

RESOLUTION NO. 2024-07
RESOLUTION OF THE BOARD OF COMMISSIONERS
AIR SERVICE INCENTIVE PROGRAM

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

WHEREAS, the Colorado Public Airport Authority Act, (C.R.S. § 41-3-106(1)(h)), authorizes GJRAA to “exercise such powers as may be required or consistent with the promotion of aeronautics and the furtherance of commerce and navigation by air”; and

WHEREAS, the Board supports the growth of air service at GJT because increased passenger activity results in increased revenues and because additional air service and enhanced competition serves the interests of the broader community; and

WHEREAS, federal law (49 U.S.C. § 47107(a)(1)) and GJRAA’s contractual commitments to the federal government require that GJRAA “make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities”; and

WHEREAS, the Federal Aviation Administration (“FAA”) recognizes the right of airport sponsors to support new and expanded air service through marketing and operational incentives during a promotional period, subject to compliance with specific requirements set forth in FAA policy; and

WHEREAS, the FAA “expects airport sponsors to provide effective notification of the availability and implementation of [air carrier incentive programs] to both incumbent and potential new entrant carriers (e.g., posting on an airport sponsor’s public website; notification to industry trade groups).”

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

1. The Board adopts the attached Air Service Incentive Program, effective January 1, 2025.
2. The following delegations shall apply to the implementation and administration of the Air Service Incentive Program:
 - a. The Airport Executive Director is delegated with the responsibility to implement and administer the Air Service Incentive Program.
 - b. The Airport Executive Director’s authority to negotiate and execute air service incentive agreements shall be in accordance with the most current version of the Board’s Delegation of Authority Resolution.
 - c. The Airport Executive Director shall provide reports to the Board no less than quarterly on the incentives granted since the last report and the total incentives then outstanding.

- d. The Airport Executive Director shall coordinate with and provide technical assistance to the Grand Junction Regional Air Service Alliance.
- 3. This resolution and attached Air Service Incentive Program shall be implemented and administered consistent with FAA policy, as reflected in FAA Policy Regarding Air Carrier Incentive Program, 88 Fed. Reg. 85,344 (Dec. 7, 2023); FAA Order 5190.6B, Airport Compliance Manual (Change 3, Sept. 15, 2003); and FAA Policy and Procedures Concerning the Use of Airport Revenue, 64 Fed. Reg. 7,696 (Feb. 16, 1999).
- 4. This resolution supersedes any prior air service incentive program for GJT approved by the Board; provided, however, that nothing herein shall be construed to affect the terms and conditions of any marketing incentive agreement or operational incentive agreement presently in effect between the GJRAA and an air carrier.
- 5. This resolution shall continue in effect unless and until repealed or amended by the Board. Notwithstanding the foregoing, the Board intends that the terms of the Air Service Incentive Program shall be reviewed and updated by the Board on an annual basis.

PASSED AND ADOPTED this 10th day of December, 2024.

Board Members Voting AYE

Board Members Voting NAY

Tom Benton


Linde Marshall

Lee Kleinman

Thaddeus Shrader

Cody Kennedy

GRAND JUNCTION REGIONAL
AIRPORT AUTHORITY


Thomas R Benton (Dec 19, 2024 13:10 MST)

Chairman

ATTEST:



Clerk

Grand Junction Regional Airport

Air Service Incentive Program

Incentive Categories

The following table identifies the categories of available incentives, basic eligibility requirements, and the associated operational and marketing incentives. This table is to be implemented and interpreted according to the terms and conditions that follow.

Category	Eligibility	Operational Incentive	Marketing Incentive
I – New Year-Round Service	Any passenger air carrier establishing new year-round nonstop service to an unserved destination	100% landing fee waiver for 24 months 100% waiver of joint use space rent for 24 months	\$25,000 (to be used within 24 months)
II – New Seasonal Service	Any passenger air carrier establishing seasonal nonstop service to an unserved destination	100% landing fee waiver for Seasons #1 and #2; 50% landing fee waiver for Season #3 100% waiver of joint use space rent for Seasons #1 and #2; 50% waiver of joint use space rent for Season #3	\$25,000 (to be used by the end of Season #3)
III – Significant Increase in Seat Capacity	Any passenger air carrier increasing seat capacity on a specific route by 25% or more through increased frequency or upgauging	Waiver of landing fees attributed to the increased seat capacity for 12 months	No Marketing Incentive

Category	Eligibility	Operational Incentive	Marketing Incentive
IV – New Entrant Bonus	Any new entrant passenger air carrier establishing year-round or seasonal nonstop service	100% waiver of all terminal rent for first 12 months 50% waiver of all terminal rent for second 12 months, if establishing new year-round nonstop service to an unserved destination	

Definitions and General Requirements

1. For metropolitan areas with multiple airports, each airport will be considered as a separate destination. For example, Washington Dulles International Airport could be considered an unserved destination notwithstanding existing service to Washington Reagan National Airport.
2. To be considered new service to an unserved destination (year-round or seasonal), no other carrier must offer scheduled service to the airport as of the date that the air carrier seeking the incentive plans to initiate service.
3. To qualify under Category I or Category II, service must be offered no less than two days per week.
4. Seasonal service is nonstop service offered for less than seven months of the calendar year but at least 8 consecutive weeks. There may be more than one season per calendar year (e.g., winter and summer); however, there may be no less than one season per calendar year.
5. Year-round service is nonstop service offered for more than seven months of the calendar year.
6. A new entrant is an air carrier that has not offered commercial passenger service to or from GJT within the preceding 12 months prior to the date that the air carrier plans to initiate service.
7. The new entrant bonus may be combined with Category I and Category II incentives.
8. In light of budget constraints, Category I and Category II incentives only will be available to the first air carrier requesting an incentive to initiate service to the unserved destination.
9. The waiver of landing fees only applies to the landing fees associated with the incentivized flights.

10. The waiver of joint use space rent only applies to the rent due in connection with the incentivized flights, calculated on the basis of passengers on the incentivized flights.
11. An air carrier will not be eligible for Category III (significant increase in seat capacity) if the carrier already is receiving an incentive for the flight under Category I or Category II.
12. To qualify under Category III, the air carrier must request the incentive prior to initiating the increase in service. The incentive will not be made available retroactively.

Other Terms and Conditions

13. Participation in this program requires an incentive agreement between the Grand Junction Regional Airport Authority and an air carrier, using the Airport Authority's standard form agreement.
14. An air carrier may qualify for an incentive whether the air carrier operates as a signatory or non-signatory at GJT, provided that the air carrier otherwise satisfies the eligibility and qualification requirements of this incentive program.
15. To qualify for incentives, a carrier must be current on payment of rates and charges.
16. Air carriers must operate service throughout duration of the promotional period at the level specified to receive the incentive.
17. Air carriers must use the passenger terminal at GJT in order to qualify for incentives.
18. An air carrier may qualify for an incentive regardless of the type of economic and safety certificates it has sought and received from the U.S. Department of Transportation and FAA, including authorities granted under 14 C.F.R. Parts 119, 121 and Part 135, provided that the air carrier otherwise satisfies the eligibility and qualification requirements of this incentive program.
19. An air carrier may only qualify for an incentive for a particular route one time.
20. Incentives may not be transferred from one carrier to another. Incentives cannot be transferred between routes.