

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
AGENDA**

**December 18, 2023 @ 5:00 p.m.
Grand County Commission Chambers, 125 E. Center Street
Moab, UT 84532**

Join Zoom Meeting

<https://us02web.zoom.us/j/85853116757?pwd=WmpYU0tYN0xPNS9ibEgyM1liR21UQT09>

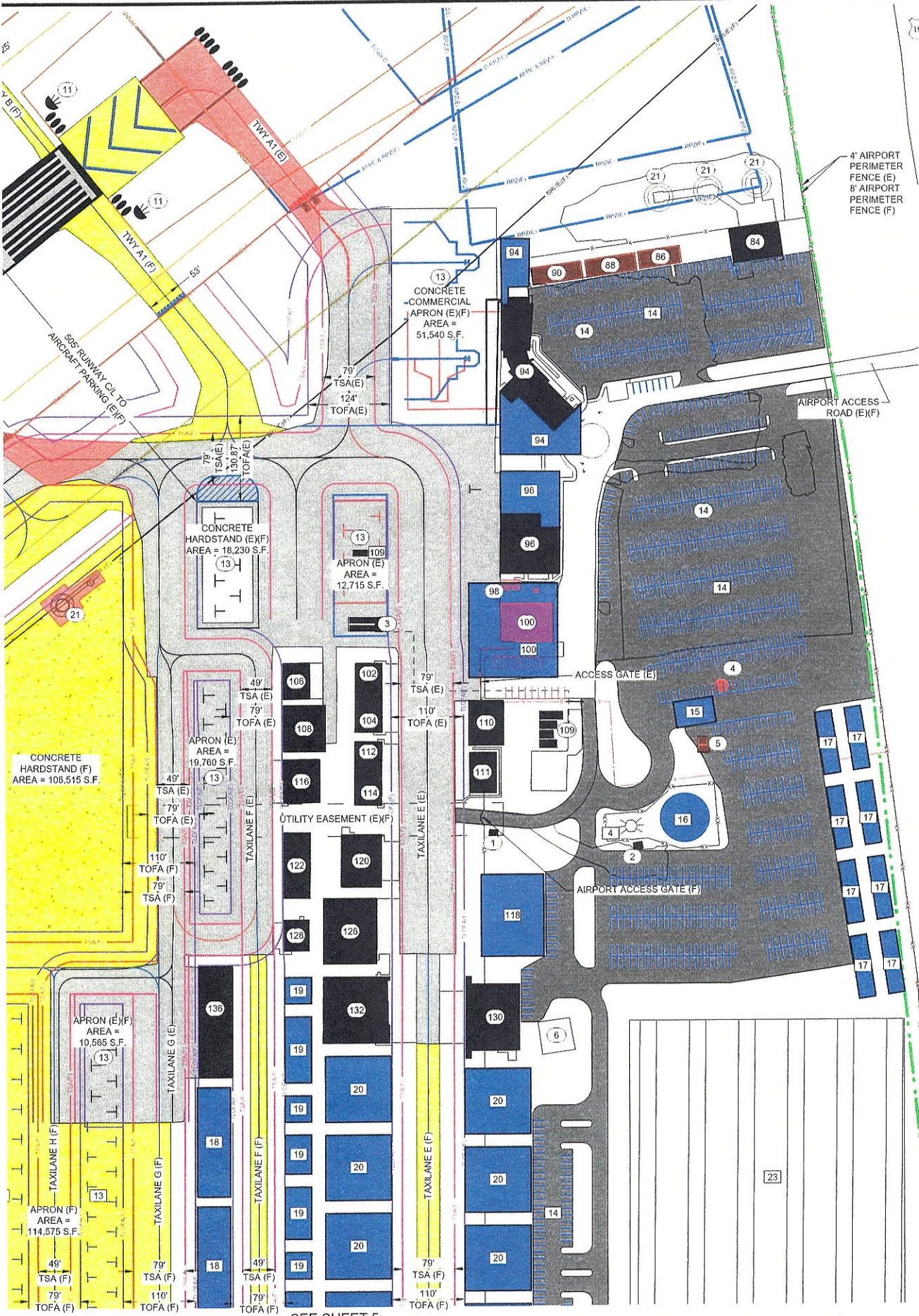
To join by phone: Dial (669) 900-6833 Meeting ID: 858 5311 6757 Passcode: 528365

- A. Call to Order
- B. General Business
 - 1. Approve minutes of November 20, 2023 (Regular meeting)
 - 2. Any questions on the Safety Report / Director's Report - November 2023
 - 3. Airport Monthly Data Report - November 2023 & Virtower Data
- C. Citizens to be Heard
- D. Action Items: Discussion and Consideration (some for Recommendation to County Commission with approvals subject to limitation)
 - 1. Airport Garage Co. new garages: _____
 - 2. Interview Bill Hawley to serve another term on the Airport Board (with standard Airport interview questions), and vote on his application.
 - 3. Request from Dell Keys regarding the sale of her hangar (giving the Buyer 4 extensions of the lease).
- E. Discussion Items:
 - 1. Contour Airlines will have their grand opening on Feb. 1 at 11:30. Board members welcome. Quinn to invite County Commissioners.
 - 2. SITLA land swap update (Was in closed session of CC on Dec. 5, 2023).
 - 3. Project Reports
 - a. SRE Building – Closing out the grant
 - b. 2023 Fencing project – Completed and Inspected
 - c. Lot 118 Hangar – Over Ex nearly complete
 - 4. AEAS – Waiting on Contour for Air Service Agreement
- F. Reports:
 - 1. County Commission
 - 2. City of Moab
 - 3. Travel Council
 - 4. Solar Committee
 - 5. Other reports for Airport Board
- G. Future Considerations
- H. Closed Session, if necessary

I. Adjourn

Those with special needs requests wishing to attend Airport Board meetings are encouraged to contact the County two (2) days in advance of these events. Specific accommodations necessary to allow participation of disabled persons will be provided to the maximum extent possible. Requests, or any questions or comments can be communicated to: (435) 259-1346.

Posted by: Tara Collins
at the Grand County Commission Chambers _____ Date _____ Time



SEE SHEET 5

05/2023

ARMSTRONG

LOCHNER COMPANY

CANYONLANDS REGIONAL AIRPORT

GRAND COUNTY, UTAH

AIP No. 3-49-0020-042-2022

AIRPORT LAYOUT PLAN

No.	ACI No.	Date	Revision / Description	File	Drwn.	Chkd.	Apprvd.
0	226796	05/2023	ORIGINAL ISSUE		6706503	RA	JPH

TERMINAL AREA DRAWING

Sheet: 4 of 24

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
MINUTES**

**November 20, 2023 @ 5:00 p.m.
Grand County Commission Chambers, 125 E. Center Street
Moab, UT 84532**

A. Call to Order

1. The meeting was called to order at 5:08 p.m.
2. Members present: Jody Patterson, Bill Hawley, and Jason Taylor (Moab City Rep.). On Zoom were Norm Knapp, Jenny Gleason (Travel Council Rep.). Airport Director Tammy Howland was also present.
3. Members not present: Laurel Catto, Shalee Bryant, Bill Winfield (County Rep.).
4. Others present: Director's Assistant Tara Collins, Keith MacBeth of Skydive Moab.

B. General Business

5. Approve minutes of October 16, 2023 (Regular meeting).
Motion by Jenny to approve the minutes, seconded by Bill H., approved 5-0.
6. Safety Report / Director's Report - October 2023
Jody said that they would drop this Report from the meeting from now on, simply for time considerations. He said she would email a similar Report to the board members, and then if they have questions, they can ask during the meeting.
7. Airport Monthly Data Report - October 2023 & Virtower Data
Tammy shared the data spreadsheet, and said low-lead and Jet A fuel sales are down quite a bit. She reviewed the enplanements for Oct. She said SkyWest had one cancelled flight in October. She reported that Moab Heli X had been sold to Redtail. She reviewed the fees collected. Vending is doing well, with the new machines. They added a Keurig coffee station as well. Tammy explained how the Virtower data works, and how helpful it was when the Senator's plane crashed.
8. Interview Bill Hawley to serve another term on the Airport Board
There was discussion about the prepared list of interview questions, and that the same questions should be asked of every applicant, for fairness and transparency. Since the questions were not available, they decided to postpone this to December.

C. Citizens to be Heard

Keith MacBeth asked about the fence, whether there will be access. Tammy said yes, and that they won't be locked. If they do become locked, it will be a combination lock, to which Keith can have access. Keith also asked about dates for construction of the new wrap-around taxilanes. Tammy said that would begin in 2025. In 2024, they'll do Alpha 1, and the hardstand expansion. Keith said that he was planning on erecting a new hangar down by the drop zone next year. He plans on tugging the plane on the dirt road. Tammy suggested he write down his plan.

D. Action Items: Discussion and Consideration (some for Recommendation to County Commission with approvals subject to limitation)

1. Meeting dates for 2024 (City Council meetings are 2nd Tuesdays at 6:00 pm).
Discussion: 3rd Mondays seem to get rescheduled, due to holidays. There was discussion about going back to Mondays, also Tuesdays and Wednesdays. Some said that 4:00 was a better start time. Jody said the meeting room at the new Planning building is a good room. First Mondays at 4:00 p.m. was floated.
Motion by Jason to approve this meeting time, seconded by Norm, approved 5-0.
2. Letter from Board re: SITLA land swap.
Bill H. said we need the latest letter drafted by the Airport Board to the County Commission. He said we should circulate that, get the board's input by email, to make the deadline for the next Commission meeting on Dec. 5. He said we should ask the Commission to go ahead with what SITLA proposed, which is to get an appraisal of the 2 parcels in question, done by the same appraiser. Jody asked if appraisals for the County are different than regular appraisals. Bill H. suggested we ask SITLA about the process they prefer. Tammy said her take is that the Commission is still up in the air, and that the Commission could use more reasons why the land swap is a good idea. Bill H. said the County is really not losing anything, the dollars are the same. Jason said the County is also considering swapping the racetrack for UDOT property. Bill H. said some maps would be helpful. Tammy and Jody were in total agreement with this plan.
Motion by Bill H. to approve moving forward with this plan and present it to the County Commission, seconded by Jason, approved 5-0.
3. Letter from Board re: Skydive Moab and County special event permitting process. Members clarified that this letter would be sent to the Special Events Committee, and to Commission Administration, but not to the Commission. Keith suggested he meet with the County Attorney, and ask if he follows procedure steps, would he deny the permit?
Motion by Bill H. to forward the letter, seconded by Jason, approved 5-0.
4. Site Plan for Airport Garage Co. new garages.
Tammy showed Prather's aerial map with drawn-in garage locations, and said the doors will face each other, with a gravel road running in between them. Jody asked about the drainage, Tammy said Prather would redirect it. The drainage is just for the water tank. Bill H. requested more complete plans. Tammy said he was waiting for the ok to move forward, he will have soil test, site plans, etc. Tammy showed a more detailed drawing with measurements in feet, from Prather. Bill H. suggested we get Armstrong to put it on the Plan (ALP).
Motion by Jason that the Board agrees to this plan in general, that the doors will face each other, and that Prather can move forward with the design phase, seconded by Norm, approved 5-0.

E. Discussion Items:

1. Airport Garage Company – Doors will face each other – facing south on the first building, and facing north on the second building. Already discussed.
2. Project Reports
 - a. SRE Building – Final approval, will close out of grant soon.
 - b. 2023 Fencing project – Moving along. Jody said they're working on it a lot. Tammy said they're working weekends.
 - c. Lot 118 Hangar – over-excavation is nearly complete. They've been moving in road base and packing it in.
3. AEAS – ASA in progress. Tammy said they're working on the Air Service Agreement, and it will go to the DOT for final approval. Tammy doesn't foresee any issues with it. She said the start date for Contour is Feb. 1, 2024.

F. Reports:

1. County Commission - Bill W. not here.
2. City of Moab - Jason said nothing to report.
3. Travel Council - Jenny said they were reviewing their budget. Also she's been working with Tammy regarding advertising. Tammy said Contour is pledging \$30,000 for advertising.
Bill H. asked about money for the Airport sign. Tammy said she would get with the State for that. She said we'd need an amount to ask for, maybe Sign Edge could estimate that.
4. Solar Committee - Bill H. said they're looking for money.
Keith mentioned that J.R. Corkery at the Desert Moon in Thompson Springs is putting up solar panels with \$200,000 grant money, and in return, Rocky Mountain Power gets his excess power for the grid. Bill H. said there are many deals like that, but the County is not interested in financing those deals. However, the County pledged to be carbon neutral by 2030, so they may become more interested.
5. Other reports for Airport Board - Jenny said Redtail acquired Moab Heli X. Redtail is taking over their reservations and permits, but not their hangar or their helicopters. The fly-in was super successful, with about 70 people attending. Flights to Salt Lake City have been going since the 31st. Tickets have been selling to SLC, and onward to Vernal as well.

G. Future Considerations - Bill H. said we should put the garages on the next meeting, in case he has plans to present.

H. Closed Session, if necessary

I. Adjourn - at 6:18 p.m.

Airport Director Report for November 2023
Canyonlands Regional Airport (CNY)
12/18/2023

1. Safety & Security:

- a. Concrete grinding on sidewalks at the terminal to bring into ADA compliance.
- b. First Aid Training for all County Staff completed per FAA regulations.
- c. Replaced timer for the south ramp lights.

2. Misc. Items:

- a) All issues with vending machines resolved and 100% functional. Credit card readers were not functioning. It was a set up issue on the manufacturers end.

Flight Schedule -Inbound – See the Packet

Flight Schedule – Outbound – See the Packet

Instructions

Summary: Detail ☒ **Direction:** Inbound ☒
Station: cny ☒ **Month:** Dec23 ☒
Partner: All ☒ **Carrier:** All ☒
Pro-Rate: All ☒ ☐ Only OO Ground Handled Flights

< December 2023 >						
Mon	Tue	Wed	Thu	Fri	Sat	Sun
Flight <u>27</u> A/C Origin Arr DL 4241 CRJ SLC 14:56 UA 5019 CRJ DEN 15:26	Flight <u>28</u> A/C Origin Arr UA 5019 CRJ DEN 15:26	Flight <u>29</u> A/C Origin Arr UA 5019 CRJ DEN 15:26	Flight <u>30</u> A/C Origin Arr DL 4241 CRJ SLC 14:56 UA 5019 CRJ DEN 15:26	Flight <u>Dec. 1</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>2</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>3</u> A/C Origin Arr UA 5117 CRJ DEN 15:26
Flight <u>4</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>5</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>6</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>7</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>8</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>9</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>10</u> A/C Origin Arr UA 5117 CRJ DEN 15:26
Flight <u>11</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>12</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>13</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>14</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>15</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>16</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>17</u> A/C Origin Arr UA 5117 CRJ DEN 15:26
Flight <u>18</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>19</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>20</u> A/C Origin Arr UA 5117 CRJ DEN 15:26	Flight <u>21</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>22</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>23</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>24</u> A/C Origin Arr UA 5117 CRJ DEN 17:17
Flight <u>25</u> A/C Origin Arr UA 5057 CRJ DEN 09:32	Flight <u>26</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>27</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>28</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>29</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>30</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>31</u> A/C Origin Arr UA 5117 CRJ DEN 17:17
Jan <u>1</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>2</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>3</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>4</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>5</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>6</u> A/C Origin Arr UA 5117 CRJ DEN 17:17	Flight <u>7</u> A/C Origin Arr UA 5117 CRJ DEN 17:17

Summary Activity Report **Calendar Report** RON Report Service Report FAQ & Help

Instructions

Summary: Detail **Direction:** Outbound
Station: cnj **Month:** Dec23
Partner: All **Carrier:** All
Pro-Rate: All ☐ Only OO Ground Handled Flights

Submit Clear

December 2023						
Mon	Tue	Wed	Thu	Fri	Sat	Sun
<u>27</u> Flight A/C Dest Dep DL 4241 CRJ SLC 15:31 UA 5022 CRJ DEN 18:10	<u>28</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>29</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>30</u> Flight A/C Dest Dep DL 4241 CRJ SLC 15:31 UA 5022 CRJ DEN 18:10	<i>Dec.</i> <u>1</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>2</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>3</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10
<u>4</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>5</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>6</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>7</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>8</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>9</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>10</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10
<u>11</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>12</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>13</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>14</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>15</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>16</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>17</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10
<u>18</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>19</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>20</u> Flight A/C Dest Dep UA 5022 CRJ DEN 18:10	<u>21</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>22</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>23</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>24</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00
<u>25</u> Flight A/C Dest Dep UA 5031 CRJ DEN 10:40	<u>26</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>27</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>28</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>29</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>30</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>31</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00
<i>Jan.</i> <u>1</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>2</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>3</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>4</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>5</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>6</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00	<u>7</u> Flight A/C Dest Dep UA 5030 CRJ DEN 18:00

6:00

January	February	March	April	May	June	July	August	September	October	November	December	TOTAL
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Calculated in
Monthly Stats

10% Gross Sales or Minimum	\$ 381.70	\$ 381.70	\$ 2,052.40		\$ 1,983.30	\$ 1,625.50	\$ 840.30						
Canyonlands Car Total	\$ 381.70	\$ 381.70	\$ 2,052.40	\$ -	\$ 1,983.30	\$ 1,625.50	\$ 840.30	\$ -	\$ -	\$ -	\$ -	\$ -	

10% Gross Sales	\$ 4,531.88	\$ 4,050.78	\$ 13,317.59	\$ 20,462.32	\$ 21,055.92	\$ 17,106.31	\$ 13,152.97	\$ 8,815.95					\$ -	
Enterprise Total	\$ 4,531.88	\$ 4,050.78	\$ 13,317.59	\$ 20,462.32	\$ 21,055.92	\$ 17,106.31	\$ 13,152.97	\$ 8,815.95	\$ -	\$ -	\$ -	\$ -	\$ -	

Landing Fees	\$ 987.00	\$ 987.00	\$ 1,938.75	\$1,833.00	\$ 2,714.25	\$ 1,833.00	\$ 1,903.50	\$ 1,833.00	\$ 2,643.75	\$ 2,714.25	\$ 1,833.00	\$ -	
Office & Space Lease	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 2,727.91	\$ 32,734.92
SkyWest Total	\$ 3,714.91	\$ 3,714.91	\$ 4,666.66	\$ 4,560.91	\$ 5,442.16	\$ 4,560.91	\$ 4,631.41	\$ 4,560.91	\$ 5,371.66	\$ 5,442.16	\$ 4,560.91	\$ 2,727.91	\$ 53,955.42

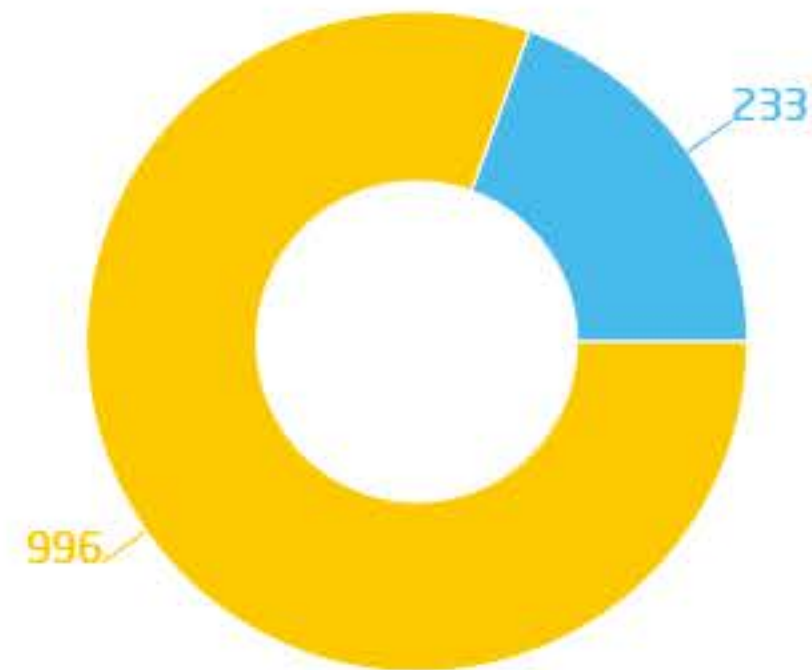
Landing Fees	\$ -	\$ -	\$ 568.13	\$ 1,130.63	\$ 1,451.25	\$ 1,040.63	\$ 1,080.00	\$ 894.38	\$ 1,321.88	\$ 1,181.25	\$ -	\$ -	
Landing Zone Maintenance Fee #112/114 Skydive Hangar (annual renewal in October)	N/A	N/A	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00		\$ -	
	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 960.10	\$ -	\$ -	\$ 960.10
Garbage	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 38.40	\$ 460.80
Water & utilities	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 720.00
Billboards	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 1,008.00	\$ 12,096.00
Skydive Moab Total	\$ 1,106.40	\$ 1,106.40	\$ 1,774.53	\$ 2,337.03	\$ 2,657.65	\$ 2,247.03	\$ 2,286.40	\$ 2,100.78	\$ 2,528.28	\$ 3,347.75	\$ 1,106.40	\$ 1,106.40	\$ 23,705.03

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Garbage Business 1% of SQFT
Garbage Private .05% of SQFT

Operations Based vs Visiting

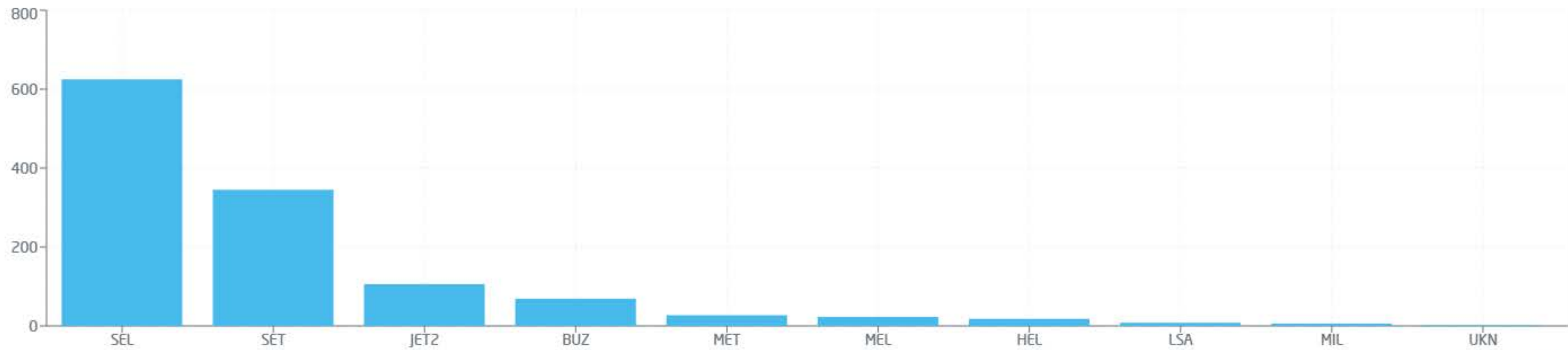
KCNY 11/01/2023 0:00 > 11/30/2023 23:59 LT



■ Based
■ Visiting

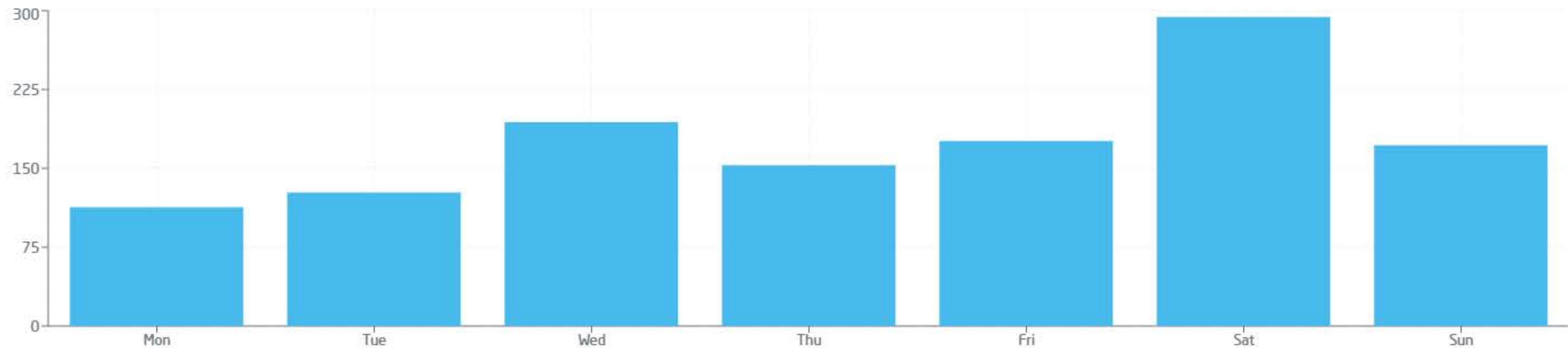
Operations by Aircraft Category

KCNY 11/01/2023 0:00 > 11/30/2023 23:59 LT



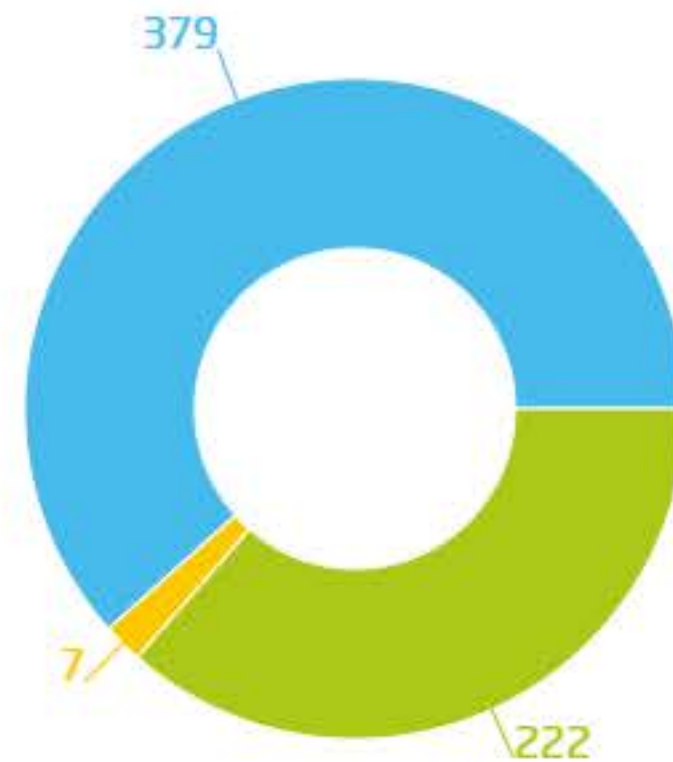
Operations by Day of Week

KCNY 11/01/2023 0:00 > 11/30/2023 23:59 LT



Landings per Runway

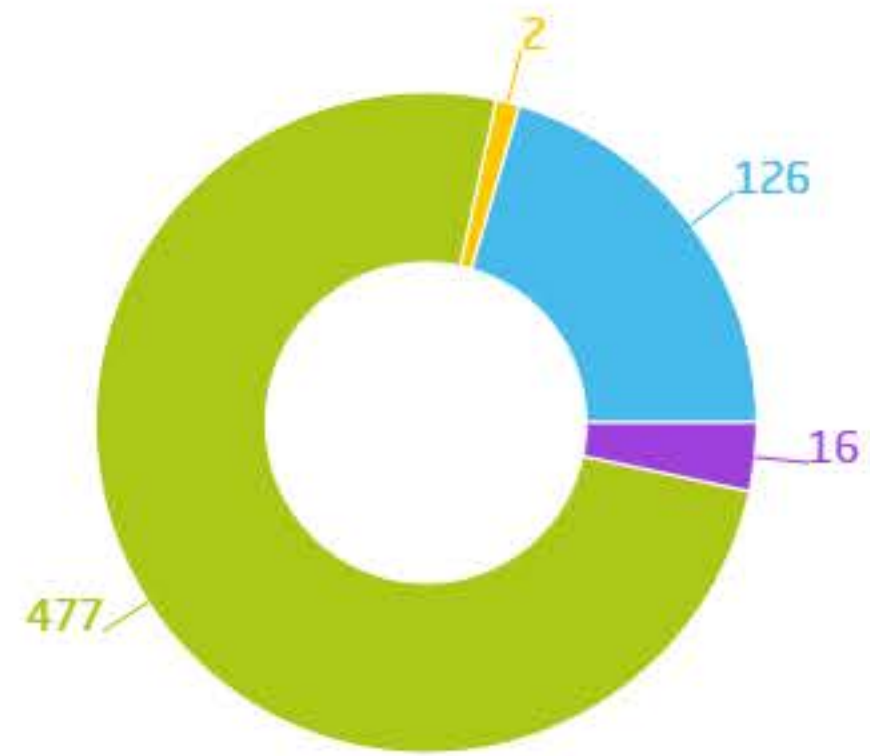
KCNY 11/01/2023 0:00 > 11/30/2023 23:59 LT



■ KCNY LDG RWY 03
■ KCNY LDG RWY 15
■ KCNY LDG RWY 21

Takeoffs per Runway

KCNY 11/01/2023 0:00 > 11/30/2023 23:59 LT



KCNY TO RWY 03
KCNY TO RWY 15
KCNY TO RWY 21
KCNY TO RWY 33

POSITION TITLE INTERVIEW IS FOR: AIRPORT BOARD

Score: 5 = exceptional; 4 = very knowledgeable/experience; 3 = acceptable; 2 = has some knowledge, needs additional training; 1 = did not meet requirements

INTERVIEWER NAME:						DATE OF INTERVIEW:	10/4/2021
APPLICANT:	1	2	3	4	5	Comments	
1. Tell us about yourself. What is your background and experience?							
2. How familiar are you with Moab and Grand County?							
3. What kinds of boards and committees have you been involved with in the past?							
4. What is your knowledge and/or background in aviation?							
5. As a representative of the Travel Council, what are some common initiatives and how can the information shared help each group?							
6. What is your opinion on current Airport challenges?							

7. How would you handle any conflicts of interest related to subjects discussed on the Airport Board?						
8. Do you feel you have the time and commitment to this Board along with your other obligations?						
9. Do you have any questions for us?						
SCORE:						

Personal Comments:

12-14-23

"Request to sell Hanger
Building at CMV Field."

- ① Request to sell hanger
#102/104 Please
- ② ~~Buyer~~ Buyer to negotiate
^{new}
~~current~~ lease rate with
county and request
4, 5 year extensions
- ③ Seller + Buyer to discuss
and agree on price
for said building
- ④ If county wants to
exercise 1st right of
refusal on building
Price ~~for new buyer~~
~~will be negotiable~~
will be the recently ^{county} ~~assessed~~
value of \$320,000.00 ^{assessed}
(assessed and fair market value)

My goal is only for
sale to be fair to all
parties,

County gets a lease rate

Seller get fair compensation
for building

Buyer gets a long
enough lease to
make it reasonable
to buy

Your prompt consideration
will be greatly appreciated.
Thank you

ARMSTRONG

PLANNING ENGINEERING CONSTRUCTION

Dee A. King
www.armstrongconsultants.com

CC: ~~A-1221~~ Pat
~~Bowd~~

This Agreement, made and entered into as of the 14th day of SEPT., 1998 by and between Grand County, herein after referred to as "County" and John and Dell Keys, hereinafter referred to as "Tenant".

WITNESSETH

County hereby leases and lets to Tenant and Tenant hereby rents from County the premises (hereinafter referred to as "Premises") located on Canyonlands Field (hereinafter referred to as "Airport" consisting of 4236 square feet, more or less as outlined in red on Exhibit "A" attached hereto.

$$105.5 \times 40.5 = 4272.75$$

1. TERM

The term of this lease shall be for a period of 30 years commencing SEPT. 14, 1998 and shall expire at midnight on SEPT. 13, 2028; one 5 year option shall be allowed as per Article 30 of this Lease.

2. RENT

(A) Tenant agrees to pay County during the term of this lease an annual rent of \$381.27, Payable in advance. Rent is based upon the rate of \$0.09 per square foot per year. The rental installment for any fractional year shall be prorated. Tenant shall have exclusive use of the parcel particularly described on Exhibit "A" to engage in storage of private aircraft. Rent to be remitted to: County Clerk, 125 East Center, Moab, Utah 84532.

(B) Without waiving any other right of action available to County in the event of default in payment of fees hereunder, in the event that Tenant is delinquent for a period of thirty (30) days or more in paying to County any fees payable to County pursuant to this Agreement, Tenant agrees to pay County a late charge equal to ten percent (10%) of the total said delinquent fee. Any payments past due more than sixty (60) days shall also have interest added thereon at the rate of twenty percent (20%) per annum.

(C) Tenant agrees that the annual rent, and corresponding square footage cost, are to be adjusted every three (3) years from the date of this Lease by the County. Such adjustments to be based upon change in appraised value of hangar building since previous rate adjustment date. However, in no case shall square footage cost be less than \$0.09 per square foot per year.

3. USES AND PRIVILEGES OF TENANT

County hereby grants to the Tenant the following uses and privileges.

(A) Tenant agrees that this Lease is granted and limited to the Tenant for the purpose of storing only privately owned aircraft and related tools and equipment.

Tenant further agrees that the Premises shall not be used for business purposes.

(B) The general use, in common with others authorized so to do, of all public airport facilities and improvements which are now or may hereinafter be connected with or appurtenant to said Airport, except as hereinafter provided. As used herein, the term "Public Airport Facilities shall include , but not necessarily be limited to, approach areas, runways, taxiways, public aprons, aircraft and automobile parking areas, terminal facilities, or other public facilities appurtenant to said Airport.

(C) The right to ingress to and egress from the Premises over and across public roadways serving the Airport for Tenant, its employees, representatives, agents, patrons, guests and suppliers, subject to such nondiscriminatory and lawful ordinances, rules and regulations as now or may hereafter have application at the Airport.

It is understood and agreed that the County hereby retains the right of ingress and egress over, through and across the Premises to provide access to the property at any time.

(D) It is understood that Tenant hereby agrees to meet any minimum standards for private aircraft storage hangar that County may from time to time adopt or amend and that this Lease is subordinate to such standards.

4. SIGNS

Tenant shall not without the prior written approval of the County erect or display any sign on the Airport, or on the Premises. The term "sign" as used herein, shall mean advertising signs, billboards, identification signs or symbols, posters or similar devices.

Prior to erection, construction or placing of any sign on the Airport or upon the Premises, Tenant shall submit to County for approval, drawings, sketches, and dimensions of such signs which shall be in accordance with duly adopted Airport Sign Standards. Any conditions, restrictions, or limitations with respect to the use thereof as stated by County in writing shall become conditions of this Lease.

5. IMPROVEMENTS

All construction plans and specifications for any future remodeling, including site work such as ramp access, shall conform in all respects to the architectural requirements of County ordinances, building codes and regulations of County and such other authority as may have jurisdiction over the Premises of Tenants operations thereon. Prior to any construction, Tenant shall submit to County plans, drawings, sketches designs and specifications for any construction including landscaping for approval. The approval given by County shall not constitute a representation or warranty as to such conformity with zoning law, regulations or building codes; responsibility therefore shall at all times remain in Tenant. Tenant agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for Premises, or in the event of any modification or alteration of any future building or structure situated on the Premises.

6. TITLE TO PREMISES

Tenant, having paid for the facility on the premises shall be vested with title to and all incidents to ownership in the facility for the full term of this Lease.

7. TAXES AND LICENSES

Tenant shall pay on or before the last date on which payment therefore may be made without penalty or interest and regardless of whether Grand County is a part thereto, all taxes, assessments and charges levied against Tenant's personal property, and all licenses and

permits necessary for Tenant's operations under Federal or State statutes or local ordinances, insofar as they are applicable to operations at Canyonlands Field (hereinafter called "impositions"). Tenant may protest by appropriate proceedings in good faith and at its expense, the existence, amount, or validity thereof or the extent of Tenant's liability therefore. County shall not have the right to pay any such imposition thereby contested. Tenant agrees to indemnify County and hold County harmless from any and all losses, judgements, decrees, costs, (including reasonable attorney's fees), claims or demands for payment of such impositions or arising from Tenant's contest thereof.

8. NET LEASE

This Lease shall be without cost to County for the maintenance or operation of Premises. Tenant represents that Tenant has inspected the Airport, all its premises and facilities and that Tenant accepts the condition of same and fully assumes all risks incident to the use thereof. It shall be the sole responsibility of Tenant to develop, maintain, repair and operate the entirety of the Premises and all improvements and facilities thereon at Tenant's sole cost and expenses.

9. REPAIR AND MAINTENANCE

Tenant shall not permit rubbish, debris waste material or anything unsightly or detrimental to health, or likely to create a fire hazard, or conducive to deterioration, to remain on any part of the Premises or to be disposed of improperly. Tenant agrees to maintain the landscape adjacent to the hangar in a way that will reflect positively on the overall appearance of the Airport. County shall not be required to repair or maintain the Premises in any way except only as part of general maintenance or reconstruction. Tenant expressly waives the right to make repairs at the expense of County provided for in any statute or law now in effect or hereafter enacted.

If Tenant fails to make any repairs or do any work required of it under the terms of this lease within thirty (30) days after written notice of the need therefore has been given by the County to Tenant, the County may cause to be performed such work for the account and at the expense of Tenant. All sums so expended by County, together with ten percent (10%) of cost for administration, shall be paid by Tenant on demand.

10. ALTERATIONS AND ADDITIONS

Tenant may install, place and erect upon the Premises any equipment, fixtures or other personal property related to use of the Premises. Tenant may at any time and from time to time make such changes, alterations, and additions, structural or otherwise to the Premises or such substitutions and replacements thereof as Tenant deems advisable; provided however, no such alterations, additions, installations, placement, erection or changes which exceed \$10,000.00 in cost shall be made without written approval of the County. All such alterations, additions, installations, placement, erections or changes shall be subject to Article 5 herein. All other fixtures, equipment and personal property, whether or not affixed or attached to the Premises shall be and remain the property of Tenant and Tenant may remove the same from Premises at any time during the term of this Lease. Tenant shall, at its own expense, repair any and all damage done to the structure by such removal. Tenant shall be responsible for, at its own expense repair and upkeep of such equipment, fixtures and other personal property.

11. UTILITIES

Tenant agrees to pay all charges for electricity, water, sewer, garbage removal and other utilities used by Tenant on Airport at such rates as may be from time to time

established by County and County assumes no responsibility for such utilities. Tenant shall be responsible for bringing all utility lines to Premises and shall provide separate meters for each of Tenant's utilities. Future airport tenants who make use of utility services constructed by Tenant shall be required to pay to Tenant, a prorated fee of original construction costs for use of such utility services.

12. FIRE EXTINGUISHERS

It is understood and agreed that Tenant will at its own expense install and maintain fire extinguishers as required by local ordinance. Said fire extinguishers shall meet all applicable requirements, and shall be of such number and capacity as to adequately safeguard the Premises against fire hazards.

13. INDEMNIFICATION

County, its officers, representatives, agents and employees shall not be responsible or liable for, and Tenant agrees to indemnify, release and defend County, its officers, representatives, agents and employees from all claims, damages, expenses, liabilities and judgements, (a) for injury to persons, loss of life or damage to property occurring on the Premises (including property and officers, employees and agents of County);(b) arising from Tenant's operations pursuant to this Agreement; (c) for workers compensation claims; and (d) for acts and omissions of Tenant's officers, employees, representatives, agents, servants, invitees, patrons, customers, subtenants contractors, subcontractors, successors, assigns, suppliers, and all other persons doing business with Tenant (excluding County, its officers, employees, representatives, and agents). Tenant shall not be liable for damage or injury occasioned by the negligence of the County, its designated agents, servants or employees. Tenant's liability under this paragraph shall be reduced by the proceeds from any insurance

carried by Tenant to the extent that such proceeds are applied toward payment of such claims, damages, expenses, liabilities and judgements.

14. LIABILITY INSURANCE

Tenant agrees to maintain insurance covering its operations on the Airport against claims of bodily injury liability and property damage liability. Said insurance shall have limits of no less than \$100,000.00 per person, \$1,000,000.00 per occurrence and \$100,000.00 property damage. County shall be named as additional insured. Such insurance shall contain a provision that it may not be cancelled or materially changed or altered (except to increase the limits or broaden the coverage) without first giving thirty (30) days prior written notice to County.

15. OBLIGATIONS OF COUNTY

(A) Clear Title

County covenants and agrees that at the granting and delivery of this Agreement it is well seized of the Premises and has good title thereto, free and clear of all liens and encumbrances having priority over this Lease, and that County has full right and authority to lease the same. County agrees that Tenant, upon paying the fees and performing the other covenants of this Agreement to be performed by Tenant, shall peaceably and quietly have, hold and enjoy the Premises for the full term of the Agreement and as the same may be extended as hereinafter provided.

(B) Operation as Public Airport

County or its successor covenants that it will operate and maintain the Airport as a public airport consistent with and pursuant to the Sponsor's Assurances Agreement given by County to the United States Government under the Federal Airport and Airway Development Act.

(C) Approval of Plans

In the review and approval of Tenant's plans for construction, installation or modification of improvements or of subsequent alterations, as hereinafter set out, County agrees

to act promptly and reasonably upon requests of approval for any plans, changes or alterations thereto.

(D) Maintenance of Airport

County reserves the right to develop and improve all public areas and facilities as County shall see fit. County shall, throughout the term hereof, maintain all public areas and facilities, such as access roads on the Airport, providing access in good and adequate condition for use by cars and trucks, and shall maintain clear and uninterrupted access to the parking area over said access areas and roads at all time; provided, however, County may, at any time, temporarily or permanently close, consent to or request the closing of any roadway or right of way for such access, ingress or egress whether inside or outside the terminal building, or any other area at Airport, in its environs presently or hereafter used as such, so long as a means of access, ingress and egress reasonably equivalent to that formerly provided, and not adverse to Tenant's continued use and enjoyment of the Premises is substituted therefore and is concurrently made available therefore. Tenant understands and agrees that there may be inconveniences caused by construction or renovations of buildings and roadways, and Tenant hereby releases and discharges County from any and all claims, demands or causes of action which Tenant now or any time hereinafter may have against County arising or alleged to arise out of the closing of any right of way or other area used as such whether within or without Airport, as long as County makes available a means of free access, ingress and egress reasonably equivalent to that existing prior to each such modification, if any. If Tenant shall damage any facility of the Airport, including but not limited to hangars, buildings, runways, taxiways, roads, utility extensions, lighting, signs, towers, signs or any other similar facility, Tenant shall be obligated to repair at its expense or to pay the necessary and reasonable cost of repairs to County without regard to whether or not said damage is caused by negligence on the part of Tenant.

16. COUNTY'S RESPONSIBILITY TO TENANT'S PROPERTY

It is further understood and agreed that the County assumes no responsibility for damage or loss that may occur to Tenant's property on Premises, and the only obligation

County assumes is that it will not negligently or willfully and intentionally damage the property of the Tenant.

17. DAMAGE OR DESTRUCTION

If any portion of the structure on the Premises or the appurtenances thereto shall be damaged or destroyed by a fire or any other cause, and this Lease is not terminated as hereinafter provided, Tenant shall at its expense, remove the debris and restore the structure to a complete architectural unit. Should such damage or destruction (a) exceed \$10,000.00 or (b) result from a cause not covered under standard extended coverage insurance, Tenant may, not later than sixty (60) days after the date of such damage or destruction, elect to terminate this Lease by giving notice to County, such termination to be effective not later than 120 days after the date of such damage or destruction. Tenant shall have the option to repair such damage or destruction and if Tenant elects to repair such damage or destruction, Tenant shall pay the excess over the insurance proceeds to complete such repair. In the event of such damage or destruction, Tenant shall be entitled to all property salvaged from the Premises prior to the expiration of this Lease and if terminated, Tenant shall not be required to restore any structures on the Premises, but upon request from County, Tenant shall raze and remove all structures on the Premises and safely cap all utilities on Premises. If this Lease is not so terminated, it shall continue and Tenant shall not be entitled to any reduction of abatement of rent.

18. RELOCATION OF PREMISES

County may, to conform to the Master Plan for Canyonlands Field, at its option, relocate the Premises covered by this Lease to another part of the Airport upon sixty (60) days written notice to Tenant, at any time during the term of this Agreement; provided that such right to relocate shall not treat Tenant less favorably than other tenants of County similarly situated.

At the time of such relocation, County shall purchase from Tenant at fair market value as determined by appraisal performed by a local appraiser acceptable to both Tenant and County, all fixed improvements on the Lease hold. In the event that the Premises is relocated, County shall provide Tenant with a structure and apron of no smaller size and at least equivalent quality, in a location generally comparable with adequate access to airplanes, motor vehicles and pedestrians to and from the new structures, runways, taxiways, and from adjacent streets and sidewalks, and ready for Tenant's occupancy on or before that date Tenant surrenders possession of the Premises. In such event, the new structure and apron shall be the property of and title shall be vested in County and the rental shall be renegotiated and a new lease shall be entered into. If County and Tenant cannot reach agreement on a new lease, either party may terminate this Lease and such negotiations by notice to the other party. No termination, whether by County or Tenant, shall be effective until Tenant has received payment for structure as provided above.

County shall also have the right upon (60) days prior written notice to Tenant, at any time during the term of this Lease or as the same may be extended, to make such minor alterations of the parking area as are reasonable, provided that (a) County shall not treat Tenant less favorably than other tenants of County similarly situated, (b) such alterations shall be at no cost to Tenant, (c) no such alterations shall deprive Tenant of any portion of the Premises or any rights of use thereof as granted by this Lease. Upon such alterations, County agrees to furnish Tenant with a new plot plan and legal description and the rent under this Lease shall be reduced according to the extent Tenant is deprived of the use or benefit of any portion of the Premises or of any rights under this Lease.

19. DEFAULT

If any one or more of the following events (herein called default) shall happen and be continuing, namely; (a) Tenant shall fail to pay any fee or other sum of money to County when same is due and such failure continues for sixty (60) days after County has given Tenant written notice specifying the amount due; (b) Tenant shall file a voluntary petition in bankruptcy or a petition or answer seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the

Bankruptcy Code or Tenant shall make an assignment for the benefit of creditors; (c) an involuntary petition in bankruptcy against Tenant or petition or answer made by a person other than Tenant seeking a reorganization, arrangement, composition, readjustment, liquidation, dissolution or other relief of the same or different kind under any provision of the Bankruptcy Code is filed, or if a receiver is appointed having jurisdiction of the business property or assets of Tenant on the Premises; (d) if Tenant shall abandon or vacate the Premises and fail to make payment of rent hereinunder for a period of sixty (60) days after receipt of written notice from County, and, in any of such event, if Tenant shall not properly commence and expeditiously pursue action to dismiss any such involuntary petition or answer or to vacate such receivership, or, if after diligently exhausting Tenant's remedies, such petition shall not be dismissed or the receivership vacated, then, in any of such events, County shall have the immediate right to expel Tenant or any person, or persons occupying the same, with or without legal process, and in any such event, Tenant agrees to peaceably and quietly yield up and surrender the Premises to County provided, however, that if a default occurs under subparagraph "(a)" above and there is a bona fide dispute as to the existence of such default (which shall not include a dispute over payment of rent except under conditions of abatement or reduction of utility fees due County) and all undisputed amounts are paid, said sixty (60) day period specified in subparagraph "(a)" shall not commence to run until such dispute is settled by final court decree, or mutual agreement.

20. CANCELLATION BY TENANT

This Lease shall be subject to cancellation by Tenant after the happening of one or more of the following events:

(A) The permanent abandonment of the Airport for general aviation.

(B) The lawful assumption by the United States Government, or any authorized agency thereof, of the operation, control or use of the Airport, or any substantial part or parts thereof, in such a manner as to substantially restrict Tenant for a period of at least ninety (90) days from operating thereon.

(C) Issuance by any court of competent jurisdiction of a permanent injunction in any way preventing or restraining the use of the Airport.

(D) The default by County in the performance of any covenant or agreement herein required to be performed by County and the failure of County to remedy such default for a period of thirty (30) days after receipt from Tenant of written notice to remedy the same.

(E) If the nature of the default is such that it cannot be cured within thirty(30)days, County shall be deemed to have cured such default if it, or its nominee, shall, within such thirty (30) day period, commence performance to cure default and thereafter diligently prosecute the same to completion.

(F) Tenant may exercise such right of termination by written notice to County at any time after the lapse of the applicable periods of time and this Agreement shall terminate as of that date. Fees due hereinunder shall be payable only to the date of said termination.

21. RIGHTS UPON TERMINATION

Upon termination of this Lease for any reason including expiration of the full term of said Lease and any extensions or renewal thereto Tenant may elect, or County may require Tenant to remove any structures Tenant has title to from Premises. Said removal shall occur at Tenant's expense and shall be complete, including the capping of all utility services as prescribed by County at the time of removal. Removal shall be complete and acceptable to County within four (4) months from the date of termination of this Lease. If Tenant elects to remove said structure as per this paragraph, such removal shall not commence until Tenant shall post a bond with County in an amount to be mutually agreed upon, but in any case sufficient to indemnify County against any costs that might be incurred by County if Tenant shall for any reason fail to complete the removal of said structure and the cleanup of Premises within four (4) months of said termination of Lease.

Upon termination of this Lease for any reason, if Tenant does not elect and County does not require Tenant to remove its structure as outlined in this Article, County shall pay to Tenant current fair market value. Market value shall be determined by an appraiser licensed in the State of Utah and acceptable to both Tenant and County. Upon payment by the County to Tenant of said market value, the structure together with all improvements shall become the sole property of the County.

22. NON-DISCRIMINATION

Tenant does also hereby agree to comply with the following provisions as required by the FAA:

(A) The Tenant for himself, his personal representatives, successors in interest and assigns, as part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that no person on the grounds of race, color or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subject to discrimination in the construction of any improvements on, over or under such land. Tenant shall use the 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, Non Discrimination in Federally Assisted Programs of the Department of Transportation Effectuation of Title VI of the Civil Rights Act of 1964, and such provisions of said regulations as may in the future be amended.

(B) That in the event of failure to correct any breach of any of the non-Discrimination covenants pursuant to Part 21 of the Regulations of the Office of the Secretary of Transportation, County shall have the right to terminate this Lease and to re-enter and repossess said land and the facilities thereon and hold the same as if said Lease had never been made or issued.

23. SPONSOR'S ASSURANCES

This Lease shall be subordinate to the provisions of any existing or future agreements between County and the United States Government, relative to the operation and maintenance of the Airport, the execution of which has been or will be required as a condition precedent to the granting of Federal funds for the development of the Airport to the extent that the provisions of any such existing or future agreements are generally required by the United

States at other civil air carrier airports receiving Federal funds and provided that County agrees to give Tenant written notice in advance of execution of such agreements of any provisions which will modify the terms of this Lease.

24. RIGHT OF FLIGHT

Tenant understands and agrees that County reserves the right of flight for the passage of aircraft above the surface of the Premises hereinunder in accordance with Federal Aviation Administration criteria, and such right of flight shall include the right to cause in such airspace such noises as may be inherent to the operation of aircraft now known or hereinafter used for navigation of or flight in the air; and that County reserves the right to use such airspace for landing at, taking off from or operating aircraft on or over said Airport.

25. NOTICE AND PLACE FOR PAYMENT OF FEES

Any notice or demand of any kind which County may be required to serve on Tenant under terms of this Lease, may be served upon Tenant (as an alternative to personal service upon Tenant) by mailing a copy thereof by certified or registered mail, return receipt requested, addressed to:

John and Dell Keys
798 Huntridge Drive
Moab, Utah 84532

or at any other such place as Tenant may designate to County in writing. Any notice or demand of any kind which Tenant may be required or desire to serve upon County under terms of this Lease, may be served upon County (as an alternative to personal service upon County) by mailing a copy thereof by certified or registered mail, return receipt requested, addressed to:

Grand County Administrator
125 East Center
Moab, Utah 84532

or at any other such place as County may designate to Tenant in writing. Fees shall be paid to County at the address set forth in this Article 2. No successor to County's interest shall be entitled to receive Fee payments until Tenant shall have been furnished with (a) a letter signed by the grantor of such interest setting forth the name and address of the person entitled to receive such rent; and (b) a photostatic copy of the deed or other instrument by which such interest passed.

26. BOARDS RIGHT TO INSPECT

Tenant agrees that County may inspect the Premises at any reasonable time with respect to fire prevention and to determine the use for which the Premises are being utilized. For this purpose, Tenant agrees to furnish designated County representative with access to Tenant's hangar on the Leased Premises, and upon notice from County, correct any condition which constitutes a fire or health hazard or unauthorized use of the Premises.

27. HOLDING OVER

In the event Tenant shall hold over and remain in possession of the Premises after the expiration of the Lease, without any written renewal thereof, such holding over shall not operate as a renewal or extension of this Lease but shall only create a tenancy from month to month, which may be terminated at any time by County.

28. COMPLIANCE WITH LAWS

Tenant agrees to abide by and conform to all of the airport regulations, County policies, County ordinances, and actions by the Grand County Council, County and State and Federal Laws and regulations pertaining to operations and activities of Tenant at or upon the Canyonlands Airport whether now in effect or hereinafter enacted. County agrees

that such rules, regulations, ordinances and actions will not treat Tenant less favorably than those similarly situated as Tenant at the Canyonlands Airport. Tenant agrees that if it fails to correct violations of any such airport rules and regulations, County policies, County Ordinances, actions by the County Council , State or Federal laws pertaining to Airport fire, health and safety within a reasonable time after actual notice of violation thereof from County, County may, in addition to any other remedies provided by law, statute or in equity, after reasonable time and notice, cause such violations to be cured for the account and at the expense of Tenant, and all sums so expended by County together with ten percent (10%) for cost of administration shall be paid by Tenant on demand or cause this Lease to be cancelled.

29. ASSIGNMENT AND SUBLETTING

The Tenant shall not assign, transfer, sublet, pledge, hypothecate, surrender or otherwise encumber or dispose of this Lease or any estate created by this Lease or any interest in any portion of the same, or permit any other person, or persons, company or corporation to occupy the Premises without the written consent of the County being first obtained and such must be made subject to the terms and conditions of this Lease. Such written consent shall not be unreasonably withheld.

30. RENEWAL OPTION

Tenant has the option to renew this Lease on the same terms and conditions for five (5) additional years by giving notice in writing to County no less than thirty days prior to the expiration of the first term.

31. COSTS AND ATTORNEYS' FEES

The parties agree that in the event of default, the defaulting party agrees to pay all reasonable costs and attorney's fees and expenses in enforcing the Lease. Any action commenced concerning the provisions of this Lease shall be in Grand County, Utah.

32. MISCELLANEOUS PROVISIONS

The various rights and remedies herein contained and reserved to each of the parties, shall not be considered as exclusive of any other right or remedy of such party but shall be construed as cumulative and shall be in addition to every other remedy now or hereinafter existing at law, in equity or by statute. No delay or omission of the right to exercise any power or remedy shall be construed as a waiver of any default or nonperformance, nor as acquiescence therein.

Nothing herein contained nor any acts of the parties hereto shall be deemed or construed by the parties hereto or by any third party as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that the relationship between the parties hereto is that of landlord and tenant.

It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section 308(a) of the Federal Aviation Act of 1958, as amended.

The headings of the several articles and sections contained herein are for convenience only and do not define, limit or construe the contents of such articles and sections. When required by the context, the singular shall include the plural and the neuter gender shall include the feminine and masculine genders and shall include a corporation, firm or association.

All negotiations and oral agreements acceptable to both parties have been incorporated herein. This Lease may not be amended or modified by any act or conduct of any of the parties or by any oral agreement which is not reduced to writing.

This agreement has been made in and shall be construed in with the laws of the State of Utah.

All rights and obligations of the parties under this Lease shall bind and the benefits shall inure to their respective heirs, representatives, successors and assigns.

Witness the hands of the parties the day and year first above set forth.

ATTEST:

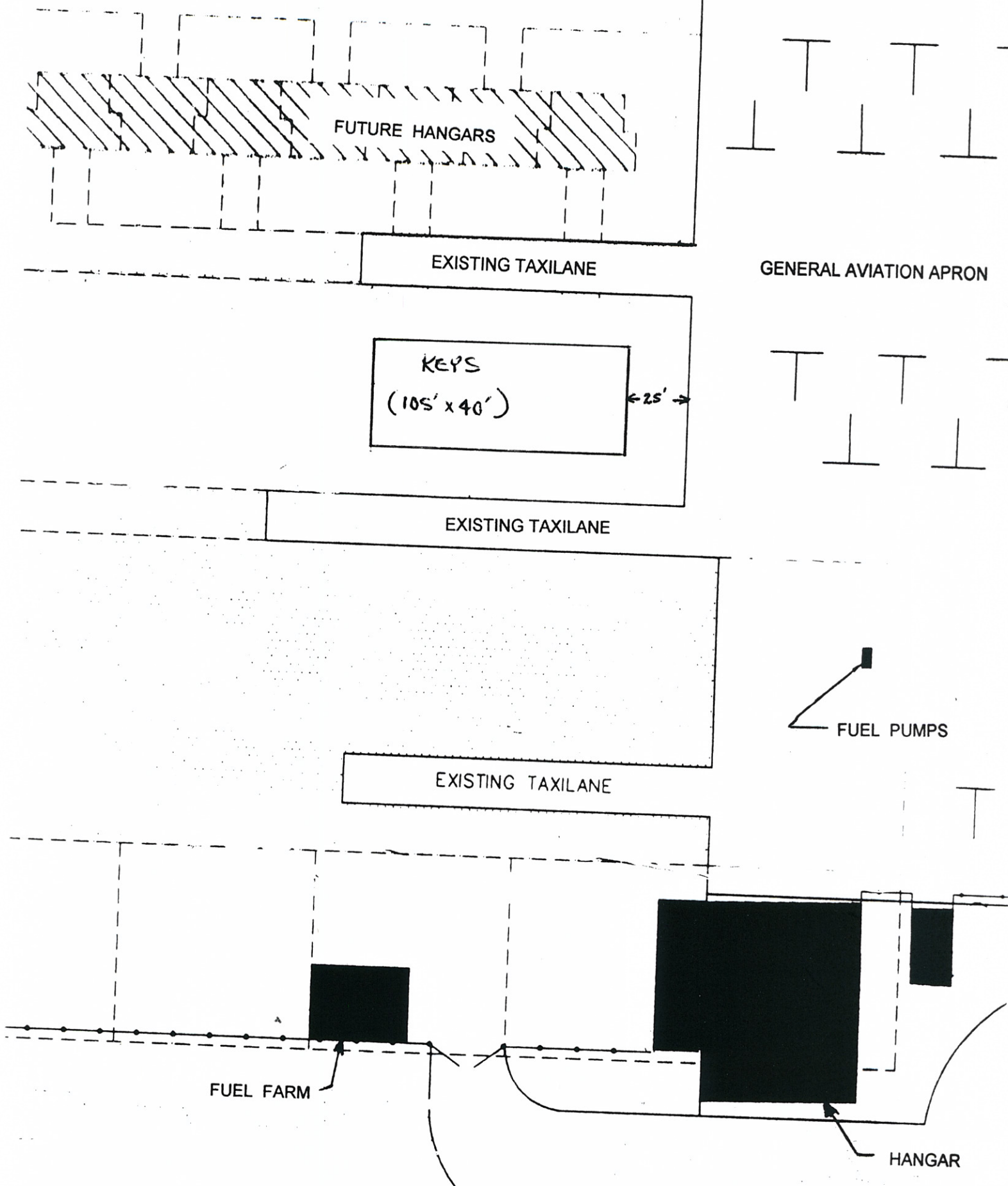
John W. Keys, III Sept. 14, 1998
John Keys, Owner Date

Dell A. Keys 9-14-98
Dell Keys, Owner Date

ATTEST:

Harvey Merrell 10/6/98
Grand County Council, Chair Date

EXHIBIT "A"



AMENDMENT TO LEASE AGREEMENT BETWEEN GRAND COUNTY, UTAH AND JOHN AND DELL KEYS

AMENDMENT NO. 1

THIS AMENDMENT shall be effective as of January 20, 199⁹~~8~~ by and between Grand County, hereinafter referred to as County and John and Dell Keys, hereinafter referred to as Tenant is made with reference to the following:

WHEREAS, the parties hereto entered into a lease agreement dated September 14, 1998 and

WHEREAS, the parties hereto agree what certain provisions and conditions of said lease require amendment to ensure efficient operation of the facility to the benefit of the Tenant and County,

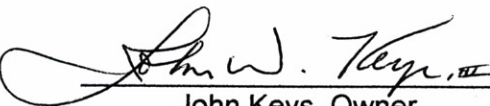
NOW THEREFORE, the parties hereto agree as follows:

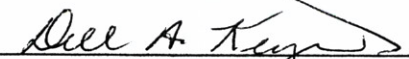
That certain lease agreement entered into by and between the parties hereto on September 14, 1998 is hereby amended as follows, all terms and conditions of the original lease to remain the same:

Change article 11. UTILITIES to read as follows: Tenant agrees to pay all charges for electricity, water, sewer, garbage removal and other utilities used by Tenant on Airport at such rates as may be from time to time established by County and County assumes no responsibility for such utilities. Tenant shall be responsible for bringing all utility lines to Premises and shall provide separate meters for each of Tenant's utilities.

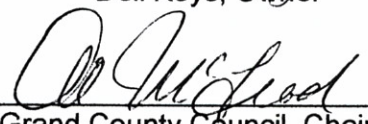
This constitutes the entire amendment to the original lease and if there is any conflict between this amendment and the original lease, this amendment shall prevail. This amendment shall be binding upon the heirs, successors, executors and assigns of the parties hereto.

ATTEST:


John Keys, Owner 12/29/98
Date


Dell Keys, Owner 1-20-99
Date

ATTEST:


Grand County Council, Chair 1/20/99
Date

CANYONLANDS REGIONAL AIRPORT



MINIMUM STANDARDS for Aeronautical Activities

Pages 28-32 only

RECORD OF CHANGES

[illegible]

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Appendix A - Application for Aeronautical Activity at Canyonlands Regional Airport

Appendix B - Building Checklist

- 1.1.1. Any development that affects existing fence lines shall receive the advanced approval of the Director prior to the initiation of development so that secured areas are not compromised.

1.2. Office and Living Quarters in Hangars:

- 1.2.1. Users are allowed to install offices, breakrooms, restrooms, and on-duty rest areas in their hangar, which may be used only for aviation purposes on a temporary basis for no more than four (4) consecutive days.
- 1.2.2. Hangars and any other location on the Airport may NOT be used for residences.

1.3. Use of Hangars:

- 1.3.1. Hangars may not be used for any non-aeronautical business enterprise unless authorized and approved by the County.
- 1.3.2. Any aeronautical business enterprise using a hangar must have pre-approval of the Airport Board, a contract established through the County Commission, and a valid business license in Grand County as required.

1.4. Construction Standard:

- 1.4.1. All construction must be accomplished in a timely manner and in accordance to lease agreements. The County reserves the right to inspect and reject any phase of the construction.

1.5. Clean-up and Reclamation:

- 1.5.1. The User shall haul all excess gravel and topsoil material from the site to an alternative location on the airport as directed by the Airport Staff.
- 1.5.2. If clean up and reclamation work is not completed within a reasonable time period after the issuance of a certificate of occupancy, the County shall have the right to complete the work or contract it out at the expense of the User.

1.6. Right of First Refusal:

- 1.6.1. If, at any time during the term of a Lease Agreement, a User (aka Tenant) shall, in response to a bona fide offer to purchase all or part of any Tenant Improvement from a third party, desire to sell or otherwise dispose of such interest, they shall notify the County in writing of the contract and provide a copy of said contract. The County shall have the right to purchase the Tenant Improvements on the same terms by notifying Tenant, within 30 days of receipt of the notice, in writing whether it wishes to purchase such interest at the price and on the same terms. If the County elects to purchase such interest, Tenant shall be bound to convey, assign, or otherwise transfer such interest to the County promptly thereafter at such price and on such terms. If the County elects not to purchase such interest or fails to give notice of its intention within the 30-day period, Tenant shall be free to convey, assign, or otherwise transfer such interest to the third party at a price not less than stated in the notice or on more favorable terms than those stated in the notice. Any conveyance by Tenant to a third party shall be subject to the

terms of the Lease.

- 1.6.2. Notwithstanding Section 4.27.1, Tenant shall provide the required notice no less than sixty (60) days prior to expiration or termination of the Agreement.
- 1.6.3. If Tenant shall not have so disposed of its Tenant Improvements prior to expiration or termination of the Agreement, such Tenant Improvements shall revert to the County.

2. AIRPORT LEASE POLICIES

2.1. General:

- 2.1.1. The County maintains ownership of all of the land at the Airport.
- 2.1.2. All Airport Users and Tenants shall execute a lease or other written agreement with the County prior to activity or use on Airport property.
- 2.1.3. Each lease shall include non-exclusive access at all hours for County and Airport staff to allow for Based Aircraft Inventories, FAA-requested searches for missing airplanes, facility inspections for fire and safety considerations or other governmental investigations.

2.2. Initial Term:

- 2.2.1. Limits:
 - 2.2.1.1. County owned terminal building leased space may be approved up to five (5) year Initial Term.
 - 2.2.1.2. Landside Initial Term may be approved up to twenty (20) years.
 - 2.2.1.3. Airside Initial Term may be approved up to thirty (30) years.

2.3. Agreement Renewal:

- 2.3.1. Term extensions may be considered up to four (4) separate five-year (5-year) intervals.
- 2.3.2. All amendments and extensions shall be subject to the base rate in the current year County Fee Ordinance.
- 2.3.3. Established terms and extensions shall not exceed fifty (50) years total.

2.4. Expiration/Termination:

- 2.4.1. Prior to expiration or termination of this Agreement, and subject to the County's right of first refusal in all Tenant Improvements, the Tenant shall have the option to: i) return the Premises to its original condition, or ii) sell any Tenant Improvements (as defined in Section 1) in place to an incoming third-party tenant who has signed a Lease Agreement with the County (which Lease Agreement shall be offered in the County's sole discretion). In the event that Tenant does not remove or sell Tenant Improvements on or before the expiration or termination of this Agreement, all Tenant Improvements shall revert to the County; provided that such improvements shall be surrendered to the County in the

condition in which Tenant is required to maintain them under this Agreement, reasonable wear and tear excepted, and free and clear of all liens and encumbrances.

- 2.4.2. If Tenant fails to comply with this Section, the County shall have the right to remove or demolish any Tenant Improvements and restore the Premises to its original condition at the expense of the Tenant.
- 2.4.3. Upon expiration or termination, Tenant shall thereafter have no further rights to or interest in the Premises. Except as otherwise provided by this Agreement, Tenant shall not remove any improvements from the Premises, nor waste or destroy any improvements.
- 2.4.4. Upon or at any time after the date of the expiration or earlier termination of this Agreement, if requested by County, Tenant shall, without charge to County, promptly execute, acknowledge and deliver to County a deed and bill of sale (in form and content acceptable to County) which: conveys all of Tenant's right, title, and interest in and to the Premises and improvements; assigns all contracts designated by County, if any, relating to the operation, management or maintenance of the Premises or any part thereof; and conveys or assigns, as the case may be, all plans, records, registers, permits, and all other papers and documents which may be necessary or appropriate for the proper operation and management of the Premises.
- 2.4.5. Nothing herein shall prohibit the County from issuing a solicitation for a new tenant for the Premises and entering into a new Lease Agreement upon then-acceptable terms and then-market rent.

2.5. Lease Rates:

- 2.5.1. Base Rate.
 - 2.5.1.1. The Base Rate is recorded in the County Fee Ordinance, identified in the Fee Schedule, adopted by the County each year.
- 2.5.2. Annual Rate Adjustment.
 - 2.5.2.1. The annual rent payable under this Agreement shall be calculated by multiplying the Base Rate by two-percent (2%) for each year after the base year ("Rent").
 - 2.5.2.2. On each five-year anniversary of the Lease, the Rent shall be recalculated to the greater of the current Rent amount or the base rate established in the current year Fee Ordinance.
- 2.5.3. Rates, Fees & Charges may be established for the following but not limited to:
 - 2.5.3.1. Leases (grounds or facilities).
 - 2.5.3.2. Sales (fuel, advertising, vending, concessions, etc.).

2.5.3.3. Services (ground transportation, concessions, FBO operations, charters, etc.).

2.5.3.4. Utilities (sewer, water, garbage, electrical, etc.).

2.6. Minimum Insurance Requirements:

- 2.6.1. The Operator shall, at its own cost and expense, obtain and maintain all such insurance required by the County, which requirements and policy amounts may be reevaluated and increased periodically in the County's sole discretion.
- 2.6.2. Operators shall provide the County with a copy of all such certificates of insurance on an annual basis.
- 2.6.3. Operators shall indemnify, defend, and hold the County, its elected and appointed officials, agents and employees, free and harmless from any and all claims and actions, loss, damage expense or cost, including attorney's fees and costs incurred by the County as a result of injury, or death or damage to persons or property sustained as a result of the Operator's use of the Leased Premises and operations at the Airport.
- 2.6.4. Upon failure of the Tenant to furnish, deliver and maintain such insurance as provided for herein, the County may obtain such insurance and charge the Tenant as additional rent, the cost of the insurance plus all appropriate administrative charges and incidental expenses associated with the transaction.

3. APPLICATION REQUIREMENTS

- 3.1. Applications for permission to conduct any Aeronautical and/or Commercial Activity or for a land or facility lease Agreement to conduct such activity at the Airport shall be made in writing to the Airport Director.
- 3.2. Applicants are strongly encouraged to visit with the Director to discuss the applicant's proposed activity prior to the preparation and submission of a detailed application (See application in Appendix A).
- 3.3. The applicant shall submit all information and materials necessary or requested by the County to establish, to the County's satisfaction, the applicant will qualify and comply with these Standards.
- 3.4. Application must be completed in its entirety. A non-refundable application fee for commercial activity or a ground lease for a hangar, must be submitted with the application, such fee amount to be found in the County Fee Schedule.
- 3.5. If requested by the County for the purpose and type of commercial business activity, the applicant shall also submit the following supporting documentations:
 - 3.5.1. Financial Statements – A current financial statement prepared or certified by a Certified Public Accountant.
 - 3.5.2. Assets – A written listing of the assets owned or to be purchased and

utilized in conjunction with the commercial activity at the Airport.

- 3.5.3. Credit Report – A current business credit report covering all areas in which the applicant has done business within the last ten years.
- 3.5.4. References – A list of persons or businesses for which the County has the authorization to contact.
- 3.5.5. Authorization for Release of Information – A written authorization for the Federal Aviation Administration, all aviation or Aeronautical Commissions, administrators, or departments of states in which the applicant has engaged in aviation business to supply the County with all information in their files relating to the applicant or its operation. The applicant shall execute such forms, releases and discharges as may be requested by any of these agencies.

4. ACTION UPON APPLICATION

- 4.1. Upon receipt of a complete application to establish an Agreement in order to conduct business under these Standards, Airport Management will review the application to ensure its completeness and compliance with the requirements.
- 4.2. COMPLETE APPLICATION: If the application is found to be complete, Airport Management will schedule consideration of the proposed activity at the next regular Airport Board meeting. If the application is incomplete, Airport Management will advise the applicant of the deficiencies in writing.
- 4.3. CONSIDERATION: The Airport Board will consider the proposed activity, review the recommendation of Airport Management and take public comment. Following this consideration, the Airport Board will recommend approval or denial of the proposed activity to the Grand County Commission, which has the ultimate authority to approve or disapprove any proposed Aeronautical Activity. Grand County Commission consideration of a proposed activity will take place during a regular Grand County Commission meeting.
- 4.4. REPRESENTATION: The Airport Board recommends the applicant, or a duly appointed representative, be in attendance regarding the proposal and recommendation process in order to explain the operation and answer questions.
- 4.5. DENIAL CONSIDERATIONS:
 - 4.5.1. In consideration of the application, the Airport Board and/or the Grand County Commission may deny the application based on, but not limited to, one or more of the following terms and shall make written findings:
 - 4.5.1.1. NOT QUALIFIED: The applicant does not meet the qualifications, standards or requirements established by these Standards.
 - 4.5.1.2. SAFETY HAZARDS: The applicant's proposed operation or construction would create a demonstrated safety hazard at the Airport.
 - 4.5.1.3. GRAND COUNTY EXPENDITURE: The approval of the application would require the County to expend funds, labor or materials in