



Grand Junction Regional Airport Authority Board
Regular Board Meeting
Meeting Minutes
January 18, 2022

REGULAR BOARD MEETING

I. Call to Order

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:16 PM on January 18, 2022 in Grand Junction, Colorado and in the County of Mesa. Five commissioners were present when the meeting was called to order (Benton, Tufly, Brabaek, Shrader, and Velarde). The meeting was hosted in the 3rd floor conference room as well as electronically.

<p><u>Commissioners Present:</u> Tom Benton (Chairman) Clay Tufly (Vice Chairman) Erling Brabaek Thaddeus Shrader Rick Taggart (arrived at 5:37) Ron Velarde</p> <p><u>Airport Staff:</u> Angela Padalecki (Executive Director) Dan Reimer (Counsel) Sarah Menge Dylan Heberlein Ben Peck Cameron Reece (Clerk) Shelagh Flesch</p>	<p><u>Guests:</u> Colin Bible, Garver Mario Maraccini, Garver Brad Rolf, Mead and Hunt Harrison Earl, CMT David Hartmann, Armstrong Denis Godfrey, Boulder Municipal Airport</p>
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II. Pledge of Allegiance

III. Approval of Agenda

Commissioner Tufly made a motion to approve the January 18, 2022 Board Agenda. Commissioner Shrader seconded the motion. Voice Vote: All Ayes; motion carries.

IV. Commissioner Comments

Commissioner Benton commented by thanking staff for handling the snowstorm over the holidays, keeping the airport functional and handling all the diversions.

V. Citizen Comments

No Citizen Comments were made

VI. Consent Agenda

A. December 7, 2021 Meeting Minutes

Approval of December 7, 2021 Board Meeting Minutes

B. Grant Agreement AIP 74 – Concessions Rent Relief Airport Rescue

Accept FAA AIP No. 3-08-0027-074-2022 Concessions Rent Relief Airport Rescue Grant Agreement in the amount of \$214,188 for concession relief under the American Rescue Plan Act.

Chairman Benton asked commissioners for any questions for items on the consent agenda, then asked for a motion to approve the consent agenda.

Commissioner Brabaek made a motion to approve the Consent Agenda. Commissioner Tufly seconded the motion. Voice Vote: All Ayes; motion carries.

VII. Action Items

A. Resolution No. 2022-001 – Designating the Location for the Posting of Notice of Meetings for 2022

Director of Finance Sarah Menge introduced this resolution with an explanation of where any meeting notice will be posted and that the Daily Sentinel is the official newspaper of the Authority. There were no questions from the board members.

Commissioner Tufly made a motion to Adopt Resolution No. 2022-001 Designating the Location for the Posting of the Notice of Meetings in accordance with Colorado Revised Statute Section 24-6-402(2)(C) and Section 41-3-105(5)(a). Commissioner Velarde seconded the motion. Roll Call Vote: Commissioner Shrader, yes; Commissioner Velarde, yes; Commissioner Tufly, yes; Commissioner Brabaek, yes, and Commissioner Benton, yes. The motion carries.

B. 2022 Officer and Committee Appointments

Commissioner Benton asked Executive Director Angela Padalecki if there are any staff changes or updates to be provided on the staff positions. Ms. Padalecki responded there are no changes to staff recommendations and asked Director of Finance Sarah Menge if there are any recommended changes for the Finance and Audit Committee. Ms. Menge responded there are no recommended changes and the current community committee members are both willing to serve another term. Commissioner Benton said he will now go into Officer appointments beginning with Chairman. Commissioner Brabaek asked if Commissioner Benton was willing to serve again, which Commissioner Benton responded he would like to for at least 1 more year but is expecting another grandchild and may have to step back beginning in 2023.

Commissioner Tufly nominated Commissioner Benton as Chairman. Commissioner Brabaek seconded the nomination. Commissioner Velarde made a motion for the chairman nominations to close. Commissioner Brabaek seconded the motion. Commissioner Tufly made a motion to elect Commissioner Benton as Chairman. Commissioner Velarde seconded the motion. Voice Vote: All Ayes; motion carries.

Commissioner Shrader nominated Commissioner Tufly as Vice-Chairman. Commissioner Brabaek seconded the nomination. Commissioner Shrader made a motion for the Vice-Chairman nominations to close. Commissioner Velarde seconded the motion. Commissioner Brabaek made a motion to elect Commissioner Tufly as Vice-Chairman. Commissioner Velarde seconded the motion. Voice Vote: All Ayes; motion carries.

Commissioner Benton asked Sarah Menge if she would be the Treasurer for the coming year. Ms. Menge responded yes.

Commissioner Velarde nominated Sarah Menge as Treasurer. Commissioner Tufly seconded the nomination. Commissioner Shrader made a motion for the Treasurer nominations to close. Commissioner Velarde seconded the motion. Commissioner Shrader made a motion to elect Sarah Menge as Treasurer. Commissioner Brabaek seconded the motion. Voice Vote: All Ayes; motion carries.

Commissioner Benton asked Cameron Reece if he would be the Clerk for the coming year. Mr. Reece responded yes.

Commissioner Shrader nominated Cameron Reece as Clerk. Commissioner Velarde seconded the nomination. Commissioner Shrader made a motion for the Clerk nominations to close. Commissioner Tufly seconded the motion. Commissioner Tufly made a motion to elect Cameron Reece as Clerk. Commissioner Brabaek seconded the motion. Voice Vote: All Ayes; motion carries.

Resulting 2022 Officers:

Chairman – Tom Benton
Vice Chairman – Clay Tufly
Treasurer – Sarah Menge
Clerk – Cameron Reece

2022 Committees:

Commissioner Benton informed the board that the Executive Committee and the Finance and Audit committee would stay the same and asked Commissioner Tufly and Commissioner Velarde if they would both serve another year. Both responded yes.

Commissioner Shrader asked about the Governance committee if that need approval and Commissioner Benton said it is an Ad Hoc Committee so it does not.

Executive Committee – Tom Benton(Chair), Clay Tufly (Vice-Chair)

Finance and Audit Committee – Clay Tufly (Chair), Ron Velarde, Drew Armstrong, and Steve Hovland.

Commissioner Tufly made motion to approve 2022 committee appointments. Commissioner Velarde seconded the motion. Voice Vote: All Ayes; motion carries.

Colin Bible, GJRAA's Airport Capital Improvement Plan Manager, gave an update for capital improvement projects and also discussed what grants will likely be available in 2022 and 2023. Mr. Bible introduced the upcoming projects and work with the 2022 Runway Replacement Program as the proposed design scopes of work for Board action are to design the next set of work.

There was some discussion about the fact that the two contracts would be approved before AIP grant funding is awarded and the FAA cannot guarantee grants, however, it was discussed that the airport entitlements were expected to be more than the two scopes so the risk of the GJRAA having to pay for the full scopes was minimal. It was also discussed that the FAA had reviewed and approved the scopes. Sarah Menge, Treasurer, presented a summary of the total cost for action items C. and D. and reported the estimated eligible, ineligible, grant-funded and GJRAA-funded portions that are anticipated.

Commissioner Taggart joined the meeting during the presentation of this item.

Following this introduction and presentation, Commissioner Benton asked if there were any questions with the proposed Mead and Hunt Task Order and if not then would like to entertain a motion.

C. Mead and Hunt Task Order #8 – 2022 Runway Replacement Program Design

Commissioner Tufly made a motion to Approve Mead & Hunt Task Order #8 in the amount of \$1,325,963 to design and bid the next schedules for grading and drainage for the runway replacement program and provide program management and grant support for these efforts and authorize the Executive Director to sign the Task Order. Commissioner Velarde seconded the motion. Voice Vote: All Ayes; motion carries.

D. Garver Task Order No. 06 – 2022 Runway Replacement Program Coordination and Grant Management

Commissioner Benton asked if there were any questions with the proposed Garver Order and if not then would like to entertain a motion.

Commissioner Brabaek made a motion to Approve Garver Task Order No. 06 in the amount of \$295,800 to provide long-range program management support and 2022 design coordination for the runway replacement program and authorize the Executive Director to sign the Task Order. Commissioner Shrader seconded the motion. Voice Vote: All Ayes; motion carries.

VIII. Discussion

A. Tailwind Proposed Expansion and Contract Amendment

Executive Director Angela Padalecki introduced the discussion topic of a possible Tailwind expansion. In the discussion Ms. Padalecki introduced layout plans to show Commissioners conceptual drawings of the possible project. Ms. Padalecki also had pictures of comparisons of

what Tailwind looks today as well as the potential project plan. The project plan is to expand the kitchen and add facilities including a grill and fryer which will also require the installation of a grease trap. Tailwind believes this will boost the revenue per passenger potential by expanding the available menu options. Ms. Padalecki discussed with Commissioners that Tailwind is willing to pay for the expansion if they are awarded an additional lease term with the Authority. There are some additional contract terms that the Authority staff would like to work through.

Commissioner Taggart asked about the capability to serve food on both the secure and unsecure sides of the Terminal. Ms. Padalecki indicated that the coffee shop on the unsecure side is planned to re-open and there was discussion about the capability to deliver food from the primary kitchen to the bar on the secure side and also to the unsecure side via an app or kiosk.

There was also a discussion about modifying the existing vending contract that we have and adding vending to the Tailwind contract and/or removing vending completely from the secure side of the Terminal because it is difficult to stock and manage and also frees up space for additional seating. Ms. Padalecki indicated that there is an urgency to negotiate a contract and start construction because both parties desire to complete the work before the busier summer season. If staff can come to terms with Tailwind, the execution of this contract could happen as early as the first week of February and may need a Special Board Meeting for approval.

B. Air Service Update – Harrison Earl, CMT

Harrison Earl from Crawford, Murphy and Tilly (CMT) gave Commissioners an update on Air Service including the pilot shortage and inability to grow pilots, Airlines having staffing issues with the variants of Covid. Mr. Earl also said that flights at GJT have remained more full than the domestic average and we expect that these trends will continue for 2022 with a shortage in the supply of seats with the exit of Delta. Mr. Earl explained he expects to see accelerated growth for 2023. Mr. Earl said the Catchment Study is underway and expects the study to be complete in February and will continue to have discussions with airlines about service and is attending an air service conference in San Antonio in February.

Commissioner Taggart asked Ms. Padalecki and Ms. Menge if there should be a financial contingency plan with the loss of Delta air service. Mr. Taggart indicated that even small losses over a period of time can accumulate and budget shortages can be discouraging to staff. Ms. Padalecki indicated that staff have considered the need to re-forecast and plan a contingency, however, she noted the 2022 budgeted air service activity is conservative and although Delta has left the market, we believe there is opportunity for another airline to provide service, perhaps to an alternate hub. The loss of the Delta service is being monitored closely and staff are prepared to re-evaluate the budget if needed, however, implementing a contingency is pre-mature.

IX. Staff Reports

A. Legal Update (Dan Reimer)

Mr. Reimer gave a legal update to Commissioners covering the following items:

1. The CDC/TSA mask mandate is set to expire March 18th but is likely to get extended.
2. Mr. Reimer gave an update on the vaccine mandates for federal employees, federal contractors and large employers. Mr. Reimer stated that the vaccine mandate for federal contractors, which may apply to the GJRAA, is subject to a nationwide injunction issued by a federal district court in Georgia. Commissioner Brabaek asked if the vaccine mandate for federal contractors would include Commissioners, and Mr. Reimer responded that anyone who is associated with a federal contract (including board members approving the contract) might be subject to the requirement but that the nationwide injunction was issued before the mandate was implemented and such issues fully resolved.
3. Mr. Reimer gave an update on the ongoing debate between the FCC and FAA over C-Band 5G. Most recently, the FAA identified 50 airports around which a buffer would be established to limit potential interference with aircraft equipment.
4. Mr. Reimer gave an update on the airport grant provisions in the Bipartisan Infrastructure Law. The FAA has made airport-specific allocations, including for GJT, but has not yet issued guidance on the airport infrastructure grants or issued a Notice of Funding Opportunity for the discretionary terminal development grants.
5. Mr. Reimer echoed the statements made by Mr. Earl of CMT regarding the nationwide pilot and workforce shortages and loss of air service to small communities.

B. Executive Director Report (Angela Padalecki)

Ms. Padalecki started by adding some additional discussion about the 5G industry issue and indicated that it currently is being technically evaluated by Garver, however, at this time we do not believe it will have a direct impact to our airport or an indirect impact since none of the 50 airports that have been identified as needed a buffer are in our region.

Ms. Padalecki also recognized the staff and the work that was done over the holidays for snow removal. While most people enjoy a white Christmas, that means our team is working at the airport so we wanted to acknowledge that and thank them.

For the Executive Director report Ms. Padalecki reported that her and staff were able to meet or exceed all 2021 Airport goals adopted by the Board. These included air service goals, modernization of Airport governance with the Board approving the Mission, Vision and Values. Ms. Padalecki discussed progress with Airport improvement projects and the beginning of the Airport Development Plan. Ms. Padalecki also mentioned employee engagement with 5 employees becoming AAAE Certified Members. Other goals mentioned was the growth of non-airline revenue mostly being rental cars and the Airport's ability to capitalize on both air and land travel. Ms. Padalecki mentioned to expect rental car procurement soon.

C. Finance and Activity Report (Sarah Menge)

Director of Finance Sarah Menge reported that there was one payment over \$100,000 to ESCO Construction for the month of December. Ms. Menge then reported Enplanement forecast comparison to 2019 actual, 2021 budget and 2021 actual through December. Ms. Menge Reported 2021 revenue passengers were within 2% of 2019 and December 2021 had 3,500 fewer enplanements than December 2019, but load factors were 75% for December 2021 compared to 73% in December 2019. Ms. Menge also reported fuel sales are up 50% from forecast due to diversions and rental car revenue is also up. Ms. Menge closed her report stating the Airport is in a good position with what was budgeted for 2021 and actual for 2021 when compared to 2019. Commissioner Benton gave Sarah and Shelagh a compliment for their accuracy and projection of the budget.

X. Any other business which may come before the Board

No other business was brought to the board.

XI. Executive Session

Commissioner Brabaek made a motion to move into Executive session pursuant to CRS Section 24-6-402(4)(f) to discuss personnel matters. More specifically to discuss the Executive Director's annual review and terms of her employment contract.

Commissioner Tufly seconded the motion. Voice Vote: All Ayes; motion carries.

Following this motion, Chairman Benton announced a 4-minute break would be taken before the executive session.

Commissioner Tufly made a motion to move from Executive Session back into a public meeting. Commissioner Brabaek seconded the motion. Voice Vote. All Ayes.

XII. Adjournment

Commissioner Tufly moved for adjournment. Commissioner Brabaek seconded. Voice Vote. All Ayes.

The meeting adjourned at approximately 8:07pm

Audio recording of the complete meeting can be found at https://qjairport.com/Board_Meetings

Tom Benton, Board Chairman

ATTEST:

Cameron Reece, Clerk to the Board