



NORTHERN COLORADO
REGIONAL AIRPORT



Airport Governance Committee



Follow-up and Recommendation

- Ginny Sawyer, Project and Policy Manager
- Dan Reimer, Special Counsel
- John Kinney, Airport Director

January 28, 2025

1

What questions do Councilmembers have regarding the Governance Committee recommendation?

2

What questions or suggestions do Councilmembers have regarding the proposed Resolution?



Cities co-owners since 1963. Joint venture with 50/50 ownership and responsibility.

- 13 Intergovernmental Agreements (IGAs) enacted between 1981 and 2016.

Major Governance related actions:

- 1986 – City of Loveland annexes the Airport and conducts feasibility study into acquiring Fort Collins' interest in the Airport. Concludes Loveland should not assume full responsibility for the Airport.
- 1990 –Work session for the purpose of discussing governance of the Airport.
- 1990 – IGA adopted for the Joint Operation of the Fort Collins-Loveland Municipal Airport.
- 1994 – IGA affirming original agreement. Also adds Airport Steering Committee.
- 2015 – IGA establishing the Northern Colorado Regional Airport Commission.
- 2023 – Each City appoints 2 members to participate on a Governance Committee.

- 2023 effort to identify and evaluate alternatives to Airport Governance.
- Worked with special legal counsel, Dan Reimer, an expert in airport matters.
- Following release of summary memo on alternatives and trade-offs Cities created Joint Governance Committee.
- Committee charged with meeting to discuss and refine alternatives and, if practicable, provide recommendations about Airport governance.

July

- Grounding in task
- Review of memo and options
- Talk of including other jurisdictions
- Request for information from other regional airports

August

- Focus on 3 goals:
 - Good steward for regional asset FNL infrastructure
 - Limit liability of airport sponsors to acceptable level
 - Consistency for staff and stakeholders (community) /Clarity to stakeholders on policy direction, day to day operations, etc.
- Discussion on formation of Airport Authority and further amending the IGA

IGA: Current - Amended and Restated in 2015

- Cities agreed to continue to jointly own and operate the Northern Colorado Regional Airport
- Created the Northern Colorado Regional Airport Commission (“Commission”)
- Delegated certain authority to the Commission with the goal of easing administration
- Amended in 2016 to further expand Commission authority
- Amended in 2019 to stagger citizen Commissioner terms

Current Commission Authority *(cannot legally give Commission more authority than it currently has)*

- Enter into Airport agreements (leases, service/construction contracts)
- Adopt/revise Airport rules and regulations, including Minimum Standards
- Develop budgets, reserve policies, propose capital projects
- Establish Airport service levels, rates, charges and fees
- Develop Airport operating plan, including security and emergency plans
- Sign grant agreements, with certain limitations
- Provide recommendations to the Cities regarding Airport policy issues

Amending IGA:

Reduce/Remove Commission Power

- Allow the City Councils to delegate more authority to the City Managers
- Revise the Commission to be advisory only; results in:
 - Direct reporting relationship between City Managers and their respective City Councils
 - Fewer steps and greater clarity to gain approval of items
 - Leaves the question of what role the advisory Commission plays

Cities Could Further Evaluate and Adjust City Duties

- Division of responsibilities between the Cities past, present and future
- Are we using each organization most effectively?
- What does delegation to the City Managers include?

Necessary Approval	Status Quo	Amended IGA	Authority
Daily Operation	D	D	D
Budget	AC, CC	CC	AA
Leases	D, AC, CC	D, CM or CC	D, AA
Capital Procurement	D, P, CM, AC, CC	D, P, CM or CC	D, AA
Land Acquisition & Disposal (including utility Easements)	AC, CC	CC	CC
IGA and Grant Agreements	AC, CM, CC	CM, CC	AA
D = Airport Director AC = Airport Commission CM = City Mangers CC = City Council P = Purchasing Body AA = Airport Authority	5 entities	4 entities	3 entities

Creating an Authority

Create Airport Authority

- Resolution/Ordinance, IGA, Certificate, Bylaws

Transfer Airport assets and liabilities

- Assignment and Assumption Agreement
- AOC and ASP
- Transfer contracts, real property, and personal property

Airport Authority start-up

- Financial systems and controls
- Employees
- Required services

Adopt Key Documents

- Recycle existing policies and adopt new policies
- New contracts



Creating an Authority - *Recommended*

2025

Creation & Negotiations

- Resolution/Ordinance by both Councils expressing support to pursue an Authority.
- Continued financial analysis to determine Authority needs short to midterm.
- Begin creation of an IGA that would outline responsibilities, obligations, timelines for financial support, and Board member eligibility and selection process.
- Creation of draft bylaws, including conflict of interest standards.

2026

Approvals, Transfers, Board Selection

- Review and approval of key documents including IGA.
- Applications for Authority Board appointments made available.
- Appointment of Authority Board.
- Transfer of real estate, leases, etc. January 1, 2027 (designed to align with calendar budgets).



Forming an Airport Authority

- Resolution: **(Q1 2025)** Adopted by both Councils expressing support to pursue an Authority
- IGA Development: Address operational logistics, such as
 - Level of cooperation and ongoing financial responsibility
 - Assignment of Airport assets and liabilities
 - Co-sponsorship for FAA grants
 - Board eligibility and selection process
- Approval by both Councils of formation of the Authority and the IGA
- Certificate: Issued by Colorado Division of Local Government
- Appointing Board members and adoption of bylaws

This work would occur after an IGA is created and approved.
Transfers are paper transactions/no payments are involved.

Includes addressing:

- New Airport Operating Certificate: Approved by FAA
- New Airport Security Program: TSA requirement
- Assign Contracts and Agreements: This can also be addressed in the IGA
- Transfer Real Property: transfer by warranty deed to the Authority
- Transfer Vehicles, Equipment, and Personal Property
- Assignment and Assumption Agreement: Required by FAA

Establish Financial Systems and Controls – likely completed in partnership with Cities

- Obtain federal employer identification number, Unique Entity ID (formerly DUNS)
- Set up new bank accounts and transfer funds from existing airport accounts
- Adopt a budget and submit to DOLA
- Adopt a Statement of Investment Policy and establish investment account (e.g., COLOTRUST)
- Adopt a signature policy
- Hire insurance broker and purchase insurance

Hire Employees – existing employees transfer to the Authority

- Negotiate employment agreement with Executive Director
- Hire Airport employees
- Adopt Employee Handbook
- Issue credentials, keys, purchasing cards, etc.

Provide For All Required Services – Cities may continue to provide until not needed/desired

- Law enforcement and first responders (police, fire, medical)\
- Finance, admin, legal, HR
- Other outsourced services (landscaping, janitorial, maintenance, etc.)

Recycle Pre-Existing Airport Policies – Immediate action

- Schedule of Rates and Fees
- Rules and Regulations
- Minimum Standards
- Airport Land Use and Design Standards
- Airport Development Guide

Adopt New Policies – Future action

- Strategic Action Plan
- Delegation of Authority
- Purchasing and Procurement Policy
- Code of Conduct
- Airport Business Plan

New Contracts for Services – Future action

- Negotiate and draft any new contracts and agreements for professional and other services

Current

- City of Loveland providing bulk of support services at greatly reduced cost (full cost ~\$300-400k)
- City of Fort Collins providing property insurance coverage (\$60k)
- Cities (both) 10-year capital contributions (\$4M 2014-2023)
- Airport currently operates with balanced operating budget, limited ability to increase reimbursement of city services in near term

Future (*will be outlined in the IGA*)

Need to evaluate options with goal of setting Authority up for success.

Considerations include:

- Continue subsidizing support services until Authority chooses to outsource
- Airport's financial capacity to fund capital improvement plan
- Airport's timeline for revenue increases
- Increasing cost reimbursement to cities over time
- Considering support services as loan to be paid back

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