



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
April 19, 2016

EXECUTIVE SESSION

Time: 3:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

III. To confer with the Grand Junction Regional Airport Authority's legal counsel for the purpose of receiving legal advice in regard to ongoing litigation and other related matters and to discuss the potential resolution of those litigated matters and the terms and conditions upon which those matters could be resolved, as authorized by C.R.S. § 24-6-402(4)(b) and (4)(e)(I). Also, to confer with the Grand Junction Regional Airport Authority's legal counsel for the purpose of receiving legal advice relating to a pending investigation and other related matters, as authorized by C.R.S. § 24-6-402(4)(b).

IV. Adjourn Executive Session

4:46PM

SPECIAL COMMITTEE MEETING

Time: 5:15PM

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15PM on April 19, 2016 in Grand Junction, Colorado and in the County of Mesa.

<i>Commissioners Present:</i> Steve Wood, Chairman Paul Nelson, Vice Chairman Dave Murray Rick Langley Rick Taggart Rick Wagner	<i>Other:</i> Shannon Kinslow, TOIL Brad Barker, CAP Bill Marvel, GJAUTA Clay Tufly Debbie Kovalick Christie Pollard Diane Schwenke Eric Trinkline, Armstrong David Hartman, Armstrong Gary Harmon, Daily Sentinel Lisa Meachem, EKS&H
<i>Airport Staff:</i> Victoria Villa, Clerk Ty Minnick Ben Johnson Ben Peck Chance Ballegeer Fidel Lucero Brian Harrison	

II. Approval of Agenda

Chairman Wood suggested to move the annual audit report presentation up in the agenda so Ms. Meachem can catch her flight.

Agenda was approved with the change by major motion

III. Conflict Disclosures

Commissioner Murray – None
Commissioner Langley – None
Commissioner Nelson – None
Chairman Wood – Hangar Owner
Commissioner Wagner – None
Commissioner Taggart – None
Commissioner Ball – Absent

IV. Commissioner Comments

None.

V. Citizen Comments

None.

VI. Presentations

A. Annual Audit Report

Ms. Lisa Meachem with EKS&H gave an overview presentation of the 2015 financial audit.

Results of Audit (Audit report created by EKS&H)

”We have reviewed the accounting practices, which include policies estimates, and financial statement disclosures, related to the following areas of focus:

Revenue Recognition

- Obtained revenue recognition memo describing each type of revenue stream to gain an understanding of the Authority’s various revenue streams.
- Tested a sample of revenue transactions from each revenue stream by agreeing to cash receipt documentation and related invoice or agreement, as applicable.
- Analytically tested 2015 revenues as a percentage of various key performance indicators.
- Obtained and tested the future lease revenues schedule (see Note 7 in the financial statements).

Accounts Receivables and Allowances

- Independently confirmed a selection of receivable balances as of December 31, 2015.

- Performed alternative procedures on balances for which confirmations were not received, including vouching of subsequent receipts.
- Tested the aging to assess the need for an allowance for doubtful accounts.

Capital Assets

- Obtained a rollforward schedule of capital asset balances from January 1, 2015 through December 31, 2015.
- Agreed the rollforward schedule of capital assets to supporting detailed schedules.
- Selected a sample of capital asset additions during the year to vouch to supporting documentation.
- Analytically tested depreciation expense year over year.

Passenger Facility Charge (“PFC”) Program

- Reviewed and tested the PFC schedule and activity in the PFC program in 2015 in accordance with the PFC Audit Guide issued by the Federal Aviation Administration.
- Testing included recalculation of PFC charges revenue remittances, and allowability of disbursements.

GASB 68 GASB 71

- Reviewed and tested the Authority’s adoption of applicable new standards related to pensions as of December 31, 2104 amount in the financial statements.

Accounts Payable and Accrued Expenses

- Tested actual expenditures subsequent to year-end to support year-end accruals.
- Reviewed other supporting documentation as considered necessary.”

Ms. Meachem reported that they did not identify any deficiencies in internal control over compliance that they consider to be material weakness.

Full Financial Statements and Independent Auditors’ Report available to review at www.gjairport.com

VII. Consent Agenda

- A. March 15, 2016 Regular Meeting Minutes
- B. Pay Request: G4S February Billing
- ~~C. Purchase Request/Asset Disposal – Riding Mowers~~
- D. Pay Request: Mead and Hunt – AIP 49
- ~~E. Pay Request: Mead and Hunt – TAP Update~~
- F. Pay Request: InterVistas – Air service Development Project
- G. CPW Non-Standard Form Lease

Items “C” and “E” were requested to be removed from the Consent Agenda for further discussion.

*Commissioner Wagner made a motion to approve the consent agenda as amended.
Commissioner Taggart seconded. Voice Vote. All Ayes*

VIII. Discussion Items

A. Financial Update

Mr. Minnick briefed the Board on the airport’s current financial status. (Financial Results report created by Mr. Ty Minnick)

Financial Results

Assets

1. Prepaid expenses are consistently being amortized over the term of the insurance policy. The annual policy is up for renewal in June 2016.
2. Restricted assets are consistent with the use of the PFC cash received. Customer facility charge is showing net decrease due to the \$116,000 payment in March for the quarterly SIB loan payment.

Liabilities

1. Accounts payable showed a large amount decrease in the balance due to the payment to Shaw in January 2015
2. Accrued expenses are higher from December 2015 to March 2016 as the 07 Revenue Bond interest is being accrued monthly for the semi-annual interest payment.

Aeronautical Revenue – Revenue is consistent with budget and prior year.

Non-Aeronautical Revenue – parking revenue is higher than prior due to the increase in the maximum parking rate from \$9 to \$10 and higher than budget due to the increase in enplanements year over year.

Operating Expense

1. Personnel expense is consistent with the reduction of administrative staff in January 2016.
2. Contract services are higher compared to budget and 2015 due to the increased legal expenses.

Non-operating Revenue/Expense – CFC’s are greater than budget and prior year with the increase in the CFC rate in February from \$3.80 to \$4.00 per rental day and higher than budgeted enplanements.

Enplanements

2016 vs 2015

	Month	Year to Date
2015	16,647	45,923
2016	18,023	49,267
Difference	1,376	3,344

B. Security Solutions Committee Update

Chairman Wood briefed the Board. Chairman Wood stated that at the last meeting they informed everyone that the contractor, Dynetics, was to be on site soon and they were on schedule. They are still awaiting a 7460 from the FAA for one pole.

C. Projects Update

Mr. Johnson briefed the Board. Mr. Johnson said that with AIP 49, the environmental assessment (EA) for the new runway, they did receive the finding of no significant impact (FONSI) and record of determination. Mr. Johnson said that the FAA has approved the EA and has signed off on it. Staff now has to publish a notice in the paper and it will be available for public review at their office for 15 days.

D. Air Service Development Committee Update

Commissioner Taggart presented a power point to the Board about the Grand Junction Air Service Alliance. Commissioner Taggart stated that the goal of the Grand Junction Air Service Alliance is to “Support the economic development efforts of the community by providing greater access to the west for current and potential business”. After a few weeks of organizing the Alliance raised \$463,900 in cash and in-kind contributions to be used toward a Small Community Air Service Development grant. The grant would focus on improving air service from Grand Junction to the western United States and international destinations. Commissioner Taggart reported that the Department of Transportation did not grant the funds to the Alliance. Commissioner Taggart says that the Alliance continues to meet and has been an active participant in InterVista’s Air Passenger Demand Survey. Commissioner Taggart stated that the Alliance continues to look for opportunities to seek additional routes from an existing carrier or recruit a new carrier into the area.

1. Air Service Incentive Program

Mr. Minnick briefed the Board on the possibility of offering an Air Service Incentive Program to attract more airlines to The Grand Junction Regional Airport. Some incentive options discussed were; free landing fees for the first year 100% and 50% for the second year, a marketing incentive of \$5000 such as a banner add on the website or advertising at the baggage belt and airline ticket office rent. Mr. Minnick stated that another option is to give credit to common space rent but that is a revenue impact because the common space is allocated to all airlines pro-rate on enplanements and anything that is given out as a credit to a new service will reduce the revenue that the airport gets.

IX. Action Items

A. Pay Request: Mead and Hunt – AIP 49

Commissioner Langley moved to accept and approve the payment to Mead and Hunt, invoice number 259517 in the amount of \$14,543.14. Commissioner Nelson seconded. Voice Vote. All Ayes.

B. Purchase Request/Asset Disposal – Riding Mower

Commissioner Murray asked for clarification on the requirement for putting out a request for proposal.

Mr. Johnson said \$50,000

Commissioner Murray moved to accept and authorize the purchase request/asset disposal request. Commissioner Taggart seconded. Voice Vote. All Ayes

C. Resolution 2016-004 – Updated Rates and Charges

Mr. Minnick stated that on page 16 he added items E and F. Mr. Minnick said that they have had requests from some tenants to do work that are outside of their normal scope, so he wanted to make sure that they could charge out at a proper rate and also for internet and phone.

Commissioner Wagner moved to adopt the amended resolution and authorize the Chairman to sign it. Commissioner Nelson seconded. Roll Call Vote. Commissioner Taggart: Aye, Commissioner Wagner: Aye, Chairman Wood: Aye, Commissioner Nelson: Aye, Commissioner Langley: Aye, Commissioner Langley: Aye. All Ayes

D. Contract Awards – AIP 52

1. Taxiway Rehabilitation

2. Lighting/Segmented Circle Modifications

Mr. Johnson briefed the Board. Mr. Johnson said that the FAA has provided its concurrence on the recommendation of award for the two remaining projects of AIP 52. Project one is the rehabilitation of the main taxiway connectors. Project two is the modification of lighting and the moving of the segmented circle. Bid opening took place in February and they have reviewed all of the contracts and all of the proposals. Staff concurs with Armstrong's recommendation to award project one to Elam Construction for \$1,191,844.50 and project two to Pro Electric for \$97,977.00. Staff recommends for the Board to Authorize the Chairman to execute the notice of award and contracts pending the contractors getting the airport their bonds and everything they are required to provide. Mr. Johnson said that the total project cost for AIP 52, which includes the fog seal restripe project, is just over 3million dollars and the total grant is for 2.76 million for the FAA with some state and local money as well.

Commissioner Nelson made a motion to approve contract award of AIP 52 on the taxiway rehabilitation to Elam Construction and to authorize the Chairman to sign the agreement. Commissioner Wagner seconded. Voice Vote. All Aye.

Commissioner Wagner made a motion for the Board to adopt the agreement and award the contract to modify runway 22 edge-lighting and relocate the wind-cone and segmented circle, project two, to Pro Electrical and to authorize the Chairman to execute the agreement. Commissioner Nelson seconded. Voice Vote. All Ayes.

X. Any other business which may come before the Board
None

XI. Adjourn

Commissioner Murray motioned to adjourn. Commissioner Nelson seconded. Voice Vote. All Ayes.

The meeting adjourned at 6:20PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board