

FAA03WKR

TYPE OF RECORD: PERMANENT

CATEGORY OF RECORD: **CONTRACT**

NAME OF CONTRACTOR: THE UNITED STATES OF AMERICA ACTING
THROUGH THE FEDERAL AVIATION ADMINISTRATION - PROJECT# 3-
08-0027-27

SUBJECT/PROJECT: TO EXPAND AIR CARRIER AIRCRAFT-
PARKING APRON (SOUTHEAST) (4,300 sy +/-), SECURITY
ENHANCEMENTS AND MODIFY/IMPROVE - #3-08-0027-27

CITY DEPARTMENT: ADMINISTRATION

YEAR: 2003

EXPIRATION DATE: PERMANENT

DESTRUCTION DATE: NONE

GRANT AGREEMENT

Federal Aviation
Administration

Part I - Offer

Date of Offer: August 14, 2003
Airport: Walker Field
Project Number: 3-08-0027-27
Contract Number: DOT-FA03NM-1109

To: City of Grand Junction, the County of Mesa and the Walker Field, Colorado, Public Airport Authority (herein called the "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 April 1, 2003, for a grant of Federal funds for a project at or associated with Walker Field, which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

Whereas, the FAA has approved a project for the Airport (herein called the "Project") consisting of the following:

Expand air carrier aircraft-parking apron (southeast)(4,300 sy +/-), security enhancements and modify/improve Landing View Lane (relocate water line - design only),

all as more particularly described in the Project Application.

Now therefore, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, herein called "the Act", and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 90.00 per centum thereof.

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

CONDITIONS

1. The maximum obligation of the United States payable under this offer shall be \$1,365,000. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act, the following amounts are being specified for this purpose:

\$-0-for planning
\$1,365,000 for airport development and noise program implementation
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. 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.
4. The Sponsor shall carry out and complete the Project without undue delay and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.
5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. This offer shall expire and the United States shall 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 September 10, 2003, or such subsequent date as may be prescribed in writing by the FAA.
7. The Sponsor shall 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 in 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 disbursed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgement, to the Secretary. It shall 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 shall be approved in advance by the Secretary.

8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

Special Conditions

9. The Sponsor will carry out the project in accordance with policies, standards, and specifications approved by the Secretary including but not limited to the advisory circulars listed in the "Current FAA Advisory Circulars for AIP Projects," dated July 1, 1999, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.
10. Unless otherwise approved by the FAA, it will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this special condition.
11. In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
 - a. may not be increased for a planning project;
 - b. may be increased by not more than 15 percent for development projects;
 - c. may be increased by not more than 15 percent for land projects.
12. It is mutually understood and agreed that 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 \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the project, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.
13. The Sponsor agrees to request cash drawdowns on the letter of credit only when actually needed for its disbursements and to timely reporting of such disbursements as required. It is understood that failure to adhere to this provision may cause the letter of credit to be revoked.
14. It is understood and agreed by and between the parties hereto that this Grant Offer is made and accepted upon the basis of preliminary plans and specifications for the water line relocation; and the parties agree that by January 1, 2004, the Sponsor shall furnish final plans and specifications to the FAA, that no construction work will be commenced hereunder, and that no contract will be awarded for the accomplishment of such work until the said final plans and specifications have been approved, or certification accepted, by the FAA; and the parties do

- further agree that any reference made in this Grant Offer or in the aforesaid Application to plans and specifications shall be considered as having reference to said final plans and specifications as approved.
15. The FAA in tendering this Grant Offer on behalf of the United States recognizes the existence of a Co-Sponsorship Agreement between the Walker Field, Colorado, Public Airport Authority, the City of Grand Junction, Colorado and the County of Mesa, Colorado. By acceptance of the Grant Offer, said parties assume their respective obligations as set forth in said Co-Sponsorship Agreement. It is understood and agreed that said Agreement will not be amended, modified, or terminated without prior written approval of the FAA.
16. The Sponsor agrees to perform the following:
- a. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:
 - (1) The name of the person representing the sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
 - (2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided.
 - (3) Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation, referenced in the contract specifications (D 3666, C 1077).
 - (4) Qualifications of engineering supervision and construction inspection personnel.
 - (5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.
 - (6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, that the proper corrective actions, where necessary, are undertaken.
 - b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and reasons for accepting any out-of-tolerance material.
 - c. Failure to provide a complete report as described in paragraph (a), or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.

- d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that Sponsor test results are inaccurate.

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, as provided by the Act, 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 assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

United States of America
Federal Aviation Administration

Craig Sparks
Manager, Denver Airports District Office

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 terms and conditions in this Offer and in the Project Application.

Executed this 22nd day of August, 2003.

CITY OF GRAND JUNCTION, COLORADO



Manita Peterson
Deputy City Clerk

By: [Signature]
Sponsor's Designated Official Representative
Title: City Manager

Certificate of Sponsor's Attorney

I, Jim P. Shana, 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 relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. 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.

Dated at GRAND JUNCTION this 22ND day of AUGUST, 2003.
CO

[Signature]
Signature of Sponsor's Attorney

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 terms and conditions in this Offer and in the Project Application.

Executed this 25th day of August, 2003.



Janice Yeard
Title: Mesa County Clerk and Recorder

COUNTY OF MESA, COLORADO

By: James R. Baughman
Sponsor's Designated Official Representative
Title: Chairman, Board of Mesa County Commissioners

Certificate of Sponsor's Attorney

I, Valerie J. Robison, 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 relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. 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.

Dated at Grand Junction, CO this 25th day of August, 2003.

Valerie J. Robison
Signature of Sponsor's Attorney

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 terms and conditions in this Offer and in the Project Application.

Executed this 19th day of August, 2003.

WALKER FIELD, COLORADO, PUBLIC AIRPORT
AUTHORITY

(SEAL)

Attest:

Title:

[Signature]
Clerk to the Board

By:

[Signature]
Sponsor's Designated Official Representative

Title:

Chairman

Certificate of Sponsor's Attorney

I, MICHAEL J. GRATTAN III, 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 relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. 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.

Dated at GRAND Junction, CO this 26th day of August, 2003

[Signature]
Signature of Sponsor's Attorney

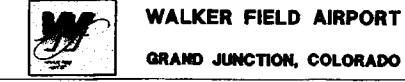
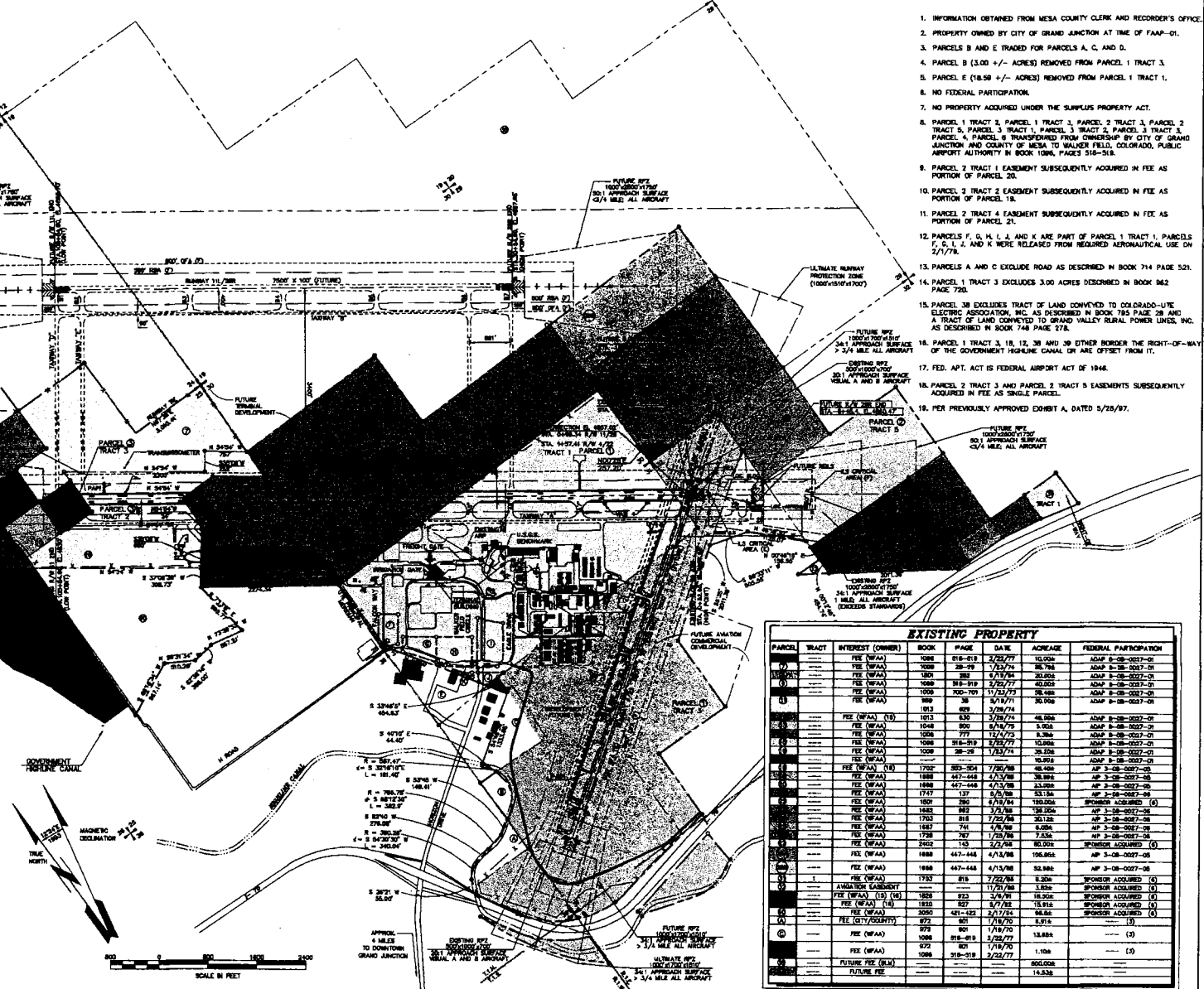
- LEGEND**
- DOTTED DEVELOPMENT
 - DASHED DEVELOPMENT
 - DOTTED PROPERTY LINE
 - DASHED PROPERTY LINE
 - INTERIOR PARCEL BOUNDARY
 - BUILDING RESTRICTION LINE (BRL)
 - HIGHLINE CANAL
 - R.P.Z.
 - POWER LINES
 - EXISTING FENCE
 - RELEASED FOR AERONAUTICAL USE
 - SEGMENTED CIRCLE AND WINDROSE
 - QUARTER-SECTION CORNERS
 - PARCEL NUMBER
 - AIRPORT REFERENCE POINT (ARP)
 - SECTION CORNER
 - EXISTING BUILDING
 - ▨ FUTURE BUILDING

1. INFORMATION OBTAINED FROM MESA COUNTY CLERK AND RECORDER'S OFFICE.
2. PROPERTY OWNED BY CITY OF GRAND JUNCTION AT TIME OF FAAP-01.
3. PARCELS B AND E TRADED FOR PARCELS A, C, AND D.
4. PARCEL B (3.00 +/- ACRES) REMOVED FROM PARCEL 1 TRACT 3.
5. PARCEL E (18.98 +/- ACRES) REMOVED FROM PARCEL 1 TRACT 1.
6. NO FEDERAL PARTICIPATION.
7. NO PROPERTY ACQUIRED UNDER THE SURPLUS PROPERTY ACT.
8. PARCEL 1 TRACT 2, PARCEL 1 TRACT 3, PARCEL 2 TRACT 3, PARCEL 2 TRACT 5, PARCEL 3, PARCEL 3 TRACT 1, PARCEL 3 TRACT 2, PARCEL 3 TRACT 3, PARCEL 4, PARCEL 5 TRANSFERRED FROM OWNERSHIP BY CITY OF GRAND JUNCTION AND COUNTY OF MESA TO WALKER FIELD, COLORADO, PUBLIC AIRPORT AUTHORITY IN BOOK 1096, PAGES 516-518.
9. PARCEL 2 TRACT 1 EASEMENT SUBSEQUENTLY ACQUIRED IN FEE AS PORTION OF PARCEL 20.
10. PARCEL 2 TRACT 2 EASEMENT SUBSEQUENTLY ACQUIRED IN FEE AS PORTION OF PARCEL 18.
11. PARCEL 2 TRACT 3 EASEMENT SUBSEQUENTLY ACQUIRED IN FEE AS PORTION OF PARCEL 21.
12. PARCELS F, G, H, I, J, AND K ARE PART OF PARCEL 1 TRACT 1, PARCELS F, G, I, J, AND K WERE RELEASED FROM REQUIRED AERONAUTICAL USE ON 7/7/78.
13. PARCELS A AND C EXCLUDE ROAD AS DESCRIBED IN BOOK 714 PAGE 521.
14. PARCEL 1 TRACT 3 EXCLUDES 3.00 ACRES DESCRIBED IN BOOK 962 PAGE 700.
15. PARCEL 38 EXCLUDES TRACT OF LAND CONVEYED TO COLORADO-LITE ELECTRIC ASSOCIATION, INC. AS DESCRIBED IN BOOK 785 PAGE 28 AND A TRACT OF LAND CONVEYED TO GRAND VALLEY RURAL POWER LINES, INC. AS DESCRIBED IN BOOK 748 PAGE 278.
16. PARCEL 1 TRACT 3, 18, 12, 38 AND 39 EITHER BORDER THE RIGHT-OF-WAY OF THE GOVERNMENT HIGHLINE CANAL OR ARE OFFSET FROM IT.
17. FED. APT. ACT IS FEDERAL AIRPORT ACT OF 1948.
18. PARCEL 2 TRACT 3 AND PARCEL 3 TRACT 3 EASEMENTS SUBSEQUENTLY ACQUIRED IN FEE AS SINGLE PARCEL.
19. PER PREVIOUSLY APPROVED EXHIBIT A, DATED 5/25/97.

GENERAL NOTE:
 WALKER ASSOCIATES HAS NOT RETURNED TO PROVIDE A BOUNDARY SURVEY, BUT UTILIZED LEGAL JUDGMENTS OBTAINED FROM MESA COUNTY, COLORADO. THE BEARINGS AND DISTANCES SHOWN ARE FROM THESE LEGAL DOCUMENTS AND ARE FOR INFORMATION PURPOSES ONLY.

PARCEL	TRACT	INTEREST (OWNER)	BOOK	PAGE	DATE	ACREAGE	FEDERAL PARTICIPATION
①	1	FEE (W/AA)	1098	19	3/28/77	231.024	FED. APT. ACT SEC. 18 (1)
			458	8	8/18/71		
			389	400-483	1/17/71	112.086	
②	2	FEE (W/AA)	375	354	10/21/78		
			388	143	8/18/70		
			388	78	3/7/70		
			313	336	8/21/70	915.000	
			367	80	5/9/78		
③	3	FEE (W/AA)	318	48	8/14/78		
			373	140	7/18/78		
			389	483-483	8/17/71		
			1098	218-218	2/25/77	18.894	9-08-004-8808
						1.748	9-08-004-8808
④	3	FEE (W/AA) (U)	1098	318-318	3/28/77	23.346	9-08-004-8808
						1.071	9-08-004-8808
⑤	4	EASEMENT (U)	1098	318-318	3/28/77	48.409	9-08-004-8808
						27.864	9-08-004-8808
⑥	1	FEE (W/AA)	1098	318-318	3/28/77	27.864	9-08-004-8808
						112.886	9-08-004-8808
⑦	2	FEE (W/AA)	1098	318-318	3/28/77	10.026	9-08-004-8808
						2.184	9-08-004-8808
⑧	3	FEE (W/AA)	1098	318-318	3/28/77	1.084	9-08-004-8808
						1.084	9-08-004-8808

PARCEL	TRACT	INTEREST (OWNER)	BOOK	PAGE	DATE	ACREAGE	FEDERAL PARTICIPATION
①	1	FEE (W/AA)	1098	618-618	3/28/77	10.026	ADAP 9-08-0027-01
			1098	28-28	7/27/74	36.785	ADAP 9-08-0027-01
②	1	FEE (W/AA)	1901	381	9/17/74	9.17784	ADAP 9-08-0027-01
			1098	918-918	3/28/77	30.028	ADAP 9-08-0027-01
③	1	FEE (W/AA)	1098	702-702	11/23/73	38.948	ADAP 9-08-0027-01
			989	38	8/18/71	30.768	ADAP 9-08-0027-01
④	1	FEE (W/AA) (U)	913	878	3/28/74	18.804	ADAP 9-08-0027-01
			1013	830	3/28/74	5.008	ADAP 9-08-0027-01
⑤	1	FEE (W/AA)	1048	800	8/18/75	3.005	ADAP 9-08-0027-01
			1098	777	12/7/73	8.366	ADAP 9-08-0027-01
⑥	1	FEE (W/AA)	1098	918-918	3/28/77	30.028	ADAP 9-08-0027-01
			1098	28-28	7/27/74	36.785	ADAP 9-08-0027-01
⑦	1	FEE (W/AA) (U)	1702	283-283	7/28/78	16.972	ADAP 9-08-0027-01
			1888	447-448	4/13/78	38.984	AP 3-08-0027-08
⑧	1	FEE (W/AA)	1888	447-448	4/13/78	38.984	AP 3-08-0027-08
			1747	137	8/2/78	23.398	AP 3-08-0027-08
⑨	1	FEE (W/AA)	1901	381	8/18/74	9.17784	SPONSOR ACQUIRED (S)
			1482	823	3/7/78	158.254	AP 3-08-0027-08
⑩	1	FEE (W/AA)	1703	818	7/28/78	28.128	AP 3-08-0027-08
			1887	741	4/6/78	8.058	AP 3-08-0027-08
⑪	1	FEE (W/AA)	1728	787	1/23/78	17.838	AP 3-08-0027-08
			2402	143	5/2/78	80.024	SPONSOR ACQUIRED (S)
⑫	1	FEE (W/AA)	1888	447-448	4/13/78	38.984	AP 3-08-0027-08
			1920	818	7/27/78	8.208	SPONSOR ACQUIRED (S)
⑬	1	ANNUAL EASEMENT			11/27/78	17.838	SPONSOR ACQUIRED (S)
						18.504	SPONSOR ACQUIRED (S)
⑭	1	FEE (W/AA) (U) (S)	1828	923	3/6/78	18.504	SPONSOR ACQUIRED (S)
			1833	927	8/7/78	15.918	SPONSOR ACQUIRED (S)
⑮	1	FEE (W/AA) (U)	2050	481-483	2/17/81	65.862	SPONSOR ACQUIRED (S)
			872	801	1/8/70	3.916	(S)
⑯	1	FEE (W/AA)	907	1/8/70			
			1098	618-618	3/28/77	13.884	(S)
⑰	1	FEE (W/AA)	972	801	1/8/70	1.104	(S)
			1098	318-318	3/28/77	80.026	
⑱	1	FUTURE FEE (B/L)				80.026	
						14.538	



REV. NO.	DATE	DESCRIPTION	APP.
1-20-03		REVISION FOR AIP - 27	G.E.M.
6-6-02		REVISION FOR AIP - 28	G.E.M.
3-6-02		REVISION FOR AIP - 24	G.E.M.
2-21-02		REVISION FOR AIP - 23	G.E.M.

DES. D.F.N.
 DR. T.A.R.
 CH. G.E.M.
 APP. H.G.I.

EXHIBIT "A"
 TO ACCOMPANY
 AIP PROJECT NO. 3-08-0027-27

DATE APRIL 1999 SHEET 1 OF 1

SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

This Supplemental Co-Sponsorship Agreement is entered into and effective this 20th day of August, 2003, by and between the Walker Field, Colorado, Public Airport Authority ("Airport Authority"), and the City of Grand Junction ("City").

RECITALS

A. The Airport Authority is a political subdivision of the State of Colorado, organized pursuant to Section 41-3-101 et seq., C.R.S. The Airport Authority is a separate and distinct entity from the City.

B. The Airport Authority is the owner and operator of the Walker Field Airport, located in Grand Junction, Colorado ("Airport").

C. Pursuant to the Title 49, U.S.C., Subtitle VII, Part B, as amended, the Airport Authority has applied for monies from the Federal Aviation Administration ("FAA"), for the construction of certain improvements upon the Airport, pursuant to the terms, plans and specifications set forth in AIP Grant Application No. 3-08-0027-27 and 3-08-0027-28 ("Projects").

D. The FAA is willing to provide approximately \$1,935,000 toward the estimated costs of the Projects, provided the City of Grand Junction and Mesa County execute the Grant Agreements as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreements as co-sponsors for two primary reasons. First, the City and County have taxing authority, whereas the Airport Authority does not; accordingly, the FAA is insisting that the City and County execute the Grant Agreements so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreements, should the Airport Authority not be able to satisfy said financial commitments out of the net revenues generated by the operation of the Airport. In addition, the City and County have jurisdiction over the zoning and land use regulations of the real property surrounding the authority. By their execution of the Grant Agreements, the City and County would be warranting Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory to the FAA that the proposed improvements are consistent with the Growth Plan and Zoning and Development Code for the development of the area surrounding the Airport, and that they will take appropriate actions, including the adoption of zoning laws, to restrict the use of land surrounding the Airport to activities and purposes compatible with normal Airport operations.

E. The City is willing to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the City and Airport Authority.

Therefore, in consideration of the above Recitals and the mutual promises and representations set forth below, the City and Airport Authority hereby agree as follows:

AGREEMENT

1. By its execution of this Agreement, the City hereby agrees to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request.

2. In consideration of the City's execution of the Grant Agreements, as co-sponsor, the Airport Authority hereby agrees to hold the City, its officers, employees, and agents, harmless from, and to indemnify the City, its officers, employees, and agents for:

(a) Any and all claims, lawsuits, damages, or liabilities, including reasonable attorney's fees and court costs, which at any time may be or are stated, asserted, or made against the City, its officers, employees, or agents, by the FAA or any other third party whomsoever, in any way arising out of, or related under the Grant Agreements, or the prosecution of the Projects contemplated by the Grant Agreements, regardless of whether said claims are frivolous or groundless, other than claims related to the City's covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the City has regulatory jurisdiction, to activities and purposes compatible with normal Airport operations, set forth in paragraph 21 of the Assurances incorporated by reference into the Grant Agreements ("Assurances"); and

(b) The failure of the Airport Authority, or any of the Airport Authority's officers, agents, employees, or contractors, to comply in any respect with any of the requirements, obligations or duties imposed on the Sponsor by the Grant Agreements, or reasonably related to or inferred there from, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the City's responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.

3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreements, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, in recognition of the fact that the Airport Authority does not have the power to effect the zoning and land use regulations required by said paragraph.

4. By its execution of this Agreement and the Grant Agreements, the City agrees to comply with the zoning and land use requirements of paragraph 21 of the Assurances, with respect to all lands surrounding the Airport that are subject to the City's regulatory jurisdiction. The City also hereby warrants and represents that, in accordance with paragraph 6 of the Assurances, the Projects contemplated by the Grant Agreements are consistent with the Growth Plan and Zoning and Development Code of the City for the development of the area surrounding the Airport.

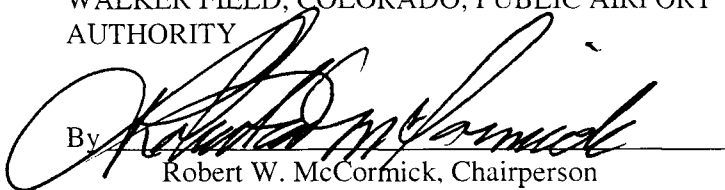
5. The parties hereby warrant and represent that, by the City's execution of the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, the City is not a co-owner, agent, partner, joint venturer, or representative of the Airport Authority in the ownership, management or administration of the Airport, and the Airport Authority is, and remains, the sole owner of the Airport, and solely responsible for the operation and management of the Airport.

6. By its execution of this Agreement, the Airport Authority hereby agrees that if the property interest it will acquire in Parcel 37 (as shown on the property map attached as Exhibit "A" to the Grant Agreement for Project Number 3-08-0027-28) is less than fee title, the use of funds from the applicable Grant Agreement for the acquisition of Parcel 37 will be contingent upon the issuance of written approval from the City. Airport Authority also agrees that the Warranty Deed or other instrument of conveyance for Parcel 37 shall specifically name the Airport Authority as the sole Grantee of the applicable property interest.

Done and entered into on the date first set forth above.

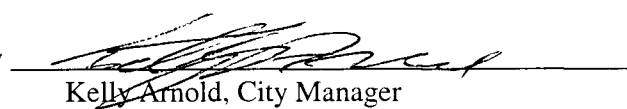
WALKER FIELD, COLORADO, PUBLIC AIRPORT
AUTHORITY

By


Robert W. McCormick, Chairperson

CITY OF GRAND JUNCTION

By


Kelly Arnold, City Manager



TO: Steph

FROM: Eddie F. Storer *EFS*
Consultant

DATE: September 15, 2003

RE: Exhibit A

Via Fax: 244-1599

Enclosed please find an Exhibit "A" document you requested on Friday, September 12, 2003 concerning the land purchase project, at the Walker Field Airport.

If you need anything else, please let me know. I can be reached at 244-9100 or by fax at 241-9103.