

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITIES OF LOVELAND
AND FORT COLLINS REGARDING THE JOINT OPERATION OF THE NORTHERN
COLORADO REGIONAL AIRPORT IN FURTHERANCE OF A TRANSITION TO AN
AIRPORT AUTHORITY**

THIS Intergovernmental Agreement is made and entered into this ____ day of _____, 2025, between THE CITY OF LOVELAND, COLORADO, a municipal corporation (“Loveland”), and THE CITY OF FORT COLLINS, COLORADO, a municipal corporation (“Fort Collins”), hereinafter referred to individually as a “City” and collectively as the “Cities.”

RECITALS

WHEREAS, in 1963, the Cities established a regional general aviation facility and became the joint owners and operators of the Fort Collins-Loveland Municipal Airport, now known as the Northern Colorado Regional Airport (the “Airport”); and

WHEREAS, pursuant to Section 29-1-203 of the Colorado Revised Statutes (and Article II, Section 16, of the Fort Collins City Charter), the Cities are authorized by law to contract with one another to provide for the joint exercise of any function, service or facility lawfully authorized to each of them if such contracts are approved by the Councils of the Cities; and

WHEREAS, the Cities currently operate and maintain the Airport pursuant to that certain Amended and Restated Intergovernmental Agreement for the Joint Operation of the Fort Collins-Loveland Airport dated January 22, 2015 (the “IGA”), which established the Northern Colorado Regional Airport Commission (the “Commission”) as part of the Airport governance structure. Through the IGA, the Cities delegated certain powers to the Commission while reserving certain powers to the City Councils; and

WHEREAS, in 2023, the Cities commenced a project to study a possible change in governance of the Airport (the “Project”) to enhance the efficiency and effectiveness of the Airport as an important asset of the Cities in the Northern Colorado Region. The Cities were awarded a grant through the Colorado Department of Transportation – Division of Aeronautics to provide funding for the Project; and

WHEREAS, as part of the Project, the Cities, through their expert consultant, conducted interviews with all members of the City Councils of the Cities to discuss governance options and provided a memorandum regarding the information gathered and the potential governance structures available to the Cities; and

WHEREAS, through approval of Resolution 2023-101 by the Fort Collins City Council and by motion of the Loveland City Council, each City appointed two City Council members to serve on a Joint Committee Regarding Airport Governance (the “Governance Committee”) to review the Project and ultimately make a recommendation to the City Councils regarding a governance model for the Airport; and

WHEREAS, throughout 2024, the Governance Committee met four times and ultimately recommended that the City Councils move towards the creation of a public airport authority under the Public Airport Authority Act (C.R.S. §§ 41-3-101, et seq.); and

WHEREAS, pursuant to Resolution 2025-014 of the Fort Collins City Council and Resolution R-26-2025 of the Loveland City Council, the Cities directed staff of the Cities to pursue the recommendation of the Governance Committee. Through the process of determining and evaluating the various steps required to form an airport authority, City staff carefully reviewed the issues facing the Airport and its financial status, and recommended the adoption of an IGA regarding the joint ownership and operation of the Airport which returns to the pre-2015 governance model; and

WHEREAS, at its meeting on September 8, 2025, the Governance Committee agreed with the recommendation of staff regarding the adoption of a new IGA which would sunset the Airport Commission upon approval and vest decision-making authority in the Airport Director, City Managers, and City Councils in furtherance of the goal of the formation of an airport authority.

AGREEMENT

1. Continued Joint Airport Operation. The operation and maintenance of the Airport shall be a continued joint venture between the Cities, with full management and policy-making authority vested equally in both Cities. “Policy Issues” shall mean and include, but shall not be limited to, the adoption of the Airport’s Master Plan, approval of and participation in federal and state grant agreements, approval and execution of federal and state grant assurances, the approval of which may be delegated pursuant to Code to the City Managers of each City, purchases and sales of real property or structures, leasing of Airport property, construction of capital projects, adoption or revision of Airport rules and Regulations, adoption of fees and charges, and approval of the annual contributions to the Airport budget.
2. Facility Management. Management authority over Airport operation and commercial, industrial or other operations and activities of any kind located at the Airport is vested in the City Managers of the two Cities pursuant to the authority granted to them by their respective City Charters, Municipal Codes and by the City Councils through any delegation set forth in this Agreement.
3. Provision of Administrative Services. It is agreed that the Cities shall continue to provide administrative services to Airport operations.
 - a. Such services shall include but shall not be limited to personnel, salary and benefits administration, legal services, accounting, budget preparation assistance, engineering, risk management, purchasing and other similar administrative services.
 - b. The City providing such services shall be entitled to recover, out of funds budgeted and appropriated for the Airport, its reasonable expenses incurred. The administrative charge shall be calculated in the same manner as charges made by the providing City to its own governmental enterprise funds.

- c. The City Managers shall maintain administrative guidelines (the “Administrative Guidelines”) which specify the duties and responsibilities of each City and any method or methods by which one City may enter into purchasing, consulting and other contracts pertaining to the Airport on behalf of both Cities, and liability, property, and other insurance or coverage necessary for the Airport. The Administrative Guidelines shall also specify, within the limits set forth in subparagraph B above, the expenses which each City shall be entitled to recover for specific services provided. The Administrative Guidelines which have heretofore been developed are attached hereto as “Exhibit A” and incorporated herein by reference. Modifications may be made to said Administrative Guidelines by mutual agreement of the City Managers in order to effect more efficient administration of the Airport.
4. Procurement. The parties acknowledge entering into contracts and agreements may require different processes to approve, in accordance with their respective charters and ordinances. Unless otherwise agreed by the parties, all contracts or agreements executed shall include a requirement that the contractor, vendor, lessee, or licensee name both Cities as insureds and/or as an additional insured under any insurance policies required in amounts mutually agreed by the parties. Each City may participate equally in the vendor selection process in accordance with a competitive purchasing process mutually agreed by the parties.
5. Airport Director, Appointment and Duties. The City Managers shall appoint an Airport Director, who shall be an employee of the City of Loveland and subject to the regulations and policies of Loveland. The City Managers shall regularly review the performance of the Airport Director. The Loveland City Manager may take necessary employment actions, including any terminations, after consultation with the City Manager for the City of Fort Collins. The Airport Director shall:
 - a. Manage the operations of the Airport in a safe and efficient manner and maintain the grounds, structures and equipment in a clean, orderly, safe and operational condition in conformity with all applicable federal, state and local laws, rules and regulations and other legal requirements;
 - b. Manage such operations in a manner which is compatible with the interests of the Cities;
 - c. Perform all duties normally associated with sound, safe, innovative, prudent and efficient Airport management and provide all services as are customary and usual to such operation:
 - i. Subject to direction from the City Managers and in conformance with applicable procurement requirements set forth in Exhibit A, procure such aviation and related services, equipment, materials and supplies as may be necessary for the proper operation and marketing of the Airport.
 - d. Prepare the Airport Annual Operating Budget in time to submit said budget and plan to the City Managers for approval and to submit the annual request for Airport budget contributions through both Cities’ annual budget processes for approval. The Annual Operating Budget shall itemize all anticipated revenues and operating

expenses and shall support such items of revenue and expense with records and documents.

- e. In conjunction with the Airport Annual Operating Budget, prepare an Annual Operating Plan which shall include, but not be limited to: a maintenance and repair schedule; a schedule of proposed Airport fees; a list of all aviation and aviation-related concessionaires, contractors and tenants; a schedule of all leases, concessions, contracts and agreements to be negotiated or renegotiated; recommendations, if any, for revisions to the Emergency Contingency Plan, Airport Rules and Regulations, Noise Reduction Plan, Community Information Plan and Airport Security Plan; recommendations, if any, for non-capital equipment; a five-year projection of anticipated revenues and expenses based on a comparison with the previous fiscal year and prepared with reference to other relevant data; a schedule of proposed staffing levels of full-time, part-time and seasonal employees and any factors which may affect Airport operation and management. Appropriate modifications to the Airport Operating Plan shall be made as required to conform to the Airport Operating Budget as adopted or amended.
 - f. Prepare and submit to the City Councils for approval a written five-year Capital Improvement Plan for 2025 and each year thereafter as may be necessary in accordance with this Agreement. Such Capital Improvement Plan shall include, but not be limited to, an appropriate construction schedule for each project; a projection of the total and annual cost of each project; evaluation of the availability of federal, state or private financing options, for each project on the Airport Master Plan and on Airport operations, preliminary data to provide order of magnitude cost estimates for each project; and a statement of all major actions required to implement each such project.
 - g. Provide notification to the City Managers within ten (10) days of any accidents or incidents at the Airport as defined in 49 CFR Part 830. Such notification shall include the entirety of the report submitted to the National Transportation Safety Board when available, and any other information the Airport Director deems pertinent or the City Managers request.
6. Airport Funding. Each City acknowledges that ongoing funding for proper maintenance and capital development of the Airport may be necessary and each City agrees to review any request for funds from the Airport Director during its respective Annual Budget process.
- a. The Cities agree to continue the practice of sharing equally in the revenues and expenses arising from Airport operations. The Cities further agree that the City providing finance and accounting administrative services for the enduring budget year shall maintain a separate Airport fund to hold Airport revenues and pay appropriate Airport expenses in compliance with federal law and FAA regulations. If financially feasible, each City shall appropriate necessary funds for capital items, i.e. for maintenance of an existing facility, to build additional facilities, and to match any grants for Airport Improvement Program projects funded by the FAA.

- b. Financial contributions to the Annual Operating Budget and implementation of the Capital Improvement Plan shall be shared equally between the Cities, except that each party reserves the right to invest additional funds in the Airport as it sees fit.
 - c. Improvements to the real property as well as any personal property resulting from a single City's investments shall be and remain an asset of such investing City. However, single City investments shall have no effect on the percentages of ownership in the Airport as presently divided between the Cities.
 - d. It is understood and agreed that the City providing finance and accounting administrative services for the Airport may collect, hold, invest and disburse funds belonging to the other City (whether such funds are revenues from the Airport or financial contributions made by such other City or other funds belonging to such other City) only as an agent of such other City, and subject to the general duties and responsibilities of an agency relationship. Accordingly, the City providing such services shall, with respect to such funds of the other City, be under the control of the Chief Financial Officer of such other City and shall make monthly reports to such Chief Financial Officer, which reports shall contain a detailed accounting of all such funds collected, held, invested and disbursed by the City providing such services for the period of time covered by such report.
7. Effective Date. This Agreement shall become effective on the date of mutual execution of this Agreement by the parties.
8. Effect Upon Prior Agreements. This Agreement shall extinguish and replace all intergovernmental agreements related to the operation and management of the Airport entered into between the Cities except for the terms and conditions of the Intergovernmental Agreement dated June 19, 1992, concerning the Airport fire station, which agreement shall be considered an amendment to the provisions of this Agreement should the provisions conflict.
9. Term, Modifications, Extensions. This Agreement shall remain in full force and effect until December 31, 2026, unless earlier terminated by mutual written agreement of the parties hereto. This Agreement may be modified only by the written agreement of the parties hereto. This Agreement shall automatically renew for successive one-year terms unless a party provides notice to the other no less than 180 days prior to expiration of a term of an intent not to renew.
10. Liability. Each party shall be responsible for any and all claims, damages, liability and court awards including costs, expenses and attorney fees incurred as a result of any action or omission of such party or its respective officers, employees and agents in connection with such party's performance of this Agreement. Notwithstanding anything in this Agreement to the contrary, nothing herein shall be construed as a waiver of the notice requirements, defenses, immunities, and limitations of liability the parties and their respective officers, directors, councilors, employees, volunteers, and agents may have under the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, et seq., or to any other defenses, immunities, or limitations of liability available to the parties by law.
11. Ownership of Land and Facilities. Except for single City purchases which shall become vested in the purchasing City in accordance with the provisions of Paragraph 5, ownership

of the real and personal property, buildings, structures and facilities located in the Airport shall be divided according to the date of acquisition as follows:

- a. Real property, improvements and personal property acquired prior to July 3, 1979, as described on "Exhibit B" and attached hereto and made a part hereof, or as established by extrinsic evidence shall be deemed to be vested in both Cities according to the following proportions:
 - i. An undivided one-third (1/3) interest to the City of Loveland; and
 - ii. An undivided two-thirds (2/3) interest to the City of Fort Collins.
 - b. Real property, improvements and personal property acquired on or after July 3, 1979, as well as any appreciation in value accruing to such properties or the properties described in Paragraph A above, shall be deemed to be vested in both Cities according to the following proportions:
 - i. An undivided one-half (1/2) interest to the City of Loveland; and
 - ii. An undivided one-half (1/2) interest to the City of Fort Collins.
 - c. In the event either party does not pay its one-half (1/2) share of agreed expenses in any given year, such City must immediately, through the respective City's City Manager, report such non-payment to the other City Manager, report the amount as a liability to its independent auditor, and shall schedule the liability or obligation for discussion at the non-paying City's next regularly scheduled City Council meeting.
12. Non-multiple year fiscal obligation. Nothing in this Agreement shall be construed to create a multiple fiscal year direct or indirect financial obligation of or on behalf of any party to this Agreement.
 13. Non-liability of Individuals. No officer, agent or other employee of either party hereto shall be charged personally or held contractually liable by or to the other party under any term of provision of this Agreement or of any supplement, modification or amendment to this Agreement because of any breach thereof, or because of his, her or their execution or attempted execution of the same.
 14. Benefits. This Agreement is made for the sole and exclusive benefit of the Cities, their successors and assigns, and is not made for the benefit of any third party.
 15. Relationship of Parties. The parties enter into this Agreement as separate, independent governmental entities and maintain such status throughout.
 16. No Assignment. The parties covenant and agree that they will not assign this Agreement, any interest or part thereof or any right or privilege pertinent thereto, without written consent of the other party first having been obtained.
 17. Entire Agreement/Ambiguities. This Agreement embodies the entire agreement of the parties. The parties shall not be bound by or be liable for any statement, representation, promise, inducement or understanding of any kind or nature not set forth herein. No changes, amendments or modifications of any of the terms of conditions of this Agreement shall be valid unless reduced to writing and executed by both parties. In the event of any ambiguity in any of the terms of this Agreement, it shall not be construed for or against any party hereto on the basis that such party did or did not author the same.

18. Applicable Law, Severability, Dispute Resolution. The laws of the State of Colorado shall be applied in the interpretation, execution and enforcement of this Agreement. Any provision rendered null and void by operation of law shall not invalidate the remainder of this Agreement to the extent that this Agreement is capable of execution. The parties agree to submit any dispute over the interpretation or application of this Agreement to mediation by a mediator agreed upon jointly by the parties. The cost of mediation shall be borne equally by the parties.

THE CITY OF LOVELAND, COLORADO
A Municipal Corporation

By: _____
City Manager

ATTEST:

City Clerk Date

APPROVED AS TO FORM:

Deputy City Attorney

THE CITY OF FORT COLLINS, COLORADO
A Municipal Corporation

By: _____
City Manager

ATTEST:

City Clerk Date

APPROVED AS TO FORM:

Senior Assistant City Attorney

EXHIBIT A

Administrative Guidelines (Services Provided by the City of Loveland)

All services described below are to be provided by the City of Loveland, except as otherwise specifically noted.

Legal Services

The City Attorney's office will provide legal services to the Airport.

In the event that it is necessary to use the services of outside counsel, the cost incurred would be included in charges to the Airport.

Accounting and Purchasing

Accounting will maintain financial records for the Airport in a separate accounting fund. Services provided will include monthly reports, accounts payable, payroll processing, processing and payment of purchase orders, and preparation of work papers for the annual audit.

Performance of the annual audit would be included as an item in City's bid for audit services.

For purchasing, consulting, and other contracts pertaining to the Airport on behalf of both Cities, Loveland shall comply with Loveland Municipal Code Section 3.12 and related Loveland administrative regulations with respect to any and all procurements entered into pursuant to these Administrative Guidelines and the IGA. Loveland will act as sole signatory for any contracts entered into pursuant to this Agreement, except that both Cities must approve: any lease or other agreement for possession, use, or transfer of Airport property; and for the City of Fort Collins, any contract without a prior appropriation in place approving the specific expenditures in support of the agreement, any contract term that is longer than five years, any agreement that was not competitively bid, or when a grant condition, assurance, or agreement term differs for the City of Fort Collins from the City of Loveland.

Personnel and Benefits Administration

The Employee Relations Department will maintain employment records, assist in recruiting, disciplinary action and discharge of employees; assist with classification and compensation of employees; administer claims and benefits plans; and provide training programs for Airport employees.

Participation of Airport employees in training programs will be on the same basis as for employees of the City of Loveland. There is no cost except for those programs for which there is an additional cost for City employees.

All Airport employees shall be subject to the employee regulations and policies of the City of Loveland.

Engineering

Engineering will provide consultation on routine pavement management issues, bidding and administration of pavement maintenance contracts.

Facilities Maintenance

Facilities Maintenance can assist in establishing preventive maintenance schedules for the terminal and other buildings, and providing consultation on facilities maintenance issues.

General Administration

Environmental services including storm water discharge permitting and regulatory compliance, can be provided through civil engineers, environmental resource assistance, industrial pretreatment coordinators and other professionals, .

Street Sweeping

Parking lot and other sweeping are available.

Security

Security services which are outside the scope of the duty of the Loveland Police Department can be provided by off-duty officers, when available.

Risk and Insurance

The City of Loveland shall maintain liability coverage for the Airport. Risk management services related to this coverage will include claims administration; implementation of incident reporting to track and monitor problem areas; periodic meetings with the Airport manager to review the incident reports; and periodic safety inspections of the premises.

The City of Fort Collins shall maintain property coverage. Risk management services related to this coverage will include assistance with claims administration, periodic meetings with the airport manager, and other services as requested. There will be no charge for these services.

If a claim is payable for which a deductible, coverage limit, or self-insured retention coverage applies, the cities of Loveland and Fort Collins will share equally in the difference between the budgeted deductible, and the lesser of the amount of the claims and deductible amount provided for in the insurance policy. Such amount will not be charged to the Airport's Annual Operating Budget.

EXHIBIT B

The lands known as the Fort Collins-Loveland airport, including the following: the NW 1/4 of Section 28, Township 6 North, Range 68 West of the 6th P.M., lying South of and above the Loudon Ditch, except the following described portion: Considering the North line of the NW 1/4 of said Section 28 as bearing East and West and with all bearings herein relative thereto: Commencing at the Northwest corner of said Section 28; thence along the North line of said Section 28 East 820.14 feet to the point of beginning; thence S 28°47' E 164.69 feet; thence S 41°55' E 152.85 feet; thence S 00°09' E 157.83 feet; thence East 208.45 feet to the Southwesterly bank of the Loudon Ditch; thence Northwesterly along said Southwesterly bank of the Loudon Ditch to a point 20.00 feet East of the point of beginning; thence West 20.00 feet to the point of beginning; ALSO

The South 1/2 of Section 28, Township 6 North, Range 68 West of the 6th P.M.; ALSO

The West 1/2 of Section 33, Township 6 North, Range 68 West of the 6th P.M. except that part lying on the South side of the Union Pacific Railway Company right of way; ALSO

The East 1/2 of Section 33, Township 6 North, Range 68 West of the 6th P.M.

EXCEPT the portion of said property used for airport operations and rights of way for ingress and egress to the airport as now established and used.