



NORTHERN COLORADO REGIONAL AIRPORT COMMISSION

4900 EARHART ROAD • LOVELAND, CO 80538

REGULAR MEETING AGENDA

THURSDAY, MAY 16, 2024

3:30PM – 5:30PM

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

CONSENT AGENDA

1. APRIL 18, 2024 MEETING MINUTES – P.2
2. MARCH PRELIMINARY FINANCIAL STATEMENT – P. 8
3. MARCH AIRPORT DIRECTOR'S REPORT – P. 10
4. CDOT GRANT INTERNSHIP – P. 54
5. AIP 45 BIL GRANT TERMINAL – P. 71
6. LEASE ASSUMPTION OF 5227 STEARMAN – P. 125
7. LEASE EXTENSION OF 5295 BEECHCRAFT – P. 184
8. PDSC AGENDA – P. 227

APPROVAL OF CONSENT AGENDA

AIRPORT DIRECTOR'S REPORT HIGHLIGHTS

REGULAR AGENDA

9. INITIAL REVIEW OF 2025 CIP – INFORMATIONAL, 30 MINUTES, P. 229
10. BUSINESS FROM MEMBERS

PULLED CONSENT AGENDA ITEMS

ADJOURN

MEETING PLANNING CALENDAR

JUNE 27	JULY 18	AUGUST 15
<ul style="list-style-type: none">• INITIAL REVIEW OF 2025 BUDGET AND FEES• FUEL FARM UPDATE• REQUEST FOR EXPRESSIONS OF INTEREST REVIEW	STAKEHOLDER EVENT (NO REGULAR MEETING)	<ul style="list-style-type: none">• FINAL 2025 BUDGET AND FEES (IF NEEDED)• TERMINAL BUDGET AND CONSTRUCTION UPDATE

All members of the public are invited to attend this meeting in-person at 4900 Earhart Rd.
Loveland, CO 80538 or observe virtually using the information below:

Join Zoom Meeting: <https://us06web.zoom.us/j/81745121465?pwd=5pPT3wqwwantI9jljsxjaPkMwNNcin.1>

Meeting ID: 817 4512 1465

Passcode: 259087

Dial by your location: +1 719 359 4580 US

Find your local number: <https://us06web.zoom.us/j/kCGGEYWeg>

APRIL 18, 2024 REGULAR MEETING SIGN-IN SHEET

PLEASE PRINT:

NAME

ORGANIZATION

Pat FERRIER	Coloradoan
KEVIN JONES	EC Chamber of Commerce
Kelly Freedland Conner Riley	The Flying School
Laurie Wilson	City of Loveland
Jack Marsh	City of Loveland
Dallas Heftell	Bill Woot
Dave Micken	Pilot, etc
JAMES BASS	DISBLE
Scott Holst	Discovery Air
RYAN CARLSON	NUTRIEN
Danny McInn	jet center
Chuck Messin	Woodward
Pam & Jeff Levernier	residents
Diene Jones	PDSE
Bob MASSARO	—
John Cessar	P:bbhe
Rick Weller	HANGAR TENANT
Mike Jones	CAP
Ivor Retman	BA Group
Keith Meyer	Pikes
Martin Lind	Discovery Air
Gina Gonzales	LFRA
Tim Smith	LFRA



Regular Meeting Minutes for April 18, 2024

CALL TO ORDER

Chair Arndt called the meeting to order at 3:34 p.m.

ROLL CALL

Chair Arndt and Commissioners Stooksbury, Marsh, Williams, and Krenning were present. Commissioner DiMartino was absent.

PUBLIC COMMENT

Chair Arndt opened the floor for public comment.

Jeff and Pam Levernier, local residents, stated that they are tormented by airplanes flying above their house and asked for the Commission's help in mitigating the noise.

Rick Turley thanked staff for providing stakeholder meetings, conducting the siting study for Runway 6-24, and working to make the STARS radar system available for Air Traffic Controllers.

Ryan Carlson stated that Nutrien values safety and supports the runway widening project. Mr. Carlson requested a seat at the table when determining the runway closure phasing plan so that the impacts on business operations can be minimized. Impacts to Medical Center of the Rockies, fire response teams, and other services should be considered. Mr. Carlson expressed concerns regarding the following:

- Curbing that was approved for installation on Stearman Taxiway and has since been removed.
- Email correspondence stating that pilots should request Runway 6-24 three times before landing, but the FAA issued a violation to a pilot for following this procedure.
- ATC Tower staffing shortages, inexperience, and pay discrepancy compared to FAA Controllers.
- Mobile tower sighting study should consider raising the trailer approximately 20 feet to establish a line of sight down Runway 6-24.
- One-way entry and exit is a challenge on small, congested taxilanes.

Scott Holst stated that he understood the FAA reduced the runway width requirements for certain airplane design groups, as is the case with Aspen Airport. Mr. Holst recommended prioritizing the welfare of existing businesses at the airport instead of the runway widening project.

At the request of Chair Arndt, Mr. Ruppel and staff explained that FNL is already classified for Design Group 3 aircraft so the airport must meet the FAA's design standards for this group, which includes a 150-foot runway width for aircraft above a specific weight threshold.



Aircraft above that weight limit may not be able to land at Aspen Airport due to their geographic location. Raising the mobile tower has not been fully evaluated; there is approximately 12 inches of vertical space available above the trailer before breaking the plane of the airspace surface. Noise pollution generally results from training flights performing touch-and-go maneuvers and staying in the landing pattern. The pattern is based on the orientation of the runway and goes out over Boyd Lake, but the approach on Runway 33 goes over the Lakes at Centerra neighborhood which requires owners to sign a navigation easement. Serco is contracted by the Federal Contract Tower Program to provide ATC personnel and services.

Commissioner Stooksbury requested that staff investigate the incident regarding the landing on Runway 6-24 and work to disseminate the proper procedure to pilots. Mr. Stooksbury also requested that staff conduct research into what is involved in doing a noise study.

Chair Arndt recognized Pat Ferrier for her years of service to the community while working at the Coloradoan.

CONSENT AGENDA

Commissioner Marsh moved to approve the Consent Agenda. The motion, seconded by Commissioner Williams, carried with all Commissioners present voting in favor thereof.

Pulled Items: None
Consent Follow up: None
Public Comments: None

AIRPORT DIRECTOR'S REPORT HIGHLIGHTS

FEMA provided a lithium-ion battery fire training webinar.

A and B Hangar demolition will begin in approximately three weeks once the contracted company, Colorado Cleanup Corporation, receives permits for the work.

A meeting with RTX to discuss the Digital Tower project was delayed until next week.

Terminal construction is on schedule and under budget. All framing has been completed on the inside of the building and tours will likely be scheduled in the coming weeks.

Bids are being accepted for Taxiway B and D rehabilitation and the contract will be presented to the Commission at a future meeting.

Dibble has been contracted to perform the fuel farm siting study and the kickoff meeting will occur next Thursday.

FCLWD water pipeline construction is underway with Taxiway F closure



expected May 6th – 10th.

Interviews for the vacant Airport Commission position will be held next Monday.

The Airport Director process is proceeding with ADK Consulting providing the candidate search services.

The next stakeholder meeting will be held in June.

REGULAR AGENDA

6. RUNWAY WIDENING DISCUSSION

Francis Robbins, Airport Operations and Maintenance Manager, presented this item in accordance with the Agenda Item Summary.

The runway widening project was first identified in the 1995 Airport Master Plan and was classified in the 2007 Master Plan Update as being needed but funds were not immediately available. The 2020 Master Plan identified the runway widening as a short-term project goal. In 2022, The FAA and CDOT accepted the runway widening project into the Capital Improvement Plan with funding expected to be available for construction in 2025. Earlier this year, the FAA committed the discretionary funds for construction to occur in 2026.

Multiple public meetings and a survey were provided to the airport stakeholders to disseminate information and receive feedback. Based on the results, the two-phase approach was selected for 60% design. The total construction cost for this phasing plan would be approximately \$16M. The local fund contribution for this project would be \$2M which has already been allocated in the Airport budget.

Postponing the project may impact future grant awards and the FAA could find the airport in breach of grant assurances for other projects. Additional design costs would likely be incurred if the project is postponed for more than 18 months.

Public Comment:

- Ryan Carlson spoke in favor of the fourth option (three-phase approach) to allow Nutrien and other larger planes to continue operating with 5,000 feet of runway for a portion of the construction period.
- Kelly Freeland stated that any option would work for her business, but requested that the airport help coordinate airplane storage in Greeley if there is a runway closure. Operating on Runway 6-24 would also be an option for her aircraft if access and wind conditions allow it.
- Martin Lind stated that Discovery Air is in favor of the runway widening but requested that the airport considers the



consequences of the operational hardships created for businesses.

- Commissioner Stooksbury read a comment into the record on behalf of a member of the public who stated that United currently operates on 100-foot-wide runways and suggested building a parallel runway instead of widening the existing runway.

Mr. Ruppel clarified that pursuing the fourth option would set back the engineering design phase to 30% and incur additional costs. This phase would shut down the entire runway for approximately 90 days. Runway 6-24 could be used by general aviation operators during every phase of this option during the widening process.

Commissioner Stooksbury spoke in favor of keeping Runway 6-24 open and allowing businesses to continue operating as much as possible during construction.

Commissioner Williams questioned whether only closing during nighttime operations would be an option. Jared Bass with Dibble Engineering explained that this was not an option due to cost, safety, and constructability concerns. Also, the FAA is funding 95% of the project and they (along with ATC) must approve all costs and plans during the decision-making process.

Commissioner Marsh questioned how long it would take to switch the design to option 4. Mr. Bass stated that redesign for this option would take approximately three weeks and must be approved by the FAA.

Commissioner Williams questioned whether the three-phase approach would allow day and night closures during the second phase to allow 5,000 feet of runway. Mr. Bass will research this as an option.

Commissioner Stooksbury requested the additional costs required to work overnight or 24/7 and minimize the length of time where the runway would be shutdown or less than 5,000 feet.

7. AEROFNL LEASE AMENDMENT

Aaron Ehle, Planning and Development Specialist, presented this item in accordance with the Agenda Item Summary.

IC Loveland Investors, owners of the AeroFNL hangar project, has requested a lease amendment to allow subleasing and fractionalized ownership of their hangar units. IC Loveland Investors will continue to own and manage the campus and common areas of their development, similar to a master development plan.

Public Comment: none presented.



Commissioner Marsh moved to recommend approval of the lease amendment by the Fort Collins and Loveland City Councils. The motion, seconded by Commissioner Williams, carried with all Commissioners present voting in favor thereof.

**8. TERMINAL PUBLIC
ART**

Kate Morgan, Airport Executive Assistant, presented this item in accordance with the Agenda Item Summary.

Per City of Loveland and Fort Collins policy, one percent of the locally funded terminal construction costs must be allocated for public art. This equals approximately \$60,000 to finance installations in or around the new terminal building. Airport staff, in collaboration with the Cultural Services Department and the terminal's design/architecture firm, have identified an ideal location for a mural which would use approximately \$11,000 of the public art funds.

Commissioner Marsh suggested letting the Visual Arts Commission determine the best use of funds and

Commissioner Williams suggested incorporating elements of airport history and characteristics of Northern Colorado into the art.

Public Comment: none presented.

**9. PDSC AGENDA
REVIEW**

Aaron Ehle, Planning and Development Specialist, presented this item in accordance with the Agenda Item Summary. Suggested topics for the PDSC meeting on May 1st include updates to the Development Guide and Airport Land Use and Design Standards.

Commissioner Williams recommended putting this item on the consent agenda at future meetings.

Public Comment: none presented.

**10. BUSINESS FROM
MEMBERS**

None presented.

ADJOURNMENT

Chair Arndt adjourned the meeting at 4:25 p.m.

Respectfully Submitted,

Commission Chair, Jeni Arndt



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: May 14, 2024

PREPARED BY: Francis Robins, Airport Ops & Maint Manager

TITLE

Monthly Financial Statement

RECOMMENDED AIRPORT COMMISSION ACTION

Staff recommend acceptance of the preliminary financial statement as presented.

BUDGET IMPACT

Neutral

SUMMARY

Financial highlights for the month of April include:

- The monthly statement indicates \$8.9 million within the net position available for use. This amount includes \$6 million set aside by the Airport Commission and City Councils to be applied toward the terminal project. Within this amount \$2 million is from the CARES Act operations and maintenance grant, which has been fully drawn down and input in the account, \$2 million for the local matching contribution, and \$2 million in City Contributions.
 - An accurate net position available for use is \$3 million which is planned for future federal funding grant matches, specifically \$1 million for the \$14 million runway widening project in 2025, and the remainder maintaining the operational financial reserve.

ATTACHMENT

Preliminary monthly financial statement for April 2024



NORTHERN COLORADO REGIONAL AIRPORT

Airport Statement of Revenues and Expenses From 01/01/2024-04/30/2024

PRELIMINARY

	Y-T-D 2024 Actual	Y-T-D 2023 Actual	Y-T-D 2024 Budget	2024 Total Budget	% of Total Budget
OPERATING REVENUES					
Hangar Rental	63,071	77,430	71,668	215,000	29%
FBO Rent	31,457	31,391	35,004	105,008	30%
Gas and Oil Commissions	74,568	74,536	100,000	300,000	25%
Aviation Fuel Tax Reimbursement	81,457	97,426	50,000	150,000	54%
Land Lease	219,814	205,046	366,332	1,099,000	20%
Land Lease PD Training Ctr	103,043	103,043	0	0	0%
Terminal Lease and Landing Fees	10,636	7,240	25,104	75,300	14%
Parking	0	0	0	0	0%
Miscellaneous	31,202	29,287	17,532	52,600	59%
TOTAL OPERATING REVENUES	615,248	625,399	665,640	1,996,908	31%
OPERATING EXPENSES					
Personal Services	245,767	254,384.45	382,472.00	1,147,418	21%
Supplies	32,440	41,886.52	41,184.00	123,550	26%
Purchased Services	360,402	75,707.52	907,842.00	2,084,222	17%
TOTAL OPERATING EXPENSES	638,610	371,978	1,331,498	3,355,190	19%
OPERATING GAIN (LOSS)	(23,362)	253,421	(665,858)	(1,358,282)	
NONOPERATING REVENUES (EXPENSES)					
Passenger Facility Charge	0	0	0	0	
Interest Income	43,034	15,726	16,332	49,000	88%
Contributed Asset	0	0	0	0	
Capital Expenditures	(3,507,201)	(148,751)	(24,777,028)	(39,412,604)	9%
TOTAL NONOPERATING REVENUES (EXPENSES)	(3,464,167)	1,866,976	(24,760,696)	(39,363,604)	
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	(3,487,529)	2,120,396	(25,426,554)	(40,721,886)	
Capital Contributions	2,414,288	1,102,505	5,489,499	21,958,000	11%
CHANGE IN NET POSITION	591,482	3,272,167	(17,662,522)	(18,401,267)	
NET POSITION, Beginning	28,274,198	21,237,480	0	0	
NET POSITION, Ending	28,825,702	24,509,647	(17,662,522)	(18,401,267)	
Investment in Capital Assets	19,843,609	15,440,026	0	0	
Net Position Available for use	8,982,093	9,069,621	(17,662,522)	(18,401,267)	



NORTHERN COLORADO REGIONAL AIRPORT

4900 Earhart Rd • Loveland, Colorado 80538

(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

Date: May 16, 2024
To: Northern Colorado Regional Airport Commission
From: David Ruppel, Airport Director
Re: Airport Report for April 2024

Report Highlights

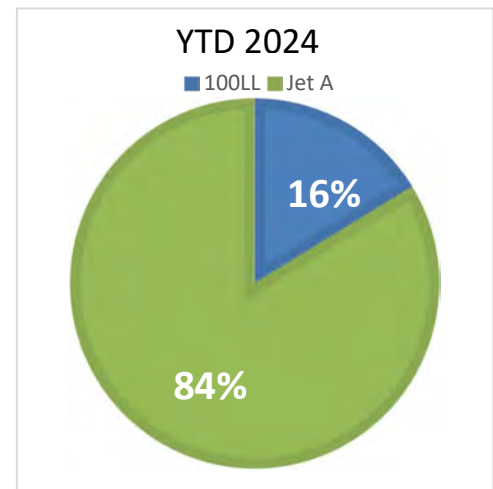
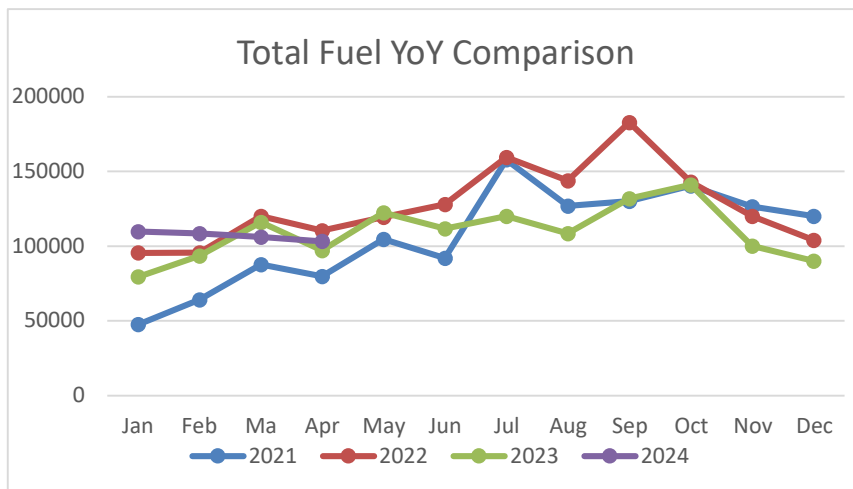
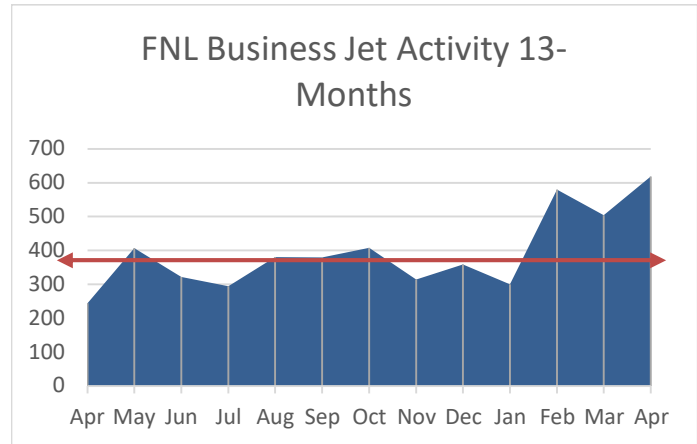
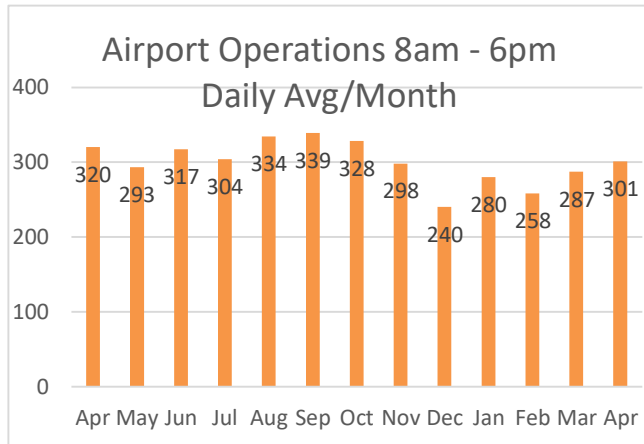
- Colorado Cleanup Corporation began its work on the A and B Hangar demolition on May 7th and expects to be complete in 25 days. There will be an electrical outage on May 10th that will effect the C-Hangars to allow for the modification of the connection from the A and B Hangars. The outage will occur at 7:30 AM and should be restored by the end of the day. This will effect the C-Hangar hangar doors and lights. Vertical Demolition will occur from May 13-22 and will require a 15-20 foot exclusion area around each building while the work is being done. The EVEN numbered hangars in 4930 Grumman will be affected and should contact Airport Operations at 970-614-4040 if there is a conflict. Paving Operations will take place from May 23-31 and the area will be surrounded with lighted barricades while this work is going on.
- Digital Tower Vendor, RTX/Frequentis, met with airport staff on April 18th and began negotiations for a future system installation. The airport expects the next meeting to occur early next month. The airport is seeking a subscription model that will allow the vendor to retain the equipment and provide ATC services.
- Hensel Phelps completed the window installation, roofing installation activities are underway, electrical, plumbing, and mechanical rough in is underway, concrete floor polishing work is underway, interior framing is completed, drywall installation is underway, exterior building finishes are underway, and site electrical and communication conduit installation is underway. Interior finishes and room buildouts are beginning along with ceilings, and site subgrade preparations for paving and concrete are underway.
- TAXIWAY B&D/HANGAR TAXILANES FNL had to split the project because the low bid on Federal portion was not low bid on local or overall. FNL is in the process of rebidding the local work and those new bids are due next week. The Taxiway B&D work is in the contracting and approvals process.
- FUEL FARM SITING project is underway to determine location and best practice requirements for a consolidated fuel farm. Siting will take into account ease of access both for delivery and fuel truck use, constructability, and safety considerations. The Siting study will be completed in June.
- FCLWD Potable Water Pipeline construction continues with Taxiway F closure is completed on May 10th. The crossing for Earhart road will be managed with a detour using Lindburgh and Lear Drives and should be completed in June.
- The Airport Director search process is proceeding and ADK, the search firm, will be onsite later this week to begin interviewing stakeholders and officials from the Cities.
- The next FNL Stakeholder meeting will be held on June 4th and will include in-person and on-line options.

Airport Activity Dashboard

- Flight operations for the month of April averaged 301 per day, and the thirteen-month rolling average is 300.
- Wholesale fuel ordered by the jetCenter FBO was 103,236 gallons for the month of April, an

increase of 6% compared to the previous April at 97,019 gallons.

- Total year to date fuel for jetCenter is up 10% year over year.
- Total fuel flowage through April 2024, is 427,792 gallons YTD compared to 386,102 gallons YTD in April 2023.
- Business jet activity for April 2024 compared to the same month in 2023 was up 93%, going from 320 to 619 operations. Some of this variation may be from our recent change to a new operations tracking system helps us capture more accurate total numbers business aircraft.



Airport Owned T-Hangars Update

As a reminder to all tenants, to remain in compliance with your lease and the Airport Rules and Regulations, you must have an operational aircraft in your hangar or be able to make your aircraft operational within no more than 6 months. If this cannot be achieved, you must provide a detailed plan for making your aircraft operational to the Airport Director.

Federal Contract Tower (FCT)

The attorneys for the two Cities have accepted the Reimbursible Agreement (RA) for the VISTA work and it is being processed for signature. We expect to start the actual study in the next couple of months once the two Cities sign the RA.

Terminal

Hensel Phelps has completed the window installation and roofing is nearing completion. Interior electrical, plumbing, and mechanical rough in is underway and concrete floor polishing is nearing completion. Interior framing is completed, drywall installation is underway, and exterior building finishes are being installed. Site electrical and communication conduit installation is in work and

interior finishes and room buildouts are beginning along with ceilings, and site subgrade preparations for paving and concrete are underway. FNL staff is proceeding with a \$1.34 million change order to add reconstruction of the main terminal parking lot. The original FNL Terminal construction contract included new asphalt paving for localized areas limited to the parking lot entrance/exit and passenger drop off loop. The main parking lot was planned to receive a maintenance seal coat and crack fill. Sealing activities were planned to be followed with new pavement markings to delineate new operational traffic patterns for both passenger vehicles and shuttle buses. Soon after construction started, it was determined that the parking lot was not in a condition to receive the recommended improvements and a full reconstruction of the lot was required. The parking lot work is possible due to savings on the overall project and will not require any additional funding.

The DiTescos construction summary is attached.

Digital Tower

RTX/Frequesntis, met with airport staff on April 19th to discuss future system setup and costs. RTX also provided an update on its continuing work at the FAA Tech Center in Atlantic City. They still expect to receive System Design Approval (SDA) in 2025 and plan to begin FNL system installation immediately following that approval. RTX is working on a proposal to provide their system to FNL via a subscription model where RTX will retain ownership of most of the equipment and FNL will purchase Air Traffic Control services via the Digital Tower. FNL will continue to pursue both a traditional tower process and the digital tower to be able to take advantage of whichever is ready and viable in the shortest amount of time.

STARS

The FAA Reauthorization Act includes specific language concerning the design and approval of Remote Tower Systems and also states that the FAA must:

- “(F) allow the use of surface surveillance technology, either standalone or integrated into the visual automation platform, as a situational awareness tool;
- “(H) support active testing of a remote tower system that has achieved system design approval by the William J. Hughes Technical Center at an airport that has installed remote tower infrastructure to support such system.

And also:

- “(1) IN GENERAL.—Not later than 1 year after the date of enactment of this subsection, the Secretary shall allow air traffic controllers at towers operated under the Contract Tower Program to use approved advanced equipment and technologies to improve operational situational awareness, including Standard Terminal Automation Replacement System radar displays, Automatic Dependent Surveillance- Broadcast, Flight Data Input/Output, and Automatic Terminal Information System.
- “(2) INSTALLATION AND MAINTENANCE. —Not later than 2 years after the date of enactment of this subsection, the Secretary shall allow airports to—
- “(A) procure a Standard Terminal Automation Replacement System or any equivalent system through the Federal Aviation Administration, and install and maintain such system using Administration services: or
- “(B) purchase a Standard Terminal Automation Replacement System, or any equivalent system, and install and maintain such system using services directly from an original equipment manufacturer.

FCLWD Potable Water Line Construction

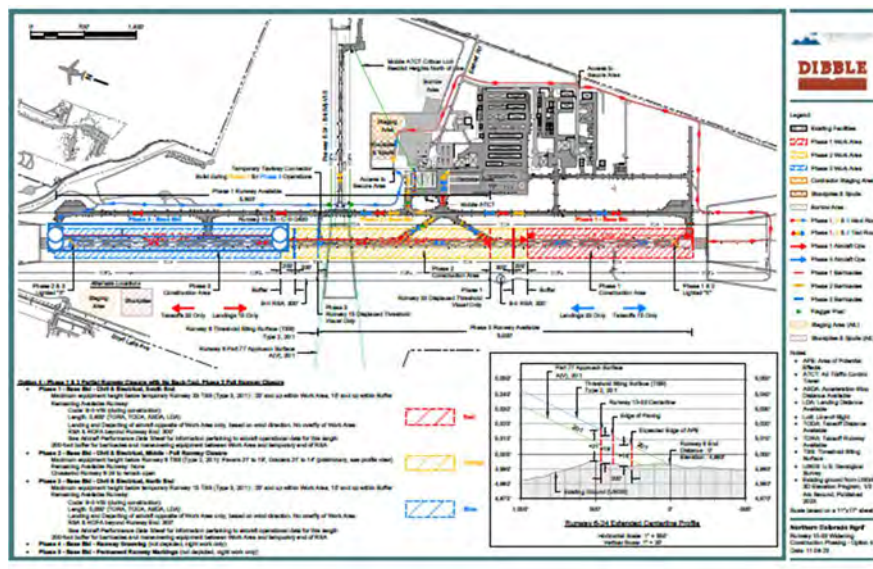
The waterline construction is nearing completion with the Taxiway F crossing finished and the Earhart Road crossing to begin in the next two weeks. The Earhart Road crossing will begin on May 20th and result in a detour via Lindburgh and Lear to access the Airport for approximately one week.

Governance Study

The meeting for the Governance Study Board is expected to be scheduled within the next two weeks. The study is available on the FNL website at, [2023-12-26-Airport-Governance.pdf](https://www.flynoco.com/2023-12-26-Airport-Governance.pdf) ([flynoco.com](https://www.flynoco.com/)).

Runway Widening Project

Per the engineer's evaluation of the proposed three phase plan for the Runway Widening project, the plan would increase the total construction time to 200 days and the overall cost to \$18.1 million. In addition to the \$2.7 million in additional construction cost there would also be a re-design cost of \$125,000. Due to the increased time required the project would very likely need to shut down over the winter further extending the period of time the runway would be closed or at least limited in length. The FAA has stated that all of the additional costs would need to be covered locally. Based on this information, the three phase approach is not viable.



Taxiway B&D/Hangar Taxilanes

The bids received for the project RFP were opened April 18th and project had to be split into two separate projects because the low bid on Federal project was not low bid on local portion. FNL is rebidding local Taxilane work as an independent project. Bids for the Taxilane rehabilitation project are due next week. The Taxiway B&D project will start at the earliest on June 26th, with 10 days of closure. Roughly a month total with curing and painting. Both projects may still be completed at the same time depending on the outcome of the local bids.



PDSC Meeting

The most recent meeting of the PDSC was held on 5-1-2024. The meeting minutes will be addressed in a separate agenda item.

Airport Scheduled Events

- May 20-25 closure of Earhart Drive for FCLWD waterline crossing
- Jun 20-24 Air Race Classic Terminus Airport
- June Crack Seal Dates TBD
- July Runway Painting Dates TBD
- Sep 14 Aims Aviation Day
- Oct 9 Terminal Target Completion
- Oct 12-18 NIFA SAFECON Event

Attachments

1. Northern Colorado Regional Airport Terminal Construction Report
2. Loveland Fire and Rescue Authority ARFF monthly report
3. Remote Air Traffic Control Contract Progress Report #31
4. Senate Overwhelmingly Approves FAA Reauthorization Act
5. State Aviation Officials Applaud Senate Passage of FAA Reauthorization Bill
6. Website Platform Helps Airports Attract More Customers
7. Pitkin County Commissioners Approve Revised Airport Layout Plan
8. PitCo votes to shift airport runway 80 feet west



Northern Colorado Regional Airport Terminal



Exterior stucco veneer



Overhead mechanical rough in



Terminal construction progress

MAJOR MILESTONES

- Storefront/glazing installation is complete.
- Roofing installation activities are underway.
- Electrical, plumbing, and mechanical rough in is underway.
- Polished concrete floor work is underway.
- Interior partition wall framing is complete.
- Drywall installation is underway.
- Exterior building finishes are underway.
- Site electrical and communication conduit installation is underway.

WORK UPCOMING

- Interior finishes and room buildout.
- Drywall/acoustical ceiling panel installation.
- Site improvements subgrade prep and paving.



EXPENDITURE
TO DATE

\$7,490,447

CONTRACT VALUE: **\$15,349,914**

CHANGE ORDER
PERCENTAGE

3.27%

DAYS CHARGED TO DATE

288

ORIGINAL CONTRACT: **422 DAYS**

LOOK AHEAD SCHEDULE

	APRIL	MAY	JUNE	July
Roof system installation				
Storefront/glazing installation				
Electrical, plumbing, and mechanical rough in				
Exterior building finishes				
Interior partition wall framing				
Drywall installation				
Drywall/acoustical ceiling panel installation				
Site utilities (electrical/communications)				
Site surface improvements				



HENSEL PHELPS
Plan. Build. Manage.





Weekly Report

5/10/24

Northern Colorado Regional Airport Terminal (FNL)

Owner: Northern Colorado Regional Airport
Engineer: Dibble
Contractor: Hensel Phelps

Owner's Project No.: AP2004
Engineer's Project No.: 2019-129

Tasks completed/underway 05/06/24 – 05/10/24:

- *In wall rough in of electrical, mechanical, and plumbing is underway.*
- *Concrete floor polishing is complete.*
- *Interior wall framing is complete.*
- *Interior drywall installation is underway.*
- *Interior ceiling framing installation is underway.*
- *Exterior wall insulation is underway.*
- *Exterior stone veneer installation is underway.*
- *Exterior stucco installation is underway.*
- *Primary electrical feed installation is underway.*

Work scheduled for 05/13/24 - 05/17/24:

- *Continued in wall mechanical, electrical, and plumbing rough in.*
- *Continued HVAC ductwork and damper installation.*
- *Continued drywall and close in of interior partition walls.*
- *Continued exterior finishes installation.*
- *Mechanical screen wall painting.*
- *Electrical room painting.*
- *Primary electrical conduit installation to existing service vault.*
- *Exterior site improvements subgrade prep.*

Upcoming Activity Schedule	5/06/24-5/10/24	5/13/24-5/17/24	5/20/24-5/24/24
Concrete Floor Polishing			
Overhead Plumbing/HVAC/Electrical			
In Wall Mechanical, Electrical, and Plumbing Rough In			
Interior Drywall Installation			
Exterior Finishes Stucco/Stone/Metal Panel			
Electrical/Communications Utility Installation			
Exterior Site Improvements Prep			

Photos attached represent status of work over the last seven days.

Weekly Report Northern Colorado Regional Airport Terminal (FNL)

Photos

Weekly Report

Taken On
05/09/2024

Description
North East building
slab concrete
polishing.



Weekly Report

Taken On
05/09/2024

Description
North East building
slab concrete
polishing finish.



Weekly Report

Taken On
05/09/2024

Description
Insulation
installation.



Weekly Report

Taken On
05/09/2024

Description
Insulation
installation.



Weekly Report

Taken On
05/09/2024

Description
Departure lounge
ceiling framing/
soffit.



Weekly Report

Taken On
05/09/2024

Description
Departure lounge
ceiling framing/
soffit.



Weekly Report

Taken On
05/09/2024

Description
East building
elevation exterior
wall stucco finish.



Weekly Report

Taken On
05/09/2024

Description
South building
elevation stucco and
rain screen
installation.



Weekly Report

Taken On
05/10/2024

Description
East exterior stone
veneer installation.



Weekly Report

Taken On
05/10/2024

Description
East exterior stone
veneer installation.



Weekly Report

Taken On
05/10/2024

Description
New electrical
transformer bedding
and conduit
installation.



Weekly Report

Taken On
05/10/2024

Description
Primary power utility
trenching to existing
service vault.



May 2024 ARFF Update

Happy May!

ARFF:

- **The upper card reader on Gate 3 is working. It will read the LFRA window boxes and all other prox cards with given access.**
- ARFF member annual live burns to complete the FAR Part 139 certifications are:
 - May 16th
 - May 30th
 - June 26th
 - July 11th
 - Burns are held at Denver Int'l Airport fire training center, and taught by Denver Fire Dept.

Flights for May:

- **May 2-5th** - The Cirrus training conference will be held at the Embassy Suites and NoCo Regional Airport. 30-50 Cirrus aircraft will be in our area for the weekend and doing training flights 50-70 miles away.
- CDFPC has two SEATs based at NoCo Regional

Airport - Important Meetings:

- Airport Commission meeting will be held on **May 16th, 3:30-5:00pm** at the Fire Station conference room

Other Airport News:

- Airport terminal construction is on schedule and well underway! The windows are filling in! Please see the www.flynoco.com website for updates on the terminal construction!
- Get connected to Denver flights through Landline! You can search your favorite travel site (ie. [Priceline](#), [Expedia](#)) and enter Loveland/Fort Collins (FNL) as your departure airport.

- Kids ride free and parking at NoCo Regional is free! There are over 8 trips a day to Denver International!
- <https://landline.com/>

Have a wonderful month!

Gina Gonzales

ARFF Engineer

Loveland Fire Rescue Authority

LFRA Fire Station 4, Northern Colorado Regional Airport



970-568-6026

– business cell – for messages as well

gina.gonzales@lfra.org - email

www.lfra.org



NORTHERN COLORADO
REGIONAL AIRPORT

www.flynoco.com

***Like the flight attendant says, "First put the oxygen mask on yourself... only then can you help someone else with theirs"*



April 30, 2024

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

Section A – Remote Air Traffic Control Contract Progress Report #34

Re: Period: April 1 through April 30, 2024

Colorado Digital Tower Project Activity Status

Activity	Status/Start Date (Projected)	Finish Date (Projected)	Remarks
Digital Tower Implementation			
STARS Operational at FNL	11/25/2022	12/15/2022	Complete
Move STARS Slave Display to Mobile ATCT	8/2/2023	TBD	FAA withholds approval
Digital Tower System			
FNL Non-Binding Letter of Intent to RTX/Frequentis	1/18/2024	2/2/2024	Complete
RTX/Frequentis Letter of Intent to FNL	2/15/2024	2/15/2024	Complete
RTX/Frequentis Digital Tower Proposal	4/18/2024	4/18/2024	Being Reviewed
Digital Tower Testing			
Raytheon-Frequentis Installs Equipment at Tech Center	4/21/2024	TBD	In-Progress
FAA Send Closeout letter and Project Accounting	3/21/2024	3/21/2024	Complete
RTX/Frequentis Begins Testing at Tech Center	5/15/2024	TBD	
RTX/Frequentis Completes System Design Approval	TBD	TBD	
RTX/Frequentis to FNL	TBD	TBD	
FAA Testing at FNL	TBD	TBD	
Digital Tower Receives Op Viability Decision	TBD	TBD	
Digital Tower System and ATCT Commissioned	TBD	TBD	
Functional Acceptance Decision	TBD	TBD	

Remote Tower Project Narrative:

RTX/Frequentis has begun installation of equipment at the National Aerospace Research and Technology Park (NARTP) and at the Atlantic City International Airport (ACY). To date, they have installed the test consoles and brought one of the three mobile camera masts to ACY. The control room at the NARTP still must be completed by the FAA before testing can begin. Frequentis has provided the SDA documents to Tech Ops and have had roughly a third accepted with the remainder in progress. The documents remaining have been deemed acceptable and are going through review by the agency.

On April 24, 2024 the RTX/Frequentis team proffered a preliminary proposal to the Northern Colorado Regional Airport (FNL) to design and install their Digital Tower System after substantial completion of the System Design Approval (SDA).

The system would be required to receive FAA specific site approval at FNL before becoming fully operational. It is anticipated that a one to two month testing period would be required prior to receiving Operational Viability Decision, System and Tower Commissioning. These final steps must be completed at the airport as SDA at the NARTP does not include operational testing.

After reviewing the proposal, there are a few observations that will need to be addressed. The technical proposal and statement of work are reasonable with a few technical questions that will require further discussion--in particular, their proposal to use the STARS Mini-ELITE as the track-based interface with the system automation.

It has long been my position that without a track-based (radar) component, as a situational awareness tool, a digital tower at an airport like FNL will be handicapped, given its level of operations. There are three ways in which this can be accomplished.

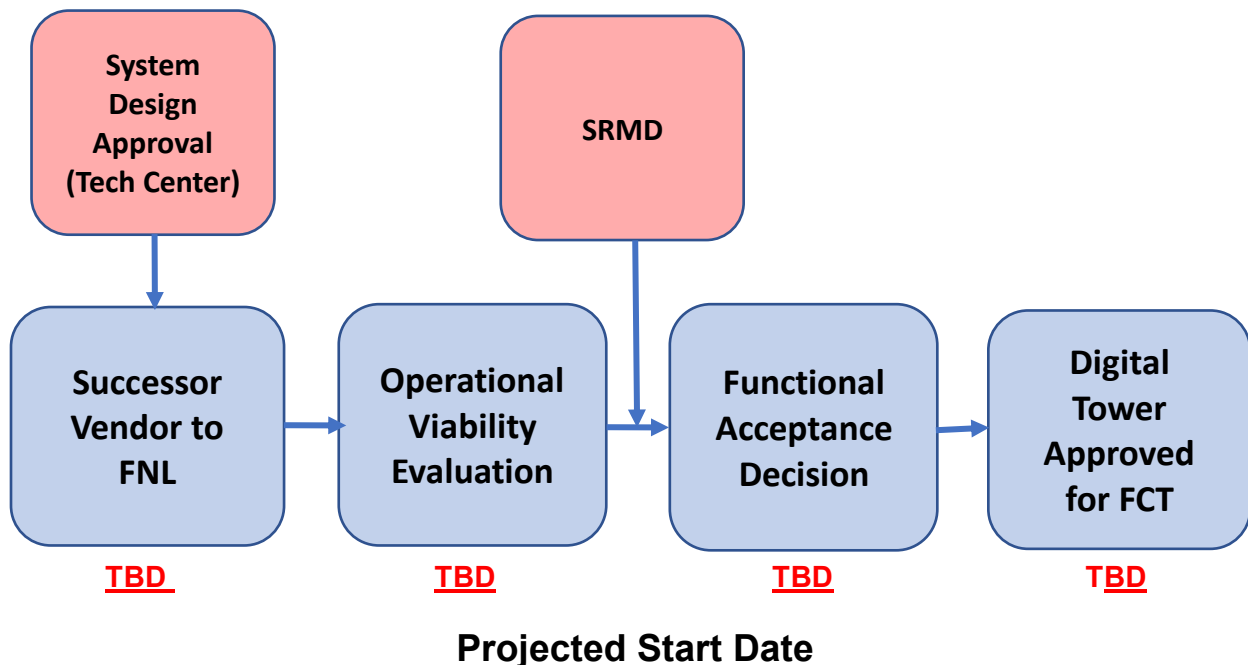
1. A Stand-alone STARS remote tower display that would provide situational awareness to controllers as is currently done in airport traffic control towers (ATCT) in the National Airspace System (NAS) today.
2. A STARS that will allow the data to be ingested into the automation platform and displayed on the video monitors. This would require a one-way communication configuration that will permit the radar data to be displayed without communication back to the NAS.
3. A system like the STARS Mini-ELITE that could either stand alone with its own sensors and not be connected to the overlying radar facility (Tracon) or, if certified, be connected to the Tracon automation. Either path will require certification.

We have proposed and previously discussed with RTX/Frequentis a funding mechanism for their consideration. Under that scenario, the digital tower system would be owned by RTX/Frequentis and the airport would pay for the system and maintenance as a subscription service. In its simplest form, RTX/Frequentis would retain ownership of the system and maintain the equipment and charge a monthly fee. The fee would include the cost of the equipment and O&M for a period to be determined until the hard and soft cost of installation of the digital tower system is retired, and thereafter a monthly fee for operating and maintaining the system would be charged.

FNL is in the Federal Contract Tower (FCT) Program which, under the terms of the Tower Operating Agreement, does not recognize digital towers as an alternative to a legacy, “sticks and bricks” ATCT. This will have to be addressed with the FCT Program Office in advance of moving forward with a digital tower at FNL. To that end, I have been discussing the possibilities with NextGen and the FCT Manager. This situation may be rendered moot, however, provided the current version of the FAA Reauthorization bill is enacted into law, as it contains language we proposed to change Section 47124(b) Title 41, United States Code to allow remote towers into the FCT Program.

The Aeronautics Division started the remote tower project (now referred to as the digital tower program) in 2013 and has made a substantial investment in the project. The FAA’s actions since have resulted in refocusing of the project away from the Division as a primary partner and instead toward the airport to determine its destiny. Moving forward, FNL will benefit greatly from reliance upon the Division’s extensive knowledge and experience with the digital tower program. This will also allow the Division to complete what was started and ensure that Colorado’s effort in this innovative technology will not be wasted. It would also support furtherance of the ultimate goal of having multiple State airports either separately or in a digital tower center reap the benefits of airport traffic control. I truly believe if we don’t see the RTX/Frequentis option to its logical conclusion relative to all that has been achieved at FNL, the State will have missed the opportunity to turn our previous struggles into an extraordinary success.

Proposed Digital Tower Process Moving Forward:



Schedule Note: This status is based on the latest proposed schedule and is dependent upon System Design Approval at the Tech Center

REMOTE TOWER PROJECT PROGRAM MANAGEMENT

Program Description/Background

The Program Manager for this project, William E. Payne, will serve as a technical subject matter expert to represent the Division's investment and interest in the Remote Tower and facilitate the project's forward progress to FAA certification and deployment. The Program Manager will participate in and assist with the development of all evaluation, testing, and certification activities, as well as attend all project meetings, and will serve as the technical representative for the Division of Aeronautics during all phases of the project as enumerated below.

Tasks:

1. Provide Technical Representation and Oversight of the Project

Effort this Period: Completed.

2. Participate in Development of the FAA's Operational Safety Assessment (OSA) Basis for Evaluation of Non-Federal Remote Tower Equipment

Effort this Period: The OSA is still in draft form and is continuing to be developed as the project proceeds toward System Design Approval.

3. Participate in Development of the Operational Visual Requirements (OVR)

Effort this Period: The OVR Version 2.1 has been issued.

4. Participate in Development of the Requirements/Specifications for Non-Federal Tower Equipment

Effort this Period: Participated in the FAA TechOps review and commented on the Remote Tower Requirements Document and prepared comments on OVR 2.1. Completed.

5. Assist with Development of System Configuration

Effort this Period: The system configuration will be modified based on lessons learned 4K cameras and displays for demonstration on March 27, 2023.

6. Modify System Configuration Based on Testing Phase Comments

Effort this Period: Completed by Searidge.

7. Run Periodic Tests of the Remote Air Traffic Control Tower System During Periods of Evaluation/Testing Inactivity

Effort this Period: Complete.

8. Attend System FAA Technical Interchange Meetings (TIM)

Effort this Period: Provided SME representation in the recent FAA discussion of OVR 2.1. Completed.

9. Participate in FAA Configuration Review Board (CRB) Activities

Effort this Period: NextGen has yet to establish the CRB. This effort may be rolled into development of the Remote Tower AC.

10. Evaluate an Air Situation Display in Preparation for Testing Against Standard Terminal Automation Replacement System Radar Equipment (STARS).

Effort this Period: Complete.

11. Collaborate with FAA on Alternate Phase 1 Virtual/Remote Testing

Effort this Period: Complete

12. Work with FAA to develop and Implement Phase 1 Passive Remote Tower Testing

Effort this Period: Complete

13. Work with FAA to Develop and Implement Phase 2 Active Remote Tower Testing

Effort this Period: There has been no activity on this task this period.

14. Work with FAA and FNL on Phase 3 Industry-Led Initial Operational Capability (IOC)

Effort this Period: This task has been renamed Validation & Verification (V&V.) There has been no activity on this task this period. Phase 3 Active Remote Tower Testing will begin after Phase 2 Active Remote Tower testing is complete and the SRMD has been signed.

15. Work with FAA on Phase 4 Remote Tower System Certification and Commissioning

Effort this Period: There has been no activity on this task this period. Phase 4 System Design Approval and Commissioning will begin after the conclusion of Phase 3 V&V and the SRMD has been signed.

16. Participate in Development of the FAA's Advisory Circular (AC) for Remote Tower Systems for Non-Federal Applications

Effort this Period: Continue participation in the FAA TechOps TIM to review and comment on the Remote Tower Advisory Circular.

17. Provision of Regular Written Reports, Presentations and Updates on the Project's Progress to Internal and External Stakeholders

Effort this Period: Preparation of the monthly Program status report.

18. Travel as Needed (In-State and Out of State) for Meetings with FAA, Airport and Division Personnel

Effort this Period: Travel to FNL for meetings with Airport Board and the Cities of Fort Collins and Loveland.

DEVELOPMENT OF POTENTIAL ENHANCED SITUATIONAL AWARENESS TOOLS FOR NON-TOWERED AIRPORTS

Tasks:

1. Explore the Potential Development of a System Consisting of Existing and New Surveillance Sources that can be Deployed, Owned and Operated by Non-Towered Airports to Provide Airport Staff with Improved Visibility into the Local Airspace and on the Airport Surface, with the Ultimate Goal of Improving Aviation Safety and System Efficiency.

Effort this Period: No activity this period.

2. Prepare System Requirements to be Used by Airports and/or the Division when Seeking Vendor Proposals to Implement a Situational Awareness System.

Effort this Period: No activity this period.

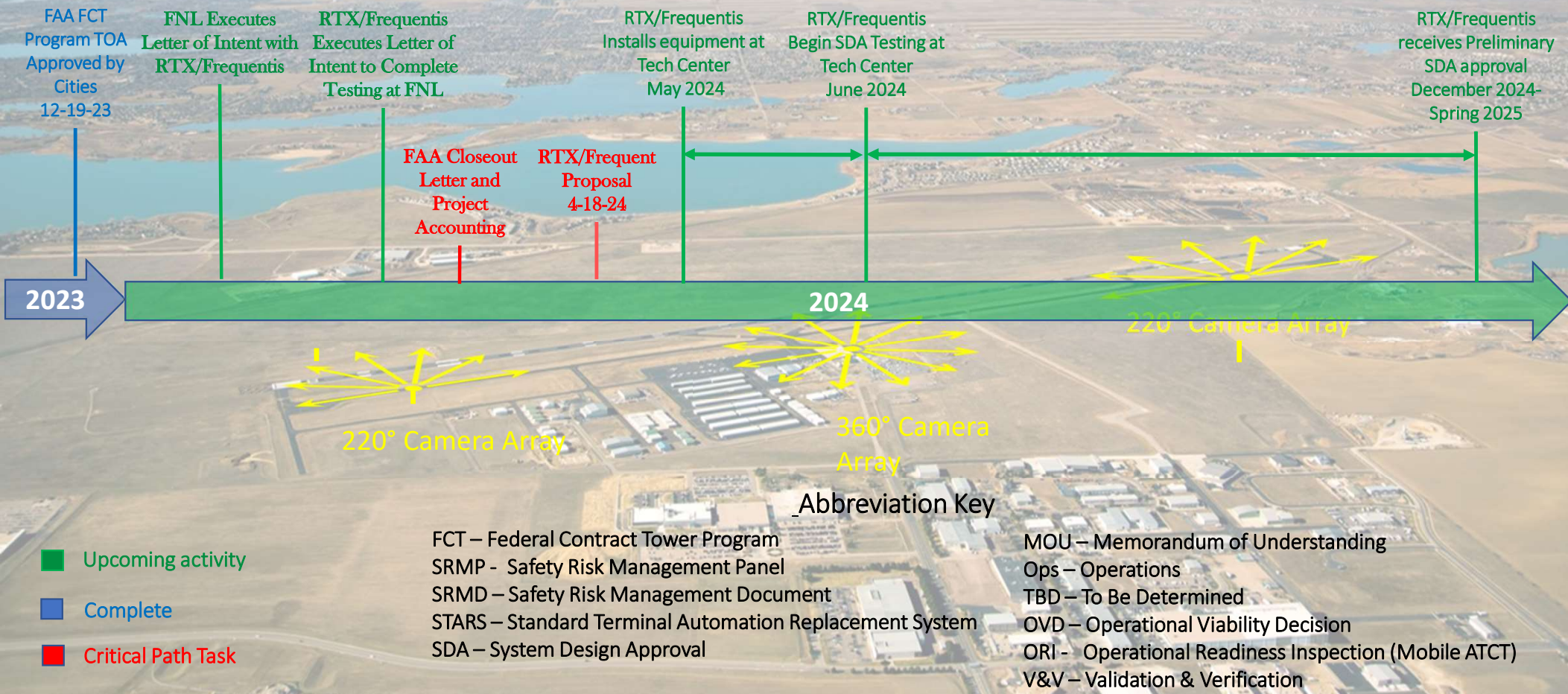
Glossary of Project Technical Acronyms

ADS-B	Automatic Dependent Surveillance – Broadcast
AGL	Above Ground Level
ARTCC	Air Route Traffic Control Center
ASDE-X	Airport Surface Detection Equipment – Model X
ASOS	Automatic Surface Observation System
ASR-9	Airport Surveillance Radar – Model 9
AWOS	Automatic Weather Observation System
ATC	Air Traffic Control
ATIS	Automatic Terminal Information System
AJT	Air Traffic Services
AJI	Safety Technical Training Services
AJV	Mission Support Policies and Procedures
CTAF	Common Traffic Advisory Frequency
ERAM	En Route Automation Modernization
FAA	Federal Aviation Administration
FAT	Factory Acceptance Test (alternately - First Article Test)
FDIO	Flight Data Input/Output
FTI	Federal Communications Infrastructure (Harris Corp.)
GA	General Aviation
HITL	Human In the Loop
HMI	Human Machine Interface
ILS	Instrument Landing System
IOC	Initial Operating Capability
IMC	Instrument Meteorological Condition
LOA	Letter of Agreement
MLAT	Multilateration
MSL	Mean Sea Level (above)
NAS	National Air Space
NATCA	National Air Traffic Controllers Association
NESG	NAS Enterprise Security Gateway
NextGen	Next Generation Air Transportation System
NORDO	No Radio
OSA	Operational Safety Assessment
OTW	Out of the Window
OVD	Operational Viability Decision
RSA	Runway Safety Area
SAT	Site Acceptance Test
SDA	System Design Approval
SMR	Surface Movement Radar
SMS	Safety Management System
SRA	Safety Risk Assessment
SRMD	Safety Risk Management Document
SRMDM	Safety Risk Management Document Memorandum
SRMP	Safety Risk Management Panel
SHA	System Hazard Analysis
SSHA	Sub-System Hazard Analysis
STARS	Standard Terminal Automation Replacement System
SWIM	System Wide Information Management
TAMR	Terminal Automation Modernization and Replacement
TRACON	Terminal Radar Control Facility
UHF	Ultra High Frequency
VFR	Visual Flight Rules
VHF	Very High Frequency
VMC	Visual Meteorological Condition

ATTACHMENTS

1. FNL “Draft Graphic Remote Tower Timeline” as of April 30, 2024.

Colorado Digital Tower Timeline (Draft)



PRESS RELEASES

([HTTPS://WWW.COMMERCE.SENATE.GOV/PRESSRELEASES](https://www.commerce.senate.gov/pressreleases))

Senate Overwhelmingly Approves FAA Reauthorization Act

(<https://www.commerce.senate.gov/2024/5/senate-overwhelmingly-approves-faa-reauthorization-act>)

May 9, 2024

Legislation sets national priorities to strengthen aviation safety standards, grow air traffic controller & safety inspector workforce, implement safety technology on runways & in cockpits

Gives flyers new rights to hassle-free refunds, no-fee family seating & 24/7 customer service; improves accessibility & triples fines for airline consumer violations

Grows infrastructure investments in airports of all sizes, ensures small, rural communities remain connected with air service

Today, the U.S. Senate overwhelmingly approved the bipartisan Federal Aviation Administration (FAA) Reauthorization Act to reauthorize the FAA and the NTSB for five years. Sponsored by Commerce Committee Chair Maria Cantwell (D-Wash.), Ranking Member Ted Cruz (R-Texas), Aviation Subcommittee Chair Tammy Duckworth (D-Ill.) and Ranking Member Jerry Moran (R-Kan.), the legislation prioritizes investments that will strengthen aviation safety, boost consumer protections, grow the aviation safety workforce, advance technology and innovation, and modernize our national airspace system into the future. The legislation is expected to pass the U.S. House of Representatives next week before moving to the President's desk.

"The American people expect and deserve the safest, most reliable and modern aerospace system in the world and this landmark bill is intended to deliver just that. Our bipartisan legislation sets clear priorities to strengthen aviation safety standards, implement new safety technology, hire more Air Traffic Controllers and safety inspectors, give passengers a guaranteed right to a refund, advance innovation and modernize our air travel infrastructure nationwide. With tonight's overwhelming vote, we are one step closer to getting this bill onto the president's desk," **said Chair Maria Cantwell.**

"Today the Senate overwhelmingly passed a major FAA Reauthorization that will modernize and transform our country's aviation system. It was a privilege to lead this significant piece of bipartisan legislation. It included hundreds of key priorities from across the political spectrum and touching every state in the nation. It ultimately gives the FAA the stability it needs to fulfill its primary mission—advancing aviation safety—while also making travel more convenient and accessible. America's aviation sector is the most innovative in the world, and this bill takes it to the next level by integrating the technologies of the future into our nation's aerospace system," **said Ranking Member Ted Cruz.**

"Our country's aviation sector is the linchpin of our economy. The historic investments and reforms in this legislation will have a significant impact on the daily lives of people across Texas and the nation. My bipartisan legislation will greatly benefit Texas's thriving aviation industry by enabling testing for various cutting-edge technologies, improving critical infrastructure at airports across the Lone Star State, and making possible a direct flight from San Antonio International Airport to Ronald Reagan Washington National Airport. I am proud to have worked with my Senate colleagues, Chairwoman Cantwell, Aviation Subcommittee Chairwoman Duckworth, and Ranking Member Moran to address the serious challenges facing the FAA and the aviation industry at large, and to advance provisions that will foster the next generation of aviation technology," **Cruz continued.**

"This FAA Reauthorization is a true bipartisan win for our entire economy as well as a landmark improvement for aviation safety that will benefit the flying public and consumers across this country," **said Aviation Safety Subcommittee Chair Tammy Duckworth**. "Not only does this package include so many of my priorities—including my EVAC Act to ensure emergency evacuation testing reflects realistic situations, a provision upholding strong pilot certification standards and another increasing aviation workforce development funding by six-fold each year—it also represents the most significant effort by Congress in over a decade to make flying safer, easier and more accessible for passengers with disabilities. I'm grateful for Chair Cantwell as well as Ranking Members Cruz and Moran's partnership in getting this done, and I hope the House sends it to the President as soon as possible so our new law can begin growing the aviation workforce, modernizing the FAA, increasing consumer protections for all passengers and strengthening the nation's global standing as the gold standard in aviation safety—including the 1,500-hour rule—for years to come."

"After 14 months of negotiations and several extensions, the Senate came together to pass a long-term FAA Reauthorization poised to not only address the current demands of the aviation industry, but also the future ones," **said Aviation Safety Subcommittee Ranking Member Jerry Moran**. "Thank you to my colleagues Sen. Cantwell, Sen. Cruz and Sen. Duckworth for their partnership and tireless work to balance the priorities of the FAA, the aviation community, its academic partners and the flying public. This long-term reauthorization demonstrates our commitment to aviation safety, innovation and excellence."

Leading up to its passage, America's aviation community, including pilots, flight attendants, air traffic controllers, aerospace workers, airports, manufacturers and more voiced their support for the bipartisan legislation. Read why here (<https://transportation.house.gov/news/documentsingle.aspx?DocumentID=407471>).

The FAA Reauthorization Act of 2024

Bill Text (<https://www.commerce.senate.gov/services/files/BC96EBA2-77A1-401C-96A0-E9B990F4D3E4>)

Authorizes more than \$105 billion in appropriations for the Federal Aviation Administration for fiscal years 2024 through 2028:

- \$66.7 billion for FAA operations to fund key safety programs, from aircraft certification reform to air carrier oversight, and enable hiring, training and retention of safety-critical staff like air traffic controllers and technical engineers.
- \$17.8 billion for FAA facilities and equipment to fund modernization of key technologies and systems to ensure the resilience and development of the world's most complex airspace system.
- \$19.35 billion for FAA airport infrastructure improvement grants to support more than 3,300 airports nationwide in meeting increasing demand and integration of emerging technologies.
- \$1.59 billion for FAA research, engineering and development to help America keep competitive in the global race for innovative and sustainable aerospace technology.

Authorizes \$738 million in appropriations for the National Transportation Safety Board (NTSB) for fiscal years 2024 through 2028.

Improving Aviation Safety

- **Enhances Aircraft Certification Reforms:** This bill builds upon the Aircraft Certification, Safety and Accountability Act of 2020 (ACSAA) with new oversight and accountability requirements to ensure full compliance with FAA safety standards for designing and manufacturing aircraft. It requires FAA to provide public notice and opportunity for public comment on any significant aircraft design changes.
- **Ensures FAA Response to Service Difficulty Reports:** Service Difficulty Reports (SDR) are filed by pilots to report any incidents that occurred on an aircraft. The bill requires the FAA to be responsive to SDRs including to determine and address the causes, and take enforcement action in response to violations of federal aviation regulations.
- **Mandates 25-Hour Cockpit Voice Recording Technologies:** The bill requires commercial airplanes, including those newly manufactured, to be equipped with 25-hour cockpit recording devices to preserve critical data and inform future safety reforms consistent with NTSB recommendations.
- **Reduces Runway "Close Calls":** This bill requires FAA to deploy the latest airport surface situational awareness technologies that track runway aircraft and vehicle movements to prevent collisions, evaluate runway safety technologies, and increase deployment of technology such as Airport Surface Detection Equipment (ASDE-X) at airports.

- **Raises International Safety Bar for Airline Operations:** The bill codifies, for the first time, U.S. safety requirements for foreign countries whose carriers seek to service the U.S.
- **Strengthens the FAA's Oversight of Foreign Repair Stations:** The bill requires FAA oversight of foreign maintenance and repair stations working on U.S. aircraft to match that of U.S. maintenance and repair stations to ensure one level of safety. This provision also removes incentives to offshore U.S. aviation jobs to better protect and support U.S.-certified aircraft mechanics.
- **Builds FAA Global Aviation Safety Leadership:** The bill renews the FAA's engagement with the International Civil Aviation Organization (ICAO) and bilateral partners to ensure the U.S. leads global aviation safety innovation.
- **Protects Against Cyber Security Threats to Aircraft:** The bill helps protect aircraft electronics, including piloting control, against cyber security threats through new FAA requirements and review of the FAA's current strategic framework for aviation security.
- **Updates Air Tour and Helicopter Safety Requirements:** Responding to NTSB recommendations, the bill requires stronger safety requirements for commercial air tours and helicopter operations through increased FAA oversight, equipment upgrades and flight data monitoring.
- **Tracks High-Altitude Balloons:** The bill requires the FAA to establish a new system and requirements for continuous aircraft tracking, including the altitude, location and identity of high-altitude balloons.
- **Improves Cabin Air Quality:** The bill requires the FAA to further evaluate cabin air quality, establish a new method for reporting fume and smoke events for crewmembers, and take action to address any relevant safety risks.

Growing and Supporting the Aviation Workforce

- **Addresses Air Traffic Controller (ATC) Shortages:** With a shortage of approximately 3,000 air traffic controllers nationwide, the bill requires that FAA implement improved staffing standards developed with the labor workforce to close staffing gaps. The bill also requires FAA to set maximum hiring targets to increase air traffic controller staffing.
- **Improves Access to Quality ATC Controller Training:** The bill increases access to high-quality advanced training with the deployment of more high fidelity tower simulation systems in FAA air traffic control towers. These systems have been proven to help controllers prevent close calls and reduce the training backlog and time it takes for controllers to reach certification by 27%.
- **Updates FAA Staffing Model to Hire More Safety Inspectors:** The bill requires FAA to update its aviation safety inspector model for a more accurate assessment of the number needed to perform safety oversight, and to use it to boost hiring of manufacturing safety inspectors, engineers and technical specialists per year.
- **Builds the Aviation Pipeline, Improve Workforce Recruitment and Education:** The bill expands the Aviation Workforce Development Grant Program and increases funding to \$60 million per year through FY 2028 to grow the aviation workforce pipeline through the education and recruitment of pilots, unmanned aircraft systems operators, maintenance technicians, aerospace engineers, and aircraft manufacturing technical workers.
- **Jumpstarts Hiring for the FAA Safety Workforce:** The bill requires the FAA to better leverage its direct hire authority to fill key safety positions related to aircraft certification and address gaps in FAA's safety workforce.
- **Streamlines Job Pathways for Veterans:** The bill streamlines the transition for military servicemembers to civil aviation maintenance careers by requiring the creation of a new military mechanic competency test, and increases FAA outreach and engagement on pathways to attain civilian mechanic certs. The aviation industry currently captures less than 10% of military aviation maintenance technicians.
- **Grows Veteran Pilot Pool:** The bill establishes a competitive grant program at DOT to enable eligible flight training schools to recruit and train veterans, who are not already military aviators, to become commercial pilots and certified flight instructors. By covering costs beyond existing veteran education benefits, the measure will help grow the supply of qualified pilots to provide air service to rural communities.
- **Supports Women in Aviation:** Currently, less than 10% of licensed pilots are women and less than 3% are airline captains. The bill establishes a new Women in Aviation Advisory Committee at DOT, satisfying the Women in Aviation Advisory Board's chief recommendation to focus on bringing more women into aviation careers and the entire industry.
- **Improves Flight Attendant Self-Defense Training:** The bill enhances basic and advanced self-defense training for flight attendants to better protect themselves and respond to unruly passenger incidents and other threats.
- **Improves FAA's Aeromedical System and Approach to Mental Health:** The legislation establishes the Aeromedical Innovation and Modernization Working Group to modernize FAA's evaluation of and approach to mental health and other conditions. The bill also improves the FAA's ability to issue special medical approvals to address backlogs and get healthy pilots safely back to work.

- **Recognizes the Importance of the Airport Service Workforce:** The bill requires GAO to complete a comprehensive review and report relating to the domestic airport service workforce to examine its role and importance to the aviation economy. The DOT would also be able to convene a public working group with stakeholders to evaluate and discuss the report's findings.
- **Improves Ramp Worker Safety:** The bill requires the development and comprehensive update of airport ramp worker safety policies and training to better protect ground crews employed by airlines and contractors who serve in critical roles to keep flights moving.

Improving Consumer Protections and Standards for A Better Flying Experience

- **Sets Clear Right to Refunds:** For the first time, passengers will have the right to a hassle-free refund if a flight is cancelled or delayed 3-hours domestically and if an international flight is delayed 6-hours.
- **Sets Minimum Standards for Airline Credits:** When airlines offer credits or in lieu of a refund, credits must be good for at least 5 years—so they don't expire before they can be used.
- **Strengthens the Office of Aviation Consumer Protection:** The bill authorizes, for the first time, the DOT's Office of Aviation Consumer Protection to be led by a senate-confirmed assistant secretary to ensure that there is an active, politically accountable cop on the beat advocating for consumers. The bill authorizes \$70 million over five years for this new office.
- **Requires Fee-Free Family Seating:** The bill prohibits airlines from charging fees for families to sit together. Working families shouldn't have to be burdened by fees just so their young child isn't seated next to a stranger.
- **Triplies Civil Penalties for Violations:** To hold airlines accountable, the bill triples the DOT's statutory civil penalty for consumer violations from \$25,000 per violation to \$75,000.
- **Improves Communication with Consumers When Things Go Wrong:** During Southwest's system meltdown, the airline failed to communicate with passengers stranded at airports. Some airlines dropped their call centers altogether or charge fees to speak to live agents on the phone. The bill requires airlines to provide free, 24/7 access to customer service agents by phone, live chat or text message.
- **Makes Airline Passenger Service Standards Comparison Dashboard Permanent:** The bill requires DOT to permanently operate an online dashboard comparing information about airline family seating policies and consumer redress in the event of a delay or cancellation where the airline is at fault. And DOT must create a dashboard that shows consumers the minimum seat sizes for each U.S. airline.
- **Sets Reimbursement Policy for Incurred Costs:** Airlines must establish policies regarding reimbursement for lodging, transportation between lodging and the airport, and meal costs incurred due to a flight cancellation or significant delay directly attributable to the air carrier.

Improving Aircraft Accessibility

- **Improves Evacuation Standards:** The FAA's current standards require that passengers—regardless of age or ability—be able to evacuate aircraft within 90 seconds. The bill requires the FAA to study aircraft evacuation and an expert panel to evaluate gaps in current standards and procedures and make recommendations. The FAA must initiate a rulemaking on recommendations the FAA Administrator deems appropriate.
- **Extends the Disabilities Advisory Committee:** The bill extends the Disabilities Advisory Committee through 2028, which oversees the air travel needs of passengers with disabilities and makes recommendations to the FAA.
- **Prevents Damage to Wheelchairs:** The bill requires training for airline personnel on safely storing wheelchairs and scooters to avoid leaving flyers with disabilities with damaged or broken mobile assistance.
- **Accommodates Seating Requests for Passengers With Disabilities:** The bill allows passengers with disabilities to request seating to accommodate disability-related needs, such as being close to a restroom, being seated with a companion or assistant or providing more legroom.
- **Offers Onboard Wheelchair Requests:** This bill ensures customers know they can reserve onboard wheelchairs.
- **Strengthens Protections for Passengers With Disabilities:** The bill strengthens Air Carrier Access Act enforcement protections for passengers with disabilities by ensuring airplanes are designed to accommodate people with disabilities and airlines meet accessibility standards.
- **Improves Airport Accessibility:** The bill creates a new FAA pilot program to award grants to upgrade the accessibility of commercial service airports for people with disabilities.

Expanding Air Travel Service to More of America and Upgrading Airports

- **Ensures Rural America's Access to Air Travel:** The bill strengthens the Essential Air Service (EAS) program and increases funding by over 111% per year to ensure small and rural communities remain connected to the National

Airspace System and are not subject to a cost share. Scheduled air service is a critical economic driver and the EAS program benefits approximately 60 communities in Alaska and 115 communities in the lower 48 states.

- **Protects Service to Small Airports:** The bill incentivizes airlines to honor their EAS contracts by giving DOT the ability to penalize airlines that seek to abandon EAS communities and make it harder for airlines to terminate contracts that could leave communities without air service.
- **Brings New Air Service to Small Airports:** The bill increases funding for Small Community Air Service Development (SCASD) grants by 50% to \$15 million per year to help small communities attract new air service to their small airports.
- **Rebuilds Airports, Terminals and Runways:** The bill boosts Airport Improvement Program (AIP) funding from \$3.35 billion per-year to \$4.0 billion per-year beginning in FY25 to continue modernizing airport infrastructure as outlined in the Bipartisan Infrastructure Law.
- **Supports Small Airports with Modern Infrastructure and Technology:** The bill ensures small airports are not left behind and the needs of small communities and rural airports are met through stable AIP funding and reduced local share requirements.
- **Disposes of Harmful Airport Firefighting Chemicals:** The bill establishes a new grant program to help airports dispose of PFAS, harmful forever chemicals used in firefighting foam, and replace them with safer solutions for firefighters.

Modernizing the National Airspace System and Leading Global Aviation Innovation

- **Modernizes FAA Systems:** The bill requires the FAA to complete the last stage of NextGen by December 31, 2025, and upgrade the National Airspace System with the latest software and infrastructure.
- **Plans for Future Airspace Technology:** The bill provides the FAA with resources and direction to complete the next stage of airspace modernization by deploying new air traffic management and surveillance technologies and incorporating the lessons learned from previous modernization efforts.
- **Facilitates Commercial Use of Drones and Unmanned Aircraft:** The bill directs the FAA to establish a pathway for beyond visual line-of-sight operations and create two additional test sites for companies to start using unmanned aircraft (UAS) for package delivery or other operations. The bill also gives the FAA enforcement authority to prohibit unauthorized or unsafe use of UAS.
- **Extends the BEYOND program:** The bill continues the BEYOND program, launched in 2020, for five years. Progress has been made under the Unmanned Aircraft Systems Integration Pilot Program which centers around developing standards, engaging communities and informing policies to facilitate the safe deployment and operation of drones.
- **Supports Avenues to Safety Certification of Air Taxis:** The bill supports pathways and additional certainty needed for the safety certification of advanced air mobility powered-lift aircraft, or "air taxis," capable of vertical take-off and landing.

Continuing Research and Development for Innovative Aviation Technologies

- **Expands Research at the FAA's Joint Centers of Excellence for Advanced Materials:** The bill expands the Joint Centers of Excellence for Advanced Materials, co-led by the University of Washington and Wichita State University, to further research that could make aircraft lighter and more fuel efficient, and improve aircraft safety and accessibility for individuals with disabilities.
- **Improves Modernization of FAA Systems Research:** The bill creates a new research program to ensure continued modernization of the FAA's aviation information systems.
- **Supports Innovative Aircraft Jet Fuels Research:** The bill expands critical research at the FAA Center of Excellence for Alternative Jet Fuels and Environment (ASCENT) to promote safety, cut carbon emissions and make commercial aviation more fuel efficient.
- **Furtheres UAS and AAM Research:** The bill expands FAA research to safely integrate unmanned aircraft systems and advanced air mobility into the national airspace system, including making it easier for first responders to use drones for disaster response.
- **Small Business Recognition:** This bill levels the playing field for small businesses to be able to further participate in the FAA's Continuous Lower Energy, Emissions and Noise Program.
- **Creates Pathways for New Entrant Technologies:** This bill works to research how to best introduce emerging aviation technologies into the airspace, including electric propulsion and hypersonic aircraft.
- **Exercises FAA Leadership in Hydrogen Research and Policy Development:** The bill requires the FAA to coordinate with the Department of Energy to develop and execute a research strategy to enable the safe use of hydrogen in civil aviation. The FAA would also be required to exercise leadership in developing policies, standards and regulations to inform the safe certification of hydrogen-powered commercial aircraft.

- **Provides New Federal Investments in Unleaded Fuels Resources:** The bill expands eligibility under the FAA's Airport Improvement Program to fund critical infrastructure, such as storage tanks and pipelines, to support the transition from leaded aviation gasoline to unleaded aviation gasoline in airports across the country.

Empowering the NTSB

- **Authorizes More Funding:** This bill authorizes \$738 million over five years for the NTSB, ensuring the agency has the workforce and resources it needs to thoroughly investigate accidents throughout the country.
- **Additional Workforce Training:** Ensures the NTSB workforce can acquire new and additional training it needs on emerging transportation technologies so that investigators are prepared to investigate now and into the future.
- **New Investigative Authorities:** This bill grants the NTSB additional authority to investigate and identify probable cause for any highway accident, including highway accidents that occur at railroad grade crossings, concurrent with any State investigation. It also requires the NTSB and relevant state agencies to coordinate to ensure both the NTSB and the state agencies have timely access to the information needed to conduct their investigations.
- **Ensures Access to Data:** This bill ensures that the NTSB will be able to obtain the recordings, recording information, design specifications, and other data it needs from entities that are subject to an investigation by the NTSB.
- **Improves Delivery of Family Assistance:** This bill broadens the scope of assistance required to be provided by airlines to passengers and families of passengers who are affected by accidents.

Sen. Cantwell led bipartisan and bicameral negotiations, along with Ranking Member Ted Cruz, and House Transportation and Infrastructure Committee Chair Sam Graves (R-Mo.) and Ranking Member Rick Larsen (D-Wash.) to reach agreement on the final bill.

Sens. Cantwell, Cruz, Duckworth and Moran introduced (<https://www.commerce.senate.gov/2023/6/cantwell-cruz-duckworth-moran-introduce-bipartisan-faa-reauthorization>) the Senate FAA Reauthorization bill on June 12, 2023, and the Committee passed (<https://www.commerce.senate.gov/index.php/2024/2/senate-commerce-committee-passes-5-year-bipartisan-senate-faa-reauthorization-focused-on-improving-safety-advancing-technology>) the legislation with bipartisan support on February 8, 2024. The Committee held eight hearings to inform the bill's drafting, including:

Integrating new entrants into the National Airspace System on September 28, 2022

(<https://www.commerce.senate.gov/2022/9/faa-reauthorization-integrating-new-entrants-into-the-national-airspace-system>), strengthening airline operations and consumer protections following the Southwest and holiday cancellations on February 9, 2023 (<https://www.commerce.senate.gov/2023/2/executive-session>), modernizing the FAA's NOTAM

system following failures on February 15, 2023 (<https://www.commerce.senate.gov/2023/2/the-federal-aviation-administration-s-notam-system-failure-and-its-impacts-on-a-resilient-national-airspace>), overseeing aviation safety and the Aircraft Certification, Safety, and Accountability Act on March 8, 2023

(<https://www.commerce.senate.gov/2023/3/implementation-and-oversight-of-the-aircraft-certification-safety-and-accountability-act>), strengthening the aviation workforce on March 16, 2023

(<https://www.commerce.senate.gov/2023/3/strengthening-the-aviation-workforce>), enhancing consumer protections and connectivity in air transportation on March 23, 2023 (<https://www.commerce.senate.gov/2023/3/enhancing-consumer-protections-and-connectivity-in-air-transportation>) and advancing the next generation aviation technologies on March 29, 2023 (<https://www.commerce.senate.gov/2023/3/advancing-next-generation-aviation-technologies>), and addressing

close calls to improve aviation safety on November 9, 2023 (<https://www.commerce.senate.gov/2023/11/addressing-close-calls-to-improve-aviation-safety>).

State Aviation Officials Applaud Senate Passage of FAA Reauthorization Bill

Friday, May 10, 2024 (0 [Comments](#))

FOR IMMEDIATE RELEASE

May 10, 2024

Contact: Taylor Bryan

(202) 925-7345

Washington, D.C. (May 10, 2024) – The National Association of State Aviation Officials (NASAO) President and CEO, Greg Pecoraro, issued the following statement regarding U.S. Senate passage of the bipartisan, bicameral Federal Aviation Administration (FAA) Reauthorization bill:

“NASAO applauds the U.S. Senate for passing this bipartisan, bicameral FAA Reauthorization bill. This comprehensive bill ensures that we continue to make much needed investments in our aging aviation infrastructure, but also plan for the future and take advantage of exciting new aeronautical technologies that will keep the United States at the forefront of global aviation. We thank Committee Chair Maria Cantwell, Ranking Member Ted Cruz, Subcommittee Chair Tammy Duckworth, and Subcommittee Ranking Member, Jerry Moran, and Majority Leader Chuck Schumer for their leadership and commitment on getting this bill through the Senate. We look forward to seeing the House take up and pass the bill quickly on their return next week.”

Earlier this week, NASAO sent a [letter in support](#) of the bipartisan, bicameral FAA reauthorization bill and urging Congress to pass it quickly before the current authorization expired.

###

NASAO is the nationally recognized voice for the public interest in aviation on behalf of the states and territories. We represent state government aviation agencies in all 50 states, Guam, and Puerto Rico. Its mission is to encourage and foster cooperation throughout the public sector in the development and promotion of a national aviation system that safely and effectively serves the needs of citizens, commerce, and communities throughout the United States.

Website Platform Helps Airports Attract More Customers



Author: Ken Wysocky **Published in: March-April 2024**

Growth can be elusive for any airport, especially small ones that suffer “leakage”—the loss of customers to larger nearby airports.

Appleton International Airport (ATW) in east-central Wisconsin and Columbia Metropolitan Airport (CAE) in South Carolina have a new tool to help plug their revenue-killing leaks: FlyMyAirport from Airport One LLC.

The digital platform, which is embedded on each airport’s website, makes it easy for travelers to see at a glance what flights originate at their local airport. It also allows them to book flights by clicking on the provided link.

“FlyMyAirport acts like a 24/7 customer service agent,” says Abe Weber, airport director at ATW. “Consumers just choose their search criteria, and it provides the best options for flying through our airport versus another. It basically helps decrease competition from other airports.”

Last year, ATW served nearly 1 million passengers, but approximately 70% of consumers in its target catchment area drove to Milwaukee or Chicago for outbound flights.

“To get bigger, we have to capture that leakage by motivating people to fly from our airport,” Weber says. “And this is a tool made to combat that leakage.”

Furthermore, the website platform gives ATW insights into users’ travel searches and purchasing habits, which provides a better understanding of what consumers in Wisconsin really want, he adds.

Kim Crafton, vice president of Marketing and Air Service Development at CAE, is also enthused about the online aid.

“When we first heard about it, I thought it was a really clever and unique feature that we could use to not only drive traffic to our website, but encourage our local community to fly locally,” she says. “Our constant message is to book local and fly local.”

“FlyMyAirport provides a way to show consumers that we can get them where they need to go, starting right here at CAE,” Crafton continues. “It fits into our layered approach to marketing—one of many things we do to ensure that our community travels through this airport.”

Plugging the Leaks

COLUMBIA
METROPOLITAN AIRPORT
facts&figures

Project: Online Booking Support

Digital Platform: FlyMyAirport

Vendor: Airport One LLC

Cost: \$2,500 set-up fee;
\$2,000/month
subscription fee

Format: Integrates with existing
airport websites; platform
hosted/maintained by Airport One;
flight information continually

Steve Romme, partner and co-founder of Airport One, explains that FlyMyAirport was developed after years working with ATW as a marketing consultant, trying to boost passenger traffic.

But a common frustration kept emerging. When ATW would run ads on social media encouraging travelers to fly out of Appleton, links to third-party online booking agents would direct travelers to cheaper and/or nonstop flights out of airports in Milwaukee or Chicago—without information about the additional travel time or transportation costs associated with using those larger, farther-away airports.

“People essentially were being directed to fly out of another city,” Romme explains. “So we’ve been on a mission to get more people to fly local. When airports are strong, communities are strong, too.”

FlyMyAirport offers what he calls a search-to-book solution. Consumers who visit the website of airports using it will see the platform prominently displayed on the airport’s home page. After they enter a destination and select departure and return dates, they are directed to Kayak.com, a “meta” search engine that displays only flights originating from that airport. When consumers select a flight option, they are connected directly to the associated airline.

“They book directly from an airline website—no middleman involved,” Romme emphasizes. “That’s important because if something goes wrong, like a flight cancellation, the airline will help them. The airport isn’t part of the transaction, so it doesn’t get those calls from customers.”

Airports pay \$2,000 per month to use FlyMyAirport, plus a one-time set-up fee of \$2,500. Under Airport One’s satisfaction guarantee, airports can cancel the service at any time.

Romme notes that officials at large airports also are expressing interest in FlyMyAirport to help develop direct relationships with consumers.

“The core of FlyMyAirport’s appeal lies in its ability to act like a restaurant menu, allowing airports of all sizes to communicate the best offerings that align with their consumers’ very specific needs,” he says. “This isn’t just about leakage prevention. It’s about elevating the overall customer service and experience and making it easier for consumers to find the best flight options available from their airport.”

Dashboard Data

Airport One provides clients with an online dashboard that details several critical website metrics, including:

- daily visits,
- number of unique visitors,
- number of searches by destination,
- which flights/destinations travelers prefer and which they don’t,
- volume of “free” visits unsupported by advertising and
- the total number of tickets purchased.

The metrics provide airports with valuable information that can help them spend marketing dollars more efficiently, says Romme.

“The data gives them an indication of what consumers think of their current air service, which can help them refine their marketing strategies because they can see what consumers are buying,” he elaborates. “For example, airports might advertise flights to Las Vegas, but they typically don’t know if customers actually looked for those flights, much less bought them. But now they know what customers clicked on, searched and bought.

“Also, before FlyMyAirport, airports didn’t know their customers’ names because they booked flights elsewhere,” Romme continues. “And if you never know your customers, you can’t build relationships with them or understand how to better service them. Now, airports get to know their customers and their customers get to know them.”

Another use for the dashboard data is market analysis for air service development.

Given the information it gathers and customer connections it fosters, Romme considers the website platform “unlike anything else ever developed for airports.”

updated by third-party online travel agency (Kayak)

Key Benefits: Helps promote use of local airports & reduce “leakage” to larger nearby airports; dashboard provides key online metrics/data for insights into effectiveness of marketing campaigns

Users: About 20 U.S. airports

Sample Users

Location: Appleton Int’l Airport (in WI)

2023 Passenger Volume: Nearly 1 million

Platform Implemented: July 2023

Location: Columbia Metropolitan Airport (in SC)

2023 Passenger Volume: About 1.2 million

Platform Implemented: Nov. 2023



STEVE ROMME

More Efficient Ad Buys

Weber agrees with that assessment. Before ATW started using FlyMyAirport in July 2023, it would run ads and hope for consumers to click the included link to book flights out of Appleton.

“Now we *know* if they’re doing that,” he says. “If we spend, say, \$100 on advertising, we can see an actual return on investment—how many people actually booked flights as a result of that campaign.”

“This allows us to adjust our advertising dollars for peak efficiency,” Weber adds. “It allows us to peel back another layer on our marketing strategy and get a little more insight into whether campaigns were successful, which helps us ensure every dollar we spend provides a return on investment. It’s been a revelation.”

The website platform also has helped ATW reduce its dependence on paid online advertising, because it gives consumers a reason to organically visit the airport’s website to search for flights—without intrusions from online third-party competitors.

Knowledge is Power

At CAE, data collected through FlyMyAirport helps marketing officials see which destinations garner the most traffic, which in turn helps them adjust online buys to increase the visibility of those destinations, Crafton says.

“Before, all of our paid social media posts directed passengers to airline websites,” she explains. “Now that traffic stays on our website. And once we can capture more eyes on our website, we can also tell them about other resources available here, like pre-booking parking spaces.”

Another dashboard feature indicates which websites travelers come from when they visit CAE’s site. This provides more insights into which paid advertisements are most effective.

“We can see, for instance, if a consumer came to our website from an ad we ran on a television station’s website,” Crafton explains. “Knowing this information allows us to adjust our media buys accordingly.”

Crafton also points out that when more travelers fly out of CAE, there’s a positive domino effect on parking revenue, concessions sales, ride-sharing services and so forth. “When more passengers chose to fly locally, the local community benefits,” she says.

Last year, CAE served more than 1.2 million passengers.

Integration Process

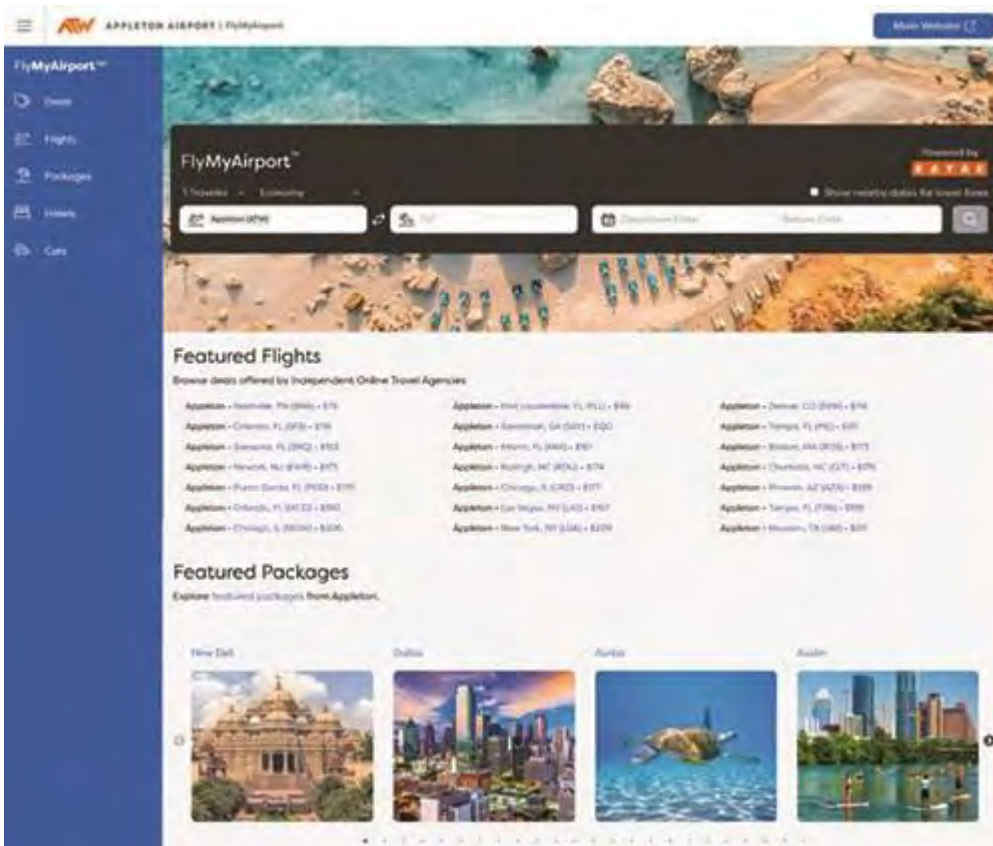
More than 20 U.S. airports currently use the FlyMyAirport platform, which Airport One hosts and maintains. In some cases, the platform can go live at a new airport within one week.



ABE WEBER



KIM CRAFTON



“We already have a templated system created for every airport in the world, which makes integration fast,” Romme says. “We do an audit of each airport’s website and then suggest where to integrate the platform.”

Comprehensive route maps for each airport are a key feature. This information often surprises travelers who assume their small, local airport doesn’t fly to very many destinations, Romme comments.

Airports using the platform don’t need to update flight times, destinations and fares because it uses data from Kayak, which constantly updates such information.

“We do all the behind-the-scenes work,” Romme says. “And we use Kayak’s search engine, which is about as up-to-date as you can get.”

Crafton describes the integration process at CAE as seamless, with beta tests beginning just a few weeks after initial contact with Airport One. On a similar note, Weber says the process was straightforward and efficient at ATW.

Both describe the website platform as a valuable marketing tool. Although it’s too early to quantify exactly how much it may be increasing passenger volume, they say it absolutely has made marketing more efficient and boosted website visits.

“Every month, the number of people searching and clicking on a specific flight and purchasing a ticket continues to increase,” Weber reports. “We’ve also seen an equal number of ATW flight searches for every organic website visitor. That indicates people are using the tool and finding it very easy to navigate, and that it provides them with a fast and more convenient way to book travel out of Appleton.

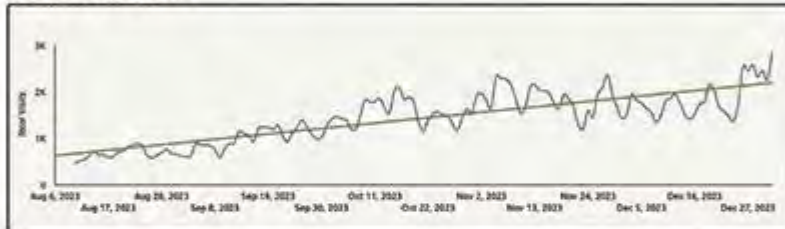
FlyMyAirport™ Dashboard

Pull down date-selector

Dec 4, 2023 - Jan 2, 2024



Daily Visit Trend



Purchase Funnel (All Products)



Destination Demand and Efficiency

Destination (including Nearby)	Searches	Searches % of Total	Provider Click Efficiency	Purchase Efficiency	Full Funnel Efficiency
LAS	4,636	7.0%	12.4%	1.4%	0.34%
JACO	4,564	6.9%	12.3%	2.6%	0.24%
BNA	3,256	4.9%	15.8%	2.1%	0.11%
PIE	2,620	3.9%	14.5%	0.3%	0.00%
SRQ	2,477	3.7%	14.1%	1.8%	0.30%
FLL	2,430	3.7%	11.6%	1.4%	0.16%
PHX	2,360	3.6%	13.5%	2.0%	0.30%
PCD	2,345	3.5%	14.5%	0.3%	0.00%
SRB	2,280	3.4%	13.6%	1.3%	0.11%
ADA	2,248	3.4%	11.2%	2.0%	0.22%
RSW	2,118	3.2%	10.1%	0.7%	0.08%
MIA	2,012	3.0%	9.4%	0.3%	0.03%
DEH	1,945	3.0%	13.8%	0.7%	0.09%
Grand total	66,391	100.0%	12.2%	2.3%	0.28%

± 100 / 52%

“Before, we wouldn’t retain those customers, which would add to our leakage,” he continues. “I’m really excited about the tool moving forward.”

For Crafton, getting travelers to first check for flights out of CAE is one of the airport’s biggest hurdles. “All we’re asking is for people to check out CAE,” she says. “And FlyMyAirport is a quick resource that members of our community can use to do that. It’s a very tangible tool for backing up that check-CAE-first message.”

Government

Pitkin County commissioners approve revised Airport Layout Plan, suggest moving runway 80 feet west

Aspen Public Radio | By Aspen Public Radio Staff

Published May 2, 2024 at 7:51 PM MDT



Halle Zander / Aspen Public Radio

After nearly two hours of community feedback, Pitkin County commissioners passed a resolution on May 1 that suggests updates to the Airport Layout Plan for the Aspen-Pitkin County Airport, including a wider runway that would allow larger airplanes to land.

The Board of County Commissioners voted four to one on Wednesday to recommend an updated Airport Layout Plan (ALP) for the Aspen-Pitkin County Airport.

The Federal Aviation Administration (FAA) is expected to approve the recommended changes, which include

moving the runway 80 feet to the west and widening it to 150 feet.

According to Pitkin County, the wider runway's centerline will be 400 feet away from the centerline of the taxiway and will abide by FAA regulations as a Design Group III airfield.

Dozens of community members provided input during a public comment period before the vote, some with serious reservations about the changes to the size of the runway. They argued that a larger runway means bigger planes, more tourists, and increased congestion in the already busy city of Aspen. Some commenters also worried about the noise and climate implications of larger aircrafts.

During their discussion, commissioners in the majority frequently mentioned that they had no choice but to approve the suggested changes and follow the FAA's guidance. The federal agency told Pitkin County earlier this year that they won't continue to fund the airport runway renovations after this spring. The existing

runway has structural issues that now require annual maintenance.

The ALP previously recommended moving the taxiway 80 feet east to achieve the 400-foot separation from the runway, but the FAA told Pitkin County that would require moving the air traffic control tower, which would cost \$100 million, and the agency would not pay for that relocation.

In a press release, county staff said FAA funding for future projects, like rebuilding the airfield or terminal, is on the line if Pitkin County does not comply with the agency's parameters for the desired size of the runway.

The county said the updated ALP will also allow staff to apply for federal funding from the Bipartisan Infrastructure Law.

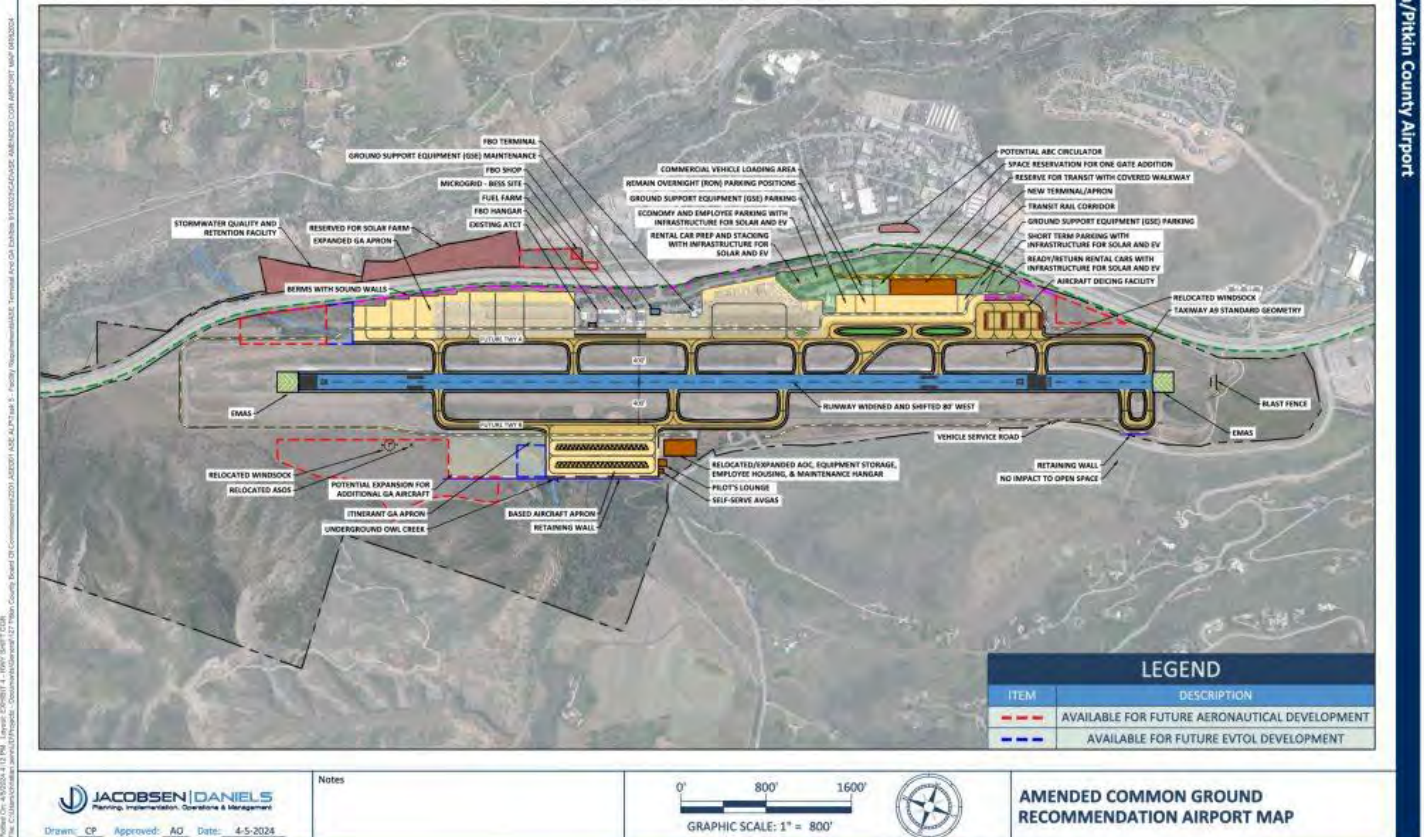
County Manager Jon Peacock said there's a lot of design work ahead, so there will be more opportunities for public comment in the future.

PitCo votes to shift airport runway 80 feet west

News NEWS | May 2, 2024

Josie Taris —————
jtaris@aspentimes.com

EXHIBIT A



The "amended Common Ground Recommendations ALP" incorporates community input on the Airport Layout Plan, with the change of shifting the runway centerline 80 feet to the west.

Jacobsen Daniels/Courtesy image

In a 4-1 vote, the Pitkin County Board of Commissioners voted to amend the Aspen/Pitkin County Airport planning document, shifting the runway 80 feet west instead of moving the taxiway 80 feet east.

The change applies to the airport's future Airport Layout Plan (ALP), a conceptual planning document that guides federal funding investments. An up-to-date ALP is a Federal Aviation Administration requirement.

"I think it's been shown that the only fiscally responsible thing to do is to use funding that's available from the FAA," said Commissioner Steve Child. "The purpose of the FAA funding is to improve airport runways, taxiways, and the safety of the airport. That's what that money is there for. That's what we want to use it for."

The county has worked for years to submit a new ALP to the FAA that incorporates input from the [Common Ground](#)

[Recommendations](#)
Vision Committee.

— the airport goals report from the citizen Airport

The county held a special meeting Wednesday to consider amendments to the Common Ground Recommendations ALP — which the FAA considered in January and handed back to the county, the airport’s sponsor, with some edits.

The main point of contention within the community is that it, like every other draft ALP since 2012, includes widening the separation between the taxiway and runway centerlines to 400 feet, meeting the full FAA design standards for the airport’s size and allowing planes with a 95- to 118-foot wingspan access to the airport once again.

The amended ALP includes shifting the runway, the potential to extend the west-side taxiway, eliminating a midfield crossing in the “high energy zone” of the runway, and extending access to the departure of the runway.

Estimated Airport Improvement Funding <i>With</i> an FAA Approved ALP				
AIP Federal Funds	\$195,000,000	\$270,000,000	\$300,000,000	60.00%
CDOT/State Funds	\$3,250,000	\$4,500,000	\$5,000,000	1.00%
PFC Bonds	\$19,500,000	\$27,000,000	\$30,000,000	6.00%
Revenue Bonds	\$107,250,000	\$148,500,000	\$165,000,000	33.00%
Total	\$325,000,000	\$450,000,000	\$500,000,000	100.00%
Total Est. Debt Service	\$8,165,052	\$11,305,464	\$12,561,624	

Estimated Airport Improvement Funding <i>Without</i> an FAA Approved ALP				
AIP Federal Funds	\$0	\$0	\$0	0.00%
CDOT/State Funds	\$0	\$0	\$0	0.00%
PFC Bonds*	\$19,500,000	\$27,000,000	\$30,000,000	6.00%
Revenue Bonds	\$305,500,000	\$423,000,000	\$470,000,000	94.00%
Total	\$325,000,000	\$450,000,000	\$500,000,000	100.00%
Total Est. Debt Service	\$20,936,040	\$28,988,364	\$32,209,296	

*New PFC applications may not be allowed without an approved ALP

*Assumes 30 years at 5% for all options. Debt coverage ratios of 1.75-2.0 for AA bonds.



The county calculated a variety of cost scenarios for the airside and landside renovations and reconstructions needed at the airport. The annual debt service without state or federal funding would require the airport to shoulder tens of millions more than with support, which might not even be possible if there is no airport revenue to guarantee bonds. Pitkin County

County Manager Jon Peacock also presented the board with a variety of financial models on the debt the county could incur without federal, or even state, funding to help with the hundreds of millions of dollars in airfield and landside reconstruction.

Over 30 people spoke during the public comment portion of the meeting. Commenters from the local business and aviation community largely supported the amendments to the ALP, while a stronghold of locals concerned about the prospect of larger planes objected to what they viewed as kowtowing to the FAA.

Commissioner Francie Jacober stressed her and Commissioner Patti Clapper's recent trip to Washington D.C. as reasoning to support the amended ALP. Every federal official they met with told them that the FAA will not accept an ALP that does not widen the taxiway/runway separation to full compliance with Airport Design Group III — 400 feet.

"It's our fiduciary duty as the commissioners to do the most responsible thing for our enterprise at the airport," she said. "And that is to move forward now and accept the federal money and fix the layout of the airfield."

Commissioner Kelly McNicholas Kury cast the sole nay vote but said she only did so to reflect the community tension over the topic.

"I don't think I'd be prudent as an elected if I advocated playing chicken with the FAA," she said. "I don't think the power is in our court in this relationship. And I think, in particular, the condition of the airport doesn't give us a whole lot of negotiating room anymore."

Altering the ALP to plan for a runway shift and not a taxiway shift is meant to save the airport time and money, as the runway is in desperate need of total reconstruction.

The proposed amendments [passed the Airport Advisory Board 6-1](#) in March, then on [first reading with the BOCC](#) in April.

Shifting the runway instead of the taxiway is an answer to the FAA mandate that moving the taxiway would prompt the reconstruction and relocation of the Air Traffic Control Tower, likely to the other side of Colorado Highway 82 over 100 feet tall, and paid for from the county's Airport Enterprise Fund (revenue earned in the airport must only fund airport works, and vice versa).

It is the greatest departure from the Common Ground Recommendations, which called for a taxiway shift, but consultant Brad Jacobsen of Jacobsen Daniels said the reason to shift the taxiway is now moot that the runway must be fully reconstructed, no matter its location.

Amory Lovins, president of nonprofit Aspen Fly Right and most vocal critic of wider wingspans at the airport, pushed back that either ALP — runway or taxiway shift — ascribed to the biggest goals of the Common Ground Recommendations: safety, reduction pollutant emissions by at least 30%, manage enplanement growth, and reduce noise by at least 30%.

Airport Director Dan Bartholomew said that if the airport is to have a hope of meeting those goals, particularly the climate-centered goals, then changes made in the amended ALP are necessary.

With approval from the board, county and airport staff will now prepare the amended ALP submission for the FAA.

Design and engineering planning is still to come, as ALPs are only meant to show the FAA that the airport sponsor has considered safety and access plans at the facility.



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: May 14, 2024

PREPARED BY: Francis Robbins, Airport Operations & Maintenance Manager

TITLE

CDOT Aeronautics Internship Grant

RECOMMENDED AIRPORT COMMISSION ACTION

Adopt the resolution approving the 2024 Grant agreement with the State of Colorado Division on Aeronautics for the aviation management internship at the Northern Colorado Regional Airport.

BUDGET IMPACT

Positive: The grant agreement will provide additional financial resources to the Airport

SUMMARY

The grant agreement is for a 12-month internship program. The Airport has benefitted from this program in the past and two of the staff members were previous interns. The grant for the internship program is \$21,840 and pays for up to 50% of the hourly wage for a paid intern employee. The total costs associated with this intern position have been budgeted for.

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-03-2024 - Approving the 2024 Grant Agreement with the State of Colorado Division of Aeronautics
- CDOT 24-FNL-I01 Internship Grant - \$21,840

RESOLUTION # R-03-2024

**A RESOLUTION APPROVING THE 2024 GRANT AGREEMENT WITH THE
STATE OF COLORADO DIVISION OF AERONAUTICS (CDAG #24-FNL-I01) FOR
THE AVIATION MANAGEMENT INTERNSHIP 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 (the “Application”) for and be a 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 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 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 #24-FNL-I01 (the “Grant Agreement”) from the Division for the purpose of funding the Aviation Management Internship at the Northern Colorado Regional Airport (the “Project”); and

WHEREAS, the Grant Agreement provides to the Airport twenty thousand eight hundred dollars (\$21,840) (the “State Grant”), subject to the Cities providing a fifty percent (50%) local match for the Project in the amount of twenty-one thousand eight hundred forty dollars (\$21,840), for a total Project cost of forty thousand six hundred dollars (\$43,680); and

WHEREAS, a total of twenty-one thousand eight hundred forty dollars (\$21,840) of additional 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 2024 Airport Budget.

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, by approving the Grant Agreement and authorizing the City Managers to sign the Grant Agreement, 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.

Section 3. That the Commission, on behalf of the Cities, hereby designates Francis Robbins, Airport Operations Manager, 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 May, 2024.

Jeni Arndt, Chair of the
Northern Colorado Regional Airport Commission

ATTEST:

Secretary

APPROVED AS TO FORM:


Senior Assistant City Attorney



Colorado Division of Aeronautics Discretionary Aviation Grant 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 an FAA-designated public-use 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 and 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 ("Grant Assurances") attached hereto as **Exhibit B** for the project detailed in the Discretionary Aviation Grant Application ("Application") attached hereto as **Exhibit A** and in conjunction with CDOT's Small Dollar Grant Award Terms and Conditions attached hereto as **Exhibit C**.

NOW, THEREFORE, BE IT RESOLVED THAT:

The **Cities of Ft. Collins/Loveland**, as a duly authorized governing body 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 Ft. Collins/Loveland** states 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 Resolution, 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 Assurances.

FURTHER BE IT RESOLVED:

That the **Cities of Ft. Collins/Loveland** hereby designates **Francis Robbins** 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, including execution of any amendments.

FURTHER:

The **Cities of Ft. Collins/Loveland** has appropriated or will otherwise make available in a timely manner all funds, if any, that are required to be provided by the applicant as shown on the Application.

FINALLY:

The **Cities of Ft. Collins/Loveland** hereby accepts all guidelines, procedures, standards, and requirements described in the Manual as applicable to the performance of the grant work and hereby approves this Grant Resolution, including all terms and conditions contained therein.

By: _____

Date: _____

Print Name and Title: _____

ATTEST (if needed)

By: _____

Print Name and Title: _____

EXHIBIT A



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: Francis Robbins		
MAILING ADDRESS: 4900 Earhart Road	EMAIL ADDRESS:	francis.robbsins@cityofloveland.org
	PHONE NUMBER:	(970) 962-2853

GRANT NAME AND TERMS

24-FNL-I01	TERMS	
	Execution Date:	Expiration Date: June 30, 2026

FUNDING SUMMARY

Funding Source	Funding Amount
State Aviation Grant:	\$21,840.00
Local Cash:	\$21,840.00
Local In-Kind:	\$0.00
Federal Aviation Grant:	\$0.00
Total Project Funding:	\$43,680.00

PROJECT SCHEDULE & BUDGET

ELEMENT DESCRIPTION	STATE FUNDING		LOCAL FUNDING		FEDERAL FUNDING		TOTAL
A. A-Payton Goudreau	\$21,840.00	Up to 50.00%	\$21,840.00	50.00%	\$0.00	0.00%	\$43,680.00
TOTALS	\$21,840.00		\$21,840.00		\$0.00		\$43,680.00

EXHIBIT B, 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

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MODEL SMALL DOLLAR GRANT AWARDS AND CONTENT

This is a State Controller Contract, Grant, and Purchase Order Policy under the State Fiscal Rules. All Small Dollar Grant Awards shall use one of the approved models Small Dollar Grant Award or Grant Agreement forms described in Fiscal Rule 3-4 unless the State Agency or Institution of Higher Education (IHE) has obtained the prior written approval from the Office of the State Controller (OSC).

1) Available Model Small Dollar Grant Awards. The following model Small Dollar Grant Awards may be used by State Agencies and IHEs without additional approval from the OSC:

- a. Financial System Generated Small Dollar Grant Awards.** This model is the system-generated document resulting from a Colorado Operations Resource Engine (CORE) POGG1 encumbrance or through another approved state financial system, which also explicitly references a link to the State of Colorado Small Dollar Grant Award Terms and Conditions that are attached to this policy. This model does not include other documents with a similar or the same appearance as one of these documents that is not generated within the financial system
- b. Other Approved Forms.** A State Agency or IHE, at the discretion of the State Agency's or IHE's Procurement Official or State Controller delegate, may request other approved forms from the OSC.
- c. Backup Forms.** If CORE or the approved state financial system used by the State Agency or IHE is unavailable for an extended period of time when a Small Dollar Grant Award must be issued, the State Agency or IHE, with the prior approval of the OSC, may use a backup form with the same or substantially similar appearance as one of the documents described in §1)a.

2) Modifications of Model Small Dollar Grant Awards. A State Agency or Institution of Higher Education issuing a Small Dollar Grant Award may not modify the State of Colorado Small Dollar Grant Award Terms and Conditions attached to this policy, including Addendum 1: Additional Terms & Conditions for Information Technology ("Addendum"), in any way without prior written approval of the OSC.

- a. Exception.** The Office of Information Technology (OIT) may modify the provisions of Addendum for the State of Colorado Small Dollar Grant Awards specifically issued by OIT with the prior written approval of the Procurement Official of OIT or authorized delegate, without obtaining additional approval from OSC.
- b. Unauthorized Modifications.** Except as described in §2)a., the failure of a State Agency or IHE to obtain approval from the OSC prior to issuing a Small Dollar Grant Award with modified the State of Colorado Small Dollar Grant Award Terms and Conditions shall constitute a violation of Fiscal Rule 3-4, §§ 4.1.7. and 5.1.

3) Small Dollar Grant Award Exhibits and References. All Small Dollar Grant Awards shall either include or specifically reference the State of Colorado Small Dollar Grant Award Terms and Conditions by hyperlink or, if modified in accordance with §2), attach the modified State of Colorado Small Dollar Grant Award Terms and Conditions and shall clarify on the Small Dollar Grant Award that the attached modified State of Colorado Small Dollar Grant Award Terms and Conditions shall govern the Small Dollar Grant Award in lieu of the State of Colorado Small Dollar Grant Award Terms and Conditions referenced by hyperlink. Small Dollar Grant Awards shall also include any additional exhibits, based on the nature of the work performed under the Small Dollar Grant Award, as required by any other state

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and/or federal agency with authority over that type of work or by any entity providing funding for the Small Dollar Grant Award, including, but not limited to, the following:

- a. Additional information technology provisions required by OIT.
- b. Additional provisions required to comply with the Office of Management and Budget Uniform Guidance, or the Federal Funding Accountability and Transparency Act, or any other applicable federal terms and conditions.
- c. Any federally required attachments relating to confidential information, such as a Health Information Portability and Accountability Act (HIPAA) Business Associate Addendum or a Federal Tax Information Exhibit.



**Robert Jaros, CPA, MBA, JD State
Controller**

STATE CONTROLLER

State of Colorado Small Dollar Grant Award Terms and Conditions

1. Offer/Acceptance. This Small Dollar Grant Award, together with these terms and conditions (including, if applicable, Addendum 1: Additional Terms and Conditions for Information Technology below), and any other attachments, exhibits, specifications, or appendices, whether attached or incorporated by reference (collectively the "Agreement") shall represent the entire and exclusive agreement between the State of Colorado, by and through the agency identified on the face of the Small Dollar Grant Award ("State") and the Subrecipient identified on the face of the Small Dollar Grant Award ("Grantee"). If this Agreement refers to Grantee's bid or proposal, this Agreement is an ACCEPTANCE of Grantee's OFFER TO PERFORM in accordance with the terms and conditions of this Agreement. If a bid or proposal is not referenced, this Agreement is an OFFER TO ENTER INTO AGREEMENT, subject to Grantee's acceptance, demonstrated by Grantee's beginning performance or written acceptance of this Agreement. Any COUNTER-OFFER automatically CANCELS this Agreement, unless a change order is issued by the State accepting a counter-offer. Except as provided herein, the State shall not be responsible or liable for any Work performed prior to issuance of this Agreement. The State's financial obligations to the Grantee are limited by the amount of Grant Funds awarded as reflected on the face of the Small Dollar Grant Award.

2. Order of Precedence. In the event of a conflict or inconsistency within this Agreement, such conflict or inconsistency shall be resolved by giving preference to the documents in the following order of priority: **(1)** the Small dollar Grant Award document; **(2)** these terms and conditions (including, if applicable, Addendum 1 below); and **(3)** any attachments, exhibits, specifications, or appendices, whether attached or incorporated by reference. Notwithstanding the above, if this Agreement has been funded, in whole or in part, with a Federal Award, in the event of a conflict between the Federal Grant and this Agreement, the provisions of the Federal Grant shall control. Grantee shall comply with all applicable Federal provisions at all times during the term of this Agreement. Any terms and conditions included on Grantee's forms or invoices not included in this Agreement are void.

3. Changes. Once accepted in accordance with §1, this Agreement shall not be modified, superseded or otherwise altered, except in writing by the State and accepted by Grantee.

4. Definitions. The following terms shall be construed and interpreted as follows: **(a) "Award"** means an award by a Recipient to a Subrecipient; **(b) "Budget"** means the budget for the Work described in this Agreement; **(c) "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 CRS §24-11-101(1); **(d) "UCC"** means the Uniform Commercial Code in CRS Title 4; **(e) "Effective Date"** means the date on which this Agreement is issued as shown on the face of the Small Dollar Grant Award; **(f) "Federal Award"** means an award of federal financial assistance or a cost-reimbursement contract, by a Federal Awarding Agency to the Recipient. "Federal Award" also means an agreement setting forth the terms and conditions of the Federal Award, which terms and conditions shall flow down to the Award unless such terms and conditions specifically indicate otherwise. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program; **(g) "Federal Awarding Agency"** means a Federal agency providing a Federal Award to a Recipient; **(h) "Grant Funds"** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement; **(i) "Matching Funds"** mean the funds provided by the Grantee to meet cost sharing requirements described in this Agreement; **(j) "Recipient"** means the State agency identified on the face of the Small Dollar Grant Award; **(k) "Subcontractor"** means third parties, if any, engaged by Grantee to aid in performance of the Work; **(l) "Subrecipient"** means a non-Federal entity that receives a sub-award from a Recipient to carry out part of a program, but does not include an individual that is a beneficiary of such program; **(m) "Uniform Guidance"** means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, identified as the 2 C.F.R. (Code of Federal Regulations) Part 200, commonly known as the "Super Circular," which supersedes requirements from OMB Circulars A-21, A-87, A-110, A-122, A-89, A-102, and A-133, and the guidance in Circular a-50 on Single Audit Act follow-up; and **(n) "Work"** means the goods delivered or services, or both, performed pursuant to this Agreement and identified as Line Items on the face of the Small Dollar Grant Award.

5. Delivery. Grantee shall furnish the Work in strict accordance with the specifications and price set forth in this Agreement. The State shall have no liability to compensate Grantee for the performance of any Work not specifically set forth in the Agreement.

6. Rights to Materials. *[Not Applicable to Agreements issued either in whole in part for Information Technology, as defined in CRS § 24-37.5-102(2); in which case Addendum 1 §2 applies in lieu of this section.]* Unless specifically stated otherwise in this Agreement, all materials, including without limitation supplies, equipment, documents, content, information, or other material of any type, whether tangible or intangible (collectively "Materials"), furnished by the State to Grantee or delivered by Grantee to the State in performance of its obligations under this Agreement shall be the exclusive property the State. Grantee shall return or deliver all Materials to the State upon completion or termination of this Agreement.

7. Grantee Records. Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work (including, but not limited to the operation of programs) performed under this Agreement (collectively "Grantee Records"). Unless otherwise specified by the State, the Grantee shall retain Grantee Records for a period (the "Record Retention Period") of three years following the date of submission to the State of the final expenditure report, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively. If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims or audit finding have been resolved and final action taken by the State or Federal Awarding Agency. The Federal Awarding Agency, a cognizant agency for audit, oversight, or indirect costs, and the State, may notify Grantee in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three years following final disposition of such property. Grantee shall permit the State, the federal government, and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and transcribe Grantee Records during the Record Retention Period. Grantee shall make Grantee Records available during normal business hours at Grantee's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State. The State, in its discretion, may monitor Grantee's performance of its obligations under this Agreement using procedures as determined by the State. The federal government and any other duly authorized agent of a governmental agency, in its discretion, Grantee shall allow the State to perform all monitoring required by the Uniform Guidance, based on the State's risk analysis of Grantee and this Agreement, and the State shall have the right, in its discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State will monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work. Grantee shall promptly submit to the State a copy of any final audit report of an audit performed

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on Grantee Records that relates to or affects this Agreement or the Work, whether the audit is conducted by Grantee, a State agency or the State's authorized representative, or a third party. If applicable, the Grantee may be required to perform a single audit under 2 CFR 200.501, *et seq.* Grantee shall submit a copy of the results of that audit to the State within the same timelines as the submission to the federal government.

8. Reporting. If Grantee is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Agreement or may affect Grantee's ability to perform its obligations under this Agreement, Grantee shall, within 10 days after being served, notify the State of such action and deliver copies of such pleading or document to the State. Grantee shall disclose, in a timely manner, in writing to the State and the Federal Awarding Agency, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Award. The State or the Federal Awarding Agency 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.

9. Conflicts of Interest. Grantee acknowledges that with respect to this Agreement, even the appearance of a conflict of interest is harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities, or relationships that reasonably may appear to be in conflict with the full performance of Grantee's obligations to the State under this Agreement. If a conflict or appearance of a conflict of interest exists, or if Grantee is uncertain as to such, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement. Grantee certifies that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's Services and Grantee shall not employ any person having such known interests.

10. Taxes. The State is exempt from federal excise taxes and from State and local sales and use taxes. The State shall not be liable for the payment of any excise, sales, or use taxes imposed on Grantee. A tax exemption certificate will be made available upon Grantee's request. Grantee shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Grantee may wish to have in place in connection with this Agreement.

11. Payment. Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Agreement that exceeds the Document Total shown on the face of the Small Dollar Grant Award. The State shall pay Grantee in the amounts and in accordance with the schedule and other conditions set forth in this Agreement. Grantee shall initiate payment requests by invoice to the State, in a form and manner approved by the State. The State shall pay Grantee for all amounts due within 45 days after receipt of an Awarding Agency's approved invoicing request, or in instances of reimbursement grant programs a request for reimbursement, compliant with Generally Accepted Accounting Principles (GAAP) and, if applicable Government Accounting Standards Board (GASB) of amount requested. Amounts not paid by the State within 45 days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate set forth in CRS §24-30-202(24) until paid in full. Interest shall not accrue if a good faith dispute exists as to the State's obligation to pay all or a portion of the amount due. Grantee shall invoice the State separately for interest on delinquent amounts due, referencing the delinquent payment, number of day's interest to be paid, and applicable interest rate. The acceptance of an invoice shall not constitute acceptance of any Work performed under this Agreement. Except as specifically agreed in this Agreement, Grantee shall be solely responsible for all costs, expenses, and other charges it incurs in connection with its performance under this Agreement.

12. Term. The parties' respective performances under this Agreement shall commence on the "Service From" date identified on the face of the Small Dollar Grant Award, unless otherwise specified, and shall terminate on the "Service To" date identified on the face of the Small Dollar Grant Award unless sooner terminated in accordance with the terms of this Agreement.

13. Payment Disputes. If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within 30 days following the earlier to occur of Grantee's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Grantee and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

14. Matching Funds. Grantee shall provide Matching Funds, if required by this Agreement. If permitted under the terms of the grant and per this Agreement, Grantee may be permitted to provide Matching Funds prior to or during the course of the project or the match will be an in-kind match. Grantee shall report to the State regarding the status of such funds upon request. Grantee's obligation to pay all or any part of any Matching Funds, whether direct or contingent, only extend to funds duly and lawfully appropriated for the purposes of this Agreement by the authorized representatives of Grantee and paid into Grantee's treasury or bank account. Grantee represents to the State that the amount designated "Grantee's Matching Funds" pursuant to this Agreement, has been legally appropriated for the purposes of this Agreement by its authorized representatives and paid into its treasury or bank account. Grantee does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and this Agreement 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.

15. Reimbursement of Grantee Costs. If applicable, the State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described in this Agreement for all allowable costs described in the grant 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, and received approval from the State of the change, the change does not modify the total maximum amount of this Agreement, and the change does not modify any requirements of the Work. If applicable, the State shall reimburse Grantee for the properly documented allowable costs related to the Work after review and approval thereof, subject to the provisions of this Agreement. However, any costs incurred by Grantee prior to the Effective Date shall not be reimbursed absent specific allowance of pre-award costs. Grantee's costs for Work performed after the "Service To" date identified on the face of the Small Dollar Grant Award, or after any phase performance period end date for a respective phase of the Work, shall not be reimbursable. The State shall only reimburse allowable costs described in this Agreement and shown in the Budget if those costs are (a) reasonable and necessary to accomplish the Work, and (b) equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the costs actually incurred).

16. Close-Out. Grantee shall close out this Award within 45 days after the "Service To" date identified on the face of the Small Dollar Grant Award, including any modifications. To complete close-out, Grantee shall submit to the State all deliverables (including documentation) as defined

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in this Agreement and Grantee's final reimbursement request or invoice. In accordance with the Agreement, the State may withhold a percentage of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

17. Assignment. Grantee's rights and obligations under this Agreement may not be transferred or assigned without the prior, written consent of the State and execution of a new agreement. Any attempt at assignment or transfer without such consent and new agreement 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 Agreement.

18. Subcontracts. Grantee shall not enter into any subcontract in connection with its obligations under this Agreement without the prior, written approval of the State. Grantee shall submit to the State a copy of each subcontract upon request by the State. All subcontracts entered into by Grantee in connection with this Agreement shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Agreement.

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

20. Survival of Certain Agreement Terms. Any provision of this Agreement that imposes an obligation on a party after termination or expiration of the Agreement shall survive the termination or expiration of the Agreement and shall be enforceable by the other party.

21. Third Party Beneficiaries. Except for the parties' respective successors and assigns, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to the Agreement, and do not create any rights for such third parties.

22. Waiver. A party's failure or delay in exercising any right, power, or privilege under this Agreement, 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.

23. Indemnification. [Not Applicable to Inter-governmental agreements] Grantee shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Grantee, or its employees, agents, Subcontractors, or assignees in connection with this Agreement. This shall include, without limitation, any and all costs, expenses, claims, damages, liabilities, court awards and other amounts incurred by the Indemnified Parties in relation to any claim that any work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right or any claim for loss or improper disclosure of any confidential information or personally identifiable information. If Grantee is a public agency prohibited by applicable law from indemnifying any party, then this section shall not apply.

24. Notice. All notices given under this Agreement shall be in writing, and shall be delivered to the contacts for each party listed on the face of the Small Dollar Grant Award. Either party may change its contact or contact information by notice submitted in accordance with this section without a formal modification to this Agreement.

25. Insurance. Except as otherwise specifically stated in this Agreement or any attachment or exhibit to this Agreement, Grantee shall obtain and maintain insurance as specified in this section at all times during the term of the Agreement: (a) workers' compensation insurance as required by state statute, and employers' liability insurance covering all Grantee employees acting within the course and scope of their employment, (b) Commercial general liability insurance written on an Insurance Services Office occurrence form, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: \$1,000,000 each occurrence; \$1,000,000 general aggregate; \$1,000,000 products and completed operations aggregate; and \$50,000 any one fire, and (c) Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit. If Grantee will or may have access to any protected information, then Grantee shall also obtain and maintain insurance covering loss and disclosure of protected information and claims based on alleged violations of privacy right through improper use and disclosure of protected information with limits of \$1,000,000 each occurrence and \$1,000,000 general aggregate at all times during the term of the Small Dollar Grant Award. Additional insurance may be required as provided elsewhere in this Agreement or any attachment or exhibit to this Agreement. All insurance policies required by this Agreement shall be issued by insurance companies with an AM Best rating of A-VIII or better. If Grantee is a public agency within the meaning of the Colorado Governmental Immunity Act, then this section shall not apply and Grantee shall instead comply with the Colorado Governmental Immunity Act.

26. Termination Prior to Grantee Acceptance. If Grantee has not begun performance under this Agreement, the State may cancel this Agreement by providing written notice to the Grantee.

27. Termination for Cause. If Grantee refuses or fails to timely and properly perform any of its obligations under this Agreement with such diligence as will ensure its completion within the time specified in this Agreement, the State may notify Grantee in writing of non-performance and, if not corrected by Grantee within the time specified in the notice, terminate Grantee's right to proceed with the Agreement or such part thereof as to which there has been delay or a failure. Grantee shall continue performance of this Agreement to the extent not terminated. Grantee shall be liable for excess costs incurred by the State in procuring similar Work and the State may withhold such amounts, as the State deems necessary. If after rejection, revocation, or other termination of Grantee's right to proceed under the Colorado Uniform Commercial Code (CUCC) or this clause, the State determines for any reason that Grantee was not in default or the delay was excusable, the rights and obligations of the State and Grantee shall be the same as if the notice of termination had been issued pursuant to termination under **\$28**.

28. Termination in Public Interest. The State is entering into this Agreement for the purpose of carrying out the public interest of the State, as determined by its Governor, General Assembly, Courts, or Federal Awarding Agency. If this Agreement ceases to further the public interest of the State as determined by its Governor, General Assembly, Courts, or Federal Awarding Agency, the State, in its sole discretion, may terminate this Agreement in whole or in part and such termination shall not be deemed to be a breach of the State's obligations hereunder. This section shall not apply to a termination for cause, which shall be governed by **\$27**. A determination that this Small Dollar Grant Award should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. The State shall give written notice of termination to Grantee specifying the part of the Agreement terminated and when termination becomes effective. Upon receipt of notice of termination, Grantee shall not incur further obligations except as necessary to mitigate costs of performance. The State shall pay the Agreement price or rate for Work performed

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and accepted by State prior to the effective date of the notice of termination. The State's termination liability under this section shall not exceed the total Agreement price.

29. Termination for Funds Availability. The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Work performed and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in §28.

30. Grantee's Termination Under Federal Requirements. If the Grant Funds include any federal funds, then Grantee may request termination of this Grant by sending notice to the State, or to the Federal Awarding Agency with a copy to the State, which includes the reasons for the termination and the effective date of the termination. If this Grant is terminated in this manner, then Grantee shall return any advanced payments made for Work that will not be performed prior to the effective date of the termination.

31. Governmental Immunity. Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, CRS §24-10-101, *et seq.*, 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, CRS §§24-30-1501, *et seq.* No term or condition of this Agreement 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.

32. Grant Recipient. Grantee shall perform its duties hereunder as a grant recipient and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.**

33. Compliance with Law. Grantee shall 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.

34. Choice of Law, Jurisdiction and Venue. [Not Applicable to Inter-governmental agreements] Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver. Any provision incorporated herein by reference which purports to negate this or any other provision in this Agreement in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision or for any other reason shall not invalidate the remainder of this Agreement, to the extent capable of execution. Grantee shall exhaust administrative remedies in CRS §24-109-106, prior to commencing any judicial action against the State regardless of whether the Colorado Procurement Code applies to this Agreement.

35. Prohibited Terms. Nothing in this Agreement shall be construed as a waiver of any provision of CRS §24-106-109. Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with that statute in any way shall be void ab initio.

36. Public Contracts for Services. [Not Applicable to offer, issuance, or sale of securities, investment advisory services, fund management services, sponsored projects, intergovernmental grant agreements, or information technology services or products and services] Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Agreement, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c). Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Agreement or enter into a contract or agreement with a Subcontractor that fails to certify to Grantee that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Grantee shall (a) not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants during performance of this Agreement, (b) notify Subcontractor and the State within three days if Grantee has actual knowledge that Subcontractor is employing or contracting with an illegal alien for work under this Agreement, (c) terminate the subcontract if Subcontractor does not stop employing or contracting with the illegal alien within three days of receiving notice, and (d) comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the Department program, Grantee shall deliver to the State a written, notarized affirmation that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 *et seq.*, the State may terminate this Agreement for breach and, if so terminated, Grantee shall be liable for damages.

37. Public Contracts with Natural Persons. Grantee, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that the person (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 *et seq.*, and (c) has produced a form of identification required by CRS §24-76.5-103 prior to the date Grantee begins Work under terms of the Agreement.

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ADDENDUM 1:

Additional Terms & Conditions for Information Technology

IF ANY PART OF THE SUBJECT MATTER OF THIS AGREEMENT IS INFORMATION TECHNOLOGY, AS DEFINED IN CRS § 24-37.5-102 (2), THE FOLLOWING PROVISIONS ALSO APPLY TO THIS AGREEMENT.

A. Definitions. The following terms shall be construed and interpreted as follows: (a) **"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 CRS §24-72-302; (b) **"Incident"** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, pursuant to CRS §§24-37.5-401 *et seq.*; (c) **"PCI"** means payment card information including any data related to credit card holders' names, credit card numbers, or the other credit card information as may be protected by state or federal law; (d) **"PHI"** means any protected health information, including, without limitation any information whether oral or recorded in any form or medium that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual including, without limitation, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act; (e) **"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, including, without limitation, all information defined as personally identifiable information in CRS §24-72-501; (f) **"State Confidential Information"** means any and all State data, information, and records, regardless of physical form; (g) **"State Fiscal Rules"** means those fiscal rules promulgated by the Colorado State Controller pursuant to CRS §24-30-202(13)(a); (h) **"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; (i) **"State Records"** means any and all State data, information, and records, regardless of physical form; (j) **"Tax Information"** means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation, including, without limitation all information defined as federal tax information in Internal Revenue Service Publication 1075; and (k) **"Work Product"** means the tangible and intangible results of the delivery of goods and performance of services, 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, information, and any other results of the Work, but does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

B. Intellectual Property. Except to the extent specifically provided elsewhere in this Agreement, any State information, including without limitation pre-existing State software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials; or Work Product prepared by Grantee in the performance of its obligations under this Agreement shall be the exclusive property of the State (collectively, "State Materials"). All State Materials shall be delivered to the State by Grantee upon completion or termination of this Agreement. The State's exclusive rights in any Work Product prepared by Grantee shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works. Grantee shall not use, willingly allow, cause or permit any State Materials to be used for any purpose other than the performance of Grantee's obligations hereunder without the prior written consent of the State. The State shall maintain complete and accurate records relating to (a) its use of all Grantee and third party software licenses and rights to use any Grantee or third party software granted under this Agreement and its attachments to which the State is a party and (b) all amounts payable to Grantee pursuant to this Agreement and its attachments and the State's obligations under this Agreement or any amounts payable to Grantee in relation to this Agreement, which records shall contain sufficient information to permit Grantee to confirm the State's compliance with the use restrictions and payment obligations under this Agreement or to any third party use restrictions to which the State is a party. Grantee retains the exclusive rights, title and ownership to any and all pre-existing materials owned or licensed to Grantee including, but not limited to all pre-existing software, licensed products, associated source code, machine code, text images, audio, video, and third party materials, delivered by Grantee under the Agreement, whether incorporated in a deliverable or necessary to use a deliverable (collectively, "Grantee Property"). Grantee Property shall be licensed to the State as set forth in a State-approved license agreement (a) entered into as exhibits or attachments to this Agreement, (b) obtained by the State from the applicable third party Grantee, or (c) in the case of open source software, the license terms set forth in the applicable open source license agreement. Notwithstanding anything to the contrary herein, the State shall not be subject to any provision incorporated in any exhibit or attachment attached hereto, any provision incorporated in any terms and conditions appearing on any website, any provision incorporated into any click through or online agreements, or any provision incorporated into any other document or agreement between the parties that (a) requires the State or the State to indemnify Grantee or any other party, (b) is in violation of State laws, regulations, rules, State Fiscal Rules, policies, or other State requirements as deemed solely by the State, or (c) is contrary to this Agreement.

C. Information Confidentiality. Grantee shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Grantee shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Agreement, permitted by law, or approved in writing by the State. If Grantee will or may have access to any State Confidential Information or any other protected information, Grantee shall provide for the security of all State Confidential Information in accordance with all applicable laws, rules, policies, publications, and guidelines. Grantee shall comply with all Colorado Office of Information Security ("OIS") policies and procedures which OIS has issued pursuant to CRS §§24-37.5-401 through 406 and 8 CCR §1501-5 and posted at <http://oit.state.co.us/ois>, all information security and privacy obligations imposed by any federal, state, or local statute or regulation, or by any industry standards or guidelines, as applicable based on the classification of the data relevant to Grantee's performance under this Agreement. Such obligations may arise from: Health Information Portability and Accountability Act (HIPAA); IRS Publication 1075; Payment Card Industry Data Security Standard (PCI-DSS); FBI Criminal Justice Information Service Security Addendum; Centers for Medicare & Medicaid Services (CMS) Minimum Acceptable Risk Standards for Exchanges; and Electronic Information Exchange

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Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with The Social Security Administration. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

D. 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 Agreement. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Agreement, and that the nondisclosure provisions are in force at all times the agent, employee, assign, or Subcontractors has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions if requested by the State.

E. Use, Security, and Retention. Grantee shall use, hold, and maintain State Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information. 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 Agreement, 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.

F. 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. Unless Grantee can establish none of Grantee or any of its agents, employees, assigns or Subcontractors are the cause or source of the Incident, Grantee shall be responsible for the cost of notifying each person who may have been impacted by the Incident. 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. The State may adjust or direct modifications to this plan, in its sole discretion and Grantee shall make all modifications as directed by the State. If Grantee cannot produce its analysis and plan within the allotted time, the State, in its sole discretion, may perform such analysis and produce a remediation plan, and Grantee shall reimburse the State for the reasonable actual costs thereof.

G. Data Protection and Handling. Grantee shall ensure that all State Records and Work Product in the possession of Grantee or any Subcontractors are protected and handled in accordance with the requirements of this Agreement at all times. Upon request by the State made any time prior to 60 days following the termination of this Agreement for any reason, whether or not this Agreement is expiring or terminating, Grantee shall make available to the State a complete and secure download file of all data that is encrypted and appropriately authenticated. This download file shall be made available to the State within 10 Business Days following the State's request, and shall contain, without limitation, all State Records, Work Product, and any other information belonging to the State. Upon the termination of Grantee's services under this Agreement, Grantee shall, as directed by the State, return all State Records provided by the State to Grantee, and the copies thereof, to the State or destroy all such State Records and certify to the State that it has done so. If legal obligations imposed upon Grantee prevent Grantee from returning or destroying all or part of the State Records provided by the State, Grantee shall guarantee the confidentiality of all State Records in Grantee's possession and will not actively process such data. The State retains the right to use the established operational services to access and retrieve State Records stored on Grantee's infrastructure at its sole discretion and at any time.

H. Compliance. If applicable, Grantee shall review, on a semi-annual basis, all OIS policies and procedures which OIS has promulgated pursuant to CRS §§ 24-37.5-401 through 406 and 8 CCR § 1501-5 and posted at <http://oit.state.co.us/ois>, to ensure compliance with the standards and guidelines published therein. Grantee shall cooperate, and shall cause its Subcontractors to cooperate, with the performance of security audit and penetration tests by OIS or its designee.

I. 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, all State requirements relating to non-disclosure, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall take full responsibility for the security of all PII in its possession or in the possession of its Subcontractors, and shall hold the State harmless for any damages or liabilities resulting from the unauthorized disclosure or loss thereof. Grantee shall be a "Third-Party Service Provider" as defined in CRS §24-73-103(1)(i) and shall maintain security procedures and practices consistent with CRS §§24-73-101 *et seq.*

J. Software Piracy Prohibition. The State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

K. Information Technology. To the extent that Grantee provides physical or logical storage of State Records; Grantee creates, uses, processes, discloses, transmits, or disposes of State Records; or Grantee is otherwise given physical or logical access to State Records in order to perform Grantee's obligations under this Agreement, the following terms shall apply. Grantee shall, and shall cause its Subcontractors, to: Provide physical and logical protection for all hardware, software, applications, and data that meets or exceeds industry standards and the requirements of this Agreement; Maintain network, system, and application security, which includes, but is not limited to, network firewalls, intrusion detection (host and network), annual security testing, and improvements or enhancements consistent with evolving industry standards; Comply with State and federal rules and regulations related to overall security, privacy, confidentiality, integrity, availability, and auditing; Provide that security is not compromised by unauthorized access to workspaces, computers, networks, software, databases, or other physical or electronic environments; Promptly report all Incidents, including Incidents that do not result in unauthorized disclosure or loss of data integrity, to a designated representative of the OIS; Comply with all rules, policies, procedures, and standards issued by the Governor's Office of Information Technology (OIT), including project lifecycle methodology and governance, technical standards, documentation, and other requirements posted at www.oit.state.co.us/about/policies. Grantee shall not allow remote access to State Records from outside the United States, including access by

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Grantee's employees or agents, without the prior express written consent of OIS. Grantee shall communicate any request regarding non-U.S. access to State Records to the State. The State, acting by and through OIS, shall have sole discretion to grant or deny any such request.



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: May 16, 2024
PREPARED BY: Francis Robbins, Operations & Maintenance Manager

TITLE

New Terminal Project Grant Funding Approval

RECOMMENDED AIRPORT COMMISSION ACTION

A motion to approve Resolution ##-2024 recommending the City of Fort Collins and City of Loveland Accept FAA Grant BIL 45.

A Motion to approve Resolution ##-2024 recommending the City of Fort Collins and City of Loveland accept CDOT grant 24-FNL-01 with state grant match for FAA grants 45 and 46.

BUDGET IMPACT

Positive - \$1,590,000 revenue for Fiscal Year 2024.

This amount is in the 2024 budgeted for expense on the New Terminal Construction.

SUMMARY

The FAA has awarded FNL a grant for the construction of the New Terminal Project in the amount of \$1.59 million connected with the Bipartisan Infrastructure Law (BIL) signed by Pres. Biden in 2021. This amount is part of the initial total project budget of \$21.9 million from multiple funding sources including Cares Act grants, City Sponsor contributions, and Airport reserve funds. Federal grants are to be signed by the Airport Sponsors, City of Loveland and City of Fort Collins.

This Federal Grant is a 90% Federal – 10% Local share component. The airport has budgeted the local funds necessary to cover the local component. The BIL Grant funds were allotted to airports on a Formula basis. Primary commercial service airports share \$2.3 Billion dollars annually based on passenger enplanements. For the determining years, FNL was considered a primary commercial service airport with over 10,000 passenger enplanements. Non-primary commercial airports and General Aviation airport received funds at a much lower rate, as little as \$113,000. All FAA grant funds are planned using the Capital Improvement Plan updated annually in coordination with FAA, CDOT Aeronautics, Airport Staff and approved by the Airport Commission.

HISTORY

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

ATTACHMENTS

Resolution R-04-2024

Draft Grant BIL 45

Resolution R-05-2024

CDOT Grant 24-FNL-01

RESOLUTION # R-04-2024

**A RESOLUTION APPROVING THE 2024 GRANT AGREEMENT WITH THE
STATE OF COLORADO DIVISION OF AERONAUTICS (CDAG #24-FNL-01) FOR
THE TERMINAL BUILDING PROJECT AT THE NORTHERN COLORADO
REGIONAL AIRPORT**

WHEREAS, the City of Fort Collins and the City of Loveland (“the Cities”) own and operate 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 commenced both horizontal and vertical construction of a terminal building at the Airport (the “Project”) utilizing a combination of local funds and grant funds. As part of such funding, the Cities applied for Bipartisan Infrastructure Law (“BIL”) grant funds for the Project and have been awarded \$1,590,000 in BIL grant funds (“BIL Grant Funds”) towards the Project. The BIL Grant Funds have been previously budgeted and appropriated as part of the Project budget and the Airport budget for 2024; and

WHEREAS, the Federal Aviation Administration requires that the Cities execute a grant agreement in the form substantially similar to that attached hereto as “Exhibit A” (the “Grant Agreement”) in order to accept the BIL Grant Funds. The Grant Agreement requires that the Cities provide a local match of ten percent (10%) of the BIL Grant Funds, which local match is being funded through Airport budgeted and appropriated funds and a Colorado Department of Transportation Division of Aeronautics grant; and

WHEREAS, due to the dollar amount of the Grant Agreement, the City Councils of the Cities must provide the final approval of the Grant Agreement; and

WHEREAS, the Northern Colorado Regional Airport Commission supports approval of the Grant Agreement and recommends that the City Councils approve and sign any documents necessary to accept the BIL Grant funding in the amount of \$1,590,000.

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

Section 1. That the Commission recommends that the City Councils of the Cities of Loveland and Fort Collins approve the Grant Agreement and sign any documents necessary to accept the BIL Grant Funds.

Section 2. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 16th day of May, 2024.

Jeni Arndt, Chair of the
Northern Colorado Regional Airport Commission

ATTEST:

Secretary

APPROVED AS TO FORM:


Senior Assistant City Attorney



U.S. Department
of Transportation
Federal Aviation
Administration

Airports Division
Northwest Mountain Region
Colorado, Utah, Wyoming

Denver Airports District Office
26805 E 68th Ave, Ste 224
Denver, CO 80249-6339

{{DateTime_es_:signer1:calc(now()):format(date," mmmm d, yyyy")}}

Mr. Rod Wensing
Acting City Manager, City of Loveland
500 East 3rd Street, Suite 300
Loveland, CO 80537

Ms. Kelly DiMartino
City Manager, City of Fort Collins
300 La Porte Avenue
Fort Collins, CO 80522

Dear Mr. Wensing and Ms. DiMartino:

The Grant Offer for the Bipartisan Infrastructure Law (BIL) - Airport Infrastructure Grant (AIG) Project No. 3-08-0023-045-2024 at Northern Colorado Regional Airport is attached for execution. This letter outlines the steps you must take to properly enter into this agreement and provides other useful information. Please read the conditions, special conditions, and assurances that comprise the grant offer carefully.

You may not make any modification to the text, terms or conditions of the grant offer.

Steps You Must Take to Enter Into Agreement. To properly enter into this agreement, you must do the following:

1. The governing body must give authority to execute the grant to the individual(s) signing the grant, i.e., the person signing the document must be the sponsor's authorized representative(s) (hereinafter "authorized representative").
2. The authorized representative must execute the grant by adding their electronic signature to the appropriate certificate at the end of the agreement.
3. Once the authorized representative has electronically signed the grant, the sponsor's attorney(s) will automatically receive an email notification.
4. On the **same day or after** the authorized representative has signed the grant, the sponsor's attorney(s) will add their electronic signature to the appropriate certificate at the end of the agreement.
5. If there are co-sponsors, the authorized representative(s) and sponsor's attorney(s) must follow the above procedures to fully execute the grant and finalize the process. Signatures must be obtained and finalized no later than **XXX**.
6. The fully executed grant will then be automatically sent to all parties as an email attachment.

Payment. Subject to the requirements in 2 CFR § 200.305 (Federal Payment), each payment request for reimbursement under this grant must be made electronically via the Delphi eInvoicing System. Please see the attached Grant Agreement for more information regarding the use of this System.

Project Timing. The terms and conditions of this agreement require you to complete the project without undue delay and no later than the Period of Performance end date (1,460 days from the grant execution date). We will be monitoring your progress to ensure proper stewardship of these Federal funds. We expect you to submit payment requests for reimbursement of allowable incurred project expenses consistent with project progress. Your grant may be placed in “inactive” status if you do not make draws on a regular basis, which will affect your ability to receive future grant offers. Costs incurred after the Period of Performance ends are generally not allowable and will be rejected unless authorized by the FAA in advance.

Reporting. Until the grant is completed and closed, you are responsible for submitting formal reports as follows:

- For all grants, you must submit by December 31st of each year this grant is open:
 1. A signed/dated SF-270 (Request for Advance or Reimbursement for non-construction projects) or SF-271 or equivalent (Outlay Report and Request for Reimbursement for Construction Programs), and
 2. An SF-425 (Federal Financial Report).
- For non-construction projects, you must submit [FAA Form 5100-140, Performance Report](#) within 30 days of the end of the Federal fiscal year.
- For construction projects, you must submit [FAA Form 5370-1, Construction Progress and Inspection Report](#), within 30 days of the end of each Federal fiscal quarter.

Audit Requirements. As a condition of receiving Federal assistance under this award, you must comply with audit requirements as established under 2 CFR Part 200. Subpart F requires non-Federal entities that expend \$750,000 or more in Federal awards to conduct a single or program specific audit for that year. Note that this includes Federal expenditures made under other Federal-assistance programs. Please take appropriate and necessary action to ensure your organization will comply with applicable audit requirements and standards.

Closeout. Once the project(s) is completed and all costs are determined, we ask that you work with your FAA contact indicated below to close the project without delay and submit the necessary final closeout documentation as required by your Region/Airports District Office.

FAA Contact Information. Todd Minnich, (303) 342-1279, todd.e.minnich@faa.gov is the assigned program manager for this grant and is readily available to assist you and your designated representative with the requirements stated herein.

We sincerely value your cooperation in these efforts and look forward to working with you to complete this important project.

Sincerely,

{{Sig_es_:signer1: signature}}

John P. Bauer
Manager, Denver Airports District Office



U.S. Department
of Transportation
Federal Aviation
Administration

**FY 2024 AIRPORT INFRASTRUCTURE GRANT
GRANT AGREEMENT
Part I - Offer**

Federal Award Offer Date	<u>{{DateTime_es_.signer1:calc(now()):format(date," mmmm d, yyyy")}}</u>	
Airport/Planning Area	<u>Northern Colorado Regional Airport</u>	
Airport Infrastructure Grant Number	<u>3-08-0023-045-2024</u>	<u>[Contract # DOT-FA24NM-1018]</u>
Unique Entity Identifier	<u>EJKMMHAX3VU6</u>	
TO:	<u>City of Fort Collins, Colorado and City of Loveland, Colorado</u> (herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)	

FROM: **The United States of America** (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated January 12, 2024, for a grant of Federal funds for a project at or associated with the Northern Colorado Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Northern Colorado Regional Airport (herein called the "Project") consisting of the following:

Construct Terminal Building (phase III)

which is more fully described in the Project Application.

NOW THEREFORE, Pursuant to and for the purpose of carrying out the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL); and the representations contained in the Project Application; and in consideration of: (a) the Sponsor's adoption and ratification of the Grant Assurances attached hereto; (b) the Sponsor's acceptance of this Offer; and (c) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurance and conditions as herein provided;

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay (90) % of the allowable costs incurred accomplishing the Project as the United States share of the Project.

Assistance Listings Number (Formerly CFDA Number): 20.106

This Offer is made on and SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

CONDITIONS

1. **Maximum Obligation.** The maximum obligation of the United States payable under this Offer is **\$XXX,XXX.**

The following amounts represent a breakdown of the maximum obligation for the purpose of establishing allowable amounts for any future grant amendment, which may increase the foregoing maximum obligation of the United States under the provisions of 49 U.S.C. § 47108(b):

\$0 for planning

\$XXX,XXX airport development or noise program implementation; and,

\$0 for land acquisition.

2. **Grant Performance.** This Grant Agreement is subject to the following Federal award requirements:

- a. Period of Performance:

1. Shall start on the date the Sponsor formally accepts this Agreement and is the date signed by the last Sponsor signatory to the Agreement. The end date of the Period of Performance is 4 years (1,460 calendar days) from the date of acceptance. The Period of Performance end date shall not affect, relieve, or reduce Sponsor obligations and assurances that extend beyond the closeout of this Grant Agreement.
2. Means the total estimated time interval between the start of an initial Federal award and the planned end date, which may include one or more funded portions or budget periods (2 Code of Federal Regulations (CFR) § 200.1).

- b. Budget Period:

1. For this Grant is 4 years (1,460 calendar days) and follows the same start and end date as the Period of Performance provided in paragraph 2(a)(1). Pursuant to 2 CFR § 200.403(h), the Sponsor may charge to the Grant only allowable costs incurred during the Budget Period. Eligible project-related costs incurred on or after November 15, 2021 that comply with all Federal funding procurement requirements and FAA standards are allowable costs.
2. Means the time interval from the start date of a funded portion of an award to the end date of that funded portion during which the Sponsor is authorized to expend the funds awarded, including any funds carried forward or other revisions pursuant to 2 CFR § 200.308.

- c. Close Out and Termination

1. Unless the FAA authorizes a written extension, the Sponsor must submit all Grant closeout documentation and liquidate (pay-off) all obligations incurred under this award no later than 120 calendar days after the end date of the Period of Performance. If the Sponsor does not submit all required closeout documentation within this time period, the FAA will proceed to close out the grant within one year of the Period of Performance end date with the information available at the end of 120 days (2 CFR § 200.344).

2. The FAA may terminate this Grant, in whole or in part, in accordance with the conditions set forth in 2 CFR § 200.340, or other Federal regulatory or statutory authorities as applicable.
3. **Ineligible or Unallowable Costs.** The Sponsor must not include any costs in the project that the FAA has determined to be ineligible or unallowable.
4. **Indirect Costs - Sponsor.** The Sponsor may charge indirect costs under this award by applying the indirect cost rate identified in the project application as accepted by the FAA, to allowable costs for Sponsor direct salaries and wages.
5. **Determining the Final Federal Share of Costs.** The United States' share of allowable project costs will be made in accordance with 49 U.S.C. § 47109, the regulations, policies, and procedures of the Secretary of Transportation ("Secretary"), and any superseding legislation. Final determination of the United States' share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
6. **Completing the Project Without Delay and in Conformance with Requirements.** The Sponsor must carry out and complete the project without undue delays and in accordance with this Agreement, BIL (Public Law 117-58), the regulations, policies, and procedures of the Secretary. Per 2 CFR § 200.308, the Sponsor agrees to report and request prior FAA approval for any disengagement from performing the project that exceeds three months or a 25 percent reduction in time devoted to the project. The report must include a reason for the project stoppage. The Sponsor also agrees to comply with the grant assurances, which are part of this Agreement.
7. **Amendments or Withdrawals before Grant Acceptance.** The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
8. **Offer Expiration Date.** This offer will expire and the United States will not be obligated to pay any part of the costs of the project unless this offer has been accepted by the Sponsor on or before **XXX**, or such subsequent date as may be prescribed in writing by the FAA.
9. **Improper Use of Federal Funds.** The Sponsor must take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner for any project upon which Federal funds have been expended. For the purposes of this Grant Agreement, the term "Federal funds" means funds however used or dispersed by the Sponsor, that were originally paid pursuant to this or any other Federal grant agreement. The Sponsor must obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. The Sponsor must return the recovered Federal share, including funds recovered by settlement, order, or judgment, to the Secretary. The Sponsor must furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share require advance approval by the Secretary.
10. **United States Not Liable for Damage or Injury.** The United States is not responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this Grant Agreement.
11. **System for Award Management (SAM) Registration and Unique Entity Identifier (UEI).**
 - a. Requirement for System for Award Management (SAM): Unless the Sponsor is exempted from this requirement under 2 CFR § 25.110, the Sponsor must maintain the currency of its

information in the SAM until the Sponsor submits the final financial report required under this Grant, or receives the final payment, whichever is later. This requires that the Sponsor review and update the information at least annually after the initial registration and more frequently if required by changes in information or another award term. Additional information about registration procedures may be found at the SAM website (currently at <http://www.sam.gov>).

- b. Unique entity identifier (UEI) means a 12-character alpha-numeric value used to identify a specific commercial, nonprofit or governmental entity. A UEI may be obtained from SAM.gov at <https://sam.gov/content/entity-registration>.

12. **Electronic Grant Payment(s).** Unless otherwise directed by the FAA, the Sponsor must make each payment request under this Agreement electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees.

13. **Informal Letter Amendment of BIL Projects.** If, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000 or five percent (5%), whichever is greater, the FAA can issue a letter amendment to the Sponsor unilaterally reducing the maximum obligation.

The FAA can, subject to the availability of Federal funds, also issue a letter to the Sponsor increasing the maximum obligation if there is an overrun in the total actual eligible and allowable project costs to cover the amount of the overrun provided it will not exceed the statutory limitations for grant amendments. The FAA's authority to increase the maximum obligation does not apply to the "planning" component of Condition No. 1, Maximum Obligation.

The FAA can also issue an informal letter amendment that modifies the grant description to correct administrative errors or to delete work items if the FAA finds it advantageous and in the best interests of the United States.

An informal letter amendment has the same force and effect as a formal grant amendment.

14. **Air and Water Quality.** The Sponsor is required to comply with all applicable environmental standards, as further defined in the Grant Assurances, for all projects in this grant. If the Sponsor fails to comply with this requirement, the FAA may suspend, cancel, or terminate this Grant Agreement.
15. **Financial Reporting and Payment Requirements.** The Sponsor will comply with all Federal financial reporting requirements and payment requirements, including submittal of timely and accurate reports.
16. **Buy American.** Unless otherwise approved in advance by the FAA, in accordance with 49 U.S.C. § 50101, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured goods produced outside the United States to be used for any project for which funds are provided under this Grant. The Sponsor will include a provision implementing Buy American in every contract and subcontract awarded under this Grant.
17. **Build America, Buy American.** The Sponsor must comply with the requirements under the Build America, Buy America Act (Public Law 117-58).
18. **Maximum Obligation Increase.** In accordance with 49 U.S.C. § 47108(b)(3), as amended, the maximum obligation of the United States, as stated in Condition No. 1, Maximum Obligation, of this Grant:
 - a. May not be increased for a planning project;

- b. May be increased by not more than 15 percent for development projects, if funds are available;
- c. May be increased by not more than the greater of the following for a land project, if funds are available:
 - 1. 15 percent; or
 - 2. 25 percent of the total increase in allowable project costs attributable to acquiring an interest in the land.

If the Sponsor requests an increase, any eligible increase in funding will be subject to the United States Government share as provided in BIL (Public Law 117-58), or other superseding legislation if applicable, for the fiscal year appropriation with which the increase is funded. The FAA is not responsible for the same Federal share provided herein for any amount increased over the initial grant amount. The FAA may adjust the Federal share as applicable through an informal letter of amendment.

19. Audits for Sponsors.

PUBLIC SPONSORS. The Sponsor must provide for a Single Audit or program-specific audit in accordance with 2 CFR Part 200. The Sponsor must submit the audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/facweb/>. Upon request of the FAA, the Sponsor shall provide one copy of the completed audit to the FAA. Sponsors that expend less than \$750,000 in Federal awards and are exempt from Federal audit requirements must make records available for review or audit by the appropriate Federal agency officials, State, and Government Accountability Office. The FAA and other appropriate Federal agencies may request additional information to meet all Federal audit requirements.

20. Suspension or Debarment. When entering into a "covered transaction" as defined by 2 CFR § 180.200, the Sponsor must:

- a. Verify the non-Federal entity is eligible to participate in this Federal program by:
 - 1. Checking the Responsibility/Qualification records in the Federal Awardee Performance and Integrity Information System (FAPIIS) as maintained within the System for Award Management (SAM) to determine if the non-Federal entity is excluded or disqualified; or
 - 2. Collecting a certification statement from the non-Federal entity attesting they are not excluded or disqualified from participating; or
 - 3. Adding a clause or condition to covered transactions attesting the individual or firm are not excluded or disqualified from participating.
- b. Require prime contractors to comply with 2 CFR § 180.330 when entering into lower-tier transactions with their contractors and sub-contractors.
- c. Immediately disclose in writing to the FAA whenever (1) the Sponsor learns they have entered into a covered transaction with an ineligible entity or (2) the Public Sponsor suspends or debars a contractor, person, or entity.

21. Ban on Texting While Driving.

- a. In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving, October 1, 2009, and DOT Order 3902.10, Text Messaging While Driving, December 30, 2009, the Sponsor is encouraged to:

1. Adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving when performing any work for, or on behalf of, the Federal government, including work relating to a grant or subgrant.
2. Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as:
 - i. Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and
 - ii. Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.
- b. The Sponsor must insert the substance of this clause on banning texting while driving in all subgrants, contracts, and subcontracts funded with this Grant.

22. **Trafficking in Persons.**

- a. *Posting of contact information.*
 1. The Sponsor must post the contact information of the national human trafficking hotline (including options to reach out to the hotline such as through phone, text, or TTY) in all public airport restrooms.
- b. *Provisions applicable to a recipient that is a private entity.*
 1. You as the recipient, your employees, subrecipients under this Grant, and subrecipients' employees may not:
 - i. Engage in severe forms of trafficking in persons during the period of time that the Grant and applicable conditions are in effect;
 - ii. Procure a commercial sex act during the period of time that the Grant and applicable conditions are in effect; or
 - iii. Use forced labor in the performance of the Grant or any subgrants under this Grant.
 2. We as the Federal awarding agency, may unilaterally terminate this Grant, without penalty, if you or a subrecipient that is a private entity –
 - i. Is determined to have violated a prohibition in paragraph (b) of this Grant Condition; or
 - ii. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated a prohibition in paragraph (b) of this Grant Condition through conduct that is either –
 - a) Associated with performance under this Grant; or
 - b) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, "OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," as implemented by our agency at 2 CFR Part 1200.
- c. *Provision applicable to a recipient other than a private entity.* We as the Federal awarding agency may unilaterally terminate this Grant, without penalty, if a subrecipient that is a private entity –

1. Is determined to have violated an applicable prohibition in paragraph (a) of this Grant Condition; or
 2. Has an employee who is determined by the agency official authorized to terminate the Grant to have violated an applicable prohibition in paragraph (a) of this Grant Condition through conduct that is either –
 - i. Associated with performance under this Grant; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR Part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 CFR Part 1200.
- d. *Provisions applicable to any recipient.*
1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph (a) of this Grant Condition.
 2. Our right to terminate unilaterally that is described in paragraph (a) or (b) of this Grant Condition:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended [22 U.S.C. § 7104(g)], and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this Grant.
 3. You must include the requirements of paragraph (a) of this Grant Condition in any subgrant you make to a private entity.
- e. *Definitions.* For purposes of this Grant Condition:
1. “Employee” means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this Grant; or
 - ii. Another person engaged in the performance of the project or program under this Grant and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
 2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
 3. “Private entity”:
 - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR § 175.25.
 - ii. Includes:
 - a) A nonprofit organization, including any nonprofit institute of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR § 175.25(b).

b) A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).
23. **BIL Funded Work Included in a PFC Application.** Within 120 days of acceptance of this Grant Agreement, the Sponsor must submit to the FAA an amendment to any approved Passenger Facility Charge (PFC) application that contains an approved PFC project also covered under this Grant Agreement as described in the project application. The airport sponsor may not make any expenditure under this Grant Agreement until project work addressed under this Grant Agreement is removed from an approved PFC application by amendment.
24. **Exhibit "A" Property Map.** The Exhibit "A" Property Map dated June 2020, is incorporated herein by reference or is submitted with the project application and made part of this Grant Agreement.
25. **Employee Protection from Reprisal.**
 - a. Prohibition of Reprisals.
 1. In accordance with 41 U.S.C. § 4712, an employee of a Sponsor, grantee, subgrantee, contractor, or subcontractor may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in sub-paragraph (a)(2) below, information that the employee reasonably believes is evidence of:
 - i. Gross mismanagement of a Federal grant;
 - ii. Gross waste of Federal funds;
 - iii. An abuse of authority relating to implementation or use of Federal funds;
 - iv. A substantial and specific danger to public health or safety; or
 - v. A violation of law, rule, or regulation related to a Federal grant.
 2. Persons and bodies covered. The persons and bodies to which a disclosure by an employee is covered are as follows:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Federal employee responsible for contract or grant oversight or management at the relevant agency;
 - v. A court or grand jury;
 - vi. A management official or other employee of the Sponsor, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct; or
 - vii. An authorized official of the Department of Justice or other law enforcement agency.
 - b. Investigation of Complaints.
 1. Submission of Complaint. A person who believes that they have been subjected to a reprisal prohibited by paragraph (a) of this Condition may submit a complaint regarding the reprisal to the Office of Inspector General (OIG) for the U.S. Department of Transportation.

2. Time Limitation for Submittal of a Complaint. A complaint may not be brought under this subsection more than three years after the date on which the alleged reprisal took place.
 3. Required Actions of the Inspector General. Actions, limitations, and exceptions of the OIG's office are established under 41 U.S.C. § 4712(b).
- c. Remedy and Enforcement Authority.
1. Assumption of Rights to Civil Remedy. Upon receipt of an explanation of a decision not to conduct or continue an investigation by the OIG, the person submitting a complaint assumes the right to a civil remedy under 41 U.S.C. § 4712(c)(2).
26. **Co-Sponsor.** The Co-Sponsors understand and agree that they jointly and severally adopt and ratify the representations and assurances contained therein and that the word "Sponsor" as used in the application and other assurances is deemed to include all Co-Sponsors.
 27. **Prohibited Telecommunications and Video Surveillance Services and Equipment.** The Sponsor agrees to comply with mandatory standards and policies relating to use and procurement of certain telecommunications and video surveillance services or equipment in compliance with the National Defense Authorization Act [Public Law 115-232 § 889(f)(1)] and 2 CFR § 200.216.
 28. **Title VI of the Civil Rights Act.** As a condition of a grant award, the Sponsor shall demonstrate that it complies with the provisions of Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq) and implementing regulations (49 CFR part 21), the Airport and Airway Improvement Act of 1982 (49 U.S.C. § 47123), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794 et seq.), the Americans with Disabilities Act of 1990 (42 U.S.C. § 12101, et seq.), U.S. Department of Transportation and Federal Aviation Administration (FAA) Assurances, and other relevant civil rights statutes, regulations, or authorities. This may include, as applicable, providing a current Title VI Program Plan and a Community Participation Plan (alternatively may be called a Public Participation Plan) to the FAA for approval, in the format and according to the timeline required by the FAA, and other information about the communities that will be benefited and impacted by the project. A completed FAA Title VI Pre-Grant Award Checklist is also required for every grant application, unless excused by the FAA. The Sponsor shall affirmatively ensure that when carrying out any project supported by this grant that it complies with all federal nondiscrimination and civil rights laws based on race, color, national origin (including limited English proficiency), sex (including sexual orientation and gender identity), creed, age, disability, genetic information, or environmental justice in consideration for federal financial assistance. The Sponsor, who have not sufficiently demonstrated the conditions of compliance with civil rights requirements will be required to do so before receiving funds. The Department's and FAA's Office of Civil Rights may provide resources and technical assistance to recipients to ensure full and sustainable compliance with Federal civil rights requirements. Failure to comply with civil rights requirements will be considered a violation of the agreement or contract and be subject to any enforcement action as authorized by law.

SPECIAL CONDITIONS

29. **Final Project Documentation.** The Sponsor understands and agrees that in accordance with 49 USC 47111, and with the Airport District Office's (ADO) concurrence, that no payments totaling more than 90.0 percent of United States Government's share of the project's estimated allowable cost may be made before the project is determined to be substantially complete. Substantially complete means the following: (1) The project results in a complete, usable unit of work as defined in the grant agreement and (2) The sponsor submits necessary documents showing that the project is substantially complete per the contract requirements, or has a plan (that FAA agrees with) that addresses all elements contained on the punch list. Furthermore, no payments totaling more than 97.5 percent of the United States Government's share of the project's estimated allowable cost may be made until: (1) The sponsor submits all necessary closeout documentation and (2) The sponsor receives final payment notification from the ADO.
30. **Airports Geographic Information System (AGIS) Requirements.** AGIS requirements, as specified in Advisory Circular 150/5300-18, apply to the project included in this grant offer. Final construction as-built information or planning deliverables must be collected according to these specifications and submitted to the FAA. The submittal must be reviewed and accepted by the FAA before the grant can be administratively closed.
31. **Solid Waste Recycling Plan.** The Sponsor certifies that it has a solid waste recycling plan as part of an existing Airport Master Plan, as described by 49 U.S.C. § 47106(a)(6).
32. **Airport Layout Plan.** The Sponsor understands and agrees to update the Airport Layout Plan to reflect the construction to standards satisfactory to the FAA and submit it in final form to the FAA as prescribed by 49 U.S.C. § 47107(a)(16). It is further mutually agreed that the reasonable cost of developing said Airport Layout Plan Map is an allowable cost within the scope of this project, if applicable. Airport Sponsors Grant Assurance 29 further addresses the Sponsor's statutory obligations to maintain an airport layout plan in accordance with 49 U.S.C. § 47107(a)(16).
33. **Building BIL Proration.** For purposes of computing the United States' share of the allowable project costs of the project, the allowable cost of the Terminal Building included in the project must not exceed 92.11% percent of the actual cost of the entire building.
34. **Buy American Executive Orders.** The Sponsor agrees to abide by applicable Executive Orders in effect at the time this Grant Agreement is executed, including Executive Order 14005, Ensuring the Future Is Made in All of America by All of America's Workers.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the Grant Assurances, terms, and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.¹

**UNITED STATES OF AMERICA
FEDERAL AVIATION ADMINISTRATION**

{{Sig_es_:_signer1:signature:dimension(height=12mm, width=70mm)}}

(Signature)

{{N_es_:_signer1:fullname }}

(Typed Name)

{{N_es_:_signer1:title }}

(Title of FAA Official)

¹ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

Part II - Acceptance

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.²

Dated **{{DateTime_es_:signer2:calc(now()):format(date," mmmm d, yyyy")}}**

City of Fort Collins, Colorado

(Name of Sponsor)

{{Sig_es_:signer2:signature:dimension(height=12mm, width=70mm)}}

(Signature of Sponsor's Authorized Official)

By: **{{N_es_:signer2:fullname}}**

(Typed Name of Sponsor's Authorized Official)

Title: **{{*Ttl_es_:signer2:title}}**

(Title of Sponsor's Authorized Official)

² Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, **{{N_es :signer3: fullname}}**, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL), Division J, Title VIII; and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.³

Dated at **{{DateTime_es :signer3:calc(now()):format(date," mmmm d, yyyy")}}**

By: **{{Sig_es :signer3:signature:dimension(height=12mm, width=70mm)}}**

(Signature of Sponsor's Attorney)

³ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer, and does hereby accept this Offer and by such acceptance agrees to comply with all of the Grant Assurances, terms, and conditions in this Offer and in the Project Application.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.⁴

Dated {{DateTime_es_:signer4:calc(now()):format(date," mmmm d, yyyy")}}

City of Loveland, Colorado

(Name of Sponsor)

{{Sig_es_:signer4:signature:dimension(height=12mm, width=70mm)}}

(Signature of Sponsor's Authorized Official)

By: {{N_es_:signer4:fullname }}

(Typed Name of Sponsor's Authorized Official)

Title: {{*Ttl_es_:signer4:title }}

(Title of Sponsor's Authorized Official)

⁴ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

CERTIFICATE OF SPONSOR'S ATTORNEY

I, **{{N_es :signer5: fullname}}**, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Colorado. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor and Sponsor's official representative, who has been duly authorized to execute this Grant Agreement, which is in all respects due and proper and in accordance with the laws of the said State; the Infrastructure Investment and Jobs Act (Public Law 117-58) of 2021 referred to as the Bipartisan Infrastructure Law (BIL), Division J, Title VIII; and the representations contained in the Project Application. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Please read the following information: By signing this document, you are agreeing that you have reviewed the following consumer disclosure information and consent to transact business using electronic communications, to receive notices and disclosures electronically, and to utilize electronic signatures in lieu of using paper documents. You are not required to receive notices and disclosures or sign documents electronically. If you prefer not to do so, you may request to receive paper copies and withdraw your consent at any time.

I declare under penalty of perjury that the foregoing is true and correct.⁵

Dated at **{{DateTime_es :signer5:calc(now()):format(date," mmmm d, yyyy")}}**

By: **{{Sig_es :signer5:signature:dimension(height=12mm, width=70mm)}}**

(Signature of Sponsor's Attorney)

⁵ Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C. § 1001 (False Statements) and could subject you to fines, imprisonment, or both.

ASSURANCES

AIRPORT SPONSORS

A. General.

1. These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2. These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Public Law 117-58, Division J, Title VIII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3. Upon acceptance of this grant offer by the sponsor, these assurances are incorporated in and become part of this Grant Agreement.

B. Duration and Applicability.

1. **Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor.**

The terms, conditions and assurances of this Grant Agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.

2. **Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor.**

The preceding paragraph (1) also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.

3. **Airport Planning Undertaken by a Sponsor.**

Unless otherwise specified in this Grant Agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 23, 25, 30, 32, 33, 34, and 37 in Section C apply to planning projects. The terms, conditions, and assurances of this Grant Agreement shall remain in full force and effect during the life of the project; there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport.

C. Sponsor Certification.

The sponsor hereby assures and certifies, with respect to this grant that:

1. General Federal Requirements

It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Grant including but not limited to the following:

FEDERAL LEGISLATION

- a. 49 U.S.C. subtitle VII, as amended.
- b. Davis-Bacon Act, as amended — 40 U.S.C. §§ 3141-3144, 3146, and 3147, et seq.¹
- c. Federal Fair Labor Standards Act – 29 U.S.C. § 201, et seq.
- d. Hatch Act – 5 U.S.C. § 1501, et seq.²
- e. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, 42 U.S.C. § 4601, et seq.^{1, 2}
- f. National Historic Preservation Act of 1966 – Section 106 – 54 U.S.C. § 306108.¹
- g. Archeological and Historic Preservation Act of 1974 – 54 U.S.C. § 312501, et seq.¹
- h. Native Americans Grave Repatriation Act – 25 U.S.C. § 3001, et seq.
- i. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401, et seq.
- j. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451, et seq.
- k. Flood Disaster Protection Act of 1973 – Section 102(a) - 42 U.S.C. § 4012a.¹
- l. 49 U.S.C. § 303, (formerly known as Section 4(f))
- m. Rehabilitation Act of 1973 – 29 U.S.C. § 794.
- n. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- o. Americans with Disabilities Act of 1990, as amended, (42 U.S.C. § 12101 et seq.) (prohibits discrimination on the basis of disability).
- p. Age Discrimination Act of 1975 – 42 U.S.C. § 6101, et seq.
- q. American Indian Religious Freedom Act, P.L. 95-341, as amended.
- r. Architectural Barriers Act of 1968, as amended – 42 U.S.C. § 4151, et seq.¹
- s. Powerplant and Industrial Fuel Use Act of 1978 – Section 403 – 42 U.S.C. § 8373.¹
- t. Contract Work Hours and Safety Standards Act – 40 U.S.C. § 3701, et seq.¹
- u. Copeland Anti-kickback Act – 18 U.S.C. § 874.¹
- v. National Environmental Policy Act of 1969 – 42 U.S.C. § 4321, et seq.¹
- w. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271, et seq.
- x. Single Audit Act of 1984 – 31 U.S.C. § 7501, et seq.²

- y. Drug-Free Workplace Act of 1988 – 41 U.S.C. §§ 8101 through 8105.
- z. The Federal Funding Accountability and Transparency Act of 2006, as amended (Pub. L. 109-282, as amended by section 6202 of Pub. L. 110-252).
- aa. Civil Rights Restoration Act of 1987, P.L. 100-259.
- bb. Build America, Buy America Act, P.L. 117-58, Title IX.

EXECUTIVE ORDERS

- a. Executive Order 11246 – Equal Employment Opportunity¹
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11998 – Flood Plain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12699 – Seismic Safety of Federal and Federally Assisted New Building Construction¹
- f. Executive Order 12898 – Environmental Justice
- g. Executive Order 13166 – Improving Access to Services for Persons with Limited English Proficiency
- h. Executive Order 13985 – Executive Order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 13988 - Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation
- j. Executive Order 14005 – Ensuring the Future is Made in all of America by All of America’s Workers
- k. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

FEDERAL REGULATIONS

- a. 2 CFR Part 180 – OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement).
- b. 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. ^{4, 5}
- c. 2 CFR Part 1200 – Nonprocurement Suspension and Debarment.
- d. 14 CFR Part 13 – Investigative and Enforcement Procedures.
- e. 14 CFR Part 16 – Rules of Practice for Federally-Assisted Airport Enforcement Proceedings.
- f. 14 CFR Part 150 – Airport Noise Compatibility Planning.
- g. 28 CFR Part 35 – Nondiscrimination on the Basis of Disability in State and Local Government Services.
- h. 28 CFR § 50.3 – U.S. Department of Justice Guidelines for the Enforcement of Title VI of the Civil Rights Act of 1964.
- i. 29 CFR Part 1 – Procedures for Predetermination of Wage Rates.¹

- j. 29 CFR Part 3 – Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States.¹
- k. 29 CFR Part 5 – Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction (Also Labor Standards Provisions Applicable to Nonconstruction Contracts Subject to the Contract Work Hours and Safety Standards Act).¹
- l. 41 CFR Part 60 – Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (Federal and Federally-assisted contracting requirements).¹
- m. 49 CFR Part 20 – New Restrictions on Lobbying.
- n. 49 CFR Part 21 – Nondiscrimination in Federally-Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964.
- o. 49 CFR Part 23 – Participation by Disadvantage Business Enterprise in Airport Concessions.
- p. 49 CFR Part 24 – Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.^{1, 2}
- q. 49 CFR Part 26 – Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs.
- r. 49 CFR Part 27 – Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance.¹
- s. 49 CFR Part 28 – Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.
- t. 49 CFR Part 30 – Denial of Public Works Contracts to Suppliers of Goods and Services of Countries That Deny Procurement Market Access to U.S. Contractors.
- u. 49 CFR Part 32 – Governmentwide Requirements for Drug-Free Workplace (Financial Assistance).
- v. 49 CFR Part 37 – Transportation Services for Individuals with Disabilities (ADA).
- w. 49 CFR Part 38 – Americans with Disabilities Act (ADA) Accessibility Specifications for Transportation Vehicles.
- x. 49 CFR Part 41 – Seismic Safety.

FOOTNOTES TO ASSURANCE (C)(1)

¹ These laws do not apply to airport planning sponsors.

² These laws do not apply to private sponsors.

³ 2 CFR Part 200 contains requirements for State and Local Governments receiving Federal assistance. Any requirement levied upon State and Local Governments by this regulation shall apply where applicable to private sponsors receiving Federal assistance under Title 49, United States Code.

⁴ Cost principles established in 2 CFR part 200 subpart E must be used as guidelines for determining the eligibility of specific types of expenses.

⁵ Audit requirements established in 2 CFR part 200 subpart F are the guidelines for audits.

SPECIFIC ASSURANCES

Specific assurances required to be included in grant agreements by any of the above laws, regulations or circulars are incorporated by reference in this Grant Agreement.

2. Responsibility and Authority of the Sponsor.

a. Public Agency Sponsor:

It has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.

b. Private Sponsor:

It has legal authority to apply for this Grant and to finance and carry out the proposed project and comply with all terms, conditions, and assurances of this Grant Agreement. It shall designate an official representative and shall in writing direct and authorize that person to file this application, including all understandings and assurances contained therein; to act in connection with this application; and to provide such additional information as may be required.

3. Sponsor Fund Availability.

It has sufficient funds available for that portion of the project costs which are not to be paid by the United States. It has sufficient funds available to assure operation and maintenance of items funded under this Grant Agreement which it will own or control.

4. Good Title.

- a. It, a public agency or the Federal government, holds good title, satisfactory to the Secretary, to the landing area of the airport or site thereof, or will give assurance satisfactory to the Secretary that good title will be acquired.
- b. For noise compatibility program projects to be carried out on the property of the sponsor, it holds good title satisfactory to the Secretary to that portion of the property upon which Federal funds will be expended or will give assurance to the Secretary that good title will be obtained.

5. Preserving Rights and Powers.

- a. It will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Grant Agreement without the written approval of the Secretary, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.
- b. Subject to the FAA Act of 2018, Public Law 115-254, Section 163, it will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on Exhibit A to this application or, for a noise compatibility program project, that portion of the property upon which Federal funds have been expended, for the duration of the terms, conditions, and assurances in this Grant Agreement without approval by the

Secretary. If the transferee is found by the Secretary to be eligible under Title 49, United States Code, to assume the obligations of this Grant Agreement and to have the power, authority, and financial resources to carry out all such obligations, the sponsor shall insert in the contract or document transferring or disposing of the sponsor's interest, and make binding upon the transferee all of the terms, conditions, and assurances contained in this Grant Agreement.

- c. For all noise compatibility program projects which are to be carried out by another unit of local government or are on property owned by a unit of local government other than the sponsor, it will enter into an agreement with that government. Except as otherwise specified by the Secretary, that agreement shall obligate that government to the same terms, conditions, and assurances that would be applicable to it if it applied directly to the FAA for a grant to undertake the noise compatibility program project. That agreement and changes thereto must be satisfactory to the Secretary. It will take steps to enforce this agreement against the local government if there is substantial non-compliance with the terms of the agreement.
- d. For noise compatibility program projects to be carried out on privately owned property, it will enter into an agreement with the owner of that property which includes provisions specified by the Secretary. It will take steps to enforce this agreement against the property owner whenever there is substantial non-compliance with the terms of the agreement.
- e. If the sponsor is a private sponsor, it will take steps satisfactory to the Secretary to ensure that the airport will continue to function as a public-use airport in accordance with these assurances for the duration of these assurances.
- f. If an arrangement is made for management and operation of the airport by any agency or person other than the sponsor or an employee of the sponsor, the sponsor will reserve sufficient rights and authority to ensure that the airport will be operated and maintained in accordance with Title 49, United States Code, the regulations and the terms, conditions and assurances in this Grant Agreement and shall ensure that such arrangement also requires compliance therewith.
- g. Sponsors of commercial service airports will not permit or enter into any arrangement that results in permission for the owner or tenant of a property used as a residence, or zoned for residential use, to taxi an aircraft between that property and any location on airport. Sponsors of general aviation airports entering into any arrangement that results in permission for the owner of residential real property adjacent to or near the airport must comply with the requirements of 49 U.S.C. § 47107(s) and the sponsor assurances.

6. Consistency with Local Plans.

The project is reasonably consistent with plans (existing at the time of submission of this application) of public agencies that are authorized by the State in which the project is located to plan for the development of the area surrounding the airport.

7. Consideration of Local Interest.

It has given fair consideration to the interest of communities in or near where the project may be located.

8. Consultation with Users.

In making a decision to undertake any airport development project under Title 49, United States Code, it has undertaken reasonable consultations with affected parties using the airport at which project is proposed.

9. Public Hearings.

In projects involving the location of an airport, an airport runway, or a major runway extension, it has afforded the opportunity for public hearings for the purpose of considering the economic, social, and environmental effects of the airport or runway location and its consistency with goals and objectives of such planning as has been carried out by the community and it shall, when requested by the Secretary, submit a copy of the transcript of such hearings to the Secretary. Further, for such projects, it has on its management board either voting representation from the communities where the project is located or has advised the communities that they have the right to petition the Secretary concerning a proposed project.

10. Metropolitan Planning Organization.

In projects involving the location of an airport, an airport runway, or a major runway extension at a medium or large hub airport, the sponsor has made available to and has provided upon request to the metropolitan planning organization in the area in which the airport is located, if any, a copy of the proposed amendment to the airport layout plan to depict the project and a copy of any airport master plan in which the project is described or depicted.

11. Pavement Preventive Maintenance.

With respect to a project approved after January 1, 1995, for the replacement or reconstruction of pavement at the airport, it assures or certifies that it has implemented an effective airport pavement maintenance-management program and it assures that it will use such program for the useful life of any pavement constructed, reconstructed or repaired with Federal financial assistance at the airport. It will provide such reports on pavement condition and pavement management programs as the Secretary determines may be useful.

12. Terminal Development Prerequisites.

For projects which include terminal development at a public use airport, as defined in Title 49, it has, on the date of submittal of the project grant application, all the safety equipment required for certification of such airport under 49 U.S.C. § 44706, and all the security equipment required by rule or regulation, and has provided for access to the passenger enplaning and deplaning area of such airport to passengers enplaning and deplaning from aircraft other than air carrier aircraft.

13. Accounting System, Audit, and Record Keeping Requirements.

- a. It shall keep all project accounts and records which fully disclose the amount and disposition by the recipient of the proceeds of this Grant, the total cost of the project in connection with which this Grant is given or used, and the amount or nature of that portion of the cost of the project supplied by other sources, and such other financial records pertinent to the project. The accounts and records shall be kept in accordance with an accounting system that will facilitate an effective audit in accordance with the Single Audit Act of 1984.
- b. It shall make available to the Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, for the purpose of audit and examination, any books, documents, papers, and records of the recipient that are pertinent to this Grant. The Secretary may require that an appropriate audit be conducted by a recipient. In any case in which an independent audit is made of the accounts of a sponsor relating to the disposition of the proceeds of a grant or relating to the project in connection with which this Grant was given or used, it shall file a certified copy of such audit with the Comptroller General of the United

States not later than six (6) months following the close of the fiscal year for which the audit was made.

14. Minimum Wage Rates.

It shall include, in all contracts in excess of \$2,000 for work on any projects funded under this Grant Agreement which involve labor, provisions establishing minimum rates of wages, to be predetermined by the Secretary of Labor under 40 U.S.C. §§ 3141-3144, 3146, and 3147, Public Building, Property, and Works), which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals or bids for the work.

15. Veteran's Preference.

It shall include in all contracts for work on any project funded under this Grant Agreement which involve labor, such provisions as are necessary to insure that, in the employment of labor (except in executive, administrative, and supervisory positions), preference shall be given to Vietnam era veterans, Persian Gulf veterans, Afghanistan-Iraq war veterans, disabled veterans, and small business concerns owned and controlled by disabled veterans as defined in 49 U.S.C. § 47112. However, this preference shall apply only where the individuals are available and qualified to perform the work to which the employment relates.

16. Conformity to Plans and Specifications.

It will execute the project subject to plans, specifications, and schedules approved by the Secretary. Such plans, specifications, and schedules shall be submitted to the Secretary prior to commencement of site preparation, construction, or other performance under this Grant Agreement, and, upon approval of the Secretary, shall be incorporated into this Grant Agreement. Any modification to the approved plans, specifications, and schedules shall also be subject to approval of the Secretary, and incorporated into this Grant Agreement.

17. Construction Inspection and Approval.

It will provide and maintain competent technical supervision at the construction site throughout the project to assure that the work conforms to the plans, specifications, and schedules approved by the Secretary for the project. It shall subject the construction work on any project contained in an approved project application to inspection and approval by the Secretary and such work shall be in accordance with regulations and procedures prescribed by the Secretary. Such regulations and procedures shall require such cost and progress reporting by the sponsor or sponsors of such project as the Secretary shall deem necessary.

18. Planning Projects.

In carrying out planning projects:

- a. It will execute the project in accordance with the approved program narrative contained in the project application or with the modifications similarly approved.
- b. It will furnish the Secretary with such periodic reports as required pertaining to the planning project and planning work activities.
- c. It will include in all published material prepared in connection with the planning project a notice that the material was prepared under a grant provided by the United States.

- d. It will make such material available for examination by the public, and agrees that no material prepared with funds under this project shall be subject to copyright in the United States or any other country.
- e. It will give the Secretary unrestricted authority to publish, disclose, distribute, and otherwise use any of the material prepared in connection with this grant.
- f. It will grant the Secretary the right to disapprove the sponsor's employment of specific consultants and their subcontractors to do all or any part of this project as well as the right to disapprove the proposed scope and cost of professional services.
- g. It will grant the Secretary the right to disapprove the use of the sponsor's employees to do all or any part of the project.
- h. It understands and agrees that the Secretary's approval of this project grant or the Secretary's approval of any planning material developed as part of this grant does not constitute or imply any assurance or commitment on the part of the Secretary to approve any pending or future application for a Federal airport grant.

19. Operation and Maintenance.

- a. The airport and all facilities which are necessary to serve the aeronautical users of the airport, other than facilities owned or controlled by the United States, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable Federal, state, and local agencies for maintenance and operation. It will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. It will suitably operate and maintain the airport and all facilities thereon or connected therewith, with due regard to climatic and flood conditions. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Secretary. In furtherance of this assurance, the sponsor will have in effect arrangements for:
 - 1. Operating the airport's aeronautical facilities whenever required;
 - 2. Promptly marking and lighting hazards resulting from airport conditions, including temporary conditions; and
 - 3. Promptly notifying aviators of any condition affecting aeronautical use of the airport. Nothing contained herein shall be construed to require that the airport be operated for aeronautical use during temporary periods when snow, flood, or other climatic conditions interfere with such operation and maintenance. Further, nothing herein shall be construed as requiring the maintenance, repair, restoration, or replacement of any structure or facility which is substantially damaged or destroyed due to an act of God or other condition or circumstance beyond the control of the sponsor.
- b. It will suitably operate and maintain noise compatibility program items that it owns or controls upon which Federal funds have been expended.

20. Hazard Removal and Mitigation.

It will take appropriate action to assure that such terminal airspace as is required to protect instrument and visual operations to the airport (including established minimum flight altitudes) will be 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.

21. Compatible Land Use.

It will take appropriate action, to the extent reasonable, including the adoption of zoning laws, to restrict the use of land adjacent to or in the immediate vicinity of the airport to activities and purposes compatible with normal airport operations, including landing and takeoff of aircraft. In addition, if the project is for noise compatibility program implementation, it will not cause or permit any change in land use, within its jurisdiction, that will reduce its compatibility, with respect to the airport, of the noise compatibility program measures upon which Federal funds have been expended.

22. Economic Nondiscrimination.

- a. It will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.
- b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the sponsor will insert and enforce provisions requiring the contractor to:
 1. Furnish said services on a reasonable, and not unjustly discriminatory, basis to all users thereof, and
 2. Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.
- c. Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities.
- d. Each air carrier using such airport shall have the right to service itself or to use any fixed-based operator that is authorized or permitted by the airport to serve any air carrier at such airport.
- e. Each air carrier using such airport (whether as a tenant, non-tenant, or subtenant of another air carrier tenant) shall be subject to such nondiscriminatory and substantially comparable rules, regulations, conditions, rates, fees, rentals, and other charges with respect to facilities directly and substantially related to providing air transportation as are applicable to all such air carriers which make similar use of such airport and utilize similar facilities, subject to reasonable classifications such as tenants or non-tenants and signatory carriers and non-signatory carriers. Classification or status as tenant or signatory shall not be unreasonably withheld by any airport provided an air carrier assumes obligations substantially similar to those already imposed on air carriers in such classification or status.
- f. It will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees (including, but not limited to maintenance, repair, and fueling) that it may choose to perform.
- g. In the event the sponsor itself exercises any of the rights and privileges referred to in this assurance, the services involved will be provided on the same conditions as would apply to the furnishing of such services by commercial aeronautical service providers authorized by the sponsor under these provisions.

- h. The sponsor may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.
- i. The sponsor may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

23. Exclusive Rights.

It will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. For purposes of this paragraph, the providing of the services at an airport by a single fixed-based operator shall not be construed as an exclusive right if both of the following apply:

- a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-based operator to provide such services, and
- b. If allowing more than one fixed-based operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-based operator and such airport. It further agrees that it will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

24. Fee and Rental Structure.

It will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the Federal share of an airport development, airport planning or noise compatibility project for which a Grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982, the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

25. Airport Revenues.

- a. All revenues generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport. The following exceptions apply to this paragraph:
 - 1. If covenants or assurances in debt obligations issued before September 3, 1982, by the owner or operator of the airport, or provisions enacted before September 3, 1982, in governing statutes controlling the owner or operator's financing, provide for the use of the

revenues from any of the airport owner or operator's facilities, including the airport, to support not only the airport but also the airport owner or operator's general debt obligations or other facilities, then this limitation on the use of all revenues generated by the airport (and, in the case of a public airport, local taxes on aviation fuel) shall not apply.

2. If the Secretary approves the sale of a privately owned airport to a public sponsor and provides funding for any portion of the public sponsor's acquisition of land, this limitation on the use of all revenues generated by the sale shall not apply to certain proceeds from the sale. This is conditioned on repayment to the Secretary by the private owner of an amount equal to the remaining unamortized portion (amortized over a 20-year period) of any airport improvement grant made to the private owner for any purpose other than land acquisition on or after October 1, 1996, plus an amount equal to the federal share of the current fair market value of any land acquired with an airport improvement grant made to that airport on or after October 1, 1996.
3. Certain revenue derived from or generated by mineral extraction, production, lease, or other means at a general aviation airport (as defined at 49 U.S.C. § 47102), if the FAA determines the airport sponsor meets the requirements set forth in Section 813 of Public Law 112-95.
- b. As part of the annual audit required under the Single Audit Act of 1984, the sponsor will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes in paragraph (a), and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

26. Reports and Inspections.

It will:

- a. submit to the Secretary such annual or special financial and operations reports as the Secretary may reasonably request and make such reports available to the public; make available to the public at reasonable times and places a report of the airport budget in a format prescribed by the Secretary;
- b. for airport development projects, make the airport and all airport records and documents affecting the airport, including deeds, leases, operation and use agreements, regulations and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request;
- c. for noise compatibility program projects, make records and documents relating to the project and continued compliance with the terms, conditions, and assurances of this Grant Agreement including deeds, leases, agreements, regulations, and other instruments, available for inspection by any duly authorized agent of the Secretary upon reasonable request; and
- d. in a format and time prescribed by the Secretary, provide to the Secretary and make available to the public following each of its fiscal years, an annual report listing in detail:
 1. all amounts paid by the airport to any other unit of government and the purposes for which each such payment was made; and
 2. all services and property provided by the airport to other units of government and the amount of compensation received for provision of each such service and property.

27. Use by Government Aircraft.

It will make available all of the facilities of the airport developed with Federal financial assistance and all those usable for landing and takeoff of aircraft to the United States for use by Government aircraft in common with other aircraft at all times without charge, except, if the use by Government aircraft is substantial, charge may be made for a reasonable share, proportional to such use, for the cost of operating and maintaining the facilities used. Unless otherwise determined by the Secretary, or otherwise agreed to by the sponsor and the using agency, substantial use of an airport by Government aircraft will be considered to exist when operations of such aircraft are in excess of those which, in the opinion of the Secretary, would unduly interfere with use of the landing areas by other authorized aircraft, or during any calendar month that:

- a. Five (5) or more Government aircraft are regularly based at the airport or on land adjacent thereto; or
- b. The total number of movements (counting each landing as a movement) of Government aircraft is 300 or more, or the gross accumulative weight of Government aircraft using the airport (the total movement of Government aircraft multiplied by gross weights of such aircraft) is in excess of five million pounds.

28. Land for Federal Facilities.

It will furnish without cost to the Federal Government for use in connection with any air traffic control or air navigation activities, or weather-reporting and communication activities related to air traffic control, any areas of land or water, or estate therein as the Secretary considers necessary or desirable for construction, operation, and maintenance at Federal expense of space or facilities for such purposes. Such areas or any portion thereof will be made available as provided herein within four months after receipt of a written request from the Secretary.

29. Airport Layout Plan.

- a. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, it will keep up to date at all times an airport layout plan 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;
 3. the location of all existing and proposed non-aviation areas and of all existing improvements thereon; and
 4. all proposed and existing access points used to taxi aircraft across the airport's property boundary.

Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Secretary which approval shall be evidenced by the signature of a duly authorized representative of the Secretary on the face of the airport layout plan. The sponsor will not make or permit any changes or alterations in the airport or any of its facilities which are not in conformity with the airport layout plan as approved by the Secretary and

which might, in the opinion of the Secretary, adversely affect the safety, utility or efficiency of the airport.

- b. Subject to the FAA Reauthorization Act of 2018, Public Law 115-254, Section 163, if a change or alteration in the airport or the facilities is made which the Secretary determines adversely affects the safety, utility, or efficiency of any federally owned, leased, or funded property on or off the airport and which is not in conformity with the airport layout plan as approved by the Secretary, the owner or operator will, if requested, by the Secretary:
 1. eliminate such adverse effect in a manner approved by the Secretary; or
 2. bear all costs of relocating such property (or replacement thereof) to a site acceptable to the Secretary and all costs of restoring such property (or replacement thereof) to the level of safety, utility, efficiency, and cost of operation existing before the unapproved change in the airport or its facilities except in the case of a relocation or replacement of an existing airport facility due to a change in the Secretary's design standards beyond the control of the airport sponsor.

30. Civil Rights.

It will promptly take any measures necessary to ensure that no person in the United States shall, on the grounds of race, color, and national origin (including limited English proficiency) in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4); creed and sex (including sexual orientation and gender identity) per 49 U.S.C. § 47123 and related requirements; age per the Age Discrimination Act of 1975 and related requirements; or disability per the Americans with Disabilities Act of 1990 and related requirements, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination in any program and activity conducted with, or benefiting from, funds received from this Grant.

- a. Using the definitions of activity, facility, and program as found and defined in 49 CFR §§ 21.23(b) and 21.23(e), the sponsor will facilitate all programs, operate all facilities, or conduct all programs in compliance with all non-discrimination requirements imposed by or pursuant to these assurances.
- b. Applicability
 1. Programs and Activities. If the sponsor has received a grant (or other federal assistance) for any of the sponsor's program or activities, these requirements extend to all of the sponsor's programs and activities.
 2. Facilities. Where it receives a grant or other federal financial assistance to construct, expand, renovate, remodel, alter, or acquire a facility, or part of a facility, the assurance extends to the entire facility and facilities operated in connection therewith.
 3. Real Property. Where the sponsor receives a grant or other Federal financial assistance in the form of, or for the acquisition of real property or an interest in real property, the assurance will extend to rights to space on, over, or under such property.
- c. Duration.

The sponsor agrees that it is obligated to this assurance for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or

structures or improvements thereon, in which case the assurance obligates the sponsor, or any transferee for the longer of the following periods:

1. So long as the airport is used as an airport, or for another purpose involving the provision of similar services or benefits; or
 2. So long as the sponsor retains ownership or possession of the property.
- d. Required Solicitation Language. It will include the following notification in all solicitations for bids, Requests For Proposals for work, or material under this Grant Agreement and in all proposals for agreements, including airport concessions, regardless of funding source:

“The **(City of Fort Collins, Colorado and City of Loveland, Colorado)**, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders or offerors that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, [select businesses, or disadvantaged business enterprises or airport concession disadvantaged business enterprises] will be afforded full and fair opportunity to submit bids in response to this invitation and no businesses will be discriminated against on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in consideration for an award.”

- e. Required Contract Provisions.
1. It will insert the non-discrimination contract clauses requiring compliance with the acts and regulations relative to non-discrimination in Federally-assisted programs of the Department of Transportation (DOT), and incorporating the acts and regulations into the contracts by reference in every contract or agreement subject to the non-discrimination in Federally-assisted programs of the DOT acts and regulations.
 2. It will include a list of the pertinent non-discrimination authorities in every contract that is subject to the non-discrimination acts and regulations.
 3. It will insert non-discrimination contract clauses as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a sponsor.
 4. It will insert non-discrimination contract clauses prohibiting discrimination on the basis of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability as a covenant running with the land, in any future deeds, leases, license, permits, or similar instruments entered into by the sponsor with other parties:
 - a. For the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. For the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- f. It will provide for such methods of administration for the program as are found by the Secretary to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the acts, the regulations, and this assurance.

- g. It agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the acts, the regulations, and this assurance.

31. Disposal of Land.

- a. For land purchased under a grant for airport noise compatibility purposes, including land serving as a noise buffer, it will dispose of the land, when the land is no longer needed for such purposes, at fair market value, at the earliest practicable time. That portion of the proceeds of such disposition which is proportionate to the United States' share of acquisition of such land will be, at the discretion of the Secretary, (1) reinvested in another project at the airport, or (2) transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 - 1. Reinvestment in an approved noise compatibility project;
 - 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 - 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. § 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
 - 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.

If land acquired under a grant for noise compatibility purposes is leased at fair market value and consistent with noise buffering purposes, the lease will not be considered a disposal of the land. Revenues derived from such a lease may be used for an approved airport development project that would otherwise be eligible for grant funding or any permitted use of airport revenue.

- b. For land purchased under a grant for airport development purposes (other than noise compatibility), it will, when the land is no longer needed for airport purposes, dispose of such land at fair market value or make available to the Secretary an amount equal to the United States' proportionate share of the fair market value of the land. That portion of the proceeds of such disposition which is proportionate to the United States' share of the cost of acquisition of such land will, upon application to the Secretary, be reinvested or transferred to another eligible airport as prescribed by the Secretary. The Secretary shall give preference to the following, in descending order:
 - 1. Reinvestment in an approved noise compatibility project;
 - 2. Reinvestment in an approved project that is eligible for grant funding under 49 U.S.C. § 47117(e);
 - 3. Reinvestment in an approved airport development project that is eligible for grant funding under 49 U.S.C. §§ 47114, 47115, or 47117, or under Public Law 117-58, Division J, Title VIII; or
 - 4. Transfer to an eligible sponsor of another public airport to be reinvested in an approved noise compatibility project at that airport.
- c. Land shall be considered to be needed for airport purposes under this assurance if (1) it may be needed for aeronautical purposes (including runway protection zones) or serve as noise buffer land, and (2) the revenue from interim uses of such land contributes to the financial self-

sufficiency of the airport. Further, land purchased with a grant received by an airport operator or owner before December 31, 1987, will be considered to be needed for airport purposes if the Secretary or Federal agency making such grant before December 31, 1987, was notified by the operator or owner of the uses of such land, did not object to such use, and the land continues to be used for that purpose, such use having commenced no later than December 15, 1989.

- d. Disposition of such land under (a), (b), or (c) will be subject to the retention or reservation of any interest or right therein necessary to ensure that such land will only be used for purposes which are compatible with noise levels associated with operation of the airport.

32. Engineering and Design Services.

If any phase of such project has received Federal funds under Chapter 471 subchapter 1 of Title 49 U.S.C., or Public Law 117-58, Division J, Title VIII it will award each contract, or sub-contract for program management, construction management, planning studies, feasibility studies, architectural services, preliminary engineering, design, engineering, surveying, mapping or related services in the same manner as a contract for architectural and engineering services is negotiated under Chapter 11 of Title 40 U.S.C., or an equivalent qualifications-based requirement prescribed for or by the sponsor of the airport.

33. Foreign Market Restrictions.

It will not allow funds provided under this Grant to be used to fund any project which uses any product or service of a foreign country during the period in which such foreign country is listed by the United States Trade Representative as denying fair and equitable market opportunities for products and suppliers of the United States in procurement and construction.

34. Policies, Standards, and Specifications.

It will carry out any project funded under a Bipartisan Infrastructure Law grant in accordance with policies, standards, and specifications approved by the Secretary including, but not limited to, current FAA Advisory Circulars (<https://www.faa.gov/airports/aip/media/aip-pfc-checklist.pdf>) for BIL projects as of January 12, 2024.

35. Relocation and Real Property Acquisition.

- a. It will be guided in acquiring real property, to the greatest extent practicable under State law, by the land acquisition policies in Subpart B of 49 CFR Part 24 and will pay or reimburse property owners for necessary expenses as specified in Subpart B.
- b. It will provide a relocation assistance program offering the services described in Subpart C of 49 CFR Part 24 and fair and reasonable relocation payments and assistance to displaced persons as required in Subpart D and E of 49 CFR Part 24.
- c. It will make available within a reasonable period of time prior to displacement, comparable replacement dwellings to displaced persons in accordance with Subpart E of 49 CFR Part 24.

36. Access By Intercity Buses.

The airport owner or operator will permit, to the maximum extent practicable, intercity buses or other modes of transportation to have access to the airport; however, it has no obligation to fund special facilities for intercity buses or for other modes of transportation.

37. Disadvantaged Business Enterprises.

The sponsor shall not discriminate on the basis of race, color, national origin, sex, in the award and performance of any DOT-assisted contract covered by 49 CFR Part 26, or in the award and performance of any concession activity contract covered by 49 CFR Part 23. In addition, the sponsor shall not discriminate on the basis of race, color, national origin or sex in the administration of its Disadvantaged Business Enterprise (DBE) and Airport Concessions Disadvantaged Business Enterprise (ACDBE) programs or the requirements of 49 CFR Parts 23 and 26. The sponsor shall take all necessary and reasonable steps under 49 CFR Parts 23 and 26 to ensure nondiscrimination in the award and administration of DOT-assisted contracts, and/or concession contracts. The sponsor's DBE and ACDBE programs, as required by 49 CFR Parts 26 and 23, and as approved by DOT, are incorporated by reference in this agreement. Implementation of these programs is a legal obligation and failure to carry out its terms shall be treated as a violation of this agreement. Upon notification to the sponsor of its failure to carry out its approved program, the Department may impose sanctions as provided for under Parts 26 and 23 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. § 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. §§ 3801-3809, 3812).

38. Hangar Construction.

If the airport owner or operator and a person who owns an aircraft agree that a hangar is to be constructed at the airport for the aircraft at the aircraft owner's expense, the airport owner or operator will grant to the aircraft owner for the hangar a long term lease that is subject to such terms and conditions on the hangar as the airport owner or operator may impose.

39. Competitive Access.

- a. If the airport owner or operator of a medium or large hub airport (as defined in 49 U.S.C. § 47102) has been unable to accommodate one or more requests by an air carrier for access to gates or other facilities at that airport in order to allow the air carrier to provide service to the airport or to expand service at the airport, the airport owner or operator shall transmit a report to the Secretary that:
 1. Describes the requests;
 2. Provides an explanation as to why the requests could not be accommodated; and
 3. Provides a time frame within which, if any, the airport will be able to accommodate the requests.
- b. Such report shall be due on either February 1 or August 1 of each year if the airport has been unable to accommodate the request(s) in the six month period prior to the applicable due date.

RESOLUTION # R-04-2024

**A RESOLUTION APPROVING THE 2024 GRANT AGREEMENT WITH THE
STATE OF COLORADO DIVISION OF AERONAUTICS (CDAG #24-FNL-01) FOR
THE TERMINAL BUILDING PROJECT AT THE NORTHERN COLORADO
REGIONAL AIRPORT**

WHEREAS, the City of Fort Collins and the City of Loveland (“the Cities”) own and operate 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 commenced both horizontal and vertical construction of a terminal building at the Airport (the “Project”) utilizing a combination of local funds and grant funds. As part of such funding, the Cities applied for Bipartisan Infrastructure Law (“BIL”) grant funds for the Project and have been awarded \$1,590,000 in BIL grant funds (“BIL Grant Funds”) towards the Project. The BIL Grant Funds have been previously budgeted and appropriated as part of the Project budget and the Airport budget for 2024; and

WHEREAS, the Federal Aviation Administration requires that the Cities execute a grant agreement in the form substantially similar to that attached hereto as “Exhibit A” (the “Grant Agreement”) in order to accept the BIL Grant Funds. The Grant Agreement requires that the Cities provide a local match of ten percent (10%) of the BIL Grant Funds, which local match is being funded through Airport budgeted and appropriated funds and a Colorado Department of Transportation Division of Aeronautics grant; and

WHEREAS, due to the dollar amount of the Grant Agreement, the City Councils of the Cities must provide the final approval of the Grant Agreement; and

WHEREAS, the Northern Colorado Regional Airport Commission supports approval of the Grant Agreement and recommends that the City Councils approve and sign any documents necessary to accept the BIL Grant funding in the amount of \$1,590,000.

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

Section 1. That the Commission recommends that the City Councils of the Cities of Loveland and Fort Collins approve the Grant Agreement and sign any documents necessary to accept the BIL Grant Funds.

Section 2. That this Resolution shall be effective as of the date and time of its adoption.

ADOPTED this 16th day of May, 2024.

Jeni Arndt, Chair of the
Northern Colorado Regional Airport Commission

ATTEST:

Secretary

APPROVED AS TO FORM:


Senior Assistant City Attorney



Colorado Division of Aeronautics Discretionary Aviation Grant 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 an FAA-designated public-use 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 and 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 ("Grant Assurances") attached hereto as **Exhibit B** for the project detailed in the Discretionary Aviation Grant Application ("Application") attached hereto as **Exhibit A** and in conjunction with CDOT's Small Dollar Grant Award Terms and Conditions attached hereto as **Exhibit C**.

NOW, THEREFORE, BE IT RESOLVED THAT:

The **Cities of Ft. Collins/Loveland**, as a duly authorized governing body 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 Ft. Collins/Loveland** states 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 Resolution, 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 Assurances.

FURTHER BE IT RESOLVED:

That the **Cities of Ft. Collins/Loveland** hereby designates **David Ruppel** 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, including execution of any amendments.

FURTHER:

The **Cities of Ft. Collins/Loveland** has appropriated or will otherwise make available in a timely manner all funds, if any, that are required to be provided by the applicant as shown on the Application.

FINALLY:

The **Cities of Ft. Collins/Loveland** hereby accepts all guidelines, procedures, standards, and requirements described in the Manual as applicable to the performance of the grant work and hereby approves this Grant Resolution, including all terms and conditions contained therein.

By: _____
Date: _____
Print Name and Title: _____

By: _____
Date: _____
Print Name and Title: _____

ATTEST (if needed)

By: _____
Date: _____
Print Name and Title: _____

ATTEST (if needed)

By: _____
Date: _____
Print Name and Title: _____

EXHIBIT A



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: David Ruppel		
MAILING ADDRESS: 4900 Earhart Road Loveland, CO 80538	EMAIL ADDRESS:	david.ruppel@cityofloveland.org
	PHONE NUMBER:	(970) 962-2852

GRANT NAME AND TERMS

24-FNL-01	TERMS	
	Execution Date:	Expiration Date: June 30, 2027

FUNDING SUMMARY

Funding Source	Funding Amount
State Aviation Grant:	\$139,721.00
Local Cash:	\$139,724.00
Local In-Kind:	\$0.00
Federal Aviation Grant:	\$2,515,000.00
Total Project Funding:	\$2,794,445.00

PROJECT SCHEDULE & BUDGET

ELEMENT DESCRIPTION	STATE FUNDING		LOCAL FUNDING		FEDERAL FUNDING		TOTAL
A. A - BIL: New Terminal Building Construction Phase Services	\$88,333.00	Up to 5.00%	\$88,334.00	5.00%	\$1,590,000.00	90.00%	\$1,766,667.00
B. B - AIP: Taxiway B&D Rehab (Design and Construction)	\$51,388.00	Up to 5.00%	\$51,390.00	5.00%	\$925,000.00	90.00%	\$1,027,778.00
TOTALS	\$139,721.00		\$139,724.00		\$2,515,000.00		\$2,794,445.00

EXHIBIT B, 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

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MODEL SMALL DOLLAR GRANT AWARDS AND CONTENT

This is a State Controller Contract, Grant, and Purchase Order Policy under the State Fiscal Rules. All Small Dollar Grant Awards shall use one of the approved models Small Dollar Grant Award or Grant Agreement forms described in Fiscal Rule 3-4 unless the State Agency or Institution of Higher Education (IHE) has obtained the prior written approval from the Office of the State Controller (OSC).

1) Available Model Small Dollar Grant Awards. The following model Small Dollar Grant Awards may be used by State Agencies and IHEs without additional approval from the OSC:

- a. Financial System Generated Small Dollar Grant Awards.** This model is the system-generated document resulting from a Colorado Operations Resource Engine (CORE) POGG1 encumbrance or through another approved state financial system, which also explicitly references a link to the State of Colorado Small Dollar Grant Award Terms and Conditions that are attached to this policy. This model does not include other documents with a similar or the same appearance as one of these documents that is not generated within the financial system
- b. Other Approved Forms.** A State Agency or IHE, at the discretion of the State Agency's or IHE's Procurement Official or State Controller delegate, may request other approved forms from the OSC.
- c. Backup Forms.** If CORE or the approved state financial system used by the State Agency or IHE is unavailable for an extended period of time when a Small Dollar Grant Award must be issued, the State Agency or IHE, with the prior approval of the OSC, may use a backup form with the same or substantially similar appearance as one of the documents described in §1)a.

2) Modifications of Model Small Dollar Grant Awards. A State Agency or Institution of Higher Education issuing a Small Dollar Grant Award may not modify the State of Colorado Small Dollar Grant Award Terms and Conditions attached to this policy, including Addendum 1: Additional Terms & Conditions for Information Technology ("Addendum"), in any way without prior written approval of the OSC.

- a. Exception.** The Office of Information Technology (OIT) may modify the provisions of Addendum for the State of Colorado Small Dollar Grant Awards specifically issued by OIT with the prior written approval of the Procurement Official of OIT or authorized delegate, without obtaining additional approval from OSC.
- b. Unauthorized Modifications.** Except as described in §2)a., the failure of a State Agency or IHE to obtain approval from the OSC prior to issuing a Small Dollar Grant Award with modified the State of Colorado Small Dollar Grant Award Terms and Conditions shall constitute a violation of Fiscal Rule 3-4, §§ 4.1.7. and 5.1.

3) Small Dollar Grant Award Exhibits and References. All Small Dollar Grant Awards shall either include or specifically reference the State of Colorado Small Dollar Grant Award Terms and Conditions by hyperlink or, if modified in accordance with §2), attach the modified State of Colorado Small Dollar Grant Award Terms and Conditions and shall clarify on the Small Dollar Grant Award that the attached modified State of Colorado Small Dollar Grant Award Terms and Conditions shall govern the Small Dollar Grant Award in lieu of the State of Colorado Small Dollar Grant Award Terms and Conditions referenced by hyperlink. Small Dollar Grant Awards shall also include any additional exhibits, based on the nature of the work performed under the Small Dollar Grant Award, as required by any other state

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and/or federal agency with authority over that type of work or by any entity providing funding for the Small Dollar Grant Award, including, but not limited to, the following:

- a. Additional information technology provisions required by OIT.
- b. Additional provisions required to comply with the Office of Management and Budget Uniform Guidance, or the Federal Funding Accountability and Transparency Act, or any other applicable federal terms and conditions.
- c. Any federally required attachments relating to confidential information, such as a Health Information Portability and Accountability Act (HIPAA) Business Associate Addendum or a Federal Tax Information Exhibit.



**Robert Jaros, CPA, MBA, JD State
Controller**

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State of Colorado Small Dollar Grant Award Terms and Conditions

1. **Offer/Acceptance.** This Small Dollar Grant Award, together with these terms and conditions (including, if applicable, Addendum 1: Additional Terms and Conditions for Information Technology below), and any other attachments, exhibits, specifications, or appendices, whether attached or incorporated by reference (collectively the "Agreement") shall represent the entire and exclusive agreement between the State of Colorado, by and through the agency identified on the face of the Small Dollar Grant Award ("State") and the Subrecipient identified on the face of the Small Dollar Grant Award ("Grantee"). If this Agreement refers to Grantee's bid or proposal, this Agreement is an ACCEPTANCE of Grantee's OFFER TO PERFORM in accordance with the terms and conditions of this Agreement. If a bid or proposal is not referenced, this Agreement is an OFFER TO ENTER INTO AGREEMENT, subject to Grantee's acceptance, demonstrated by Grantee's beginning performance or written acceptance of this Agreement. Any COUNTER-OFFER automatically CANCELS this Agreement, unless a change order is issued by the State accepting a counter-offer. Except as provided herein, the State shall not be responsible or liable for any Work performed prior to issuance of this Agreement. The State's financial obligations to the Grantee are limited by the amount of Grant Funds awarded as reflected on the face of the Small Dollar Grant Award.
2. **Order of Precedence.** In the event of a conflict or inconsistency within this Agreement, such conflict or inconsistency shall be resolved by giving preference to the documents in the following order of priority: (1) the Small dollar Grant Award document; (2) these terms and conditions (including, if applicable, Addendum 1 below); and (3) any attachments, exhibits, specifications, or appendices, whether attached or incorporated by reference. Notwithstanding the above, if this Agreement has been funded, in whole or in part, with a Federal Award, in the event of a conflict between the Federal Grant and this Agreement, the provisions of the Federal Grant shall control. Grantee shall comply with all applicable Federal provisions at all times during the term of this Agreement. Any terms and conditions included on Grantee's forms or invoices not included in this Agreement are void.
3. **Changes.** Once accepted in accordance with §1, this Agreement shall not be modified, superseded or otherwise altered, except in writing by the State and accepted by Grantee.
4. **Definitions.** The following terms shall be construed and interpreted as follows: (a) "Award" means an award by a Recipient to a Subrecipient; (b) "Budget" means the budget for the Work described in this Agreement; (c) "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 CRS §24-11-101(1); (d) "UCC" means the Uniform Commercial Code in CRS Title 4; (e) "Effective Date" means the date on which this Agreement is issued as shown on the face of the Small Dollar Grant Award; (f) "Federal Award" means an award of federal financial assistance or a cost-reimbursement contract, by a Federal Awarding Agency to the Recipient. "Federal Award" also means an agreement setting forth the terms and conditions of the Federal Award, which terms and conditions shall flow down to the Award unless such terms and conditions specifically indicate otherwise. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program; (g) "Federal Awarding Agency" means a Federal agency providing a Federal Award to a Recipient; (h) "Grant Funds" means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement; (i) "Matching Funds" mean the funds provided by the Grantee to meet cost sharing requirements described in this Agreement; (j) "Recipient" means the State agency identified on the face of the Small Dollar Grant Award; (k) "Subcontractor" means third parties, if any, engaged by Grantee to aid in performance of the Work; (l) "Subrecipient" means a non-Federal entity that receives a sub-award from a Recipient to carry out part of a program, but does not include an individual that is a beneficiary of such program; (m) "Uniform Guidance" means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, identified as the 2 C.F.R. (Code of Federal Regulations) Part 200, commonly known as the "Super Circular," which supersedes requirements from OMB Circulars A-21, A-87, A-110, A-122, A-89, A-102, and A-133, and the guidance in Circular a-50 on Single Audit Act follow-up; and (n) "Work" means the goods delivered or services, or both, performed pursuant to this Agreement and identified as Line Items on the face of the Small Dollar Grant Award.
5. **Delivery.** Grantee shall furnish the Work in strict accordance with the specifications and price set forth in this Agreement. The State shall have no liability to compensate Grantee for the performance of any Work not specifically set forth in the Agreement.
6. **Rights to Materials.** *[Not Applicable to Agreements issued either in whole in part for Information Technology, as defined in CRS § 24-37.5-102(2); in which case Addendum 1 §2 applies in lieu of this section.]* Unless specifically stated otherwise in this Agreement, all materials, including without limitation supplies, equipment, documents, content, information, or other material of any type, whether tangible or intangible (collectively "Materials"), furnished by the State to Grantee or delivered by Grantee to the State in performance of its obligations under this Agreement shall be the exclusive property the State. Grantee shall return or deliver all Materials to the State upon completion or termination of this Agreement.
7. **Grantee Records.** Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work (including, but not limited to the operation of programs) performed under this Agreement (collectively "Grantee Records"). Unless otherwise specified by the State, the Grantee shall retain Grantee Records for a period (the "Record Retention Period") of three years following the date of submission to the State of the final expenditure report, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively. If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims or audit finding have been resolved and final action taken by the State or Federal Awarding Agency. The Federal Awarding Agency, a cognizant agency for audit, oversight, or indirect costs, and the State, may notify Grantee in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three years following final disposition of such property. Grantee shall permit the State, the federal government, and any other duly authorized agent of a governmental agency to audit, inspect, examine, excerpt, copy and transcribe Grantee Records during the Record Retention Period. Grantee shall make Grantee Records available during normal business hours at Grantee's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State. The State, in its discretion, may monitor Grantee's performance of its obligations under this Agreement using procedures as determined by the State. The federal government and any other duly authorized agent of a governmental agency, in its discretion, Grantee shall allow the State to perform all monitoring required by the Uniform Guidance, based on the State's risk analysis of Grantee and this Agreement, and the State shall have the right, in its discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State will monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work. Grantee shall promptly submit to the State a copy of any final audit report of an audit performed

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on Grantee Records that relates to or affects this Agreement or the Work, whether the audit is conducted by Grantee, a State agency or the State's authorized representative, or a third party. If applicable, the Grantee may be required to perform a single audit under 2 CFR 200.501, *et seq.* Grantee shall submit a copy of the results of that audit to the State within the same timelines as the submission to the federal government.

8. Reporting. If Grantee is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Agreement or may affect Grantee's ability to perform its obligations under this Agreement, Grantee shall, within 10 days after being served, notify the State of such action and deliver copies of such pleading or document to the State. Grantee shall disclose, in a timely manner, in writing to the State and the Federal Awarding Agency, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Award. The State or the Federal Awarding Agency 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.

9. Conflicts of Interest. Grantee acknowledges that with respect to this Agreement, even the appearance of a conflict of interest is harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities, or relationships that reasonably may appear to be in conflict with the full performance of Grantee's obligations to the State under this Agreement. If a conflict or appearance of a conflict of interest exists, or if Grantee is uncertain as to such, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement. Grantee certifies that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's Services and Grantee shall not employ any person having such known interests.

10. Taxes. The State is exempt from federal excise taxes and from State and local sales and use taxes. The State shall not be liable for the payment of any excise, sales, or use taxes imposed on Grantee. A tax exemption certificate will be made available upon Grantee's request. Grantee shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Grantee may wish to have in place in connection with this Agreement.

11. Payment. Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Agreement that exceeds the Document Total shown on the face of the Small Dollar Grant Award. The State shall pay Grantee in the amounts and in accordance with the schedule and other conditions set forth in this Agreement. Grantee shall initiate payment requests by invoice to the State, in a form and manner approved by the State. The State shall pay Grantee for all amounts due within 45 days after receipt of an Awarding Agency's approved invoicing request, or in instances of reimbursement grant programs a request for reimbursement, compliant with Generally Accepted Accounting Principles (GAAP) and, if applicable Government Accounting Standards Board (GASB) of amount requested. Amounts not paid by the State within 45 days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate set forth in CRS §24-30-202(24) until paid in full. Interest shall not accrue if a good faith dispute exists as to the State's obligation to pay all or a portion of the amount due. Grantee shall invoice the State separately for interest on delinquent amounts due, referencing the delinquent payment, number of day's interest to be paid, and applicable interest rate. The acceptance of an invoice shall not constitute acceptance of any Work performed under this Agreement. Except as specifically agreed in this Agreement, Grantee shall be solely responsible for all costs, expenses, and other charges it incurs in connection with its performance under this Agreement.

12. Term. The parties' respective performances under this Agreement shall commence on the "Service From" date identified on the face of the Small Dollar Grant Award, unless otherwise specified, and shall terminate on the "Service To" date identified on the face of the Small Dollar Grant Award unless sooner terminated in accordance with the terms of this Agreement.

13. Payment Disputes. If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within 30 days following the earlier to occur of Grantee's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Grantee and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

14. Matching Funds. Grantee shall provide Matching Funds, if required by this Agreement. If permitted under the terms of the grant and per this Agreement, Grantee may be permitted to provide Matching Funds prior to or during the course of the project or the match will be an in-kind match. Grantee shall report to the State regarding the status of such funds upon request. Grantee's obligation to pay all or any part of any Matching Funds, whether direct or contingent, only extend to funds duly and lawfully appropriated for the purposes of this Agreement by the authorized representatives of Grantee and paid into Grantee's treasury or bank account. Grantee represents to the State that the amount designated "Grantee's Matching Funds" pursuant to this Agreement, has been legally appropriated for the purposes of this Agreement by its authorized representatives and paid into its treasury or bank account. Grantee does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and this Agreement 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.

15. Reimbursement of Grantee Costs. If applicable, the State shall reimburse Grantee's allowable costs, not exceeding the maximum total amount described in this Agreement for all allowable costs described in the grant 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, and received approval from the State of the change, the change does not modify the total maximum amount of this Agreement, and the change does not modify any requirements of the Work. If applicable, the State shall reimburse Grantee for the properly documented allowable costs related to the Work after review and approval thereof, subject to the provisions of this Agreement. However, any costs incurred by Grantee prior to the Effective Date shall not be reimbursed absent specific allowance of pre-award costs. Grantee's costs for Work performed after the "Service To" date identified on the face of the Small Dollar Grant Award, or after any phase performance period end date for a respective phase of the Work, shall not be reimbursable. The State shall only reimburse allowable costs described in this Agreement and shown in the Budget if those costs are (a) reasonable and necessary to accomplish the Work, and (b) equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the costs actually incurred).

16. Close-Out. Grantee shall close out this Award within 45 days after the "Service To" date identified on the face of the Small Dollar Grant Award, including any modifications. To complete close-out, Grantee shall submit to the State all deliverables (including documentation) as defined

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in this Agreement and Grantee's final reimbursement request or invoice. In accordance with the Agreement, the State may withhold a percentage of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

17. Assignment. Grantee's rights and obligations under this Agreement may not be transferred or assigned without the prior, written consent of the State and execution of a new agreement. Any attempt at assignment or transfer without such consent and new agreement 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 Agreement.

18. Subcontracts. Grantee shall not enter into any subcontract in connection with its obligations under this Agreement without the prior, written approval of the State. Grantee shall submit to the State a copy of each subcontract upon request by the State. All subcontracts entered into by Grantee in connection with this Agreement shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Agreement.

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

20. Survival of Certain Agreement Terms. Any provision of this Agreement that imposes an obligation on a party after termination or expiration of the Agreement shall survive the termination or expiration of the Agreement and shall be enforceable by the other party.

21. Third Party Beneficiaries. Except for the parties' respective successors and assigns, this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to the Agreement, and do not create any rights for such third parties.

22. Waiver. A party's failure or delay in exercising any right, power, or privilege under this Agreement, 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.

23. Indemnification. [Not Applicable to Inter-governmental agreements] Grantee shall indemnify, save, and hold harmless the State, its employees, agents and assignees (the "Indemnified Parties"), against any and all costs, expenses, claims, damages, liabilities, court awards and other amounts (including attorneys' fees and related costs) incurred by any of the Indemnified Parties in relation to any act or omission by Grantee, or its employees, agents, Subcontractors, or assignees in connection with this Agreement. This shall include, without limitation, any and all costs, expenses, claims, damages, liabilities, court awards and other amounts incurred by the Indemnified Parties in relation to any claim that any work infringes a patent, copyright, trademark, trade secret, or any other intellectual property right or any claim for loss or improper disclosure of any confidential information or personally identifiable information. If Grantee is a public agency prohibited by applicable law from indemnifying any party, then this section shall not apply.

24. Notice. All notices given under this Agreement shall be in writing, and shall be delivered to the contacts for each party listed on the face of the Small Dollar Grant Award. Either party may change its contact or contact information by notice submitted in accordance with this section without a formal modification to this Agreement.

25. Insurance. Except as otherwise specifically stated in this Agreement or any attachment or exhibit to this Agreement, Grantee shall obtain and maintain insurance as specified in this section at all times during the term of the Agreement: (a) workers' compensation insurance as required by state statute, and employers' liability insurance covering all Grantee employees acting within the course and scope of their employment, (b) Commercial general liability insurance written on an Insurance Services Office occurrence form, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows: \$1,000,000 each occurrence; \$1,000,000 general aggregate; \$1,000,000 products and completed operations aggregate; and \$50,000 any one fire, and (c) Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of \$1,000,000 each accident combined single limit. If Grantee will or may have access to any protected information, then Grantee shall also obtain and maintain insurance covering loss and disclosure of protected information and claims based on alleged violations of privacy right through improper use and disclosure of protected information with limits of \$1,000,000 each occurrence and \$1,000,000 general aggregate at all times during the term of the Small Dollar Grant Award. Additional insurance may be required as provided elsewhere in this Agreement or any attachment or exhibit to this Agreement. All insurance policies required by this Agreement shall be issued by insurance companies with an AM Best rating of A-VIII or better. If Grantee is a public agency within the meaning of the Colorado Governmental Immunity Act, then this section shall not apply and Grantee shall instead comply with the Colorado Governmental Immunity Act.

26. Termination Prior to Grantee Acceptance. If Grantee has not begun performance under this Agreement, the State may cancel this Agreement by providing written notice to the Grantee.

27. Termination for Cause. If Grantee refuses or fails to timely and properly perform any of its obligations under this Agreement with such diligence as will ensure its completion within the time specified in this Agreement, the State may notify Grantee in writing of non-performance and, if not corrected by Grantee within the time specified in the notice, terminate Grantee's right to proceed with the Agreement or such part thereof as to which there has been delay or a failure. Grantee shall continue performance of this Agreement to the extent not terminated. Grantee shall be liable for excess costs incurred by the State in procuring similar Work and the State may withhold such amounts, as the State deems necessary. If after rejection, revocation, or other termination of Grantee's right to proceed under the Colorado Uniform Commercial Code (CUCC) or this clause, the State determines for any reason that Grantee was not in default or the delay was excusable, the rights and obligations of the State and Grantee shall be the same as if the notice of termination had been issued pursuant to termination under **\$28**.

28. Termination in Public Interest. The State is entering into this Agreement for the purpose of carrying out the public interest of the State, as determined by its Governor, General Assembly, Courts, or Federal Awarding Agency. If this Agreement ceases to further the public interest of the State as determined by its Governor, General Assembly, Courts, or Federal Awarding Agency, the State, in its sole discretion, may terminate this Agreement in whole or in part and such termination shall not be deemed to be a breach of the State's obligations hereunder. This section shall not apply to a termination for cause, which shall be governed by **\$27**. A determination that this Small Dollar Grant Award should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. The State shall give written notice of termination to Grantee specifying the part of the Agreement terminated and when termination becomes effective. Upon receipt of notice of termination, Grantee shall not incur further obligations except as necessary to mitigate costs of performance. The State shall pay the Agreement price or rate for Work performed

STATE CONTROLLER

and accepted by State prior to the effective date of the notice of termination. The State's termination liability under this section shall not exceed the total Agreement price.

29. Termination for Funds Availability. The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Work performed and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in §28.

30. Grantee's Termination Under Federal Requirements. If the Grant Funds include any federal funds, then Grantee may request termination of this Grant by sending notice to the State, or to the Federal Awarding Agency with a copy to the State, which includes the reasons for the termination and the effective date of the termination. If this Grant is terminated in this manner, then Grantee shall return any advanced payments made for Work that will not be performed prior to the effective date of the termination.

31. Governmental Immunity. Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, CRS §24-10-101, *et seq.*, 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, CRS §§24-30-1501, *et seq.* No term or condition of this Agreement 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.

32. Grant Recipient. Grantee shall perform its duties hereunder as a grant recipient and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.**

33. Compliance with Law. Grantee shall 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.

34. Choice of Law, Jurisdiction and Venue. [Not Applicable to Inter-governmental agreements] Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver. Any provision incorporated herein by reference which purports to negate this or any other provision in this Agreement in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision or for any other reason shall not invalidate the remainder of this Agreement, to the extent capable of execution. Grantee shall exhaust administrative remedies in CRS §24-109-106, prior to commencing any judicial action against the State regardless of whether the Colorado Procurement Code applies to this Agreement.

35. Prohibited Terms. Nothing in this Agreement shall be construed as a waiver of any provision of CRS §24-106-109. Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with that statute in any way shall be void ab initio.

36. Public Contracts for Services. [Not Applicable to offer, issuance, or sale of securities, investment advisory services, fund management services, sponsored projects, intergovernmental grant agreements, or information technology services or products and services] Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Agreement, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c). Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Agreement or enter into a contract or agreement with a Subcontractor that fails to certify to Grantee that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Grantee shall (a) not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants during performance of this Agreement, (b) notify Subcontractor and the State within three days if Grantee has actual knowledge that Subcontractor is employing or contracting with an illegal alien for work under this Agreement, (c) terminate the subcontract if Subcontractor does not stop employing or contracting with the illegal alien within three days of receiving notice, and (d) comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the Department program, Grantee shall deliver to the State a written, notarized affirmation that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 *et seq.*, the State may terminate this Agreement for breach and, if so terminated, Grantee shall be liable for damages.

37. Public Contracts with Natural Persons. Grantee, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that the person (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 *et seq.*, and (c) has produced a form of identification required by CRS §24-76.5-103 prior to the date Grantee begins Work under terms of the Agreement.

STATE CONTROLLER

ADDENDUM 1:

Additional Terms & Conditions for Information Technology

IF ANY PART OF THE SUBJECT MATTER OF THIS AGREEMENT IS INFORMATION TECHNOLOGY, AS DEFINED IN CRS § 24-37.5-102 (2), THE FOLLOWING PROVISIONS ALSO APPLY TO THIS AGREEMENT.

A. Definitions. The following terms shall be construed and interpreted as follows: (a) **"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 CRS §24-72-302; (b) **"Incident"** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, pursuant to CRS §§24-37.5-401 *et seq.*; (c) **"PCI"** means payment card information including any data related to credit card holders' names, credit card numbers, or the other credit card information as may be protected by state or federal law; (d) **"PHI"** means any protected health information, including, without limitation any information whether oral or recorded in any form or medium that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual including, without limitation, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act; (e) **"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, including, without limitation, all information defined as personally identifiable information in CRS §24-72-501; (f) **"State Confidential Information"** means any and all State data, information, and records, regardless of physical form; (g) **"State Fiscal Rules"** means those fiscal rules promulgated by the Colorado State Controller pursuant to CRS §24-30-202(13)(a); (h) **"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; (i) **"State Records"** means any and all State data, information, and records, regardless of physical form; (j) **"Tax Information"** means federal and State of Colorado tax information including, without limitation, federal and State tax returns, return information, and such other tax-related information as may be protected by federal and State law and regulation, including, without limitation all information defined as federal tax information in Internal Revenue Service Publication 1075; and (k) **"Work Product"** means the tangible and intangible results of the delivery of goods and performance of services, 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, information, and any other results of the Work, but does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

B. Intellectual Property. Except to the extent specifically provided elsewhere in this Agreement, any State information, including without limitation pre-existing State software, research, reports, studies, data, photographs, negatives or other documents, drawings, models, materials; or Work Product prepared by Grantee in the performance of its obligations under this Agreement shall be the exclusive property of the State (collectively, "State Materials"). All State Materials shall be delivered to the State by Grantee upon completion or termination of this Agreement. The State's exclusive rights in any Work Product prepared by Grantee shall include, but not be limited to, the right to copy, publish, display, transfer, and prepare derivative works. Grantee shall not use, willingly allow, cause or permit any State Materials to be used for any purpose other than the performance of Grantee's obligations hereunder without the prior written consent of the State. The State shall maintain complete and accurate records relating to (a) its use of all Grantee and third party software licenses and rights to use any Grantee or third party software granted under this Agreement and its attachments to which the State is a party and (b) all amounts payable to Grantee pursuant to this Agreement and its attachments and the State's obligations under this Agreement or any amounts payable to Grantee in relation to this Agreement, which records shall contain sufficient information to permit Grantee to confirm the State's compliance with the use restrictions and payment obligations under this Agreement or to any third party use restrictions to which the State is a party. Grantee retains the exclusive rights, title and ownership to any and all pre-existing materials owned or licensed to Grantee including, but not limited to all pre-existing software, licensed products, associated source code, machine code, text images, audio, video, and third party materials, delivered by Grantee under the Agreement, whether incorporated in a deliverable or necessary to use a deliverable (collectively, "Grantee Property"). Grantee Property shall be licensed to the State as set forth in a State-approved license agreement (a) entered into as exhibits or attachments to this Agreement, (b) obtained by the State from the applicable third party Grantee, or (c) in the case of open source software, the license terms set forth in the applicable open source license agreement. Notwithstanding anything to the contrary herein, the State shall not be subject to any provision incorporated in any exhibit or attachment attached hereto, any provision incorporated in any terms and conditions appearing on any website, any provision incorporated into any click through or online agreements, or any provision incorporated into any other document or agreement between the parties that (a) requires the State or the State to indemnify Grantee or any other party, (b) is in violation of State laws, regulations, rules, State Fiscal Rules, policies, or other State requirements as deemed solely by the State, or (c) is contrary to this Agreement.

C. Information Confidentiality. Grantee shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Grantee shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Agreement, permitted by law, or approved in writing by the State. If Grantee will or may have access to any State Confidential Information or any other protected information, Grantee shall provide for the security of all State Confidential Information in accordance with all applicable laws, rules, policies, publications, and guidelines. Grantee shall comply with all Colorado Office of Information Security ("OIS") policies and procedures which OIS has issued pursuant to CRS §§24-37.5-401 through 406 and 8 CCR §1501-5 and posted at <http://oit.state.co.us/ois>, all information security and privacy obligations imposed by any federal, state, or local statute or regulation, or by any industry standards or guidelines, as applicable based on the classification of the data relevant to Grantee's performance under this Agreement. Such obligations may arise from: Health Information Portability and Accountability Act (HIPAA); IRS Publication 1075; Payment Card Industry Data Security Standard (PCI-DSS); FBI Criminal Justice Information Service Security Addendum; Centers for Medicare & Medicaid Services (CMS) Minimum Acceptable Risk Standards for Exchanges; and Electronic Information Exchange

STATE CONTROLLER

Security Requirements and Procedures for State and Local Agencies Exchanging Electronic Information with The Social Security Administration. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

D. 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 Agreement. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Agreement, and that the nondisclosure provisions are in force at all times the agent, employee, assign, or Subcontractors has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions if requested by the State.

E. Use, Security, and Retention. Grantee shall use, hold, and maintain State Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information. 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 Agreement, 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.

F. 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. Unless Grantee can establish none of Grantee or any of its agents, employees, assigns or Subcontractors are the cause or source of the Incident, Grantee shall be responsible for the cost of notifying each person who may have been impacted by the Incident. 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. The State may adjust or direct modifications to this plan, in its sole discretion and Grantee shall make all modifications as directed by the State. If Grantee cannot produce its analysis and plan within the allotted time, the State, in its sole discretion, may perform such analysis and produce a remediation plan, and Grantee shall reimburse the State for the reasonable actual costs thereof.

G. Data Protection and Handling. Grantee shall ensure that all State Records and Work Product in the possession of Grantee or any Subcontractors are protected and handled in accordance with the requirements of this Agreement at all times. Upon request by the State made any time prior to 60 days following the termination of this Agreement for any reason, whether or not this Agreement is expiring or terminating, Grantee shall make available to the State a complete and secure download file of all data that is encrypted and appropriately authenticated. This download file shall be made available to the State within 10 Business Days following the State's request, and shall contain, without limitation, all State Records, Work Product, and any other information belonging to the State. Upon the termination of Grantee's services under this Agreement, Grantee shall, as directed by the State, return all State Records provided by the State to Grantee, and the copies thereof, to the State or destroy all such State Records and certify to the State that it has done so. If legal obligations imposed upon Grantee prevent Grantee from returning or destroying all or part of the State Records provided by the State, Grantee shall guarantee the confidentiality of all State Records in Grantee's possession and will not actively process such data. The State retains the right to use the established operational services to access and retrieve State Records stored on Grantee's infrastructure at its sole discretion and at any time.

H. Compliance. If applicable, Grantee shall review, on a semi-annual basis, all OIS policies and procedures which OIS has promulgated pursuant to CRS §§ 24-37.5-401 through 406 and 8 CCR § 1501-5 and posted at <http://oit.state.co.us/ois>, to ensure compliance with the standards and guidelines published therein. Grantee shall cooperate, and shall cause its Subcontractors to cooperate, with the performance of security audit and penetration tests by OIS or its designee.

I. 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, all State requirements relating to non-disclosure, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall take full responsibility for the security of all PII in its possession or in the possession of its Subcontractors, and shall hold the State harmless for any damages or liabilities resulting from the unauthorized disclosure or loss thereof. Grantee shall be a "Third-Party Service Provider" as defined in CRS §24-73-103(1)(i) and shall maintain security procedures and practices consistent with CRS §§24-73-101 *et seq.*

J. Software Piracy Prohibition. The State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

K. Information Technology. To the extent that Grantee provides physical or logical storage of State Records; Grantee creates, uses, processes, discloses, transmits, or disposes of State Records; or Grantee is otherwise given physical or logical access to State Records in order to perform Grantee's obligations under this Agreement, the following terms shall apply. Grantee shall, and shall cause its Subcontractors, to: Provide physical and logical protection for all hardware, software, applications, and data that meets or exceeds industry standards and the requirements of this Agreement; Maintain network, system, and application security, which includes, but is not limited to, network firewalls, intrusion detection (host and network), annual security testing, and improvements or enhancements consistent with evolving industry standards; Comply with State and federal rules and regulations related to overall security, privacy, confidentiality, integrity, availability, and auditing; Provide that security is not compromised by unauthorized access to workspaces, computers, networks, software, databases, or other physical or electronic environments; Promptly report all Incidents, including Incidents that do not result in unauthorized disclosure or loss of data integrity, to a designated representative of the OIS; Comply with all rules, policies, procedures, and standards issued by the Governor's Office of Information Technology (OIT), including project lifecycle methodology and governance, technical standards, documentation, and other requirements posted at www.oit.state.co.us/about/policies. Grantee shall not allow remote access to State Records from outside the United States, including access by

STATE CONTROLLER

Grantee's employees or agents, without the prior express written consent of OIS. Grantee shall communicate any request regarding non-U.S. access to State Records to the State. The State, acting by and through OIS, shall have sole discretion to grant or deny any such request.



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: May 16, 2024

PREPARED BY: Kate Morgan, Airport Executive Assistant

TITLE

Lease Assignment and Assumption – 5227 Stearman Street

RECOMMENDED AIRPORT COMMISSION ACTION

Make a motion to approve the lease assignment and assumption as presented

BUDGET IMPACT

Neutral, the lease rates will remain unchanged

SUMMARY

This is an administrative item. The transfer of ownership of privately owned buildings is frequent on the Airport and requires the approval of the Airport Commission for a land lease assignment and assumption. In this case, the lease is being transferred from dual ownership between James Grubbs and Walter Ellwood to a single ownership with James Grubbs. Staff have reviewed the request and found the associated account to be in good standing.



ATTACHMENT

5227 Stearman Street Lease Assignment and Assumption

ASSIGNMENT AND ASSUMPTION OF LEASE AGREEMENT

5227 Stearman Street
Loveland, Colorado 80538

WHEREAS, the Cities of Fort Collins and Loveland, Colorado (the "Cities") acting by and through the Northern Colorado Regional Airport Commission ("NCRAC") are the Lessors under that Lease Agreement dated (month day, year) as amended, a copy of which is attached hereto as **Attachment 1** and incorporated herein by this reference (the "Lease Agreement") to (Lessee) as Lessee ("Assignor") concerning that property at the Northern Colorado Regional Airport described in Exhibit A to the Lease Agreement (the "Leased Premises"); and

WHEREAS, the Cities are parties to an Amended and Restated Intergovernmental Agreement for the Joint Operation of the Northern Colorado Regional Airport signed on January 22, 2015 and paragraph 4.A. of said Agreement delegates to the NCRAC the authority to enter into lease agreements in a form generally approved by the Cities; and

WHEREAS, the form of this lease agreement has been previously generally approved by the Cities; and

WHEREAS, Commission Bylaws adopted on October 15, 2015 authorize the Commission Chair to sign such agreements on behalf of NCRAC; and

WHEREAS, Assignor desires to assign all of its lease rights and obligations for the Leased Premises, as well as all improvements located thereon, to (Assignee), ("Assignee"); and

WHEREAS, Article 13 of the Lease Agreement permits this assignment under the conditions as set forth therein; and

WHEREAS, Assignee intends to benefit the Cities by promising to perform all terms and conditions of the Lease Agreement with respect to the Leased Premises as Lessee under the Lease Agreement.

NOW, THEREFORE, in consideration of the Cities' approval, the mutual covenants and agreements expressed in the Lease Agreement, the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Assignor, by its signature below, hereby assigns all of its right, title and interest in and to the Lease Agreement and the Leased Premises, to Assignee as of (month day, year) (the "Effective Date").

2. Assignee, by its signature below, hereby assumes and agrees to be bound by all obligations, responsibilities and terms of the Lease Agreement with respect to the Leased Premises and hereby becomes the Lessee of the Leased Premises under the Lease Agreement as of the Effective Date.

3. Assignee acknowledges and agrees that the annual rent payment for the Leased Premises under the Lease Agreement is **\$781.88 per year**, payable in monthly installments, which rental amount shall be adjusted on (December 1, 2027) and on each fifth anniversary thereafter pursuant to Article 4 of the Lease Agreement.

4. Assignee submits to the Cities herewith, the proof of insurance as required in Articles 8 and 9 of the Lease Agreement, attached hereto as **Attachment 2** and incorporated herein by this reference.

5. Assignee submits to the Cities the following notice address pursuant to Article 23 of the Lease Agreement:

**James B. Grubbs
2014 Taft Avenue
Loveland, CO 80538**

6. The Cities designate the NCRAC and the Airport Manager as its representatives who shall make, within the scope of their authority, all necessary and proper decisions with reference to the Lease.

7. For purposes of this Agreement, there may be any number of counterparts, each of which shall be deemed as originals. Facsimile, scanned and other electronic signatures permitted by law, for purposes of this Agreement, shall be deemed as original signatures.

Dated this ____ day of _____, 20____.

[end of page 2]

Assignee:
James B. Grubbs
2014 Taft Avenue
Loveland, CO 80538

By: [Signature]
James Grubbs, Lessee

Name, Title

State of Colorado)
)ss
County of Larimer)



Subscribed and sworn to before me this 3rd day of May 20 24 by
James Grubbs, as Lessee of 5227 Hazman

My commission expires September 16, 2024 SEAL

[Signature]
Notary Public

Assignor:
Walter Ellwood
Ellwood Family Trust
2080 Vista Drive
Loveland, CO 80538

By: [Signature]
Karen Ellwood, Trustee

[Signature]
James B. Grubbs, Lessor

State of Colorado)
)ss
County of Larimer)



Subscribed and sworn to before me this 7th day of May 20 24 by
Karen Ellwood, as Trustee of Ellwood Family Trust

My commission expires April 10, 2027 SEAL

[Signature]
Notary Public

The Northern Colorado Regional Airport Commission acting on behalf of the City of Loveland, Colorado and the City of Fort Collins, Colorado, hereby consents to the above-described assignment of all right, title, and interest as Lessee under the above-described Lease Agreement from Assignor to Assignee on the terms and conditions set forth above.

**Northern Colorado Regional Airport
Commission acting on behalf of the City of
Loveland, Colorado and the City of Fort Collins,
Colorado**



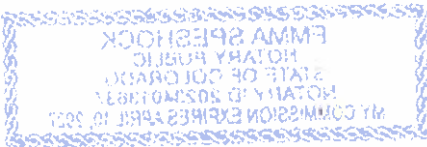
By: _____
Commission Chair

ATTEST:

Secretary

APPROVED AS TO FORM:

Assistant City Attorney



COLORADO CERTIFICATE OF TRUST

The undersigned, hereby states the following:

The name of the trust is the ELLWOOD FAMILY TRUST – 2019.

The ELLWOOD FAMILY TRUST - 2019 was dated July 17, 2019.

The ELLWOOD FAMILY TRUST - 2019 is irrevocable.

KAREN K. ELLWOOD, as trustee of the ELLWOOD FAMILY TRUST - 2019, has the authority to open bank accounts on behalf of the trust;

The trustee, KAREN K. ELLWOOD, can act independently and can transact banking functions on behalf of the ELLWOOD FAMILY TRUST - 2019.

The trustee, KAREN K. ELLWOOD, can appoint agents or attorneys-in-fact.

The trustee, KAREN K. ELLWOOD, can buy and sell real estate.

The undersigned, certifies that the above statements are true and correct. All parties to whom this Certification is given are entitled to rely on its accuracy. Such parties shall be held harmless by the undersigned and the successors of the undersigned.

The ELLWOOD FAMILY TRUST - 2019 has not been revoked or amended to make any representations contained in this Certificate of Trust incorrect.

This Certification of Trust is being signed by the trustee of the ELLWOOD FAMILY TRUST -2019.

Dated this 29th day of April 2024

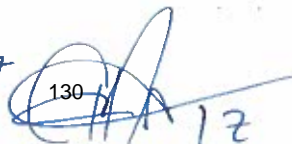


KAREN K. ELLWOOD, TRUSTEE

STATE OF COLORADO)
)ss.
COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me this 29th day of April 24 by KAREN K. ELLWOOD.

My commission expires: 10/27/2027



130

CESAR JAHAZIEL TELLEZ-OROZCO NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20154042204 MY COMMISSION EXPIRES OCTOBER 27, 2027

ATTACHMENT 1

(Lease Agreement, including all prior amendments and assignments)

ATTACHMENT 2

(Certificate of Insurance)

Via Hand Delivered

5/17/2005

Dave Gorden, Airport Director
Fort Collins-Loveland Municipal Airport
4900 Earhart Road
Loveland, Colorado 80538

Dear Dave,

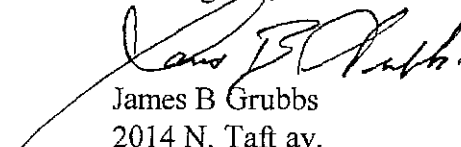
Russ kamtz recently sold his interest in our hangar to Walt Ellwood and Me. We signed papers indicating that the 3 original partners in the hangar sold our interests to the 2 remaining partners.

Enclosed please find an Assumption of Lease Agreement. I have included signature pages containing the original signatures of the buyers and sellers along with provisions for the signatures of the appropriate City officials. I am routing these documents through your office rather than delivering them directly to the cities. If this is not appropriate, please let me know and I will contact the appropriate City officials directly.

Once the necessary signatures are obtained, please return 3 copies containing original signatures to me.

Please feel free to contact me via telephone (1-970-667-8497) should you or the Cities have any questions or require additional documentation.

Best regards,



James B Grubbs
2014 N. Taft av.
Loveland, Co.80538

Assumption of Lease Agreement

WHEREAS, Walter Ellwood, Russell Kamtz and James B. Grubbs are the Lessees and the Cities of Fort Collins and Loveland, Colorado are the Lessors pursuant to the provisions of that Lease Agreement dated December 31, 1997, ("Lease agreement"), and a previously-executed Assumption of Lease Agreement dated December 14, 1998 (attached hereto as Exhibit B), concerning that property at the Fort Collins-Loveland Municipal Airport described in the attached Exhibit A, incorporated herein by this reference ("Leased Premises"); and

WHEREAS, Walter Ellwood, Russell Kamtz and James B. Grubbs desire to assign all of their lease rights and obligations for the Leased Premises as described in Exhibit A as well as all improvements located thereon, to Walter Ellwood and James B. Grubbs.

WHEREAS, Article 13 of the Lease Agreement permits this assignment under certain conditions as set forth therein; and

WHEREAS, Walter Ellwood and James B. Grubbs intend to benefit the Cities by promising to perform all terms and conditions of the Lease Agreement.

NOW, THEREFORE, in consideration of the Cities' approval and other mutual covenants and agreements expressed in the Lease Agreement, Walter Ellwood and James B. Grubbs do hereby covenant and agree to assume all obligations, responsibilities and terms of the Lease Agreement and hereby become the Lessees under the Lease Agreement for the Leased Premises as described in Exhibit A.


FURTHER, Walter Ellwood and James B. Grubbs, acknowledge and agree that the initial annual rent payment as set forth in Article 4 of the Lease Agreement was in the amount of \$0.12 per square foot of Leased Premises (\$432.00), subject to periodic adjustment pursuant to Section 4.2 of the Lease Agreement.

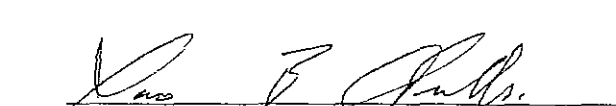
FURTHER, Walter Ellwood and James B. Grubbs submit to the Cities the following notice address pursuant to Article 23 of the Lease Agreement:

Walter Ellwood
2080 Vista Drive
Loveland, Colorado 80538

James B. Grubbs
2014 N. Taft Avenue
Loveland, Colorado 80538

Dated this 17 day of May, 2005.

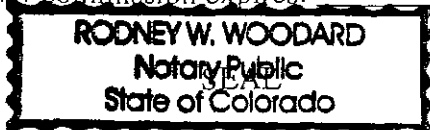

Walter Ellwood


James B. Grubbs

STATE OF COLORADO)
)
COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me by Walter Ellwood, this 17th day of May, 2005.

My commission expires: _____



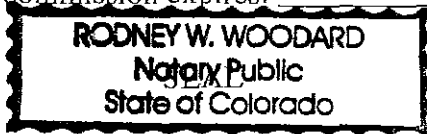
My Commission Expires 12/10/2008

Rodney W. Woodard
NOTARY PUBLIC

STATE OF COLORADO)
)
COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me by James B. Grubbs, this 17th day of May, 2005.

My commission expires: _____



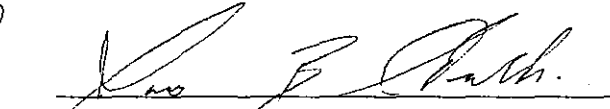
My Commission Expires 12/10/2008

Rodney W. Woodard
NOTARY PUBLIC

Walter Ellwood, Russell Kamtz and James B. Grubbs, the current Lessees, hereby request the assignment of the above-described Lease from themselves to Walter Ellwood and James B. Grubbs, with respect to the Leased Premises hereinabove described, pursuant to the provisions of Article 13 of the Lease Agreement.

Dated this 17 day of May, 2005.


Walter Ellwood

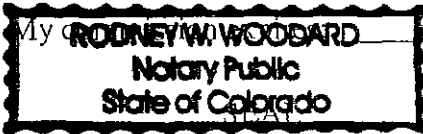

James B. Grubbs

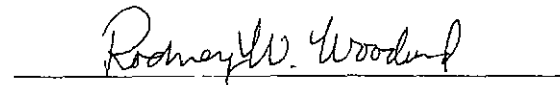

Russell Kamtz

STATE OF COLORADO)

COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me by Walter Ellwood, this 17th day of May, 2005.

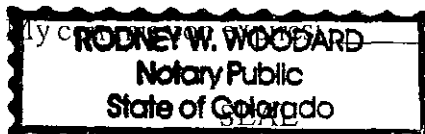
My c 
My Commission Expires 12/10/2008

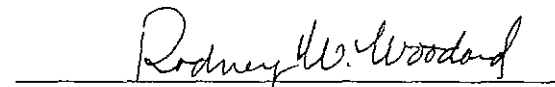

NOTARY PUBLIC

STATE OF COLORADO)

COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me by James B. Grubbs, this 17th day of May, 2005.

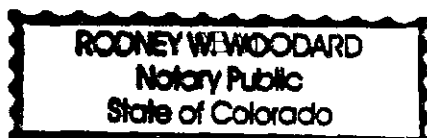
My c 
My Commission Expires 12/10/2008

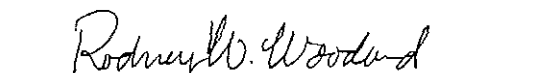

NOTARY PUBLIC

STATE OF COLORADO)

COUNTY OF LARIMER)

SUBSCRIBED and sworn to before me by Russell Kamtz, this 17th day of May, 2005.
My commission expires: _____


My Commission Expires 12/10/2008

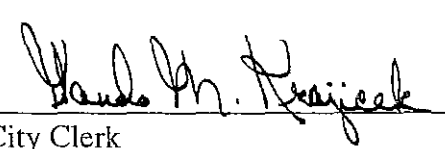

NOTARY PUBLIC

The Cities of Fort Collins and Loveland, Colorado hereby consent to the assignment of the above-described Lease from Walter Ellwood, Russell Kamtz and James B. Grubbs to Walter Ellwood and James B. Grubbs, with respect to the Leased Premises hereinabove described, pursuant to the provisions of Article 13 of the Lease Agreement.

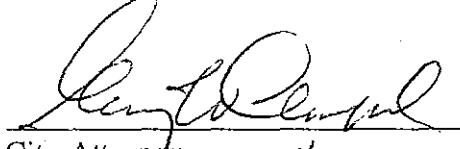
CITY OF FORT COLLINS, COLORADO


City Manager


ATTEST:

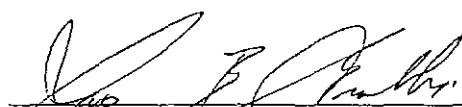

City Clerk

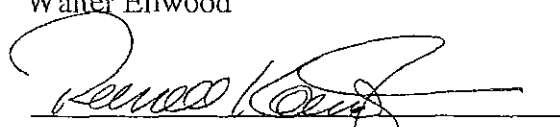
APPROVED AS TO FORM:


City Attorney, A.S.S.


CURRENT LESSEES

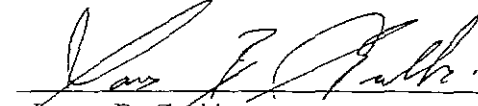

Walter Ellwood


James B. Grubbs


Russell Kamtz

NEW LESSEES


Walter Ellwood


James B. Grubbs

The Cities of Fort Collins and Loveland, Colorado hereby consent to the assignment of the above-described Lease from Walter Ellwood, Russell Kamtz and James B. Grubbs to Walter Ellwood and James B. Grubbs, with respect to the Leased Premises hereinabove described, pursuant to the provisions of Article 13 of the Lease Agreement.

CITY OF LOVELAND, COLORADO



ATTEST:

W. J. Grubbs
City Manager

Kristi K. Bashor
Deputy City Clerk

APPROVED AS TO FORM:

W. J. Grubbs
City Attorney

CURRENT LESSEES

Walter Ellwood
Walter Ellwood

James B. Grubbs
James B. Grubbs

Russell Kamtz
Russell Kamtz

NEW LESSEES

Walter Ellwood
Walter Ellwood

James B. Grubbs
James B. Grubbs

Exhibit A

(page 1 of 2)

DERICK LAND SURVEYING

1528 N. Lincoln, Suite 2

Loveland, Co. 80538

970 (303) 669-3652

July 23, 1997 ..

Project No: 97-07-1062

EXHIBIT "A"

1 of 2

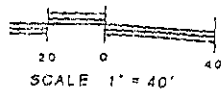
LAND DESCRIPTION: PROPOSED HANGAR SITE

All that portion of Lot 15, FORT COLLINS - LOVELAND CORPORATE HANGARS P.U.D., located in the northeast quarter of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado more particularly described as follows:

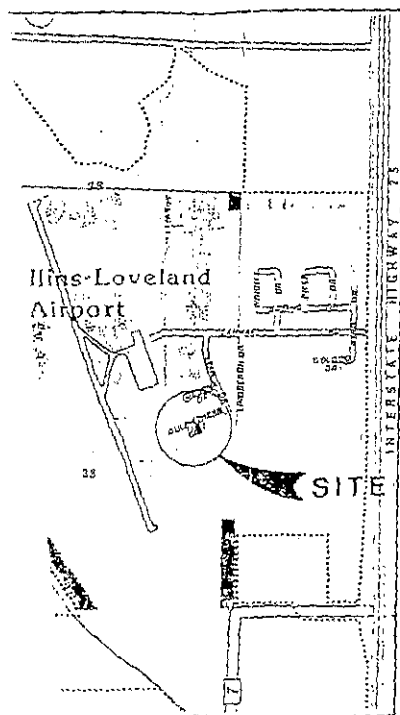
Considering the east line of said northeast quarter of Section 33 as bearing SOUTH 00° 31' 15" EAST and with all bearings contained herein relative thereto.

Commencing at the northeast corner of said Section 33; Thence along said east line of the northeast quarter of Section 33 SOUTH 00° 31' 15" EAST 1196.53 feet to the easterly prolongation of the northerly line of Lots 6 through 10 of said FORT COLLINS - LOVELAND CORPORATE HANGARS P.U.D.; Thence along said prolongation and along said northerly line SOUTH 70° 01' 29" WEST 1294.17 feet to the westerly line of said Lot 10; Thence along said westerly line and along the westerly line of said Lot 15, FORT COLLINS - LOVELAND COPORATE HANGARS P.U.D. SOUTH 19° 58' 31" EAST 378.06 feet; Thence leaving said westerly line and parallel with the northerly line of said Lot 15 NORTH 70° 01' 29" EAST 30.36 feet to the TRUE POINT OF BEGINNING; Thence continuing NORTH 70° 01' 29" EAST 64.00 feet; Thence SOUTH 19° 58' 31" EAST 64.00 feet; Thence SOUTH 70° 01' 29" WEST 64.00 feet; Thence NORTH 19° 58' 31" WEST 64.00 feet to the TRUE POINT OF BEGINNING.

Said portion contains 4096 square feet, more or less.

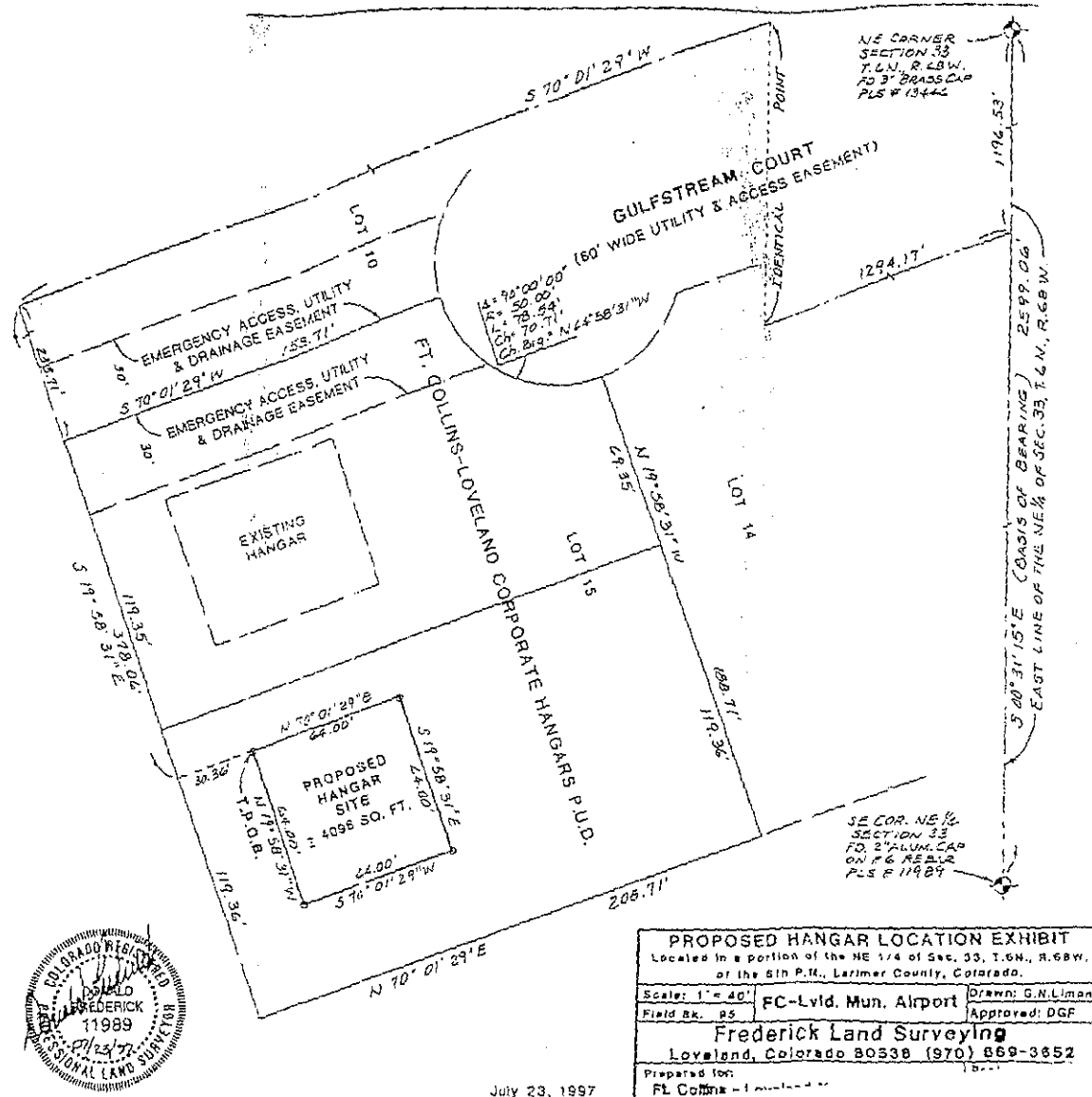


SET #4 REBAR W/CAP
PLS #11989



City Map
1" = 2000'

At compliance any legal
may within three hours
to no extent, any any action
commenced more than ten
shown herein.



PROPOSED HANGAR LOCATION EXHIBIT			
Located in a portion of the NE 1/4 of Sec. 33, T.6N., R.68W., of the 5th P.M., Larimer County, Colorado.			
Scale: 1" = 40'	FC-Lyld. Mun. Airport	Drawn: S.N. Liman	
Field Bk. 25		Approved: DGF	
Frederick Land Surveying			
Loveland, Colorado 80538 (970) 669-3652			
Prepared for:			
FL Collins - Loveland			

July 23, 1997

Exhibit A
(page 2 of 2)

Exhibit B

(page 1 of 2)

ASSUMPTION OF LEASE AGREEMENT

Whereas, James B. Grubbs is the Lessee and the Cities of Loveland and Fort Collins, Colorado are the Lessors pursuant to the provisions of that Lease Agreement dated December 31, 1997 ("Lease Agreement"), concerning that property at the Fort Collins-Loveland Municipal Airport described in the attached Exhibit A, incorporated herein by this reference ("Leased Premises"); and

Whereas James B. Grubbs desires to assign all of his lease rights and obligations for that portion of the Leased Premises described as (see Exhibit A), and now also known as 5226 Gulfstream Court, as well as all improvements located thereon, to Walter Ellwood, Russell Kamtz and James B. Grubbs, jointly (collectively referred to as "LMC"); and

Whereas, Article 13 of the Lease Agreement permits this assignment under certain conditions as set forth therein; and

Whereas, LMC intends to benefit the Cities by promising to preform all terms and conditions of the Lease Agreement.

Now, therefore, in consideration of the Cities' approval and other mutual covenants and agreements expressed in the Lease Agreement, LMC does hereby covenant and agree to assume all obligations, responsibilities and terms of the Lease Agreement and hereby become the Lessee under the Lease Agreement for 5226 Gulfstream Court of the Lessed Premises

Further, LMC acknowledges and agrees that the annual rent payment as set forth in Article 4.1 of the Lesse Agreement shall be in the amount of four hundred thirty two dollars (\$432.00)

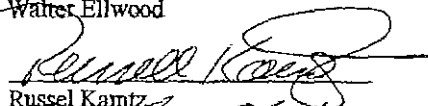
Further, LMC submits to the Cities herewith, the proof of insurance as required at Articles 8 and 9 of the Lease Agreement.

Further, LMC submits to the Cities the following notice address pursuant to Article 23 of the Lease Agreement:

WALTER ELLWOOD
2080 Vista Dr.
Loveland, Colorado. 80538
and
RUSSELL KAMTZ
1900 Ponderosa Pl.
Loveland, Colorado. 80538
and
JAMES B. GRUBBS
2014 N. Taft av.
Loveland, Colorado. 80538

Dated this 14 day DEC 1998


Walter Ellwood


Russel Kamtz

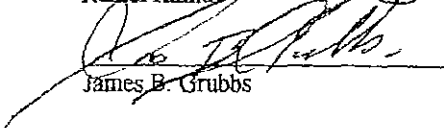

James B. Grubbs

Exhibit B

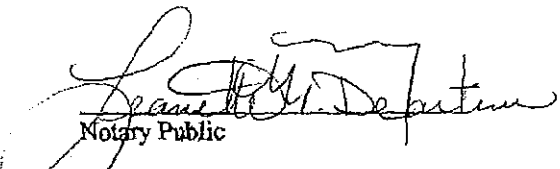
(page 2 of 2)

State of Colorado)
)
County of Larimer)

Subscribed and sworn to before me this 14th day of December, 1998
by Walter Ellwood, Russell Kantz and James B. Grubbs.

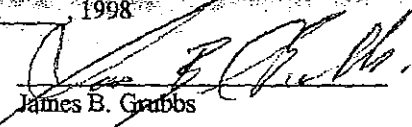
My Commission Expires 10/29/2000

SEAL


Notary Public

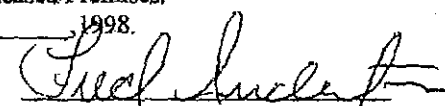
James B. Grubbs, the current lessee, hereby requests the assignment of the above described lease from himself to Walter Ellwood, Russell Kantz and James B. Grubbs, jointly, with respect to 5226 Gulfstream Ct. of the Leased Premises, pursuant to the provisions of Article 13 of the Lease Agreement.

Dated this 14 day of DEC, 1998


James B. Grubbs

The Cities of Fort Collins and Loveland, Colorado, through the Airport Manager, hereby consent to the above described assignment from James B. Grubbs to Walter Ellwood, Russell Kantz and James B. Grubbs, jointly, of the Lease of 5226 Gulfstream Ct. of the Leased Premises.

Dated this 14 day of DEC, 1998.


Fred Anderson, Airport Manager
Fort Collins - Loveland
Municipal Airport

LEASE AGREEMENT

CITIES OF LOVELAND AND FORT COLLINS, COLORADO, AND
JAMES GRUBBS

DATED December 31, 1997

Post-it* Fax Note	7671	Date	3-5	# of pages	4
To	Debbie	From	Mark		
Co./Dept.		Co.			
Phone #		Phone #			
Fax #	970-2853	Fax #			

**FREDERICK LAND SURVEYING**

1528 N. Lincoln, Suite 2
Loveland, Co. 80538
970 (903) 669-3652

July 23, 1997 ..
Project No: 97-07-1062

EXHIBIT "A"

1 of 2

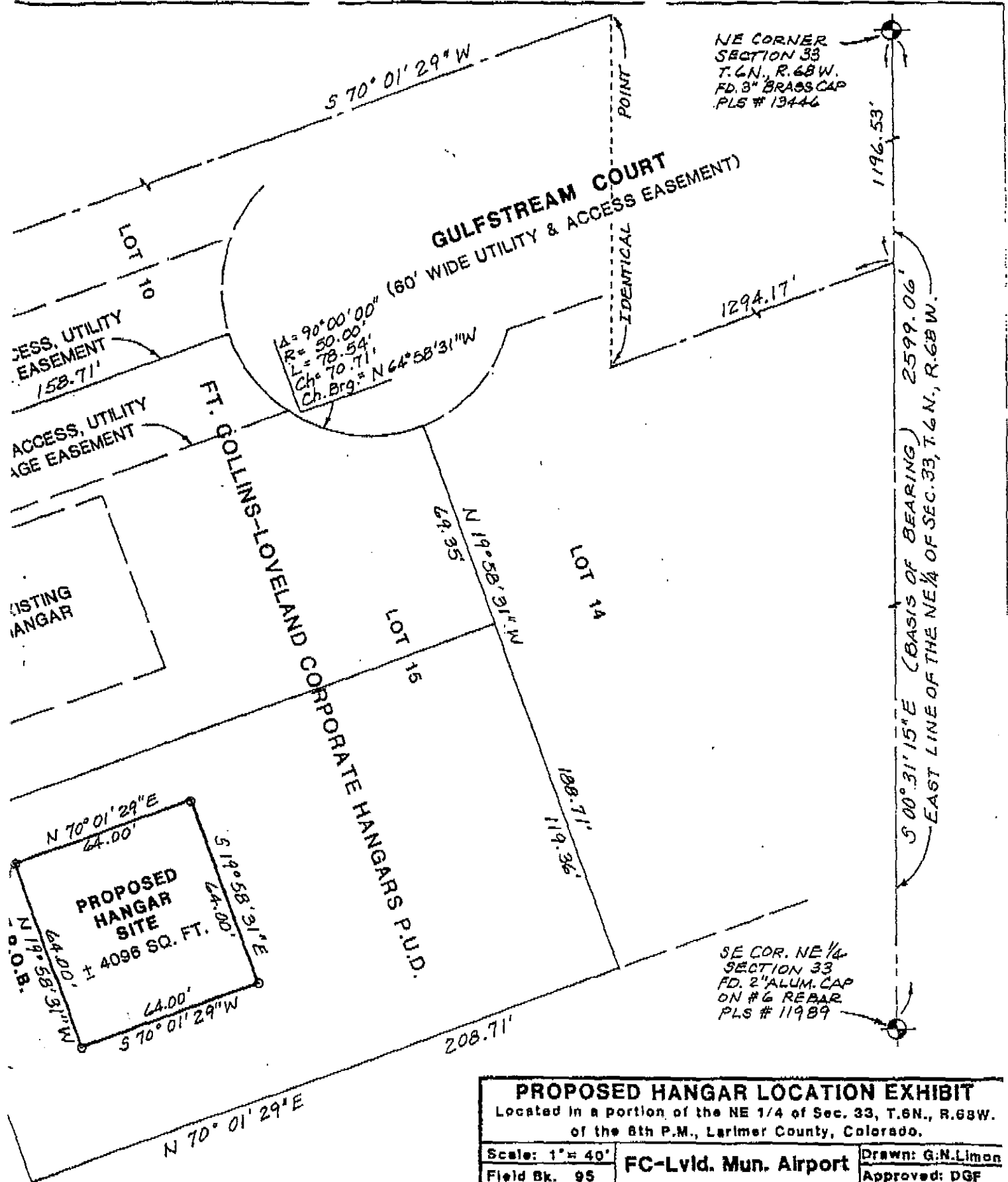
LAND DESCRIPTION: PROPOSED HANGAR SITE

All that portion of Lot 15, FORT COLLINS - LOVELAND CORPORATE HANGARS P.U.D., located in the northeast quarter of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado more particularly described as follows:

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Commencing at the northeast corner of said Section 33; Thence along said east line of the northeast quarter of Section 33 SOUTH 00° 31' 15" EAST 1196.53 feet to the easterly prolongation of the northerly line of Lots 6 through 10 of said FORT COLLINS - LOVELAND CORPORATE HANGARS P.U.D.; Thence along said prolongation and along said northerly line SOUTH 70° 01' 29" WEST 1294.17 feet to the westerly line of said Lot 10; Thence along said westerly line and along the westerly line of said Lot 15, FORT COLLINS - LOVELAND CORPORATE HANGARS P.U.D. SOUTH 19° 58' 31" EAST 378.06 feet; Thence leaving said westerly line and parallel with the northerly line of said Lot 15 NORTH 70° 01' 29" EAST 30.36 feet to the TRUE POINT OF BEGINNING; Thence continuing NORTH 70° 01' 29" EAST 64.00 feet; Thence SOUTH 19° 58' 31" EAST 64.00 feet; Thence SOUTH 70° 01' 29" WEST 64.00 feet; Thence NORTH 19° 58' 31" WEST 64.00 feet to the TRUE POINT OF BEGINNING.

Said portion contains 4096 square feet, more or less.

**PROPOSED HANGAR LOCATION EXHIBIT**

Located in a portion of the NE 1/4 of Sec. 33, T.6N., R.68W.
of the 8th P.M., Larimer County, Colorado.

Scale: 1" = 40'

Field Bk. 95

FC-Lvid. Mun. Airport

Drawn: G.N. Limon

Approved: DGF

Frederick Land Surveying

Loveland, Colorado 80538 (970) 669-3652

Prepared for:

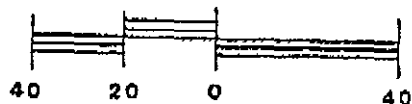
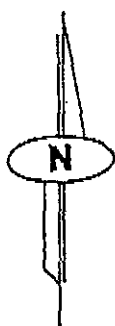
1. Ft. Collins - Loveland Municipal Airport

Project No:

97-07-1062

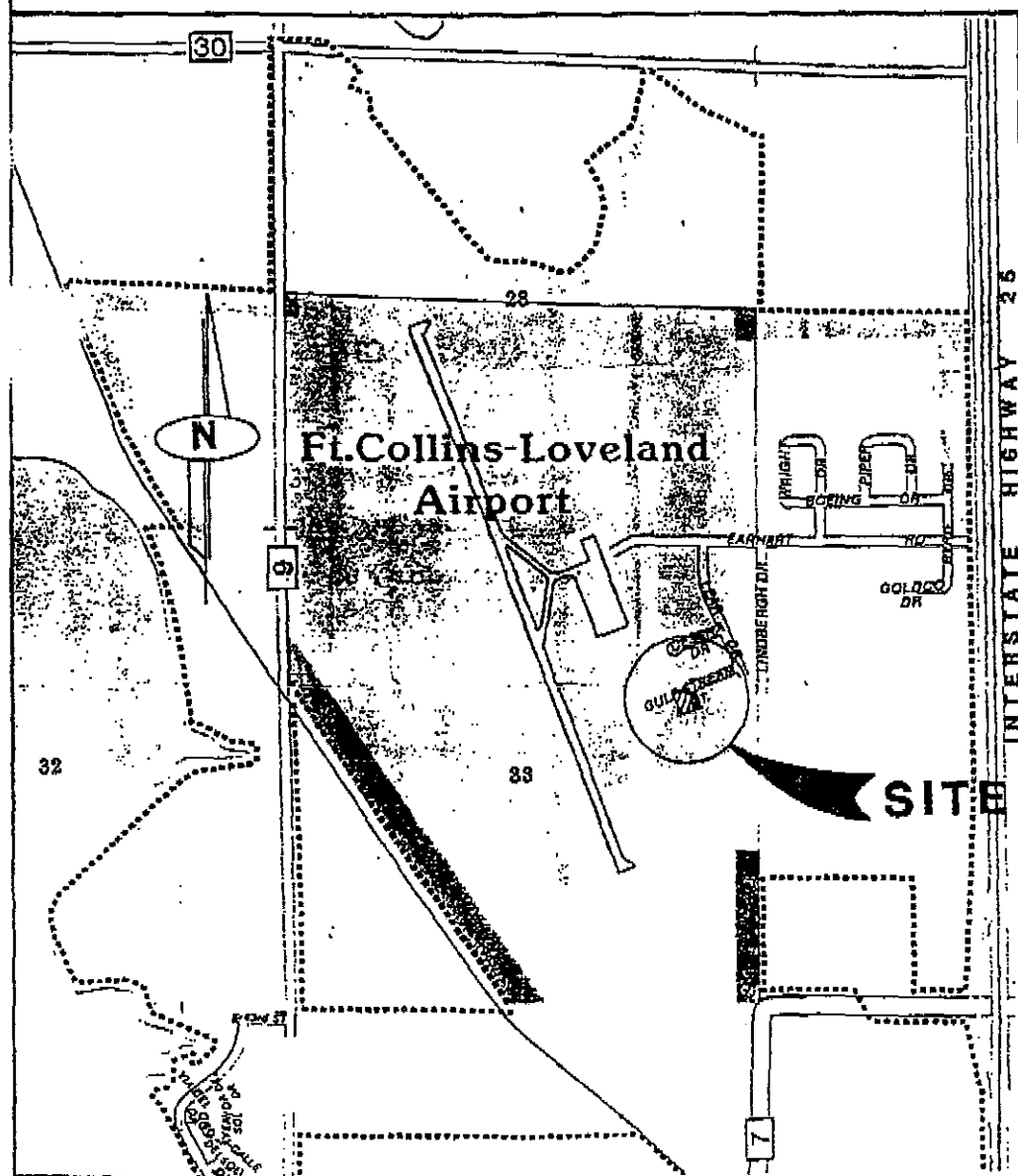
July 23, 1997

Exhibit "A" 2 of 2

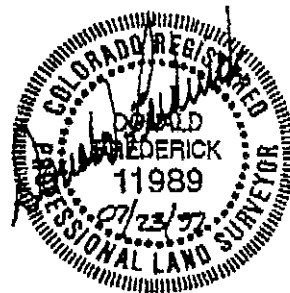
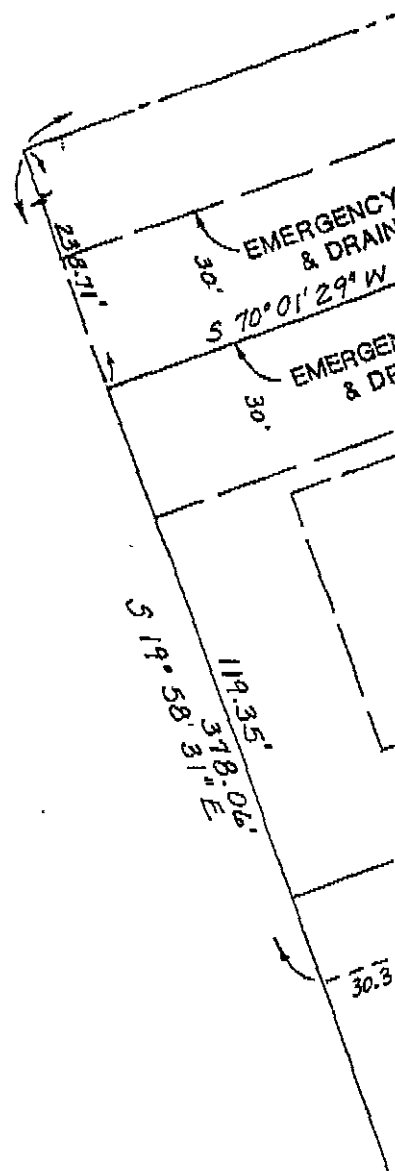


SCALE 1" = 40'

○ - SET #4 REBAR W/CAP
PLS #11989



Vicinity Map
SCALE 1" = 2000'



NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

Lg. lease

LMC

I

LEASE AGREEMENT

**CITIES OF LOVELAND AND FORT COLLINS, COLORADO, AND
JAMES GRUBBS**

DATED December 31, 1997

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LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 31st day of December 1997, by and between the CITY OF LOVELAND, COLORADO, a municipal corporation and the CITY OF FORT COLLINS, COLORADO, a municipal corporation, hereinafter called "Cities," and James Grubbs, hereinafter called "Lessee."

WITNESSETH:

WHEREAS, the Cities own and operate an airport known as the Fort Collins-Loveland Municipal Airport located in Larimer County, Colorado, hereinafter called the "Airport"; and

WHEREAS, the Cities and the Lessee are mutually desirous of entering into a Lease Agreement (hereinafter, the "Agreement") for the use and occupancy of certain areas at the Airport; and

WHEREAS, the Cities desire to accommodate, promote and enhance general aviation at the Airport and the Lessee desires to be assured of the Airport's continued availability as a base for aircraft.

WHEREAS, The Cities and the Lessee have reached an understanding in principle, which envisions the Lessee's construction of a personal use hangar, without cost to the Cities.

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained, the Cities do hereby lease to the Lessee the area of the Airport described in Article 2 hereof, hereinafter referred to as the "Leased Premises," during the term hereof pursuant to the conditions hereinafter set forth.

ARTICLE 1

TERM

1.1 The term of this Agreement shall commence at 12:01 a.m. on the 31st day of December, 1997, and expire at 11:59 p.m. on the 30th day of December, 2022, hereinafter the "Initial Term," unless sooner terminated in accordance with the provisions hereof.

1.2 The Lessee shall have the option to extend the term of this Agreement for three additional periods of five (5) years each, hereinafter the "Extended Term," provided Lessee is not in default in the payment of any rent or in default in any other provisions of this Agreement at the time of its exercise of such option. In the event Lessee exercises an option, it shall do so not later than three (3) months prior to the expiration of the Initial Term or the then current Extended Term. The terms and conditions during the Extended Term shall be the same. The rent escalation shall continue throughout the Initial Term and Extended Terms as provided in Article 4 hereof.

ARTICLE 2
LEASED PREMISES

2.1 The Leased Premises consist of the parcel of land described in Exhibit "A" attached hereto and made a part hereof.

ARTICLE 3
USE OF LEASED PREMISES

3.1 The Lessee shall use and occupy the Leased Premises for the following purposes and for no other purpose whatsoever unless approved in writing by Cities:

3.1.1 For the construction, installation, maintenance and operation of a hangar to be used for the parking, storage, servicing, repair, maintenance, modification, and construction of aircraft owned or operated by the Lessee, its subsidiaries or subtenants, providing such uses are of a non-commercial nature, and providing such uses are consistent with the City of Loveland, Colorado building, use and zoning regulations and requirements applicable to the Leased Premises. Lessee warrants that all such aircraft based at the Leased Premises shall comply with noise standards established under Part 36 of Title 14 of the Code of Federal Regulations, ("FAR 36") as amended from time to time.

3.1.2 For any purpose for which Cities grant a special review permit for the Leased Premises.

3.1.3 The Cities make no representations, guarantees, or warranties that the Leased Premises may be lawfully used for the purposes set forth in this Article 3.1. Lessee shall have the sole responsibility of obtaining all applicable permits or other governmental approvals necessary to use the Leased Premises as intended herein. This Agreement is expressly conditioned upon the Lessee obtaining all such permits and approvals, and the failure of Lessee to obtain any such permits or approvals within twelve months of the commencement date set forth in Article 1.1 herein, or the failure of Lessee to maintain any such permits or approvals during the term of this Agreement shall result in an automatic termination of this Agreement pursuant to Article 18.10 herein.

ARTICLE 4
RENT

4.1 The Lessee agrees to pay to the Cities during the term hereof an annual rent of \$.12 per Square Foot (\$432.00), subject to adjustment pursuant to Section 4.2 below.

4.2 Commencing five years from the beginning of the Initial Term, and on each fifth anniversary thereafter during the remainder of the Initial Term and the Extended Term, if any, the annual rent shall be adjusted by multiplying the annual rent payable in the

60x60 3600 sq ft
x .12
432
4096
x .12
491.52

next preceding year by a fraction, the numerator of which shall be the C.P.I., as hereinafter defined, published for the last month for which the C.P.I. is available and the denominator of which shall be the C.P.I. published for the 60th month prior thereto. In no event shall the annual rent be reduced. ²⁰⁰² ~~DECEMBER~~ ~~DEC 31 1991~~

4.2.1 The term "C.P.I." as used herein shall mean the Consumer Price Index for all Urban Consumers, all items, Selected Large Cities, for the Denver/Boulder Area as published by the Bureau of Labor Statistics of the United States Department of Labor, 1982-84 base = 100. In the event the base year is changed, the C.P.I. shall be converted to the equivalent of the base year 1982-84 = 100. In the event the Bureau of Labor Statistics ceases to use the C.P.I., an equivalent or comparable economic index will be used.

4.3 The annual rent payable hereunder shall be paid in equal monthly installments on the first day of each month in advance at the office of the Airport Manager or at such other office as may be directed in writing by the Cities.

4.4 The Lessee, as additional rent, shall pay to Cities a fuel flowage fee for all fuel delivered into aircraft of Lessee, other than fuel sold by an existing FBO or other approved vendor who pays a fuel flowage fee to the Cities. The amount of such fee shall be the highest rate paid by any FBO or other approved vendor, including any percentage paid as a percentage of gross revenues, plus three percentage points, or ten percent (10%) of the wholesale cost of the fuel delivered to the airport, whichever is greater. Such fee shall be paid with the monthly rent for the prior month's fueling. For example, if the wholesale cost of the fuel delivered to the Airport is \$1.00, the amount of such fee, based on the wholesale cost, would be an additional .10 or a total cost of \$1.10. If the highest rate paid by any FBO is \$1.06, Lessee would pay an additional .03 for a total cost of \$1.09. In this example, the cost to the Lessee would be the greater of the two: \$1.10.

4.5 The Lessee, as an additional rent, shall pay to Cities one percent (1%) of the gross revenues derived from any sub-lessee. Such fee shall be paid with the monthly rent for the prior month's revenues. Said additional rent shall not be subject to escalation as otherwise specified in paragraph 4.2.

4.6 The Lessee, as additional rent, shall construct one hangar on the Leased Premises as approved by the Cities. The hangar shall be at least 1,600 square feet in size and shall have a concrete floor, at least one man door, and at least one aircraft access door sized to accommodate an average private aircraft. Lessee shall use its best efforts and all due diligence to complete construction of such improvements within eighteen (18) months of the Cities' approval thereof or within two years from the date of this agreement. Failure of the Lessee to construct such improvements in accordance with the provisions of this section shall be deemed a default under this Agreement except if the

failure to construct is caused by force majeure or action of the Cities. Title to these improvements shall vest in the Cities at the expiration or earlier termination of this Agreement.

4.7 The Lessee shall construct a paved aircraft ramp area extending out from the hangar to the nearest existing aircraft ramp or taxiway. This area shall be constructed pursuant to specifications established by the Cities and shall be built so as to connect onto any adjacent ramp in order that a continuous and safe pavement section results. The Lessee shall be responsible for snow removal on the ramp area. Lessee grants to users of the Airport the right to use this aircraft ramp area from time to time for passage of aircraft on the adjacent taxiway moving through this area of the airport. The construction time and default provisions of subsection 4.6 shall be applicable to the improvements set forth in this subsection. Title to the ramp improvements shall vest in the Cities upon completion of construction.

4.8 At the option of the Lessee and notwithstanding the last sentence of paragraphs 4.6 and 4.7, Lessee may transfer title and ownership to the improvements set forth in paragraphs 4.6 and 4.7 to the Cities prior to expiration or termination of this Agreement, subject to acceptance by the Airport Manager. Such transfer of title and ownership shall not relieve the Lessee of any obligation of this Agreement, including the obligations of insurance, rent payment, care and maintenance of the improvements.

4.9 Lessee shall keep the Leased Premises, the Improvements, and any other property on the Airport on which parking structures are constructed by Lessee, free and clear of any liens and shall indemnify, hold harmless and defend the Cities from any liens and shall indemnify, hold harmless and defend the cities from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of Lessee. In the event any lien is filed, Lessee shall do all acts necessary to discharge any lien within ten (10) days of filing, or if Lessee desires to contest any lien, then Lessee shall deposit with the Cities such security as the Cities shall demand to insure the payment of the lien claim. In the event Lessee shall fail to pay any lien claim when due or shall fail to deposit the security with the Cities, then the Cities shall have the right to expend all sums necessary to discharge the lien claim, and Lessee shall pay as additional rental, when the next rental payment is due, all sums expended by the cities in discharging any lien, including reasonable attorney's fees and costs, and interest at twelve percent (12%) on the sums expended by the Cities from the date of expenditure to the date of payment by the Lessee.

ARTICLE 5

ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR

5.1 In reliance upon the representations of the Cities set forth in this Section 5.1, Lessee warrants it has inspected the

Leased Premises and accepts possession of the Leased Premises "as is" in its present condition, and, subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the rules and regulations of the Fort Collins-Loveland Municipal Airport, as set forth in Exhibit B attached hereto, and by ordinances of the Cities, admits its suitability and sufficiency for the uses permitted hereunder. The Cities represent to the Lessee that, to their knowledge, the Leased Premises are free of any adverse environmental conditions and no part of the Leased Premises lie in a flood hazard area or constitutes a fresh water wetland, nor is any part of the Leased Premises within 100 feet of a fresh water wetland. Except as may otherwise be provided for herein, the Cities shall not be required to maintain nor to make any improvements, repairs or restoration upon or to the Leased premises or to any of the improvements presently located thereon or placed thereon by Lessee.

5.1.1 If, within six (6) months of the commencement date set forth in Article 1 herein, a qualified engineer determines that hazardous material exists on or under the Leased Premises, and such hazardous material existed at the commencement date, and such material renders the site unusable for its intended purpose, and the engineer's estimate of the cost to clean up such hazardous material exceeds five thousand dollars (\$5,000.00), the Lessee may terminate this Agreement pursuant to Article 18.8_____.

5.1.2 Alternatively, the Cities may offer to Lessee an alternate comparable site for the facilities, if one is available.

5.1.3 In the event the Cities elect to not perform the necessary clean-up efforts, or if an alternative site is not agreeable to Lessee, then this Agreement shall be terminable upon written notice by either party to the other. In the event of such termination, Cities will compensate Lessee forthwith for all expenses incurred by Lessee in placing approved improvements upon the Leased Premises. If termination pursuant to this Section 5.1.3 occurs prior to the construction of the improvements, then the Cities shall refund those rental payments made by Lessee to the date of said termination.

5.1.4 The Lessee's obligation to construct the improvements under this Agreement is contingent upon Lessee's ability to obtain all necessary permits and approvals for the improvements to be used for the purposes authorized in Article 3, provided that Lessee pursues the obtaining of said permits and approvals with all due diligence. In the event Lessee is unsuccessful in acquiring said permits and approvals for all authorized improvements, then and in that event, this Lease shall terminate pursuant to Article 18._____.

5.2 The Lessee shall, throughout the term of this Agreement, assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all improvements thereon in a good workmanlike manner, whether such

repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, the Lessee, without limiting the generality hereof, shall:

5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises. Lessee shall not park or leave, or allow to be parked or left, aircraft on the taxiways, ramps or pavement adjacent to the hangar in a manner which unduly interferes with or obstructs access to other hangars.

5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law.

5.2.3 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas.

5.2.4 Be responsible for the maintenance and repair of all utility services lines placed on the Leased premises and used by the Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.

5.2.5 In the event Lessee discovers any hazardous material on the Leased Premises, it will promptly notify the Cities in writing. Lessee acknowledges that a discharge or spill of a hazardous substance caused by its employees, agents, licensee, invitees, or guests shall be the responsibility of the Lessee. The Cities acknowledge that a discharge or spill of a hazardous substance caused by its employees, agents, licensees, invitees, or guests shall be the responsibility of the Cities.

5.3 Plans and specifications for all hangars and all repairs (other than emergency repairs), construction, alterations, modifications, additions or replacements, hereinafter referred to as "Improvements" to be constructed or placed by the Lessee on the Leased Premises shall be submitted to the Cities for approval, which approval shall not be denied providing the plans and specifications comply with the provisions of this agreement, as well as all applicable building, use and zoning regulations.

5.4 The Lessee expressly agrees in making all Improvements that, except with the prior written consent of the Cities, it will not allow, give nor grant, nor purport to give or grant any lien upon the Leased Premises or upon any Improvements thereon, and the Lessee will within sixty (60) days after notice of filing thereof either discharge the lien or contest the validity of the lien and provide a bond securing its payment until it is discharged, subject however, to the provisions of Article 10 hereunder.

ARTICLE 6 ADDITIONAL OBLIGATIONS OF LESSEE

6.1 The Lessee shall conduct its operations hereunder and cause subtenants to conduct their operations hereunder in an orderly and proper manner, considering the nature of such operations, so as not to unreasonably annoy, disturb, endanger or be offensive to others.

6.2 Further, the Lessee shall take all reasonable measures:

6.2.1 To reduce to a practicable minimum vibrations tending to damage any equipment, structure, buildings or portions of buildings.

6.2.2 Not to produce or allow to be produced on the Airport through the operation of machinery or equipment any electrical, electronic or other disturbances that interfere with the operation by the Cities or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport or on aircraft using the Airport, or with ground transportation communications.

6.3 The Lessee shall comply and require subtenants to comply with all federal, state and municipal laws, ordinances, rules, regulations and requirements, and the terms of this agreement, applicable to the Leased Premises and the improvements thereon and its operations at the Airport hereunder.

6.4 The Lessee shall commit no nuisance, waste or injury on the Leased Premises, and shall not do, or permit to be done, anything which may result in the creation, commission or maintenance of such nuisance, waste or injury on the Leased Premises.

6.5 The Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

6.6 The Lessee shall take measures to insure security in compliance with Federal Aviation Administration Regulations and the Airport Security Plan.

6.7 The Lessee shall not do, nor permit to be done, any act or thing which will invalidate or conflict with any fire insurance policies or regulations applicable to the Leased Premises or any part thereof; or other contiguous premises at the Airport.

6.8 The Lessee shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the general public, unless all required development approvals and permits for that activity are obtained from the Cities.

6.9 Except for uses permitted under Article 3 hereof to be performed by the Lessee, the Lessee shall not provide or allow to be provided aircraft maintenance work, flight instruction of any

sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises for commercial purposes without all required development approvals and permits from the Cities.

6.10 The Lessee will conduct its operations in such a manner and require subtenants to conduct their operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof, and any other noise, to a minimum, by such methods as are practicable, considering the extent and type of the operations of the Lessee. In addition, the Lessee and its subtenants will employ the maximum amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the Lessee, but in no event less than those devices required by federal, state or local law. In its use of the Leased Premises, the Lessee and its subtenants shall take all possible care, exercise caution and use its best efforts to minimize prop or jet blast interference to aircraft operating on taxiways and to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises. In the event the Cities determine that the Lessee or any of its subtenants has not curbed the prop or jet blast interference, the Lessee hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference, subject, however, to the prior written approval of the Cities as to type, manner and method of construction.

ARTICLE 7

INGRESS AND EGRESS

7.1 The Lessee shall have the right of ingress and egress between the Leased Premises and the public landing areas at the Airport by means of connecting taxiways; and between the Leased Premises and the entrance(s) to the Airport by means of connecting paved roads. Lessee shall have the right to use the public runways and public aviation aids at all times during which they are open to the public. Such rights of ingress, egress and use shall be in common with others having rights of passage thereon.

7.1.1. If, at the time of entering into this agreement, access to the Leased Premises is not available on existing taxiways, improvements deemed necessary by Lessee shall be made at the sole expense of Lessee, in accordance with construction specifications and design criteria established for all of the properties by the Airport Engineer. There shall be no consideration made on the part of the Cities for the cost of these improvements.

7.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated, and subject to temporary closure, provided, however, that any closure shall be only for reasonably necessary or unique circumstances, and provided that

fourteen (14) days prior written notice will be given to Lessee relevant to any closure unless such closure is necessary due to emergency. The Lessee hereby releases and discharges the Cities, their officers, employees and agents, and all their respective successors and assigns, of and from any and all claims, demands, or causes of action which the Lessee or its subtenants may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that other reasonable means of access to the Leased Premises as to those closed remain available to Lessee without cost to Lessee, unless otherwise mandated by emergency safety considerations or lawful exercise of the police power. The Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways on the Airport.

ARTICLE 8

INSURANCE, DAMAGE OR DESTRUCTION

8.1 To safeguard the interest and property of the Cities, the Lessee, at its sole cost and expense, shall procure and maintain throughout the term of this Agreement insurance protection for all risk coverage on the Improvements which are part of the Leased Premises, to the extent of one hundred percent (100%) of the actual replacement cost thereof. Such insurance shall be written by insurers acceptable to Cities. The insurance shall provide for thirty (30) days notice of cancellation or material change, by certified mail, return receipt requested, to the Cities, Attention: Airport Manager.

8.1.1 The above stated property insurance shall be for the benefit of the Cities and the Lessee.

8.1.2 The Lessee shall settle all losses with the insurance carrier. The Lessee shall consult with the Cities and use its best efforts to obtain a settlement that covers the cost of repairing or rebuilding the improvements.

8.1.3 The Lessee shall provide certificates of insurance, in a form acceptable to the Cities and marked "premium paid" evidencing existence of all insurance required to be maintained prior to occupancy of the structure. Upon the failure of the Lessee to maintain such insurance as above provided, the Cities, at their option, may take out such insurance and charge the cost thereof to the Lessee, which shall be payable on demand, or may give notice of default hereunder pursuant to Article 18 hereof.

8.2 In the event the Improvements and any subsequent improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed to the extent that they are unusable by the Lessee for the purposes for which they were used prior to such damage, or same are destroyed, the Lessee shall promptly repair and reconstruct the Improvements substantially as they were immediately prior to such casualty or in a new or modified design, subject to

the provisions of Article 5 hereof and applicable building codes existing at the time of repairing or rebuilding. If the aforesaid damage or destruction occurs in the last five years of the term of this Agreement, the Lessee may elect not to repair and reconstruct the Improvements, subject to the following terms and conditions:

8.2.1 The Lessee shall give the Cities written notice of its election not to repair and reconstruct the Improvements within ninety (90) days of the date upon which the Improvements were damaged or destroyed.

8.2.2 The Lessee shall clear the site, remove all debris and paving, stub up all utilities, and restore the site to its original cleared condition prior to commencement of construction.

8.2.3 The Cities shall retain all insurance coverage and proceeds as described in Section 8.1, hereof.

8.2.4 Upon Lessee's notice under Section 8.2.1 hereof and Lessee's compliance with the provisions of Sections 8.2.2 and 8.2.3 hereof, the Cities shall terminate this Agreement and relieve Lessee of all future rental obligations hereunder.

8.3 All policies of insurance required herein shall name the Cities as additional insureds.

8.4 Whenever in this Agreement, provision is made for the carrying of any insurance, it shall be deemed that such provision is complied with if such insurance otherwise complying with such provision is carried under a blanket policy or policies covering the Leased Premises as well as other properties.

8.5 Lessee shall not violate, or permit to be violated, any of the conditions of any of the said policies; the Lessee shall perform and satisfy, or cause to be satisfied, the requirements of the companies writing such policies.

ARTICLE 9

LIABILITIES AND INDEMNITIES

9.1 The Cities shall not in any way be liable for any cost, liability, damage or injury including cost of suit and expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by the Lessee, its agents, servants and employees and its sublessees or tenants, or their guests or invitees.

9.2 The Lessee agrees to indemnify, save and hold harmless, the Cities, their officers, agents, servants and employees, of and from any and all costs, liability, damage and expense, including costs of suit and reasonable expenses of legal services, claimed or recovered, justly or unjustly, falsely, fraudulently or frivolously, by any person, firm or corporation by reason of injury to, or death of, any person or persons, including Cities' personnel, and damage to, destruction or loss of use of any

property, including Cities' property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, sublessees or tenants. Upon the filing with the Cities by anyone of a claim for damages arising out of incidents for which the Lessee herein agrees to indemnify and hold the Cities harmless, the Cities shall notify the Lessee of such claim and in the event that the Lessee does not settle or compromise such claim, then the Lessee shall undertake the legal defense of such claim on behalf of both the Lessee and the Cities. It is specifically agreed, however, that the Cities at their own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Cities for any cause for which the Lessee is liable hereunder shall be conclusive against the Lessee as to liability and amount upon the expiration of the time for appeal.

9.3 The Lessee shall procure and keep in force during the term of the Lease policies of Comprehensive General Liability insurance insuring the Lessee and the Cities against any liability for personal injury, bodily injury, death, or property damage arising out of the subject of this Lease with a combined single limit of at least one million dollars or with a limit of not less than the maximum amount that may be recovered against the Cities under the Colorado Governmental Immunity Act, whichever is greater. No such policies shall be cancelable or subject to reduction in coverage limits or other modification except after thirty days prior written notice to the Cities. The policies shall be for the mutual and joint benefit and protection of the Lessee and the Cities and such policies shall contain a provision that the Cities, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, citizens, and employees by reason of negligence of the Lessee. The Lessee shall provide certificates of insurance, in a form acceptable to the Cities and marked "premium paid" evidencing existence of all insurance required to be maintained prior to the commencement of the Agreement.

9.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anyway connected with this Agreement. The Lessee agrees to save and hold the Cities, their officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anyway connected with this Agreement.

ARTICLE 10

LEASEHOLD MORTGAGES

10.1 (a) If Lessee shall, on one or more occasions, mortgage Lessee's leasehold estate to an Institutional Investor, and if the holder of such Leasehold Mortgage or any sub-assignee shall provide the Cities with notice of such Leasehold Mortgage together with a true copy of such Leasehold Mortgage and the name and address of the Mortgagee, the Cities and Lessee agree that, following receipt of such notice by the Cities, the provisions of this Article 10 shall apply in respect to each such Leasehold Mortgage; provided that the provisions of this Article shall not be binding on the Cities, unless and until such notice shall have been given and such copy delivered to the Cities, notwithstanding any other form of notice, actual or constructive.

(b) The Cities shall, upon receipt of notice provided for by Section 10.1, promptly acknowledge the receipt of such communication, as constituting the notice provided for by Section 10.1 or in the alternative, notify the Lessee and Leasehold Mortgagee of the rejection of such communication as not conforming with the provisions of Section 10.1(a) and specify the specific basis of such rejection.

10.2 (a) The terms "Institutional Investor" and "Institution" as used in this Agreement shall refer to a savings bank, savings and loan association, commercial bank or trust company (whether for its own account or as fiduciary), credit union, a pension fund, welfare or retirement fund, an eleemosynary institution, or any combination of the foregoing.

(b) The term "Leasehold Mortgage" as used in this Agreement shall include a mortgage, a deed of trust, a deed to secure debt, or other security instrument by which lessee's leasehold estate is mortgaged, conveyed, assigned, or otherwise transferred, to secure a debt or other obligation.

10.3 The Cities, upon providing Lessee any notice of

(a) default under this Agreement; or

(b) a termination of this Agreement; or

(c) a matter on which the Cities may predicate or claim a default, shall at the same time provide a copy of such notice to every Leasehold Mortgagee. No such notice by Cities to Lessee shall be deemed to have been duly given unless and until copy thereof has been so provided to every Leasehold Mortgagee by certified mail at the address specified in the notice given pursuant to Section 10.1. From and after the date such notice has been given to a Leasehold Mortgagee, such Leasehold Mortgagee shall have the additional periods of time specified in Sections 10.5 and 10.6 hereof to remedy, commence remedying, or cause to be remedied the default or acts or omissions which are specified in any such notice. The Cities shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Lessee.

10.4 (a) Anything contained in this Agreement to the contrary notwithstanding, if any default shall occur which entitles the Cities to terminate this Agreement, the Cities shall have no right to terminate this Agreement unless, following the expiration of the period of time given Lessee to cure such default or the act or omission which gave rise to such default, the Cities shall notify every Leasehold Mortgagee of the Cities' intent to so terminate ("Termination Notice") at least thirty (30) days in advance of the proposed effective date of such termination if such default is capable of being cured by the payment of money, and at least forty-five (45) days in advance of the proposed effective date of such termination if such default is not capable of being cured by the payment of money. The provisions of Section 10.6 below shall apply if, during such thirty (30) or forty-five (45) day Termination Notice period, any Leasehold Mortgagee shall:

(i) notify the Cities of such Leasehold Mortgagee's desire to defeat such Termination Notice, and

(ii) pay or cause to be paid all rent, additional rent, and other payments then due and in arrears as specified in the Termination Notice to such Leasehold Mortgagee and which may become due during such thirty (30) day period; and

(iii) comply with due diligence and continuity, or in good faith commence to comply with all non-monetary requirements of this Agreement then in default.

(b) If the Cities shall elect to terminate this Agreement by reason of any default of Lessee, and a Leasehold Mortgagee shall have proceeded in the manner provided for by Section 10.4, the specified date for termination of this Agreement as fixed by the Cities in its Termination Notice shall be deemed extended and this Agreement shall not be terminated without the consent of such Leasehold Mortgagee provided that such Leasehold Mortgagee shall, during such extended period:

(i) pay or cause to be paid the rent, additional rent, and other monetary obligations of Lessee under this Agreement as the same become due, and continue with due diligence to perform all of Lessee's other obligations under this Agreement, which Leasehold Mortgagee can perform without having first obtained possession of the Lessee's interest in this Agreement; and

(ii) within three (3) months from receipt of the Termination Notice, take steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgagee or other appropriate means and prosecute the same to completion with due diligence; provided, however, that if the Leasehold Mortgagee is otherwise complying with this Section 10.4 and is enjoined or stayed from taking steps to acquire or sell Lessee's interest in this Agreement, this Agreement shall not terminate and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and, thereafter, for so long as such Leasehold Mortgagee proceeds

to complete steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgage or by other appropriate means with reasonable diligence and continuity. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

(c) If the Leasehold Mortgagee is complying with Section 10.4(a)(i) and is enjoined or stayed from taking steps to acquire or sell Lessee's interest in this Agreement, this Agreement shall not then terminate and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgagee or by other appropriate means with due diligence and continuity.

(d) Nothing in this Section 10.4 shall be construed to extend this Agreement beyond the original term hereof as set forth in Article 1, nor to require a Leasehold Mortgagee to continue such foreclosure proceedings after the default has been cured. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

(e) If a Leasehold Mortgagee is complying with Section 10.4(a)(i), upon the acquisition of Lessee's estate herein by such Leasehold Mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise and the discharge by foreclosure or otherwise of any lien, charge or encumbrance against the Lessee's interest in this Agreement or the Leased Premises which is junior in priority to the lien of the Leasehold Mortgagee held by such Leasehold Mortgagee and which Lessee is obligated to satisfy and discharge by the terms of this Agreement, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

(f) The making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Agreement or of the leasehold estate hereby created, nor shall any Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Agreement or of the leasehold estate hereby created so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions on the part of this Agreement of the leasehold estate hereby created in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignee or transferee of this Agreement and of the leasehold estate hereby created under any instrument of assignment or transfer in lieu of the foreclosure of any Leasehold Mortgagee shall be deemed to be a permitted assignee or transferee, subject

to the provisions of Section 10.11, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the Lessee to be performed hereunder from and after the date of such purchase and assignment, but only for so long as such purchaser or assignee is the owner of the leasehold estate. If the Leasehold Mortgagee or its designee shall become holder of the leasehold estate and if the buildings and Improvements on the Leased Premises shall have been or become materially damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or its designee shall be obligated to repair, replace or reconstruct the building or other improvements.

(g) Any Leasehold Mortgagee or other acquirer of the leasehold estate of Lessee pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings may, upon acquiring Lessee's leasehold estate, without further consent of the Cities, sell and assign the leasehold estate on such terms and to such person and organizations as are acceptable to such Mortgagee or acquirer and thereafter be relieved of all obligations under this Agreement; provided that such assignee has delivered to the Cities its written agreement to be bound thereafter by all of the provisions of this Agreement.

(h) Notwithstanding any other provisions of this Agreement, any sale of this Agreement and of the leasehold estate hereby created in any proceedings for the foreclosure of any Leasehold Mortgage, or the assignment or transfer of this Agreement and of the leasehold estate hereby created in lieu of the foreclosure of any Leasehold Mortgage shall be deemed to be a permitted sale, transfer or assignment of this Agreement and of the leasehold estate hereby created.

10.5 In the event of the termination of this Agreement as a result of Lessee's default, the Cities shall, in addition to providing the notices of default and termination as required by Sections 10.1 and 10.3, provide each Leasehold Mortgagee with written notice that the Agreement has been terminated, together with a statement of all sums which would at that time be due under this Agreement but for such termination, and for all other defaults, if any, then known to the Cities ("the Cities' Notice of Termination"). The Cities agree to enter into a new Agreement ("New Agreement") of the Leased Premises with the first Leasehold Mortgagee or its designee for the remainder of the term of this Agreement, effective as of the date of termination, at the rent and additional rent, and upon the terms, covenants, and conditions (including all options to renew but excluding requirements which are not applicable or which have already been fulfilled) of this Agreement provided:

(a) Such Leasehold Mortgagee shall make written request to the Cities for such New Agreement within forty-five (45) days after the date such Leasehold Mortgagee receives the Cities' Notice

of Termination of this Agreement given pursuant to this Section 10.5; and

(b) Such Leasehold Mortgagee or its designee shall pay or cause to be paid to the Cities at the time of execution and delivery of such New Agreement, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Agreement but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which the Cities shall have incurred by reason of such termination and the execution and delivery of the New Agreement and which have not otherwise been received by the Cities from Lessee or other party in interest under Lessee. In the event of a controversy as to the amount to be paid to the Cities pursuant to this Section 10.5(b), the payment obligation shall be satisfied if the Cities shall be paid the amount not in controversy, and the Leasehold Mortgagee or its designee shall agree to pay any additional sum ultimately determined to be due plus interest at the existing prime rate as established by Bank One-Loveland, N.A., or its successor, and if none, a major Fort Collins-Loveland Metropolitan Area lending institution, plus two (2) percentage points; and

(c) Such Leasehold Mortgagee or its designee shall agree to remedy any of Lessee's actual defaults of which said Leasehold Mortgagee was notified by the Cities' Notice of Termination.

(d) Any new Agreement made pursuant to this Section 10.5 shall be prior in lien to any mortgage or other lien, charge, or encumbrance on the fee of the Leased Premises and the Lessee under such New Agreement shall have the same right, title and interest in and to the Leased Premises and the building and improvements thereon as Lessee had under this Agreement.

10.6 If more than one Leasehold Mortgagee shall request a New Agreement pursuant to Section 10.5, the Cities shall enter into such New Agreement with the Leasehold Mortgagee whose mortgage is prior in lien, or with the designee of such Leasehold Mortgagee, and thereupon the requests for a New Agreement of each holder of a Leasehold Mortgage junior in lien shall be and be deemed to be void and of no force or effect. The Cities, without liability to Lessee or any Leasehold Mortgagee with an adverse claim, may rely upon a mortgage title insurance policy issued by a title insurance company licensed to do business within the State of Colorado and selected by the Cities as a basis for determining the appropriate Leasehold Mortgagee who is entitled to such New Agreement.

10.7 (a) Nothing herein contained shall require any Leasehold Mortgagee or its designee as a condition to its exercise of right hereunder to cure any default of Lessee not reasonably susceptible of being cured by such Leasehold Mortgagee or its designee, in order to comply with the provisions of Section 10.4 and 10.5, or as a condition of entering into the New Agreement provided for by Section 10.5.

(b) If the Cities shall elect to terminate this Agreement by reason of any default of Lessee not reasonably susceptible of being cured by a Leasehold Mortgagee, and a Leasehold Mortgagee shall have proceeded in the manner provided for by Section 10.4(a), the specified date for the termination of this Agreement as fixed by the Cities in its termination notice shall be extended as provided for in Section 10.5, provided that such Leasehold Mortgagee shall proceed in the manner provided for in Section 10.6.

10.8 The Cities shall give each Leasehold Mortgagee prompt written notice of any legal proceedings between the Cities and Lessee involving obligations under this Agreement. Each Leasehold Mortgagee shall have the right to intervene in any such proceedings and be made a party to such proceedings, and the parties hereto do hereby consent to such intervention. In the event that any Leasehold Mortgagee shall not elect to intervene or become a party to any such proceedings, the Cities shall give the Leasehold Mortgagee notice of, and a copy of any award of decision made in any such proceedings, which shall be binding upon all Leasehold Mortgagees not intervening after receipt of notice thereof.

10.9 In the event, on any occasion hereafter, Lessee seeks to mortgage its leasehold estate under this Agreement or any portion hereof under any subsequent individual lease, the Cities agree to amend this Agreement from time to time to the extent reasonably requested by a Leasehold Mortgagee proposing to make Lessee a loan secured by a first lien upon Lessee's leasehold estate, provided that such proposed amendments do not materially and adversely affect the rights of the Cities or their interest in the Leased Premises. All reasonable expenses incurred by the Cities in connection with any such amendment shall be paid by Lessee.

10.10 The Cities shall, without charge, at any time and from time to time hereafter, but not more frequently than twice in any one year period (or more frequently if such request is made in connection with any sale or mortgaging of Lessee's leasehold interest or permitted subletting by Lessee), within thirty (30) days after written request of Lessee to do so, certify by written instrument duly executed and acknowledged to any Leasehold Mortgagee or purchaser, or proposed Leasehold Mortgagee or proposed purchaser, or any other person, firm or corporation specified in such request:

(a) As to whether this Agreement has been supplemented or amended and, if so, the substance and manner of such supplement or amendment;

(b) As to the validity and force and effect of this Agreement, in accordance with its tenor;

(c) As to the existence of any default hereunder;

(d) As to the existence of any offsets, counterclaims, or defenses hereto on the part of the Lessee;

(e) As to the commencement and expiration dates of the term of this Agreement; and

(f) As to any other matters as may be reasonably so requested. Any such certificate may be relied upon by the Lessee and any other person, firm or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding on the Cities.

ARTICLE 11

RULES AND REGULATIONS

11.1 Cities may enforce rules and regulations with respect to the occupancy and use of the Airport, as such rules and regulations are set forth in Exhibit B, attached hereto, and as such rules and regulations may be amended from time to time. The Lessee agrees to observe and obey any and all such rules and regulations and all other federal, state and municipal rules, regulations and laws and to require its officers, agents, employees, subtenants, contractors, and suppliers, to observe and obey the same. In the event of a conflict between the provisions of Exhibit B (Airport Rules and Regulations) and this Lease, the provisions of this Lease shall control. This provision will include compliance with the Airport's Noise Abatement Plan as promulgated. The Cities reserve the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws.

ARTICLE 12

SIGNS

12.1 The Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the City of Loveland Sign Code. No sign will be allowed that may be confusing to aircraft pilots or automobile drivers or other traffic.

ARTICLE 13

ASSIGNMENT AND SUBLEASE

13.1 The prior written consent of the Cities shall be required for any sale, transfer or assignment of this Agreement and of the leasehold estate hereby created. Consent may be withheld by the Cities in the event the Lessee is in default of any of the terms or conditions of this Agreement, in the event the transferee or assignee does not deliver to the Cities its written agreement to be bound by all of the provisions of this Agreement, or in the event the proposed transferee or assignee does not submit proof of insurance as required at Articles 8 and 9, herein. Consent shall

not be otherwise unreasonably withheld. Upon the granting of written consent by the Cities and actual transfer or assignment, the Lessee shall be released by the Cities from its obligations under this Lease.

13.2 Lessee does have the right and option to sublease part or parts of the Leased Premises without the prior consent of the Cities, providing that any subtenant shall be required to comply with all terms and conditions of this Agreement. In the event of sublease, both the Lessee and the subtenant shall be jointly and severally responsible for compliance with the terms and conditions of this Agreement. Upon sublease, Lessee shall provide Cities with a complete copy of the sublease agreement fully identifying the parties and terms.

13.3 Lessee does not have the right to subdivide the Leased Premises.

ARTICLE 14 CONDEMNATION

14.1 In the event that all or any portion of the Leased Premises is taken for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of appropriation, condemnation or eminent domain (or pursuant to a sale to such power or authority under the threat of condemnation or eminent domain), the proceeds, if any, from such taking or sale shall be allocated between the Cities and Lessee in accordance with the applicable condemnation law. If a portion of the Leased Premises is so taken or sold, and as a result thereof, the remaining part cannot reasonably be used to continue the authorized uses set forth in Article 3 hereof, then this Lease shall terminate and Lessee's obligation to pay rent and perform the other conditions of the Lease shall be deemed to have ceased as of the date of such taking or sale.

14.2 The Cities expressly reserve the right to grant or take easements on rights-of-way across the Leased Premises if it is determined to be in the best interest of the Cities to do so. If the Cities grant or take an easement or right-of-way across any of the Leased Premises, Lessee shall be entitled only to compensation for damages to all Lessee owned improvements destroyed or physically damaged thereby, but not to damages for loss of use of the Leased Premises itself. Damages to improvements shall be determined by the reduction in fair market value of the improvement caused by said damage or cost of repair, whichever is less.

14.3 Lessee understands and agrees that the Cities have the right to take all or any portion of the Leased Premises, and any additions, alterations or improvements thereon, should the Cities, in their sole discretion, determine that said portion of the Leased Premises, and improvements thereon, are required for other Airport purposes. If such action is taken, the Cities shall substitute comparable areas within the Airport, or any additions or extensions

thereof, brought to the same level of improvement as the area taken. The Cities shall bear all expenses of bringing the substituted area to the same level of improvement to the area taken, and of moving Lessee's improvements, equipment, furniture and fixtures to the substituted area. If any of Lessee's improvements, equipment, furniture or fixtures cannot be relocated, the Cities shall replace, at their own expense, such non-relocatable improvements and other property with comparable property in the substituted area, and the Cities shall be deemed the owner of the non-relocated improvements and other property, free and clear of all claims of any interest or title therein by Lessee, any mortgagee, or any other third party whomsoever. It is the specific intent of this subparagraph that Lessee would be placed, to the extent possible, in the same position it would have been, had the Cities not substituted new premises for the Leased Premises; provided however, that the Cities shall not be obligated to reimburse Lessee for lost revenues or other costs due to such substitution. In the event that such substitution of area is demanded by the Cities, Lessee shall have the right and option to terminate this Agreement upon thirty (30) days prior written notice to Cities. Nothing in this subparagraph shall be construed to limit the Cities' rights to condemn Lessee's leasehold rights and interests in the Leased Premises pursuant to state law.

ARTICLE 15 **NON-DISCRIMINATION**

15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises, for a purpose for which a United States government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that:

(1) no person on the grounds of race, color, disability or national origin shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;

(2) that in the construction of any Improvements on, over or under such land and the furnishing of services thereon, no

person on the grounds of race, color, disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

(3) that the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.3 In this connection, the Cities reserve the right to take whatever action they might be entitled by law to take in order to enforce this provision following the sixty (60) days prior written notice to Lessee of any alleged violation. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by the Cities to cease and desist and after a determination that a violation exists made in accordance with the procedures and appeals provided by law, will constitute a material breach of this Agreement and will entitle the Cities, at their option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Cities a right to take such action as the United States may direct to enforce such covenant.

15.5 To the extent legally required and applicable, the Lessee assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, disability or sex, be excluded from participation in any employment activities covered in 14 CFR Part 152 Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action program and that they will require assurances from their suborganizations, to the extent required by 14 CFR Part 152, Subpart E, to the same effect.

ARTICLE 16

GOVERNMENTAL REQUIREMENTS

16.1 The Lessee shall attempt to procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's

operations at the Leased Premises which may be necessary for the Lessee's operations thereat.

16.2 The Lessee shall pay all taxes, license, certification, permits and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or gross income to the Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

16.3 Lessee shall pay all water, sewer, utility and other applicable use taxes and fees, together with any Payment in Lieu of Taxes if found to be applicable.

ARTICLE 17

RIGHTS OF ENTRY RESERVED

17.1 The Cities, by their officers, employees, agents, representatives and contractors, shall have the right at all reasonable times to enter upon the Leased Premises for any and all purposes not inconsistent with this Agreement, provided such action by the Cities, their officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy or security requirements of the Leased Premises. Except when necessary for reasons of public safety or law enforcement, or for the protection of property, as determined by Cities, Cities shall provide 72 hours written notice of its intent to inspect.

17.2 Without limiting the generality of the foregoing, the Cities, by their officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at their own cost and expense, whether for their own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future Airport mechanical, electrical and other utility systems and to enter upon the easements in the Leased Premises to make such repairs, replacements or alterations thereto, as may, in the opinion of the Cities, be deemed necessary or advisable, and from time to time to construct or install over, in or under existing easements within the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises existing easements for access to other parts of the Airport otherwise not conveniently accessible; provided, however, that in the exercise of such rights of access, repair, alteration or new construction, the Cities shall not install a utility under or through any building on the Leased Premises or unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee, all such utilities to be placed within existing easements, except as provided in Article 14, hereof. It is specifically understood and agreed that the reservation of the aforesaid right by the Cities shall not impose or be construed to impose upon the Cities any obligation to repair, replace or alter any utility service lines now or hereafter

located on the Leased Premises for the purpose of providing utility services only to the Leased Premises; provided, however, that if they repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services to others, the Cities will restore the Leased Premises to their preexisting condition in a timely manner.

Lessee will repair all service lines of utilities providing services only to the Leased Premises.

Cities will repair, replace and maintain all other utility lines, at Cities' expense.

17.3 In the event that any personal property of the Lessee shall obstruct the access of the Cities, their officers, employees, agents or contractors, or the utility company furnishing utility service over, along and across the existing easements to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system pursuant to Section 17.2, the Lessee shall move such property, as directed by the Cities or said utility company, upon reasonable notice by the Cities, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If the Lessee shall fail to so move such property after direction from the Cities or said utility company to do so, the Cities or the utility company may move it, and the Lessee hereby waives any claim against the Cities for damages as a result therefrom, except for claims for damages arising from the Cities' negligence.

ARTICLE 18

TERMINATION

18.1 In the event of a default on the part of the Lessee in the payment of rents, the Cities shall give written notice to the Lessee of such default, and demand the cancellation of this Agreement, or the correction thereof. If, within thirty (30) days after the date the Cities give such notice, the Lessee has not corrected said default and paid the delinquent amount in full, the Cities may by written notice to the Lessee terminate this Agreement and all rights and privileges granted hereby in and to the Leased Premises.

18.2 This Agreement, together with all rights and privileges granted in and to the Leased Premises, shall terminate at the option of the Cities with prompt written notice to the Lessee upon the happening of any one or more of the following events:

18.2.1 The filing by the Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of the Lessee's assets; or

18.2.2 Any institution of proceedings in bankruptcy against the Lessee; provided, however, that the Lessee may defeat such termination if the petition is dismissed within one hundred twenty (120) days after the institution thereof; or

18.2.3 The filing of a petition requesting a court to take jurisdiction of the Lessee or its assets under the provision of any Federal reorganization act which, if it is an involuntary petition is not dismissed within one hundred twenty (120) days after its being filed; or

18.2.4 The filing of a request for the appointment of a receiver or trustee of all, or substantially all, of the Lessee's assets by a court of competent jurisdiction, which if the request is not made by the Lessee is not rejected within one hundred twenty (120) days after being made, or the request for the appointment of a receiver or trustee of all, or substantially all, of the Lessee's assets by a voluntary agreement with the Lessee's creditors.

18.3 Upon the default by the Lessee in the performance of any covenant or conditions required to be performed by the Lessee, and the failure of the Lessee to remedy such default for a period of forty-five (45) days after mailing by the Cities of written notice to remedy the same, unless more extensive notice is otherwise provided for in this agreement, except default in the timely payment of any money due the Cities, in which case, within thirty (30) days after expiration of notice, the Cities shall have the right to cancel this Agreement for such cause by notice to the Lessee.

18.4 Upon the default by Lessee, and the giving of notice of the default and cancellation by the Cities as provided for elsewhere herein, the notice of cancellation shall become final.

18.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other person in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for Lessee's equipment, fixtures and other personal property which may be removed from said Leased Premises as provided elsewhere herein, shall be free and clear of all encumbrances and all claims of the Lessee, its tenants, creditors, trustees, assigns and all others and the Cities shall have immediate right of possession to the Leased Premises.

18.6 Failure by the Cities or Lessee to take any authorized action upon default by the Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by the Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by the Lessee. Acceptance of rentals by the Cities from the Lessee, or performance by the Cities under the terms hereof, for any period or periods after a default by the Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by the Lessee shall not be deemed a waiver or estoppel of any right on the part of the Cities to cancel

this Agreement for any subsequent failure by the Lessee to so perform, keep or observe any of said terms, covenants or conditions.

18.7 Except in cases of emergency, in which case no notice shall be required, Cities will endeavor to give not less than fourteen (14) days' prior written notice to Lessee of any anticipated temporary Airport closure.

18.8 This lease will terminate at the option of Lessee

(i) upon the permanent closure of the Airport, the term "permanent closure" to mean for the purposes of this Agreement, the closure of the airport for 90 or more consecutive days;

(ii) the loss of the ability of Lessee due to no significant fault of Lessee to fly in or out of the Airport for reasons other than inclement weather, casualty or disaster, for a period of 90 consecutive days; and

(iii) the default by Cities in the performance of any covenant or condition required to be performed by the Cities, and the failure of the Cities to remedy such default for a period of sixty (60) days after receipt from the Lessee of written notice to remedy the same, or default in the timely payment of any money due the Lessee and failure to cure such default within thirty (30) days after notice to the Cities. Notice of exercise of the option to terminate by Lessee shall be given in the manner specified in Article 23 (Notices).

(iv) within six (6) months of the commencement date of this Agreement, a qualified engineer determines that hazardous materials exist on the Leased Premises as of the commencement date of this Agreement, that the existence of such materials renders the Leased Premises unusable for its intended purpose, and the engineer's estimated cost to clean up the materials exceeds five thousand dollars (\$5,000.00). The Lessee shall provide the Cities written notice of the determination of such engineer and the Lessee's notice to terminate this Agreement within six (6) months of the commencement date of this Agreement, or such option to terminate is waived.

18.9 If the Lessee ceases to conduct its authorized Airport activities at the Airport for a period of twelve (12) consecutive months, the Cities may terminate this Agreement by written notice to the Lessee given at any time while such cessation continues.

18.10 If the Lessee fails to obtain any required permit or other governmental approval for the use of the Leased Premises pursuant to Article 3.1 herein, within twelve (12) months of the commencement date set forth in Article 1.1 herein, or if Lessee fails to maintain any such permits or approvals during the term of this Agreement, this Agreement shall automatically terminate. Upon termination of this Agreement pursuant to this Article 18.10, no refund shall be due to Lessee of payments made by Lessee pursuant to this Agreement.

18.11 Upon termination of this Agreement prior to the expiration of the Initial Term or the Extended Term, if any, the Cities may, but are not required to, relet the Leased Premises, or any part thereof, for the whole or any part of the remainder of such Initial Term or Extended Term, or for a longer period of time. Any rents received by the Cities as a result of such reletting shall remain the property of the Cities and shall not be credited to or otherwise become the property of the Lessee.

ARTICLE 19

SURRENDER AND RIGHT OF RE-ENTRY

19.1 Upon the expiration, cancellation or termination of this Agreement pursuant to any terms hereof, the Lessee agrees peaceably to surrender up the Leased Premises to the Cities in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by the Lessee; save and except

(a) such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance,

(b) obsolescence in spite of repair, and

(c) damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Cities.

Upon such cancellation or termination, the Cities may re-enter and repossess the Leased Premises together with all Improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at the Cities' election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter, not exceeding sixty (60) days after such cancellation or termination, and for which period the Lessee will pay to the cities current lease rental, or during the term of this Agreement, if the Lessee is not in default in rentals or any other charges or financial obligations due the Cities, the Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided that the Lessee repairs all damages that might be occasioned to the remaining Leased Premises by such removal, and restore the remaining Leased Premises to the condition above required.

ARTICLE 20

SERVICES TO LESSEE

20.1 The Cities covenant and agree that during the term of this Agreement it will operate the Airport as such for the use and benefit of the public; provided, however, that the Cities may prohibit or limit any given type, kind or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public. The Cities further agree to use their best efforts to

maintain the runways and taxiways in good repair, including the removal of snow. The Cities agree to keep in good repair hard-surfaced public roads for access to the Leased Premises and remove snow therefrom. Said obligations of the Cities relevant to the maintenance and snow removal of and from public roads and taxi-ways shall extend to the point wherein such roads, streets and taxi-ways reach the property line of the Leased Premises.

ARTICLE 21

SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

21.1 In the event that the Agreement shall have been terminated due to default by Lessee in accordance with notice of termination as provided in Article 18 hereof, all of the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Cities to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. The Cities may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of this Agreement.

21.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:

21.2.1 The amount of the total of all installments of rents, less the installments thereof payable prior to the effective date of termination; and

21.2.2 An amount equal to all expenses incurred by the Cities and not reimbursed in connection with regaining possession, restoring the Leased Premises required by paragraph 19.1 above, acquiring a new lease for the Leased Premises, legal expenses (including, but not limited to, attorneys fees) and putting the Leased Premises in order.

21.3 There shall be credited to the account of the Lessee against its survived obligations hereunder, the amount actually received from any lessee, licensee, permittee, or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement and the market value of the occupancy of such portion of the Leased Premises as the Cities may themselves during such period actually use and occupy. No such use and occupancy shall be, or be construed to be, an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of the Cities

hereunder. The Cities will use their best efforts to minimize damages to Lessee under this Article.

ARTICLE 22

USE SUBSEQUENT TO CANCELLATION OR TERMINATION

22.1 The Cities shall, upon termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided that any structural changes shall not be at Lessee's expense.

ARTICLE 23

NOTICES

23.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed given when received at the recipient's notice address except that notice that must be given by a certain time to be effective and is sent certified mail, postage prepaid, return receipt requested, addressed to the recipient's address shall be deemed given when posted. Notice that starts the running of a time period and is delivered on a non-business day shall be deemed delivered on the next business day, if left at the notice address, or the next business day on which it is redelivered if it is not left at the notice address.

23.2 The notice addresses of the parties are as follows:

To the Cities: Airport Manager
 Loveland-Fort Collins Airport
 4900 Earhart Drive
 Loveland, CO 80538

and

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

and

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

To the Lessee: James Grubbs
 2014 North Taft Ave.
 Loveland, Co. 80538

Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to the sender.

ARTICLE 24

INVALID PROVISIONS

24.1 The invalidity of any provisions, articles, paragraphs, portions or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable agreement. Furthermore, in lieu of such invalid provisions, articles, paragraphs, portions or clauses, there shall be added automatically as a part of this Agreement, a provision as similar in terms to such invalid provision as may be possible and be legal, valid and enforceable.

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.1 Remedies to be Non-exclusive. All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to the Cities, or the Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy provided that the Cities' remedies in the event of default shall not exceed those set forth in this Agreement.

25.2 Non-Waiver of Rights. The failure by either party to exercise any right, or rights accruing to it by virtue of the breach of any covenant, condition or agreement herein by the other party shall not operate as a waiver of the exercise of such right or rights in the event of any subsequent breach by such other party, nor shall such other party be relieved thereby from its obligations under the terms hereof.

25.3 Non-liability of Individuals. No director, officer, agent or employee of the Cities shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of his or their execution or attempted execution of the same.

25.4 Estoppel Certificate. At the request of the Lessee in connection with an assignment of its interest in this Agreement, the Cities shall execute and deliver a written statement identifying it as the Lessor under this Agreement and certifying:

- (i) the documents that then comprise this Agreement,
- (ii) that this Agreement is in full force and effect,
- (iii) the then current annual amount of rent and the date through which it has been paid,
- (iv) the expiration date of this Agreement,

(v) that no amounts are then owed by the Lessee to the Cities (or, if amounts are owed, specifying the same)

(vi) to the knowledge of the Cities, there are not defaults by the Lessee under this Agreement or any facts which but for the passage of time, the giving of notice or both would constitute such a default, and

(vii) remaining rights to renew the term of this lease to the extent not theretofore exercised.

The party acquiring the Lessee's interest in the Agreement shall be entitled to rely conclusively upon such written statement.

25.5 Short Form of Lease. This Agreement shall not be recorded, but at the request of either party, the other shall execute a memorandum or short form of lease for recording.

25.6 General Provisions.

25.6.1 This Agreement shall be performable and enforceable in Larimer County, Colorado, and shall be construed in accordance with the laws of the State of Colorado.

25.6.2 This Agreement is made for the sole and exclusive benefit of the Cities and the Lessee, their successors and assigns, and is not made for the benefit of any third party.

25.6.3 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

25.6.4 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

25.6.5 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

25.6.6 Nothing herein contained shall create, or be construed to create, a co-partnership between the Cities and the Lessee or to constitute the Lessee an agent of the Cities or vice versa. The Cities and the Lessee each expressly disclaim the existence of such a relationship between them.

ARTICLE 26

SUBORDINATION CLAUSES

26.1 This Agreement is subject and subordinate to the following:

26.1.1 The Cities reserve the right to develop and improve the Airport as they see fit, regardless of the desires or view of the Lessee, and without interference or hindrance by or on behalf of the Lessee, provided the Lessee is not deprived of the use or access to the Leased Premises or any of Lessee's rights under this Agreement and unless said activities by the Cities shall result in the loss of convenient access to the Leased Premises by motor

vehicles and/or aircraft owned or operated by Lessee or Lessee's assigns, subtenants, renters, agents, employees or invitees. In the event the said access shall terminate or the quality of said access shall be impaired as aforesaid, and in the event of failure to relocate the Lessee to a different leased premises at least as acceptable to Lessee as the Leased Premises at no resulting cost or expense to Lessee, Lessee shall have the right and option to terminate this Lease upon thirty (30) days prior written notice to Cities according to Article 23.

26.1.2 The Cities reserve the right to take any action they consider necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.

26.1.3 This Agreement is and shall be subordinate to the provision of existing and future agreements between the Cities and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of federal funds for the benefit of the Airport.

26.1.4 During the time of war or national emergency, the Cities shall have the right to lease all or any part of the landing area or of the airport to the United States for military use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be reasonably determined by the Cities and Lessee in proportion to the degree of interference with the Lessee's use of the Leased Premises.

26.1.5 Except to the extent required for the performance of any obligations of the Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those reasonably necessary to Lessee's enjoyment of the Leased Premises and Cities' airport facilities and which are consistent with Federal Aviation Administration rules, regulations and orders currently or subsequently effective. Further, Lessee's rights in airspace above the Leased Premises and the airport and the airport facilities shall be not less than the rights therein by other users of the airport and airport facilities.

ARTICLE 27

Quiet Enjoyment

27.1 Cities hereby covenant and warrant that they are the owners of the Leased Premises and that Lessee upon payment of rentals herein provided for and performance of provisions on its part to be performed shall and may peacefully possess and enjoy the

Leased Premises during the term hereof and any extensions hereof without any interruption or disturbance.

27.2 Cities will not impose limitations or otherwise exercise the governmental powers, rights and privileges in a manner of greater detriment or burden to Lessee than would have occurred had governmental entities not been the landlord. The performance of the terms and conditions of this agreement shall be performed on an "arms-length" basis with Lessee as though governmental entities were not landlords. In the event the Lessee pursues a legal action in court or otherwise alleging a breach of this subsection, and such allegations are not established in such proceeding, Cities shall be granted damages and all costs and legal expenses incurred by the Cities in the premises.

ARTICLE 28
ENTIRE AGREEMENT

28.1 This Agreement constitutes the entire agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the Cities and the Lessee. The parties agree that no representations or warranties shall be binding upon the Cities or the Lessee unless expressed in writing.

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

CITY OF LOVELAND, COLORADO

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

Assistant City Attorney

CITY OF FORT COLLINS, COLORADO

Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

James Grubb, LESSEE



GRUBBSJA03

AKINGMAN

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

4/26/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Wholesure Aviation, LLC 310 S. Oak St. Suite 212 Roanoke, TX 76262	CONTACT NAME: PHONE (A/C, No, Ext): (817) 293-3530 FAX (A/C, No): E-MAIL ADDRESS:
	INSURER(S) AFFORDING COVERAGE INSURER A : ACE American Insurance Company INSURER B : INSURER C : INSURER D : INSURER E : INSURER F :
INSURED James B Grubbs USAA#32834938 2014 North Taft Avenue Loveland, CO 80538-3117	NAIC # 22667

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC <input type="checkbox"/> OTHER:	X		SVRD42212453-005	3/1/2024	3/1/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ Excluded MED EXP (Any one person) \$ Excluded PERSONAL & ADV INJURY \$ Excluded GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ Excluded \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y / N If yes, describe under DESCRIPTION OF OPERATIONS below		N / A				PER STATUTE <input type="checkbox"/> OTH-ER <input type="checkbox"/> E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Hangar Location 5227 Stearman Road Loveland CO 80538-8901

CERTIFICATE HOLDER

CANCELLATION

The City of Loveland and The City of Fort Collins 4900 Earhart Road Loveland, CO 80538	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE
---	---



NORTHERN COLORADO REGIONAL AIRPORT

4900 Earhart Rd • Loveland, Colorado 80538

(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 7

MEETING DATE: May 16, 2024

PREPARED BY: Kate Morgan, Airport Executive Assistant

TITLE

Lease Option Extension Request, 5295 Beechcraft

RECOMMENDED AIRPORT COMMISSION ACTION

Approve the lease extension request.

BUDGET IMPACT

None, the lease rates will remain unchanged

SUMMARY

This is an administrative item. This land lease term is an initial twenty-year lease with four five-year extension options for a total of forty years. The initial lease period will end on July 29, 2024. The lessee has notified Airport staff (as required by the lease agreement) of their desire to extend the land lease agreement for their first 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.



ATTACHMENT

Lease Option Request: Robert Eggleston, 5295 Beechcraft

Untitled

I have a Hangar # 5295 Beechcraft St that I had built and my Lease will Expire on July 29 2024 so I would like a 5 year extension on the lease before that date.
Thank You, Robert Eggleston 4216 Monroe Ave Loveland, Co 80538 PN 970/669/5615

Robert Eggleston

LEASE AGREEMENT

**CITIES OF LOVELAND AND FORT COLLINS,
COLORADO,**

AND

Robert and Linda Eggleston

**DATED
July 30, 2004**

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AGREEMENT

THIS AGREEMENT, made and entered into this 30th day of July, 2004, by and between the **CITY OF LOVELAND, COLORADO**, a municipal corporation and the **CITY OF FORT COLLINS, COLORADO**, a municipal corporation, hereinafter called "**Cities**," and **Robert and Linda Eggleston**, hereinafter called "**Lessee**."

WITNESSETH:

WHEREAS, the Cities own and operate an airport known as the Fort Collins-Loveland Municipal Airport located in Larimer County, Colorado, hereinafter called the "**Airport**"; and

WHEREAS, the Cities and the Lessee are mutually desirous of entering into a Lease Agreement (hereinafter, the "**Agreement**") for the use and occupancy of certain areas at the Airport; and

WHEREAS, the Cities desire to accommodate, promote and enhance general aviation at the Airport and the Lessee desires to be assured of the Airport's continued availability as a base for aircraft.

WHEREAS, The Cities and the Lessee have reached an understanding in principle, which envisions the Lessee's construction of a hangar building, without cost to the Cities.

NOW, THEREFORE, in consideration of the premises and of the rents, covenants and conditions herein contained, the Cities do hereby lease to the Lessee the area(s) of the Airport described in Article 2 hereof, hereinafter referred to as the "**Leased Premises**," during the term hereof pursuant to the conditions hereinafter set forth.

ARTICLE 1

TERM

1.1 The term of this Agreement shall commence at 12:01 a.m. on July 30, 2004, and expire at 11:59 p.m. on July 29, 2024, hereinafter the "**Initial Term**," unless sooner terminated in accordance with the provisions hereof.

1.2 Subject to the conditions set forth herein, and if the Cities do not timely exercise their right to purchase under Article 29 below, Lessee shall have the option to extend the term of this Agreement for four additional periods of five (5) years each, hereinafter the "**Extended Term(s)**," provided Lessee is not in default in the payment of any rent or in default in any other provisions of this Agreement at the time of its exercise of such option. In the event Lessee exercises an option, it shall do so not later than three (3) months prior to the expiration of the Initial Term or the then current Extended Term. The terms and conditions applicable during the Initial Term of this Agreement shall remain applicable during the Extended Terms. The rent escalation shall continue throughout the Initial Term and Extended Terms as provided in Article 4 hereof.

ARTICLE 2
LEASED PREMISES

2.1 The Leased Premises consist of the parcel of land described in Exhibit "A", attached hereto and made a part hereof.

ARTICLE 3
USE OF LEASED PREMISES

3.1 The Lessee shall use and occupy the Leased Premises for the following purposes and for no other purpose whatsoever unless approved in writing by Cities:

3.1.1 For the construction, installation, maintenance and operation of a hangar building (the "Hangar") to be used for the parking, storage, servicing, repair, maintenance, modification, and construction of aircraft owned or operated by the Lessee, its subsidiaries or subtenants, providing such uses are of a non-commercial nature, and providing such uses are consistent with the City of Loveland, Colorado, building, use and zoning regulations and requirements applicable to the Leased Premises. Lessee warrants that all such aircraft based at the Leased Premises shall comply with noise standards established under Part 36 of Title 14 of the Code of Federal Regulations, ("FAR 36") as amended from time to time.

3.1.2 The Cities make no representations, guarantees, or warranties that the Leased Premises may be lawfully used for the purposes set forth in this Article 3.1. Lessee shall have the sole responsibility of obtaining all applicable permits or other governmental approvals necessary to use the Leased Premises as intended herein. This Agreement is expressly conditioned upon the Lessee obtaining all such permits and approvals, and the failure of Lessee to obtain any such permits or approvals within twelve months of the commencement date set forth in Article 1.1 herein, or the failure of Lessee to maintain any such permits or approvals during the term of this Agreement shall result in an automatic termination of this Agreement pursuant to Article 18.10 herein.

3.1.3 During the term of this Agreement, Lessee must regularly house at least one airworthy aircraft in the Hangar and use the Hangar for the primary purpose of aircraft storage.

ARTICLE 4
RENT

4.1 The Lessee agrees to pay to the Cities during the term hereof an annual rent of \$.30 per square foot for the 2880 square feet of the Leased Premises, for a total of (\$864.00) per year, subject to adjustment pursuant to Section 4.2 below.

4.2 Commencing on May 1st next occurring after the date of this Agreement, , and on May 1st in each year thereafter during the remainder of the Initial Term and the Extended Term, if any, the annual rent shall be adjusted by multiplying the annual rent payable in the next preceding year by a fraction, the numerator of which shall be the C.P.I., as hereinafter defined, published for the previous month of December and the denominator of which shall be the C.P.I. published for the month of December which

preceded the month used as the numerator. In no event shall the annual rent be reduced. If this Agreement is executed after January 1st, such C.P.I. increase for the calendar year in which this Agreement is executed shall be prorated.

4.2.1 The term "C.P.I." as used herein shall mean the Consumer Price Index for all Urban Consumers, all items, Selected Large Cities, for the Denver/Boulder Area as published by the Bureau of Labor Statistics of the United States Department of Labor, 1982-84 base = 100. In the event the base year is changed, the C.P.I. shall be converted to the equivalent of the base year 1982-84 = 100. In the event the Bureau of Labor Statistics ceases to use the C.P.I., or this index, an equivalent or comparable economic index will be used.

4.3 The annual rent payable hereunder shall be paid in equal monthly installments on the first day of each month in advance at the office of the Airport Manager or at such other office as may be directed in writing by the Cities.

4.4 The Lessee, as additional rent, shall pay to Cities a fuel flowage fee for all fuel delivered into aircraft of Lessee and its subtenants at the Airport, other than fuel sold by an existing FBO or other approved vendor who pays a fuel flowage fee to the Cities. The amount of such fee shall be the highest rate paid by any FBO or other approved vendor, as set by the Cities from time to time, including any percentage paid as a percentage of gross revenues, plus three percentage points, or ten percent (10%) of the wholesale cost of the fuel delivered to the Airport, whichever is greater. Such fee shall be paid with the monthly rent for the prior month's fueling. For example, if the wholesale cost of the fuel delivered to Lessee and/or its subtenants at the Airport is \$1.00 per gallon, the amount of such fee, based on the wholesale cost, would be an additional .10 per gallon. If the highest rate paid by any FBO is \$0.06 per gallon, Lessee would pay an additional .03 per gallon for a total cost of \$0.09 per gallon. In this example, the fuel fee paid to the Cities by the Lessee would be the greater of the two: \$0.10 per gallon.

4.5 The Lessee, as an additional rent, shall pay to Cities one percent (1%) of the gross revenues derived from any sublessee on the Leased Premises. Such fee shall be paid with the monthly rent for the prior month's revenues. Said additional rent shall not be subject to escalation as otherwise specified in paragraph 4.2.

4.6 The Lessee, as additional rent, shall construct the Hangar on the Leased Premises, in accordance with plans and specifications approved by the Cities. The Hangar shall be at least 2500 square feet in size and shall have a concrete or asphalt floor, and at least one aircraft access door sized to accommodate an average private aircraft. Lessee shall use its best efforts and all due diligence to complete construction of the Hangar within eighteen (18) months of the Cities' approval thereof or within two years from the date of this Agreement. Failure of the Lessee to construct the Hangar in accordance with the provisions of this section shall be deemed a default under

this Agreement except if the failure to construct is caused by force majeure or action of the Cities.

4.7 The Lessee, as additional rent, shall construct and maintain a paved aircraft ramp area extending out from the Hangar to the taxiway (the "Ramp."). The Ramp shall be constructed pursuant to specifications established by the Cities and shall be built so as to connect onto any adjacent taxiway in order that a continuous and safe pavement section results. It is the responsibility of the Lessee to maintain the entire Ramp area for the Hangar in a manner, which is safe and clean of debris so as not to cause danger or unsafe conditions for taxiing aircraft and airport users. The Lessee shall be responsible for snow removal on the Ramp areas. Lessee grants to users of the Airport the right to use these aircraft Ramp areas from time to time for passage of aircraft on the adjacent taxiway moving through this area of the Airport. The construction time and default provisions of subsection 4.6 shall be applicable to the Ramp described in this subsection.

4.8 Subject to the provisions of Article 10 below, Lessee shall keep the Leased Premises, and the Hangar, Ramp and any and all structures constructed by Lessee on the Leased Premises (collectively, the "Improvements" hereinafter), free and clear of any liens and encumbrances, unless expressly approved in writing by the Cities, and shall indemnify, hold harmless and defend the Cities from any liens and encumbrances arising out of any work performed or materials furnished by or at the direction of Lessee. In the event any lien is filed, Lessee shall do all acts necessary to discharge any lien within ten (10) days of filing, or if Lessee desires to contest any lien, then Lessee shall deposit with the Cities such security as the Cities shall demand to insure the payment of the lien claim. In the event Lessee shall fail to pay any lien claim when due or shall fail to deposit the security with the Cities, then the Cities shall have the right to expend all sums necessary to discharge the lien claim, and Lessee shall pay the Cities, as additional rental when the next rental payment is due, all sums expended by the Cities in discharging any lien, including reasonable attorney's fees and costs, and interest at twelve percent (12%) on the sums expended by the Cities from the date of expenditure to the date of payment by the Lessee.

ARTICLE 5

ACCEPTANCE, CARE, MAINTENANCE, IMPROVEMENTS AND REPAIR

5.1 In reliance upon the representations of the Cities set forth in this Section 5.1, Lessee warrants it has inspected the Leased Premises and accepts possession of the Leased Premises "as is" in its present condition, and, subject to all limitations imposed upon the use thereof by the rules and regulations of the Federal Aviation Administration, the rules and regulations of the Fort Collins-Loveland Municipal Airport, as set forth in Exhibit B attached hereto, and by ordinances of the Cities, admits its suitability and sufficiency for the uses permitted hereunder.

The Cities represent to the Lessee that, to their knowledge, the Leased Premises are free of any adverse environmental conditions and no part of the Leased Premises lie in a flood hazard area or constitutes a fresh water wetland, nor is any part of the Leased Premises within 100 feet of a fresh water wetland. Except as may otherwise be provided for herein, the Cities shall not be required to maintain nor to make any improvements, repairs or restoration upon or to the Leased Premises or to any of the improvements presently located thereon or placed thereon by Lessee.

5.1.1 If, within six (6) months of the commencement date set forth in Article 1 herein, a qualified engineer determines that hazardous material exists on or under the Leased Premises, and such hazardous material existed at the commencement date, and such material renders the site unusable for its intended purpose, and the engineer's estimate of the cost to clean up such hazardous material exceeds five thousand dollars (\$5,000.00), the Lessee may terminate this Agreement pursuant to Article 18.8.4.

5.1.2 Alternatively, the Cities may offer to Lessee an alternate comparable site for the facilities, if one is available.

5.1.3 In the event the Cities elect to not perform the necessary clean-up efforts described in Section 5.1.1 above, or if an alternative site is not agreeable to Lessee under Section 5.1.2 above, then this Agreement shall be terminable upon written notice by either party to the other. In the event of such termination, Cities will compensate Lessee forthwith for all third party costs actually incurred by Lessee in constructing the Hangar and/or Ramp on the Leased Premises. If termination pursuant to this Section 5.1.3 occurs prior to the construction of the Hangar and/or Ramp, then the Cities shall refund those rental payments made by Lessee to the date of said termination.

5.1.4 The Lessee's obligation to construct the initial Improvements under this Agreement is contingent upon Lessee's ability to obtain all necessary permits and approvals for the initial improvements to be used for the purposes authorized in Article 3, provided that Lessee pursues the obtaining of said permits and approvals with all due diligence. In the event Lessee is unsuccessful in acquiring said permits and approvals for all authorized initial Improvements, then and in that event, this Lease shall terminate pursuant to Article 18.10.

5.2 The Lessee shall, throughout the term of this Agreement, assume the entire responsibility, cost and expense, for all repair and maintenance whatsoever on the Leased Premises and all Improvements thereon in a good workmanlike manner, whether such repair or maintenance be ordinary or extraordinary, structural or otherwise. Additionally, the Lessee, without limiting the generality hereof, shall:

5.2.1 Keep at all times, in a clean and orderly condition and appearance, the Leased Premises, all Improvements thereon and all of the Lessee's fixtures, equipment and personal property which are located on any part of the Leased Premises. Lessee shall not park or leave, or allow to be parked or left, aircraft

on the taxiways, ramps or pavement adjacent to the Hangar in a manner, which unduly interferes with or obstructs access to other hangars.

5.2.2 Provide and maintain on the Leased Premises all obstruction lights and similar devices, and safety equipment required by law.

5.2.3 Take measures to prevent erosion, including but not limited to, the planting and replanting of grasses with respect to all portions of the Leased Premises not paved or built upon, and in particular shall plant, maintain and replant any landscaped areas.

5.2.4 Be responsible for the maintenance and repair of all utility services lines placed on the Leased premises and used by the Lessee exclusively, including, but not limited to, water lines, gas lines, electrical power and telephone conduits and lines, sanitary sewers and storm sewers.

5.2.5 In the event Lessee discovers any hazardous material on the Leased Premises, it will promptly notify the Cities in writing. Lessee acknowledges that a discharge or spill of a hazardous substance caused by its employees, agents, licensee, invitees, or guests shall be the responsibility of the Lessee. The Cities acknowledge that a discharge or spill of a hazardous substance caused by its employees, agents, licensees, invitees, or guests shall be the responsibility of the Cities.

5.2.6 If extraordinary repairs or maintenance to the Improvements are required during the last five years of the Initial Term or any Extended Term of this Agreement, the Lessee may elect not to repair and/or maintain the Improvements, by giving the Cities written notice of its election. In such case, Cities shall have the option of requiring Lessee to either (a) clear the site, remove all debris and paving, stub up all utilities, and restore the site to its original cleared condition prior to commencement of construction; or (b) transfer title to the Improvements to the Cities, as is. Upon Lessee's election and compliance with this section, the Cities shall terminate this Agreement and relieve Lessee of all future rental obligations hereunder.

5.3 Plans and specifications for each of the Improvements and all repairs (other than emergency repairs), construction, alterations, modifications, additions or replacements to the Improvements, shall be submitted to the Cities for approval, which approval shall not be denied providing the plans and specifications comply with the provisions of this Agreement, as well as all applicable building, use and zoning regulations. Submittal of the above described Plans and Specifications shall also include a site plan, drainage plan, and building plan for the initial project development. The site plan shall show the location of all Improvements on the Leased Premises, including the Hangar, pavements, utilities and location of the Hangar on the site. The drainage plan must show how drainage will be handled and be approved by the City of Loveland and the Airport Manager prior to a building permit being issued. Lessee shall reimburse the Cities for all costs incurred for providing a legal

survey and legal description of the Leased Premises and for a proportional share of any costs to bring road access and utilities to the Leased Premises. Prior to the commencement of any construction of the Improvements the Lessee shall have the Leased Premises staked by a certified surveying company to ensure all Improvements are place accurately on the Leased Premises. Within 30 days of the certificate of occupancy being received the Lessee shall submit to the Airport Manager a full set of as-built plans of the Improvements that depicts exact locations of all Improvements made on the Leased Premises.

ARTICLE 6

ADDITIONAL OBLIGATIONS OF LESSEE

6.1 The Lessee shall conduct its operations hereunder and cause subtenants to conduct their operations hereunder in an orderly and proper manner, considering the nature of such operations, so as not to unreasonably annoy, disturb, endanger or be offensive to others.

6.2 Further, the Lessee shall take all reasonable measures:

6.2.1 To reduce to a practicable minimum vibrations tending to damage any equipment, structure, buildings or portions of buildings.

6.2.2 Not to produce or allow to be produced on the Airport through the operation of machinery or equipment any electrical, electronic or other disturbances that interfere with the operation by the Cities or the Federal Aviation Administration of air navigational, communication or flight equipment on the Airport or on aircraft using the Airport, or with ground transportation communications.

6.3 The Lessee shall comply and require subtenants to comply with all federal, state and municipal laws, ordinances, rules, regulations and requirements, Airport minimum standards, Airport security rules and regulations, Airport access rules and regulations, as they now exist or may hereafter be amended or promulgated, and the terms of this Agreement, applicable to the Leased Premises and the Improvements thereon and its operations at the Airport hereunder.

6.4 The Lessee shall commit no nuisance, waste or injury on the Leased Premises, and shall not do, or permit to be done, anything that may result in the creation, commission or maintenance of such nuisance, waste or injury on the Leased Premises.

6.5 The Lessee shall not do, nor permit to be done, anything which may interfere with the effectiveness or accessibility of the drainage system, sewerage system, fire protection system, sprinkler system, alarm system and fire hydrants and hoses, if any, installed or located on the Leased Premises.

6.6 The Lessee shall take measures to insure security in compliance with Federal Aviation Administration Regulations and the Airport Security Plan, as they now exist or may hereafter be amended or promulgated.

6.7 The Lessee shall not do, nor permit to be done, any act or thing which will invalidate or conflict with any fire insurance policies or regulations applicable to the Leased Premises or any part thereof; or other contiguous premises at the Airport.

6.8 The Lessee shall not install, maintain, operate or permit the installation, maintenance or operation of any restaurant, kitchen, stand or other establishment of any type for the sale of food or of any vending machines or device designed to dispense or sell merchandise or services of any kind to the general public, unless all required development approvals and permits for that activity are obtained from the Cities.

6.9 Except for uses permitted under Article 3 hereof to be performed by the Lessee, the Lessee shall not provide or allow to be provided aircraft maintenance work, flight instruction of any sort, air taxi, aircraft charter or aircraft leasing of any sort on the Leased Premises, for commercial purposes, without all required development approvals and permits from the Cities.

6.10 The Lessee will conduct its operations in such a manner and require subtenants to conduct their operations in such a manner as to keep the noise produced by aircraft engines and component parts thereof, and any other noise, to a minimum, by such methods as are practicable, considering the extent and type of the operations of the Lessee and/or its subtenants, and the limitations of federal law. In addition, the Lessee and its subtenants will employ the maximum amount of noise arresting and noise reducing devices that are available and economically practicable, considering the extent of the operations of the Lessee, but in no event less than those devices required by federal, state or local law. In its use of the Leased Premises, the Lessee and its subtenants shall take all possible care, exercise caution and use its best efforts to minimize prop or jet blast interference and prevent jet blast damage to aircraft operating on taxiways and to buildings, structures and roadways, now located on or which in the future may be located on areas adjacent to the Leased Premises. In the event the Cities determine that the Lessee or any of its subtenants has not curbed the prop or jet blast interference and/or damage, the Lessee hereby covenants and agrees to erect and maintain at its own expense such structure or structures as may be necessary to prevent prop or jet blast interference, subject, however, to the prior written approval of the Cities as to type, manner and method of construction.

6.11 Lessee shall not store nor permit the storage of disabled aircraft or any equipment or materials outside of the Hangar constructed on the Leased Premises, without the written approval of the Cities.

ARTICLE 7

INGRESS AND EGRESS

7.1 The Lessee shall have the right of ingress and egress between the Leased Premises and the public landing areas at the Airport by means of connecting taxiways; and between the Leased

Premises and the entrance(s) to the Airport by means of connecting paved roads. Lessee shall have the right to use the public runways and public aviation aids at all times during which they are open to the public. Such rights of ingress, egress and use shall be in common with others having rights of passage thereon.

7.1.1 If, at the time of entering into this Agreement, access to the Leased Premises is not available on existing taxiways and/or roadways, improvements deemed necessary by Lessee shall be made at the sole expense of Lessee, in accordance with construction specifications and design criteria established for all of the properties by the Airport Engineer. There shall be no consideration made on the part of the Cities for the cost of these improvements.

7.2 The use of any such roadway or taxiway shall be subject to the Rules and Regulations of the Airport which are now in effect or which may hereafter be promulgated, and subject to temporary closure, provided, however, that any closure shall be only for reasonably necessary or unique circumstances, and provided that fourteen (14) days prior written notice will be given to Lessee relevant to any closure unless such closure is necessary due to emergency. Lessee, for itself and its subtenants, hereby releases and discharges the Cities, their officers, employees and agents, and all their respective successors and assigns, of and from any and all claims, demands, or causes of action which Lessee or its subtenants may now or at any time hereafter have against any of the foregoing, arising or alleged to arise out of the closing of any street, roadway or other area, provided that other reasonable means of access to the Leased Premises remain available to Lessee without cost to Lessee, unless otherwise mandated by emergency safety considerations or lawful exercise of the police power. Lessee shall not do or permit anything to be done which will interfere with the free access and passage of others to space adjacent to the Leased Premises or in any streets or roadways on the Airport.

ARTICLE 8

INSURANCE, DAMAGE OR DESTRUCTION

8.1 Lessee, at its sole cost and expense, shall procure and maintain throughout the term of this Agreement insurance protection for all risk coverage on the Improvements which are part of the Leased Premises, to the extent of one hundred percent (100%) of the actual replacement cost thereof. Such insurance shall be written by insurers acceptable to Cities. The insurance shall provide for thirty (30) days notice of cancellation or material change, by certified mail, return receipt requested, to the Cities, Attention: Airport Manager.

8.1.1 The above stated property insurance shall be for the benefit and to safeguard the interests of the Cities and the Lessee.

8.1.2 The Lessee shall settle all losses with the insurance carrier. The Lessee shall consult with the Cities and use its

best efforts to obtain a settlement that covers the cost of repairing or rebuilding the Improvements.

8.1.3 The Lessee shall provide certificates of insurance, in a form acceptable to the Cities and marked "premium paid" evidencing existence of all insurance required to be maintained prior to occupancy of the Improvements. Upon the failure of the Lessee to maintain such insurance as above provided, the Cities, at their option, may take out such insurance and charge the cost thereof to the Lessee, which shall be payable on demand, or may give notice of default hereunder pursuant to Article 18 hereof.

8.2 In the event the Improvements and any subsequent improvements, insurable or uninsurable, on the Leased Premises are damaged or destroyed to the extent that they are unusable by the Lessee for the purposes for which they were used prior to such damage, or same are destroyed, the Lessee shall promptly repair and reconstruct the Improvements substantially as they were immediately prior to such casualty or in a new or modified design, subject to the provisions of Article 5 hereof and applicable building codes existing at the time of repairing or rebuilding. If the aforesaid damage or destruction occurs in the last five years of the Initial term or any option term of this Agreement, the Lessee may elect not to repair and reconstruct the Improvements, subject to the following terms and conditions:

8.2.1 The Lessee shall give the Cities written notice of its election not to repair and reconstruct the Improvements within ninety (90) days of the date upon which the Improvements were damaged or destroyed. As such case, and Cities shall have the option of either;

8.2.2 Requiring Lessee to clear the site, remove all debris and paving, stub up all utilities, and restore the site to its original cleared condition prior to commencement of construction; in which case Lessee shall assign to and the Cities shall retain all insurance proceeds above those necessary to fund such site restoration; or .

8.2.3 Taking title to the damaged Improvements, as it, in which case Lessee shall assign to and the Cities shall retain all insurance coverage and proceeds.

8.2.4 Upon Lessee's notice under Section 8.2.1 hereof and Lessee's compliance with the provisions of Sections 8.2.2 or 8.2.3 hereof, the Cities shall terminate this Agreement and relieve Lessee of all future rental obligations hereunder.

8.3 All policies of insurance required herein shall name the Cities as additional insureds.

8.4 Whenever in this Agreement, provision is made for the carrying of any insurance, it shall be deemed that such provision is complied with if such insurance otherwise complying with such provision is carried under a blanket policy or policies covering the Leased Premises as well as other properties.

8.5 Lessee shall not violate, or permit to be violated, any of the conditions of any of the said policies; and shall perform and satisfy, or cause to be satisfied, the requirements of the companies writing such policies.

ARTICLE 9
LIABILITIES AND INDEMNITIES

9.1 The Cities shall not in any way be liable for any cost, liability, damage or injury including cost of suit and expenses of legal services, claimed or recovered by any person whomsoever, or occurring on the Leased Premises, or the Airport, or as a result of any operations, works, acts or omissions performed on the Leased Premises, or the Airport, by the Lessee, its agents, servants and employees and its sublessees or tenants, or their guests or invitees.

9.2 The Lessee agrees to indemnify, save and hold harmless, the Cities, their officers, agents, servants and employees, of and from any and all costs, liability, damage and expense, including costs of suit and reasonable expenses of legal services, claimed or recovered, justly or unjustly, falsely, fraudulently or frivolously, by any person, firm or corporation by reason of injury to, or death of, any person or persons, including Cities' personnel, and damage to, destruction or loss of use of any property, including Cities' property, directly or indirectly arising from, or resulting from, any operations, works, acts or omissions of Lessee, its agents, servants, employees, contractors, sublessees or tenants. Upon the filing with the Cities by anyone of a claim for damages arising out of incidents for which the Lessee herein agrees to indemnify and hold the Cities harmless, the Cities shall notify the Lessee of such claim and in the event that the Lessee does not settle or compromise such claim, then the Lessee shall undertake the legal defense of such claim on behalf of both the Lessee and the Cities. It is specifically agreed, however, that the Cities at their own cost and expense, may participate in the legal defense of any such claim. Any final judgment rendered against the Cities for any cause for which the Lessee is liable hereunder shall be conclusive against the Lessee as to liability and amount upon the expiration of the time for appeal.

9.3 The Lessee shall procure and keep in force during the term of the Lease policies of Comprehensive General Liability insurance insuring the Lessee and the Cities against any liability for personal injury, bodily injury, death, or property damage arising out of the subject of this Lease with a combined single limit of at least one million dollars or with a limit of not less than the maximum amount that may be recovered against the Cities under the Colorado Governmental Immunity Act, whichever is greater. No such policies shall be cancelable or subject to reduction in coverage limits or other modification except after thirty days prior written notice to the Cities. The policies shall be for the mutual and joint benefit and protection of the Lessee and the Cities and such policies shall contain a provision that the Cities, although named as an insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents, citizens, and employees by reason of negligence of the Lessee. The Lessee shall provide certificates of insurance, in a form acceptable to the Cities and marked "premium paid" evidencing existence of all

insurance required to be maintained prior to the commencement of the Agreement.

9.4 The Lessee represents that it is the owner of or fully authorized to use any and all services, processes, machines, articles, marks, names or slogans used by it in its operations under or in anyway connected with this Agreement. The Lessee agrees to save and hold the Cities, their officers, employees, agents and representatives free and harmless of and from any loss, liability, expense, suit or claim for damages in connection with any actual or alleged infringement of any patent, trademark or copyright, or arising from any alleged or actual unfair competition or other similar claim arising out of the operations of the Lessee under or in anyway connected with this Agreement.

ARTICLE 10

LEASEHOLD MORTGAGES

10.1 If Lessee shall mortgage Lessee's leasehold estate to an Institutional Investor, in connection with the construction contemplated by Articles 4.6 and/or 4.7 above, and if the holder of such Leasehold Mortgage or any sub-assignee shall provide the Cities with notice of such Leasehold Mortgage together with a true copy of such Leasehold Mortgage and the name and address of the Mortgagee, the Cities and Lessee agree that, following receipt of such notice by the Cities, the provisions of this Article 10 shall apply in respect to such Leasehold Mortgage; provided that the provisions of this Article shall not be binding on the Cities, unless and until such notice shall have been given and such copy delivered to the Cities, notwithstanding any other form of notice, actual or constructive.

10.1.1 The Cities shall, upon receipt of notice provided for by Section 10.1, promptly acknowledge the receipt of such communication, as constituting the notice provided for by Section 10.1 or in the alternative, notify the Lessee and Leasehold Mortgagee of the rejection of such communication as not conforming with the provisions of Section 10.1(a) and specify the specific basis of such rejection.

10.2 The terms "Institutional Investor" and "Institution" as used in this Agreement shall refer to a savings bank, savings and loan association, commercial bank or trust company (whether for its own account or as fiduciary), credit union, a pension fund, welfare or retirement fund, an eleemosynary institution, or any combination of the foregoing.

10.2.1 The term "Leasehold Mortgage" as used in this Agreement shall include a mortgage, a deed of trust, a deed to secure debt, or other security instrument by which Lessee's leasehold estate is mortgaged, conveyed, assigned, or otherwise transferred, to secure a debt or other obligation, in connection with the construction contemplated by Articles 4.6 and 4.7 above.

10.3 The Cities, upon providing Lessee any notice of

- (a) Default under this Agreement; or
- (b) A termination of this Agreement; or

(c) A matter on which the Cities may predicate or claim a default, shall at the same time provide a copy of such notice to the Leasehold Mortgagee. No such notice by Cities to Lessee shall be deemed to have been duly given unless and until copy thereof has been so provided to such Leasehold Mortgagee by certified mail at the address specified in the notice given pursuant to Section 10.1. From and after the date such notice has been given to a Leasehold Mortgagee, such Leasehold Mortgagee shall have the additional periods of time specified in Sections 10.5 and 10.6 hereof to remedy, commence remedying, or cause to be remedied the default or acts or omissions which are specified in any such notice. The Cities shall accept such performance by or at the instigation of such Leasehold Mortgagee as if the same had been done by Lessee.

10.4 Anything contained in this Agreement to the contrary notwithstanding, if any default shall occur which entitles the Cities to terminate this Agreement, the Cities shall have no right to terminate this Agreement unless, following the expiration of the period of time given Lessee to cure such default or the act or omission which gave rise to such default, the Cities shall notify such Leasehold Mortgagee of the Cities' intent to so terminate ("Termination Notice") at least thirty (30) days in advance of the proposed effective date of such termination if such default is capable of being cured by the payment of money, and at least forty-five (45) days in advance of the proposed effective date of such termination if such default is not capable of being cured by the payment of money. The provisions of Section 10.6 below shall apply if, during such thirty (30) or forty-five (45) day Termination Notice period, any Leasehold Mortgagee shall:

(i) Notify the Cities of such Leasehold Mortgagee's desire to defeat such Termination Notice, and

(ii) Pay or cause to be paid all rent, additional rent, and other payments then due and in arrears as specified in the Termination Notice to such Leasehold Mortgagee and which may become due during such thirty (30) day period; and

(iii) Comply with due diligence and continuity, or in good faith commence to comply with all non-monetary requirements of this Agreement then in default.

10.4.1 If the Cities shall elect to terminate this Agreement by reason of any default of Lessee, and the Leasehold Mortgagee shall have proceeded in the manner provided for by Section 10.4, the specified date for termination of this Agreement as fixed by the Cities in its Termination Notice shall be deemed extended and this Agreement shall not be terminated without the consent of such Leasehold Mortgagee provided that such Leasehold Mortgagee shall, during such extended period:

(i) Pay or cause to be paid the rent, additional rent, and other monetary obligations of Lessee under this Agreement as the same become due, and continue with due diligence to perform all of Lessee's other obligations under this Agreement, which Leasehold Mortgagee can perform without having

first obtained possession of the Lessee's interest in this Agreement; and

(ii) Within three (3) months from receipt of the Termination Notice, take steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgagee or other appropriate means and prosecute the same to completion with due diligence; provided, however, that if the Leasehold Mortgagee is otherwise complying with this Section 10.4 and is enjoined or stayed from taking steps to acquire or sell Lessee's interest in this Agreement, this Agreement shall not terminate and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and, thereafter, for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgagee or by other appropriate means with reasonable diligence and continuity. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

10.4.2 If the Leasehold Mortgagee is complying with Section 10.4.1 and is enjoined or stayed from taking steps to acquire or sell Lessee's interest in this Agreement, this Agreement shall not then terminate and the time for completion by such Leasehold Mortgagee of its proceedings shall continue so long as such Leasehold Mortgagee is enjoined or stayed and thereafter for so long as such Leasehold Mortgagee proceeds to complete steps to acquire or sell Lessee's interest in this Agreement by foreclosure of the Leasehold Mortgagee or by other appropriate means with due diligence and continuity.

10.4.3 Nothing in this Section 10.4 shall be construed to extend this Agreement beyond the original term hereof as set forth in Article 1, nor to require the Leasehold Mortgagee to continue such foreclosure proceedings after the default has been cured, nor to grant Leasehold Mortgagee any right to exercise any option term of this Agreement in the presence of an uncured default. If the default shall be cured and the Leasehold Mortgagee shall discontinue such foreclosure proceedings, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

10.4.4 If a Leasehold Mortgagee is complying with Section 10.4(i), upon the acquisition of Lessee's estate herein by such Leasehold Mortgagee or its designee or any other purchaser at a foreclosure sale or otherwise and the discharge by foreclosure or otherwise of any lien, charge or encumbrance against the Lessee's interest in this Agreement or the Leased Premises which is junior in priority to the lien of the Leasehold Mortgagee held by such Leasehold Mortgagee and which Lessee is obligated to satisfy and discharge, this Agreement shall continue in full force and effect as if Lessee had not defaulted under this Agreement.

10.4.5 The making of a Leasehold Mortgage shall not be deemed to constitute an assignment or transfer of this Agreement or of the leasehold estate hereby created, nor shall the

Leasehold Mortgagee, as such, be deemed to be an assignee or transferee of this Agreement or of the leasehold estate hereby created so as to require such Leasehold Mortgagee, as such, to assume the performance of any of the terms, covenants or conditions of this Agreement. Any Leasehold Mortgagee who takes an instrument of assignment or transfer in lieu of the foreclosure of the Leasehold Mortgagee shall be deemed to be a permitted assignee or transferee, subject to the provisions of Section 10.11, and shall be deemed to have agreed to perform all of the terms, covenants and conditions on the part of the Lessee to be performed hereunder from and after the date of such purchase and assignment, but only for so long as such purchaser or assignee is the owner of the leasehold estate. If the Leasehold Mortgagee or its designee shall become holder of the leasehold estate and if the Hangar and Improvements on the Leased Premises shall have been or become materially damaged on, before or after the date of such purchase and assignment, the Leasehold Mortgagee or its designee shall be obligated to repair, replace or reconstruct the building or other improvements.

10.4.6 The Leasehold Mortgagee or other acquirer of the leasehold estate of Lessee pursuant to foreclosure, assignment in lieu of foreclosure or other proceedings may, upon acquiring Lessee's leasehold estate, without further consent of the Cities, sell and assign the leasehold estate on such terms and to such person and organizations as are acceptable to such Mortgagee or acquirer and thereafter be relieved of all obligations under this Agreement; provided that such assignee has delivered to the Cities its written agreement to be bound thereafter by all of the provisions of this Agreement.

10.4.7 Notwithstanding any other provisions of this Agreement, any sale of this Agreement and of the leasehold estate hereby created in any proceedings for the foreclosure of the Leasehold Mortgage, or the assignment or transfer of this Agreement and of the leasehold estate hereby created in lieu of the foreclosure of the Leasehold Mortgage shall be deemed to be a permitted sale, transfer or assignment of this Agreement and of the leasehold estate hereby created.

10.5 In the event of the termination of this Agreement as a result of Lessee's default, the Cities shall, in addition to providing the notices of default and termination as required by Sections 10.1 and 10.3, provide the Leasehold Mortgagee with written notice that the Agreement has been terminated, together with a statement of all sums which would at that time be due under this Agreement but for such termination, and for all other defaults, if any, then known to the Cities ("the Cities' Notice of Termination"). The Cities agree to enter into a new Agreement ("New Agreement") of the Leased Premises with the Leasehold Mortgagee or its designee for the remainder of the term of this Agreement, effective as of the date of termination, at the rent and additional rent, and upon the terms, covenants, and conditions (including all options to renew but excluding requirements which are not applicable or which have already been fulfilled) of this Agreement provided:

10.5.1 Such Leasehold Mortgagee shall make written request to the Cities for such New Agreement within forty-five (45) days after the date such Leasehold Mortgagee receives the Cities' Notice of Termination of this Agreement given pursuant to this Section 10.5; and

10.5.2 Such Leasehold Mortgagee or its designee shall pay or cause to be paid to the Cities at the time of execution and delivery of such New Agreement, any and all sums which would at the time of execution and delivery thereof be due pursuant to this Agreement but for such termination and, in addition thereto, all reasonable expenses, including reasonable attorney's fees, which the Cities shall have incurred by reason of such termination and the execution and delivery of the New Agreement and which have not otherwise been received by the Cities from Lessee or other party in interest under Lessee. In the event of a controversy as to the amount to be paid to the Cities pursuant to this Section 10.5(b), the payment obligation shall be satisfied if the Cities shall be paid the amount not in controversy, and the Leasehold Mortgagee or its designee shall agree to pay any additional sum ultimately determined to be due plus interest at the existing prime rate as established by Bank One-Loveland, N.A., or its successor, and if none, a major Fort Collins-Loveland Metropolitan Area lending institution, plus two (2) percentage points; and

10.5.3 Such Leasehold Mortgagee or its designee shall agree to remedy any of Lessee's actual defaults of which said Leasehold Mortgagee was notified by the Cities' Notice of Termination, and to complete such remedy in a reasonable time under the circumstances.

10.5.4 The Lessee under such New Agreement shall have the same right, title and interest in and to the Leased Premises and the building and improvements thereon as Lessee had under this Agreement.

10.6 Nothing herein contained shall require the Leasehold Mortgagee or its designee as a condition to its exercise of right hereunder to cure any default of Lessee not reasonably susceptible of being cured by such Leasehold Mortgagee or its designee, in order to comply with the provisions of Section 10.4 and 10.5, or as a condition of entering into the New Agreement provided for by Section 10.5.

10.6.1 If the Cities shall elect to terminate this Agreement by reason of any default of Lessee not reasonably susceptible of being cured by a Leasehold Mortgagee, and a Leasehold Mortgagee shall have proceeded in the manner provided for by Section 10.4(a), the specified date for the termination of this Agreement as fixed by the Cities in its termination notice shall be extended as provided for in Section 10.5, provided that such Leasehold Mortgagee shall proceed in the manner provided for in Section 10.6.

10.7 The Cities shall, without charge, at any time and from time to time hereafter, but not more frequently than twice in any one year period (or more frequently if such request is made in connection with any sale or mortgaging of Lessee's leasehold

interest or permitted subletting by Lessee), within thirty (30) days after written request of Lessee to do so, certify by written instrument duly executed and acknowledged to the Leasehold Mortgagee or purchaser, or proposed Leasehold Mortgagee or proposed purchaser, or any other person, firm or corporation specified in such request:

(a) As to whether this Agreement has been supplemented or amended and, if so, the substance and manner of such supplement or amendment;

(b) As to the validity and force and effect of this Agreement, in accordance with its tenor;

(c) As to the existence of any default hereunder;

(d) As to the existence of any offsets, counterclaims, or defenses hereto on the part of the Lessee;

(e) As to the commencement and expiration dates of the term of this Agreement; and

(f) As to any other matters as may be reasonably so requested. Any such certificate may be relied upon by the Lessee and any other person, firm or corporation to whom the same may be exhibited or delivered, and the contents of such certificate shall be binding on the Cities.

ARTICLE 11

RULES AND REGULATIONS

11.1 Cities may enforce rules and regulations with respect to the occupancy and use of the Airport, as such rules and regulations as are set forth in Exhibit B, attached hereto, and as such rules and regulations may be amended or supplemented from time to time. The Lessee agrees to observe and obey any and all such rules and regulations and all other federal, state and municipal rules, regulations and laws and to require its officers, agents, employees, subtenants, contractors, and suppliers, to observe and obey the same. In the event of a conflict between the provisions of Exhibit B (Airport Rules and Regulations) and this Lease, the provisions of this Lease shall control. This provision will include compliance with the Airport's Noise Abatement Plan as it now exists and as it may hereafter be amended or supplemented. The Cities reserve the right to deny access to the Airport and its facilities to any person, firm or corporation that fails or refuses to obey and comply with such rules, regulations or laws.

ARTICLE 12

SIGNS

12.1 The Lessee shall have the right to install and maintain one or more signs on the Leased Premises identifying it and its operations, provided, however, the subject matter, type, design, number, location and elevation of such signs, and whether lighted or unlighted, shall be subject to and in accordance with the City of Loveland Sign Code. No sign will be allowed that may be confusing to aircraft pilots or automobile drivers or other traffic.

ARTICLE 13
ASSIGNMENT AND SUBLEASE

13.1 The prior written consent of the Cities shall be required for any sale, transfer or assignment of this Agreement and of the leasehold estate hereby created. Consent may be withheld by the Cities in the event the Lessee is in default of any of the terms or conditions of this Agreement, in the event the transferee or assignee does not deliver to the Cities its written agreement to be bound by all of the provisions of this Agreement in a form satisfactory to the Cities, or in the event the proposed transferee or assignee does not submit proof of insurance as required at Articles 8 and 9, herein. Consent shall not be otherwise unreasonably withheld. Upon the granting of written consent by the Cities and actual transfer or assignment, the Lessee shall be released by the Cities from its obligations under this Lease.

13.2 Lessee shall have the right and option to sublease part or parts of the Leased Premises without the prior consent of the Cities, providing that any subtenant shall be required to comply with all terms and conditions of this Agreement. In the event of sublease, both the Lessee and the subtenant shall be jointly and severally responsible for compliance with the terms and conditions of this Agreement. Upon sublease, Lessee shall provide Cities with a complete copy of the sublease agreement fully identifying the parties and terms.

13.3 Lessee shall not have the right to subdivide the Leased Premises.

ARTICLE 14
CONDEMNATION

14.1 In the event that all or any portion of the Leased Premises is taken for any public or quasi-public purpose by any lawful power or authority by the exercise of the right of appropriation, condemnation or eminent domain (or pursuant to a sale to such power or authority under the threat of condemnation or eminent domain), the proceeds, if any, from such taking or sale shall be allocated between the Cities and Lessee in accordance with the applicable condemnation law. If a portion of the Leased Premises is so taken or sold, and as a result thereof, the remaining part cannot reasonably be used to continue the authorized uses set forth in Article 3 hereof, then this Lease shall terminate and Lessee's obligation to pay rent and perform the other conditions of the Lease shall be deemed to have ceased as of the date of such taking or sale.

14.2 The Cities expressly reserve the right to grant or take easements on rights-of-way across the Leased Premises if it is determined to be in the best interest of the Cities to do so. If the Cities grant or take an easement or right-of-way across any of the Leased Premises, Lessee shall be entitled only to compensation for damages to all Lessee owned Improvements destroyed or physically damaged thereby, but not to damages for loss of use of the Leased Premises itself. Damages to improvements shall be determined by the reduction in fair market

value of the Improvements caused by said damage or cost of repair, whichever is less.

14.3 Lessee understands and agrees that the Cities have the right to take all or any portion of the Leased Premises, and any additions, alterations or improvements thereon, should the Cities, in their sole discretion, determine that said portion of the Leased Premises, and improvements thereon, are required for other Airport purposes. If such action is taken, the Cities shall substitute comparable areas within the Airport, or any additions or extensions thereof, brought to the same level of improvement as the area taken. The Cities shall bear all expenses of bringing the substituted area to the same level of improvement to the area taken, and of moving Lessee's improvements, equipment, furniture and fixtures to the substituted area. If any of Lessee's improvements, equipment, furniture or fixtures cannot be relocated, the Cities shall replace, at their own expense, such non-relocatable improvements and other property with comparable property in the substituted area, and the Cities shall be deemed the owner of the non-relocated improvements and other property, free and clear of all claims of any interest or title therein by Lessee, any mortgagee, or any other third party whomsoever. It is the specific intent of this subparagraph that Lessee would be placed, to the extent possible, in the same position it would have been, had the Cities not substituted new premises for the Leased Premises; provided however, that the Cities shall not be obligated to reimburse Lessee for lost revenues or other costs due to such substitution. In the event that such substitution of area is demanded by the Cities, Lessee shall have the right and option to terminate this Agreement, prior to the Cities commencing the substitution, and upon thirty (30) days prior written notice to Cities. Nothing in this subparagraph shall be construed to limit the Cities' rights to condemn Lessee's leasehold rights and interests in the Leased Premises pursuant to state law.

ARTICLE 15

NON-DISCRIMINATION

15.1 The Lessee, for it, its heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree as a covenant running with the land that in the event facilities are constructed, maintained, or otherwise operated on the Leased Premises, for a purpose for which a United States government program or activity is extended, the Lessee shall maintain and operate such facilities and services in compliance with all other requirements imposed pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.2 The Lessee, for itself, its personal representatives, successors in interest and assigns, as a part of the

consideration hereof, does hereby covenant and agree as a covenant running with the land that:

(1) No person on the grounds of race, color, disability or national origin shall be excluded from participating in, denied the benefits of, or be otherwise subjected to discrimination in the use of the Leased Premises;

(2) That in the construction of any Improvements on, over or under such land and the furnishing of services thereon, no person on the grounds of race, color, disability or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination,

(3) That the Lessee shall use the Leased Premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in federally-assisted programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

15.3 In this connection, the Cities reserve the right to take whatever action they might be entitled by law to take in order to enforce this provision following the sixty (60) days prior written notice to Lessee of any alleged violation. This provision is to be considered as a covenant on the part of the Lessee, a breach of which, continuing after notice by the Cities to cease and desist and after a determination that a violation exists made in accordance with the procedures and appeals provided by law, will constitute a material breach of this Agreement and will entitle the Cities, at their option, to exercise its right of termination as provided for herein, or take any action that it deems necessary to enforce compliance herewith.

15.4 The Lessee shall include the foregoing provisions in every agreement or concession pursuant to which any person or persons, other than the Lessee, operates any facility at the Leased Premises providing service to the public and shall include thereon a provision granting the Cities a right to take such action as the United States may direct to enforce such covenant.

15.5 To the extent legally required and applicable, the Lessee assures that it will undertake an affirmative action program as required by 14 CFR, Part 152, Subpart E, to insure that no person shall on the grounds of race, creed, color, national origin, disability or sex, be excluded from participation in any employment activities covered in 14 CFR Part 152 Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered suborganizations provide assurances to the Lessee that they similarly will undertake affirmative action program and that they will require assurances from their suborganizations, to the extent required by 14 CFR Part 152, Subpart E, to the same effect..

ARTICLE 16

GOVERNMENTAL REQUIREMENTS

16.1 The Lessee shall procure all licenses, certificates, permits or other authorization from all governmental authorities, if any, having jurisdiction over the Lessee's operations at the Leased Premises which may be necessary for the Lessee's operations thereat.

16.2 The Lessee shall pay all taxes, license, certification, permits and examination fees and excise taxes which may be assessed, levied, exacted or imposed on the Leased Premises or operation hereunder or on the gross receipts or gross income to the Lessee therefrom, and shall make all applications, reports and returns required in connection therewith.

16.3 Lessee shall pay all water, sewer, utility and other applicable use taxes and fees, together with any Payment in Lieu of Taxes if found to be applicable.

ARTICLE 17

RIGHTS OF ENTRY RESERVED

17.1 The Cities, by their officers, employees, agents, representatives and contractors, shall have the right at all reasonable times to enter upon the Leased Premises and enter the Improvements for any and all purposes not inconsistent with this Agreement, including, without limitation, inspection and environmental testing, provided such action by the Cities, their officers, employees, agents, representatives and contractors does not unreasonably interfere with the Lessee's use, occupancy or security requirements of the Leased Premises. Except when necessary for reasons of public safety or law enforcement, or for the protection of property, as determined by Cities, Cities shall provide 72 hours written notice of its intent to inspect.

17.2 Without limiting the generality of the foregoing, the Cities, by their officers, employees, agents, representatives, contractors and furnishers of utilities and other services, shall have the right, at their own cost and expense, whether for their own benefit, or for the benefit of others than the Lessee at the Airport, to maintain existing and future Airport mechanical, electrical and other utility systems and to enter upon the easements in the Leased Premises to make such repairs, replacements or alterations thereto, as may, in the opinion of the Cities, be deemed necessary or advisable, and from time to time to construct or install over, in or under existing easements within the Leased Premises such systems or parts thereof and in connection with such maintenance use the Leased Premises existing easements for access to other parts of the Airport otherwise not conveniently accessible; provided, however, that in the exercise of such rights of access, repair, alteration or new construction, the Cities shall not install a utility under or through any building on the Leased Premises or unreasonably interfere with the actual use and occupancy of the Leased Premises by the Lessee, all such utilities to be placed within existing easements, except as provided in Article 14, hereof. It is specifically understood and agreed that the reservation of the

aforesaid right by the Cities shall not impose or be construed to impose upon the Cities any obligation to repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services only to the Leased Premises; provided, however, that if they repair, replace or alter any utility service lines now or hereafter located on the Leased Premises for the purpose of providing utility services to others, the Cities will restore the Leased Premises to their preexisting condition in a timely manner.

Lessee will provide for the installation, maintenance and repair, at its own expense, of all service lines of utilities providing services only to the Leased Premises.

Cities will repair, replace and maintain all other utility lines, at Cities' expense.

17.3 In the event that any personal property of the Lessee shall obstruct the access of the Cities, their officers, employees, agents or contractors, or the utility company furnishing utility service over, along and across the existing easements to any of the existing utility, mechanical, electrical and other systems, and thus shall interfere with the inspection, maintenance or repair of any such system pursuant to Section 17.2, the Lessee shall move such property, as directed by the Cities or said utility company, upon reasonable notice by the Cities, in order that access may be had to the system or part thereof for inspection, maintenance or repair. If the Lessee shall fail to so move such property after direction from the Cities or said utility company to do so, the Cities or the utility company may move it, and the Lessee hereby waives any claim against the Cities for damages as a result therefrom, except for claims for damages arising from the Cities' negligence.

ARTICLE 18

TERMINATION

18.1 In the event of a default on the part of the Lessee in the payment of rents, the Cities shall give written notice to the Lessee of such default, and demand the cancellation of this Agreement, or the correction thereof. If, within thirty (30) days after the date the Cities give such notice, the Lessee has not corrected said default and paid the delinquent amount in full, the Cities may by written notice to the Lessee terminate this Agreement and all rights and privileges granted hereby in and to the Leased Premises.

18.2 This Agreement, together with all rights and privileges granted in and to the Leased Premises, shall terminate at the option of the Cities with prompt written notice to the Lessee upon the happening of any one or more of the following events:

18.2.1 The filing by the Lessee of a voluntary petition in bankruptcy, or any assignment for benefit of creditors of all or any part of the Lessee's assets; or

18.2.2 Any institution of proceedings in bankruptcy against the Lessee; provided, however, that the Lessee may defeat such

termination if the petition is dismissed within one hundred twenty (120) days after the institution thereof; or

18.2.3 The filing of a petition requesting a court to take jurisdiction of the Lessee or its assets under the provision of any Federal reorganization act which, if it is an involuntary petition is not dismissed within one hundred twenty (120) days after its being filed; or

18.2.4 The filing of a request for the appointment of a receiver or trustee of all, or substantially all, of the Lessee's assets by a court of competent jurisdiction, which if the request is not made by the Lessee is not rejected within one hundred twenty (120) days after being made, or the request for the appointment of a receiver or trustee of all, or substantially all, of the Lessee's assets by a voluntary agreement with the Lessee's creditors.

18.3 Upon the default by the Lessee in the performance of any covenant or conditions required to be performed by the Lessee, and the failure of the Lessee to remedy such default for a period of forty-five (45) days after mailing by the Cities of written notice to remedy the same, unless more extensive notice is otherwise provided for in this Agreement, except default in the timely payment of any money due the Cities.

18.4 Upon the default by Lessee, and the giving of notice of the default and cancellation by the Cities as provided for elsewhere herein, the notice of cancellation shall become final.

18.5 Upon the cancellation or termination of this Agreement for any reason, all rights of the Lessee, tenants and any other person in possession shall terminate, including all rights or alleged rights of creditors, trustees, assigns, and all others similarly so situated as to the Leased Premises. Upon said cancellation or termination of this Agreement for any reason, the Leased Premises, except for Lessee's equipment, fixtures and other personal property which may be removed from said Leased Premises as provided elsewhere herein, shall be free and clear of all encumbrances and all claims of the Lessee, its subtenants, creditors, trustees, assigns and all others, and the Cities shall have immediate right of possession to the Leased Premises.

18.6 Failure by the Cities or Lessee to take any authorized action upon default by the Lessee of any of the terms, covenants or conditions required to be performed, kept and observed by the Lessee shall not be construed to be, nor act as, a waiver of said default nor of any subsequent default of any of the terms, covenants and conditions contained herein to be performed, kept and observed by the Lessee. Acceptance of rentals by the Cities from the Lessee, or performance by the Cities under the terms hereof, for any period or periods after a default by the Lessee of any of the terms, covenants and conditions herein required to be performed, kept and observed by the Lessee shall not be deemed a waiver or estoppel of any right on the part of the Cities to cancel this Agreement for any subsequent failure by the Lessee to so perform, keep or observe any of said terms, covenants or conditions.

18.7 This lease will terminate at the option of Lessee

(1) Upon the permanent closure of the Airport, the term "permanent closure" to mean for the purposes of this Agreement, the closure of the airport for 90 or more consecutive days;

(2) The loss of the ability of Lessee due to no significant fault of Lessee to fly in or out of the Airport for reasons other than inclement weather, casualty or disaster, for a period of 90 consecutive days; and

(3) The default by Cities in the performance of any covenant or condition required to be performed by the Cities, and the failure of the Cities to remedy such default for a period of sixty (60) days after receipt from the Lessee of written notice to remedy the same, or default in the timely payment of any money due the Lessee and failure to cure such default within thirty (30) days after notice to the Cities. Notice of exercise of the option to terminate by Lessee shall be given in the manner specified in Article 23 (Notices).

(4) Within six (6) months of the commencement date of this Agreement, a qualified engineer determines that hazardous materials exist on the Leased Premises as of the commencement date of this Agreement, that the existence of such materials renders the Leased Premises unusable for its intended purpose, and the engineer's estimated cost to clean up the materials exceeds five thousand dollars (\$5,000.00). The Lessee shall provide the Cities written notice of the determination of such engineer and the Lessee's notice to terminate this Agreement within six (6) months of the commencement date of this Agreement, or such option to terminate is waived.

18.8 If the Lessee ceases to conduct its authorized Airport activities at the Airport for a period of twelve (12) consecutive months, the Cities may terminate this Agreement by written notice to the Lessee given at any time while such cessation continues.

18.9 If the Lessee fails to obtain any required permit or other governmental approval for the use of the Leased Premises pursuant to Article 3.1 herein, within twelve (12) months of the commencement date set forth in Article 1.1 herein, or if Lessee fails to maintain any such permits or approvals during the term of this Agreement, this Agreement shall automatically terminate. Upon termination of this Agreement pursuant to this Article 18.10, no refund shall be due to Lessee of payments made by Lessee pursuant to this Agreement.

18.10 Upon termination of this Agreement prior to the expiration of the Initial Term or the Extended Term, if any, the Cities may, but are not required to, relet the Leased Premises, or any part thereof, for the whole or any part of the remainder of such Initial Term or Extended Term, or for a longer period of time. Any rents received by the Cities as a result of such reletting shall remain the property of the Cities and shall not be credited to or otherwise become the property of the Lessee.

ARTICLE 19

SURRENDER AND RIGHT OF RE-ENTRY

19.1 Upon the expiration, cancellation or termination of this Agreement pursuant to any terms hereof, the Lessee agrees peaceably to surrender up the Leased Premises to the Cities, either in the same condition as they are at the time of the commencement of the term hereof, and as they may hereafter be repaired and improved by the Lessee; save and except

(a) Such normal wear and tear thereof as could not have been prevented by ordinary and usual repairs and maintenance,

(b) Obsolescence in spite of repair, and

(c) Damage to or destruction of the leasehold improvements for which insurance proceeds are received by the Cities, or at the Cities' election, to first clear all or portions of the Leased Premises, remove all debris and paving, stub up all utilities, and restore the Leased Premises to its original cleared condition prior to commencement of construction.

Upon such cancellation or termination, the Cities may re-enter and repossess the Leased Premises together with all Improvements and additions thereto, or pursue any remedy permitted by law for the enforcement of any of the provisions of this Agreement, at the Cities' election. Furthermore, upon such cancellation or termination, and for a reasonable time thereafter, not exceeding sixty (60) days after such cancellation or termination, and for which period the Lessee will pay to the cities current lease rental, or during the term of this Agreement, if the Lessee is not in default in rentals or any other charges or financial obligations due the Cities, the Lessee shall have the right to remove its personal property, fixtures and trade equipment which it may have on the Leased Premises, provided that the Lessee repairs all damages that might be occasioned to the remaining Leased Premises by such removal, and restore the remaining Leased Premises to the condition above required.

ARTICLE 20

SERVICES TO LESSEE

20.1 The Cities covenant and agree that during the term of this Agreement it will use their best efforts to (a) operate the Airport as such for the use and benefit of the public; provided, however, that the Cities may prohibit or limit any given type, kind or class of aeronautical use of the Airport if such action is necessary for the safe operation of the Airport or necessary to serve the civil aviation needs of the public, (b) maintain the runways and taxiways in good repair, including the removal of snow, and (c) keep in good repair hard-surfaced public roads for access to the Leased Premises and remove snow therefrom. Said obligations of the Cities relevant to the maintenance and snow removal of and from public roads and taxiways shall extend to the point wherein such roads, streets and taxiways reach the property line of the Leased Premises, or the ramp constructed by Lessee under Article 4.7 above. Except in cases of emergency, in which case no notice shall be required, Cities will endeavor to give

not less than fourteen (14) days' prior written notice to Lessee of any anticipated temporary Airport closure, for maintenance, expansion or otherwise.

ARTICLE 21

SURVIVAL OF THE OBLIGATIONS OF THE LESSEE

21.1 In the event that the Agreement shall have been terminated due to default by Lessee in accordance with notice of termination as provided in Article 18 hereof, all of the obligations of the Lessee under this Agreement shall survive such termination, re-entry, regaining or resumption of possession and shall remain in full force and effect for the full term of this Agreement, and the amount or amounts of damages or deficiency shall become due and payable to the Cities to the same extent, at the same time or times, and in the same manner as if no termination, re-entry, regaining or resumption of possession had taken place. The Cities may maintain separate actions each month to recover the damage or deficiency then due or at its option and at any time may sue to recover the full deficiency less the proper discount, for the entire unexpired term of this Agreement.

21.2 The amount of damages for the period of time subsequent to termination (or re-entry, regaining or resumption of possession) on account of the Lessee's rental obligations, shall be the sum of the following:

21.2.1 The amount of the total of all installments of rents, less the installments thereof payable prior to the effective date of termination; and

21.2.2 An amount equal to all expenses incurred by the Cities and not reimbursed in connection with regaining possession, restoring the Leased Premises required by paragraph 19.1 above, acquiring a new lease for the Leased Premises, legal expenses (including, but not limited to, attorneys fees) and putting the Leased Premises in order.

21.3 There shall be credited to the account of the Lessee against its survived obligations hereunder, the amount actually received from any lessee, licensee, permittee, or other occupier in connection with the use of the said Leased Premises or portion thereof during the balance of the term of use and occupancy as the same is originally stated in this Agreement and the market value of the occupancy of such portion of the Leased Premises as the Cities may themselves during such period actually use and occupy. No such use and occupancy shall be, or be construed to be, an acceptance of a surrender of the Leased Premises, nor shall such use and occupancy constitute a waiver of any rights of the Cities hereunder. The Cities will use their best efforts to minimize damages to Lessee under this Article.

ARTICLE 22

USE SUBSEQUENT TO CANCELLATION OR TERMINATION

22.1 The Cities shall, upon termination or cancellation, or upon re-entry, regaining or resumption of possession, have the right to repair and to make structural or other changes in the Leased Premises, including changes which alter its character and

the suitability thereof for the purposes of the Lessee under this Agreement, without affecting, altering or diminishing the obligations of the Lessee hereunder, provided that any structural changes shall not be at Lessee's expense.

ARTICLE 23

NOTICES

23.1 All notices, consents and approvals required or desired to be given by the parties hereto shall be sent in writing, and shall be deemed given when received at the recipient's notice address except that notice that must be given by a certain time to be effective and is sent certified mail, postage prepaid, return receipt requested, addressed to the recipient's address shall be deemed given when posted. Notice that starts the running of a time period and is delivered on a non-business day shall be deemed delivered on the next business day, if left at the notice address, or the next business day on which it is redelivered if it is not left at the notice address.

23.2 The notice addresses of the parties are as follows:

To the Cities: Airport Manager
 Loveland-Fort Collins Airport
 4900 Earhart Drive
 Loveland, CO 80538

and

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

and

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

To the Lessee: Robert and Linda Eggleston,
 4216 N. Monroe Avenue
 Loveland, CO 80538

Such addresses shall be subject to change from time to time to such other addresses as may have been specified in written notice given by the intended recipient to the sender.

ARTICLE 24

INVALID PROVISIONS

24.1 The invalidity of any provisions, articles, paragraphs, portions or clauses of this Agreement shall have no effect upon the validity of any other part or portion hereof, so long as the remainder shall constitute an enforceable agreement. Furthermore, in lieu of such invalid provisions, articles,

paragraphs, portions or clauses, there shall be added automatically as a part of this Agreement, a provision as similar in terms to such invalid provision as may be possible and be legal, valid and enforceable.

ARTICLE 25

MISCELLANEOUS PROVISIONS

25.1 Remedies to be Non-exclusive. All remedies provided in this Agreement shall be deemed cumulative and additional and not in lieu of, or exclusive of, each other, or of any other remedy available to the Cities, or the Lessee, at law or in equity, and the exercise of any remedy, or the existence herein of other remedies or indemnities shall not prevent the exercise of any other remedy provided that the Cities' remedies in the event of default shall not exceed those set forth in this Agreement.

25.2 Non-liability of Individuals. No director, officer, agent or employee of the Cities shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of his or their execution or attempted execution of the same.

25.3 Estoppel Certificate. At the request of the Lessee in connection with an assignment of its interest in this Agreement, the Cities shall execute and deliver a written statement identifying it as the Lessor under this Agreement and certifying:

- (1) The documents that then comprise this Agreement,
- (2) That this Agreement is in full force and effect,
- (3) The then current annual amount of rent and the date through which it has been paid,
- (4) The expiration date of this Agreement,
- (5) That no amounts are then owed by the Lessee to the Cities (or, if amounts are owed, specifying the same)
- (6) To the knowledge of the Cities, there are not defaults by the Lessee under this Agreement or any facts which but for the passage of time, the giving of notice or both would constitute such a default, and
- (7) Remaining rights to renew the term of this lease to the extent not theretofore exercised.

The party acquiring the Lessee's interest in the Agreement shall be entitled to rely conclusively upon such written statement.

25.4 Short Form of Lease. This Agreement shall not be recorded, but at the request of either party, the other shall execute a memorandum or short form of lease for recording.

25.5 General Provisions.

25.5.1 This Agreement shall be performable and enforceable in Larimer County, Colorado, and shall be construed in accordance with the laws of the State of Colorado.

25.5.2 This Agreement is made for the sole and exclusive benefit of the Cities and the Lessee, their successors and assigns, and is not made for the benefit of any third party.

25.5.3 In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

25.5.4 All covenants, stipulations and agreements in this Agreement shall extend to and bind each party hereto, its legal representatives, successors and assigns.

25.5.5 The titles of the several articles of this Agreement are inserted herein for convenience only, and are not intended and shall not be construed to affect in any manner the terms and provisions hereof, or the interpretation or construction thereof.

25.5.6 Nothing herein contained shall create, or be construed to create, a partnership, joint venture, agency or any other relationship between the Cities and the Lessee, other than that of landlord and tenant.. The Cities and the Lessee each expressly disclaim the existence of any such other relationship between them.

25.5.7 Cities have and may allow certain portions of the Airport to be used by others tenants at any time, and Lessee shall not interfere in any manner with said other tenants or with the facilities granted to such tenants. Nothing herein contained shall be construed to grant or authorize the granting of an exclusive right prohibited by Section 308 of the Federal Aviation Act of 1958, as amended, and the Cities reserved the right to grant to others the privilege and right of conducting any one or all of the activities specified herein, or any other activities of an aeronautical nature.

25.6 Availability of Government Facilities. In the event the existence, maintenance or operation of air navigation aids or other facilities supplied or operated by the United States or the State of Colorado at or in conjunction with the Airport are discontinued, the Cities shall have no obligation to furnish such facilities.

ARTICLE 26

SUBORDINATION CLAUSES

26.1 This Agreement is subject and subordinate to the following:

26.1.1 The Cities reserve the right to develop and improve the Airport as they see fit, regardless of the desires or view of the Lessee, and without interference or hindrance by or on behalf of the Lessee, provided the Lessee is not deprived of the use or access to the Leased Premises or any of Lessee's rights under this Agreement and unless said activities by the Cities shall result in the loss of convenient access to the Leased Premises by motor vehicles and/or aircraft owned or operated by Lessee or Lessee's assigns, subtenants, renters, agents, employees or invitees. In the event the said access shall terminate or the quality of said access shall be impaired as aforesaid, and in the event of failure to relocate the Lessee to a different leased premises at least as acceptable to Lessee as the Leased Premises at no resulting cost or expense to Lessee, Lessee shall have the

right and option to terminate this Lease upon thirty (30) days prior written notice to Cities according to Article 23.

26.1.2 The Cities reserve the right to take any action they consider necessary to protect the aerial approaches to the Airport against obstruction, together with the right to prevent Lessee from erecting or permitting to be erected any building or other structure on the Airport which would limit the usefulness of the Airport or constitute a hazard to aircraft.

26.1.3 This Agreement is and shall be subordinate to the provision of existing and future agreements between the Cities and the United States relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the obtaining or expenditure of federal funds for the benefit of the Airport.

26.1.4 During the time of war or national emergency, the Cities shall have the right to lease all or any part of the landing area or of the airport to the United States for military use, and if any such lease is executed, the provisions of this Agreement insofar as they may be inconsistent with the provisions of such lease to the government, shall be suspended, but such suspension shall not extend the term of this Agreement. Abatement of rentals shall be reasonably determined by the Cities and Lessee in proportion to the degree of interference with the Lessee's use of the Leased Premises.

26.1.5 Except to the extent required for the performance of any obligations of the Lessee hereunder, nothing contained in this Agreement shall grant to the Lessee any rights whatsoever in the airspace above the Leased Premises other than those reasonably necessary to Lessee's enjoyment of the Leased Premises and Cities' Airport facilities and which are consistent with Federal Aviation Administration rules, regulations and orders currently or subsequently effective. Further, Lessee's rights in airspace above the Leased Premises and the Airport and the Airport facilities shall be not less than the rights therein by other users of the Airport and Airport facilities.

ARTICLE 27

Quiet Enjoyment

27.1 Cities hereby covenant and warrant that they are the owners of the Leased Premises and that Lessee upon payment of rentals herein provided for and performance of provisions on its part to be performed shall and may peacefully possess and enjoy the Leased Premises during the term hereof and any extensions hereof without any interruption or disturbance.

27.2 Except as expressly provided herein, Cities will not impose limitations or otherwise exercise the governmental powers, rights and privileges in a manner of greater detriment or burden to Lessee than would have occurred had governmental entities not been the landlord. The performance of the terms and conditions of this Agreement shall be performed on an "arms-length" basis with Lessee as though governmental entities were not landlords. In the event the Lessee pursues a legal action in court or otherwise alleging a breach of this subsection, and such

allegation are not established in such proceeding, Cities shall be granted damages and all costs and legal expenses incurred by the Cities in the premises.

ARTICLE 28

ENTIRE AGREEMENT

28.1 This Agreement constitutes the entire agreement of the parties hereto and may not be changed, modified, discharged or extended except by written instrument duly executed by the Cities and the Lessee. The parties agree that no representations or warranties shall be binding upon the Cities or the Lessee unless expressed in writing.

ARTICLE 29

CITIES' OPTION TO PURCHASE AND INTEREST IN IMPROVEMENTS.

29.1 Within sixty (60) days after substantial completion of the Improvements on the Leased Premises contemplated by Article 4.6 and 4.7 above, Lessee shall submit to the Cities a sworn notice and statement of construction costs, in such detail and with such supporting documentation as the Cities may reasonably request. Within thirty (30) days of such notice, the Cities shall provide Lessee with a notice either adopting Lessee's construction costs, or proposing to modify Lessee's construction costs and explaining the reasons for each such modification. The Cities' notice shall conclusively establish the construction costs of the Improvements, unless challenged by the Lessee within thirty (30) days after submission. If the Cities and Lessee cannot agree on the amount of construction costs within thirty (30) days of any such challenge by the Lessee, the parties agree to mediate the dispute in good faith over a period of not less than thirty (30) days, with each party paying half the cost of such mediation. In the event that the parties fail to reach an agreement following mediation, the Cities' construction cost determination shall conclusively establish the construction costs, subject only to judicial relief obtained by the Lessee. Any such action for judicial relief must be filed by the Lessee not more than thirty (30) days following the conclusion of the mediation. The amount determined in accordance with this Article 29.1 shall be referred to herein as the "Construction Cost."

29.2 At the expiration of the Initial Term and any Extended Term of this Agreement, Cities shall have the option to purchase the Improvements from Lessee. The Cities may exercise any such option by delivering a written notice of election to Lessee, at any time prior to 120 days before expiration of the Initial Term or any Extended Term, specifying a closing date on or within thirty (30) days after the Agreement expiration date. If Cities timely exercise their option to purchase, the Lessee's option to extend the Agreement under Article 1.2 hereof, shall be null and void, and the sale price of the Improvements is conclusively established and agreed to by the parties as being the Construction Cost of the Improvements, minus an increasing monthly deduction for each month during the term, from the date of this Agreement to the date of closing. For this purpose, the

Construction Cost shall be amortized on a straight-line basis over a forty (40) year period commencing from the date of this Agreement. By way of example and not limitation, if the Construction Costs are \$500,000, and Cities exercise their option to purchase at the end of the 20-year Initial Term of this Agreement, the purchase price shall be \$250,000; if Cities exercise their option to purchase at the end of the second five-year Extended Term of this Agreement, the purchase price shall be \$125,000. Upon sale by Lessee of the Improvements in accordance with this Agreement, the Lessee agrees to indemnify the Cities against liability for any hazardous wastes which may be located on, or which may have been generated by operations on or from the Leased Premises.

29.3 Notwithstanding the above, and anything to the contrary herein, Cities and Lessee agree that in consideration for Lessee's use of the Airport for construction and operation of the Improvements, the Improvements and all additions and appurtenances thereto shall, at Cities option, become the property of and be transferred to the Cities upon expiration or any termination of this Agreement, without payment of additional consideration by the City. If the Cities elect to take title to the Improvements, Lessee agrees to then execute all documents and take such reasonable actions, if any, as may be necessary to accomplish the transfer of title to the Improvements.

29.4 In recognition that the Improvements shall become the property of the Cities in accordance with Article 29.3 above, the Cities are hereby granted, and shall acquire, increasing equitable and security interests in the Improvements. Lessee therefore agrees to execute and deliver to the Cities a collateral assignment, mortgage and/or security agreement covering such interests of the Cities, in a form reasonably satisfactory to the Cities, within ten (10) days after agreement on or determination of Construction Costs. The amount of the Cities' increasing equitable and security interests in the Improvements shall be equal to the Construction Cost, as determined in Article 29.1 above, minus the sales price as determined in Article 29.2 above. The Cities agree to subordinate such document to any first Leasehold Mortgage on the Leased Premises.

ARTICLE 30 RIGHT OF FIRST REFUSAL

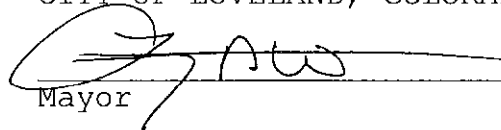
30.1 If Lessee desires to sell, assign, or otherwise transfer its interest under this Agreement, including the Improvements existing on the Leased Premises, to an unaffiliated third party, and has obtained a bona fide offer for such sale, Lessee must first offer to sell, assign, or otherwise transfer such interest to the Cities, at the price and on the same terms as the bona fide offer, and the Cities shall have the right to purchase Lessee's interest. Such offer must be in writing and state the name of the proposed transferee and all of the terms and conditions of the proposed transfer. The Cities shall have the right for a period of 30 days after receipt of the offer from

the Lessee to elect to purchase Lessee's interest (such 30-day period referred to as the "Election Period"). If the Cities do not desire to purchase Lessee's interest, the Lessee may then sell, assign, or otherwise transfer his interest in this Agreement to the person making the said offer, at the price and terms set forth in the offer, subject to the requirements of Article 13. If the Lessee fails to make such sale within 30 days after the expiration of the Election Period, any proposed sale, assignment or other transfer thereafter shall again be subject to this Article. The intent of this Article is to require all of Lessee's interests in this Agreement be sold, assigned or otherwise transferred intact, without fractionalization.

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




CITY OF LOVELAND, COLORADO



Mayor

ATTEST:



City Clerk

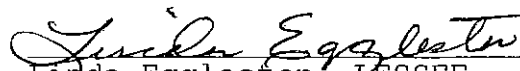
APPROVED AS TO FORM:



Assistant City Attorney



Robert Eggleston, LESSEE



Linda Eggleston, LESSEE

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

CITY OF FORT COLLINS, COLORADO

Paul H. V. [Signature]
Mayor

ATTEST:

Karla H. [Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney, Asst.

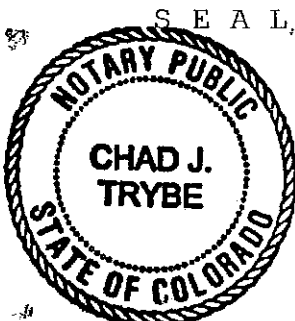
Robert Eggleston
Robert Eggleston, LESSEE

Linda Eggleston
Linda Eggleston, LESSEE

State of Colorado)
)
County of Larimer)

Subscribed and sworn to before me this 9th day of
AUGUST, 2004 by CHAD TRYBE

My commission expires 9-18-2007.



Chad J. Trybe Notary Public

My Commission Expires 09-18-2007

EXHIBIT

“A”

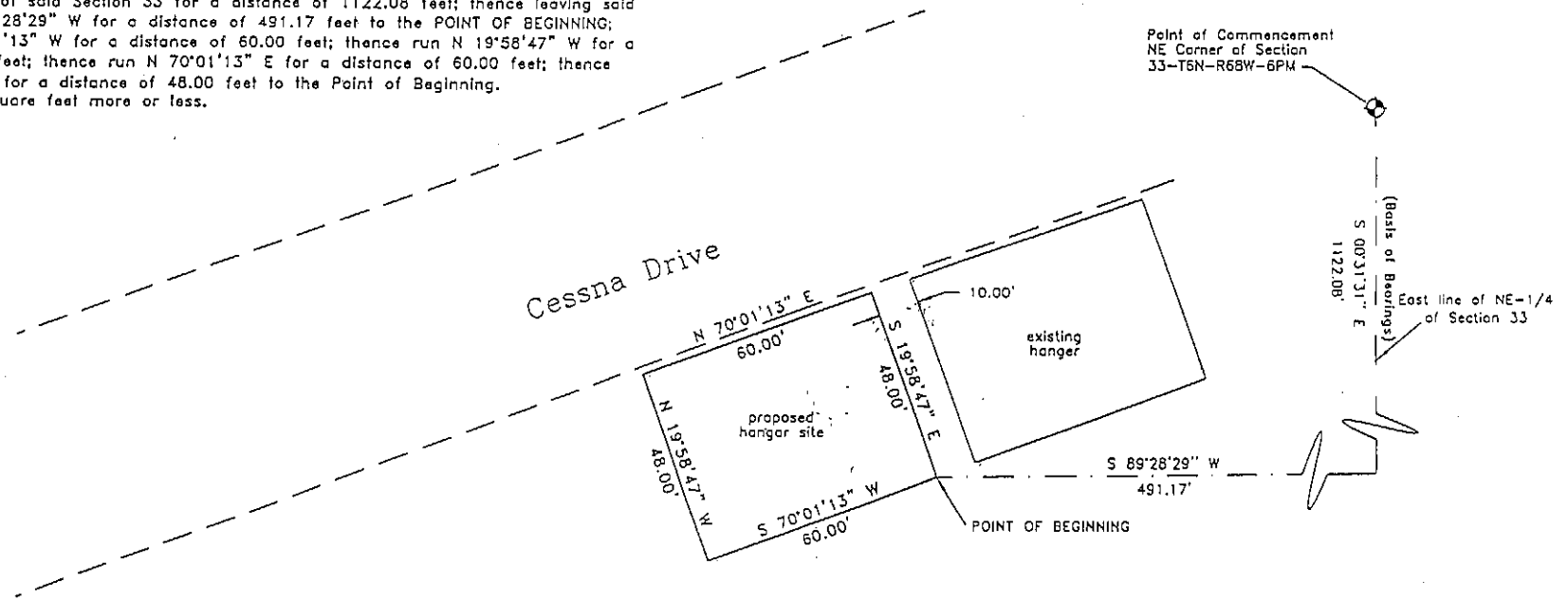
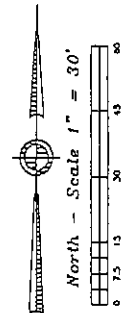
Description Exhibit

Proposed Hangar Site Description:

All that portion of the Northeast 1/4 of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado more particularly described as follows:

Considering the East line of the Northeast 1/4 of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado as bearing S 00°31'31" E and with all bearings contained herein relative thereto.

COMMENCE at the Northeast corner of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado; thence run S 00°31'31" E along the East line of the Northeast 1/4 of said Section 33 for a distance of 1122.08 feet; thence leaving said East line run S 89°28'29" W for a distance of 491.17 feet to the POINT OF BEGINNING; thence run S 70°01'13" W for a distance of 60.00 feet; thence run N 19°58'47" W for a distance of 48.00 feet; thence run N 70°01'13" E for a distance of 60.00 feet; thence run S 19°58'47" E for a distance of 48.00 feet to the Point of Beginning. Containing 2880 square feet more or less.



NOTE: This is not a monumented land survey.

NOTICE: According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

#	Date	Revisions	Field Survey	Prepared for:	Project#:
			8-15-02		98011.036b
			Party Chief	Fort Collins/Loveland Municipal Airport	
			TW		
			Computed by		
			JRM		
			Drawn by		
			JRM		
			Scale		
			1"=30'		

Frederick Land Surveying
1528 North Lincoln Avenue - Suite 2
Loveland, Colorado 80538
(970) 669-2100 - FAX (970) 669-3725

98011d36b

Proposed Hangar Site Description:

All that portion of the Northeast 1/4 of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado more particularly described as follows:

Considering the East line of the Northeast 1/4 of Section 33, Township 6 North, Range 68 West, of the 6th P.M., Larimer County, Colorado as bearing S 00°31'31" E and with all bearings contained herein relative thereto.

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EXHIBIT

“B”



NORTHERN COLORADO REGIONAL AIRPORT

4900 Earhart Rd • Loveland, Colorado 80538

(970) 962-2850 • FAX (970) 962-2855 • TDD (970) 962-2620

ITEM NUMBER: 8

MEETING DATE: May 16, 2024

PREPARED BY: Aaron Ehle, Airport Planning & Development Specialist

TITLE

PDSC Agenda

RECOMMENDED AIRPORT COMMISSION ACTION

Informational – The Airport Commission may make changes to the PDSC Agenda

BUDGET IMPACT

Neutral

SUMMARY

May 1st Meeting:

- The PDSC discussed potential changes and improvements to the Development Guide and Airport Land Use & Design Standards. Airport and City staff will work to bring updated drafts of these documents for the PDSC to review at their July meeting. This is related to a larger effort to improve and streamline the Airport's development review process and leasing policy.

Upcoming June 18th Meeting:

- The PDSC will review the responses to the request for expressions of interest (REOI) that was issued in April. The PDSC will review the responses for completeness but will not assign scores or ranks. However, they may offer comments or recommendations to the Airport Commission about potential next steps.

REOI information:

<https://www.flynoco.com/airport-development/bids-and-rfps/?swcfpc=1>

REOI Timeline

REOI Issue Date	April 18, 2024
Non-Mandatory Pre-Submittal Meeting	May 16, 2024
Questions Deadline	May 23, 2024
Final Addendum Posted	May 24, 2024
EOI Due Date	June 13, 2024
Planning & Development Subcommittee Review of EOIs	June 18, 2024
Airport Commission Review of EOIs	June 27, 2024



NORTHERN COLORADO REGIONAL AIRPORT

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

ITEM NUMBER: 9

MEETING DATE: May 16, 2024

PREPARED BY: Francis Robbins, Airport Operations & Maintenance Manager

TITLE

Proposed 5 -Year Airport Capital Improvement Plan

RECOMMENDED AIRPORT COMMISSION ACTION

Informational Item seeking commissioner feedback

BUDGET IMPACT

None- But will strongly influence future budgets

SUMMARY

The Capital Improvement Plan (CIP) is a critical planning tool that is used to identify and prioritize the Airport's projects for the next five (5) years. It is updated annually to keep current with project costs and the status of available resources.

In 2020, the Airport Commission and the City Councils approved an updated Airport Master Plan, which included the recommended capital projects and a 20-year financial plan for implementation.

The projects in this updated Capital Improvement Plan are primarily those that are listed in the 2020 Master Plan that are predominantly eligible for aviation related federal (FAA) and state funds. The CIP does not include all of the capital projects and equipment necessary for continued operations and maintenance of the Airport—particularly those that are not eligible for federal and state funding. The format of the CIP document is for communication with FAA and CDOT and local funded projects are added for clarity in discussion.

Due to the number of enplanements in 2023 and the Bi-Partisan Infrastructure Law, FNL expects to receive \$1.5 million of guaranteed funding in 2026. The CIP also includes large discretionary grant funded projects which are selected by the FAA through a competitive process focused on safety.

The Runway Widening Project is a major project planned to contract in the 2025 fiscal year for a total cost of \$14.9 million. Construction is expected to commence in the 2026

calendar year. This is an FAA supported project to satisfy related airfield design requirements for the Airport's type of critical design aircraft—the Airbus A320 and Boeing 737 series aircraft.

The second large project is the design and construction of a permanent Air Traffic Control (ATC) facility. The timeline on this project is set by the FAA Tower Operating Agreement as part of the Federal Contract Tower (FCT) Program. The Agreement places FAA funding for controllers contingent on FNL making specific milestones for adopting a permanent approved air traffic control facility. The FCT agreement establishes design for the permanent facility to start January 2026 and the construction start July 2026.

The budget number in the CIP, \$12,500,000, is for design and building a traditional ATC facility commonly sometimes called a Brick-and-Mortar tower. This is a conservative figure which could be funded with airport reserves, competitive Air Traffic Organization grants for just ATC Facilities, and if the governance structure is updated to an Airport Authority, potentially a State Infrastructure Bank loan can be used. A mixed funding source is recommended to meet this development goal.

A digital tower system is in the system design approval process with the FAA and is being considered in parallel with a traditional tower facility. If approval of the digital tower project by Collins progresses timely, its implementation cost could be significantly less and is being closely monitored by airport staff.

ATTACHMENTS

Presentation Slides

Draft 2024-2029 Capital Project Plan



AIRPORT CAPITAL IMPROVEMENT PLAN

FIVE-YEAR UPDATE

2025-2029

Airport Capital Improvement Plan (ACIP)

NORTHERN COLORADO
REGIONAL AIRPORT

- Updated capital plan derived from:
 - Airport Master Plan
 - FAA safety standards
 - Projected capacity demands for future aeronautical use
 - Existing conditions of airport assets including runways, taxiways, aprons, navigational aids, lighting, etc.
 - Aircraft demand
 - Engineering cost estimates
 - Current understanding of future FAA & CDOT funding
 - Regular meetings with FAA Airport District Office & CDOT Aeronautics Grant Managers



Pandemic Impacts to Grant Funding

- Airport grant funding derived from federal and state sources

- Federal Aviation Administration (NPIAS)

- Airport and Airway Trust Fund
 - Funded through aviation related excise taxes on passengers, cargo, and fuel
- Airport Improvement Program (AIP)
 - Traditional airport funding source and has been funded at a static \$3.35 billion level for 23 years
- Bipartisan Infrastructure Law (BIL)
 - Provides \$20 billion over 5 years to airports for high priority projects

- Colorado

- Department of Transportation Division of Aeronautics Aviation Grant Program
 - Funded through aviation fuel tax revenues and disbursement (2.9% sales tax on fuel)
 - Recent fuel pricing has significantly driven the fuel tax



- National Plan of Integrated Airport Systems
 - Released September 30, 2022
 - Shares funding needs for federally eligible projects over next 5 years
 - Approximately 3,300 airports included in the plan
 - Focus is safety & capacity planning
 - Updated every other year
 - Report shows \$27,491,229 in estimated funding need for FNL
 - Increase of \$10 million from previous NPIAS
 - Ranked 9th in Colorado
 - Updated Airport Role: Regional to National



<https://www.faa.gov/sites/faa.gov/files/npias-2023-2027-narrative.pdf>



NPIAS Federal Funding Development Estimate 2024-2028

NORTHERN COLORADO
REGIONAL AIRPORT

State	City	Airport	LocID	Owner- ship	Svc Lvl (FY23)	Hub (FY23)	Role (FY23)	Enplaned (CY21)	Based Aircraft (CY21)	Development Estimate 2023-2027
CO	Denver	Denver International	DEN	PU	P	L		28,645,527	1	\$1,011,007,241
CO	Colorado Springs	City of Colorado Springs Municipal	COS	PU	P	S		941,917	227	\$120,785,546
CO	Grand Junction	Grand Junction Regional	GJT	PU	P	N		252,290	126	\$88,560,620
CO	Denver	Centennial	APA	PU	R		National	496	747	\$44,816,668
CO	Durango	Durango-La Plata County	DRO	PU	P	N		200,245	68	\$44,815,268
CO	Eagle	Eagle County Regional	EGE	PU	P	N		201,752	89	\$43,154,413
CO	Montrose	Montrose Regional	MTJ	PU	P	N		188,355	81	\$28,484,708
CO	Aspen	Aspen-Pitkin County/Sardy Field	ASE	PU	P	N		248,781	95	\$27,626,405
CO	Fort Collins/Loveland	Northern Colorado Regional	FNL	PU	CS		National	5,248	244	\$27,491,229
CO	Pueblo	Pueblo Memorial	PUB	PU	CS		Regional	9,624	120	\$26,031,580
CO	Hayden	Yampa Valley	HDN	PU	P	N		150,142	9	\$18,756,112
CO	Pagosa Springs	Stevens Field	PSO	PU	GA		Local	2	37	\$10,222,222
CO	Greeley	Greeley-Weld County	GXY	PU	GA		Regional	0	146	\$9,695,693
CO	Akron	Colorado Plains Regional	AKO	PU	GA		Basic	0	7	\$9,061,111
CO	Gunnison	Gunnison-Crested Butte Regional	GUC	PU	P	N		38,783	30	\$8,688,889
CO	Denver	Rocky Mountain Metro	BJC	PU	R		National	670	471	\$7,957,000
CO	Denver	Colorado Air and Space Port	CFO	PU	R		Regional	0	282	\$7,730,410

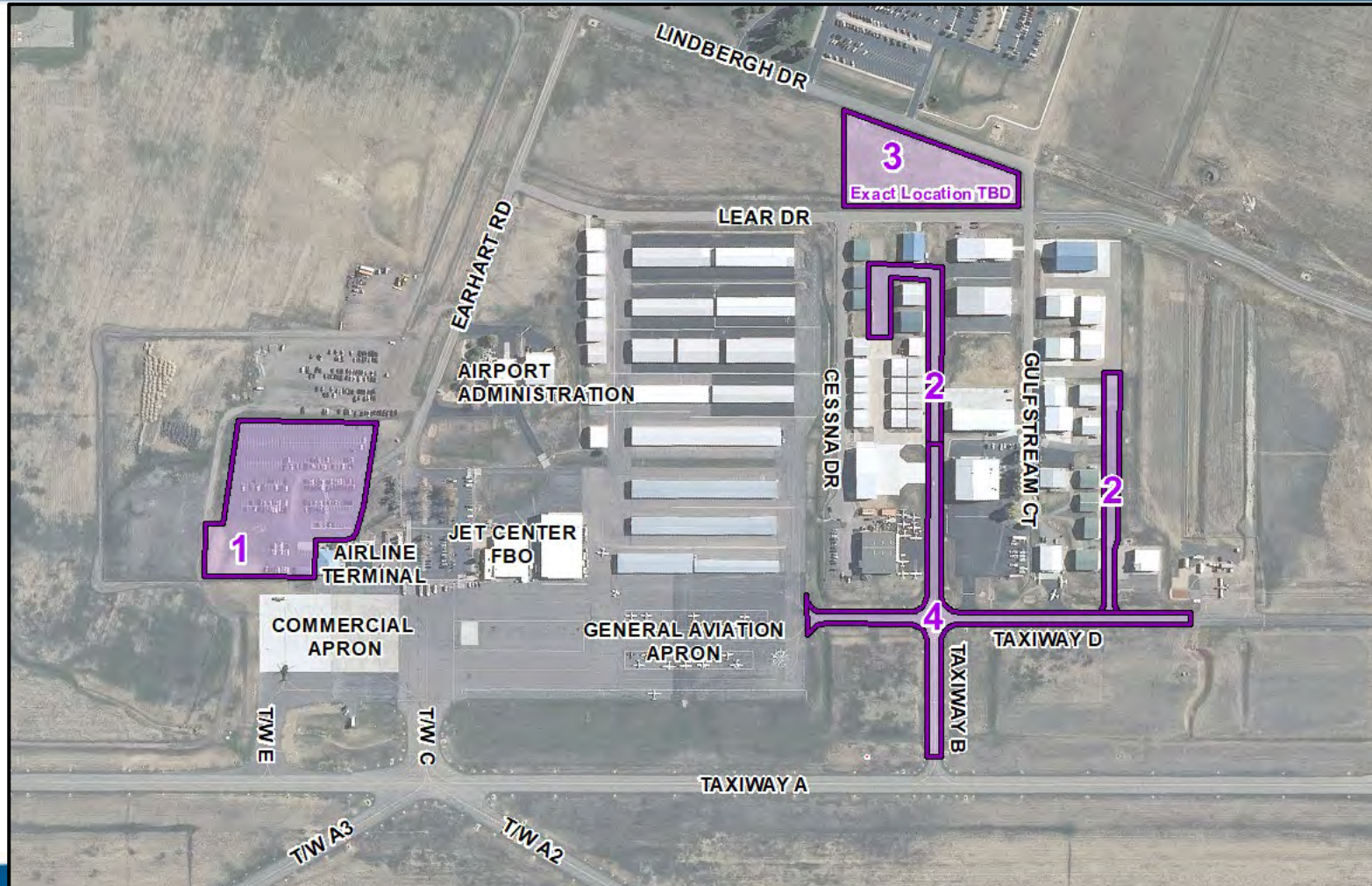
Proposed 2024-2029 ACIP Highlights



- **Aligned with recommended ACIP in Airport Master Plan**
 - Updated cost figures using financial analysis from Master Plan and estimates from Consultant Dibble Engineering
 - Total five-year capital investment - \$45.7 million
 - \$19.4 million federal eligible funding
 - \$16.2 million AIP
 - \$5.6 million of federal special funding (BIL)
 - \$24 million local funding
 - \$1.6 million state funding
 - Two major projects - runway widening & rehabilitation and air traffic control facility construction
 - Runway Widening Project 2023-2025: \$14.9 million
 - New high efficiency LED lighting system
 - Air Traffic Control Facility 2026-2027: \$12.5 million
 - Replacing the temporary facility currently in use

2024 ACIP Projects

NORTHERN COLORADO
REGIONAL AIRPORT



2024

- 1 New Terminal Construction (BIL 2024)**
 - Cost: \$1,766,666 (\$21,963,135 Total)
 - Funding Sources: FAA BIL, State, Local
- 2 GA Taxilanes Upgrades**
 - Cost: \$600,000
 - Funding Sources: Local
- 3 Fuel Farm Capacity Expansion Siting Study**
 - Cost: \$72,628
 - Funding Sources: Local
- 4 Taxiway B & D Reconstruct**
 - Cost: \$833,332
 - Funding Sources: FAA AIP, State, Local

2025 ACIP Projects

NORTHERN COLORADO
REGIONAL AIRPORT

2025

1

Runway 15-33 Widening Construction

- Cost: \$15,591,404
- Funding Sources: FAA AIP & BIL, State, Local

2

Taxiway D/A1 Realignment

- Cost: \$1,590,000
- Funding Sources: Local

3

Fuel Farm Capacity Expansion Construction

- Cost: \$800,000
- Funding Sources: Local



2026 ACIP Projects

NORTHERN COLORADO
REGIONAL AIRPORT



2026

1

Taxiway A Rehab, Lighting & Signage Design

- Cost: \$300,000
- Funding Sources: Local

2

Air Traffic Control Facility Design & Construction

- Cost: \$12,500,000
- Funding Sources: Local

3

General Aviation Apron & Taxiways Sealcoat and Restripe

- Cost: \$500,000
- Funding Sources: State, Local

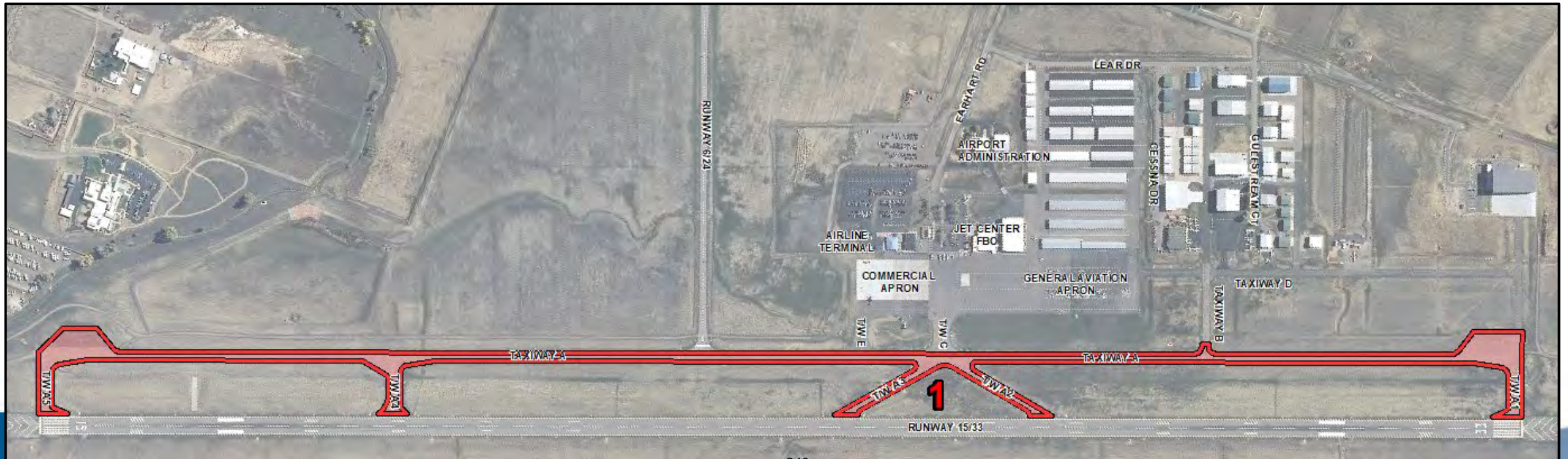
2027 ACIP Projects

2027

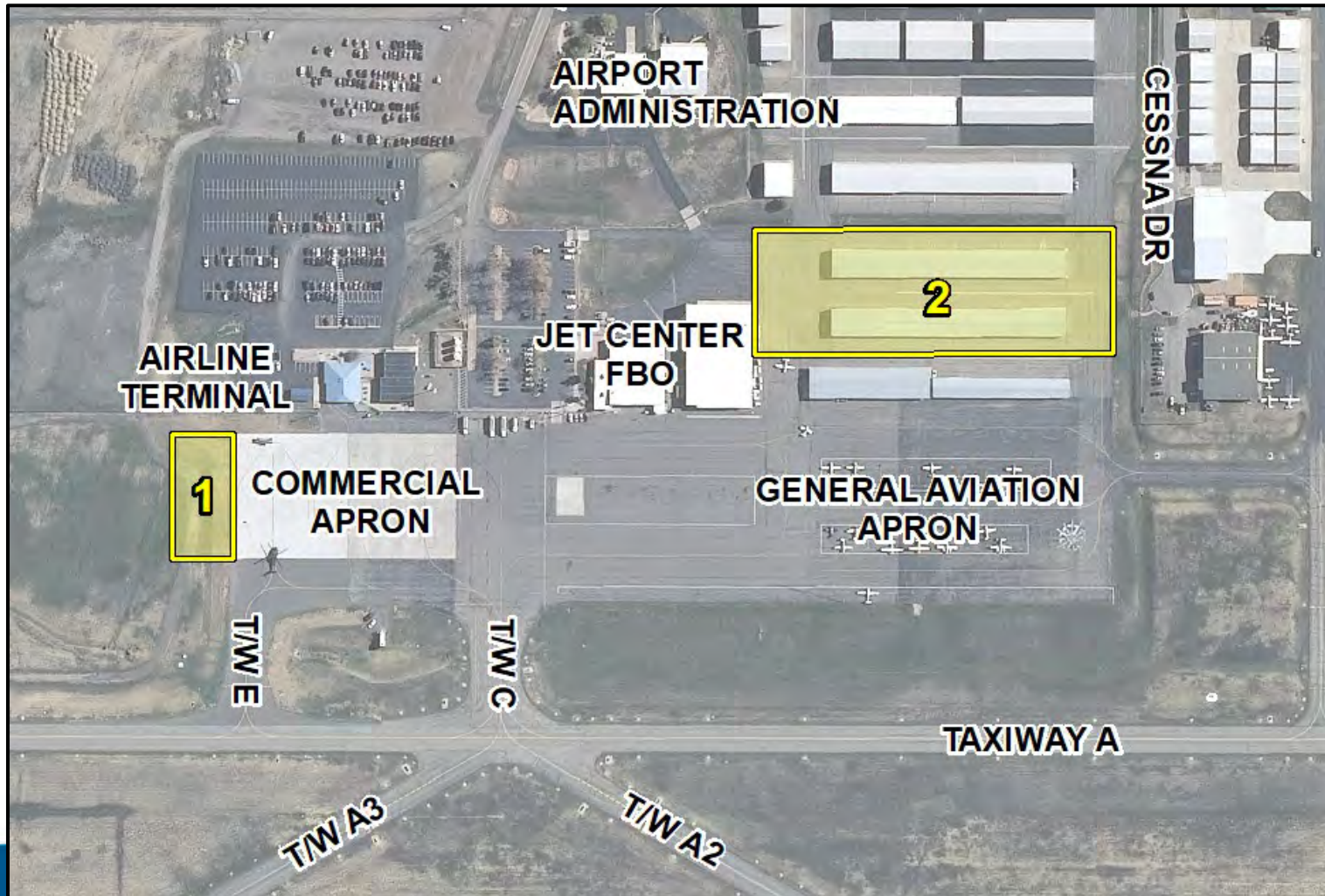
1

Taxiway A Rehab, Lighting, & Signage Construction

- Cost: \$1,421,210
- Funding Sources: FAA AIP, State, Local,



2028 ACIP Projects



2028

1

Construct Deice Pad for Commercial Ramp

- Cost: \$1,621,000
- Funding Sources: FAA AIP, CDOT, Local

2

Remove T-hangars & Construct Business Facilities (C-Hangars)

- Cost: \$5,500,000
- Funding Sources: Local

2029 ACIP Projects



2029

1

Terminal Loop Road Expansion Design and Construction

- Cost: \$2,021,000
- Funding Sources: FAA AIP, State, Local

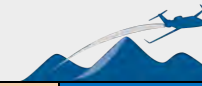
Snow Removal Equipment Snow Blower

- Cost: \$600,000
- Funding Sources: FAA AIP, State, Local

Recommendation & Next Steps

- Staff recommends identifying more clearly the funding for ATC control tower and prioritizing planning of that improvement.
 - Staff will request project funding from FAA & State resources
- Second review in August Commission Meeting
- FAA & CDOT review in September
- Commission final version for adoption in October
- ACIP is due to be uploaded into the CDOT systems by October 31

2024-2029 Proposed Airport 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	Airport Master Plan Capital Project Description Reference	
Funding Programming Method	Formulary \$150K - \$1.3M <10K - >10K Enplanements	Discretionary	Formulary	Formulary	Discretionary	Formulary for FAA Grant Matches & Remainder Discretionary	Formulary	Discretionary		
Grant Match Requirement	90/10	90/10	N/A	90/10	95/5	80/20	N/A	N/A		
Current Year 2024										
New Terminal Construction (BIL 2024)				\$ 1,590,000		\$ 88,333	\$ 88,333		A6	\$ 1,766,666
GA Taxi lanes Upgrades								\$ 600,000	A4	\$ 600,000
Fuel Farm Capacity Expansion Siting Study								\$ 72,628	B1	\$ 72,628
Taxiway B & D Reconstruct	\$ 750,000					\$ 41,666	\$ 41,666		A8/B5	\$ 833,332
Totals 2024	\$ 750,000			\$ 1,590,000		\$ 129,999	\$ 129,999	\$ 672,628		\$ 3,272,626
PFC Revenues										
Funding Balance Remainaig	\$ -			\$ 725,765						
2025										
Runway 15-33 Widening Construction	\$ 150,000	\$ 12,469,475		\$ 1,569,765		\$ 250,000	\$ 1,152,164		A13	\$ 15,591,404
Taxiway D/A1 Realignment								\$ 1,590,000	A8	\$ 1,590,000
New Terminal Automobile Parking Improvements					\$ 2,500,000				B6	\$ 2,500,000
Fuel Farm Capacity Expansion Construction								\$ 800,000	B1	\$ 800,000
Totals 2025	\$ 150,000	\$ 12,469,475		\$ 1,569,765	\$ 2,500,000	\$ 250,000	\$ 1,152,164	\$ 2,390,000		\$ 17,981,404
PFC Revenues										
Funding Balance Remainaig										
2026										
Taxiway A Rehab, Lighting & Signage Design								\$ 300,000	A11	\$ 300,000
Air Traffic Control Facility Design & Construction								\$ 12,500,000	B9	\$ 12,500,000
General Aviation Apron & Taxiways Sealcoat and Restripe						\$ 400,000	\$ 100,000		A10	\$ 500,000
Totals 2026	\$ -					\$ 400,000	\$ 100,000	\$ 12,800,000		\$ 13,300,000
PFC Revenues										
Funding Balance Remainaig	\$ 150,000									
2027										
Taxiway A Rehab, Lighting & Signage Construction	\$ 300,000					\$ 500,000	\$ 621,210		A13	\$ 1,421,210
Totals 2027	\$ 300,000					\$ 500,000	\$ 621,210	\$ -		\$ 1,421,210
PFC Revenues										
Funding Balance Remainaig	\$ -									
2028										
Construct Deice Pad for Commercial Ramp	\$ 1,300,000					\$ 250,000	\$ 71,000		B7	\$ 1,621,000
Remove T-hangars & Construct Business Facilities (C-Hangars)								\$ 5,500,000	B13	\$ 5,500,000
Totals 2028	\$ 1,300,000					\$ 250,000	\$ 71,000	\$ 5,500,000		\$ 7,121,000
PFC Revenues										
Funding Balance Remainaig	\$ -									
2029										
Terminal Loop Road Expansion Design and Construction	\$ 1,300,000					\$ 100,000	\$ 621,210		B16	\$ 2,021,210
Snow Removal Equipment Snow Blower	\$ 500,000					\$ 50,000	\$ 50,000		B18	\$ 600,000
Totals 2029	\$ 1,300,000					\$ 100,000	\$ 621,210	\$ -		\$ 2,621,210
PFC Revenues										
Funding Balance Remainaig	\$ -									
Totals 2024-2028	\$ 3,800,000	\$ 12,469,475	\$ -	\$ 3,159,765	\$ 2,500,000	\$ 1,629,999	\$ 2,695,583	\$ 21,362,628		\$ 45,717,450