	NAVAIDs and Schedule 4a Grading and Drainage	852,347	767,112	85,235
AIP TBD	RWY 12-30 Pavement Design	4,311		4,311
CDOT	RWY 4-22 Rehab Construction	21,106	18,995	2,110
CDOT	Taxilane C1A Rehabilitation Construction	3,500	-	3,500
CDOT	RWY 4-22 Rehab Design	18,699		18,699
Total Grant Projects		\$ 7,294,720	\$ 7,032,088	\$ 262,632

2023 NON-GRANT FUNDED CAPITAL EXPENDITURES INCURRED

Project Description	2023 Costs Incurred
Employee Parking Lot Expansion	33,177
Taxilane C1A Rehabilitation Design	3,949
2022 Eagle Drive Landscaping -East	3,032
Total Non-AIP Projects	\$ 40,157
Total Capital Expenditures YTD \$ 7,334,877	

Variance Explanations - May 2023 Statement of Financial Position

Assets: Current assets decreased due to the payment of semi-annual bond interest.

- 1 **Cash** – Unrestricted cash decreased by \$170K due to payments made on capital projects. Restricted cash increased by \$152K due to PFC and CFC activity.
- 2 **Accounts Receivable** – Total receivables decreased by \$346k due to AIP construction expenditure reimbursements.
- 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 account is the monthly amortization or use of these services.
- 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 of assets in service as of December 31, 2022.
- 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.

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 represent accounting estimates and non-cash transactions. These amounts will only change once per year when the calculation is updated.

Liabilities: Total Liabilities decreased \$943K from April 2023 to May 2023 largely driven by amounts paid to vendors performing AIP construction.

- 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. The capital accounts payable decrease was due the payment of vendors on progress made on the Runway 12/30 Schedule 1-3 Construction, and Runway 12/30 Schedule 4 Construction.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used Paid Time Off (approximately \$180,000) and payroll accruals to 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 in the current calendar year. We have semi-annual payments due June 1 and December 1 for the bonds. The change from the prior month is the semi-annual bond interest payment.
- 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 airport's portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents payments received by the airport for future rights of services or rent for periods farther out than 12 months.

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.