



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
September 15, 2015

EXECUTIVE SESSION

Time: 3:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

To confer with the Authority's legal counsel for the purpose of receiving legal advice relating to a pending investigation, as authorized by CRS§24-6-402(4) (b).

III. Adjourn Executive Session

REGULAR BOARD MEETING

Time: 5:15PM

I. Call to Order

Mr. Rick Wagner, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:24 PM on September 15, 2015 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

Rick Wagner, Chairman
Steve Wood, Vice Chairman
Paul Nelson
Dave Murray
Rick Taggart
Troy Ball
Rick Langley

Other:

Wayne Clark, Citizen
Brad Barker, CAP
Drew Armstrong, Audit & Finance Committee
Bill Marvel, GJAUTA
Denis Corsi, Armstrong

Airport Staff:

David Fiore, Airport Manager
Victoria Villa, Clerk
Amy Jordan
Ben Johnson
Ty Minnick
Ben Peck

Chance Ballegeer

II. Approval of Agenda

Presentation item B. Tyler McClymond, postponed to October meeting.

Ms. Jordan said that Mr. Wegener requested to move the last action item up to the top.

Commissioner Wood moved to approve the modified agenda. Commissioner Nelson seconded. Voice Vote. All Ayes.

III. Conflict Disclosures

Chairman Wagner - None

Commissioner Wood – Hangar Owner

Commissioner Nelson - None

Commissioner Murray – None

Commissioner Taggart – None

Commissioner Ball – None

Commissioner Langley – None

IV. Commissioner Comments

None.

V. Citizen Comments.

None.

VI. Consent Agenda

A. August 18, 2015 – Regular Board Meeting Minutes

Commissioner Murray said that there are a few typing errors but nothing material.

Commissioner Langley moved to approve the minutes with minor corrections that does not change the substance of the document. Commissioner Wood seconded. Voice Vote. All Ayes

VII. Presentation

A. Draft Passenger Demand Analysis Presentation by Intervistas

Commissioner Murray said that this is part of their strategic planning process and part of their environmental assessment, and this is the first part of the work that they have contracted with InterVISTAS to do in terms of assessing their airport ridership.

InterVISTAS Senior Vice President, Mr. Dave Dague, gave a presented data from a Passenger Demand Analysis.

Executive Summary

- InterVISTAS was tasked with performing a leakage study of the Grand Junction area in order to better understand the travel patterns of the local community.
- The Grand Junction Regional Airport current service pattern consists of 14 average dialing departures to 7 nonstop destinations.
- The Grand Junction catchment area spans a region that includes a population of 196,000.
- Grand Junction Regional Airport captures 82% of the Grand Junction catchment area.
- Well over half of the catchment area passengers using GJT are generated from Grand Junction
- The Grand Junction market area generates 427,600 O&D passengers, including 93,700 using alternate airports.
- The West Coast is the largest region for Grand Junction area passengers, accounting for 27% of the total.
- Mexico resort markets rank as the Grand Junction market area's top international O&D passengers markets.
- The Grand Junction Regional Airport capture rate outperforms in its largest passengers markets: West Coast and the Southwest.
- New York and Atlanta are the top markets leaked via Denver and Montrose respectively.
- The Grand Junction Regional Airport capture rate is at its lowest during the summer season, as a result, Grand Junction area passengers using alternative airports peaks in June and July.

VIII. Discussion Items

A. Financial Update

Mr. Minnick briefed the Board. Mr. Minnick said that August was a strong month, however, operating revenue is down slightly compared to budget but with the elimination of the rental car revenue they are actually ahead of budget, year to date and for the month. Passenger facility charges (PFC) are off slightly compared to budget but they are ahead of prior year. Operating expenses are down compared to budget with the largest variances in the administration, terminal utilities, the onsite security guard, grounds expense with the reduction of landscape projects and temporary labor that they decided not to go forward with. Rental car expense and fleet expenses and down mainly due to the lower cost of fuel. Mr. Minnick said that enplanements were strong for August at 20,400 compared to 18,600 for the prior month and this again is the most for the month

of august since 2009. Mr. Minnick said that they do expect to see a downward trend for the remainder of the year.

Mr. Fiore said that they will be meeting with their finance committee talk about differed maintenance issues and to talk about ways they can do some yearend course corrections for 2016 and also to start taking a look at things about their needs assessment from a reserved policy standpoint and to come back with recommendations.

Commissioner Langley said that in there is a pretty significant increase in admin expenses over 2014 and asked what the difference is.

Mr. Minnick said that all medical expenses, insurance, employee benefits etc. are rolled up into admin as well as all IT was rolled up into admin as well.

Mr. Fiore said that it's common for commercial service airport to do an allocation of time and staff time, they are looking at things in a cost center basis so that they can start looking at cost of the terminal building and cost in the different airfield components. Mr. Fiore said that they should know what their breakeven point is and where staff is spending most of their time. Mr. Fiore said that there will be modeling that will be built over time.

B. Security Solutions Committee Update

Commissioner Wood briefed the Board. Commissioner Wood said that around the time of the last meeting they had a visit from the Compliance Director of Airport Security, Mr. Andrew Johnson, who came not expecting to like what he was going to hear and went home "100% convinced" that their proposed solution was not only viable but is an enhancement of airport security. Commissioner Wood said that Larry Nau, the Federal Security Director of the Colorado Region, was here a week ago and he made it clear that them that the people in DC are adequately convinced and made a comment that what they were preparing to do would be a benefit to at least half a dozen other airports in Colorado. Mr. Nau also committed to a very fast turnaround for approval of a "Pilot Program", a phased approach and is now as a "Test Plan". Commissioner Wood said that the phases will be an initial phase where they will get under contract with the contractor of the technical portion of this, then invite them for the next phase to test drive it and then at the phases following that, the gates will be opened during staffed hours and then subsequent to that they will be open 24/7. Commissioner Wood said that they anticipate having something approve by Mr. Nau within a day or so. Commissioner Wood said that this will still be a process, they are not under contract with the contractor but as soon as they have a signed test plan they will move forward. It will be about six to eight weeks of spool-up time to be here with equipment ready to start working and they are allotting themselves about a month's worth of time to set up calibrate and start doing the test driving.

IX. Action Items

A. Junction Aerotech Lease Addendums

Mr. Wegener briefed the Board. Mr. Wegener said that action was taken on this back in April and Junction Aerotech now has the final surveys with the final descriptions so they have asked to substitute the addendums they did at that time with the final surveys. Mr. Wegener said that they have a few addendums and a memorandum that is going to be recorded that supersedes the prior memorandums. Mr. Wegener said that the Airport would be consenting to everything they have already consented to just with the final legal descriptions.

Discussion:

Chairman Wagner noted that this is seventh addendum to the ground lease.

Mr. Fiore said that he isn't a big fan of multiple addendums on contracts and in the future they really should be working towards using their standard agreements.

Commissioner Nelson made a motion for the Board to accept the addendums and to authorize the Board Chairman to execute the documents. Commissioner Murray seconded. Voice Vote. All Ayes

B. Resolution 2015-009 – Revised Banking Resolution

Mr. Minnick briefed the Board. Mr. Minnick said that the only change is to add David Fiore's name in the appropriate places and remove Ms. Jordan's name.

Commissioner Wood made a motion for the Board to approve Resolution 2015-009 Revised Resolution concerning execution of documents pertaining to bank accounts, adding the Airport Manager as an account signatory. Commissioner Nelson seconded. Roll Call Vote. Commissioner Murray: Aye, Commissioner Langley: Aye, Commissioner Nelson: Aye, Chairman Wagner: Aye, Commissioner Wood: Aye, Commissioner Taggart: Aye, Commissioner Ball: Aye.

The Board took a brief break at 7:02PM

The Board reconvened at 7:18PM

C. AIP Grant Sponsor Certification

Mr. Johnson briefed the Board. Mr. Johnson said that after they submitted the application the FAA revised all of the sponsor certifications. Mr. Johnson said that on some of them the only change was formatting but among the bigger changes, the paragraph application at the beginning of some of the certifications they added a lot of reference information to those and they added an entirely new sponsor certification on the conflicts of interest, then they added a bunch of questions to the equipment and construction contracts sponsor certifications. Mr. Johnson said that the FAA has requested that before they do the grants this year that they get the sponsor certifications updated. Mr. Johnson said that they felt like there were enough changes that they would bring it back to the Board. Staff recommends for the Board to authorize the Board Chairman to sign them.

Commissioner Murray asked Ms. Jordan to review all of the certifications.

Commissioner Wood made a motion for the Board to authorize the Chairman to sign the revised AIP Sponsor Certification for AIP projects 52 & 53 as presented. Commissioner Langley seconded. Voice Vote. All Ayes.

D. Colorado Discretionary Aviation Grant

Mr. Johnson briefed the Board. Mr. Johnson said that this grant is the State grant and it is the matching funds for all of the projects this year. The grant is for a maximum of \$126,050.00 and that is based on the estimates they had for the projects back when they applied for the grants, the State isn't allowing any amendments to those estimates so it is slightly less than the 5% and the airport's match is \$199,000 to cover the difference because they changed the Federal grant. Mr. Johnson said that this agreement is between the Airport and the State so it doesn't require any co-sponsor agreements or City/County approval. Mr. Johnson said that there is a resolution attached as Exhibit B.

Commissioner Nelson moved to adopt the resolution as outlined in Exhibit B for the Colorado Discretionary Aviation Grant application 15-GJT-01 and authorize the Chairman to execute it. Commissioner Wood seconded. Roll Call Vote. Commissioner Ball: Aye, Commissioner Taggart: Aye, Commissioner Wood: Aye, Chairman Wagner: Nelson: Aye, Commissioner Langley: Aye, Commissioner Murray: Aye.

E. Mead & Hunt Pay Request

Ms. Jordan briefed the Board. Ms. Jordan said that this is for an airport improvement project that they are currently under grant for which is phase II of the environmental assessment (EA) for the replacement runway. The pay request is for \$14,179.00.

Chairman Wagner commented that the total on this so far is almost 1.2 million just to study the EA to replace the runway.

Ms. Jordan said that that was correct and that it's an environmental document created to satisfy the needs of the FAA and the BLM.

Commissioner Langley made a motion that the Board approve the payment to Mead and Hunt for invoice number 253156 in the amount of \$14,179.00. Commissioner Wood seconded. Voice Vote. All Ayes.

F. SM Stoller Lease Assignment

Ms. Jordan briefed the Board. Ms. Jordan said that the US department of energy leases, through a contractor, a parcel of property known as the calibration pads. Ms. Jordan said that they recently went out for selection and they are moving from SM Stoller, who has had that contract with the DOE for some time, to a company by the name of Navarro Research and Engineering. Ms. Jordan said that the Department of Energy cannot be a lease holder so they lease the property from the Airport through their contractor so since they are switching contractors they would like to also move the lease to the new contractor. The lease term is through May 31, 2018. Navarro and the DOE has expressed interest in moving to the new standard form lease, which will extend their term.

Commissioner Wood made a motion for the Board to consent to the lease assignment between SM Stoller Corporation and Navarro Research and Engineering and authorize the Board Chairman to execute the assignment. Commissioner Murray seconded. Voice Vote. All Ayes.

G. Grand Valley Power Easement Request

Ms. Jordan briefed the Board. Ms. Jordan said that following the amended easement that they granted to Xcel for the power station at L & 23 road, Grand Valley Power approached her and said that they have two power poles on airport property and they don't have an easement. Ms. Jordan said that because of the work that Excel is doing on their gas meter station Grand Valley Power needs to move this power poles and add one more.

Discussion:

Commissioner Murray asked how Ms. Jordan arrived at \$200.

Ms. Jordan said that she arrived at that with Mr. Wegener's help and it's about what he has into editing the easement but it doesn't include her time.

Mr. Fiore said that his experience has always been that if you are encumbering property you should be paid for the encumbrance that is being placed on it so there should be another value for that encumbrance.

Ms. Jordan said that for the Excel easement they requested \$2000 in consideration but they did spend more time on it.

More discussion took place on the dollar amount.

Commissioner Wood asked if a car misses the curve and hits the middle pole if it's on them.

Mr. Fiore asked Mr. Wegener if they should have some indemnification language in there.

Mr. Wegener said that that they could if the wanted to.

Chairman Wagner said that he wouldn't mind seeing it but he doesn't think it's critical. Chairman Wagner said that they are okay with the language but the offer needs to be a little rounder maybe \$1000.

Mr. Wegener said that he will also add some indemnity language.

Item tabled.

H. Employee Handbook Updates

Ms. Jordan briefed the Board. Ms. Jordan said that after the handbook was rewritten and adopted by the Board on May 20th she sat down with staff and went through it with them and what came out of those meetings were some additional questions so there are some changes just to add calcification. Ms. Jordan went through the changes.

Discussion also took place on a policy of personal tool use at work.

Additional changes were proposed.

Ms. Jordan said that she would talk to Ms. Danielle Urban on some of those changes.

Item tabled.

X. Any other business which may come before the Board

None.

XI. Adjourn

Commissioner Nelson moved to adjourn. Commissioner Wood seconded. Voice Vote. All Ayes.

The Board meeting adjourned at 8:10PM.

Rick Wagner, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board