

**SECOND AMENDED AND RESTATED
INTERGOVERNMENTAL AGREEMENT
ESTABLISHING THE YAMPA VALLEY AIRPORT COMMISSION**

This Second Amended and Restated Intergovernmental Agreement Establishing the Yampa Valley Airport Commission (the "Amended Agreement") dated as of **February 10, 2011**, is between the City of Steamboat Springs, Colorado, a municipality chartered pursuant to the laws of the State of Colorado ("City") and Routt County, Colorado ("County") acting by and through its Board of County Commissioners.

Recitals

A. City is the owner and operator of the Steamboat Springs Airport at Bob Adams Field ("BAF").

B. County is the owner and operator of the Yampa Valley Regional Airport ("YVRA") located at Hayden, Colorado. Collectively, BAF and YVRA are sometimes referred to hereinafter as the "Airports."

C. City and County have extensively discussed the need for and advantages of having unified policies and long-range planning for the Airports and the possibility of forming a statutory airport authority pursuant to the Colorado Public Airport Authority Act (C.R.S. Section 41-3-101, et seq.) to obtain those objectives.

D. City and County have concluded that, rather than forming a statutory airport authority, forming an airport commission by an intergovernmental agreement is more consistent with the above objectives while allowing each to maintain ownership of its airport.

E. City and County have heretofore entered into an Intergovernmental Agreement Establishing the Yampa Valley Airport Commission (the "Agreement") dated as of August 5, 2003 and amended and restated as of January 10, 2006 and December 22, 2009, pursuant to which the Yampa Valley Airport Commission (the "Airport Commission") was established.

F. City and County desire to further amend the Agreement in certain respects.

G. City and County intend by this Second Amended Agreement to amend and restate the Agreement and to set forth the terms and

conditions under which the Airport Commission will exist and operate and to further set forth the relationships among City, County and the Airport Commission.

Terms and Conditions

Section 1. Airport Commission Established:

The Yampa Valley Airport Commission, as heretofore established, is hereby confirmed as a commission of both County and City. City and County agree to share equally in the start-up and operational costs of the Airport Commission, such as the cost of obtaining stationery, advertising for commission members, the salary for the Commission's minute taker, and expense incurred by commission members in the performance of their duties.

Section 2. Selection of Airport Commission Members:

There shall be nine regular members of the Airport Commission whose qualifications and manner of selection shall be as follows:

- a. Seat One shall be occupied by a member of the City Council of the City of Steamboat Springs, as selected by said City Council.
- b. Seat Two shall be occupied by a member of the Board of County Commissioners of Routt County, as selected by said Board of County Commissioners.
- c. Seat Three shall be occupied by a resident of Moffat County, Colorado, to be nominated by the Board of County Commissioners of Moffat County and the City Council of the City of Craig, Colorado, and appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County.
- d. Seat Four shall be occupied by a resident of the Town of Hayden, Colorado, to be nominated by the Town of Hayden Town Board, and appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County.
- e. Seat Five shall be occupied by an officer, director or employee of the Steamboat Ski & Resort Corporation, to be nominated by the President of said corporation, and appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt

County.

f. Seat Six shall be occupied by a resident of Routt County, to be appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County, based upon the nomination of the Interview Committee established pursuant to Section 4 of this Agreement.

g. Seat Seven shall be occupied by a resident of Routt County active in the general business community to be nominated by the Steamboat Springs Chamber Resort Association. Said member shall be appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County.

h. Seats Eight and Nine shall be occupied by residents of Routt County active in the aviation community. Said members shall be appointed jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County based upon the nomination of the Interview Committee established pursuant to Section 4 of this Agreement.

With the exception of the member occupying Seat Three, all members of the Airport Commission must be full-time residents of Routt County.

Where appointments are specified to be made jointly by the City Council of Steamboat Springs and the Board of County Commissioners of Routt County, said bodies' actions of appointment shall be by separate vote although said bodies may deliberate such action at a joint meeting.

All regular members shall be entitled to vote. Alternate representatives may be nominated and appointed for Seats One, Two, Three, Four, Five and Seven by the same organizations and in the same manner as provided above for the nomination and appointment of the primary representatives occupying those seats. In the absence of the primary representative member, the alternate representative member shall be considered seated and entitled to vote. A majority of the members entitled to vote shall constitute a quorum of the Airport Commission.

Section 3. Term of Airport Commission Members:

The terms of the members occupying Seats One and Two shall be indefinite and determined by the elective body, that is the City Council or Board of County Commissioners, selecting such members; provided, however, that the terms of such members shall automatically expire upon termination of such member's term on the elective body which they represent. All other members of the Airport Commission except those occupying Seats One and Two shall serve four year terms; provided, however, that the terms of the members initially occupying Seats Three, Seven, Eight and Nine shall end on June 30, 2007.

All members of the Airport Commission other than those occupying Seats One and Two shall serve at the pleasure of both the City Council and the Board of County Commissioners and may be removed at any time, with or without cause, by action of both such bodies. The foregoing provisions notwithstanding, any duly appointed member of the Airport Commission shall continue to serve until the member's successor has been appointed. Members may be appointed to serve successive terms without limitation.

All members of the Airport Commission shall serve without compensation except for such amounts determined appropriate by the County Manager or County Commissioners and City Manager or City Council to offset expenses incurred by Airport Commission members in the performance of their duties as Airport Commission members.

The City Manager of the City of Steamboat Springs and the County Manager of Routt County or their designees shall serve as liaisons to the Commission on behalf of their respective employers.

Section 4. Interview Committee:

The Interview Committee shall consist of three members of the City Council of Steamboat Springs and three members of the Board of County Commissioners of Routt County.

The Interview Committee shall be responsible for notifying those parties having nominating power with respect to members of the Airport Commission of that power and the deadlines for exercising that power. The Interview Committee shall also be responsible for providing notice to the public including, without limitation, by advertisements in the newspapers designated as the official publications of the City and the County, that the Interview Committee is accepting letters of interest and resumes

for such seats on the Airport Commission as the Interview Committee has responsibility for making recommendations to the City and the County.

The Interview Committee shall make recommendations to the City Council and the Board of County Commissioners as to replacements for members occupying Seats Six, Seven, Eight and Nine in the event that any of those seats should become vacant for any reason during a term. In such case, the Interview Committee shall make its recommendation within 45 days after the seat becomes vacant.

Additionally, the Interview Committee shall make recommendations as to the members to occupy Seats Six, Seven, Eight and Nine no later than 45 days before the expiration of the terms of the members occupying those seats in accordance with Paragraph 3 hereof.

The Interview Committee shall request the Board of County Commissioners of Moffat County and the City Council of the City of Craig to provide their nomination for Seat Three in the event that such seat becomes vacant during a term and shall also request their nomination for that seat at least 90 days prior to the end of the term of Seat Three. In the event that the Board of County Commissioners of Moffat County and the City Council of the City of Craig fail to make the requested nomination within 30 days after the request is made by the Interview Committee, then the Interview Committee shall make a recommendation to the City Council of the City of Steamboat Springs and the Board of County Commissioners of Routt County as to the member to occupy such seat within 30 days after the expiration of the 30 day period for nominations by those entities.

The Interview Committee shall request the Town Council of Hayden to provide its nomination for Seat Four in the event that such seat becomes vacant during a term and shall also request their nomination for that seat at least 90 days prior to the end of the term of Seat Four. In the event that the Town Council of Hayden fails to make the requested nomination within 30 days after the request is made by the Interview Committee, then the Interview Committee shall make a recommendation to the City Council of the City of Steamboat Springs and the Board of County Commissioners of Routt County as to the member to occupy such seat within 30 days after the expiration of the 30 day period for nominations by those entities.

The Interview Committee shall request the Steamboat Springs Chamber Resort Association to provide its nomination for Seat Seven, in the event that such Seat becomes vacant during a term and shall also request its nomination for Seat Seven at least 90 days prior to the end of the term for Seat Seven. In the event that the Steamboat Springs Chamber Resort Association fails to make the requested nomination within 30 days after the request is made by the Interview Committee, then the Interview Committee shall make a recommendation to the City Council of the City of Steamboat Springs and the Board of County Commissioners of Routt County as to the member to occupy such Seat within 30 days after the expiration of the 30 day period for nomination by such entity.

In the event that the Interview Committee fails to make any recommendation required of it hereunder, the City Council and the Board of County Commissioners may jointly appoint members to seats for which no recommendation had been made without such recommendation.

Section 5. Meetings:

The Airport Commission shall meet at least bi-monthly with the managers of the Airports. Meetings of the Airport Commission shall be held at such place and time as a majority of the Airport Commission may agree. City and County shall make such of their facilities available to the Airport Commission for meetings upon request of the Airport Commission and to the extent consistent with other uses of those facilities. Minutes shall be kept of all Airport Commission meetings. The Airport Commission shall have the responsibility and authority to select, for hiring through the Airport Manager of YVRA, qualified minute takers for all meetings of the Airport Commission. The Airport Commission shall comply with all requirements of the Open Public Meetings Act, (C.R.S. Section 24-6-401 et seq.) applicable to "local public bodies" as defined in that Act as well as any applicable provisions of the Charter of the City of Steamboat Springs, ordinances of the City of Steamboat Springs and resolutions of the Board of County Commissioners of Routt County.

In addition, the Airport Commission shall conduct its proceedings in accordance with Robert's Rules of Order, Revised.

Section 6. Authority and Responsibilities of the Airport Commission:

a. Policy Direction To Airport Managers Regarding the Operation and Management of Airports. The Airport Commission shall provide policy direction to the Airport Manager of YVRA and the Airport Manager of BAF in relation to the operation and management of the airport for which each is responsible. The Airport Manager of YVRA shall remain an employee of County and, subject to the authority of the Airport Commission to provide policy direction to the Airport Manager of YVRA concerning matters related to the operation and management of YVRA, under the direction of the County Manager. The Airport Manager of BAF shall remain an employee of City and, subject to the authority of the Airport Commission to provide policy direction to the Airport Manager concerning matters related to the operation and management of BAF, under the direction of the City Manager. All personnel actions, such as discipline or termination, taken with respect to the Airport Manager of YVRA shall be taken only by the County Manager or the Board of County Commissioners following consultation with the Airport Commission. All personnel actions, such as discipline or termination, taken with respect to the Airport Manager of BAF shall be taken only by the City Manager following consultation with the Airport Commission.

b. Airport Budget Preparation. The Airport Commission, with the assistance of the Airport Managers, shall be responsible for preparing and presenting operations, personnel and capital budgets for YVRA and BAF. These budgets shall comply with the accounting and budgeting procedures of the County or City, as applicable and shall be subject to the approval and adoption by the Board of County Commissioners or the City Council, as applicable. The Airport Commission shall also prepare and present a budget for each budget year commencing with 2004 for the operational expenses of the Airport Commission. This budget for the operational expenses of the Airport Commission shall also be subject to approval and adoption of both the Board of County Commissioners and the City Council, it being the intent that County and City shall share equally in these expenses.

c. Limitations on Authority of the Airport Commission. The foregoing provisions notwithstanding, the Airport Commission shall not have the authority to do any of the following without the consent of the City or County, or both, as applicable:

- i. to make substantial changes in the operations of either of the Airports;
- ii. to acquire or dispose of real property or other assets subject to the Airport Commission's management;
- iii. to commit or expend funds except in accordance with an adopted budget;

- iv. to borrow or lend money;
- v. to hire, terminate, discipline, promote, demote or reassign the personnel of either Airport;
- vi. to transfer funds, personnel or equipment from one airport to the other except on a short-term basis in response to special circumstances.

d. Capital Improvements Planning. The Airport Commission shall formulate and forward to the Board of County Commissioners and City Council, short, medium and long-range capital improvement plans for each of the Airports.

Section 7. No Joint Venture or Partnership Created:

BAF and all assets of the City used in connection with BAF shall remain assets of the City. YVRA and all assets of the County used in connection with YVRA shall remain assets of the County. No assumption of indebtedness by City or County of the other's indebtedness shall result from this Agreement or the operation of the Airport Commission. No joint venture or partnership is created hereby. It is the intention of City and County that the Airport Commission provide for unified direction of BAF and YVRA, but City shall continue to fund the operations of BAF and County shall continue to fund the operations of the YVRA.

Section 8. Allocation of Liability and Provision for Insurance:

City shall indemnify, defend and hold County, the Board of County Commissioners, all members of the Yampa Valley Airport Commission, and all employees and insurers of the County harmless from any claim, lawsuit or other liability made against all or any of them arising out of the operation of BAF. County shall indemnify, defend and hold City, the City Council, all members of the Yampa Valley Airport Commission, and all employees and insurers of City harmless from any claim, lawsuit or other liability arising out of the operation of YVRA.

In order to protect themselves, City and County at all times during the term of this Agreement shall each maintain standard form comprehensive airport liability and omissions public officials/professional coverage which is mutually acceptable to the City and County. Worker's compensation insurance for County employees shall be the responsibility of County, and worker's compensation insurance for City employees shall be the responsibility of City.

Section 9. Notice:

Any notice required under this Agreement may be personally delivered or mailed in the United States mails, first class postage prepaid to the party to be served at the following addresses:

City: City Council
c/o City Manager
P.O. Box 775088
Steamboat Springs, Colorado 80477

County: Board of County Commissioners
c/o County Manager
P.O. Box 773598
Steamboat Springs, Colorado 80477

Notices personally served shall be deemed served on the date of delivery. Notices mailed shall be deemed served the next business day following the date of mailing if mailed in Steamboat Springs, Colorado.

Section 10. Amendments:

This Agreement may not be amended except by a written document executed by both City and County.

Section 11. Term and Termination of Agreement:

This Agreement shall be effective as of August 5, 2003. The initial term of this Agreement shall be from August 5, 2003, through December 31, 2003. Thereafter, its term shall automatically be extended annually for the following year unless either party gives written notice of termination to the other party at least 90 days prior to the commencement of the renewal period. In addition, this Agreement may be terminated at any time by either party hereto upon 90 days written notice to the other party to this Agreement.

Upon termination, the obligations of the parties hereunder shall terminate. Upon termination, the assets originally those of City shall remain City's and those originally those of County shall remain County's. Any assets purchased jointly by City and County for use at a particular airport shall become assets of the party (i.e., City or County) at whose airport they are in use at

Section 14. Savings Clause:

In the event that a Court of competent jurisdiction determines that any provision of this Agreement is contrary to law and therefore, unenforceable or invalid, the balance of this Agreement shall remain in full force and effect unless, as a result of such decision, the essential purposes of the parties in making this Agreement cannot be achieved.

Attest:

ROUTT COUNTY, COLORADO BY ITS
BOARD OF COUNTY COMMISSIONERS

Kay Weinland
Routt County Clerk

By: _____
Diane Mitsch Bush, Chair

Attest:

CITY OF STEAMBOAT SPRINGS,
COLORADO

Julie Franklin
City Clerk

By: _____
Cari Hermacinski,
Council President
Steamboat Springs City
Council