



Board Packet

Regular Board Meeting

August 21, 2018

Grand Junction Regional Airport Authority



Date: August 21, 2018

Location:

**GRAND JUNCTION REGIONAL AIRPORT
2828 WALKER FIELD DRIVE.
GRAND JUNCTION, CO 81506
AIRPORT TERMINAL - 3rd FLOOR CONFERENCE ROOM**

Time: 5:15 PM

REGULAR MEETING AGENDA

- I. Call to Order and Pledge of Allegiance**
- II. Approval of Agenda**
- III. Commissioner Comments**
- IV. Citizens Comments**

The Grand Junction Regional Airport Authority welcomes respectful public comments at its meetings. The Citizens Comment section is open to all individuals that would like to comment. If you wish to speak under the Citizens Comment portion of the agenda, please fill out a comment card prior to the meeting. If you have a written statement for the Board, please have 10 copies available and give them to the Executive Director who will distribute them to the Board. The Board Chairman will indicate when you may come forward and comment. Please state your name for the record. Presentations are limited to **three minutes** and yielding time to others is not permitted. Speakers are to address the Chairman, not each other or the audience, and are expected to conduct themselves in an appropriate manner. The use of abusive or profane language shall not be allowed. No debate or argument between speakers and/or members of the audience shall be permitted.

V. Staff Reports

- A. Director's report (Angela Padalecki)
- B. Financial/Activity report (Angela Padalecki) _____ 1
- C. Operations report (Mark Papko)
- D. Project report (Eric Trinklein)
- E. Contractor report (Colin Bible, Scott Cary, Geoff Mohny, Adam Shuler)

VI. Consent Agenda

The Consent Agenda is intended to allow the Board to spend its time on the more complex items on the agenda. These items are perceived as non-controversial and can be approved by a single motion. The public or Board Members may ask that an item be removed from the Consent Agenda and be considered individually.

A.	July 17, 2018 Meeting Minutes _____	2
B.	2018 Audit – EKS&H _____	3
C.	Sky Adventures sublease renewal _____	4
D.	Temporary Construction Easement - Grand Valley Water Users _____	5
E.	FAA Grant Offer Approvals _____	6
F.	Invoice Replacement Runway 12/30 Project Design – Mead & Hunt _____	7
G.	Notice of Award Taxiway A Rehabilitation – United _____	8
H.	Annual Appointment of Budget Officer _____	9

VII. Discussion Items

A.	Resolution Lodging Tax Increase _____	10
B.	Marketing agreement and marketing strategy	
C.	Review of standard form ground lease	

VIII. Any other business which may come before the Board

IX. Adjournment

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

As of Date: 06/30/2018

	Year to Date					Month Ending				
	06/30/2018	06/30/2018	06/30/2017	06/30/2018	06/30/2018	06/30/2018	06/30/2018	06/30/2017	06/30/2018	06/30/2018
	Budget	Actual	actual	Budget Diff	Budget % Var	Budget	Actual	actual	Budget Diff	Budget % Var
Operating revenue										
Aeronautical revenue										
Passenger airline revenue										
Passenger airline landing fees	243,700	271,028	269,811	27,328	11.21 %	47,400	46,971	45,561	(429)	(0.90) %
Terminal rent	591,000	590,922	597,901	(78)	(0.01) %	98,500	98,487	98,487	(13)	(0.01) %
Other (boarding bridge)	54,100	57,892	57,130	3,792	7.01 %	7,300	7,865	7,210	565	7.73 %
Total Passenger airline revenue	888,800	919,842	924,842	31,042	3.49 %	153,200	153,323	151,258	123	0.08 %
Non-passenger airline revenue										
Non-passenger landing fees	61,100	77,761	61,127	16,661	27.26 %	25,100	19,342	25,111	(5,758)	(22.94) %
Cargo and hangar rentals	25,800	25,978	25,450	178	0.69 %	4,300	4,372	4,287	72	1.68 %
Fuel tax & flowage fees	322,700	315,542	321,374	(7,158)	(2.21) %	63,000	55,522	62,681	(7,478)	(11.87) %
Other (ramp parking, rapid refuel)	600	2,220	720	1,620	270.00 %	100	240	120	140	140.00 %
Total Non-passenger airline revenue	410,200	421,501	408,671	11,301	2.75 %	92,500	79,476	92,199	(13,024)	(14.08) %
Total Aeronautical revenue	1,299,000	1,341,343	1,333,513	42,343	3.25 %	245,700	232,799	243,457	(12,901)	(5.25) %
Non-aeronautical revenue										
Land and building leases	286,381	297,009	290,610	10,628	3.71 %	46,100	49,627	46,686	3,527	7.65 %
Terminal - restaurant & retail	60,000	63,424	60,148	3,424	5.70 %	10,700	11,251	10,541	551	5.14 %
Terminal - other	95,400	109,012	127,775	13,612	14.26 %	15,900	15,041	21,295	(859)	(5.40) %
Rental cars	604,800	565,696	540,296	(39,104)	(6.46) %	102,400	118,433	106,248	16,033	15.65 %
Parking and ground transportation	713,400	688,769	717,979	(24,631)	(3.45) %	123,900	114,239	123,798	(9,661)	(7.79) %
Other (security fee, overtime fee, etc)	25,200	28,560	31,100	3,360	13.33 %	4,200	4,222	13,067	22	0.54 %
Total Non-aeronautical revenue	1,785,181	1,752,470	1,767,908	(32,711)	(1.83) %	303,200	312,813	321,635	9,613	3.17 %
Total Operating revenues	3,084,181	3,093,813	3,101,421	9,632	0.31 %	548,900	545,612	565,092	(3,288)	(0.59) %

Grand Junction Regional Airport Authority

Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

06/30/2018

	Year to Date					Month Ending				
	06/30/2018	06/30/2018	06/30/2017	06/30/2018	06/30/2018	06/30/2018	06/30/2018	06/30/2017	06/30/2018	06/30/2018
	Budget	Actual	actual	Budget Diff	Budget % Var	Budget	Actual	actual	Budget Diff	Budget % Var
Operating expenses										
Personnel compensation and benefits	1,123,090	1,064,073	960,956	(59,017)	(5.25) %	175,254	162,026	162,695	(13,228)	(7.54) %
Communications and utilities	162,668	147,531	146,663	(15,137)	(9.30) %	28,323	27,719	26,460	(603)	(2.13) %
Supplies and materials	314,456	214,053	221,909	(100,404)	(31.92) %	45,492	38,748	27,026	(6,744)	(14.82) %
Contract services	466,742	288,245	297,369	(178,496)	(38.24) %	54,587	51,785	45,438	(2,802)	(5.13) %
Repairs & maintenance	227,140	113,734	102,505	(113,406)	(49.92) %	50,215	28,018	12,986	(22,197)	(44.20) %
Insurance	47,520	47,542	45,984	22	0.04 %	7,555	7,553	7,994	(2)	(0.03) %
Other (travel, marketing, air service, etc)	195,220	138,347	131,864	(56,874)	(29.13) %	34,395	29,747	20,252	(4,648)	(13.51) %
Total Operating expenses	2,536,836	2,013,525	1,907,250	(523,312)	(20.62) %	395,821	345,596	302,851	(50,224)	(12.68) %
Operating gain (loss)	547,345	1,080,288	1,194,171	532,943	97.36 %	153,079	200,016	262,241	46,937	30.66 %
Non-operating revenue (expenses)										
Passenger facility charges	433,700	441,979	425,207	8,279	1.90 %	80,300	83,507	78,726	3,207	3.99 %
Interest income	32,000	83,420	85,823	51,420	160.68 %	3,000	16,652	52,846	13,652	455.07 %
Interest expense	(422,552)	(422,531)	(758,551)	21	0.00 %	(70,109)	(70,109)	(385,685)	0	0.00 %
Customer facility charges	304,800	303,009	304,784	(1,791)	(0.58) %	70,400	66,500	70,416	(3,900)	(5.53) %
Capital contributions	7,415,353	1,107,422	161,214	(6,307,931)	(85.06) %	1,829,000	0	161,214	(1,829,000)	(100.00) %
Capital expenditures	(17,222,781)	(1,834,029)	(231,286)	15,388,752	(89.35) %	(4,094,222)	(245,791)	(169,699)	3,848,431	(93.99) %
Debt principal payments	(222,928)	(222,929)	(216,384)	(1)	0.00 %	(111,828)	0	0	111,828	(100.00) %
Other (Legal Settlement)	0	0	(43,294)	0	0.00 %	0	0	0	0	0.00 %
Total Non-operating revenue (expenses)	(9,682,408)	(543,659)	(272,487)	9,138,749	(94.38) %	(2,293,459)	(149,241)	(192,182)	2,144,218	(93.49) %
Excess of revenue over (under) expense	(9,135,063)	536,629	921,684	9,671,692	(105.87) %	(2,140,380)	50,775	70,059	2,191,155	(102.37) %

Variance Explanations

The financial report discussion will explore variances of current year versus budget greater than \$10,000 and 10%.

Revenues:

Passenger landing fees – Passenger landing fees are above budget YTD due to 198 diversions in the first half of 2018. There were 124 diversions in the first half of 2017. This variance is expected to increase in July due to heightened activity driven by Colorado wildfires.

Non-passenger landing fees – BLM had 152 landings in June 2018 as opposed to 229 in June 2017. FedEx started twice daily landings in June 2017 and continued through March 2018. FedEx has since gone back to their once daily landings and have indicated they do not expect to resume the second flight in the foreseeable future.

Terminal Other – Third floor TSA space was budgeted to be returned to the Authority at the beginning of January, it was returned on April 1. This is a \$6.3K variance per month for Q1 2018.

Rental Cars – Due to standard report timing, June revenue reflects May activity. Revenue per rental day was \$2 higher in May 2018 vs. May 2017. This increase in revenue was partly offset by a decrease in the number of rental car days.

Interest income – Interest income remains over budget, because the budget anticipated \$9M would be spent on the terminal projects this year, beginning in the second quarter. Project schedules and payments have shifted to later in the year. Additionally, the scope changes for the terminal projects are expected to reduce the cost by about \$4M. As a result, interest income is anticipated to remain well above budget for the remainder of the year.

Capital contributions – In June 2018, \$2.03M of AIP work, detailed in the capital expenditure variance explanation, was budgeted to have been done/paid. This variance due to the timing of the work being completed and reimbursement from the FAA. 90% (\$1.8M) of this work is FAA reimbursable.

Expenses:

Communications and Utilities – Year over year, electrical costs remain relatively flat. Electrical costs were budgeted higher for 2018, likely in anticipation of construction usage.

Supplies and Materials – Per their lease, \$59K was budgeted to replace TSA's carpet. This replacement has been pushed back to Q4 2018. Additionally, all \$25K of fleet tools and supplies were budgeted in January; \$5K has been spent year-to-date.

Contract services – Contract services continues to come in under budget, and our forecast indicates that will continue for the year. The main driver for the YTD variance is \$75K for the airline rates and charges consultant that was budgeted in May but paid in July. The main drivers for the lower forecast for the year are lower legal fees and \$18K budgeted for the Dynetics ground radar systems that is no longer planned to be spent.

Repairs & Maintenance – This account is under budget YTD primarily due to expenses budgeted in the first half of the year but expected to be spent in the second half. June budget includes \$20K in rental car pavement maintenance and \$4K in grounds and roadway repairs that have been pushed to later in the year. The YTD budget includes \$14K contingency in various departments and \$20K in boarding bridge parts that is going through the bidding process.

Other expenses – Air service development and marketing expenses that were budgeted for the first portion of the year have shifted to later in the year. This is also where additional budget contingency (\$34K) is held. This account is forecasted to come in at least \$50K under budget.

Capital expenditures – June's AIP projects were originally budgeted as follows: \$1M on 27 1/4 Rd realignment, \$420K in runway design, \$343K on taxiway A, and \$268K on the RTR Site. Non-AIP monies budgeted for June consist of \$2M on terminal renovations and \$52K on grounds and roadways work. The majority of these projects were re-forecasted for later in the year, all are still expected to be done this year.

Debt Principal Payments – Debt principal payment is down 110K because it was budgeted in June but paid in May (due June 1).



Grand Junction Regional Airport Authority Board
Board Meeting
Meeting Minutes
July 17, 2018

REGULAR BOARD MEETING

I. Call to Order & Pledge of Allegiance.

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on July 17, 2018 in Grand Junction, Colorado and in the County of Mesa.

<i>Commissioners Present:</i> Tom Benton, <i>Chairman</i> Chuck McDaniel, <i>Vice-Chairman</i> Rick Taggart Clay Tuflly Thaddeus Shrader (telephonically) Ronald Velarde <i>Airport Staff:</i> Angela Padalecki, <i>Executive Director</i> Victoria Hightower, <i>Clerk</i> Eric Trinklein Shelagh O’Kane Mark Papko Ben Peck Aaron Morrison	<i>Other:</i> Frank McIllwaine, Garver Colin Bible, Garver Geoff Mohny, Mead & Hunt Brad Rolf, Mead & Hunt Roy Blythe, Blythe Group Ryan Springer, Sequent Charles Sheppard, American Airlines Kyle Whitehead, West Star Aviation Shannon Kinslow, TOIL Adam Shuler, FCI Randy Rush, HUB Scott Cary, Mead & Hunt
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II. Approval of Agenda

Commissioner Tuflly moved for the Board to approve the agenda. Commissioner Taggart 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 congratulated Mr. Ben Peck for his 25 years of service to the Grand Junction Regional Airport Authority.

Ms. Padalecki briefed the Board on the FAA grant awards. There are a couple awards later in the agenda for approval and they were received last week. Ms. Padalecki discussed the supplementary grants. Ms. Padalecki stated that one item she would like to bring up as a discussion item is that the board must approve all grant applications as well as the grant awards, after speaking with counsel and checking on the State Statute, that authority can be delegated if the board would like to but will still need to approve the awards. Ms. Padalecki stated she brings this up because of an August 8th deadline coming up for an application.

Commissioner Taggart moved for the board to grant authorization to the Executive Director to sign an application for this one time supplementary FAA funding associated with 2018 allocation. Commissioner Velarde seconded. Voice Vote. All Ayes.

Ms. Padalecki congratulated the airport team as GJT finished with the best one-time performance in the continental US for year ending, May 2018. Ms. Padalecki stated that GJT was also in the top 10% of airports in the world, one of only 3 airports in the continental US, to receive that distinction. Ms. Padalecki thanked the whole airport community that makes that happen.

Ms. Padalecki gave a brief update on the Finance Director recruitment. Ms. Padalecki said that they are in the homestretch, they have finalist narrowed down and she is optimistic that she will be able to make the announcement at the next board meeting.

Ms. Padalecki gave a brief update on the foreign trade zone (FTZ). Ms. Padalecki said that they are in that stage where a lot of work is happening behind the scenes and they are in between milestones right now.

Ms. Padalecki gave a brief update on the lodging tax. Ms. Padalecki stated that the proposed 3% increase ballot measure is going before City Council for a vote to make it on to the ballot tomorrow night. Ms. Padalecki stated that she would like to discuss roles and responsibilities now that it's become a political activity. Ms. Padalecki said that she will be available to provide information to anyone on that initiative including the committee who is campaigning for it but she cannot be involved in those political activities, that is also true of staff, but the board fits in differently.

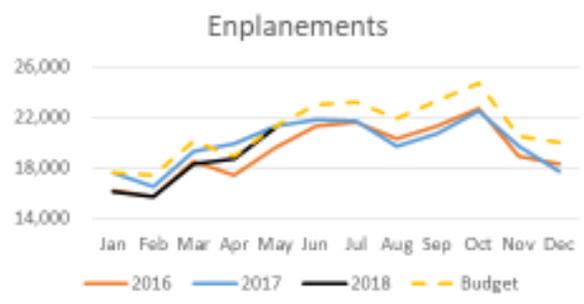
Mr. Karl Hanlon stated that staff and board members can as long as it is on their own time and not done on a work computer, phone, or email. Once a formal position is taken on it, they are not in a role to advocate anymore in their official capacity and they cannot use any public resources to advocate. Ms. Hanlon stated that if they are invited somewhere to speak about the facts and information as it relates to the airport, that is acceptable.

Ms. Padalecki stated that if it successfully passes at City Council, there will be a press conference at Aviator Memorial Park at 11:15AM on Thursday.

B. Financial/Activity report

Ms. Padalecki brief update on the airport’s financial and activity status. The capacity was still down (scheduled seats in the market), so load factors were up which what airlines want to see as the airport pursues additional air service. Ms. Padalecki said that it looks like June is coming in under budget and that’s due to the smaller aircraft compared to last year.

May 2018 enplanements were almost flat vs. budget and May 2017 levels; Commercial landings were up YOY due to 13 more diversions in May 2018



Highlights:

- Load factors were up, resulting in flat enplanements despite 4% reduction in capacity
- American led the airlines with 710 more enplanements than May 2017

May YTD 2016: 87,526
 May YTD 2017: 94,763
 May YTD 2018: 90,171
 May YTD Budgeted: 95,340



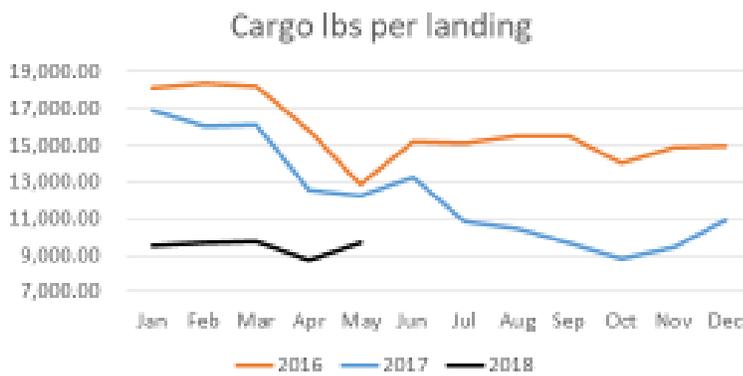
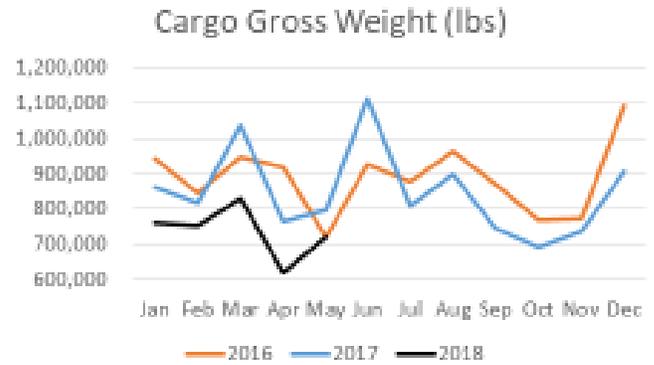
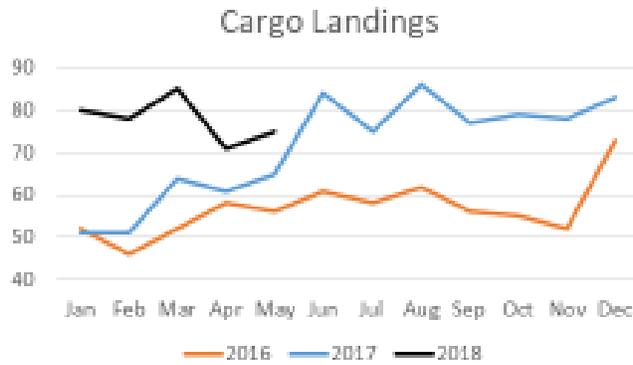
Highlights:

- 21 diversions in May 2018 vs. 8 in May 2017
- Most diversions were gas & go- causing little affect to deplanements

May YTD 2016: 2,414
 May YTD 2017: 2,440
 May YTD 2018: 2,454



Cargo gross weight was down less year-over-year compared to the first four months of the year



Highlights:

- FedEx freight ON increased 7% year-over-year
- FedEx freight OFF decreased 22% year-over-year
- KeyLime freight ON decreased 45% year-over-year
- KeyLime freight OFF increased 157% year-over-year



Operating revenues were slightly below budget and operating expenses continue to be well below budget

Grand Junction Regional Airport Authority Statements of Changes in Net Position

Unaudited - subject to change

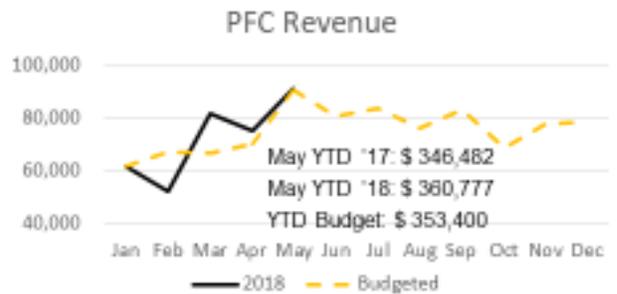
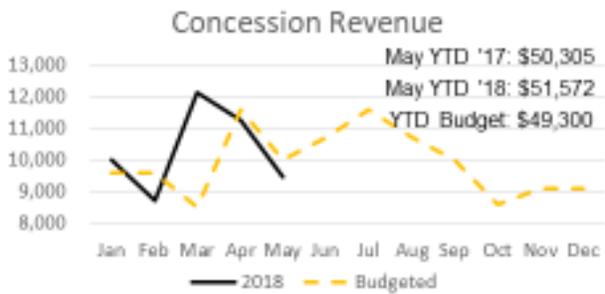
As of Date: 05/31/2018

	Year To Date	Month	Month	Month	Month	Month Ending				
	05/31/2018	05/31/2018	05/31/2017	05/31/2018	05/31/2018	05/31/2018	05/31/2018	05/31/2017	05/31/2018	05/31/2018
	Budget	Actual	Actual	Budget Diff	Budget %Var	Budget	Actual	Actual	Budget Diff	Budget %Var
Operating revenue										
Aeronautical revenue	1,053,388	1,109,145	1,090,056	55,845	5.38 %	223,900	227,395	226,652	3,495	1.56 %
Non-aeronautical revenue	1,481,981	1,437,702	1,446,273	(44,279)	(2.98) %	384,800	295,458	386,912	(9,358)	(3.06) %
Total Operating revenues	2,535,281	2,546,847	2,536,329	11,566	0.45 %	528,700	522,845	533,564	(5,855)	(1.10) %
Operating expenses	2,141,815	1,888,995	1,884,400	(474,817)	(22.12) %	491,453	302,395	271,590	(189,058)	(38.46) %
Net Operating Income (loss)	394,266	679,849	651,929	485,583	123.16 %	37,247	220,450	261,974	183,283	491.85 %

Highlights:

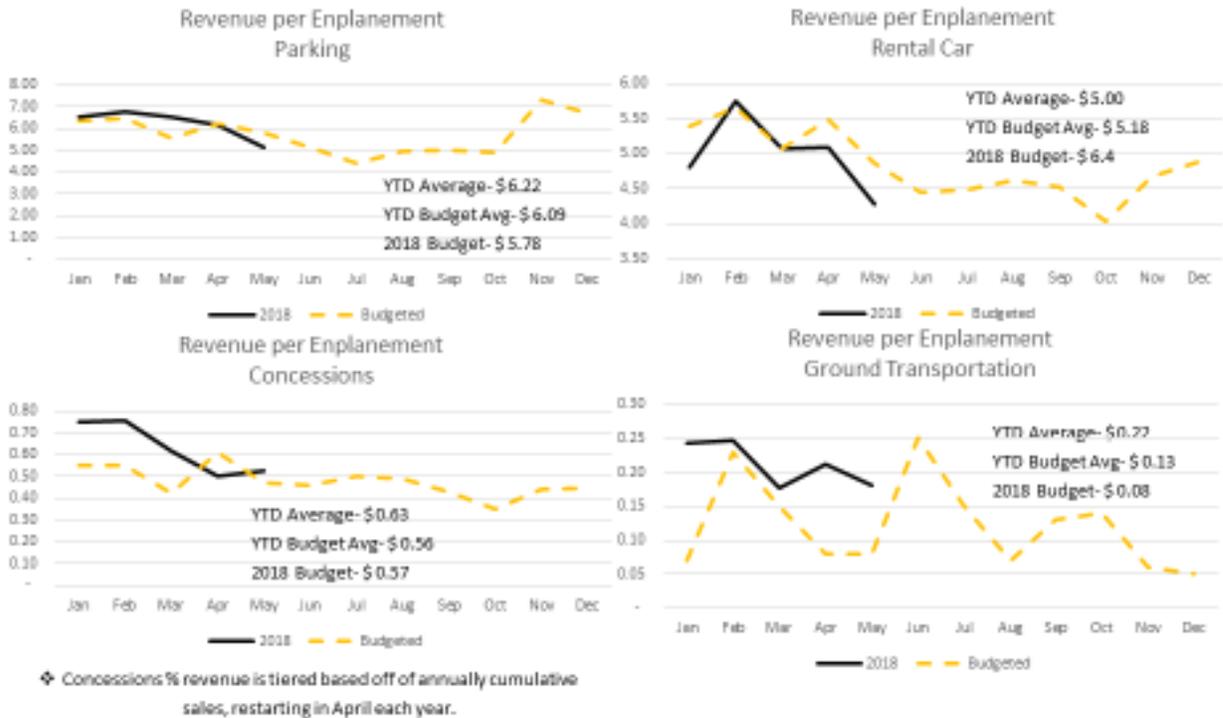
- Revenues are down driven by lower April enplanements. Parking, Rental Car, and Concessions revenues reflect April activity because these revenues are always on a one month lag.
- Expenses are below budget primarily due to expenses being pushed to later in the year. Expenses are forecasted to come in about \$20K under budget for the year.

Parking, rental car, and concessions revenues were down primarily due to fewer enplanements



*Parking, Rental Car, and Concessions revenues reflect April activity because these revenues are always on a one month lag.

Rental car revenue per enplanement is down \$0.64 from prior year while the first four months of the year had increased from prior year



C. Operations report

Mr. Papko briefed the board. Mr. Papko spoke about the role the airport played with the recent Aspen diversions. Mr. Papko said that Aspen Airport didn't officially close but the airspace around the airport was on a temporary flight restriction due to firefighting operations. That TFR restriction was limiting aircraft of getting in and out of the airport. Mr. Papko said that Aspen has been a great partner and kept him and the airlines up-to-date with conference calls. Mr. Papko stated that they had 78 aircraft operations, that's an additional 39 aircraft that weren't planning on coming into Grand Junction. Mr. Papko said that they are very seasoned with diversion traffic so it had minimal impact which really speaks to the reliability of the airport.

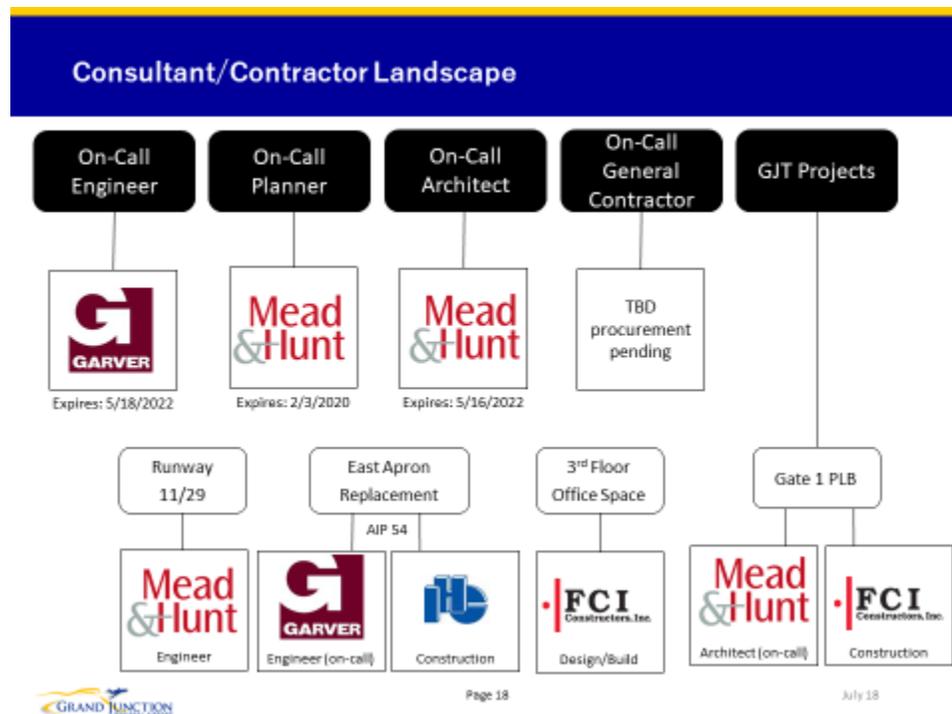
Mr. Papko briefed the board on the Airport's certification inspection. Mr. Papko said that he is happy to say that they walked away with zero discrepancies. The inspector looked through training records, contingency plans, did a thorough airfield inspection both day and night. Some recommendations came out of it but no violations were found.

Mr. Papko gave a brief update on minimum standards. Mr. Papko stated that they took a lot of feedback and comments from last week workshop, they incorporated it and gave it to AMCG. AMCG came back with what was sent to the board earlier today. Working with AMCG, staff has a redlined version that they are really happy with. Tentative timeline:

- ➔ Public Comment Open – July 20th (Open for 30days)
- ➔ Public Comment/Forum – August 8th 5pm – CMU #221
- ➔ Public Comment Close – August 17th
- ➔ Public Comment Compilation and Response – Fall 2018
- ➔ Final Board Approval – Fall 2018

D. Project report

Mr. Trinklein briefed the Board. Mr. Trinklein said that the Remote Transmitter/Receiver Grading Construction grant and the Relocate 27 ¼ road Construction grant are going to the City Council tomorrow on the consent agenda. Then on Monday the County will be the second co-sponsor to sign it. Mr. Trinklein said that there are three other grants that they are anticipating which will come before the board in August. Mr. Trinklein touched on the current consultants/contractors



Mr. Trinklein said that they did a 60% design review with the FAA and it went really well and everything is on track as scheduled.

E. Contractor report

Mr. Colin Bible from Garver gave a brief update on the Taxiway Alpha project.

Mr. Bible stated that since the meeting they presented to the board a recommendation of award for Taxiway Alpha and that was to award the contract to United Companies and it was approved. Since then, Garver has reached out to United to discuss a schedule and they are ready to go, they are just waiting on their grant award.

Mr. Scott Carry with Mead & Hunt gave a brief update on the runway project.

FY 2017 Scope of Services Outline

→ Task 100 - Scope Development	Complete
→ Task 101 - Program Validation	Complete
→ Task 102 - Program Management	Finishing Sept 1 2018
→ Task 103 - Grant Administration	Ongoing
→ Task 104 - Land Acquisition and Coordination	Ongoing
→ Task 105 - Pre-Design Elements - Runway Relocation	Complete
→ Task 106 - Design Overall Runway Relocation 30%	Complete
→ Task 107 - Permitting and Agency Coordination	Ongoing
→ Task 108 - Remote Transmitter Receiver (RTR) Grading Package	Complete
→ Task 109 - 27 ¼ Road Relocation Design	Complete
→ Task 110 - Design Overall Runway Relocation 60%	Finish Nov 2018

What's next?

- **Complete 60% Design – Finish Fall 2018 –**
 - Update: Airport/FAA Coordination Meetings Complete
 - Next steps:
 - Incorporate refinements from 30% Review
 - Coordinate with airlines/users on phasing and navigational aids
 - Coordinate with FAA Air Traffic to confirm assumptions

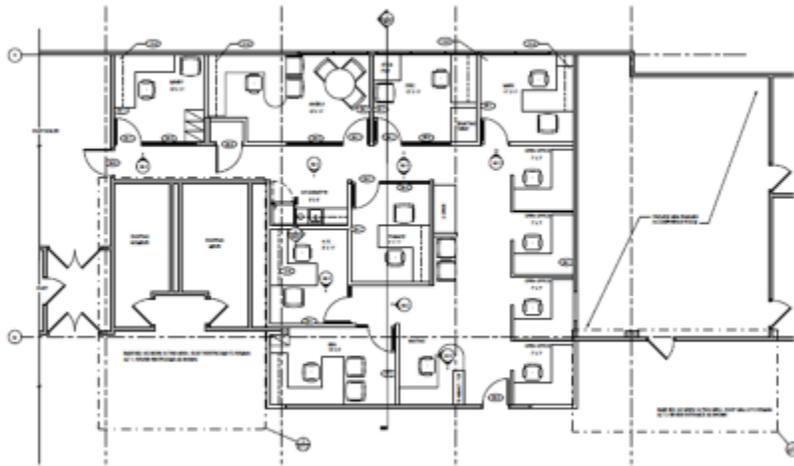
- **Construction**
 - 27 ¼ Road Relocation Complete Winter 2018
 - RTR Facility Relocation Complete Summer 2019

- **Begin yearly design packages**
 - Package 1 – Bid Spring 2019
 - Package 2 – Bid Summer 2019

Mr. Geoff Mohny from Mead & Hunt briefed the board on the terminal improvements. Mr. Mohny stated that for the terminal renovations, the generator location is under review for final adjustments. The passenger loading bridge is scheduled for onsite work possibly starting in mid to late August. The project completion is scheduled for Q1 of 2019.

Mr. Trinklein briefed the board on the third floor administration office space. Mr. Trinklein stated that they have been working with FCI, Adam Shuler, and Roy Blythe to come up with these concepts. Staff evaluated what their needs were for office space and came up this lay out with the help of Adam and Roy.

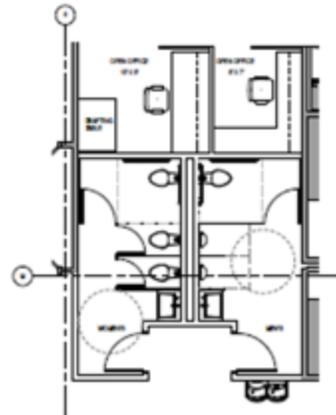
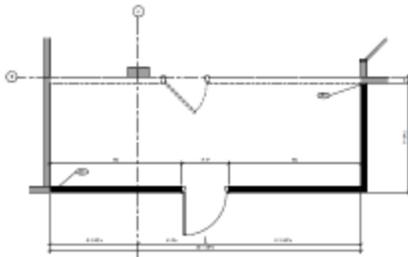
Third Floor Administration Office



➤ Estimate \$275,220 ➤ 12 week construction time

Third Floor Administration Office

- Alternative
- Conference Room
- \$32,131



- Alternative
- Restrooms Room
- \$159,501



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July 18

Scheduled completion – Q4 2018

The board supported the plan presented.

VI. Consent Agenda

- A. June 19, 2018 Meeting Minutes
- B. Banking Resolution
- C. Employee Handbook Update
- D. Colorado Open Records Act Policy and Procedures
- E. Executive Director outside Board membership
- F. Sky Adventures sublease renewal
- G. IT Service Contract Renewal – Sequent
- H. Passenger Loading Bridge Ball Screw Replacement
- I. Runway Rubber Removal, Airfield Painting, and Runway Friction Testing
- J. FAA Grant Offer Approval
- K. FAA Grant Application Approval
- L. Invoice Replacement Runway 12/30 Project Design – Mead & Hunt
- M. Invoice Terminal Renovation Design – Mead & Hunt
- N. Invoice Taxiway Alpha Rehabilitation Design – Garver
- O. Scope of Work Garver Taxiway A Construction Administration
- P. Scope of Work Garver East Terminal Apron Construction Administration

Commissioner Tuflly moved for the board to approve the Consent Agenda as presented. Commissioner Taggart seconded. Voice Vote. All Ayes.

VII. Action Items

A. Recommendation of Award 27 ¼ Road Relocation

Mr. Trinklein stated that both items A & B and closely related and are both being managed by Mead & Hunt. They are both runway enabling projects, they both have grant funds. Mead & Hunt provided a recommendation of award, and staff reviewed it. Oldcastle SW Group, Inc. (DBA United Companies) was determined to be the lowest responsive bidder. Therefore, staff recommends the work be awarded to Oldcastle SW Group, Inc. (DBA United Companies) for Schedule 1, in the amount of \$1,893,328.10, contingent on the availability of federal funds.

Commissioner McDaniel moved for the board to approve the contract to United Companies as recommended by staff. Commissioner Tuflly seconded. Voice Vote. All Ayes.

B. Recommendation of Award Remote Transmitter/Receiver Relocation

Mr. Trinklein briefed the board. SEMA Construction Inc. was determined to be the lowest responsive bidder. Therefore, staff recommends the work be awarded to SEMA Construction Inc. for Schedules 1, 2, and 3 in the amount of \$3,251,843.25 contingent on the availability of federal funds.

Commissioner McDaniel moved for the board to approve the contract to SEMA Construction Inc. Commissioner Velarde seconded. Voice Vote. All Ayes.

C. Scope of Work Mead & Hunt 2019

Mr. Trinklein briefed the board. The Grand Junction Regional Airport Authority (Authority) began in 2016 a multi-year program to relocate the primary runway. Building upon the 2017 efforts, the scope intends to define the foreseeable effort over the next twelve-fourteen months similar to the 2017 scoping efforts from last summer.

This year's efforts includes construction administration services for the 27 ¼ RD construction and RTR Grading package, along with design services and project support for the next year.

It is expected that the approved scope and fee will be executed under multiple tasks orders through the year as funds become available. Proactively negotiating scope items assists the airport in being nimble and efficient.

Fiscal Impact:
Federal AIP Grant - \$2,134,188
State Match – tbd
Local Match - \$237,132.90
Total - \$2,371,320.90

Staff recommends the board approve contract pending of FAA grants.

Commissioner McDaniel moved for the board to approve the scope of services for Mead & Hunt for 2018. Commissioner Tufly seconded. Voice Vote. All Ayes.

D. Change Order East Terminal Apron

This change order provides pay items for IHC to reimburse the Sponsor for cost related to additional engineering fees related to construction suspension (time between final inspection and beginning removal and replacement of P-501) and for construction materials testing, construction administration, construction observation and project closeout services due to removal and replacement of P-501.

Staff recommends the Board approve AIP:3-08-0027-054-2016 change order #4 to Interstate Highway Construction, Inc. (IHC)

Commissioner Velarde moved for the board to approve AIP: 3-08-0027-054-2016 change order #4 to Interstate Hightower Construction Inc. Commissioner Tufly seconded. Voice Vote. All Ayes.

E. 2018/2019 Employee Health Benefits

Ms. Padalecki briefed the board on 2018/2019 employee health benefits. Ms. Padalecki said that their health care benefit year starts September 1. Ms. Padalecki said that there are changes this year that staff is recommending. Randy Rush from HUB, the airport's insurance broker, is present to discuss the changes. Ms. Padalecki stated that some of the objectives staff used when deciding on these changes.

- Add additional medical plan design options
- Reduce premium obligation for employees with dependent coverage
- Move closer to benchmark with western slope and small employers
- Add Section 125 Flexible Spending Account program

Ms. Padalecki stated that this is something that is very important for employees so a lot of time was spent on it especially Victoria as well as the leadership team.

Benchmarking - 2017 Employers Council Survey (formerly MSEC)

Plan Design Benchmarking	Public Sector	1 to 49 employees	Western Slope	GJRAA Today	GJRAA Proposed
100% Employer Paid/Employee Paid Premium	15%	17%	14%	Yes	No
Average Employer/Employee Premium Split Single Employee	85%/15%	80%/20%	86%/14%	100%/0%	95%/5%
Average Employee Only Premium/Month	\$87	\$96	\$96	\$0	\$29
Average Employer/Dependent Premium Split	76%/24%	55%/45%	78%/22%	70%/30%	60%/40%
Average Employee Paid Family Share	\$383	\$562	\$349	\$935	\$672
Average HMO Plan Deductible	\$810	\$850	\$970	\$1,000	\$3,000
Average HMO Out of Pocket	\$2,890	\$3,610	\$3,310	\$6,500	\$6,000
Average HMO Co Pay	\$30	\$30	\$25	\$15	\$30
Average Health Savings Account annual contribution single	\$740	\$576	\$542	N/A	\$1,188
Average Health Savings Account annual contribution family	\$1,271	\$1,089	\$801	N/A	\$1,188
Offer FSA Plan	85%	74%	77%	No	Yes



Current vs. Proposed Plan Design

	CURRENT PLAN		NEW - UHC PPO		NEW - UHC HSA	
DEDUCTIBLE						
Individual	PPO: T1: \$1,000, T2: \$2,500		EPO: \$3,000		PPO: \$5,500	
Family	PPO: T1: \$2,000, T2: \$5,000 (embedded)		EPO: \$6,000 (embedded)		PPO: \$7,000 (embedded)	
OUT-OF-POCKET MAX						
Individual	PPO: \$6,500 (includes ded.)		EPO: \$5,000 (includes ded.)		PPO: \$6,150 (includes ded.)	
Family	PPO: \$13,000 (embedded, includes ded.)		EPO: \$11,000 (embedded, includes ded.)		PPO: \$12,300 (embedded, includes ded.)	
PHYSICIAN SERVICES						
Office Visits	PPO: T1: \$15/\$50 (ded. waived), T2: \$40/\$70 (ded. waived)		EPO: \$30/\$60 (ded. waived 3 visits) then 20% after ded.		PPO: 20% after ded.	
Preventive Care	PPO: 0% (ded. waived)		EPO: 0% (ded. waived)		PPO: 0% (ded. waived)	
Diagnostic Lab/ X-Ray	PPO: T1: \$40/\$70 (ded. waived), T2: 40% after ded.		EPO: Free Standing: 20% after ded., OP Hospital: \$250 + 20% after ded.		PPO: 20% after ded.	
Imaging (CT/PET scans, MRIs)	PPO: T1: 20% after ded., T2: 40% after ded.		EPO: Free Standing: 20% after ded., OP Hospital: \$500 + 20% after ded.		PPO: 20% after ded.	
PRESCRIPTION DRUGS						
Rx	PPO: \$15/\$50/\$80/\$200/\$300 (ded. waived all tiers)		EPO: \$15/\$50/\$135/\$300 (Rx 401 Essential)		PPO: MedDed (1-4): \$15/\$45/\$90/\$250 (Rx 271 Adherence)	
HOSPITAL FACILITY SERVICES						
Inpatient Hospital Services	PPO: T1: 20% after ded., T2: 40% after ded.		EPO: \$500 + 20% after ded.		PPO: 20% after ded.	
Outpatient Surgery in a Hospital	PPO: T1: 20% after ded., T2: 40% after ded.		EPO: \$500 + 20% after ded.		PPO: 20% after ded.	
EMERGENCY SERVICES						
Emergency Room	PPO: \$500, then 20% after Tier 1 ded.		EPO: \$500 + 20% after ded.		PPO: 20% after ded.	
Urgent Care	PPO: \$50 (ded. waived)		EPO: \$30 (ded. waived)		PPO: 20% after ded.	
Employee Rate Data						
	CURRENT PLAN		NEW - UHC PPO		NEW - UHC HSA	
Dependent Tier	Total Rate	Employee Per Pay	Total Rate	Employee Per Pay	Total Rate	Employee Per Pay
Employee Only	\$666.78	\$0.00	\$579.00	\$14.48	\$582.00	\$14.80
Employee and Spouse	\$1,303.56	\$233.37	\$1,159.00	\$188.48	\$1,180.00	\$192.10
Employee and Children	\$1,233.54	\$198.37	\$1,072.00	\$162.38	\$1,064.00	\$165.40
Family	\$1,000.32	\$431.74	\$1,051.00	\$330.98	\$1,088.00	\$345.00

Final rates subject to change after final enrollment and underwriting



Dental



Voluntary Dental

Carrier:		Delta Dental Plus Premier		Delta Dental Plus Premier 4C	
Plan Name:		DPPO		DPPO	
Effective Date:		9/1/2018		9/1/2018	
		CURRENT		NEW	
DEDUCTIBLE					
Individual	PPO:	\$50		PPO:	\$50
Family	PPO:	\$150		PPO:	\$150
Waived for Preventive	PPO:	Yes		PPO:	Yes
DENTAL SERVICES					
Preventive Care	PPO:	100%		PPO:	100%
Basic Services	PPO:	80%		PPO:	80%
Major Services	PPO:	50%		PPO:	50%
Periodontal Surgery	PPO:	Major		PPO:	Basic
Endodontic Surgery	PPO:	Major		PPO:	Basic
ORTHO					
Orthodontics	PPO:	Not Included		PPO:	Not Included
BENEFIT MAXIMUMS					
Annual Benefit Max	PPO:	\$2,000 per person per calendar year		PPO:	\$2,000 per person per calendar year
Lifetime Ortho Annual Benefit Max	PPO:	Not Included		PPO:	Not Included



Vision



Voluntary Vision

Carrier:		VSP Plan B		VSP Plan B	
Plan Name:		PPO		PPO	
Effective Date:		9/1/2018		9/1/2018	
		CURRENT		New	
VISION EXAMS					
Exam	PPO:	Covered in full after \$10 Copay		PPO:	Covered in full after \$10 Copay
LENSES AND FRAMES					
Single Vision Lenses	PPO:	\$25 Copay		PPO:	\$25 Copay
Bifocals	PPO:	\$25 Copay		PPO:	\$25 Copay
Tifocals	PPO:	\$25 Copay		PPO:	\$25 Copay
Lenticular	PPO:	\$25 Copay		PPO:	\$25 Copay
Frames	PPO:	\$25 copay, \$130 allowance, Brand Frames; \$150 allowance, 20% savings on the amount over allowance amount		PPO:	\$25 copay, \$130 allowance, Brand Frames; \$150 allowance, 20% savings on the amount over allowance amount
CONTACTS					
Necessary	PPO:	\$0 Copay, paid in full		PPO:	\$0 Copay, paid in full
Elective	PPO:	\$130 allowance plus 15% savings		PPO:	\$130 allowance plus 15% savings
BENEFIT FREQUENCY					
Examination	PPO:	One visit/12 months		PPO:	One visit/12 months
Lenses	PPO:	One visit/12 months		PPO:	One visit/12 months
Frames	PPO:	One visit/24 months		PPO:	One visit/24 months



Total Cost Comparison

	EE	ES	EC	EAM	
Current EBHP Measurement Health Plan					
Total Premium	\$686.75	\$1,333.56	\$1,233.54	\$1,900.32	
Monthly G.PAA Contribution	\$686.75	\$866.78	\$836.75	\$1,036.82	
Bi Weekly Employee Pays	\$0.00	\$233.37	\$190.37	\$431.74	\$254,234.62 Current Annualized Cost Medical
Direct Primary Care					
LHC Choice Direct Silver	\$	\$75	\$159	\$182	\$169
Monthly G.PAA Contribution	\$590.05	\$782.05	\$747.25	\$979.85	<i>Colorado Market Increase for Small Group Health Insurance in 2018 is averaging 8.3%</i>
Appleton Clinic	\$99	\$99	\$99	\$99	
Monthly Total G.PAA Contribution/Appletan	\$689.05	\$881.05	\$846.25	\$1,078.85	
Bi Weekly Employee Pays	\$34.48	\$188.48	\$162.38	\$336.88	\$267,682.48 Difference to current \$13,287.78
Represents 5.2% increase with one extra family					
Health Savings Account					
LHC Choice Plus HSA Silver	\$92	\$133	\$124	\$168	
Monthly G.PAA Contribution	\$562.40	\$798.88	\$763.25	\$1,000.00	
Health Savings Account Contribution	\$99	\$99	\$99	\$99	
Monthly Total G.PAA Contribution/HSA	\$661.40	\$897.88	\$862.25	\$1,099.00	
Bi Weekly Employee Pays	\$34.88	\$192.38	\$165.48	\$343.88	\$272,745.68 Difference to current \$9,438.98
Represents 7.2% increase with one extra family					

***Final Rates are based on final enrollment and underwriting

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July 18



Appleton Clinic -Direct Primary Care

- \$99 per adult per month/children under 26 free
 - Lab work performed at Appleton included in cost
- Unlimited primary/urgent care office visits
- 100 generic drugs stocked in dispensary- no cost
- Hours 8:00 to 5:00 pm Monday - Friday
- After hours/weekends/doctors on call available-no cost



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July 18

Ms. Padalecki stated that she was really pleased with the plans HUB recommended. They reflected the needs of the staff much better and achieved the objectives that they were going for.

Commissioner Taggart stated that he is very uncomfortable with this, and he doesn't like it at all because of the out-of-pocket to their employees and families is much too high.

Commissioner Taggart stated that. Commissioner Taggart said that he would much rather see them move to an 85/15 and 55/45, eliminate the savings account, and put their money into getting the deductible and out-of-pocket down. Commissioner Taggart commented that this could bankrupt families.

Commissioner Tufly moved for the board to approve the staff recommendations for the 2018/2019 Employee Health Benefits. Commissioner McDaniel seconded. Voice Vote. Six Ayes. One Oppose, Commissioner Taggart.

VIII. Any other business which may come before the Board

None.

IX. Adjournment

Commissioner Taggart moved to adjourn the meeting. Commissioner Tufly seconded. Voice Vote. All Ayes.

Meeting adjourned at 8:38PM.

Tom Benton, Board Chairman

ATTEST:

Victoria Hightower, Clerk to the Board

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	EKS&H 2018 audit
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PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
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RECOMMENDATION:	Board approve the engagement of EKS&H for the 2018 annual financial audit
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LAST ACTION:	At the July 2017 board meeting, EKS&H was approved for the 2017 annual audit.
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DISCUSSION:	The Finance and Audit committee and Airport staff recommend EKS&H complete the 2018 annual financial audit. This will be the sixth year EKS&H will be performing the annual audit. Since there will be a new Finance Director in place, the Finance and Audit Committee and Airport staff believe it would be best to maintain continuity with the previous auditor for an additional year.
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FISCAL IMPACT:	Approximately \$50,000 (\$42,400 was the total cost for the 2017 audit)
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ATTACHMENTS:	EKS&H fee proposal
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STAFF CONTACT:	Shelagh O’Kane, Accounting Coordinator Office: 970.248.8590 Email: sokane@gairport.com
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July 24, 2018

Mr. Tom Benton, Chairman
Grand Junction Regional Airport Authority
800 Eagle Drive
Grand Junction, Colorado 81506

On behalf of everyone at EKS&H LLLP (“EKS&H”), thank you for the opportunity to perform the audit services for Grand Junction Regional Airport Authority (“GJRAA”). We are excited about continuing our relationship with both you and your organization.

We estimate our fees to be \$32,250, which includes \$30,000 for the financial statement audit plus \$2,250 for the passenger facility charge audit, plus out-of-pocket costs. If a single audit is required, those fees are estimated to be \$7,250. These estimates assume a reasonable amount of assistance from your accounting personnel and no significant changes in your operations. Fees related to any special projects requiring more extensive time will be estimated and cleared with you in advance.

With respect to timing, we will work with management to develop a set timeline that will meet your required deadline. Additional information on timing and staffing your engagement will be provided.

We look forward to working with you again.

Please let me know if you have any questions about our engagement fee or working with EKS&H. You can contact me at 303-224-4634 or by e-mailing me at lmeacham@eksh.com. I look forward to it.

Sincerely,



Lisa Meacham
Partner
EKS&H LLLP

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Tenant sublease renewal: John Williams Legal
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends that the Board approve the renewal of the non-aeronautical ground sublease between Sky Adventures, LLC and John Williams Legal.
LAST ACTION:	N/A
DISCUSSION:	The above non-aeronautical tenant wants to renew their sublease office space out of the Sky Adventures building from Sky Adventures, LLC. This renewal has to go to the board because it's a non-aeronautical lease. This tenant occupies less than 4% of the sky adventures building and have to be renewed annually.
FISCAL IMPACT:	None
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	First page of each renewal agreement with Sky Adventures; Tenants-percentage of building.
STAFF CONTACT:	Chance Ballegeer Airport Security Coordinator Email: cballegeer@gairport.com Office: 970-248-8586

**SKY ADVENTURES BUILDING
TENANTS - PERCENTAGE OF BUILDING
AS OF 08/01/17**

<u>ENTITY</u>	<u>LEASED SQ. FT.</u>	<u>% OF BLD TOTAL SQ. FT.</u>	<u>Aero or Non Aero</u>
John Williams Legal	663.0	3.83%	Non Aero
Executive Command Dynamics	184.0	1.06%	Non Aero
Gateway Canyons Resort	150.0	0.87%	Non Aero
Barnabas Counseling Center	273.0	1.58%	Non Aero
Guido Schulte Real Estate	140.0	0.81%	Non Aero
Sub-total Current Leased Space sq. ft.	1410.0	8.13%	
VACANT SPACES			
Suite 203	183.00	1.06%	
Suite 205/206	618.0	3.57%	
Suite 207	275.0	1.59%	
Suite 211	140.0	0.81%	
Suite 213	400.0	2.31%	
Hangar	4920.0	28.39%	
Third Floor - unfinished space	5106.0	29.46%	
Sub-total Current Vacant Space Sq. ft.	11642.0	67.17%	
Common Areas	4051.0	23.37%	N/A
Management Office	90.0	0.52%	N/A
Suite 209 - Tech Room	139.05	0.80%	
TOTAL BUILDING	17333.0	100.00%	

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Temporary Construction Easement – Grand Valley Water Users
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends approval of the Construction Easement.
LAST ACTION:	N/A
DISCUSSION:	The Grand Valley Water Users Association requests approval of a Construction Easement for property located from the Grand Valley Canal Road and 27 ¼ Road for a project to line the canal.
REVIEWED BY:	Staff and legal have reviewed the attached construction easement and recommend approval.
FISCAL IMPACT:	N/A
ATTACHMENTS:	1. Construction Easement 2. Access Map
STAFF CONTACT:	Eric Trinklein etrinklein@gairport.com Office: 970-248-8597

TEMPORARY CONSTRUCTION EASEMENT AND RIGHT-TO-USE AGREEMENT

Grand Junction Regional Airport Authority

This Temporary Construction Easement and Right-to-Use Agreement (“Agreement”) is entered into this 1st day of August, 2018, by and between Grand Junction Regional Airport Authority, (“Grantor”) and **Grand Valley Water Users Association** (“Grantee”).

WHEREAS, Grantor is owner of that certain parcel of real property located in Mesa County, Colorado, and described as that portion of Airport Authority facilities as approved by the Airport Authority, hereinafter referred to as “the Property”, as generally depicted in the attachment and referred to as “Staging Area”.

WHEREAS, Grantor wishes to grant to Grantee a non-exclusive, temporary easement and the right-to-use the Property in conjunction with activities related to a portion of the Government Highline Canal known as the Paradise Hills Canal Lining Project, hereinafter referred to as “the Project”.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, Grantor hereby grants and conveys to Grantee the Temporary Construction easement as described herein and Grantor and Grantee agree as follows:

1. Purpose and Use of Temporary Construction Easement. Grantee, Grantee’s contractor, Grantee’s contractor’s subcontractors, and their respective employees may use the Property for the purposes of carrying out activities related to the Project. This includes, but is not limited to, vehicular and non-vehicular access (including heavy construction equipment); the storage and staging of materials (such as dirt, rock, rebar, concrete and any other materials to be used on the Project) and equipment; temporary office space; and other construction purposes; but not for the construction of any permanent improvements.

2. Term. This Agreement shall become effective on October 1, 2018, and remain in full force and effect until the earlier of (a) December 31, 2019, or (b) the final completion of the Project and the restoration of the Property by Grantee to as good a condition as existed on October 1, 2018.

3. Access to the Property. Grantee shall access the Property from the Grand Valley Project Canal Road, 27 ¼ Road, or as otherwise required.

4. Restoration of Property. Within 90 days after completion of the Project, but in no event later than May 1, 2020, Grantee shall restore the Property to a condition as good as existed on October 1, 2018.

5. Additional terms and conditions.

- A. Grantee will not use the Property as a disposal site for any reason.
- B. Grantee will not use the Property as a borrow area.
- C. During the term of this Agreement, Grantor will not use the Property in a manner that interferes with Grantee's use of the Property, or issue any additional licenses, easements, or agreements for use of the Property.
- D. Grantor and Grantee both warrant that the undersigned persons have the right and authority to enter into this Agreement on behalf of the entities they represent.

IN WITNESS WHEREOF, the parties have executed this Temporary Construction Easement and Right-to-Use Agreement.

GRANTOR:
Grand Junction Regional Airport Authority

GRANTEE:
Grand Valley Water Users Association

By: _____

By: Mark Harris

Name: _____

Name: Mark Harris

Title: _____

Title: General Manager

Date: _____

Date: August 1, 2018

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	FAA Grant Offers and Co-Sponsorship Agreements
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Staff recommends Board authorization to execute the FAA Grant Offers and the Co-Sponsor Agreements.
LAST ACTION:	The Board approved the Airport's AIP grant applications for these projects.
DISCUSSION:	<p>The Grand Junction Regional Airport Authority (Authority) began a multi-year program in 2016 to relocate the primary runway. The relocation is intended to minimize impacts to community air service while modernizing the runway, originally constructed in 1958. The projects are listed on the Authority's approved Airport Layout Plan and Capital Improvement Plan.</p> <p>These grants are associated with the Taxiway Alpha Rehabilitation, Remote Transmitter/Receiver Relocation reimbursable agreement, and the Design Only of New Runway 11/29 construction projects.</p>
REVIEWED BY:	Staff and legal counsel have reviewed these grants and co-sponsor agreements and recommend the documents be executed.
FISCAL IMPACT:	Federal AIP Grants - \$ 3,022,383* GJRA Match - \$335,821 budgeted amount Total - \$3,358,204 *subject to the availability of Federal funds
ATTACHMENTS:	<ol style="list-style-type: none">1. Grant Offer 3-08-0027-059-20182. Grant Offer 3-08-0027-060-20183. Grant Offer 3-08-0027-061-20184. City of Grand Junction Co-Sponsorship Agreement5. Mesa County Co-Sponsorship Agreement
STAFF CONTACT:	Eric Trinklein etrinklein@gjairport.com Office: 970-248-8597



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer	<u>August 6, 2018</u>
Airport/Planning Area	<u>Grand Junction Regional Airport</u>
AIP Grant Number	<u>3-08-0027-059-2018 (Contract No. DOT-FA18NM-1050)</u>
DUNS Number	<u>15-613-5394</u>

TO: County of Mesa, Colorado; City of Grand Junction, Colorado; and the Grand Junction Regional Airport Authority
(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated November 16, 2017, for a grant of Federal funds for a project at or associated with the Grand Junction Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Grand Junction Regional Airport (herein called the "Project") consisting of the following:

Rehabilitate Taxiway A (A1 to A2 and A6 to Runway 4/22), phase I (design and construction)

which is more fully described in the Project Application.

NOW THEREFORE, according to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. § 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. § 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, and the Sponsor's acceptance of this Offer; and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided.

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 90.00 percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer	<u>August 6, 2018</u>
Airport/Planning Area	<u>Grand Junction Regional Airport</u>
AIP Grant Number	<u>3-08-0027-060-2018 (Contract No. DOT-FA18NM-1051)</u>
DUNS Number	<u>156135394</u>

TO: County of Mesa, Colorado; City of Grand Junction, Colorado; and the Grand Junction Regional Airport Authority
(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated November 29, 2017, for a grant of Federal funds for a project at or associated with the Grand Junction Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Grand Junction Regional Airport (herein called the "Project") consisting of the following:

Construct New Runway 11/29 (construct remote transmitter receiver – reimbursable agreement and utilities)

which is more fully described in the Project Application.

NOW THEREFORE, according to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. § 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. § 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, and the Sponsor's acceptance of this Offer; and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided.

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 90.00 percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.



U.S. Department
of Transportation
Federal Aviation
Administration

GRANT AGREEMENT

PART I – OFFER

Date of Offer	<u>August 6, 2018</u>
Airport/Planning Area	<u>Grand Junction Regional Airport</u>
AIP Grant Number	<u>3-08-0027-061-2018 (Contract No. DOT-FA18NM-1052)</u>
DUNS Number	<u>156135394</u>

TO: County of Mesa, Colorado; City of Grand Junction, Colorado; and the Grand Junction Regional Airport Authority
(herein called the "Sponsor") (For Co-Sponsors, list all Co-Sponsor names. The word "Sponsor" in this Grant Agreement also applies to a Co-Sponsor.)

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

WHEREAS, the Sponsor has submitted to the FAA a Project Application dated July 20, 2018, for a grant of Federal funds for a project at or associated with the Grand Junction Regional Airport, which is included as part of this Grant Agreement; and

WHEREAS, the FAA has approved a project for the Grand Junction Regional Airport (herein called the "Project") consisting of the following:

Construct New Runway 11/29 (earthwork, detention ponds, utilities, and perimeter road – design only)

which is more fully described in the Project Application.

NOW THEREFORE, according to the applicable provisions of the former Federal Aviation Act of 1958, as amended and recodified, 49 U.S.C. § 40101, et seq., and the former Airport and Airway Improvement Act of 1982 (AAIA), as amended and recodified, 49 U.S.C. § 47101, et seq., (herein the AAIA grant statute is referred to as "the Act"), the representations contained in the Project Application, and in consideration of (a) the Sponsor's adoption and ratification of the Grant Assurances dated March 2014, and the Sponsor's acceptance of this Offer; and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the Grant Assurances and conditions as herein provided.

THE FEDERAL AVIATION ADMINISTRATION, FOR AND ON BEHALF OF THE UNITED STATES, HEREBY OFFERS AND AGREES to pay 90.00 percent of the allowable costs incurred accomplishing the Project as the United States share of the Project.

SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

This Supplemental Co-Sponsorship Agreement is entered into and effective this ____ day of _____, 2018, by and between the Grand Junction Regional Airport Authority (“Airport Authority”), and the **City of Grand Junction (City)**.

RECITALS

A. The Airport Authority is a political subdivision of the State of Colorado, organized pursuant to Section 41-3-101 et seq., C.R.S. The Airport Authority is a separate and distinct entity from the City.

B. The Airport Authority is the owner and operator of the Grand Junction Regional Airport, located in Grand Junction, Colorado (“Airport”).

C. Pursuant to the Title 49, U.S.C., Subtitle VII, Part B, as amended, the Airport Authority has applied for monies from the Federal Aviation Administration (“FAA”), for the construction of certain improvements upon the Airport, pursuant to the terms, plans and specifications set forth in AIP Grant No. **3-08-0027-059-2018, 3-08-0027-060-2018, and 3-08-0027-061-2018** (“Projects”).

D. The FAA is willing to provide **\$3,022,383** toward the estimated costs of the Projects, provided the City of Grand Junction and Mesa County execute the Grant Agreements as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreements as co-sponsors for two primary reasons. First, the City and County have taxing authority, whereas the Airport Authority does not; accordingly, the FAA is insisting that the City and County execute the Grant Agreement so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreements, should the Airport Authority not be able to satisfy said financial commitments out of the net revenues generated by the operation of the Airport. In addition, the City and County have jurisdiction over the zoning and land use regulations of the real property surrounding the Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreements, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans for the development of the area surrounding the Airport, and that they will take appropriate actions, including the adoption of zoning laws, to restrict the use of land surrounding the Airport to activities and purposes compatible with normal Airport operations.

E. The **City** is willing to execute the Grant Agreement, as a co-sponsor, pursuant to the FAA’s request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the **City** and Airport Authority.

Therefore, in consideration of the above Recitals and the mutual promises and representations set forth below, the **City** and Airport Authority hereby agree as follows:

AGREEMENT

1. By its execution of this Agreement, the **City** hereby agrees to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request.
2. In consideration of the **City's** execution of the Grant Agreement, as co-sponsor, the Airport Authority hereby agrees to hold the **City**, its officers, employees, and agents, harmless from, and to indemnify the **City**, its officers, employees, and agents for:
 - (a) Any and all claims, lawsuits, damages, or liabilities, including reasonable attorney's fees and court costs, which at any time may be or are stated, asserted, or made against the **City**, its officers, employees, or agents, by the FAA or any other third party whomsoever, in any way arising out of, or related under the Grant Agreements, or the prosecution of the Projects contemplated by the Grant Agreements, regardless of whether said claims are frivolous or groundless, other than claims related to the **City's** covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the **City** has regulatory jurisdiction, to activities and purposes compatible with normal Airport operations, set forth in paragraph 21 of the Assurances incorporated by reference into the Grant Agreements ("Assurances"); and
 - (b) The failure of the Airport Authority, or any of the Airport Authority's officers, agents, employees, or contractors, to comply in any respect with any of the requirements, obligations or duties imposed on the Sponsor by the Grant Agreements, or reasonably related to or inferred there from, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the **City's** responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.
3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreements, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, in recognition of the fact that the Airport Authority does not have the power to effect the zoning and land use regulations required by said paragraph.
4. By its execution of this Agreement and the Grant Agreement, the **City** agrees to comply with the zoning and land use requirements of paragraph 21 of the Assurances, with respect to all lands surrounding the Airport that are subject to the **City's** regulatory jurisdiction. The City also hereby warrants and represents that, in accordance with paragraph 6 of the Special Assurances; the Projects contemplated by the Grant Agreements are consistent with present plans of the **City** for the development of the area surrounding the Airport.
5. The parties hereby warrant and represent that, by the **City's** execution of the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, the **City** is not a co-owner, agent, partner, joint venture, or representative of the Airport Authority in the ownership, management or administration of the Airport, and the Airport Authority is, and remains, the sole owner of the Airport, and solely responsible for the operation and management of the Airport.

Done and entered into on the date first set forth above.

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

By _____
Authorized Representative

CITY OF GRAND JUNCTION

By _____
Authorized Representative

SUPPLEMENTAL CO-SPONSORSHIP AGREEMENT

This Supplemental Co-Sponsorship Agreement is entered into and effective this ____ day of _____, 2018, by and between the Grand Junction Regional Airport Authority (“Airport Authority”), and **Mesa County, Colorado** (“County”).

RECITALS

A. The Airport Authority is a political subdivision of the State of Colorado, organized pursuant to Section 41-3-101 et seq., C.R.S. The County is a political subdivision of the State of Colorado. The Airport Authority is a separate and distinct entity from the **County**.

B. The Airport Authority is the owner and operator of the Grand Junction Regional Airport, located in Grand Junction, Colorado (“Airport”).

C. Pursuant to the Title 49, U.S.C., Subtitle VII, Part B, as amended, the Airport Authority has applied for monies from the Federal Aviation Administration (“FAA”), for the construction of certain improvements upon the Airport, pursuant to the terms, plans and specifications set forth in AIP Grant No. **3-08-0027-059-2018, 3-08-0027-060-2018, and 3-08-0027-061-2018** (“Projects”).

D. The FAA is willing to provide **\$3,022,383** toward the estimated costs of the Projects, provided the City of Grand Junction (“City”) and the County execute grant agreements (collectively and individually “Grant Agreements”) as co-sponsors with the Airport Authority. The FAA is insisting that the City and County execute the Grant Agreements as co-sponsors for two primary reasons. First, the City and County have taxing authority, whereas the Airport Authority does not; accordingly, the FAA is insisting that the City and County execute the Grant Agreements so that public entities with taxing authority are liable for the financial commitments required of the Sponsor under the Grant Agreements, should the Airport Authority not be able to satisfy said financial commitments out of the net revenues generated by the operation of the Airport. In addition, the City and County have jurisdiction over the zoning and land use regulations of the real property surrounding the Airport, whereas the Airport Authority does not enjoy such zoning and land use regulatory authority. By their execution of the Grant Agreements, the City and County would be warranting to the FAA that the proposed improvements are consistent with their respective plans for the development of the area surrounding the Airport, and that they will take appropriate actions, including the adoption of zoning laws, to restrict the use of land surrounding the Airport to activities and purposes compatible with normal Airport operations.

E. The **County** is willing to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA’s request, subject to the terms and conditions of this Supplemental Co-Sponsorship Agreement between the **County** and the Airport Authority.

Therefore, in consideration of the above Recitals and the mutual promises and representations set forth below, the **County** and the Airport Authority hereby agree as follows:

AGREEMENT

1. By its execution of this Agreement, the **County** hereby agrees to execute the Grant Agreements, as a co-sponsor, pursuant to the FAA's request.
2. In consideration of the **County's** execution of the Grant Agreements, as co-sponsor, the Airport Authority hereby agrees to hold the **County**, its officers, employees, and agents, harmless from, and to indemnify the **County**, its officers, employees, and agents for:
 - (a) Any and all claims, lawsuits, damages, or liabilities, including reasonable attorney's fees and court costs, which at any time may be or are stated, asserted, or made against the **County**, its officers, employees, or agents, by the FAA or any other third party whomsoever, in any way arising out of, or related under the Grant Agreements, or the prosecution of the Projects contemplated by the Grant Agreements, regardless of whether said claims are frivolous or groundless, other than claims related to the **County's** covenant to take appropriate action, including the adoption of zoning laws, to restrict the use of land surrounding the Airport, over which the **County** has regulatory jurisdiction, to activities and purposes compatible with normal Airport operations, set forth in paragraph 21 of the Assurances incorporated by reference into the Grant Agreements ("Assurances"); and
 - (b) The failure of the Airport Authority, or any of the Airport Authority's officers, agents, employees, or contractors, to comply in any respect with any of the requirements, obligations or duties imposed on the Sponsor by the Grant Agreements, or reasonably related to or inferred there from, other than the Sponsor's zoning and land use obligations under Paragraph 21 of the Assurances, which are the **County's** responsibility for lands surrounding the Airport over which it has regulatory jurisdiction.
3. By its execution of this Agreement, the Airport Authority hereby agrees to comply with each and every requirement of the Sponsor, set forth in the Grant Agreements, or reasonably required in connection therewith, other than the zoning and land use requirements set forth in paragraph 21 of the Assurances, in recognition of the fact that the Airport Authority does not have the power to effect the zoning and land use regulations required by said paragraph.
4. By its execution of this Agreement and the Grant Agreement, the **County** agrees to comply with the zoning and land use requirements of paragraph 21 of the Assurances, with respect to all lands surrounding the Airport that are subject to the **County's** regulatory jurisdiction. The **County** also hereby warrants and represents that, in accordance with paragraph 6 of the Special Assurances; the Projects contemplated by the Grant Agreements are consistent with present plans of the **County** for the development of the area surrounding the Airport.
5. The parties hereby warrant and represent that, by the **County's** execution of the Grant Agreements, as a co-sponsor, pursuant to the FAA's request, the **County** is not a co-owner, agent, partner, joint venture, or representative of the Airport Authority in the ownership, management or administration of the Airport, and the Airport Authority is, and remains, the sole owner of the Airport, and solely responsible for the operation and management of the Airport.

Done and entered into on the date first set forth above.

GRAND JUNCTION REGIONAL AIRPORT
AUTHORITY

By _____
Authorized Representative

MESA COUNTY

By _____
John Justman, Chair
Board of County Commissioners

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Pay Request-Runway 11/29 Replacement Project (Design Only)		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input type="checkbox"/>
RECOMMENDATION:	Board approve payment of Mead & Hunt Invoice No. 280955.		
LAST ACTION:	Design only contract was executed June 22, 2017.		
DISCUSSION:	<p>This invoice is the progress billing for the Runway Design. Progress this period includes program management, grant administration, land acquisition, and permitting services for work completed through June 30, 2018.</p> <p>Work completed this phase includes completion of a portion of Program Management, Permitting and Agency Coordination and significant progress on the Overall 60% design. The overall 60% design efforts have focused on optimizing the 30% design with comments received and more detail. Grant Administration and Land Acquisition continue to progress supporting GJT's efforts to complete land transfers, and obtain additional funding.</p> <p>This is part of the AIP grant program and we have been approved to be reimbursed for 90% of the expenses from FAA and 5% by CDOT Aeronautics.</p>		
REVIEWED BY:	Staff has reviewed the invoice and concurs with the stated level of completion and recommends paying the invoice.		
FISCAL IMPACT:	<u>AIP 55</u> FAA \$44,377.61 CDOT \$ 2,465.42 GJRA \$ 2,464.42 dollars Total \$ 49,308.45	<u>AIP 56</u> FAA \$ 128,791.61 CDOT \$ 7,155.09 GJRA \$ 7,155.09 budgeted dollars Total \$ 143,101.79	
COMMUNICATION STRATEGY:	None.		
ATTACHMENTS:	Mead & Hunt Invoice No. 280955		
STAFFCONTACT:	Eric Trinklein etrinklein@gjairport.com Office: 970-248-8597		

Invoice Date 7/16/2018
 Invoice No 280955
 Project # R2331300-170312.02

GJT RUNWAY DESIGN 7/16/2018				
WORK SCOPE		CONTRACT AMOUNT	BILLED	THIS INVOICE
100	Scope Development	\$74,260.00	\$74,260.00	\$0.00
101	Program Validation	\$77,491.50	\$77,491.50	\$0.00
102	Program Management	\$867,334.30	\$815,294.44	\$43,366.73
105	Pre-Design Elements Runway Relocation	\$594,172.14	\$588,230.42	\$5,941.72
109	27 1/4 Road Relocation Design	\$656,803.50	\$656,803.50	\$0.00
TOTAL AIP 55		\$2,270,061.44	\$2,212,079.86	\$49,308.45
AIP 55			FAA	\$44,377.61
			CDOT	\$2,465.42
			GJT	\$2,465.42
103	Grant Administration	\$63,980.00	\$16,102.50	\$7,355.00
104	Land Acquisition and Coordination	\$177,939.10	\$34,416.60	\$3,520.50
106	Design Overall Runway Relocation 30%	\$881,153.15	\$881,153.15	\$0.00
107	Permitting and Agency Coordination	\$157,353.25	\$120,865.46	\$10,552.93
108	Remote Transmitter Receiver Grading Package	\$175,482.80	\$175,482.80	\$0.00
110	Design Overall Runway Relocation 60%	\$640,386.15	\$300,981.49	\$121,673.36
TOTAL AIP 56		\$2,096,294.45	\$1,529,002.00	\$143,101.79
AIP 56			FAA	\$128,791.61
			CDOT	\$7,155.09
			GJT	\$7,155.09
Total DESIGN		\$4,366,355.89	\$3,741,081.86	\$192,410.24

* Pending CDOT Grant

Additional backup documentation available upon request.

Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	AIP 59 Taxiway A Rehabilitation – Notice of Award
PURPOSE:	Information <input type="checkbox"/> Guidance <input type="checkbox"/> Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approval of the notice of award and signature of the Agreement once the contractor provides a signed agreement, bonds, and proof of insurance.
LAST ACTION:	Bids received on June 7, 2018 Recommendation of Award accepted on June 19, 2018
DISCUSSION:	<p>A total of one bid was received on the project. United Companies, LLC submitted the low bid for the project in the amount of \$1,289,030.00. We believe that the bid submitted by United Companies, LLC represents a good value for the Grand Junction Regional Airport contingent upon funding being provided for the construction of this project, we recommend that a construction contract for the Base Bid – Taxiway A Rehabilitation for a total of \$1,289,030.00 be awarded to United Companies, LLC.</p> <p>Per Section 30-03 of the General Provisions, the Owner reserves the right to cancel the award without liability to the bidder, except return of proposal guaranty, at any time before a contract has been fully executed by all parties.</p>
REVIEWED BY:	Staff and legal counsel have reviewed the award documents and concur with the Engineer’s review.
FISCAL IMPACT:	<u>AIP 59</u> FAA \$ 1,160,127.00 CDOT \$ GJRA \$128,903.00 budgeted dollars Total \$1,289,030.00
COMMUNICATION STRATEGY:	None.
ATTACHMENTS:	Grand Junction Regional Airport Taxiway A Rehabilitation Project – Notice of Award– August 14, 2018.
STAFFCONTACT:	Eric Trinklein etrinklein@gairport.com Office: 970-248-8597

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NOTICE OF AWARD

TO: Oldcastle SW Group, Inc dba Untied Companies DATE: 08/14/2018
2273 River Road
Grand Junction, CO 81505

Grand Junction Regional Airport, having considered the Contract Proposals submitted for improvements to the Grand Junction Regional Airport, AIP Project No. 3-08-0027-059-2018, and it appearing that your Contract Proposal of One Million Two Hundred and Eighty-Nine Thousand and Thirty Dollars (\$1,289,030.00) for Taxiway A Rehabilitation is fair, equitable and in the best interest of the Grand Junction Regional Airport and having authorized the work to be performed, the said Contract Proposal is hereby accepted at the bid prices contained therein.

In accordance with the terms of the Contract Documents, you are required to execute the formal Contract Agreement and furnish the required Performance Bond and Payment Bond within 14 consecutive calendar days from and including the date of this notice.

The Bid Bond submitted with your Contract Proposal will be returned upon execution of the Contract Agreement and the furnishing of the Performance Bond and Payment Bond. In the event that you should fail to execute the Contract Agreement and furnish the Performance Bond and Payment Bond, within the time specified, the Bid Bond will be forfeited to the Grand Junction Regional Airport Board.

This Award is subject to the concurrence of the Federal Aviation Administration.

Grand Junction Regional Airport
Grand Junction, CO

By: _____
Contract Authorized Representative

Name and Title

Date

Grand Junction Regional

Airport Authority

Agenda Item Summary

TOPIC:	Appointment of a Budget Officer
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PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
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RECOMMENDATION:	Audit Committee recommends the Board appoint the Accounting Coordinator to be the budget officer for the 2019 budget.
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LAST ACTION:	In August 2017, the Board appointed the Finance and Accounting Manager to be the budget officer.
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DISCUSSION:	Colorado Statutes/Colorado Revised Statutes /TITLE 29 GOVERNMENT - LOCAL/GENERAL PROVISIONS/ARTICLE 1 BUDGET AND SERVICES/PART 1 LOCAL GOVERNMENT BUDGET LAW OF COLORADO/29-1-104. By whom budget prepared. <p style="text-align: center;"><u>29-1-104. By whom budget prepared.</u></p> <p style="text-align: center;">The governing body of each local government shall designate or appoint a person to prepare the budget and submit the same to the governing body.</p> <p style="text-align: center;">The budget officer is responsible for submitting the proposed budget to the board and to publish the Notice of Budget.</p>
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STAFF CONTACT:	Shelagh O’Kane Email: sokane@gairport.com Office: 970-248-8590
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Grand Junction Regional Airport Authority

Agenda Item Summary

TOPIC:	Resolution Lodging Tax Increase
PURPOSE:	Information <input checked="" type="checkbox"/> Guidance <input type="checkbox"/> Decision <input type="checkbox"/>
RECOMMENDATION:	N/A
LAST ACTION:	N/A
DISCUSSION:	<p>The Grand Junction Regional Airport Authority Board of Commissioners wishes to formally support the increase in the City of Grand Junction lodging tax and urges the voters of the city to vote yes on the question before them related to this matter.</p> <p>The below recitals are hereby incorporated as findings by the Grand Junction Regional Airport Authority Board of Commissioners.</p> <p>The City of Grand Junction has had a 3% tax in place for over thirty years to fund travel and tourism related marketing and;</p> <p>An increase in funding to 6% will be before City of Grand Junction voters in the November 2018 election and;</p> <p>The increased revenue from this additional 3% tax will be used to specifically fund attraction of more commercial airline service to Grand Junction Regional Airport, the operational budget of the Greater Grand Junction Sports Commission and destination marketing by Visit Grand Junction and;</p> <p>This is a tax that is typically not paid by residents of the Grand Valley but by visitors to the area.</p>
FISCAL IMPACT:	N/A
COMMUNICATION STRATEGY:	N/A
ATTACHMENTS:	Draft Lodging Tax Resolution
STAFF CONTACT:	Angela Padalecki

RESOLUTION 2018-___

A RESOLUTION OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY, SUPPORTING THE CITY OF GRAND JUNCTION BALLOT QUESTION PROPOSING A THREE PERCENT INCREASE IN THE LODGING TAX.

WHEREAS, the City of Grand Junction has had a 3% tax in place for over thirty years to fund travel and tourism related marketing; and

WHEREAS, an increase in funding to 6% will be before City of Grand Junction voters in the November 2018 election; and

WHEREAS, the increased revenue from this additional 3% tax will be used to specifically fund the attraction of more commercial airline service to Grand Junction Regional Airport, the operational budget of the Greater Grand Junction Sports Commission, and destination marketing by Visit Grand Junction; and

WHEREAS, this a tax that is typically not paid by residents of the Grand Valley but by visitors to the area.

NOW, THEREFORE, IT IS RESOLVED BY THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY BOARD OF COMMISSIONERS, THAT:

Section 1. The above recitals are hereby incorporated as findings by the Grand Junction Regional Airport Authority Board of Commissioners.

Section 2. The Grand Junction Regional Airport Authority Board of Commissioners supports the increase of the City of Grand Junction lodging tax and urges the voters of the City to vote YES on the question before them related to this matter.

PASSED AND ADOPTED THIS ___ DAY OF _____ 2018.

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY, GRAND JUNCTION, COLORADO.

Victoria Hightower, Clerk

Chairman

Board Members Voting AYE

Board Members Voting NAY

RESOLUTION NO. __-18

A RESOLUTION SETTING A TITLE AND SUBMITTING TO THE ELECTORATE ON NOVEMBER 6, 2018 A MEASURE TO INCREASE AND RETAIN AND SPEND ALL LODGING TAX REVENUES AS DEFINED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION

RECITALS.

In 1988 the City Council of the City of Grand Junction adopted Ordinance 2401 creating the Grand Junction Visitors and Convention Bureau (VCB). Since January 1, 1989 the VCB (now known as *Visit Grand Junction*) has capably served the City and the region by providing destination marketing, promotion and visitor services. With Ordinance 2401/People's Ordinance 34, the City imposed a 3% tax on the price paid for "lodging," which is defined as the providing of the right to use or possess, for consideration, any room or rooms for temporary occupancy, such as, but not limited to: a room in a hotel, guesthouse, hotel apartment and lodging houses, motel, ranch, resort, mobile home, mobile home park, bed and breakfast establishment, movable structure, auto camp, trailer court, inn, hostel or park under any concession, permit, right of access, lease, contract, license to use or other arrangement or otherwise, but shall not include rentals under a written agreement for occupancy for a period of 30 consecutive days or more.

The revenues derived from such lodging tax are used exclusively for promoting and marketing tourism and tourism-related activities.

In 2017 travel and tourism generated approximately \$1.46 million in lodging taxes and \$1.39 million in local sales tax revenues. They also bring jobs and economic prosperity: the travel industry alone provides Grand Junction more than 5,500 jobs and \$139.9 million in wages. Grand Junction experienced \$282.3 million in direct travel spending in 2017, with tremendous potential to grow beyond that sum.

Because the lodging tax is almost universally paid by business and leisure travelers, it imposes little if any burden on City residents. Using lodging tax revenues to fund travel, destination marketing, and visitor services also creates a positive nexus between the cost of providing those services and the users of those services, while providing a substantial economic benefit to the City by the infusion of funds from people who live outside the community.

Because the lodging tax rate was set nearly 30 years ago and has not increased since then, and because of a demonstrated need for new and additional services, including sports tourism marketing and support for direct air service to and from Grand Junction, the City Council has determined that the lodging tax should increase by 3%.

The purpose of this resolution is therefore to set a ballot question to increase the lodging tax and to seek voter authorization for the City of Grand Junction to retain and spend this important tax revenue for the use and benefit of *Visit Grand Junction*, of the Greater Grand Junction Sports Commission (GGJSC) and the Grand Junction Regional Air Service Alliance (GJRASA), so long as such funds are expended, as determined by the City Council, for promotion and marketing for travel and tourism-related activities

including but not limited to sports-related tourism and support for direct air service in Grand Junction.

The 1989 Lodgers Tax was imposed prior to the 1992 Taxpayer Bill of Rights (TABOR) and is therefore exempt from the provisions thereof; however, this 3% Lodgers Tax Increase must be approved by voters. The ballot question will allow voters to decide these important tax and spending questions.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION THAT:

1. The purpose of this resolution (Resolution) is to authorize the submission to the eligible electors voting at the election to be held on the first Tuesday of November 2018 (the Election), a ballot question to enact, levy and impose an increase in the Lodgers Tax at a rate of 3% (for a total Lodgers Tax of 6%) on the price paid for the leasing or rental of any occupied hotel room, motel room, lodging house, bed and breakfast, and other accommodation with the revenues derived from such lodging tax being used exclusively for promoting and marketing tourism and tourism related special events and activities all in accordance with the ordinances of the City of Grand Junction and this resolution and ballot question. The 3% increase shall be referred to herein as the "Lodgers Tax Increase."
2. If approved by the eligible electors voting thereon, the Lodgers Tax Increase shall be a voter-approved revenue change or an exception to limits on revenues and spending, without limiting the collection or spending of any other revenues or funds by the City under Article X, Section 20 of the Constitution of the State of Colorado (TABOR) or any other law.
3. If approved by the eligible electors voting thereon at the Election, the Lodgers Tax Increase shall become effective on January 1, 2019.
4. If not approved, the Lodgers Tax of 3% will remain in effect and remain an exception to the limits on revenues and spending under Article X, Section 20 of the Colorado Constitution (TABOR), having been imposed prior to the enactment of TABOR.
5. The definitions of the words contained in this Resolution, if not specifically defined herein, shall be as set forth in the Grand Junction Municipal Code (GJMC), which definitions are incorporated by reference into this Resolution as if fully set forth. The term "City" includes all lands within the corporate limits of the City of Grand Junction and all lands duly and lawfully annexed to the City.
6. At the time of making a tax return of the Lodgers Tax, every owner of every lodging property vendor shall continue to be entitled to withhold a processing fee to cover the expenses for the collection and remittance of the Lodgers Tax in accordance with GJMC 3.08.010 *et seq*; however, because the cost of processing is not expected to increase, no such processing fee shall apply to this 3% Lodgers Tax Increase amount.

7. Except for the foregoing change regarding the Vendors Fee, for the purposes of applicability, exemptions, collection, administration and enforcement of this Resolution and the Lodgers Tax, the provisions of GJMC 3.08.010 et. seq., as amended from time to time, shall be deemed applicable and incorporated into this Resolution.
8. Effective January 1, 2019, the City of Grand Junction shall budget and expend the revenue generated from the Lodging Tax Increase for the following purposes:
 - a) Marketing, promoting, soliciting and sponsoring, in whole or in part, travel and tourism related activities, including but not limited to tourism-generating sporting activities, events, tournaments and competitions; and
 - b) Marketing, promoting, purchasing and/or contracting for additional direct airline route(s) and airline service from existing or new carriers to and from Grand Junction; and,
 - c) Destination marketing and destination management services such as branding, marketing and support of the products and services that draw people to the area.
9. To promote, market and obtain travel and tourism and tourism related activities, all as generally described above, the City may annually budget 75% of the Lodgers Tax Increase to the GGJSC and 1.0% of the Lodgers Tax Increase to the GJRASA, with changes in any annual allocation(s) subject to formal consideration by the City Council. However allocated in each and every year after the Lodging Tax Increase is effective, all revenue derived from the Lodgers Tax Increase shall be used solely for the purpose of promoting and marketing travel, tourism and tourism related activities, as determined by the City Council.

At the general election, to occur on November 6, 2018, the official ballot, including absentee and mail ballots, shall state the substance of the question to be voted upon and so stated shall constitute the ballot title, designation and submission clause, and each registered elector voting at the election shall indicate his or her choice on the question submitted, which shall be in the following form:

SHALL THE CITY OF GRAND JUNCTION LODGING TAX BE INCREASED BY ONE MILLION SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$1,750,000) IN THE FIRST YEAR (2019), AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER, BY THE ADOPTION OF AN ADDITIONAL THREE PERCENT (3%) TAX ON THE PRICE PAID FOR LODGING IN THE CITY, WITH THE ADDITIONAL THREE PERCENT (3%) TAX COLLECTED IN THE SAME MANNER AS THE CITY'S LODGING TAX; WITH ALL OR ANY PORTION OF THE NET PROCEEDS OF THE ADDITIONAL 3% LODGING TAX, AS DETERMINED BY THE CITY COUNCIL, BEING COLLECTED, RETAINED AND SPENT TO FUND PROMOTION AND MARKETING FOR TRAVEL AND TOURISM-RELATED ACTIVITIES SUCH AS AND INCLUDING BUT NOT LIMITED TO:

- MARKETING, TRAVEL AND TOURISM-RELATED ACTIVITIES THAT SUPPORT DESTINATION MARKETING OF THE AREA;

- MARKETING, SUPPORTING, AND/OR ARRANGING FOR ADDITIONAL DIRECT AIRLINE SERVICE TO AND FROM GRAND JUNCTION;
- MARKETING, PROMOTING, AND SPONSORING SPORTING ACTIVITIES, EVENTS, TOURNAMENTS, COMPETITIONS AND EXHIBITIONS;

EXCEPT THAT NO VENDOR PROCESSING FEE SHALL APPLY TO THE INCREASE AND SHALL THE REVENUES GENERATED BY SUCH TAX INCREASE AND PROCEEDS BE COLLECTED AND SPENT BY THE CITY AS A VOTER APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

YES ____

NO ____

Adopted this ____ day of July 2018.

Barbara Traylor-Smith
President of the Council

ATTEST:

Wanda Winkelmann
City Clerk