

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
AGENDA**

**January 8, 2024 @ 4:00 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 December 18, 2023 (Regular meeting)
 - 2. No Director's Report for December 2023
 - 3. Airport Monthly Data Report - December 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. Interview Randy Martin to serve a term on the Airport Board (with standard Airport interview questions), and vote on his application.
 - 2. Airport Garage Co. new garages: Bill Prather scheduled a site visit for 9:00 a.m. on Monday Jan. 8 (today).
 - 3. Clarification of vote re: request from Dell Keys regarding the sale of her hangar (giving the Buyer 4 extensions of the lease): Instead of moving forward with buyer's lease, we would amend Dell's current lease to add the four 5-year extensions (see email in packet for explanation, and Amendment to Lease, approved by the County Attorney). County Attorney said that the County's right of first refusal could be done verbally at the Commission meeting.
 - 4. Discussion re: County Internal Audit results.
- E. Discussion Items:
 - 1. Contour Airlines will have their grand opening on Feb. 1 at 11:30. Board members welcome. We invited all County Commissioners.
 - 2. Project Reports
 - a. Ramp/Taxi lane design work – 90% completion
 - b. Generator for terminal – Scope of Work & Cert. of Insurance attached to ICA, signed by Corp., sent to CommAdmin 12/5 for signatures.
 - c. Drive through gate replacement
 - d. CNY Triennial Emergency Exercise – March 14
 - 3. AEAS – ASA is out for legal review, logistics are being worked out

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

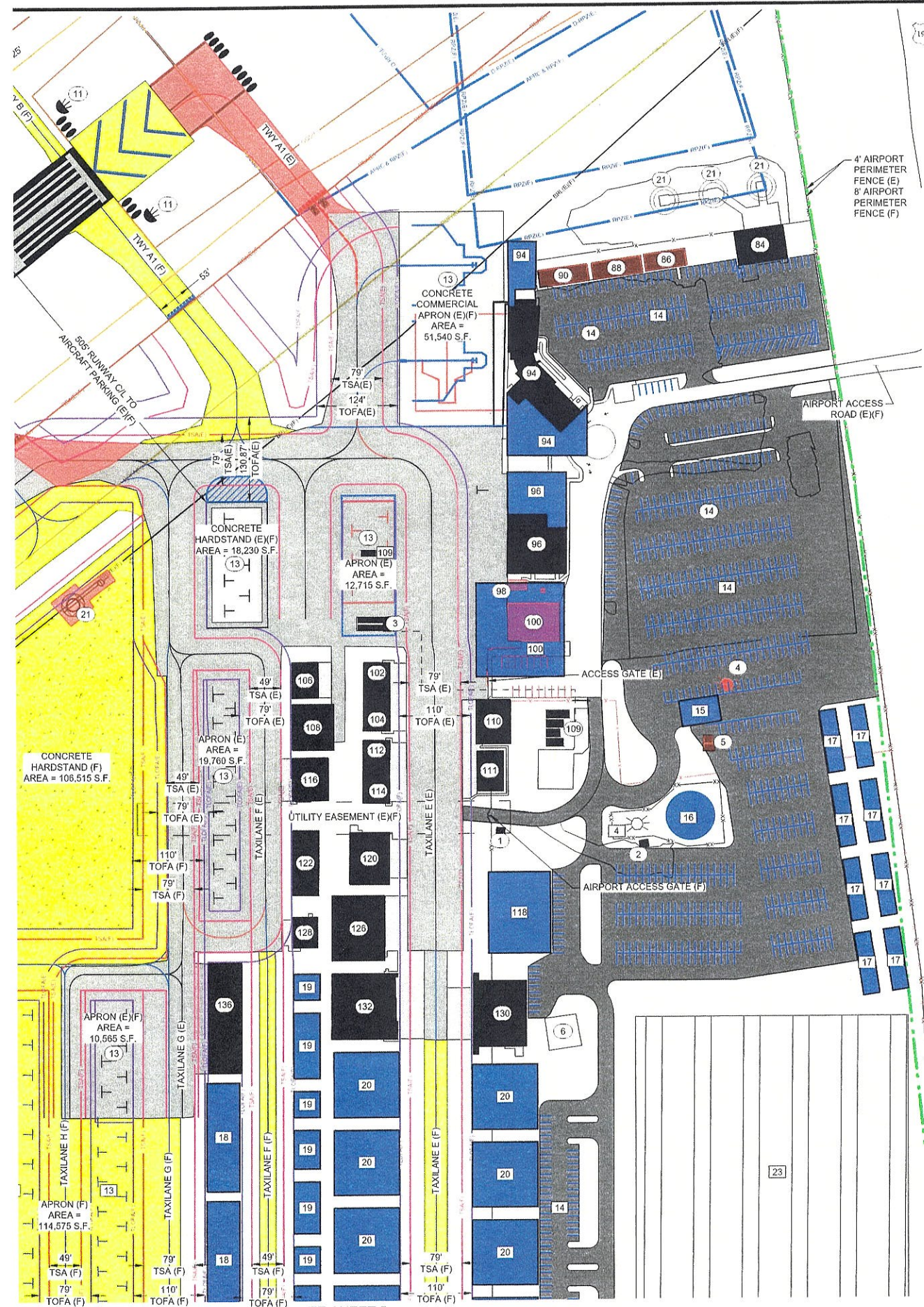
I. Adjourn

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



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	Drawn	Chkd	Appvd
0	226796	05/20/23	ORIGINAL ISSUE	6796303	RA	JPH	J2P

TERMINAL
AREA
DRAWING

Sheet: 4 of: 24

**GRAND COUNTY AIRPORT BOARD
REGULAR MEETING
MINUTES**

**December 18, 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 5:00 p.m.
2. Members present: Jody Patterson, Bill Hawley, Bill Winfield (County Rep.), Jason Taylor (Moab City Rep.), and Shalee Bryant. On Zoom was Laurel Catto. Airport Director Tammy Howland was also present.
3. Members not present: Norm Knapp, Jenny Gleason (Travel Council Rep.).
4. Others present: Director's Assistant Tara Collins, Dell Keys (hangar owner).

B. General Business

5. Approve minutes of November 20, 2023 (Regular meeting).
Motion by Jason to approve the minutes, seconded by Bill H., approved 4-0, with Laurel abstaining.
6. Any questions on the Safety Report / Director's Report - November 2023
7. Airport Monthly Data Report - November 2023 & Virtower Data
Tammy shared the data spreadsheet. She said November fuel sales are usually low, but this year we had higher sales than last year, which she attributed to mild weather. She reviewed the enplanements for November: 23,681 total enplanements, which is higher than last year. Redtail had good numbers for their helicopter flights. She showed the landing fees.

Bill H. suggested that we show the property taxes paid to the County by Airport entities, on a yearly basis. This would complete the picture of revenue. Tammy agreed, and said she would show that in 2024. Tammy reminded the board that all revenue that comes from the Airport, including property taxes, must go back toward Airport projects and needs. Bill W. said a closed session might be more appropriate for the following, but he would like to discuss the internal audit findings. Jody asked if there were issues related to the Airport, and Bill W. said yes. Jody requested a copy of the audit in the next packet.

C. Citizens to be Heard - None

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

1. Airport Garage Co. new garages. This is a placeholder.
2. Interview Bill Hawley to serve another term on the Airport Board (with standard Airport interview questions), and vote on his application.
Jody asked about his background, which Bill H. described.

Shalee asked what areas of opportunity Bill H. sees for the Airport Board. Bill said his goal is to see the Airport more appreciated in the County's view. It's a small Airport, and requires constant care to keep the County up to speed on its function. He said we also have a large shortage of hangars. He spoke of beautification, like new roads.

Bill H. said we could use a business plan that allows the Airport to build hangars, or finance hangars, or provide economic incentives for people to build hangars. Jody joked that we could put solar panels on the new hangars.

Motion by Shalee to recommend re-appointment of Bill H. to the Board, seconded by Jason, approved 5-0.

3. Request from Dell Keys regarding the sale of her hangar (giving the Buyer 4 extensions of the lease).

Tammy explained that Dell is requesting to sell her hangar to Keith MacBeth, an existing Airport tenant. Her lease is old, and has 5 years remaining, and one 5-year extension. What the board needs to decide is whether to give the buyer additional extensions to the lease term. Tammy said under current Standards and in Dell's lease, the County has the right of first refusal. Bill H. discussed options, including that it is to the County's advantage to buy hangars and rent them out. Secondly, he said the Standards give the option of selling it to an incoming 3rd party, with the current Standard lease term. Tammy said the County Attorney is pretty confident that TRT funds could be used for that. She said hangar space is a hot commodity. Bill W. asked if Keith could lease it from the County, and Tammy said she did not know if we could put him at the top of the list of renters.

Tammy relayed that the County Attorney believes that a sale to a third party is not possible under this lease, although Tammy and Bill H. believe that that is possible, under the current Minimum Standards, which Dell's lease mandates following. Laurel said it's always a slippery slope to go amending leases, and isn't sure that the Board has authority to amend it, unless it's to the Airport's advantage. Laurel said exercising the County's right of first refusal could be a good outcome both for the Airport and for Dell. To extend the term of the lease is a windfall to the developer, and that we should be cautious about that. Even though Dell herself won't get the additional extensions of time, she's reaping the benefit through her selling price. Dell said she wanted it to be fair for everyone involved. Laurel clarified that the buyer would sign a lease for the remaining 5 years of Dell's term, with four 5-year extensions, and, pointing out that that is what Dell would have had under the current term parameters, said she could go along with that.

Tammy said that County ownership of hangars is more beneficial financially to the County, than a ground lease. Shalee clarified that Attorney Stocks said the County could use TRT funds, potentially, to purchase the hangar. Tammy said the County would need to get it appraised. Bill W. said it was tax-assessed at \$320,000.

Motion by Shalee to recommend the County receive the right of first refusal, and if the County declines, that we follow through with a new lease to a third party for the remainder of the current lease term plus four 5-year extensions. Seconded by Jason, approved 5-0. Tammy clarified that this would be a 2-part motion for the Commission.

Dell interjected that this plan would not be her first choice. Her first choice would be to sell to Keith, since it's her hangar, and she should be able to sell it to whoever she wants. Also, Keith and his people have helped her out over the years. She asked that this preference be made clear to the Commission.

Tammy said if the County buys it, she would need to check her grant assurances, before leasing it to Keith, to make sure no preferential treatment or exclusivity was occurring.

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. The first flight will be that day too.
2. SITLA land swap update (Was in closed session of CC on Dec. 5, 2023). Bill W. attended the closed session. He said the discussion was not favorable to the Airport. He thought it was a 5-2 vote to do something different. The opinion was that a swap would waste County land (not Bill W.'s opinion). They suggested bringing in Armstrong and they and Tammy could educate the Commission about the issue, and the needs of the Airport. Bill W. thought the Commissioners did not want to lose that property in San Juan County. He thinks they want it for workforce housing. At \$100,000 an acre, that 40 acres is worth \$4 million dollars. Bill W. suggested Judd and Tammy give a presentation. Jody offered to join that.

Tammy gave some background and said that it was never the Airport's intention to involve the chunk of property in San Juan County. They originally offered to SITLA some land near the Airport as a trade, land south of Blue Hills Road. It was SITLA's idea to involve the San Juan property. So Tammy was not that surprised or disappointed at this outcome, and thought our efforts were better spent on renegotiating. Bill H. thought we should wait until we're ready to rebuild the taxiway, maybe wait until grant money is offered for that. The County may be more receptive then.

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
Tammy thought they would wrap up the Air Service Agreement next week. Contour was able to establish a code-share with American Airlines. So passengers

can get frequent flyer miles through American when they fly Contour. This is much better than merely an interline agreement.

F. Reports:

1. County Commission
 2. City of Moab - They will have new City Council members on Jan. 2.
 3. Travel Council - Jenny not present
 4. Solar Committee - Bill H. has nothing to report
 5. Other reports for Airport Board
- G. Future Considerations - Bill H. said we should keep Dell on the next agenda, and also the garages.
- H. Closed Session, if necessary
- I. Adjourn - 6:26 p.m.

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
100LL - Gallons Used/Sold													
2023 Monthly Total	1673.00	4312.00	3364.00	3611.00	4933.00	7077.00	3359.00	3116.00	5396.00	4843.00	3421.00	2000.00	47105.00
2022 Total	2541.95	2353.25	3223.18	4483.00	4532.00	3977.00	2909.00	6678.00	6504.00	4981.00	3135.00	1158.00	46475.38
2021 Total	2073.00	1777.00	4161.00	6222.00	6504.00	4826.00	4471.00	3551.00	4924.00	5603.00	4568.00	3814.00	52494.00
YOY Percent Change	-52%	45%	4%	-24%	8%	44%	13%	-114%	-21%	-3%	8%	42%	1%
CNY SS - \$6.90													
CNY Truck - \$7.40													
Jet A - Gallons Used/Sold													
2023 Monthly Total	13474.00	34329	32861.00	46425.00	51497.00	42731.00	31464.00	30626.00	44837.00	44370.00	38762.00	15492.00	426868.00
2022 Total	16324.55	15082.03	26866.05	46211.00	44065.00	39332.00	36332.00	40785.00	56422.00	51108.00	34239.00	13422.00	420188.63
2021 Total	17847.00	17426.00	33379.00	54021.00	61037.00	73155.00	41476.00	45579.00	51232.00	55905.00	31766.00	13553.00	496376.00
YOY Percent Change	-21%	56%	18%	0%	14%	8%	-15%	-33%	-26%	-15%	12%	13%	2%
CNY SS - \$9.40													
CNY Truck - \$9.90													
FBO @ .08 gal													
Fuel Flowage Fee Report													
	\$1,211.76	\$3,091.28	\$2,898.00	\$4,002.88	\$4,514.40	\$3,984.64	\$2,785.84	\$2,699.36	\$4,018.64	\$3,937.04	\$3,374.64	\$1,399.36	\$37,917.84
ENPLANEMENTS													
SkyWest Airlines (UA) - Rev	681	752	1,286	1383	1434	974	725	864	1367	1,734	817	564	12581
SkyWest Airlines (DL) - Rev	0	0	416	807	1038	681	543	547	940	1,122	597	0	6691
SkyWest - NonRev (Total)	15	22	19	25	43	11	41		45	58	34	24	337
Redtail Air*	70	72	175	200	544	676	474	303	639	386	127	68	3734
Redtail Helicopters (Part 135)	6	7	64	121	153	172	117	126	49	25	47	28	915
Moab Heli X (Part 135)	7	6	22	32		15	25						107
2023 Enplanements	779	859	1982	2568	3212	2529	1925	1840	3040	3325	1622	684	24365
2022 Enplanements	595	754	1,590	2221	2646	2051	1828	1882	3007	3,680	2059	994	23307
2021 Enplanements	352	446	1128	1978	2946	3188	2413	2497	3087	3382	2349	982	24748
2020 Enplanements	556	625	569	30	245	750	876	1169	1757	1948	1005	400	9930
Skydive Moab	1503	0	1355	2946	3938	2629	2870	2129	3365	2878	0		23613
LANDING FEES \$0.75/1,000 lb													
SkyWest Airlines Actual	28	28	55	55	77	52	52	31	75	77	52	31	613
SkyWest Scheduled	31	28	55	55	79	52	52	31	75	78	52	31	619
SkyWest 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	\$1,092.75	\$22,313.25
Redtail Air													
C-172 @ 2550#	8	59	45	46	35	12	13	10	14	3	6	10	261
C-207 @ 3800#	6	1	12	45	64	62	56	59	61	44	27	13	450
Airvan @ 4000#	2	11	0	7	42	38	52	38	33	33	10	6	272
Waco @ 2650#	0	0	0	0	0	0	0	0	0	0	0	0	0
Kodiak @ 7255#	0	3	28	25	55	103	66	35	55	20	13	9	412
Redtail Total	16	4	85	123	196	215	187	142	163	100	56	38	1395
Redtail Landing Fees	\$38.40	\$165.01	\$272.62	\$373.26	\$674.61	\$874.10	\$699.59	\$491.72	\$598.89	\$338.96	\$189.16	\$123.15	\$4,839.46
Skydive Moab													
C-182	0	0	0	0	0	0	0	0	0	0	0	0	0
King Air 350	0	0	0	0	0	0	0	0	0	0	0	0	0
Caravan	0	0	101	201	258	185	192	159	235	210	0	0	1541
SKM Monthly Total	\$0.00	\$0.00	\$568.13	\$1,130.63	\$1,451.25	\$1,040.63	\$1,080.00	\$894.38	\$1,321.88	\$1,181.25	\$0.00	\$0.00	\$8,668.13
Redtail Helicopters	3	4	35	55	72	80	58	60	49	10	0	14	440
Moab Heli X	4	3	11	15	21	7	9	0	0	0	0	0	70
Monthly Total	\$13.13	\$13.13	\$86.25	\$131.25	\$174.38	\$163.13	\$125.63	\$112.50	\$91.88	\$18.75	\$0.00	\$26.25	\$956.25
Mo. Land. Fee Total	\$1,038.53	\$1,165.14	\$2,865.74	\$3,468.13	\$5,014.48	\$3,910.85	\$3,808.71	\$3,331.59	\$4,656.39	\$4,253.21			\$33,512.78
REDTAIL Collections													
Acft Over 6K# @ \$25	1	1	4	11	12	13	2	5	8	6	6	2	71
Acft Over 10k # @ \$65	6	6	9	29	25	29	11	18	27	28	22	7	217
Acft Over 25K# @ \$190	1	2	12	30	18	13	7	13	17	15	10	0	138
Total Flights	8	9	25	70	55	55	20	36	52	49	38	9	426
Total \$ Collected & Paid	\$605.00	\$795.00	\$2,965.00	\$7,860.00	\$5,345.00	\$4,680.00	\$2,095.00	\$3,765.00	\$5,185.00	\$4,820.00	\$3,480.00	\$505.00	\$42,100.00
Section 1 Total	\$2,855.29	\$5,051.42	\$5,788.74	\$7,541.01	\$9,583.88	\$7,950.49	\$6,614.55	\$6,066.95	\$8,727.03	\$8,239.25	\$3,412.64	\$1,408.36	\$73,239.62
Skydive Landing Area													
Skydive Moab	\$ -	\$ -	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ -	\$ -	\$800.00

Concessions

Vending Machines	\$	181.00	\$	300.05	\$	390.85	\$	500.00	\$	673.50	\$	657.60	\$	716.70	\$	1,141.02	\$	1,607.47	\$	1,938.88	\$	983.55	\$	642.47	\$	\$9,733.09
Parking Revenue	\$	2,980.00	\$	2,099.50	\$	2,059.00	\$	2,502.00	\$	4,908.00	\$	2,790.00	\$	2,878.00	\$	2,478.00	\$	3,342.00	\$	3,192.00	\$	2,784.00	\$	2,540.00	\$	\$34,552.50
Enterprise Car Rental		4531.88	\$	4,050.78	\$	13,317.59	\$	20,462.32	\$	21,055.92	\$	17,106.31	\$	13,152.97	\$	8,815.95	\$	18,191.44	\$	26,374.39						\$147,059.55
Canyonlands Car Rental	\$	212.20	\$	242.70	\$	2,052.40			\$	1,983.30	\$	1,625.50	\$	840.30	\$	1,769.10	\$	1,908.10	\$	2,596.10	\$	870.00				\$14,099.70
Turo	\$	-	\$	-	\$	-	\$	-	\$	642.78	\$	510.87	\$	325.93	\$	91.00	\$	1,136.63	\$	1,578.18	\$	445.76	\$	-	\$	4,731.15
TOTAL	\$	7,905.08	\$	6,693.03	\$	17,919.84	\$	23,564.32	\$	29,363.50	\$	22,790.28	\$	18,013.90	\$	14,395.07	\$	25,149.01	\$	34,201.37	\$	4,637.55	\$	3,182.47	\$	\$207,815.42

Section 2 Total	\$7,905.08	\$6,693.03	\$18,019.84	\$23,664.32	\$29,463.50	\$22,890.28	\$18,113.90	\$14,495.07	\$25,249.01	\$34,301.37	\$4,637.55	\$3,182.47	\$208,615.42

Section 1 Total	\$2,855.29	\$5,051.42	\$5,788.74	\$7,541.01	\$9,583.88	\$7,950.49	\$6,614.55	\$6,066.95	\$8,727.03	\$8,239.25	\$3,412.64	\$1,408.36	\$73,239.62
Section 2 Total	\$7,905.08	\$6,693.03	\$18,019.84	\$23,664.32	\$29,463.50	\$22,890.28	\$18,113.90	\$14,495.07	\$25,249.01	\$34,301.37	\$4,637.55	\$0.00	\$205,432.95
Total Revenue	\$10,760.37	\$11,744.45	\$23,808.58	\$31,205.33	\$39,047.38	\$30,840.77	\$24,728.45	\$20,562.02	\$33,976.04	\$42,540.62	\$8,050.19	\$0.00	\$277,264.21

----- Forwarded message -----

From: <noreply@civicplus.com>

Date: Wed, Nov 1, 2023 at 6:20 PM

Subject: Online Form Submittal: Board, Commission, Committee & Special Service District Application & Certification Form

To: <commadmin@grandcountyutah.net>, <howland@grandcountyutah.net>, <airport@grandcountyutah.net>

Board, Commission, Committee & Special Service District Application & Certification Form

Board, Commission, Committee & Special Service District Application & Certification
Form

Instructions: Complete and sign this form and return it to Grand County Commission
Office, 125 E. Center St., Moab, UT 84532; fax: 435-259-2574; or
commission@grandcountyutah.net

Board, Commission,
Committee or Special Service
District

~~Airport Advisory Committee~~

Airport Board

Other:

Field not completed.

Name:

Randy Martin

Mailing Address:

~~REDACTED ADDRESS~~

City:

Moab

State:

UT

Zip Code: 84532

Day Phone: [REDACTED]

Email Address: randy@flyredtail.com

In what year did you establish your current residency in Grand County? 1999

If not Grand County, which county do you reside in? UT

Occupation or professional training: Director of Business Operations for Redtail Air

List your work experience that is relevant to your application for a position on the Board or Commission for which you are applying: Worked for Redtail Air on Business Operations, Sales and Marketing, Flight Operations, and Guest Services for 3 1/2 years. Familiar with the airport and its operations. I have attended numerous Airport Board Meetings over the past two years.

List your non-work experience that is relevant to your application for a position on the Board or Commission for which you are applying: Experience in business, finance, and aviation.

Grand County Resolution 3184 (October 2019) contains the following Board Member requirements:

- **Must be a Grand County resident (unless otherwise noted);**
- **Terms shall be for four years, unless a shorter period is required by law, or unless a midterm vacancy is being filled;**
- **Board Members shall have the appropriate expertise when required by law;**
- **Submit applications to the Council's Office by the requirements contained in the notice;**
- **Agree to abide by the County's Conflict of Interest Ordinance.**

Additionally, the State Code has the following requirements for Special Service Districts in Grand County:

- **No appointed member of the Board may be a full or part-time employee of the District while serving on the Board;**
- **No person employed by a Special Service District as a full-time or part-time employee may serve on the Governing Board of the District;**
- **A Board Member may not be compensated separately as a Board Member and as an employee for providing the same service;**

• **Each Trustee/Board Member appointed by the County legislative body shall be an elector (registered voter) of the District**

I have read, and I certify, that all the information on this form is true and correct and I meet the requirements listed above. Furthermore, if appointed, I agree to faithfully attend the meetings and adhere to the State laws, County ordinances, and adopted Bylaws that govern the Board or Commission on which I am appointed to serve. Additionally, I have read the County's Conflict of Interest Ordinance (No. 593, 2019) and do not have any inherent conflicts in serving on the Board or Commission to which I have applied. I agree to abide by this Ordinance.

Applicant Certification By checking this box and typing my name below, I am electronically signing my application.

First Name Randy

Middle Initial A

Last Name Martin

Date: 11/1/2023

How did you hear about this position? E-Mail from the Grand County Economic Development

Email not displaying correctly? [View it in your browser.](#)

Tammy Howland <thowland@grandcountyutah.net>
To: Tara Collins <tcollins@grandcountyutah.net>

Thu, Dec 21, 2023 at 11:48 AM

[Quoted text hidden]

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:	
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:

Tara Collins <tcollins@grandcountyutah.net>

Outcome of Airport Board vote re: dell Keys Lease

6 messages

Tara Collins <tcollins@grandcountyutah.net>

Thu, Dec 21, 2023 at 3:38 PM

To: Stephen Stocks <ssstocks@grandcountyutah.net>, Tammy Howland <thowland@grandcountyutah.net>

Hi Stephen,

We wanted to let you know of the outcome of the Airport Board's vote regarding Dell Keys lease and her request to amend it by allowing her four 5-year extensions instead of her current one extension. After discussion and Dell Keys speaking to the Board (her main argument was "fairness"), the Board decided to recommend to the County Commission that 1) the County have right of first refusal to purchase it at fair market value (currently assessed by the County at \$320,000 for tax purposes, which is not an appraisal), and then 2) if County says no, that we follow through with a lease to the 3rd party, having the term as the remainder of current lease (5 years), and four 5-year extensions (as the Minimum Stds & current Lease Template state).

The Board voted 5-0 to approve this plan.

Dell then requested that we write in the CC agenda summary that this is not her first choice. Selling it to Keith MacBeth of Skydive Moab is her first choice, as they have helped her over the years.

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

Tara Collins <tcollins@grandcountyutah.net>

Thu, Dec 21, 2023 at 4:00 PM

To: Stephen Stocks <ssstocks@grandcountyutah.net>, Tammy Howland <thowland@grandcountyutah.net>

Tammy and I believe that if the County goes with allowing the buyer four 5-year extensions, that we should amend Dell's lease first to give her the four extensions. Because the sale to Keith is not set in stone. It exists in the air as an idea, so it seems prudent to apply this CC decision to something that is currently in writing.

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

[Quoted text hidden]

Stephen Stocks <ssstocks@grandcountyutah.net>

Fri, Dec 22, 2023 at 6:11 AM

To: Tara Collins <tcollins@grandcountyutah.net>Cc: Tammy Howland <thowland@grandcountyutah.net>

Dear Tammy and Tara,

Thank you for keeping me in the loop. Do you need help with the agenda summary or would like to add a paragraph of explanation/information? Please let me know.

Kind regards,

Stephen J. Stocks
Grand County Attorney
[125 East Center Street](#)
[Moab, Utah 84532](#)
O: 435.259.1324
C: 435-260-8256

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[Quoted text hidden]

Tara Collins <tcollins@grandcountyutah.net>
To: Stephen Stocks <sstocks@grandcountyutah.net>
Cc: Tammy Howland <thowland@grandcountyutah.net>

Mon, Dec 25, 2023 at 3:24 PM

We are planning on this for the 1-16-2024 CC agenda. I believe you can access an agenda item that's been posted, and add a paragraph, if you'd like.

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

[Quoted text hidden]

Tara Collins <tcollins@grandcountyutah.net>
To: Stephen Stocks <sstocks@grandcountyutah.net>
Cc: Tammy Howland <thowland@grandcountyutah.net>

Mon, Dec 25, 2023 at 3:45 PM

Can you sign off on legal review of the Airport Board decision re Dell Keys. I am putting the clarification that we will amend her lease with the four 5-year extensions, instead of moving forward with the buyer's lease (as they voted), and the Board can vote on that clarification at its Jan. 8, 2024 meeting.

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

[Quoted text hidden]

Stephen Stocks <sstocks@grandcountyutah.net>
To: Tara Collins <tcollins@grandcountyutah.net>
Cc: Tammy Howland <thowland@grandcountyutah.net>

Tue, Dec 26, 2023 at 10:29 AM

I would concur with that. I approve as to form and legality. Thank you.

Kind regards,

Stephen J. Stocks
Grand County Attorney
[125 East Center Street](#)
[Moab, Utah 84532](#)
O: 435.259.1324
C: 435-260-8256

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1/5/24, 3:37 PM

Grand County Utah Mail - Outcome of Airport Board vote re: dell Keys Lease

[Quoted text hidden]

AMENDMENT TO GROUND LEASE

THIS AMENDMENT TO the AGREEMENT (GROUND LEASE) is made and entered into as of February 6, 2024, by and between (i) GRAND COUNTY, a political subdivision of the State of Utah ("County"); and (ii) Dell Keys ("Tenant").

RECITALS:

- A. The parties entered into a Ground Lease Agreement ("Ground Lease") at then-named Canyonlands Field (currently named Canyonlands Regional Airport, and hereinafter referred to as "Airport") dated as of September 14, 1998, whereby Tenant leased 4,272.75 square feet, more or less, and built a hangar, described herein and known as 102/104 W. Aviation Way, Moab, UT 84532.
- B. The parties desire to amend Section 1 and Section 30 of the Ground Lease in order to provide additional term renewal options, and to amend Section 2 to amend the rent rate.

AMENDMENT:

NOW, THEREFORE, in consideration of the mutual covenants set forth in the Ground Lease and in this Amendment, the parties hereby agree to amend the Ground Lease as follows:

- 1. Term. Section 1 of the Ground Lease shall be amended and restated in its entirety, as follows:

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; four 5-year options to extend the lease term shall be allowed as per Section 30 of this Lease.

- 2. Renewal Option. Section 30 of the Ground Lease shall be amended and restated in its entirety, as follows:

Tenant has the option to renew this Lease on the same terms and conditions (excluding the rental rate) for four 5-year extensions by giving notice to County no less than 30 days prior to the expiration of the first term and subsequent extended terms.

- 3. Rent. Section 2 of the Ground Lease shall be amended (but not restated) as follows, as per the current Airport Minimum Standards, Section 5.3.2 ("Agreement renewal: All amendments and extensions shall be subject to the base rate in the current year County Fee Ordinance."), which Tenant is obligated to follow under Section 28 of her Ground Lease (Compliance with Laws) "Tenant

agrees to abide by and conform to all of the airport regulations, . . . whether now in effect or hereinafter enacted”:

The annual rental rate shall be \$1,281.82, based upon the rate of \$0.30 per square foot per year, as stated in the 2024 County Fee Ordinance No. 688.

4. No Further Amendments. All other provisions of the Ground Lease not specifically amended herein shall remain as originally agreed and parties represent, warrant and agree that the Ground Lease shall remain in full force and effect as amended hereby.
5. Defined Terms. All capitalized terms in this Amendment shall have the meanings ascribed to them in the Ground Lease, as specifically amended here.

IN WITNESS WHEREOF, the parties have signed this Amendment of Ground Lease as of the date written above.

Attest:

Jacques Hadler, GRAND COUNTY COMMISSION CHAIR

Date

Gabriel Woytek, County Clerk

Date

HANGAR 102/104 Tenant:

Dell Keys

Date



Tara Collins <tcollins@grandcountyutah.net>

Amendment to Dell Keys Lease

3 messages

Tara Collins <tcollins@grandcountyutah.net>

Tue, Jan 2, 2024 at 2:41 PM

To: Stephen Stocks <sstocks@grandcountyutah.net>, Tammy Howland <thowland@grandcountyutah.net>

Hi Stephen & Tammy,

I drafted the amendment to Dell Keys' lease, giving her four 5-year extensions, and raising the rental rate. Please take a look and let me know of any edits. It's pretty short. We were hoping to get this on the January 16 Commission meeting (deadline Jan. 10). I am including her original lease too. Thank you! Hope you're having a good time in Peru.

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

2 attachments

**AMENDMENT TO GROUND LEASE w. Dell Keys- Four 5-year extensions.docx**

18K

**1998 SIGNED Dell Keys Lease.pdf**

10121K

Stephen Stocks <sstocks@grandcountyutah.net>

Tue, Jan 2, 2024 at 7:04 PM

To: Tara Collins <tcollins@grandcountyutah.net>

Cc: Tammy Howland <thowland@grandcountyutah.net>

Dear Tara,

Thank you for sending this over. I do not have any changes. The document is straight forward and achieves its goals. Would you like me to look at the agenda summary for the packet? I think it would be important to provide a concise restatement of the facts, the language of the contract, and the basis for permitting the amendment. I think those factors would help educate the commissioners on making this decision (and why this isn't overly favorable treatment for the tenant).

I do approve the contract regarding legality and form. Thank you again.

Kind regards,

Stephen J. Stocks
Grand County Attorney
[125 East Center Street](#)
[Moab, Utah 84532](#)
O: 435.259.1324
C: 435-260-8256

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[Quoted text hidden]

Tara Collins <tcollins@grandcountyutah.net>
To: Stephen Stocks <sstocks@grandcountyutah.net>
Cc: Tammy Howland <thowland@grandcountyutah.net>

Thu, Jan 4, 2024 at 4:41 PM

Yes, once I draft the AS, I will have you look it over. Thanks,

Tara Collins
Assistant to CNY Airport Director
(435) 259-4849
tcollins@grandcountyutah.net

[Quoted text hidden]

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 hereunder 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:

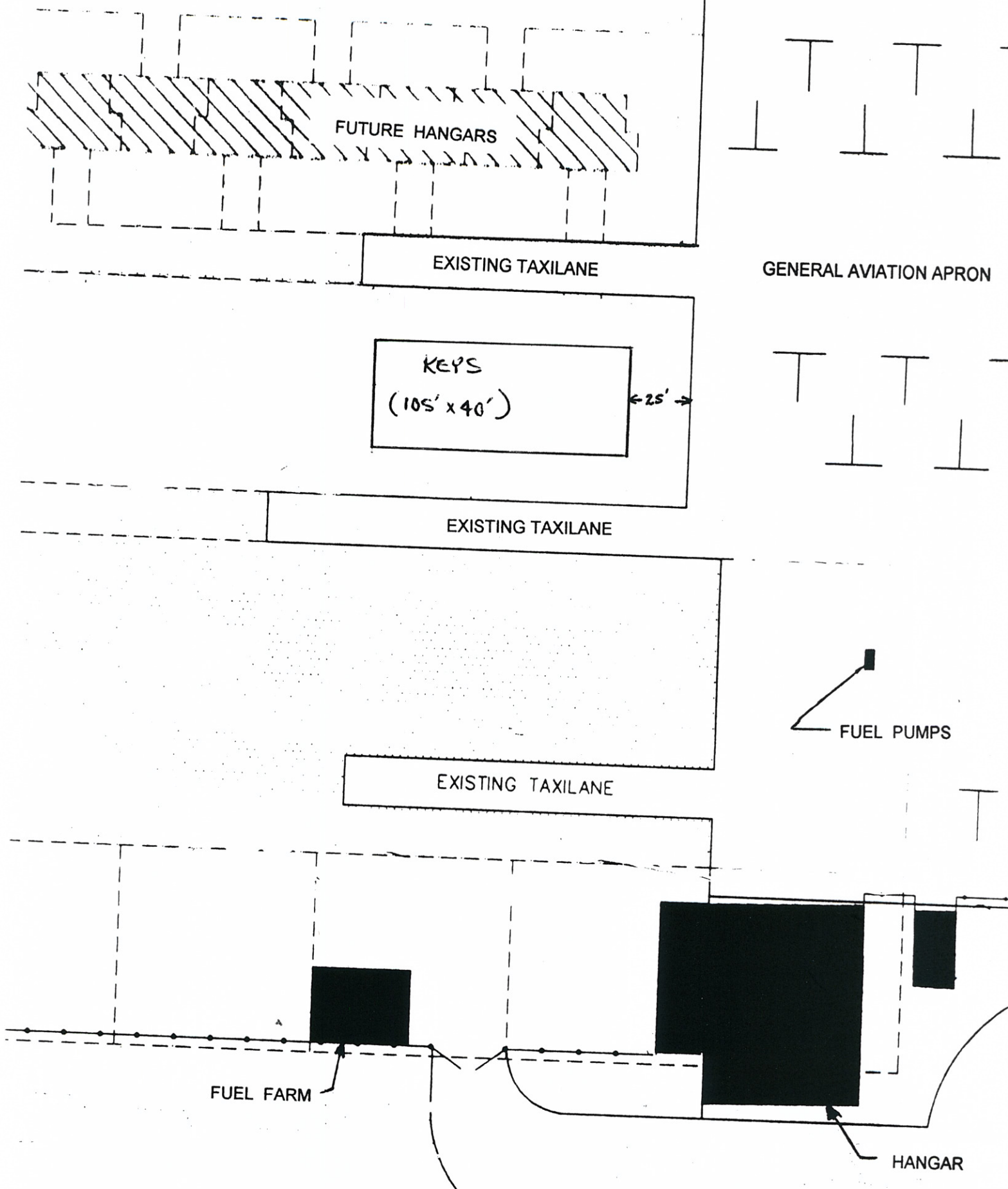
John W. Keys, III SEPT. 14, 1998
John Keys, Owner Date

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,

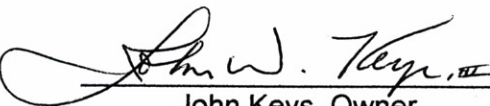
NOW THEREFORE, the parties hereto agree as follows:

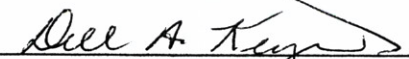
That certain lease agreement entered into by and between the parties hereto on September 14, 1998 is hereby amended as follows, all terms and conditions of the original lease to remain the same:

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.

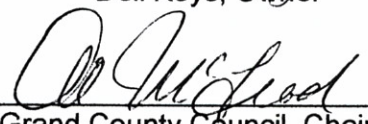
This constitutes the entire amendment to the original lease and if there is any conflict between this amendment and the original lease, this amendment shall prevail. This amendment shall be binding upon the heirs, successors, executors and assigns of the parties hereto.

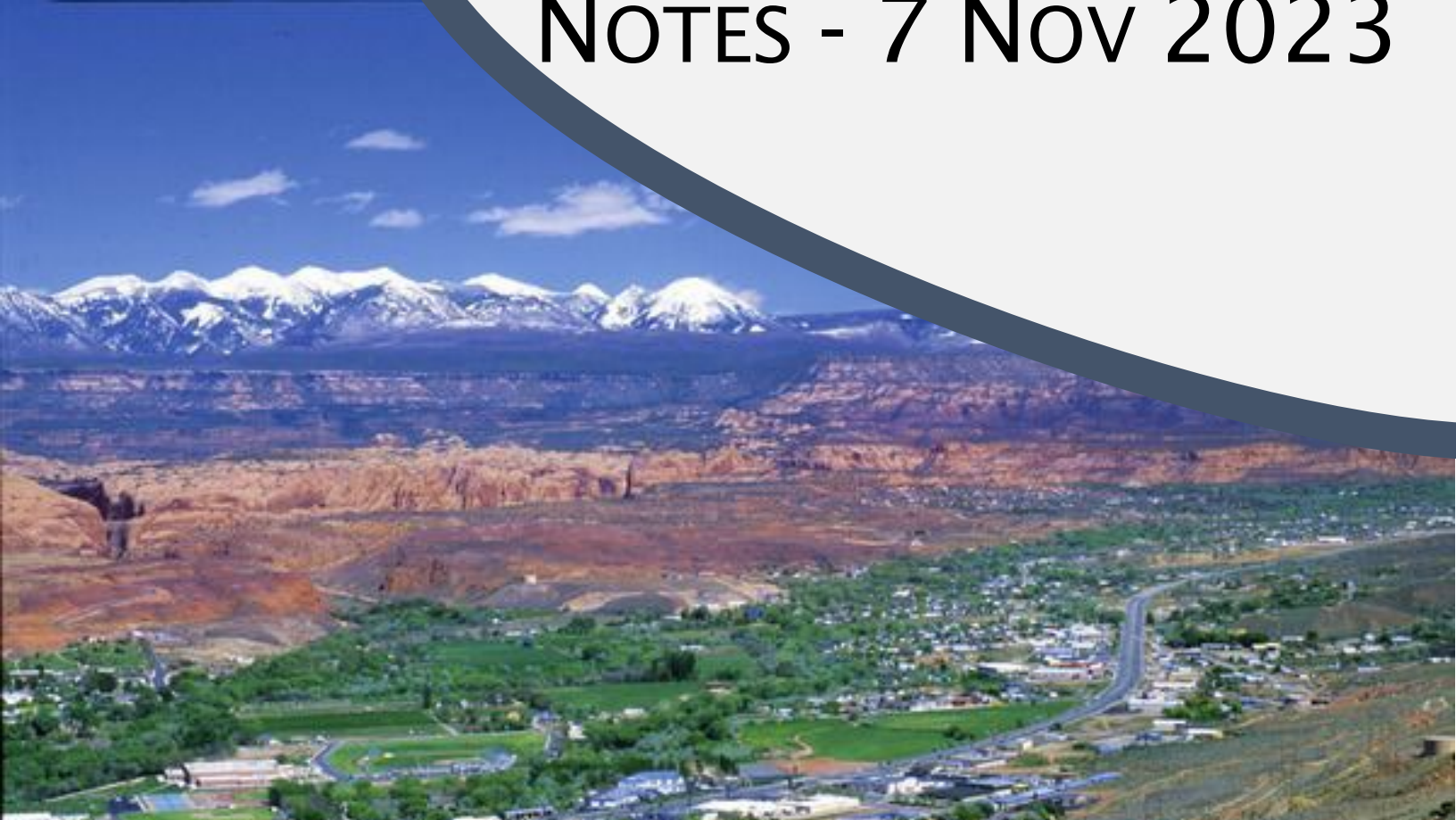
ATTEST:


John Keys, Owner 12/29/98
Date


Dell Keys, Owner 1-20-99
Date

ATTEST:


Grand County Council, Chair 1/20/99
Date



GRAND COUNTY, UTAH

INTERNAL AUDIT FINDINGS

NOTES - 7 Nov 2023



INTERNAL AUDIT NOTES – 7 Nov 2023

On November 7, 2023, the County's Internal Auditor, Cody Deeter with EFG-Consulting met with County staff as follows:

AIRPORT – TAMMY HOWLAND - DIRECTOR

FAA mandates that federally supported airports must be self-sufficient. Fees should be charged for anything that is reasonable to generate fees to self-sufficiency. Some of the fees collected by the airport include:

- Parking fees – through SP+ a third-party vendor
- Fees for businesses onsite (shuttles, taxis, rental cars, Uber) – usually 10% of gross revenues
- Landing fees
- Fuel fees – approximately 8 cents/gallon
- Hanger fees
- Land leases and related fees – land leases are approximately 25 cents/square foot.

The Clerk/Auditors Office collects nearly all fees other than funds from the vending machine and occasionally for parking when someone does not want to use the parking app. Cash that is collected is deposited about every three days at the Clerk/Auditors office. Other fees are collected directly by the Clerk/Auditors office. The airport director sends a spreadsheet to the Clerk/Auditors office of what should be paid. There have been human errors in spreadsheet which the Airport is working to clean up.

What the Airport Wants to Change – Red Tail is the fixed base operator. Red Tail collect fees from vendors and sends a check directly to the Clerk/Auditors office. Tammy emails the Clerk/Auditors Office a spreadsheet with the funds that should have been paid. Need a policy and procedure to reconcile the funds collected from Red Tail by the Clerk/Auditor and the amounts the Airport believes should be collected. This will ensure that the funds collected are accurate. This will also aid in creating a more accurate budget for each year.

The Director has a basic level of knowledge of Casselle. Training would be helpful for her to better use the features to monitor the budget during the year and prepare a budget for future years. She has issues with looking at budget details from prior years.

Federal Funds – Grants Assurances. The Director is concerned about fund received for the Airport during COVID years. All revenue generated by airport needs to go back to the airport. Between 2020-2022, CARES, CURSA, ARPA Grants provided approximately \$1m which was mainly used for payroll, debt service, operations/maintenance, and some minor projects. The Director is concerned that the operating income during those years or the grant funds were used somewhere else. There should be a fund balance available for future projects. She is worried about reporting to the FAA that all grants and revenues from the Airport have stayed with the Airport. There is a need for matching funds in 2024 of approximately \$800k.

FAA – Director is concerned that FAA reporting may not have been done historically such as in 2022. Tammy is in process of setting up an account to review past reports and submit future reports.

Recommendations

1. The Airport could benefit from policies and procedures. Tammy suggested that she would have greatly benefited from written policies and procedures when she took over.
2. Budget Process – Tammy suggested that some of the budget categories do not make sense and need to be changed to reflect where monies are both received and spent.

3. The Airport would benefit from a long-range business plan that incorporates the high-level Airport Master Plan. This could include reviewing fees to ensure the Airport is covering its costs, projecting future infrastructure needs from the Master Plan and how to pay for those, ways to increase activity and revenue from both airport and non-airport functions. This would include an evaluation of utility capacity for expansion of airport and non-airport functions including restaurants, hotels, added car rental amenities, expanded terminal space, hanger space, etc.