



Grand Junction Regional Airport Authority Board
Board Meeting
Meeting Minutes
November 15, 2016

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 5:19PM on November 15, 2016 in Grand Junction, Colorado and in the County of Mesa.

<i>Commissioners Present:</i> Steve Wood, Chairman Dave Murray Rick Langley Troy Ball Paul Nelson <i>Airport Staff:</i> Kip Turner Victoria Hightower, Clerk Ty Minnick Ben Johnson Ben Peck Jodi Doney Eric Trinklein Chance Ballegeer	<i>Other:</i> Shannon Kinslow, TOIL Drew Armstrong, Citizen Wayne Clark, GJAUTA Brad Barker, CAP
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II. Approval of Agenda

Chairman Wood stated that there are some changes to the agenda. Action item B. Minimum Standards will be moved under Discussion Items as item C. Also, The Board received a handout that concerns AIP 52 pay request. Chairman Wood stated that they are going to put it as Action Item B - since this is the first time the Board is seeing it.

Commissioner Langley added an item to the agenda regarding the Airport's annual audit with EKS&H. The Finance and Audit committee are recommending to the Board to engage EKS&H to do their 2016 financial audit. The audit engagement of EKS&H will be added to the agenda under Action Items as item C.

The agenda was approved by major motion with the changes.

III. Conflict Disclosures

Commissioner Murray – Showed up later in the meeting

Commissioner Langley – None

Commissioner Nelson – None

Chairman Wood – Hangar Owner

Commissioner Ball – Commissioner Ball stated that he has a conflict on the agenda as he is an Uber driver.

Commissioner Taggart – None

IV. Commissioner Comments

None.

V. Citizen Comments

A. David Shepard/Bill Marvel, GJUATA

Minimum Standards

Comments attached.

B. Scott Seibold, Twin Otter

Minimum Standards

Mr. Seibold commented and said: “Long ago when we first came here and we bought the building we are at, that was the second FBO. At that time it was a deal between us and West Star. We signed a non-compete for three or four years and we have the fuel farm still there. One day I had one of those conversations with our old airport manager, he came up one day and said “This will never be an FBO again”, this goes through exactly what Dave was saying. We all want a level playing field and the minimum standards be *minimum* for people to do business here.”

VI. Consent Agenda

A. September 20, 2016 Regular Meeting Minutes

B. Pay Request: G4S July Invoice

C. Pay Request: Adcock Concrete

D. Pay Request: Mead & Hunt

Consent Agenda approved by major motion.

VII. Executive Directors Update

Mr. Turner asked Ms. Victoria Hightower, the Airport’s HR & Admin Specialist, to talk about a recent new hire.

Ms. Hightower stated that they recently hired Cristina Longhurst as a new custodian. Ms. Hightower said that Ms. Longhurst started a week ago, is do doing really well.

Mr. Turner commented on the new LA flight that staff is excited about. Mr. Turner said that American Airlines announced that they will initiate a new direct flight once a week Saturday seasonal flight starting June 2nd or 3rd and concludes towards the end of August.

VIII. 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 increase in cash is consistent with the year to date revenue. The revenue bond sinking fund increases each month to pay the semi-annual interest and annual principal due in December.

Liabilities – Accounts payable is lower than prior year with the payoff of a capital account carried over from 2015

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

Non-Aeronautical Revenue – Non-aeronautical revenue is consistent with the increase in enplanements. Reflected in the rental car and parking revenue.

Operating Expense – Personnel expense is lower than budget and actual as all employment positions have not been filled. Contact services is higher than budget and prior year as a result of legal fees in the first 6 months of the year. 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 is consistent with budget and prior year for the month. PFC & CFC year to date are higher with the increase in enplanements.

Enplanements

2016 vs 2015

	Month	Year to Date
2015	19,825	183,685
2016	22,119	189,177
Difference	2,294	5,492

Historical Average

	Month	Year to Date
5 Year		
Average	19,425	184,533
2016	22,046	189,104
Difference	2,621	4,571

B. CIP Update

Mr. Turner briefed the Board. Mr. Turner stated that one of the first things he did when he got here four months ago, is started working with the airport's consulting team and they talked with staff about what their projects were, what the CIP looked like and where they were going in the next ten years. Mr. Turner said that each year they meet with the FAA at the Airport District Office (ADO) in Denver and they go over with the FAA what their ten year CIP is. Mr. Turner said that GJRA's CIP needed some help. The positives is that they have a very impressive project on the books, with the replacement of the primary runway. Mr. Turner said that the magnitude of that project is so expensive and so time consuming that the FAA and all of the parties involved, put that on a 10 to 12 year span to get that project done. Mr. Turner said that his other question was what about their other infrastructure, are they able to maintain all of their other infrastructure in a way that they aren't concerned with anything to get them through the duration of that project. Mr. Turner said that when they took another look they found that there were other things that were going to have to be addressed in that ten year period. That has altered their CIP to some extent. The FAA has given the airport final direction for at least the next five years.

Dennis Corsi with Armstrong Consultants and Ryan Hays from Mead & Hunt gave a presentation and talked about the different areas they work with the airport on the projects that they now see as the next ten years' worth of projects and how they have prioritized those in level of importance.

Mr. Hays stated that they Mead & Hunt understands that it was discussed for the airport to save the foundation or the initial floor of the building at 800 Eagle Dr. for the potential use as a storage building, so they had their buildings group to assess that idea and given the information that they have, it doesn't make a lot of sense. The contractor would have to be very careful not to damage the initial floor and then spend money to build a roof. Mr. Hays said that just a rough order of magnitude (ROM) square footage stand point, they think it would add at least \$200,000.00 to the project to put a rough on it and to carefully do the demolition and then you end up with a building that doesn't serve the purposes of storage very well. Mr. Hays said that they think that the airport could build a building somewhere else on the airport as a storage building, a pre-engineered building, for somewhere in the neighborhood of \$800,000.00 and that makes more sense from a financial standpoint.

C. Minimum Standards

Commissioner Ball briefed the Board and stated that his intention for putting this item on an action item list for this meeting originally was to move that the Board adopt the minimum standards as he had purposed fully understanding that there would be considerable discussion. Commissioner Ball said that minimum standards are by the very term *minimum*, and what he sees in the upcoming discussion on the Ground Transportation Permit gives him great concern about what may happen to minimum standards. Commissioner Ball said that there are things in the ground transportation permit that he is not happy with at all and he certainly wouldn't be happy with these kinds of things being included in minimum standards for operations at the airport. Commissioner Ball said that when they discuss this particular item, consider what minimum standards really mean. Commissioner Ball said that they don't want to restrict entrepreneurial activity.

Chairman Wood said that minimum standards has been a topic gone around the Board for many years and is something that they are committed to looking at and taking action on. Chairman Wood said that he know just how busy Mr. Turner has been in just the four months he has been here, and he is sympathetic with why he and the whole Board needs a little time to get it back in front of them and give it the study and the careful consideration that its due.

The Board agreed that a separate workshop specifically for this topic early in the year and then plan on having a final document to take action on in April.

IX. Action Items

A. Ground Transportation Permit

Mr. Minnick briefed the Board. Mr. Minnick said that currently the airports ground transportation is governed by the rates and charges that are adopted each year by resolution. Mr. Minnick said that the reason he started reworking and having different ideas on the ground transportation was mainly because of T&Cs and their lack of collecting from the T&Cs. Mr. Minnick said that he was finally able to contact them, Uber specifically, sometime in August and they don't have the ability to pay a percentage of airport generated revenue, which is how the airport collects from the taxi cabs and airport shuttles. Mr. Minnick said because of that he wanted to make them a concession and change the way they collect from cabs and shuttles to a flat rate for all ground transportation providers. Mr. Minnick said that the "trip fee" would be \$2.50 for up to 8 passenger vehicles, \$3.75 for 9-15 and over 16 is \$8 per trip. Mr. Minnick said that this permit will also require all of the insurance certificates be turned into the airport, it will establish a pick up and drop off zone in front of the airport on the east and west side of the terminal.

Mr. Langley asked how this proposed fee structure impact or different from the current fee structure.

Mr. Minnick said that they do about \$2000.00 a month so it will have very minimal impact on the budget but it will make it a level playing field for all of the providers.

Chairman Wood asked if this is worth doing.

Mr. Turner said yes, mostly for grant assurance purposes. Mr. Turner said that if they charge one entity they are supposed to do that for all, even if it's a minimal fee.

Commissioner Ball said that as an Uber driver himself he picks up about one person per week and probably one person per month from the airport, his total income before taxes for anywhere in Grand Junction \$7.50. If he pays \$2.50 of that to the airport he is down to \$5 for anywhere in Grand Junction and he doesn't call that equitable. Commissioner Ball said that he just sees this as another way of putting minimum standards on an individual operator that really has no way to comply. Commissioner Ball stated that this permit goes on and on, and just dictates how other people should run their business. Commissioner Ball said that he can see this kind of attitude going directly towards minimum standards.

Commissioner Langley said that it seems to him that this is immaterial money and they are just creating a bunch of regulation and they have a lot bigger issues to focus their energy on.

Mr. Turner said that they are charged by the FAA to run an airport as a business to be in the black, and while this does not pay the bills it is a small portion that goes to that. They are charged by the FAA under grant assurances to run a fair and equitable operation, they can't tell one tenant that's running any kind of business to do something that they don't require the other people that are doing business on the airport to do. Mr. Turner said that they can make it as light or a little as the Board wants but they need to treat every entity on the airport the same.

Mr. Minnick stated that this was simply just to get everyone on the same playing field.

Mr. Wegener said that it would be nice to have something from the ground transportation companies that the airport be able to maintain to make sure that they have insurance and the proper amounts, and that they agree that if anything were to happen they are going to indemnify the airport. Mr. Wegener said that right now the airport is collecting from a group of people but not another group of people that are providing transportation so the airport is treating people unfairly.

Mr. Wayne Clark commented that he agrees with the insurance issue but he doesn't agree with, and it goes back to the minimum standards, in the document it says they will have to keep it maintained, keep it clean etc. and that's the airport telling operators how to run their business. Mr. Clark said that if the Board passes this with all of the extras in it on telling people how to run their business, what's going to stop the Board from telling people who want to come and open businesses here from doing the same thing.

Mr. Seibold said that on the insurance issue he looks at it as there is always risk, is their risk with individuals dropping off their parents? At what point do you draw the line? Mr. Seibold said just more the Board goes down that road it's just regulation nation.

Commissioner Murray stated that he is not sure that this is a policy the airport can administer and enforce so he thinks maybe it should be cut down a bit to meet the requirements of what the FAA's intent is without creating an overly burdensome responsibility for staff to monitor.

Commissioner Nelson suggested to direct staff to slim this down as much as they can and bring it back next month.

B. EKS&H

Commissioner Langley stated that the audit committee is recommending to accept the proposal and to engage EKS&H to perform the annual audit for 2016.

Commissioner Taggart made a motion to accept the proposal and to engage EKS&H to perform the annual audit for 2016. Commissioner Nelson seconded. Voice Vote. All Ayes.

C. AIP 52 Pay Request

Mr. Trinklein briefed the Board 600 and stated that AIP 52 included the seal coat of the runway, the relocation of the wind cone which are complete and this is the first pay application from the contractor Elam in regards to the the mill and overlay of the connector taxiways. Mr. Trinklein said that a part of the pay application is for Armstrong's acceptance testing.

Commissioner Langley made a motion to accept staff's recommendation to approve the following payments: Armstrong Consultants invoice for \$27,000 and Elam Construction for \$894,984.29. Commissioner Nelson seconded. Voice Vote. All Ayes.

X. Any other business which may come before the Board

Mr. Turner introduced Eric Trinklein the Airport's new Project Manager as well as Jodi Doney, the airport's new Business Relations Specialist.

Mr. Minnick commented that he has an employee who is retiring, Kathie Pottorff, at the end of the month after 37 years. Her replacement will be starting on Monday.

XI. Adjourn

Commissioner Murray moved to adjourn. Commissioner Ball seconded. Voice Vote. All Ayes.

The meeting adjourned at 7:54PM.

Steve Wood, Board Chairman

ATTEST:

Victoria Hightower, Clerk to the Board