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**Grand Junction Regional Airport Authority Board**  
**Board Meeting**  
Meeting Minutes  
February 21, 2017

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**REGULAR BOARD MEETING**

**Time: 5:15PM**

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

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at about 5:15PM on February 21, 2017 in Grand Junction, Colorado and in the County of Mesa.

<i>Commissioners Present:</i> Steve Wood, Chairman Dave Murray Paul Nelson Tom Benton Rick Taggart  <i>Airport Staff:</i> Kip Turner Victoria Hightower, Clerk Ty Minnick Ben Johnson Ben Peck Chance Ballegeer Jodi Doney Eric Trinklein	<i>Other:</i> Shannon Kinslow, TOIL Drew Armstrong, Finance & Audit committee Bob Jones, Kimley – Horn Wayne Clark, GJAUTA David Hartmann, Armstrong Dennis Corsi, Armstrong
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**II. Approval of Agenda**

Chairman Wood stated that staff asked for Directors Report to be replaced with a CAF presentation and have Action Items F. AIP 52 Change order and item G. AIP 52 pay request, be removed from the agenda.

*The agenda was approved by major motion with the changes.*

**III. Conflict Disclosures**

Commissioner Murray – None  
Commissioner Nelson – None  
Chairman Wood – Hangar Owner  
Commissioner Ball – Absent

Commissioner Taggart – None  
Commissioner Benton – None  
Commissioner Brown - Absent

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

Chairman Wood read an excerpt from the settlement agreement because he felt like a lot of discussion taken place on this topic has been misleading to the public. *“The United States contends that it has certain civil claims under the false claims act against the airport arising from the false certifications and information provided to the FAA. In particular, the airport submitted knowingly false categorical exclusion (CatEx) forms as part of its environmental compliance for construction of an airport perimeter fence including entrance gates, (a.k.a. “The Fence Project”), AIP project number 308-0027-43. These airport sponsored categorical exclusion certifications were used to obtain approval of The Fence Project and to avoid additional analysis required by the National Environmental Policy Act, concerning the impact changes The Fence Project would cause to the general aviation community including businesses located at the airport. At the time the categorical exclusion forms are certified by the airport, it knew that The Fence Project was likely to have a substantial negative impact on existing business at the airport due to the restrictions on entry by the public to the businesses located within the boundaries of the fence. The categorical exclusion form certified by the airport on February 12, 2009 and on April 19, 2011, each contain false statements claiming that there would be no secondary induced impacts socioeconomic impacts, environmental justice, and children’s environmental health and safety risks or cumulative impacts of the airports fence project on existing businesses. The CatEx form certified by the airport on August 8, 2011 when The Fence Project was already underway, contains false statements regarding the likely magnitude of projects negative impact on existing business at the airport, in reliance on these three false certifications the FAA allowed the airport to proceed with the fence project and to withdraw federal funds from the FAA for the project between January 18, 2011 and October 10, 2012.”* Chairman Wood stated that he wanted to read that because he thinks it is important for people to understand that the issue was not a clerical error and from things that happened years ago this Board and the Board of the last three or four years has had a tremendous amount of work to do. Chairman Wood stated that he is not expressing personal opinion, he is simply stating the position of the United States.

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

##### **Wayne Clark, GJAUTA**

Mr. Clark thanked Chairman Wood for reading the excerpt and stated that he thinks it’s extremely important that things be brought out that unfortunately the newspaper has forgotten to do. Mr. Clark asked the Board what was happening with the gates. Mr. Clark stated that they had an issue a couple of months ago with a broken gate where GA enters the airport. Mr. Clark said that if the other gate they had to use broke they would have been in trouble and would have had to be escorted by West Star because of the AOA, it would have been a burden on West Star and would have been a burden on the GA. Mr. Clark said that the he has noticed that for the last couple of Board meetings the gate issue has disappeared and he would like to have some answers.

Chairman Wood said that they will do their best to get an update on the status of the gate situation.

**VI. Consent Agenda**

- A. January 17, 2017 Regular Meeting Minutes
- B. Pay Request: G4S

*Commissioner Nelson made a motion for the Board to approve the Consent Agenda as presented. Commissioner Benton seconded. Voice Vote. All Ayes.*

**VII. CAF Presentation (Randy)**

**VIII. Staff Reports**

**A. Financial/Activity Update**

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

**Financial Results**

**Assets –**

- Cash showed a slight decrease as a result of an increase in the account receivables balance. This increase in A/R was mostly due to the timing of cash receipts after month end and \$170,000 refundable amount from the RTR relocation.

**Liabilities –**

- The accrued liability balance includes the payment for approximately \$520,000 due to the FAA. This payment is being discussed at the February board meeting.

**Aeronautical Revenue** – Landing fees were higher compared to prior, effected by the larger aircraft and increased frequency. Enplanements were up approximately 11% year over year. Aviation fuel tax is slightly lower than budget due to the timing of receipts.

**Non-Aeronautical Revenue** – This revenue category is consistent with budget and prior year.

**Operating Expense** – Expenses are slightly below budget with lower than budgeted legal services. All other operating expense categories are consistent with budget.

**Non-operating Revenue/Expense** – This revenue/expense category is consistent with budget and prior year.

## **Enplanements**

			Variance	
	2016	2017	Passengers	Percent
January	15,735	17,441	1,706	10.8%
			Variance	
	5 Year Avg	2017	Passengers	Percent
January	16,463	17,441	978	5.9%

### **B. Communications/Events Update**

Ms. Jodi Doney briefed the Board on enplanements. Ms. Doney said that with the upgrade of American airlines Dallas flight to the E-175, they also upgraded the Phoenix flight to a two cabin aircraft the CRJ-700. United has also started flying the 700 in their fleet coming into Grand Junction and then Delta with the additional flight to Salt Lake.

### **C. Projects Update**

Mr. Eric Trinklein briefed the Board on current airport projects. Mr. Trinklein said that with the building at 800 Eagle Dr., staff has helped coordinate with the Grand Junction Economic Partnership (GJEP) to bring in some contractors for feasibility information for the foreign trade zone, at the same time staff is working with a small engineering firm to do structural analysis. Mr. Trinklein said that on the runway project, a request for qualifications (RFQ) was posted on the website on February 13<sup>th</sup>, are due March 15<sup>th</sup> and staff then staff will provide a recommendation to the Board at the regular March Board meeting. Mr. Trinklein said that an additional RFQ for the engineer of record, staff should have later this week to early next week. Mr. Trinklein said that staff is also working on a RFQ for architectural services for terminal renovations and the jet bridge. AIP 54 – airport staff realized that during work phases of the bid plans, parking only allowed for one commercial aircraft which would impede airport operations, solutions have been developed through additional phases to greatly reduce the impacts. AIP 52, regarding mill and overlay of the connector projects, took longer than expected and there have been a couple of correspondence with the contractor. Staff will make a decision on a solution to move forward on March 14<sup>th</sup> and the work will begin on May 30<sup>th</sup>. Mr. Trinklein said that in order to complete the project, airport staff will perform necessary engineering in accordance with FAA requirements, and at the end of the project a final change order will be required to reflect the final cost of the project.

## **IX. Action Items**

### **A. Attorney Services RFQ selection**

The Board interviewed three law firms that responded to an RFQ put out about three weeks ago. (Responses for all firms to the RFQ included in board packet)

#### **1. Karp Neu Hanlon**

Mr. Karl Hanlon introduced himself to the Board and stated that he is with the law firm Karp Neu Hanlon. Mr. Hanlon said that they have offices in Aspen, Glenwood Springs and Montrose. Mr. Hanlon has been doing government related work since the late 70s and he's been doing municipal and government special district authority work since 1996. Mr. Hanlon said that they have eleven attorneys in the Glenwood office, four more spread between offices and they range from a very active federal trial practice on a wide variety of issues all the way across the board to business, land use and all of the things to think of in a private transactional or litigation practice, as well as, a very robust municipal and governmental law practice.

Commissioner Benton congratulated Mr. Hanlon on the Martindale rating their firm received.

2. **Rose-Walker-Starr**

Mr. Todd Starr introduced himself to the Board. Mr. Starr practiced law out of Nebraska but he grew up in Colorado. Mr. Starr believes that their practice is uniquely suited to an airport authority. Mr. Starr stated that there is probably not an airplane crash in this country that happens that their law firm doesn't get engaged to represent or defend a part 145 shop, and consequently they have relationships with maintenance facilities, manufactures, the NTSB and the FAA and they can bring those relationships to the benefit of the Airport Authority. Mr. Starr stated that the key to a successful airport authority is the airport manager and his job as the airports attorney is not just to keep the airport out of hot water but to council and advise them, but to be a partner to Mr. Turner and to make sure that as he puts the Board's policy into action, that he has a real partner to help him succeed.

Chairman Wood asked, geographically, how readily available would Mr. Starr or someone from his firm be if the Board needs them in person.

Mr. Starr said instantaneously, but if for some reason he couldn't make it then his partner in Denver, Paul Grant, would venture over from Denver and if for some reason Mr. Grand couldn't make it then Mr. Rose would be catch a flight out here from Dallas/Ft. Worth. Mr. Starr said that with two partners in Dallas, one in Denver and with Mr. Starr being in Pagosa Springs, they are pretty good at making geographical boundaries and thing of the past.

3. **Spencer Fane**

Mr. Tom George with Spencer Fane introduced himself to the Board. Mr. George said that he grew up in Rifle and went to College at CU Boulder, he got his law degree in Arizona and went back to Denver. Mr. George stated that Spencer Fane is based out of Kansas City, they have about 200 attorneys across six states. Mr. George said that they have been representing special districts, local governments, and governmental entities for about 50 years. Mr. George said that they currently serve as general counsel to over 300 entities. Mr. George said that he left private

practice to go to the Attorney General's office and was there for about 3 years until this last summer. Mr. George said that their firm across all six states is a full service law firm, they have attorneys that specialize in just about anything. Mr. George said that their firm in Denver primarily focuses on the local government and governmental entity group with nine attorneys and five paralegals. Mr. George said that they have a large labor employment practice and they do a lot of personnel training for their governmental clients.

#### **B. Board meeting times and location**

Mr. Turner briefed the Board. Mr. Turner said that the current room that the Board meetings are held in will be taken over by Tailwinds tomorrow, so staff surveyed their options they had for continuing board meetings until they receive the office space back from TSA that they are anticipating sometime this year. Mr. Turner stated that in order for them to use the third floor TSA conference room, they would have to use it on the hours that they allow it to be used due to their security system. Staff has made a recommendation to avoid additional cost that they don't have budgeted for outside board room and to try to keep the meeting on site, they suggested a mid-day time that would allow them to use the room at no cost.

Chairman Wood said that the location change wouldn't be as much of a question as the time change.

Commissioner Murray said that it would be hard for him to do a mid-day, he might be able to, but he is worried about the public.

Commissioner Taggart volunteered to talk to someone at the City to see if board meetings could be held there on a temporary basis.

*Commissioner Benton made a motion to investigate the opportunity for having the board meetings at City Hall as the primary location, followed secondarily by a location on campus without expense and then returning to the item suggested at 10am at the airport. Commissioner Taggart seconded. Voice Vote. All Ayes*

#### **C. FMLD Grand Application Resolution 2017-003**

Mr. Ben Johnson briefed the Board and stated that they are back with another application. Mr. Johnson said that the Federal Mineral Lease District (FMLD) has opened up their spring grant cycle. This year the FMLD has right around \$700,000 to give away so \$350,000 in this particular cycle. Mr. Johnson said that staff would like to ask for a mini grant of \$45,500 to purchase an SCBA bottle filling system. The SCBA is a self-contained breathing apparatus worn by firefighters to breathe clean air. Mr. Johnson said that they don't currently have a way to fill bottles, they have to take them to a local fire station to refill them so they don't get to train with them as often because of the inconvenience and for the risk of having those empty bottles. The mini grants do not require a match.

*Commissioner Nelson made a motion to adopt the Resolution 2017-003 to allow the Executive Director to sign the grant application and then allow the Chairman to accept it if awarded. Commissioner Murray seconded. Roll Call Vote. Commissioner Murray: Aye, Commissioner Benton: Aye, Chairman Wood: Aye, Commissioner Nelson: Aye, Commissioner Taggart: Aye. Motion carries.*

**D. Payment to the FAA**

Mr. Turner briefed the Board. Mr. Turner stated that this was originally approved by the Board back in July of 2016. Staff felt it was appropriate to come back with it one more time because the method of approval was for eight installments and after conversations with the FAA and with staff, it is a preferred method to resolve this in one payment. Staff is asking for a revision of the Board's recent approval as to how they move forward on this item.

*Commissioner Murray made a motion to approve the payment to the FAA for \$520,450.83 in a single payment to settle the amount owed to the FAA. Commissioner Taggart seconded. Voice Vote. All Ayes.*

**E. Rates and Charges**

Mr. Minnick briefed the Board. Mr. Minnick stated that there are some minor changes throughout the document of just updating dates and application of the rates and charges. Mr. Minnick said that the main changes are on page 8 where he added transportation network companies (TNC) which will cover Uber and Lyft, which will pay a flat fee to the airport of \$2.50, versus the other ground transportation companies such as taxis that pay a 10% fee of originated revenue. Mr. Minnick stated that the other change is on page 12, which is just striking out the language that sets a specific rate on new leases and instead will allow any new leases at the maximum rate that a current lease holder is paying. Mr. Minnick stated that on the last page of the rates and charges he included for CORA request items which is \$20 per hour of staff time and \$.25 per copied page. Anyone doing a CORA request would be required to pay before receiving those items.

*Commissioner Benton made a motion regarding Resolution 2017-004 Rates and Charges, for the Board to approve as presented. Commissioner Nelson seconded. Roll Call Vote. Commissioner Taggart: Aye, Commissioner Nelson: Aye, Chairman Wood: Aye, Commissioner Benton: Aye, Commissioner Murray: Aye. Motion carries.*

**X. Discussion/Information Items**

**A. Audit Draft**

Commissioner Benton and Mr. Minnick briefed the Board. Commissioner Benton shared a little bit of back ground on what occurred since the last meeting and Mr. Minnick went through some of the financial information in the audit. Mr. Minnick stated that if there are no material changes to the audit draft, they can finalize the audit and do a partner presentation at the March meeting.

**B. At Large Board Member**

Chairman Wood state that Commissioner Ball, the at-large board member, times out at the end of the month. Chairman Wood said that staff has posted the at-large position on the website and in the paper with a closing date of March 13<sup>th</sup> for applicants to apply. Chairman Wood said that as soon as it's closed, the Board asks staff to share the results. Chairman Wood said that it would be their hope to make a down select at the March meeting. Chairman Wood stated that according to the by-laws the at-large selection is done by the Board but is required to be ratified by the City and the County.

Mr. Turner said that the Board will receive the names and then go into executive session and then go into open meeting for public comment, so they will need to schedule an executive session.

Executive session will take place in the beginning of the regularly scheduled March meeting with a start time of 4pm.

**XI. Motion in Executive Session**

*Commissioner Taggart moved for the Board to go into executive session to confer with the Grand Junction Regional Airport Authority's legal counsel about ongoing litigation and to discuss the potential resolution of that litigation and the terms and conditions upon which that matter could be finalized and concluded, as authorized by C.R.S. § 24-6-402(4)(b) and (4)(e)*

**XII. Adjourn Executive Session**

*Commissioner Nelson moved to adjourn executive session. Commissioner Murray seconded. Voice Vote. All Ayes. Executive session adjourned at 10:00pm*

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

Commissioner Taggart recommended, based on presentations today, that they entertain utilizing services of Karp Neu Hanlon for legal services.

*Commissioner Taggart moved that they contract with Karp Neu Hanlon for the Airport's Authority's legal services. Commissioner Nelson seconded. Voice Vote. All Ayes.*

**XIV. Adjournment**

*Commissioner Benton moved to adjourn the meeting. Commissioner Nelson seconded. Voice Vote. All Ayes*

The Meeting adjourned at 10:06PM.

***ATTEST:***

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Victoria Hightower, Clerk to the Board