

# BOARD PACKET

GRAND JUNCTION REGIONAL AIRPORT AUTHORITY

NOVEMBER 17, 2020

**Grand Junction Regional Airport Authority**



**Date:** November 17, 2020

**Location:**  
Electronic Meeting

**Link:** <https://us02web.zoom.us/j/89835604267>

**Time:** 5:15 PM

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**REGULAR MEETING AGENDA**

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- I. Call to Order**
- II. National Anthem**
- III. Approval of Agenda**
- IV. Commissioner Comments**
- V. 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 e-mail your comment to the Board Clerk (jburtard@gjairport.com) 15 minutes prior to the meeting. Comments not related to specific agenda items will be addressed during the citizen comment section of the agenda. Citizen comments related to a specific action item will be addressed during the discussion of that action item. The Board Chair 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 Chair, 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.

- VI. Consent Agenda**
  - A. October 20, 2020 Meeting Minutes \_\_\_\_\_ 1
    - Approval of October 20, 2020 Board Meeting Minutes
  - B. Sage Intacct Accounting Software Renewal \_\_\_\_\_ 2
    - Approve the renewal of Sage Intacct Accounting Software subscription for the contract period of December 21, 2020 through December 20, 2021 in the amount of \$13,590.
  - C. Goodwin Services – Glycol Disposal Invoice \_\_\_\_\_ 3

- Approve invoice 90397 for \$12,800 to Goodwin Services, Inc. for the disposal of glycol from the de-ice collection system.

**VII. Action Items**

- A. Resolution No. 2020-007 to Adopt 2021 Budget and Appropriate Funds for 2021 \_\_ 4
  - Adopt Resolution No. 2020-007 to adopt the 2021 Budget and appropriate funds for 2021.
- B. Scope of Services for General Aviation Drainage Report \_\_\_\_\_ 5
  - Approve consultative services from Garver, Inc. for \$15,313 to produce a report summarizing storm water drainage issues in the General Aviation areas adjacent to Taxilane C1A and authorize the Executive Director to sign the task order.

**VIII. Discussion**

**IX. Staff Reports**

- A. Executive Director Report (Angela Padalecki)
- B. Finance and Activity Report (Sarah Menge) \_\_\_\_\_ 6
- C. External Affairs Report (Joe Burtard)
- D. Facilities Report (Ben Peck)
- E. Capital Improvement Program Report (Colin Bible)

**X. Any other business which may come before the Board**

**XI. Adjournment**



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**Grand Junction Regional Airport Authority Board**  
**Regular Board Meeting**  
Meeting Minutes  
October 20, 2020

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**REGULAR BOARD MEETING**

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**I. Call to Order**

Mr. Tom Benton, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on October 20, 2020 in Grand Junction, Colorado and in the County of Mesa. The meeting was hosted electronically.

<p><b><u>Commissioners Present:</u></b> Tom Benton (Chairman) Chuck McDaniel Thaddeus Shrader Erling Brabaek Linde Marshall Clay Tufly Ron Velarde</p> <p><b><u>Airport Staff:</u></b> Angela Padalecki (Executive Director) Joseph Burtard (Clerk) Karl Hanlon (Counsel) Dan Reimer (Counsel) Sarah Menge Dylan Heberlein Cameron Reece Shelagh Flesch Ben Peck</p>	<p><b><u>Guests:</u></b> Jeremy Lee, Mead and Hunt Colin Bible, Garver Julie Theissen, Armstrong Justin Mendenhall Jake Hoban, Garver Shannon Kinslow, TOIL Kyle Williams, AECOM Lisa Rorden, Beltzer, Bangert &amp; Gunnell LLP Brad Rolf, Mead and Hunt Jen Boehm, Mead &amp; Hunt Harrison Earl, Crawford, Murphy &amp; Tilly</p>
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**II. National Anthem**

**III. Approval of Agenda**

*Commissioner Marshall made a motion to approve the October 20, 2020 Board Agenda. Commissioner Brabaek second the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes, and Commissioner Velarde, yes. The motion carries.*

#### **IV. Commissioner Comments**

*No Commissioner comments were made.*

#### **V. Citizen Comments**

*No citizen comments were made.*

#### **VII. Consent Agenda**

##### **September 15, 2020 Meeting Minutes**

Approval of September 15, 2020 Board Meeting Minutes.

##### **Snow Blower Ribbon Replacement**

Approval to purchase a replacement blower ribbon and other ware parts for one of the airport snow blowers totaling \$12,327.92.

##### **Trade-in and Purchase a Maintenance Utility Vehicle**

Approval to trade in a landside maintenance utility vehicle and purchase a replacement for a net cost to the Authority of \$17,843.00.

##### **~~GJRAA / GJRASA Agreement~~**

~~Approval of the Air Service Development Reimbursement agreement between the Grand Junction Regional Airport Authority and the Grand Junction Regional Air Service Alliance.~~

##### **Plante Moran 2020 Audit Engagement Letter**

Approval of the audit engagement letter with Plante Moran for the 2020 financial statement audits for a total cost of \$40,700.00.

*Commissioner Brabaek made a motion to move the GJRAA/GJRASA Agreement from consent to action for further discussion and approve the Consent Agenda. Commissioner Velarde second the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.*

#### **VIII. Action Items**

##### **FCI Design and Preconstruction Task Order**

*Commissioner Shrader made a motion to approve the preconstruction task order with FCI totaling \$30,688.00 to design, estimate, and obtain competitive bids for planned 2021 airport improvement projects. Commissioner Brabaek seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.*

##### **Approval of CMT / GJRAA Agreement**

*Commissioner Brabaek made a motion to approve the professional services agreement with Crawford, Murphy & Tilly, Inc. for air service development consulting services with a maximum*

value of \$50,000.00. Commissioner Marshall seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

#### **Monitor Purchase for Terminal Advertising**

Commissioner Velarde made a motion to approve the purchase and install of ten monitors to be used for digital marketing in the terminal in the amount of \$14,354.18. Commissioner Marshall seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

#### **ACIP Program Manager – Recommendation of Award and Contract Approval**

Commissioner McDaniel made a motion to accept the recommendation of award and approve a contract to Garver for the Airport Capital Improvement Program Manager. Commissioner Shrader seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

#### **GJRAA / GJRASA Agreement**

Commissioner Velarde made a motion to approve the Air Service Development Reimbursement agreement between the Grand Junction Regional Airport Authority and the Grand Junction Regional Air Service Alliance. Commissioner Brabaek seconded the motion. Roll Call Vote: Commissioner Benton, yes; Commissioner Brabaek, yes; Commissioner Marshall, yes; Commissioner McDaniel, yes; Commissioner Shrader, yes; Commissioner Tufly, yes; and Commissioner Velarde, yes. The motion carries.

#### **IX. Public Hearing on GJAA 2021 Budget**

Chairmen, Benton opened the meeting for public comment. Hearing no public comments, the public comment period was closed.

#### **X. Discussion – Airport Legal Counsel Strategy**

#### **XI. Staff Reports**

- A. Executive Director Report (Angela Padalecki)
- B. Operations Report (Dylan Herberlein)
- C. Finance and Activity Report (Sarah Menge)
- D. External Affairs Report (Joseph Burtard)
- E. Facilities Report (Ben Peck)
- F. Contractor Project Reports

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

No additional business was discussed.

#### **XIII. Adjournment**

The meeting adjourned at approximately 7:45pm.

*Audio recording of the complete meeting can be found at  
[https://gjairport.com/Board Meetings](https://gjairport.com/Board_Meetings)*

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Tom Benton, Board Chairman

***ATTEST:***

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Joseph R. Burtard, Clerk to the Board

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC: Approve the Sage Intacct Accounting Software subscription renewal

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PURPOSE: Information  Guidance  Decision

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RECOMMENDATION: Board approve the renewal of the Sage Intacct accounting software subscription for the contract period of December 21, 2020 through December 20, 2021.

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SUMMARY: In November 2017, the board approved a change in the accounting software and selected a subscription with Sage Intacct. Currently, we are happy with the software and wish to renew the software subscription.

This renewal represents our annual subscription cost for the accounting software, including the fixed asset module and additional user credentials for the period from 12/21/20 – 12/20/2021.

Our current subscription includes 3 full “Business User” subscriptions as well as 10 additional employee user log-ins that have a “read-only” access to be able to obtain reports and view individual transactions.

The annual cost is unchanged from the 2020 subscription year cost.

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REVIEWED BY: Executive Director

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FISCAL IMPACT: \$13,590 – Professional Services IT Operating Expense

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ATTACHMENTS: Sage Intacct Renewal Order Schedule

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STAFF CONTACT: Sarah Menge  
[smenge@gairport.com](mailto:smenge@gairport.com)  
(970) 248-8581

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# Renewal Order Schedule

Date: 29-Sep-2020

Offer Expires: 29-Oct-2020

Quote #: Q-161309

## Prepared For:

Name: Shelagh O'kane

Company: Grand Junction Regional Airport Authority

Address: 2828 Walker Field Drive Suite 301

Grand Junction, CO 81506

Phone: (970) 248-8590

Email: sokane@gjairport.com

## Terms

Term Length: 12 (months)

Subscription Period: 21-Dec-2020 through 20-Dec-2021

Invoicing Frequency: Annual subscription fees begin on the start date of your paid subscription period, with such fees invoiced annually at the beginning of each paid subscription period.

Payment Terms: Net 30 from date of invoice.

## Products

### Sage Intacct Services

Product Name	Description	Quantity	Net Price Each	Total Price
Intacct Web Services - Standard	Includes up to 900 transactions per month from applications using published Intacct Web Services. Required for the deployment of any application using Intacct Web Services, including Intacct Ready Partner or other 3rd party applications.	1.00	0.00	0.00
Intacct Collaborate	Intacct Collaborate enables in-context team communication around transactions and other key elements of Intacct. It captures dialogue and decisions for later reference, in Intacct, your system of record. If you use Salesforce, you have the option of further streamlining communication between your Salesforce users and Intacct users for cross-team communication for all synchronized objects. Salesforce synchronization requires Intacct CRM Integration for Salesforce.	1.00	0.00	0.00
Intacct Fixed Assets	Intacct Fixed Assets enables you to easily add & track assets including serial numbers, warranty information and depreciation.	1.00	2,250.00	2,250.00
Intacct Financial Management (for a Single Business Entity)	Intacct Financial Management includes the following - General Ledger, Cash Management, Purchase Order, Accounts Payable, Order Entry, Accounts Receivable, Standard Reports, Dashboard, Customization Services.	1.00	2,520.00	2,520.00
Intacct Platform Services - Standard	Intacct Platform - Standard includes the ability to deploy up to 2 applications on the Intacct Platform with up to 10 custom objects and 10,000 custom records. A minimum of Standard is required for the deployment of any Platform application, including Intacct Ready Partner or other 3rd party applications.	1.00	0.00	0.00

Product Name	Description	Quantity	Net Price Each	Total Price
Intacct Employee User 10 Pack	Ten (10) additional employee user pack with limited access rights which include: Read only access to the Dashboard; Ability to enter/approve expense reports, timesheets and/or purchase requisitions. Also includes read only access to any additional applications built on the Intacct Platform.	1.00	1,260.00	1,260.00
Essential Support	Essential Support is included at no additional charge to all customers of Intacct reseller Partners. Your Intacct Partner will respond to your initial request for support. Your Partner has direct access to all of Intacct's support resources including Intacct's comprehensive knowledgebase and Intacct's support personnel. Should your Partner be unable to resolve your support case, they will escalate to Intacct Support on your behalf. Intacct will work with your Partner, or directly with you, as needed, to resolve the case. Essential Support gives your company direct access to the Intacct Customer Portal- a single path to submit cases, check the status of cases and search Intacct's comprehensive knowledgebase for answers to commonly asked questions. This is also where your organization can recommend product enhancements directly to Intacct as well as vote on product enhancement requests submitted by others.	1.00	0.00	0.00
User License - Business User	Users with unlimited access rights to all applications. Can be restricted based on permissions assigned by an Administrator.	3.00	2,520.00	7,560.00
<b>Sage Intacct Services Total:</b>				<b>USD 13,590.00</b>

**Grand Total:** USD 13,590.00

**TERMS:**

This Order Schedule is subject to the Agreement for subscription to the Services with effective date 08-Dec-2017, inclusive of any subsequent modifications. All terms not otherwise defined herein shall have the meaning ascribed to them in the Agreement. Prices shown above do not include any taxes that may apply.



**Exhibit A**

**Additional Terms and Conditions**

The following terms are added to, and in the event of a conflict prevail over, the Terms:

- **Small Business Promotion:** If Company has 3 or fewer Business Users, Company is eligible to receive a 50% discount on the following Sage Intacct add-on modules: Intacct Global Consolidations, Intacct Advanced Global Consolidations, Intacct Revenue Management, Intacct Advanced Revenue Management, Intacct Inventory Management, Intacct Multi-Currency, Intacct Project Accounting, Intacct Salesforce Integration, Intacct Subscription Billing, Intacct Advanced Subscription Billing, Intacct Fixed Assets, Intacct Commissions and Intacct Collections, Digital Board Book. Discount expires at the first renewal following the addition of the Company's 4th Business User.
- Intacct Financial management includes up to two hundred (200) bank account connections through bank feeds. Bank feeds provide electronic access to thousands of financial institutions for bank reconciliations and matching payments to invoices.



**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC:	Goodwin Services – Glycol Disposal Invoice		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Approve invoice 90397 for \$12,800 to Goodwin Services, Inc. for the disposal of glycol from the de-ice collection system.		
SUMMARY:	<p>Draining and disposing the glycol from the de-ice pad tanks is typically performed one to two times annually dependent on weather and the amount of use by the airlines. Disposal fees are based on the number of gallons collected.</p> <p>The glycol tank was last emptied in October 2019. With the recent snowstorm, the tanks were fuller than they typically are when a disposal is scheduled, therefore the invoice amount was greater than \$10,000 and requires board authorization according to the procurement policy.</p> <p>Staff recommends approval of the attached invoice.</p>		
REVIEWED BY:	Executive Director		
FISCAL IMPACT:	<b>Glycol Disposal Cost: \$12,800</b> <b>2020 Forecast: \$18,000</b>		
ATTACHMENTS:	Invoice 90397 from Goodwin Services, Inc.		
STAFF CONTACT:	Sarah Menge <a href="mailto:smenge@gjairport.com">smenge@gjairport.com</a> 970-248-8581		

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## Grand Junction Regional Airport Authority

### Agenda Item Summary

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TOPIC:	Approval of the 2021 Budget
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PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
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RECOMMENDATION:	Adopt resolution no. 2020-007 to adopt the 2021 Budget and appropriate funds for 2021.
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SUMMARY:	<p>The 2020 Budget was presented to the Finance and Audit Committee in September for their review and comments. A Draft budget was then presented to the full board at the October 5, 2020 Board Workshop.</p> <p>Following the presentation at the workshop, a notice of budget hearing was advertised and commissioner and public comment was available at the October 20, 2020 board meeting.</p> <p>No changes have been made to the budget since its draft presentation in October and no comments have been received. Staff recommends adoption.</p>
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REVIEWED BY:	Executive Director and Legal Counsel
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FISCAL IMPACT:	Total Appropriations for 2021: \$24,433,300 Operating – \$4,760,100 Debt Service – \$1,506,000 Capital – \$17,167,200
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ATTACHMENTS:	Resolution 2020-007 Budget Message Budget Summary
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STAFF CONTACT:	Sarah Menge 970-248-8581 <a href="mailto:smenge@gjairport.com">smenge@gjairport.com</a>
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**RESOLUTION NO. 2020-007**

**RESOLUTION TO ADOPT BUDGET  
AND  
APPROPRIATE SUMS OF MONEY**

**A RESOLUTION OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY BOARD OF DIRECTORS FOR OPERATIONS, CAPITAL PROJECTS, DEBT SERVICE AND RESERVES, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY FOR THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2021 AND ENDING ON THE LAST DAY OF DECEMBER 2021.**

**WHEREAS**, the Grand Junction Regional Airport Authority, a political subdivision of the State of Colorado, subject to the Local Government Budget Law of Colorado; and

**WHEREAS**, as required by State Statute, a proposed budget for fiscal year 2021 was submitted to the Board of Commissioners on October 6, 2020; and

**WHEREAS**, upon due and proper notice, published and posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on October 20, 2020, and interested parties were given the opportunity to file or register any objections to said proposed budget; and

**WHEREAS**, the Board considered such public comment; and

**WHEREAS**, the Budget attached hereto is a balanced budget which complies with all applicable State laws; and

**WHEREAS**, it is not only required by law, but also necessary to appropriate the revenues and reserves provided in the Budget for the purposes described therein, thereby establishing a limitation on expenditures for the operations of the Grand Junction Regional Airport Authority.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GRAND JUNCTION REGIONAL AIRPORT AUTHORITY, A POLITICAL SUBDIVISION OF THE STATE OF COLORADO:

**Section 1.** The recitals hereinabove are hereby adopted as findings and incorporated herein.

**Section 2.** That the budget as submitted, amended, and attached is approved and adopted as the budget of the Grand Junction Regional Airport Authority for the year stated above; and that the sums of money derived from revenues are appropriated for Operations, Capital Projects, Debt Service, and Reserves as set forth therein.

**Section 3.** The Executive Director is authorized to spend up to the approved capital, operating and expense budgets, provided actual revenues are consistent with budgeted revenues.

**Section 4.** The Executive Director is authorized to transfer budgeted amounts between expense categories as necessary to meet operational needs provided: (1.) any transfers in excess of \$50,000 shall be reported to the Board at the next regular meeting, and (2.) no transfers shall be permitted in or out of personnel accounts without Board authorization.

**Section 5.** The Board delegates authority to the Executive Director to apply for all budgeted grants and non-budgeted grant applications not committing Authority funds, however, non-budgeted grant applications that commit additional Authority funds shall be approved by the Board.

ADOPTED on this 17<sup>th</sup> day of November 2020.

GRAND JUNCTION REGIONAL  
AIRPORT AUTHORITY

ATTEST:

\_\_\_\_\_  
Tom Benton, Chairman

\_\_\_\_\_  
Joseph Burtard, Clerk

Board Members Voting AYE:

Those Voting NAY:

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**BUDGET MESSAGE**  
**(Pursuant to 29-1-103(1)(e), C.R.S.)**

**GRAND JUNCTION REGIONAL AIRPORT AUTHORITY**

The attached 2021 Budget for the Grand Junction Regional Airport Authority (the Authority) reflects a conservative estimate for commercial passenger traffic activity as the country continues to recover from the global COVID-19 pandemic.

In light of the expected decrease in traffic, the Authority's objectives in developing the 2021 budget were to:

- Maintain financial position and unrestricted cash balances
- Cover budgeted operating expenses with operating revenues
- Continue to make infrastructure improvements and repairs
- Maintain competitive airline rates and charges

Based on the conservative assumptions for activity at the airport, the 2021 operating revenue budget reflects a 30% reduction from actual 2019 revenues. Operating expenses were adjusted to ensure that operating revenues can cover expenses for ongoing operations.

The Authority also has an ambitious capital improvement program and deferred maintenance requirements on aging facilities. With the help of capital contributions from the Airport Improvement Program and CARES Act revenues, the Authority plans to move forward with planned construction projects without depleting cash reserves.

**Basis of Accounting**

The budgetary basis of accounting used to develop the budget is the modified accrual basis of accounting. The modified accrual basis of accounting differs from the GAAP basis in that outlays for acquisition of capital assets and debt principal payments are included as expenditures, and non-cash expenditures including depreciation and adjustments to post-employment benefit liabilities are excluded from expenditures.

**Services to be Provided**

The Authority is responsible for overseeing the operation, maintenance, and development of the Grand Junction Regional Airport (the Airport). Therefore, the primary services provided by the Authority include repair, maintenance, and improvement of Airport facilities and maintaining compliance with all Federal Aviation Administration requirements to allow aviation activities to continue at the Airport.



	2020 Estimated		
	2019 Actual	Actual	2021 Budget
<b>OPERATING REVENUE</b>			
<b>Aeronautical revenue</b>			
Total Passenger Airline Revenue	\$ 1,944,134	\$ 1,698,800	\$ 1,648,100
Total Non-passenger airline revenue	917,810	514,100	755,600
<b>Total Aeronautical revenue</b>	<b>2,861,944</b>	<b>2,212,900</b>	<b>2,403,700</b>
Non-aeronautical revenue	4,001,968	2,303,000	2,473,500
<b>Total Operating revenues</b>	<b>6,863,912</b>	<b>4,515,900</b>	<b>4,877,200</b>
<b>OPERATING EXPENSES</b>			
Personnel compensation and benefits	2,410,653	2,554,400	2,624,800
Communications and utilities	304,105	322,500	317,900
Supplies and materials	574,359	417,200	360,900
Contract services	601,831	663,300	753,000
Repairs & maintenance	567,837	382,900	369,500
Insurance	108,989	120,700	132,000
Other	242,400	299,100	312,600
<b>Total Operating Expenses</b>	<b>4,810,174</b>	<b>4,760,100</b>	<b>4,870,700</b>
<b>Net Revenue (Expense) from Operations</b>	<b>2,053,738</b>	<b>(244,200)</b>	<b>6,500</b>
<b>NON-OPERATING REVENUE (EXPENSE)</b>			
Passenger facility charges (restricted rev)	1,050,179	518,400	625,200
Interest income	225,138	34,200	41,600
Interest expense	(618,458)	(791,000)	(768,500)
Customer facility charges (restricted rev)	741,145	216,800	393,000
Capital contributions	6,004,320	14,163,500	18,417,000
Capital expenditures - AIP	(6,560,738)	(14,495,000)	(19,022,000)
Capital expenditures - Non-AIP	(5,034,054)	(2,672,200)	(1,781,500)
Debt principle payments	(924,673)	(715,000)	(735,000)
Other CARES Act - Debt service	-	1,505,400	1,502,900
Other CARES Act - Personnel & Op Ex	-	2,071,440	600,000
<b>Total Non-operating Revenue (Expense)</b>	<b>(5,117,141)</b>	<b>(163,460)</b>	<b>(727,300)</b>
<b>Net Change in Position (Budgetary Basis)</b>	<b>\$ (3,063,403)</b>	<b>\$ (407,660)</b>	<b>\$ (720,800)</b>
<b>Actual/Projected Ending Cash Balance</b>			
Restricted Cash	\$ 8,287,000	\$ 2,871,200	\$ 1,549,600
Unrestricted Cash	5,974,552	9,090,140	9,692,940
<b>Total Cash Balance</b>	<b>\$ 14,261,552</b>	<b>\$ 11,961,340</b>	<b>\$ 11,242,540</b>
<b>Actual/Projected Net Position</b>			
Net investment in capital assets	\$ 53,083,804	\$ 66,670,000	\$ 82,911,000
Restricted for debt service & capital assets	8,287,328	2,871,200	927,000
Unrestricted	4,305,417	9,110,600	11,131,000
<b>Total Fund Balance</b>	<b>\$ 65,676,549</b>	<b>\$ 78,651,800</b>	<b>\$ 94,969,000</b>

**Grand Junction Regional Airport Authority**  
Agenda Item Summary

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TOPIC:	Scope of Services for General Aviation Drainage Report		
PURPOSE:	Information <input type="checkbox"/>	Guidance <input type="checkbox"/>	Decision <input checked="" type="checkbox"/>
RECOMMENDATION:	Board approve consultative services of Garver to produce a report summarizing storm water drainage issues in the General Aviation areas adjacent to Taxilane C1A and authorize the Executive Director to sign the task order.		
SUMMARY:	<p>Storm water drainage issues have become prevalent over time in the general aviation areas surrounding Taxilane C1A, including both Airport property and private leaseholds. Garver will study and produce a report to help GJRAA better understand these issues and how they should be addressed.</p> <p>The report will include two exhibits: one exhibit defining leasehold and Airport Authority boundaries in the area under study, and the other exhibit will identify the drainage areas requiring rehabilitation. These exhibits will be referenced in the narrative portion of the report that will include for each area a summary of the issue(s), preliminary evaluation of the underlying cause(s), photographs of existing conditions, general recommendations for rehabilitation, and preliminary rehabilitation cost estimates.</p>		
REVIEWED BY:	Executive Director and Finance Director		
FISCAL IMPACT:	\$15,313		
ATTACHMENTS:	Garver Scope of Services and Fee Summary		
STAFF CONTACT:	Dylan Heberlein dheberlein@gjairport.com (970) 248-8596		

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## **APPENDIX A**

### **SCOPE OF SERVICES Grand Junction Regional Airport Authority Grand Junction, Colorado**

#### **2.1 General**

Generally, the scope of services includes a site inspection to develop a drainage condition report for the area surrounding Taxilane C1A. Refer to the report area sketch at the end of this Appendix. The final report will consist of two exhibits with accompanying narrative. One exhibit will provide an overall display of the General Aviation leaseholds to delineate responsibility for maintenance and upkeep between tenants and the Airport Authority; the other exhibit will highlight areas with current drainage concerns and areas with the potential for future drainage concerns. The narrative will provide general recommendations for rehabilitating the noted areas and preliminary rehabilitation cost estimates based on data gathered during the site inspection.

#### **2.2 Site Inspection**

Garver will perform a site inspection of the area surrounding Taxilane C1A including one site visit to walk the analysis area. Analysis will include investigation of existing drainage conditions and annotation, with pictures, of current and potential future drainage concerns. Drainage concerns are anticipated to include unintentional ponding, erosion, and signs of pavement distress or failure.

#### **2.3 Drainage Condition Report**

Garver will develop a report to document the results of the site inspection including the following:

- Exhibit 1 – General Aviation Leasehold Maintenance Responsibility Limits
- Exhibit 2 – General Aviation Area Drainage Rehabilitation Areas
- Narrative description of the drainage concerns including a preliminary evaluation of the underlying cause, general recommendation for rehabilitation, photographs of existing condition, and preliminary rehabilitation cost estimate

#### **2.4 Report Submittal and Analysis Site Walk**

Garver will attend a final meeting to walk the analysis site, present and discuss our findings.

#### **2.5 Project Deliverables**

The following will be submitted to the Client, or others as indicated, by Garver:

1. Two copies of the Drainage Conditions Report.
2. Electronic files as requested.



## 2.6 Extra Work

The following items are not included under this agreement but will be considered as extra work:

1. Geotechnical Subsurface Analysis.
2. Collection or verification of Lease Parcel information. Any parcel information shall be provided by the Airport.
3. Rehabilitation Design, Bidding, or Construction Services.
4. Construction Plans and Specifications for any rehabilitation methods.
5. Pavement Design.
6. Design of any utilities relocation.
7. Retaining walls or other significant structural design.
8. Preparation of a Storm Water Management Plan (SWMP).
9. Construction materials testing.
10. Environmental Handling and Documentation, including wetlands identification or mitigation plans or other work related to environmentally or historically (culturally) significant items.
11. Coordination with FEMA and preparation/submittal of a CLOMR and/or LOMR.

Extra Work will be as directed by the Client in writing for an additional fee as agreed upon by the Client and Garver.

## 2.7 Schedule

Garver shall begin work under this Agreement within ten (10) days of a Notice to Proceed and shall complete the work in accordance with the schedule below:

<u>Phase Description</u>	<u>Calendar Days</u>
Drainage Conditions Report	30 days from start date



**Report Area Sketch**



## Appendix B

### Grand Junction Regional Airport Drainage Condition Study

#### FEE SUMMARY

<b>Title I Service</b>	<b>Estimated Fees</b>	
Drainage Condition Report	\$ 15,313.00	
<b>Subtotal for Title I Service</b>	<b>\$ 15,313.00</b>	I



# GRAND JUNCTION REGIONAL AIRPORT ACTIVITY REPORT

Report Date: 9/30/2020

PY Comparison Date: 9/30/2019

September, 2020

PASSENGER ENPLANEMENTS:	CURRENT MONTH			YEAR-TO-DATE		
	2019	2020	PERCENT CHANGE	2019	2020	PERCENT CHANGE
AMERICAN	9,447	7,078	-25.08%	78,234	50,062	-36.01%
ALLEGIANANT	1,836	699	-61.93%	18,556	11,153	-39.90%
UNITED	7,484	2,749	-63.27%	60,469	24,832	-58.93%
DELTA	3,691	2,720	-26.31%	33,153	16,515	-50.19%
DENVER AIR CONNECTION	461	-	-100.00%	5,378	1,703	-68.33%
Misc Charters	145	-		1,097	241	-78.03%
<b>TOTAL ENPLANEMENTS</b>	<b>23,064</b>	<b>13,246</b>	<b>-42.57%</b>	<b>196,887</b>	<b>104,506</b>	<b>-46.92%</b>
<b>TOTAL SEAT CAPACITY</b>	<b>29,552</b>	<b>19,630</b>	<b>-33.57%</b>	<b>253,498</b>	<b>167,941</b>	<b>-33.75%</b>
PASSENGER DEPLANEMENTS:	2018	2020	CHANGE	2019	2020	CHANGE
AMERICAN	8,904	7,331	-17.67%	78,589	49,556	-36.94%
ALLEGIANANT	1,757	666	-62.09%	17,952	10,931	-39.11%
UNITED	7,365	2,673	-63.71%	71,650	28,638	-60.03%
DELTA	3,680	2,527	-31.33%	36,168	17,064	-52.82%
DENVER AIR CONNECTION	452	-	-100.00%	5,338	1,596	-70.10%
Misc Charters	147	-	-100.00%	1,010	167	-83.47%
<b>TOTAL DEPLANEMENTS</b>	<b>22,305</b>	<b>13,197</b>	<b>-40.83%</b>	<b>210,707</b>	<b>107,952</b>	<b>-48.77%</b>
<b>TOTAL PASSENGERS</b>	<b>45,369</b>	<b>26,443</b>	<b>-41.72%</b>	<b>407,594</b>	<b>212,458</b>	<b>-47.88%</b>

LOAD FACTOR:(OUTBOUND ONLY)	CURRENT MONTH			YEAR-TO-DATE		
	2019	2020	Difference	2019	2020	Difference
AMERICAN	78.32%	73.74%	-4.58%	78.06%	69.21%	-8.84%
ALLEGIANANT	61.26%	56.01%	-5.25%	72.35%	51.20%	-21.15%
UNITED	86.59%	96.56%	9.97%	82.14%	66.99%	-15.15%
DELTA	82.02%	45.82%	-36.20%	80.18%	49.49%	-30.69%
DENVER AIR CONNECTION	38.42%	N/A	N/A	45.16%	50.24%	5.08%
<b>GJT TOTAL</b>	<b>78.05%</b>	<b>67.48%</b>	<b>-10.57%</b>	<b>77.67%</b>	<b>62.23%</b>	<b>-15.44%</b>

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

As of Date:

09/30/2020

	Month			Forecast Variance		Prior Year Variance		
	09/30/2020	09/30/2020	09/30/2019	Forecast \$ Var	Forecast % Var	PY \$ Var	PY % Var	
	Forecast	Actual	PY Actual					
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	30,335	39,422	49,316	9,087	29.96 %	(9,894)	(20.06) %
2	Terminal rent	102,956	102,956	98,874	-	0.00 %	4,082	4.13 %
3	Other (boarding bridge)	1,413	2,043	8,940	630	44.59 %	(6,897)	(77.15) %
	<b>Total Passenger airline revenue</b>	<b>134,704</b>	<b>144,421</b>	<b>157,130</b>	<b>9,717</b>	<b>7.21 %</b>	<b>(12,709)</b>	<b>(8.09) %</b>
Non-passenger airline revenue								
4	Non-passenger landing fees	8,367	10,790	8,237	2,423	28.96 %	2,553	30.99 %
5	Cargo and hangar rentals	4,488	4,561	4,483	73	1.63 %	78	1.74 %
6	Fuel tax	4,500	12,550	19,745	8,050	178.89 %	(7,195)	(36.44) %
7	Fuel Flowage Fees and Sales	25,912	38,721	52,642	12,809	49.43 %	(13,921)	(26.44) %
8	Other (ramp parking, rapid refuel)	328	840	1,710	512	156.10 %	(870)	(50.88) %
	<b>Total Non-passenger airline revenue</b>	<b>43,595</b>	<b>67,462</b>	<b>86,817</b>	<b>23,867</b>	<b>54.75 %</b>	<b>(19,355)</b>	<b>(22.29) %</b>
	<b>Total Aeronautical revenue</b>	<b>178,299</b>	<b>211,883</b>	<b>243,947</b>	<b>33,584</b>	<b>18.84 %</b>	<b>(32,064)</b>	<b>(13.14) %</b>
Non-aeronautical revenue								
9	Land and building leases	49,343	49,097	48,614	(246)	(0.50) %	483	0.99 %
10	Terminal - restaurant & retail	3,731	7,710	12,975	3,979	106.65 %	(5,265)	(40.58) %
11	Terminal - other	15,041	15,294	15,042	253	1.68 %	252	1.68 %
12	Rental cars	38,707	107,624	123,044	68,917	178.05 %	(15,420)	(12.53) %
13	Parking	40,306	56,037	134,468	15,731	39.03 %	(78,431)	(58.33) %
14	Ground Transportation	1,799	3,683	5,623	1,884	104.72 %	(1,940)	(34.50) %
15	Other (advertising, security fee, vending, etc)	3,235	14,689	2,477	11,454	354.06 %	12,212	493.02 %
	<b>Total Non-aeronautical revenue</b>	<b>152,162</b>	<b>254,134</b>	<b>342,243</b>	<b>101,972</b>	<b>67.02 %</b>	<b>(88,109)</b>	<b>(25.74) %</b>
	<b>Total Operating revenues</b>	<b>330,461</b>	<b>466,017</b>	<b>586,190</b>	<b>135,556</b>	<b>41.02 %</b>	<b>(120,173)</b>	<b>(20.50) %</b>

## Variance Explanations - September 2020 compared to Forecast and September 2019 Preliminary Financial Statements

Note that expenses have not been presented and compared on a monthly basis, because almost all variance in expenses are timing related at this point. Variance explanations and account explanations have been provided for most revenue accounts below to help describe the revenue source and how the changes in assumptions and activity impacted September 2020.

### ***Operating Revenues:***

- 1 **Passenger airline landing fees** – The forecasted passenger landing revenue estimated that we would have 50% fewer commercial landings in September 2020 compared to September 2019. Actual September landings were only down 39% compared to scheduled 2019 landings. As a result, passenger airline landing revenue was 30% above forecast. United continues to have the largest decrease in activity year over year with a decrease of 64% in scheduled flights in September 2020 compared to September 2019. American was down 19%, Delta (Skywest) was down 1%, and Allegiant was down 56% compared to 2019.
  - 2 **Terminal Rent** – Terminal rent is a fixed charge to the airlines that covers their individual ticket counters and office space, as well as the ticket queuing area, baggage claim, and secure hold room. The increase from prior year was based on the calculated increase in rates from the formula based rates and charges model that was adopted in the December 2019 board meeting.
  - 3 **Other (Boarding Bridge)** – Although the total dollar amount is small, I wanted to note that the decrease in Boarding bridge fees from 2019 is not tied directly to usage because the "per turn" fee charged for using the boarding bridge was decreased from \$25/use to \$8.50/use from 2019 to 2020 with the new rate model.
  - 4 **Non-passenger landing fees** – Landing fees from non-passenger traffic exceeded forecast expectations by \$2,400, due entirely to fire fighting activity. The Pine Gulch Fire started July 31 and was 79% contained on August 31st therefore the majority of the firefighting revenues were recognized in August, however, there were ongoing firefighting operations from Grand Junction which resulted in higher than anticipated non-passenger landing revenue.
  - 5 **Cargo and hangar rentals** – FedEx leases a hangar and "exclusive" space on the commercial apron. This fixed rent charge is based on their lease.
  - 6 **Fuel tax revenue** – Based on discussions with CDOT, fuel tax is typically collected by the State and remitted to the airports about two months after the activity occurred, however, remittance from the state can be inconsistent and therefore the Authority recognizes this revenue on a cash basis. Fuel flowage fees tend to correlate most closely to commercial activity. Payments and revenue recognized in September should be related to July commercial airline activity which was at about 49% of 2019, therefore the decrease of 36% from 2019 is expected and ahead of forecast expectations.
  - 7 **Fuel flowage fees and fuel sales** – Fuel flowage fees are collected from non-commercial fueling at the airport and therefore are influenced from GA operations, primarily military fueling. GA operations rebounded much quicker than expected. The forecast predicted a 50% decrease in September activity, however, total fuel flowage was only down 26% from 2019. This resulted in net fuel tax and flowage fees of approximately \$21,000 above forecast.
- Non-aeronautical revenues** – Aside from Land and building leases and terminal - other accounts that represent fixed rent charges, the non-aeronautical revenues are tied directly to passenger traffic. In September 2020, the airport had 12,679 revenue enplanements compared to 22,207 revenue enplanements in September 2019; a decline of approximately 43%. The September forecast estimated a 70% decline, so passenger numbers were well ahead of forecast expectations.
- 10 **Terminal - restaurant & retail** - The decline in restaurant and retail revenue from 2019 of 41% was slightly lower than the decrease in passengers at 43%. This is an indication that passenger spending in September 2020 was above the pre-pandemic spending.
  - 12 **Rental Cars** - Rental car revenue only declined 13% year over year. We believe that some of the decrease was less than the total decrease in passengers due to stronger local rental car activity than expected as the Average daily rate in September 2020 was at \$56/day compared to \$53/day in September 2019.
  - 13 **Parking and Ground Transportation** - Parking revenue and Ground Transportation revenue declined by 57% year over year from 2019 to 2020 in September. The spending per passenger for parking is still well below the pre-COVID levels, primarily due to a change in the passenger mix between business and leisure travel, but continues to out pace forecasted revenues.

# Grand Junction Regional Airport Authority

## Statements of Changes in Net Position

Unaudited - subject to change

		Year to Date			Forecast Variance		Prior Year Variance	
		09/30/2020	09/30/2020	09/30/2019				
		Forecast	Actual	PY Actual	Forecast \$ Remaining	Forecast % Remaining	PY \$ Var	PY % Var
<b>Operating revenue</b>								
Aeronautical revenue								
Passenger airline revenue								
1	Passenger airline landing fees	\$ 327,448	\$ 339,953	\$ 469,248	\$ 12,505	3.82 %	\$ (129,295)	(27.55) %
2	Terminal rent	926,604	932,073	887,156	5,469	0.59 %	44,917	5.06 %
3	Other (boarding bridge)	15,158	16,401	93,400	1,243	8.20 %	(76,999)	(82.44) %
	<i>Total Passenger airline revenue</i>	<u>1,269,210</u>	<u>1,288,427</u>	<u>1,449,804</u>	<u>19,217</u>	<u>1.51 %</u>	<u>(161,377)</u>	<u>(11.13) %</u>
Non-passenger airline revenue								
4	Non-passenger landing fees	75,303	164,899	70,897	89,596	118.98 %	94,002	132.59 %
5	Cargo and hangar rentals	40,392	40,819	40,016	427	1.06 %	803	2.01 %
6	Fuel tax	75,316	117,088	156,056	41,772	55.46 %	(38,968)	(24.97) %
7	Fuel Flowage Fees and Sales	175,874	317,998	401,843	142,124	80.81 %	(83,845)	(20.87) %
8	Other (ramp parking, rapid refuel)	2,952	4,740	6,330	1,788	60.57 %	(1,590)	(25.12) %
	<i>Total Non-passenger airline revenue</i>	<u>369,837</u>	<u>645,544</u>	<u>675,142</u>	<u>275,707</u>	<u>74.55 %</u>	<u>(29,598)</u>	<u>(4.38) %</u>
	<i>Total Aeronautical revenue</i>	<u>1,639,047</u>	<u>1,933,971</u>	<u>2,124,946</u>	<u>294,924</u>	<u>17.99 %</u>	<u>(190,975)</u>	<u>(8.99) %</u>
Non-aeronautical revenue								
9	Land and building leases	441,900	460,014	443,021	18,114	4.10 %	16,993	3.84 %
10	Terminal - restaurant & retail	60,907	68,472	125,543	7,565	12.42 %	(57,071)	(45.46) %
11	Terminal - other	135,369	137,002	135,562	1,633	1.21 %	1,440	1.06 %
12	Rental cars	460,252	646,396	990,447	186,144	40.44 %	(344,051)	(34.74) %
13	Parking	540,862	573,318	1,117,870	32,456	6.00 %	(544,552)	(48.71) %
14	Ground Transportation	20,185	24,058	56,923	3,873	19.19 %	(32,865)	(57.74) %
15	Other (advertising, security fee, etc.)	26,792	37,036	72,844	10,244	38.24 %	(35,808)	(49.16) %
	<i>Total Non-aeronautical revenue</i>	<u>1,686,267</u>	<u>1,946,296</u>	<u>2,942,210</u>	<u>260,029</u>	<u>15.42 %</u>	<u>(995,914)</u>	<u>(33.85) %</u>
	<b>Total Operating Revenues</b>	<u>\$ 3,325,314</u>	<u>\$ 3,880,267</u>	<u>\$ 5,067,156</u>	<u>\$ 554,953</u>	<u>16.69 %</u>	<u>\$ (1,186,889)</u>	<u>(23.42) %</u>

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

Unaudited - subject to change

		Year to Date			Forecast Variance		Prior Year Variance	
		09/30/2020	09/30/2020	09/30/2019				
		Forecast	Actual	PY Actual	Forecast \$ Variance	Forecast % Variance	PY \$ Var	PY % Var
<b>Operating expenses</b>								
16	Personnel compensation and benefits	\$ 1,915,686	\$ 1,786,734	\$ 1,768,429	(128,952)	(6.73) %	18,305	1.04 %
17	Communications and utilities	233,985	228,737	238,035	(5,248)	(2.24) %	(9,298)	(3.91) %
18	Supplies and materials	315,079	282,421	377,433	(32,658)	(10.37) %	(95,012)	(25.17) %
19	Contract services	493,516	414,719	455,968	(78,797)	(15.97) %	(41,249)	(9.05) %
20	Repairs & maintenance	316,609	196,579	275,570	(120,030)	(37.91) %	(78,991)	(28.66) %
21	Insurance	89,328	86,268	82,957	(3,060)	(3.43) %	3,311	3.99 %
22	Training, Travel, & Air Service Development	111,780	61,179	146,654	(50,601)	(45.27) %	(85,475)	(58.28) %
23	Other Expense (marketing, professional dues, etc)	64,425	49,154	40,622	(15,271)	(23.70) %	8,532	21.00 %
24	Contingency Expense	-	-	3,597	-	0.00 %	(3,597)	0.00 %
	<i>Total Operating expenses</i>	<u>3,540,408</u>	<u>3,105,791</u>	<u>3,389,265</u>	<u>(434,617)</u>	<u>(12.28) %</u>	<u>(283,474)</u>	<u>(8.36) %</u>
<b>Non-operating revenue (expenses)</b>								
25	Passenger facility charges	394,914	483,939	797,904	89,025	22.54 %	(313,965)	(39.35) %
26	Interest income	33,081	58,468	191,221	25,387	76.74 %	(132,753)	(69.42) %
27	Interest expense	(592,782)	(592,491)	(609,642)	291	0.05 %	17,151	2.81 %
28	Customer facility charges	125,672	156,704	566,265	31,032	24.69 %	(409,561)	(72.33) %
29	Capital contributions	14,163,501	5,486,704	2,172,302	(8,676,797)	(61.26) %	3,314,402	152.58 %
29	Capital expenditures	(17,653,910)	(7,542,204)	(7,199,968)	10,111,706	57.28 %	(342,236)	(4.75) %
	<i>Total Non-operating revenue (expenses)</i>	<u>(3,529,524)</u>	<u>(1,948,880)</u>	<u>(4,081,918)</u>	<u>1,580,644</u>	<u>44.78 %</u>	<u>2,133,038</u>	<u>52.26 %</u>
	<b>Excess of revenue over (under) expense</b>	<u><b>\$ (3,744,618)</b></u>	<u><b>\$ (1,174,404)</b></u>	<u><b>\$ (2,404,027)</b></u>	<u><b>2,570,214</b></u>	<u><b>68.64 %</b></u>	<u><b>1,229,623</b></u>	<u><b>51.15 %</b></u>

**GJRAA - Breakdown of Capital Expenditure Costs Year-to-Date through September 30, 2020**

**2020 AIP CAPITAL EXPENDITURES INCURRED THROUGH SEPTEMBER 30, 2020 AND GRANT REVENUE RECOGNIZED**

Grand Number	Project/Grant Description	2020 Costs Incurred	FAA Grant	CDOT Grant	2020 GJRAA Local Share
			Revenue Recognized in 2020	Revenue Recognized	
AIP 58	27 1/4 Road Relocation	\$ 75,888	\$ 68,299	\$ -	\$ 7,589
AIP 62	Relocate perimeter road, fencing, and MALSR design	2,627,934	2,365,140	93,754	169,040
AIP 63	Road, Fencing, drainage pond, and earthwork	2,214,330	1,992,897	-	221,433
AIP 64	CARES Act **	-	-	-	-
AIP 65	Taxiway A and RWY 11-29 Rehab Design Only	553,295	553,295	-	-
AIP 66	Construct Run-up Pad & Rehab Apron	413,319	413,319	-	-
TBD	Taxiway A and RWY 11-29 Construction	4,163	-	-	-
<b>Total AIP Projects</b>		<b>\$ 5,888,929</b>	<b>\$ 5,392,950</b>	<b>\$ 93,754</b>	<b>\$ 398,062</b>

\*\* Note that CARES Act Costs are not specifically defined by the grant but are available for all legal purposes. GJRAA plans to draw down approximately \$3.5M in 2020 in Q4 and when the reimbursement request is made the revenue will be recognized.

**2020 NON-AIP CAPITAL EXPENDITURES INCURRED THROUGH September 30, 2020**

Project Description	2020 Costs Incurred
Flooring Replacement Project	\$ 859,701
Admin Building Demolition and Landscaping	626,327
Fleet Replacements	43,792
No Foam ARFF Install - Reimbursed \$25,000 by CDOT	31,772
Carpet Ride-on Vacuum	15,971
Baggage Claim Upgrades	14,408
DVR Replacement	13,000
Terminal Design Projects	11,475
Rental Car Landscaping/Drainage Project - CFC Funded	6,674
Replace Boarding area switch	6,501
ATO 1 IT Switch	6,235
Basement Stairs	5,666
Terminal Hot Water Heater Replacement	5,431
TSA Millwork Replacement	4,915
Fed Ex Ramp Repair	1,408
<b>Total Non-AIP Projects</b>	<b>\$ 1,653,274</b>

**Total Capital Expenditures YTD through 9/30/20 \$ 7,542,203**

## Variance Explanations - September 30, 2020 Year to Date Preliminary Financial Statements

Please note that the Forecast column reflects the year-to-date forecast through September. Some of the variance, particularly in expenses is still due to timing, however, in order to measure performance against the revised forecast through September, we have estimated the revised forecast on a monthly basis.

Year-to-date through September 2020 passenger traffic is down 47% (about 88,900 passengers) compared to September 2019. The explanations below are intended to provide additional explanations about variances between forecasted revenues and expenses.

***Operating Revenues: Operating revenues are \$555k ahead of forecast year-to-date through September 2020. Total forecasted operating revenue for the year is \$4.5M therefore 85% of the operating revenue forecast has been earned YTD through September.***

- 1 **Passenger Landing Fees** - Passenger landing fees year to date are about \$12,500 above forecast expectations. Total scheduled landings year to date through September 2020 are down about 36% compared to September 2019 which is better than the forecast.
- 2 **Terminal Rent** - The increase in terminal rent revenue from prior year is a reflection of the increased rates calculated using the new formula based rate setting methodology and adopted in December by resolution in anticipation of adopting the new lease and use agreements in 2020. We have not made any changes in our assumptions for terminal rent at this time.
- 3 **Boarding Bridge Revenue** - The decrease in boarding bridge revenue was budgeted for and expected. With the change in rates mentioned in the terminal rent explanation above, we also adjusted the boarding bridge per turn charge which decreased from the 2019 rates.
- 4 **Non-Passenger Landing Fees** - Non-passenger landing fees year-to-date through September 2020 are approximately \$94,000 higher than YTD September 2019 and exceed the total annual forecast for the year (\$100k). The total number of cargo landings has been consistent year over year, and the majority of the increase has been related to fire fighting activity in June-August 2020 which was much higher than 2019 fire activity.
- 5 **Cargo and hangar rentals** - The cargo hangar rental is a fixed rent charge and is on budget and consistent with prior year.
- 6 **Fuel Tax** - Fuel tax revenues are collected by the state and remitted to the Airport based on all fuel sales, but these revenues tend to correlate most closely with activity (commercial landings). YTD through September, commercial passenger landings are down about 35%, therefore the 25% decline in fuel tax revenues from prior year is expected. Commercial landings were projected to be down 50%, therefore this revenue exceeds forecast expectations.
- 7 **Fuel Flowage Fees** - Fuel flowage fees are not charged to commercial carriers, but correlate with GA operations. GA activity has not decreased as much as was originally forecasted so we have collected more flowage fee revenues year to date than was anticipated. Year-to-date 2020 fuel flowage in gallons through September are down about 21% compared to YTD September 2019 fuel flowage gallons. With the fire activity and strong GA recovery, fuel flowage revenue has already exceeded the annual forecast (\$258,000).
- 9 **Non-aeronautical revenues** - Year-to-date through September 2020, total enplaned passengers are approximately 47% lower than the same time period in 2019. Aside from land and building leases and the terminal - other revenue which are fixed rents, the other non-aeronautical revenues are almost entirely tied to enplaned passengers at the airport and therefore would be expected to reflect a comparable decline in year-to-date revenues from 2019 as passenger traffic. Declines year-to-date through September 2020 for restaurant and rental cars are below the 47% decrease in passenger traffic. Parking and ground transportation have year-over-year declines that are higher than the decline in passenger traffic, but are trending with the forecast.

***Operating Expenses: Total Operating Expenses YTD through September 2020 are \$435k below forecast. More than half of the savings are in personnel and repairs and maintenance, however, all categories continue to be under forecast.***

- 15 **Personnel Compensation & Benefits** – Compensation and benefits are approximately \$129k below the YTD forecast through September which reflects the hiring freeze on vacant positions.
- 17 **Supplies & Materials** – Supplies & Materials costs are \$95k lower than actual prior year spending YTD through September and \$33k below forecast. The decrease is almost entirely related to decreases in unleaded fuel purchases. Fuel is purchased and sold to the rental car companies and airlines to fuel their equipment. With the decrease in demand, the consumption has decreased and the purchases are less frequent.
- 19 **Repairs & Maintenance** – Repairs and Maintenance activities are currently below forecast and prior year spending. The timing of incurring these costs is somewhat unpredictable, so we have estimated even spending for budget purposes, although some months will have higher costs than others. We expect to come in below forecast for the year.
- 21 **Training, Travel, & Air Service Development** – Costs for training, travel and air service development are \$50k below the YTD forecast through September 2020 and \$85k lower than the prior YTD spending through September 2019. A temporary "freeze" has been placed on travel for conferences and non-required training and employees are taking advantage of on-line and local training opportunities where available.

***Non-Operating Revenues and Expenses:***

- 24 **PFC Revenue** – PFC revenue is below prior year actual due to the decrease in passenger activity, however, actual passenger numbers YTD through September 2020 are higher than forecasted resulting in higher than expected PFC revenue. Year to date, total passenger traffic is down 47% which is consistent with the decline in PFC revenue.
- 25 **Interest Income** - Interest income is less than half of the amount received in 2019 YTD through September. The second half of the bond funds were drawn down in March 2020 and therefore we expect the monthly and year-to-date income to reduce substantially from the prior year. However, interest income is ahead of forecast YTD through September 2020.
- 27 **CFC Revenue** – CFC revenues were temporarily waived from April 2020 through September 2020 and with the decrease in passenger traffic, revenue is down 72% from September 2019. Actual CFC revenues are ahead of forecast as rental car activity has been stronger than anticipated and a couple of rental car brands continued to collect CFCs during the waiver period.
- 28 **Capital Contributions & Expenditures** – The timing of capital contributions (grant revenue) and capital expenditures is somewhat unpredictable therefore the forecast represents the full annual budget. In 2020 we have performed more AIP and Non-AIP work year to date through September 2020 compared to September 2019, however, it is unlikely that we will spend the full budget due to the timing of our grant awards and the construction season.

**Grand Junction Regional Airport Authority**  
**Statement of Financial Position - Unaudited, subject to change**

	Month Ending 09/30/2020	Month Ending 08/31/2020	Variance
<b>Assets</b>			
Current Assets			
	\$ 8,281,324	\$ 7,320,805	\$ 960,520
	4,243,410	4,202,618	40,791
1	<i>Total Cash and Cash Equivalents</i>	<i>11,523,423</i>	<i>1,001,311</i>
Accounts Receivable			
	1,252,246	1,279,089	(26,843)
	1,448,702	2,014,974	(566,272)
2	<i>Total Accounts Receivable, Net</i>	<i>3,294,063</i>	<i>(593,115)</i>
3	Prepaid Expenses	137,202	(20,083)
	<i>Total Current Assets</i>	<i>14,954,688</i>	<i>388,112</i>
<b>Non-Current Assets</b>			
Capital Assets			
	9,764,782	9,764,782	-
	58,685,129	59,098,340	(413,211)
4	<i>Total Capital Assets, Net</i>	<i>68,863,122</i>	<i>(413,211)</i>
5	Bond Project Fund	415,744	29
	<i>Total Non-Current Assets</i>	<i>69,278,866</i>	<i>(413,182)</i>
	<b>Total Assets</b>	<b>84,233,555</b>	<b>(25,070)</b>
6	<b>Deferred Outflows of Resources - Pension Plan</b>	<b>719,284</b>	<b>-</b>
<b>Liabilities</b>			
Current Liabilities			
7	Accounts Payable - Ops	311,174	(139,475)
7	Accounts Payable - Capital	575,463	193,632
8	Accrued Expenses	218,772	(28,238)
9	Lease Deposits	165,194	-
10	Deferred Revenue	27,029	(196)
11	Current portion of capital lease and bonds payable	1,115,972	65,865
	<i>Total Current Liabilities</i>	<i>2,413,605</i>	<i>91,587</i>
Long Term Liabilities			
	18,178,870	18,178,870	-
	400,577	402,666	(2,089)
	3,011,861	3,011,861	-
12	<i>Total Long Term Liabilities</i>	<i>21,593,397</i>	<i>(2,089)</i>
	<i>Total Liabilities</i>	<i>24,007,002</i>	<i>89,498</i>
13	<b>Deferred Inflows of Resources - Pension Plan</b>	<b>64,024</b>	<b>-</b>
	<b>Total Net Position</b>	<b>\$ 60,881,813</b>	<b>\$ (114,568)</b>

## **Variance Explanations - September 30, 2020 Statement of Financial Position**

***Assets: Total Assets decreased by \$25k from August 2020 to September 2020. Cash increased by \$1M as payments were received on capital receivables which decreased by \$600k. Additionally, \$413k of non-cash depreciation expense was recognized which reduces total assets.***

- 1 **Cash** – Cash increased by \$1M from August 2020 to September 2020. The increase was primarily due to payments received from the FAA related to AIP projects that exceeded amounts paid to contractors in September.
- 2 **Accounts Receivable** – Accounts receivable includes both operating receivables and capital receivables from grants. Operating receivables decreased approximately \$27k from August to September as payments on deferred balances in addition to regularly scheduled bills were paid. Capital receivables decreased \$566k as we received grant reimbursements from August contractor activity.
- 3 **Prepaid Expenses** – Prepaid expenses are primarily related to insurance contracts and software subscriptions that we pay annually, or in advance, that we will receive benefit for over a period of time. As we use these services over the policy or contract period, the amount is recognized as an expense, rather than expensing the entire annual cost in the month that it is paid. The decrease in this balance from August to September represents the current month's share of expenses from the prepaid expenses. This balance will continue to decline over the policy period until another prepayment is made.
- 4 **Capital Assets, Net** – Historically, the airport has not capitalized equipment throughout the year as it is purchased, but instead, expenses all purchases as part of capital expenditures and then capitalizes assets at year end. This allows us to track spending for budget purposes. Therefore, the only change in the fixed assets accounts that will be seen on a monthly basis is the regular monthly depreciation based on assets placed in service as of December 31, 2019.
- 5 **Bond Project Fund** – The remaining bond project fund balance represents interest earnings that were accumulated on the project funds. The accumulated interest is still restricted in purpose, but is available to cover debt service.

### ***Deferred Outflows of Resources:***

- 6 **Deferred Outflows of Resources - Pension Plan** – The deferred outflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. The pension liability is only re-valued annually so there is no change from month to month. The change in these accounts all represent accounting estimates and non-cash transactions. These amounts will only change once per year when the calculation is updated.

***Liabilities: Total Liabilities increased \$89k from August 2020 to September 2020 due to a \$26k increase in accounts payable and accrued expenses, and \$65k of accrued bond interest.***

- 7 **Accounts Payable** – Similar to accounts receivable, the majority of the balance and the variance from month to month is caused by the capital expenses payable to contractors and engineers associated with our capital projects. Capital accounts payable and receivable should have a positive correlation in periods when we are working primarily on AIP projects where the majority of the cost is funded by the FAA. In September, payments received from grants for August activity was greater than the amount incurred. However, some of the contractor payments were delayed as they were final payments that require advertisement, therefore capital payables increased from August to September. Operating payables decreased from August to September due to the timing of costs incurred.
- 8 **Accrued Expenses** – This category is primarily made up of liabilities for un-used PTO (approximately \$155,000) and payroll accruals to properly recognize payroll expenses in the periods that the employees have worked. Changes in this account month to month are almost entirely related to changes in the payroll accruals.
- 9 **Lease Deposits** – Lease deposits are primarily made up of General Aviation Lease deposits that were required in the standard ground lease based on a number of month's rent. We also hold deposits for parking passes held by airport tenant employees. These amounts are payable back to tenants at the end of the lease, or as parking passes are returned. The balance of deposits typically does not change materially from period to period as activity is limited.
- 10 **Deferred Revenue** – This liability represents rent received in advance and is primarily made up of a pre-payment received by the BLM in 2017. Prepaid rent is a liability because we have not provided our tenant with the space for the period of time that they paid us for.
- 11 **Current Portion of capital lease and bonds payable** – This balance represents principal and interest due on the outstanding revenue bond and Yukon capital lease in the current calendar year. We have semi-annual payments due June 1 and December 1 for the bond and one annual payment on the vehicle lease in June. The increase this month represents one month of interest that is owed, but not paid.
- 12 **Long-Term Liabilities** – The long-term bond payable and capital payable balance is updated annually in December to reflect the remaining portion due beyond one year, therefore there is no change from the prior month. The net Pension liability is also only calculated annually, so there will be no change in this amount. This is the actuarial estimate of the airports portion of the unfunded Pension liability for PERA. Long-term deferred revenue represents pre-paid revenues for years after 2020.

***Deferred Inflows of Resources:***

- 13 **Deferred Inflows of Resources - Pension Plan** – Similar to deferred outflows described above, the deferred inflows of resources represent a timing difference for recognizing changes in the estimated pension liability for our PERA pension and health plans offered to employees. Deferred Inflows of resources actually represent increases to the pension liability that will be recognized in future years, primarily related to changes in actuarial assumptions. These will only be calculated annually, and therefore no changes will be seen month to month.