



Grand Junction Regional Airport Authority Board
Board Meeting
Meeting Minutes
January 17, 2017

REGULAR BOARD MEETING

Time: 5:15PM

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 January 17, 2017 in Grand Junction, Colorado and in the County of Mesa.

<i>Commissioners Present:</i> Steve Wood, Chairman Dave Murray Rick Langley Paul Nelson Tom Benton Rick Taggart Robin Brown <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 Kathryn Bennett, CAF Jerry McDonough, CAF/CAP Jerry Halin, Kimbly-Horn David Hartman, Armstrong Sterling Hurst, EAA 800/ Hawk Aviators Denis Corsi, Armstrong Brad Barker, CAP
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II. Approval of Agenda

No changes.

The agenda was passed by major motion as presented.

III. Conflict Disclosures

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

Commissioner Benton – None
Commissioner Brown - None

IV. Commissioner Comments

Chairman Wood welcomed Commissioner Robin Brown to the Board.

Commissioner Taggart commented that the week between Christmas and New Year's, he a mentor contemplated what they did well and what they did not so well throughout the year and they sat down and discussed how they wanted to approach things for the New Year. Commissioner Taggart said that one of the things he thought about at length was the airport and wanted to thank the Chairman and Commissioner Nelson for bringing Kip Turner to the Boards attention and bring him on. Commissioner Taggart stated that the proudest decision they made was to bring Kip on as the Executive Director. Commissioner Taggart said that he would like to see them build on what they have with Kip and a great staff and see the Board step back into a position that the Board should be over a period of time, and that is for them to help on the vision, strategy and policy side but step further away from managing the activities of the day to day. Commissioner Taggart said that they have the systems and processes in place that he doesn't think what happened in 2013 will happen again.

Commissioner Benton said that he would agree, Mr. Turner is a nice contribution to the Airport Authority as well as to this community.

V. Citizen Comments

Kathryn Bennett, CAF

Ms. Bennett stated that she is the newly appointed marketing officer for the Commemorative Air Force (CAF). Ms. Bennett said that they are interested in getting signage returned to a more visible location upon entry to the Airport for the CAF.

Mr. Turner said that he thinks that is something they can easily accommodate. Mr. Turner said that they were recently approached by the Colorado Flight Center about adding to the signage the airport already has, they should be able to do something for both entities.

VI. Consent Agenda

- A. December 13, Regular Meeting Minutes
- B. Prodigiq Invoice
- C. Reimburse Republic Parking
- D. Pay Request: G4S
- E. Veoci Invoice
- F. Armstrong Invoice

*Commissioner Nelson motioned for the Board to approve the consent agenda.
Commissioner Taggart seconded. Voice Vote. All Ayes.*

VII. Director's Report

Mr. Turner briefed the Board. Mr. Turner thanked the Board for the kind words and compliments at the beginning of the meeting. Mr. Turner said that he was in Denver a few weeks ago for a meeting with TSA regional folks, and one request he had was for them to consider GJT for potential funding and partnership to look at an inline baggage system and a consolidated bag room and that was received with open ears. Mr. Turner said that they have followed up with Mr. Turner since that meeting to give insight on how to continue forward. Mr. Turner said that another thing he asked for was a pre-check lane and that process has already been initiated and when signage comes in, a press release will be sent out about it. Mr. Turner said that they have more good news in addition to American Airlines bringing in a season LA route, they have announced and started operating the E175 for their Dallas routes. Mr. Turner said that the E175 is a nice plane that can be configured for 80+ passengers, however, American has it configured for 76 passengers with 12 nice first class seat accommodations and then a series of different types of accommodations behind first class. Mr. Turner said that this is a very nice compliment to their market and the fact that they GJT is getting it early on is a testament to the strength of their market. Mr. Turner said that they also increased the capacity on their phoenix routes on the CRJ700. Now GJT can accommodate those passengers who may want to fly first class. Mr. Turner stated that they are seeing growth across the board. Mr. Turner said that the City Council and the Board of County Commissioners is wanting to do a joint meeting with the Airport Board prior to the Board meeting in February at 3:30pm at the airport. Mr. Turner said that over the last two weeks they had two snow events and an ice storm and the team performed just spectacular, they put in a lot of hard long working hours and days without complaint. Mr. Turner thanked all of the staff for that.

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 –

- The bond project fund and bond escrow fund were established as a result of the 2016 bonds that were funded in November. The bond reserve fund and bond sinking fund were no longer required for the 2016 bonds.
- The increase in cash is due to the positive operating income and the utilization of the available PFC funds.

Liabilities –

- The increase in the accrued liabilities is based on the payment for approximately \$520,000 due to the FAA.
- The increase in the bonds payable is for the 2016 bonds issued. The 2007 bonds will remain until final payoff in 2017, the bond escrow fund for \$14,627,438 will be used for 2007 bond debt service.

Aeronautical Revenue – Aviation fuel tax remains to be lower than budget and prior year as the 2016 cost of fuel remains below 2015, disbursements are based on 65% of sales taxes collected on jet fuel and \$0.04 per gallon of jet fuel and avgas.

Non-Aeronautical Revenue – the increase associated with non-aeronautical revenue is consistent with the increase in enplanements. Reflected in the parking revenue.

Operating Expense – personnel expense is lower than budget as all employment positions have not been filled. Contract services is higher than budget and prior year as a result of legal fees in the first 6 months of the year, along with the terminal area plan. Repairs and maintenance is lower than budget due to less than expected fleet repairs and pavement repairs that were capitalized versus expensed as budgeted.

Non-operating Revenue/Expense – non-operating revenue/expense has the debt issuance costs related to the 2016 bonds for \$569,000. In addition, the capital contributions are lower than budget as AIP projects were delayed until 2017.

Enplanements

2016 vs 2015

	Month	Year to Date
2015	17,756	218,948
2016	17,924	225,504
Difference	168	6,556

Historical Average

	Month	Year to Date
5 Year Average	17,794	219,524
2016	17,924	225,504
Difference	130	5,980

A. Communications/Events Update

Ms. Jodi Doney briefed the Board on enplanements. Ms. Doney said that they had a strong December, they were up in December of 2015. Ms. Doney said that they had great fourth quarter which helped to make it a great 2016, up 3% over last year. Ms. Doney briefed the Board on recent events. Ms. Doney said that this was her first beginning of a winter season in Grand Junction and was highly impressed with their team’s work. Ms. Doney said that it’s very easy to have communication break downs when they have some unique events that they haven’t seen before, and it was just the opposite, they did a great job communicating as a team and that helped them communicate to the public. Ms. Doney said that since they last spoke they had the

therapy animals in the terminal for the holidays and it was a hit, so they will continue that during busy and stressful travel times. Ms. Doney also said that she will be putting out an employee newsletter this week and will be posted on the website.

IX. Action Items

A. Election of Officers and Committee Appointments

Commissioner Benton nominated the current Chairman Steve Wood to retain the role as chairman.

Chairman Wood commented that he eagerly looks forward to the day of having a successor chair person, but he is willing to continue in the role with a possible caveat that it might not be for all year.

*Commissioner Murray seconded the nomination.
Voice Vote. All Ayes.*

Commissioner Murray nominated Commissioner Nelson to continue as Vice-Chairman. Commissioner Taggart seconded the nomination. Voice Vote. All Ayes.

*Commissioner Benton moved that the Board nominate Mr. Ty Minnick for Treasurer
Commissioner Nelson seconded Voice Vote. All Ayes.*

*Commissioner Nelson moved that Victoria Hightower be retained as clerk.
Commissioner Brown seconded. Voice Vote. All Ayes.*

Commissioner Brown nominated Chance Ballegeer as Deputy Clerk. Commissioner Benton seconded. Voice Vote. All Ayes

Finance & Audit Committee: Chairman Wood suggested that this committee be chaired by Commissioner Benton. Chairman Wood suggest that all committees have two Board members.

*Chairman: Commissioner Tom Benton
Member: Commissioner Robin Brown
Member: Drew Armstrong*

*Compliance Committee:
Chairman: Commissioner Murray
Member: Ben Johnson
Member: Kip Turner*

*Litigation Committee:
Chairman: Nelson
Member: Commissioner Taggart*

*Security Solutions Committee:
No formal committee – staff will check in with the Board when needed.*

B. Resolution 2017-001 Posting of Notices of Meetings

Chairman Wood briefed the Board. Chairman Wood stated that this is a standard every January resolution. This resolution is required under Colorado statute that the notice of the Airport's Board meetings be posted, certain ways and certain places.

Commissioner Nelson moved that the Board adopt Resolution 2017-001 concerning posting notices of meetings. Commissioner Benton seconded. Roll call vote.

Commissioner Murray: Aye, Commissioner Benton: Aye, Commissioner Brown: Aye, Chairman Wood: Aye, Commissioner Nelson: Aye, Commissioner Taggart: Aye.

C. Resolution 2017-002 Concerning Execution of Documents Pertaining to Bank Accounts

Chairman Wood stated that this is a similar annual resolution.

Mr. Minnick said that this is a standard resolution for all bank accounts and loans and any other financial instruments that have to be signed off on by the Board. Chairman and Vice-Chairman will be filled in with the appropriate names.

Commissioner Benton moved that the Board approve resolution 2017-002 concerning the Execution of Documents Pertaining to Bank Accounts. Commissioner Taggart seconded. Roll call vote. Commissioner Taggart: Aye, Commissioner Nelson: Aye, Chairman Wood: Aye, Commissioner Brown: Aye, Commissioner Benton: Aye, Commissioner Murray: Aye.

D. Legal Council Point of Contact

Mr. Turner briefed the Board. Mr. Turner stated that the staff recommends for the Board to approve the Executive Director to be the point of contact for all legal services. The Grand Junction Regional Airport Authority is currently engaged with the following firms: Kelly & Walker – as of July 10, 2014 they are representing the airport on the litigation matters that the Board spoke of in executive session. Younge and Hockensmith – as of August 20, 2014. Mr. Turner said that they will be doing an RFQ for airport attorney legal services within the next month. The Airport has an existing agreement with both of those attorneys, and it would be beneficial for staff if the Executive Director is designated as the primary point of contact for both.

Current airport legal counsel Ben Wegener stated that he represents the Authority and the Authority can only act through its Board of Directors. Mr. Wegener said that 95% of what general council does for the airport is contracts, lease agreements, review documents, tell the Board how to operate in open meeting etc., but there are situations where council would need to talk with the Board or Board Chairman directly about issues that might not involve staff members. Mr. Wegener said that at the time, when he was hired, this airport was going through some transition issues, and part of the

non-prosecution agreement was to have direct reporting to the Board by key staff which would include lawyers.

Commissioner Murray asked if they were in compliance with their non-prosecution agreement if they change this.

Mr. Wegener said maybe, maybe no, he says that because the non-prosecution agreement discusses that one of the things the Board has to continue to do is implement direct reporting by the Grand Junction Regional Airport Board by key staff and him being hired directly by the airport would make him key staff so he would directly report to the Board under that agreement. Mr. Wegener said that the non-prosecution agreement still remains in affect even though the federal investigation is over. Mr. Wegener said that there are going to be some things that come up here and there that council will need to be able to talk directly to the Board about and may not involve the Executive Director or other members of staff. Mr. Wegener said that he would personally say to keep it as it is.

Mr. Turner said that if he's not in the loop on everything this airport is doing then he's not an affective executive director. Mr. Turner said that he has been with airports since 1985 and he has never had an airport attorney that was not the direct report to the executive director. Mr. Turner said that there is always the understanding that if the Board were to have an issue with the executive staff, there is that link for them to go to for that purpose, otherwise the director is involved in all conversations related to the airport.

Commissioner Murray stated that in an effective compliance program, as recommended by the Department of Justice they have to allow that staff may go directly to the Board. Commissioner Murray stated that he can't think of a situation that the director wouldn't be involved in but there may be an issue legal council may need to go to the Board without the director's involvement.

Mr. Turner said that if that be the case, he would like those issues clearly spelled out in the meeting and the only thing he can think of is personnel issues with the director and with that he completely agrees.

Commissioner Benton asked if they could craft some language that would comply with what they are discussing.

Mr. Turner said that he is understands a direct Board link to the attorney for the one issue of addressing the Executive Director. Mr. Turner said with every other issue the director should be the main point of contact. Mr. Turner stated that he welcomes all Board members be copied on all legal services and litigation. Mr. Turner said that they could amend the contract to make director the primary point of contact with the exception if there is specifically related to the Executive Directors position.

Commissioner Taggart stated that speaking as a CEO, he would be very uncomfortable in a corporate setting if legal council didn't report directly to him because of the fact that he was held accountable by the Board for making correct decisions from a legal stand point but was also responsible for the budget.

Chairman Wood said that he is in favor of the Executive Director being the point of contact, he is also in favor of the Board Chair or the litigation committee or both being copied on litigation related matters.

Commissioner Taggart asked Mr. Wegener if he could draft up the language.

Commissioner Murray made a motion to table this item and convene the compliance committee to sit and meet and discuss it by the next Board meeting. Commissioner Brown seconded.

Commissioner Taggart stated that Mr. Turner is only asking to be lead point of contact so he doesn't understand why this has to go to the compliance committee to review.

Commissioner Murray said that what he just understood was that council needs to be able to come directly to the Board and they talked about spelling out when that might be.

Mr. Wegner read the non-prosecution agreement. Mr. Wegener stated that Mr. Turner asked him (Mr. Wegener) not to speak with any of the Board unless he (Mr. Turner) was involved and Mr. Wegener has an issue with that.

Mr. Turner stated that he asked Mr. Wegener to copy him when he spoke to any of the Board.

Voice Vote on current motion. All in favor: 1 Aye – Commissioner Murray. Opposed: 6 Ayes. Motion does not carry.

Commissioner Taggart made a motion to move forward with the assistance of legal council and working with the Executive Director to put the executive director in as point of contact for all matters, other than those that involve either him directly, malfeasance, whistleblowing or other components of executive staff but at the same time, it does not change the relationship that council has access to the Board. Commissioner Nelson seconded. Voice Vote All Ayes.

Chairman Wood stated that in the meantime, copy the Board Chair and the Litigation Committee Chair.

E. Jet Bridge Modification Contract

Project Manager Eric Trinklein briefed the Board. Mr. Trinklein said that Allegiant is planning on changing their fleet to accommodate larger narrow body aircraft, A319, and this is the contract to modify the jet bridge so it lifts higher. Mr. Trinklein said that the proposal for Ameribridge was approved at the last Board meeting and now staff recommends the Board approve the contract to Ameribridge for \$63,177.46

Mr. Turner stated that the Board made the award last month, they just didn't have the contract in hand.

Chairman Wood said that the numbers all look the same, this was just a matter of to meet the deadline they needed to get them under contract.

Commissioner Taggart made a motion for the Board to approve the contact to Ameribridge for the amount of \$63,177.46. Commissioner Murray seconded. Voice Vote. All Ayes.

F. RTR Relocation – Final Design

Mr. Trinklein said that this item is connected with AIP 55, which the Board approved on August 30th, this is before the earth work for the runway project starts the FAA needs to do the final design for the remote transmitter receiver (RTR). Mr. Trinklein said that with this there is a non-federal reimbursable agreement with the FAA and then permission to authorize advance payment into the reimbursable account, then that allows FAA facilities to start doing that final design.

Commissioner Benton made a motion for the Board to approve item F. RTR Relocation – Final Design for project AIP 55. Commissioner Brown seconded. Voice Vote. All Ayes.

X. Discussion/Information Items

A. Project Update

Mr. Trinklein briefed the Board on the projects that he is working on.

AIP 52 – The rehabilitation projects. On the mill and overlay of the connector taxiways they are hoping for a plan from the contractor by the end of the week to resolve the remaining issues with the thermoplastic markings that will happen in the spring when the weather is warmer.

AIP 54 – The east terminal air carrier apron. Mr. Trinklein said that similarly they are hoping to have a project schedule identified and defined soon so they can begin that project, which is scheduled for this spring. Mr. Trinklein said that that's replacement of half of the terminal apron on the east side that serves Sky West, United and Delta.

AIP 55 - The RTR Project which Mr. Trinklein spoke about earlier.

AIP 56 – Mr. Trinklein said that the applications for the State and the FAA were approved at the last board meeting, the grant applications were approved at the City on January 4th and at the County on January 9th and both applications have been submitted to the FAA and CDOT. Mr. Trinklein said that the RFQ for consultant

services for the runway project will be ready by the end of the week. Mr. Trinklein said that he will have another RFQ ready for advertisement in the next few weeks, for a new jet bridge and tunnel that services the west side.

XI. Any other business which may come before the Board
None.

XI. Adjourn

Commissioner Nelson to adjourn. Commissioner Brown seconded. Voice Vote. All Ayes.

The meeting adjourned at 7:12PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Hightower, Clerk to the Board