



Grand Junction Regional Airport Authority Board
Board Meeting
 Meeting Minutes
 July 19, 2016

EXECUTIVE SESSION

Time: 4:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

III. *To determine and discuss the Airport's health insurance contract, and renewal thereof, which is currently subject to negotiation, as authorized by C.R.S. § 24-6-402(4)(e)(I), as well as to confer with legal counsel for the purpose of receiving legal advice related to a pending legal matter, as authorized by C.R.S. § 24-6-402(4)(b)*

IV. Adjourn Executive Session

SPECIAL COMMITTEE MEETING

Time: 5:15PM

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:32PM on July 19, 2016 in Grand Junction, Colorado and in the County of Mesa.

<p><i>Commissioners Present:</i> Steve Wood, Chairman Rick Langley Rick Wagner Paul Nelson Rick Taggart</p> <p><i>Airport Staff:</i> Kip Turner Ty Minnick Ben Johnson Ben Peck Chance Ballegeer Brian Harrison Matthew Powers</p>	<p><i>Other:</i> Eric Trinklein, Armstrong Consultants Kathryn Bennett, Armstrong Consultants Al Adelgren, Citizen Wayne Clark, GJAUTA Drew Armstrong, Citizen</p>
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II. Approval of Agenda

The Agenda was approved by major motion.

III. Conflict Disclosures

Commissioner Langley – None
Commissioner Nelson – None
Chairman Wood – Hangar Owner
Commissioner Wagner – None
Commissioner Taggart – None

IV. Commissioner Comments

Commissioner Nelson commented on a second B29 named “Doc” that has been work on for 16 years, flew on Sunday

Commissioner Wagner welcomed Mr. Kip Turner to his first Board Meeting

Chairman Wood commented on the Distinguished Budget Presentation Award from the Government Finance and Officers Association presented to the Grand Junction Regional Airport Authority for the fiscal year beginning January 1, 2016.

Mr. Minnick said that there is a certain criteria that the GFOA has, but basically they just have to make sure that the budget document is very transparent and want it to where an outsider can pick it up and know exactly what is going on.

Chairman Wood stated that Aviation day is August 19th, The B29 “Fifi” will be back in Grand Junction from August 31st to September 4th. And The Rise above the Tuskegee Airmen Inspirational traveling road show is here September 21st to the 24th.

V. Citizen Comments

None

VI. Consent Agenda

- A. June 21, 2016 Regular Board Meeting Minutes
- B. Pay Request: G4S April Billing
- C. Pay Request: AIP 52 Projects
 - 1. Armstrong Pay Request
 - 2. Straight Stripe Pay Request
 - 3. Pro Electric Pay Request
- D. Asset Disposal Policy Revision

Commissioner Wagner made a motion to approve the consent agenda. Commissioner Nelson seconded. Voice Vote. All Ayes

VII. Discussion Items

A. Financial 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 revenue bond sinking fund increases \$128,000 each month to pay for the semi-annual interest due June and December and the annual principal due in December. The interest amount paid in June was \$330,000. PFC restricted cash continues to decrease as the amount of monthly PFC revenue is less than the amount allocated to the 07 bond debt service.

Liabilities – Accrued expenses are comparatively lower due to the year-end accruals for payroll and prepaid rent.

Aeronautical Revenue – Aeronautical revenue is consistent with budget and prior year.

Non-Aeronautical Revenue – Non-aero revenue amounts are consistent with current pricing, specifically the increase in the parking rate, and enplanements compared to prior year.

Operating Expense

1. Personnel expense is consistent with the reduction of administrative staff in January 2016.
2. Contract services are higher compared to budget and 2015 as legal expenses continue to drive up total operating expenses.

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

Enplanements

2016 vs 2015

	<u>Month</u>	<u>Year to Date</u>
2015	20,381	102,096
2016	22,561	107,769
Difference	2,180	5,673

Historical Average

	<u>Month</u>	<u>Year to Date</u>
5 Year Average	19,874	105,924
2016	22,561	107,769
Difference	2,687	1,845

Mr. Minnick commented that the budget timeline. Mr. Minnick said that last year the audit committee did a full review of the detail through numerous meetings and asked if the Board if they wanted to do it the same way this year or hold workshops with the whole Board.

The Board agreed that the way it was handled last year works just fine.

Mr. Minnick said that they plan to have a draft budget in September.

B. Project Update

Mr. Johnson briefed the Board and stated that on AIP 52, the runway rehabilitation projects, work is in progress on the fog seal and restripe and will be finished by Friday night and then that will be complete. The mill and overlay is now scheduled to start August 1st, they'll begin mobilizing July 31st and they have gotten their notice to proceed. That project will be all night work again, on a 21-day schedule. AIP 53 is now complete and closed. AIP 54, which is the apron phase I, is currently out to bid. The airport did receive approval from the FAA on the plans, the design, the scope of work and the fees, tomorrow is the pre-bid meeting and bid opening is August 3rd. Mr. Johnson said that because of how late in the year it is, they may just wait and kick that work off in the spring time. AIP 55, Armstrong is still working on the scope of work for that project.

VIII. Action Items

A. Purchase Request: Oshkosh Plow Conversion

Mr. Johnson stated that staff is proposing is to convert on the four snow blowers into a plow. The plow will replace one of the existing plows that is past its useful life and the cost to rebuild that plow is way more than the plow is worth. The changeover is in the budget this year for \$50,000. Two quotes were received and the best quote was for \$36,084. Staff's recommendation is that the Board approve the purchase of the plow and the conversion.

Commissioner Wagner made a motion for the Board to approve the purchase request of \$36,084.00 for the plow conversion. Commissioner Langley seconded. Voice Vote. All Ayes.

B. KDEN Surplus Auction Pre-Approval

Mr. Johnson briefed the Board and said that this event is put on yearly by the CDOT in partnership with DIA. CDOT has set aside \$250,000.00 for helping airports purchase equipment through this auction. The first piece of equipment bought, they pay 80%. The second and third piece bought, they pay 50% and if more than three pieces of equipment is bought then the buyer just pays the price that DIA has set for it. Staff is proposing to buy up to four pieces of equipment and if successful in getting all four pieces of equipment the maximum that would be spent by the airport is \$10,000.00 and the CDOT grant would be for \$14,500.00. Mr. Johnson and Mr. Lucero will attend a pre-auction and assess the equipment and make sure it's in good

shape, then they will put in the airports interest for that piece and see if the airport gets it.

Commissioner Wagner made a motion for the Board to authorize staff to enter into an agreement with CDOT for a grant to explore the purchase of equipment listed in the pictures in the agreement approval under this action item, and authorize the manager of the airport to sign the agreement with the Department of Transportation. Commissioner Nelson seconded. Voice Vote. All Ayes.

C. Bond Underwriting

Commissioner Langley stated that last month the Board authorized staff to draft and issue an RFP for the bond refinance to try and take advantage of low interest rates. There were a total of four RFPs that were received from different parties. Staff and the audit committee reviewed the proposals, and after interviews with all four parties it was decided to select RBC as the airport's preferred vendor to look into the bond refinance.

- 1. Presentation – Board Underwriter Finalist**
- 2. Recommendation and Award**

Dan from RBC gave the Board a brief overview of the process.

Commissioner Langley made a motion for the Board to accept the contract with changes noted for a bond underwriter contract with RBC. Commissioner Taggart seconded. Voice Vote. All Ayes.

D. Group Medical Insurance Selection

Mr. Minnick briefed the Board in detail on the four Rocky Mountain Health Plan options. Mr. Minnick recommended Plan B and/or Plan C.

Commissioner Taggart made a motion to allow staff to utilize both B and C with the proviso that the out of pocket for the airport would not exceed C and that the employee pay the difference if they desire B. Commissioner Wagner seconded. Voice Vote. All Ayes.

E. FAA Reimbursement

Chairman Wood briefed the Board on a letter received by the airport in June of 2015 that pertains to the airport repaying eligible cost from an AIP project, the fence project from 2011. The airport has a demand from the FAA to refund \$520,450.83 that were deemed to be ineligible under that contract. There is a letter drafted to the FAA that outlines repayment of this amount over eight payments, two years quarterly payment, the first payment being due in September of this year.

Commissioner Wagner made a motion to authorize the Chairman to set aside the budgetary number reflected in the letter from Kelly and Walker as a repayment schedule to incorporate into the motion by reference, and that to establish as part of that separate account to transfer those funds, and that the institution of the

Chairman's choice. And to have a legal representative to inform the FAA our offer to participate in that process. Commissioner Nelson seconded. Voice Vote. All Ayes.

X. Any other business which may come before the Board

XI. Adjourn

Commissioner Wagner motioned to adjourn. Commissioner Nelson seconded. Voice Vote. All Ayes.

The meeting adjourned at 7:00PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Hightower, Clerk to the Board