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**Grand Junction Regional Airport Authority Board**  
**Board Meeting**  
Meeting Minutes  
May 15, 2018

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**REGULAR BOARD MEETING**

**Time: 5:15PM**

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**I. Call to Order & Pledge of Allegiance.**

Mr. Tom Benton, Board Vice-Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:20 PM on May 15, 2018 in Grand Junction, Colorado and in the County of Mesa.

<p><i>Commissioners Present:</i> Tom Benton, <i>Vice-Chairman</i> Chuck McDaniel Erling Brabaek Clay Tuflly (Call in) Thaddeus Shrader – <i>Commissioner</i> <i>Shrader was present by phone to open the meeting, then present in person later in the meeting.</i></p> <p><i>Airport Staff:</i> Angela Padalecki, <i>Executive Director</i> Victoria Hightower, <i>Clerk</i> Chance Ballegeer, <i>Deputy Clerk</i> Eric Trinklein Shelagh O’Kane Mark Papko</p>	<p><i>Other:</i> Brad Rolf, Mead &amp; Hunt Drew Armstrong, Finance &amp; Audit Committee Shannon Kinslow, TOIL Adam Shule, FCI Bradley Sullivan, CHA Roy Blythe, BG&amp;CO</p>
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**II. Approval of Agenda**

Ms. Padalecki said that they wanted to remove section VI item B since Chairman Taggart is not present.

*Commissioner McDaniel moved for the Board to approve the agenda with the suggested changes. Commissioner Brabaek seconded. Voice Vote. All Ayes.*

**III. Commissioner Comments**

None.

**IV. Citizen Comments**

None.

## **V. Staff Reports**

### **A. Director's report**

Ms. Padalecki briefed the Board. Ms. Padalecki stated that the NASA Super Guppy is at the Airport, staff believes, for the first time ever and it has been very exciting. It has been a fun event for the airport and also the community.

Ms. Padalecki gave a brief update on the foreign trade zone (FTZ). Ms. Padalecki said that they received notification from Customs and Border Patrol (CBP) that it's moving along in their process, where they engaged the local Port Director. Ms. Padalecki said that they are hoping that will result in continuing to move slowly but steadily.

Ms. Padalecki said that they are continuing to coordinate, regarding the BLM headquarters relocation, and participated in a discussion with the senior advisor to the undersecretary of the Department of Interior about the BLM organizational changes they're making and them using this region as their test site. Ms. Padalecki stated that they are continuing to work with Senator Gardner and his team as well to make progress on that and more specifically on providing opportunities to have DC air service should BLM headquarters be relocated to Grand Junction.

Ms. Padalecki gave a brief update on the lodging tax. Ms. Padalecki stated that it is continuing to progress as expected and is going very well.

Ms. Padalecki briefed the Board on minimum standards. Ms. Padalecki said that they turned another draft this week internally. Ms. Padalecki said that they will be coordinating with tenants over the next month to share the process. They expect to have more to share at the next board meeting.

Ms. Padalecki commented that Mr. Mark Papko received his Certified Compliance and Ethics Professional designation by the Society of Compliance and Ethics last month. Mr. Papko serves as the Airport Compliance Officer. Ms. Padalecki stated that in an effort to have better business continuity, Mr. Chance Ballegeer will also be sent to the same training.

Commissioner McDaniel asked for an update on the recruitment for the Director of Finance.

Ms. Padalecki said that a job description is drafted and is in Karl's hands at the moment. Ms. Padalecki said that it is a Finance Director position with the HR function reporting to her. Should they find someone where HR would be a good fit they would be open to that but the recruitment is for a Finance Director. The posting should hit the street this week. Ms. Padalecki said that their hope is that they can bring someone on board in July.

## B. Financial report

A discussion about March enplanements, leakage of passengers, load factors, demand for another airline, and cost of tickets per airline was deliberated amongst Ms. Padalecki and the board. Ms. O’Kane discussed cargo landings and cargo weight with the board.

Ms. Padalecki discussed briefly on March YTD.

2018 Q1 operating revenues were just over budget, while operating expenses were slightly under budget.

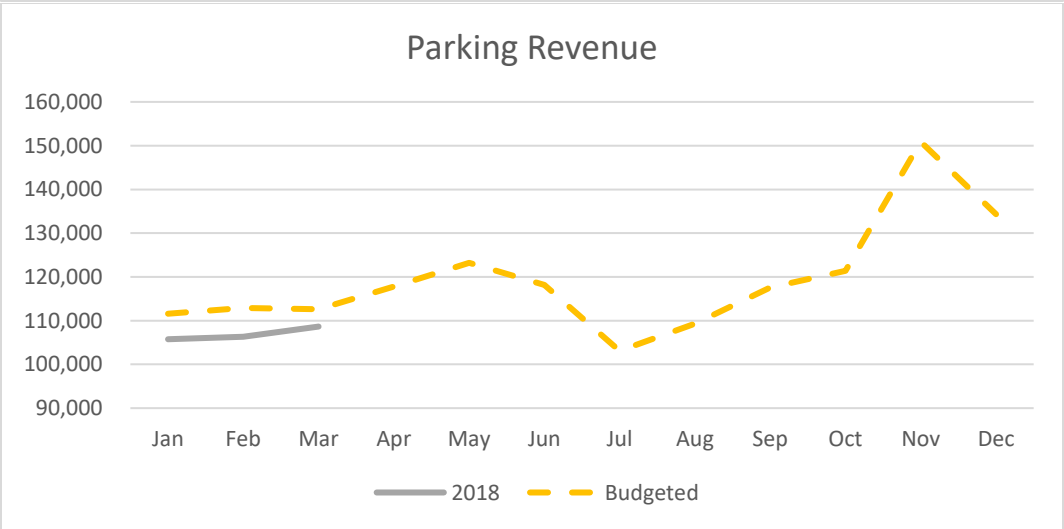
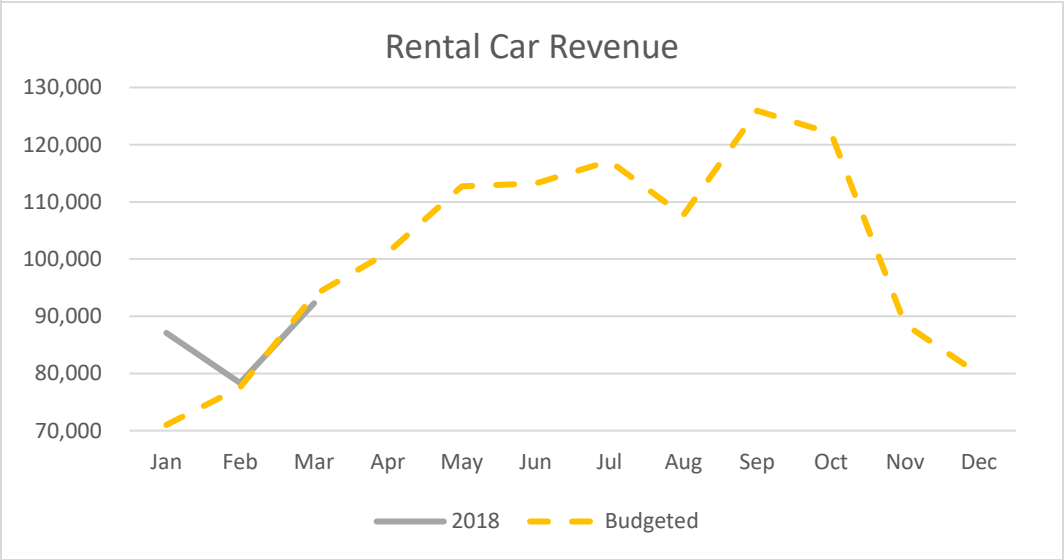
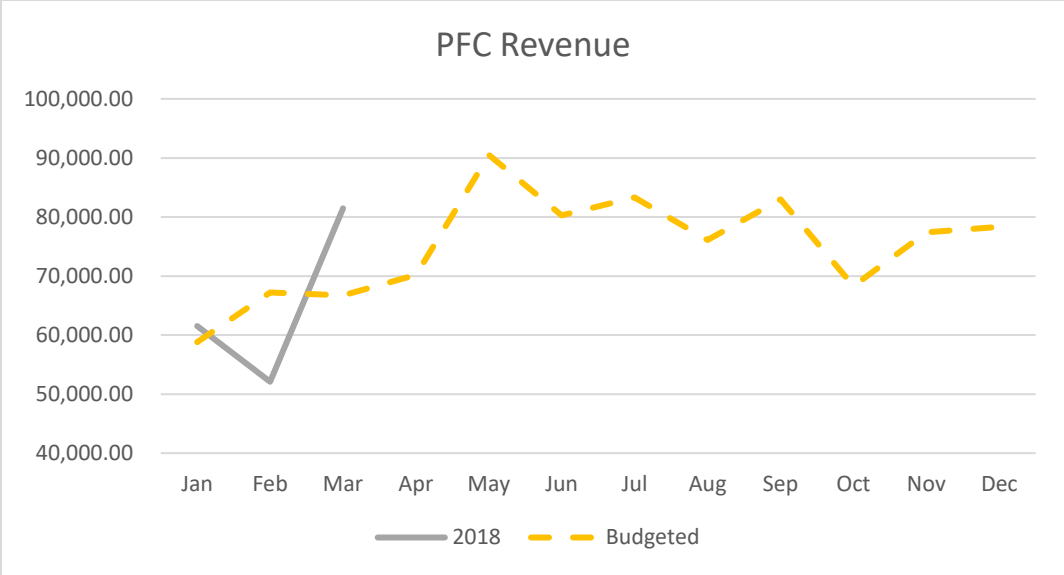
### Grand Junction Regional Airport Authority Statements of Changes in Net Position

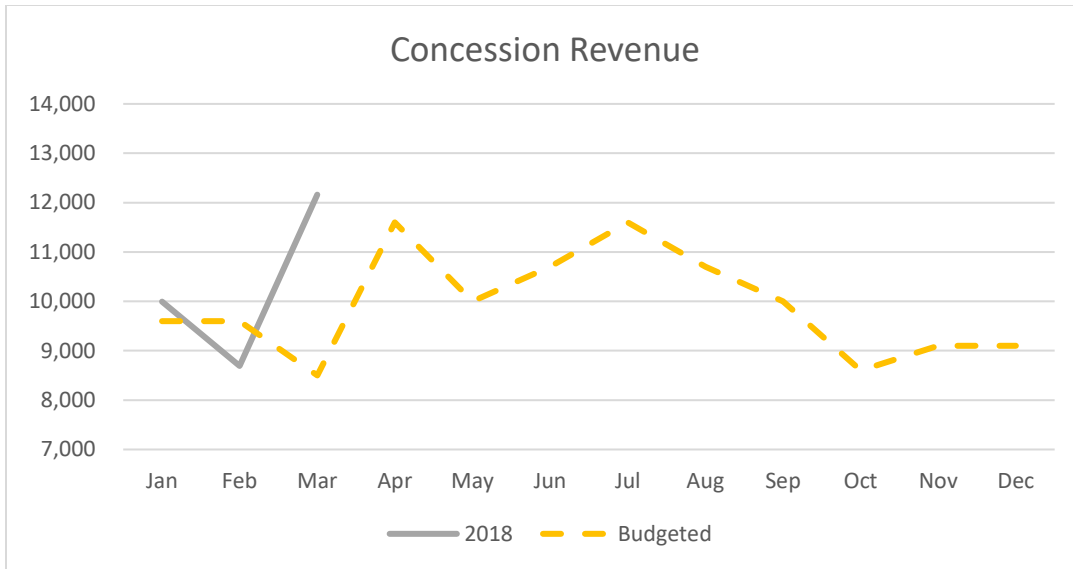
Unaudited - subject to change

	Year to Date					Month				
	Budget	Actual	Actual	Variance		Budget	Actual	Actual	Variance	
	03/31/2018	03/31/2018	03/31/2017	Dollar	Percent	03/31/2018	03/31/2018	03/31/2017	Dollar	Percent
<b>Operating revenue</b>										
Aeronautical revenue										
Total Aeronautical revenue	649,767	661,000	664,035	11,233	1.7%	230,366	242,351	243,739	11,985	4.9%
Total Non-aeronautical revenue	819,741	842,588	846,394	22,847	2.7%	285,921	291,794	278,356	5,873	2.0%
<b>Total Operating revenues</b>	<b>1,469,508</b>	<b>1,503,588</b>	<b>1,510,429</b>	<b>34,080</b>	<b>2.3%</b>	<b>516,287</b>	<b>534,145</b>	<b>522,095</b>	<b>17,858</b>	<b>3.3%</b>
<b>Total Operating expenses</b>	<b>1,121,639</b>	<b>1,047,214</b>	<b>1,006,396</b>	<b>(74,425)</b>	<b>-7.1%</b>	<b>482,132</b>	<b>446,399</b>	<b>277,601</b>	<b>(35,733)</b>	<b>-8.0%</b>
<b>Operating gain (loss)</b>	<b>347,869</b>	<b>456,374</b>	<b>504,033</b>	<b>108,505</b>	<b>23.8%</b>	<b>34,155</b>	<b>87,746</b>	<b>244,494</b>	<b>53,591</b>	<b>61.1%</b>
<b>Total Non-operating revenue (expenses)</b>	<b>(1,827,650)</b>	<b>(582,422)</b>	<b>(83,527)</b>	<b>1,245,228</b>	<b>213.8%</b>	<b>(1,614,546)</b>	<b>(382,683)</b>	<b>(41,328)</b>	<b>1,231,863</b>	<b>321.9%</b>
<b>Excess of revenue over (under) expense</b>	<b>(358,142)</b>	<b>921,166</b>	<b>1,426,902</b>	<b>1,279,308</b>	<b>138.9%</b>	<b>(1,098,259)</b>	<b>151,462</b>	<b>480,767</b>	<b>1,249,721</b>	<b>825.1%</b>

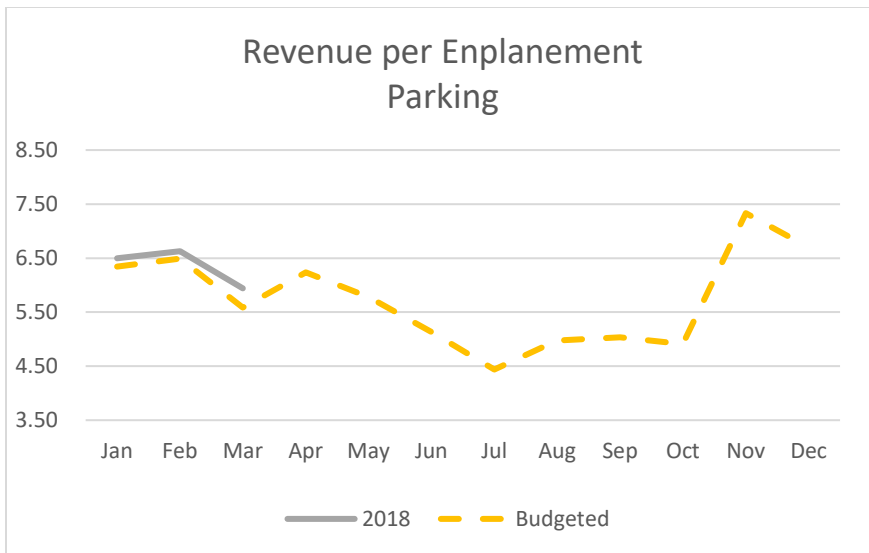
- Overall operating revenue year to date comes in slightly higher than budget by the TSA office space rent
- Operating expenses were lower than budget driven by personnel expenses with a two less FTE’s and a \$12,000 workers compensation refund
- Non-operating revenue and expense is consistent with the revenue and expense related to the AIP projects.

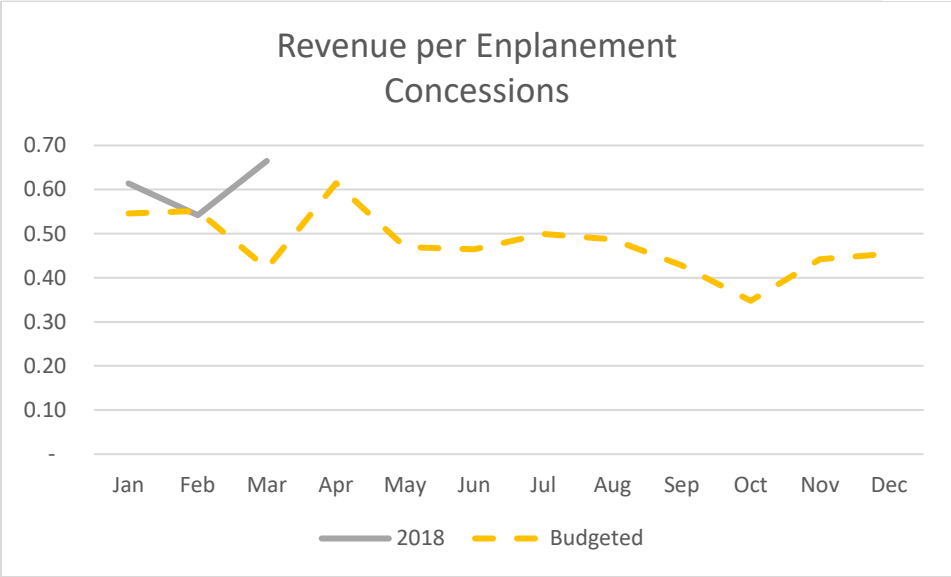
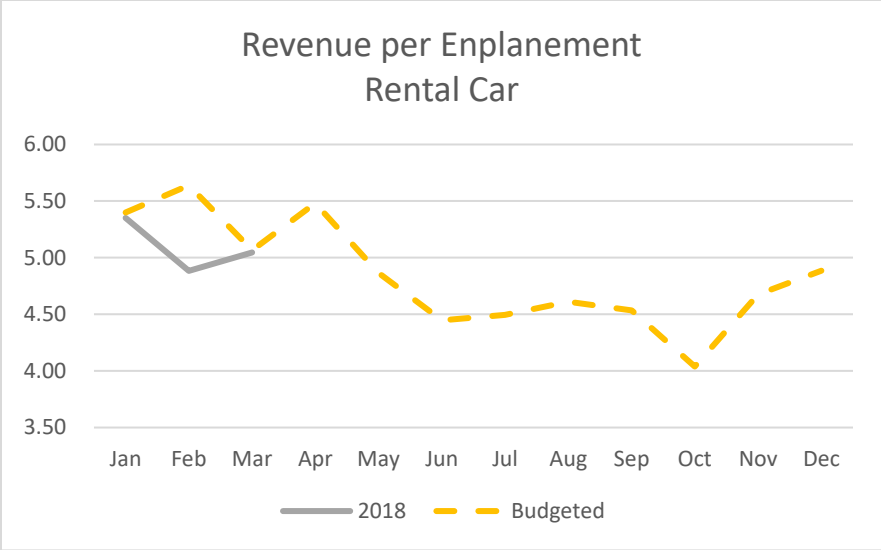
PFC and concession revenues were flat through Q1 2018 despite lower passenger traffic; parking and rental car revenues were below budget.

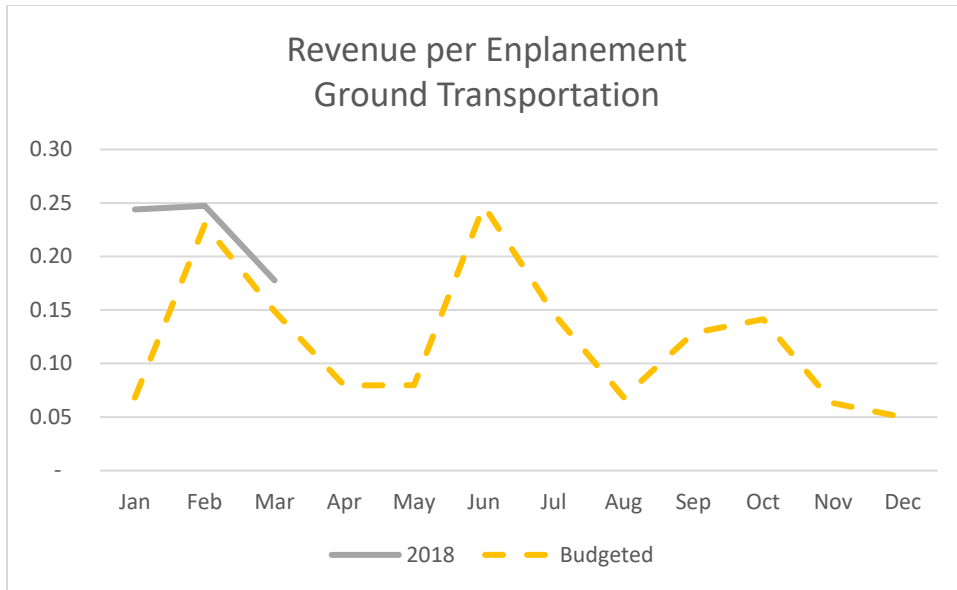




Nonairline revenue per enplanement was higher than budgeted through Q1 2018.







**C. Projects (Presented after Mr. Caton presentation)**

**1. Replacement Runway 12/30 and enabling projects**

Mr. Trinklein stated that the airport has received bids for this project within budget, but waiting for FAA grants to be released and should see those in the next couple months. Working on getting City and County sponsor signatures and will get draft grant language once it becomes available. Mr. Trinklein later stated that a stakeholder outreach has been extensive and had a neighborhood meeting highlighting the 27 ¼ relocation.

Vice Chairman Benton asked Mead & Hunt how they feel about the 60% design table. Scott Carey from Mead & Hunt stated that they are working with staff to plan through the summer key components with airlines and FAA. The timeline on the 60% design is not critical to the progress of the overall project, because of the baseline set.

Vice Chairman Benton asked Mead & Hunt as well as Ms. Padalecki when will the airport start hearing from the FAA that we have holes in the plan, or things they want to push back on. Ms. Padalecki stated that the airport has already started, and has been ongoing since January. With the 30% design, they poked some holes in that and there was a lot of back and forth with the FAA on that.

**i. Taxiway Alpha Pavement Rehab**

Similar to the enabling projects. The project is out for Bid, using new bidding website, bidnet and will be receiving those bids in early June.

**ii. Terminal Renovations**

Mr. Trinklein stated that he'll discuss in the bigger project update.

**iii. Passenger Loading Bridge**

Mr. Trinklein stated that this project has been contracted with FCI and its going to be quite for a while as they have to order the passenger bridge. Commissioner Shrader asked if FCI has giving preliminary timelines for when the loading bridge will arrive. Mr. Trinklein stated that the early timeline is that the bridge could be sent to the airport in September. End goal is to have loading bridge done by end of year, unless something happens. Mr. Trinklein introduced Mead & hunt who is in the attendance today to help discuss the terminal renovations and the 3<sup>rd</sup> floor administration office.

Ms. Padalecki stated that the airport has been very clear with FCI that the priority is having the loading bridge in place before the winter season starts. Both Mr. Trinklein and Ms. Padalecki stated that the airport is at the mercy of the manufactures because of the other airports expanding and the hurricanes from last season, but are doing their best to get it here on time.

**iv. 3<sup>rd</sup> Floor Administration Office**

Mr. Trinklein and Ms. Padalecki, along with Adam Shule, FCI and Roy Blythe, BG&CO discussed the 3<sup>rd</sup> Floor Administration Office and options of layouts with the board.

Commissioner Shrader asked if the airport was concerned logistically about dovetailing this project with the HVAC system and the ability to work effectively and in a suitable environment, being this much higher in the building.

**VI. Discussion Items**

**A. Proposed lodging tax increase**

*(Because Mr. Greg Caton, City Manager of Grand Junction, Colorado was on a time constraint, the board decide to allow Mr. Caton to present to the board the proposed lodging tax increase in front of Projects).* Mr. Caton discussion included background of the lodging tax, who is involved in the process, and what the process will look like.

Ms. Padalecki asked if Mr. Caton could talk about how the airport fits into this lodging tax increase.

Vice Chairman Benton thanked Mr. Caton on behalf of the board for his time and efforts and asked Mr. Caton to explain language in the proposal of the allocation of funds from this tax and can those allocations change after a period of time. Mr. Caton stated in early versions, the language was that the allocations would be reviewed after three years. After conversations with stakeholders and partners, this became a concern. So they have decided to take out the time frame.



Ms. Padalecki thanked Mr. Caton for his efforts towards this project.

B. ~~Mid-year Board Officer Changes~~

## **VII. Consent Agenda**

- A. April 17, 2018 Meeting Minutes
- B. Granum lease assignment
- C. Navarro/DOE lease extension
- D. Insurance Renewal
- E. Xcel power relocation invoice
- F. Replacement Runway 12/30 Project Design Invoice – Mead & Hunt
- G. Taxiway A Design Invoice – Garver
- H. East Terminal Apron Invoice - Garver

*Commissioner Shrader moved for the Board to approve the Consent Agenda.  
Commissioner Brabaek seconded. Voice Vote. All Ayes.*

## **VIII. Action Items**

### **A. General Contractor procurement scope of services contract**

Mr. Trinklein stated that this action item is related to the terminal project to add information. The design for the terminal is essentially done. This process makes it so that the airport can have a general contractor come in to handle the work in a comprehensive fashion. Bringing in a general contractor will help with sub-contractors schedules, and how to bid that, get the best prices, manage the project and make sure things get done on time, and watch the project through. Mead & Hunt will put together the scope of services because of the airports limited resources and their expertise.

Commissioner Brabaek asked if this would preclude us from using any of the local contractors or does tie us to Mead & Hunt on a global spectrum. Mr. Trinklein stated that Mead & Hunt will just manage the procurement, but will most likely bring in a local general contractor. Commissioner Brabaek stated that while Mead & Hunt does great work, they are also very expensive. He asked if there was a way for this to be done with direct staff involvement with local contractors. Mr. Trinklein stated, while working with Mr. Ben Peck they have been working toward that. There are a few things with the procurement that having a specialized firm that knows the regulations that staff doesn't have to do that extra research and to also make the procurement attractive enough and comprehensive enough to get all the services we need. That's why the airport is recommending this route.

Vice Chairman Benton stated that another way to look at this is given the scope of the large projects that we have on the table and Mr. Trinklein time reviewing those, its beneficial to hire someone with expertise to review the number of smaller projects

coming in. Vice Chairman then asked what the duration does the airport the \$56,000 buys us, maybe a years' worth of time. Mr. Trinklein stated the \$56,000 manages them putting together two procurement documents. A Qualification document, and then to evaluate proposals. Once the procurement happens, Mead & Hunt is not involved, they will just bring us a recommendation of a contractor, and that contractor will be on call for five years.

Commissioner McDaniel asked how this arrangement complies with the requirement for bidding contracts over \$50,000, that's required by the Colorado Airport Authority Statute and by-laws. It was then stated that it is set up for this contract, any project up to a certain estimated contract dollar amount would go to the general contractor. Commissioner McDaniel stated that he is just worried about what the statute requires. Legal counsel addressed Commissioner McDaniel's concern.

*Commissioner McDaniel moved for the Board to approve General Contractor procurement scope of services contract Commissioner Brabaek seconded. Voice Vote. Commissioner Shrader, McDaniel, and Vice Chairman Benton Ayes. Commissioner Brabaek nay. Motion does not carry.*

Legal Counsel advised the board that if they want to have this discussion with a full board next month, they can reconsider it but need to indicate this at this meeting. Vice Chairman Benton stated he will entertain a motion to table this topic until the next board meeting.

*Commissioner McDaniel moved for the Board to table the General Contractor procurement scope of services contract to next month Commissioner Shrader seconded. Voice Vote. All Ayes.*

## **IX. Any other business which may come before the Board**

Vice Chairman Benton asked for a brief update in the interest of the Administration building. Ms. Padalecki stated that the airport has had follow-ups from groups previously mentioned. The RFI closes May 21<sup>st</sup>. The airport expects responses based on the interest we have received. Vice Chairman Benton asked how many meetings the airport has had. Mr. Trinklein stated that he has received either an email or a conversation with at least seven different groups.

## **X. Executive Session**

*Commissioner McDaniel moved for the Board to go into Executive Session for the purpose of discussing specialized details of security arrangements as authorized by C.R.S. Section 24-6-402(4)(c) and for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators as authorized under C.R.S. Section 24-6-402(4)(e).*

*Executive Session for conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions as authorized by C.R.S. Section 24-6-402(4)(b) and for determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators as authorized under C.R.S. Section 24-6-402(4)(e).*

*The Board moved into Executive Session at approximately 7:30pm*

The Board did not take any action after Executive Session.

**XI. Adjournment**

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Tom Benton, Board Vice Chairman

***ATTEST:***

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Chance Ballegeer, Deputy Clerk to the Board