

FAA08ARR

TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	CONTRACT (GRANT AGREEMENT AND CO-SPONSORSHIP AGREEMENT)
NAME OF CONTRACTOR:	FEDERAL AVIATION ADMINISTRATION "FAA"
SUBJECT/PROJECT:	GRAND JUNCTION REGIONAL AIRPORT PROJECT REHABILITATE RUNWAY 11/29
CITY DEPARTMENT:	ADMINISTRATION
YEAR:	2008
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

# GRANT AGREEMENT

Federal Aviation  
Administration

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## Part I - Offer

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**Date of Offer:** May 21, 2008  
**Airport:** Grand Junction Regional  
**Project Number:** 3-08-0027-35  
**Contract Number:** DOT-FA08NM-1040  
**DUNS:** 156135394

**To:** The City of Grand Junction, the County of Mesa, and the Grand Junction Regional 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 March 4, 2008 for a grant of Federal funds for a project at or associated with the Grand Junction Regional Airport, 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:

**Rehabilitate Runway 11/29,**

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, 95.00 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 \$5,301,595. For the purpose 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;  
\$5,301,595 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 June 19, 2008, 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 judgment, 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 March 21, 2007, and included in this grant, and in accordance with applicable state policies, standards, and specifications approved by the Secretary.
10. 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.
11. The FAA in tendering this Grant Offer on behalf of the United States recognizes the existence of a Co-Sponsorship Agreement between the Grand Junction Regional 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.
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. 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. For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by Airport Sponsor Assurance Number C-11. The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. As a minimum, the program must conform with the provisions outlined below:

#### **PAVEMENT MAINTENANCE MANAGEMENT PROGRAM**

An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. The program must, as a minimum, include the following:

- a. **Pavement Inventory.** The following must be depicted in an appropriate form and level of detail:
  - (1) location of all runways, taxiways, and aprons;
  - (2) dimensions;

- (3) type of pavement, and;
- (4) year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program (AIP) assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

**b. Inspection Schedule.**

- (1) **Detailed Inspection.** A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspections may be extended to three years.
- (2) **Drive-By Inspection.** A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

**c. Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:

- (1) inspection date,
- (2) location,
- (3) distress types, and
- (4) maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

**d. Information Retrieval.** An airport Sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.

**e. Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.

14. 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.
15. Unless otherwise approved by the FAA, the Sponsor 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.
16. 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.
17. The Sponsor agrees to monitor progress on the work to be accomplished by this grant. For consultant services, the Sponsor agrees to make payment only for work that has been satisfactorily completed. It is understood by and between the parties hereto that the approximate value of the final project documentation is ten percent (10%) of the total value of the engineering services contract, and that amount will not be paid to the Engineer until acceptable final project documentation is provided.
18. **TRAFFICKING IN PERSONS:**
- a. **Provisions applicable to a recipient that is a private entity.**
    - 1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—

- i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
  - ii. Procure a commercial sex act during the period of time that the award is in effect; or
  - iii. Use forced labor in the performance of the award or subawards under the award.
2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –
  - i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
  - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
    - A. Associated with performance under this award; 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 49 CFR Part 29.

**b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity--**

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either--
  - i. Associated with performance under this award; 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 49 CFR Part 29.

**c. 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.1 of this award term.
2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
  - 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 award.
3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

**d. Definitions. For purposes of this award term:**

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 award; or
  - ii. Another person engaged in the performance of the project or program under this award 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 institution 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).



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 A 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 3rd day of June, 2008. Craig Palmer Mayor

CITY OF GRAND JUNCTION, COLORADO

*Stephanie Tuin*

Sponsor's Designated Official Representative

Attorney: Stephanie Tuin

Title: City Manager

Title: City Clerk

Certificate of Sponsor's Attorney

I, JOHN P. SHAVRZ, 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 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 3rd day of JUNE, 2008.

*John P. Shavrz*  
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 9th day of June, 2008.



Janice High  
Attest: \_\_\_\_\_  
Title: County Clerk

**COUNTY OF MESA, COLORADO**

Janet Rowland  
Sponsor's Designated Official Representative  
Title: Janet Rowland, Chair

**Certificate of Sponsor's Attorney**

I, DAVID FRANKEL, 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 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.

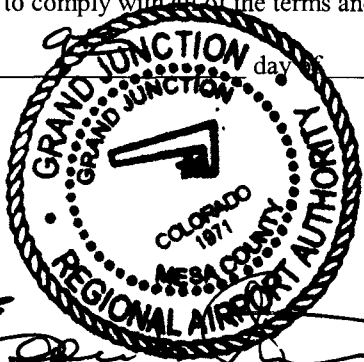
Dated at Grand Junction, CO this 9th day of June, 2008.

David Frankel, Mesa County Attorney  
Signature of Sponsor's Attorney 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 9 day of June, 2008.



(SEAL)

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

*[Signature]*

Sponsor's Designated Official Representative

Attest:

*[Signature]*

Title:

Chairman

Title:

Operations Manager

Certificate of Sponsor's Attorney

I, J. Michael Morgan, 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 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 Denver, Colorado this 12<sup>th</sup> day of June, 2008.

*[Signature]*  
Signature of Sponsor's Attorney  
J. Michael Morgan

**CURRENT FAA ADVISORY CIRCULARS REQUIRED FOR USE IN AIP FUNDED  
AND PFC APPROVED PROJECTS**

**Dated: 3/21/2007**

View the most current versions of these ACs and any associated changes at  
[http://www.faa.gov/airports airtraffic/airports/resources/advisory\\_circulars/](http://www.faa.gov/airports%20airtraffic/airports/resources/advisory_circulars/).

<b>NUMBER</b>	<b>TITLE</b>
70/7460-1K*	Obstruction Marking and Lighting
150/5000-13	Announcement of Availability--RTCA Inc., Document RTCA-221, Guidance and Recommended Requirements for Airport Surface Movement Sensors
150/5020-1	Noise Control and Compatibility Planning for Airports
150/5070-6B	Airport Master Plans
150/5070-7	The Airport System Planning Process
150/5200-28C	Notices to Airmen (NOTAMS) for Airport Operators
150/5200-30A and Changes 1 through 8	Airport Winter Safety and Operations
150/5200-33A	Hazardous Wildlife Attractants On or Near Airports
150/5210-5B	Painting, Marking and Lighting of Vehicles Used on an Airport
150/5210-7C	Aircraft Fire and Rescue Communications
150/5210-13B	Water Rescue Plans, Facilities, and Equipment
150/5210-14A	Airport Fire and Rescue Personnel Protective Clothing
150/5210-15	Airport Rescue & Firefighting Station Building Design
150/5210-18	Systems for Interactive Training of Airport Personnel
150/5210-19	Driver's Enhanced Vision System (DEVS)
150/5220-4B	Water Supply Systems for Aircraft Fire and Rescue Protection
150/5220-10C	Guide Specification for Water/Foam Type Aircraft Rescue and Firefighting Vehicles
150/5220-13B	Runway Surface Condition Sensor Specification Guide
150/5220-16C	Automated Weather Observing Systems for Non-Federal Applications
150/5220-17A and Change 1	Design Standards for Aircraft Rescue Firefighting Training Facilities
150/5220-18	Buildings for Storage and Maintenance of Airport Snow and Ice Control Equipment and Materials
150/5220-19	Guide Specification for Small, Dual-Agent Aircraft Rescue and Firefighting Vehicles
150/5220-20 and Change 1	Airport Snow and Ice Control Equipment
150/5220-21B	Guide Specification for Lifts Used to Board Airline Passengers With Mobility Impairments

FAA Advisory Circulars Required For Use In AIP Funded And PFC Approved Projects  
 March 21, 2007

NUMBER	TITLE
150/5345-27D	Specification for Wind Cone Assemblies
150/5345-28F	Precision Approach Path Indicator (PAPI) Systems
150/5345-39C	FAA Specification L853, Runway and Taxiway Retroreflective Markers
150/5345-42F	Specification for Airport Light Bases, Transformer Housings, Junction Boxes and Accessories
150/5345-43F	Specification for Obstruction Lighting Equipment
150/5345-44G	Specification for Taxiway and Runway Signs
150/5345-45B	Low-Impact Resistant (LIR) Structures
150/5345-46C	Specification for Runway and Taxiway Light Fixtures
150/5345-47B	Specification for Series to Series Isolation Transformers for Airport Lighting Systems
150/5345-49B	Specification L854, Radio Control Equipment
150/5345-50A	Specification for Portable Runway and Taxiway Lights
150/5345-51A	Specification for Discharge-Type Flasher Equipment
150/5345-52	Generic Visual Glideslope Indicators (GVGI)
150/5345-53C	Airport Lighting Equipment Certification Program
150/5345-54A and Change 1	Specification for L-1884 Power and Control Unit for Land and Hold Short
150/5345-55	Lighted Visual Aid to Indicate Temporary Runway Closure
150/5345-56	Specification for L-890 Airport Lighting Control and Monitoring System (ALCMS)
150/5360-9	Planning and Design of Airport Terminal Facilities at NonHub Locations
150/5360-12D	Airport Signing and Graphics
150/5360-13 and Change 1	Planning and Design Guidance for Airport Terminal Facilities
150/5370-2E	Operational Safety on Airports During Construction
150/5370-10B	Standards for Specifying Construction of Airports
150/5370-11A	Use of Nondestructive Testing Devices in the Evaluation of Airport Pavement
150/5380-6A	Guidelines and Procedures for Maintenance of Airport Pavements
150/5390-2B	Heliport Design
150/5390-3	Vertiport Design
150/5395-1	Seaplane Bases

\*This AC is available at <http://www.faa.gov/ats/ata/ai/index.html> or [http://www.airweb.faa.gov/Regulatory and Guidance Library/rqAdvisoryCircular.nsf/MainFrame?OpenFrameSet](http://www.airweb.faa.gov/Regulatory_and_Guidance_Library/rqAdvisoryCircular.nsf/MainFrame?OpenFrameSet).

## SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

3<sup>rd</sup> This Supplemental Co-Sponsorship Agreement is entered into and effective this day of June, 2008, by and between the Grand Junction Regional 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 Grand Junction Regional 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. 3-08-0027-35 ("Project").

D. The FAA is willing to provide approximately \$5,301,595.00 toward the estimated costs of the Project, provided the City of Grand Junction and Mesa County execute the Grant Agreement as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreement 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 Agreement so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreement, 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 Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreement, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans 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 Agreement, 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

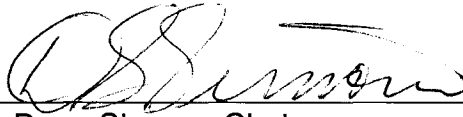
1. By its execution of this Agreement, the City hereby agrees to execute the Grant Agreement, as a co-sponsor, pursuant to the FAA's request.
  
2. In consideration of the City's execution of the Grant Agreement, as co-sponsor, the Airport Authority hereby agrees to hold the City, its officers, employees, 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 Agreement, or the prosecution of the Project contemplated by the Grant Agreement, 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 Agreement ("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 Agreement, 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 Agreement, 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 Agreement, 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 Special Assurances; the Project contemplated by the Grant Agreement is consistent with present plans 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 Agreement, 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.

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

GRAND JUNCTION REGIONAL AIRPORT  
AUTHORITY

By



\_\_\_\_\_  
Doug Simons, Chairman

CITY OF GRAND JUNCTION

By



\_\_\_\_\_  
City Manager



**SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT**

This Supplemental Co-Sponsorship Agreement is entered into and effective this 9<sup>th</sup> day of June, 2008, by and between the Grand Junction Regional Airport Authority ("Airport Authority"), and Mesa County ("County").

**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 Mesa County.

B. The Airport Authority is the owner and operator of the Grand Junction Regional 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. 3-08-0027-35 ("Projects").

D. The FAA is willing to provide approximately \$5,301,595.00 toward the estimated costs of the Projects, provided the City of Grand Junction and Mesa County execute the Grant Agreement as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreement 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 Agreement so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreement, 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 Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreement, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans 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 County is willing to execute the Grant Agreement, as a co-sponsor, pursuant to the FAA's request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the County and Airport Authority.

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

## AGREEMENT

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

2. In consideration of the County's execution of the Grant Agreement, as co-sponsor, the Airport Authority hereby agrees to hold the County, its officers, employees, and agents, harmless from, and to indemnify the County, 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 County, 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 Agreement, or the prosecution of the Project contemplated by the Grant Agreement, regardless of whether said claims are frivolous or groundless, other than claims related to the County's covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the County 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 Agreement ("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 Agreement, or reasonably related to or inferred therefrom, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the County's responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.

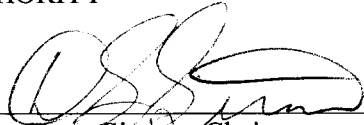
3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreement, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, 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 Agreement, the County 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 County's regulatory jurisdiction. The County also hereby warrants and represents that, in accordance with paragraph 6 of the Special Assurances, the Project contemplated by the Grant Agreement is consistent with present plans of the County for the development of the area surrounding the Airport.

5. The parties hereby warrant and represent that, by the County's execution of the Grant Agreement, as a co-sponsor, pursuant to the FAA's request, the County 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.

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

GRAND JUNCTION REGIONAL AIRPORT  
AUTHORITY

By  \_\_\_\_\_  
Doug Simons, Chairman

MESA COUNTY

By  \_\_\_\_\_  
Chairperson