



# Board Packet

Regular Board Meeting

*September 17, 2019*

## Grand Junction Regional Airport Authority



**Date:** September 17, 2019

**Location:**

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

**Time:** 5:15 PM

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### REGULAR MEETING AGENDA

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- 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 fill out a comment card prior to the meeting. If you have a written statement for the Board, please have 10 copies available and give them to the Executive Director who will distribute them to the Board. The Board Chairman will indicate when you may come forward and comment. Please state your name for the record. Presentations are limited to **three minutes** and yielding time to others is not permitted. Speakers are to address the Chairman, not each other or the audience, and are expected to conduct themselves in an appropriate manner. The use of abusive or profane language shall not be allowed. No debate or argument between speakers and/or members of the audience shall be permitted.

#### VI. Consent Agenda

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

- A. August 20, 2019 Meeting Minutes \_\_\_\_\_ 1
  - Approval of August 20, 2019 Board Meeting Minutes
- B. Runway Rubber Removal \_\_\_\_\_ 2
  - Authorize Executive Director to execute \$22,000 quotation from Straight Stripe

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**September 17, 2019**

for annual removal of rubber build-up on Runway 11/29.

- C. Phase 1 Landside Wayfinding Refurbishment \_\_\_\_\_ 3
  - Authorize Executive Director to execute \$17,385.84 quotation from Fast Signs for the refurbishment of landside wayfinding signage.
- D. Ground Transportation – Terminal Counter Leases \_\_\_\_\_ 4
  - Authorize Executive Director to execute lease agreements with Sunshine Taxi and Telluride Express for the terminal counter lease. Lease agreement reflects annual rent revenue of \$1,515 per lease.

## **VII. Action Items**

- A. 27 1/4 Road Construction Administration Contract Amendment \_\_\_\_\_ 5
  - Approval of the contract amendment to increase the original contract with Mead and Hunt in the amount of \$136,874.47 and authorize the Executive Director to sign. The contract amendment is for additional engineering and construction administration services related to design revisions, additional time required to install shoulders, and additional time required because of inclement weather.
- B. 27 1/4 Road Construction – Change Order \_\_\_\_\_ 6
  - Approval of the contract change order to increase the original contract with Oldcastle SW Group, Inc. dba United Companies in the amount of \$249,080.75 and authorize the Executive Director to sign. This change order is for two items: 1) Removal of shoulder material and replacement in accordance with new design specifications. 2) Excavate and repair two sections of roadway that have settled due to unexpected subsurface conditions.
- C. IT and Telephone Services Contract \_\_\_\_\_ 7
  - Award and authorize the Executive Director to sign a new five-year Information Technology and Telephone Services Contract to Sequent Information Systems, LLC.
- D. ARFF/SRE Building Partial Re-roofing Project \_\_\_\_\_ 8
  - Approval of the total project budget of \$100,000 for the partial re-roof of the ARFF building, including authorizing the Executive Director to sign the construction contract with PNCl in the amount of \$96,997. The remaining project budget represents owner contingency.
- E. Begin Procurement for Airport Administration Building Demolition \_\_\_\_\_ 9
  - Approval to begin the procurement process for demolition of the Airport Administration Building.
- F. Administration Building Asset Disposal through Public Auction \_\_\_\_\_ 10
  - Approve disposal of materials and supplies purchased for the construction of the Airport Administration building through public auction on September 28, 2019.

G. C P Auction Sale Contract \_\_\_\_\_ 11

- Authorize Executive Director to sign C P Auction Sale Contract for September 28, 2019 public auction. Contract includes 25% commission of total sale, \$1,000 in advertising, and \$700 in subcontracted labor for loading purchased assets follow the auction.

H. Dan Reimer Engagement Letter \_\_\_\_\_ 12

- Authorize Executive Director to sign engagement letter with Dan Reimer for professional services in reviewing and drafting airline lease agreements and rules and regulations. Cost for services not-to-exceed \$20,500.

**VIII. Staff Reports**

- A. Director's Report (Angela Padalecki)
- B. Operations Report (Mark Papko)
- C. Finance and Activity Report (Sarah Menge) \_\_\_\_\_ 13
- D. Facilities Report (Ben Peck)
- E. Project Report (Eric Trinklein)

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

**X. Executive Session**

*Executive session to conduct a conference with the Executive Director and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to CRS 24-6-402(4)(a) regarding the Sky Adventures Building.*

**XI. Adjournment**



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**Grand Junction Regional Airport Authority Board**  
**Regular Board Meeting**  
Meeting Minutes  
August 20, 2019

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**REGULAR BOARD MEETING**

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**I. Call to Order**

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on August 20, 2019 in Grand Junction, Colorado and in the County of Mesa.

**Commissioners Present:**

Tom Benton (Chairman)  
Chuck McDaniel (Vice-Chairman)  
Erling Brabaek  
Thaddeus Shrader  
Linde Marshall  
Ron Velarde

**Airport Staff:**

Joseph Burtard (Clerk)  
Karl Hanlon (Counsel)  
Sarah Menge  
Angela Padalecki (Executive Director)  
Mark Papko  
Ben Peck  
Eric Trinklein  
Shelagh Flesch  
Chris Stager

**Guests:**

Shannon Kinslow, TOIL  
Joe Vaccarelli, Daily Sentinel  
Brad Rolf, Mead & Hunt

**II. Pledge of Allegiance**

**III. Approval of Agenda**

*Commissioner McDaniel made a motion to move the Employee Handbook Amendment, from the Consent Agenda and approve the August 20, 2019 Board Agenda. Commissioner Brabaek second the motion. Voice Vote. All Ayes.*

**IV. Commissioner Comments**

*No Commissioner comments were made.*

**V. Citizen Comments**

*No citizen comments were made.*

**VI. Consent Agenda**

- A. July 16, 2019 Meeting Minutes
- B. CDOT Division of Aeronautics Grant
- C. Xcel Construction Agreement
- D. FAA AIP 63 Grant Offer (Runway Fence Project Schedule 1 and Schedule 2)
- E. Fence Project Schedule 1 and Schedule 2 – Notice of Award for Construction
- F. RTR Construction Administration – Contract Amendment
- G. RTR Construction – Final Change Order
- H. Taxiway A Construction Administration – Contract Amendment
- I. Taxiway A Construction – Final Change Order
- J. Approval of Asset Disposal
- ~~K. Employee Handbook Amendment~~
- L. Procurement Policy Amendment
- M. Upgrade of Flat Plate Conveyor Controls
- N. Replacement of Flat Plate Conveyor Roll Up Doors and Operators

*Commissioner McDaniel moved to adopt the Consent Agenda. Commissioner Brabaek seconded. Voice Vote. All Ayes.*

**VII. Action Items**

Appoint Budget Officer

*Commissioner Marshall moved to approve staff recommendation to permanently appoint the Finance Directors the Budget Officer for purpose of CRS 29-1-104. Commissioner Shrader seconded the motion. Voice Vote. All Ayes.*

Employee Handbook Amendment

*Commissioner McDaniel moved to approve amendments to the Airport Employee Handbook updating the use of Paid Time Off, Paid Sick Leave, Bereavement, and Dental and Vision Insurance Benefit Descriptions to reflect current practices. Commissioner Brabaek seconded the motion. Voice Vote. All Ayes.*

**VIII. Staff Reports**

- A. Director's Report (Angela Padalecki)
- B. Operations Report (Mark Papko)
- C. Finance and Activity Report (Sarah Menge)
- D. Facilities Report (Ben Peck)
- E. Project Report (Eric Trinklein)

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

**X. Executive Session**

*Commissioner McDaniel made a motion to go into executive session to conduct a conference with the Executive Director and General Counsel for the purpose of discussing the Airport's purchase, lease, transfer or sale of real property; determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators pursuant to CRS 24-6-402(4)(a) regarding the Sky Adventures Building. Commissioner Velarde seconded the motion. Voice Vote. All Ayes.*

*Commissioner McDaniel made a motion to move out of executive session back into an open meeting. Commissioner Erling seconded the motion. Voice Vote. All Ayes.*

**XI. Adjournment**

*Commissioner Velarde moved for adjournment. Commissioner Brabaek seconded. Voice Vote. All Ayes.*

The meeting adjourned at approximately 7:45 PM.

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

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Tom Benton, Board Chairman

**ATTEST:**

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Joseph R. Burtard, Clerk to the Board

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

TOPIC:	Runway Rubber Removal		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Authorize Executive Director to execute \$22,000 quotation from straight Stripe for annual removal of rubber build-up on Runway 11/29.		
SUMMARY:	<p>Every aircraft operation deposits trace amounts of rubber from each wheel. Overtime that rubber builds up, obscuring runway markings and decreasing friction on the runway.</p> <p>This quotation is to complete the annual removal of rubber build-up on Runway 11/29.</p> <p>Staff recommends work to be awarded to Straight Stripe.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	\$22,000.00		
ATTACHMENTS:	Straight Stripe Quotation		
STAFF CONTACT:	Mark Papko mpapko@gjairport.com (970) 812-2716		



**Straight Stripe Painting, Inc.**

1812 W Sunset Blvd #1-525

St George, UT 84770

O: 435-656-0930

F: 435-634-0580



A Certified DBE Company UT, AZ, CA, ID, MT, NV, WY

Contractor: Grand Junction Airport  
Address: 2828 Walker Field Dr.  
Grand Junction, Colorado 81506  
Phone:  
Fax / Email: 970-812-2716 Mpapko@gjairport.com

**Estimate # 06980**

Date Submitted: 9/5/2019

CO License # 20101637509

Requested By: Mark Papko  
Project Name: Grand Junction Airport  
Project Location: Grand Junction Colorado  
DBW: N/A

Estimate By:  
**J. Jake Adams**  
Cell: 435-669-6748  
[jake@straightstripe.com](mailto:jake@straightstripe.com)

Item #	Item Description	Quantity	U of M	Unit Price	Total
	<u>Surface Prep</u>				
	Mobilization - Rubber Removal	1	Each	\$ 4,000.00	\$ 4,000.00
	Rubber Removal	240,000	SF	\$ 0.075	\$ 18,000.00
	GJT to provide dumsite for debris - SSP will provide water				
	GJT to provide lighted X's and set up for closure				
* Mobilizations will be charge EACH time we are called to the job					
* Straight Stripe bid does not include closing the runway or taxiway connectors with NOTAM's					

This estimate is valid for a period of 30 days from the date of this estimate. Any invoice submitted by our company shall be due 30 days after the date of such invoice. Any invoice not paid within the 30 day period will accrue interest at a rate of 21% per annum until paid in full. Furthermore, in the event collection activities become necessary, our company shall be entitled to recover all of its costs incurred in the collection of the amounts due and owing under this estimate, including but not limited to attorneys' fees and court costs.

**Total \$ 22,000.00**

Customer Name: \_\_\_\_\_

(print name)

Signature: \_\_\_\_\_

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

TOPIC:	Phase 1 Landside Wayfinding Refurbishment		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Authorize Executive Director to execute \$17,385.84 quotation from Fast Signs for the refurbishment of landside wayfinding signage.		
SUMMARY:	The wayfinding signage on the Landside was upgraded as part of the Walker Field Drive project in 2008. Many of the signs are now highly oxidized and weathered. In 2018 staff received a budgetary estimate to refurbish all of the wayfinding signs. It was then determined it would be in the Airport's best interest to phase the refurbishments. The first phase of the project is to replace some of the worst signs which are at eye level to our passengers. These signs use vinyl lettering that has deteriorated badly. A total of 14 signs have been recently quoted for refurbishment. Staff reached out to three sign companies for estimates and received two.		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	\$17,385.84		
ATTACHMENTS:	Estimate EST-2886		
STAFF CONTACT:	Ben Peck <a href="mailto:bpeck@gjairport.com">bpeck@gjairport.com</a> (970) 248-8589		

Created Date: 8/21/2019

**DESCRIPTION:** Reburish Wayfinding Signs

**Bill To:** Grand Junction Regional Airport  
2828 Walker Field Dr  
Grand Junction, CO 81506  
US

**Installed:** Grand Junction Regional Airport  
2828 Walker Field Dr  
Grand Junction, CO 81506  
US

**Requested By:** Shawn Stratton

Email: sstratton@gjairport.com  
Cell Phone: (970) 986-7933  
Tax ID: 09800432

**Salesperson:** Mike Zamora

Email: mike.zamora@fastsigns.com

NO.	Product Summary	QTY	UNIT PRICE	AMOUNT
1	<b>Refinish Wayfinding Signs</b>	1	\$14,854.40	\$14,854.40
1.1	<b>Product - Paint Signs</b>  <b>Part Qty:</b> 1  <b>Text:</b> Includes: 1. Preparation of metal. 2. Application of Primer, Finish Paint & Dark Brown Accent Stripes.  <b>Notes:</b> Materials include Primer, Reducer, Paint & Catalyst. Paint according to the Branding Guidelines: - Matthews Acrylic Polyurethane Paint, satin finish Green - Mp16140 - Matthews Natural Accent Background Brown - Mp05462 - Matthews Natural Accent Painted Pattern - Mp03122			
2	<b>Text - White Reflective Letters</b>	1	\$531.44	\$531.44
2.1	<b>Vinyl - Cutting - Cast - White - Reflective 680 - Reflective White Vinyl</b>  <b>Part Qty:</b> 14 <b>Width:</b> 16.00" <b>Height:</b> 20.00"  <b>Text:</b> Customer will provide content.			
3	<b>Removal and Installation of Signs</b>	1	\$2,000.00	\$2,000.00

3.1	<b>Installation - Removal and Installation of Signs</b> - # of Hours: 20  <b>Text:</b> Includes the Removal, Transportation to Paint Booth, and Reinstallation of 14 Wayfinding Signs.
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This estimate is based on current information provided by the customer.  
 A 50% deposit is required and the balance is due upon completion.  
 Fast Signs offers full graphic design services at \$80 per hour.

<b>Subtotal:</b>	\$17,385.84
<b>Taxes:</b>	\$0.00
<b>Grand Total:</b>	\$17,385.84

Signature:

Date:

## Grand Junction Regional Airport Authority

### Agenda Item Summary

TOPIC:	Ground Transportation – Terminal Counter Leases		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Authorize Executive Director to execute lease agreements with Sunshine Taxi and Telluride Express for the terminal counter lease. Lease agreement reflects annual rent revenue of \$1,515 per lease.		
SUMMARY:	<p>Sunshine Taxi previously leased approximately 100 square feet of counter and terminal space on the West end of the Baggage claim area on the first floor. This agreement expired November 30, 2018. The Authority also received interest from Telluride Express about renting space in the terminal for ground transportation staff.</p> <p>Staff have drafted the attached lease agreement to rent out one counter at approximately 50 square feet to Sunshine Taxi and one counter at approximately 50 square feet to Telluride Express. The terms of the lease agreements are substantially the same as the previous terms with Sunshine taxi, except a modification was made to request minimum staffing hours so the counters are not left vacant.</p> <p>The rent rate will be based on the terminal building fee rate in the rates and charges, currently \$30.30, but is subject to change. This will result in annual rent revenue of \$1,515 per lease.</p> <p>The draft terms of the agreement have been reviewed by Authority Legal counsel, and the proposed tenants; however, there are some terms that are still being negotiated, including parking spaces for shuttles for Telluride Express.</p>		
REVIEWED BY:	Executive Director & Legal Counsel		
FISCAL IMPACT:	Annual Rent revenue of \$1,515/lease, total of \$3,030		
ATTACHMENTS:	Draft of building lease agreement.		
STAFF CONTACT:	Sarah Menge Email: <a href="mailto:SMenge@gjairport.com">SMenge@gjairport.com</a> Office: (970) 248-8581		

## **BUILDING USE AND LEASE AGREEMENT**

This Building Use and Lease Agreement (“Agreement”) is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2019, between the Grand Junction Regional Airport Authority (GJRAA), a body corporate and politic and constituting a political subdivision of the State of Colorado, and \_\_\_\_\_ (“Tenant”):

### **WITNESSETH**

**WHEREAS**, GJRAA is the owner and operator of the Grand Junction Regional Airport, a public airport located in Grand Junction, Mesa Count, Colorado (“Airport”); and

**WHEREAS**, Tenant is engaged in the business of providing transportation services in and around the Grand Junction, Colorado area; and

**WHEREAS**, Tenant is desirous of operating a sales counter the Airport; and

**THEREFORE**, for and in consideration of the fees, covenants, and agreements contained herein, and for other good and valuable consideration, it is agreed and understood between GJRAA and Tenant:

### **ARTICLE 1 TERM**

1.1 This Agreement will become effective and binding on October 1, 2019 and will automatically renew annually for successive periods of one year, up to a total of five contract years unless either party provides written notice of its intent not to renew the term of this agreement to the other party at least sixty (60) days prior to the end of the current term. This Agreement, unless earlier terminated as provided above, will terminate on September 30, 2024. This agreement may otherwise be amended or terminated as provided in this document.

1.2 If Tenant remains in possession of the Premises, or any portion thereof, after the expiration or termination of this Agreement, such holding over shall not be deemed as a renewal or extension of this Agreement, but shall create only a tenancy from month-to-month which may be terminated at any time upon ten (10) days written notice. Such holding over shall otherwise be upon the same terms and conditions as set forth in this Agreement at the time of such expiration or termination.

1.3 Either GJRAA or Tenant may terminate and cancel this Agreement by giving the other Party thirty (30) days written notice, provided however, Tenant will remain liable for any unpaid monthly rent installments prior to termination, as well as any other obligations that may remain under Article 5 and Article 6 of this Agreement.

## **ARTICLE 2 PREMISES**

2.1 GJRAA hereby leases to Tenant the Premises shown on the attached Exhibit “A” to this Agreement and any improvements thereon. The Premises shall consist of a total of approximately fifty (50) square feet.

2.2 GJRAA shall provide the following utility services: lighting; heating; air conditioning; electricity; and trash removal. However, GJRAA shall not be required to install utility lines to the Premises to make these services available.

2.3 Tenant is permitted to use the Premises for the non-exclusive operation of ground transportation services to and from the Airport. No other uses of the Premises are permitted to Tenant hereby. However, GJRAA represents and agrees that it is aware that Tenant has provided for-hire ground transportation to and from the Grand Junction Regional Airport in the past, and this Agreement is intended to apply to Tenant’s use of the Premises as defined in this Agreement. Nothing herein should be construed to alter, amend, or govern Tenant’s for-hire ground transportation operations to and from the Grand Junction Regional Airport that do not result from Tenant’s use of the Premises.

2.4 Tenant will use its best efforts to not violate, in any manner, the use and rights granted by GJRAA to other tenants and concessionaires at the Airport and of GJRAA. Additionally, Tenant hereby agrees to comply with any and all applicable rules and regulations of the GJRAA and/or the Airport.

## **ARTICLE 3 RENT**

3.1 During the term of this Agreement, Tenant agrees to pay a monthly rental fee to GJRAA for the space occupied in the Terminal building in accordance with the Terminal Building Fee rate per square foot in the effective Airport Rates and Charges document approved by the Board. Tenant also agrees to pay any and all other applicable fees for providing ground transportation as determined by GJRAA as part of its Airport Rates and Charges.

3.2 Payment of Tenant’s monthly rent is due on or before the tenth (10<sup>th</sup>) day of the month immediately following the month in which the Gross Revenue is collected, without further notice or billing from GJRAA that said rental payment is due. Additionally, at the time Tenant pays its monthly rent, Tenant shall provide a monthly report to GJRAA, setting forth the amount of Gross Revenue collected by Tenant during the preceding calendar month.

## **ARTICLE 4 MINIMUM HOURS OF OPERATION**

4.1 Tenant shall keep its ticket counter area open with staffing present a minimum of five (5) days per week. Tenant can schedule the staffing hours around the regular flight schedule and the staffing time does not need to be concurrent each day, but in total, Tenant should staff the counter approximately 20 hours a week.

4.2 When the counter is not staffed, Tenant shall post hours of operation for when staff will be at the counter, and contact information shall be posted at all times.

4.3 If the Tenant does not meet the minimum staffing hours of operation, GJRAA will provide notice to the tenant and may terminate the lease if the minimum staffing is not met.

## **ARTICLE 5 INSURANCE**

5.1 Tenant shall obtain, before the commencement of this Agreement, and maintain in full force at all times relevant to this Agreement, insurance for the protection of claims under workers' compensation laws. Tenant also agrees to obtain all other insurance coverage that may be required by any local, state, and/or federal law regulating its operations. Tenant shall obtain and maintain in full force and effect for the duration of this Agreement, and any extension hereof, at Tenant's sole expense, insurance coverage written on an occurrence basis, unless otherwise indicated, in the following types and for an amount not less than the amount listed below:

A. Worker's Compensation and Occupational Disease Insurance, in accordance with applicable law or laws, with a limit of at least Five Hundred Thousand Dollars (\$500,000). This includes sole proprietorships and officers of corporations who will be performing work at the leased Premises.

B. Commercial General Liability with a combined Bodily Injury and Property Damage limit of not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000) in the aggregate.

C. Automobile Liability Insurance, Comprehensive Form, in the minimum amount of Five Hundred Thousand Dollars (\$500,000) combined single limit for bodily injury and property damage per occurrence. Coverage shall include all owned, non-owned, and hired automobiles.

5.2 Tenant shall provide GJRAA with a certificate of insurance, evidencing the foregoing insurance coverage requirements prior to the commencement of operations. Additionally, Tenant agrees that within five (5) calendar days of a suspension, cancellation, or non-renewal of coverage, Tenant shall provide a replacement certificate of insurance to GJRAA. GJRAA shall have the option to suspend Tenant's performance under this Agreement should there be a lapse in coverage at any time during this Agreement. Failure to provide and to maintain the required insurance shall constitute a material breach of this Agreement.

## **ARTICLE 6 INDEMNIFICATION**

6.1 Tenant shall release GJRAA of any liability for, and shall protect, defend, indemnify, and hold GJRAA harmless from and against any and all claims, demands, and causes of action of every kind and character that are asserted or brought against GJRAA on account of Tenant's lease of the Premises.



6.2 Tenant shall advise GJRAA, in writing, and within 72 hours, of any claim or demand against GJRAA or Tenant, which is known to Tenant, and which is related to or arises out of Tenant's lease of the Premises. GJRAA shall have the right, at its option, and at its own expense, to participate in the investigation and defense of this claim without relieving Tenant of any of its obligations hereunder.

## **ARTICLE 7 DEFAULT & REMEDIES**

7.1 In addition to any other breach or default of Tenant's obligations, the following shall also constitute a breach or default by Tenant: i) the failure to pay the monthly rental fee, or any other monies owed hereunder, within ten (10) days after GJRAA has provided notice to Tenant that said monies are past due; ii) any failure in the performance of any covenant or obligation required by this Agreement within ten (10) days after notice by GJRAA to Tenant stating that performance is past due; iii) abandonment of the transportation operations by Tenant; iv) the falsification by Tenant of any of its records or figures so as to deprive GJRAA of any of its rights or monies under this Agreement; and v) the transfer or assignment, or attempted transfer or assignment, of this Agreement by Tenant without securing prior approval of GJRAA.

7.2 If Tenant or GJRAA breaches or defaults, the non-breaching party may utilize any one or more of the following remedies: i) the non-breaching party may sue for specific performance; ii) the non-breaching party may sue for all damages incurred by it, including, but not limited to, incidental damages, consequential damages, costs, and attorney's fees; and iii) the non-breaching party may terminate this Agreement by providing written notice, but the breaching party will still continue to be liable for the performance of all terms and conditions and the payment of all fees due hereunder prior to the date of the termination. These remedies shall be considered cumulative and are not to be construed as being stated in the alternative. The non-breaching party may also utilize any other remedy provided by law or equity as a result of the other party's breaches or defaults.

## **ARTICLE 8 SIGNAGE**

8.1 Tenant agrees that no signs, logos, or advertising displays shall be painted on or erected in any manner at the Airport without the prior approval of GJRAA, which approval shall not be unreasonably withheld, and that such signage shall conform to GJRAA's Architectural and Development Standards and to such other directives of GJRAA with respect to size, type, design, material, and location.

## **ARTICLE 9 REMODELING AND IMPROVEMENTS**

9.1 GJRAA reserves the right to, at any time, undertake remodeling, alteration, or relocation of the Airport terminal building, including the exclusive, shared, and non-exclusive spaces leased to Tenant hereunder, provided that GJRAA substitutes, for any such relocated leased Premises used by Tenant, reasonably comparable space or spaces. However, such substituted premises shall be leased for the remainder of the term of this Agreement, pursuant to the same terms and conditions of this Agreement, unless otherwise modified by the Parties, in writing.

9.2 GJRAA agrees that such remodeling, alteration, or relocation shall be at the sole expense of GJRAA, except as otherwise agreed by the Parties, in writing. GJRAA shall incorporate into the substituted premises, the equipment of Tenant, which, prior to the relocation, was used in the Tenant's Premises. Tenant may substitute alternate or additional equipment, but it shall bear the additional costs, if any, which result from the substitution.

9.3 Tenant shall have the right to construct, at its own expense, improvements, alterations or additions to its Terminal ticket counter area, to facilitate its authorized usage of said area, provided that the Tenant constructs said improvements, alterations, and additions in accordance with the terms and conditions of this agreement and with the prior approval of GJRAA, which GJRAA may withhold at its sole discretion.

9.4 Prior to commencing construction to its Terminal ticket counter area, if approved, Tenant must submit the proposed improvements, alterations, or additions to GJRAA for GJRAA's prior review and approval. GJRAA shall approve the proposed improvements, alterations, or additions if GJRAA determines, in its sole discretion, that (a) the proposed improvements and alterations are consistent with the Airport's development and architectural standards, and master plan for development, in effect at the time of said proposed construction; and (b) that the improvements are to be constructed by qualified contractors and subcontractors to be approved in advance by GJRAA. Tenant shall construct all improvements at its own expense. Tenant shall be responsible for assuring that all improvements, alterations and additions to the service area are constructed in accordance with applicable local, state and federal law.

9.5 Any improvements, alterations, or fixtures constructed by either the Tenant or GJRAA within the ticket counter area shall automatically revert to GJRAA without any payment by GJRAA to the Tenant at the expiration of the lease. Tenant shall have the right to remove its items of personal property, signage and equipment on the date of expiration of the contract, or at a date agreed to between Tenant and GJRAA. Should the Tenant fail to remove its personal property within the stated time frame, GJRAA shall have the right to remove the personal property.

## **ARTICLE 10 VENDING**

10.1 Tenant shall not install any amusement or vending machine, or any other machine operated by coins or tokens, in the Premises or at the Airport.

## **ARTICLE 11 DAMAGE TO PROPERTY**

11.1 If any of GJRAA's property, or any part thereof, is damaged on account of Tenant's lease of the Premises, Tenant shall pay to GJRAA, within thirty (30) days of receiving written notice thereof, the amount GJRAA reasonably determines is necessary to repair or replace the property. Should Tenant object to or dispute the amount determined by GJRAA to repair or replace the damaged property, Tenant shall still pay any amount that is not objected or disputed to within thirty (30) days of receiving written notice. Should Tenant

make no payment within the required time frame, Tenant will be deemed to have objected to and disputed the entire amount being requested by GJRAA. If Tenant objects or disputes any amounts claimed by GJRAA, GJRAA will have any and all available remedies to seek the recovery of these claimed amounts.

#### **ARTICLE 12 DESTRUCTION OF PREMISES**

12.1 Subject to the terms and conditions of this Article, if the Premises is damaged through no fault of Tenant, and to the extent that such damage has caused the Premises, or a substantial portion thereof, to be unusable, GJRAA shall make all reasonable efforts to provide substitute premises to Tenant, subject to the same terms and conditions stated herein, unless otherwise modified by the Parties, in writing. The substituted premises shall be reasonably comparable space or spaces as to the Premises leased herein.

#### **ARTICLE 13 INSPECTION OF PREMISES**

13.1 GJRAA may enter upon the Premises at any reasonable time for any purpose necessary or incidental to the operation of the Airport or to inspect the Premises to determine care and maintenance of it by Tenant.

#### **ARTICLE 14 GOVERNING LAW & VENUE**

14.1 This Agreement shall be deemed to have been made in, and shall be construed in accordance with the laws of the State of Colorado. Any lawsuit related to or arising out of disputes under this Agreement shall be commenced and tried in Mesa County, Colorado.

#### **ARTICLE 15 SEVERABILITY**

15.1 In the event that any provision in this Agreement is held to be invalid by any court or competent jurisdiction, the invalidity of any such provision shall in no way affect any other provision of this Agreement, provided that the invalidity of any such provision does not materially prejudice either GJRAA or Tenant in their respective rights and obligations contained in the valid provisions of this Agreement.

#### **ARTICLE 16 SURVIVAL OF OBLIGATIONS**

16.1 Any obligation that exists as of the termination, expiration, or cancellation of this Agreement shall extend until the obligation is satisfied. All of the provisions, covenants, and stipulations in this Agreement shall extend to and bind the legal representatives, successors, and assigns of Tenant and GJRAA.

## **ARTICLE 17 NO WAIVER OF REMEDIES**

17.1 All of the rights and remedies given in this Agreement are cumulative and no one is exclusive of any other. GJRAA and Tenant shall have the right to pursue any one or all of such remedies or any other remedy or relief that may be provided by law, whether stated in this Agreement or not. The failure of GJRAA or Tenant to take action with respect to any breach of any covenant, condition, or obligation in this Agreement shall not be a waiver of such covenant, condition, or obligation or a subsequent breach of the same or any other covenant, condition, of obligation. The acceptance by GJRAA of any rental fee or other payment shall not be a waiver by it of any breach by Tenant of any covenant, condition, or obligation.

## **ARTICLE 18 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, & INELIGIBILITY**

18.1 Tenant certifies, by signing this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal department or agency.

## **ARTICLE 19 ENTIRE AGREEMENT**

19.1 No subsequent modification of the terms of this Agreement shall be valid, binding, or enforceable unless made in writing and signed by both Tenant and GJRAA. This Agreement, and all Exhibits attached to it, constitutes the entire agreement between Tenant and GJRAA relating to the subject matter hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement. This Agreement, or any part thereof, is not to be construed against the drafting party because that party drafted it.

## **ARTICLE 20 HEADINGS**

20.1 All headings contained in this Agreement are for convenience in reference only and are not intended to define or limit the scope of any provision.

## **ARTICLE 21 ATTORNEYS FEES & PUNITIVE/EXEMPLARY DAMAGES**

21.1 In the event of litigation or arbitration to resolve any claim made by either Tenant or GJRAA pursuant this Agreement, the prevailing party shall be entitled to its costs and attorney fees incurred as a result of such litigation or arbitration. Tenant and GJRAA also intentionally waive all rights to recover punitive or exemplary damages from the other.

## ARTICLE 22 NOTICES & PAYMENTS

22.1 Notices to GJRAA or Tenant pursuant to this Agreement shall be sent by certified mail, return receipt to Tenant at "PO Box 717, Grand Junction, Colorado 81502" and to GJRAA at " 2828 Walker Field Drive Ste 301, Grand Junction, Colorado 81506." However, Tenant and GJRAA may send notices to each other at any other address as may be designated, in writing, by each other.

22.2 All payments by Tenant to GJRAA shall be made payable to the "Grand Junction Regional Airport Authority" and sent to "2828 Walker Field Drive, Ste 301, Grand Junction, Colorado 81506," or to any other address as GJRAA directs Tenant to send payment to, in writing.

IN WITNESS THEREOF, Tenant and GJRAA have executed this Agreement on the date set forth next to their signatures.

TENANT:

By: \_\_\_\_\_  
Name  
Title

Date: \_\_\_\_\_

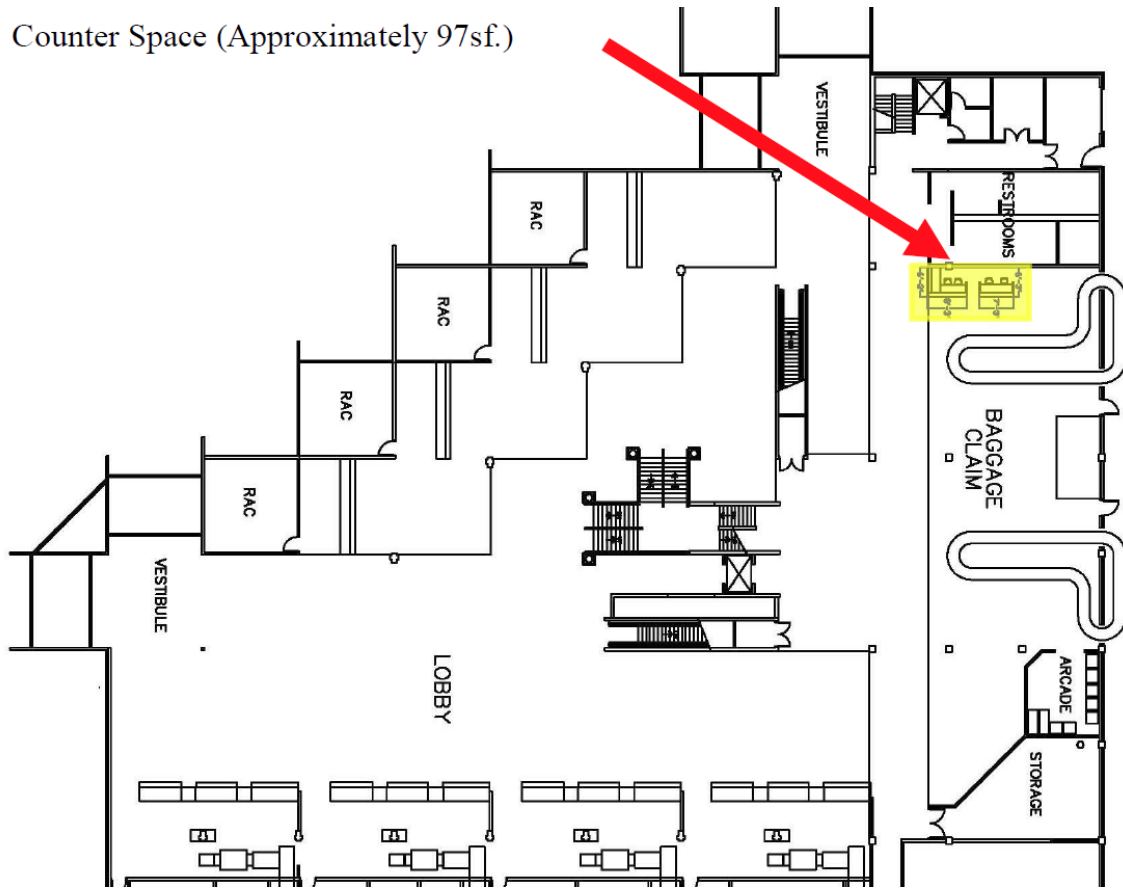
AIRPORT:

By: \_\_\_\_\_  
Tom Benton  
Chairman of the Board

Date: \_\_\_\_\_

## Exhibit A

Counter Space (Approximately 97sf.)



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

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TOPIC: 27 1/4 Road Construction Administration Contract Amendment

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PURPOSE: Information ☐ Guidance ☐ Decision ☒

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RECOMMENDATION: Approval of the contract amendment to increase the original contract with Mead and Hunt in the amount of \$136,874.47 and authorize the Executive Director to sign.

---

SUMMARY: The contract amendment is for additional engineering services related to design revisions, additional time required to install the shoulders, and additional time required because of inclement weather.

We have worked closely with the City of Grand Junction, Mead & Hunt, United Companies, and the FAA to create a mutually agreeable plan that includes this additional work.

Once the project is complete and final costs are received, the Airport will need to apply for a grant amendment with the FAA to cover the additional cost.

---

REVIEWED BY: Executive Director and Legal Counsel

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FISCAL IMPACT: The contract with Mead and Hunt is increased by \$136,874.47 from \$347,234.3 to \$484,108.77.

27 1/4 Road Relocation Project Funding is anticipated to be changed as follows:

	Total	FAA	Airport
Mead and Hunt Contract Amendment	\$136,874.47	\$123,187.00	\$13,687.47
United Change Order	\$249,080.75	\$224,172.00	\$24,908.75
Total	\$385,955.22	\$347,359.00	\$38,596.22

---

ATTACHMENTS: Mead and Hunt Contract Amendment

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STAFF CONTACT: Eric Trinklein  
[etrinklein@gjairport.com](mailto:etrinklein@gjairport.com)  
Office: (970) 248-8597

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## Contract Amendment No. 3 Amending Task Order No. 4

September 9, 2019

Eric Trinklein  
Grand Junction Regional Airport Authority  
2828 Walker Field Drive  
Grand Junction, CO 81506

Project Name: GJT Grand Junction Runway  
Relocation

Project Location: Grand Junction, CO  
Project Number: R2331300-170312.05  
Mead & Hunt Manager: Brad Rolf

Subject: Task Order 4 Amendment No. 3

Dear Eric Trinklein:

The above-referenced PROJECT requires an Amendment. The work in this Amendment is in addition to the Scope of Services and fees stated in the original contract between the CLIENT (Grand Junction Regional Airport Authority) and the CONSULTANT (Mead & Hunt, Inc.) dated July 23, 2018 is amended as stated below.

The CLIENT agrees that the CONSULTANT shall provide professional consulting services for the PROJECT as set forth in this Amendment and the CLIENT shall provide payment for those services as provided for in this Amendment. A detailed description of our understanding of the Amended PROJECT Scope of Services, Schedule, and Compensation is provided below.

### Reason for Amendment

Increase of Budget: **INCREASE** Task Order No. 4 by One Hundred Thirty-Six Thousand Eight Hundred Seventy-Four Dollars and Forty-Seven Cents (\$136,874.47) for additional construction administration and construction management services required to complete the 27 ¼ Road Relocation Project.

### Amended Scope of Services

The Scope of Services for the PROJECT is amended as follows:

- Task 205.1 – Construction Administration – 27 ¼ Road Relocation: Fees **INCREASED** by a total of Twenty-Seven Thousand Eight Hundred Dollars and Twenty-Five Cents (\$ 27,800.25), TIME & EXPENSE.
- Task 205.2 – Construction Management – 27 ¼ Road Relocation: Fees **INCREASED** by a total of One Hundred Nine Thousand Seventy-Four Dollars and Twenty-Two Cents (\$ 109,074.22).

The amended budget for Task 205 is Four Hundred Eighty-Four Thousand One Hundred Eight Dollars and Seventy-Seven Cents. (\$484,108.77), TIME & EXPENSE.



### Amended Schedule

Mead & Hunt proposes the following revised dates to complete the work for this PROJECT:

- Construction Project schedule will increase by 17 working days with additional time necessary for project closeout.

### Amended Compensation

Form of compensation for work in this Amendment will be in accordance with the *Terms and Conditions* of the existing CONTRACT. The GRAND JUNCTION REGIONAL AIRPORT AUTHORITY will pay Mead & Hunt, Inc. an **INCREASE** of One Hundred Thirty-Six Thousand Eight Hundred Seventy-Four Dollars and Forty-Seven Cents (\$136,874.47) for the work performed under this Amendment.

This Amendment results in a revised contract amount of **\$ 1,881,770.97** for the total PROJECT.

### Authorization for Amendment

The Amended Scope of Services, Schedule, and Compensation stated in this amendment are valid for a period of thirty (30) days from date of submission. If authorization to proceed is not received during this period, this amendment may be reviewed and modified by Mead & Hunt.

Signatures of authorized representatives of GRAND JUNCTION REGIONAL AIRPORT AUTHORITY and Mead & Hunt shall amend the existing Agreement (original CONTRACT and all previous amendments, if applicable) between the two parties, and receipt of one signed copy shall be considered authorization to proceed with the work described in this Amendment. All services will be performed in accordance with the Terms and Conditions of the original CONTRACT and amendment, if applicable.

Respectfully submitted,  
MEAD & HUNT, Inc.

Jeremy K. Lee, PE  
Aviation Services

Accepted by: **GRAND JUNCTION REGIONAL  
AIRPORT AUTHORITY**

Approved by: **MEAD & HUNT, INC.**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

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

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

*The above person is authorized to sign for Client and bind the Client to the terms hereof.*

*The above person is an authorized signer for Mead & Hunt, Inc.*

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## EXHIBIT A – SCOPE OF SERVICES

Task 205 of Exhibit A of the original contract is hereby amended to add the following:

Additional Construction Administration services related to city coordination and design revisions requested.

Additional Construction Management services related to time suspension due to weather and additional design elements requested during construction.

## EXHIBIT B – FEE SUMMARY

Fee Summary of Exhibit B of the original contract is hereby amended to add the following:

Task 205.1 – Additional Construction Administration services related to city coordination meetings, and design revisions requested.

Task 205.2 – Additional Construction Management services related to weather delays, and additional design elements requested during construction.

Task	27 ¼ Road Relocation	Contract Total	Amendment 3	Total
205.1	Construction Administration	\$ 15,460.00		\$ 15,460.00
	<i>City Review Coordination Meetings</i>		\$ 16,099.00	\$ 16,099.00
	<i>Revised Shoulder Design</i>		\$ 11,701.25	\$ 11,701.25
	<b>Total:</b>	<b>\$ 15,460.00</b>	<b>\$ 27,800.25</b>	<b>\$ 43,260.25</b>
	Meetings	\$ 34,760.00	\$ -	\$ 34,760.00
205.2	Construction Management	\$ 177,870.00		\$ 177,870.00
	<i>Construction Management – Weather</i>		\$ 47,174.22	\$ 47,174.22
	<i>Construction Management – Remaining Contract Days</i>		\$ 6,920.00	\$ 6,920.00
	<i>Construction Management – Change Order</i>		\$ 54,980.00	\$ 54,980.00
	<b>Total:</b>	<b>\$ 177,870.00</b>	<b>\$ 109,074.22</b>	<b>\$ 286,944.22</b>
205.3	Construction Stormwater Monitoring	\$ 2,240.00		\$ 2,240.00
205.4	Construction Quality Assurance Testing	\$ -		\$ -
205.5	Post Construction Services	\$ 3,080.00		\$ 3,080.00
	Meetings	\$ -		\$ -
205.6	Closeout Report	\$ 12,580.00		\$ 12,580.00
	Expenses	\$ 101,244.30		\$ 101,244.30
	<b>Subtotal for 27 ¼ Road Relocation</b>	<b>\$ 347,234.30</b>	<b>\$ 136,874.47</b>	<b>\$ 484,108.77</b>

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

TOPIC:	27 1/4 Road Construction Change Order																		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>																
RECOMMENDATION:	Approval of the contract change order to increase the original contract with Oldcastle SW Group, Inc. dba United Companies in the amount of \$249,080.75 and authorize the Executive Director to sign.																		
SUMMARY:	<p>There are two items included in this change order. First, the shoulder material will be removed and replaced with aggregate base course along the entire roadway and prepared in accordance with the plans and specifications.</p> <p>The second item is to excavate and repair two sections of roadway that have settled due to unexpected subsurface conditions.</p> <p>We have worked closely with the City of Grand Junction, Mead &amp; Hunt, United Companies, and the FAA to create a mutually agreeable plan that includes this additional work.</p> <p>Once the project is complete and final costs are received, the Airport will need to apply for a grant amendment with FAA to cover the additional cost.</p>																		
REVIEWED BY:	Executive Director and Legal Counsel																		
FISCAL IMPACT:	<p>The contract with United Companies is increased by \$249,080.75 from \$1,893,328.10 to \$2,115,144.85.</p> <p>27 ¼ Road Relocation Project Funding is anticipated to be changed as follows:</p> <table><tr><th></th><th>Total</th><th>FAA</th><th>Airport</th></tr><tr><td>Mead and Hunt Contract Amendment</td><td>\$136,874.47</td><td>\$123,187.00</td><td>\$13,687.47</td></tr><tr><td>United Change Order</td><td>\$249,080.75</td><td>\$224,172.00</td><td>\$24,908.75</td></tr><tr><td>Total</td><td>\$385,955.22</td><td>\$347,359.00</td><td>\$38,596.22</td></tr></table>				Total	FAA	Airport	Mead and Hunt Contract Amendment	\$136,874.47	\$123,187.00	\$13,687.47	United Change Order	\$249,080.75	\$224,172.00	\$24,908.75	Total	\$385,955.22	\$347,359.00	\$38,596.22
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Total	\$385,955.22	\$347,359.00	\$38,596.22																
ATTACHMENTS:	United Companies Contract Change Order																		
STAFF CONTACT:	Eric Trinklein <a href="mailto:etrinklein@gjairport.com">etrinklein@gjairport.com</a> Office: (970) 248-8597																		

### CONTRACT CHANGE ORDER NO. 03

**AIRPORT** Grand Junction Regional Airport

**Date** 8/28/2019

**LOCATION** Grand Junction, CO

**AIP No.** 3-08-0027-058

**CONTRACTOR** Oldcastle SW Group, Inc. dba United Companies

You are requested to perform the following described work upon receipt of an approved copy of this document or as directed by the Engineer.

Item No.	Description	Unit	Unit Price	Quantity	Amount
203-00010A	Unclassified Excavation (Shoulders)	CY	\$ 47.00	1800	\$ 84,600.00
304-06007A	Aggregate Base Course (Class 6) (Shoulders)	CY	\$ 61.50	1800	\$ 110,700.00
203-00010B	Unclassified Excavation (Roadway)	SY	\$ 32.00	507	\$ 16,224.00
304-06007B	Pit Run	CY	\$ 50.25	347	\$ 17,436.75
304-06007	Aggregate Base Course	CY	\$ 42.00	113	\$ 4,746.00
401 (CDOT)	Hot Mix Asphalt (Grading S)(75)(PG 64-22)	TON	\$ 91.00	57	\$ 5,187.00
401 (CDOT)	Hot Mix Asphalt (Grading SX)(75)(PG 64-22)	TON	\$ 91.00	57	\$ 5,187.00
G-105A	Asphalt Mobilization	LS	\$5,000.00	1	\$ 5,000.00
<b>This Change Order Total</b>					<b>\$ 249,080.75</b>
<b>Previous Change Order(s) Total</b>					<b>- \$ 27,264.00</b>
<b>Original Contract Total</b>					<b>\$ 1,893,328.10</b>
<b>Revised Contract Total</b>					<b>\$ 2,115,144.85</b>

The additional time provided for completion in the contract is **fifteen (15) working days**. This document shall become an amendment to the contract and all provisions of the contract will apply.

Recommended by: P. Scott Cary, P.E., Engineer (Mead & Hunt, Inc.)

8/28/2019  
**Date**

Approved by: Sponsor (Grand Junction Regional Airport Authority)

**Date**

Accepted by: Contractor (Oldcastle SW Group, Inc. dba United Companies)

**Date**

Approved by: Federal Aviation Administration

**Date**

**NOTE:** Change Orders and Supplemental Agreements require FAA approval prior to construction, otherwise no Federal participation can be granted.

AIP NO. 3-08-0027-058CHANGE ORDER NO. 03AIRPORT Grand Junction Regional AirportLOCATION Grand Junction, CO**JUSTIFICATION FOR CHANGE****1. Brief description of the proposed contract change(s) and location(s).**

There are two items included in this change order. First, due to a change in City of Grand Junction construction requirements, the shoulder subgrade material will be removed and replaced with aggregate base course throughout the entire roadway alignment and prepared in accordance with the plans and specifications. The shoulder surface will remain asphalt millings. Existing completed driveways are excluded. The second item is to excavate and repair two sections of roadway that have settled due to unexpected subsurface conditions.

All excavated material, from the shoulders and from the road repairs, will be spread or stockpiled north of the project staging area in an area specified by the Engineer.

**2. Reason(s) for the change(s) (*Continue on reverse if necessary*)**

Shoulder Replacement. The City of Grand Junction Engineer, as the ultimate owner of the project, has stated that they will not accept the roadway with the current shoulder design. Though the design was approved by the City in Fall 2018, the City Engineer has updated requirements and requested that the partially completed shoulder be excavated and replaced with aggregate base course to daylight at the ditch line.

Road Repair. Two areas of road appear to be settling due to a layer of shale close to the subgrade. The geotech report notes that these conditions are possible in the area and provides a recommendation for repairing such areas. The road section will be excavated to stable conditions then backfilled with pit run (or similar). Then the area will be repaved. A remobilization item of \$5,000 is included to offset changes in production cost of contract items.

**3. The Sponsor's share of this cost is available from:**

N/A

4. If this is a supplemental agreement involving more than \$2,000, is the cost estimate based on the latest wage rate decision? Yes ☐ No ☐ Not Applicable ☒

5. Has consent of surety been obtained? Yes ☐ Not Necessary ☒

6. Will this change affect the insurance coverage? Yes ☐ No ☒

7. If yes, will the policies be extended? Yes ☐ No ☐ Not Applicable ☒

8. Has this Change Order been discussed with FAA officials? Yes ☒ No ☐

When: 07/31/2019With Whom: Kristin Brownson**Comment(s):**

RFCP 01 was sent to the Contractor on July 12<sup>th</sup>. A response was received on July 22<sup>nd</sup>. After unit price review, an update was sent back on July 30<sup>th</sup> to revise the pit run unit price. City review, and subsequent discussion has adjusted quantities in August 2019.

**Attachments:**

- Revised Shoulder Detail Sheet C-301
- Road Repair Locations Exhibit, C-101-C-104



Mead and Hunt, Inc.  
1743 Wazee Street,  
Suite 400  
Denver, CO 80202  
phone: 303-825-8844

These documents shall not be used for any purpose or project for which it is not intended. Mead & Hunt shall be indemnified by the client and held harmless from all claims, damages, liabilities, losses, and expenses, including attorneys' fees and costs, arising out of such misuse or reuse of the documents. In addition, unauthorized reproduction of these documents, in part or as a whole, is prohibited.

2828 Walker Field Drive  
Grand Junction, CO 81506

ISSUED  
6/13/2018 - ISSUE FOR  
CONSTRUCTION

7/15/2019 - REV 1



M&H NO.: 2331300-170312.01  
DATE: June 13, 2018  
DESIGNED BY: KAD  
DRAWN BY: AWG  
CHECKED BY: SKC  
DO NOT SCALE DRAWINGS

SHEET CONTENTS

TYPICAL SECTION

5+33.52 TO 90+03.43

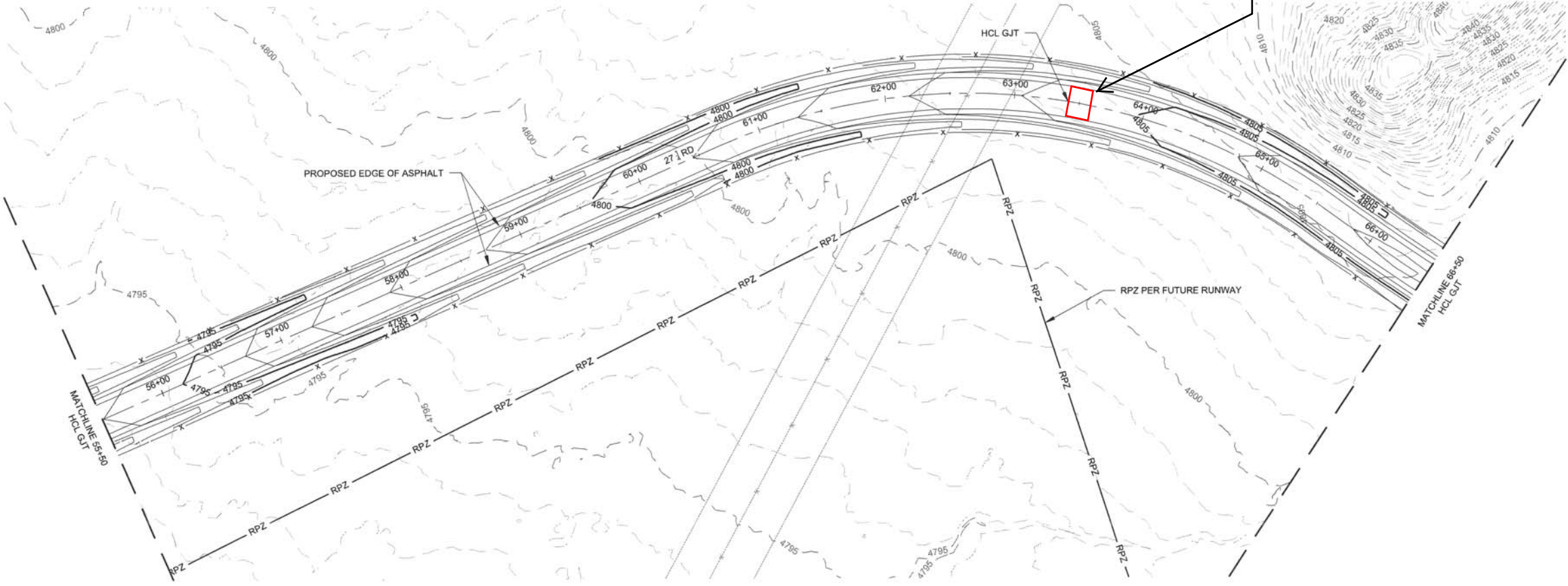
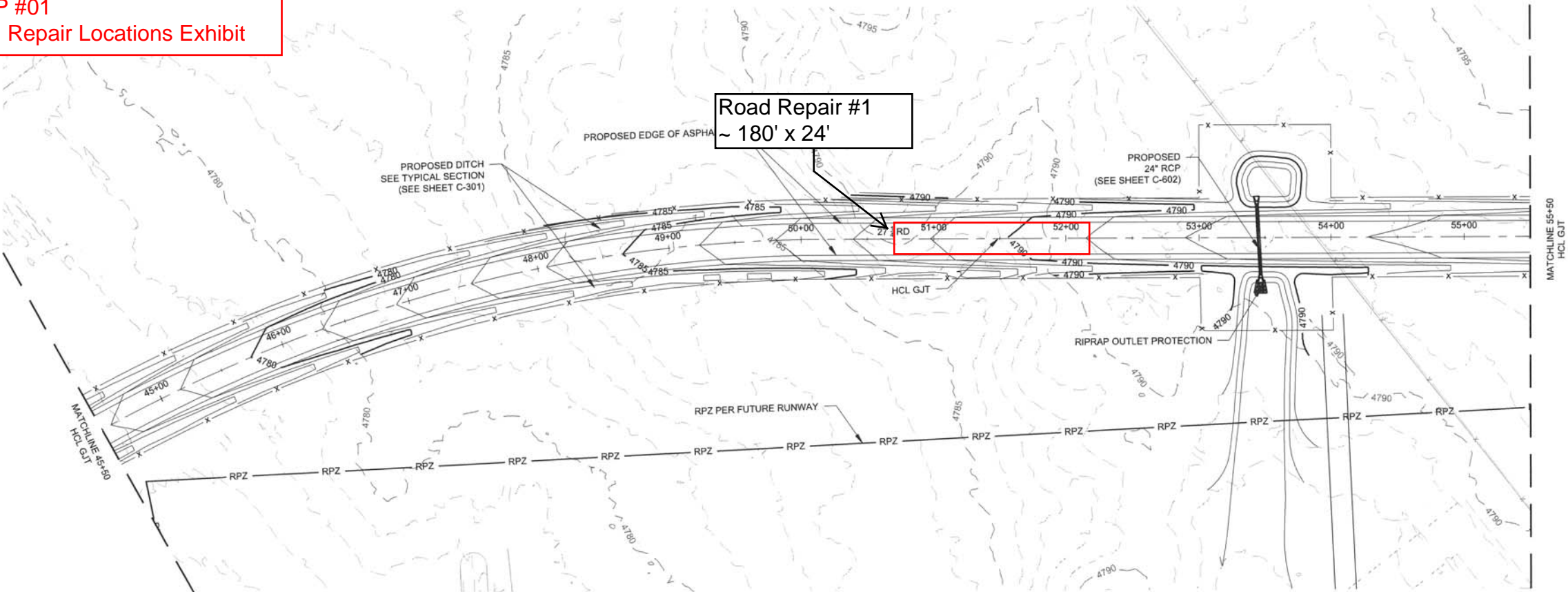
SHEET NO. 29 82

C-301





27 1/4 Road Relocation Project  
RFCP #01  
Road Repair Locations Exhibit



**DAVID EVANS AND ASSOCIATES INC.**  
1600 Broadway Street,  
Suite 800  
Denver Colorado 80202  
Phone: 720.946.0969

**Mead & Hunt**  
Mead and Hunt, Inc.  
1743 Wazee Street,  
Suite 400  
Denver, CO 80202  
phone: 303-825-8844

GRAND JUNCTION REGIONAL AIRPORT  
27 1/4 ROAD RELOCATION  
ISSUE FOR BID

2828 Walker Field Drive  
Grand Junction, CO 81506

ISSUED  
6/13/2018 - ISSUE FOR  
CONSTRUCTION



MAN NO: 2331300-170312.01  
DATE: June 13, 2018  
DESIGNED BY: MDS  
DRAWN BY: AWG  
CHECKED BY: HFS  
DO NOT SCALE DRAWINGS

SHEET CONTENTS  
GRADING AND  
DRAINAGE  
45+50 TO 66+50

SHEET NO: 18 82

C-103

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

TOPIC:	Award IT and Telephone Services Contract		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Award and authorize the Executive Director to sign a new five-year Information Technology and Telephone Services Contract to Sequent Information Systems, LLC.		
SUMMARY:	<p>Staff published an RFP on August 9, 2019 for Information Technology and Telephone Services. A total of three proposals were received. The proposals were reviewed independently by three staff members and the following categories were evaluated:</p> <ol style="list-style-type: none"><li>1.) Demonstrated Experience on Similar Contracts</li><li>2.) Demonstrated Understanding of Technology and Services Requested</li><li>3.) Proposed Personnel Qualifications</li><li>4.) Project Approach and Methodology</li><li>5.) Proposed Pricing</li></ol> <p>Once reviewed, staff met to discuss their independent ratings of each proposal. Staff unanimously agreed that the proposal submitted by Sequent Information Systems, LLC best meets the needs and objectives as outlined in the RFP for the Grand Junction Regional Airport. Sequent Information Systems is the current Information Technology and Telephone Services provider and has been serving the Grand Junction Regional Airport since 2006.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	Recurring Monthly Maintenance Package (Including Fiber) \$4,047.00		
ATTACHMENTS:	IT Contract and Bid Proposal Form		
STAFF CONTACT:	Ben Peck <a href="mailto:bpeck@gjairport.com">bpeck@gjairport.com</a> (970) 248 – 8589		



# GRAND JUNCTION REGIONAL AIRPORT IT SERVICES AGREEMENT

This IT Services Agreement (hereinafter "Agreement") is made and entered into on the date hereinafter set forth by and between the Parties herein designated as "Service Recipient" and "Service Provider."

SERVICE RECIPIENT: Grand Junction Regional Airport  
Address: 2828 Walker Field Drive, Suite 301  
Grand Junction, Colorado 81506

SERVICE PROVIDER: *To Be Completed*  
Address:

## **Definitions**

The following definitions shall apply to this Agreement:

(a) "IT Infrastructure" shall mean the computer and other IT hardware listed on Exhibit "1," which is attached hereto and is incorporated herein by reference;

(b) "Services" shall mean the "Operation," "Maintenance," and "Management" of the IT Infrastructure, as defined by the Scope of Services set forth in the Request For Proposal, which is attached hereto and is incorporated herein by reference, and as further defined in this Agreement;

(c) "Operation" shall mean the operation of the IT Infrastructure, including, but not limited to, manipulation and computation of data by the IT Infrastructure, the outputting of such manipulated and computed data by the IT Infrastructure, and communication between elements of the IT Infrastructure;

(d) "Maintenance" shall mean remedial maintenance and preventative maintenance of the IT Infrastructure;

(e) "Management" shall mean the scheduling of the use of IT Infrastructure, procurement of supplies and spare parts therefore, and recommendation of changes and additions thereto;

(f) "Up-Time" shall mean total time, during any calendar year, that the IT Infrastructure is available for Operation during the time scheduled for Operation divided by the total time scheduled for Operation during such calendar year; and

(g) "Confidential Information" shall mean information, in any form, which is disclosed by Service Recipient to Service Provider, or is otherwise obtained, directly or indirectly, by Service Provider from or on behalf of Service Recipient, that: (a) is by its nature confidential; (b) is designated by Service Recipient as confidential; or (c) that Service Provider knows or should reasonably know is confidential, which includes, but is not limited to, information relating to the

policies, strategies, and procedures of Service Recipient, information related to Service Recipient's business, networks, systems, assets, properties, operations, customers, clients, and tenants, information comprising or relating to any intellectual property rights of Service Recipient, information in any way relating to the finances of Service Recipient, and any information relating to the personnel of Service Recipient, including any personal information or sensitive information of individuals employed, hired, or retained by Service Recipient.

### **Recitals**

**Whereas** Service Recipient is the owner/lessee of the IT Infrastructure for which it desires Service Provider to provide Services for;

**Whereas** Service Provider desires to provide Services on the terms and conditions set forth herein; and

**In Consideration** of the promises, conditions, and agreements herein contained, Service Recipient and Service Provider agree as follows:

### **Agreement**

#### **1.0 Description of Services**

1.1 Beginning on the 1st day of October, 2019, Service Provider will provide Service Recipient with Services.

1.2 During the term of this Agreement, Service Provider shall perform Services, subject to Service Recipient's acceptance and in a manner and quality that is acceptable to Service Recipient, through Service Provider's employees who are skilled in the Operation and Maintenance of the IT Infrastructure. Service Recipient may, for any reason; request that Service Provider's employees be replaced with other skilled employees of Service Provider.

1.3 The IT Infrastructure shall be available for Operation, during the term hereof, with an Up-Time of 99.95 percent, twenty-four hours a day, three-hundred and sixty-five days per year, including all federally recognized holidays. The Up-Time calculations shall not include any scheduled maintenance.

1.4 To the extent any Maintenance is required to be performed, Service Provider shall ensure that the Services being provided to Service Recipient, to the fullest extent possible, remain uninterrupted so that normal business operations may continue.

1.5 The performance of Service Provider under this Agreement shall include Service Provider's procurement of reasonable supplies and spare parts sufficient to ensure the Operation of the IT Infrastructure.

1.6 Service Recipient may increase or decrease service at its discretion. Additionally, service costs may change if services are amended, and in order to accurately reflect

any changes, Service Provider will provide Service Recipient with an updated scope of services and associated fees.

1.7 All services and products provided by Service Provider are subject to Service Provider's business policies, practices, and procedures, which can change, but if those changes effect the Services and products being provided to Service Recipient, Service Provider must provide thirty (30) days written notice to Service Recipient of those changes. If Service Recipient deems these changes to materially affect or alter the Services and products being provided, Service Recipient may terminate this Agreement. Any changes to the terms and conditions of this Agreement, including any prices charged to Service Recipient by Service Provider, must be done in conformance with the modifications provisions of Section 21.0, below.

1.8 If Service Provider makes any change that Service Recipient believes materially affects or alters the Services or products being provided, Service Recipient may terminate this Agreement, without penalty, provided that it gives Service Provider thirty (30) days notice of its desire to cancel the contract.

## **2.0 Payment**

2.1 Service Provider will deliver to Service Recipient, on a monthly basis, a summary billing statement or invoice that attaches copies of any document evidencing the cost of goods and materials provided during the preceding billing period. Upon Service Provider tendering an accurate and sufficient summary billing statement or invoice to Service Recipient, Service Recipient will have 30 calendar days to make payment to Service Provider.

2.2 Payment shall be made to Service Provider, by check, sent via U.S. Mail, postage prepaid, to *Insert Billing Address Here*, unless Service Recipient and Service Provider agree that payment can be made in some other form or unless Service Provider provides Service Recipient with written notice that payment should be sent to another location.

2.3 If Service Recipient's payment is overdue by thirty (30) days or more, in addition to any of its other rights or remedies, Service Provider may, after providing Service Recipient with written notice about the overdue payment and then providing Service Recipient fifteen (15) days to pay any outstanding balance, suspend any service provided to Service Recipient, without liability, until such amounts are then paid in full.

## **3.0 Term**

3.1 This Agreement will remain in effect for a period of five (5) years.

3.3 No termination fee will be assessed to Service Recipient if the termination occurs within three (5) months of the Effective Date of this Agreement. However, if this Agreement is terminated after this three (5) month period, Service Recipient shall only be charged, on a pro rata basis, for the amount of days Services were provided during the month the Agreement was terminated. If Service Recipient terminates the Agreement following the third month after the Effective Date of this Agreement, without cause, Service Recipient shall be charged a

termination fee that totals three (3) months of services, and this payment must be made prior to Service Recipient's requested termination date. The payment of this termination fee will be Service Provider's only recourse and remedy for Service Recipient's early termination of this Agreement.

#### **4.0 Intellectual Property/Work Product Ownership**

4.1 Any copyrightable works, ideas, discoveries, inventions, patents, products, or other information (hereinafter, collectively, "Work Product") first conceived, developed, or reduced to practice, created in whole, or in part, under this Agreement, will be the exclusive property of Service Recipient. As such, Service Recipient shall retain title to, and all ownership rights in, the Work Product, but Service Recipient grants Service Provider the right to access and use the Work Product for the purpose of complying with its obligations under this Agreement.

4.2 Service Provider agrees to execute any documents or take any other actions as may reasonably be necessary, or as Service Recipient may reasonably request, to perfect Service Recipient's ownership of any Work Product.

4.3 Service Provider shall, at no cost to Service Recipient, deliver to Service Recipient, upon Service Recipient's request during the term or at the expiration or termination of all or part of Service Provider's performance hereunder, a current copy of all Work Product in the form and on the media in use as of the date of Service Recipient's request, or as of such expiration or termination, as the case may be.

4.4 If Service Provider provides Service Recipient with telephone numbers, electronic mail (email) addresses, domain names, etc., in the course of delivering Services, Service Provider will maintain these items on Service Recipient's behalf during the term Services are being provided. Upon the expiration of this Agreement or termination of this Agreement, Service Provider will provide Service Recipient reasonable assistance in transferring any telephone numbers, email addresses, domain names, etc., to Service Recipient and/or Service Recipient's new IT services provider, provided that Service Recipient has paid all amounts owed to Service Provider that Service Recipient does not dispute. However, if there is a disputed amount, Service Recipient will pay Service Provider a transfer fee equal to the monthly average of the preceding twelve (12) months of service. This transfer fee will then be credited toward any amount that Service Recipient may be determined to owe, but in the event that this transfer fee is more than what Service Recipient may be determined to owe, Service Provider will be required to pay back any extra payment amounts to Service Recipient.

#### **5.0 Confidential Information**

5.1 Service Provider, along with its employees, agents, and representatives, shall keep all Confidential Information confidential.

5.2 Service Provider, along with its employees, agents, and representatives, shall only use Confidential Information to the extent required for the purpose of carrying out its obligations under this Agreement.

5.3 Service Provider, along with its employees, agents, and representatives, shall not disclose, or allow to be disclosed, any Confidential Information to any person, except as permitted under this Agreement.

5.4 Service Provider, along with its employees, agents, and representatives, shall notify Service Recipient, immediately after it becomes aware, of a breach of its obligations under this section.

5.5 Service Provider, along with its employees, agents, and representatives, shall cooperate with Service Recipient, in any reasonable action which Service Recipient may take to protect the confidentiality of its Confidential Information.

5.6 Service Provider is not precluded from disclosing Confidential Information to the extent required by applicable law, a government authority, or court order. However, Service Provider must immediately notify Service Recipient if it becomes aware that such disclosure may be required and provides all reasonable assistance to Service Recipient to intervene in any process or proceeding by which the disclosure of Confidential Information may be compelled. Further, Service Provider must disclose no more Confidential Information than is strictly required and it must take steps to ensure that the disclosed Confidential Information is treated confidentially.

5.7 Service Provider agrees that the unauthorized disclosure or use of Confidential Information may cause irreparable harm to Service Recipient for which damages may not be an adequate remedy and Service Recipient may take legal proceedings against Service Provider to restrain any breach, or threatened breach, of this section, including obtaining an injunction to restrain such breach.

5.8 Service Provider, along with its employees, agents, and representatives, shall, upon request of Service Recipient, immediately deliver or destroy (and certify such destruction), all documents or materials containing Confidential Information which are in their possession, power, or control. Additionally, upon the termination of this Agreement, Service Provider shall, within 10 calendar days, return all Confidential Information to Service Recipient.

5.9 The obligations of this section will continue to be in effect after the termination of this Agreement, and these obligations will remain in effect until Service Recipient releases Service Provider from them, in writing.

## **6.0 Indemnification**

6.1 Service Provider shall release Service Recipient of any liability for, and shall protect, defend, indemnify, and hold Service Recipient harmless from and against any and all claims, demands, and causes of action of every kind and character that are asserted or brought

against Service Recipient on account of the actions, omissions, negligence, gross negligence, and/or recklessness of Service Provider or its agents, employees, representatives, invitees, or licensees.

6.2 Service Provider's indemnification obligations under this section shall be without regard to, and without any right to contribution from, any insurance maintained by Service Provider. Additionally, Service Provider's indemnity obligations under this section shall be supported by insurance, but this insurance requirement shall be a separate and distinct obligation from Service Provider's indemnity obligations, and the insurance and indemnity obligations shall be separately and independently enforceable. Further, Service Provider's indemnity obligations hereunder are not limited by any insurance coverage Service Provider may have.

## **7.0 Warranties**

7.1 Service Provider warrants that it will provide all Services in a timely and workmanlike manner using all reasonable care and skill, as well as according to any descriptions contained in this Agreement. Service Recipient agrees to provide timely written notice of any failure to comply with this warranty so that Service Provider can take corrective action.

7.2 Upon initial installation of any software, Service Recipient warrants that: (i) the unmodified software will provide the features and functions and will otherwise conform to all published documentation; and (ii) the media upon which the software is furnished will be free from defects in materials and workmanship under normal use and service.

7.3 Service Provider will assist Service Recipient in administering any and all warranties for all hardware procured through Service Provider.

## **8.0 Insurance**

8.1 Service Provider shall obtain, before providing Services, and maintain in full force at all times relevant to this Agreement, insurance for the protection of claims under workers' compensation laws. Prior to providing Services, Service Provider, at Service Recipient's request, shall provide Service Recipient with a certification of the maintenance of workers' compensation as required by this section.

8.2 Service Provider shall obtain and maintain in full force at all times:

A. Worker's Compensation and Occupational Disease Insurance in accordance with any and all applicable law or laws, as well as Employer's Liability Insurance with coverage limits of at least \$1,000,000. These insurance policies are to cover and include sole proprietorships and officers and directors of entities who will be performing work for Service Recipient;

B. Commercial General Liability Insurance with a combined Bodily Injury and Property Damage limit of not less than \$1,000,000.00) per occurrence and \$2,000,000 in the aggregate;

C. Umbrella/Excess Liability Insurance with a limit of no less than \$1,000,000 per occurrence;

D. Technology Errors and Omissions Insurance with a limit of no less than \$1,000,000 per occurrence.

E. Cyber Liability Insurance with a limit of no less than \$1,000,000 per occurrence.

## **9.0 Breach and Remedies for Breach**

9.1 Any one or more of the following acts or omissions of Service Provider shall constitute a breach:

A. products or services furnished by Service Provider that fail to conform to any requirement of this Agreement; or

B. the failure to submit any report required by this Agreement; or

C. the failure to perform any of the other covenants and conditions of this Agreement; or

D. the insolvency or bankruptcy of Service Provider; or

E. the subjection of property to any levy, seizure, general assignment for the benefit of creditors, or application or sale for or by any creditor.

9.2 Upon the occurrence of any breach of this Agreement, either Service Provider or Service Recipient may take either one, or both, of the following actions:

A. give the breaching party a written notice specifying the event of the breach and requiring it to be remedied within, in the absence of a greater specification of time, thirty (30) days from the date of the notice; and if the event of breach is not timely remedied, terminate this contract upon giving the breaching party notice of termination; or

B. treat this Agreement as materially breached and pursue any available remedy at law or in equity, or both.

9.3 No failure by either Service Recipient or Service Provider to enforce any provisions hereof after any event of a breach shall be deemed a waiver of rights with regard to that event, or any subsequent event. No express failure of any event of a breach shall be deemed a waiver of any provision hereof. No such failure or waiver shall be deemed a waiver of the right of Service Recipient or Service Provider to enforce each and all of the provisions hereof upon any additional or other breach on the part of the breaching party.

## **10.0 Termination of Agreement**

10.1 Service Recipient or Service Provider may, by 30 day written notice to the other party, terminate this Agreement, in whole, or in part, at any time the other party fails to perform its obligations under this Agreement and/or a breach of the Agreement occurs, including a breach outlined in Section 9, above.

10.2 Service Recipient or Service Provider, at its sole discretion, may terminate or reduce the scope of this Agreement if available funding is reduced for any reason, or if Service Recipient or Service Provider is directed to terminate or reduce the scope of this Agreement by any governmental agency, court order, or binding legal authority.

10.3 Service Recipient or Service Provider may terminate, at their sole discretion, this Agreement upon 30 days written notice if either Party discovers any misconduct or undisclosed breaches of confidentiality or due to any other action or omission that creates an undue hardship with respect the working relationship of the Parties or puts either Party in an untenable position with respect to that Party's performance under this Agreement.

## **11.0 Assignment, Transfer, and Subcontracting**

11.1 Service Provider shall not assign, transfer, or subcontract any portion of this Agreement without the express, written consent of Service Recipient.

## **12.0 Damages**

12.1 Service Provider and Service Recipient agree that it may be difficult, if not impossible, to accurately determine the amount of damages that Service Recipient may incur, if Service Provider fails to maintain the Up-Time required hereunder. Accordingly, it is agreed that Service Provider will pay Service Recipient \$1,000 for every twelve (12) hours that the Up-Time of the IT Infrastructure is below the required percentage of Up-Time as stated in Section 1.0, above. This liquidated damages amount shall be payable to Service Recipient in the form of a credit at the end of the month in which such failure(s) occurred.

12.2 Nothing in Section 12.1, above, shall be deemed to be a waiver of, or in any way limit or effect any damages, whether they be special, incidental, consequential, punitive, direct, or indirect, as a result of any breach of this Agreement or as a result of any other claim/cause of action that may occur or arise out of this Agreement and the Services provided.

## **13.0 Compliance with Laws**

13.1 Service Provider must, in performance of Services under this Agreement, fully comply with all applicable federal, state, or local laws, rules, and regulations.



## **14.0 Patent and Copyright Protection**

14.1 In the event of any claim by any third-party against Service Recipient that the products furnished under this Agreement infringe upon or violate any patent or copyright, the Service Recipient shall promptly notify Service Provider. Service Provider shall then defend the claim, in the Service Recipient's name, or in its own name, as appropriate, but at Service Provider's expense. Service Provider will indemnify Service Recipient against all costs, damages, and attorney's fees that accrue as a result of any such claim. Such indemnification will be conditional upon the following:

A. Service Recipient will notify Service Provider of the claim; and

B. Service Recipient will allow Service Provider to control, and will cooperate with Service Provider in the defense of the claim and any related settlement negotiations, provided that Service Provider will permit Service Recipient to participate in the defense of any such claim, with counsel of its choosing and Service Recipient shall not enter into or agree to any settlement containing any admission of, or stipulation to, guilt, fault, liability, or wrongdoing absent Service Recipient's consent.

14.2 If any product furnished is likely to or does become the subject of a claim of infringement of a patent or copyright, then Service Provider may, at its option, procure for Service Recipient the right to continue using the alleged infringing product, or modify the product so that it becomes non-infringing, or replace it with one that is at least functionally equivalent. If none of the above options can be accomplished, or if the use of such product by Service Recipient shall be prevented by injunction, Service Recipient agrees to return the product to Service Provider on written request. Service Provider will then give Service Recipient a credit equal to the amount paid to Service Provider for the creation of that Work Product. However, Service Recipient is not precluded from seeking other remedies available to it in equity or law for any damages it may sustain due to its inability to continue using such product.

## **15.0 Meetings Regarding Technical or Contractual Problems**

15.1 Service Provider is required to meet with Service Recipient's personnel, or designated representatives, at no additional cost to Service Recipient, to resolve technical or contractual problems and issues that may occur during the term of this Agreement. Meetings will occur as problems arise and will be coordinated by Service Recipient. Failure by Service Provider to participate in problem resolution meetings or its failure to make a good faith effort to resolve problems and issues may result in termination of this Agreement as these failures will be deemed to be material breaches of this Agreement.

## **16.0 Transition Assistance**

16.1 If this Agreement is not renewed at the end of the term, or if it naturally expires, or if the Agreement is terminated for any reason, Service Provider must provide for a reasonable,

mutually agreed period of time after the expiration or termination of this Agreement, all reasonable transition assistance requested by Service Recipient, to allow for the expired or terminated portion of Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of the Services to Service Recipient or its designees. Such transition assistance will be deemed to be governed by the terms and conditions of this Agreement, except for those terms or conditions that do not reasonably apply to such transition assistance. Service Recipient shall pay Service Provider for any resources utilized in performing such transition assistance at the most current rates. If there are no established rates, then the rate shall be mutually agreed upon. If Service Recipient terminates this Agreement for cause, then Service Recipient will be entitled to offset the cost of paying Service Provider for the additional resources Service Provider utilized in providing transition assistance with any damages Service Recipient may have as a result of said termination.

#### **17.0 Attorneys Fees & Punitive Damages**

17.1 In the event of litigation or arbitration to resolve any claim made by either Service Recipient or Service Provider pursuant this Agreement, the prevailing party shall be entitled to its costs and attorney fees incurred as a result of such litigation or arbitration. Service Recipient and Service Provider also intentionally waive all rights to recover punitive or exemplary damages from the other.

#### **18.0 Governing Law**

18.1 This Agreement shall be interpreted and governed in accordance with the laws of the State of Colorado, as well as any applicable federal law. Venue for any disputes arising from, or relating to, this Agreement shall be in Mesa County, Colorado.

#### **19.0 Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion**

19.0 The Service Provider certifies that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any governmental department or agency.

#### **20.0 Force Majeure**

20.1 Neither Service Recipient nor Service Provider shall be responsible for failure to fulfill its obligations due to causes beyond its reasonable control, including without limitation, acts or omissions of government or military authority, acts of God, materials shortages, transportation delays, fires, floods, labor disturbances, riots, wars, terrorist acts, carrier outages outside the control of Service Recipient or Service Provider, or any other causes, directly or indirectly beyond the reasonable control of the nonperforming party, so long as such party is using its best efforts to remedy such failure or delays.

## **21.0 Entire Agreement**

21.1 No modification of the terms of this Agreement shall be valid, binding, or enforceable unless made in writing and signed by both Service Recipient and Service Provider. This Agreement constitutes the entire agreement between Service Recipient and Service Provider relating to the subject matter hereof, and any prior agreements pertaining thereto, whether oral or written, have been merged and integrated into this Agreement.

## **22.0 Severability**

22.1 In the event any part of this Agreement is found to be void, illegal, invalid, or unenforceable under any present or future law, then the remaining provisions of this Agreement shall nevertheless be binding with the same effect as though such part was deleted.

## **23.0 Notice**

23.1 Any notice or communication required or permitted by this Agreement shall be sufficiently given if delivered in person, or by certified mail, return receipt requested, to the address set forth in the opening paragraph to this Agreement, or to such other address as either Service Provider or Service Recipient may have furnished to the other in writing.

## **24.0 Facsimile or Electronic Signatures**

24.1 Facsimile or electronic transmission of a signature shall be sufficient to evidence the execution of this Agreement.

## **25.0 Captions**

25.1 The captions in this Agreement are inserted only for the purpose of convenient reference and in no way define, limit, or prescribe the scope or intent of this Agreement or any part thereof.

## **26.0 Binding Effect**

26.1 This Agreement shall be binding upon and inure to the benefit of Service Provider and Service Recipient and their respective heirs, successors, and assigns.

IN WITNESS THEREOF, Service Recipient and Service Provider have executed this Agreement on the date set forth next to their signatures.

**CAUTION: READ BEFORE SIGNING.**

SERVICE PROVIDER

By: \_\_\_\_\_  
Authorized Representative

Date: \_\_\_\_\_

SERVICE RECIPIENT:

By: \_\_\_\_\_  
Ms. Angela Padalecki  
Executive Director

Date: \_\_\_\_\_

## **Exhibit 1**

### **Workstations**

30 Desktop Workstations

1 HVAC & Lighting Control Workstation

1 Rainbird Irrigation Control Workstation

1 Security Workstation

### **Portable**

8 Portable Devices (5 Surface Pros, 3 Laptops)

1 HP Mini Media Workstation

### **Servers**

1 Local HP ML Rack Mounted Server

3 Local HP ML-370 Rack Mounted Servers

1 HP Tape Backup Library

2 Local HP DL-360 Rack Mounted Hyper-V Servers

1 Local Dell R710 Server

1 Local Unbranded DVR Server

1 Local HP DL-360 DVR Server

Microsoft Windows Virtual Server

Microsoft Exchange Archive Virtual Server

Fuel Management Virtual Server

RTA Fleet Management Virtual Server

Microsoft SQL Virtual Server

Microsoft Exchange

Informacast Server

Lenel Security Server

1 Barracuda Backup Server

1 Off-Site Virtual Paging Virtual Server

## **Printers**

2 Large Multi-function Printers / Copiers

3 Color HP LaserJet Printers

2 HP InkJet Printers

1 HP Black/White LaserJet Printer

1 HP Large Format DesignJet Plotter

1 Fargo ID Printer

## **Telephone**

Voice Service and Support for 47 IPT SCCP Cisco phones across LAN and WAN, including Emergency Operations response phones (PRI primary and SIP trunks configured as a redundant backup).

Voice Service and Support for 5 SIP phones and devices. (Used For Alarm, Fax and Data, Paging, Remote Call Boxes)

Voice Service and Support for 24 analog to IP phone devices.

Full Mobility Service for Airport Security Alerting (System must have the ability to ring both desk phones and cell phones simultaneously.)

Unified Voicemail System With Voicemail to Email Capability

Voice Conferencing Ability For Up To 25 Attendees

Integrated Tower crash alarm interface

Call control PC application (2 licenses)

Ring down interface configured between tower control cab and emergency speaker system

## **Additional Devices**

Fuel System Controller – Airside Site

Fuel System Controller – Rental Car Site

43 InformaCast IP Speakers (P.A. and Emergency Alerting Systems)

58 IP Security Cameras

Music over InformaCast device

16 Smart Phones

5 iPads

**Networking Equipment**

1 N-Tron 8 Port Switch

1 Cisco ASA 5516

1 Cisco 4507 Switch

2 N-Tron Media Converters

2 Cisco 1410 Wireless Bridges

1 Cisco 24 port 10-Gig Switch

8 Cisco 24 port Switches

1 Cisco 48 port Switch

10 Cisco 8 port switches

2 Cisco 1532 Wireless Bridges

14 Cisco 1852 Wireless Access Points

1 Cisco Wireless LAN Controller

1 Cisco Voice Gate

1 Barracuda Web Filter

**GRAND JUNCTION REGIONAL AIRPORT  
INFORMATION TECHNOLOGY AND TELEPHONE SUPPORT SERVICES  
Grand Junction, Colorado**

**BID PROPOSAL FORM**

PROPOSAL OF Sequent Information Systems  
(Name of Bidder)

**PROPOSAL FOR:** Grand Junction Regional Airport, Information Technology and Telephone Services, Grand Junction, CO, as described in the Request For Sealed Proposals document.

**AMOUNT OF PROPOSAL:** The Undersigned, having visited the site of the proposed work, being familiar with all of the conditions relating to the proposed work, hereby proposes to furnish all labor, materials, services, equipment, and additional items required in connection with, or incidental to, the proposed Information Technology and Telephone Support Services at the Grand Junction Regional Airport, Grand Junction, Colorado.

**BID PROPOSAL (Reoccurring Monthly Maintenance Package):** \$ 4047.00 per month

**CURRENT PROPOSED NETWORK CONSULTATION AND DESIGN SERVICES RATE (Negotiable Per Project):** \$ 95.00 per hour

**CORPORATIONS FILL IN:**

**BIDDERS FILL IN:**

Sequent Information Systems LLC  
(Legal name of Corporation)

\_\_\_\_\_  
(Legal name of bidding firm)

Colorado  
(State of Incorporation)

\_\_\_\_\_  
(Address)

Ryan Springer  
(Type name of officer)

\_\_\_\_\_  
(Type name of officer)

[Signature]  
(Signature of officer)

\_\_\_\_\_  
(Signature of officer)

Managing Partner  
(Title of officer)

\_\_\_\_\_  
(Title of officer)

8-29-19  
(Date)

\_\_\_\_\_  
(Date)



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

TOPIC:	Award ARFF/SRE Building Partial Re-roof Project								
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>						
RECOMMENDATION:	Approval of the total project budget of \$100,000 for the partial re-roof of the ARFF building, including authorizing the Executive Director to sign the construction contract with PNCI in the amount of \$96,997.								
SUMMARY:	<p>Staff engaged PNCI as our General Contractor to bid out a partial re-roofing project of the ARFF/SRE building. The ARFF/SRE building was constructed in the year 2000 and the roof membrane on the original structure has reached the end of its useful life. Staff in conjunction with PNCI published and IFB for the partial re-roof on August 26, 2019. Bids were opened on September 10, 2019. A total of two bids were received. The low bidder was Harpel.</p> <p>A proposed project budget includes the Guaranteed Maximum Price (GMP) with PNCI. This price includes the subcontractor cost and general conditions. Additionally, staff recommends an owner contingency be held to complete the project. The proposed project funding will be as follows:</p> <table><tr><td>PNCI (GMP)</td><td>\$96,997.00</td></tr><tr><td>Owner Contingency</td><td>\$3,003.00</td></tr><tr><td><b>Total</b></td><td><b>\$100,000.00</b></td></tr></table>			PNCI (GMP)	\$96,997.00	Owner Contingency	\$3,003.00	<b>Total</b>	<b>\$100,000.00</b>
PNCI (GMP)	\$96,997.00								
Owner Contingency	\$3,003.00								
<b>Total</b>	<b>\$100,000.00</b>								
REVIEWED BY:	Executive Director and Legal Counsel								
FISCAL IMPACT:	\$100,000.00								
ATTACHMENTS:	PNCI Recommendation of Award								
STAFF CONTACT:	Ben Peck <a href="mailto:bpeck@gjairport.com">bpeck@gjairport.com</a> (970) 248-8589								

## Memo

September 11, 2019

Grand Junction Regional Airport  
2828 Walker Field Dr  
Grand Junction, CO 81056

Attn: Eric Trinklein, Ben Peck

RE: Recommendation of Award for the Grand Junction Regional Airport ARFF/ SRE Building Re-Roof Services Project

Mr. Eric Trinklein and Mr. Ben Peck,

Request for Proposals were issued on 8/26/19 via bidnet and additionally advertised in the Daily Sentinel. The deadline for responses was Tuesday, September 10, 2019 at 3:00 PM Mountain where the bids were publicly opened and read out loud.

A mandatory pre-bid conference was held on Wednesday 9/4/19 at 10:00 AM to walk the project site. The conference was conducted with proposers Ben Peck, Frank DeSantis and Todd Schmitt.

Addendum #1 was issued on Monday, 9/9/2019 with answers to questions.

Proposals were received prior to the September 10, 2019 deadline from Harpel Builders, Inc. and Pacific Sheet Metal whom were both in attendance at the mandatory pre-bid conference.

Airport officials Eric Trinklein and Ben Peck along with PNCI Construction, Inc. representative, Todd Schmitt reviewed the submittal materials immediately following the public opening.

The committee reviewed and considered the contents of both proposals.

The evaluation criteria was published in the request for proposals which was the scope of work presented within the RFP.

Recommendation: PNCI Construction, Inc. recommends that the Grand Junction Regional Airport approve award to Harpel Builders, Inc. for the said project based on value, having a complete scope of work proposed and thoroughness of their proposal which was in the sum of \$76,568.49.

Please call with any questions.

Thank You,



Director of Pre-Construction  
Anywhere Number: 970.201.5056  
[todd@pnciconstruction.com](mailto:todd@pnciconstruction.com)

File: 1992

Enc: Harpel Builders, Inc. Proposal

**Date: September 10th, 2019**

## **Roof Proposal**

**2019 ARFF/SRE Building Re-Roof**

**GAF Fully Adhered TPO System**

**Prepared For:** Grand Junction Regional Airport  
**Address:** 2828 Walker Field Dr -ARFF/SRE Bldg  
**City/St/Zip:** Grand Junction, CO 81506  
**Phone:**  
**Email:** BPeck@gjairport.com

**Estimator:** Stephen Wright  
**Phone:** (720) 334-2387  
**Email:** stephen@harpelbuilders.com  
**Bid Number:** SW19C\_GJRA

## **ROOF SYSTEM: Mechanically Attached GAF TPO**

### **PRESENT CONDITION**

The existing system is a mechanically attached Tan PVC Membrane, with unknown substrate over a metal deck.

### **SCOPE OF WORK**

The proposed scope of work includes the removal of the existing mechanically attached PVC membrane, and de-installation of existing parapet wall coping and flashings. Dumpsters will be placed in allocated area, dump trailer and trash chute will be located on the west side of building, dump trailer will be removed daily. Materials will be delivered and roof loaded with use of boom lift. The new installation includes .60 Mil TPO, fully adhered with sprayable bonding adhesive, fully welded seams, transition anchor strip at parapet walls, pre-molded accessories, and heat weld-able scuppers. The existing substrate and drainage crickets will be left in place unless damage is found that requires replacement. Items will be assessed during tear off and will be completed upon approval and acceptance of a written change order, prices included in additional items section below. Membrane will be fully adhered over glass-mat gypsum coverboard, mechanically fastened with plates and screws with 115 mph wind rating. Fully adhered membrane on walls, wrapped up and over parapets. Existing parapet wall coping and flashing will be re-installed, unless flashing is damaged and requires replacement, if so it will be in 24 ga break metal with Dark Bronze finish. Fully adhered membrane around curbs, with slip sheet if unit can't be detached and reset. Rooftop equipment walkways installed per roof plan specification in RFP. System includes GAF 20 year membrane warranty, and Harpel 5 year workmanship warranty. All work to be completed in a manner that meets or exceeds building code and manufacturer specifications.

### **General Specifications**

- Remove existing mechanically attached PVC membrane
- Provide dumpsters, dump trailer, & trash chute
- Deliver and roof load materials with boom lift
- De-install parapet wall coping and flashings
- GAF .60 Mil Everguard TPO (Tan)
- GAF Sprayable bonding adhesive
- ¼" Dens Deck Prime Cover Board
- GAF #14 Heavy Duty Fasteners
- GAF 3" Insulation Plates
- GAF Everguard Roof Transition Anchor Strip
- GAF Everguard Pre-Molded Accessories
- GAF Everguard Primer
- GAF Everguard Heat Weldable Scuppers
- Substrate and crickets left in place
- Fully adhered membrane wrapped up and over parapet walls



- Re-install wall coping and flashing
- Fully adhered membrane wrapped around curbs w/ slip sheet if required
- GAF Heat Welded Walkway Roll
- Dumpster located
- GAF 20-Year Membrane Warranty and Harpel 5-Year Workmanship Warranty

Total Price: \$76,568.49

#### ALTERNATES:

##### Alternate #1:

Upgrade to GAF Diamond Pledge 20-Year No Dollar Limit Warranty, and replace parapet wall cap flashing.

Price: \$9,492.00 \_\_\_\_\_ Initial Here for Alternate #1

**ADDITIONAL ITEMS:** (Assessed during tear off, replacement will require Airport approval and change order, please see scope of work)

Replace damaged parapet wall cap flashing as needed (non NDL system).

Price: \$21.19/LF

Replace damaged counter flashing as needed.

Price: \$11.67/LF

Replace damaged insulation board (per layer).

Price: \$28.02/Sq. Ft.

#### Terms and Conditions

- 1) The pricing quoted in this proposal is valid for the next thirty (30) days.
- 2) Jobsite will be cleaned daily.
- 3) All warranties will be sent to you within 45 days of job completion **AND** after final payment. Warranties may be assignable to a new owner, should you sell the property please consult your representative for details.
- 4) Warranties offered apply only to roofing products that we install. It does not include coverage for moisture entering the roof system through walls, structural defects, HVAC Systems, Internal and Scupper Drains beyond the drain flashing, gas lines and electrical conduit lines, coping, vandalism or any other causes beyond our control.
- 5) Harpel is not aware of nor will be responsible for damages attributable to hidden or latent defects in the existing structure.
- 6) Client acknowledges that, while Harpel is performing work, leaks may occur in the old roof and hereby agrees that Harpel is not liable for damages occurred as a result..
- 7) Equipment that is located or mounted on the roof surface may have to be moved in order to install the new roof system. Harpel will make every reasonable attempt to reset equipment in the same position as it was prior to the roof installation. However, under no circumstances will Harpel be

held responsible for any fee or service call related to the repositioning of any equipment of any kind.

- 8) Harpel will take reasonable precaution when moving existing equipment, conduits, and piping, but Harpel is not responsible for damage to existing equipment, conduits, & piping that is a result of this movement.
- 9) The client acknowledges the existing roof system, decking or ceiling does not contain asbestos. Harpel is not engaged in the identification, abatement, encapsulation, or removal of asbestos or materials containing asbestos. Harpel will not be responsible for disturbing asbestos or for asbestos abatement or removal. In the event that asbestos or materials containing asbestos are discovered during the course of the work described in the above proposal, Harpel reserves the right to rescind this contract and receive payment for permits, materials and work performed or suspend its work for a reasonable period of time while the client engages a firm specializing in the removal and disposal of asbestos to resolve this issue.
- 10) The price provided in this Proposal does NOT include the cost of snow removal. Should snow removal be required or the client desires snow removal to be performed, it will be done by Harpel only upon payment of an additional agreed upon amount.
- 11) Additional work or deviation from the work herein described or damage to Harpel's work by others or any labor required to be done other than during regular working hours shall be at additional cost and shall only be undertaken upon the written agreement of the client and Harpel.
- 12) Worker's Compensation, General Liability, Excess Liability and Commercial Auto Insurance are provided to protect you and your property from potential worker injury claims or damage to the property.
- 13) OSHA recommendations for safety will be followed and all key employees of Harpel are trained as "competent persons".
- 14) PAYMENT SCHEDULE: 50% down payment. If this down payment is not received as agreed, the scheduled job start date may be delayed. Remaining 50% will be due in monthly progress payments based on percentage of completion, minus a 10% retainage until all obligations to the airport have been fulfilled.
- 15) No work will be performed until the initial payment is received and if the client defaults in making payments of the amounts due hereunder, such unpaid amounts shall accrue interest at the rate of 2% per month (24% per annum) until paid in full. Client recognizes that if Harpel is not paid in full as agreed that Harpel, pursuant to Colo. Rev. Stat. 38-22-101 et seq., may file a mechanics lien on the real property upon which the work is performed to secure payment thereof and all warranties will be null and void.
- 16) In the event that there is default or delay in payments, the client acknowledges and agrees to pay Harpel all sums due under this Agreement and all of Harpel's costs and expenses of collection including, without limitation and a minimum amount of \$2,200, its attorneys' fees whether or not suit is brought or other collection action is necessary. Harpel will in no way or for any reason be held liable for the clients consultant and/or any attorney's fees.

Reviewed and Accepted by:

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Signature

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Printed Name

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Dated

Approved by: \_\_\_\_\_  
Stephen Wright

Dated: \_\_\_\_\_



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

TOPIC:	Begin Procurement for Airport Administration Building Demolition		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approval of staff to begin procurement process for demolition of the Airport Administration Building.		
SUMMARY:	<p>The general summary and timeline for Airport Administration Building:</p> <ul style="list-style-type: none"><li>• Airport Administration Building was intended to be the first phase of a five-phase terminal development program with an estimated cost of \$7.8M</li><li>• August 2013 – Airport awarded FAA AIP grant of \$3.7M</li><li>• October 2013 - Construction began</li><li>• March 2014 - FAA AIP grant was returned to the FAA (no funds had been disbursed)</li><li>• May 2014 - Construction stopped<ul style="list-style-type: none"><li>• 51% complete, \$4.1M spent on construction and design</li></ul></li><li>• November 2016 - Terminal Area Plan Update completed<ul style="list-style-type: none"><li>• Study included cost estimates for building options</li></ul></li><li>• June 2017 - Project construct building was competitively bid<ul style="list-style-type: none"><li>• One bid was received</li><li>• Price was too high to move forward (\$5.7M plus interior finishes)</li></ul></li><li>• May 2018 - RFI for private partner<ul style="list-style-type: none"><li>• Two responses received</li><li>• Both required substantial financial contribution from Airport</li></ul></li><li>• July 2019 - New cost estimates for building options obtained</li><li>• August 2019 - Cost estimates and building options presented to Board<ul style="list-style-type: none"><li>• Staff recommended demo</li><li>• Staff requested time to evaluate possible use as BLM HQ space</li></ul></li></ul> <p>At the Board Workshop in August, airport staff requested to delay taking action to demolish the building to evaluate whether the building was a good fit for the new Bureau of Land Management (BLM) headquarters. Since then an RFP was released for the BLM headquarters space and the building did not meet the requirements in the RFP. As a result, staff recommends moving forward with demolition of the building, beginning with the procurement of a contractor to complete the demolition.</p> <p>Following a competitive solicitation, staff will make a recommendation of award to the Board for a construction contract, likely at the November 2019 Board Meeting.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	July 2019 estimate was \$900,000 (\$1,000,000 budgeted)		
ATTACHMENTS:	None		
STAFF CONTACT:	Eric Trinklein <a href="mailto:etrinklein@gjairport.com">etrinklein@gjairport.com</a> Office: (970) 248-8597		



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

TOPIC:	Administration Building Asset Disposal through Public Auction		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve disposal of materials and supplies purchased for the construction of the Administration building through a public auction process.		
SUMMARY:	<p>Staff are coordinating a public auction for the disposal of airport assets.</p> <p>In conjunction with staff's recommendation to demo the incomplete administration building, we are requesting board approval to dispose of materials and supplies originally purchased for the construction of the building and include these in the public auction.</p> <p>The majority of the purchases were made in 2014 and based on discussions with FCI, the current value is likely scrap value.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	At this time, we have no expectation or estimate of value to be received, but any amounts received will off-set the impairment loss to be recognized.		
ATTACHMENTS:	None.		
STAFF CONTACT:	Sarah Menge Office: (970) 248.8581 Email: <a href="mailto:smenge@gairport.com">smenge@gairport.com</a>		

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

TOPIC:	C P Auction Sale Contract		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Authorize Executive Director to sign C P Auction Sales Contract for September 28, 2019 live public auction.		
SUMMARY:	<p>Service contract for C P Auction to perform public auction on September 28, 2019 on airport property to dispose of airport assets.</p> <p>Contract includes 25% commission of total sale, \$1,000 in advertising, and \$700 in subcontracted labor for loading purchased assets following the auction.</p>		
REVIEWED BY:	Executive Director and Legal Counsel		
FISCAL IMPACT:	At this time, we have no expectation or estimate of value to be received.		
ATTACHMENTS:	C P Auction Sale Contract		
STAFF CONTACT:	Joseph Burtard Office: (970) 248-5814 Email: <a href="mailto:jburtard@gairport.com">jburtard@gairport.com</a>		

# C P Auction Sale Contract

It is hereby mutually agreed by and between Steve Claypoole of CP Auction Inc as Auctioneer,  
and GT Regional Airport of Joe Angela Padalecki  
as owner, in consideration of their several promises herein set forth, and for value received as follows:

1. Said auctioneer agrees to cry said owner's public auction sale at the time and place hereinafter stated. 970-852-1706
2. Said owner hereby employs said auctioneer to cry said sale, and agrees to pay him therefore a sum equal to 25 % of the total sale, the sum of \$ N/A payable forthwith after conclusion of sale, by the clerk thereof, and from the proceeds thereof.
3. Date of Sale Saturday September 28th 10:00 AM
4. Place of Sale GT Regional Airport
5. Clerk of Sale CP Auction Inc
6. Description of Property, in general \_\_\_\_\_

all items listed T

7. Owner agrees to get said property ready for sale, assist the auctioneer as is customary at the day of sale. And to pay for all advertising spent and done in connection with the holding of this sale. This contract is to remain in full force as stated in item 3, above, providing an auction sale of the property is held. This contract cannot be cancelled nor assignment of property made unless mutually agreed by both parties and such an agreement must be in writing and signed before a notary public.
8. I agree to pay C P AUCTION SERVICE the sum 0 in cash or give property to them that equals said amount if this sale is cancelled. Payment due no later than the date of sale on this contract, line number 3 above.
9. I certify that I am the owner of the above listed goods, merchandise, and/or property and have good title and the right to sell and that they are free from all incumbrances. I agree to accept all responsibility for providing merchantable title and for delivery of title to the purchaser. I agree to hold harmless the auctioneers against any claims of the nature referred to in this agreement.
10. Said auctioneer agrees to conduct said sale as auctioneer, and do all things in connection therewith customarily done by an auctioneer.

11. All items for sale except 2-4 items
12. CP will get porta potties and deduct
13. Ads will not exceed 1000.00
14. \$700 (not to exceed) Subcontractor to load after auction.
15. GLRAA and Subcontractor

Auctioneer

Owner

Witness

Dated

Listed as additional insurance.



## Grand Junction Regional Airport Authority

### Agenda Item Summary

TOPIC:	Dan Reimer Engagement Letter		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	The Board approve the proposed engagement letter with Dan Reimer to provide professional services assisting the airport with reviewing and drafting the airline lease agreement and rules and regulations.		
SUMMARY:	<p>Dan Reimer is an attorney with a background in Airport law. He is currently practicing on his own but has previous experience at Denver International Airport as part of their in-house legal team and practiced at Kaplan Kirsch &amp; Rockwell, who specialize in Airport law.</p> <p>Staff are requesting the engagement of Mr. Reimer to provide assistance in drafting and negotiating the new airline use and lease agreements and also to provide guidance and legal advice in drafting and finalizing the airport rules and regulations.</p> <p>Mr. Reimer will assist in reviewing and providing comment on documents prepared by DKMG. We will also continue to use DKMG to prepare tables and estimates as part of the process, however, we think Mr. Reimer's airport experience and background will be an asset to the airport.</p>		
REVIEWED BY:	Executive Director & Legal Counsel		
FISCAL IMPACT:	Estimated total cost to workshop the lease and use agreement, rules and regs, and negotiate the final agreements on a time-and-materials basis not-to-exceed \$20,500.		
ATTACHMENTS:	Engagement Letter		
STAFF CONTACT:	Sarah Menge Email: <a href="mailto:SMenge@gjairport.com">SMenge@gjairport.com</a> Office: (970) 248-8581		

September 18, 2019

Dan Reimer  
Daniel S Reimer LLC  
2824 Elmira Street  
Denver, Colorado 80238

Angela Padalecki, Executive Director  
Grand Junction Regional Airport Authority  
2828 Walker Field Drive  
Grand Junction, Colorado 81506

Dear Angela,

This engagement letter sets forth the terms by which Daniel S Reimer LLC ("Firm") will provide legal representation to the Grand Junction Regional Airport Authority ("Authority") in connection with the management, operation and development of the Grand Junction Regional Airport ("GJT" or "Airport").

**Scope.** The scope of this representation is limited to areas within the Firm's experience and expertise, particularly matters of federal law and policy that dictate, guide or influence the Authority's ownership and operation of GJT. This includes federal statutes, regulations, orders, policies and the terms and conditions of contracts issued by the Federal Aviation Administration and the Transportation Security Administration.

Tasks and matters will be assigned by the Authority to the Firm on an as-needed basis. The Authority does not commit to any specific task or fee to the Firm. Notwithstanding the foregoing, the parties anticipate that the Firm's initial tasks will be to assist and represent the Authority in drafting and negotiating a new use and lease agreement for signatory air carriers at GJT. Further tasks and matters that may be assigned by the Authority to the Firm may include, without limitation, the following: advice to the Authority staff in connection with the negotiation and drafting of other contracts, licenses and permits with Airport tenants and users; advice on the Authority's compliance with federal law, regulation, policy and the FAA Grant Assurances; the implementation, enforcement and potential revisions to the Airport governing documents (e.g., Rules and Regulations, Minimum Standards, Leasing Policy, Airport Compliance Manual); the planning, construction and operation of Airport capital projects and the implementation of the Airport Capital Improvement Plan; and other such matters as may be assigned by the Authority that are within the Firm's competencies.

**Payment.** The Firm will provide itemized invoices to the Authority by the fifth day of each month for fees and expenses incurred in the prior month, containing daily detail of the work performed. As a limited exception, the Firm will include expenses in the next regular invoice should the receipt or written support for the expense not be immediately available. The Authority will be responsible for promptly reviewing and paying the Firm's invoices, by check, wire transfer or credit card.

Daniel Reimer's rate for this representation is \$300 per hour. The Firm represents that this rate reflects the lowest rate currently offered to any Firm client. Necessary and incidental expenses will be billed to the Authority at their actual rate, without markup. The Firm will not charge for telephone, copying and similar expenses. The Firm will not charge for travel time not spent actively working on GJT matters. To the extent that any formula is used to calculate the Authority's portion of an expense (e.g., for subscription-based online legal research), the Firm will explain in writing the manner in which the formula is calculated and the basis for the Authority's allocated share of the expense.

Mr. Reimer's rate will be subject to an automatic rate adjustment of 3% at the beginning of each calendar year. Any further rate adjustments must be approved in advance by the Authority.

Disputes as to the reasonableness of fees and expenses charged by the Firm will be submitted to arbitration by the Colorado Bar Association Legal Fee Arbitration Committee, or another arbitrator agreed to by the parties.

**Conflicts.** The Firm is not aware of any conflicts of interest that may preclude representation of the Authority on any matter concerning the Airport. The Firm maintains as clients other owners and operators of public use and commercial service airports in the United States. The parties acknowledge that these representations do not, standing alone, constitute a conflict of interest.

The Firm will include the Authority in its list of clients for purposes of new client intake and conflict check, and will notify the Authority promptly of any potential representation that may require a conflict waiver from the Authority.

**Withdrawal and Termination.** The Authority has the right to terminate the Firm from any further representation of the Authority for cause or convenience upon reasonable written notice. The Firm reserves the right to withdraw from its representation of the Authority for good cause, including when withdrawal is required or recommended in furtherance of the Firm's ethical obligations under the Rules of Professional Conduct and for the Authority's persistent failures to pay the Firm's invoices.

In the event of withdrawal or termination initiated by the Authority or the Firm, the Firm will endeavor to close out tasks in an orderly fashion, to promptly return any documents requested by the Authority, and to submit a final invoice. The Authority agrees to promptly pay the Firm for the final invoice and to assist the Firm in closing out remaining tasks.

**Confidentiality and Open Records.** The Firm will, at all times, comply with its ethical obligations of confidentiality to the Authority in accordance with the Rules of Professional Conduct. At the same time, the Board is a public entity subject to disclosure obligations under Colorado law and may be subject to discovery obligations in connection with court and administrative proceedings. The Firm will not disclose any document or information to any third party without the approval of the Authority. Further, the Firm will not provide comments

September 18, 2019

to, or speak on behalf of the Authority, to the media or any third party without the Authority's express direction or consent.

This agreement shall remain in full force and effect unless amended in writing by the parties or terminated as provided herein.

I am committed to providing quality legal services and assisting the Authority achieve its objectives for the Airport.

Sincerely,

Dan Reimer  
Daniel S Reimer LLC

Agreed and Accepted:

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Name  
Title

# GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT

Report Date: 7/31/2019  
 PY Comparison Date: 7/31/2018

July, 2019

CURRENT MONTH				YEAR-TO-DATE		
PASSENGER ENPLANEMENTS:	2018	2019	PERCENT CHANGE	2018	2019	PERCENT CHANGE
AMERICAN	9,805	8,381	-14.52%	58,504	60,808	3.94%
ALLEGiant	2,468	3,477	40.88%	10,273	14,147	37.71%
UNITED	5,656	7,831	38.45%	35,188	45,775	30.09%
DELTA	3,882	3,930	1.24%	23,620	25,607	8.41%
DENVER AIR CONNECTION	573	454	-20.77%	5,444	4,281	-21.36%
Misc Charters	139	142		548	911	66.24%
TOTAL ENPLANEMENTS	22,523	24,215	7.51%	133,577	151,529	13.44%
TOTAL SEAT CAPACITY	25,646	30,143	17.53%	170,313	194,583	14.25%
PASSENGER DEPLANEMENTS:	2018	2019	CHANGE	2018	2019	CHANGE
AMERICAN	9,819	7,960	-18.93%	60,455	61,565	1.84%
ALLEGiant	2,431	3,256	33.94%	10,124	13,735	35.67%
UNITED	5,745	8,830	53.70%	40,284	57,081	41.70%
DELTA	4,593	4,548	-0.98%	25,933	28,622	10.37%
DENVER AIR CONNECTION	578	418	-27.68%	5,395	4,239	-21.43%
Misc Charters	139	142	2.16%	548	849	54.93%
TOTAL DEPLANEMENTS	23,305	25,154	7.93%	142,739	166,091	16.36%
TOTAL PASSENGERS	45,828	49,369	7.73%	276,316	317,620	14.95%

CURRENT MONTH				YEAR-TO-DATE		
LOAD FACTOR:(OUTBOUND ONLY)	2018	2019	Difference	2018	2019	Difference
AMERICAN	88.91%	79.80%	-9.11%	79.04%	78.84%	-0.19%
ALLEGiant	87.89%	81.62%	-6.27%	82.53%	74.64%	-7.89%
UNITED	86.35%	85.35%	-1.00%	81.80%	82.10%	0.29%
DELTA	104.92%	83.51%	-21.41%	79.66%	79.63%	-0.03%
DENVER AIR CONNECTION	36.73%	33.63%	-3.10%	48.70%	45.59%	-3.11%
GJT TOTAL	87.82%	80.33%	-7.49%	78.15%	77.87%	-0.28%



# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

07/31/2019

		Month			Budget Variance		Prior Year Variance	
		07/31/2019	07/31/2019	7/31/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	44,960	55,349	52,660	10,389	23.11 %	2,689	5.11 %
2	Terminal rent	98,487	98,487	98,487	-	0.00 %	-	0.00 %
3	Other (boarding bridge)	6,081	9,440	10,210	3,359	55.24 %	(770)	(7.54) %
	Total Passenger airline revenue	149,528	163,276	161,357	13,748	9.19 %	1,919	1.19 %
Non-passenger airline revenue								
4	Non-passenger landing fees	7,069	8,593	35,246	1,524	21.56 %	(26,653)	(75.62) %
5	Cargo and hangar rentals	4,438	4,483	4,373	45	1.01 %	110	2.52 %
6	Fuel tax & flowage fees	57,810	70,646	89,526	12,836	22.20 %	(18,880)	(21.09) %
7	Other (ramp parking, rapid refuel)	370	840	330	470	127.03 %	510	154.55 %
	Total Non-passenger airline revenue	69,687	84,562	129,475	14,875	21.35 %	(44,913)	(34.69) %
	Total Aeronautical revenue	219,215	247,838	290,832	28,623	13.06 %	(42,994)	(14.78) %
Non-aeronautical revenue								
8	Land and building leases	50,898	50,113	50,991	(785)	(1.54) %	(878)	(1.72) %
9	Terminal - restaurant & retail	9,872	13,659	12,419	3,787	38.36 %	1,240	9.98 %
10	Terminal - other	15,857	15,041	15,041	(816)	(5.15) %	-	0.00 %
11	Rental cars	110,560	130,009	120,276	19,449	17.59 %	9,733	8.09 %
12	Parking and ground transportation	104,883	123,765	101,153	18,882	18.00 %	22,612	22.35 %
13	Other (security fee, overtime fee, etc)	8,502	9,989	4,068	1,487	17.49 %	5,921	145.55 %
	Total Non-aeronautical revenue	300,572	342,576	303,948	42,004	13.97 %	38,628	12.71 %
	Total Operating revenues	519,787	590,414	594,780	70,627	13.59 %	(4,366)	(0.73) %

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

07/31/2019

		Month			Budget Variance		Prior Year Variance	
		07/31/2019	07/31/2019	7/31/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating expenses</b>								
14	Personnel compensation and benefits	199,497	204,498	162,525	5,001	2.51 %	41,973	25.83 %
15	Communications and utilities	28,411	29,110	26,956	699	2.46 %	2,154	7.99 %
16	Supplies and materials	39,182	29,600	37,791	(9,582)	(24.46) %	(8,191)	(21.67) %
17	Contract services	54,427	46,572	67,035	(7,855)	(14.43) %	(20,463)	(30.53) %
18	Repairs & maintenance	23,221	23,332	26,306	111	0.48 %	(2,974)	(11.31) %
19	Insurance	7,864	16,083	7,552	8,219	104.51 %	8,531	112.96 %
20	Other (travel, marketing, air service, etc)	8,990	20,690	7,530	11,700	130.14 %	13,160	174.77 %
Total Operating expenses		361,592	369,885	335,695	8,293	2.29 %	34,190	10.18 %
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	77,200	82,807	81,528	5,607	7.26 %	1,279	1.57 %
22	Interest income	5,000	20,699	17,100	15,699	313.98 %	3,599	21.05 %
23	Interest expense	(67,515)	(67,515)	(70,109)	-	0.00 %	2,594	(3.70) %
24	Customer facility charges	70,900	74,220	68,428	3,320	4.68 %	5,792	8.46 %
25	Capital contributions	1,614,130	253,662	-	(1,360,468)	(84.28) %	253,662	100.00 %
25	Capital expenditures	(2,290,141)	(656,912)	(239,007)	1,633,229	(71.32) %	(417,905)	174.85 %
26	Debt principal payments	-	-	-	-	0.00 %	-	0.00 %
Total Non-operating revenue (expenses)		(590,426)	(293,039)	(142,060)	297,387	(50.37) %	(150,979)	106.28 %
<b>Excess of revenue over (under) expense</b>		<b>(432,231)</b>	<b>(72,510)</b>	<b>117,025</b>	<b>359,721</b>	<b>(83.22) %</b>	<b>(189,535)</b>	<b>(161.96) %</b>

## Variance Explanations - July 2019 compared to Budget and July 2018 Preliminary Financial Statements

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$10,000 and 10% in July 2019.

### ***Operating Revenues:***

- 1 **Passenger Airline Landing Fees** - In July of 2018, we received 69 diversions, many of which were related to wildfire activity. When budgeting activity for July 2019, the higher than normal diversion traffic was not taken into account, so we had budgeted a decrease from prior year. However, due to growth from the airlines, we had 24 more scheduled landings in July 2019 compared to July 2018 resulting in the variance to budget.
- 4 **Non-passenger landing fees** – Landing fees from non-passenger traffic (primarily cargo) is below the prior year actual in July, however, is within \$1,000 of the current year budget. This variance from prior year is due primarily to less wildfire activity than normal.
- 6 **Fuel tax & flowage fees** – Based on discussions with CDOT, fuel flowage fees are typically collected by the State and remitted to the airports about two months after the activity occurred. However, the state does not remit funds until they are collected, so the lag time could be even greater than three months and delayed receipts by the state result in uneven payment streams to the airport. This unpredictability of the payment stream often makes the monthly financial statements year over year incomparable. Flowage fees are collected by West Star based on fuel sold to the airlines and GA community. In general, fuel tax revenue and flowage fees should correspond to changes in commercial operations since this is a significant portion of av gas sales.  
  
The variance to prior year is primarily a result of the additional flowage fees collected from planes assisting with the wildfire operations which are below normal levels in 2019. The variance from budget is directly related to the higher than expected activity levels which have resulted in more fuel tax revenue collections, fuel flowage fees, and airside fuel sales which are all ahead of budget in July 2019.
- 11 **Rental Cars** - Rental Car Revenue exceeded budget and prior year revenue in July 2019 which is consistent with the unexpected increase in passengers. July enplanements were approximately 18% higher than budget which is directly reflected in the 17.6% increase in revenue above budget. The number of transactions did not increase as much as passenger traffic, however, the average daily rate increased from \$56.33/day in July 2018 to \$61.60/day in 2019.
- 12 **Parking and Ground Transportation** - Parking and GT Revenue also out-performed the budgeted expectations, showing an increase of 18% over budget with directly correlates to the difference between budgeted and actual passenger traffic. The number of parking transactions actually increased by 10% year over year between July 2019 and July 2018, which was higher than the increase in enplaned passengers.

### ***Operating Expenses:***

- 14 **Personnel Compensation & Benefits** – The variance from PY is a direct reflection of the budgeted increase in staff compensation and benefits. The variance to budget is primarily due to the fact that the budget was based on a cash basis for when pay dates occurred, however, the income statement reflects the accrual basis of accounting where the payroll expense is recognized based on days worked.
- 17 **Contract Services** – Contract services is below the monthly budget and prior year actual amount. The increase over prior year is primarily related to the timing of the Moody's invoice for \$7,000 for annual bond monitoring which was paid in August 2019 compared to July 2018 and the amount of legal expenses incurred in July.
- 20 **Other (travel, marketing, air service)** – The variance to budget for the other expenses is primarily a function of timing for when the travel is purchased for conferences. Although our spending for the month is ahead of budget and the prior year, we are still on track with our annual budget.

***Non-Operating Revenues and Expenses:***

- 22 **Interest Income** - Interest income was budgeted conservatively and assuming that the bond funds would be spent down by now, however, we still have a strong cash balance and did not complete a bond draw until August 2019, therefore interest income exceeded expectations.
- 25 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. Currently, we have not completed the renovation and AIP project work as early as anticipated, but the ratio of capital contributions to capital expenditures remains consistent with budget. We will continue to provide updates on projects as they progress.

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		07/31/2019	07/31/2019	7/31/2018				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	314,770	367,537	323,688	52,767	16.76 %	43,849	13.55 %
2	Terminal rent	689,409	689,409	689,409	-	0.00 %	-	0.00 %
3	Other (boarding bridge)	70,115	74,216	74,384	4,101	5.85 %	(168)	(0.23) %
	<i>Total Passenger airline revenue</i>	<i>1,074,294</i>	<i>1,131,162</i>	<i>1,087,481</i>	<i>56,868</i>	<i>5.29 %</i>	<i>43,681</i>	<i>4.02 %</i>
Non-passenger airline revenue								
4	Non-passenger landing fees	51,164	53,023	113,007	1,859	3.63 %	(59,984)	(53.08) %
5	Cargo and hangar rentals	30,868	31,050	30,350	182	0.59 %	700	2.31 %
6	Fuel tax & flowage fees	386,601	413,933	405,068	27,332	7.07 %	8,865	2.19 %
7	Other (ramp parking, rapid refuel)	2,590	3,900	2,550	1,310	50.58 %	1,350	52.94 %
	<i>Total Non-passenger airline revenue</i>	<i>471,223</i>	<i>501,906</i>	<i>550,975</i>	<i>30,683</i>	<i>6.51 %</i>	<i>(49,069)</i>	<i>(8.91) %</i>
	<i>Total Aeronautical revenue</i>	<i>1,545,517</i>	<i>1,633,068</i>	<i>1,638,456</i>	<i>87,551</i>	<i>5.66 %</i>	<i>(5,388)</i>	<i>(0.33) %</i>
Non-aeronautical revenue								
8	Land and building leases	351,333	346,092	348,000	(5,241)	(1.49) %	(1,908)	(0.55) %
9	Terminal - restaurant & retail	72,975	100,072	75,843	27,097	37.13 %	24,229	31.95 %
10	Terminal - other	110,999	105,289	124,053	(5,710)	(5.14) %	(18,764)	(15.13) %
11	Rental cars	676,727	746,795	654,803	70,068	10.35 %	91,992	14.05 %
12	Parking and ground transportation	782,308	908,623	789,842	126,315	16.15 %	118,781	15.04 %
13	Other (security fee, overtime fee, etc)	41,180	60,397	32,628	19,217	46.67 %	27,769	85.11 %
	<i>Total Non-aeronautical revenue</i>	<i>2,035,522</i>	<i>2,267,268</i>	<i>2,025,169</i>	<i>231,746</i>	<i>11.39 %</i>	<i>242,099</i>	<i>11.95 %</i>
	<b>Total Operating Revenues</b>	<b>3,581,039</b>	<b>3,900,336</b>	<b>3,663,625</b>	<b>319,297</b>	<b>8.92 %</b>	<b>236,711</b>	<b>6.46 %</b>

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Budget Variance		Prior Year Variance	
		07/31/2019	07/31/2019	07/31/2019				
		Budget	Actual	PY Actual	Budg \$ Var	Budg % Var	PY \$ Var	PY % Var
<b>Operating expenses</b>								
14	Personnel compensation and benefits	1,470,774	1,378,418	1,226,598	(92,356)	(6.28) %	151,820	12.38 %
15	Communications and utilities	193,517	181,820	174,487	(11,697)	(6.04) %	7,333	4.20 %
16	Supplies and materials	328,912	289,496	251,843	(39,416)	(11.98) %	37,653	14.95 %
17	Contract services	408,609	382,784	342,601	(25,825)	(6.32) %	40,183	11.73 %
18	Repairs & maintenance	220,202	198,484	140,038	(21,718)	(9.86) %	58,446	41.74 %
19	Insurance	53,373	62,829	55,095	9,456	17.72 %	7,734	14.04 %
20	Other (travel, marketing, air service, etc)	150,020	148,167	145,872	(1,853)	(1.24) %	2,295	1.57 %
<i>Total Operating expenses</i>		<b>2,825,407</b>	<b>2,641,998</b>	<b>2,336,534</b>	<b>(183,409)</b>	<b>(6.49) %</b>	<b>305,464</b>	<b>13.07 %</b>
<b>Non-operating revenue (expenses)</b>								
21	Passenger facility charges	496,900	614,375	523,506	117,475	23.64 %	90,869	17.36 %
22	Interest income	37,400	150,726	100,520	113,326	303.01 %	50,206	49.95 %
23	Interest expense	(474,607)	(474,611)	(492,639)	(4)	0.00 %	18,028	(3.66) %
24	Customer facility charges	396,100	417,852	371,436	21,752	5.49 %	46,416	12.50 %
25	Capital contributions	10,246,727	1,670,874	1,107,422	(8,575,853)	(83.69) %	563,452	50.88 %
25	Capital expenditures	(14,182,098)	(6,364,649)	(2,101,824)	7,817,449	(55.12) %	(4,262,825)	202.82 %
26	Debt principal payments	(229,673)	(229,674)	(222,929)	(1)	0.00 %	(6,745)	3.03 %
<i>Total Non-operating revenue (expenses)</i>		<b>(3,709,251)</b>	<b>(4,215,107)</b>	<b>(714,508)</b>	<b>(505,856)</b>	<b>13.64 %</b>	<b>(3,500,599)</b>	<b>489.93 %</b>
<b>Excess of revenue over (under) expense</b>		<b>(2,953,619)</b>	<b>(2,956,769)</b>	<b>612,583</b>	<b>(3,150)</b>	<b>0.11 %</b>	<b>(3,569,352)</b>	<b>(582.67) %</b>

## **Variance Explanations - 7/31/19 Year to Date Preliminary Financial Statements**

Variance explanations below are provided for those categories that had variances to budget or prior year actual of greater than \$30,000 and 10% YTD through July 2019. The threshold was increased to \$30,000 because this is approximately 1% of budgeted revenue through June 30 and is more meaningful than the \$10,000 threshold. We will look to adjust this each quarter.

### ***Operating Revenues:***

- 1 **Passenger Landing Fees** - Passenger landing fees are 16.8% above budget and 13.6% above the prior year actual revenue due to the increase in commercial landings YTD through July 2019 compared to July 2018. Total commercial landings are 6% higher than 2018, the remainder of the increase is primarily due to increases in landed weight.
- 4 **Non-Passenger Landing Fees** - Non-passenger landing fees are below the prior year actual revenue due to the change in flight schedules for Fed Ex and the decreased revenue in July 2019 compared to July 2018 related to the fire mitigation efforts staged from GJT. In the first part of 2018, Fed Ex had 2 regular flights, while they only have one in 2019. YTD through July 2019, there have been 60 fewer cargo landings compared to 2018. This was anticipated and budgeted for, therefore the YTD revenue through July 2019 meets expectations.
- 11 **Rental Cars** - Rental Car Revenue exceeded budget and prior year revenue year to date through July 2019 as a result of the higher than expected passenger traffic. The average daily rate YTD is approximately \$4 higher YTD through July 2019 than YTD through July 2018 and we have also seen a 2% increase in rental days compared to 2018.
- 12 **Parking and Ground Transportation** - Parking and GT Revenue exceeded budget and prior year revenue year to date through July 2019 due to higher than expected passenger traffic. The number of tickets has increased for 6 consecutive months, however, the average length of stay decreased for the first time year over year since February 2019. In addition to the increased parking activity, we have seen an increase in TNC trips year over year.

### ***Operating Expenses:***

- 14 **Personnel Compensation & Benefits** – The variance from PY is a direct reflection of the budgeted increase in staff compensation and benefits. The variance to budget reflects some vacant positions at the airport over the past few months.
- 16 **Supplies and Materials** – Supplies and materials purchases are higher than prior year, however, still below the projected monthly budget due to the timing of purchases. The timing of these purchases is somewhat unpredictable and the costs were budgeted to occur evenly throughout the year, however there will be fluctuations depending on the actual timing of the purchases and we are seeing some increases in supplies and materials due to the increased passenger traffic.
- 17 **Contract Services** – Contract services are higher than the prior year primarily related to increasing the security guards hours from last arrival to last departure. However, contract services in total is still within budget for the year.
- 18 **Repairs and Maintenance** – Due to the unexpected nature of repairs and maintenance activity, these costs were projected to be incurred relatively evenly throughout the year, however, there is fluctuation in when these costs are incurred. An increase from prior year was expected and budgeted for and year to date we are still within budget.

### ***Non-Operating Revenues and Expenses:***

- 21 **PFC Revenue** – PFC revenue exceeded prior year actual and current year budget due to increased activity. We are seeing an increase in capacity and total enplaned passengers that we expect to continue throughout the year.

- 22 **Interest Income** - Interest income was budgeted conservatively and assuming that the bond funds would be spent down by now, however, we still have a strong cash balance and did not complete the bond draw until August, therefore interest income exceeded expectations.
- 24 **CFC Revenue** – CFC revenue exceeded prior year actual and current year budget due to increased activity. We are seeing an increase in capacity and total enplaned passengers that we expect to continue throughout the year. CFC charges should, and do, have a positive correlation to rental car revenues.
- 25 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable. We had anticipated a number of costs to be incurred in the first quarter related to 2018 projects that rolled into 2019, and when the budget was completed, we anticipated an earlier start on the terminal renovation project. Currently, we have not completed the renovation and AIP project work as early as anticipated, but the ratio of capital contributions to capital expenditures remains consistent with budget. We will continue to provide updates on projects as they progress.



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

		Month Ending 07/31/2019	Month Ending 06/30/2019	Variance
<b>Assets</b>				
Current Assets				
	Cash and Cash Equivalents - Unrestricted	\$ 4,025,707	\$ 3,357,202	\$ 668,505
	Cash and Cash Equivalents - Restricted	2,792,630	3,294,459	(501,828)
1	<i>Total Cash and Cash Equivalents</i>	<u>6,818,337</u>	<u>6,651,660</u>	<u>166,677</u>
Accounts Receivable				
	Accounts Receivable - Ops	641,924	1,127,760	(485,836)
	Accounts Receivable - Capital	1,816,464	2,176,036	(359,572)
2	<i>Total Accounts Receivable, Net</i>	<u>2,458,388</u>	<u>3,303,797</u>	<u>(845,408)</u>
3	Prepaid Expenses	126,143	139,642	(13,499)
	<i>Total Current Assets</i>	<u>9,402,868</u>	<u>10,095,099</u>	<u>(692,231)</u>
<b>Non-Current Assets</b>				
Capital Assets				
	Capital Assets not subject to depreciation	19,543,446	19,543,446	-
	Capital Assets subject to depreciation, net	47,330,188	47,691,098	(360,910)
4	<i>Total Capital Assets, Net</i>	<u>66,873,634</u>	<u>67,234,544</u>	<u>(360,910)</u>
5	Bond Project Fund	9,338,732	9,321,145	17,587
	<i>Total Non-Current Assets</i>	<u>76,212,367</u>	<u>76,555,689</u>	<u>(343,323)</u>
	<b>Total Assets</b>	<b><u>85,615,235</u></b>	<b><u>86,650,788</u></b>	<b><u>(1,035,553)</u></b>
6	<b>Deferred Outflows of Resources - Pension Plan</b>	<b><u>413,509</u></b>	<b><u>413,509</u></b>	<b><u>-</u></b>
<b>Liabilities</b>				
Current Liabilities				
7	Accounts Payable - Ops	213,047	305,710	(92,663)
7	Accounts Payable - Capital	2,500,321	3,094,664	(594,343)
8	Accrued Expenses	251,918	232,462	19,456
9	Lease Deposits	164,546	164,556	(10)
10	Deferred Revenue	20,497	22,586	(2,089)
11	Current portion of note and bonds payable	1,022,183	954,667	67,515
	<i>Total Current Liabilities</i>	<u>4,172,512</u>	<u>4,774,645</u>	<u>(602,133)</u>
Long Term Liabilities				
	Bond Payable	19,073,896	19,073,896	-
	Deferred Revenue	444,933	444,933	-
	Net Pension and OPEB Liability	2,775,984	2,775,984	-
12	<i>Total Long Term Liabilities</i>	<u>22,294,813</u>	<u>22,294,813</u>	<u>-</u>
	<i>Total Liabilities</i>	<u>26,467,325</u>	<u>27,069,458</u>	<u>(602,133)</u>
13	<b>Deferred Inflows of Resources - Pension Plan</b>	<b><u>518,872</u></b>	<b><u>518,872</u></b>	<b><u>-</u></b>
	<b>Total Net Position</b>	<b><u>\$ 59,042,547</u></b>	<b><u>\$ 59,475,967</u></b>	<b><u>\$ (433,420)</u></b>

## **Variance Explanations - 7/31/19 Statement of Financial Position**

***Assets: Total Assets decreased by approximately \$1M From June 2019 to July 2019 due to monthly depreciation expense of approximately \$340k and a decrease in receivables of \$845k.***

- 1 **Cash** – The total increase in cash is primarily a result of our collections of outstanding receivable this month that was greater than the amount of payments made to our vendors. The change between restricted cash and unrestricted cash is due to the transfer and release of restricted PFC and CFC funds that have been spent and transferred to our unrestricted operating account. In August, we completed the anticipated transfer of bond funds totaling approximately \$4.5M.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Both operating receivables and capital receivables decreased in July due to the timing of payments. The receipt of operating payments and reduction in this receivable was not the result of one or two customers with old balances, but timing differences for receiving multiple customer balances for airlines and rental cars. Approximately \$1.5M of receivables are related to grants that are substantially complete and will not be reimbursed until the project is closed out.
- 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.
- 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. We may look to change this practice going forward, but we are still working on making other improvements to the financial reporting and closing process first. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation based on assets placed in service as of December 31, 2018.
- 5 **Escrows and Reserves** – The Escrow and reserve balance represents unused bond funds. As noted in the Cash explanation, a bond draw was completed in August totaling approximately \$4.5M, however, the only change in July was interest income.

## ***Deferred Outflows of Resources:***

- 6 **Deferred Outflows of Resources - Pension Plan** – The deferred outflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Due to the timing of when the pension liability is estimated and reported on by PERA and the timing of when each local government entity must present financial statements, there is a one year lag in the calculation of the pension liability. We are therefore reporting our estimated liability based on information calculated as of December 31, 2017 for reporting in our 2018 financial statements. The deferred outflows of resources essentially represents decreases in the net pension liability related to 2018 activity that will not be recognized in the Pension liability until 2019. These amounts will not change until next year's liability is calculated.

***Liabilities: Total Liabilities decreased \$600k from June 2019 to July 2019. This was driven almost entirely by payments made towards capital projects.***

- 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. In July, we paid down approximately \$600k more than we incurred for the month, resulting in a decrease in the balance. Accounts payable and receivable should have a positive correlation in periods when we are working primarily on AIP projects where the majority of the cost is funded by the FAA. In July, the majority of the activity was related to the terminal so there is not a direct correlation.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used PTO (approximately 140,000) and payroll accruals to properly recognize payroll expenses in the periods that the employees have worked. Changes in this account month to month are almost entirely related to changes in the payroll accruals.
- 9 **Lease Deposits** – Lease deposits are primarily made up of General Aviation Lease deposits that were required in the standard ground lease based on a number of month's rent. These amounts are payable back to tenants when the lease term is over if the property does not require additional work to be done by the Airport. The balance of deposits typically does not change from period to period unless a lease period ends.
- 10 **Deferred Revenue** – This liability represents rent received in advance and is primarily made up of a pre-payment received by the BLM in 2017. Prepaid rent is a liability because we have not provided our tenant with the space for the period of time that they paid us for.
- 11 **Current Portion of note and bonds payable** – This balance represents principal and interest due on the outstanding revenue bonds. The change from month to month is the accrued interest payable associated with the current month.
- 12 **Long-Term Liabilities** – The bond payable balance will only changes as principle payments are made twice per year, therefore there is no change from the prior month. The net Pension liability is also only calculated annually, so there will be no change in this amount. This is the actuarial estimate of the airports portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents pre-paid revenues for years after 2019.

***Deferred Inflows of Resources:***

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