NORTHERN COLORADO
REGIONAL AIRPORT COMMISSION

4900 EARHART ROAD • LOVELAND, CO 80538

MEETING AGENDA
THURSDAY MARCH 16, 2023
3:30PM – 5:00PM

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

CONSENT AGENDA

1. FEBRUARY 16, 2023 & MARCH 2, 2023, MEETING MINUTES – pp. 2&6
2. FEBRUARY FINANCIAL STATEMENT – p. 9
3. FEBRUARY AIRPORT DIRECTOR'S REPORT – p. 11
4. LEASE EXTENSION REQUEST – 5035 GRUMMAN – p. 53
5. CDOT AERONAUTICS GRANT 23-FNL-01 – p. 55

APPROVAL OF CONSENT AGENDA

AIRPORT DIRECTOR'S REPORT HIGHLIGHTS

REGULAR AGENDA

6. T-HANGAR TENANT PRESENTATION – STUDY SESSION ITEM (30 MIN) – p. 74
7. FUTURE HANGAR DEVELOPMENT SITES – ACTION ITEM (30 MIN) – p. 80
8. STRATEGIC PLAN ADOPTION & WORKPLAN – ACTION ITEM (30 MIN) – p. 95
9. BUSINESS FROM MEMBERS

PULLED CONSENT AGENDA ITEMS

ADJOURN

Meeting Planning Calendar

April 20	May 18	June 15
•Runway Widending Design Project Grant Approvals •Airport Land Use Plan Study Session •Remote Tower Project Status Update	•Preliminary Budget Presentation •Terminal Project Construction Contract Appproval •Airport Land Use Plan Adoption	•2022 Financial Audit Presentation •Airport Staffing Support Presentation •Airport Commission Roles and Responsibilities Training

Next Planning & Development Subcommittee Meeting: March 22 @ 3:30pm.
Agenda and materials will be made available at www.flynoco.com/airport-commission/pdsc.

February 16, 2023 Meeting Minutes

Call to Order: Chair Overcash called the meeting to order at 3:33 p.m.

Roll Call: Chair Overcash, Vice-Chair Fleming, Commissioners Adams, Burgener, and DiMartino were present. Commissioners Arndt and Stooksbury were absent

Public Comments: None

Consent Agenda

Vice-Chair Fleming moved to approve the Consent Agenda. The motion, seconded by Commissioner Adams carried with all the Commissioners present voting in favor thereof.

3:35 pm Commission Stooksbury connected via teleconference

Pulled Items None
Consent Follow up None

Monthly Report Follow-up:

- The January financial report had discrepancies and will be provided next month
- SeaRidge Technology plans system updates for Remote Tower on February 27 in response to FAA OVR 2.0. March 20-30 is when the updates will be deployed for FAA to validate
- Director will be in DC from February 27 to March 1 with Bill Payne and David Ulane to meet with the FAA and the Remote Tower project team and legislators for Remote Tower support
- There is no daily coverage from LFRA while the ARFF engineer is supporting fire training academy
- Upcoming events: Commemorative Air Force May 29-July 5, Aviation Day Aug 12, CSU Drone Show Oct 6
- Director will have a one sheet made available for both City Councils for NLC

Item 7 was moved to be heard before item 6

Public Comments: None

Regular Agenda

5. TERMINAL PROJECT 60% DESIGN UPDATE

The Airport Commission in June of 2020 directed staff to begin working on the creation of a new terminal facility. This decision was based on an analysis of the airport's needs and strategic plan at the time conducted by the Commission's Planning and Development Subcommittee. It was also as a direct result of receiving a federal funding award of $16.9 million. The recommendation was based on the following criteria:

- Allows for greater direct utilization of the Airport by the public
- Highest economic impact & job creation potential
- Is aligned with Strategic Plan, Master Plan and policies
- Can be accomplished within funding use guidelines & four- year time constraint
- Generates new revenue streams, enhancing financial sustainability
- Creates solutions for safety, capacity, and functionality issues with existing facilities

The terminal project reached another milestone this past month, reaching the 60% design level. At this point the project is undergoing another round of cost estimation, which will conclude at the end of February. At this point it is critical that the project budget be set in order for staff to begin negotiating the guaranteed maximum price with the selected construction firm Hensel Phelps. This item will provide an update on the status of the project to include timelines and schedules, budget review, and current progress being made to fill the estimated funding gap.

Public Comments: None

7. BUSINESS FROM MEMBERS

Overcash: App March 16 schedule and adoption of the strategic workplan.

Public Comments: None

6. HANGAR LEASES DISCUSSION AND POSSIBLE EXECUTIVE SESSION CONSISTENT WITH C.R.S. 24-6-

The Airport/Cities own 58 T-hangar units, 47 are rented out on a month-to-month basis for basic light aircraft storage. The Master Plan has identified this area for redevelopment since 2006 which was reiterated with the latest Master Plan update in 2020. Additionally in 2020, the hangars in these units all reverted to the ownership of the Cities, where 1/3 had been

402(4)(a), C.R.S. 24-6-402(4)(b), and/or C.R.S. 24-6-402(4)(e)(I)	privately owned since constructed in the late 1970's. In 2021, the Airport Commission issued a request for proposals (RFP) in response to Fort Collins-Loveland jetCenter (FCLJC) unsolicited proposal to redevelop the area. This RFP was closed with no award in 2022. However, during the RFP negotiation process a structural analysis was completed by a third-party engineering consultant bringing the focus onto concerns needing evaluation by the Cities risk departments. The Commission directed staff to complete additional investigation with possible solutions to address the status of existing leases to be provided to the Commission at a future meeting.
Public Comments:	None

Vice-Chair Fleming moved to recess the Northern Colorado Regional Airport Commission recess into executive session for the purpose of discussing the status of hangar leases, lease negotiation options, and to provide direction to staff regarding the leases of hangars owned by the Cities, pursuant to Section 4(e) of the Northern Colorado Regional Airport Commission Bylaws,

- **To determine a position relative to issues subject to negotiation, to receive reports on negotiation progress and status, to develop negotiation strategy, and to instruct negotiators as authorized by Colorado Revised Statute § 24-6-402 (4)(e)(I) and any applicable provisions of the Loveland and Fort Collins City Charters.**
- **To receive information or discuss regarding the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, as authorized by CRS § 24-6-402 (4)(a).**
- **As needed, to discuss matters of attorney-client privilege and to receive legal advice from an attorney representing the City on specific legal questions, as authorized by Colorado Revised Statute § 24-6-402 (4)(b) and any applicable provisions of the Loveland and Fort Collins City Charters.**

The motion, seconded by Commissioner Adams carried with all the Commissioners present voting in favor thereof.

Exited Public Session and Entered Executive Session:	4:20 p.m.
Executive Session Concluded	5:59 p.m.

Re-entered Public Session, and Adjournment 6:01 p.m.

Respectfully Submitted,

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Vice-Chair, Tom Fleming

March 2, 2023 Special Meeting Minutes

Call to Order: Chair Overcash called the meeting to order at 8:34 a.m.

Roll Call: Chair Overcash, Vice-Chair Fleming, Commissioners Adams, Burgener, DiMartino, and Stooksbury were present. Commissioner Arndt was absent

Public Comments: None

Regular Agenda

6. HANGAR LEASES DISCUSSION AND POSSIBLE EXECUTIVE SESSION CONSISTENT WITH C.R.S. Sections 24-6-402(4)(e)(I), 4(a), and 4(b)

The Airport/Cities own 58 T-hangar units that are rented out on a month-to-month basis for basic light aircraft storage. Planning for redevelopment of this area began with the 2007 Master Plan and was reiterated in the 2020 Master Plan update. In 2020, ownership of all of the units reverted to the Airport/Cities, where 1/3 had been privately owned since constructed in the late 1970's. In 2021, the Airport Commission issued a request for proposals (RFP) in response to Fort Collins-Loveland jetCenter (FCLJC) unsolicited proposal to redevelop the area. This RFP was closed with no award in 2022. However, during the RFP negotiation process a structural analysis was completed by a third-party engineering consultant. It identified concerns needing evaluation by the Cities risk departments.

Matters relating to this item were discussed in executive session at the February 16th Airport Commission meeting. The Commission directed staff to complete additional investigation and schedule this special meeting to address the status of existing leases.

Vice-Chair Fleming moved to recess the Northern Colorado Regional Airport Commission recess into executive session for the purpose of discussing the status of hangar leases, lease negotiation options, and to provide direction to staff regarding the leases of hangars owned by the Cities, pursuant to Section 4(e) of the Northern Colorado Regional Airport Commission Bylaws,

- **To determine a position relative to issues subject to negotiation, to receive reports on negotiation progress and status, to develop negotiation strategy, and to instruct negotiators as authorized by Colorado Revised Statute § 24-6-402 (4)(e)(I) and any applicable provisions of the Loveland and Fort Collins City Charters.**
- **To receive information or discuss regarding the purchase, acquisition, lease, transfer, or sale of any real, personal, or other property interest, as authorized by CRS § 24-6-402 (4)(a).**

- **As needed, to discuss matters of attorney-client privilege and to receive legal advice from an attorney representing the City on specific legal questions, as authorized by Colorado Revised Statute § 24-6-402 (4)(b) and any applicable provisions of the Loveland and Fort Collins City Charters.**

The motion, seconded by Commissioner Adams carried with all the Commissioners present voting in favor thereof.

Exited Public Session and Entered Executive Session:	8:35 a.m.
Executive Session Concluded	9:48 a.m.
Re-entered Public Session	9:49 a.m.

Vice-Chair Fleming moved to provide direction to Airport staff to terminate the short-term hangar leases for A (4910) and B (4920) hangars by May 10 and for C (4930 & 4960) hangars by July 10 and to decommission the hangars after those dates. Additionally, for the Airport to provide funding for up to 6 months of tie-down funding at the Airport for affected users, and waived rent for the final month of occupancy.

The motion, seconded by Commissioner Adams carried with all the Commissioners present voting in favor thereof.

Public Comments: The following provided comments that did not support the Commission's action, requested additional time, requested more plans/solutions, stated the negative impact this action would cause to the local general aviation community, the complete lack of T-hangars available on the front range, and general disbelief in the validity of the engineering report: **Steve Vessey**, tenant; **Adam Woodward**, EAA Ch 515; **James Aden**, tenant; **Kyle Cate**; **Mike Fossi**, Civil Air Patrol; **Rick Turley**, tenant; **Bob Proulx**, tenant; **Marty Brophy**, FNL Pilots Association; **James Hays**, FNL Pilots Association; **Tim Anderson**, tenant; **Brad Conrad**, EAA Ch 515; **Richard Brewster**, tenant; **Steve McClintock**, tenant; **Thad Lareau**, tenant.

Stooksbury	Thanked everyone for attending and that he aligned with many of the comments. Challenged the group that many said that we should plan, requested they bring their plans to the Commission to consider. Then stated the Commission's main concerns in trying to do the right thing are safety, liability, and the dependability of the structure based on the report. Stated those that did not believe in the report need to bring other data that proves otherwise and discredits the report that has been

published, or to bring a copy of their best umbrella liability policy or best lawyer's waiver that would be able to fully alleviate all the Cities and Commissions concerns. Stated his disbelief in the claim that T-hangar developments were a gold mine money making opportunity, as there would be more new T-hangar developments if that were the case but requested the data to back this claim up. Explained this is a real perceived threat and that one bad event occurring from these hangars could ruin the Airport's future.

DiMartino Stated the Commission really wrestled with the tension between information they received that they are now aware of, that there is a very significant structural concern with these buildings and that some commenters used the word moral obligation. Stated ultimately, the Commission needed to consider what their moral obligation is to do the right thing for people's safety. Stated that none of them are happy about the lack of spaces for the displaced tenants but that is the reality of where we are and that she would support this motion, even though it's a very difficult stance to take.

Commissioner Stooksbury moved to amend the motion on the floor to allow the affected tenants to present information and proposals to address the Commission's concerns related to safety and liability associated with the hangars at the March 16 and April 20 Airport Commission Meetings. The motion, seconded by Commissioner Burgener carried with all the Commissioners present voting in favor thereof.

Adjournment: Meeting adjourned at 10:46 a.m.

Respectfully Submitted,

_____

Vice-Chair, Tom Fleming

NORTHERN COLORADO
REGIONAL AIRPORT
4900 Earhart Rd • Loveland, Colorado 80538
(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 2

MEETING DATE: March 16, 2023

PREPARED BY: Jason R. Licon, Airport Director

TITLE

Monthly Financial Statement

RECOMMENDED AIRPORT COMMISSION ACTION

Staff recommends acceptance of the preliminary financial statement as presented.

BUDGET IMPACT

Neutral

SUMMARY

Financial highlights for the month of February include:

- Aviation business lease deferral balance is $112,181 for the period April 2020 – February 2023 with two companies in the program. Balances are being paid down by one company and are accruing interest.
- The federal CARES Act funding continues to be drawn down to be applied toward the terminal project budget. The balance sheet shows $1.2 million from the CARES operations and maintenance grant and $2 million for the local matching contribution. This is reflected as a capital contribution income source on the financial statements as part of the net position available for use.
    - Accurate Net Position available for use is $2.4 million since $3.2 million is budgeted for the terminal project.
- Fuel volumes were down 12% in February as compared to the same month last year.

	Feb ‘23	Feb ‘22
Jet-A	▪ 55,019	▪ 64,002
AvGas	▪ 15,001	▪ 16,024

ATTACHMENT

Preliminary monthly financial statement for February

NORTHERN COLORADO REGIONAL AIRPORT

Airport Statement of Revenues and Expenses
From 01/01/2023 to 02/28/2023
PRELIMINARY

	Y-T-D 2023 Actual	Y-T-D 2022 Actual	Y-T-D 2023 Budget	2023 Total Budget	% of Total Budget
OPERATING REVENUES					
Hangar Rental	41,250	40,768	42,500	255,000	16%
FBO Rent	15,695	15,695	15,690	94,134	17%
Gas and Oil Commissions	20,634	5,125	31,666	190,000	11%
Aviation Fuel Tax Reimbursement	30,399	27,818	27,750	166,500	18%
Land Lease	104,209	66,564	83,334	500,000	21%
Land Lease PD Training Ctr	0	0	65,268	391,600	0%
Terminal Lease and Landing Fees	1,978	692	2,068	12,400	16%
Parking	0	0	0	0	0%
Miscellaneous	7,474	7,888	24,150	144,900	5%
TOTAL OPERATING REVENUES	**221,639**	**164,550**	**292,426**	**1,754,534**	**13%**
OPERATING EXPENSES					
Personal Services	130,338	110,000	181,590	1,089,540	12%
Supplies	18,942	30,750	28,736	124,900	15%
Purchased Services	22,550	43,540	241,559	1,496,860	2%
TOTAL OPERATING EXPENSES	**171,830**	**184,290**	**451,885**	**2,711,300**	**6%**
OPERATING GAIN (LOSS)	**49,809**	**(19,740)**	**(159,460)**	**(956,766)**	
NONOPERATING REVENUES (EXPENSES)					
Passenger Facility Charge	0	0	0	0	
Interest Income	8,048	4,625	8,500	51,000	16%
Capital Expenditures	0		(5,148,612)	(30,891,667)	0%
TOTAL NONOPERATING REVENUES (EXPENSES)	**8,048**	**4,625**	**(5,140,112)**	**(30,840,667)**	
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	**57,857**	**(15,116)**	**(5,299,572)**	**(31,797,433)**	
Capital Contributions	(253,719)	0	5,208,000	31,248,000	-1%
CHANGE IN NET POSITION	**(195,863)**	**(15,116)**	**(91,572)**	**(549,433)**	
NET POSITION, Beginning	21,237,480	19,864,422			
NET POSITION, Ending	21,041,617	19,849,306			
Investment in Capital Assets	15,440,026	15,805,175			
Net Position Available for use	5,601,591	4,044,131			

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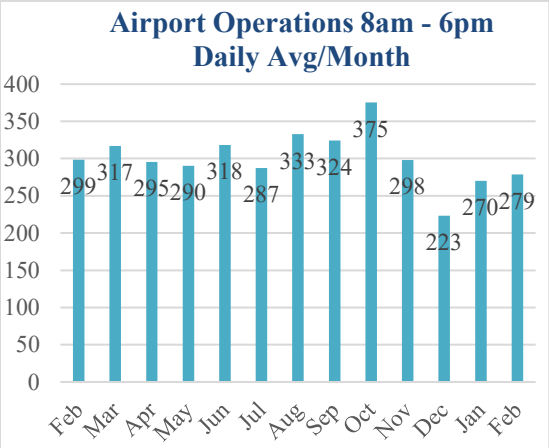
Date: March 9, 2023
To: Northern Colorado Regional Airport Commission
From: Jason R. Licon, Airport Director
Re: January Airport Report

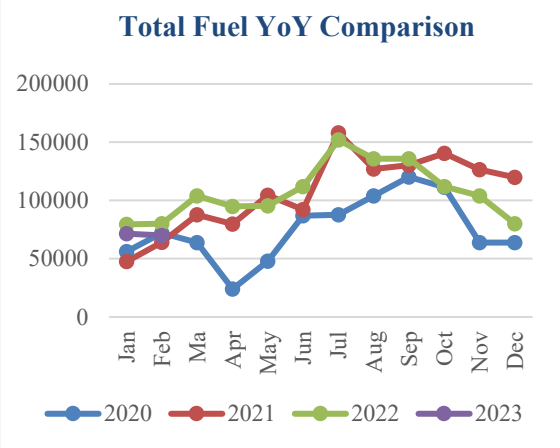
Report Highlights

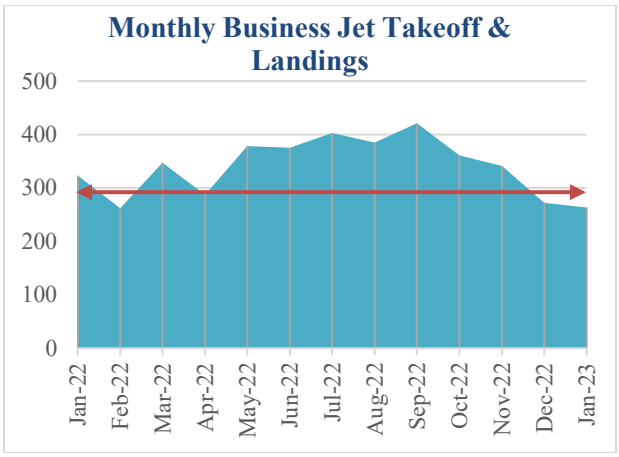
- Plante Moran has been contracted by the City of Loveland to conduct the annual financial audit for 2023. Attached to this report is a letter to the Airport Commission advising that they will be starting the annual audit process soon.
- The Fort Collins funding match for the Airport Terminal project passed on first reading with the second reading scheduled March 7.
- The Remote Tower company, Searidge Technologies, submitted their system proposals to the FAA. FAA evaluation of the update review is scheduled for March 29-31.
- February 27 to March 1 the Airport Director traveled to Washington DC and met with the FAA, Congressional staff, and the House Aviation Subcommittee staff for discussions focused on the Remote Tower Project primarily.
- Grant opportunities for the Transportation Technology and Innovation center concept have been released and is considerably less than had originally been communicated by the State. Significant contributions toward the new facility for aviation technical training that Aims Community College proposed are not unlikely. This also eliminates or reduces the proposed Larimer County contribution that was supposed to be applied toward this project.

February Airport Activity Dashboard

- Flight operations averaged 279 per day, and the twelve-month rolling average is 301.
- Wholesale fuel ordered by the jetCenter FBO was 70,020 gallons, a decrease of 12.5% compared to last year's 80,026 gallons.
- Business jet activity for January compared to the same month last year decreased by 6.6% to 279 operations.







Airport Owned T-Hangars Update

The Airport Commission held an executive session at the February 16 meeting to receive information regarding the Cities' owned hangar buildings. No decisions can be made by the Commission during the executive decision. The Commission scheduled a special meeting for the public on March 2 to decide a path forward for the Airport with special consideration given to the information received on the hangar buildings.

Remote Tower

The Remote Tower company, Searidge Technologies, continues moving forward with supporting the changes to the remote tower testing submitted their system change proposals to the FAA for plans to achieve the new visibility requirements. Representatives from Searidge were at the Airport remote tower facility conducting testing of upgraded equipment on February 27 & 28. As a recap, the project testing was stopped in October until Searidge could demonstrate a plan to achieve the new FAA requirement for Remote Tower systems to detect aircraft within three miles instead of two miles as it was originally tasked to achieve.

Searidge will be returning the week of March 20 to install additional cameras and displays to further test their system modifications with the FAA NextGen project team planning to be onsite the week of March 27 to evaluate the new components. If this demonstration is successful, Searidge will be able to move forward to install all new cameras and displays to meet the three-mile visibility requirement and once complete the testing of the system will resume.

It was recently announced that the Leesburg VA remote tower testing was being discontinued. This decision was made by the SAAB company that had installed the system according to FAA officials. The Leesburg site was a significantly different program, where SAAB had requested that their remote tower solution be tested and evaluated by the FAA, instead of the path that our project has taken - which was led from the start by the FAA. Additionally, the Colorado Remote Tower Project met the same minimum equipment standards set for conventional towers, this was not the case with the Leesburg tower. More information will be share once it becomes available.

Airport Staff

A member of the Airport staff has transitioned to another opportunity. Mr. Jason Dunn, who has been with the Airport serving as an airport operations and maintenance technician since last year has accepted a position with Eagle County Airport as an Airport Rescue and Fire Fighting engineer. Staff has opened the position for applications and interviews are scheduled to begin in early March.

Terminal

The City of Fort Collins passed on first reading a $1 million contribution towards the project. The second reading is scheduled March 7th. The conditional requirements that had been originally brought forward to the City Council for consideration for the contribution were removed.

The project team continues to work on the design of the facility, and recently have concluded a lengthy estimate and reconciliation process with the preconstruction services contractor Hensel Phelps. Once this phase is complete, work will begin on the creation of a guaranteed maximum price contract that will seek approval from the Airport Commission and City Councils. Other items will be the scoping and negotiation for construction management services from the already procured firms that are working on the design, FAA approvals, and independent fee estimates.

State ARPA Funding

Staff have been working with Larimer County and Aims Community College on finding grant funding opportunities for what had been termed a Technology and Transportation Innovation Center. In addition to this project, the Airport Terminal was identified as an option for seeking funding support. In early 2022 Governor Polis and Representative Joe Neguse visited the Aims Community College facility with the idea that future state allocations of the federal American Rescue Plan Act could be made available for workforce development and economic development projects.

Grant opportunities for the Transportation Technology and Innovation center concept have been released and is considerably less than had originally been communicated by the State. The State has approximately $1.2 billion in ARPA funding that was being considered for use by the State for ". $85 million was made available from this fund in their "Opportunity Now" program that would be applied to transformational educational and workforce development projects. Significant contributions toward the new facility for aviation technical training that Aims Community College proposed are not unlikely. This also eliminates or reduces the proposed Larimer County contribution that was supposed to be applied toward this project.

Funds towards the Terminal have not been identified in the State ARPA funding grants as were originally anticipated. Aims Community College will continue to seek opportunities to create space for their technology training needs, however it does not appear that the State ARPA funding grants are going to provide anything quite what was originally envisioned.

CSU ROTC Support

On February 25, the ROTC unit for CSU requested operational support for a meet and greet event held for their unit with an active C-130 pilot scheduled to be in our area. The Airport provided escort support with two staff members, one from the administrative team and one from the operations team and the event had over 40 attendees. The weight of this aircraft required use of the commercial ramp, which prevented the Airport from opening this event to the public; due to the time required for security plan amendments with TSA (Transportation Security Administration).

Attachments

1. 2023 Audit Planning Communication to the Airport Commission from Plante Moran
2. Remote Tower Project Report for February from WEPA
3. Loveland Fire and Rescue Authority ARFF monthly report
4. News Articles:
    a. Fort Collins balking at airport funding it co-owns with Loveland
    b. FAA Plans to Close Remote Tower at Leesburg

plante moran

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February 27, 2023

Northern Colorado Regional Airport Commission
4900 Earhart Road
Loveland, CO 80538

Dear Airport Commission:

We are in the process of planning for the audit of the financial statements of Northern Colorado Regional Airport Commission ("Airport") for the year ended December 31, 2022. An important aspect of planning for the audit is communication with those who have responsibility for overseeing the strategic direction of the Airport and obligations related to the accountability of the Airport. At the Airport, these responsibilities and obligations are held by the Airport Commission, collectively and individually; therefore, it is important for us to communicate with each of you in your role as a member of the Airport Commission.

As part of this communication process, we have spoken at length with Jason Licon, Airport Director, regarding our responsibilities under generally accepted auditing standards and the planned scope and timing of our audit. The purpose of this letter is to provide each of you with a summary of those discussions and to provide you with the opportunity to communicate with us on matters that may impact our audit.

Our Responsibility Under Generally Accepted Auditing Standards and Generally Accepted Government Auditing Standards

As stated in our engagement letter to the City of Loveland and the Northern Colorado Reginal Airport, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

In accordance with Generally Accepted Government Auditing Standards (GAO Standards), we are required to communicate all noncompliance with provisions of laws, regulations, contracts, or grants that have a material effect on the financial statements that comes to our attention. GAO Standards also require that we report any instances of abuse identified during that audit that could be quantitatively or qualitatively material to the financial statements.

We expect that we may include an emphasis-of-matter paragraph in the auditor's report informing the users of the financial statements about the Authority implementing a new accounting standard (GASB 87; *Leases*) this year. The proposed wording of the emphasis-of-matter paragraph follows:

> *As explained in Note X to the financial statements, during the year ended December 31, 2022, the Authority adopted the new accounting guidance of GASB Statement No. 87, Leases, which establishes a single model for lease accounting. Our opinion is not modified with respect to this matter.*

Overview of the Planned Scope and Timing of the Audit

William Brickey is the engagement partner responsible for supervising our services performed as part of this engagement. Our audit fieldwork will include three phases. The planning and preliminary information-gathering phase will occur during February and the risk assessment phase and the rest of our audit procedures during March through May.

To plan an effective audit, we must identify significant risks of misstatement in the financial statements, including those related to changes in the financial reporting framework or changes in the entity's environment, financial condition, or activities, and design procedures to address those risks.

Because management is in a unique position to perpetrate fraud due to its ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively, generally accepted auditing standards require that we always consider this to be a significant risk. Given the nature of the Airport's activity and operations, we also consider the following areas to be potential significant risks of misstatement:.

- Cash and investment balances at the end of the year and activity during the year
- Recognition of revenues in the proper year
- Management overrides of financial data from the normal accounting processes
- Capitalization, depreciation, and potential impairment of infrastructure assets including active construction projects
- Accounting for Federal Grants

In response to these identified significant risks, we will perform the following:

- Testing of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements.
- Cash and investment confirmation procedures with the banks and investment custodians, as well as review of the reconciliation procedures
- Testing of significant revenue amounts, period cut-off testing of a limited sample of transactions, and detailed analytical procedures
- Obtain full understanding of key management estimates used and test assumptions made to determine the reasonableness of the estimates
- Testing of significant capital asset additions and disposals, including construction in process, and reviewing for indicators of impairment of infrastructure assets
- Testing of federal grants received as required by 2022 Compliance Supplement and procedures surrounding SEFA completeness

We will gain an understanding of accounting processes and key internal controls through a review of the accounting procedures questionnaires and control procedures questionnaires prepared by management.

We will confirm through observation and inspection procedures that accounting procedures and controls included in the questionnaires have been implemented. In addition, we plan to perform testing of the effectiveness of controls over financial reporting. We will not express an opinion on the effectiveness of internal control over financial reporting; however, we will communicate to you significant deficiencies and material weaknesses identified in connection with our audit.

The concept of materiality is inherent in our work. We place greater emphasis on those items that have, on a relative basis, more importance to the financial statements and greater possibilities of material error than with those items of lesser importance or those in which the possibility of material error is remote.

Information from You Relevant to Our Audit

An important aspect of this communication process is the opportunity for us to obtain from you information that is relevant to our audit. Your views about any of the following are relevant to our audit:

- The Airport's objectives and strategies and the related business risks that may result in material misstatements
- Matters that you consider warrant particular attention during the audit and any areas where you want to request additional procedures be undertaken
- Significant communications between the Airport and regulators
- Understanding of the Airport's relationships and transactions with related parties that are significant to the Airport and any concerns regarding those relationships or transactions
- The attitudes, awareness, and actions concerning:
    - The Airport's internal control and its importance to the Airport, including how the Airport oversees the effectiveness of internal control and the detection or possibility of fraud
    - The detection or possibility of fraud, including whether the Airport has knowledge of any actual, suspected, or alleged fraud affecting the Airport
    - Any significant unusual transactions the Airport has entered into
- The actions of the Airport Commission in response to developments in accounting standards, regulations, laws, previous communications from us, and other related matters and the effect of such developments on, for example, the overall presentation, structure, and content of the financial statements, including the following:
    - The relevance, reliability, comparability, and understandability of the information presented in the financial statements
    - Whether all required information has been included in the financial statements and whether such information has been appropriately classified, aggregated or disaggregated, and presented

If you have any information to communicate to us regarding the above or any other matters you believe are relevant to the audit, or if you would like to discuss the audit in more detail, please call Bill at 313-496-7231 or Rumzei at 313-496-7232 as soon as possible.

Thank you for your time and consideration in this important aspect of the audit process. You can expect to hear from us again after the completion of our audit when we will report to you the significant findings from the audit.

Very truly yours,

Plante & Moran, PLLC

William Brickey
Partner

Rumzei Abdallah
Principal

February 28, 2023

From: William E. Payne, P.E.
To: Colorado Division of Aeronautics

Section A – Remote Air Traffic Control Contract Progress Report #20

Re: Period: February 1 through February 28, 2023

Colorado Remote Tower Project
Activity Status

Activity	Status/Start Date (Projected)	Finish Date (Projected)	Remarks
Remote Tower Implementation			
STARS Operational at FNL	11/25/2022	12/15/2022	Local Adaption and Mapping Complete
Remote Tower System			
System Upgrade - Tech Refresh	In-Progress	TBD	Ongoing
Remote Tower Testing			
FAA Stop Work Order	10/7/2022	11/11/2022	Vendor Addressing Deficiencies
OVR Ver 2.0	11/4/2022	11/25/2022	OVR Ver 2.0 Delivered to Vendor - 11/25/22
Vendor Response to OVR Ver 2.0	12/2/2022	12/22/2022	Vendor will Comply with OVR 2.0
Vendor Proposed Changes	12/21/2022	1/19/2023	Complete
Vendor Lab Testing System Upgrades	-	March 2023	Ongoing
Install Partial System Upgrades	March 2023	March 2023	Test for Compliance with OVR 2.0
Evaluate System Upgrades	March 2023	3/27/23	FAA Decision Point
Install Full System Upgrades	June 2023	TBD	
Phase 1B - Passive Re-testing	TBD	TBD	
Safety Risk Manage Panel	TBD	TBD	FAA Forecast Schedule 1 week duration
Safety Risk Management Document Signed	TBD	TBD	FAA Forecast Schedule 6 months
Phase 2 - Active Testing	TBD	TBD	Subject to FAA Phase 1 SRMD Signatures
Safety Risk Manage Panel	TBD	TBD	
Safety Risk Management Document Signed	TBD	TBD	
Phase 3 - Validation & Verification	TBD	TBD	Subject to FAA Phase 2 SRMD Signatures
Safety Risk Manage Panel	TBD	TBD	
Safety Risk Management Document Signed	TBD	TBD	
Operational Viability Decision (OVD)	TBD	TBD	
Phase 4 - Post OVD Validation &Verification	TBD	TBD	Subject to FAA Phase 3 SRMD Signatures
Safety Risk Manage Panel	TBD	TBD	
Safety Risk Management Document Signed	TBD	TBD	
Certification/Commissioning	TBD	TBD	

Note: All dates reflect latest FAA proposed schedule and are subject to change based on FAA SME's ability to travel to FNL

Remote Tower Project Narrative:

Searidge continues to make progress in the redesign of the system in order to meet the requirements of the latest version of the Operational Visual Requirements (OVR) 2.0. This redesign includes replacing the 1080P HD equipment cameras and display with 4K cameras and displays and reconfiguring the video wall be to be closer to the controller working positions (CWP). Moving the video wall closer to the CWP creates a problem with the displays located on the consoles, necessitating a possible redesign of the consoles. The 4K system will require additional processing power and video cards which are part of the system redesign.

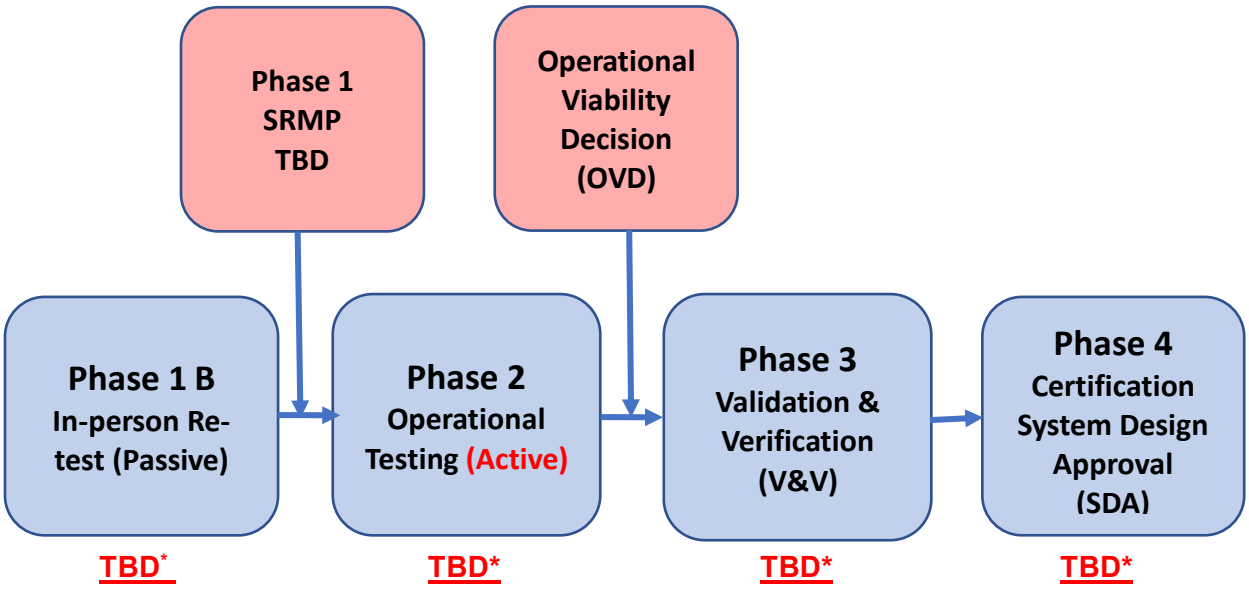
Searidge is sending an engineer to FNL on February 27th to do some preliminary work in preparation of installing the new 4-4K cameras on the central mast and 4-55" 4K monitors in the control room. Searidge will be on site beginning March 20th through March 31st to install and demonstrate the new configuration to the FAA. The demonstration is currently scheduled for March 29th through the 31st.

If the new configuration meets the visual requirement in OVR 2.0, Searidge will move forward to replace all of the cameras and displays in preparation for a second round of Phase 1 passive testing. FAA will not agree to move forward with completing the full installation and Phase 1 testing unless and until Searidge makes significant progress in providing the System Design Approval (SDA) documentation.

The other remote tower system at the Leesburg Executive Airport has reached a critical point. The vendor has told the FAA that they will not complete the SDA process, as their baseline system has undergone significant changes to the point that they would have to start over. This leaves the FAA and the airport in a precarious position. The FAA cannot allow a system that is not fully certified to continue to provide airport traffic control services. This, understandably, leaves the airport in a bad place. They can either go back to being an uncontrolled airport or build a legacy airport traffic control tower (ATCT). If, indeed, the Leesburg vendor does not follow through with pursuing SDA, the Colorado Remote Tower Project will be the only active remote tower system being evaluated by the FAA.

In preparation of meeting with the House and Senate Aviation subcommittee staff, we will be sending an overview of the remote tower effort in the United States (see enclosed). Dave Ulane, Jason Licon and I have meetings with the House Aviation Subcommittee Staff, some of our congressional delegation and the FAA on March 1, 2023. The meeting with the NextGen team will include Air Traffic (AJT) and NATCA is to discuss OVR 2.0 which has some issues as well as to get the status of our project. In preparation of the OVR discussion, I have prepared the attached comments as a conversation starter.

Proposed Remote Tower Testing Phases:



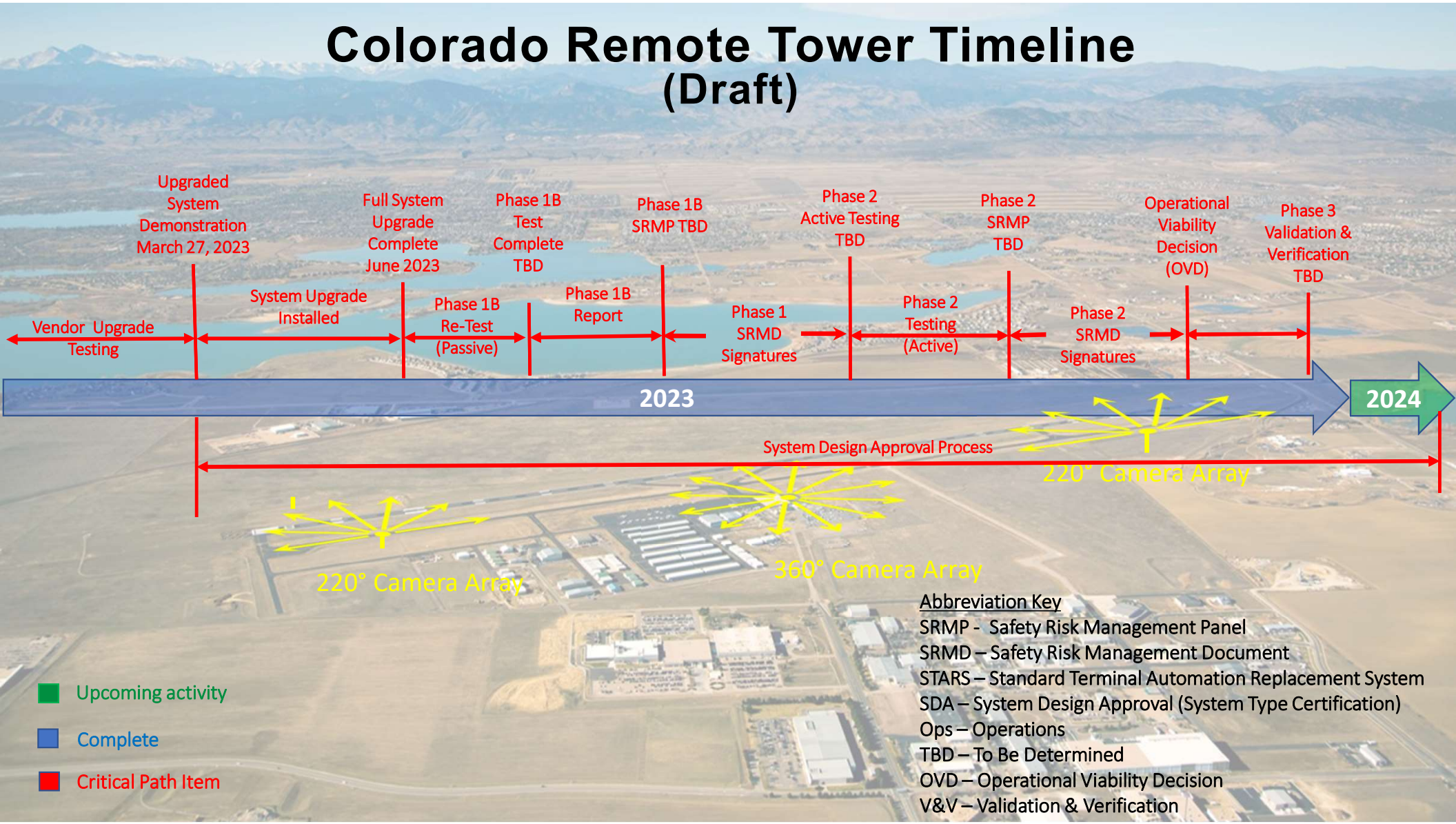
Projected Start Date

***Dependent on local resources' ability to travel to FNL and COVID status**

Schedule Note: This status is based on the latest proposed schedule and is dependent upon availability of FAA resources to staff the remote tower and support the Phase 1 SRMP.

Note: The FAA has replaced the term Initial Operating Capability (IOC) with Operational Viability Decision (OVD). This may change again as the terminology of remote tower certification is in flux.

Colorado Remote Tower Timeline
(Draft)



Abbreviation Key

SRMP - Safety Risk Management Panel
SRMD – Safety Risk Management Document
STARS – Standard Terminal Automation Replacement System
SDA – System Design Approval (System Type Certification)
Ops – Operations
TBD – To Be Determined
OVD – Operational Viability Decision
V&V – Validation & Verification

Remote Towers Path Forward?

Presented by:
William E. Payne, P.E.
Program Manager, Colorado Remote Tower Project

January 3, 2023

Brief History of Airport Traffic Control

Visual airport traffic operations have changed little since the first airport traffic control tower (ATCT) began operation in 1920 at London's Croydon Airport, followed in 1930 by the first ATCT in the United States at Cleveland's Hopkins Airport. The major changes have been the introduction of tools that enhanced the controller's situational awareness such as the first radar at the Newark, New Jersey airport in 1952, which was established by a consortium of airlines to improve air traffic control safety and efficiency.

Construction and equipage of legacy "sticks and bricks" ATCT have improved considerably since that first tower at Croydon. These improvements are primarily technological in nature and designed to assist controllers in performing their primary function of providing runway separation. However, the controller's primary tool remains the ability to visually see aircraft through an out-of-the-window view of the airfield and local airspace from the tower cab.

The National Airspace System (NAS) consists of three primary air traffic control elements: 1) Airport Traffic Control Towers (ATCT), 2) Terminal Radar Approach Control facilities (TRACON), and 3) Air Route Traffic Control Centers (ARTCC). It is interesting to note that two of these, TRACON and ARTCC, **NEVER** see an actual aircraft as they are solely using radar (surveillance).

Remote Tower Development

Remote towers offer the opportunity to substantially increase the operational safety at airports by using existing technology to increase an air traffic controller's situational awareness of surface and air operations. The economy of remote towers will ultimately be realized as remote tower centers housing three or more airports at a single ground level facility are established. **A single controller or controller staff would NOT control multiple airports simultaneously.** Each airport remote tower in the center would have its own dedicated air traffic controller staff that could be cross trained at more than one airport to provide greater staffing depth.

That being said, remote towers are unfortunately a nascent concept in the United States. The rest of the world has embraced the idea and is moving forward with implementation of remote towers and remote tower centers throughout Europe, the Middle East and Asia, while development of remote towers in the United States languishes in the back of the field due in large part to the bureaucracy of legacy thinking.

Remote towers go by many names: virtual towers, remote virtual towers, digital towers, remote digital towers, etc. All of these systems present a synthetic representation of the airfield and local airspace to an air traffic controller, possibly in a remote location without a direct out-of-the-window view. This is done by employing electro optical devices such as video and infra-red cameras in combination with other surveillance technologies (radar, etc.).

The FAA's approach to development of remote tower systems has been for stakeholders, States, airports, vendors, etc. to provide funding for the project. In the case of Colorado, the State Division of Aeronautics provided $8.8M to the FAA to develop, deploy and certify the remote tower at the Northern Colorado Regional Airport (FNL) with oversight from the State. And, until recently, the FAA would have industry propose different solution sets for the implementation of a remote tower at selected airports so it could then develop a list of qualified vendors. There are at present two remote tower systems being evaluated by the FAA. One is at the Northern Colorado Regional Airport (FNL) which was initiated and funded by the State of Colorado's Division of Aeronautics. The other system is at the Leesburg Executive Airport (JYO), which was funded by the State of Virginia with in-kind contributions by the vendor and the FAA who funded the mobile tower and is paying for the controllers.

This approach to remote tower development is novel, efficient and ultimately will result in safe and robust remote tower systems. To be successful and yield the best results, however, the FAA must be prepared to consider unique solutions and not be constrained by legacy thinking. One possible concern may be that different baseline system configurations would create an issue with controllers moving from not only legacy ATCT to a remote tower, but from one remote tower system to another. This concern can be addressed with training and may require a controller to receive a "type rating" for a particular remote tower system. This is analogous to pilots who are required to receive a type rating to operate different types and classes of aircraft.

Recently the FAA has changed its approach to evaluating and testing remote tower systems by having potential vendors bring their systems to the Atlantic City International Airport (ACY) home of the FAA Technical Center in Atlantic City, New Jersey. This approach has some distinct advantages.

1. The FAA evaluators will not be required to travel, hence allowing for a more aggressive, consistent, and efficient testing schedule. In theory, this would save time and money.
2. The vendor would receive a limited certification of their system based on performance at the Atlantic City International Airport. This certification would permit the vendor to deploy the system at a client airport. Site specific testing would be required before the system could be operational.

There are disadvantages and unknowns to this process.

1. Air Traffic (AJT) has mandated that active testing (controllers working traffic in real time) of the system would not be allowed at Atlantic City, requiring further testing at its final airport of deployment.

2. As the controllers evaluating the system at the Tech Center would not necessarily be the controllers that will ultimately be using the system, substantial training would be required during the onsite testing process.
3. It is unknown if, when being tested at the client airport, a temporary mobile tower would be required as a safety mitigator as has been required at FNL and JYO.
4. Vendors will be required to furnish the masts for their individual camera arrays.
5. It is unclear as to how, or if, multiple vendor systems with different camera types and configurations could be evaluated simultaneously.
6. Testing at the Tech Center has historically taken many years.

The two systems currently being evaluated by the FAA, FNL and JYO, have employed different approaches to system configuration and operational concept. The JYO system was the first to be deployed and tested, followed closely by FNL.

Below is a comparison of the two systems' configurations.

Functionality	FNL	JYO
Central Mast - 360° Camera Array	X	X
Distributed Camera Arrays (2 runway end masts)	X	
Stand-alone Radar Display (1)	X	X
Radar integrated into the automation data tags on the video displays (2)	X	
Video display at each controller working position (CWP)	X	
360° Video Wall	X	X
Video Tracking	X	X
Stitched Video	X	
Video Displays at each Controller Working Position (CWP) (360° stitched)	X	
System on Closed Fiber Optic Loop	X	X

(1) The FAA's Standard Terminal Automation Replacement System (STARS) is the stand-alone radar installed at both sites.
(2) Integrated radar data in the FNL system is derived from the FAA's System Wide Information Management (SWIM) system.

The information above is not meant to imply the efficacy of one system over the other--only the two different configurations proposed for civilian remote towers. As the remote tower program matures, other configurations will without doubt emerge. Only by investigating various system configurations and operational concepts without prejudice or preconception will remote towers reach their ultimate objective of providing safe and efficient airport traffic control.

Note: The vendor for the remote tower system at the Leesburg Executive Airport has recently indicated to the FAA that it will not move forward with the final step to certification, System Design Approval. Without full certification of this system, the FAA is faced with the difficult decision to either shut the Leesburg system down or allow it to proceed as a "one off." It is unclear how the latter option would work. The airport will have only three choices at this point: 1) operate as a non-towered airport; 2) seek to construct a legacy airport traffic control tower: or 3) wait for the vendor to reapply with a new system configuration. This latest development will leave the

remote tower system at the Northern Colorado Regional Airport as the only system currently under FAA evaluation.

The path to certification of the two remote towers being evaluated by the FAA has been and continues to be long and fraught with delays due to:

1. The changing system requirements.
2. Competition for resources within the agency.
3. Delays created by the COVID 19 pandemic.
4. The decision to change how systems are evaluated by having vendors bring their systems to the FAA's Technical Center in Atlantic City, New Jersey.
5. The bureaucratic nature of the process.

Remote Tower Visual Requirements

Before any system can be effectively evaluated, a set of realistic and achievable operational visual requirements must be established. Otherwise, the vendors are trying to hit a moving target. It is understandable that as more experience is gained with these proposed systems, the requirements, by necessity, will change. Vendors must be permitted the flexibility to meet these requirements by proposing new and innovative ideas using the technologies available.

Visual acuity (ability to detect an aircraft) is a major issue facing remote tower systems. Both the systems at FNL and JYO currently being evaluated by the FAA have demonstrated a degree of difficulty in meeting the requirements in the Draft Operational Visual Requirements (OVR).

The visibility requirements in the latest version of the OVR 2.0 specify that a controller must be able to detect an aircraft at 3 nm from the central 360° camera mast. There are several variables affecting the ability of a controller to meet this requirement:

1. Size of the aircraft;
2. Color of the aircraft;
3. Visibility;
4. Aspect ratio of the aircraft to the camera array;
5. Sun angle and location;
6. Individual controller's abilities;
7. Distance of the Camera array from the end of the runway;
8. Etc.

It is instructive to note that there is no analogous visual requirement for legacy ATCT.

This requirement, while somewhat arbitrary, is the FAA's attempt to compensate for the inherent visual differences between the out-of-the-window view from legacy ATCT and video displays in a remote tower. The 3 nm visual requirement from the central 360° central mast makes sense provided it is ameliorated by a probability of detection and not on an absolute requirement. After much discussion FAA's Air Traffic (AJT), who is responsible for finalizing the visual requirements, has agreed to a 50% percentage of detection from the 360° camera mast. The

modifications from the original OVR 1.0 will make it easier for a system to meet the 3 nm visual acuity requirement.

Another further complicating factor for vendors is that the OVR is a work in progress, as it must be for any developing technology. This makes it very difficult for the vendor to approach a solution with any degree of confidence as the requirement may change in mid-stream, as it did for the Colorado Remote Tower Project.

Currently the Draft OVR Version 2.0 requires the primary display to be a fixed 360° view of the airfield and local airspace. This requirement, as written and interpreted, constrains the primary display to be the video wall in the remote tower systems currently being evaluated by the FAA. This requirement is an attempt to simply replace the out-of-the-window view of a traditional ATCT using video displays. It has been proven during testing at both FNL and JYO that a video display does not faithfully reproduce the out-of-the-window view from a traditional ATCT, and the visual acuity using only a fixed 360° video display has proven to be inferior to that from a traditional ATCT. This weakness is only amplified for airports with long runways.

Given the difficulty meeting the requirements, it is time to look at different ways to solve this problem. The obvious solution would be to employ a distributed camera system with stitching technology and use individual displays at each controller working position to support the fixed 360° video display and radar as a situational awareness tool much like what is done in traditional VFR towers today.

A stitched video system configuration that places video displays at each controller working position (CWP) designated as primary and the video wall as secondary is superior to the video wall as the primary display. Obvious benefits to this approach are:

1. The displays are closer to the controller (24”-30” vs 72” - 164” for a video wall display).
2. Stitching permits the controller to pan the view as necessary to focus on any areas of interest on the surface or in the local airspace.
3. The controller can digitally zoom as desired to get a binocular image of an area of interest on the airfield or an aircraft in the local airspace. This function is not available on the video wall.
4. This configuration would support inserting pan-tilt-zoom and/or approach camera views on the video wall in areas such as parking lots that do not interfere with air traffic operations.
5. The addition of a fixed 360° video wall as the secondary display provides the controller an overall view of the airfield and local airspace at a single glance and provides a canvas upon which to insert ancillary information such as pan-tilt-zoom display.
6. The controllers’ focus will be concentrated closer to other functional elements such as the human machine interface (HMI), graphical user interface (GUI), STARS displays and controls, weather display, voice switch, etc.

The challenge to defining the CWP display as the primary display is the requirement that it must provide a fixed 360° view. The CWP displays do, by virtue of the stitching, provide the required 360° view simply by panning the stitched image to any point of interest. When the OVR was

written, it did not contemplate video stitching. However, it is plainly stated in the Scope of the Draft OVR that **"The RT System OVRs is a living document that will continue to be updated, improved, and validated"**. With this in mind, the vendor should have the flexibility to make this change.

More and more multifunction displays are being introduced into airport traffic control towers every day. Examples of these are systems that incorporate electronic flight strips, voice switch, lighting control panels, airfield surface displays, AWOS and ASOS, etc. Placing the visual display nearer the controllers will eliminate the need to divert attention to the video wall.

The Case for RADAR

The Draft OVR Version 2.0 assumes in the Scope that **"The RT system be operated without additional surveillance information provided (e.g., RADAR)"**. The disagreement with this assumption is with the affirmative nature of the assumption. Radar is a valuable situational awareness tool for controllers in legacy VFR towers and is even more valuable in remote towers that rely on video displays to provide the controllers with a view of the airfield environment and local airspace. The stated reason for this assumption is that some airports may not have radar coverage. With the advent of ADS-B, the proliferation of ADS-B equipped aircraft and increased ADS-B coverage volume, there are very few airports that do not have radar coverage. Airports that do not have adequate coverage could pursue installation of ADS-B via the FAA's Third Party Expanded ADS-B Coverage Program or even a non-Federal solution. In the case of FNL, it has radar in the form of FAA certified STARS displays. It is not my contention that radar be a requirement--only that when available, it be considered during the evaluation of the system.

A solution to this dilemma would be that radar could be used as a situational awareness tool, where available.

Remote Tower Equipment/System Certification

Hardware and software are the major components of any remote tower system. These are subject to FAA certification as non-Fed. The process the FAA has identified for certification of remote tower systems is System Design Approval (SDA).

The primary hardware components of a remote tower system are:

1. Video cameras.
2. Video displays.
3. Servers (computers).
4. Human Machine Interface (HMI).
5. Closed Fiber Optic Communication Systems.
6. Routers.
7. Etc.

A cost saving benefit of remote tower systems is the use of commercial off the shelf (COTS) hardware. The advantage of COTS hardware certification is that individual component suppliers

would provide the FAA with manufacturer's specifications, test data, mean time between failure (MTBF), maintenance manuals, product schematics, etc. FAA personnel could visit the manufacturers' facility to witness testing as required. In this way, the FAA would review and evaluate the data provided without going through a time consuming and costly testing procedure. This is already done with other non-Fed pieces of equipment.

The real magic of remote tower systems is not in the hardware but in the software. Each individual remote tower vendor has developed its own proprietary software to manage the display of information to the controller. Because the software is the critical component of any remote tower system, it will be subject to DO 278 Software Integrity Assurance or some equivalent test. Certification of the software will require the vendors to provide FAA with access to the proprietary software. The testing/certification of the software could be done at the FAA Technical Center with little difficulty and minimal cost to the FAA and vendor using either live feed from an airport or recorded data.

Remote Tower Operation and Maintenance (O&M)

At this point in remote tower development, there will be non-Fed assets owned by the sponsor airport. The airports will be responsible for maintaining the remote tower system in an operational condition, much like sponsor owned legacy ATCT. The FAA will provide periodic inspection and operational certification.

Airports that select a vendor to implement a remote tower option will be dependent on the vendor to provide O&M and Tech Refresh (software upgrades) for the remote tower systems. The airport will be responsible for the O&M of the facility.

The health of the remote tower system is monitored on site via a maintenance display terminal. Remote monitoring and maintenance of the system can be accomplished over a secure data link from the vendor's location. This data link will allow some maintenance to be done remotely and for periodic software updates without the vendor having to visit the facility.

As camera and display technology continues to improve, it will be incumbent on the airport, in the near term, to establish a robust set of spares for cameras, displays, servers, routers, etc. However, as camera and display technology continue to evolve, the original cameras and displays will reach a point where they are no longer supported by the manufacturer. This will leave an airport in an untenable position for it may not be an option to simply replace a defective camera(s). The newer cameras may not "play well" with the existing cameras or remote tower system. The airport will have to replace the entire complement of cameras. Unlike individual components on the FAA's ATCT Minimum Equipment List, replacing an entire set of cameras will represent an appreciable financial outlay for the airport.

In order to avoid an unpleasant economic surprise in later years, airports should:

1. Enter into a maintenance contract with the vendor that foresees and addresses O&M and tech refresh costs for the near and long term.

2. Create a sinking fund account that anticipates maintenance, tech refresh and ultimately a complete system upgrade.

In Conclusion:

Remote Towers represent a significant evolution in the way airport traffic control services are delivered to airports since Archie League, the first recognized air traffic controller in the United States, controlled traffic using flags at a St. Louis airfield later named Lambert-St. Louis International Airport in 1929.

As existing ATCT become outdated and obsolete and as airports expand by lengthening runways, constructing new ramps, hangars and other buildings that interfere with the line-of-sight from the tower to operational areas on the airport, it becomes necessary to either change operating procedures or build a new ATCT. Many existing ATCT are woefully out of date and do not meet siting requirements and today's life safety codes. With obsolescence comes the requirement to replace the structure at an ever-increasing cost. In many cases, a remote tower offers an attractive alternative to constructing a traditional ATCT. Remote towers are scalable and expandable to accommodate airport growth by adding cameras as necessary at a fraction of the cost of constructing a new ATCT. Remote towers are not for every airport. They do, however, make sense for airports with budgetary constraints, geometric and geographic challenges.

Remote tower technology can be employed at towered airports to augment controller situational awareness and to correct siting issues such as hangars blocking the view of aircraft movement areas distance to runways or taxiways. Today some legacy ATCT have been forced to deploy cameras to cover areas that are shadowed by on airport development or to compensate for other line-of-site issues. Examples of this are Los Angeles International Airport and Aspen/Pitkin County Airport.

Several years ago, the FAA undertook a project to evaluate what was to become remote tower technology at Dallas-Fort Worth International Airport. Unfortunately, that project, called Staffed NextGen Towers, was ultimately abandoned. The remote towers currently being evaluated are only the first step into the next generation of airport traffic control which will continue to change as more operational experience is gained. This can only be achieved, however, if pursuit of this new concept is allowed to move forward and evolve without the impediment of long-held ideas burdening its progress with undue bureaucratic and political constraints.

Status of Remote Towers in the United States

Presented by:
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Program Manager, Colorado Remote Tower Project
February 20, 2023

There are two remote tower systems currently being testing by the FAA:

1. The Colorado Remote Tower Program at the Northern Colorado Regional Airport (FNL) in Loveland, Colorado.
2. The Saab rTWR Project at the Leesburg Executive Airport (JYO) in Leesburg, Virginia.

Both of these projects started at roughly the same time in 2013-2014.

Note: The vendor for the remote tower system at the Leesburg Executive Airport has recently indicated to the FAA that it will not move forward with the final step to certification, System Design Approval. Without full certification of this system, the FAA is faced with the difficult decision to either shut the Leesburg system down or allow it to proceed as a "one off." It is unclear how the latter option would work. The airport will have only three choices at this point: 1) operate as a non-towered airport; 2) seek to construct a legacy airport traffic control tower: or 3) wait for the vendor to reapply with a new system configuration. This latest development will leave the remote tower system at the Northern Colorado Regional Airport as the only system currently under FAA evaluation.

As development of remote towers in the United States lags behind, the rest of the world is embracing the concept and moving forward with implementation of this next generation of airport traffic control.

It is clear from the latest requirements document that the FAA is trying to simply replicate the out-of-the-window view of the airfield and local airspace from a traditional airport traffic control tower (ATCT) using video displays. This is a short-sighted approach and ignores the benefits of the distributed camera configuration at the Northern Colorado Regional Airport and other technologies that are available, such as radar and infrared.

At this stage of remote tower development, creation of a set of requirements that supports flexibility of configurations and operational concepts is the key to success. Flexibility of configuration design will allow systems to be tailored to individual airports' specific operational environments.

The FAA is attempting to standardize a remote tower configuration to avoid "one offs". This ignores the most numerous "one offs" in the NAS, that being airports themselves. Performance based standardization should be the goal and not standardization of system configuration.

The FAA's requirements document specifically states that **"The RT (remote tower) system be operated without additional surveillance information provided (e.g., RADAR)".** This is the most crippling requirement as it would deny controllers an important situational awareness tool that compensates for the inherent visual deficiencies of a video-based system. Radar is a common tool in legacy ATCT and should be, if not required, at least not discouraged for use in remote towers as a situational tool.

The FAA has been and continues to create the system requirements documents in concert with NATCA without the participation of vendors or knowledgeable subject matter experts, ignoring the contribution these entities would bring to the effort.

The FAA must create a siting criteria and Order specifically for remote towers. Siting a remote tower differs from siting a traditional ATCT in that it must account for the technology involved, video cameras, video displays and video processing that takes place. A preliminary siting tool has been created by Mitre, a Federally Funded Research and Development Corporation for the FAA. This tool shows promise; however, it needs further refinement to better account for the differences between remote and traditional ATCT.

FAA's recent requirement to have potential vendors bring their systems to the Technical Center in New Jersey for testing will only add cost and additional delays over those already experienced by the program. The FAA will spend considerable funds to install the necessary infrastructure at the Atlantic City International Airport (ACY) to support this effort, a process that will undoubtedly take additional time. This would not be necessary if they instead followed their original path of having sponsors install the system at their airport.

The original idea that sponsors would fund the project, and a vendor would install the system, and FAA would evaluate the system at the airport at which it would become operational is the best approach and makes for a good business case. An example of this is in Colorado where the State provided funding to the FAA in the amount of $8.8 million to develop and certify a remote tower system at the Northern Colorado Regional Airport (FNL).

Remote Tower Operational Visual Requirements (OVR) 2.0

Comments and Recommendations

Presented by:
William E. Payne, P.E.
Program Manager, Colorado Remote Tower Project

January 25, 2023

The Operational Visual Requirements (OVR) was produced by the FAA and NATCA without collaboration with vendors or other knowledgeable subject matter experts.

The latest version of the OVR, Version 2.0, represents the next step in the genesis of requirements governing remote tower development. OVR 2.0 is the result of experience gained from testing carried out at the two remote tower systems currently under evaluation by the FAA: at the Northern Colorado Regional Airport (FNL) and the Leesburg Executive Airport (JYO).

The three major changes from OVR Version 1.0 to Version 2.0 are:

1. Update horizontal detection requirement of an aircraft to be detected at 3.0 nm on the primary display from the 360° camera mast array instead of 3 nm from the end of the runway.
2. Specify a Percentage of Detection of an aircraft on the Primary Display 3 nm from the 360° camera array to be 50% or greater.
3. Define the hierarchy of displays to be used by controllers.

Note: The horizontal detection distance and percentage of detection requirements in OVR 2.0 do not have parallels in FAA Order JO 7110.65V, "Air Traffic Control Procedures and Phraseology," effective April 3, 2014.

OVR 2.0 defines primary, secondary, and tertiary displays, as follows:

> **Primary Display**: "Fixed, continuous 360-degree view of the airfield and surrounding airspace."
>
> **Secondary Display**: "Fixed, partial view(s) of the airfield and/or surrounding airspace for the active runway(s). The secondary display for the active runway(s) must be presented to the user at all times. If used, the secondary display must be utilized in addition to the primary display."
>
> **Tertiary Display**: "Directional and aim-able partial view(s) of the airfield and/or surrounding airspace. The tertiary display may or may not always be presented to the user.

If used, tertiary displays must be utilized in addition to the primary display or secondary display."

Defining the Primary Display as a "Fixed, continuous 360-degree view of the airfield and surrounding airspace" and requiring it to be the controller's primary visual tool limits system operational flexibility.

Secondary Displays are defined as a "fixed partial view…." ignores the benefit of stitching technology that presents a pan-able-zoomable image on a display located at the controller working positions (CWP). As a requirement, this would not allow a vendor to use video stitching technology as a remote tower tool, thereby limiting the possible benefits this function could provide a controller. Would this mean that a system employing stitching would have to be modified (dumbed down) to meet this requirement?

As more experience is gained from actual operations of remote towers, these requirements can be expected to change and for that reason remote tower vendors should be afforded considerable flexibility in their operational concept as it relates to display hierarchy. This is particularly true when defining display hierarchy.

Prioritization of displays to be used by controllers should be further considered and tested before making this a hard requirement, as only one of the remote tower systems currently being evaluated by the FAA has distributed camera arrays with multiple display options in addition to the video wall and pan-tilt-zoom (PTZ) cameras.

The primary display, by the OVR 2.0 definition, is the video wall. This approach has two major flaws:

1. It fails to fully recognize and appreciate the benefits realized from an operational and human factors standpoint of a set of displays (defined as secondary by the OVR) at the controller working positions (CWP).
2. Requiring a single display (video wall) as the primary video source limits remote tower development by attempting to reproduce the out-of-the-window view from a legacy ATCT using video instead of direct human viewing. This is unattainable at this stage of video development.

The display definitions plus the 89 requirements make it plain that the intent is to reproduce, as nearly as possible, the out-of-the-window view from a traditional airport traffic control tower (ATCT) using the Primary Display. Four things are immediately clear:

1. The current state of electro optical sensors (video cameras) and displays do not present the same out-of-the-window view as that from a traditional ATCT. This is supported by experience gained from the two remote tower systems being evaluated by the FAA. There are various technical and human factors reasons why a video display is inferior to the out-of-the-window view. For example, between the controller and the out-of-the-window view are three technologies:

a. Sensor (video camera(s))
b. Video processing
c. Projecting the image on a 2D display.

2. If the Primary Display meets the visual requirements in the OVR regardless of runway length and configuration, this would negate the need for a distributed camera system and hence secondary and tertiary displays.
3. The presentation from a single camera array providing the "fixed" 360° view of the airfield and local airspace will be limited by runway length. The example is the Leesburg system which is restricted to runway lengths of 5,500' or less.

Arguments for a single fixed Primary Display are to support a controller's ability to:

1. Provide runway separation.
2. Perform a visual scan of the runway.
3. See and identify aircraft on the airport surface and in the traffic pattern.
4. Detect aircraft in the local airspace.

In traditional ATCT these functions are performed with the assistance of binoculars, which would be classified as a tertiary visual source in the remote tower OVR 2.0.

These activities can be accomplished successfully in a remote tower by utilizing a distributed camera configuration consisting of 360° central camera array providing a comprehensive view of the airport surface, traffic pattern and local airspace in conjunction with camera arrays located at the runway ends or other points of interest. Supplemental camera arrays would provide a superior view of the hold short line and runup area and when coupled with fixed zoom cameras directed up the approach/departure path a view of aircraft on final approach or departure. Scanning the runway can be accomplished by employing a preset function on the human-machine-interface (HMI) that has a PTZ camera to perform a sweep of the active runway.

The Draft OVR assumes in the "Purpose and Scope" Section that **"The RT system be operated without additional surveillance information provided (e.g., RADAR)"**. The disagreement with this assumption is with the affirmative nature of the assumption. Radar is a valuable situational awareness tool for controllers in legacy VFR towers and is even more important in remote towers that rely on video displays to provide the controllers with a view of the airfield environment and local airspace. The stated reason for this assumption is that some airports may not have radar coverage. With the advent of ADS-B, its proliferation throughout the NAS and the increasing aircraft equipage, there are very few airports that do not have radar coverage. Airports that do not have adequate coverage could pursue installation of ADS-B via the FAA's Third Party Expanded ADS-B Coverage Program or even a non-Federal solution. In the case of FNL, it has radar in the form of FAA certified STARS displays. It is not my contention that radar be a requirement--only that when available, it be considered during the evaluation of the system.

A solution to this dilemma would be that radar would be incorporated into a remote tower and used as a situational awareness tool, where available.

Specifying the video wall as the primary visual tool has some unfortunate implications for the Colorado Remote Tower System at the Northern Colorado Regional Airport (FNL):

1. To meet the visual acuity requirements in OVR 2.0, the video wall will by necessity need to be moved closer to the CWP. As the ceiling height is limited in the FNL facility the CWP displays will block controller view of the video wall, forcing removal of the CWP displays unless a controller is standing.
2. If the visual acuity requirements are met by the video wall, the need for the CWP displays is negated and by inference distributed camera arrays.
3. Meeting the visual requirements on long runways, as at FNL, from a single central camera mast becomes more and more difficult which is why a distributed camera system was employed at FNL.
4. There are two ways to display video from a distributed camera system such as at FNL:
    a. Displays on the CWPs.
    b. Picture-in-a-picture on the video wall, which will occlude a portion of the 360° view on the video wall.

Note: Requiring the secondary display of the active runway(s) be presented to the controller at all times, as required in the definition of a Secondary Display, creates a quandary for a remote tower system that incorporates distributed camaras. How is the secondary display presented on the video wall as opposed to separate displays at the CWP without blocking a portion of the video wall?

Conclusion:

These requirements are an attempt to compensate for the inherent visibility differences between remote tower video displays and the out-of-the-window view from traditional ATCT. It is intuitively obvious to the most casual observer that the visual picture presented by a remote tower display does not faithfully replicate the out-of-the-window view from a traditional ATCT. This can be demonstrated by simply walking closer or further from the video display. The further from the video display, the more difficult to see/detect a particular object. There are several reasons for this. Key among them is the fact that there are two intermediate functions between the sensor (camera) and the controller seeing the image, the first being the processing of the image, and the second being the display of the image on a 2D video screen. The human eye sees in 2 dimension. Our brains interpret the image and produce the 3D image based on visual clues, which are limited when looking at a 2D video display. Also, human depth perception is lost after approximately 1.5 nm.

The tests conducted so far where multiple displays were available did not allow the controllers the flexibility to choose which display or combination of displays would support a scan protocol best suited to remote tower operation. Remote tower systems that employ distributed camera arrays and various display options will offer the controller the ability to select which display to use to the most benefit. A video wall can be used to gain an overall sense of the airport surface and local airspace at a glance, while displays located at the individual controller working positions that are pan-able and zoomable can be used to look at situations of immediate interest much like binoculars are used today in legacy ATCT.

Recommendations:

The controller could use the fixed 360° display to provide an overall view of the airfield and local airspace. Pan-able and zoomable displays located at the CWP should be used as the working tool to provide a more detailed view of areas of interest. Pan-tilt-zoom cameras could be programed to perform runway sweeps and presets to zoom in on specific areas of interest. Supporting these would be radar as a situational awareness tool whether ingested into the video automation or as a standalone display.

During this initial phase of remote tower development controllers will, as they become more experienced with the multiple display tools available, develop a scan protocol. For this reason, the OVR should permit maximum flexibility of system configuration and concept of operation.

The OVR for remote towers has been created by the FAA in conjunction with NATCA. Remote tower vendors and other stakeholders with specific knowledge of ATCT were excluded from participating in the process. This was short sighted, as that group designs and deploys remote tower systems and has a tremendous amount of practical first-hand knowledge of these systems. This should be a collaborative process to avoid some of the problems facing the implementation of remote towers in the United States.

The FAA should establish a working group that includes all of the remote tower vendors, as well as knowledgeable subject matter experts to provide input on the OVR. While this may seem a cumbersome process, the greater involvement by controllers and industry will ultimately result in requirements that are flexible and support innovation.

FAA Reauthorization

Remote Towers:

Background: The 2018 FAA Reauthorization Act mandated the FAA to establish a Remote Tower Pilot Program to include up to 6 public use airports. To date the FAA is funding and supporting only two Remote Tower Pilot Program airports. Both of these projects' pre-date the 2018 FAA Reauthorization Act:

A. The Colorado Remote Tower Project at the Northern Colorado Regional Airport (FNL) in Loveland, Colorado. The State of Colorado provided $8.8 million via a Reimbursable Agreement to the FAA to implement the remote tower at FNL.

B. The Saab rTWR System at the Leesburg Executive Airport (JYO).

The FAA has failed to fully certify a remote tower although the Leesburg system has received limited certification.

The Friedman Memorial Airport (SUN) in Hailey, Idaho was accepted as the Third Pilot Program Airport and had selected a vendor. Due to forecast program delays by the FAA of up to 5 years, the airport opted to construct a legacy airport traffic control tower (ATCT) instead. SUN is under a mandate from FAA Airports Division to relocate their existing ATCT out of the Runway Object Free Area by 2023, although the FAA has indicated willingness to be flexible about the deadline so long as the Airport is actively pursuing an alternative site solution.

The FAA missed an opportunity to actually solve an existing problem by implementing a remote tower. Airport funds were committed to this solution and supported by the local community.

Requests:

1. Continue to fund the Remote Tower Pilot Program included in the 2018 FAA Reauthorization law (Public Law 115-254).
2. Instruct the FAA to provide resources to evaluate and certify remote tower systems at airports that have elected to implement a remote tower solution as an alternative to a traditional ATCT.
3. Instruct the FAA to establish a set of remote tower system eligibility criteria to determine efficacy of on airport testing of such systems based upon collaboration with vendors and knowledgeable subject matter experts.
4. Instruct the FAA to support evaluation, testing and certification of remote tower systems at airports as an alternative to testing at FAA's Technical Center.
5. Instruct the FAA to develop remote tower requirements in conjunction with vendors and other knowledgeable subject matter experts.
6. Instruct the FAA to establish a certification process specifically for remote towers based on lessons learned to date. Encourage a more collaborative process that recognizes

expertise outside the agency that would go a long way towards streamlining the process and reducing delays in system certification.

7. Instruct the FAA to provide funding to support creation of a remote tower specific siting tool.
8. Allow airports that have implemented a remote airport traffic control tower and that has received Operation Viability Decision (OVD) to be eligible for inclusion into the Federal Contract Tower Program (FCT).

And:

Permit General Aviation primary, non-primary, reliever, and non-primary commercial service airports listed in the current National Plan of Integrated Airport System (NPIAS) included in the FCT Program to utilize the existing full spectrum of AIP funding to establish a remote airport traffic control tower as an alternative to construction of a traditional ATCT. All applicable on airport and remote tower equipment shall meet the requirements of the FCT program with the exception of those requirements associated with constructing a traditional physical ATCT. Eligibility for AIP funding is contingent upon an airport that has a remote tower system being tested and evaluated by the FAA and has received an Operational Viability Decision.

Operational Viability Decision - Permits a remote tower system to provide airport traffic services without the requirement to operate a mobile/temporary tower as a safety mitigator and without having received full System Design Approval.

Suggested language:

118th Congress session HR_____

Request: Incorporate the following into the Aviation Innovation, Reform and Reauthorization (AIRR) ACT of 2016 at:

1. Article I, Authorization, Subtitle C – Airport Improvement Program Modification, Section 135 (a)(E)(3)(A):
2. Section 47124 (b)(3)(B) of Title 49, United States Code, is amended in clause (ii) by inserting ", or a remote airport traffic control tower that has received Operational Viability Decision (OVD)", before "as required for eligibility under the Contract Tower Program."
3. Section 47124(b)(4)(A) of Title 49 of the United States Code, is amended in each of clauses (i)(III) and (ii)(III) by inserting ", including remote airport traffic control tower equipment that has received Operational Viability Decision by the Federal Aviation Administration", after "1996".
4. Section 47114(d)(3)(A) of Title 49, United States Code, is amended by inserting clause (iii) "Primary and non-primary airports listed in the National Plan of Integrated Airport System (NPIAS) may utilize Airport Improvement Program (AIP) grant funds for reimbursement of the cost of acquiring and installing equipment for a remote airport traffic control tower. All on airport and remote

facility equipment shall meet the requirements of the Federal Contract Tower (FCT) Program. Eligibility for funding under this section is conditioned upon Federal Aviation Administration granting an Operational Viability Decision certification of the remote tower to provide airport traffic services from a remote location."

Applicable sections of Title 49 of the United States Code:
Section 47124(b)(3)(B) clause (ii)
Section 47124(b)(4)(A) clause (i)(III) and (ii)(III)
Section 47114(d)(3)(A)

Reimbursable Agreements:

Background: Reimbursable Agreements take as long as 6 months to execute. These agreements are mostly standard language and therefore there is no good reason to take this amount of time to execute. Reimbursable Agreements are of direct benefit to the FAA as well as the sponsor.

Request:

- Instruct the FAA to take steps to streamline the Reimbursable Agreement process between a sponsor and the FAA and require a time limit of 3 months to execute an agreement.

Non-Federal Radar Display:

Background: It is extremely difficult and costly for an airport traffic control tower that is in the Federal Contract Tower (FCT) Program to acquire a radar display. The inability to acquire a radar display through the FAA has forced these towers to use commercial radar applications (apps) such as Flight Aware, Radar 24, etc. despite the FAA forbidding this practice. The inability to secure a radar display is a safety and efficiency issue.

Request:

- Instruct the FAA to certify a non-FAA (commercial) radar display within 1 year capable of displaying primary and secondary radar targets to provide situational awareness to controllers in FCT or FAA staffed towers. This display could obtain data via one-way feed from the overlying radar facility automation or from the FAA's System Wide Information Management (SWIM) system.

Happy March!

ARFF:

- Reminder: I will be on C-shift until mid-June. There will be no continuous ARFF stationed at the airport, except for scheduled flights.
- ARFFWG Leadership conference was held last week in Florida. A lot of information and updates in the world of ARFF to come.
- 2024 budget presentation was given to LFRA Executive Staff
- Continued work on accreditation documents
- Continued ARFF driver training for all ARFF members

FAA Annual Inspection:

Has been moved to ***May 22-24th***. Gina will be assigned to cover the ARFF portion of the inspection on May 23rd.

Airport:

- Airport Commission meeting will be held on March 16th, 3:30-5:00pm at the Fire Station conference room
- Please see the ***www.flynoco.com*** website for all airport commission updates involving the upcoming terminal construction!

Scheduled Air-Carrier Flights:

- Sun Country Casino flights:
  - March 5
  - March 9
  - March 20
  - March 24

Thank you all!

Gina Gonzales
ARFF Engineer
Loveland Fire Rescue Authority
ARFFWG Colorado Representative
LFRA Fire Station 4, Northern Colorado Regional Airport

970-568-6026 – business cell – for messages as well
gina.gonzales@lfra.org - email
www.cityofloveland.org

Coloradoan.

NEWS

Fort Collins City Council shows hesitancy to fund city-owned airport. What's behind it?

Molly Bohannon and Pat Ferrier Fort Collins Coloradoan

Published 5:55 a.m. MT Feb. 7, 2023

For a few years now, the Northern Colorado Regional Airport has been self-sustaining and hoping to grow.

It took a while to get there. Until 2019 its two owners, Fort Collins and Loveland, were pouring in about $177,000 annually to its operations and maintenance. But it's been operating largely on its own since then, with revenue coming from rates and fees charged to airport users, land leases, and federal and state grant programs.

And even though it passed the milestone of becoming self-sufficient, the airport has struggled to achieve its vision.

Commercial airlines have come and gone, doing their best to maintain service but tending to not last very long. United and Landline together launched "wingless flights" in which passengers could book a flight from the Northern Colorado Regional Airport — also known as FNL — check their bags there and then be bused to Denver International Airport where the only task left is going through security.

Landline recently expanded their bus service to passengers of all airlines and added daily round trips, which brought more traffic to the airport.

Most days, the airport caters primarily to private aircraft and flight training, corporations flying in and out of the area, Landline routes and Colorado State University team charter flights.

Despite the challenges, airport leadership has been charting a brighter future, hoping to get final FAA approval of a remote traffic control tower; replacing the aging, temporary terminal;

and bringing commercial service back to Northern Colorado.

An influx of almost $17 million from the Coronavirus Aid, Relief, and Economic Security (CARES) Act hastened plans for a new terminal but came with a 2024 deadline.

While the federal money pays for the majority of the new terminal — originally expected to cost $31 million but since trimmed to $25 million — airport leadership still had to turn to its co-owning cities for $1 million each to cover the funding gap.

Loveland committed, but Fort Collins is holding up the situation, with City Council members expressing concern about the airport's past failings and their hesitation to put money into it now.

Fort Collins' council finance committee last month proposed a forgivable loan with benchmarks the airport must achieve in order to avoid paying back the money, including the building having LEED Silver certification — an expensive environmental design building certification — a lower carbon footprint and nearly double the annual outbound passengers than they have now.

The committee on Thursday still hesitated to support the loan structure, but staff will bring it to City Council likely on Feb. 21.

"This should go to council, but I don't know if us, as a committee, would have a recommendation," said Emily Francis, mayor pro-tem.

Council member Julie Pignataro said she was still torn, despite the additional metrics, about supporting the loan. She and Francis want Landline to provide service from FNL to within secure boundaries at DIA, but that decision rests with the Federal Aviation Administration, airport Manager Jason Licon said.

Pignataro and Francis also want any agreement to spell out how the airport would pay back the loan if it doesn't achieve its benchmarks.

Given the city is a half-owner of the airport, council finance's decision raises the question: Why wouldn't Fort Collins jump to invest money into its own property, no strings attached, to improve the success and service?

'Due diligence' or different priorities?

Fort Collins Mayor Jeni Arndt told the Coloradoan she didn't see council finance's hesitancy and request for a loan format with benchmarks as shying away from funding the city's property, rather that they were doing their "due diligence."

"We have a fiduciary duty to make sure that our taxpayer money is well spent and so they asked for some additional objective measures of success," she said.

Arndt, who sits on the Northern Colorado Regional Airport Advisory Commission, which governs the airport, said the city has a good relationship with the airport and works on a "shared vision" but can't serve as a bank. Council finance and City Council need to vet what they're giving money to.

"We don't just tap out a million dollars here and there," she said. "We have our own metrics of what success looks like, what are you achieving and all those things? We work under a city plan, and (council finance is) saying we just need a plan."

While Fort Collins and Loveland co-own the airport, the property was physically annexed into the city of Loveland in 1992. Loveland took on the cost of administration, including airport employees and the costs of providing support, so it gets all the sales- and use-tax revenue from the airport.

Fort Collins reaps no direct financial benefit from the airport, but the airport hasn't cost the city anything for four years, until this latest one-time request.

Because the airport is not in Fort Collins, there are certain limits to what they can't and can do, Airport Manager Jason Licon said.

Kelly Ohlson, a member of the council finance committee that suggested a $1 million loan rather than direct contribution, told the Coloradoan he doesn't think Fort Collins should be involved with the airport at all.

"It's a Loveland airport no matter what you call it," Ohlson said. "They should be responsible for funding the $2 million."

"It's time to divorce ourselves from the airport — not a bad divorce, a good divorce — and just let it be a Loveland thing," he said.

Ohlson said the money could be better spent on things in Fort Collins. He said he'd like to see more funding coming from within the airport and its users, and he expressed concerns

around a lack of planning for residential areas near the airport if it were to become a more commercial airport.

Ohlson said on Thursday he was "done with subsidizing things that stimulate more growth. I'm not interested in drawing a commercial airline that will fuel more growth."

It doesn't help the city achieve its affordable housing or climate goals, he said.

Across the city border in Loveland, Don Overcash, chair of the Northern Colorado Regional Airport Commission and the representative from Loveland's City Council, said he suspects Fort Collins' hesitancy — while Loveland is all in — comes from the cities simply having a difference in priorities and focuses.

"The current (governance) model requires the airport to go back to both city councils for some funding requests and major changes or initiatives," he said. "And you've got two parents with different interests at times."

Overcash said the relationship between Loveland and Fort Collins is a good one, but they just see things differently. Loveland, for example, sees "a lot of potential in the coming decades as a transportation hub," Overcash said, and is working hard to attract employers to the area, which a strong regional airport would help do.

The current funding holdup is frustrating, he said, but he attributed it to the governance style and said he's confident the commission will find a way to go forward even if Fort Collins doesn't want to contribute its share.

"I'm confident that we're gonna go forward with the terminal. I'm not 100% certain how that's going to happen," he said. "... We're gonna find a way to make it work."

However, he was hesitant about the proposed model of a forgivable loan, saying he isn't sure how to "establish benchmarks around that which you don't have much control over. If you're partners, you're partners," he said. "You take calculated risks together and you achieve calculated, optimistic gains, and you offset that and either decide to go forward or not."

Licon said he was confident the airport could reach Fort Collins' benchmarks, particularly LEED certification and a reduction in the building's carbon footprint. He said the airport could see an increase in passengers from its current 18,000 to 33,000, including Landline's passengers, within about three years of the new terminal opening.

The terminal "is going to provide us with more opportunity to not only support the current Landline/United service, but be much more palatable to air carriers," Licon said.

LEED certification and reductions in carbon footprint are already baked into the design, Licon said. "LEED certification is a little unique. One city (Fort Collins) requires it, another doesn't. LEED is great, we embrace it, but it comes with a cost: $800,000 to $1.1 million."

The required decrease in carbon footprint "goes hand in hand with LEED certification," Licon said.

Economic impact of airport

Over the years, the airport has had different governance models, eventually leading to the current airport advisory commission made up of Loveland and Fort Collins city managers, mayors and appointed representatives.

The commission, at its recent Strategic Operations meeting in January, decided to investigate other governance models that might work for FNL.

"The current governance model makes it a little more cumbersome ... for funding and commitment, things of that nature," Overcash said.

The advisory commission is looking at other models around the country to see if there are any "that might fit better with the joint-city ownership model," Licon said. "Every so often with any joint ownership model, you have to look internally to see if it's working correctly."

The airport, with a $1.5 million budget last year, had about 130,000 total operations — takeoffs, landings or approaches to land by all aircraft.

But that's only one part of the story, Licon said.

The Colorado Department of Transportation estimated in 2020 the airport generated $296 million in economic impact through its direct and indirect jobs, payroll and other services.

Corporations, including Woodward Inc., Nutrien, Otter Products and Bohemian Cos., use the airport for their corporate travel; Colorado State's sports teams charter Sun Country to get to away games and tournaments; and 10 businesses on airport grounds, including flight schools, provide jobs and training.

The FAA chose Northern Colorado Regional Airport as the first airport in the country to develop and test a new remote air traffic control tower that might be deployed to other airports without a physical tower. It hit some snags during the pandemic, when FAA

representatives couldn't travel to test the system. Now the FAA has created new criteria that means some of the remote tower installation has to be updated, which could take some time.

Licon said the airport's vendor is upgrading the system and could bring it up next month. That upgrade "gets us back on track with certification of a new system."

And Aims Community College, which moved part of its aviation program to the airport in 2020, is working on plans and funding for a new Aviation Technology and Transportation Innovation Center at the airport, with space for an aircraft maintenance technician school to train future aircraft mechanics.

Larimer County's Board of Commissioners approved $1.5 million to support the local match and Aims is expected to contribute up to $24 million, depending on funding from a state workforce development grant.

Still, there's work to be done. The airport has run out of hangar space for private planes and corporate aircraft, existing hangars are aging, and officials say roads and parking lots need improvement and a new terminal is desperately needed.

All will help the airport attract new commercial air service, Licon said. "I believe wholeheartedly we will get a quality airline in here," he said. "But we need the basics in place to support it: a terminal, air traffic control, and other things we're looking at, including widening the runway in two years." All those things are going to build a foundation ... to support higher-quality air service out of Northern Colorado. We've already done a lot."

Hopes were high when Landline and United launched its wingless flights, followed by the 2020 addition of Avelo Air, a fledgling airline that began commercial flights from FNL to Hollywood, California, and later Las Vegas. It ceased Loveland operations just a few months later.

Even though Avelo stayed only a few months, the airline's presence provided $1.5 million to the terminal project, money it wouldn't have gotten without it, Licon said. "We wish they would have stayed, but we don't have any control over that."

Northern Colorado Regional Airport history

1963: FAA provides Loveland and Fort Collins a land grant to buy about 1,000 acres for the purpose of building an airport to replace two smaller general aviation airports in each city.

1966: Airport opens with a fueling and maintenance service station for aircraft and one building with 10 hangars. Ownership was split with two-thirds interest to Fort Collins and one-third to Loveland.

1979: Fort Collins and Loveland sign an intergovernmental agreement formalizing airport management, giving both cities equal financial responsibility.

1981: The cities OK building additional facilities, including new roads and utilities to serve increasing demand for hangars. Fort Collins issues bonds to be repaid by both cities.

1983: The cities create a public airport authority.

1989: A terminal is built to serve 19 passenger aircraft and support 25,000 passenger enplanements a year.

1990: IGA lease agreement with the airport authority requires the cities pay a lease payment. Loveland takes over administration of the airport, including finances, information technology, management analysis, policy analysis, purchase and risk management services. Fort Collins assumes responsibility for legal, management analysis and policy analysis services.

1991: The cities enter a new IGA for joint operation and dissolve the airport authority. Both cities agree to equally share revenues and expenses. Full management, policy-making authority and facility management was vested equally. The IGA places full responsibility for the airport with both city councils.

1991: FNL becomes a commercial service airport with scheduled service by Continental Express and United Express, mainly to Stapleton airport in Denver.

1992: Airport is annexed into Loveland and the fire station was built to create an aircraft rescue firefighting program to meet the requirements as a commercial airport.

1994: The cities reaffirm the 1991 IGA and create the Airport Steering Committee to facilitate communication between the cities. Continental Express merges with Continental Airlines, and the airport accommodates 46,000 enplanements.

2003: Allegiant Airlines begins flying to Las Vegas. The airport adds modular facilities for TSA security screenings.

2011: Allegiant adds flights to Mesa, Arizona. Planning for a new terminal begins to replace the temporary modulars.

2012: Allegiant ceases operations, citing the lack of a control tower.

2015: The cities reorganize the Airport Steering Committee into an airport commission. The name is changed to Northern Colorado Regional Airport, known as FNL.

2015: Elite Airways begins flying to Rockford, Illinois, but suspends flights for the winter.

2019: Allegiant announces it will resume service but backs out before starting.

2021: Landiline and United announce partnership to start "wingless flights" from FNL. Avelo begins flying to Burbank airport in California and later adds Las Vegas.

2021: Airport gets $16.9 million in federal CARES Act funding to jump-start a new terminal project.

2022: Avelo ceases all operations out of FNL.

https://www.loudounnow.com/news/leesburg/faa-plans-to-close-remote-tower-at-leesburg-airport/article_359b9020-b7c3-11ed-b786-9fb04e7a04c0.html

FAA Plans to Close Remote Tower at Leesburg Airport

Norman K. Styer
Feb 28, 2023

A camera array atop the Stanley F. Caulkins Terminal at Leesburg Executive Airport is part of an experimental system town leaders will help establish a control tower operation there. [Douglas Graham/Loudoun Now]

A notification from the Federal Aviation Administration that it plans to end the remote air traffic control tower program at Leesburg Executive Airport in June has town leaders scrambling for ways to keep the safety service going.

Since 2015, the airport has been a testing ground for a remote tower system developed by Saab Inc. that uses high-definition cameras and displays, maneuverable optical and infrared cameras, microphones, and a signal-light-gun to provide data to air traffic controllers at a remote tower center located just outside airport property on Miller Drive. Controllers used the system to direct aircraft movements and space in the air and on the airport grounds. The remote technology is an alternative to building a brick-and-mortar air traffic control tower at the airport.

While once experimental under the control of the FAA Office of NextGen, it was deemed operationally viable in 2021, although it has not received final certification. Leesburg's system is one of two remote towers under evaluation, with the other in Fort Collins, CO. The FAA has not certified any remote tower system for use in the National Airspace System.

Airport Manager Scott Coffman was notified of the decision to close the operation last week. On Tuesday, the town issued a statement to publicize the action and highlight efforts to work with the town's Capitol Hill delegation to maintain the remote tower operations.

Coffman was told the FAA plans to shut down the program June 14.

"Leesburg has worked cooperatively with both the FAA and SAAB for many years as our primary focus regarding air traffic control is on safety, and ensuring that those services remain at the airport as they do today. With more than 75,000 takeoffs and landings each year, we believe air traffic control services are necessary for safe operations and growth at the Leesburg Executive Airport," Coffman said in the statement.

Contacted Tuesday afternoon, Airport Commission Chair Dan Dunkel and representatives of the two fixed based operators at the airport said it was too soon to make comments on the situation.

MORE INFORMATION

Control Tower Plans Taking Flight in Leesburg

Leesburg Airport’s Remote Tower Gets Its Own Space

More Flights Could Mean Longer Airport Tower Hours In Leesburg

Norman K. Styer

NORTHERN COLORADO
REGIONAL AIRPORT
4900 Earhart Rd • Loveland, Colorado 80538
(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 4

MEETING DATE: March 16, 2023

PREPARED BY: Jason Licon, Airport Director

TITLE

Lease Option Extension Request, 5035 Grumman

RECOMMENDED AIRPORT COMMISSION ACTION

Approve the lease extension request

BUDGET IMPACT

None, the lease rates will remain unchanged

SUMMARY

This is an administrative item. The Airport's standard land lease terms are an initial twenty-five year lease with three five-year extension options for a total of forty years. The Airport was notified (as required by the lease agreement) that the lessee desires to exercise their option to extend the land lease agreement for their second five-year extension period. This extension request requires the approval of the Airport Commission as authorized by the Intergovernmental Agreement between the Cities of Fort Collins and Loveland. Staff have reviewed the request and found the associated account to be in good standing.

ATTACHMENTS

Lease Option Request: Joseph Kellogg, 5035 Grumman

January 04, 2023

Via US Mail

Airport manager
Loveland-Fort Collins, Airport
4900 Earhart Dr.
Loveland, CO 80538

Re: Notice of Renewal of Lease Agreement

Greetings,

Reference is made to the Lease Agreement ("**Agreement**"), between Dale Matuska and the cities of Loveland and Fort Collins ("**you**" or "**your**") concerning the lease of the hanger and ramp improvements on 5035 Grumman Street, as assigned to Joseph E. Kellogg ("we" or "our") in that certain Assignment and Assumption of Lease Agreement dated December 13, 2019 (the "Assignment"). Capitalized terms not otherwise defined herein shall have the respective meanings assigned to such terms in the Agreement.

In accordance with Article 1 of the Agreement, as modified by the Assignment, we hereby notify you that we are exercising our right to renew the Agreement for five years, initiating a Renewal Term that begins upon the expiration of the Initial Term, and continues until May 14, 2028.

Please direct any questions to Joseph E. Kellogg c/o Madwire, LLC 3405 S. Timberline Rd. Fort Collins, CO 80525.

Very truly yours,
Joseph E. Kellogg

By:

cc:

City Manager
City of Loveland
500 E. Third St.
Loveland, CO 80537

City Manager
City of Fort Collins
300 LaPorte Ave.
Fort Collins, CO 80521

NORTHERN COLORADO
REGIONAL AIRPORT
4900 Earhart Rd • Loveland, Colorado 80538
(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 5

MEETING DATE: March 16, 2023

PREPARED BY: Jason Licon, Airport Director

TITLE

CDOT Aeronautics Grant 23-FNL-01

RECOMMENDED AIRPORT COMMISSION ACTION

Make a motion to approve Resolution R-1-2023 authorizing the City Managers to sign a grant offer for up to $25,000 from the Colorado Department of Transportation Division of Aeronautics

BUDGET IMPACT

Positive: The grant agreements will provide financial resources for the study

SUMMARY

This grant from the CDOT Aeronautics Division provides the Airport with funding to be used toward a governance study. The grant includes up to 50% funding on an estimated $50,000 study cost. The grant must be executed and signed prior to any work being done to be eligible for reimbursement.

The Amended and Restated IGA for the Joint Operation of the Airport approved by both City Councils in 2016 allows the Airport Commission the authority to enter into grant agreements to the extent permitted by grantors, so long as such grant agreements:

i. do not include commitment of Airport revenues and funds for grant matches of more than $300,000 from appropriated funds included in the approved Airport budget;
ii. do not involve capital construction projects unless such projects are included in the approved Airport budget; and
iii. are approved by the City Managers, to the extent the City Managers are authorized by their respective City Councils to do so

ATTACHMENTS

- Resolution R-1-2023
- Draft CDOT Aeronautics Grant Offer 23-FNL-01 & Resolution Exhibit B

RESOLUTION # R-1-2023

A RESOLUTION APPROVING THE 2023 GRANT AGREEMENT WITH THE STATE OF COLORADO DIVISION OF AERONAUTICS (CDAG #23-FNL-01) FOR GOVERNANCE STUDY PROJECT AT THE NORTHERN COLORADO REGIONAL AIRPORT

WHEREAS, the General Assembly of the State of Colorado has declared in Title 43 of the Colorado Revised Statutes, Article 10, 1991 in C.R.S. 43-10-101 ("the Act") that: ". . . there exists a need to promote the safe operation and accessibility of general aviation and intrastate commercial aviation in this state; that improvement of general aviation and intrastate commercial aviation transportation facilities will promote diversified economic development across the state; and that accessibility to airport facilities for residents of this state is crucial in the event of a medical or other type of emergency;" and

WHEREAS, the Act created the Colorado Aeronautical Board ("the Board") to establish policy and procedures for distribution of monies in the Aviation Fund and created the Division of Aeronautics ("the Division") to carry out the directives of the Board, including technical and planning assistance to airports and the administration of the state aviation system grant program. (See C.R.S. §43-10-103, C.R.S. §43-10-105, and C.R.S. §43-10-108.5 of the Act); and

WHEREAS, any eligible entity operating a public-accessible airport in the state may file an application for and be a recipient of a grant to be used solely for aviation purposes (an "Application"). The Division is authorized to assist such airports as request assistance by means of a Resolution passed by the applicant's duly-authorized governing body, which understands that all funds shall be used exclusively for aviation purposes and that it will comply with all grant procedures and requirements as defined in the Division's Program and Procedures Manual ("the Manual") and the Airport Sponsor Assurances for Colorado Discretionary Aviation Grant Funding ("Grant Assurances") attached as "Exhibit C" to the Grant Award Letter ("Grant Agreement"). Such draft Grant Agreement is attached hereto as "Exhibit A" and incorporated herein; and

WHEREAS, the City of Fort Collins and the City of Loveland ("the Cities") own and operate in the State the Northern Colorado Regional Airport ("the Airport") pursuant to that certain Amended and Restated Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Municipal Airport dated January 22, 2015, as amended ("Airport IGA"); and

WHEREAS, the Cities have applied for grant CDAG #23-FNL-01 (the "Grant Agreement") from the Division for the purpose of funding a governance study at the Northern Colorado Regional Airport (the "Project"); and

WHEREAS, the Grant Agreement provides to the Airport Twenty Five Thousand Dollars ($25,000) (the "State Grant") representing fifty percent (50%) of the total cost of Fifty Thousand Dollars ($50,000) for the Project, subject to the Cities providing a fifty percent (50%) local match for the Project; and

WHEREAS, a total of Twenty Five Thousand Dollars ($25,000) of local funding in the Airport Fund will be applied toward this Project, in addition to this State Grant, which additional funding has previously been appropriated and approved by the Northern Colorado Regional Airport Commission and both City Councils through the adoption of the 2023 Airport Budget; and

WHEREAS, pursuant to Section 4.J of the Airport IGA, the Commission is authorized to sign grant agreements to the extent permitted by grantors, so long as such grant agreements meet the standards set forth therein, including approval by the City Managers of both Cities to the extent they are authorized by their respective City Councils to do so.

NOW THEREFORE BE IT RESOLVED BY THE NORTHERN COLORADO REGIONAL AIRPORT COMMISSION AS FOLLOWS:

Section 1. That the Northern Colorado Regional Airport Commission ("the Commission"), pursuant to its authority under the Airport IGA to approve the Grant Agreement, attached hereto as "Exhibit A" and incorporated herein, on behalf of the Cities as the grant applicant, hereby formally requests assistance from the Colorado Aeronautical Board and the Division of Aeronautics in the form of a state aviation system grant. The Commission states that such State Grant shall be used solely for aviation purposes, as determined by the State, and as generally described in the Application.

Section 2. That the Commission, on behalf of the Cities, makes the commitment (a) to keep the Airport facility accessible to, and open to, the public during the entire useful life of the grant funded improvements/equipment; or (b) to reimburse the Division for any unexpired useful life of the improvements/equipment on a pro-rata basis. By signing the Grant Agreement, the Commission further commits, on behalf of the Cities, to keep open and accessible for public use all grant funded facilities, improvements and services for their useful life, as determined by the Division and stated in the Grant Agreement.

Section 3. That the Commission, on behalf of the Cities, hereby designates Jason Licon, Airport Director, as the Project Director, as described in the Manual, and authorizes the Project Director to act in all matters relating to the work project proposed in the Application on its behalf, and further authorizes the City Managers of the Cities to execute the Grant Agreement with such modifications in form or substance as the City Managers, in consultation with their respective City Attorney's Office, may deem necessary to effectuate the purposes of this Resolution or to protect the interests of the Cities to reflect approval of the City Managers, to the extent that they have been authorized to do so by their respective City Councils.

Section 4. That the Cities have appropriated or will appropriate or otherwise make available in a timely manner their share of all funds that are required to be provided by the Cities under the terms and conditions of the Grant Agreement.

Section 5. That on behalf of the Cities and subject to the foregoing, the Commission hereby accepts all guidelines, procedures, standards, and requirements described in the Manual as

applicable to the performance of the grant work and hereby approves the Grant Agreement submitted by the State, including all terms and conditions contained therein.

Section 6. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this _____ day of March, 2023.

Don Overcash, Chair of the
Northern Colorado Regional Airport Commission

ATTEST:

Secretary

APPROVED AS TO FORM:

Assistant City Attorney

GRANT AWARD LETTER
SUMMARY OF GRANT AWARD TERMS AND CONDITIONS

State Agency Colorado Department of Transportation, Colorado Aeronautical Board, Division of Aeronautics	**Grant Amount** **State:** **$25,000.00**
Grantee City of Loveland	
Grant Issuance Date The Effective Date	
Grant Expiration Date June 30, 2026	**Local Match Amount** **Local:** **$25,000.00**
Grant Authority Authority to enter into this Grant exists in CRS §43-10-108.5 and funds have been budgeted, appropriated and otherwise made available pursuant to CRS §§39-27-112(2)(b), 43-10-109, 43-10-102 and a sufficient unencumbered balance thereof remains available for payment. Required approvals, clearance, and coordination have been accomplished from and with appropriate agencies.	
Grant Purpose Element A: Governance Study	

Exhibits and Order of Precedence

The following Exhibits and attachments are included with this Grant:

Exhibit A, Discretionary Aviation Grant Application
Exhibit B, Resolution
Exhibit C, Grant Assurances
Exhibit D, Sample Option Letter

In the event of a conflict or inconsistency between this Grant and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

1. Provisions of the main body of this Grant
2. Exhibit A, Discretionary Aviation Grant Application
3. Exhibit B, Resolution
4. Exhibit C, Grant Assurances
5. Exhibit D, Sample Option Letter

SIGNATURE PAGE

THE SIGNATORIES LISTED BELOW AUTHORIZE THIS GRANT

Each person signing this Agreement represents and warrants that the signer is duly authorized to execute this Agreement and to bind the Party authorizing such signature.

GRANTEE City of Loveland _____ By: Steve Adams, City Manager Date: _____	**STATE OF COLORADO** Jared S. Polis, Governor **Department of Transportation** _____ By: David R. Ulane, Aeronautics Division Director for Shoshana M. Lew, Executive Director Date: _____
SECOND GRANTEE City of Fort Collins _____ By: Kelly DiMartino, City Manager Date: _____	

In accordance with §24-30-202, C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

_____
By: Department of Transportation

Effective Date:_____

1. GRANT

As of the Grant Issuance Date, the State Agency shown on the first page of this Grant Award Letter (the "State") hereby obligates and awards to Grantee shown on the first page of this Grant Award Letter (the "Grantee") an award of Grant Funds in the amounts shown on the first page of this Grant Award Letter. By accepting the Grant Funds provided under this Grant Award Letter, Grantee agrees to comply with the terms and conditions of this Grant Award Letter and requirements and provisions of all Exhibits to this Grant Award Letter.

2. TERM

A. Initial Grant Term and Extension

The Parties' respective performances under this Grant Award Letter shall commence on the Grant Issuance Date and shall terminate on the Grant Expiration Date unless sooner terminated or further extended in accordance with the terms of this Grant Award Letter. Upon request of Grantee, the State may, in its sole discretion, extend the term of this Grant Award Letter by providing written notice to the Grantee in a form substantially equivalent to Exhibit D.

B. Early Termination in the Public Interest

The State is entering into this Grant Award Letter to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, the Colorado Aeronautical Board or Courts. If this Grant Award Letter ceases to further the public interest of the State or if State, Federal or other funds used for this Grant Award Letter are not appropriated, or otherwise become unavailable to fund this Grant Award Letter, the State, in its discretion, may terminate this Grant Award Letter in whole or in part by providing written notice to Grantee that includes, to the extent practicable, the public interest justification for the termination. If the State terminates this Grant Award Letter in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable under this Grant Award Letter that corresponds to the percentage of Work satisfactorily completed, as determined by the State, less payments previously made. Additionally, the State, in its discretion, may reimburse Grantee for a portion of actual, out-of-pocket expenses not otherwise reimbursed under this Grant Award Letter that are incurred by Grantee and are directly attributable to the uncompleted portion of Grantee's obligations, provided that the sum of any and all reimbursements shall not exceed the maximum amount payable to Grantee hereunder. This subsection shall not apply to a termination of this Grant Award Letter by the State for breach by Grantee.

3. PURPOSE

The General Assembly of the State of Colorado declared in Title 43 of the Colorado Revised Statutes, Article 10, 1991 in CRS §43-10-101 (the Act) "… that there exists a need to promote the safe operations and accessibility of general aviation in this state; that improvements to general aviation transportation facilities will promote diversified economic development across the state; and that accessibility to airport facilities for residents of this state is crucial in the event of a medical or other type of emergency…"

The Act created the Colorado Aeronautical Board ("the Board") to establish policy and procedures for distribution of monies in the Aviation Fund and created the Division of Aeronautics ("the Division") to carry out the directives of the Board, including technical and planning assistance to airports and the administration of the state aviation system grant program. SEE CRS §43-10-103 and C.R.S. §43-10-105 and CRS §43-10-108.5 of the Act.

Any entity operating a public-accessible airport in the state may file an application for and be recipient of a grant to be used solely for aviation purposes. The Division is authorized to assist such airports as request assistance by means of a Resolution passed by the applicant's duly-authorized governing body, which understands that all funds shall be used exclusively for aviation purposes and that it will comply with all grant procedures, grant assurances and requirements as defined in the Division's Programs and Procedures Manual, ("the Manual") and the Airport Sponsor Assurances for Colorado Discretionary Aviation Grant Funding attached hereto as Exhibit C.

4. DEFINITIONS

The following terms shall be construed and interpreted as follows:

A. "**Budget**" means the budget for the Work described in Exhibit A.

B. "**Business Day**" means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1), C.R.S.

C. "**CJI**" means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under §24-72-302, C.R.S.

D. "**CORA**" means the Colorado Open Records Act, §§24-72-200.1, *et. seq.*, C.R.S.

E. "**Exhibits**" means exhibits and attachments included with this Grant as shown on the first page of this Grant.

F. "**Extension Term**" means the period of time by which the Grant Expiration Date is extended by the State through delivery of an updated Grant Award Letter.

G. "**Goods**" means any movable material acquired, produced, or delivered by Grantee as set forth in this Grant Award Letter and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.

H. "**Grant Award Letter**" means this letter which offers Grant Funds to Grantee, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future updates thereto.

I. "**Grant Funds**" means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Grant Award Letter.

J. "**Grant Expiration Date**" means the Grant Expiration Date shown on the first page of this Grant Award Letter.

K. "**Grant Issuance Date**" means the Grant Issuance Date shown on the first page of this Grant Award Letter.

L. "**Incident**" means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access or disclosure of State Confidential Information or of the unauthorized modification, disruption, or destruction of any State Records.

M. "**Initial Term**" means the time period between the Grant Issuance Date and the Grant Expiration Date.

N. "**Manual**" means the Programs and Procedures Manual as approved by the Colorado Aeronautical board that is available on the Colorado Division of Aeronautics' website.

O. "**Matching Funds**" means the funds provided by Grantee as a match required to receive the Grant Funds.

P. "**Party**" means the State or Grantee, and "Parties" means both the State and Grantee.

Q. "**PII**" means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §§24-72-501 and 24-73-101 C.R.S.

R. "**Services**" means the services to be performed by Grantee as set forth in this Grant Award Letter and shall include any services to be rendered by Grantee in connection with the Goods.

S. "**State Confidential Information**" means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, CJI, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

T. "**State Fiscal Rules**" means that fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a) C.R.S.

U. "**State Fiscal Year**" means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.

V. "**State Records**" means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.

W. "**Subcontractor**" means third-parties, if any, engaged by Grantee to aid in performance of the Work. "Subcontractor" also includes sub-grantees.

X. "**Work**" means the delivery of the Goods and performance of the Services described in this Grant Award Letter.

Y. "**Work Product**" means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. "Work Product" does not include any material that was developed prior to the Grant Issuance Date that is used, without modification, in the performance of the Work.

Any other term used in this Grant Award Letter that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

5. STATEMENT OF WORK

Grantee shall complete the Work as described in this Grant Award Letter and in accordance with the provisions of Exhibit A. The State shall have no liability to compensate or reimburse Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Grant Award Letter.

6. PAYMENTS TO GRANTEE

A. Maximum Amount.

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. The State shall not be liable to pay or reimburse Grantee for any Work performed or expense incurred before the Grant Issuance Date or after the Grant Expiration Date; provided, however, that Work performed and expenses incurred by Grantee before the Grant Issuance Date that are chargeable to an active Federal Award may be submitted for reimbursement as permitted by the terms of the Federal Award.

B. Increase or Decrease Quantities and Total Price - State's Option.

The State, at its discretion, shall have the option to increase or decrease the-quantity of goods/services described in Exhibit A at the same rates and under the same terms specified in this agreement. In order to exercise this option, the State shall provide written notice to Grantee in in form substantially equivalent to Exhibit D prior to the end of the current Grant term. Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Agreement.

C. Matching Funds.

Grantee shall provide the Local Match Amount shown on the first page of this Grant Award Letter and described in Exhibit A (the "Local Match Amount"). Grantee shall appropriate and allocate all Local Match Amounts to the purpose of this Grant Award Letter each fiscal year prior to accepting any Grant Funds for that fiscal year. Grantee does not by accepting this Grant Award Letter irrevocably pledge present cash reserves for payments in future fiscal years, and this Grant Award Letter is not intended to create a multiple-fiscal year debt of Grantee. Grantee shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Grantee's laws or policies.

D. Reimbursement of Grantee Costs.

The State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described in this Grant Award Letter for all allowable costs described in this Grant Award Letter and shown in the Budget, except that Grantee may adjust the amounts between each line item of the Budget without formal

modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the total maximum amount of this Grant Award Letter or the maximum amount for any state fiscal year, and the change does not modify any requirements of the Work.

E. Close-Out.

Grantee shall close out this Grant within 45 days after the Grant Expiration Date. To complete close out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Grant Award Letter and Grantee's final reimbursement request or invoice.

7. REPORTING - NOTIFICATION

A. Performance and Final Status

Grantee shall submit all financial, performance and other reports to the State no later than the end of the close out described in **§6.E**, containing an evaluation and review of Grantee's performance and the final status of Grantee's obligations hereunder.

B. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal Award. The State may impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

8. GRANTEE RECORDS

A. Maintenance and Inspection

Grantee shall make, keep, and maintain, all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this Grant for a period of three years following the completion of the close out of this Grant. Grantee shall permit the State to audit, inspect, examine, excerpt, copy and transcribe all such records during normal business hours at Grantee's office or place of business, unless the State determines that an audit or inspection is required without notice at a different time to protect the interests of the State.

B. Monitoring

The State will monitor Grantee's performance of its obligations under this Grant Award Letter using procedures as determined by the State. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work.

C. Final Audit Report

Grantee shall promptly submit upon request to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Grant or the Work, whether the audit is conducted by Grantee or a third party.

9. CONFIDENTIAL INFORMATION - STATE RECORDS

A. Confidentiality

Grantee shall hold and maintain, and cause all Subcontractors to hold and maintain, any and all State Records that the State provides or makes available to Grantee for the sole and exclusive benefit of the State, unless those State Records are otherwise publicly available at the time of disclosure or are subject to disclosure by Grantee under CORA. Grantee shall not, without prior written approval of the State, use for Grantee's own benefit, publish, copy, or otherwise disclose to any third party, or permit the use by any third party for its benefit or to the detriment of the State, any State Records, except as otherwise stated in this Grant Award Letter. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Grant Award Letter. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign nondisclosure agreements with provisions at least as protective as those in this Grant, and that the nondisclosure agreements are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure restrictions to the State upon request.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Grant, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State.

E. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a "Third-Party Service Provider" as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S.

10. CONFLICTS OF INTEREST

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Grant. Grantee acknowledges that, with respect to this Grant, even the appearance of a conflict of interest shall be harmful to the State's interests and absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Grant. If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration.

11. INSURANCE

Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"). Grantee shall ensure that any Subcontractors maintain all insurance customary for the completion of the Work done by that Subcontractor and as required by the State or the GIA.

12. REMEDIES

In addition to any remedies available under any exhibit to this Grant Award Letter, if Grantee fails to comply with any term or condition of this Grant the State may terminate some or all of this Grant and require Grantee to repay any or all Grant funds to the State in the State's sole discretion. The State may also terminate this Grant

Award Letter at any time if the State has determined, in its sole discretion, that Grantee has ceased performing the Work without intent to resume performance, prior to the completion of the Work.

13. DISPUTE RESOLUTION

Except as herein specifically provided otherwise, for all disputes concerning the performance of this Grant that cannot be resolved by the designated Party representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager or official designated by Grantee for resolution.

14. NOTICES and REPRESENTATIVES

Each Party shall identify an individual to be the principal representative of the designating Party and shall provide this information to the other Party. All notices required or permitted to be given under this Grant Award Letter shall be in writing, and shall be delivered either in hard copy or by email to the representative of the other Party. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this **§14**.

For the State:

Kip McClain, Aviation Planner
CDOT - Aeronautics
5126 Front Range Parkway
Watkins, CO 80137
kip.mcclain@state.co.us

For Grantee:

Jason Licon
Northern Colorado Regional Airport
4900 Earhart Road
Loveland, CO 80538
jason.licon@cityofloveland.org

15. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

Grantee hereby grants to the State a perpetual, irrevocable, non-exclusive, royalty free license, with the right to sublicense, to make, use, reproduce, distribute, perform, display, create derivatives of and otherwise exploit all intellectual property created by Grantee or any Subcontractors or Subgrantees and paid for with Grant Funds provided by the State pursuant to this Grant.

16. GOVERNMENTAL IMMUNITY

Liability for claims for injuries to persons or property arising from the negligence of the Parties, their departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, *et seq*., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §24-30-1501, *et seq*. C.R.S. 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, contained in these statutes.

17. GENERAL PROVISIONS

A. Assignment

Grantee's rights and obligations under this Grant are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Grant Award Letter.

B. Captions and References

The captions and headings in this Grant Award Letter are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Grant Award Letter to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

C. Entire Understanding

This Grant Award Letter represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Grant Award Letter.

D. Modification

The State may modify the terms and conditions of this Grant by issuance of an updated Grant Award Letter, which shall be effective if Grantee accepts Grant Funds following receipt of the updated letter. The Parties may also agree to modification of the terms and conditions of the Grant in a formal amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules.

E. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Grant Award Letter to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Grant Issuance Date. Grantee 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.

F. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Contract by reference.

G. Severability

The invalidity or unenforceability of any provision of this Grant Award Letter shall not affect the validity or enforceability of any other provision of this Grant Award Letter, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under the Grant in accordance with the intent of the Grant.

H. Survival of Certain Grant Award Letter Terms

Any provision of this Grant Award Letter that imposes an obligation on a Party after termination or expiration of the Grant shall survive the termination or expiration of the Grant and shall be enforceable by the other Party.

I. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described above, this Grant Award Letter does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

J. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Grant Award Letter, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

EXHIBIT A, DISCRETIONARY AVIATION GRANT APPLICATION

Colorado Division of Aeronautics
Discretionary Aviation Grant Application

APPLICANT INFORMATION			
APPLICANT SPONSOR: Cities of Ft. Collins/Loveland	**AIRPORT:** Northern Colorado Regional Airport		**IDENTIFIER:** FNL
PROJECT DIRECTOR: Jason Licon			
MAILING ADDRESS: 4900 Earhart Rd Loveland, CO 80538	**EMAIL ADDRESS:**	jason.licon@cityofloveland.org	
	PHONE NUMBER:	(970) 962-2852	

GRANT NAME AND TERMS		
	TERMS	
23-FNL-01	Execution Date:	Expiration Date: June 30, 2026

FUNDING SUMMARY

Funding Source	Funding Amount
State Aviation Grant:	$25,000.00
Local Cash:	$25,000.00
Local In-Kind:	$0.00
Federal Aviation Grant:	$0.00
Total Project Funding:	$50,000.00

PROJECT SCHEDULE & BUDGET

ELEMENT DESCRIPTION	STATE FUNDING		LOCAL FUNDING		FEDERAL FUNDING		TOTAL
A. Governance Study	$25,000.00	Up to 50.00%	$25,000.00	50.00%	$0.00	0.00%	$50,000.00
TOTALS	**$25,000.00**		**$25,000.00**		**$0.00**		**$50,000.00**

EXHIBIT B, RESOLUTION

RESOLUTION

WHEREAS:

The General Assembly of the State of Colorado declared in Title 43 of the Colorado Revised Statutes, Article 10, 1991 in CRS §43-10-101 (the Act) "… that there exists a need to promote the safe operations and accessibility of general aviation in this state; that improvements to general aviation transportation facilities will promote diversified economic development across the state; and that accessibility to airport facilities for residents of this state is crucial in the event of a medical or other type of emergency…"

The Act created the Colorado Aeronautical Board ("the Board") to establish policy and procedures for distribution of monies in the Aviation Fund and created the Division of Aeronautics ("the Division") to carry out the directives of the Board, including technical and planning assistance to airports and the administration of the state aviation system grant program. SEE CRS §43-10-103 and C.R.S. §43-10-105 and CRS §43-10-108.5 of the Act.

Any eligible entity operating a public-accessible airport in the state may file an application for and be recipient of a grant to be used solely for aviation purposes. The Division is authorized to assist such airports as request assistance by means of a Resolution passed by the applicant's duly-authorized governing body, which understands that all funds shall be used exclusively for aviation purposes and that it will comply with all grant procedures, grant assurances and requirements as defined in the Division's Program and Procedures Manual, ("the Manual") and the Airport Sponsor Assurances for Colorado Discretionary Aviation Grant Funding ("Grant Assurances") attached hereto as Exhibit C.

NOW, THEREFORE, BE IT RESOLVED THAT:

The **Cities of Loveland and Fort Collins,** as a duly authorized governing bodies of the grant applicant, hereby formally requests assistance from the Colorado Aeronautical Board and the Division of Aeronautics in the form of a state aviation system grant. The **Cities of Loveland and Fort Collins** state that such grant shall be used solely for aviation purposes, as determined by the State, and as generally described in the Application.

By signing this Grant Agreement, the applicant commits to keep open and accessible for public use all grant funded facilities, improvements and services for their useful life, as determined by the Division and stated in the Grant Agreement and Grant Assurances.

FURTHER BE IT RESOLVED:

That the **Cities of Loveland and Fort Collins** hereby designate **Jason Licon** as the Project Director, as described in the Manual and authorizes the Project Director to act in all matters relating to the work project proposed in the Application in its behalf, including executions of the Grant Agreement and any amendments.

FURTHER:

The **Cities of Loveland and Fort Collins** has appropriated or will otherwise make available in a timely manner all funds, if any, that are required to be provided by the Applicant under the terms and conditions of the Grant Agreement.

FINALLY:

The **Cities of Loveland and Fort Collins** hereby accept all guidelines, procedures, standards, and requirements described in the Manual as applicable to the performance of the grant work and hereby approves the Grant Agreement submitted by the State, including all terms and conditions contained therein.

_____

By: Don Overcash, Chairman, Northern Colorado Regional Airport Commission Date: _____

ATTEST (if needed)

_____

By: Shawn Battmer, Secretary, Northern Colorado Regional Airport Commission

EXHIBIT C, GRANT ASSURANCES

Airport Sponsor Assurances for Colorado Discretionary Aviation Grant Funding

Approved by CAB January 22, 2018

I. APPLICABILITY

a. These assurances shall be complied with by Airport Sponsors in the performance of all projects at airports that receive Colorado Department of Transportation – Division of Aeronautics (Division) Colorado Discretionary Aviation Grant (CDAG) funding for projects including but not limited to: master planning, land acquisition, equipment acquisition or capital improvement projects (Project). It is not the intent of these Assurances to expand existing Federal Aviation Administration (FAA) Grant Assurances for airports included in the National Plan of Integrated Airport Systems (NPIAS); as similar assurances already exist for acceptance of FAA funding.

b. Upon acceptance of this grant agreement these assurances are incorporated in and become a part thereof.

II. DURATION

a. The terms, conditions and assurances of the grant agreement shall remain in full force and effect throughout the useful life of the Project as defined in Table 1 (Useful Life), or if the airport for which the Project is funded ceases to function as a public airport, for twenty (20) years from the date of Project completion, whichever period is greater. However, there shall be no limit on the duration of the assurances with respect to real property acquired with CDAG Project funds.

III. COMPLIANCE

a. Should an Airport Sponsor be notified to be in non-compliance with any terms of this agreement, they may become ineligible for future Division funding until such non-compliance is cured.

b. If any Project is not used for aviation purposes during its Useful Life, or if the airport for which the Project is funded ceases to function as a public airport, for twenty (20) years from the date of Project completion or at any time during the estimated useful life of the Project as defined in Table 1, whichever period is greater, the Airport Sponsor may be liable for repayment to the Division of any or all funds contributed by the Division under this agreement. If the airport at which the Project is constructed is abandoned for any reason, the Division may in its discretion discharge the Airport Sponsor from any repayment obligation upon written request by the Airport Sponsor.

IV. AIRPORT SPONSOR GRANT ASSURANCES

1. **Compatible Land Use.** Compatible land use and planning in and around airports benefits the state aviation system by providing opportunities for safe airport development, preservation of airport and aircraft operations, protection of airport approaches, reduced potential for litigation and compliance with appropriate airport design standards. The airport will take appropriate action, to the extent reasonable, to restrict the use of land adjacent to, in the immediate vicinity of, or on the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft.

2. **On-Airport Hazard Removal and Mitigation**. The airport will take appropriate action to protect aircraft operations to/from the airport and ensure paths are adequately cleared and protected by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

3. **Safe, Efficient Use, and Preservation of Navigable Airspace.** The airport shall comply with 14 CFR Part 77 for all future airport development and anytime an existing airport development is altered.

4. **Operation and Maintenance.** In regards to Projects that receive Division funding, the airport sponsor certifies that it has the financial or other resources that may be necessary for the preventive maintenance, maintenance, repair and operation of such projects during their Useful Life.

The airport and all facilities which are necessary to serve the aeronautical users of the airport shall be operated at all times in a safe and serviceable condition. The airport will also have in effect arrangements for:

a. Operating the airport's aeronautical facilities whenever required;

b. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and

c. Promptly notifying airmen of any condition affecting aeronautical use of the airport.

5. **Airport Revenues.** All revenues generated by the airport will be expended by it for the capital or operating costs of the airport, the local airport system, or other local facilities owned or operated by the owner or operator of the airport for aviation purposes.

6. **Airport Layout Plan (ALP).** Once accomplished and as otherwise may be required to develop, it will keep up-to-date a minimum of an ALP of the airport showing (1) boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the sponsor for airport purposes and proposed additions thereto; (2) the location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars and roads), including all proposed extensions and reductions of existing airport facilities; and (3) the location of all existing improvements thereon.

7. **Use for Aviation Purposes.** The Airport Sponsor shall not use runways, taxiways, aprons, seeded areas or any other appurtenance or facility constructed, repaired, renovated or maintained under the terms of this Agreement for activities other than aviation purposes unless otherwise exempted by the Division.

TABLE 1

Project Type	Useful Life
a. All construction projects (unless listed separately below)	20 years
b. All equipment and vehicles	10 years
c. Pavement rehabilitation (not reconstruction, which is 20 years)	10 years
d. Asphalt seal coat, slurry seal, and joint sealing	3 years
e. Concrete joint replacement	7 years
f. Airfield lighting and signage	10 years
g. Navigational Aids	15 years
h. Buildings	40 years
i. Land	Unlimited

EXHIBIT D, SAMPLE OPTION LETTER

State Agency Colorado Department of Transportation, Colorado Aeronautical Board, Division of Aeronautics	**Option Letter Number** Insert the Option Number (e.g. "1" for the first option)
Grantee Insert Grantee's Full Legal Name, including "Inc.", "LLC", etc...	**Original Agreement Number** Insert CMS number or Other Contract Number of the Original Contract
Current Agreement Maximum Amount Initial Funding State: $0.00 Modifications Option Letter 1 $0.00 Option Letter 2 $0.00 Option Letter 3 $0.00 Option Letter 4 $0.00 Modified Agreement Maximum Amount $0.00	**Option Agreement Number** Insert CMS number or Other Contract Number of this Option **Agreement Performance Beginning Date** The later of the Effective Date or Month Day, Year **Current Agreement Expiration Date** Month Day, Year

1. **OPTIONS:**
   Option to extend for an Extension Term and/or add additional funds.
2. **REQUIRED PROVISIONS:**
   A. **For use with Option 1(A):** In accordance with Section(s) Number of the Original Agreement referenced above, the State hereby exercises its option for an additional term, beginning Insert start date and ending on the current Agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.
   B. **For use with Options 1(A):** In accordance with Section(s) Number of the Original Agreement referenced above, the State hereby exercises its option to Increase/Decrease the grant maximum amount for a change in services as stated in the Original Agreement, as amended.
   C. **For use with all Option Letters:** The Agreement Maximum Amount table on the Agreement's Signature and Cover Page is hereby deleted and replaced with the Current Agreement Maximum Amount table shown above and Exhibit A is hereby deleted and replaced with Exhibit A-# incorporated and attached hereto.
3. **OPTION EFFECTIVE DATE:**
   A. The effective date of this Option Letter is upon approval of the State Controller, whichever is later.

STATE OF COLORADO Jared S. Polis, Governor **Department of Transportation** _____ By: David R. Ulane, Aeronautics Division Director For Shoshana M. Lew, Executive Director Date: _____	In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate. **STATE CONTROLLER** **Robert Jaros, CPA, MBA, JD** By:_____ Department of Transportation Option Effective Date:_____

EXHIBIT B, RESOLUTION

RESOLUTION

WHEREAS:

The General Assembly of the State of Colorado declared in Title 43 of the Colorado Revised Statutes, Article 10, 1991 in CRS §43-10-101 (the Act) "… that there exists a need to promote the safe operations and accessibility of general aviation in this state; that improvements to general aviation transportation facilities will promote diversified economic development across the state; and that accessibility to airport facilities for residents of this state is crucial in the event of a medical or other type of emergency…"

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Any eligible entity operating a public-accessible airport in the state may file an application for and be recipient of a grant to be used solely for aviation purposes. The Division is authorized to assist such airports as request assistance by means of a Resolution passed by the applicant's duly-authorized governing body, which understands that all funds shall be used exclusively for aviation purposes and that it will comply with all grant procedures, grant assurances and requirements as defined in the Division's Program and Procedures Manual, ("the Manual") and the Airport Sponsor Assurances for Colorado Discretionary Aviation Grant Funding ("Grant Assurances") attached hereto as Exhibit C.

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By signing this Grant Agreement, the applicant commits to keep open and accessible for public use all grant funded facilities, improvements and services for their useful life, as determined by the Division and stated in the Grant Agreement and Grant Assurances.

FURTHER BE IT RESOLVED:

That the **Cities of Loveland and Fort Collins** hereby designate **Jason Licon** as the Project Director, as described in the Manual and authorizes the Project Director to act in all matters relating to the work project proposed in the Application in its behalf, including executions of the Grant Agreement and any amendments.

FURTHER:

The **Cities of Loveland and Fort Collins** has appropriated or will otherwise make available in a timely manner all funds, if any, that are required to be provided by the Applicant under the terms and conditions of the Grant Agreement.

FINALLY:

The **Cities of Loveland and Fort Collins** hereby accept all guidelines, procedures, standards, and requirements described in the Manual as applicable to the performance of the grant work and hereby approves the Grant Agreement submitted by the State, including all terms and conditions contained therein.

_____

By: Don Overcash, Chairman, Northern Colorado Regional Airport Commission Date: _____

ATTEST (if needed)

_____

By: Shawn Battmer, Secretary, Northern Colorado Regional Airport Commission

NORTHERN COLORADO
REGIONAL AIRPORT
4900 Earhart Rd • Loveland, Colorado 80538
(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 6

MEETING DATE: March 16, 2023

PREPARED BY: Jason Licon, Airport Director

TITLE

T-Hangar Tenant Presentation

RECOMMENDED AIRPORT COMMISSION ACTION

Informational Item

BUDGET IMPACT

Unsure

SUMMARY

At the March 2nd Airport Commission special meeting, the Commission directed staff to begin decommissioning of the 4 hangar buildings owned by the Cities with a deadline of May 10 for A and B hangars and July 10 for C hangars. This motion was amended to include the ability for displaced tenants to bring forward ideas that can be considered by the Airport Commission at their next two meetings (March 16 and April 20). This item will be the opportunity for tenants to provide their ideas or proposals to the Airport Commission and allow for the Commissioners to ask questions. This will be an informational item and no action will be taken.

ATTACHMENT

A, B, and C Hangar Proposal

TO: Northern Colorado Regional Airport Commission and Management

FROM: A, B, and C Hangar Tenants

DATE: March 13, 2023

SUBJECT: A, B, and C Hangar Proposal

This proposal addresses the issues raised by the Northern Colorado Regional Airport Commission regarding the safety and liability concerns for the city-owned A, B, and C hangars at FNL as presented at the March 2, 2023 meeting.

Airport/City Objectives:

- Reduce risk and liability to an acceptable level

Tenant Objectives:

- Provide short term on-airport aircraft storage solution for existing tenants including protection for aircraft from sun and weather
- Provide long term plan for on-airport aircraft storage

Narrative:

On March 2, 2023 the Northern Colorado Regional Airport Commission voted to cancel the leases for the city-owned “A” and “B” T-hangars effective May 10, 2023 and the “C” hangars effective July 10, 2023. There is virtually no suitable hangar space available for these aircraft anywhere along the Colorado front range directly affecting the aircraft and operations of more than 60 pilots. The Commission states that their motivation for this action is the respective city Risk Management responses to the inspection and report by engineering firm **ditesco** dated September 20, 2022. This report states, “The purpose of this structural assessment is to visually observe the general condition of the four T-hangar buildings. … Due to the high-level approach of this report, only select units were inspected in detail, as shown in Figure 1. The conditions observed in the select units were assumed to be representative of the hangars in their entirety.”

On November 28, 2022, fully 2 months after this engineering report, airport management announced a 5.491% increase in hangar rent effective January 1, 2023 indicating the expectation that the hangars would continue to be available for the 2023-2024 period. The letter from airport management states “the 2023-2024 rental rate for the hangar located at …” implying the hangar would be available through 2024.

At the December 15, 2022 meeting, the Commission directed airport management to “Conduct a more detailed structural analysis with larger sample size” of the city-owned hangars. Further the Commission directed airport management to “Create a plan to move existing tenants into buildings with longer lifespan.” This Commission direction was 4 months after the **ditesco** report indicating that it was made with the full understanding of the risks involved. In reviewing the **ditesco** website, it does not appear that they have specific expertise in or experience with building steel structures such as hangars. And it does not appear that their initial investigation sampling only 1 unit in each of the "C" buildings was sufficient to justify their conclusions. While the report, when discussing a hangar B unit, states, “The lack of connectivity poses a significant risk to the stored property and the human lives that access the hangars,” no such dire comment is made about any of the units inspected in the A or C hangars. Further, the RFP responses submitted for the redevelopment of this area imply that other developers feel the existing hangars could remain serviceable for at least the near term. The jetCenter proposal

called for jetCenter to manage the leases and presumably they were confident that the buildings were sufficiently fit to lease. The Water Valley proposal suggests a multi-part plan to address the deficiencies of the A, B, and C hangars to allow continued use based on having performed their own inspection.

A May 26, 2021 Planning and Development Subcommittee report states, "The Airport/City owned T-hangars currently generate $184,728 in rental revenue annually and the Airport spends approximately $15,600 annually in administration and maintenance costs." This indicates that funds are certainly available from the rents received to maintain these hangars. This revenue will be lost to FNL as soon as the leases terminate and will not be replaced in the near term. The airport also accepted CARES ACT "federal funding that will assist the Airport in maintaining safety and security and invest in capital infrastructure needs."

In addition, pilots in these hangars drive additional economic activity and income through fuel purchases and maintenance expenditures. A survey of 14 of the affected pilots in A, B, and C hangars reveals that in 2022 they spent $125,000+ in services at on-airport businesses including jetCenter, Professional Aircraft Services, Firewall Forward, Flight Schools and Avex Aviation generating income, fuel flowage fees, and tax revenues.

The same survey reveals that the pilots in these hangars donated airplane hours, fuel costs, and their own time to offer hundreds of hours of community support for Civil Air Patrol, Angel Flight West, Young Eagles, STEM Flights and Pilots for Christ in 2022.

At the March 2 meeting, the Commission solicited input from the affected tenants and encouraged community alternatives. We are willing and ready to create a viable solution for the Airport, cities and tenants. We have not been allowed any contact with Risk Management or Attorneys to understand concerns or vet a proposal.

In response to this situation, the hangar tenants present this proposal.

The proposal outline:

1. Reduce the risk/liability to the Cities
    a. Conduct thorough Structural Engineering analysis with plan to mitigate, provide use limitations, and/or inspections for hangers to ensure ongoing suitability for use
    b. If necessary, create a hangar association for the 2 "C" hangars to assume the risk
2. Create a transition plan for storing displaced aircraft temporarily
    a. Migrate the existing "A" and "B" hangar tenant aircraft into "C" or elsewhere on the FNL grounds
3. Ensure the timely creation of a new set of T-Hangars
    a. Consider options:
        i. Resurrect one of the previously suggested plans in response to FNL's RFP, or
        ii. Create a tenant association for the purpose of building hangars

2. ABC Hangar Proposal Mar 13, 2023

DETAILED PLAN

Based upon the Engineering Analysis completed in Step 1 below, determine if the Airport/Cities can mitigate the presumed risk of the A, B, and/or C hangars to a degree sufficient to allow continued occupancy of city-owned hangars while the risks are mitigated. If the Airport/Cities do not want to assume this level of risk, complete the steps below to transfer risk to a hangar association.

STEP	ACTION	NOTES
1	Conduct thorough engineering analysis of 4930 and 4960 Grumman “C” hangars	
2	Form a Hangar Association comprising current and future occupants of “C” hangars	
3	Transfer ownership of “C” hangars from Airport/Cities to new Hangar Association	
4	Execute “FNL Standard Land Lease Agreement”	
5	Move aircraft from “A” and “B” hangars into “C” hangars as space is available. Locate additional on-airport storage.	
6	Accelerate development of Airport desired T-hangar site	
7	Accelerate release of RFP to develop new T-hangars	

FNL HANGAR TIMELINE

DATE	EVENT
~1966	A Hangars Constructed
~1974	B Hangars Constructed
1977	C Hangars Constructed - Falcon T-Hangar Association
~2004	A & B Hangars revert to Airport/City ownership
2007	Airport/Cities have ownership of 40 of the 58 hangars in A, B, and C. A representative city lease from 2014 states: *3. LESSOR shall:* *b. Periodically inspect the T-Hangars and keep the T-Hangars in good repair.*
2020	Final C hangars revert to Airport/City ownership bringing total to 58. The standard lease agreement states: *B. The Cities shall provide the following limited maintenance and repairs on the Premises:* *a. For T-Hangars: The cities shall provide and maintain one light source, one power outlet, the aircraft door (for bi-fold doors, this includes the top seal, cables, motor, and man door), and a serviceable locking device.*
2020	Airport Master Plan identifies and budgets for demolition of the first two rows of hangars in 2025-2029 timeframe. “Demo Two Rows of T-Hangars and Construct 2 Large Corporate Hangars.”
June 2021	Unsolicited proposal from jetCenter to build Corporate hangars in place of existing T-hangars. Plan calls for phased demolition of existing T-hangars with a minimum of 6-months prior notice. ● ⅓ of tenants displaced in 6 months ● ⅓ of tenants displaced within 5 years ● ⅓ of tenants displaced within 9 years
July 2021	Airport Commission asks airport staff and PDSC to create a draft RFP. Proposes an “Evaluation Committee” which is the PDSC without any Airport Commission Members. RFP is released with December 2, 2021 submission deadline.
Nov 2021	Airport Commission places jetCenter proposal on hold while releasing an RFP for development around the city-owned hangars. RFP is released with December 2, 2021 submission deadline.
May 2022	Commission has 3 RFP responses in hand (jetCenter, Water Valley, and Lear Earhart Hangar Associations.) Commission votes to engage in exclusive negotiation with jetCenter.
Sept 2022	Ditesco Engineering publishes T-Hangar Structural Analysis report of inspection of 6 of the existing 58 hangar units.
Nov 18 2022	Airport Director sends “2023-2024 Hangar Escalation Notice” raising rental rates by 5.491% commencing January 1, 2023
Dec 2022	Airport Commission - in a closed door executive session - votes to close the RFP without award. Commission directs airport management to “conduct a more detailed structural analysis with larger sample size” of the city-owned hangars. Further the Commission directed airport management to “create a plan to move existing tenants into buildings with longer lifespan.”
Feb 5 2023	Ditesco issues letter to Airport declining to perform additional inspections stating “it is highly anticipated that similar conditions exist throughout the remaining structure. It is our professional opinion that regardless of condition in the remaining T-Hangars, the condition witnessed in the inspected units is not salvageable and the structures are not candidates for retrofit.”

4. ABC Hangar Proposal Mar 13, 2023

DATE	EVENT
Mar 2 2023	Airport Commission conducts a closed door executive Special Meeting with one agenda item - “Hangar Lease Discussion.” This was immediately followed by an open meeting. Commission announces a motion to cancel A and B hangar leases with eviction on May 10, 2023 and C hangar leases with eviction on July 10, 2023. Following over an hour of Public Comment, the Commission voted in favor of an amended version of the motion. The amendment specifically opened the door to a tenant driven alternative solution which would address the cities safety and liability concerns.
Mar 7 2023	Ditesco clarifies position regarding declining to perform more thorough analysis. Ditesco remarks that “Distesco’s scope of services was to perform a limited structural inspection to gain a high-level understanding of the existing condition of the metal hangar buildings.” Distesco concludes, “our analysis and report was done to understand existing building condition and develop retrofit alternatives. While we note occupancy risk in our report, we were not contracted, nor did we perform failure analysis of the structures.”
Mar 9 2023	Open House discussion - Information provided by Airport Management at https://www.flynoco.com/airporthangars/
Mar 16 2023	Northern Colorado Regional Airport Commission Meeting - Affected hangar tenants provide an alternative proposal.
Apr 20 2023	Northern Colorado Regional Airport Commission Meeting

5. ABC Hangar Proposal Mar 13, 2023

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ITEM NUMBER: 7

MEETING DATE: March 16, 2023

PREPARED BY: Aaron Ehle, Planning & Development Specialist

TITLE

Future Hangar Development Sites

RECOMMENDED AIRPORT COMMISSION ACTION

Provide direction to staff & PDSC to expedite work to enable more shovel ready property for hangar development, and bring back options for how this can be accomplished.

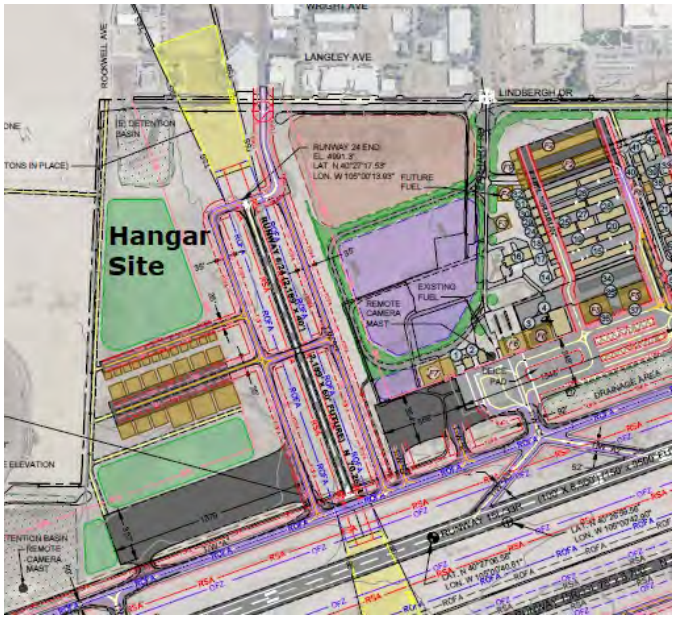
BUDGET IMPACT

Unknown

SUMMARY

At the March 2nd special Commission meeting, the Commission directed staff to begin the decommissioning of the Cities' owned T-hangars, accelerating the need for the creation of more available airport land for hangar development.

The area north of runway 6/24 also identified as "Site C" was identified as a focus area for future hangar development and approved for preliminary planning by the Airport Commission on June 16, 2023. This selection was confirmed after evaluating various sites suitable for the construction of small aircraft storage hangars.



Since this time, Airport Staff have worked to create a general layout of this area in alignment with the Airport Master Plan and created some conceptual budgetary figures for the infrastructure needed to allow this site to become

shovel ready for hangar development. It was also included in the adopted Airport Capital Improvement Plan for 2023 & 2024.

The Airport Capital Plan calls for the environmental review to be accomplished in 2023, and the securing of resources to apply toward infrastructure needs in this area.

Additionally, a hangar site has become available due to the lessor vacating their land lease agreement prior to construction. The Site at 5271 Beechcraft St is available again and is suitable for the construction of a 2,500 square foot hangar. This available lot has been inquired about by multiple interested parties, and staff recommends that this lot be made available through a request for proposals (RFP) process. Staff requests that the Airport Commission direct the PDSC to approve the RFP to be drafted and published so that it can be made available to those interested in submitting.

ATTACHMENTS

- Future Hangar Development Presentation

NORTHERN COLORADO
REGIONAL AIRPORT

NORTHERN COLORADO
REGIONAL AIRPORT COMMISSION

Regularly Scheduled Meeting

March 16, 2023

City of Fort Collins

City of Loveland

NORTHERN COLORADO
REGIONAL AIRPORT

Future Hangar Development

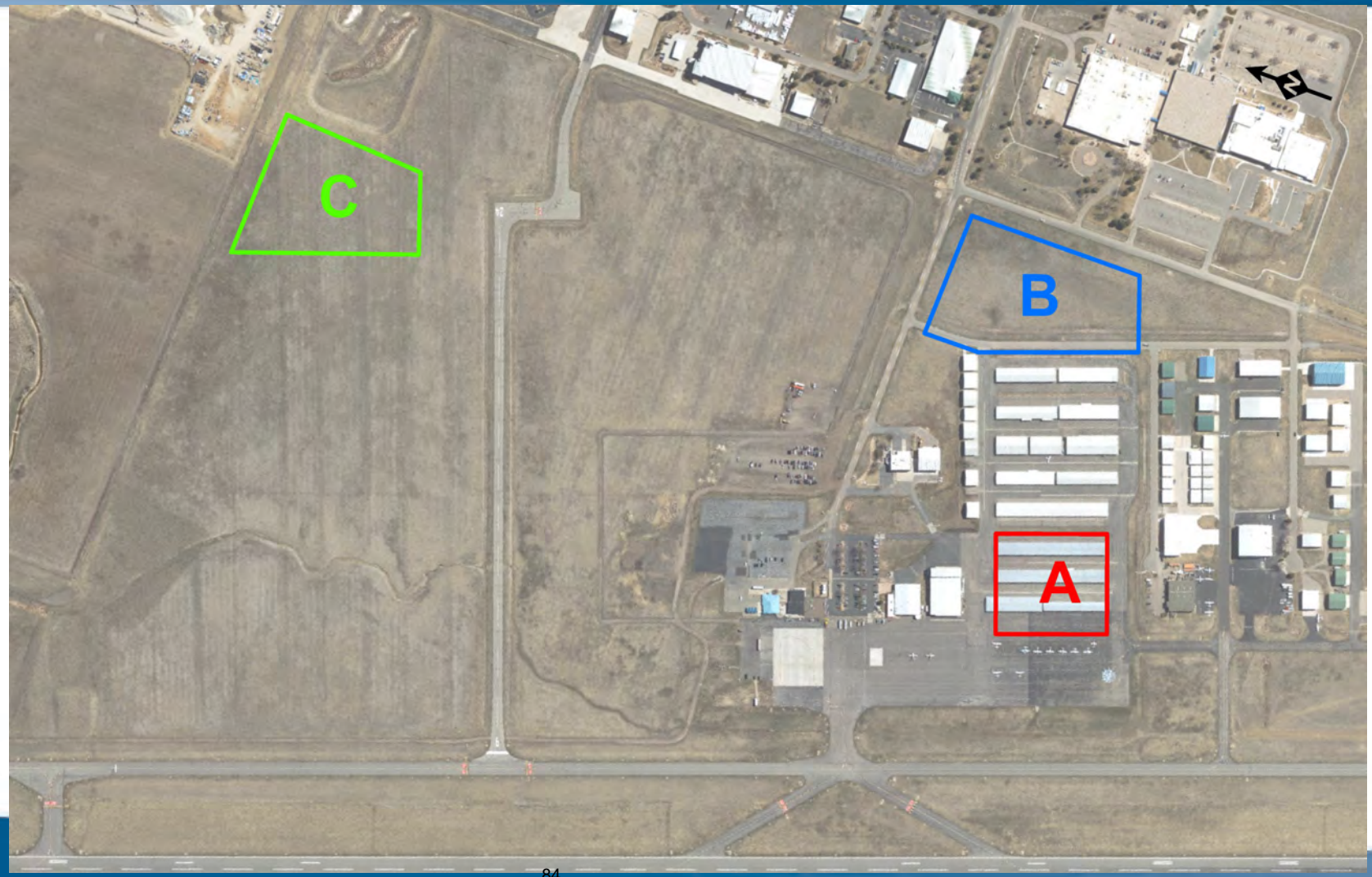
Northern Colorado Regional Airport Commission

March 16, 2023

Background

NORTHERN COLORADO REGIONAL AIRPORT

RFP Sites



Background

NORTHERN COLORADO REGIONAL AIRPORT

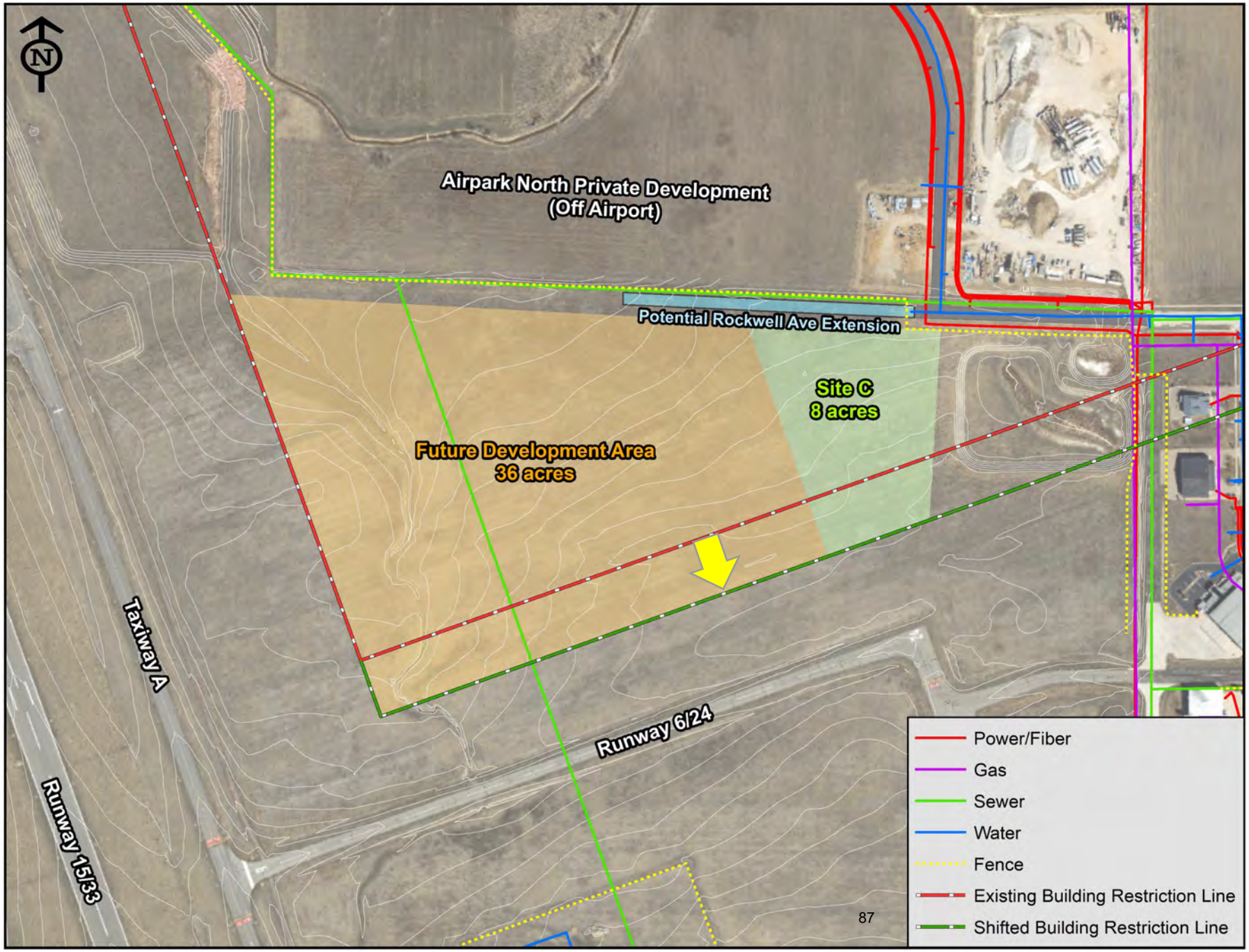
2022

- RFP was closed without award
- Commission direction to develop and implement an infrastructure plan to create shovel-ready property for new hangar development on Site C.
  - Site C was chosen over Site B because:
    - Lindbergh Dr and Earhart Rd transportation corridor concerns
    - Highest and best use opinions for Site B
    - Larger site, with room for future expansion

Site C

NORTHERN COLORADO REGIONAL AIRPORT

- Greenfield site where new hangars can be built to offset the loss of T-hangars
- Staff & PDSC have started working on infrastructure plan



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PDSC Recommendation:

Shift building restriction line 180’ to the south.

- At this location, buildings can still be approx. 30’
- Runway 6/24 can remain operational
- Creates additional 7 acres for development

Conceptual Layout

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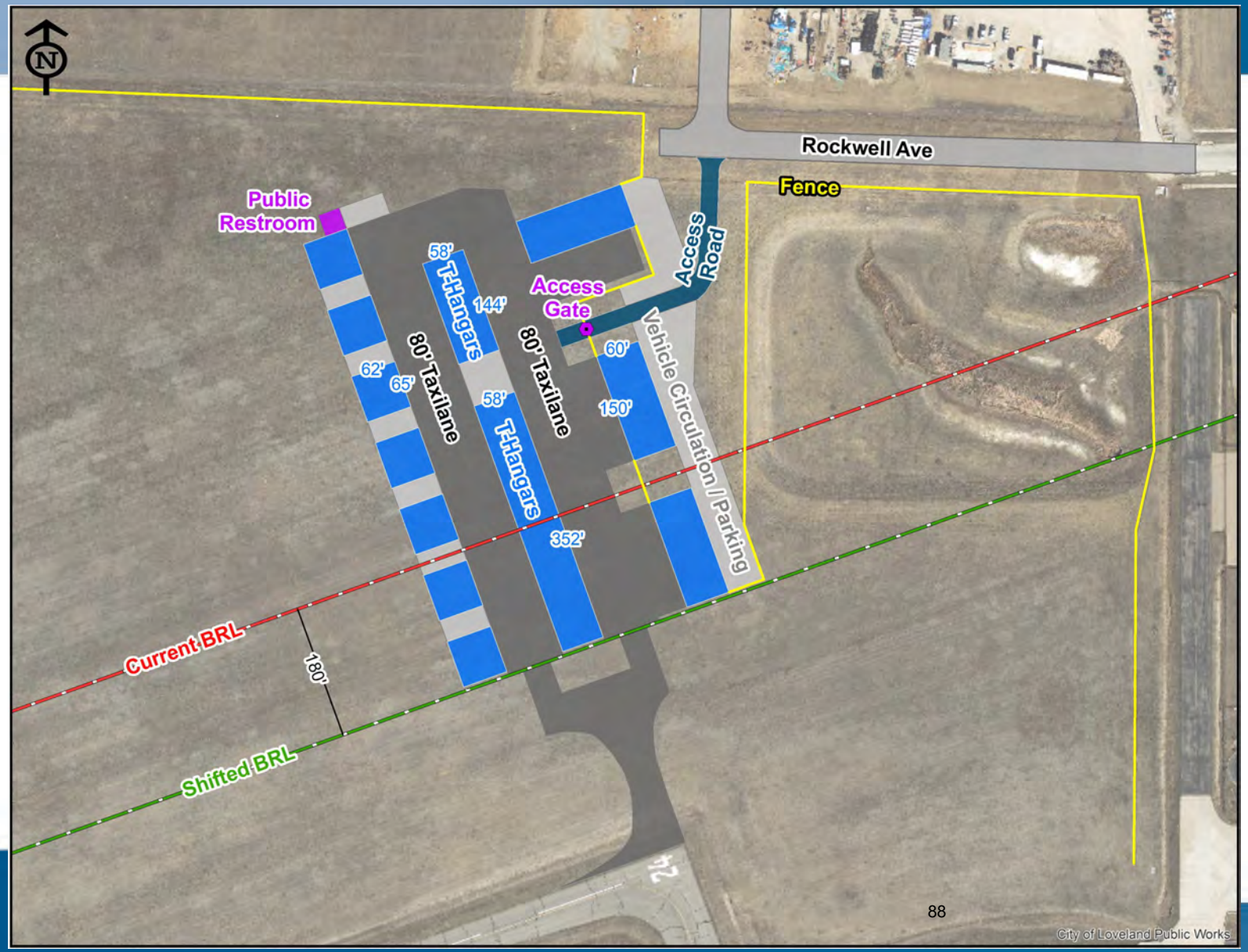

- Building sizes are based on input from prospective developers
- Preserves crosswind runway functionality

Airport Layout Plan Alignment

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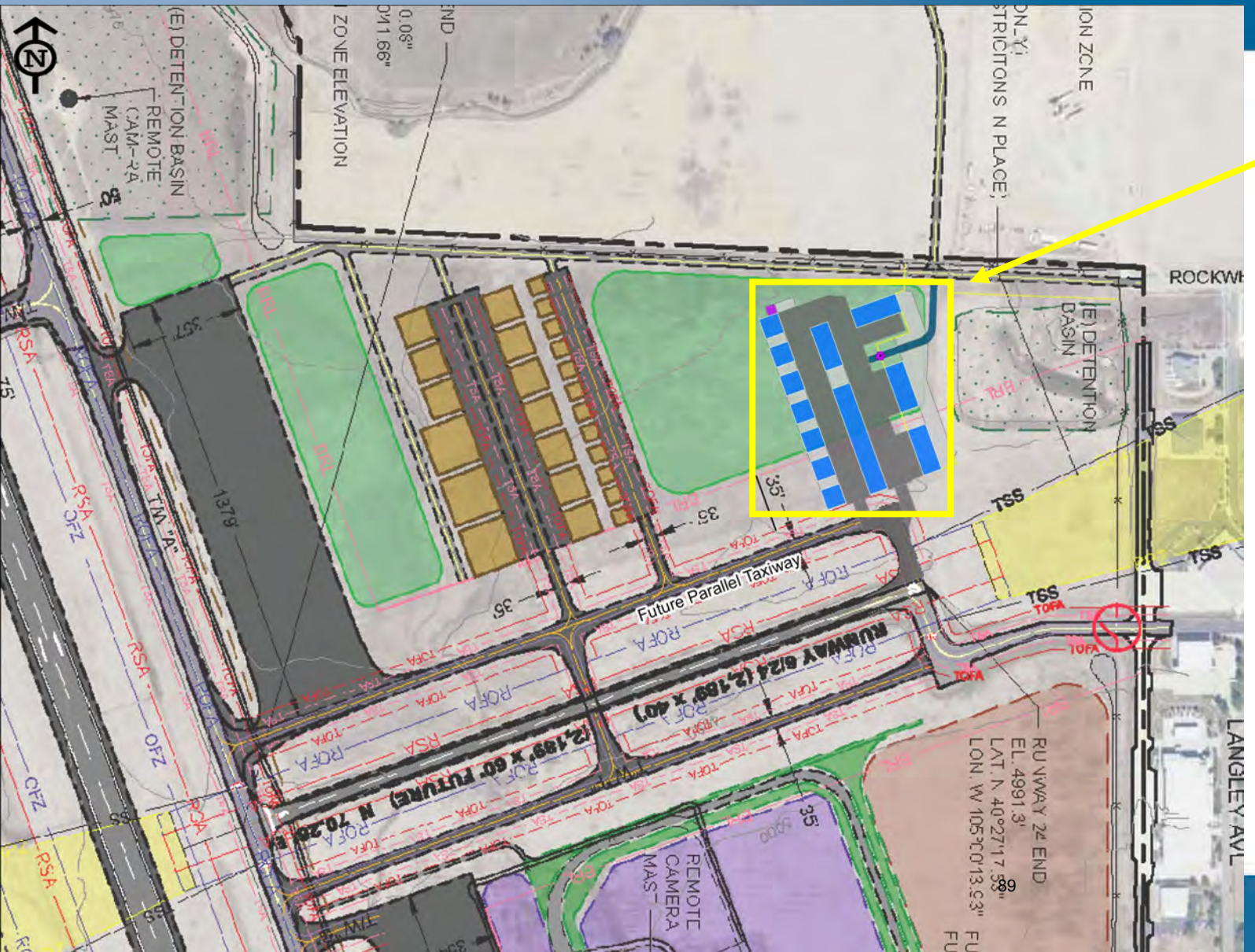

- Conceptual layout takes future taxiway alignment into consideration
- Preserves room to the west for larger Airplane Design Group (ADG) II and III facilities

Infrastructure Costs

NORTHERN COLORADO REGIONAL AIRPORT

Estimated Infrastructure Costs to Improve Site C to "Shovel-Ready" Condition

Description	Quantity	Unit	Unit Price	Amount
Environmental	1	LS	$20,000	$20,000
Design	1	LS	$70,000	$70,000
Mobilization and Quality Control	1	LS	$85,000	$85,000
Water Connection	520	LF	$50	$26,000
Sewer Connection	150	LF	$85	$12,750
Electric/Fiber Connection	0	LF	$75	$0
Gas Connection	750	LF	$30	$22,500
Fence	600	LF	$30	$18,000
Gates	1	LS	$25,000	$25,000
Site Grading/Drainage	39,500	SY	$6	$237,000
Common-use Taxiway Paving	2,950	SY	$75	$221,250
Common-use Road Paving	1,000	SY	$45	$45,000
Pavement Marking	100	SF	$7	$700
Total				**$783,200**
Water & Sewer Tap	1	LS	$79,600	$79,600
Public Restroom (Design + Construction)	1	LS	$120,000	$120,000
Total w/ Water Tap & Restroom				**$982,800**

Capital Improvement Plan

NORTHERN COLORADO REGIONAL AIRPORT

Funding Source	FAA Airport Imp. Program AIP		FAA Managed Federal Special Funding			State	Local		Other	Total Project Costs
Financial Resource Program	FAA Entitlement	FAA Discretionary	Cares Act	BIL Airport Improvement Grants	BIL Airport Terminals Program	Colorado Division of Aeronautics	Grant Match	Additional Funding	Special & Unique Resources	
Funding Programming Method	Formulary $150K - $1M <10K - >10K Enplanements	Discretionary	Formulary	Formulary	Discretionary	Formulary for FAA Grant Matches & Remainder Discretionary	Formulary	Discretionary	TBD	
Grant Match Requirement	90/10	90/10	N/A	90/10	95/5	80/20	N/A	N/A	N/A	
2023										
New Terminal Construction			$ 13,782,527	$ 590,000		$ 29,500	$ 29,500	$ 3,300,000		$ 17,731,527
Runway 15-33 Widening Design				$ 150,000		$ 458,333	$ 58,333			$ 666,666
General Aviation Hangar Area Environmental Review								$ 20,000		$ 20,000
Equipment Replacement: Operations Vehicle								$ 40,000		$ 40,000
Technology & Transportation Hub (ARPA & AIMS)									*TBD*	*TBD*
Totals 2023	**$ -**		**$ 13,782,527**	**$ 740,000**	**$ -**	**$ 487,833**	**$ 87,833**	**$ 3,360,000**	**$ -**	**$ 18,458,193**
Funding Balance Reminaing	$ 150,000			$ 399,000						
2024										
New Terminal Construction				$ 1,000,000		$ 55,555	$ 55,555			$ 1,111,110
Taxilane Stearman Upgrades						$ 150,000	$ 150,000			$ 300,000
Fuel Farm Capacity Expansion Environmental & Design						$ 125,000	$ 125,000			$ 250,000
Taxiway B & D Reconstruct						$ 300,000	$ 300,000			$ 600,000
Broom Truck SRE				$ 399,000				$ 44,333		$ 443,333
General Aviation Hangar Area Design & Construction								$ 945,000		$ 945,000
Totals 2024				**$ 1,399,000**		**$ 630,555**	**$ 630,555**	**$ 989,333**		**$ 3,649,443**
Funding Balance Reminaing				$ 601,000						

Lease Boundary Example

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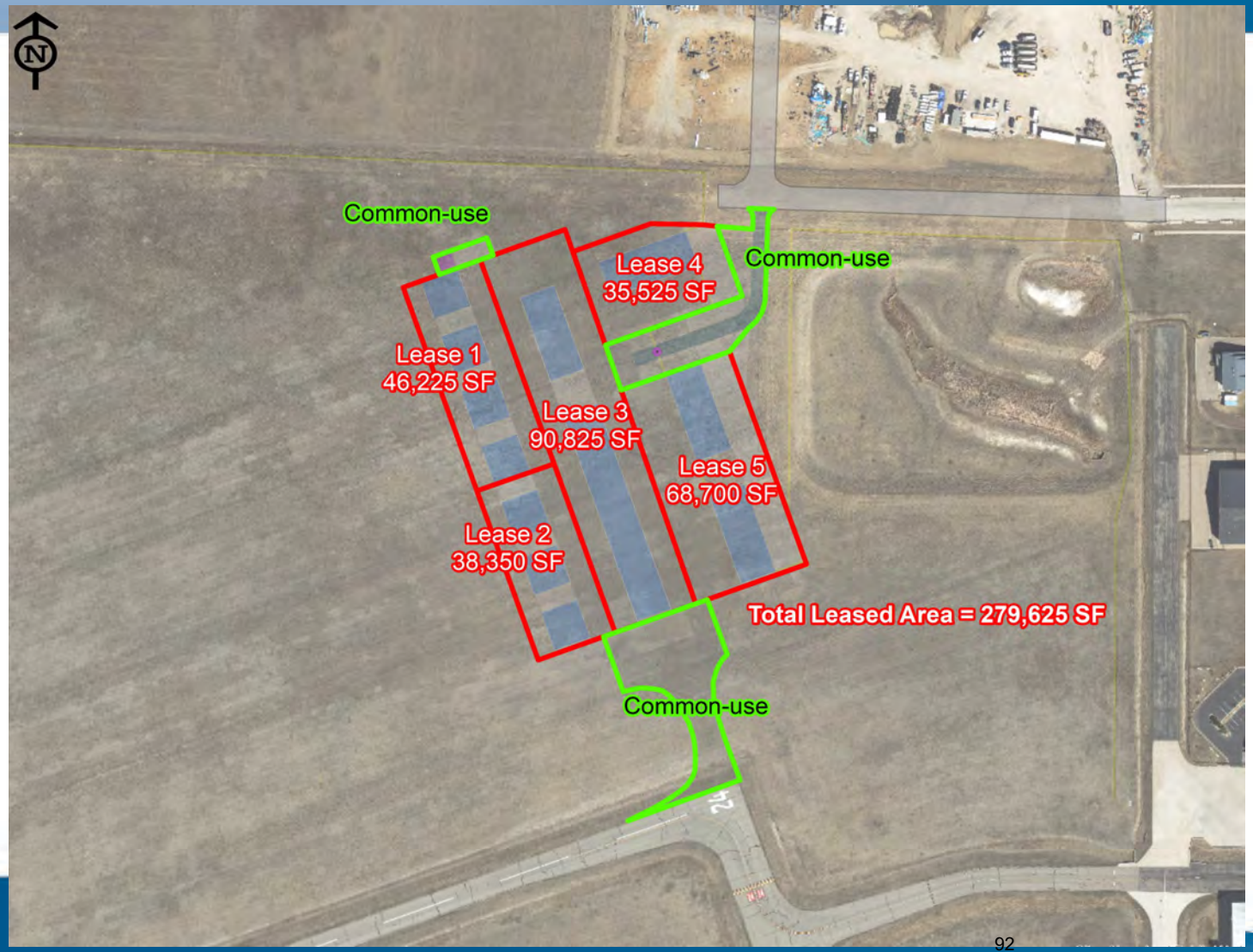

- FAA funding for maintenance and repair of taxiways and aprons associated exclusively with private hangars has become increasingly difficult to obtain due to a gradual decrease of federal funding available for these facilities.
  - Leasehold areas need to be larger than in the past to align with FAA policies for receiving federal funding for these areas.

Revenue Projections

NORTHERN COLORADO REGIONAL AIRPORT

Annual Revenue Based on Lease Boundary Example

	Area (SF)	Unimproved Rate		Improved Rate	
		$/SF/YR	Annual Rent	$/SF/YR	Annual Rent
Lease 1	46,225	$0.327	$15,116	$0.464	$21,448
Lease 2	38,350	$0.327	$12,540	$0.464	$17,794
Lease 3	90,825	$0.327	$29,700	$0.464	$42,143
Lease 4	35,525	$0.327	$11,617	$0.464	$16,484
Lease 5	68,700	$0.327	$22,465	$0.464	$31,877
All	**279,625**	**$0.327**	**$91,437**	**$0.464**	**$129,746**

- Lease rates are negotiable based on location, leasehold area, access to infrastructure, and private-sector investment
- New rate for improved land with public restroom access?

Next Steps

NORTHERN COLORADO REGIONAL AIRPORT

- Complete National Environmental Policy Act (NEPA) review process
  - This must be done before construction can take place
  - Categorical Exclusion (CATEX) usually takes 2-4 months and is generally good for 5 years
  - Cost dependent upon need for further review i.e., archaeological findings
- Determine best approach for facilitating hangar development
  - Master development vs. Infrastructure funded by Airport/Cities

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REGIONAL AIRPORT
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ITEM NUMBER: 8

MEETING DATE: March 16, 2023

PREPARED BY: Jason Licon, Airport Director

TITLE

2023-2024 Strategic Plan

RECOMMENDED AIRPORT COMMISSION ACTION

Adopt the Strategic Plan as presented

BUDGET IMPACT

Not Applicable

SUMMARY

Strategic plans are a critical tool for policy makers to update and adopt on a regular basis. The purpose of this document is to clearly articulate the strategy for the operation and development of Northern Colorado Regional Airport and to outline the major work priorities for the next two years: 2023-2024. This plan was created by the Planning & Development Subcommittee and Airport Commission in late 2022 and early 2023. This plan is intended to guide the staff, the Planning & Development Subcommittee (PDSC), the Airport Commission, and Airport partners in moving toward our vision for the Airport's future.

Members of the Planning and Development Subcommittee and staff have worked since the January 19 Airport Commission facilitated strategic planning meeting to finalize the plan and create an Action Plan that incorporates discussion and feedback from Airport Commissioners. During this item, staff will walk Airport Commissioners through the final plan for adoption, with emphasis on the action plan portion of the document.

ATTACHMENT

2023-2024 Strategic Plan

NORTHERN COLORADO
REGIONAL AIRPORT

2023-2024 STRATEGIC PLAN

DRAFT: MARCH 13, 2023

City of Fort Collins

City of Loveland

TABLE OF CONTENTS

INTRODUCTION AND OVERVIEW

PURPOSE OF THIS PLAN

The purpose of this document is to clearly articulate the strategy for the operation and development of Northern Colorado Regional Airport and to outline the major work priorities for the next two years: 2023-2024. This plan was created by the Planning & Development Subcommittee and Airport Commission in late 2022 and early 2023.

This plan is intended to guide the staff, the Planning & Development Subcommittee (PDSC), the Airport Commission, and Airport partners in moving toward our vision for the Airport's future.

OVERVIEW & CONTEXT

Northern Colorado Regional Airport (FNL) is centrally located in the Northern Colorado Front Range urban corridor. The region is a hub for a robust mix of residential, commercial, retail, logistics, technology, education and research, and aviation activity.

Located 60 miles north of Denver, the Airport is adjacent to the Interstate 25 and US Highway 34 travel corridors and is the closest airport to Rocky Mountain National Park. Approximately 827,000 people live within 30 miles of the Airport.

With approximately 300 based aircraft and more than 100,000 annual operations, the Airport supports a wide range of commercial and general aviation activities. FNL is home to several flight schools and other aeronautical businesses. A 2020 study by the Colorado Department of Transportation estimated the economic impact of the Airport to be $296 million annually.

AIRPORT MISSION

Serving the region, we are a catalyst for innovation in ground and air transportation, a driving force in business and training, and a global gateway to a magnificent Colorado.

AIRPORT VISION

Northern Colorado Regional Airport: sparking innovative transportation and leading-edge economic development, training, research, and education throughout the region.

MISSION

Serving the region, we are a catalyst for innovation in ground and air transportation, a driving force in business and training, and a global gateway to a magnificent Colorado.

VISION

Northern Colorado Regional Airport: sparking innovative transportation and leading-edge economic development, training, research, and education throughout the region.

PART I:
STRATEGIC PLAN FOR NORTHERN COLORADO REGIONAL AIRPORT

The Strategic Plan is divided into three sections of increasing detail. Immediately following are the four major "Focus Areas" that support the vision and represent key areas of continuing concern and emphasis.

The second section on "Strategic Objectives" represents the desired outcomes necessary to support the Focus Areas in achieving the vision. While many can and should be completed in the two-year timeframe of this plan, some may extend further into the future or even be continuing areas of emphasis, much as are the Focus Areas themselves.

The third and final section of Part I is a compilation of "Projects & Action Items," those specific items that need to be accomplished to achieve the desired outcomes detailed in Section 2. These are prioritized according to their overall importance to the Airport in the near term, factoring in deadlines, interdependencies, and anticipated resources.

FOCUS AREAS

Operation and development activities at Northern Colorado Regional Airport (FNL) fall into four general categories or Focus Areas. They are derived from previous facilitated strategic planning sessions held by the Airport Commission and are focused on a five-to-ten-year time horizon. These areas are:

A. Safe, Secure, & Financially Sustainable Operations
B. Multi-modal Transportation
C. Economic Development & Impact
D. Education, Training, and Innovation

The Focus Areas are overarching and intended to guide the realization of the vision of Northern Colorado Regional Airport. They are overlapping and mutually supportive. They are not prioritized, as they are all important.

Safe, Secure, & Financially Sustainable Operations - If an airport, like any public entity, is not both safe and secure, then little else matters. The Airport is committed to operating in a safe, secure, and effective manner in all areas, every day. It is managed in a financially sustainable way that ensures it has the necessary resources for ongoing operations and maintenance, while also being able to respond to unexpected events and changes in the industry.

Multi-modal Transportation - The Airport maintains critical infrastructure such as runways and taxiways and is a hub for many types of transportation: general and commercial aviation, private automobile, mass transit, rail, and combinations of these modes. In addition to the Airport infrastructure, FNL is located next to the busy transit corridors of Interstate 25 and U.S. Highway 34 and a Union Pacific rail line, opening possibilities for integrating transportation modes to meet the needs of residents and businesses as well as those from out of state.

Economic Development & Impact - The Airport supports a variety of aviation and non-aviation-related businesses. It plays a key role in supporting the economic vitality of the region and is an important transportation link for business, recreation, and tourism. Fostering partnerships is important to realize the Strategic Objectives.

Education, Training, and Innovation - Among other things, this plan is based on the proposition that this community, like most communities, would benefit significantly from enhanced focus on education, training, and innovation. The Airport, both because of its focus on aviation and its central location in Northern Colorado, seems ideal to hosting a variety of activities, facilities, and businesses that emphasize one or more of these areas. Additionally, the Airport is committed to incorporating new technologies and innovative approaches wherever and however they may benefit Airport stakeholders and the region.

STRATEGIC OBJECTIVES

This plan has developed a set of 10 Strategic Objectives in support of the four Focus Areas. Some of these objectives will support more than one focus area, a reflection of the interdependent nature of the Focus Areas.

The list of Objectives that follows outlines many of the outcomes necessary to realize the Airport's long-term vision. Obviously, some of these Objectives will be ongoing and few of them will be completed in the timeframe of this plan (2023-24). However, sufficient progress should be realized and measured by key performance indicators.

While all the Objectives are important, some are more important and/or more time sensitive than others. Thus, both the Strategic Objectives and Projects & Action Items are prioritized based on both their importance and the relative urgency of their accomplishment. Naturally, these priorities may change over time based on available resources and related circumstances.

The following guidelines were used to help identify and prioritize the Strategic Objectives and Projects & Action Items. They are not themselves prioritized.

- Advances the overall vision of the Airport.
- Enhances the economic impact of the Airport to the region.
- Supports the regional mindset that the Airport adds significant value to the community.
- Reflects thoughtful financial and environmental sustainability.

Strategic Objectives:

1. Construct commercial transportation support facilities that will attract scheduled airline services, expand multi-modal transportation options, and positively represent the region.

2. The Airport has exceptional safety and security practices.

3. The Airport has quality, sustainable, and well-maintained facilities.

4. The Airport maintains a well-developed land use plan and leasing policy for a range of aviation activities and business opportunities, characterized by capital improvement projects that reflect the Airport vision.

5. Off-site transportation facilities link seamlessly to the Airport and its flight operations, reflecting its status as a multi-modal transportation hub.

6. The Airport is a catalyst for and supporter of emerging technologies such as sustainable aviation fuel (SAF), electrification of aircraft, air traffic control alternatives, and Unmanned Aerial Systems (UAS).

7. The Airport and its immediate environs house and support businesses that provide

and complement aviation services; create jobs and positive economic impact; attract technology, education, and research, and expand workforce skillsets to attract private investment.

8. The Airport is run efficiently and is financially self-sustaining for ongoing operational and maintenance. It is viewed as an asset and is appropriately supported by the FAA, State, County, owner Cities, and the public.

9. The Airport is supported by a team of well-trained, highly motivated, and appropriately compensated employees who operate in an efficient and consistently exceptional manner.

10. The Airport is engaged with the community and views of stakeholders, local businesses, and government entities are carefully considered and appropriately reflected in Airport operations and planning.

A matrix illustrating how these Strategic Objectives support the four Focus Areas can be found in Appendix B.

PROJECTS & ACTION ITEMS (2023-2024)

The following prioritized list of Projects & Action Items for 2023-24 is intended to highlight major projects or initiatives of high impact to the Airport. They describe broadly what needs to be done to address the Strategic Objectives previously mentioned. Generally, they each have a specific start and finish point. Some of these projects can be completed in the two-year period of this plan, while others will be continued into the future as defined in future plans or in updates to this plan. In this section, they are briefly described, to include a short statement of WHY they made this "short list."

In Part II of this Document, these items are displayed in a matrix which includes specific tasks and relevant information and is intended to track progress. They are listed in the order of their assigned importance at this time. This priority may change at any time in the next two years as circumstances dictate and the Airport Commission approves.

It must be noted that planning and executing the Projects & Action Items listed here comprise only a portion of the Airport staff's, PDSC's, and Airport Commission's time and focus. A significant amount of Airport staff time and resources are dedicated to the safe, secure, and effective operation of the Airport. Airport operations are performed 365 days per year and must meet federal requirements, as well as adapt to seasonal weather conditions and changes in economic circumstances. Additionally, as experience demonstrates, there are always unanticipated requirements that arise without warning and that must be addressed. Though these other continuing requirements are not specifically listed in this plan, they are important and time consuming in their own right and reduce the time available to address these Projects & Action Items.

1. **Remote Tower** - Continue support for the project and FAA certification. Develop

contingency plan(s) to ensure that air traffic control is provided at the Airport in the event that the Remote Tower project is unable to achieve operational viability/certification.

Why did this make the list: The Remote Tower is essential to airspace safety and efficiency and the return of commercial service. It is a new technology and there are few "champions" of this project outside of the Airport and the Colorado Department of Transportation (CDOT) Division of Aeronautics. Thus, we need to continue to educate the local public and government authorities at all levels to assure progress toward certification and continued federal funding support. Air traffic control services have been provided since March of 2020 using a temporary tower, resulting in increased safety and efficiency. Going back to being a non-towered airport is not an option. There is no guarantee that the Remote Tower will be a long-term solution, so alternatives need to be considered.

2. **New Terminal** - Finish the design, ensure financing, engage in the construction, and complete the terminal project by July 2024.

   Why did this make the list: The federal funding for this project ($17 million) has a firm timeline attached. Deadlines must be met, and funding lined up to complete this important project. It also provides a strong incentive for the return of commercial air service, will improve the experience of travelers, and impart a "warm Colorado welcome" to visitors.

3. **Commercial Air Service** - Secure a carrier for sustainable, high quality commercial air service.

   Why did this make the list: Commercial air service is central to long-term sustainability and success of the Airport. The number of travelers seeking commercial air service continues to grow in our region, as does driving time to Denver International Airport. Commercial service at the Airport would benefit the citizens of our region as well as the local economy in general.

4. **Updated Land Use Plan and Leasing Process -** Develop a comprehensive land use plan that builds off the Airport Layout Plan (ALP) along with an infrastructure plan to encourage development of Airport property. Update policies and procedures for leases of Airport land to eliminate confusion and streamline the approval process.

   Why did this make the list: Airport Commissioners have expressed the desire for a more detailed land use plan to guide development. The Airport has a relatively new issue of having a lack of shovel-ready land for certain development types, which has been identified as a barrier to new development. Leases for development of Airport property are becoming more frequent, complex, and often contentious. We need to have policies and guidelines that are clear, consistent, fair, and transparent.

5. **Enhance/Increase Airport Staffing Support** - to meet the Strategic Objectives.

   Why did this make the list: The Airport staff are the absolute key to achieving everything we hope to accomplish. Staff are the backbone with the expertise, relationships, and focus to accomplish our Objectives. Right now, they are absolutely "maxed out." We must approach the Projects and Action items realistically in relation to the resources required and resources available.

6. **Runway 15-33 Widening Design & Construction** - Align resources and advocate for federal and state funding.

   Why did this make the list: The project to widen runway 15-33 (the Airport's primary runway) is a top priority in the 2023-24 Airport Capital Improvement Project Plan. Funding sources (federal, state, and local) are in place for this project. This supports the operation of major commercial aircraft and enhances overall safety of Airport operations. It directly supports flight operations by major commercial carriers who are reluctant to operate from narrower runways.

7. **Governance Study -** Assess the effectiveness of the current governance structure, investigate other models, and provide recommendations.

   Why did this make the list: Joint municipal ownership, as is the case with FNL, is rare. Since 2015, the Airport has been governed by a commission that was established through an intergovernmental agreement. As the Airport evolves into a regional multimodal transportation hub, it is important to evaluate the capabilities and limitations of this structure and to explore how other structures may be more beneficial to the Airport and Cities.

8. **Multimodal Links to Air Transportation Network** - Advocate for procedural and (if necessary) legislative changes to allow Landline/United passengers to complete security screening at FNL rather than at Denver International, thus facilitating direct transfer to departure gates at Denver.

   Why did this make the list: Landline service to DIA continues to grow. Securing TSA security access at FNL would drastically reduce customers' time to get to their gates and create a more convenient and attractive service.

9. **Community Engagement** – Communicate why the Airport is important, how it benefits the region, and what the long-term vision is. Create more promotional and event opportunities to increase the relevance of the Airport to the region (open houses, aviation days, static aviation displays, fly-ins, holiday themed events).

   Why did this make the list: The Airport is a publicly owned and operated facility. It supports a wide range of aviation activities and businesses. We should promote public awareness of the Airport and how it impacts work, travel, recreation, education, and business of the region.

10. **Technology and Innovation Center** – Engage in partnerships and encourage the development of a new Technology and Innovation Center on or near Airport property.

    Why did this make the list: Part of the Airport's vision and mission is to act as a catalyst for innovation and education, particularly supporting aviation-related technology and training. A technology and innovation center supports a wide range of community interests and adds value to the region.

11. **Hangar Redevelopment** - Develop a plan for general aviation hangar redevelopment & replacement projects.

    Why did this make the list: Hangar development and redevelopment are integral to the Airport's 2020 Master Plan. The experience this past year with an unsolicited proposal, followed by the issuance of an RFP for hangar development created consternation among developers and other Airport stakeholders. That experience has signaled a need for a set of procedures to guide redevelopment and build-out of Airport hangars.

PART II:
AIRPORT ACTION PLAN

AIRPORT ACTION PLAN FOR 2023-2024

#	Project	Task	Completion Target / Deadline	Progress	Status	Financial Estimates (not including staff time)			Staffing Lead & Support	Notes
						Cost	Budget	Delta		
1	**Remote Tower**	Continue moving towards certification								
		Develop talking points to support Tower & ID appropriate officials to inform	6/ 2023	50%	On Track				Jason/ CDOT Aeronautics	
		maintain direct contact with FAA officials & project team to advance project	Ongoing	50%	On Track				Jason/ CDOT Aeronautics	
		Support vendor in achieving new visibility criteria	Q2 2023	50%	On Track				Jason/ CDOT Aeronautics	Preliminary reconfiguration testing is in process
		Identify ATC contingencies & opportunities for success								
		Continue advocating for inclusion in Federal Contract Tower Program	Ongoing	50%	On Track				Jason/ CDOT Aeronautics	
		Create strategy for maintining ATC if Remote Tower doesn't provide long-term solution		25%	On Hold				Jason/ CDOT Aeronautics	This should not formally begin unless remote tower testing fails
2	**New Terminal**	Finalize budget and resources for phase 1 construction	3/2023	100%	Complete				Jason /Design Team	
		Complete design & permitting	5/2023	66%	On Track	$3,800,000	$3,800,000	$0	Jason/ Design Team	
		Ensure federal funding deadlines are met	7/2024	33%	On Track				Jason/ Design Team	
		Construct building	10/2024	0%	Not Started	$18,100,000	$18,100,000	$0	Jason/ General Contractor	
		Seek funding for landside components that have been removed from scope (and future phases)	Ongoing	33%	Not Started				Jason	Prioritization has not yet occurred, needs to be included in CIP in 2023
		Build a white paper that explains rationale behind this project	Q2 2023	0%	Not Started				Jason	
3	**Commercial Air Service**	Develop briefing on benefits of commercial air service (and relation to terminal/Remote Tower/Runway widening) for Commission, Councils, etc.		0%	Not Started				Jason	Dependent on Remote Tower, Terminal, Runway
		Continue communication with airlines and identify new potential contacts	Ongoing	50%	On Track				Jason /Consultant	Dependent on Remote Tower, Terminal, Runway
		Apply for Small Community Air Service Development Grant (SCASDG) with U.S. Department of Transportation	TBD	33%	On Hold				Jason	Waiting for Notice of funding opportunity to apply, preliminary investigations and planning complete
		Market Airport to air service providers at key conferences	Ongoing	33%	On Track				Jason /Consultant	
		Increase air service development efforts								
		Hire staff/consultant for air service development	Q2 2023	0%	Not Started	$100,000	$100,000	$0	Jason	Consultant contracts vary from $50-$100K annualy
		Validate market & create a community survey	Q3 2023	0%	Not Started	$20,000	$20,000	$0	Shawn/ Consultant	Financial estimate is based on a small outreach effort
4	**Updated Land Use Plan and Leasing Policy**	Determine who will create plans & policies	3/2023	50%	On Track				PDSC	Present at March Meeting
		Create leasing policy								
		Develop a leasing policy for aeronautical, non-aeronautical, revenue sharing	7/2023	0%	Not Started				Aaron/PDSC	
		Present policy to Airport Commission for review and approval	7/2023	0%	Not Started				Aaron/PDSC	
		Develop land use plan								
		Estimate infrastructure needs, costs, timeline	5/2023	25%	On Hold				Aaron/PDSC	
		Determine approach - publicly provided infrastructure vs. master development	4/2023	0%	Not Started				Aaron/PDSC	
		Draft Plan	4/2023	0%	Not Started				Aaron/PDSC	
		Present plan to Airport Commission for review and approval	5/2023	0%	Not Started				Aaron/PDSC	
		Develop landside improvement plan	Q2 2024	0%	Not Started				Aaron/ Jason/ Consultant	
		Reexamine through-the-fence agreements	Q3 2024	0%	Not Started				Aaron/Jason	
5	**Enhance/Increase Airport Staffing Support**	Complete staffing analysis								
		Define current needs and available resources	6/ 2023	50%	On Track				Jason	Preliminary staffing analysis conducted, will apply needs with the adoption of this plan
		Align support needs with financial sustainability/strategic objectives and present them for review	6/ 2023	0%	On Track				Jason	
		Identify and justify required/requested staffing & Identify funding and infrastructure required	Q3 2023	0%	Not Started				Jason/ COL HR	
		Recruit & fill approved positions	Q1 2024	0%	Not Started				Jason/ COL HR	
		Work with HR parners on market compensation study	Q2 2023	75%	On Track				Jason/ COL HR	Staff have been engaged in this process

6	**Runway 15-33 Widening Design & Construction**	Communicate w/ FAA & CDOT to convey importance and ensure funding is programmed	Ongoing	0%	On Track				Jason	
		Obtain grant funding for design	3/2023	100%	Complete				Jason	Obtained FAA & CDOT Grant offers, to be executed once funding is made available
		Complete design		0%	Not Started	$765,000	$765,000	$0	Jason /Consultant	
		Obtain grant funding for Construction (2025 construction)	Q3 2024	0%	Not Started				Jason /Consultant	
7	**Governance Study**	Form committee with representatives from each city and define scope	Q2 2023	75%	On Track				City Managers/Jason	Committee formed
		Conduct study								
		Develop budget & resource	4/ 2023	50%	On Track	$50,000	$50,000	$0	Cities' Staff/ Jason	Applied for and received $25,000 CDOT Aeronautics Grant
		Assess effectiveness of current governance structure	Q3 2023	0%	Not Started				Cities' Staff/Consultant	
		Investigate other structures	Q3 2023	0%	Not Started				Cities' Staff/ Consultant	
		Create financial model to compare structures	Q3 2023	0%	Not Started				Cities' Staff/ Consultant	
		Provide recommendations	Q3 2023	0%	Not Started				City Managers	
8	**Multimodal Links to Air Transportation Network**	Work with Landline & TSA to determine obstacles								
		Develop Talking Points to support this & Identify appropriate officials to push them	Q2 2023	70%	On Hold				Jason/ Landline	
		Obtain TSA support for Airport standard operating procedures	Unknown	50%	On Track				Jason/ DEN/ Landline	
		Advocate for legislative changes on security and enplanement qualifications	Ongoing	50%	On Track				Jason/ Landline / Consultant	
		Link transit services to new terminal (City supported when demand warrants)	Q4 2024	0%	Not Started				Jason	
9	**Community Engagement**	Form group to study opportunities, obstacles, & approaches	Q3 2023	0%	Not Started				Jason/ Shawn	
		Identify promotional & event opportunities	Ongoing	50%	On Track				Shawn	
		Participate in area events to educate the communities	Ongoing	50%	On Track				Shawn	
		Create a transportation hub brand for the Airport	Q3 2023	0%	Not Started				Shawn	
		Determine what factors are most impact community engagement or support	Q3 2023	0%	Not Started				Shawn	
10	**Technology & Innovation Center**	Partner with Aims/other area educational institutions and/or companies to expand on education and training opportunities	Ongoing	50%	On Hold				Jason/ Aaron	
		Clarify roles & responsibilities for support	Q2 2023	0%	Not Started				Aaron	
		Understand needs and expand on site options	Q3 2023	25%	On Track				Aaron	
		Attempt to determine the level of public support for this facility	Q3 2023	0%	Not Started				Aaron	
11	**Hangar Redevelopment**	Create plan for existing Airport-owned T-hangars								
		Determine the overall condition of the buildings and identify any potential safety issues	3/2023	100%	Complete				Aaron	
		Develop phased plan to vacate and decommission buildings	3/2023	100%	Complete				Jason/ Aaron	
		Issue new RFP for higher and better use of the area (may be beyond timeframe of plan)	Unknown	0%	Not Started				Aaron	
		Facilitate new hangar development in NE area of the Airport to offset loss old T hangars								
		Partner with developers to determine best approach for near-term hangar construction	Q2 2023	0%	Not Started				Aaron	
		Conduct environmental review of new general aviaiton development site	Q2 2023	0%	Not Started	$20,000	$20,000		Aaron/ Consultant	
		Determine infrastructure needs and cost estimates	Q2 2023	0%	Not Started				Aaron/ Consultant	
		Construct infrastructure (if applicable)	Q2 2023	0%	Not Started				Aaron/ Consultant	
		Execute land leases for development	Q2 2023	0%	Not Started				Aaron/ Consultant	

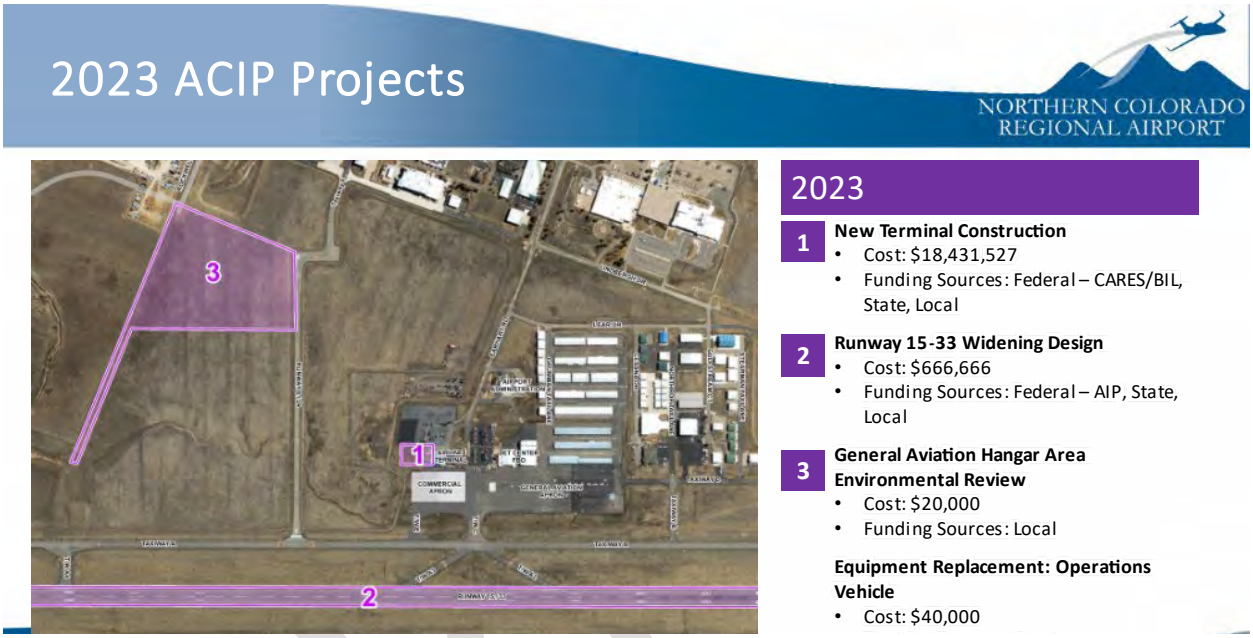
KEY PERFORMANCE INDICATORS

The following high-level outcomes are intended to help evaluate the overall success of the plan.

1. **Remote Tower**
   - The Remote Tower is actively used for air traffic control at the Airport
2. **New Terminal**
   - The Terminal is constructed and deadlines for the use of federal funding are met
3. **Commercial Air Service**
   - The Airport has a commitment or statement of interest from a commercial air carrier
4. **Updated Land Use Plan and Leasing Policy**
   - Plan and Policy approved by the Airport Commission
5. **Enhance/Increase Airport Staffing Support**
   - Staffing analysis completed and approved by Airport Commission and submitted for budgetary appropriation
6. **Runway 15-33 Widening Design & Construction**
   - Design completed
   - Funding secured for 2025 construction
7. **Governance Study**
   - Completed study with options and recommendations
   - Cities determine best governance improvements or changes
8. **Multimodal Links to Air Transportation Network**
   - Demonstrate positive trends in multimodal ridership to/from the Airport
9. **Community Engagement**
   - Increased community understanding and support for the vision of the Airport
10. **Technology and Innovation Center**
    - Identify location(s) for facility
11. **Hangar Redevelopment**
    - Develop and infrastructure plan and create new sites for general aviation hangar development
    - A well-developed plan to redevelop the T-hangar area

PART III:
APPENDICIES

APPENDIX A: 2023-2024 CAPITAL PROJECTS



2023 Pending Funding Requests

1 Technology & Transportation Innovation Hub
• Pending Funding Sources:
  • $30,000,000 – ARPA & Aims

2 Terminal Funding
• Pending Funding Sources:
  • $7,000,000 - Federal BIL Airport Terminals Program
  • $15,000,000 - ARPA

2024 ACIP Projects

NORTHERN COLORADO REGIONAL AIRPORT

2024

1 **New Terminal Construction**
- Cost: $1,111,110
- Funding Sources: Federal – BIL, State, Local

2 **Runway 15-33 Widening Construction**
- Cost: $13,854,972
- Funding Sources: Federal – AIP, State, Local

3 **Taxilane Stearman Upgrades**
Cost: $300,000
- Funding Sources: Local

4 **Fuel Farm Capacity Expansion Environmental & Design**
- Cost: $250,000
- Funding Sources: State, Local

5 **Taxiway B & D Reconstruct**
- Cost:$600,000
- Funding Sources: Local

6 **General Aviation Hangar Area Design & Construction**
- Cost: $945,000
- Funding Sources: Local

Broom Truck SRE
- Cost: $400,000
- Funding Sources: Local

APPENDIX B: STRATEGIC OBJECTIVES – FOCUS AREAS MATRIX

	NORTHERN COLORADO REGIONAL AIRPORT	Focus Areas			
		Safe, Secure, & Financially Sustainable Operations	Multi-modal Transporation	Economic Development & Impact	Education, Training, and Innovation
	Prioritized Strategic Objectives				
1	1.Construct commercial transportation support facilities that will attract scheduled airline services, expand multi-modal transportation options, and positively represent the region.		■	■	
2	The Airport has exceptional safety and security practices.	■	■		
3	The Airport has quality, sustainable, and well-maintained facilities.	■	■	■	
4	The Airport maintains a well-developed land use plan and leasing policy for a range of aviation activities and business opportunities, characterized by capital improvement projects that reflect the Airport vision.		■	■	
5	Off-site transportation facilities link seamlessly to the airport and its flight operations, reflecting its status as a multi-modal transportation hub.		■	■	
6	The Airport is a catalyst for and supporter of emerging technologies such as sustainable aviation fuel (SAF) and electrification of aircraft, air traffic control alternatives, and Unmanned Aerial Systems (UAS).	■	■	■	■
7	The Airport and its immediate environs house and support businesses that provide and complement aviation services; create jobs and economic impact; attract technology, education, and research, and expand workforce skillsets to attract private investment.		■	■	■
8	operational and maintenance. It is viewed as an asset and is appropriately supported by the FAA, State, County, owner Cities, and the public.	■	■	■	
9	The Airport is supported by a team of well-trained, highly motivated, and appropriately compensated employees who operate in an efficient and consistently exceptional manner.	■	■	■	■
10	The views of stakeholders, local businesses, and government entities are carefully considered and appropriately reflected in Airport operations and planning.	■	■	■	