



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
March 15, 2016

EXECUTIVE SESSION

Time: 3:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

To confer with the Grand Junction Regional Airport 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

SPECIAL COMMITTEE MEETING (Airport Manager Selection Committee)

Time: 5:15PM

I. Call to Order

Commissioner Murray call the Special Airport Manager Selection Committee Meeting of the Grand Junction Regional Airport Authority to order at 5:36PM on March 15, 2016 in Grand Junction, Colorado and in the County of Mesa.

II. Public Comments

None.

III. Discussion Items

A. Airport Manager job search goals

1. Job Description

Commissioner Murray said that they have looked at the job description and there is not much modification that has been made to it. The recommendation is to add a couple of lines for clarity of what they are looking for, specifically, to the position's requirements for minimum education and experience. Commissioner Murray said that under "experience and planning" he added "directing and administering all function and activities of the airport and its premises for clarification, as well as "commercial and general aviation" for operations. Commissioner Murray said that under "minimum required skills" he added "must have strong leadership experience and the ability to develop working relationships

with community leaders, board commissioners, agency representatives, tenants and employees. He also added, “Must have team building skills.” In the checklist for scoring for potential applicants, Commissioner Murray added, “Experience with commercial airport operations and management leadership role” as well as “Experience with general aviation and management and or/ leadership role.”

2. Deadlines for application

Commissioner Murray said that they had 68 applications and they maintain those applications on file following labor laws and they have several folks in the pool that ranked in their top 10 that they can reach back out to as one consideration. Commissioner Murray recommended to post the position as soon as possible and put a two week deadline on it.

3. Requirements for applicants

Commissioner Murray said that all applications will be scored and the committee will define the limit just as they did before for what they want to see in applicants on the score sheet.

4. Selection procedures

Commissioner Murray asked for Mr. Johnson to gather all applications and he and Mr. Ball will look at them.

5. Timeframe for appointment

IV. Adjournment

Commissioner Ball moved to adjourn the Special Committee Meeting. Meeting adjourned at 5:44PM.

REGULAR BOARD MEETING

Time: 5:45PM

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:45 PM on March 15, 2016 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

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

Other:

Wayne Clark, Citizen
Shannon Kinslow, TOIL
Darlene Smith, Open Range Gift Shop
Alan G., Tailwind
Diane Stephens, Citizen
Steve Stephens, Citizen
Jeff Switzer, Tailwind
David Dague, InterVISTAS
Drew Armstrong, Citizen
Eric Trinklein, Armstrong
Kathleen Sickles, Citizen
Ben Hill, Hill & Holmes
Ron Nunnery, GJ Aircraft Sales
Derrick Worden, CEC

Airport Staff:

Victoria Villa, Clerk
Ty Minnick
Ben Johnson
Ben Peck
Chance Ballegeer
Brian Harrison

II. Approval of Agenda

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

III. Conflict Disclosures

Chairman Wood – Hangar Owner

Commissioner Nelson - None

Commissioner Ball – None

Commissioner Murray - None

Commissioner Langley- None

Commissioner Taggart - None

IV. Commissioner Comments

None.

V. Citizen Comments

1. Darlene Smith

Topic of Comment: Open Range

“Hello my name is Darlene Smith, I was born in Grand Junction and I have worked for Open Range Shop for seven years. Not a week goes by that I don’t receive numerous compliments regarding our gift shop. Some examples of the types of comments I receive are “Your gift shop makes flying out of Grand Junction enjoyable. I look forward to getting through TSA and coming into your shop.” “Your Gift Shop is the reason I fly out of Grand Junction.” I have been told by my regular passengers that live in Aspen, Eagle, Gypsum, Glenwood Springs and Montrose that they could fly out of closer airports but choose to fly out of our airport specifically because of Open Range Gift Shop. Open Range Gift Shop has served this community for 46 years. The owners have weathered the valley’s economic lows, holding steadfast in their commitment to serve our valley’s arriving first time visitors, repeat visitors and our business travelers. I cannot

count how many times I have been told “it is so good to see you and be back in your shop. Your guys are the best.” “This is the best airport gift shop I have ever been in”. Whose idea was it to combine the retail business with the food service and the reasoning behind it? Especially when the airport has been fortunate enough to have a successful long term leased retail business. If Tailwind left a successful business in the Aspen Airport as it says on their website, what’s to stop them from pulling out of Grand Junction Regional Airport when the Grand Valley hits the low ebb as we all know how our economy has its up and downs more so than other areas. The owners of Open Range have stood by the airport in bad economic times. You have taken a sure thing and replaced it with an unknown. No one pulls out of a successful business; I believe there is more to Tailwind pulling out of Aspen than we are aware of.

For this board to not renew Open Range’s lease and to bring in an out of state business is deplorable. You are not only responsible for the closing of a successful local 46 year business but you are also responsible for affecting our local vendors. The owner of Open Range have been here since Mr. Paul Nelson and I graduated from Grand Junction High School. I feel the Airport Authority Board has again made another very bad decision for this community and the traveling passengers.

According to one news report, the chairman of Grand Junction Regional Airport Authority said over the phone that Open Range “did not tender a Request for Proposal” to the committee. The news also reported that Tailwind won the bid and that 4 bids were turned in. Who submitted the other 3 bids? Please explain how the percent of profits were determined to be in Tailwind’s favor.

Since the news broke about our Gift Shop’s lease not being renewed, I have heard comments from passengers regarding the Airport Authority Board, comments ranging from your lack of ethics to possible corruption. This is disheartening to hear.

My disappointment in this board’s decision is monumental. Every person sitting on this board should be ashamed of himself. In closing, I implore the Airport Authority Board to think of the ramifications of your actions and to always make decisions based on what is best for the airport and our community.”

Commissioner Taggart commented and said that he was part of that committee and he has empathy for the fact that Open Range has run this business for 46 years. At the same time there was a process that was laid out in the RFP and if you chose not to participate in total in the process, to then come back and say it was unfair and/or it was tainted in any way, is not being remotely fair. The RFP that they submitted did not, other than saying Open Range was a part of it, there were several things missing. One, there were no financial statements, and the RFP was very specific that there needed to be financial statements. Two, there was a request and it was a point total of 25 points in the presentation as to what they were going to do to develop the site for

the future, there was nothing. Commissioner Taggart said that if Open Range chose to not to fill out the RFP in total and they knew that there was a point total and the competitors of three others in fact did that, how is that the fault of the Airport Authority? Commissioner Taggart said that to the comment about combining both food service and gift shop, they had the ability as a part of the RFP to say “look we don’t think you should do that” and if they had said that and put it in writing then staff could have brought it back to the committee and it would have been looked at to possibly separate them. The Board had no way of knowing that, Open Range put their name as a part of the joint bid as if that’s what they wanted submitted and then to say there is something tainted and wrong afterwards...as much as he has tremendous empathy, that is not remotely fair.

Ms. Smith said that she was under the impression that the bid was submitted in combination with J&L Subway and Open Range Gift Shop.

Commissioner Taggart asked if she read what was submitted.

Ms. Smith said no she was not privy to that information.

Commissioner Taggart said she should have been because they decided to participate with J&L and she should have had every bit as much input, and he doesn’t understand why Open Range and J&L didn’t get together to review the RFP.

Ms. Smith said that she is just present as a citizen of the Community.

Commissioner Taggart said that he understands but this was an RFP process and now she is criticizing the entire Board as if they did something wrong when they were very clear that this was an RFP process and it included both the food service and the gift shop and if they didn’t want it to be that way the time to solve that was way back in December but no one said anything and it just got submitted very incomplete. All the committee could go by is very incomplete information and the score showed that and the score was a quantitative score, it was published in advanced what that quantitative score was going to be and that’s what both staff and the committee that worked with staff went by.

Commissioner Murray said that he empathizes with Ms. Smith as well and thanked her for the service Open Range provided. Commissioner Murray said that if there are ever any ethics or compliance issues he would like to know about it, he’s a compliance guy and he’s certified in that and he sat on this committee. When they evaluate the responses to a request for proposal they follow federal guidelines and the response that the owner submitted was incomplete and the owner did not raise any of those issues and they would have been more than happy to address those at the time. Commissioner Murray said that they went through a pretty straight forward

honest process in terms of the evaluation of the RFPs and how they came about with the decision that they made.

2. Steve Stephens

Topic of Comment: Tailwinds/Open Range Gift Shop

Mr. Stephens said that he had a letter published in the Summit Daily in regards to the Open Range Gift Shop and the Board has answered some of his questions. Mr. Stephens said one of the things that stuck with him is the RFP request and that in years past the RFP hasn't combined both gift shop and food service operation. By making that RFP combined those two operations, the Board essentially eliminated Open Ranges' ability to bid competitively. Mr. Stephens said that is all he has to say now that he's gained a few more facts since he wrote that letter. Mr. Stephens said he is going to be sorry to see Open Range Gift Shop go. It's been a good business.

Commissioner Taggart said that it's difficult to hear now that they didn't participate in the RFP and that they wanted them separate, because there was a time to have that discussion. It doesn't sound like J&L and Open Range were talking and he still doesn't know how that's the airport authorities responsibility.

VI. Consent Agenda

- A. January 25, 2016 Special Meeting Minutes
- B. February 16, 2016 Regular Meeting Minutes
- C. Pay Request: G4S February Billing
- D. CarpeTime Invoice
- E. West Star Inc. Name Change

Commissioner Ball moved to approve the consent agenda. Commissioner Nelson seconded. Voice Vote. All Ayes.

VII. Presentations

A. Intervistas Presentation

Mr. Dave Dague said since he was last here and presented the first phase, they have gone through two other phases which was a business survey and the Strategic Air Service Plan. Mr. Dague gave a power point presentation for the Board. The presentation went through air service overview as well as expansion of air service at Grand Junction.

Presentation attached

B. Clean Energy Collective Presentation

Mr. Derrick Worden from Clean Energy Collective, a solar company based out of Louisville Colorado, presented to the Board. Mr. Worden said that what they do is they bring solar to those who are not good candidates for solar because they may not have good house design, have big shade trees, they live in an apartment etc.

They do this by building a solar site in a neutral location and they open it up for people to purchase the solar capacity in their community. Mr. Worden proposed to the Board to locate a solar array on some of the airport property. Mr. Worden briefly discussed how it works. Mr. Worden said that they build these sites and work with Excel who is the utility provider. Excel released an RFP recently and they have a few weeks to submit their proposals. Mr. Worden said that they are looking for is 1 to 2 megawatt sites which is roughly 8 acres for one megawatt site and 16 acres would be a 2 megawatt site and is with a 20 year agreement. They start out at \$1,000 per acre per year. Mr. Worden said that what they are asking for today is a letter of intent from the Board stating that GJRA is interested in proposing one of its sites to Excel. At this point GJRA isn't held to anything if Excel doesn't choose their project. If they do choose GJRA's project it will be up for negotiation.

The Board is interested in submitting a letter of intent. Airport Counsel will review the blank letter left by Mr. Worden.

The Board took a brief break.

Note: Commissioner Taggart had to leave the meeting

VIII. Discussion Items

A. Financial Update

Financial update presented by Finance Manger Ty Minnick.

Assets

1. Unrestricted – cash showed a large decrease in the balance due to the payment to Shaw in January 2015
2. Prepaid expenses are consistently being amortized over the term of the insurance policy.
3. Restricted assets are consistent with the use of the PFC cash received. Customer facility charge is showing increase due to the increase in the CFC charge, this account will be reduced \$116,000 in March for the quarterly SIB loan payment.

Liabilities

1. Accounts payable showed a large decrease in the balance due to the payment to Shaw in January 2015
2. Other assets are consistent from December 2015 to February 2016.

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

Non-Aeronautical Revenue – the budget included a reduction in rent revenue received for the Terminal third floor, currently rented by the TSA. The anticipated relocation of the Authority administrative offices to the third floor has been delayed, therefore we are still receiving TSA rent revenue.

Operating Expense

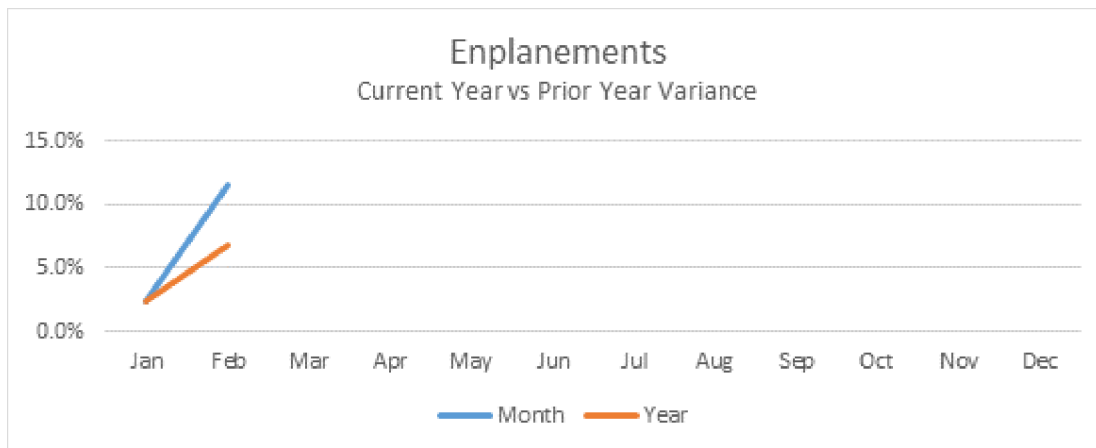
1. Personnel expense is consistent with the reduction of administrative staff in January 2016.
2. Contract services are higher compared to budget and 2015 due to the increased legal expenses.

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 the higher than budgeted enplanements.

ENPLANEMENTS

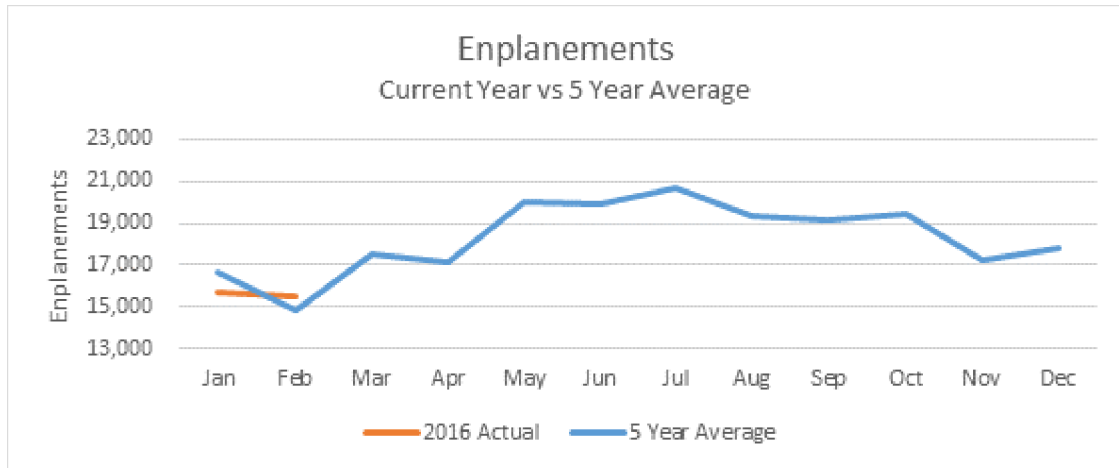
2016 vs 2015

	Month	Year to Date
2015	13,904	29,276
2016	15,509	31,244
Difference	1,605	1,968



Historical Average

	Month	Year to Date
5 Year Average	14,816	31,424
2016	15,509	31,244
Difference	693	(180)



B. Security Solutions Committee Update

Chairman Wood briefed the Board and said that since the last update, the contactors are scheduled to arrive Sunday evening and could start there Monday morning.

C. Projects Update

Mr. Johnson briefed the Board. Mr. Johnson said that not a lot has changed since the last update. AIP 49 which is the EA for the new runway, has been circulated and is waiting for the final signature. AIP 52, the taxiway rehab/segmented circle, they are working through a concern brought up by the FAA so they are working on what the next step is. AIP 54, the apron reconstruction will be discussed later in the agenda. AIP 55, runway RTR design, is still waiting on the EA to be signed and they can't do anything on that until the EA is complete. AIP 56, the terminal area plan, they are waiting on a response to a couple questions about grant and procedural complications for the FAA.

D. GA Development Requests/Possible Workshop

Mr. Johnson briefed the Board on a letter of intent from Bruce Verstraight.

Mr. Johnson said that they are interested in leasing a parcel on the airport to build a hangar or two. Ben Hill and Ron Nunnery is present to explain and answer any questions.

Mr. Hill said that they have been talking with a company that wants to pursue a part 135 operation and build a large hangar and there's a possibility that there's another company that wants to follow suit with them.

Different location options were discussed.

There will be a midday workshop scheduled to further discuss this topic as well as the minimum standards.

E. Revised Minimum Standards

Commissioner Ball said that the Minimum Standards Committee has just about finished the revisions that they would like to see put in place and if they have a workshop within the next couple of weeks, if possible, they can then submit to the Board a final revision.

This topic will be part of the workshop on Tuesday March 22nd.

IX. Action Items

A. Revised Banking Resolution

This resolution is just adding Mr. Ben Johnson on there to get a second staff member on to their signature cards and removing the former executive director. So now Mr. Johnson and Mr. Peck will be staff signatories.

Commissioner Nelson moved for the Board to adopt resolution number 2016-003 concerning revised resolution on bank accounts. Commissioner Ball seconded. Roll Call Vote. Commissioner Ball: Aye; Commissioner Nelson: Aye; Chairman Wood: Aye; Commissioner Wagner: Aye; Commissioner Langley: Aye; Commissioner Murray: Aye. Motion carries.

B. Tailwinds Selection, Contract and Addendum

Mr. Minnick briefed the Board. Mr. Minnick said that this is a continuation from the last board meeting. The main operating lease is finalized, Airport counsel Ben Wegener and Tailwind has reviewed it and approved it.

Mr. Jeff Switzer from Tailwind said that one of the things they've realized in working the space is that they talked about in their proposal and the bar they wanted to build inside that food service area is not enough room and is going to be too crowded. Mr. Switzer proposed to the Board to put in a bar in the upper boarding area but away from the windows so they won't block the view.

Commissioner Rick Wagner moved for the Board to approve the lease and concession agreement including addendum one and to authorize the Board Chairman to execute the document. Commissioner Ball seconded. Voice Vote. All Ayes.

C. Task Order – Armstrong Consultants

Mr. Johnson briefed the Board. Task order J is for the construction and administration, the management fees for the first phase of the Apron reconstruction (AIP 54). Mr. Johnson said that this year they are planning on doing the east side of the apron and all of that pavement will be replaced. The scope of work has been approved by the FAA (approval letter in board packet). The fees have not been approved yet by the FAA. They did get the IFE for the project and it did come back within the acceptable 10%. Once they obtain the concurrence of the fees, they can bid out the project. Mr. Johnson said that they are anticipating a July start time and a 120 day construction period on the ramp. Staff recommends for the Board to approve the task order pending approval of the fees by the FAA.

Commissioner Nelson made a motion to authorize the Chairman to execute task order J contingent upon FAA concurrence on the fee amount. Commissioner Langley seconded. Voice Vote. All Ayes.

D. CPW Non-Standard Lease Renewal

Mr. Chance Ballegeer briefed the Board. Mr. Ballegeer said that Colorado Parks and Wildlife is wanting to go the new ground lease agreement but because they're a State entity there are certain things in the standard lease that they don't have to participate in so it makes it a non-standard aeronautical ground lease agreement. Mr. Ballegeer stated that the CPW said they don't pay a security deposit, however, there is a security deposit on file for the CPW that was paid in 1994 of \$212.50. Mr. Ben Wegener has reviewed this agreement.

Mr. Wegener said that CPW took it out but he would keep in the language about hazardous materials that they're not going to store any hazardous materials.

Commissioner Wagner made a motion to approve the CPW non-standard lease renewal. Commissioner Langley seconded. Voice Vote. All Ayes.

E. Rocky Mountain Hangar Association Leases

Mr. Ballegeer briefed the Board. Mr. Ballegeer gave the Board a termination of ground lease agreement that was written by Mr. Wegener and a letter from Songer's attorney, explaining the reasoning why the Rocky Mountain Association wants to break up. All parties are willing to sign the termination and move to new individual leases.

Mr. Wegener advised the Board to authorize the chairman to sign the agreement if all conditions are met of all four individuals signing a lease..

Commissioner Wagner moved to authorize the Chairman to sign the lease proposal as presented tonight with the appropriate minor modifications as outlined by Mr. Wegener, at such a time as the airport is in possession of four signed leases and will execute the termination of the lease and reincorporate. Commissioner Ball seconded. Voice Vote. All Ayes.

F. Junction Aerotech LLC Lease Addendums

Mr. Wegener briefed the Board. Mr. Wegener said that Mr. PJ McGovern has three leases that expire in 2024, 2025 and 2028 and he would like to go on the standard form lease but instead of having three leases her would like to consolidate them all into one. The only issue is Mr. McGovern would like to use the last one of 2028 as the termination date but because of that the options to renew would violate the 50 year rule for the two prior leases. Mr. Wegener said to correct it, instead of having four five-year options at the end, he will have four four-year options and that won't violate the 50 year rule.

Commissioner Wagner made a motion for the Board to authorize the Chairman to execute the agreement. At such time as the Chairman is presented with proof that West Star has executed its portion of the lease approval and that the transaction is outlined in

the materials supplied to the Board take place contemporaneously. Commissioner Nelson seconded. Voice Vote. All Ayes.

IX. Any other business which may come before the Board

None.

X. Adjourn

Commissioner Murray moved to adjourn the meeting. Commissioner Ball seconded. Voice Vote. All Ayes.

The meeting adjourned at 9:23PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board