

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

Date: APRIL 19, 2016

**Location: GRAND JUNCTION REGIONAL AIRPORT
AIRPORT TERMINAL BUILDING – 2ND FLOOR
2828 WALKER FIELD DRIVE, GRAND JUNCTION, CO**



EXECUTIVE SESSION AGENDA

Time: 3:00PM – 5:00PM

I. Call to Order

II. Motion into Executive Session

To confer with the Grand Junction Regional Airport Authority’s legal counsel for the purpose of receiving legal advice in regard to ongoing litigation and other related matters and to discuss the potential resolution of those litigated matters and the terms and conditions upon which those matters could be resolved, as authorized by C.R.S. § 24-6-402(4)(b) and (4)(e)(I). Also, to confer with the Grand Junction Regional Airport Authority’s legal counsel for the purpose of receiving legal advice relating to a pending investigation and other related matters, as authorized by C.R.S. § 24-6-402(4)(b).

III. Adjourn Executive Session

REGULAR BOARD MEETING - AMENDED

Time: 5:15PM

I. Call to Order

II. Approval of Agenda

III. Conflict Disclosures

IV. Commissioner Comments

V. Citizens Comments

The Grand Junction Regional Airport Authority welcomes public comments at its meetings. The Citizens Comment period 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 Clerk for distribution to the Board. The Board Chairman will indicate when you may come forward and comment. Please state your name for the record.

VI. Consent Agenda

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

A. March 15, 2016 Regular Meeting Minutes	1
B. Pay Request: G4S February Billing	2
C. Purchase Request/Asset Disposal – Riding Mowers	3

D. Pay Requests: Mead and Hunt – AIP 49	4
E. Pay Request: Mead and Hunt– TAP Update	5
F. Pay Request: Intervistas – Airservice Development Project	6
G. CPW Non-Standard Form Lease	7
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I. Annual Insurance Renewal	9

VII. Presentations

- A. Annual Audit Report (Presented by: Lisa Meachem, EKS&H)

VIII. Discussion Items

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| A. Financial Update (Presented by: Ty Minnick) | 10 |
| B. Security Solutions Committee Update (Presented by: Chairman, Steve Wood) | |
| C. Projects Update (Presented by: Ben Johnson) | |
| D. Air Service Development Committee Update (Presented by: Commissioner Rick Taggart) | |
| 1. Air Service Incentive Program | 11 |

IX. Action Items

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| A. Resolution2016-004 – Updated Rates and Charges (Presented by: Ty Minnick) | 12 |
| B. Contract Awards – AIP 52 (Presented by: Ben Johnson) | |
| 1. Taxiway Rehabilitation | 13 |
| 2. Lighting/Segmented Circle Modifications | 14 |

X. Any other business which may come before the Board

XI. Adjournment

DIRECTIONS TO MEETING LOCATION:

GRAND JUNCTION REGIONAL AIRPORT - TERMINAL
 2828 WALKER FIELD DRIVE, SECOND FLOOR
 GRAND JUNCTION, CO 81506

Grand Junction Regional Airport is located at the end of Horizon Drive, north of Interstate 70. Parking is available in the Airport’s main parking lot. Please bring your parking ticket into the meeting, and we will validate the parking ticket. [Map of the Airport Campus](#)



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
March 15, 2016

EXECUTIVE SESSION

Time: 3:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

To confer with the Grand Junction Regional Airport Authority's legal counsel for the purpose of receiving legal advice relating to a pending investigation, as authorized by CRS§24-6-402(4)(b)

III. Adjourn Executive Session

SPECIAL COMMITTEE MEETING (Airport Manager Selection Committee)

Time: 5:15PM

I. Call to Order

Commissioner Murray call the Special Airport Manager Selection Committee Meeting of the Grand Junction Regional Airport Authority to order at 5:36PM on March 15, 2016 in Grand Junction, Colorado and in the County of Mesa.

II. Public Comments

None.

III. Discussion Items

A. Airport Manager job search goals

1. Job Description

Commissioner Murray said that they have looked at the job description and there is not much modification that has been made to it. The recommendation is to add a couple of lines for clarity of what they are looking for, specifically, to the position's requirements for minimum education and experience. Commissioner Murray said that under "experience and planning" he added "directing and administering all function and activities of the airport and its premises for clarification, as well as "commercial and general aviation" for operations. Commissioner Murray said that under "minimum required skills" he added "must have strong leadership experience and the ability to develop working relationships

with community leaser, board commissioners, agency representatives, tenants and employees. He also added, "Must have team building skills." In the checklist for scoring for potential applicants, Commissioner Murray added, "Experience with commercial airport operations and management leadership role" as well as "Experience with general aviation and management and or/ leadership role."

2. Deadlines for application

Commissioner Murray said that they had 68 applications and they maintain those applications on file following labor laws and they have several folks in the pool that ranked in their top 10 that they can reach back out to as one considerations. Commissioner Murray recommended to post the position as soon as possible and put a two week deadline on it.

3. Requirements for applicants

Commissioner Murray said that all applications will be scored and the committee will define the limit just as they did before for what they want to see in applicants on the score sheet.

4. Selection procedures

Commissioner Murray asked for Mr. Johnson to gather all applications and he and Mr. Ball will look at them.

5. Timeframe for appointment

IV. Adjournment

Commissioner Ball moved to adjourn the Special Committee Meeting. Meeting adjourned at 5:44PM.

REGULAR BOARD MEETING

Time: 5:45PM

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:45 PM on March 15, 2016 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

Steve Wood, Chairman
Paul Nelson, Vice Chairman
Troy Ball
Dave Murray
Rick Langley
Rick Taggart

Other:

Wayne Clark, Citizen
Shannon Kinslow, TOIL
Darlene Smith, Open Range Gift Shop
Alan G., Tailwind
Diane Stephens, Citizen
Steve Stephens, Citizen
Jeff Switzer, Tailwind
David Dague, InterVISTAS
Drew Armstrong, Citizen
Eric Trinklein, Armstrong
Kathleen Sickles, Citizen
Ben Hill, Hill & Holmes
Ron Nunnery, GJ Aircraft Sales
Derrick Worden, CEC

Airport Staff:

Victoria Villa, Clerk
Ty Minnick
Ben Johnson
Ben Peck
Chance Ballegeer
Brian Harrison

II. Approval of Agenda

Commissioner Ball moved to approve the agenda. Commissioner Nelson seconded. Voice Vote. All Ayes.

III. Conflict Disclosures

Chairman Wood – Hangar Owner

Commissioner Nelson - None

Commissioner Ball – None

Commissioner Murray - None

Commissioner Langley- None

Commissioner Taggart - None

IV. Commissioner Comments

None.

V. Citizen Comments

1. Darlene Smith

Topic of Comment: Open Range

"Hello my name is Darlene Smith, I was born in Grand Junction and I have worked for Open Range Shop for seven years. Not a week goes by that I don't receive numerous compliments regarding our gift shop. Some examples of the types of comments I receive are "Your gift shop makes flying out of Grand Junction enjoyable. I look forward to getting through TSA and coming into your shop." "Your Gift Shop is the reason I fly out of Grand Junction." I have been told by my regular passengers that live in Aspen, Eagle, Gypsum, Glenwood Springs and Montrose that they could fly out of closer airports but choose to fly out of our airport specifically because of Open Range Gift Shop. Open Range Gift Shop has served this community for 46 years. The owners have weathered the valley's economic lows, holding steadfast in their commitment to serve our valley's arriving first time visitors, repeat visitors and our business travelers. I cannot

count how many times I have been told "it is so good to see you and be back in your shop. Your guys are the best." "This is the best airport gift shop I have ever been in". Whose idea was it to combine the retail business with the food service and the reasoning behind it? Especially when the airport has been fortunate enough to have a successful long term leased retail business. If Tailwind left a successful business in the Aspen Airport as it says on their website, what's to stop them from pulling out of Grand Junction Regional Airport when the Grand Valley hits the low ebb as we all know how our economy has its up and downs more so than other areas. The owners of Open Range have stood by the airport in bad economic times. You have taken a sure thing and replaced it with an unknown. No one pulls out of a successful business; I believe there is more to Tailwind pulling out of Aspen than we are aware of.

For this board to not renew Open Range's lease and to bring in an out of state business is deplorable. You are not only responsible for the closing of a successful local 46 year business but you are also responsible for affecting our local vendors. The owner of Open Range have been here since Mr. Paul Nelson and I graduated from Grand Junction High School. I feel the Airport Authority Board has again made another very bad decision for this community and the traveling passengers.

According to one news report, the chairman of Grand Junction Regional Airport Authority said over the phone that Open Range "did not tender a Request for Proposal" to the committee. The news also reported that Tailwind won the bid and that 4 bids were turned in. Who submitted the other 3 bids? Please explain how the percent of profits were determined to be in Tailwinds favor.

Since the news broke about our Gift Shop's lease not being renewed, I have heard comments from passengers regarding the Airport Authority Board, comments ranging from your lack of ethics to possible corruption. This is dis heartening to hear.

My disappointment in this board's decision is monumental. Every person sitting on this board should be ashamed of himself. In closing, I implore the Airport Authority Board to think of the ramifications of your actions and to always make decisions based on what is best for the airport and our community."

Commissioner Taggart commented and said that he was part of that committee and he has empathy for the fact that Open Range has ran this business for 46 years. At the same time there was a process that was laid out in the RFP and if you chose not to participate in total in the process, to then come back and say it was unfair and/or it was tainted in any way, is not being remotely fair. The RFP that they submitted did not, other than saying Open Range was a part of it, there were several things missing. One, there were no financial statements, and the RFP was very specific that there needed to be financial statements. Two, there was a request and it was a point total of 25 points in the presentation as to what they were going to do to develop the site for

the future, there was nothing. Commissioner Taggart said that if Open Range chose to not to fill out the RFP in total and they knew that there was a point total and the competitors of three others in fact did that, how is that the fault of the Airport Authority? Commissioner Taggart said that to the comment about combining both food service and gift shop, they had the ability as a part of the RFP to say “look we don’t think you should do that” and if they had said that and put it in writing then staff could have brought it back to the committee and it would have been looked at to possible separate them. The Board had no way of knowing that, Open Range put their name as a part of the joint bid as if that’s what they wanted submitted and then to say there is something tainted and wrong afterwards...as much as he has tremendous empathy, that is not remotely fair.

Ms. Smith said that she was under the impression that the bid was submitted in combination with J&L Subway and Open Range Gift Shop.

Commissioner Taggart asked if she read what was submitted.

Ms. Smith said no she was not privy to that information.

Commissioner Taggart said she should have been because they decided to participate with J&L and she should have had every bit as much input, and he doesn’t understand why Open Range and J&L didn’t get together to review the RFP.

Ms. Smith said that she is just present as a citizen of the Community.

Commissioner Taggart said that he understands but this was an RFP process and now she is criticizing the entire Board as if they did something wrong when they were very clear that this was an RFP process and it included both the food service and the gift shop and if they didn’t want it to be that way the time to solve that was way back in December but no one said anything and it just got submitted very incomplete. All the committee could go by is very incomplete information and the score showed that and the score was a quantitative score, it was published in advanced what that quantitative score was going to be and that’s what both staff and the committee that worked with staff went by.

Commissioner Murray said that he empathizes with Ms. Smith as well and thanked her for the service Open Range provided. Commissioner Murray said that if there are ever any ethics or compliance issues he would like to know about it, he’s a compliance guy and he’s certified in that and he sat on this committee. When they evaluate the responses to a request for proposal they follow federal guidelines and the response that the owner submitted was incomplete and the owner did not raise any of those issues and they would have been more than happy to address those at the time. Commissioner Murray said that they went through a pretty straight forward

honest process in terms of the evaluation of the RFPs and how they came about with the decision that they made.

2. Steve Stephens

Topic of Comment: Tailwinds/Open Range Gift Shop

Mr. Stephens said that he had a letter published in the Summit Daily in regards to the Open Range Gift Shop and the Board has answered some of his questions. Mr. Stephens said one of the things that stuck with him is the RFP request and that in years past the RFP hasn't combined both gift shop and food service operation. By making that RFP combined those two operations, the Board essentially eliminated Open Ranges' ability to bid competitively. Mr. Stephens said that is all he has to say now that he's gained a few more facts since he wrote that letter. Mr. Stephens said he is going to be sorry to see Open Range Gift Shop go. It's been a good business.

Commissioner Taggart said that it's difficult to hear now that they didn't participate in the RFP and that they wanted them separate, because there was a time to have that discussion. It doesn't sound like J&L and Open Range was talking and he still doesn't know how that's the airport authorities responsibility.

VI. Consent Agenda

- A. January 25, 2016 Special Meeting Minutes
- B. February 16, 2016 Regular Meeting Minutes
- C. Pay Request: G4S February Billing
- D. CarpeTime Invoice
- E. West Star Inc. Name Change

Commissioner Ball moved to approve the consent agenda. Commissioner Nelson seconded. Voice Vote. All Ayes.

VII. Presentations

A. Intervistas Presentation

Mr. Dave Dague said since he was last here and presented the first phase, they have gone through two other phases which was a business survey and the strategic air service plan. Mr. Dague gave a power point presentation for the Board. The presentation went through air service overview as well as expansion of air service at Grand Junction.

Presentation attached

B. Clean Energy Collective Presentation

Mr. Derrick Worden from Clean Energy Collective, a solar company based out of Louisville Colorado, presented to the Board. Mr. Worden said that what they do is they bring solar to those who are not good candidates for solar because they may not have good house design, have big shade trees, they live in an apartment etc.

They do this by building a solar site in a neutral location and they open it up for people to purchase the solar capacity in their community. Mr. Worden proposed to the Board to locate a solar array on some of the airport property. Mr. Worden briefly discussed how it works. Mr. Worden said that they build these sites and work with excel who is the utility provider. Excel released an RFP recently and they have a few weeks to submit their proposals. Mr. Worden said that they are looking for is 1 to 2 megawatt sites which is roughly 8 acres for one megawatt site and 16 acres would be a 2 megawatt site and is a 20 year agreement. They start out at \$1,000 per acre per year. Mr. Worden said that what they are asking for today is a letter of intent from the Board stating that GJRA is interested in proposing one of its sites to excel. At this point GJRA isn't held to anything if Excel doesn't choose their project. If they do choose GJRA's project it will be up for negotiation.

The Board is interested in submitting a letter of intent. Airport Counsel will review the blank letter left by Mr. Worden.

The Board took a brief break.

Note: Commissioner Taggart had to leave the meeting

VIII. Discussion Items

A. Financial Update

Financial update presented by Finance Manger Ty Minnick.

Assets

1. Unrestricted – cash showed a large decrease in the balance due to the payment to Shaw in January 2015
2. Prepaid expenses are consistently being amortized over the term of the insurance policy.
3. Restricted assets are consistent with the use of the PFC cash received. Customer facility charge is showing increase due to the increase in the CFC charge, this account will be reduced \$116,000 in March for the quarterly SIB loan payment.

Liabilities

1. Accounts payable showed a large decrease in the balance due to the payment to Shaw in January 2015
2. Other assets are consistent from December 2015 to February 2016.

Aeronautical Revenue – revenue is consistent with budget and prior year.

Non-Aeronautical Revenue – the budget included a reduction in rent revenue received for the Terminal third floor, currently rented by the TSA. The anticipated relocation of the Authority administrative offices to the third floor has been delayed, therefore we are still receiving TSA rent revenue.

Operating Expense

1. Personnel expense is consistent with the reduction of administrative staff in January 2016.
2. Contract services are higher compared to budget and 2015 due to the increased legal expenses.

Non-operating Revenue/Expense – CFC’s are greater than budget and prior year with the increase in the CFC rate in February from \$3.80 to \$4.00 per rental day and the higher than budgeted enplanements.

ENPLANEMENTS

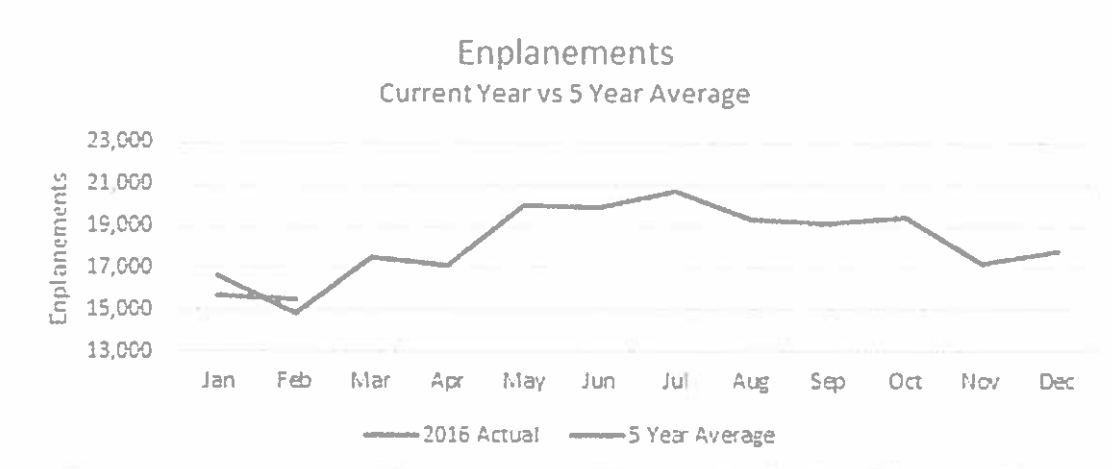
2016 vs 2015

	Month	Year to Date
2015	13,904	29,276
2016	15,509	31,244
Difference	1,605	1,968



Historical Average

	Month	Year to Date
5 Year Average	14,816	31,424
2016	15,509	31,244
Difference	693	(180)



B. Security Solutions Committee Update

Chairman Wood briefed the Board and said that since the last update, the contactors are scheduled to arrive Sunday evening and could start there Monday morning.

C. Projects Update

Mr. Johnson briefed the Board. Mr. Johnson said that not a lot has changed since the last update. AIP 49 which is the EA for the new runway, has been circulated and is waiting for the final signature. AIP 52, the taxiway rehab/segmented circle, they are working through a concern brought up by the FAA so they are working on what the next step is. AIP 54, the apron reconstruction will be discussed later in the agenda. AIP 55, runway RTR design, is still waiting on the EA to be signed and they can't do anything on that until the EA is complete. AIP 56, the terminal area plan, they are waiting on a response to a couple questions about grant and procedural complications for the FAA.

D. GA Development Requests/Possible Workshop

Mr. Johnson briefed the Board on a letter of intent from Bruce Verstraight. Mr. Johnson said that they are interested in leasing a parcel on the airport to build a hangar or two. Ben Hill and Ron Nunnery is present to explain and answer any questions.

Mr. Hill said that they have been talking with a company that wants to pursue a part 135 operation and build a large hangar and there's a possibility that there's another company that wants to follow suit with them.

Different location options were discussed.

There will be a midday workshop scheduled to further discuss this topic as well as the minimum standards.

E. Revised Minimum Standards

Commissioner Ball said that the Minimum Standards Committee has just about finish the revisions that they would like to see put in place and if they have a workshop within the next couple of weeks, if possible, they can then submit to the Board a final revision.

This topic will be part of the workshop on Tuesday March 22nd.

IX. Action Items

A. Revised Banking Resolution

This resolution is just adding Mr. Ben Johnson on there to get a second staff member on to their signature cards and removing the former executive director. So now Mr. Johnson and Mr. Peck will be staff signatories.

Commissioner Nelson moved for the Board to adopt resolution number 2016-003 concerning revised resolution on bank accounts. Commissioner Ball seconded. Roll Call Vote. Commissioner Ball: Aye; Commissioner Nelson: Aye; Chairman Wood: Aye; Commissioner Wagner: Aye; Commissioner Langley: Aye; Commissioner Murray: Aye. Motion carries.

B. Tailwinds Selection, Contract and Addendum

Mr. Minnick briefed the Board. Mr. Minnick said that this is a continuation from the last board meeting. The main operating lease is finalized, Airport counsel Ben Wegener and Tailwind has reviewed it and approved it.

Mr. Jeff Switzer from Tailwind said that one of the things they've realized in working the space is that they talked about in their proposal is that the bar they wanted to build inside that food service area is not enough room and is going to be too crowded. Mr. Switzer proposed to the Board to put in a bar in the upper boarding area but away from the windows so they won't block the view.

Commissioner Rick Wagner moved for the Board to approve the lease and concession agreement including addendum one and to authorize the Board Chairman to execute the document. Commissioner Ball seconded. Voice Vote. All Ayes.

C. Task Order – Armstrong Consultants

Mr. Johnson briefed the Board. Task order J is for the construction and administration, the management fees for the first phase of the Apron reconstruction (AIP 54). Mr. Johnson said that this year they are planning on doing the east side of the apron and all of that pavement will be replaced. The scope of work has been approved by the FAA (approval letter in board packet). The fees have not been approved yet by the FAA. They did get the IFE for the project and it did come back within the acceptable 10%. Once they obtain the concurrence of the fees, they can bid out the project. Mr. Johnson said that they are anticipating a July start time and a 120 day construction period on the ramp. Staff recommends for the Board to approve the task order pending approval of the fees by the FAA.

Commissioner Nelson made a motion to authorize the Chairman to execute task order J contingent upon FAA concurrence on the fee amount. Commissioner Langley seconded. Voice Vote. All Ayes.

D. CPW Non-Standard Lease Renewal

Mr. Chance Ballegeer briefed the Board. Mr. Ballegeer said that Colorado Parks and Wildlife is wanting to go the new ground lease agreement but because they're a State entity there are certain things in the standard lease that they don't have to participate in so it makes it a non-standard aeronautical ground lease agreement. Mr. Ballegeer stated that the CPW said they don't pay a security deposit, however, there is a security deposit on file for the CPW that was paid in 1994 of \$212.50. Mr. Ben Wegener has reviewed this agreement.

Mr. Wegener said that CPW took it out but he would keep in the language about hazardous materials that they're not going to store any hazardous materials.

Commissioner Wagner made a motion to approve the CPW non-standard lease renewal. Commissioner Langley seconded. Voice Vote. All Ayes.

E. Rocky Mountain Hangar Association Leases

Mr. Ballegeer briefed the Board. Mr. Ballegeer gave the Board a termination of ground lease agreement that was written by Mr. Wegener and a letter from Songer's attorney, explaining the reasoning why the Rocky Mountain Association wants to break up. All parties are willing to sign the termination and move to new individual leases.

Mr. Wegener advised the Board to authorize the chairman to sign the agreement if all conditions are met of all four individuals signing a lease..

Commissioner Wagner moved to authorize the Chairman to sign the lease proposal as presented tonight with the appropriate minor modifications as outlined by Mr. Wegener, at such a time as the airport is in possession of four signed leases and will execute the termination of the lease and reincorporate. Commissioner Ball seconded. Voice Vote. All Ayes.

F. Junction Aerotech LLC Lease Addendums

Mr. Wegener briefed the Board. Mr. Wegener said that Mr. PJ McGovern has three leases that expire in 2024, 2025 and 2028 and he would like to go on the standard form lease but instead of having three leases her would like to consolidate them all into one. The only issue is Mr. McGovern would like to use the last one of 2028 as the termination date but because of that the options to renew would violate the 50 year rule for the two prior leases. Mr. Wegener said to correct it, instead of having four five-year options at the end, he will have four four-year options and that won't violate the 50 year rule.

Commissioner Wagner made a motion for the Board to authorize the Chairman to execute the agreement. At such time as the Chairman is presented with proof that West Star has executed its portion of the lease approval and that the transaction is outlined in

the materials supplied to the Board take place contemporaneously. Commissioner Nelson seconded. Voice Vote. All Ayes.

IX. Any other business which may come before the Board

None.

X. Adjourn

Commissioner Murray moved to adjourn the meeting. Commissioner Ball seconded. Voice Vote. All Ayes.

The meeting adjourned at 9:23PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	G4S Invoice
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends the Board authorize the payment of G4S Invoice 768114 for the amount of \$12,152.88
LAST ACTION:	N/A
DISCUSSION:	<p>This invoice is the monthly billing for February 2016 for the ongoing monthly costs for security guard services in the Terminal. This cost is recovered from signatory air-carriers.</p> <p>The invoice exceeds \$10,000, therefore requiring Board approval.</p> <p>Staff has reviewed the invoice and has no concerns.</p>
FISCAL IMPACT:	\$12,152.88
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	G4S Invoice 768114
STAFF CONTACT:	Chance Ballegeer Email: cballegeer@gjairport.com Office: 970-248-8586

INVOICE

G4S Secure Solutions (USA) Inc.
1395 University Blvd | Jupiter FL 33458

Website: www.g4s.com/us
Contact Us: (303) 341-4433
Federal ID: 590857245



Bill To: Chance Ballegeer
Grand Junction Regional Airport Authority
2828 Walker Field Dr Ste 301
Grand Junction CO 81506-8667

Service: 2828 Walker Field Dr Ste 301
Location: Grand Junction CO 81506-8667

Invoice No: 7681140
Amount Due: \$12,152.88
Invoice Date: 03/31/2016
Terms: Payment Due 30 Days
Due Date: 04/30/2016
Customer No: 134423
PO Number:

Please include the invoice number with your payment and remit to:
PO Box 277469
Atlanta GA 30384-7469

Have billing questions? Email us:

Purchase orders: poinfo@usa.g4s.com
Other inquiries: billinghelp@usa.g4s.com

Services Rendered for: 03/01/2016 through 03/31/2016

Invoice Description:

CUSTOM PROTECTION SERVICES
Grand Junction
ional Airport

Week Begin	Week End	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday	Total Hours	Other Qty	Amount (\$)
Armbruster, Scott E											
02/29/2016	03/06/2016	0.00	6.00	8.00	5.50	7.00	11.00	3.50	41.00	0.00	
03/07/2016	03/13/2016	8.00	6.00	8.00	6.50	8.00	0.00	0.00	36.50	0.00	
03/14/2016	03/20/2016	0.00	8.00	8.00	6.75	9.42	0.00	11.08	43.25	0.00	
03/21/2016	03/27/2016	7.67	5.00	8.00	7.00	10.50	0.00	0.00	38.17	0.00	
03/28/2016	04/03/2016	10.50	5.50	8.00	6.50	0.00	0.00	0.00	30.50	0.00	
Baughman, John B											
02/29/2016	03/06/2016	0.00	8.00	6.00	7.00	11.00	0.00	7.50	39.50	0.00	
03/07/2016	03/13/2016	10.00	6.50	5.00	6.00	0.00	0.00	10.25	37.75	0.00	
03/14/2016	03/20/2016	7.75	0.00	4.50	6.00	0.00	0.00	0.00	18.25	0.00	
03/21/2016	03/27/2016	8.00	8.00	4.50	6.00	8.00	0.00	2.50	37.00	0.00	
03/28/2016	04/03/2016	7.00	7.00	4.92	6.00	0.00	0.00	0.00	24.92	0.00	
Falk, Darin H											
03/07/2016	03/13/2016	0.00	0.00	0.00	0.00	5.25	11.00	4.00	20.25	0.00	
03/14/2016	03/20/2016	0.00	0.00	0.00	0.00	0.00	11.00	4.00	15.00	0.00	
03/21/2016	03/27/2016	0.00	0.00	0.00	0.00	0.00	11.25	0.00	11.25	0.00	
Troncoco, Daniel L											
03/14/2016	03/20/2016	10.25	4.50	0.00	0.00	8.08	0.00	0.00	22.83	0.00	
03/21/2016	03/27/2016	0.00	0.00	0.00	0.00	0.00	0.00	9.50	9.50	0.00	
Armed CPO-REGULAR						425.67	Regular Hours	at	28.55	12,152.88	
Subtotal									425.67		12,152.88
Invoice Total											12,152.88

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Asset Disposal/Purchase Request
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends that the Board approve disposal/purchase of, by trade, the John Deere and Walker Mowers from U.S. Tractor.
LAST ACTION:	None
DISCUSSION:	<p>Staff is proposing to trade two mowers in for like mowers. These ride-on mowers are used for landside maintenance. The Airport typically trades these mowers in every two to three years while they still have good trade value and before they begin to have significant maintenance problems. These mowers are heavily used in the summer months.</p> <p>Staff performed its due diligence in this purchase, but many factors, including limited competition, complicated the process. Staff feels the due diligence is adequate and met with purchasing requirements.</p> <p>A summary of procurement activities is attached, as well as the Price Comparison paperwork.</p>
FISCAL IMPACT:	<p>Purchase and amounts below are in the 2016 Budget.</p> <p><u>John Deer Mower Trade</u> 2014 John Deere 997 \$15,993.00 Trade in allowance \$\$8,500.00 Net Cost \$7,493.00</p> <p><u>Walker Mower Trade</u> 2015 Walker \$16,450.00 Trade in allowance \$7,650.00 Net Cost \$8,800.00</p>
COMMUNICATION STRATEGY:	None.
ATTACHMENTS:	<ol style="list-style-type: none">1. Procurement Activity Summary2. Price Comparison – JD 9973. Price Comparison - Walker
STAFFCONTACT:	Fidel Lucero Office: 970.248.8585 Email: flucero@gjairport.com

Purchase of new mowers

Started process for pricing new mowers for the Grand Junction Regional Airport. First I researched local dealers that offer commercial Grade mowers and found three dealers, Western Implement, US Tractor, and All Seasons rental. I then requested in person an estimate for their models of mowers that would best meet the outlined needs of the airport based on past and present use and on the recommended needs by the departments that will be using them.

- Diesel engines (for longevity of life, HP rating and fuel compatibility with airport blended fleet)
- Material versatility (ability to be able to transition from Grass cutting to airfield use on weeds)
- Parts availability (Critical down parts 2 or more days)
- Warranty
- Compatible operational features required for use on land side / Airfield terrane (deck size)
- Service and support during and after the warranty period
- Trade in value for currently owned machines (997Z and Walker mower)
- Return on investment value

Large mower:

For this class of machine staff feels that it would be most beneficial to the Airport to stay with a John Deere 997Z for these reasons:

- US Tractor (local John Deere Dealer) is the only dealer to offer the Airport Trade value for currently owned machine of \$8500.00 towards the purchase of a new Deere 997-Z . By doing this greatly offsets the final cost of the John Deere unit, trade in value is not offered by other dealers although unit consignment was offered by Western Implement.
- The John Deere mower is a higher quality constructed machine over all with a one piece heavy duty frame, a heavy duty electrical system to support the airport required airfield radios and additional lighting.
- The John Deere mower has the highest industry standard for safety, lowest operational costs, and a proven high return on investment for the Airport of over half its initial investment costs to the airport in trade in value.
- The John Deere mowers have a proven low maintenance cost to the airport which translate too little to no down time due to break downs and predictable maintenance costs from year to year.
- Kubota unit was not recommended by the dealer for use on airfield cutting weeds and shrubs up to .5 inches, where the John Deere unit can transition to airfield heavy use with no operational problems also the cooling package on the John Deere is more robust to handle summer time dusty operations where the Kubota is not.
- Parts availability for the John Deere unit is proven to provide less than one day down time with no next day service charge on parts in most cases during peak grass cutting season, not offered by Kubota or Hustler.
- Warranty repairs and parts are also offered to the Fleet department during the machines warranty period as an option to minimize the impact of the machines down time during a break

down. This also not offered by the other dealers. Loaner units have been offered to maintain the airports operations during machine down times during warranty repairs by the John Deere dealer, this is not a common practice or offered by other dealers.

- The Airport Fleet department also has been able to request technical and electrical information from the John Deere dealer for non-warranty repairs on all airport owned John Deere units with no problems. Fleet has not experienced this level of service from the other dealers in past repairs.

Mid-size class mower:

For this class of mower the airport staff feel that the Walker mower would be the best overall value and meet the operational needs required by the land side operations staff for these reasons:

- US Tractor (local John Deere Dealer) is the only dealer to offer the Airport Trade value for currently owned machine. By doing this greatly offsets the final cost of the John Deere unit, trade in value is not offered by other dealers although unit consignment was offered by Western Implement.
- US tractor was the only dealer that could offer this class of mower with a 20.9-HP diesel engine to meet the operational needs of the Airport.
- Parts availability for this unit by the Walker Mower dealer in this class of mower cannot be duplicated by the other dealers, the Walker dealer has all the critical down parts in stock where the other dealers do not warehouse parts they are ordered in as needed.
- Technical support during and after the warranty period for the Walker brand has been proven by the dealer in the past where with the other dealers this is unknown and typically they do all the work in house and as a dealer are not very likely to share technical information as this is where they make their money selling their service.
- The walker mower has a more robust frame construction over the other brands, and it's over all construction is of a higher quality which relates to a longer service life, less down time, and lower operating costs for the Airport.
- The Walker mower has the highest return on investment industry standard based on cost of ownership in relation to maintenance costs. After five years of service at the airport the Walker mower is returning over half of its initial purchase price in trade in value towards another Walker. The other dealers are offering the airport no trade in value for the currently owned mower.

Price Comparison for Purchases of
Goods, Materials, Supplies & General Services
\$500 to \$10,000

EVERY PURCHASE OVER \$10,000 MUST BE APPROVED BY BOARD OF COMMISSIONERS

General

To comply with the requirements of our Purchasing and Procurement Policy, you must document a basis for vendor selection and proof of reasonable price by performing a price comparison. If there is justification for not performing a price comparison, document the justification!

Instructions

1. This document is required to be complete and retained for all purchases of goods, services, supplies, and general services between \$500 and \$10,000.
2. This form should not be used to document a Request for Proposal process.
3. Please submit this completed form, and any other documentation to the appropriate Department Manager, prior to purchase, for pre-approval.

PRICE COMPARISON DOCUMENTATION

NAME OF PERSON COMPLETING FORM: Fidel J. Lucero

DATE: _____

Please attempt to obtain three or more competitive price quotes. Vendors may submit phone, fax, or email price quotes. Online quotes are accepted, but you must obtain at least one quotation in another form.

Items/Services to be purchased:

Items 1: Kubota ZD1211 RL-72 Mower 72" Deck and Mulch kit.

Items 2: 2014 John Deere 997 Commercial Z Trak with 72" Deck. (New)

Items 3: 2016 John Deere Z997R Commercial Z Trak with 72" Deck

Item 4: Hustler Z Diesel 72" 25 HP

PRICE COMPARISON TABLE

	Vendor Name	Vendor Name	Vendor Name	Vendor Name	Vendor Name
Vendor Contact Name, Phone, and Email	Western Implement Brian Koetter 242-5241	U.S Tractor Scott Bond 241-5566	U.S Tractor Scott Bond. 241-5566	All Seasons Rental Mike 241-4368	
Item 1 – Price Quotation	\$ 5,099.00	\$ 15,993.00 2014	\$ 18,332.00 2016	\$ 16,334.00	
Item 2 – Price Quotation	will not take Trade	After Trade- 7,493.00	after Trade- \$ 9832.00	will not take Trade	
Item 3 – Price Quotation					

PURCHASE AWARDED TO (VENDOR NAME): U.S Tractor

If lowest priced vendor DID NOT receive award, please explain: _____

DEPARTMENT MANAGER APPROVAL: _____

AIRPORT MANAGER APPROVAL (IF REQUIRED): _____

If a price comparison WAS NOT performed, please complete the following:

Check the appropriate box, or fill out the “other section.

Purchase requires brand compatibility with existing equipment and is available only from the manufacturer or sole authorized distributor.	<input type="checkbox"/>
Purchase requires a match of currently owned product (e.g., furniture).	<input type="checkbox"/>
Product is under warranty and therefore, purchase was made through the manufacturing company, so that the warranty is not jeopardized.	<input type="checkbox"/>
Emergency Purchase (Must comply with the emergency purchase section of the purchasing and procurement policy).	<input type="checkbox"/>

**Price Comparison for Purchases of
Goods, Materials, Supplies & General Services
\$500 to \$10,000**

EVERY PURCHASE OVER \$10,000 MUST BE APPROVED BY BOARD OF COMMISSIONERS

General

To comply with the requirements of our Purchasing and Procurement Policy, you must document a basis for vendor selection and proof of reasonable price by performing a price comparison. If there is justification for not performing a price comparison, document the justification!

Instructions

1. This document is required to be complete and retained for all purchases of goods, services, supplies, and general services between \$500 and \$10,000.
2. This form should not be used to document a Request for Proposal process.
3. Please submit this completed form, and any other documentation to the appropriate Department Manager, prior to purchase, for pre-approval.

PRICE COMPARISON DOCUMENTATION

NAME OF PERSON COMPLETING FORM: Fidel J. Lucero

DATE: _____

Please attempt to obtain three or more competitive price quotes. Vendors may submit phone, fax, or email price quotes. Online quotes are accepted, but you must obtain at least one quotation in another form.

Items/Services to be purchased:

Items 1: 2015 Walker MDDGHS A mower 42" Deck.

Items 2: Toro Direct Collect Z74312 42" Deck

Items 3: Hustler Fastrak SDx 48" Deck.

PRICE COMPARISON TABLE

	Vendor Name	Vendor Name	Vendor Name	Vendor Name	Vendor Name
Vendor Contact Name, Phone, and Email	U.S Tractor Jerrett Bond 241-5566	Western Implement Brian Koehler 242-5241	All Seasons Rental Mike 241-4368		
Item 1 – Price Quotation	\$ 16,450. ⁰⁰ 42"	\$ 13,899. ⁰⁰ 42"	\$ 9,672. ⁰⁰ 48"		
Item 2 – Price Quotation	After Trade \$18,800. ⁰⁰	will not take Trade	will not take Trade.		
Item 3 – Price Quotation					

PURCHASE AWARDED TO (VENDOR NAME): U.S Tractor

If lowest priced vendor DID NOT receive award, please explain: _____

DEPARTMENT MANAGER APPROVAL: _____

AIRPORT MANAGER APPROVAL (IF REQUIRED): _____

If a price comparison WAS NOT performed, please complete the following:

Check the appropriate box, or fill out the "other section."

Purchase requires brand compatibility with existing equipment and is available only from the manufacturer or sole authorized distributor.	<input type="checkbox"/>
Purchase requires a match of currently owned product (e.g., furniture).	<input type="checkbox"/>
Product is under warranty and therefore, purchase was made through the manufacturing company, so that the warranty is not jeopardized.	<input type="checkbox"/>
Emergency Purchase (Must comply with the emergency purchase section of the purchasing and procurement policy).	<input type="checkbox"/>

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Mead & Hunt Pay Request for AIP-49 Environmental Assessment for the Replacement of Runway 11/29
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends that the Board approve the payment to Mead & Hunt for Invoice No. 259516, in the amount of \$15,959.28.
LAST ACTION:	The Federal Aviation Administration issued AIP Grant 3-08-0027-49 in August of 2011, for the completion of the second phase of an environmental assessment for the replacement of runway 11/29.
DISCUSSION:	This invoice is for the work related to the 404/401 Permit and Land Use/Site Plan as part of the application.
FISCAL IMPACT:	<p>AIP Grant No. 3-08-0027-49 is a 95/5 grant, meaning the FAA's participation is 95% and the Airport's participation is 5%. There is no State funding in this project.</p> <p>Total Project Amount:\$1,248,435.79 FAA Participation: \$1,186,014.00 Airport Participation: \$62,421.79</p> <p>Total project costs to date: \$1,222,608.53 Total AIP eligible costs to date: \$1,146,260.39 Total AIP reimbursements to date: \$1,146,260.39</p>
COMMUNICATION STRATEGY:	None.
ATTACHMENTS:	1. Mead & Hunt Invoice No. 259516
STAFFCONTACT:	Ben Johnson Office: 970.248.8596 Email: bjohnson@gjairport.com



Remit payment to:
 Mead & Hunt | Accounts Receivable
 2440 Deming Way | Middleton, WI 53562-1562
 1-888-364-7272 | AccountsReceivable@meadhunt.com

Invoice

Grand Junction Regional Airport
 2828 Walker Field Drive, Suite 301
 Grand Junction, Colorado 81506

March 15, 2016
 Project No: R2331300-121332.01
 Invoice No: 259516

Project R2331300-121332.01 GJT Grand Junction Regional Airport EA

Phase 2
 Previous Project Number: 540-091111

o See attached Progress Report.

Professional Services from February 1, 2016 to February 29, 2016

Phase	000001	Community Involvement & Coord
Task	00001A	Task 1.1. Study Project Management
Fee		

Phase	Fee	Percent Complete	Earned	Current
1.1. Study Project Management	20,896.00	100.00	20,896.00	0.00
1.2.1 Public Involvement	16,400.00	100.00	16,400.00	0.00
1.2.2. General Agency Coordination	10,348.00	100.00	10,348.00	0.00
1.2.3. Project Communication Plan	7,698.00	100.00	7,698.00	0.00
Total Fee	55,342.00		55,342.00	0.00
		Previous Fee Billing	55,342.00	
Total				0.00
			Total this Task	0.00
			Total this Phase	0.00

Phase	000002	Prepare EA/RMP Amendment
Task	00020A	2.1.1. Identify Range of Alternatives
Fee		

Phase	Fee	Percent Complete	Earned	Current
2.1.1. Identify Range of Alternatives	8,408.00	100.00	8,408.00	0.00
2.1.2. Planning and Engineering Support	587,848.00	99.00	581,969.52	0.00
2.2.1. Air Quality	1,696.00	95.00	1,611.20	0.00

Project	R2331300-121332.01	GJT Grand Junction Regional Airport EA			Invoice	259516
2.2.2. Compatible Land Use	3,368.00	95.00	3,199.60	0.00		
2.2.3. Dept of Transp. Act: Section 4(f)	7,632.00	100.00	7,632.00	0.00		
2.2.4. Fish, Wildlife, and Plants	7,608.00	100.00	7,608.00	0.00		
2.2.5. Floodplains	1,304.00	95.00	1,238.80	0.00		
2.2.6. Haz Materials, Pollution, Waste	1,902.00	95.00	1,806.90	0.00		
2.2.7. Hist, Arch, Archeo, Cult Resource	6,848.00	96.38	6,600.10	0.00		
2.2.8. Light Emissions & Visual Impacts	2,520.00	95.00	2,394.00	0.00		
2.2.9. Natural Resources & Energy Supply	2,956.00	95.00	2,808.20	0.00		
2.2.10. Noise	7,932.00	95.00	7,535.40	0.00		
2.2.11. Socioeconomics	2,956.00	95.00	2,808.20	0.00		
2.2.12. Water Quality	2,956.00	95.00	2,808.20	0.00		
2.2.13. Wetlands and Waters of the U.S.	11,580.00	100.00	11,580.00	0.00		
2.2.14. Surface Transportation Analysis	3,380.00	100.00	3,380.00	0.00		
2.2.15. Wild and Scenic Rivers	315.00	95.00	299.25	0.00		
2.2.16. Other Resource(s) Uses as ID'd	11,872.00	95.00	11,278.40	0.00		
2.2.17. Geographic IS Data Sets	8,008.00	100.00	8,008.00	0.00		
2.2.18. Biological & Cultural Res Inv	175,000.00	100.00	175,000.00	0.00		
2.2.19. Working Paper 1	8,728.00	100.00	8,728.00	0.00		
2.3.1. Air Quality	2,956.00	95.00	2,808.20	0.00		
2.3.2. Coastal Resources	125.00	95.00	118.75	0.00		
2.3.3. Compatible Land Use	3,804.00	95.00	3,613.80	0.00		
2.3.4. Construction Impacts	2,196.00	95.00	2,086.20	0.00		
2.3.5. Cumulative Impacts	2,956.00	95.00	2,808.20	0.00		
2.3.6. Dept of Trans Act: Section 4(f)	20,594.00	100.00	20,594.00	0.00		
2.3.7. Farmlands	1,260.00	95.00	1,197.00	0.00		
2.3.8. Fish, Wildlife, and Plants	14,480.00	100.00	14,480.00	0.00		
2.3.9. Floodplains	1,684.00	95.00	1,599.80	0.00		
2.3.10. Haz Materials Pollution, Waste	5,440.00	95.00	5,168.00	0.00		
2.3.11. Hist, Arch, Archeo, Cult Resourc	7,412.00	100.00	7,412.00	0.00		
2.3.12. Light Emissions & Visual Impacts	2,520.00	95.00	2,394.00	0.00		
2.3.13. Natural Resources& Energy Supply	2,196.00	95.00	2,086.20	0.00		
2.3.14. Noise	8,932.00	100.00	8,932.00	0.00		
2.3.15. Secondary (Induced) Impacts	3,392.00	95.00	3,222.40	0.00		
2.3.16. Socioeconomic, Environ, Children	3,392.00	95.00	3,222.40	0.00		
2.3.17. Water Quality	2,196.00	95.00	2,086.20	0.00		
2.3.18. Wetlands	11,000.00	95.00	10,450.00	0.00		
2.3.19. Wild and Scenic Rivers	125.00	95.00	118.75	0.00		

2.3.20. Other Resource(s) Uses as ID'd	13,744.00	100.00	13,744.00	0.00
2.3.21. Summary of Potential Impacts	6,088.00	95.00	5,783.60	0.00
2.3.22. Detailing of Mitigation	5,328.00	100.00	5,328.00	0.00
2.3.23. Working Paper 2, Environmental	8,728.00	100.00	8,728.00	0.00
2.4.1. Prelim Draft EA/RMP Amen Sp Rvw	12,032.00	100.00	12,032.00	0.00
2.4.2. Prelim Draft EA/RMP Amen FAA Rw	17,412.00	100.00	17,412.00	0.00
2.4.3. Prelim Design Eng for US Waters	7,276.00	95.00	6,912.20	0.00
2.4.4. Draft 404/401 Permit App Prep	26,648.00	100.00	26,648.00	7,994.40
2.4.5. Draft EA/RMP Amend Preparation	11,532.00	95.00	10,955.40	0.00
2.4.6. Local Land Use & Site Plan Review	37,928.00	83.00	31,480.24	7,964.88
Total Fee	1,108,193.00		1,090,123.11	15,959.28
		Previous Fee Billing	1,074,163.83	
	Total			15,959.28
		Total this Task		\$15,959.28
		Total this Phase		\$15,959.28

Phase 000003 Meetings

Task 00003A Task 3.1 Staff Progress Meetings
Fee

Phase	Fee	Percent Complete	Earned	Current
3.1. Staff Progress Meetings	32,756.00	100.00	32,756.00	0.00
3.2. Airport Authority Board Meetings	6,396.00	100.00	6,396.00	0.00
3.3. Conduct Public Hearing	15,092.00	100.00	15,092.00	0.00
Total Fee	54,244.00		54,244.00	0.00
		Previous Fee Billing	54,244.00	
	Total			0.00
		Total this Task		0.00
		Total this Phase		0.00

Phase 000004 Incorporate Comments & Prep Final EA/RMP

Task 00004A Task 4.1 Assist FAA & BLM Decision Docs
Fee

Phase	Fee	Percent Complete	Earned	Current
4.1. Assist w/FAA & BLM Decision Docs	15,076.00	95.00	14,322.20	0.00
4.2. Administrative Record	9,265.00	60.00	5,559.00	0.00
Total Fee	24,341.00		19,881.20	0.00
		Previous Fee Billing	19,881.20	
	Total			0.00
			Total this Task	0.00
			Total this Phase	0.00
			Total this invoice	\$15,959.28

Outstanding Invoices

Number	Date	Balance
257370	12/14/2015	4,589.00
257859	1/13/2016	7,938.90
258724	2/12/2016	5,329.60
Total		17,857.50

Technical Memorandum



To: Ben Johnson
Grand Junction Regional Airport
From: Ryan Hayes
Date: March 8, 2016
Subject: EA Progress Report

The purpose of this memorandum is to provide the Airport with a progress report on the Environment Assessment for the relocation of Runway 11/29 and the associated transfer of BLM land to the airport authority.

The majority of the work completed in July was related to working with BioEnvirons on the Draft 404 Permit application.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Mead & Hunt Pay Request for Terminal Area Plan Update
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends that the Board approve the payment to Mead & Hunt for Invoice No. 259517, in the amount of \$14,543.14.
LAST ACTION:	
DISCUSSION:	<p>This invoice is for the work related to the Terminal Area Plan Update. Work completed to date includes preliminary planning/study and engineering studies.</p> <p>This project was originally going to be funded locally, but it was decided to apply for an FAA discretionary grant. The FAA is willing to fund the project, but staff is still working with the FAA to determine eligibility and process. The main concerns arise because the project was originally not designed to be grant funded and several required steps in grant funding were not followed. Staff and the FAA are determining if there is a way to meet those requirements.</p>
FISCAL IMPACT:	Project Total \$169,935.00 If funded, the FAA grant would fund 90%
COMMUNICATION STRATEGY:	None.
ATTACHMENTS:	1. Mead & Hunt Invoice No. 259517
STAFFCONTACT:	Ben Johnson Office: 970.248.8596 Email: bjohnson@gjairport.com



Remit payment to:
 Mead & Hunt | Accounts Receivable
 2440 Deming Way | Middleton, WI 53562-1562
 1-888-364-7272 | AccountsReceivable@meadhunt.com

Invoice

Grand Junction Regional Airport Authority
 2828 Walker Field Drive
 Grand Junction, Colorado 81506

March 15, 2016
 Project No: R2331300-156788.01
 Invoice No: 259517

Project R2331300-156788.01 GJT Terminal Area Plan Amendment

12/15/15 Contract

Professional Services from February 1, 2016 to February 29, 2016

Fee

Phase	Fee	Percent Complete	Earned	Current
Study Design	3,408.00	100.00	3,408.00	3,408.00
Project Mgmt, Coord, Communication	8,144.00	10.00	814.40	814.40
Inventory, Forecasts, Facility Req	3,800.00	25.00	950.00	950.00
Initial Terminal Bldg Alts	29,360.00	20.00	5,872.00	5,872.00
Refined Terminal Bldg Concept Recom	29,750.00	0.00	0.00	0.00
Financial Analysis & Implementation Pro	9,564.00	0.00	0.00	0.00
Documentation	3,640.00	0.00	0.00	0.00
BCER Subconsultant	24,639.00	14.20	3,498.74	3,498.74
Liebowitz & Horton Subconsultant	57,630.00	0.00	0.00	0.00
Total Fee	169,935.00		14,543.14	14,543.14
		Previous Fee Billing	0.00	
	Total			14,543.14
		Total this invoice		\$14,543.14

Technical Memorandum



To: Ben Johnson
Grand Junction Regional Airport
From: Ryan Hayes
Date: March 8, 2016
Subject: TAP Amendment Progress Report

The purpose of this memorandum is to provide the Airport with a progress report on the Terminal Area Plan (TAP) Amendment project.

This initial invoice covers the all of the study design phase for the project. This invoice also covers a percentage of project management, inventory and terminal building assessment elements completed to date.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	InterVistas Consulting invoice
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends the payment of the attached InterVistas invoice for \$18,250. .
LAST ACTION:	At the January 2016 Board Meeting, the board approved the first InterVistas invoices for \$11,500.
DISCUSSION:	This is the final invoice from a three phase project for a passenger demand analysis, business passenger survey and air service development initiatives. This project was approved for a Federal Mineral Lease District (FMLD) grant for 50% of the project cost not to exceed \$15,000.
FISCAL IMPACT:	Total project cost was \$29,750, this includes \$11,500 invoiced in 2015. The airport will submit \$14,875 for reimbursement from FMLD. Amounts were accounted for in the 2016 budget.
COMMUNICATION STRATEGY:	None
ATTACHMENTS:	InterVistas invoice 2031 for \$18,250.
STAFF CONTACT:	Ty Minnick Email: tminnick@gairport.com Office: 970-248-8593

InterVISTAS Consulting Inc.

1150 Connecticut Avenue, NW
Suite 601
Washington, DC 20036

Invoice

Date	Invoice #
3/15/2016	2031

Bill To

Grand Junction Regional Airport
800 Eagle Drive
Grand Junction, CO 81506

Description	Amount
PROJECT NAME: Grand Junction Regional Airport. Air Service Development Consulting Services	
PHASE 1: Business Passenger Survey Fixed Price Budget: \$7,000 100% Completed	7,000.00
PHASE 3: Strategic Air Service Development Initiatives Fixed Price Budget: \$11,250 100% Completed	11,250.00

BANK DETAILS:

Bank: HSBC Bank USA, NA
Address: 452 Fifth Avenue, New York, NY 10022 ABA: 021001088
Account: 018714062
Beneficiary: InterVISTAS Consulting Inc.

Thank you for your business

Total 518,250.00

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Non-Standard aeronautical ground lease agreement with Colorado Parks and Wildlife- Revision
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends that the Board approve the revised non-standard aeronautical lease agreement between the CPW and the Grand Junction Regional Airport, and authorize the Board Chairman to execute the Agreement.
LAST ACTION:	On March 15 th , 2016 the board approved a ground lease agreement with CPW.
DISCUSSION:	After further review from CPW on what was approved, CPW found some language that was not in the original 1994 lease that perceived the lease as a new 10 year lease. Therefore the new ground lease agreement before you is an agreement with CPW on a brand new 10 year lease with three (5) year options. Additionally because the airport and CPW are moving to a new ground lease, CPW will be charged the new square footage fee of \$.1818 per square foot instead of the old, grandfathered in \$.1417 per square foot.
FISCAL IMPACT:	CPW will now be charged \$.1818 per square foot, which increase the annual amount from \$942.30 to \$1,208.97.
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	Aeronautical use ground lease between GJRAA and CPW.
STAFF CONTACT:	Chance Ballegeer Airport Security Coordinator Email: cballegeer@gjairport.com Office: 970-248-8586

AERONAUTICAL USE GROUND LEASE

**Grand Junction Regional Airport
Grand Junction, Colorado**

Between

**GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
800 Eagle Drive
Grand Junction, CO 81506
("GJRAA")**

And

**STATE OF COLORADO
acting by and through the
Department of Natural Resources,
for the use and benefit of the Division of Parks and Wildlife
and the Parks and Wildlife Commission
1313 Sherman Street Denver, CO 80203
("Lessee")**

Dated: June 1, 2016

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AERONAUTICAL USE GROUND LEASE

This Aeronautical Use Ground Lease (the "Lease") is made and entered into on the date set forth in Paragraph 1.1, below, by and between the **GRAND JUNCTION REGIONAL AIRPORT AUTHORITY** ("GJRAA"), formerly known as the Walker Field Public Airport Authority, a body corporate and politic and constituting a subdivision of the State of Colorado, and the Lessee as that term is defined in Paragraph 1.2, below.

Recitals

A. WHEREAS, the GJRAA is owner and operator of the Grand Junction Regional Airport and is authorized to enter into this Lease pursuant to C.R.S. § 41-3-101, *et seq.*;

B. WHEREAS, Lessee desires to lease a portion of the Grand Junction Regional Airport for aeronautical uses, which may include the construction and occupation of an aircraft hangar or other structure, or if already constructed, the occupation of an aircraft hangar or other structure; and

C. WHEREAS, the GJRAA desires to lease ground at the Grand Junction Regional Airport to Lessee and Lessee desires to lease ground and use the Grand Junction Regional Airport under the terms and conditions of this Lease, as well as any other applicable law and regulation.

NOW, THEREFORE, for and in v consideration of the fees, covenants, and agreements contained herein, and for other good and valuable consideration, it is agreed and understood between the GJRAA and Lessee that:

1. Article 1: Basic Lease Information

In addition to the terms defined elsewhere in this Lease, the following defined terms are used in this Lease as well. To the extent there is any conflict between the basic information contained in Article 1, below, and more detailed information contained elsewhere in this Lease, the more detailed information shall prevail.

1.1 Date of Mutual Execution. June 1, 2016

1.2 Lessee. Colorado Division of Parks and Wildlife

1.3 Lessee's Trade Name. CPW~~D~~OW

1.4 Lessee's Address and Telephone Number. 1313 Sherman St; Denver, CO 80203

1.5 GJRAA'S Address and Telephone Number. 800 Eagle Drive, Grand Junction, Colorado 81506; (970) 244-9100

1.6 Airport: The Grand Junction Regional Airport, which was formerly known as the Walker Field Airport, and which is located in Grand Junction, Mesa County, Colorado.

1.7 Commencement Date. July 1, ~~2016~~1994

1.8 Expiration Date. June 30, ~~2014~~2026

1.9 Rent. Rent shall include both the Monthly Ground Rent, as altered from time to time, pursuant to paragraph 4.1 of this Lease, and other fees described in paragraph 4.3 of this Lease.

1.10 Monthly Ground Rent. The Monthly Ground Rent shall initially be \$ (THIS SHALL BE AT THE MARKET RATE SET BY THE AUTHORITY) per year, paid monthly at \$78.52, based on the area of the Premises, other than the Object Free Area ("OFA"). Lessee will not be obligated to pay rent for the OFA, but Lessee will be responsible for all maintenance and other improvements required for the OFA. For the remaining (non-OFA) area of 0 square feet of the Premises, (6,650 - 0 = 6,650) the above rent will be calculated as follows: \$.18181417 per square foot x 6,650 square feet = \$ 1,208.97942.30 ÷ 12 months = \$ 100.7578.52. Lessee, at its option, may pay the monthly rent in advance in annual payments of \$1,208.97.

1.11 Permitted Uses. The permitted uses shall include the construction and/or occupation of a hangar and/or other structure subject to the provisions of this Lease, which together with the Premises themselves, shall be used primarily for aeronautical purposes, including, but not limited to, the parking, storing and maintaining aircraft owned or leased by Lessee or other third parties, other activities associated with aircraft ownership, and aeronautical-related businesses. The permitted uses shall exclude the sale and provision of fuel to aircraft.

1.12 Premises. The property shown on the attached **Exhibits A and B** and any Improvements existing thereon when Lessee first takes possession, which is also known as (ADDRESS).

1.13 Premises Square Footage. The Premises consist of a total of 6,650 square feet, which includes 0 square feet of OFA and 0 square feet of other area

1.14 Date to Complete Improvements. N/A

1.15 Additional Provisions. N/A

1.16 Improvements. Improvements shall include the aircraft hangar or other structure that has been constructed and erected, or which is to be constructed or erected on the Premises, as well as all hangar flooring, lighting, paving, fencing, grating and surfacing, underground and overhead wires, doors, cables, pipes, tanks and drains, and all property of every kind and nature,

which is attached to the Premises or which may not be removed without material injury to the Premises.

1.17 Minimum Standards. "Minimum Standards" shall mean the most current and up-to-date version of the Requirements and Minimum Standards for Commercial Aeronautical Services and Activities for Walker Field Airport, Grand Junction, Colorado. The version of the Minimum Standards in effect on the date this Lease was adopted by the GJRAA Board of Commissioners on December 19, 2000, and was last revised on July 19, 2005.

2. Article: Lease of Premises & Airport; Quiet Enjoyment

2.1 Use of Premises. In consideration of the payment of the Rent and the keeping and performance of the covenants and agreements by Lessee as stated herein, the GJRAA does hereby lease to Lessee the Premises, including any and all rights, privileges, easements, and appurtenances now or hereafter belonging to the Premises, subject, however, to all liens, easements, restrictions, and other encumbrances of record. Lessee leases the Premises in an "as is" and "with all faults" condition, without any express or implied warranties or representations from the GJRAA that the Premises, or any portions thereof, are suitable for a particular purpose, or can accommodate any particular weight or size of aircraft.

2.2 Use of Airport. Lessee is also granted the non-exclusive right to utilize such Airport runways, taxiways, taxi lanes, and public use aprons ("airfield areas"), and such other rights-of-way and access across the Airport ("Airport rights-of-way") as necessary for ingress and egress to the Premises, and to the extent necessary to enable Lessee to provide the Permitted Uses from the Premises. Lessee's use of said airfield areas and other Airport rights-of-way shall be on a non-exclusive, non-preferential basis with other authorized users thereof. Lessee shall abide by all directives of the GJRAA, the Federal Aviation Administration ("FAA"), the Transportation Security Administration ("TSA"), and any other governmental entity having jurisdiction over the Airport governing Lessee's use of said airfield areas and other Airport rights-of-way, either alone or in conjunction with other authorized users thereof.

2.3 Quiet Enjoyment. Upon the payment of Rent when due, as well as upon the payment of any other fees when due, and upon the performance of any and all other conditions stated herein, Lessee shall peaceably have, possess and enjoy the Premises and other rights granted herein, without hindrance or disturbance from the GJRAA, subject to the GJRAA's rights as discussed herein and/or pursuant to any applicable law or regulation. Notwithstanding the provision set forth in the preceding sentence or any other provision of this Lease, the GJRAA and any Lessee of the GJRAA shall have the right to traverse that portion of the Premises not occupied by a hangar or other structure, if the GJRAA, in its sole discretion, believes that such access is necessary or desirable for the efficient operations of the Airport, the GJRAA, or another Lessee.

2.4 Inspection by GJRAA. The GJRAA, through its authorized agents, shall have the right, at all reasonable times, and after notice to Lessee when practical, to enter upon the Premises to inspect, to observe the performance by Lessee of its obligations hereunder, and to do any act which the GJRAA may be obligated to do or have the right to do under this Lease, any other agreement to which the GJRAA is a party, or pursuant to any applicable law or regulation. Without diminishing the GJRAA's rights to inspect and perform under this paragraph, the acts of the GJRAA shall not unduly burden or interfere with Lessee's operations on the Premises.

3. Article 3: Lease Term and Options

3.1 Term. Subject to earlier termination as hereinafter provided, the primary term of this Lease shall be the period between the Commencement Date set forth in paragraph 1.7 above and the Expiration Date set forth in paragraph 1.8 above (the "Primary Term").

3.2 Options to Renew. Subject to the provisions hereof, upon expiration of the Primary Term of this Lease, and if and only if Lessee is not in material default beyond applicable cure periods under this Lease, ~~Lessee shall have the option to renew this Lease for one (1) additional term of ten (10) years~~ ~~three (3) additional terms of five years each~~ following the expiration of the Primary Term. ~~Lessee's option to renew may be exercised by delivering written notice to the GJRAA between twelve (12) and eighteen (18) months prior to end of the Primary Term of this Lease.~~

3.3 Additional Option Terms. ~~In addition to the option term provided in Section 3.2 above, Lessee shall have up to four (4) additional options to extend the term of this Lease for five (5) years each (an "Additional Option"). However, the total of the Primary Term and all option terms of this Lease shall not exceed 50 years.~~ The GJRAA shall offer an Additional Option to a Lessee if, and only if:

3.3.1 such Lessee requests the same at least 120 days prior to the expiration of the ~~Primary Term of this Lease, the~~ then-current option or Additional Option term, and

3.3.2 the GJRAA Board of Commissioners has not previously found, or found within sixty (60) days after such request by the Lessee, or by the close of the GJRAA Board of Commissioner's next regular Board meeting, whichever is later in time, that:

(a) the Improvements on the Premises have not been properly maintained (including painting) and do not meet current Minimum Standards as approved of by the GJRAA, the Improvements on the Premises do not meet any applicable code requirements, or the Improvements on the Premises are not in a condition expected to be serviceable in any respect for the additional five (5) year Additional Option term,

(b) the GJRAA intends to redevelop the area in which the Premises are located and/or use all or a portion of the Premises for purposes other than a lease to a Commercial Lessee or Storage Lessee, as the case may be with respect to the Lessee,

- (c) Lessee is not in default under this Lease,
- (d) Lessee is not in default in any other financial obligation to the GJRAA, and/or
- (e) The granting of any Additional Option would not violate any FAA Grant Assurance or the provisions of any applicable law or regulation.

3.3.3 The factors referred to in paragraph 3.3.2, above, shall each be referred to as a "Disqualifying Factor" and collectively as "Disqualifying Factors." A determination of the existence of any Disqualifying Factor shall be made in the reasonable discretion of the GJRAA.

3.3.4 Lessees are encouraged to contact the GJRAA in advance of the option exercise windows described in paragraph 3.3.1 above to discuss the condition of the Improvements on the Premises, actions which may be necessary to bring the Improvements into the required condition of maintenance and/or serviceability, and any other actions necessary to meet the other requirements of paragraph 3.3.2 above.

3.3.5 The GJRAA may condition the exercise of an Additional Option on amendment of this Lease to incorporate such other standard and non-discriminatory terms as are then being offered by the GJRAA to other Commercial Lessees or Storage Lessees, as the case may be, under aeronautical use ground leases, and ground lease rates for each Additional Option term shall be set at reasonable rates existing at the time the Additional Option is exercised, as set forth in the GJRAA's then current rates established by the GJRAA's Fees and Charges, which rates shall thereafter be subject to the CPI adjustment set forth below.

3.3.6 For purposes of Paragraph 3.3, "Commercial Lessee" shall mean a Lessee which (a) regularly engages in fixed base operations, ground handling and servicing of air carrier and commuter airline operations, aircraft charter operations, flight training, aircraft rental, aerial photography, crop dusting, aerial advertising, aerial surveying, aircraft sales and services, sale of aviation petroleum products, aircraft repair and maintenance, sale of aircraft parts, and/or other commercial aeronautical services to the public, (b) has entered into or will enter into a lease with the Authority, and (c) meets, and in the case of an existing Lessee, has met for a period of not less than six (6) continuous months, the GJRAA's Minimum Standards then in effect for the type of aeronautical business operated by the Lessee. "Storage Lessee" shall mean any Aeronautical Use Lessee other than a Commercial Lessee as defined above.

3.4 Repair and Maintenance Punch-List.

3.4.1 If the GJRAA finds that the Disqualifying Factor found under Paragraph 3.3.2(a), above, exists, but that no other Disqualifying Factor does, then the GJRAA will determine if the Improvements on the Premises can be restored and/or made serviceable through reasonable repair and/or maintenance. If the Improvements on the Premises can be restored and/or made

serviceable through reasonable repair and/or maintenance, the GJRAA shall provide Lessee with a listing of items to be repaired and/or maintained by Lessee (hereinafter "Punch List"), at Lessee's sole expense. The repairs and/or maintenance to be completed by Lessee shall be for the purpose of restoring the Improvements on the Premises to their original state, excepting reasonable wear and tear.

3.4.2 The GJRAA shall provide Lessee with the Punch List within thirty (30) days after the GJRAA's determination that the Disqualifying Factor found under Paragraph 3.3.2(a), above, exists. Lessee will then have remainder of its then current option term or Additional Option term to complete the Punch List to the satisfaction of the GJRAA. Provided that Lessee is proceeding with the necessary diligence to complete the Punch List, and upon thirty (30) days written notice to the GJRAA prior to the expiration of Lessee's then current option term or Additional Option term, Lessee may extend the time to complete the Punch List for a period of time not to exceed sixty (60) days. However, Lessee agrees that any extension of the period of time for it to complete the Punch List to the satisfaction of the GJRAA will not create a new tenancy for the Additional Option period and that the GJRAA will maintain its right to terminate the Lease. If the Punch List items are completed to the reasonable satisfaction of the GJRAA, Lessee shall then be eligible to exercise the Additional Option.

3.5 Surrender and Holding Over. If Lessee holds over or remains in possession or occupancy of the Premises after the expiration of this Lease without any written renewal thereof, such holding over or continued possession or occupancy shall not be deemed as a renewal or extension of this Lease but shall create only a tenancy from month-to-month which may be terminated at any time by the GJRAA upon thirty (30) days written notice. Such holding over shall be at 150% of the Monthly Ground Rent that was payable in the month prior to such expiration, (or in recognition that the Improvements shall then be the property of the Authority) or the hangar rental rate established in the GJRAA's then-current Fees and Charges, whichever is greater, and shall otherwise be upon the same terms and conditions as set forth in this Lease.

4. Article 4: Rent, Security Deposit & Other Fees

4.1 Monthly Ground Rent. The Monthly Ground Rent for the Premises is initially the amount set forth in Paragraph 1.11 above. Within thirty (30) days of Lessee's completion of any Improvements on the Premises, Lessee will provide the GJRAA with a survey acceptable to the GJRAA (as determined by the GJRAA in its sole discretion) which shall be attached to this Lease as **Exhibit B**. Should the actual square footage of the Premises or the Improvements thereon (as determined by the Survey of the Premises to be attached as **Exhibit B**) differ from the initial estimate of the Premises or improvements' square footage (as shown by the Description of the Premises, attached as **Exhibit A**), then the Monthly Ground Rent shall be adjusted to accommodate for such difference according to standard GJRAA procedure.

4.2 CPI Adjustment. The Monthly Ground Rent for the Premises may be adjusted by the increase or decrease in the Consumer Price Index, using the U.S. City Average for all urban consumers ("CPI-U"), all items index, set forth in the October to October report published by the

U.S. Department of Labor, Bureau of Labor Statistics, for the twenty-four (24) month period ending in the calendar year immediately preceding the calendar year in which the annual cost-of-living adjustment is to be made, or the period since the Commencement Date of this Lease, whichever is less. The initial CPI adjustment under this Lease shall be made on April 1st of the first even calendar year after the calendar year in which the Commencement Date falls, and every even year thereafter. If the CPI-U index is no longer published by the U.S. Department of Labor, the parties to this Lease, as well as any successors or assigns, shall use the U.S. Department of Labor index or report most closely approximating the CPI-U.

4.3 Other Fees and Charges. In addition to the Monthly Ground Rent described above:

4.3.1 Lessee shall pay the GJRAA such fees as set forth in the GJRAA's current Fees and Charges, as they are adopted by resolution of the GJRAA Board of Commissioners (the "Fees and Charges"), and as the same may be amended from time to time, including those Fees and Charges that are adopted or amended after the Commencement Date of this Lease, for the usage of the Airport's disposal station, by Lessee, or by Lessee's successors, assigns, and/or sublessees.

4.4 Manner of Payment. Payment of Lessee's Monthly Ground Rent shall be made in advance, on or before the first day of each and every month during the term of this Lease. Payment of all other fees, if any, shall be made in accordance with procedures adopted by the GJRAA from time to time. All rental payments shall be made to the GJRAA at its address listed in Paragraph 1.5, or at such other address as may be specified by the GJRAA.

4.5 Late Charges. All amounts payable under the Lease may collectively be referred to herein as "Rent." Any payment of Rent, including Monthly Ground Rent, which is not received on the due date will be subject to a late charge equal to five percent (5%) of the unpaid Rent, or \$100.00, whichever is greater. This amount is in consideration of the GJRAA's additional cost of processing late payments. In addition, any Rent which is not paid when due, including Monthly Ground Rent, will accrue interest at a default rate of three percent (3%) per month (but in no event in an amount in excess of the maximum rate allowed by applicable law) from the date on which it was due until the date on which it is paid in full, with accrued interest. Any payments received shall be applied first to accrued interest, and then to the reduction of principal.

4.6 No Set Off. Except as may be expressly set forth herein, Lessee shall not have the right to set-off against any amounts owed to the GJRAA for any claims it may have against the GJRAA unless and until said amounts are agreed to by the GJRAA or reduced to final judgment.

4.7 New Federal Regulation. In the event the GJRAA is required to make additional direct expenditures in connection with the implementation of any future federal or state regulation imposed upon the GJRAA as a result, in whole or in part, of Lessee's operation, the

GJRAA may call a conference for the purpose of discussing and determining methods of compliance and recovery from Lessee and others similarly situated, if any, of costs so incurred, and Lessee agrees to attend, in good faith, and agrees to reimburse the GJRAA for any reasonable costs it incurs for the implementation of these federal or state regulations.

5. Article 5: Improvements

5.1 **Construction of Improvements.** During the term of this Lease, Lessee shall have the right to construct, at its own expense, Improvements, alterations, or additions to the Premises, or to any Improvements presently located thereon, in furtherance of Lessee's authorized use of the Premises, provided that:

5.1.1 the Improvements, alterations, and additions are performed by qualified and licensed contractors or subcontractors; and

5.1.2 prior to the construction of any Improvements, alterations or additions to the Premises including, but not limited to, new improvements, major exterior changes to any existing improvements, changes in pavement, fences and utility lines, interior renovations that affect the structural integrity of any improvements, or office and hangar configuration, of any Improvements Lessee presently owns or may hereafter construct upon the Premises:

(a) Lessee submits the proposed plans to the GJRAA for its review;
and

(b) the GJRAA determines, in its sole discretion, that the proposed improvements, alterations, or additions are consistent with the Airport's master and land use plans, the GJRAA's Development and Architectural Covenants, and if applicable, the Minimum Standards, as the same may be amended from time to time, including those established or amended after the Commencement Date of this Lease

5.2 **Cost of Improvements; Bond.** Lessee shall construct all Improvements, alterations, and additions to the Premises at its own expense. If Lessee constructs improvements, alterations and/or additions, the same shall be constructed at Lessee's sole initiative and behest, and nothing herein shall be construed as an agreement by the GJRAA to be responsible for paying for them, and neither the Premises, nor the GJRAA's interest in said Premises or any Improvements, alterations or additions constructed thereon, shall be subjected to a mechanic's lien for any Improvements or alterations constructed by Lessee hereunder.

5.3 **Timing of Construction.** The Parties to this Lease, as well as their successors and/or assigns, hereby agree that Lessee shall have eighteen (18) months from the Commencement Date to obtain a Certificate of Occupancy or to otherwise fully develop the

Premises. If such development is not timely commenced or completed, or if due diligence in pursuing such development is not demonstrated to the satisfaction of the GJRAA, then the GJRAA, in its sole discretion, shall have the right to terminate this Lease, and all of Lessee's interest in the Premises shall revert back to the GJRAA. If, however, Lessee has commenced development and is diligently pursuing completion of the development, but such development will not be completed within the eighteen (18) month period allowed, then Lessee may petition, in writing, the GJRAA for an extension of time to complete the development. An extension of time to complete the development is not automatic upon application, but may be granted at the sole discretion of the GJRAA. If such extension is not granted, then the GJRAA shall have the right to declare the Lease void, and all of Lessee's interest in the Premises shall revert back to the GJRAA. The GJRAA makes no representations or warranties with regard to the above contingencies, and Lessee undertakes such efforts solely at its own risk.

5.4 Signs. No exterior signs, logos or advertising displays identifying Lessee or its successors, assigns, sub lessees or customers shall be painted on or erected in any manner upon the Premises, or in or on any Improvements or additions upon the Premises, without the prior written approval of the GJRAA, which approval shall not be unreasonably withheld. Any such signs, logos or advertising shall conform to reasonable standards to be established by the GJRAA, with respect to type, size, design, materials and location. All signs shall comply with all applicable city, county and state regulations.

6. Article 6: Maintenance, Utilities, Damage and Storage

6.1 Maintenance of Premise. During the term of this Lease, Lessee shall, at its own expense, maintain and keep all portions of the Premises, any Improvements, fixtures, and equipment thereon, any utility lines thereon or thereunder used by Lessee or its successors, assigns, and/or sub lessees, and any of Lessee's Improvements, fixtures, or equipment located elsewhere at the Airport, in good operating and physical condition and repair. Lessee shall repair any utility lines located on or under its Premises which are utilized by it or other third parties, if the damage to said utility lines was caused by Lessee, or by Lessee's board members, officers, agents, employees, representatives, contractors, subcontractors, successors, assigns, sub lessees, customers, guests, invitees, or anyone acting by, through, or under Lessee's direction and control. During the term of this Lease, Lessee shall maintain, at its expense, all portions of the Premises, any Improvements, fixtures, and equipment thereon, and all of its improvements, fixtures, and equipment located elsewhere at the Airport, in a safe and clean condition, and Lessee will not permit any unsightly accumulation of wreckage, debris, or trash where visible to the general public visiting or using the Airport. The determination of whether any accumulation is unsightly will be made at the sole, but reasonable, discretion of the GJRAA.

6.2 Utilities. During the term of this Lease, Lessee shall also be responsible for providing, at its own expense, all utilities and services, including but not limited to lighting, heating, air conditioning/cooling, water, gas, trash removal and electricity, required for the Premises and any improvements, alterations, or additions thereon. Lessee shall not permit any liens for utilities to be levied against the Premises.

6.3 Storage on Premises. Storage on the Premise shall be primarily for aeronautical purposes, including, but not limited to, the parking and storing of aircraft owned or leased by Lessee or other third parties, storage associated with aircraft ownership and aeronautical-related businesses.

6.4 Damage to Airport. Lessee shall be liable for any damage to the Airport and to any Improvements thereon caused by Lessee, or by Lessee's board members, officers, agents, employees, representatives, contractors, subcontractors, successors, assigns, sub lessees, guests, invitees, or anyone acting by, though, or under its direction and control, ordinary wear and tear excepted. All repairs for which Lessee is liable shall be made, at the GJRAA's option, (a) by Lessee at its own expense, provided that said repairs are made timely and to the GJRAA's satisfaction as to the quality of repair or, if not timely or satisfactorily made by Lessee, then by the GJRAA at Lessee's expense or (b) by the GJRAA at Lessee's expense.

6.5 Waste Prohibited. Lessee may not conduct mining or drilling operations, remove sand, gravel, rock or related substances from the ground, commit waste of the Premises of any kind, nor in any manner does that substantially change the contour or condition of the Premises without prior written permission of the GJRAA.

7. Article 7: Assignment and Subleasing

7.1 Assignment by Lessee. Lessee shall not assign its interest herein without the written consent of the GJRAA, which consent shall not be unreasonably withheld. All subsequent assignors and assignees shall be subject to this Lease as if they were the original Lessee/assignor.

7.2 Subletting. Lessee may not sublease all or any portion of the Premises, or all or any portion of the improvements thereon, without first obtaining written consent of the GJRAA for the sublease, which consent shall not be unreasonably withheld. Any such sublease must be in writing and in a form and for a rental amount and other consideration acceptable to the GJRAA, pursuant to the requirements of the Minimum Standards, by which such subLessee is authorized to do business at the Airport. Any sublease shall be in the form required by the GJRAA for all subleases, as the same may be amended from time to time, or in a form specifically approved by the GJRAA, including those forms that are created or amended after the Commencement Date of this Lease. The existence of any sublease or subleases shall not in any way relieve Lessee from its responsibilities as to the entire Premises under this Lease. Any default by a subLessee of its obligations to the GJRAA under any sublease shall constitute a default by Lessee of its obligations under this Agreement. Lessee shall not allow any subLessee to enter onto the Premises until the subLessee has properly executed a sublease and that sublease has been consented to by the GJRAA.

7.3 No Consent or Waiver. Consent by the GJRAA to one (1) sublease or assignment shall not be construed as consent or waiver of the GJRAA's right to object to any subsequent sublease or assignment. Acceptance by the GJRAA of rent from any subLessee or assignee shall not be construed to be a waiver of the right of the GJRAA to void any sublease or assignment.

7.4 Assignment by the GJRAA. The GJRAA may assign its interest herein, without the consent of Lessee, to any successor operator or proprietor of the Airport. The GJRAA shall give prior written notice to Lessee of any such assignment and of its rights and obligations hereunder.

8. Article 8: Compliance with Applicable Law; Environmental Covenants

8.1 Compliance with Law and the GJRAA Documents. Lessee shall observe and obey all statutes, rules, regulations, and directives promulgated by the GJRAA and other appropriate local, State, and Federal entities having jurisdiction over the Airport, including the FAA, the TSA, and the Environmental Protection Agency ("EPA"). To the maximum extent applicable, Lessee further agrees to perform all of its operations authorized hereunder in accordance with all of the terms and conditions of the GJRAA's Minimum Standards, Development and Architectural Covenants ("Architectural Standards"), Fees and Charges ("Fees and Charges"), the AOA Safety Procedures ("Safety Procedures"), Fuel Handling and Storage Procedures ("Fuel Procedures"), and Noise Compatibility Procedures, copies of which are on file in the offices of the GJRAA, as the same may be amended from time to time, including as they are established or amended after the Commencement Date of this Lease. Lessee acknowledges that it has reviewed the above documents or has knowingly waived its rights to review such documents. If any inconsistency exists between the terms of this Agreement and the terms of the Minimum Standards, Architectural Standards, the GJRAA's Fees and Charges, Safety Procedures, Fuel Procedures, and Noise Compatibility Procedures, the terms of this Agreement shall control. Lessee further agrees to comply with all verbal and written directives of the Airport Manager regarding Lessee's use of the Premises, the Airport's airfield areas, and other common areas elsewhere at the Airport.

8.2 Subordination. This Lease shall also be subject and subordinate to the requirements of any existing or future contracts or agreements between the GJRAA and Federal, State, or local governments, or any agencies thereof, and to the requirements of any Federal, State, or local statutes, rules, regulations, or directives governing the operation of the Airport, and the GJRAA shall not owe any damages to Lessee, such as lost profits or revenues, as a result of its compliance with said contracts, statutes, rules, regulations, or directives. The GJRAA shall also be excused from its obligations to pay Lessee eminent domain compensation under Article 12, below, or to provide substitute leasehold premises pursuant to Article 13, below, unless the payment of compensation or provision of substitute premises is specifically directed by the contract, statute, rule, regulation or directive involved.

8.3 Deicing Limitations. Lessee shall use only propylene glycol as a deicing agent unless Lessee receives written authorization from the GJRAA to use a different deicing agent. All deicing operations shall be conducted on the Airport deicing pad, and Lessee shall pay its proportion share of glycol disposal costs in accordance with the GJRAA's then current Fees and Charges, which may be established or amended after the Commencement Date of this Lease.

8.4 Security. Lessee is wholly and completely responsible for, and shall comply with, all requirements of the Transportation Security Administration of the United States Department of Homeland Security with respect to security of the gates, doors or other entryways leading to the Airport's air operations area from the Premises.

9. Article 9: Nondiscrimination

9.1 Lessee, for itself, its personal representatives, successors in interest, and assigns, as part of the consideration hereof, does hereby covenant and agree that (1) no person shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the use of the Premises and any improvements thereon on the grounds of race, color, religion, sex, age, disability, or national origin; (2) no person on the grounds of race, color, religion, sex, age, disability, or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination in the construction of any improvements on, over, or under the Premises and the furnishing of services therein; and (3) Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally Assisted Programs of the Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

9.2 Lessee shall make and/or furnish its accommodations and/or services on a fair, equal, and not unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable, and not unjustly discriminatory prices for each unit or service, provided that Lessee may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar type of price reductions to volume purchasers.

9.3 This Lease is subject to the requirements of the US Department of Transportation's regulations governing nondiscrimination. Lessee agrees that it will not discriminate against any business owner because of the owner's race, color, national origin, age, religion, sex, or disability, in connection with the award or performance of any operating agreement relating to this Lease. Lessee further agrees to include the preceding statements in any subsequent sub-operating agreements at the Airport that it enters into and to cause those businesses to similarly include the statements in further agreements, as required by FAA Rules, Regulations and Directives.

9.4 Non-compliance with subparagraphs 11.1, 11.2, and 11.3, above, after written finding, shall constitute a material breach thereof and, in the event of such non-compliance, the GJRAA shall have the right to terminate this Lease and the estate hereby created without liability therefor or at the election of either the GJRAA or the United States, or both, the GJRAA and the United States shall have the right to judicially enforce the provisions of subparagraphs 11.1, 11.2, and 11.3. However, this Lease cannot be terminated for non-compliance with subparagraphs 11.1, 11.2, and 11.3 until the procedures of Title 49, Code of Federal Regulations, Part 21, are followed and completed, including exercise or expiration of appeal rights.

9.5 Lessee assures that it shall undertake an affirmative action program if so required by 14 C.F.R. Part 152, Subpart E, to insure that no person shall be excluded from participating in any employment activities covered in 14 C.F.R. Part 152, Subpart E on the grounds of race, creed, color, religion, national origin, age, disability, or sex. Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. Lessee assures that it shall require that its covered sub-organizations, successors, sub-Lessees and assignees provide assurances to Lessee that they shall also undertake affirmative action programs and that they shall require assurances from their sub-organizations, if so required by 14 C.F.R. Part 152, Subpart E, to the same effect.

10. Article 10: Eminent Domain, Substitution of Premises, & Subordination

10.1 In the event that all or any portion of the Premises is taken for any public or quasi-public purpose by any lawful condemning authority, including the GJRAA, through its powers of eminent domain, or by private purchase by any public authority in lieu of the exercise of eminent domain, the proceeds, if any, from such taking or conveyance may be allocated between the GJRAA and Lessee according to the applicable law of eminent domain. If a portion of the Premises is so taken or sold, and as a result thereof, the remaining part cannot be used to reasonably continue the authorized purposes contemplated by this Lease in an economically viable manner, then this Lease shall be deemed terminated at the end of a period of sixty (60) days following said taking or conveyance. In that event, and at that time, Lessee shall surrender the Premises, Improvements (and the GJRAA's fixtures and personal property thereon, if any) to the GJRAA, and Lessee may remove its fixtures and personal property located upon the Premises, in accordance with the provisions of this Lease. No severance damages shall be paid by the GJRAA to Lessee as the result of the condemnation nor shall any damages be paid to Lessee as the result of the termination of this Lease.

10.2 The GJRAA may grant or take easements or rights-of-way across the Premises, in addition to the easements or rights-of-way identified in this Lease, if the GJRAA determines it is in its best interests and in accordance with applicable law to do so. If the GJRAA grants or takes such an easement or right-of-way across any of the Premises, in addition to those easements or rights-of-way identified in this Lease, Lessee may request compensation from the GJRAA for that easement or right-of-way and the GJRAA will determine whether compensation should be paid to Lessee, and if so, the amount thereof, in accordance with applicable law.

10.3 The GJRAA has the right to substitute Comparable Areas for all or any portion of the Premises, and any additions, alterations or improvements thereon, should the GJRAA, in its sole discretion, determine that a taking of the Premises, or any portion thereof or any Improvement thereon, is required for Airport purposes. In the event that the GJRAA elects to exercise its right to substitute, all title, right and interest to the portion of Premises that is taken shall immediately vest in the GJRAA. Furthermore, the GJRAA may require Lessee to vacate the portion of the Premises taken. For the purposes of this Article, the term "Comparable Areas" is defined to mean a parcel of land within the Airport, or any additions or extensions thereof, similar in size to the Premises and brought to the same level of improvement as the Premises. The GJRAA shall bear all expenses of bringing the substituted area to the same level of improvement as the Premises, and of moving Lessee's improvements, equipment, furniture, and fixtures to the substituted area. If any of Lessee's improvements, equipment, furniture, or fixtures cannot be relocated, the GJRAA shall replace, at GJRAA's expense, such non-relocatable improvements and other property with comparable property in the Premises, and the GJRAA shall be deemed the owner of the non-relocated improvements and other property, free and clear of all claims of any interest or title therein by Lessee, or any other third party whomsoever. It is the specific intent of this subparagraph that Lessee be placed, to the extent possible, in the same position it would have been, had the GJRAA not substituted new premises for the Premises; provided, however, that the GJRAA shall not be obligated to reimburse Lessee for any damages, including lost profits or revenues, due to such substitution, should the GJRAA elect to exercise its right to substitute.

10.4 Nothing in subparagraph 12.3, above, shall be construed to adversely affect the GJRAA's rights to condemn or exercise its rights of eminent domain in regard to Lessee's leasehold rights and interests in the Premises, and any improvements thereon, should the GJRAA, in its sole discretion, determine that it requires all or any portion of the Premises, and improvements thereon, for Airport purposes. The GJRAA may, at its sole discretion, exercise its leasehold condemnation rights in lieu of the GJRAA's substitution rights set forth in subparagraph 12.3, above. Nothing in this Article shall be construed as a promise by the GJRAA to substitute Comparable Areas for the Premises. In the event the GJRAA proceeds by way of condemnation or through the exercise of eminent domain, Paragraph 12.3 shall not apply.

10.5 This Lease and all provisions hereof shall be subject and subordinate to the terms and conditions of all existing and future instruments, documents, contracts, or agreements between the GJRAA and any Federal, State, or local government, or any agency thereof, as well as subject and subordinate to the requirements of any current or future Federal, State, or local statute, rule, regulation, ordinance, or directive governing the operation of the Airport, and the GJRAA shall not owe any damages to Lessee, such as for lost profits or revenues, as a result of the GJRAA's compliance with said instruments, documents, contracts, agreements, statutes, rules, regulations, ordinances, or directives. The GJRAA shall also be excused from its obligations to pay Lessee eminent domain compensation or to provide substitute leasehold premises pursuant to this Article for its compliance with said instruments, documents, contracts, agreements, statutes, rules, regulations, ordinances, or directives, unless specifically directed

otherwise by those instruments, documents, contracts, agreements, statutes, rules, regulations, ordinances, or directives.

11. Article 11: Airport Development Rights; Emergency Use of Premises; Flight Paths; Height Restrictions.

11.1 In addition to the GJRAA's other rights set forth in this Lease, the GJRAA reserves the right to further develop or improve all areas within the Airport, including landing areas, as the GJRAA may determine, in its sole discretion, to be in the best interests of the Airport, regardless of the desires or views of Lessee, and without further interference or hindrance from Lessee. The GJRAA may, from time to time, increase or decrease the size or capacity of any airfield areas and Airport rights-of-way/facilities, make alterations thereto, reconstruct or relocate them, modify the design and type of construction thereof, or close them, or any portion or portions of them, either temporarily or permanently, without being liable for any damages, including lost profits or revenues, that Lessee may incur, and without being deemed to have terminated this Lease as a result thereof.

11.2 Lessee hereby permits the GJRAA to utilize all, or a portion of, the Premises, as well as the public airfield areas and any other parts of the Airport, should an emergency or other unforeseen circumstance arise at the Airport, and should the GJRAA determine, in its sole discretion, that the GJRAA needs to utilize all or a portion of the Premises, or other areas of the Airport, for business, media, first aid, or other purposes, during the pendency of said emergency or other unforeseen circumstance. The GJRAA shall use best efforts to attempt to locate alternative space on the Airport from which Lessee may conduct its business, while the GJRAA is utilizing all or a portion of the Premises during the pendency of the emergency or unforeseen circumstances. If the GJRAA is not able to find alternate space on the Airport from which Lessee may conduct his business during said emergency or unforeseen circumstances, then Lessee may be entitled to an abatement of ground rent, if permitted by applicable law, allocable to that portion of the Premises utilized by the GJRAA for the length of time that the GJRAA utilizes said portion of the Premises. Finally, regardless of whether the GJRAA is able to locate alternate premises on the Airport for Lessee to conduct its business, Lessee shall not be entitled to any damages, including lost profits or revenues from the GJRAA, as a result of the GJRAA's utilization of the Premises or other areas of the Airport during the emergency or unforeseen circumstances involved, and Lessee shall continue to owe the GJRAA all landing fees and other fees and charges that accrue during said period.

11.3 It shall be a condition of this Lease that Lessee reserves unto itself, its successors, and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the Premises, together with the right to cause in said airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the said airspace, and for use of said airspace for landing on, taking off from, or operating at the Airport.

11.4 The GJRAA reserves the right to protect the aerial approaches of the Airport against obstruction, including the right to prohibit Lessee from erecting, or permitting to be

erected, any building or other structure on the Premises which would, in the judgment of the GJRAA, limit the usefulness of the Airport or constitute a hazard to aviation. Lessee also expressly agrees, for itself, its successors, and assigns, to restrict the height of structures, objects of natural growth, and other obstructions on the Premises to such a height so as to comply with the Federal Aviation Regulations, including, but not limited to, Part 77. In the event the aforesaid covenant is breached, the GJRAA reserves the right to enter upon the Premises and cause the abatement of such interference at the expense of Lessee.

11.5 GJRAA reserves the right to direct all activities of Lessee at the Airport in the event of an on-site emergency or in the event that Lessee's activities are substantially interfering with the use of the Airport by others.

11.6 Lessee expressly agrees for itself, its successors, and assigns to prevent any use of the Premises that would interfere or adversely affect the operation or maintenance of the Airport or that would otherwise constitute a hazard.

12. Article 12: Cooperation with GJRAA in Collecting Fees

12.1 Lessee acknowledges that commercial ground transportation operators who pick up their patrons at Lessee's Premises must pay access fees, as well as other fees and charges, to the GJRAA, pursuant to the GJRAA's Fees and Charges, as they may be amended from time to time, including those amounts established or amended after the Commencement Date of this Lease. Accordingly, in order to assist the GJRAA in determining the fees owed to the GJRAA by said ground transportation operators, Lessee will, to the best of its ability, provide in writing to the GJRAA on or before the fifth (5th) day of each month, the following information for each non-local taxicab, for-hire van, for-hire luxury limousine, for-hire people mover, for-hire bus, local hotel/motel courtesy vehicles, and off-Airport rental car operators (i.e., for each ground transportation vehicle operator other than local taxicab or on-Airport rental car operators) that picked up a ground transportation customer on Lessee's Premises during the preceding month: the name, business address, and telephone number of each operator involved; and the date and time of each customer picked up by each such operator during the preceding month.

12.2 Lessee shall provide to the GJRAA, or third-party governmental agency involved, such additional information or clarifications as may be requested, to (a) enable the GJRAA to calculate the landing fees, access fees, and other fees owed by aircraft and ground transportation operators to the GJRAA pursuant to the GJRAA's Fees and Charges, as the same may be amended from time to time, including those amounts established or amended after the Commencement Date of this Lease; (b) further the GJRAA's ability to market, promote and manage the Airport; or (c) to comply with governmental monetary collections and reporting requirements. Any subsequent changes or corrections in the information provided by Lessee shall be reported to the GJRAA and/or governmental agency involved within seven (7) days of Lessee's discovery of said changes or corrections.

12.3 Lessee shall not provide any storage or other services authorized hereunder to any aircraft operator, or permit a ground transportation operator to access its Premises to pick-up or drop off a ground transportation patron, if said aircraft or ground transportation operator is more than ninety (90) days delinquent in any monies owed to the GJRAA, and the GJRAA has sent written notice to Lessee instructing Lessee to cease providing its services or access to said operator.

12.4 Lessee shall comply with such other statutes, regulations, and directives regarding the collection, payment, and reporting of such taxes, fees, and other charges applicable to or for the benefit of the Airport, in the future.

13. Article 13: Expiration and Termination

13.1 Prior to the expiration or termination of this Lease, Lessee shall have the right to sell or transfer any Improvements on the Premises that is not the property of, or owned by, the GJRAA. However, any sale or transfer of these Improvements shall be subject to the consent or approval of the GJRAA, and the GJRAA shall not unreasonably withhold this consent or approval. Should Lessee sell or transfer the Improvements on the Premises that is not the property of, or owned by, the GJRAA prior to the expiration or termination of the Lease, and the GJRAA consents to and approves this sale or transfer, the GJRAA shall, in good faith, negotiate an Aeronautical Use Ground Lease with the new owner of the Improvements.

13.2 Upon the expiration or termination of this Lease, Lessee shall peaceably surrender to the GJRAA possession of the Premises, together with any Improvements, fixtures, or personal property of the GJRAA thereon (such as the GJRAA's security fencing and gating) in as good a condition as the Premises, and Improvements, fixtures, and personal property were initially provided to Lessee, with ordinary wear and tear excepted, without any compensation whatsoever, and free and clear of any claims of interest of Lessee or any other third-party.

13.3 Also upon the expiration or termination of the Lease, and provided that Lessee did not sell or transfer the Improvements on the Premises prior to the expiration or termination of this Lease, Lessee shall have all personal property and trade fixtures removed from the Premises, unless the personal property or trade fixtures are owned by the GJRAA, and shall restore the Premises to a good condition and repair. If Lessee is proceeding with the necessary diligence to remove these items and complete this work, upon thirty (30) days written notice to the GJRAA prior to the expiration or termination of the Lease, Lessee may extend the time to remove these items and complete this work for a period of time not to exceed sixty (60) days. Further, if Lessee is proceeding with "Punch List" work as outlined under Paragraph 3.4 above, Lessee will be provided sixty (60) days to remove the personal property or trade fixtures following the determination of the GJRAA that the Punch List items were not completed to its satisfaction, if that decision is made by the GJRAA. However, Lessee agrees that this additional period of time to remove any personal property or trade fixtures from the Premises, or any work necessary to return the Premises to a good condition and repair, will not create a new tenancy for any additional period of time and that the GJRAA will maintain its rights to terminate the Lease.

Following the expiration or termination of the Lease, Lessee shall, at the option of the GJRAA, either (a) leave the Improvements on the Premises in place, or (b) demolish the Improvements on the Premises, returning the Premises to a flat and level condition, and if the Premises was paved, re-paving the Premises to the same depth and specifications as it existed prior to the expiration or termination of the Lease. If the GJRAA elects to have Lessee demolish the Improvements on the Premises, Lessee will have sixty (60) days to complete this work, but the time period for Lessee to complete this work will not create a new tenancy for any additional period of time.

13.4 The GJRAA shall take title to, and full ownership of, all personal property and trade fixtures not removed by Lessee from the Premises within the time periods identified in Paragraph 16.3, above. Additionally, without any payment to Lessee, the GJRAA shall take title to, and full ownership of, any building, structure, or improvement that was on the Premises at the expiration or termination of the Lease, provided the GJRAA elects to have Lessee leave the Improvements on the Premises in place as outlined under Paragraph 16.3, above. Title and ownership of the personal property, trade fixtures, buildings, structures, or other improvements to the GJRAA under this provision shall be free and clear of any claim of interest by Lessee or that of a third-party.

14. Article 14: Default and Remedies

Lessee shall be in default of this Lease upon the happening of any of the following events or conditions ("Events of Default"):

14.1 default or breach by Lessee, or any of its successors, assignees, and/or subLessees, in payment or performance of any obligation, covenant, or liability contained or referred to in this Lease, or any approved sublease, as well as any default or breach of any of the terms or conditions of this Lease or any approved sublease;

14.2 the Lessee's death, legal incapacity, dissolution, or termination of existence, insolvency, business failure, appointment of a receiver for or the commencement of any proceedings under any bankruptcy or insolvency laws by or against the Lessee, or the general assignment of Lessee's rights, title and interest hereunder for the benefit of creditors;

14.3 the Premises being left vacant or unoccupied or apparently abandoned by Lessee for a period of thirty (30) days; or

14.4 the placement or assertion of any mechanics' lien or other lien on the Premises due to any act or omission by Lessee or those claiming under Lessee.

Upon an Event of Default as defined in paragraph 17.1, the GJRAA shall have the right to, and at its option may, exercise any one or more of the following rights and remedies, each of which shall be cumulative, as well as in addition to any and all other rights and remedies authorized by law or equity:

14.5 The GJRAA may, with or without terminating this Lease, bring and maintain any action for any amount due and unpaid and/or for specific performance. The GJRAA's damages shall be the total of all rent and costs and expenses of performance of all other covenants of the Lessee as herein provided due or to become due for the remainder of the lease term, together with the GJRAA's costs, incurred in retaking possession of the Premises, and bringing and pursuing the action. However, if the GJRAA obtains a judgment against Lessee for damages due to Lessee's breach or default of this Lease, and the GJRAA then leases the Premises to a third-party, the GJRAA shall offset the judgment against the Lessee with any amounts the GJRAA may realize from leasing the Premises to that third-party for the remainder of the lease term with Lessee, after deducting the GJRAA's costs and expenses incurred in connection with obtaining the judgment against the Lessee, as well as leasing the Premises to that third-party, which includes, but is not limited to, redecorating, altering, building, constructing, etc., to prepare the Premises for the lease to the third-party. The GJRAA shall have the sole discretion to determine the terms and conditions of leasing the Premises to the third-party.

14.6 The GJRAA may reenter and take possession of the Premises, remove all persons and property therefrom, and declare this Lease and the leasehold estate hereby created to be, and thereupon the same shall be and become, terminated and ended.

14.7 The GJRAA may, at its option, with or without declaring this Lease or the leasehold estate created hereby terminated or ended, occupy the Premises or cause the Premises to be redecorated, altered, divided, consolidated with other adjoining premises, or otherwise changed or prepared for re-leasing, and may re-lease the Premises or any part thereof in order to mitigate the GJRAA's damages. The terms and conditions of such re-leasing shall be in the sole discretion of the GJRAA. All rent received by the GJRAA for the remainder of the lease term shall be applied first to the payment of expenses the GJRAA may have incurred in connection with recovery of possession of the Premises and/or preparing it for releasing, and the releasing, and then to the payment of amounts equal to the rent hereunder and the costs and expense of performance of the other covenants of Lessee as herein provided. Lessee shall, whether or not the GJRAA has released the Premises, pay the GJRAA all rent and other sums herein agreed to be paid by Lessee, less the net proceeds of the releasing, if any, as ascertained from time to time, and the same shall be payable by Lessee upon demand. If the GJRAA elects, pursuant hereto, to occupy and use the Premises, or any part thereof, during any part of the balance of the term of the lease as originally fixed or since extended, there shall be allowed against Lessee's obligation for rent or other charges as herein defined, during the period of the GJRAA's occupancy, the reasonable value of such occupancy, not to exceed in any event the rent herein stated, and such occupancy shall not be construed as a release of Lessee's liability hereunder.

14.8 The GJRAA may, on reasonable notice to Lessee (except that no notice need be given in case of emergency), cure any breach at the expense of Lessee and the cost of such incurred by the GJRAA in doing so, shall be deemed additional rent payable on demand.

14.9 In the event the GJRAA re-leases the Premises as authorized above, any and all of Lessee's improvements, structures, furniture, furnishings, equipment, and trade fixtures that are

in or on or about the Premises may be used by the GJRAA or its new Lessee until the expiration of the term, without any liability for rent, compensation, or other charge therefor; however, in such case, if on the expiration of the term or on an earlier termination of this Lease, the total net amount so collected or received by the GJRAA from and through any such re-leasing or operation has exceeded the total amount accrued and due and unpaid from the Lessee, then such excess shall be applied to the Lessee. Whenever a right of reentry is given to the GJRAA by the terms of this Lease, the GJRAA may exercise the same by agent or attorney, and with or without legal process, such process and demand for possession of the Premises being expressly waived by Lessee, and GJRAA may use all force necessary to make such entry and/or hold the Premises after such entry and/or to remove Lessee and/or any other person and property from the Premises; and the GJRAA shall be entitled, on application to a court of competent jurisdiction, to have a receiver appointed in aid of the enforcement of any remedy herein provided.

14.10 Lessee waives all right of redemption to which Lessee or any person claiming under Lessee may be entitled by any law now or hereafter enforced.

14.11 The GJRAA's retaking of possession of the Premises shall not constitute acceptance of surrender, eviction, or forfeiture of the Lease. The GJRAA and Lessee hereby expressly agree that if, after Lessee's default, the GJRAA retakes possession of the Premises, Lessee shall remain liable for all unaccrued rent, and all other obligations of this Lease for the remainder of the lease term, notwithstanding the GJRAA's reentry. Upon default, the GJRAA may exercise any and all of the remedies provided for herein in any order.

14.12 Any default by either Lessee or the GJRAA in the performance of any of the terms and conditions contained herein, other than the payment of Rent, shall be excused where due to force majeure, which, among other things, shall include natural catastrophes such as hurricanes, tornadoes, or floods, acts of God, acts of war, and governmental statutes, regulations, directives, or contracts governing the operation of the Airport, with which the GJRAA or Lessee must comply. This Paragraph shall not apply to a failure to timely pay any monetary amounts due.

15. Article 15: Miscellaneous Provisions

15.1 **Notices.** All notices and communications hereunder shall be given by depositing the same in the United States mail, postage prepaid, registered or certified mail, or via a nationally recognized overnight courier service having proof of delivery, and addressed to the relevant addresses as set forth in paragraph 1, above, or to such other address as either party may specify by notice, in writing, given to the other party. Notices shall be deemed given on the date of mailing and the date of mailing shall be the date shown on the post office registry or express service receipt. Notice given in a manner other than as specified herein shall be ineffective.

15.2 **Subordination.** Lessee's interest in the Premises shall be subordinated to those of any existing or future lender holding a mortgage or deed of trust on the Premises, and Lessee will, at the GJRAA's request, sign such subordination agreements or statements as such lenders may from time to time require.

15.3 **No Waiver.** The failure of either party to insist upon the strict and prompt performance of any of the terms, covenants, agreements, and conditions contained herein, upon the other party imposed, shall not constitute or be construed as a waiver or relinquishment of such party's right or rights thereafter to enforce any term, covenant, agreement, or condition, but the same shall continue in full force and effect. The waiver of any breach of any term, covenant, agreement, or condition contained herein by either party shall not be construed to be a waiver of any subsequent breach of the same or any other term, covenant, agreement, or condition. Should Lessee breach any of its obligations hereunder, the GJRAA may thereafter accept from Lessee any payment or payments due hereunder, and continue this Lease, but without waiving the GJRAA's right to exercise and enforce all available default rights hereunder, or any other remedies provided by law, for said breach or default.

15.4 **Lease Contingent.** If improvements on the Premises have not been constructed as of the date of this Lease, this Lease is contingent upon FAA approval of any construction or development plans by Lessee, and upon the approval of any applicable planning agency. The responsibility for obtaining any authorization from or approval of any federal, state, or local governmental agency shall be the sole responsibility and expense of Lessee. Lessee shall have 60 days from the date set forth in paragraph 1.1, above, to satisfy the foregoing contingencies. If, at the end of such 60 day period Lessee has not provided to the GJRAA clear evidence that such contingencies have been satisfied, or that substantial progress has been made toward satisfaction of same, then the GJRAA may terminate this Lease without penalty to Lessee.

15.5 Entire Agreement; Modifications; Termination of Prior Leases. This Lease constitutes the entire agreement between the parties with respect to the subject matter contained herein. Modifications or amendments to this Lease shall be effective only if made in writing and executed by the GJRAA and Lessee. This Lease shall replace and supersede all prior leases, amendments and addenda thereto and any other agreements between the GJRAA and Lessee with respect to the Premises, all of which shall be deemed terminated upon mutual execution of this Lease.

15.6 Time of Essence. Time shall be of the essence of this Lease, and the terms hereof shall be binding upon the heirs, personal representatives, successors, and permitted assigns of each of the parties hereto.

15.7 Headings. The article or other headings employed in this Lease are for convenience of reference only. Such headings shall not be interpreted as enlarging or limiting the meaning of any portion of this Lease.

15.8 Lessee Representations. Lessee represents that Lessee is the owner of, or fully authorized to use any and all services, processes, machines, articles, marks, names, or slogans used by Lessee in Lessee's operations under this Lease. Lessee, and those individuals executing this Lease on behalf of Lessee, represent that they are familiar with C.R.S. §18-8-301, *et seq.* (Bribery and Corrupt Influences) and C.R.S. §18-8-401, *et seq.* (Abuse of Public Office) and that they are unaware of no violations of the provisions thereof with respect to this Lease or operations to be conducted hereunder. With respect to Lessee, the undersigned represents he/she is authorized to execute this Lease on Lessee's behalf, and Lessee shall be bound as a signatory to this Lease by his/her execution of this Lease. Lessee also certifies, by signing this Lease, that neither it nor its principals, members, or managers are presently debarred, suspended, proposed for debarment, declared ineligible, or are voluntarily excluded from participation in this Lease by any federal department or agency. Lessee further agrees, by signing this Lease, that it will include this clause, without modification, in all subleases.

15.9 Fees and Memorandum. Lessee shall pay all legal and surveying fees and costs associated with the rental of the Premises under this Lease or any addendum hereto. Furthermore, Lessee shall assist the GJRAA, in any way deemed advisable in preparing, executing or recording a Memorandum of Lease relating to this Lease.

15.10 Invalidity. If any term or condition of this Lease or the application thereof to any person or event shall to any extent be invalid and unenforceable, the remainder of this Lease and the application of such term, covenant, or condition to persons or events other than those to which it is held invalid or unenforceable shall not be affected and each term, covenant, and condition of this Lease shall be valid and be enforced to the fullest extent permitted by law.

15.11 GJRAA Representations. The GJRAA covenants and represents that it is the owner of the Premises, and has the right to enter into this Lease and grant the rights contained herein to Lessee.

15.12 Relationship of Parties. Nothing contained herein shall be deemed or construed by the parties hereto, or by any third-party, as creating the relationship of principal and agent, partners, joint venturers, or any other similar such relationship between the parties. It is understood and agreed that neither the method of computation of fees, nor any other provision contained herein, nor any acts of the parties hereto creates a relationship other than the relationship of landlord and Lessee.

15.13 Incorporation of Exhibits. The Exhibits to this Lease are integral parts of this Agreement and Lessee is bound by the terms set forth in them. If through oversight or otherwise, those Exhibits are not attached hereto, it is Lessee's responsibility to obtain copies of those Exhibits from the GJRAA.

15.14 Law and Venue. This Lease shall be interpreted in accordance with the laws of the State of Colorado and applicable federal law. Should either party believe it necessary to file suit to interpret or enforce any provisions of this Agreement, the exclusive venue and jurisdiction for said lawsuit shall be in the Mesa County, Colorado, or if federal court jurisdiction would be appropriate, then in the United States District Court for the District of Colorado.

15.15 All Terms Material. Covenants and agreements herein which would ordinarily be considered to be material shall be so considered herein. In addition, the parties recognize the special and unique nature of Airport operations; that the GJRAA operates the Airport under agreements with other government entities, pursuant to numerous laws, regulations and ordinances, and in furtherance of the public need, health and safety; each term, covenant and/or agreement, the breach of which by Lessee might materially adversely affect any such aspect of the GJRAA's operation of the Airport, shall also be deemed material, and any default in any such term, covenant and/or agreement shall be deemed to be a default in the Lease.

15.16 Right of Appeal. Whenever the Airport Manager is authorized by this Lease to make discretionary decisions affecting Lessee, or the Airport Manager is authorized by the GJRAA to make discretionary decisions hereunder, the Lessee shall be entitled to appeal such decision to the Board of the GJRAA. Any such appeal shall be in writing, shall be filed with the GJRAA within thirty (30) days of the complained of decision, shall clearly state each basis for appeal, and shall include copies of any documents upon which the appeal is based. The pendency of an appeal shall not relieve the Lessee from compliance with the decision of the Airport Manager. The taking of such an appeal shall be a condition precedent to the filing of any action by Lessee to enforce or interpret this Lease.

15.17 Limitation of Benefit. This Lease does not create in or bestow upon any other person or entity not a party to this Lease any right, privilege or benefit unless expressly provided in this Lease. This Lease does not in any way represent, nor should it be deemed to imply, any standard of conduct to which the parties expect to conform their operations in relation to any person or entity not a party.

15.18 Non-Exclusive Right. Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right prohibited by Section 308 of the Federal Aviation Act of 1958, as amended. The GJRAA reserves the right to grant to others the privilege and right of conducting any aeronautical or non-aeronautical activity at the Airport. The GJRAA reserves the right, during the term hereof, to reduce and reallocate space leased for the exclusive use of Lessee in any case where the failure to do so might reasonably constitute the granting by the GJRAA to Lessee of such an exclusive right.

Article 16: COLORADO SPECIAL PROVISIONS

These Special Provisions apply to all Contracts except where noted in italics.

16.1 1. CONTROLLER'S APPROVAL. CRS §24-30-202 (1).

This Contract shall not be valid until it has been approved by the State Controller or designee.

16.2 2. FUND AVAILABILITY. CRS §24-30-202(5.5).

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

16.3 3. GOVERNMENTAL IMMUNITY.

No term or condition of this Contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

16.4 5. COMPLIANCE WITH LAW.

Seller shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

16.5 6. CHOICE OF LAW.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Contract, to the extent capable of execution.

16.6

7. BINDING ARBITRATION PROHIBITED.

The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Contract or incorporated herein by reference shall be null and void.

Done and entered into on the date first above written.

**GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY**

Dated: _____

By: _____

Its:

**LESSEE: STATE OF COLORADO
acting by and through the
Department of Natural Resources,
for the use and benefit of the Division of Parks and Wildlife
and the Parks and Wildlife Commission**

Dated: _____

By: _____

Margaret Taylor-Veach

Its: Assistant Director – Capital, Parks and Trails

ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER

CRS §24-30-202 requires the State Controller to approve all State contracts. This Agreement is not valid until signed and dated below by the State Controller or delegate. Grantee is not authorized to begin performance until such time. If Grantee begins performing prior thereto, the State of Colorado is not obligated to pay Grantee for such performance or for any goods and/or services provided hereunder.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By: _____

Signature – State Controller

Date: _____

EXHIBIT A

Description of the Premises

EXHIBIT B

Survey Including Common and Particular Description of the Premises

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Tailwind lease addendum
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends the Board authorize the Board Chairman to execute the document.
LAST ACTION:	At the March 2016 Board Meeting, the board approved the Tailwind lease and first addendum.
DISCUSSION:	The second addendum adds the Lessor's address as 2828 Walker Field Drive. This address was not included in the original lease and first addendum.
FISCAL IMPACT:	None
ATTACHMENTS:	Second Addendum to the Tailwind lease agreement.
STAFF CONTACT:	Ty Minnick Email: tminnick@gairport.com Office: 970-248-8593

SECOND ADDENDUM TO AIRPORT FACILITIES LEASE AND CONCESSION AGREEMENT

This Second Addendum to Airport Facilities Lease And Concession Agreement, hereinafter referred to as "Lease", between Grand Junction Regional Airport Authority, hereinafter referred to as "Lessor", a body corporate and politic and constituting a political subdivision of the State of Colorado, and Tailwind GJT, LLC, a Delaware limited liability company, hereinafter referred to as "Lessee", (collectively, the "Parties") will become effective May 1, 2016.

WHEREAS, the Lessor and the Lessee have entered into an Airport Facilities Lease and Concession Agreement (hereinafter "Lease") commencing on May 1, 2016, whereby Lessee agreed to operate the Lessor's terminal building's food, beverage, and retail areas pursuant to a competitive bid process.

WHEREAS, the Parties agreed to a First Addendum to the Lease to add extra square footage;

WHEREAS, the Parties agree that unless specifically modified or supplemented by this Second Addendum, all other provisions of the Lease remain in full force and effect and that nothing herein is to be construed to affect any other terms, conditions, or provisions of the Lease;

NOW THEREFORE, the Parties agree the Lessor's address is 2828 Walker Field Drive, Grand Junction, CO 81506.

IN WITNESS WHEREOF, the parties have executed this Lease on the 19th day of April 2016, effective as of the day and year first above written.

Tailwind GJT, LLC

By: Jeff Switzer
COO, Tailwind GJT, LLC

Grand Junction Regional Airport Authority

By: Steve Wood
Chairman, Board of Commissioners
Grand Junction Regional Airport Authority

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC: HUB International Insurance invoice renewal

PURPOSE: Information Guidance Decision

RECOMMENDATION: Staff recommends the Board approve HUB International Insurance invoices

LAST ACTION: At the June 2015 Regular Board Meeting, the Board approved the following insurance coverage effective 6/1/15.

INVOICE #	Policy	Amount Due
521067	Travelers Property & Inland Marine	\$28,071
521068	ACE General Liability	\$19,059
521084	Travelers Crime	\$1,970
521086	Travelers Auto	\$7,789
521090	ACE POL (D&O)	\$15,000
521091	HUB Broker Fee	\$10,000
521955	HUB Broker Fee Credit (RSUI ERP Commission)	(\$3,375.90)
521954	RSUI 3 Year Extended Reporting Period (ERP)	\$30,690
	TOTAL DUE	\$109,203

DISCUSSION: The insurance coverage will be for the period of 6/1/16-6/1/17. Invoices were not available at the time the board book was compiled. All invoices will be made available as soon as possible.

FISCAL IMPACT: TBD

ATTACHMENTS: Annual insurance invoices to be handed out separately

STAFF CONTACT: Ty Minnick, Finance Manager
Office: 970.248.8593
Email: tminick@gjairport.com

MARCH 2016 PERFORMANCE

FINANCIAL RESULTS

Assets

1. Prepaid expenses are consistently being amortized over the term of the insurance policy. The annual policy is up for renewal in June 2016.
2. Restricted assets are consistent with the use of the PFC cash received. Customer facility charge is showing net decrease due to the \$116,000 payment in March for the quarterly SIB loan payment.

Liabilities

1. Accounts payable showed a large decrease in the balance due to the payment to Shaw in January 2015
2. Accrued expenses are higher from December 2015 to March 2016 as the 07 Revenue Bond interest is being accrued monthly for the semi-annual interest payment.

Aeronautical Revenue – revenue is consistent with budget and prior year.

Non-Aeronautical Revenue – parking revenue is higher than prior due to the increase in the maximum parking rate from \$9 to \$10 and higher than budget due to the increase in enplanements year over year.

Operating Expense

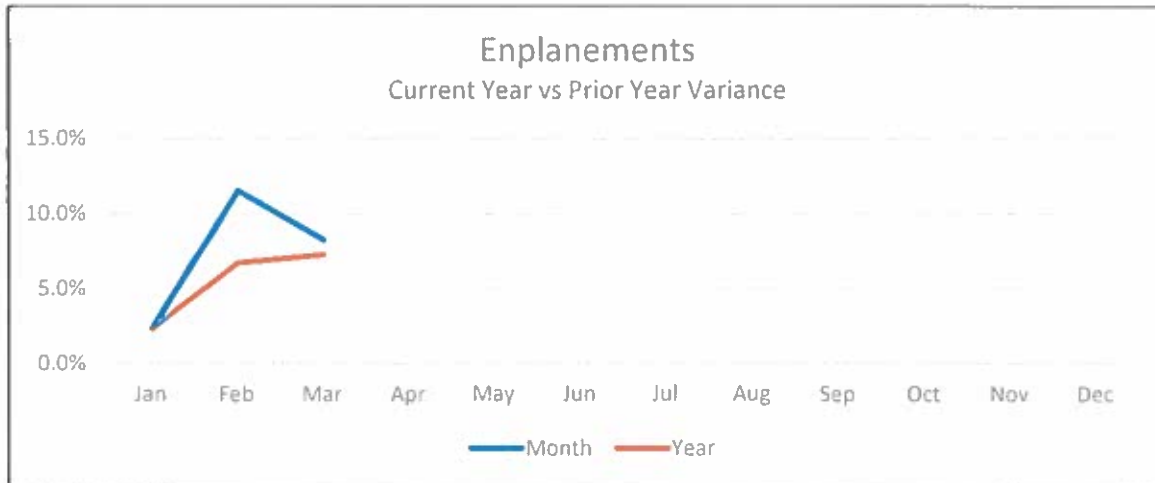
1. Personnel expense is consistent with the reduction of administrative staff in January 2016.
2. Contract services are higher compared to budget and 2015 due to the increased legal expenses.

Non-operating Revenue/Expense – CFC's are greater than budget and prior year with the increase in the CFC rate in February from \$3.80 to \$4.00 per rental day and the higher than budgeted enplanements.

ENPLANEMENTS

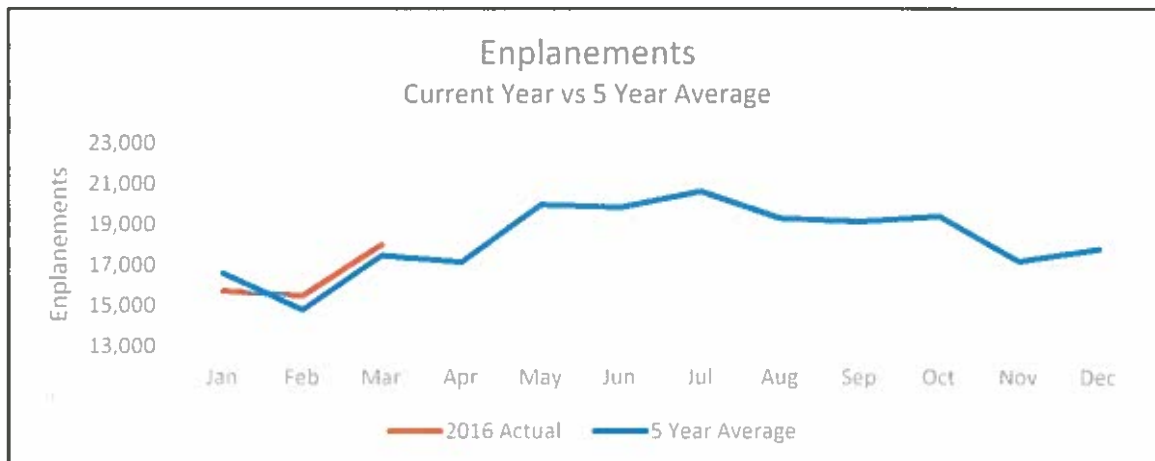
2016 vs 2015

	Month	Year to Date
2015	16,647	45,923
2016	18,023	49,267
Difference	1,376	3,344



Historical Average

	Month	Year to Date
5 Year Average	17,477	48,901
2016	18,023	49,267
Difference	546	366



Grand Junction Regional Airport Authority
Statements of Changes in Net Position

	YEAR TO DATE			MONTH		
	Actual 3/31/2016	Budget 3/31/2016	Actual 3/31/2015	Actual 3/31/2016	Budget 3/31/2016	Actual 3/31/2015
Operating revenue						
Aeronautical revenue						
Passenger airline revenue						
Passenger airline landing fees	112,624	99,000	108,495	44,195	36,000	38,182
Terminal rent	295,461	295,200	295,461	98,487	98,400	98,487
Other	23,900	28,000	17,910	7,500	12,000	3,400
Total passenger airline revenue	431,985	422,200	421,866	150,182	146,400	140,069
Non-passenger airline revenue						
Landing fees from cargo	21,879	19,000	21,206	8,415	7,000	6,732
Cargo and hangar rentals	12,658	12,658	12,658	4,219	4,219	4,219
Aviation fuel tax	57,440	54,000	73,988	23,024	20,000	31,522
Fuel flowage fees	105,366	115,000	102,953	42,588	39,000	38,864
Other	-	-	-	-	-	-
Total non-passenger airline revenue	197,343	200,658	210,805	78,246	70,219	81,337
Total aeronautical revenue	629,328	622,858	632,671	228,428	216,619	221,406
Non-aeronautical revenue						
Land and building leases	156,581	154,343	151,240	47,816	45,781	43,261
Terminal - food and beverage	7,924	10,337	10,481	2,324	3,446	3,494
Terminal - retail	8,316	6,000	7,414	2,578	2,000	2,333
Terminal - other	60,366	45,000	60,366	20,122	15,000	20,122
Rental cars	246,948	251,626	254,116	83,170	86,520	87,683
Parking and ground transportation	336,589	300,000	230,458	113,320	100,000	96,573
Other	16,123	18,000	20,352	4,365	6,000	5,068
Total non-aeronautical revenue	832,847	785,306	734,426	273,694	258,747	258,533
Total operating revenues	1,462,174	1,408,163	1,367,097	502,122	475,366	479,939
Operating expenses						
Personnel compensation and benefits	447,456	487,413	448,373	128,284	163,899	138,488
Communications and utilities	75,886	87,937	74,419	19,649	23,173	19,411
Supplies and materials	90,730	125,974	79,340	42,129	53,849	11,653
Contract services	271,530	142,509	112,059	88,175	42,115	50,768
Repairs & maintenance	126,293	151,269	54,088	81,656	90,478	23,108
Insurance	22,748	22,749	21,880	7,583	7,583	7,293
Other	23,916	18,215	18,931	19,609	8,300	7,798
Total operating expenses	1,058,559	1,036,066	809,090	387,084	389,397	258,519
Operating income, before depreciation	403,615	372,097	558,007	115,039	85,969	221,420
Depreciation	-	-	-	-	-	-
Operating gain (loss)	403,615	372,097	558,007	115,039	85,969	221,420
Non-operating revenues (expenses)						
Passenger facility charges	217,818	186,000	166,442	69,852	68,000	78,529
Interest income	6,683	2,700	2,708	2,487	900	941
Interest expense	(176,774)	(176,775)	(189,292)	(58,805)	(58,805)	(62,998)
Customer facility charges	120,416	119,000	90,858	41,566	43,000	32,431
Capital contributions	3,740	49,500	-	3,740	49,500	-
Capital expenditure	(107,874)	(80,000)	(10,444)	(4,792)	(15,000)	(3,000)
Debt principal payments	(104,746)	(104,746)	(101,708)	-	-	-
Other	-	-	-	-	-	-
Total non-operating revenue	(40,737)	(4,321)	(41,436)	54,048	87,595	45,903
Excess of revenues over (under) expense	362,878	367,776	516,571	169,086	173,564	267,323

Grand Junction Regional Airport Authority
Statements of Net Position

	3/31/2016	12/31/2015
Current assets		
Cash and cash equivalents	6,129,419	6,265,142
Accounts receivable - operations	476,699	438,885
Accounts receivable - grants	-	22,379
Prepaid expenses	33,375	77,851
Total current assets	<u>6,639,493</u>	<u>6,804,257</u>
Restricted assets		
Passenger facility charges	1,613,291	1,779,152
Revenue bond reserve fund	1,376,000	1,460,000
Revenue bond sinking fund	651,694	182,452
Customer facility charge	525,012	538,310
Lease deposits	160,953	150,953
Total restricted assets	<u>4,326,950</u>	<u>4,110,867</u>
Pension deferred outflow	331,456	331,456
Capital assets, net	<u>58,942,759</u>	<u>58,942,759</u>
Total non-current assets	<u>63,601,165</u>	<u>63,385,082</u>
Total assets	<u><u>70,240,658</u></u>	<u><u>70,189,339</u></u>
Current liabilities		
Accounts payable	104,424	166,671
Accounts payable - capital	96,878	463,701
Accrued expenses	420,742	313,225
Lease deposits	160,953	150,953
Current portion of note payable	423,096	423,096
Current portion of bonds payable	875,547	875,000
Total current liabilities	<u>2,081,640</u>	<u>2,392,646</u>
Non-current liabilities		
Net pension liability	2,136,600	2,136,600
Pension deferred inflow	105,192	105,192
Note payable, net of current portion	1,114,764	1,114,764
Bonds payable, net of current portion	<u>12,891,015</u>	<u>12,891,562</u>
Total non-current liabilities	<u>16,247,571</u>	<u>16,248,118</u>
Total liabilities	<u>18,329,211</u>	<u>18,640,764</u>
Net position		
Net investment in capital assets	43,638,337	43,638,337
Restricted for debt service and capital assets	3,640,985	3,421,604
Unrestricted	4,632,125	4,488,634
Total net position	<u>51,911,447</u>	<u>51,548,575</u>
Total liabilities and net position	<u><u>70,240,658</u></u>	<u><u>70,189,339</u></u>

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Air Service Incentive Program
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input type="checkbox"/>
RECOMMENDATION:	Staff requests the Board review the attached Air Service Incentive Program (ASIP) and provide comments.
LAST ACTION:	None
DISCUSSION:	<p>At the March 2016 regular board meeting InterVistas made their final presentation of a three phase study. Among the recommendations was for GJRA to create a formal incentive plan.</p> <p>The FAA provides an incentive guidebook: https://www.faa.gov/airports/airport_compliance/media/air-carrier-incentive-2010.pdf These guidelines determine what an airport can offer air carriers as incentives in accordance with the FAA's Revenue Use Policy. The ASIP is a program to enhance air carrier service, not a destination marketing program to promote regional business and attractions.</p> <p>The airport is not allowed to make cash subsidy payments to an airline, however the airport can provide fee waivers and acceptable promotional costs. The ASIP has a proposed the following:</p> <ol style="list-style-type: none">1. landing fee waiver of 100% for the first year and 50% for the second year2. marketing of \$5,0003. free airport terminal advertising4. airport web site banner advertising5. airline ticket office rent waiver for the first year for new entrants only <p>The ASIP offer does not expire for any new service, however the ticket office rent is first come first served.</p>
FISCAL IMPACT:	<p>There will be no revenue impact of the ASIP since the fee waivers are for new service only. For reference, the airport charges a landing fee of \$1.70 per 1,000 pounds. The following shows landing fees and annual fee based on 2 flights per week:</p>

Aircraft	Weight	Landing Fee	Annual Fee
E145 (50 passenger)	43,650	\$74	\$7,696
CRJ7 (70 passenger)	67,000	\$114	\$11,856
MD83 (166 passenger)	139,500	\$237	\$24,648

The 2016 landing fee budget is \$470,000

The airline ticket office (ATO) rent waiver would be for a ticket office and baggage processing area. The available ATO space is approximately 2,600 square feet and rented at \$30.30 per square foot, which is \$79,000 annual rent. There is no impact on revenue, the ATO is currently occupied by Authority administration staff.

There will be a marketing expense of \$5,000 as a result of the ASIP.

ATTACHMENTS: Air Service Incentive Plan draft

STAFF CONTACT: Ty Minnick, Finance Manager
Email: tminnick@gairport.com

**AIR SERVICE INCENTIVE PROGRAM
GRAND JUNCTION REGIONAL AIRPORT**

PURPOSE

The purpose of the Air Service Incentive Program ("ASIP") is to make available air carrier service to Grand Junction, Western Colorado & Eastern Utah. The promotional incentives to air carriers for new service are available to increase travel using the Grand Junction Regional Airport ("GJT" or "Airport"). New service is defined as:

1. Service to an airport destination not currently served
2. Nonstop service where no nonstop service is currently offered
3. New entrant air carrier to a destination that is not served year-round
4. Increased frequency of flights for destinations not served year-round

This ASIP will not have a negative impact on any existing air carriers or have an effect on the Airport's rates and charges.

Incentives v. Subsidies

The FAA's *Revenue Use Policy* maintains a distinction between subsidizing air carriers and the waiving of fees as incentives; summarily the Policy prohibits the former. A *subsidy* is direct payment of airport revenue to a carrier or to any provider of goods or services to that carrier, in exchange for additional service by the carrier. An *incentive* is any fee reduction, fee waiver, or use of airport revenue for acceptable promotional costs, where the purpose is to encourage an air carrier to increase service at the airport.

SCOPE OF ASIP

The ASIP has three distinct components to encourage new service with GJT:

1. A Landing Fee Credit ("Credit"),
2. A Marketing Incentive ("Incentive"), and
3. An Airline Ticket Office Rent ("Rent").

Requirements to receive Landing Fee Credit, Marketing Incentive and Airline Ticket Office Rent:

- The air carrier must operate the route year-round to a new destination airport
- Only new service qualifies.
- The air carrier(s) must operate the route for a minimum of one (1) year.
- The air carrier(s) must have a minimum of two (2) weekly departures to the destination airport in order to qualify. Air carriers may not cumulatively total their operations.
- Seasonal service that is extended to year-round service will be eligible provided year-round service for at least one (1) year.
- Creditable Landing Fees and Rent shall be secured by an air carrier's filed letter of credit.
- The qualifying air carrier(s) must submit a letter of credit, which in the aggregate must cover at least six (6) months of expected Rent and landing fees for the new route.
- Should service on the route be terminated pre-maturely (before completion of one year), GJT shall be reimbursed for all Rent and landing fee credits.
- Air carrier(s) do not qualify for ASIP for upgrade of equipment type or increased number of seats on existing flights

ASIP OUTLINE:

Temporary Landing Fee Credit

First Year of Service:

- 100% credit of landing fees for 12 months.

Second Year of Service:

- 50% credit of landing fees for 12 months.

Validity Period:

- The landing fee credit incentive program shall be ongoing unless cancelled by the Grand Junction Regional Airport Authority Board of Commissioners.

Marketing Incentive

First Year of Service:

- Marketing incentive not to exceed \$5,000 per route
- Free digital advertising in Airport terminal for the first year of service, content subject to approval of Airport Management
- Free web site banner advertising on the Airport web site for the first year of service, content subject to approval of Airport Management

Validity Period:

- For new service, the marketing incentive program shall be ongoing unless cancelled by the Grand Junction Regional Airport Authority Board of Commissioners.

Airline Ticket Office Rent

First Year of Service:

- Available for a new entrant air carrier only, existing Airport air carriers not eligible
- Approximately 2,600 square feet of ticket office space valued at approximately \$79,000 based on current rate
- Free Rent does not include the cost of shared common space

Validity Period:

- For new entrant air carriers only, due to the limited ticket office space this offer is on a first-come, first-served basis.

In the event the length of ASIP outlined causes any violation of grant assurances or other similar covenants, rules or regulations the ASIP will be amended to provide for compliance to any such requirement. The Airport is not obligated to provide items in the ASIP outline for those destinations not targeted by the Airport.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution 2016-004 Amended Rates & Charges
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends the Board approve Resolution 2016-004 Amended Rates & Charges.
LAST ACTION:	At the December 2015 Regular Board Meeting, the Board approved the Resolution 2015-011 Amended Fees & Charges
DISCUSSION:	Added items E & F on page 16. Item E: The internet and telephone service will allow the Airport to charge vendors for these services. The cost of \$75 for internet and \$30 for telephone includes the cost to the Airport plus and administrative fee. Item F: Billable staff time gives the Airport the ability to charge tenants for services outside of the tenant contract or damage caused by the tenant. For example, if a tenant needs electrical work completed the Airport would provide this at a Level 2 hourly rate.
FISCAL IMPACT:	This amount is not budgeted and is variable based on tenant requests.
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	Resolution 2016-004 Amended Rates & Charges
STAFF CONTACT:	Ty Minnick, Finance Manager Office: 970.248.8593 Email: tminick@gjairport.com

**AMENDED RATES & CHARGES
FOR THE GRAND JUNCTION REGIONAL AIRPORT
GRAND JUNCTION, COLORADO**

DECLARATION OF AUTHORITY/APPLICABILITY OF RATES & CHARGES

The Grand Junction Regional Airport Authority (“GJRAA”) is the owner and operator of the Grand Junction Regional Airport, located in Grand Junction, Colorado (“Airport”). GJRAA is hereby re-issuing its “Rates & Charges” (referred to in 2015 as “Fees and Charges”) applicable to various users of the Airport including, but not limited to, Aircraft landing at and taking off from the Airport, Aircraft Ground Service Operators, Ground Transportation Operators, Rental Car Concessionaires, and Off-Airport Delivery Service Operators accessing the Airport, Fuel Providers, and other Users of the Airport facilities, supplies and services (hereinafter collectively referred to as “Users”).

These Rates & Charges supersede all previous schedules of Fees & Charges promulgated by GJRAA. These Rates & Charges are promulgated pursuant to GJRAA’s regulatory authority under C.R.S. §41-3-106(1)(h) and 49 U.S.C. §2210(a)(9), and in accordance with F.A.A. regulations, rules, directives, and policy statements pertaining to the implementation, modification, and enforcement of airport Rates and Charges as they are changed from time to time. GJRAA may amend the Rates & Charges from time to time, and in some cases, may do so with or without notice.

All GJRAA Rates & Charges shall be set and applied on a fair, reasonable and not unjustly discriminatory standard in accordance with the Federal Aviation Administration (FAA) Order 5190B and all related subchapters of the Order including Subchapters 17.5 and 18.5(c) to ensure GJRAA establishes a fee and rental schedule that makes the airport as financially self-sustaining as possible. All GJRAA revenue surpluses shall be used for airport system purposes per 49 U.S.C. § 47107(b)(1) for reserves, funds to facilitate financing and financing coverage and other contingencies such as to address deferred maintenance items.

GJRAA is committed to fairness and openness in its policies. To maintain financial stability, consistency, and currency of all GJRAA Rates & Charges, it is the intent of the GJRAA to review the Rates & Charges document on an annual basis. The review of the Rates & Charges of GJRAA may include, but not be limited to, a comparison of the operating revenues and expenses allocated for each Airport cost center (which may be modified from time to time) for previous fiscal years, market comparisons of rates and charges of other airports and entities, and the mission, goals, and objectives as contained in the GJRAA Mission Statement and annual budget and planning documents.

I. GENERAL REQUIREMENTS

Unless otherwise expressly specified in a written agreement between GJRAA and an Operator, User, Fuel Provider, or any other Person affected by these Rates & Charges, the following terms and conditions shall apply to all operations at the Airport:

Payment of Rates and Charges

All payments due GJRAA pursuant to these Rates & Charges shall be paid to the Grand Junction Regional Airport Authority, 800 Eagle Drive, Grand Junction, Colorado, 81506, unless directed otherwise by GJRAA.

Books and records

Users shall maintain full and accurate books of account and records from which the Rates & Charges owed GJRAA hereunder can be determined, according to standard and accepted accounting practices. Said books and records shall be maintained for a period of at least thirty-six (36) months, or for such longer period of time as GJRAA may request in writing.

Audits

GJRAA reserves the right to conduct audits of a User's books of account and records at any time during normal weekday business hours, upon reasonable notice. In performing said audits, GJRAA shall be entitled to review (and the User's involved shall be obligated to provide to GJRAA) all of the books of account and records that the User is obligated to maintain pursuant to these Rates & Charges, as well as all other documents and files in that User's possession, custody, or control that GJRAA requests at the User's expense. Should the User fail to maintain the books of account and records required to be maintained pursuant to these Rates & Charges, or should that User fail to permit GJRAA or its auditor to review its books and records, and other documents and files, such conduct shall be considered a failure to perform obligations under these Rates & Charges, and GJRAA shall be entitled to exercise any and all remedies set forth in this Part 1. If any audit shows that monies that should have been paid to GJRAA were understated or underpaid for the audit period involved, the User shall, within thirty (30) days notice of any such deficiency, pay to GJRAA the full amount underpaid, plus three percent (3 %) interest per month on said underpayment from the time said underpayment should have been paid to the time said underpayment is fully paid. In addition, if the amount of the underpayment exceeds two percent (2%) of the total amounts owing to GJRAA for the audit period involved, the User in addition to paying the GJRAA the underpayment owed, shall reimburse GJRAA for the entire cost of the audit. If the audit discloses overpayment of the monies owed to GJRAA hereunder, GJRAA shall refund the amount of overpayment within thirty (30) days of said audit.

Security Deposits and Personal Guaranties

Upon the request of GJRAA, before any User is authorized to conduct, or to continue to conduct, any operations at the User involved shall post a security deposit, in an amount, form, and type, acceptable to GJRAA. Unless otherwise requested by GJRAA, the minimum amount of security deposit shall be an amount equal to the highest total of Rates (or fees), charges, and other monies anticipated to be owed by said User to GJRAA hereunder during any four (4)

consecutive calendar months of anticipated operations during the ensuing twelve (12) month period. GJRAA may also require guaranties from various principals associated with the User, by which they would personally guaranty the fulfillment of all of the User's obligations under these Rates & Charges, before the User is authorized to begin or continue its operations at the Airport.

In accordance with GJRAA Resolution No. 1997-008, if, after the expiration of its lease, or after five (5) years of continuous service, whichever occurs first, a Commercial Signatory Aircraft Operator (operating pursuant to a Part 121 operating certificate) has complied fully and faithfully with all the terms, provisions, covenants, and conditions of its lease with GJRAA, the Commercial Signatory Aircraft Operator may request in writing from the GJRAA a refund of such deposit or the balance thereof, without interest. If any part of the deposit has been returned to the Commercial Signatory Aircraft Operator after the expiration of five (5) years, and the Commercial Aircraft Operator thereafter fails to fully and faithfully carry out all of the terms, provisions, covenants, and conditions of its lease with GJRAA, then the GJRAA, at its sole option, may again make written demand upon the Commercial Signatory Aircraft Operator to deposit with the GJRAA the full deposit.

Remedies upon Failure to Perform Obligations

If a User or any other Person affected by these Rates & Charges fails to timely pay any Rates (or fees), charges, or other monies owed, or to timely perform any obligation required under these Rates & Charges, GJRAA may utilize any one or more of the following remedies:

- GJRAA may obtain specific performance.
- GJRAA may recover all damages incurred by GJRAA, including incidental damages, consequential damages, and attorney's fees.
- GJRAA may utilize a portion or all of any security deposit provided by a User or other Person involved to remedy the violation and to reimburse GJRAA for any damages, including attorney's fees and other expenses of collection GJRAA has sustained. In such event, the User or other Person involved shall not be permitted to resume its Airport operations or use Airport facilities under these Rates & Charges until such time as it furnishes another security deposit that satisfies the requirements of these Rates & Charges.
- GJRAA may terminate the Airport operating, use, or fuel providing privileges, or any other privileges extended to or of the non-complying User. If its operating, use, or fuel providing rights are terminated, the User involved shall continue to be liable for the performance of all terms and conditions, and the payment of all monies owed hereunder, prior to the effective date of said termination, in addition to all damages, including attorney's fees and other expenses of collection, incurred by GJRAA as a result of any violation.
- GJRAA may utilize any other remedy provided by law or equity as a result of said violations.

Amendment

GJRAA may amend these Rates & Charges, including altering the fee structure or approving additional Rates, with or without notice or input from Users or any other Person.

Hold Harmless

Users and all other Persons affected by these Rates & Charges (including, but not limited to, the drivers and registered owners of motor vehicles using the public parking areas of the Airport) shall be responsible for indemnifying and holding harmless GJRAA, its board members, officers, agents, and employees, from and against any and all liabilities, obligations, claims, damages, costs, and expenses, including attorney's fees, incurred by or asserted against GJRAA, its board members, officers, agents, and employees, by any Person or entity whatsoever, resulting from the acts, omissions or wrongful conduct of that User Person, or such entity's board members, officers, partners, employees, agents, representatives, contractors, subcontractors, customers, attestants, invitees, or any third party acting under its direction or control.

Airport Damage

Users and all other Persons affected by these Rates & Charges (including, but not limited to, the drivers and registered owners of motor vehicles using the public parking areas of the Airport) shall be liable for any damage to the Airport, caused by the User or Person involved, and/or its board members, officers, partners, agents, employees, representatives, contractors, subcontractors, customers, guests, invitees, or other parties acting under its direction and control, ordinary wear and tear excepted. All repairs shall be made by GJRAA, at the responsible party's expense.

Interest

Any Rates, charges, and other monies owed to GJRAA not paid when due shall accrue interest at the rate of three (3 %) per month from the due date until receipt of payment. Any partial payments received on said indebtedness shall be applied first to accrued interest, and then to principal.

Attorney's Fees and Costs

Should a User or any other Person affected by these Rates & Charges (including, but not limited to, the drivers and registered owners of motor vehicles using the public parking areas of the Airport) violate the terms of these Rates & Charges, that User or Person shall be responsible for reimbursing GJRAA for all reasonable attorney's Rates, costs, and other expenses incurred by GJRAA in enforcing its rights as a result of said violation.

Planning Review, Technical Analysis and Legal Review Fee

This shall apply to all existing and prospective Users.

This shall be \$200 per hour for technical or legal review and written comments (to include comments for conceptual development plans). This fee is for reviews where an airspace/land use

Letter of Determination does not apply, but written comments are requested or otherwise required -- as determined by Airport staff -- for technical analysis, by either a planner, engineer, or legal counsel. The same rate shall apply for allocable related airport staff resources. If the cost to the Authority exceeds \$200 per hour for third party legal or technical fees then those fees shall be passed along at the applicable charge to the Authority plus a 10% surcharge.

Letter of Determination Fee

This shall apply to all existing and prospective Users.

Pertaining to Height Restrictions, FAA Compliance, Land Use and Planning:

The fee shall be \$200 per each Development Review and Letter of Determination (LOD) request. Reviews will be customized based on request. This review will include the assurance that proposed developments comply with the Airport's zoning requirements. It also includes a verification of the Federal Aviation Regulations Part 77 FAA notification, review and aeronautical study determination of proposed obstruction to ensure the safety and capacity at the airport are not adversely impacted (FAA Form 7460). If the time to process an LOD exceeds 4 hours of staff time then it shall be charged at the rate of \$60 per hour.

Jurisdiction and Venue

Exclusive jurisdiction and venue for any litigation to enforce or interpret the provisions of these Rates & Charges shall be in the State of Colorado Municipal, County, and District Courts, located in Mesa County, Colorado, or in the United States District Court for the District of Colorado.

Prevailing Terms

Should there be any inconsistency between the terms of these Rates & Charges and any other agreement entered into between GJRAA and the User or any other Person affected by these Rates & Charges, the terms of the written agreement entered into between the parties shall prevail.

Questions Regarding GJRAA Rates & Charges

Any questions regarding these Rates & Charges should be directed to:

Ty Minnick, Finance Manager
Grand Junction Regional Airport Authority
800 Eagle Drive
Grand Junction, CO 81506
(970) 248-8593
Email: tminnick@gjairport.com

II. RATES, CHARGES, AND REQUIREMENTS FOR RENTAL CAR OPERATORS, AIRCRAFT OPERATORS AND AIRCRAFT GROUND SERVICE OPERATORS

Unless otherwise expressly specified in a written agreement between GJRAA and a Rental Car Operator, Aircraft Operator or Aircraft Ground Service Operator, the following terms and conditions shall apply to all Rental Car Operators, Aircraft Operators, and Aircraft Ground Service Operators at the Airport:

A. Fees

Landing Fees

Effective January 1, 2016, the landing fees are:

Class of Aircraft	2016 Fee Per Landing
Comm'l Signatory Aircraft- \geq 12,500 lbs. Landing Weight	\$1.70/1,000 lbs.
Comm'l Signatory Aircraft- $<$ 12,500 lbs. Landing Weight	\$7.23
Comm'l Non-Signatory Aircraft- \geq 12,500 lbs. Landing Weight	\$3.80/1,000 lbs.
Comm'l Non-Signatory Aircraft- $<$ 12,500 lbs. Landing Weight	\$15.00
General Aviation Aircraft	\$0.00
Military Aircraft	\$0.00

A full landing fee will be charged for Ferry Flights landing at the Airport, and for unscheduled landings of Aircraft originating from another airport, and diverted to the Grand Junction Regional Airport due to weather, mechanical, or other reasons other than declared emergencies. A one-half ($\frac{1}{2}$) landing fee will be charged for each landing performed in conjunction with a training flight. No landing fee will be assessed in the event an Aircraft departs from the Airport for another destination and, without making a stop at another airport, is forced to return to and land at the Airport because of weather, mechanical or other similar emergency or precautionary reasons. No landing fee will be assessed in the event an Aircraft lands at the Airport due to a declared emergency.

GJRAA Ramp Parking Fee

Aircraft Operators (excluding FAR Part 121 Commercial Aircraft Operators) shall pay GJRAA \$200.00 for the parking of aircraft on the air carrier ramp (space permitting) for each twenty-four (24) hour increment or fraction thereof.

Commercial Aircraft Operator Permit Fee

Commercial Aircraft Operators who do not own, lease, or sublease space at the Airport AND who conduct commercial aeronautical services and activities that originate at the Airport shall pay GJRAA \$150 annually for a permit to operate said activities at the Airport.

Baggage Processing Area Fees

Aircraft Operators that utilize the baggage processing areas of the Airport's terminal building in a particular month shall pay their pro rata share of rent for the use of the baggage processing areas that month. The rate for the baggage processing areas is \$27.27 per square foot per year. Said areas currently encompass 5,721 total square feet, and may be adjusted from time to time. The pro rata share shall be based on the total number of enplaned revenue passengers during said month.

Terminal Building Fee

Tenants of the terminal building leasing exclusive space shall pay GJRAA \$30.30 per square foot per year.

Boarding Area Fee

Aircraft Operators that utilize the boarding area of the terminal building in a particular month shall pay GJRAA their pro rata share of the monthly rental for said boarding area. The rate for the entire boarding area is \$27.27 per square foot per year. Said area currently encompasses 17,721 square feet, and may be adjusted from time to time.

Ticketing Area Fee

Aircraft Operators that utilize the ticketing area of the terminal building in a particular month shall pay GJRAA their pro rata share of the monthly rental for said ticketing area. The rate for the entire ticketing area is \$27.27 per square foot per year. Said area currently encompasses 4,587 square feet, and may be adjusted from time to time.

Passenger Boarding Bridge

Aircraft Operators utilizing the passenger boarding bridge will pay a \$25 fee for each operation.

Security Measures Fee- LEO and Security Services Requirements

The rate for the security measures fee- law enforcement officer (LEO) and security services requirements is \$200,000 per year. The pro rata share shall be based on the total number of enplaned revenue passengers utilizing the boarding area during said month.

Disposal Station Fees

Aircraft Operators and Aircraft Ground Service Operators shall pay GJRAA \$15 for each use of the lavatory disposal station. The disposal station area must be cleaned after each use or a fine of \$200 will be assessed on the operator.

Deicing Fees

Aircraft Operators and Aircraft Ground Service Operators shall pay GJRAA their pro rata share of GJRAA's expenses incurred in draining and cleaning the deicing pad holding tank, on a non-discriminatory basis with the other users thereof.

Fuel Purchases

Aircraft Operators and Aircraft Ground Service Operators purchasing fuel (gasoline and/or diesel) from the airside GJRAA fuel tank shall pay actual fuel cost plus \$1.00 per gallon.

Rental Car Operators purchasing fuel (gasoline) from the GJRAA landside fuel tank shall pay actual fuel cost plus up to \$1.00 per gallon, to be consistent with local gas station prices.

Miscellaneous Rates

Aircraft Operators and Aircraft Ground Service Operators shall pay such other Rates and charges as may be imposed by GJRAA in the future, for services and facilities provided by GJRAA to the entity involved, on a pro rata, non-discriminatory basis with the other users of said services or facilities.

Stand-by Services

Aircraft Operators shall pay GJRAA \$75 per hour per employee, charged in 15 minute increments for stand-by services provided to them by GJRAA employees between the hours of 12:00 am (midnight) to 5:00 am. These services include, but are not limited to, the following stand-by services: Aircraft Rescue Firefighting (ARFF); emergency first aid; custodial; and maintenance services. If a GJRAA employee has to be called back to the Airport to provide these services, then a three hour minimum charge will be imposed for each called-back employee involved.

B. Reports/Billing

On or before the 5th day of each month, each Aircraft Operator or Aircraft Ground Service Operator at the Airport shall submit to the Airport Administration Offices such reports of the preceding month's activities as GJRAA may request to enable GJRAA to compute the Rates (also referred to, in some cases, as Fees above), charges, and other monies owed by the Aircraft Operator or Aircraft Ground Service Operator hereunder. The reports shall be attested to as correct to the best of the signer's knowledge by the Aircraft Operator or Aircraft Ground Service Operator or its designee. Any subsequent changes in the information will be reported to GJRAA as soon as practical; but in no event more than seven (7) days from their discovery. The reports shall be on a form provided by or approved by GJRAA. GJRAA reserves the right to obtain clarification of any matter contained in the

reports, or for additional information from the Aircraft Operator or Aircraft Ground Service Operator for Airport marketing, statistical, fee-setting, or other purposes. **Note: Reports not submitted by the end of the 5th day of each month are subject to a \$100 per day late fee.**

III. RATES, CHARGES, AND REQUIREMENTS FOR GROUND TRANSPORTATION OPERATORS AND OFF-AIRPORT DELIVERY SERVICE OPERATORS

A. Rates

Fees Applicable to Ground Transportation Operators for Vehicle Parking

Unless otherwise specified in an Agreement with GJRAA, each Ground Transportation Operator desiring to park any of its commercial vehicles on the Airport shall pay (\$30) per month per vehicle space. Prior to parking any vehicle on the Airport, the Ground Transportation Operator shall obtain written approval from GJRAA, specifying the location of the assigned space(s) for the vehicle(s).

Fees Applicable to Ground Transportation Operators (except For-Hire Bus Operators and Local Hotel/Motel Courtesy Vehicle Operators)

Each Ground Transportation Operator (except For-Hire Bus Operators and Local Hotel/Motel Courtesy Vehicle Operators) shall pay GJRAA ten percent (10%) of its Airport Originated Revenue.

All Ground Transportation Operators paying on a percentage shall pay on a per trip basis including both dropping off and picking up passengers (hereinafter "Airport Originated Revenue") and shall pay their monthly fees in arrears, on or before the fifteenth (15th) day of the month following the month in which the pick-ups occurred. At the same time the Ground Transportation Operator pays its monthly fees, it shall provide the GJRAA with an itemized statement showing the total amount of Airport Originated Revenue. The reports shall be attested to as correct to the best of the signer's knowledge by the Ground Transportation Operator or its designee. Any subsequent changes in the information provided shall be reported to GJRAA as soon as practical, but in no event more than seven (7) days from their discovery. The reports shall be on a form provided by or approved by GJRAA. GJRAA reserves the right to obtain clarification of any matter contained in the reports, or require additional information from the Ground Transportation Operator for Airport marketing, statistical, fee-setting, or other purposes.

Rates Applicable to For-Hire Bus Operators

A Ground Transportation Provider who is contracted by one of GJRAA's aeronautical tenants to pick up its passengers on one or more occasions during the 2016 calendar year shall qualify -- for this limited type of operation -- to obtain a "For-Hire Bus Operator" permit. This permit shall not apply to any operations performed by the same Ground Transportation Provider who directly contracts with its passengers and are subject to the 10% fee set forth above. The For-Hire Bus permit may be obtained by paying GJRAA its choice of (a) \$400 per vehicle annually for unlimited service from the Airport (paid in advance of each respective For-Hire Bus Operator's vehicle operating at the Airport) or (b) \$200 per vehicle each time that vehicle picks-up passengers or items at the Airport.

For-Hire Bus Operators selecting option (a) if airport access commences during the annual permit cycle, the For-Hire Bus Operator shall pay the full amount of the annual fee regardless of the date it seeks to secure the annual permit. The term of the annual permit is

from January 1st through and including December 31st. Each For-Hire Bus Operator paying on an annual basis shall pay the applicable fee in advance, (a) on or before the date it wishes to commence operations (if purchasing a new permit); or (b) on or before January 1st of each year (if renewing an annual permit).

For-Hire Bus Operators selecting option (b) Each For-Hire Bus Operator paying on a per trip basis shall pay its monthly fees in arrears, on or before the fifteenth (15th) day of the month following the month in which the pick-ups occurred. At the same time the For-Hire Bus Operator involved pays its monthly fees, it shall provide the GJRAA with a report showing the total number of trips from the Airport in which it picked-up passengers. The reports shall be attested to as correct to the best of the signer's knowledge by the For-Hire Bus Operator or its designee. Any subsequent changes in the information provided shall be reported to GJRAA as soon as practical, but in no event more than seven (7) days from their discovery. The reports shall be on a form provided by or approved by GJRAA. GJRAA reserves the right to obtain clarification of any matter contained in the reports, or require additional information from the For-Hire Bus Operator for Airport marketing, statistical, fee-setting, or other purposes.

Fees Applicable to Local Hotel/Motel Courtesy Vehicle Operators

Each Local Hotel/Motel Courtesy Vehicle Operator shall pay GJRAA a monthly fee equal to \$.20 multiplied by the number of rooms available for rental in the hotel/motel. Said monthly fee shall be paid, in advance, on or before the first day of each calendar month. Hotel/Motel Courtesy Vehicle Operators shall only pick-up and drop-off at the Airport the patrons of their respective hotels/motels, and not Persons who are not patrons of their hotels/motels.

Fees Applicable to Off-Airport Parking Providers

Each Off-Airport Parking Provider shall pay GJRAA a monthly fee equal to 10% of monthly gross revenues. In addition, shuttle vehicles from each said company shall also pay GJRAA a fee of \$2.00 per trip for access to the Airport Terminal or to other points on the Airport.

Rates Applicable to Off-Airport Delivery Service Operators

Each Off-Airport Delivery Service Operator shall pay GJRAA two hundred dollars (\$200) per company annually for unlimited service from the Airport (paid in advance of the Off-Airport Delivery Service operating any vehicle at the Airport). If airport access commences during the annual permit cycle, the Off-Airport Delivery Service Operator shall pay the full amount of the annual fee regardless of the date it seeks to secure the annual permit. The term of the annual permit is from January 1st through and including December 31st.

Each Off-Airport Delivery Service Operator paying on an annual basis shall pay the applicable fee in advance, (a) on or before the date it wishes to commence operations (if purchasing a new permit); or (b) on or before January 1st of each year (if renewing an annual permit).

B. Miscellaneous Provisions Applicable to Ground Transportation Operators and Off-Airport Delivery Service Operators

No Diversion of Passengers

Ground Transportation Operators and Off-Airport Delivery Service Operators shall not, through their officers, agents, representatives, or employees, divert or cause to be diverted any prospective customer or item to a location off the Airport, in order to pick-up said customer or item off the Airport and thereby avoid paying the Rates (or fees) and charges that would otherwise be owed to GJRAA hereunder. For example, and without limiting the foregoing, a Ground Transportation Operator or Off-Airport Delivery Service Operator shall not instruct a customer to utilize a Hotel/Motel Courtesy Vehicle to be transported or to transport an item off the Airport in order to then pick-up the customer or item at a hotel/motel off the Airport to avoid paying Rates (or fees) and charges hereunder. A Ground Transportation Operator or Off-Airport Delivery Service Operator shall not instruct a potential customer to utilize a taxicab, limousine, or other form of public transportation, and offer to reimburse the customer for the cost of said transportation, in order to pick-up the customer or item at a location off the Airport. Any violators may be prosecuted to the fullest extent permitted by law.

Signage

Ground Transportation Operators and Off-Airport Delivery Service Operators serving the Airport shall display signage on their vehicles identifying the Ground Transportation Operator or Off-Airport Delivery Service Operator involved, and/or such other identification as GJRAA may request, such as but not limited to airport stickers, to enable GJRAA to determine whether the vehicle is authorized to provide ground transportation or off-airport delivery services to the Airport hereunder.

IV. RATES, CHARGES, AND REQUIREMENTS FOR FUELING OPERATIONS

A. Fuel Flowage Fees

Fuel Providers shall pay a fuel flowage fee to GJRAA on all fuel sold at the Airport to military, government and general aviation aircraft fuel purchasers. Unless specified in an airline operating agreement, Part 121 air carriers are excluded from fuel flowage fees.

The following fuel flowage Rates apply:

Full Service FBO

Type	Fee per Gallon
Avgas	\$.1017
Jet A	\$.1017
Military	\$.1017

Self Service Commercial Operator

Type	Fee per Gallon
Avgas	\$.1017
Jet A	\$.1017

Self Fueler

Type	Fee per Gallon
Avgas	\$.1017
Jet A	\$.1017

The Fuel Provider shall be deemed to owe its fuel flowage fee to GJRAA on the date the fuel is delivered by the Fuel Provider to the fuel purchaser involved, regardless of when or whether that fuel purchaser subsequently pays for said fuel. The Fuel Provider shall pay the fuel flowage fee required hereunder to GJRAA within thirty (30) days following the end of each calendar month in which a fuel sale is deemed to occur.

B. ARFF Standby Services for “Rapid Refueling” Operations

Fuel Providers shall pay GJRAA one hundred \$120 per hour, billable in 15 minute increments per rescue truck providing coverage for any requested Aircraft Rescue Firefighting (ARFF) standby services associated in any way whatsoever with the fueling of an aircraft while that aircraft’s engine(s) is/are in operation (“rapid refueling”). The ARFF Standby Service charge **begins** when the rescue truck leaves the ARFF bay, or from the current location of the rescue truck if not in the ARFF bay. The ARFF Standby Service charge **terminates** when the rescue truck has returned to the ARFF bay, or back to the original location of the rescue truck if not in the ARFF bay.

V. LEASE RATES AND CHARGES FOR CURRENT LESSEES OF AIRPORT PROPERTY

A. Lease Rates

Lease rates (excluding terminal leased space) will be adjusted on the date set forth in the Lease Agreement, using the U.S. City Average for all urban consumers ("CPI-U"), all items index, set forth in the October to October report published by the U.S. Department of Labor, Bureau of Labor Statistics.

Current Airside Leases entered into prior to June 1, 2015 will retain the base lease rate as adjusted by CPI-U.

New Airside Leases entered into after June 1, 2015 will have a rate of \$0.18 per square foot per year (excluding object free areas) or as determined by the Board.

Rental Car Concessionaire Service Area:

	<i>1/ 1/16 – 3/ 31/16 Cost per sq. ft. per year</i>	<i>4/1/16 – 3/31/17 Cost per sq. ft. per year</i>
Ground	\$.1788	\$.1822
Building	\$.3923	\$.3998

B. Monthly Aircraft Tie-Down Fee On Designated GJRAA Maintained Ramp:

Aircraft less than 12,500 pounds

\$60 per month per aircraft/designated tie-down space

VI. OTHER

A. Security Badge Fees

SIDA and Sterile Area Badges: includes CHRC fingerprinting, STA, photo, paperwork, required training class and identification media badge.

Initial Issue

With Fingerprint Processing	\$85.00
Without Fingerprint Processing	\$35.00

Renewal

With Fingerprint Processing	\$55.00
Without Fingerprint Processing	\$25.00

AOA Badges: includes STA, photo, and paperwork, required training and identification media badge.

Initial Issue\$35.00

Renewal.....\$25.00

Change from AOA Badge to SIDA Badge

With Fingerprint Processing	\$50.00
Without Fingerprint Processing	\$0.00

Lost or Not Returned Badges

Charge to employer for ID not returned	\$100.00
Lost Badge - 1 st Replacement	\$35.00
Lost Badge - 2 nd Replacement	\$70.00
Lost Badge - 3 rd Replacement.....	\$210.00

Airport will review costs for card issued after 3rd replacement.

Keys:

Initial Issue.....	\$10.00
Replacement- If Broken.....	\$10.00
Replacement- If Lost or Stolen	\$100.00 plus the actual cost for re-keying the locks and producing additional key(s).

B. Airport Parking Violations:

Grand Junction Regional Airport will issue citations for parking violations on airport property. The parking violation and fine are as follows:

	Fine paid within 14 days	Fine paid after 14 days
Parking Violation	\$25	\$40
Handicap Parking Violation	\$75	\$125

Payments of parking violations are made directly to Clancy Systems International, Inc. Payment of tickets can be made through mail by check, or online by check or credit card (Visa or MasterCard).

C. Terminal Parking:

30 minutes or less	FREE
More than 30 minutes	\$1.00 each additional 30 minutes
24 hour maximum	\$10.00

D. Parking Permit:

Rental Car Employee Refundable Deposit\$10.00

E. Internet and Phone Service:

Service Provided	Monthly Fee
Internet	\$75
Telephone	\$30

F. Billable Staff Time:

Staff Level	Hourly Rate
Level 1	\$70
Level 2	\$50
Level 3	\$30

The Rates & Charges is hereby approved and adopted, after public notice and opportunity for comments, by the Grand Junction Regional Airport Authority and made a part of the public records of the Grand Junction Regional Airport Authority.

ADOPTED this _____ day of _____, 2016

SIGNATURE ON FILE

Rick Wagner, Chairman

ATTEST:

SIGNATURE ON FILE

Victoria Villa, Clerk

Board Members Voting Aye:

Those Voting Nay:

Board Members Voting Aye:	Those Voting Nay:
Commissioner Wagner	
Commissioner Wood	
Commissioner Murray	
Commissioner Nelson	
Commissioner Ball	

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Award of Contracts for AIP 52
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends the Board Authorize the Chairman to execute the Notice of Award and Contract with Elam Construction for Project 1, and Pro Electric for Project 2.
LAST ACTION:	The Board approved the application for AIP-52 on August 18, 2015.
DISCUSSION:	<p>After rejection of all bids from the previous bid solicitation for these projects, the projects were re-advertised. Bids were opened February 11, 2016. After careful review it was determined that the two apparent low bidders were in compliance with all IFB terms and conditions.</p> <p>Project 1 is the rehabilitation of the main taxiway connectors. It is recommended the contract be awarded to Elam Construction</p> <p>Project 2 is the modification of the Runway 4/22 edge lighting and the relocation of the segmented circle and main wind cone. It is recommended the contract be awarded to Pro Electric Contractors.</p> <p>After FAA review of the proposed award, the FAA requested the Authority Attorney provide a letter of concurrence on the bid process and a subsequent follow up clarification letter. The FAA is concerned that the bid was not clear enough that although there was only one bid solicitation, the two projects could be awarded to the same or different contractors. The FAA requested the Authority affirm that the bid process followed 2CFR 200.319. The Authorities Counsel reviewed the documents and provided an opinion (see attachment 2).</p> <p>The projects will begin as soon as possible and should last for about 60 days.</p>
FISCAL IMPACT:	Project 1 - \$1,191,844.50 Project 2 - \$97,977 Total (both Projects) - \$1,289,821.50
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	<ol style="list-style-type: none">1. Armstrong Recommendation of Award2. Wegener letters to FAA3. Notice of Award and Contract – Project 14. Notice of Award and Contract – Project 2

STAFF CONTACT:

Ben Johnson

bjohnson@gairport.com

Office: 970-248-8596

Cell: 970-712-9554



February 17, 2016

Ben Johnson
Grand Junction Regional Airport
800 Eagle Drive
Grand Junction, Colorado 81506

RE: Recommendation of Award - Grand Junction Regional Airport
AIP No. 3-08-0027-052-2015
PROJECT 1- Taxiway Rehabilitation
PROJECT 2- Modify Runway 22 Edge Lighting &
Relocate Wind Cone & Segmented Circle

Dear Mr. Johnson,

As you are aware, bids were received for the above mentioned projects on February 12, 2016.

A great deal of effort was expended to attract bidders for this project. The project was advertised in the local paper for four consecutive weeks and listed in the advertisements of a local plan room and a national plan room. Eleven Contractors/Sub-Contractors purchased plans from the Armstrong Consultants, Inc. bidding website. A pre-bid meeting was held at the airport on February 2, 2016, prior to bid opening to answer questions and show the project to potential bidders.

Four bids were received. Bidders were required to provide prices for all of the work items for a Project in order to have a complete bid considered for the respective Project. The bids were reviewed for math errors and other items of responsiveness. The tables below lists a general review of bid responsiveness.

Company	Item	Action
Elam Construction	Addendums	Acknowledged Both
	Bid Bond	Included for 5%
	Projects Bid	Project 1 Only
	Proposal Sheets 1-13	Completed and Signed

Company	Item	Action
PNCI	Addendums	Acknowledged Both
	Bid Bond	Included for 5%
	Projects Bid	Both
	Proposal Sheets 1-13	Completed and Signed

Company	Item	Action
Pro Electrical	Addendums	Acknowledged Both
	Bid Bond	Included for 5%
	Projects Bid	Project 2 Only
	Proposal Sheets 1-13	Completed and Signed

Company	Item	Action
Oldcastle SW	Addendums	Acknowledged Both
	Bid Bond	Included for 5%
	Projects Bid	Project 1 Only
	Proposal Sheets 1-13	Completed and Signed

The following table shows the relationship of the bids to the Engineer's estimate:

	Project 1 Total	Project 2 Schedule 1	Project 2 Schedule 2	Project 2 Total
Elam	\$1,191,844.50	No Bid	No Bid	No Bid
PNCI	\$1,264,427.35	\$47,406.00	\$94,133.25	\$141,539.25
Pro Electrical	No Bid	\$25,960.00	\$72,017.00	\$97,977
Oldcastle SW	\$1,257,608.50	No Bid	No Bid	No Bid
Engineer	\$1,127,752.50	\$35,137.50	\$107,275.00	\$142,412.50

A bid tabulation is attached to this letter.

The low bidder for Project 1 was Elam Construction.

The low bidder for Project 2 was Pro Electrical.

A review on SAMS.gov on February 16, 2016 indicated that Pro Electrical has no active exclusion records.

A review on SAMS.gov on February 17, 2016 indicated that Kilgore Construction (Elam's parent company) has no active exclusion records. Elam was not listed on the website.

The DBE goal for these projects is 2.96%. Elam Construction and Pro Electrical have both committed to meeting this goal. A Letter of Intent has been provided by each Contractor confirming DBE participation, and is summarized below:

Elam Construction		
Sub-Contractor	Work Item	Anticipated Amount
Cowboy Hauling, LLC.	Material Hauling	\$39,900

Pro Electrical		
Sub-Contractor	Work Item	Anticipated Amount
Moralez Trucking, LLC.	Trucking	\$2,160
Melgares and Company, LLC.	Painting Segmented Circle	\$2,000



The budget for AIP 3-08-0027-052-2015 developed for the Project includes federal, state, and local funds as shown below:

AIP NO. 52

	TOTAL	FAA	CDOT	GJT
		90%	5%	5%
Administration				
Admin. (Seal Coat)	\$2,000.00	\$1,800.00	\$100.00	\$100.00
Admin. (TWs)	\$2,000.00	\$1,800.00	\$100.00	\$100.00
Admin (Lighting/Windcone)	\$2,000.00	\$1,800.00	\$100.00	\$100.00
Engineering				
Engineering/Const. Admin. (Seal Coat)	\$182,500.00	\$164,250.00	\$9,125.00	\$9,125.00
Engineering/Const. Admin. (TWs)	\$241,003.00	\$216,902.00	\$12,050.00	\$12,051.00
Engineering/Const. Admin. (Lighting/Wind Cone)	\$26,715.00	\$24,043.00	\$1,335.00	\$1,337.00
Modifications to Standards	\$29,500.00	\$26,550.00		\$2,950.00
Testing				
Estimated Independent QA (TWs)	\$75,000.00	\$67,500.00	\$3,750.00	\$3,750.00
Construction				
Contract (Seal Coat)	\$990,888.88	\$891,799.00	\$49,544.00	\$49,545.88
Contract (TWs)	\$1,191,844.50	\$1,072,660.00	\$59,592.00	\$59,592.50
Contract (Lighting/Wind Cone)	\$97,977.00	\$88,179.00	\$4,898.00	\$4,900.00
TOTAL	\$2,841,428.38	\$2,557,283.00	\$140,594.00	\$143,551.38

We recommend awarding Project 1 to Elam Construction for a total of \$1,191,844.50. We recommend awarding Project 2 to Pro Electrical for a total of \$97,977.00.

Sincerely,

ARMSTRONG CONSULTANTS, INC.

<<ORIGINAL SIGNED BY>>

Eric Trinklein, P.E.

encl: Bid Tab
SAMs, and DBE verification

cc: Marc Miller, FAA
Scott Storie, CDOT



ARMSTRONG CONSULTANTS, INC.
861 ROOD AVE.
GRAND JCT., CO 81501

Office: (970) 242-0101 Fax: (970) 241-1769

GRAND JUNCTION REGIONAL AIRPORT
AIP NO. 3-08-0027-062-2016
ACI # 15626970
BID DATE: FEBRUARY 11, 2016 3:00 P.M.

BID TABULATION

PROJECT 1 SCHEDULE 1 - TAXIWAY REHABILITATION

ITEM	QUAN.	UNIT	ENGINEER'S ESTIMATE		EIAM Construction		Pro Electrical Contractors	
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
1 Mobilization	L.S.		\$ 95,000.00	\$ 95,000.00	\$ 165,750.00	\$ 165,750.00	NO BID	
2 Joint and Crack Repair	10	Ton	\$ 6,000.00	\$ 60,000.00	\$ 5,450.00	\$ 54,500.00		
3 Cold Milling (2 Inches Thick)	29700	S.Y.	\$ 8.00	\$ 237,600.00	\$ 5.20	\$ 154,440.00		
4 Bituminous Surface Course (75 Blow)	3415	Ton	\$ 80.00	\$ 273,200.00	\$ 124.25	\$ 424,313.75		
5 Bituminous Material (PG 64-28)	240	Ton	\$ 800.00	\$ 192,000.00	\$ 570.00	\$ 136,800.00		
6 Tack Coat	4,455	Gal	\$ 5.00	\$ 22,275.00	\$ 3.95	\$ 17,597.25		
7 Temporary Markings	12,730	S.F.	\$ 1.00	\$ 12,730.00	\$ 1.10	\$ 14,003.00		
8 Pavement Markings with Glass Beads	6,400	S.F.	\$ 1.20	\$ 7,680.00	\$ 1.40	\$ 8,960.00		
9 Pavement Markings without Glass Beads	6,330	S.F.	\$ 1.00	\$ 6,330.00	\$ 1.10	\$ 6,963.00		
10 Pavement Marking (Thermoplastic) with Glass Beads	6,170	S.F.	\$ 30.00	\$ 185,100.00	\$ 26.50	\$ 163,505.00		
11 Pavement Marking Removal	7,225	S.F.	\$ 1.50	\$ 10,837.50	\$ 4.50	\$ 32,512.50		
12 In-Pavement Runway Edge Light (L-850C, Class 2, Style 3)	10	Each	\$ 2,500.00	\$ 25,000.00	\$ 1,250.00	\$ 12,500.00		
PROJECT 1 TOTAL SCHEDULE 1				\$ 1,127,752.50		\$ 1,191,844.50		NO BID

PROJECT 1 SCHEDULE 1 - TAXIWAY REHABILITATION

ITEM	QUAN.	UNIT	PNCI		Oldcastle SW Group	
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
1 Mobilization	L.S.		\$ 92,209.00	\$ 92,209.00	\$ 319,000.00	\$ 319,000.00
2 Joint and Crack Repair	10	Ton	\$ 4,652.40	\$ 46,524.00	\$ 4,600.00	\$ 46,000.00
3 Cold Milling (2 Inches Thick)	29700	S.Y.	\$ 3.30	\$ 98,010.00	\$ 4.50	\$ 133,650.00
4 Bituminous Surface Course (75 Blow)	3415	Ton	\$ 168.95	\$ 576,964.25	\$ 122.00	\$ 416,630.00
5 Bituminous Material (PG 64-28)	240	Ton	\$ 777.43	\$ 186,583.20	\$ 400.00	\$ 96,000.00
6 Tack Coat	4,455	Gal	\$ 3.67	\$ 16,349.85	\$ 2.50	\$ 11,137.50
7 Temporary Markings	12,730	S.F.	\$ 1.20	\$ 15,276.00	\$ 1.10	\$ 14,003.00
8 Pavement Markings with Glass Beads	6,400	S.F.	\$ 1.49	\$ 9,536.00	\$ 1.40	\$ 8,960.00
9 Pavement Markings without Glass Beads	6,330	S.F.	\$ 1.18	\$ 7,469.40	\$ 1.10	\$ 6,963.00
10 Pavement Marking (Thermoplastic) with Glass Beads	6,170	S.F.	\$ 28.77	\$ 177,510.90	\$ 27.00	\$ 166,590.00
11 Pavement Marking Removal	7,225	S.F.	\$ 3.31	\$ 23,914.75	\$ 3.00	\$ 21,675.00
12 In-Pavement Runway Edge Light (L-850C, Class 2, Style 3)	10	Each	\$ 1,408.00	\$ 14,080.00	\$ 1,700.00	\$ 17,000.00
PROJECT 1 TOTAL SCHEDULE 1				\$ 1,264,427.35		\$ 1,267,608.50

15626970
Grand Junction Regional Airport
Grand Junction, CO

Bid Tabulation

ARMSTRONG CONSULTANTS, INC.
 861 ROOD AVE.
 GRAND JCT., CO 81501

GRAND JUNCTION REGIONAL AIRPORT
 AIP NO. 3-08-0027-052-2015
 ACI # 15626970
 BID DATE: FEBRUARY 11, 2016 3:00 P.M.

BID TABULATION

PROJECT 2... SCHEDULE I - MODIFY RUNWAY 22 EDGE LIGHTING

ITEM	QUAN.	<u>ENGINEER'S ESTIMATE</u>		<u>Elam Construction</u>		<u>Pro Electrical Contractors</u>	
		<u>UNIT PRICE</u>	<u>EXTENSION</u>	<u>UNIT PRICE</u>	<u>EXTENSION</u>	<u>UNIT PRICE</u>	<u>EXTENSION</u>
1 Mobilization	1	\$ 3,500.00	\$ 3,500.00	NO BID		\$ 1,400.00	\$ 1,400.00
2 No. 8 AWG L-824C Cable, Installed in Conduit	6,050	\$ 2.75	\$ 16,637.50		\$	\$ 2.20	\$ 13,310.00
3 L-847 Circuit Selector Switch	1	\$15,000.00	\$ 15,000.00		\$	\$11,250.00	\$ 11,250.00
PROJECT 2 TOTAL SCHEDULE I			\$ 35,137.50		NO BID		\$ 25,960.00

PROJECT 2... SCHEDULE I - MODIFY RUNWAY 22 EDGE LIGHTING

ITEM	QUAN.	<u>PNCI</u>		<u>Oldcastle SW Group</u>	
		<u>UNIT PRICE</u>	<u>EXTENSION</u>	<u>UNIT PRICE</u>	<u>EXTENSION</u>
1 Mobilization	1	\$ 2,817.00	\$ 2,817.00		
2 No. 8 AWG L-824C Cable, Installed in Conduit	6,050	\$ 4.70	\$ 28,435.00		
3 L-847 Circuit Selector Switch	1	\$ 16,154.00	\$ 16,154.00		
PROJECT 2 TOTAL SCHEDULE I			\$ 47,406.00		NO BID

ARMSTRONG CONSULTANTS, INC.
 861 ROOD AVE.
 GRAND JCT., CO 81501

GRAND JUNCTION REGIONAL AIRPORT
 AIP NO. 3-08-0027-052-2015
 ACI # 156289770
 BID DATE: FEBRUARY 11, 2016 3:00 P.M.

BID TABULATION

PROJECT 2 - SCHEDULE II - RELOCATE WINDCONE & SEGMENTED CIRCLE

ITEM	QUAN.	UNIT	ENGINEER'S ESTIMATE		Elam Construction		Pro Electrical Contractors	
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION
1 Mobilization	1	L.S.	\$10,000.00	\$ 10,000.00	NO BID	-	\$ 3,900.00	\$ 3,900.00
2 Remove Existing Wind Cone and Segmented Circle	1	L.S.	\$ 4,500.00	\$ 4,500.00	-	-	\$ 1,560.00	\$ 1,560.00
3 Remove Asphalt Pavement (Full Depth)	100	L.F.	\$ 10.00	\$ 1,000.00	-	-	\$ 22.22	\$ 2,222.00
4 Embankment	675	C.Y.	\$ 55.00	\$ 37,125.00	-	-	\$ 44.00	\$ 29,700.00
5 Structural Portland Cement Concrete	Incidental	Incidental	Incidental	Incidental	Incidental	Incidental	Incidental	Incidental
6 L-807, Style 1-B (LED), Size 2 (12 FT) Wind Cone	1	each	\$30,000.00	\$ 30,000.00	-	-	\$ 7,515.00	\$ 7,515.00
7 Relocate Segmented Circle	1	L.S.	\$20,000.00	\$ 20,000.00	-	-	\$23,400.00	\$ 23,400.00
8 No. 6 THWN-2 CU Cable, Installed in Conduit	600	L.F.	\$ 2.00	\$ 1,200.00	-	-	\$ 1.40	\$ 840.00
9 No. 6 Insulated Equipment Ground, Installed in Conduit	300	L.F.	\$ 2.00	\$ 600.00	-	-	\$ 1.40	\$ 420.00
10 2-Inch PVC Duct (Direct Earth Burial)	300	L.F.	\$ 9.50	\$ 2,850.00	-	-	\$ 8.20	\$ 2,460.00
PROJECT 2 TOTAL SCHEDULE II				\$ 107,275.00		NO BID		\$ 72,017.00

PROJECT 2 - SCHEDULE II - RELOCATE WINDCONE & SEGMENTED CIRCLE

ITEM	QUAN.	UNIT	PNCI		Oldcastle SW Group		Pro Electrical Contractors
			UNIT PRICE	EXTENSION	UNIT PRICE	EXTENSION	
1 Mobilization	1	L.S.	\$ 4,015.00	\$ 4,015.00	-	-	
2 Remove Existing Wind Cone and Segmented Circle	1	L.S.	\$ 3,595.00	\$ 3,595.00	-	-	
3 Remove Asphalt Pavement (Full Depth)	100	L.F.	\$ 17.98	\$ 1,798.00	-	-	
4 Embankment	675	C.Y.	\$ 67.59	\$ 45,623.25	-	-	
5 Structural Portland Cement Concrete	Incidental	Incidental	Incidental	Incidental	Incidental	Incidental	
6 L-807, Style 1-B (LED), Size 2 (12 FT) Wind Cone	1	each	\$10,785.00	\$ 10,785.00	-	-	
7 Relocate Segmented Circle	1	L.S.	\$21,573.00	\$ 21,573.00	-	-	
8 No. 6 THWN-2 CU Cable, Installed in Conduit	600	L.F.	\$ 1.50	\$ 900.00	-	-	
9 No. 6 Insulated Equipment Ground, Installed in Conduit	300	L.F.	\$ 1.50	\$ 450.00	-	-	
10 2-Inch PVC Duct (Direct Earth Burial)	300	L.F.	\$ 17.98	\$ 5,394.00	-	-	
PROJECT 2 TOTAL SCHEDULE II				\$ 94,133.25		NO BID	

TOTAL ALL SCHEDULES

PROJECT	ENGINEER'S ESTIMATE	Elam Construction	Oldcastle SW Group	Pro Electrical Contractors
Project 1	\$ 1,127,762.60	\$	\$	\$
Project 2	\$ 142,412.60	NO BID	NO BID	NO BID
Project 1	\$ 1,254,427.35	\$	\$	\$ 97,977.00
Project 2	\$ 141,539.25	NO BID	NO BID	

156289770
 Grand Junction Regional Airport
 Grand Junction, CO

Bid Tabulation

Vendor Information

CLICK WINDOW



Vendor Information

Business Name Cowboy Trucking, LLC
Owner Jose Martinez
Address 2558 Gypsum Creek Rd
> [Map This Address](#) Gypsum, CO 81637
Phone 970-376-3584
Fax 970-324-0978
Email cwboy2004@hotmail.com
Ethnicity Hispanic
Gender Male

Certification Information

Certifying Agency City and County of Denver
Certification Type DBE - Disadvantaged Business Enterprise
Certified Business Description Truck Hauling Services

Work Codes

NAICS	NAICS Index
CO UCP NAICS 484220	Dump trucking (e.g. gravel, sand, top soil)
CO UCP NAICS 484220	Gravel hauling, local
CO UCP NAICS 484220	Sand hauling, local
CO UCP NAICS 484220	Top-soil hauling, local

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Vendor Information



Vendor Information

Business Name Meigares and Company's, LLC
 Owner Mr. Michael Meigares
 Address 814 31 Road
 > [Map This Address](#) Grand Junction, CO 81504
 Phone 970-434-8000
 Fax 970-523-7000
 Email mmeigares1@outlook.com
 Ethnicity Hispanic
 Gender Male

Certification Information

Certifying Agency Colorado Department of Transportation
 Certification Type DBE - Disadvantaged Business Enterprise
 Certified Business Description Construction

Work Codes

NAICS NAICS Index
 CO UCP NAICS 237313 Paving (asphalt, concrete, etc.) contractors
 CO UCP NAICS 238313 Drywall contractors
 CO UCP NAICS 238120 Bridge painting
 CO UCP NAICS 238320 Painting (except roof) contractors
 CO UCP NAICS 238390 Waterproofing contractors

Customer Support

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Vendor Information



Vendor Information

Business Name Moralez Trucking LLC
Owner Mr. Nathan Moralez
Address 1753 Pioneer Circle
 > Map This Address Delta, CO 81418
Phone 970-301-1978
Fax 970-974-8652
Email natam01@bnetmail.com
Ethnicity Hispanic
Gender Male

Certification Information

Certifying Agency Colorado Department of Transportation
Certification Type DBE - Disadvantaged Business Enterprise
Certified Business Description Dump trucking

Work Codes

NAICS NAICS codes
CO UCP NAICS Dump trucking (e.g. gravel sand top soil)
484220

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Entity Dashboard

- Entity Overview
- Entity Record
 - Core Data
 - Assertions
 - Refs & Certs
 - POCs
 - Reports
 - Service Contract Report
 - BioPreferred Report
 - Exclusions
 - Active Exclusions
 - Inactive Exclusions
 - Excluded Family Members

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PRO ELECTRICAL CONTRACTORS INC
 DUNS: 042024201 CAGE Code: 5ML83
 Status: Active

575 NW 8TH ST
 CEDAREIDGE, CO, 81413-3933,
 UNITED STATES

Expiration Date: 06/11/2018
 Purpose of Registration: All Awards

Entity Overview

Entity Information

Name: PRO ELECTRICAL CONTRACTORS INC
 Business Type: Business or Organization
 POC Name: Shane Lance
 Registration Status: Active
 Activation Date: 06/12/2015
 Expiration Date: 06/11/2018

Exclusions

Active Exclusion Records? No



USER NAME PASSWORD

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Entity Dashboard

- Entity Record
- Core Data
- Assertions
- Reqs & Certs
 - POCs
 - Reports
- Service Contract Report
- BioPreferred Report
 - Exclusions
 - Active Exclusions
 - Inactive Exclusions
- Excluded Family Members

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KILGORE COMPANIES, LLC
 DUNS: 968179759 CAGE Code: 6DYA6 Status: Active
 7857 W 2100 S
 WEST VALLEY CITY, UT, 84128,
 UNITED STATES

Expiration Date: 01/28/2017
 Purpose of Registration: All Awards

Entity Overview

Entity Information

Name: KILGORE COMPANIES, LLC
 Doing Business As: TRIPLE C CONCRETE
 Business Type: Business or Organization
 POC Name: Doug Carrington
 Registration Status: Active
 Activation Date: 01/29/2016
 Expiration Date: 01/28/2017

Exclusions

Active Exclusion Records? No

SAM | System for Award Management 1.8

IBM v1.P 41.20160129-1215

WWW



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YEULIN V. WILLETT J.
BRENT A. CARLSON
BENJAMIN WEGENER
RICHARD E. LANE

BRITTANY M. VICK
JULIA B. RIEKE J.
OLIVIA D. ROSSI
OF COUNSEL

YOUNGE & HOCKENSMITH
PROFESSIONAL CORPORATION,
ATTORNEYS AT LAW

743 HORIZON COURT, SUITE 200
GRAND JUNCTION, COLORADO 81506
PHONE: 970-242-2645 FAX: 970-241-5719
www.youngelaw.com

THOMAS K. YOUNGE
(1908 - 1997)
FRANK M. HOCKENSMITH
(1919 - 2002)

ben@youngelaw.com

Direct Line:
(970) 242-2645; Ext. 203

March 8, 2016

Via U.S. Mail To:

Mr. John Bauer
U.S. Department of Transportation
Federal Aviation Administration
Denver Airports District Office
26805 E. 68th Avenue, Suite 224
Denver, CO 80249-6361

Re: *Grand Junction Regional Airport Authority IFB*

Dear Mr. Bauer:

The purpose of this letter is to provide the Federal Aviation Administration with our opinion as to whether the Grand Junction Regional Airport Authority's (GJRAA) Contract Proposal/IFB ("Proposal") allows for separate contracts to be awarded for the two projects discussed therein. With that in mind, it should be noted that the GJRAA effectively invited bids for a taxiway rehabilitation project and a runway improvement project. The GJRAA described the work as "Project 1" and "Project 2" in the Proposal, with Project 1 being the taxiway rehabilitation project and Project 2 being a two-phase project for the improvement/modification of Runway 22.

It is our understanding that a concern has been raised that while the GJRAA wishes to use different contractors for each phase, and intended the two projects to be handled as discrete contracting events, a bidder could argue that only a consolidated bid and an award of both projects to one contractor is permissible. Based upon the language of the Proposal, an argument like this could be made, but as discussed in further detail below, any perceived issue can be resolved through a very clear Notice of Award and Contract.

That being said, while the Proposal describes two projects, it references only one overall project number, which is "A.I.P. Project No. 0-08-0027-052-2015" ("AIP"). The Projects within the AIP are not labeled as discrete events as both Projects share a single project number. At first glance, this appears to be a proposal for a single contract composed of multiple projects. In other words, A.I.P. Project No. 0-08-0027-052-2015 could be considered to be a multi-phase project, with phase one being the taxiway rehabilitation and phase two being the work to Runway 22.

Much of the language used throughout the Proposal, unfortunately, does not dispel the appearance of a single contracting event. Specifically, Page AB-1 and AB-2 of the Proposal, refer to a "proposed contract." Thus, it could be argued that this provision indicates that one

contract would be awarded. However, Page IB-4 of the Proposal, under "Submission of Bids," states that:

Bidders must submit proposals for all of the work entailed by one or both of the Projects. In order to be awarded a project, the Bidder shall submit prices for all of the items of the respective schedule. A bidder may not submit a proposal for some, but not all, of the items of a Schedule.

This language provides that bidders may bid on the project in total, or in part. Therefore, while the description of the Projects and Contract seems to indicate that one contract would be awarded, the actual instructions to the bidders clearly delineates that the Projects will be awarded individually. Thus, the Proposal and its contents could be considered ambiguous.

In this regard, the Proposal suggests, initially, that one contract would be awarded for two projects. However, this is later clarified with the instructions to the bidders, which provides for bidding on the Projects individually or as a whole. Additionally, the actual agreement/contract that was provided with the Proposal indicates that both Projects are to be done by one, or both, of the successful bidder(s) that sign it, and this is clear from the plain language of the agreement/contract that was provided. Despite this, the agreement/contract states that:

The Contract Documents consist of the Invitation for Bids, the Instructions to Bidders, the Proposal, the Bid Bond, the Notice of Award, this Agreement, the Performance, Payment, and Maintenance Bonds, the Certification of Inclusion of Labor & EEO Requirements in Subcontracts, the Notice to Proceed, the Change Orders, the Applications for Payment, the Notice of Contractor's Settlement, Wage Rates, the General Provisions, the Technical Specifications, the Special Provisions, the Construction Safety and Phasing Plan, the Construction Management Plan, the Plans and Drawings, any Addenda issued prior to the execution of this Agreement, any written and signed modifications issued after the execution of this Agreement, and/or any other documents listed in this Agreement. These Contract Documents are incorporated herein and are a part of this Agreement.

This provision could make the agreement/contract ambiguous as well. That is because the agreement/contract requires both Projects to be done by the successful bidder while the incorporated bidding instructions permits partial awards of the projects to more than one successful bidder.

With that in mind, Colorado law provides that in the case of any doubt with respect to a contract term, it should be construed most strongly against the drafter. *See Valdez v. Cantor*, 994 P.2d 483, 486 (Colo. App. 1999). This is important to note because there is an ambiguity within the documents as to the work to be performed versus what was to be bid. So, under to general contracting principles, if the Projects are awarded per the Proposal, as it currently reads, it can be argued that both projects must be awarded to one bidder.

That said, public contracts are normally treated somewhat differently than traditional private entity contracts. While Colorado has little law on ambiguity in public contracts, there is a recent Federal Court case on this issue. In *FFL Pro, LLC v. United States*, 124 Fed. Cl. 536, 552 (2015), the Court held that when the language of the solicitation for bids is susceptible to more than one reasonable interpretation, the solicitation is ambiguous. If the ambiguity is patent, such as containing facially inconsistent provisions, a reasonable contractor should be on notice and it should prompt the contractor to rectify the inconsistency by inquiring to the appropriate parties. So, if a solicitation contains a patent ambiguity, the protester's interpretation of the solicitation will fail unless it previously sought clarification. Since there does not appear to be any requests for clarification from any bidder, then any likely future complaint as to any ambiguity would fail under the holding of *FFL Pro, LLC, supra*.

With that in mind, it is our understanding that no Notice of Award has been sent, and no agreement/contract has been signed. This is important since it was indicated in the bidding process that the projects were to be independent, the Notice of Award and the other contract documents need to be amended/corrected to clearly state that the projects can be bid on and awarded separately. This is based upon the premise that bids are mere offers and they do not, in and of themselves, impose any contractual obligations on a government entity until, and unless, accepted. See *Heritage Pools, Inc. v. Foothills Metro. Recreation & Park Dist.*, 701 P.2d 1260, 1262 (Colo. App. 1985).

Therefore, the Notice of Award needs to be corrected/amended so that is clear what Project is being awarded. Further, the agreement/contract needs to be corrected/amended so that it is clear what project the contract is actually for. If this is done, the executed agreements will not be vague and will conform to the bidding that has occurred.

Very truly yours,

**YOUNGE & HOCKENSMITH
PROFESSIONAL CORPORATION**


Benjamin M. Wegener

/bmw

cc: Ben Johnson (Via Email)
Steve Wood (Via Email)

**NOTICE OF AWARD
FOR
A.I.P. PROJECT NO. 3-08-0027-052-2015
PROJECT 1 - TAXIWAY REHABILITATION
GRAND JUNCTION REGIONAL AIRPORT**

TO: Elam Construction, Inc.
556 Struthers Ave.
Grand Junction, CO 81501-3826

The OWNER has considered the Bid for submitted by you for the above described Work in response to its Invitation for Bids and Instructions to Bidders.

You are hereby notified that your Bid has been accepted in the amount of One Million, One Hundred Ninety One Thousand, Eight Hundred Forty-Four and 50/100 Dollars (\$1,191,844.50).

You are required by the Instructions to Bidders to execute the Agreement and furnish the required Contractor's Performance, Payment and Maintenance Bonds and Proofs of Insurance within fifteen (15) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said Bonds and Proofs of Insurance within fifteen (15) days from the date of this Notice, said Owner will be entitled to consider your Bid abandoned, to annul this Notice of Award and to declare your Bid Security forfeited.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the Owner.

Dated this _____ day of _____, 2016.

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
(Owner)

By _____, Chairman
Address: 800 Eagle Drive
Grand Junction, Colorado 81506
Telephone: (970) 244-9100

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged by:

_____, Contractor

By: _____ Date: _____

Title: _____ Telephone: _____

AGREEMENT FOR THE TAXIWAY REHABILITATION (PROJECT 1)

This Agreement for the Taxiway Rehabilitation (hereinafter "Agreement") is made and entered into this _____ day of March, 2016 by and between the Grand Junction Regional Airport, (hereinafter "Sponsor"), a body corporate and politic and constituting a political subdivision of the State of Colorado, and Elam Construction, Inc., (hereinafter "Contractor"), a Colorado Corporation:

WITNESSETH

WHEREAS, Sponsor received sealed proposals for the provision and furnishing of any and all labor, tools, supplies, equipment, and/or materials necessary and required for Project 1: Taxiway Rehabilitation, and which more fully defined and identified in A.I.P. Project No. 3-08-0027-052-2015, or A.C.I. Project No. 156269 (hereinafter "Project"); and

WHEREAS, Contractor submitted a sealed proposal to Sponsor for the Project; and

WHEREAS, the Project has been awarded to Contractor; and

WHEREAS, Contractor is willing and able to perform all of the work that is necessary and required to complete the Project; 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 Sponsor and Contractor:

ARTICLE 1 CONTRACT DOCUMENTS

1.1 The Contract Documents consist of the Invitation for Bids, the Instructions to Bidders, the Proposal, the Bid Bond, the Notice of Award, this Agreement, the Performance, Payment, and Maintenance Bonds, the Certification of Inclusion of Labor & EEO Requirements in Subcontracts, the Notice to Proceed, the Change Orders, the Applications for Payment, the Notice of Contractor's Settlement, Wage Rates, the General Provisions, the Technical Specifications, the Special Provisions, the Construction Safety and Phasing Plan, the Construction Management Plan, the Plans and Drawings, any Addenda issued prior to the execution of this Agreement, any written and signed modifications issued after the execution of this Agreement, and/or any other documents listed in this Agreement. These Contract Documents are incorporated herein and are a part of this Agreement.

ARTICLE 2 SCOPE OF WORK

2.1 Contractor is to complete the Project in accordance with the Contract Documents and in accordance with all codes and regulations governing the construction of the Project. Any work, materials, or equipment that may be reasonably inferred from the Contract Documents as being required to produce the intended result shall be supplied by Contractor whether or not specifically called for. Reference to standard specifications, manuals, or codes of any technical society, organization or association, or to the laws or regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard, specification, manual, code, or laws or regulations in effect at the time of opening of bids and Contractor shall comply therewith. Sponsor shall have no duties other than those duties and obligations expressly set forth within the Contract Documents.

ARTICLE 3 CONTRACT TIME

3.1 Contractor agrees to undertake the performance of the Project on the date stated in the Notice to Proceed and agrees to fully complete Project 1 within twenty-one (21) calendar days unless an extension of time is granted by Sponsor in accordance with the provisions of Section 80, Paragraph 7, of the General Provisions.

ARTICLE 4 DAMAGES

4.1 It is acknowledged that Contractor's failure to complete the Project within the Contract Time will cause Sponsor to incur substantial economic damages and losses of the types and in the amounts which are significantly difficult to compute and ascertain with any certainty as a basis for the recovery by Sponsor of actual damages, and that liquidated damages represent a fair, reasonable, and appropriate estimate thereof. Accordingly, in lieu of actual damages for such delay, Contractor agrees that liquidated damages may be assessed and recovered by Sponsor as against Contractor and its Surety in the event of delayed completion and without Sponsor being required to present any evidence of the amount or character of actual damages sustained by reason thereof. Contractor shall be liable to Sponsor for payment of liquidated damages in the amount of One Thousand and No/100ths Dollars (\$1,000) for each day that the Project is delayed beyond the Contract Time as adjusted for any time extension that may be provided for by the Contract Documents. Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty, and Contractor shall pay them to Sponsor without limiting Sponsor's right to terminate this Agreement for default as provided elsewhere herein. Additionally, Sponsor may hold all or part of any liquidated damages from payments that may be due to Contractor for the Project. The acceptance by Sponsor of such liquidated damages does not constitute a waiver by Sponsor of any other remedy available at law or in equity, and Sponsor expressly reserves its right to pursue any available remedy.

4.2 If Contractor fails to comply with any covenants or conditions of this Agreement, Sponsor may take such actions as Sponsor deems necessary to complete the Project using persons and entities selected by Sponsor. If Sponsor's costs of completing the Project exceed any unpaid amounts to Contractor for the Project, upon demand, Contractor shall reimburse Sponsor the difference between the actual cost of completion and the unpaid balance of any amounts that remain to be paid for the Project. Sponsor's rights and remedies under this section are not exclusive and are cumulative with any other rights and remedies Sponsor may have under this Agreement or applicable law. Notwithstanding the foregoing, Sponsor shall have all available rights and remedies pursuant to Colorado's Construction Defect Action Reform Act, C.R.S. § 13-20-801, *et seq.*, as well as any and all other applicable federal, state, or local statutes, laws, rules, and/or regulations.

ARTICLE 5 TERMS OF PAYMENT

5.1 Sponsor agrees to pay Contractor in accordance with the price or prices set forth in Contractor's Proposal, for the total cost of the Project, or the "Contract Price," will be One Million, One Hundred Ninety One Thousand, Eight Hundred Forty-Four and 50/100 Dollars (\$1,191,844.50). Partial payments will be made for work completed on the Project during the previous month, as well as for materials (invoice cost only) delivered to the site of the Project and which are properly and suitably stored.

5.2 Application for partial payments for stored materials must be accompanied by certified invoices showing all pertinent data that may be required by Armstrong Consultants, Inc. ("Engineer"), to verify the accuracy of the invoices and their relation to the stored materials. Failure to provide certified invoices will disqualify the materials in question from consideration for partial payment. Partial payments for work completed on the Project during the previous month will be made based on the Contractor's Application for Payment and any Recommendation of Payment made by Engineer. Sponsor will retain, from any partial payments, ten percent (10%) of the total amount due to Contractor based on the Contractor's Application for Payment and any Recommendation of Payment made by Engineer. However, nothing herein shall be construed as relieving Contractor and his, her, or its Sureties on the Contractor's Bond from any claim or claims for work or labor done, or materials or supplies furnished, as part of this Agreement and the completion of the Project.

5.3 It is the intent of Sponsor to make any partial payments in the following manner:

5.3.1 The Contractor shall submit to Engineer his Application for Payment no later than the next to last Friday of the month.

5.3.2 Engineer will, within 7 days after receipt, submit the Application for Payment to Sponsor for payment along with its Recommendation of Payment, noting any changes. The Sponsor will then make payment to Contractor when funds are received from the FAA and the State of Colorado and are available to Sponsor for payment to Contractor.

ARTICLE 6 BONDS & INSURANCE

6.1 At the time of the execution of this Agreement, Contractor shall provide the bonds that are required by the Contract Documents. The Performance Bond will be in an amount not less than one hundred percent (100%) of the Contract Price and shall provide for the completion of the Project in accordance with the Contract Documents, without additional cost to Sponsor. The Payment Bond will be in an amount not less than one hundred percent (100%) of the Contract Price and it shall provide for the payment of all Project costs in accordance with the Contract Documents, without additional cost to Sponsor. The Maintenance Bond will provide for the correction or replacement of any portion of the Project that is considered by Sponsor and/or Engineer to be defective in materials and workmanship for a period of one year following final acceptance of the Project, and it shall fully cover any and all of the costs of removal, correction, reconstruction, and any and all other related expenses in repairing or correcting the defective portions of the Project, without additional cost to Sponsor.

6.2 Contractor shall obtain, before beginning the Project, and maintain in full force at all times relevant to this Agreement, as well as assure that all persons or entities working on the Project obtain and maintain in full force at all times, insurance for the protection of claims under workers' compensation laws. Prior to commencing work on the Project, Contractor, at Sponsor's request, shall provide Sponsor with a certification of the maintenance of workers' compensation as required by this section. Contractor shall also maintain, in full force at all times relevant to this Agreement, public liability/commercial general liability insurance and property damage insurance with a limit of at least \$2,000,000. This insurance shall also include coverage for completed operations, contractual liability, and automotive liability and shall afford coverage for all claims for bodily injury, including death, and all claims for the destruction of, or damage to, property arising out of or in connection with any work completed on the Project in regard to this Agreement, whether such work was done by Contractor or anyone directly or indirectly employed by Contractor or by a subcontractor. Additionally, Contractor shall name

Sponsor and Engineer as additional named insureds on these insurance policies, with the exception of the Workers' Compensation Insurance. Contractor, at Sponsor's request, shall provide Sponsor with certificates of these insurance policies. Prior to the completion of the Project, the insurance required under this Agreement cannot be cancelled by Contractor.

**ARTICLE 7
ACCESS TO RECORDS AND REPORTS**

7.1 Pursuant to 2 C.F.R. § 200.326 & 2 C.F.R. § 200.333, as well as any related Appendixes thereto, Contractor shall maintain an acceptable cost accounting system. Contractor also agrees, for a period of three (3) years following the completion of the Project and the final payment being made for it, to retain and maintain all financial records, supporting documents, statistical records, and any and all other documents and records pertinent to this Agreement and the Project for the purpose of audits or examinations by Sponsor, the Federal Aviation Administration ("FAA"), and the Comptroller General of the United States, as well as any of their duly authorized representatives. However, if any litigation, claim, audit, or examination is started before the expiration of the three (3) year period, the records must be retained until all litigation, claims, audits, or examinations involving these documents and records have been resolved.

**ARTICLE 8
AFFIRMATIVE ACTION REQUIREMENTS**

8.1 Pursuant to 41 C.F.R. Part 60-4 and Executive Order 11246, the following "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246)" is hereby provided as follows:

8.1.1. The Offeror's or Bidder's (Contractor's) attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

8.1.2. The goals and timetables for minority and female participation, expressed in percentage terms for Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Timetables	Goals for Minority Participation in Each Trade	Goals for Female Participation in Each Trade
	10.2%	6.9%

These goals are applicable to all of the Contractor's construction work (whether or not it is Federal or federally-assisted) performed in the covered area. If the Contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the Contractor is also subject to the goals for both federally funded and non-federally funded construction regardless of the percentage of federal participation in funding.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training

shall be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to Contractor or from project to project, for the sole purpose of meeting the contractor's goals, shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

8.1.3. The Contractor shall provide written notification to the Director, Office of Federal Contract Compliance Programs (OFCCP), within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of subcontract; and the geographical area in which the subcontract is to be performed.

8.1.4. As used in this notice and in the contract resulting from this solicitation, the "covered area" is Grand Junction, Mesa County, Colorado.

8.2 The Department of Labor is responsible for administering Executive Order 11246, which contains requirements for an Affirmative Action Plan. This Plan is similar in content and requirements to the affirmative action plan required in 49 C.F.R. Part 152 subpart e., and 49 C.F.R. Part 152 as applied to grants issued under the Airport Development Aid Program, which was replaced by the Airport Improvement Program.

ARTICLE 9 BREACH OF CONTRACT

9.1 Any violation or breach of terms of this Agreement on the part of Contractor or its subcontractors may result in the suspension or termination of this Agreement or such other action that may be necessary to enforce the rights of the parties of this Agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

ARTICLE 10 BUY AMERICAN PREFERENCE

10.1 Contractor agrees to comply with 49 U.S.C. § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP-funded projects are produced in the United States, unless the FAA has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list. Contractor hereby agrees and warrants that it submitted all of the appropriate Buy America certification with its Proposal, offer, and/or bid.

ARTICLE 11 CIVIL RIGHTS

11.1 Contractor agrees that it will comply with all pertinent statutes, Executive Orders, and all rules or regulations that are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

11.2 This Article binds Contractor from the bid solicitation period through the completion of the Project and this Agreement. This Article is in addition to that required of Title VI of the Civil Rights Act of 1964.

11.3 This Article also obligates Contractor for the period during which federal assistance is extended to Sponsor and/or the Grand Junction Regional Airport through the Airport Improvement Program, except where federal assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures or improvements thereon. In these cases, Contractor is obligated to this Article for the longer of the following periods:

11.3.1 The period during which the property is used by Sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or

11.3.2 The period during which the Sponsor or any transferee retains ownership or possession of the property.

ARTICLE 12 CIVIL RIGHTS – TITLE VI ASSURANCES

12.1 Contractor shall comply with all of the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Contractor will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by all pertinent statutes, authorities, rules, and regulations, including discriminatory employment practices should this Agreement and the Project cover any activity, project, or program set forth in Appendix B of 40 C.F.R. part 21.

12.2 In all solicitations, either by competitive bidding or negotiation by Contractor for work to be performed under a subcontract for the Project, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of his, her, or its obligations under this Agreement and all pertinent statutes, authorities, rules, and regulations relative to nondiscrimination on the grounds of race, color, or national origin.

12.3 Contractor will provide all information and reports required by the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time, and will permit access to his, her, or its books, records, accounts, other sources of information, and its facilities as may be determined by Sponsor or the FAA to be pertinent to ascertain compliance with the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Where any information required of Contractor is in the exclusive possession of another who fails or refuses to furnish the information, Contractor will so certify to Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

12.4 In the event of Contractor's noncompliance with the nondiscrimination provisions of this Agreement, Sponsor will impose sanctions as it or the FAA may determine to be appropriate, including, but not limited to withholding payments to Contractor under this Agreement until the Contractor is in compliance and/or canceling, terminating, or suspending this Agreement in whole, or in part.

12.5 Contractor will include the provisions of Paragraphs 12.1 through 12.4 in every subcontract, including contracts for the procurement of materials and leases of equipment, unless exempt by the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Contractor will take action with respect to any subcontract or procurement as Sponsor or the FAA may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that if Contractor becomes involved in, or is threatened with, litigation by a subcontractor or supplier because of the requirements of this subparagraph, Contractor may request Sponsor to enter into any litigation to protect the interests of Sponsor. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

12.6 During the performance of this Agreement, Contractor, and its assignees and successors in interest, agree to comply with any and all applicable non-discrimination statutes and authorities, which include, but are not limited to:

12.6.1 Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

12.6.2 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

12.6.3 The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

12.6.4 Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;

12.6.5 The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);

12.6.6 Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

12.6.7 The Civil Rights Restoration Act of 1987, (PL 100-209) (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

12.6.8 Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

12.6.9 The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

12.6.10 Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

12.6.11 Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and

12.6.12 Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

ARTICLE 13 CLEAN AIR & WATER POLLUTION CONTROL

13.1 Contractor agrees that:

13.1.1 Any facility to be used in the performance of this Agreement or for the Project is not listed on the Environmental Protection Agency's ("EPA") List of Violating Facilities;

13.1.2 It will comply with all requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. § 1857 *et seq.*, and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the foregoing Acts, respectively, and all other regulations and guidelines issued thereunder;

13.1.3 As a condition for the award of the Project and this Agreement, Contractor will notify Sponsor of the receipt of any communication from the EPA indicating that a facility to be used for the performance of this Agreement or for the Project is under consideration to be listed on the EPA's List of Violating Facilities; and

13.2 Contractor also agrees that it will include or cause to be included in any subcontract or contract it enters into for this Project or for the performance of this Agreement, which exceeds \$100,000, the provisions and requirements of Paragraphs 13.1.

ARTICLE 14 CONTRACT WORKHOURS & SAFETY STANDARDS ACT REQUIREMENTS

14.1 If its work on the Project or in the performance of this Agreement requires the hiring or employment of laborers or mechanics, which includes watchmen and guards, Contractor shall not require or permit any such laborer or mechanic, in any workweek in which he or she is employed, to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

14.2 In the event of any violation of the clause set forth in Paragraph 14.1, Contractor is responsible therefor shall be liable for the unpaid wages.

14.3 The FAA or Sponsor shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld, from any monies payable on account of work performed by Contractor on the Project or in performance of this Agreement, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by Contractor, such sums as may be determined to be necessary to satisfy any liabilities of Contractor for unpaid wages and liquidated damages as provided in Paragraph 14.2.

14.4 Contractor shall insert in any subcontracts the provisions set forth in Paragraphs 14.1 through 14.3, as well as a clause requiring its subcontractors to include these clauses in any lower tier subcontracts. Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in Paragraphs 14.1 and 14.3.

ARTICLE 15 COPELAND "ANTI-KICKBACK" ACT

15.1 The United States Department of Labor, Wage and Hours Division, oversees the Copeland "Anti-Kickback" Act requirements, and Contractor must meet and comply with the Occupational Safety and Health Act of 1970 and all applicable provisions of the Copeland "Anti-Kickback" Act. The United States Department of Labor, Wage and Hours Division, can provide information regarding any specific clauses or assurances pertaining to the Copeland "Anti-Kickback" Act that Contractor must comply with.

ARTICLE 16 DAVIS-BACON REQUIREMENTS

16.1 Minimum Wages:

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalent thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor, regardless of any contractual relationship which may be alleged to exist between Contractor and its laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under (1)(ii) of the Davis-Bacon Act) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can easily be seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which are not listed in the wage determination and which are to be employed to work on the Project or in the performance of this Agreement shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(ii)(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(ii)(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(ii)(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii) (B) or (C) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

16.2 Withholding:

The Federal Aviation Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of work, all or part of the wages required by the contract, the Federal Aviation Administration may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

16.3 Payrolls and Basic Records:

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g. , the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor

will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(ii)(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

1. That the payroll for the payroll period contains the information required to be provided under 29 CFR § 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR § 5.5 (a)(3)(i) and that such information is correct and complete;

2. That each laborer and mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations 29 CFR Part 3;

3. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(ii)(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(ii)(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying or transcription by authorized representatives of the Sponsor, the Federal Aviation Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

16.4 Apprentices and Trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or

her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

16.5 Compliance with Copeland Act Requirements:

Contractor shall comply with the requirements of 29 C.F.R. Part 3, which are incorporated by reference.

16.6 Subcontracts:

The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 C.F.R. Part 5.5(a)(1) through (10) and such other clauses as the Federal Aviation Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 C.F.R. Part 5.5.

16.7 Contract Termination: Debarment:

A breach of the contract clauses in paragraph 1 through 10 of this section may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 C.F.R. 5.12.

16.8 Compliance with Davis-Bacon and Related Act Requirements

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 C.F.R. Parts 1, 3, and 5 are herein incorporated by reference.

16.9 Disputes Concerning Labor Standards:

Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 C.F.R. Parts 5, 6 and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

16.10 Certification of Eligibility:

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. § 1001.

**ARTICLE 17
DEBARMENT AND SUSPENSION**

17.1 Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal department or agency from participation in this Agreement and transaction.

17.2 Contractor will administer each lower tier subcontract that exceeds \$25,000 as a "covered transaction" and will verify that each lower tier participant is not debarred or otherwise disqualified from participation in the Project or in the performance of this Agreement by checking the System for Award Management at <http://www.sam.gov> and by collecting a certification statement similar to the statement contained in Paragraph 17.1. If the FAA later determines that a lower tier participant failed to tell a higher tier that it was excluded or disqualified at the time it entered into the covered transaction, the FAA may pursue any available remedy, including suspension and debarment.

ARTICLE 18 DISADVANTAGED BUSINESS ENTERPRISE

18.1 Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. Contractor shall carry out all applicable requirements of 49 C.F.R. Part 26 in the award and administration of DOT assisted contracts. Failure by Contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as deemed appropriate.

18.2 Contractor agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment Contractor receives from Sponsor. Contractor further agrees to return retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Sponsor. This clause applies to both Disadvantaged Business Enterprise ("DBE") subcontractors and non-DBE subcontractors.

ARTICLE 19 ENERGY CONSERVATION REQUIREMENTS

19.1 Contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

ARTICLE 20 EQUAL OPPORTUNITY CLAUSE AND SPECIFICATIONS

20.1 During the performance of this Agreement, Contractor agrees as follows:

20.1.1 Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

20.1.2 Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

20.1.3 Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

20.1.4 Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

20.1.5 Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

20.1.6 In the event of Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

20.1.7 Contractor will include the sentence beginning Paragraph 20.1 and the provisions of Paragraphs 20.1.1 through this Paragraph (20.1.7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

20.2 Standard Federal Equal Employment Opportunity Construction Contract Specifications:

1. As used in these specifications:
 - A. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
 - B. "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
 - C. "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
 - D. "Minority" includes:
 1. Black (all) persons having origins in any of the Black African racial groups not of Hispanic origin);

2. Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin regardless of race);
 3. Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
 4. American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
 3. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors shall be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.
 4. The contractor shall implement the specific affirmative action standards provided in paragraphs 18.7a through 18.7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical area where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
 5. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the contractor has a collective bargaining agreement to refer either minorities or women shall excuse the contractor's obligations under these specifications, Executive Order 11246 or the regulations promulgated pursuant thereto.
 6. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the contractor during the training period and the contractor shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The contractor shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:
- A. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
 - B. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
 - C. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefore along with whatever additional actions the contractor may have taken.
 - D. Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or female sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.
 - E. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under 7b above.
 - F. Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
 - G. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be

made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

- H. Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.
 - I. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students; and to minority and female recruitment and training organizations serving the contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the contractor shall send written notification to organizations, such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
 - J. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a contractor's workforce.
 - K. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
 - L. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
 - M. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.
 - N. Ensure that all facilities and company activities are non-segregated except that separate or single user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
 - O. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
 - P. Conduct a review, at least annually, of all supervisor's adherence to and performance under the contractor's EEO policies and affirmative action obligations.
8. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (18.7a through 18.7p). The efforts of a contractor association, joint contractor union, contractor community, or other similar groups of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 18.7a through 18.7p of these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can

provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's and failure of such a group to fulfill an obligation shall not be a defense for the contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, if the particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally,) the contractor may be in violation of the Executive Order if a specific minority group of women is underutilized.
10. The contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
11. The contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.
12. The contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.
13. The contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 18.7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
14. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.
15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

**ARTICLE 21
FEDERAL FAIR LABOR STANDARDS ACT**

21.1 This Agreement incorporates the provisions of 29 U.S.C. § 201, *et seq.*, by reference, and those provisions have the same force and effect as if fully set forth herein. Contractor has the responsibility to monitor compliance with these provisions, and Contractor must address any claims or disputes that pertain to a referenced requirement directly with the Federal Agency with enforcement responsibilities, which is the U.S. Department of Labor, Wage and Hour Division, for the provisions of the Federal Fair Labor Standards Act, 29 U.S.C. § 201, *et seq.*

**ARTICLE 22
LOBBYING AND INFLUENCING FEDERAL EMPLOYEES**

22.1 Contractor agrees and certifies that no federal appropriated funds have been paid or will be paid, by or on behalf Contractor to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. However, if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a federal contract, grant, loan, or cooperative agreement, Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

22.2 This certification in Paragraph 22.1 is a material representation of fact upon which reliance was placed when this Agreement is entered into. This certification is a prerequisite for making or entering into this Agreement, as imposed by 31 U.S.C. § 1352. If Contractor fails to provide this certification, it shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

**ARTICLE 23
NONSEGREGATED FACILITIES**

23.1 Notice to Prospective Federally Assisted Construction Contractors:

A Certification of Non-segregated Facilities shall be submitted prior to the award of a federally-assisted construction contract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity Clause.

Contractors receiving federally-assisted construction contract awards exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of the following notice to prospective subcontractors for supplies and construction contracts where the subcontracts exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity Clause.

The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

23.2 Notice to Prospective Subcontractors of Requirements for Certification of Non-Segregated Facilities:

A Certification of Non-segregated Facilities shall be submitted prior to the award of a subcontract exceeding \$10,000, which is not exempt from the provisions of the Equal Opportunity Clause.

Contractors receiving subcontract awards exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of this notice to prospective subcontractors for supplies and construction contracts where the subcontracts exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity Clause.

The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

23.3 Certification of Nonsegregated Facilities:

The federally-assisted construction contractor certifies that she or he does not maintain or provide, for his employees, any segregated facilities at any of his establishments and that she or he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally-assisted construction contractor certifies that she or he will not maintain or provide, for his employees, segregated facilities at any of his establishments and that she or he will not permit his employees to perform their services at any location under his control where segregated facilities are maintained. The federally-assisted construction contractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directives or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The federally-assisted construction contractor agrees that (except where she or he has obtained identical certifications from proposed subcontractors for specific time periods) she or he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that she or he will retain such certifications in his files.

**ARTICLE 24
OCCUPATIONAL SAFETY & HEALTH ACT OF 1970**

24.1 This Agreement incorporates the provisions of 20 C.F.R. Part 1910 herein by references, with these provisions having the same force and effect as if fully set forth herein. Contractor has the full responsibility to monitor the compliance with these incorporated provisions, and it must address any claims or disputes that pertain to a referenced requirement directly with the Federal Agency with enforcement responsibilities, which is the U.S. Department of Labor, Occupational Safety and Health Administration for the provisions of 20 C.F.R. Part 1910.

ARTICLE 25 RIGHT TO INVENTIONS

25.1 All rights to inventions and materials generated under this Agreement are subject to requirements and regulations issued by the FAA and the sponsor of the Federal grant under which this Agreement is executed.

ARTICLE 26 TERMINATION OF AGREEMENT

26.1 Sponsor may, by written notice, and without penalty or recourse by Contractor, terminate this Agreement in whole or in part at any time, either for Sponsor's convenience or because of Contractor's failure to fulfill the obligations imposed of it under this Agreement. Upon receipt of such notice, services must be immediately discontinued (unless the notice directs otherwise) and all materials that may have been accumulated in performing this Agreement, whether completed or in progress, shall be delivered to Sponsor.

26.2 If the termination is for the convenience of Sponsor, Sponsor may provide an equitable adjustment in the Contract Price, but no amount will be allowed for anticipated profit on unperformed services. Additionally, any amounts being held as retainage by Sponsor will continue to be held by Sponsor until the Project is fully completed or until a final determination is made by Sponsor that the Project will not be completed.

26.3 If the termination is due to Contractor's failure to fulfill the obligations imposed on it under this Agreement, Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, Contractor is liable to the Sponsor for any additional cost occasioned to Sponsor thereby.

26.4 If, after notice of termination for Contractor's failure to fulfill its obligations, it is determined that Contractor had not so failed, the termination will be deemed to have been effected for the convenience of Sponsor. In such event, and at the election of Sponsor, an adjustment in the Contract Price will be made as provided for in Article 4 or Paragraph 26.2 of this Agreement.

26.5 The rights and remedies of Sponsor provided in this Article are in addition to any other rights and remedies provided by law or under this Agreement.

ARTICLE 27 TRADE RESTRICTIONS

27.1 Contractor certifies that: a) it is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR); b) that it has not knowingly entered into any contract or subcontract for this Project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list; c) that it has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list. Unless the foregoing restrictions are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, neither Contractor nor its subcontractors can perform this Agreement or complete work on the Project if they are unable to certify to the above.

27.2 If Contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the Project, the FAA may direct, through Sponsor, cancellation of this Agreement at no cost or penalty to the Government or Sponsor.

27.3 Contractor agrees that it will incorporate the provisions of this Article without modification in each contract and in all lower tier subcontracts. Contractor may rely on the certification of a prospective subcontractor, unless it has knowledge that the certification is erroneous. Contractor shall provide immediate written notice to Sponsor if Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. All subcontractors must agree to provide written notice to Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

27.4 This certification is a material representation of fact upon which reliance was placed when entering into this Agreement. If it is later determined that Contractor or subcontractor knowingly rendered an erroneous certification, the FAA may direct, through Sponsor, cancellation of the contract or subcontract for default at no cost or penalty to the Government or Sponsor.

27.5 Nothing contained in the foregoing provisions shall be construed to require the establishment of a system of records in order to render, in good faith, the certification required by these provisions. The knowledge and information of Contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

27.6 The certification required by these provisions concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

ARTICLE 28 TEXTING WHEN DRIVING

28.1 In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant. Contractor must promote policies and initiatives for employees and other work personnel that decrease crashes by distracted drivers, including policies to ban text messaging while driving. Contractor must include these policies in each third-party or lower tiered subcontract involved on this Project.

ARTICLE 29 VETERAN'S PREFERENCE

29.1 In the employment of labor (except in executive, administrative, and supervisory positions), preference must be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

ARTICLE 30 BONDING CLAUSES

30.1 Contractor agrees to furnish a performance bond for 100 percent of the Contract Price. This bond is to be executed in connection with this Agreement in order to secure fulfillment of all of Contractor's obligations under this Agreement.

30.2 Contractor agrees to furnish a payment bond for 100 percent of the Contract Price. This bond is to be executed in connection with this Agreement to ensure payment of all monies owed by Contractor under this Agreement and other Contract Documents.

ARTICLE 31 HOLD HARMLESS

31.1 Contractor shall release Sponsor and Engineer, and all of their agents, representatives, officers, employees, boards, directors, committees, and commissions, of any liability for, and shall protect, defend, indemnify, and hold Sponsor and Engineer harmless from and against all claims, demands, and causes of action of every kind and character that are asserted or brought on account of bodily injury, death, or damage to property as a result of the actions, omissions, negligence, gross negligence, and/or recklessness of Contractor or Contractor's agents, employees, representatives, invitees, licensees, subcontractors, or subcontractor's subcontractors. Contractor's indemnification obligations under this section shall be without regard to, and without any right to contribution from, any insurance maintained by Contractor. Additionally, Contractor's indemnity obligations under this section shall be supported by insurance, but this insurance requirement shall be a separate and distinct obligation from Contractor's indemnity obligations, and the insurance and indemnity obligations shall be separately and independently enforceable. Further, Contractor's indemnity obligations hereunder are not limited by any insurance coverage Contractor may have.

ARTICLE 32 CHANGE ORDERS

32.1 Changes in the scope of work for the Project or the performance of the work under this Agreement and any materials used may be accomplished after execution of the Agreement and without invalidating the Agreement. However, a change order shall be in writing and signed by Sponsor, Contractor, and Engineer. Sponsor agrees to promptly review and approve or disapprove change orders so as to not delay the Project. Change orders shall include notice to the Sponsor of the approximate increase in cost as a result thereof. Any revision to the Plans and Specifications that are approved by Owner or Engineer, if any, shall be considered to be a change order that has been approved by Owner when delivered to Contractor, requiring no further approval by Owner.

ARTICLE 33 SPONSOR CERTIFICATIONS

33.1 Sponsor hereby certifies and agrees that it has completed and prepared the following Certifications and Disclosures: a) the Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification; b) the Equipment and Construction Contracts Airport Improvement Program Sponsor Certification; c) the Project Plans and Specifications Airport Improvement Program Sponsor Certification; d) the Selection of Consultants Airport Improvement Program Sponsor Certification; e) Construction Project Final Acceptance Airport Improvement Program Sponsor Certification; f) the Drug-Free Workplace

Airport Improvement Program Sponsor Certification; and g) Real Property Acquisition Airport Improvement Program Sponsor Certification. These Certifications and Disclosures are being attached to this Agreement and are to be considered fully incorporated in this Agreement by their reference herein.

ARTICLE 34 DEBRIS REMOVAL

34.1 Contractor shall, at all times, keep the work site reasonably free from the accumulation of waste materials or rubbish caused by its operations during its work on the Project. All waste and debris, tools or equipment, and surplus materials or machinery shall be removed as a condition of the substantial completion of the Project.

ARTICLE 35 REQUIRED ACTIONS

35.1 Contractor and Sponsor each agree that they will, at any time, take all actions and sign and deliver all documents reasonably required to fully perform this Agreement in accordance with its intent and provisions.

ARTICLE 36 ATTORNEYS FEES & PUNITIVE DAMAGES

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

ARTICLE 37 GOVERNING LAW

37.1 This Agreement shall be interpreted and governed in accordance with the laws of the State of Colorado.

ARTICLE 38 MODIFICATION OF AGREEMENT

38.1 No subsequent modification of the terms of this Agreement shall be valid, binding on the parties, or enforceable unless made in writing and signed by the parties.

ARTICLE 39 SEVERABILITY

39.1 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.

ARTICLE 40 FACSIMILE OR ELECTRONIC SIGNATURES

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

**ARTICLE 41
CAPTIONS**

41.1 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.

**ARTICLE 42
BINDING EFFECT**

42.1 This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

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

CAUTION: READ BEFORE SIGNING.

CONTRACTOR

By: _____
Authorized Representative

Date: _____

SPONSOR:

By: _____
Steve Wood
Chairman of the Board

Date: _____

**NOTICE OF AWARD
FOR
PROJECT 2 - MODIFY RUNWAY 22 EDGE LIGHTING & RELOCATE WINDCONE AND
SEGEMENTED CIRCLE
A.I.P. PROJECT NO. 3-08-0027-052-2015
GRAND JUNCTION REGIONAL AIRPORT**

TO: Pro Electrical Contractors, Inc.
575 NW 9th St.
Cedaredge, CO 81413-3532

The OWNER has considered the Bid submitted by you for the above described Work in response to its Invitation for Bids and Instructions to Bidders.

You are hereby notified that your Bid has been accepted in the amount of __Ninety-Seven Thousand, Nine Hundred Seventy-Seven Dollars (\$97,977).

You are required by the Instructions to Bidders to execute the Agreement and furnish the required Contractor's Performance, Payment and Maintenance Bonds and Proofs of Insurance within fifteen (15) calendar days from the date of this Notice to you.

If you fail to execute said Agreement and to furnish said Bonds and Proofs of Insurance within fifteen (15) days from the date of this Notice, said Owner will be entitled to consider your Bid abandoned, to annul this Notice of Award and to declare your Bid Security forfeited.

You are required to return an acknowledged copy of this NOTICE OF AWARD to the Owner.

Dated this _____ day of _____, 2016.

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY
(Owner)

By _____, Chairman
Address: 800 Eagle Drive
Grand Junction, Colorado 81506
Telephone: (970) 244-9100

ACCEPTANCE OF NOTICE

Receipt of the above NOTICE OF AWARD is hereby acknowledged by:

_____, Contractor

By: _____ Date: _____

Title: _____ Telephone: _____

**AGREEMENT FOR THE MODIFICATION OF RUNWAY 22 EDGE LIGHTING &
RELOCATATION OF THE WINDCONE AND SEGEMENTED CIRCLE (PROJECT 2)**

This Agreement is made and entered into this _____ day of March, 2015 by and between the Grand Junction Regional Airport, (hereinafter "Sponsor"), a body corporate and politic and constituting a political subdivision of the State of Colorado, and Pro Electrical Contractors, Inc., (hereinafter "Contractor"), a Colorado Corporation:

WITNESSETH

WHEREAS, Sponsor received sealed proposals for the provision and furnishing of any and all labor, tools, supplies, equipment, and/or materials necessary and required for the Project 2: Modification to Runway 22 Edge Lights, and the Relocation of the Windcone and Segmented Circle, and which more fully defined and identified in A.I.P. Project No. 3-08-0027-052-2015, or A.C.I. Project No. 156270 (hereinafter "Project"); and

WHEREAS, Contractor submitted a sealed proposal to Sponsor for the Project; and

WHEREAS, the Project has been awarded to Contractor; and

WHEREAS, Contractor is willing and able to perform all of the work that is necessary and required to complete the Project; 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 Sponsor and Contractor:

**ARTICLE 1
CONTRACT DOCUMENTS**

1.1 The Contract Documents consist of the Invitation for Bids, the Instructions to Bidders, the Proposal, the Bid Bond, the Notice of Award, this Agreement, the Performance, Payment, and Maintenance Bonds, the Certification of Inclusion of Labor & EEO Requirements in Subcontracts, the Notice to Proceed, the Change Orders, the Applications for Payment, the Notice of Contractor's Settlement, Wage Rates, the General Provisions, the Technical Specifications, the Special Provisions, the Construction Safety and Phasing Plan, the Construction Management Plan, the Plans and Drawings, any Addenda issued prior to the execution of this Agreement, any written and signed modifications issued after the execution of this Agreement, and/or any other documents listed in this Agreement. These Contract Documents are incorporated herein and are a part of this Agreement.

**ARTICLE 2
SCOPE OF WORK**

2.1 Contractor is to complete the Project in accordance with the Contract Documents and in accordance with all codes and regulations governing the construction of the Project. Any work, materials, or equipment that may be reasonably inferred from the Contract Documents as being required to produce the intended result shall be supplied by Contractor whether or not specifically called for. Reference to standard specifications, manuals, or codes of any technical society, organization or association, or to the laws or regulations of any governmental authority, whether such reference be specific or by implication, shall mean the latest standard, specification, manual,

code, or laws or regulations in effect at the time of opening of bids and Contractor shall comply therewith. Sponsor shall have no duties other than those duties and obligations expressly set forth within the Contract Documents.

ARTICLE 3 CONTRACT TIME

3.1 Contractor agrees to undertake the performance of the Project on the date stated in the Notice to Proceed and agrees to fully complete within forty-five (45) calendar days unless an extension of time is granted by Sponsor in accordance with the provisions of Section 80, Paragraph 7, of the General Provisions.

ARTICLE 4 DAMAGES

4.1 It is acknowledged that Contractor's failure to complete the Project within the Contract Time will cause Sponsor to incur substantial economic damages and losses of the types and in the amounts which are significantly difficult to compute and ascertain with any certainty as a basis for the recovery by Sponsor of actual damages, and that liquidated damages represent a fair, reasonable, and appropriate estimate thereof. Accordingly, in lieu of actual damages for such delay, Contractor agrees that liquidated damages may be assessed and recovered by Sponsor as against Contractor and its Surety in the event of delayed completion and without Sponsor being required to present any evidence of the amount or character of actual damages sustained by reason thereof. Contractor shall be liable to Sponsor for payment of liquidated damages in the amount of One Thousand and No/100ths Dollars (\$1,000) for each day that the Project is delayed beyond the Contract Time as adjusted for any time extension that may be provided for by the Contract Documents. Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty, and Contractor shall pay them to Sponsor without limiting Sponsor's right to terminate this Agreement for default as provided elsewhere herein. Additionally, Sponsor may hold all or part of any liquidated damages from payments that may be due to Contractor for the Project. The acceptance by Sponsor of such liquidated damages does not constitute a waiver by Sponsor of any other remedy available at law or in equity, and Sponsor expressly reserves its right to pursue any available remedy.

4.2 If Contractor fails to comply with any covenants or conditions of this Agreement, Sponsor may take such actions as Sponsor deems necessary to complete the Project using persons and entities selected by Sponsor. If Sponsor's costs of completing the Project exceed any unpaid amounts to Contractor for the Project, upon demand, Contractor shall reimburse Sponsor the difference between the actual cost of completion and the unpaid balance of any amounts that remain to be paid for the Project. Sponsor's rights and remedies under this section are not exclusive and are cumulative with any other rights and remedies Sponsor may have under this Agreement or applicable law. Notwithstanding the foregoing, Sponsor shall have all available rights and remedies pursuant to Colorado's Construction Defect Action Reform Act, C.R.S. § 13-20-801, *et seq.*, as well as any and all other applicable federal, state, or local statutes, laws, rules, and/or regulations.

ARTICLE 5 TERMS OF PAYMENT

5.1 Sponsor agrees to pay Contractor in accordance with the price or prices set forth in Contractor's Proposal, for the total cost of the Project, or the "Contract Price," will be Ninety-

Seven Thousand, Nine Hundred Seventy-Seven Dollars (\$97,977). Partial payments will be made for work completed on the Project during the previous month, as well as for materials (invoice cost only) delivered to the site of the Project and which are properly and suitably stored.

5.2 Application for partial payments for stored materials must be accompanied by certified invoices showing all pertinent data that may be required by Armstrong Consultants, Inc. ("Engineer"), to verify the accuracy of the invoices and their relation to the stored materials. Failure to provide certified invoices will disqualify the materials in question from consideration for partial payment. Partial payments for work completed on the Project during the previous month will be made based on the Contractor's Application for Payment and any Recommendation of Payment made by Engineer. Sponsor will retain, from any partial payments, ten percent (10%) of the total amount due to Contractor based on the Contractor's Application for Payment and any Recommendation of Payment made by Engineer. However, nothing herein shall be construed as relieving Contractor and his, her, or its Sureties on the Contractor's Bond from any claim or claims for work or labor done, or materials or supplies furnished, as part of this Agreement and the completion of the Project.

5.3 It is the intent of Sponsor to make any partial payments in the following manner:

5.3.1 The Contractor shall submit to Engineer his Application for Payment no later than the next to last Friday of the month.

5.3.2 Engineer will, within 7 days after receipt, submit the Application for Payment to Sponsor for payment along with its Recommendation of Payment, noting any changes. The Sponsor will then make payment to Contractor when funds are received from the FAA and the State of Colorado and are available to Sponsor for payment to Contractor.

ARTICLE 6 BONDS & INSURANCE

6.1 At the time of the execution of this Agreement, Contractor shall provide the bonds that are required by the Contract Documents. The Performance Bond will be in an amount not less than one hundred percent (100%) of the Contract Price and shall provide for the completion of the Project in accordance with the Contract Documents, without additional cost to Sponsor. The Payment Bond will be in an amount not less than one hundred percent (100%) of the Contract Price and it shall provide for the payment of all Project costs in accordance with the Contract Documents, without additional cost to Sponsor. The Maintenance Bond will provide for the correction or replacement of any portion of the Project that is considered by Sponsor and/or Engineer to be defective in materials and workmanship for a period of one year following final acceptance of the Project, and it shall fully cover any and all of the costs of removal, correction, reconstruction, and any and all other related expenses in repairing or correcting the defective portions of the Project, without additional cost to Sponsor.

6.2 Contractor shall obtain, before beginning the Project, and maintain in full force at all times relevant to this Agreement, as well as assure that all persons or entities working on the Project obtain and maintain in full force at all times, insurance for the protection of claims under workers' compensation laws. Prior to commencing work on the Project, Contractor, at Sponsor's request, shall provide Sponsor with a certification of the maintenance of workers' compensation as required by this section. Contractor shall also maintain, in full force at all times relevant to this Agreement, public liability/commercial general liability insurance and

property damage insurance with a limit of at least \$2,000,000. This insurance shall also include coverage for completed operations, contractual liability, and automotive liability and shall afford coverage for all claims for bodily injury, including death, and all claims for the destruction of, or damage to, property arising out of or in connection with any work completed on the Project in regard to this Agreement, whether such work was done by Contractor or anyone directly or indirectly employed by Contractor or by a subcontractor. Additionally, Contractor shall name Sponsor and Engineer as additional named insureds on these insurance policies, with the exception of the Workers' Compensation Insurance. Contractor, at Sponsor's request, shall provide Sponsor with certificates of these insurance policies. Prior to the completion of the Project, the insurance required under this Agreement cannot be cancelled by Contractor.

**ARTICLE 7
ACCESS TO RECORDS AND REPORTS**

7.1 Pursuant to 2 C.F.R. § 200.326 & 2 C.F.R. § 200.333, as well as any related Appendixes thereto, Contractor shall maintain an acceptable cost accounting system. Contractor also agrees, for a period of three (3) years following the completion of the Project and the final payment being made for it, to retain and maintain all financial records, supporting documents, statistical records, and any and all other documents and records pertinent to this Agreement and the Project for the purpose of audits or examinations by Sponsor, the Federal Aviation Administration ("FAA"), and the Comptroller General of the United States, as well as any of their duly authorized representatives. However, if any litigation, claim, audit, or examination is started before the expiration of the three (3) year period, the records must be retained until all litigation, claims, audits, or examinations involving these documents and records have been resolved.

**ARTICLE 8
AFFIRMATIVE ACTION REQUIREMENTS**

8.1 Pursuant to 41 C.F.R. Part 60-4 and Executive Order 11246, the following "Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246)" is hereby provided as follows:

8.1.1. The Offeror's or Bidder's (Contractor's) attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

8.1.2. The goals and timetables for minority and female participation, expressed in percentage terms for Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Timetables	Goals for Minority Participation in Each Trade	Goals for Female Participation in Each Trade
	10.2%	6.9%

These goals are applicable to all of the Contractor's construction work (whether or not it is Federal or federally-assisted) performed in the covered area. If the Contractor performs construction work in a geographical area located outside of the covered area, it shall apply the goals established for such geographical area where the work is actually performed. With regard to this second area, the Contractor is also subject to the goals for both federally

funded and non-federally funded construction regardless of the percentage of federal participation in funding.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60-4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals. The hours of minority and female employment and training shall be substantially uniform throughout the length of the contract, and in each trade, and the Contractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from contractor to Contractor or from project to project, for the sole purpose of meeting the contractor's goals, shall be a violation of the contract, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

8.1.3. The Contractor shall provide written notification to the Director, Office of Federal Contract Compliance Programs (OFCCP), within 10 working days of award of any construction subcontract in excess of \$10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address, and telephone number of the subcontractor; employer identification number of the subcontractor; estimated dollar amount of the subcontract; estimated starting and completion dates of subcontract; and the geographical area in which the subcontract is to be performed.

8.1.4. As used in this notice and in the contract resulting from this solicitation, the "covered area" is Grand Junction, Mesa County, Colorado.

8.2 The Department of Labor is responsible for administering Executive Order 11246, which contains requirements for an Affirmative Action Plan. This Plan is similar in content and requirements to the affirmative action plan required in 49 C.F.R. Part 152 subpart e., and 49 C.F.R. Part 152 as applied to grants issued under the Airport Development Aid Program, which was replaced by the Airport Improvement Program.

ARTICLE 9 BREACH OF CONTRACT

9.1 Any violation or breach of terms of this Agreement on the part of Contractor or its subcontractors may result in the suspension or termination of this Agreement or such other action that may be necessary to enforce the rights of the parties of this Agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available thereunder are in addition to, and not a limitation of, any duties, obligations, rights and remedies otherwise imposed or available by law.

ARTICLE 10 BUY AMERICAN PREFERENCE

10.1 Contractor agrees to comply with 49 U.S.C. § 50101, which provides that Federal funds may not be obligated unless all steel and manufactured goods used in AIP-funded projects are produced in the United States, unless the FAA has issued a waiver for the product; the product is listed as an Excepted Article, Material Or Supply in Federal Acquisition Regulation subpart 25.108; or is included in the FAA Nationwide Buy American Waivers Issued list. Contractor hereby agrees and warrants that it submitted all of the appropriate Buy America certification with

its Proposal, offer, and/or bid.

ARTICLE 11 CIVIL RIGHTS

11.1 Contractor agrees that it will comply with all pertinent statutes, Executive Orders, and all rules or regulations that are promulgated to ensure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance.

11.2 This Article binds Contractor from the bid solicitation period through the completion of the Project and this Agreement. This Article is in addition to that required of Title VI of the Civil Rights Act of 1964.

11.3 This Article also obligates Contractor for the period during which federal assistance is extended to Sponsor and/or the Grand Junction Regional Airport through the Airport Improvement Program, except where federal assistance is to provide, or is in the form of, personal property or real property or interest therein, or structures or improvements thereon. In these cases, Contractor is obligated to this Article for the longer of the following periods:

11.3.1 The period during which the property is used by Sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits; or

11.3.2 The period during which the Sponsor or any transferee retains ownership or possession of the property.

ARTICLE 12 CIVIL RIGHTS – TITLE VI ASSURANCES

12.1 Contractor shall comply with all of the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Contractor will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. Contractor will not participate directly or indirectly in the discrimination prohibited by all pertinent statutes, authorities, rules, and regulations, including discriminatory employment practices should this Agreement and the Project cover any activity, project, or program set forth in Appendix B of 40 C.F.R. part 21.

12.2 In all solicitations, either by competitive bidding or negotiation by Contractor for work to be performed under a subcontract for the Project, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by Contractor of his, her, or its obligations under this Agreement and all pertinent statutes, authorities, rules, and regulations relative to nondiscrimination on the grounds of race, color, or national origin.

12.3 Contractor will provide all information and reports required by the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time, and will permit access to his, her, or its books, records, accounts, other sources of information, and its facilities as may be determined by Sponsor or the FAA to be pertinent to ascertain compliance with the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Where any information required of Contractor is in the exclusive possession of another

who fails or refuses to furnish the information, Contractor will so certify to Sponsor or the Federal Aviation Administration, as appropriate, and will set forth what efforts it has made to obtain the information.

12.4 In the event of Contractor's noncompliance with the nondiscrimination provisions of this Agreement, Sponsor will impose sanctions as it or the FAA may determine to be appropriate, including, but not limited to withholding payments to Contractor under this Agreement until the Contractor is in compliance and/or canceling, terminating, or suspending this Agreement in whole, or in part.

12.5 Contractor will include the provisions of Paragraphs 12.1 through 12.4 in every subcontract, including contracts for the procurement of materials and leases of equipment, unless exempt by the pertinent statutes, authorities, rules, and regulations of Title VI of the Civil Rights Act of 1964, as they may be amended from time to time. Contractor will take action with respect to any subcontract or procurement as Sponsor or the FAA may direct as a means of enforcing such provisions, including sanctions for noncompliance. Provided, however, that if Contractor becomes involved in, or is threatened with, litigation by a subcontractor or supplier because of the requirements of this subparagraph, Contractor may request Sponsor to enter into any litigation to protect the interests of Sponsor. In addition, Contractor may request the United States to enter into the litigation to protect the interests of the United States.

12.6 During the performance of this Agreement, Contractor, and its assignees and successors in interest, agree to comply with any and all applicable non-discrimination statutes and authorities, which include, but are not limited to:

12.6.1 Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);

12.6.2 49 CFR part 21 (Non-discrimination In Federally-Assisted Programs of The Department of Transportation—Effectuation of Title VI of The Civil Rights Act of 1964);

12.6.3 The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);

12.6.4 Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27;

12.6.5 The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*) (prohibits discrimination on the basis of age);

12.6.6 Airport and Airway Improvement Act of 1982, (49 USC § 471, Section 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);

12.6.7 The Civil Rights Restoration Act of 1987, (PL 100-209) (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);

12.6.8 Titles II and III of the Americans with Disabilities Act of 1990, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 CFR parts 37 and 38;

12.6.9 The Federal Aviation Administration's Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);

12.6.10 Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures non-discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;

12.6.11 Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100); and

12.6.12 Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq).

ARTICLE 13 CLEAN AIR & WATER POLLUTION CONTROL

13.1 Contractor agrees that:

13.1.1 Any facility to be used in the performance of this Agreement or for the Project is not listed on the Environmental Protection Agency's ("EPA") List of Violating Facilities;

13.1.2 It will comply with all requirements of Section 114 of the Clean Air Act, as amended, 42 U.S.C. § 1857 *et seq.*, and Section 308 of the Federal Water Pollution Control Act, as amended, 33 U.S.C. § 1251 *et seq.*, relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 and Section 308 of the foregoing Acts, respectively, and all other regulations and guidelines issued thereunder;

13.1.3 As a condition for the award of the Project and this Agreement, Contractor will notify Sponsor of the receipt of any communication from the EPA indicating that a facility to be used for the performance of this Agreement or for the Project is under consideration to be listed on the EPA's List of Violating Facilities; and

13.2 Contractor also agrees that it will include or cause to be included in any subcontract or contract it enters into for this Project or for the performance of this Agreement, which exceeds \$100,000, the provisions and requirements of Paragraphs 13.1.

ARTICLE 14
CONTRACT WORKHOURS & SAFTEY STANDARDS ACT REQUIREMENTS

14.1 If its work on the Project or in the performance of this Agreement requires the hiring or employment of laborers or mechanics, which includes watchmen and guards, Contractor shall not require or permit any such laborer or mechanic, in any workweek in which he or she is employed, to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

14.2 In the event of any violation of the clause set forth in Paragraph 14.1, Contractor is responsible therefor shall be liable for the unpaid wages.

14.3 The FAA or Sponsor shall, upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld, from any monies payable on account of work performed by Contractor on the Project or in performance of this Agreement, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by Contractor, such sums as may be determined to be necessary to satisfy any liabilities of Contractor for unpaid wages and liquidated damages as provided in Paragraph 14.2.

14.4 Contractor shall insert in any subcontracts the provisions set forth in Paragraphs 14.1 through 14.3, as well as a clause requiring its subcontractors to include these clauses in any lower tier subcontracts. Contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in Paragraphs 14.1 and 14.3.

ARTICLE 15
COPELAND "ANTI-KICKBACK" ACT

15.1 The United States Department of Labor, Wage and Hours Division, oversees the Copeland "Anti-Kickback" Act requirements, and Contractor must meet and comply with the Occupational Safety and Health Act of 1970 and all applicable provisions of the Copeland "Anti-Kickback" Act. The United States Department of Labor, Wage and Hours Division, can provide information regarding any specific clauses or assurances pertaining to the Copeland "Anti-Kickback" Act that Contractor must comply with.

ARTICLE 16
DAVIS-BACON REQUIREMENTS

16.1 Minimum Wages:

(i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by the Secretary of Labor under the Copeland Act (29 CFR Part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalent thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor, regardless of any contractual relationship which may be alleged to exist between Contractor and its laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered

wages paid to such laborers or mechanics, subject to the provisions of paragraph (1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR Part 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: *Provided*, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under (1)(ii) of the Davis-Bacon Act) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can easily be seen by the workers.

(ii)(A) The contracting officer shall require that any class of laborers or mechanics, including helpers, which are not listed in the wage determination and which are to be employed to work on the Project or in the performance of this Agreement shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and
- (3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(ii)(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(ii)(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(ii)(D) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii) (B) or (C) of this paragraph, shall be paid to all workers performing

work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

16.2 Withholding:

The Federal Aviation Administration or the Sponsor shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of work, all or part of the wages required by the contract, the Federal Aviation Administration may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

16.3 Payrolls and Basic Records:

(i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual costs incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage

rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g. , the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Federal Aviation Administration if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit them to the applicant, sponsor, or owner, as the case may be, for transmission to the Federal Aviation Administration, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the sponsoring government agency (or the applicant, sponsor, or owner).

(ii)(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

1. That the payroll for the payroll period contains the information required to be provided under 29 CFR § 5.5(a)(3)(ii), the appropriate information is being maintained under 29 CFR § 5.5 (a)(3)(i) and that such information is correct and complete;
2. That each laborer and mechanic (including each helper, apprentice and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations 29 CFR Part 3;
3. That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(ii)(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (3)(ii)(B) of this section.

(ii)(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231

of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (3)(i) of this section available for inspection, copying or transcription by authorized representatives of the Sponsor, the Federal Aviation Administration or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

16.4 Apprentices and Trainees

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Bureau of Apprenticeship and Training, or with a State Apprenticeship Agency recognized by the Bureau, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Bureau of Apprenticeship and Training or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Bureau of Apprenticeship and Training, or a State Apprenticeship Agency recognized by the Bureau, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant

to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate that is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal Employment Opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

16.5 Compliance with Copeland Act Requirements:

Contractor shall comply with the requirements of 29 C.F.R. Part 3, which are incorporated by reference.

16.6 Subcontracts:

The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 C.F.R. Part 5.5(a)(1) through (10) and such other clauses as the Federal Aviation Administration may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 C.F.R. Part 5.5.

16.7 Contract Termination: Debarment:

A breach of the contract clauses in paragraph 1 through 10 of this section may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 C.F.R. 5.12.

16.8 Compliance with Davis-Bacon and Related Act Requirements

All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 C.F.R. Parts 1, 3, and 5 are herein incorporated by reference.

16.9 Disputes Concerning Labor Standards:

Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the

procedures of the Department of Labor set forth in 29 C.F.R. Parts 5, 6 and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

16.10 Certification of Eligibility:

(i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 C.F.R. 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. § 1001.

**ARTICLE 17
DEBARMENT AND SUSPENSION**

17.1 Contractor certifies that neither it nor its principals are presently debarred or suspended by any federal department or agency from participation in this Agreement and transaction.

17.2 Contractor will administer each lower tier subcontract that exceeds \$25,000 as a "covered transaction" and will verify that each lower tier participant is not debarred or otherwise disqualified from participation in the Project or in the performance of this Agreement by checking the System for Award Management at <http://www.sam.gov> and by collecting a certification statement similar to the statement contained in Paragraph 17.1. If the FAA later determines that a lower tier participant failed to tell a higher tier that it was excluded or disqualified at the time it entered into the covered transaction, the FAA may pursue any available remedy, including suspension and debarment.

**ARTICLE 18
DISADVANTAGED BUSINESS ENTERPRISE**

18.1 Contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. Contractor shall carry out all applicable requirements of 49 C.F.R. Part 26 in the award and administration of DOT assisted contracts. Failure by Contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as deemed appropriate.

18.2 Contractor agrees to pay each subcontractor under this Agreement for satisfactory performance of its contract no later than thirty (30) days from the receipt of each payment Contractor receives from Sponsor. Contractor further agrees to return retainage payments to each subcontractor within thirty (30) days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of Sponsor. This clause applies to both Disadvantaged Business Enterprise ("DBE") subcontractors and non-DBE subcontractors.

**ARTICLE 19
ENERGY CONSERVATION REQUIREMENTS**

19.1 Contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

**ARTICLE 20
EQUAL OPPORTUNITY CLAUSE AND SPECIFICATIONS**

20.1 During the performance of this Agreement, Contractor agrees as follows:

20.1.1 Contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

20.1.2 Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive considerations for employment without regard to race, color, religion, sex, or national origin.

20.1.3 Contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of Contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

20.1.4 Contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

20.1.5 Contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

20.1.6 In the event of Contractor's noncompliance with the nondiscrimination clauses of this Agreement or with any of the said rules, regulations, or orders, this Agreement may be canceled, terminated, or suspended in whole or in part and Contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

20.1.7 Contractor will include the sentence beginning Paragraph 20.1 and the provisions of Paragraphs 20.1.1 through this Paragraph (20.1.7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. Contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance: *Provided*, however, that in the event Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, Contractor may request the United States to enter into such litigation to protect the interests of the United States.

20.2 Standard Federal Equal Employment Opportunity Construction Contract Specifications:

1. As used in these specifications:
 - A. "Covered area" means the geographical area described in the solicitation from which this contract resulted;
 - B. "Director" means Director, Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, or any person to whom the Director delegates authority;
 - C. "Employer identification number" means the Federal social security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941;
 - D. "Minority" includes:
 1. Black (all) persons having origins in any of the Black African racial groups not of Hispanic origin);
 2. Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin regardless of race);
 3. Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and
 4. American Indian or Alaskan native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).
2. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of \$10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.
3. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors shall be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an

approved plan is individually required to comply with its obligations under the EEO clause and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The contractor shall implement the specific affirmative action standards provided in paragraphs 18.7a through 18.7p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. Covered construction contractors performing construction work in a geographical area where they do not have a Federal or federally assisted construction contract shall apply the minority and female goals established for the geographical area where the work is being performed. Goals are published periodically in the Federal Register in notice form, and such notices may be obtained from any Office of Federal Contract Compliance Programs office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.
5. Neither the provisions of any collective bargaining agreement nor the failure by a union with whom the contractor has a collective bargaining agreement to refer either minorities or women shall excuse the contractor's obligations under these specifications, Executive Order 11246 or the regulations promulgated pursuant thereto.
6. In order for the non-working training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees shall be employed by the contractor during the training period and the contractor shall have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees shall be trained pursuant to training programs approved by the U.S. Department of Labor.
7. The contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The contractor shall document these efforts fully and shall implement affirmative action steps at least as extensive as the following:
 - A. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor shall specifically ensure that all foremen, superintendents, and other onsite supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.
 - B. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.
 - C. Maintain a current file of the names, addresses, and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a

recruitment source, or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefore along with whatever additional actions the contractor may have taken.

- D. Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or female sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.
- E. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources compiled under 7b above.
- F. Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.
- G. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as superintendents, general foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.
- H. Disseminate the contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.
- I. Direct its recruitment efforts, both oral and written, to minority, female, and community organizations, to schools with minority and female students; and to minority and female recruitment and training organizations serving the contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the contractor shall send written notification to organizations, such as the above, describing the openings, screening procedures, and tests to be used in the selection process.
- J. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable provide after school, summer, and vacation employment to minority and female youth both on the site and in other areas of a contractor's workforce.

- K. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.
 - L. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel, for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.
 - M. Ensure that seniority practices, job classifications, work assignments, and other personnel practices do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.
 - N. Ensure that all facilities and company activities are non-segregated except that separate or single user toilet and necessary changing facilities shall be provided to assure privacy between the sexes.
 - O. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.
 - P. Conduct a review, at least annually, of all supervisor's adherence to and performance under the contractor's EEO policies and affirmative action obligations.
8. Contractors are encouraged to participate in voluntary associations, which assist in fulfilling one or more of their affirmative action obligations (18.7a through 18.7p). The efforts of a contractor association, joint contractor union, contractor community, or other similar groups of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 18.7a through 18.7p of these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation to comply, however, is the contractor's and failure of such a group to fulfill an obligation shall not be a defense for the contractor's noncompliance.
9. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, if the particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally,) the contractor may be in violation of the Executive Order if a specific minority group of women is underutilized.
10. The contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.
11. The contractor shall not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination, and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.
13. The contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 18.7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.
14. The contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government, and to keep records. Records shall at least include for each employee, the name, address, telephone number, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.
15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

ARTICLE 21 FEDERAL FAIR LABOR STANDARDS ACT

21.1 This Agreement incorporates the provisions of 29 U.S.C. § 201, *et seq.*, by reference, and those provisions have the same force and effect as if fully set forth herein. Contractor has the responsibility to monitor compliance with these provisions, and Contractor must address any claims or disputes that pertain to a referenced requirement directly with the Federal Agency with enforcement responsibilities, which is the U.S. Department of Labor, Wage and Hour Division, for the provisions of the Federal Fair Labor Standards Act, 29 U.S.C. § 201, *et seq.*

ARTICLE 22 LOBBYING AND INFLUENCING FEDERAL EMPLOYEES

22.1 Contractor agrees and certifies that no federal appropriated funds have been paid or will be paid, by or on behalf Contractor to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. However, if any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to

influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a federal contract, grant, loan, or cooperative agreement, Contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

22.2 This certification in Paragraph 22.1 is a material representation of fact upon which reliance was placed when this Agreement is entered into. This certification is a prerequisite for making or entering into this Agreement, as imposed by 31 U.S.C. §1352. If Contractor fails to provide this certification, it shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

ARTICLE 23 NONSEGREGATED FACILITIES

23.1 Notice to Prospective Federally Assisted Construction Contractors:

A Certification of Non-segregated Facilities shall be submitted prior to the award of a federally-assisted construction contract exceeding \$10,000 which is not exempt from the provisions of the Equal Opportunity Clause.

Contractors receiving federally-assisted construction contract awards exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of the following notice to prospective subcontractors for supplies and construction contracts where the subcontracts exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity Clause.

The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

23.2 Notice to Prospective Subcontractors of Requirements for Certification of Non-Segregated Facilities:

A Certification of Non-segregated Facilities shall be submitted prior to the award of a subcontract exceeding \$10,000, which is not exempt from the provisions of the Equal Opportunity Clause.

Contractors receiving subcontract awards exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause will be required to provide for the forwarding of this notice to prospective subcontractors for supplies and construction contracts where the subcontracts exceed \$10,000 and are not exempt from the provisions of the Equal Opportunity Clause.

The penalty for making false statements in offers is prescribed in 18 U.S.C. § 1001.

23.3 Certification of Nonsegregated Facilities:

The federally-assisted construction contractor certifies that she or he does not maintain or provide, for his employees, any segregated facilities at any of his establishments and that she or he does not permit his employees to perform their services at any location, under his control, where segregated facilities are maintained. The federally-assisted construction contractor certifies that she or he will not maintain or provide, for his employees, segregated facilities at any of his establishments and that she or he will not permit his employees to perform their services at any

location under his control where segregated facilities are maintained. The federally-assisted construction contractor agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this contract.

As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms, and washrooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directives or are, in fact, segregated on the basis of race, color, religion, or national origin because of habit, local custom, or any other reason. The federally-assisted construction contractor agrees that (except where she or he has obtained identical certifications from proposed subcontractors for specific time periods) she or he will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding \$10,000 which are not exempt from the provisions of the Equal Opportunity Clause and that she or he will retain such certifications in his files.

ARTICLE 24 OCCUPATIONAL SAFETY & HEALTH ACT OF 1970

24.1 This Agreement incorporates the provisions of 20 C.F.R. Part 1910 herein by references, with these provisions having the same force and effect as if fully set forth herein. Contractor has the full responsibility to monitor the compliance with these incorporated provisions, and it must address any claims or disputes that pertain to a referenced requirement directly with the Federal Agency with enforcement responsibilities, which is the U.S. Department of Labor, Occupational Safety and Health Administration for the provisions of 20 C.F.R. Part 1910.

ARTICLE 25 RIGHT TO INVENTIONS

25.1 All rights to inventions and materials generated under this Agreement are subject to requirements and regulations issued by the FAA and the sponsor of the Federal grant under which this Agreement is executed.

ARTICLE 26 TERMINATION OF AGREEMENT

26.1 Sponsor may, by written notice, and without penalty or recourse by Contractor, terminate this Agreement in whole or in part at any time, either for Sponsor's convenience or because of Contractor's failure to fulfill the obligations imposed of it under this Agreement. Upon receipt of such notice, services must be immediately discontinued (unless the notice directs otherwise) and all materials that may have been accumulated in performing this Agreement, whether completed or in progress, shall be delivered to Sponsor.

26.2 If the termination is for the convenience of Sponsor, Sponsor may provide an equitable adjustment in the Contract Price, but no amount will be allowed for anticipated profit on unperformed services. Additionally, any amounts being held as retainage by Sponsor will continue to be held by Sponsor until the Project is fully completed or until a final determination is made by Sponsor that the Project will not be completed.

26.3 If the termination is due to Contractor's failure to fulfill the obligations imposed on it under this Agreement, Sponsor may take over the work and prosecute the same to completion by

contract or otherwise. In such case, Contractor is liable to the Sponsor for any additional cost occasioned to Sponsor thereby.

26.4 If, after notice of termination for Contractor's failure to fulfill its obligations, it is determined that Contractor had not so failed, the termination will be deemed to have been effected for the convenience of Sponsor. In such event, and at the election of Sponsor, an adjustment in the Contract Price will be made as provided for in Article 4 or Paragraph 26.2 of this Agreement.

26.5 The rights and remedies of Sponsor provided in this Article are in addition to any other rights and remedies provided by law or under this Agreement.

ARTICLE 27 TRADE RESTRICTIONS

27.1 Contractor certifies that: a) it is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR); b) that it has not knowingly entered into any contract or subcontract for this Project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list; c) that it has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list. Unless the foregoing restrictions are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, neither Contractor nor its subcontractors can perform this Agreement or complete work on the Project if they are unable to certify to the above.

27.2 If Contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the Project, the FAA may direct, through Sponsor, cancellation of this Agreement at no cost or penalty to the Government or Sponsor.

27.3 Contractor agrees that it will incorporate the provisions of this Article without modification in each contract and in all lower tier subcontracts. Contractor may rely on the certification of a prospective subcontractor, unless it has knowledge that the certification is erroneous. Contractor shall provide immediate written notice to Sponsor if Contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. All subcontractors must agree to provide written notice to Contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

27.4 This certification is a material representation of fact upon which reliance was placed when entering into this Agreement. If it is later determined that Contractor or subcontractor knowingly rendered an erroneous certification, the FAA may direct, through Sponsor, cancellation of the contract or subcontract for default at no cost or penalty to the Government or Sponsor.

27.5 Nothing contained in the foregoing provisions shall be construed to require the establishment of a system of records in order to render, in good faith, the certification required by these provisions. The knowledge and information of Contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

27.6 The certification required by these provisions concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent

certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

ARTICLE 28 TEXTING WHEN DRIVING

28.1 In accordance with Executive Order 13513, "Federal Leadership on Reducing Text Messaging While Driving" (10/1/2009) and DOT Order 3902.10 "Text Messaging While Driving" (12/30/2009), the FAA encourages recipients of federal grant funds to adopt and enforce safety policies that decrease crashes by distracted drivers, including policies to ban text messaging while driving when performing work related to a grant or sub-grant. Contractor must promote policies and initiatives for employees and other work personnel that decrease crashes by distracted drivers, including policies to ban text messaging while driving. Contractor must include these policies in each third-party or lower tiered subcontract involved on this Project.

ARTICLE 29 VETERAN'S PREFERENCE

29.1 In the employment of labor (except in executive, administrative, and supervisory positions), preference must be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

ARTICLE 30 BONDING CLAUSES

30.1 Contractor agrees to furnish a performance bond for 100 percent of the Contract Price. This bond is to be executed in connection with this Agreement in order to secure fulfillment of all of Contractor's obligations under this Agreement.

30.2 Contractor agrees to furnish a payment bond for 100 percent of the Contract Price. This bond is to be executed in connection with this Agreement to ensure payment of all monies owed by Contractor under this Agreement and other Contract Documents.

ARTICLE 31 HOLD HARMLESS

31.1 Contractor shall release Sponsor and Engineer, and all of their agents, representatives, officers, employees, boards, directors, committees, and commissions, of any liability for, and shall protect, defend, indemnify, and hold Sponsor and Engineer harmless from and against all claims, demands, and causes of action of every kind and character that are asserted or brought on account of bodily injury, death, or damage to property as a result of the actions, omissions, negligence, gross negligence, and/or recklessness of Contractor or Contractor's agents, employees, representatives, invitees, licensees, subcontractors, or subcontractor's subcontractors. Contractor's indemnification obligations under this section shall be without regard to, and without any right to contribution from, any insurance maintained by Contractor. Additionally, Contractor's indemnity obligations under this section shall be supported by insurance, but this insurance requirement shall be a separate and distinct obligation from Contractor's indemnity obligations, and the insurance and indemnity obligations shall be

separately and independently enforceable. Further, Contractor's indemnity obligations hereunder are not limited by any insurance coverage Contractor may have.

ARTICLE 32 CHANGE ORDERS

32.1 Changes in the scope of work for the Project or the performance of the work under this Agreement and any materials used may be accomplished after execution of the Agreement and without invalidating the Agreement. However, a change order shall be in writing and signed by Sponsor, Contractor, and Engineer. Sponsor agrees to promptly review and approve or disapprove change orders so as to not delay the Project. Change orders shall include notice to the Sponsor of the approximate increase in cost as a result thereof. Any revision to the Plans and Specifications that are approved by Owner or Engineer, if any, shall be considered to be a change order that has been approved by Owner when delivered to Contractor, requiring no further approval by Owner.

ARTICLE 33 SPONSOR CERTIFICATIONS

33.1 Sponsor hereby certifies and agrees that it has completed and prepared the following Certifications and Disclosures: a) the Certification and Disclosure Regarding Potential Conflicts of Interest Airport Improvement Program Sponsor Certification; b) the Equipment and Construction Contracts Airport Improvement Program Sponsor Certification; c) the Project Plans and Specifications Airport Improvement Program Sponsor Certification; d) the Selection of Consultants Airport Improvement Program Sponsor Certification; e) Construction Project Final Acceptance Airport Improvement Program Sponsor Certification; f) the Drug-Free Workplace Airport Improvement Program Sponsor Certification; and g) Real Property Acquisition Airport Improvement Program Sponsor Certification. These Certifications and Disclosures are being attached to this Agreement and are to be considered fully incorporated in this Agreement by their reference herein.

ARTICLE 34 DEBRIS REMOVAL

34.1 Contractor shall, at all times, keep the work site reasonably free from the accumulation of waste materials or rubbish caused by its operations during its work on the Project. All waste and debris, tools or equipment, and surplus materials or machinery shall be removed as a condition of the substantial completion of the Project.

ARTICLE 35 REQUIRED ACTIONS

35.1 Contractor and Sponsor each agree that they will, at any time, take all actions and sign and deliver all documents reasonably required to fully perform this Agreement in accordance with its intent and provisions.

**ARTICLE 36
ATTORNEYS FEES & PUNITIVE DAMAGES**

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

**ARTICLE 37
GOVERNING LAW**

37.1 This Agreement shall be interpreted and governed in accordance with the laws of the State of Colorado.

**ARTICLE 38
MODIFICATION OF AGREEMENT**

38.1 No subsequent modification of the terms of this Agreement shall be valid, binding on the parties, or enforceable unless made in writing and signed by the parties.

**ARTICLE 39
SEVERABILITY**

39.1 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.

**ARTICLE 40
FACSIMILE OR ELECTRONIC SIGNATURES**

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

**ARTICLE 41
CAPTIONS**

41.1 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.

**ARTICLE 42
BINDING EFFECT**

42.1 This Agreement shall be binding upon and insure to the benefit of the parties hereto and their respective heirs, successors, and assigns.

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

CAUTION: READ BEFORE SIGNING.

CONTRACTOR

By: _____
Authorized Representative

Date: _____

SPONSOR:

By: _____
Steve Wood
Chairman of the Board

Date: _____