



**Grand Junction Regional Airport Authority Board
Board Meeting**

CORRECTED Meeting Minutes
October 17, 2017

REGULAR BOARD MEETING

Time: 5:15PM

I. Call to Order & Pledge of Allegiance.

Mr. Rick Taggart, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on October 17, 2017 in Grand Junction, Colorado and in the County of Mesa.

<p><i>Commissioners Present:</i> Rick Taggart, Chairman Tom Benton Chuck McDaniel Tim Pollard Robin Brown Erling Brabaek</p> <p><i>Airport Staff:</i> Mark Achen Victoria Hightower, Clerk Chance Ballegeer, Deputy Clerk Ty Minnick Shelagh O’Kane Eric Trinklein</p>	<p><i>Other:</i> Shannon Kinslow, TOIL Larry Kempton Jr., Plane Storage Brad Rolf, Mead & Hunt Larry Kempton Sr., Kempton Air Colin Bible, Garver Frank Mcillwain, Garver Tyler McClymond, Citizen John Manee, DOWL Drew Armstrong, Finance&Audit Committee</p>
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II. Approval of Agenda

Commissioner Brabaek commented on item H in the Consent Agenda. Commissioner Brabaek asked Mr. Chance Ballegeer to verify that the shaded area in the board packets is not drawn to scale.

Mr. Ballegeer verified that the shaded area is not drawn to scale. Mr. Ballegeer said that if this it approved, one of the things they would ask for is for a survey to be done.

Chairman Taggart stated that item E. Standard Ground Transportation Permit, he was a bit confused with the summary because there were two sets of rates and charges. Chairman Taggart clarified that the basic rates and charges are being replaced by the trip

charges. Chairman Taggart stated that the seconded item within it is actually in the business permit itself, section 3.03. Chairman Taggart said that he asked Mr. Achen and Mr. Minnick to potentially put this on discussion because he was worried about the second sentence because it was too vague about the cost of the AVI permit, but Mr. Minnick said that he would add “not to exceed \$50. Chairman Taggart said with that modification he would leave it on the Consent Agenda.

Chairman Taggart stated that Mr. Minnick would like to add an item to the Consent Agenda an invoice for a transmission for the Airport’s Stewart & Stevenson snow blower.

Commissioner Brown moved for the Board to accept the agenda. Commissioner Benton seconded, noting the amendments as discussed. Voice Vote. All Ayes.

III. Commissioner Comments

Commissioner Benton thanked the staff for dealing with the changes of TSA.

IV. Citizens Comments

Larry Kempton Jr. - Plane Storage

Mr. Kempton commented on consent agenda item H. Mr. Kempton said that he has an old document that shows a 33ft. area that Plane Storage would have to use to get out and he wanted to make sure that the Board has the ability to look at that and staff is looking at it also.

Mr. Minnick stated that they approved the lease application, that didn’t approve the building site. They are doing a review of the building site to determine the setbacks from the property line.

Mr. Eric Trinklein stated that what is on the consent agenda is a preliminary application.

V. Consent Agenda

- a. September 21, 2017 Regular Meeting Minutes
- b. G4s invoice approval
- c. ADK inoice approval
- d. Mead & Hunt invoice approval – passenger boarding bridge
- e. Standard Ground Transportation Permit
- f. Rates & Charges amendment
- g. Passenger Facility Charge application
- h. Ground Lease application
- i. Invoice for Stewart & Stevenson snow blower

Commissioner Brown made a motion for the Board to approve the Consent Agenda with the amended changes. Commissioner Brabaek seconded. Voice Vote. All Ayes.

VI. Staff Reports

A. Directors report

Mr. Achen briefed the board on the screening issue with the TSA security check point.

B. Financial report

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

Assets – Cash and accounts receivable combined are consistent with prior year. The increase in accounts receivable is a result of payments due from FAA for AIP projects 52 and 54 for a total of approximately \$800,000. Both projects have been submitted for reimbursement.

Liabilities – The accounts payable balance was reduced in February for the payment for approximately \$520,000 due to the FAA, along with the payments to Jviation and Armstrong.

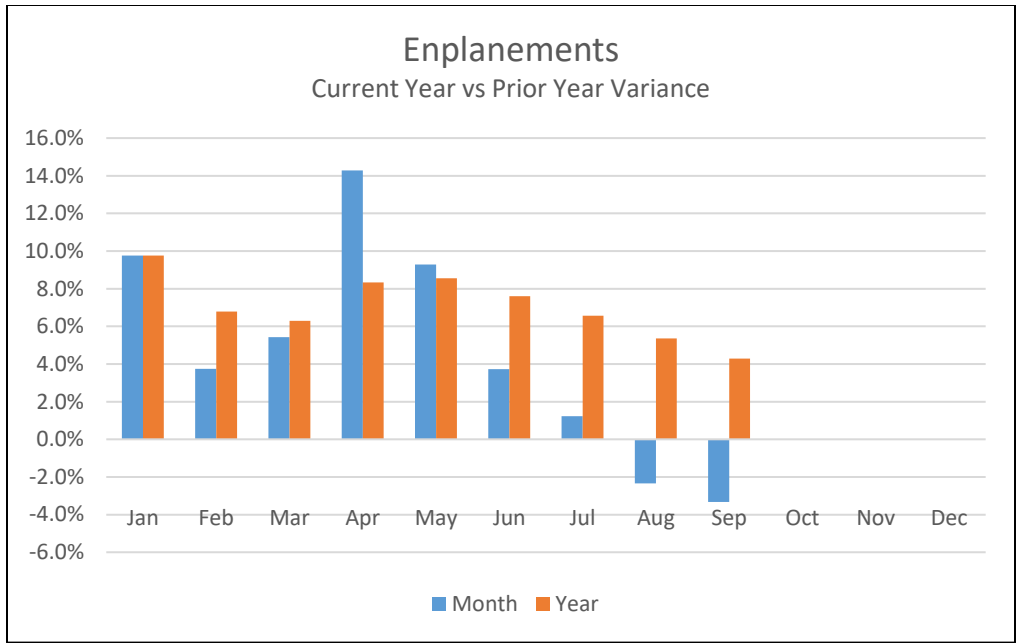
Aeronautical Revenue – Ahead of budget and prior year, year-to-date. The increase is consistent with the increase in year-to-date enplanement. The detail air service information is provided in the Activity Update of the board packet.

Non-Aeronautical Revenue – Parking and rental cars remain strong to bring total operating revenue for 2018 to \$4,731,000 versus \$4,576,000 for 2017, approximately \$155,000 ahead of prior year.

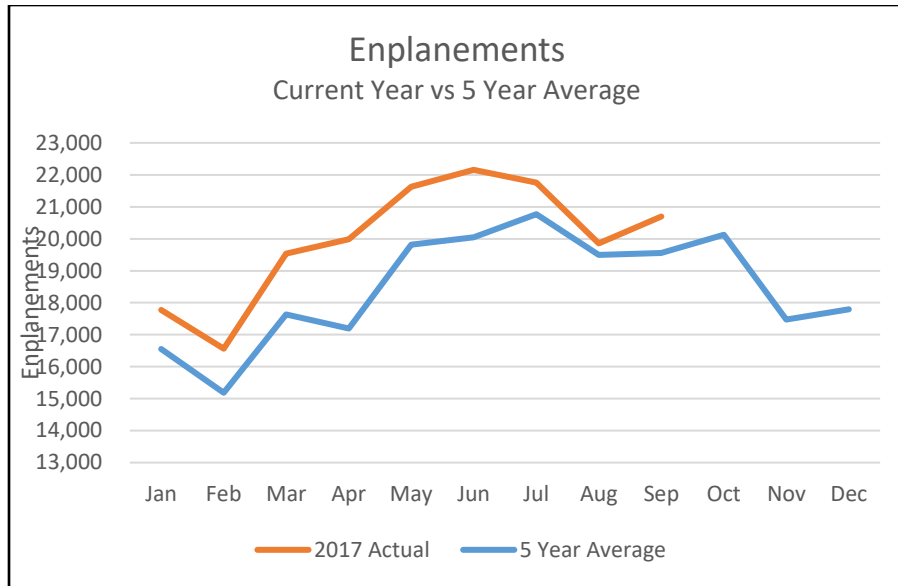
Operating Expense – The total operating expense is \$215,000 ahead of budget and \$157,000 ahead of prior year. The majority of the variance is effected by the cost savings from legal fees incurred in 2016. Resulting in an operating gain of \$1,859,000 year-to-date versus \$1,548,000 prior year.

C. Communications Events and Activity report

Ms. Shelagh O’Kane, Airport Accountant, briefed the Board. Ms. O’Kane stated that overall for the year they are still doing very well compared to the average of the last five years. Ms. O’Kane said that enplanements are up almost 6% for month of September comparative to the last five years, and year to date they are up by over 8%. Ms. O’Kane said that the month of September is down by 3%, though that was not entirely unexpected, and year to date just for the month of September they are up by 4%.



	Variance			
	2016	2017	Passengers	Percent
September	21,415	20,701	(213)	-3.3%
YTD	172,585	180,479	7,894	4.3%



	5 Year Avg	2017	Variance	
			Passengers	Percent
September	19,552	20,701	1,149	5.9%
YTD	166,246	179,978	13,732	8.3%

D. Projects Report

Mr. Trinklein briefed the Board on current projects at the airport. “Thank you for the chance to be a part of the large program of projects here. When you see \$24M in projects using \$1M airport cash for 2017/2018. In combination with a \$100M Runway Replacement Project, it is pretty incredible for a Primary Commercial Airport.

And we are still moving forward already starting project planning for 2018. Last week we had meetings at CDOT and FAA.

2018 plans for \$8M in just FAA projects. 92% of that coming from FAA and CDOT grants. Expect to see Grant Applications at the November Board Meeting

Taking a look at the 2017 projects already underway...here are the latest updates”.

Replacement Runway (12/30)

Mead and Hunt should be complete with data collection for the Replacement RW project by October 27.

Mead and Hunt is also in the middle of the Conceptual Design of the RW project, scheduled to be completed January 23.

Passenger Boarding Bridge

Foundation testing on the west ramp was finished October 6 for the passenger boarding bridge project.

The final design for the passenger boarding bridge and fixed walkway should be done by November 13.

Terminal Repairs

Concept design phase is underway for the terminal renovation projects to extend the useful life of our existing terminal. A review of the concept design is scheduled for October 31.

East Terminal Apron Project

The East Commercial Apron project resumed work on October 3

The current schedule shows concrete pouring beginning October 26

The first goal is to complete the upper portion of the ramp for a busy diversion season starting around Thanksgiving (Nov 22).

November 6 begins the asphalt baggage ramp portion which scheduled for approximately 12 days

The entire project is scheduled to be complete by Jan 3.

VII. Discussion/Action Items

A. Mead & Hunt invoice approval – runway design

Mr. Trinklein briefed the Board. This invoice is the progress billing for work completed on the Replacement Runway Design. Staff has reviewed the invoice and concurs with the stated level of completion and recommends paying the invoice.

Staff recommends that the Board approve the payment of Mead & Hunt Invoice No. 272427, in the amount of \$379,700.07.

Commissioner Benton moved for the Board to approve the Mead & Hunt pay request for Runway Design invoice No. 272427 in the amount of \$379,700.07. Commissioner Brown seconded. Voice Vote. All Ayes.

B. Airline lease consultant selection & agreement

Commissioner Benton briefed the board. Commissioner Benton stated that fellow Commissioner Robin Brown, Drew Armstrong and Suzanne Lay reviewed with Mr. Achen and Mr. Minnick the responses to the RFP that was put out. Commissioner Benton said that they were pleased they had three qualified firms, DWU Consulting Group, L&H Consulting Group and DKMG. The selected consultant will be assisting staff with the following:

- Development of cost centers
- Establishing rates & charges
- Conduct airline lease negotiations
- Draft and finalize airline use and lease agreement

Based on the scope, evaluation and references, the audit committee is recommending DKMG.

Commissioner McDaniel moved for the Board to approve DKMG as the Airport's airline lease consultant and authorize the Airport Director to sign the professional service agreement. Commissioner Brabaek seconded. Voice Vote. All Ayes.

C. 2018 Budget

Commissioner Benton briefed the Board. Commissioner Benton recognized Mr. Drew Armstrong, fellow Commissioner Robin Brown, Suzanne Lay and along with Mr. Minnick and Mr. Achen.

The 2018 Budget draft was reviewed and approved by the audit committee on August 23, 2017. At the September 2017 regular board meeting the 2018 Budget draft was presented to the board and public for comment. Additionally, the notice of budget was published and made available on the Airport website, no comments have been received. The 2018 Budget is conservative with both operating revenue and expense showing a modest increase in revenue versus 2017 forecast and larger increases in expenses with the expectation of being fully staffed; implementation of a robust air service and marketing effort; increased professional services as a result of growth in airport projects.

The largest budget line item is the capital projects that account for approximately \$24,000,000. Terminal projects account for approximately \$9,500,000 while airfield projects are budgeted for approximately \$13,000,000.

Approval of the 2018 budget and related capital projects (CIP) approves staff to process the CIP applications for 2018.

Commissioner Pollard asked what the place holder was for the 2018 budget for the skeleton building.

Chairman Taggart said the \$1million they budgeted for this year in the event they have to take it down rolls over into 2018.

Commissioner Pollard asked what their budget figure is to deal with the customs and border patrol facility.

Commissioner Brown said \$0 at this point. Commissioner Brown said that there are too many unknowns right now.

Considering the amount of the airport's electric bills, Chairman Taggart stated that it is time to get a solar farm.

Mr. Minnick said that they were starting that process to send out an RFP to do solar.

Chairman Taggart asked how soon before they would be able to look at it.

Mr. Minnick said possibly next month.

Commissioner McDaniel made a motion for the Board to approve the 2018 budget. Commissioner Brabaek seconded. Roll Call Vote. Commissioner Brabaek: Aye; Commissioner Benton: Aye; Chairman Taggart: Aye; Commissioner Brown: Aye; Commissioner Pollard: No; Commissioner McDaniel: Aye.

D. Administration Building

1. June 30, 2017 RFP – board response

Chairman Taggart said that the board needs to conclude and reject the present RFP that went out this summer. Chairman Taggart said that the reason why for that is because the dollars and cents that are necessary for the Airport Authority to conclude that building on its own, they can't generate the cash flow to complete the building. Chairman Taggart said that the estimates are beyond their cash flow capabilities without compromising the run way projects and other CIP projects that are in the works right now so they need to reject that.

Commissioner Benton made a motion for the Board to rescind and reject the June 30th 2017 RFP responses that were submitted to the Board. Commissioner Pollard seconded. Voice Vote. All Ayes.

2. Building Alternatives

Commissioner Benton briefed the Board. Commissioner Benton said that the building alternatives that the Building Committee have been discussing was to pursue public/private partnership RFP/RFQ, which would invite an arrangement where the building could be completed by a private sector with the airport being the lessee. Commissioner Benton said that they are hopeful to have a draft of that at their next meeting.

VIII. Any other business which may come before the Board

Commissioner Benton stated that in accordance going into Executive Session as required by the Colorado Open Meetings Law, a tape recording is being made of our discussions now and during the executive session.

All members of the Board are present except Thaddeus Shrader. There is a quorum present.

The topics for discussion in the executive session are:

- *Specialized details of security arrangements as authorized by C.R.S. Section 24-6-402(4)(c)*

- *Determining positions relative to matters that may be subject to negotiations; developing strategy for negotiations; and instructing negotiators as authorized by C.R.S. Section 24-6-402(4)(e) more specifically to review applications for the position of Airport Manager*

Each participant must confine his or her discussion to these stated topics of the executive session. No formal action may occur in the executive session.

If at any point in the executive session any participant believes that the discussion is going outside the proper scope of the executive session, please interrupt the discussion and make an objection.

I NOW MOVE TO GO INTO EXECUTIVE SESSION TO DISCUSS SECURITY DETAILS AND APPLICATIONS FOR AIRPORT MANAGER PER THE C.R.S. PREVIOUSLY STATED. WE WILL VOTE ON THIS MOTION BY A ROLL CALL VOTE. PLEASE STATE YOUR NAME AND YOUR VOTE.

Commissioner Brow seconded. Roll Call Vote. Commissioner Brabaek: Aye; Commissioner Benton: Aye; Chairman Taggart: Aye; Commissioner Brown: Aye; Commissioner Pollard: Aye; Commissioner McDaniel: Aye.

IX. Adjournment

Open session adjourned at approximately 7:00pm

Rick Taggart, Board Chairman

ATTEST:

Victoria Hightower, Clerk to the Board