

Air Service Guarantee Participation Agreement

This agreement is entered into on this ____ day of _____, 2017 among the City of Columbia, Missouri, a constitutional charter city (“Columbia”), the County of Boone, a political subdivision of the State of Missouri (“Boone County”), The Curators of the University of Missouri, a public corporation of the State of Missouri (“University”), the City of Jefferson, a constitutional charter city (“Jefferson City”) and Cole County, a political subdivision of the State of Missouri.

The parties agree as follows:

1. **Background.** Improved air service at the Columbia Regional Airport is in the best interest of all parties to this agreement. United Airlines, Inc. (“United”) is interested in providing air service between Columbia Regional Airport and Denver International Airport. United, however, is willing to initiate this air service only if it is able to limit its economic risk by receiving a revenue guarantee. Columbia and United have negotiated an Air Service Agreement that provides for revenue guarantees (the “Air Service Agreement”). Columbia is unable by itself to provide a sufficient revenue guarantee and is separately contributing \$250,000.00 in marketing. In order to induce United to provide flights between Columbia and Denver, the parties wish to pool their resources to provide the necessary revenue guarantees for United.
2. **Revenue Guarantee.** The parties agree to share the liability for the \$600,000.00 revenue guarantee contained in the Air Service Agreement, substantially in the form of Exhibit A, which is attached to and made a part of this Agreement.
3. **Limitation on Liability.** The maximum liability for the revenue guarantees for each of the parties is as follows:

For the one year beginning on the date United begins air service between Columbia and Denver:

Boone County	50,000.00
University of Missouri	200,000.00
Jefferson City	100,000.00
Cole County	50,000.00

Columbia anticipates entering into agreements similar to this agreement with other parties. Columbia’s maximum liability for the revenue guarantees under this agreement shall be reduced by the aggregate amount of funds paid by such other parties into the Central Missouri Air Service Fund to be established pursuant to paragraph 4.

4. **Payment of Funds.** Each of the parties shall pay the total amount for which they may be liable under paragraph 3 to Columbia upon execution of this agreement. Columbia shall place these funds, into a separate account established, maintained and controlled by Columbia (“Central Missouri Air Service Fund”). Columbia shall use these funds, and any interest earned thereon, solely for paying United for any revenue shortfalls as required by the Air Service Agreement. If Columbia and United fail to enter into the Air Service Agreement substantially in the form of Exhibit A within 180 days of execution of this agreement, Columbia shall return the funds paid by each of the other parties.
5. **Excess Funds.** Any funds remaining at the end of the guarantee period or upon any other termination of the guarantee requirements under the Air Service Agreement shall be dispersed pro rata to the parties and other persons who contribute to the Central Missouri Air Service Fund.
6. **Monthly Statements.** Columbia shall provide quarterly statements to the other parties on the status of the Central Missouri Air Service Fund showing the amount of any interest earned and the amount of any payments made.
7. **Records.** All records available to Columbia under the Air Service Agreement shall be made available to the other parties upon request.
8. **Audits.** Columbia, at the request of any party or parties, shall exercise its right under the Air Service Agreement to conduct an audit of United’s records. The party or parties requesting the audit shall pay all costs of the audit.
9. **Benefit of Parties.** This agreement is for the sole benefit of the parties and United. Nothing in this agreement is intended to confer any rights or remedies on any other person.
10. **Authority of Signatories.** The signatories to this agreement, by signing this agreement, represent that they have obtained authority to enter into this agreement on behalf of the respective parties to this agreement and bind such parties to all terms and conditions contained in this agreement.
11. **Counterparts.** This agreement may be executed by the parties in several counterparts, each of which shall be deemed an original instrument.

[Signatures on following pages.]

IN WITNESS WHEREOF, the parties have executed this agreement on the day and year first written above.

CITY OF COLUMBIA, MISSOURI

By: _____
Mike Matthes, City Manager

Attest:

Sheela Amin, City Clerk

Approved as to Form:

Nancy Thompson, City Counselor

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

Michelle Nix, Director of Finance

COUNTY OF BOONE, MISSOURI

By: _____
Dan Atwill, Presiding Commissioner

Attest:

Wendy Noren, County Clerk

Approved as to Form:

C.J. Dykhouse, County Attorney

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

County Collector

THE CURATORS OF THE UNIVERSITY OF MISSOURI

By: _____
Gary Ward, Vice Chancellor of Operations

Attest:

Signature

Name: _____

Title: _____

Approved as to Form:

Name and Title

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

Finance Director

CITY OF JEFFERSON, MISSOURI

By: _____
Carrie Tergin, Mayor

Attest:

Name: _____

Title: _____

Approved as to Form:

Ryan Moehlman, City Counselor

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

Finance Director

COLE COUNTY, MISSOURI

By: _____
Sam Bushman, Presiding Commissioner

Attest:

Name: _____

Title: _____

APPROVED AS TO FORM:

Name: _____

Title: _____

Certification: I hereby certify that this contract is within the purpose of the appropriation to which it is to be charged, Account No. _____, and that there is an unencumbered balance to the credit of such appropriation sufficient to pay therefor.

County Collector