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

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**REGULAR BOARD MEETING**

**Time: 5:15PM**

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**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 5:16 PM on September 21, 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          Thaddeus Shrader          Erling Brabaek</p> <p><i>Airport Staff:</i>          Mark Achen          Ty Minnick          Jodi Doney          Eric Trinklein          Ben Peck          Chance Ballegeer, Deputy Clerk</p>	<p><i>Other:</i>          Shannon Kinslow, TOIL          John Manee, DOWL          Bradley Barker, CAP          David Shepard, GJAUTA          Bill Marvel, GJAUTA          Jim Neu,          Tom Ross, Citizen</p>
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**II. Approval of Agenda**

Commissioner Brabaek had a couple of questions about the consent agenda. Questions on item J, IHC Invoice approval. Multiple commissioners agreed. Also had a question about item K, BLM memorandum of agreement. After a conversation between board members it was decided that item K would be left on the consent agenda.

Interim Director March Achen wanted to clarify that Item H, replacement of hold room windows, is for the boarding area, and not the grand hall of the terminal.

Chairman Taggart suggested that items A-M be part of the consent agenda, but item N, Avigation Easement, he would have to recuse himself as he is on both sides of the

agreement, therefore he cannot participate and until Commissioner Benton arrives we may have to move it into the discussion items. Commissioner McDaniel asked if a consent agenda can be approved with 4 board members, Chairman Taggart asked the attorney, and it was stated that they could.

### **III. Commissioner Comments**

Commissioner McDaniel stated that as he was looking at the budget and other publications, he noticed that 4 commissioner's terms end in the first half of 2021, thought this issue isn't urgent, that's potentially a big turnover to put 4 new people on a board at once. Commissioner had questions about current members fulfilling recently resigned commissioners. Commissioner McDaniel stated he was just worried about the situation, and wants to work on fixing the issue.

### **IV. Citizens Comments**

#### **Tom Ross, Citizen**

Mr. Ross referenced the news article in the local paper about the concrete not passing, but the possibility of the airport using the concrete for 10 years or so. Mr. Ross is concerned about what would happen if the airport were to leave the concrete in and how it would affect FAA grants and so forth. Mr. Ross stated that he worked for the airlines when the de-ice pad was installed and it wasn't poured properly. Also mentioned the west entrance of the terminal had footprints in the concrete. Mr. Ross wants the board to make sure the concrete passes the test and is suitable for the airport.

#### **David Shepard, GJAUTA**

Mr. Shepard wanted to ask the board a question, but wanted to give a little bit of background. Mr. Shepard states that that nothing is more important to users and tenants than public access. Mentions Civil Air Patrol has lost recruits because of it. Also CAF came before the board and stated that the State of Colorado history board proved the TBM as a Colorado historic object, that's pretty important except we can't get people in to see the plane because there isn't public access. Mr. Shepard understands that runways and concrete is very important, but public access is also important and it's related to infrastructure and basic services. Mr. Shepard states that we are in year 6 of being unable to fix any piston engine airplane in Grand Junction, because we lost all our mechanic maintenance services except for West Star. He states that this is unlikely to change unless a potential business can get customers to that business. Public access is the number one priority.

Mr. Shepard mentions the security solution committee, their years of experience and how during the brief tenure of Mr. Turner, the committee went into hiatus. Since the departure of Mr. Turner, these members have volunteered to come back and work on this problem. It's his understanding that after talking with Mr. Guy Parker, a former member, has made the offer to come back a long time ago and are confused because the board hasn't responded. Mr. Shepard's respectful request is to reconstitute the security solution committee so we can move forward on this public access.

## V. Consent Agenda

- a. August 9, 2017 Special Meeting Minutes
- b. August 15, 2017 Regular Meeting Minutes
- c. G4S invoice approval
- d. Garver invoice approval
- e. Mead & Hunt invoice approval
- f. Civil Air Patrol lease approval
- g. ADK invoice approval
- h. Replacement of hold room windows
- i. Sky Adventures sublease approval
- j. IHC invoice approval
- k. BLM memorandum of agreement
- l. Disadvantage Business Enterprise policy statement
- m. Colorado Discretionary Aviation Grant Agreement
- n. Avigation Easement

*Commissioner McDaniel moved for the Board to approve the Consent Agenda items A-M, removing item J, IHC invoice approval. Commissioner Pollard seconded. Voice Vote. All Ayes.*

*With Chairman Taggart recusing himself, Commissioner McDaniel moved for the board to approve consent agenda item N, Avigation Easement. Commissioner Shrader seconded. Voice Vote. All Ayes.*

## VI. Staff Reports

### A. Directors report

Mr. Achen stated that he had nothing to report as items on the consent agenda had already been mentioned.

### 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 large increase in accounts receivable is a result of payments due from FAA for AIP projects 52, which is taking a little longer but hopefully completed in the next 30 days.

**Liabilities** – The accounts payable balance was reduced in February for the payment for approximately \$520,000 due to the FAA.

**Aeronautical Revenue** – Ahead of budget and prior year, year-to-date. Detail is provided in the Activity Update of the board packet.

**Non-Aeronautical Revenue** – Parking and rental cars remain in front of prior year and budget to bring total operating revenue \$119,000 ahead of budget and \$148,000 ahead of prior year.

**Operating Expense** – Main variance is the legal fees from 2016, decreased by \$346,000 this time last year versus \$87,000 this year. Which resulted in an operating gain of around \$1.6 million versus \$1.3 million prior year.

### **C. Communications Events and Activity report**

Ms. Jodi Doney briefed the Board. Enplanements for the year are still at 5.4%. August was down over August of 2016 which is pretty much in line with the logging tax, which was down 3.3%. Over 3,000 flight were cancelled at the end of August because of hurricane Harvey, which could have effected passengers flying out of GJT. Ms. Doney stated that though she wasn't here in August of 2016 and didn't know if a festival or something along those lines happened last year and not this year, but in her experience that it was more in line with tourism and hurricane Harvey. The 5 year average is 1.9%. August is typically a slower month.

Aircraft changes in capacity for August stayed mostly the same aircraft August over August but Allegiant used the airbus instead of the MD80 flying to Los Angeles. American now has the 700 and 175 operating Dallas and Phoenix, where last August we had the CRJ900 and 200. United stayed the same except for we saw 16 additional 175, which we did not see last August.

Ms. Doney talked about an additional document from the airport's air service consultant, the seat per day each way average.

Ms. Doney then mentioned a reminder about the airshow coming up and gave information for the flying public to make sure they get to their flight on time.

### **D. Projects Report**

Mr. Trinklein briefed the Board on current projects at the airport. Mr. Trinklein then wanted to talk about the fiscal year 2018 for the FAA. October 1, is the start of the fiscal year and the airport has 3 projects. The Remote transmitter receiver relocation, 27 ¼ relocation for the new runway, and the maintenance of Taxiway Alpha on the east and west ends.

## **VII. Discussion/Action Items**

### **A. IHC Invoice Approval**

Chairman Taggart addressed Mr. Ross's comment from earlier about the failed concrete because the whole board is concern about the apron and relying on the engineering team to see where the airport is on this. The airport is waiting on the details on the concrete tests. Mr. Trinklein stated that the tests have been completed and are below the minimum qualifications. Chairman Taggart asked what the next steps are, and Mr. Trinklein stated that construction on the existing concrete had stopped after a meeting with the contractor, and are in a stopping period so they can reevaluate the concrete mix design and come up with the best option. That period takes about 45 days. Once the engineers receive the results and a mix design is selected, construction will resume. Mr. Trinklein believed that results should be back by the 27<sup>th</sup> and construction can start October 3<sup>rd</sup>. Communication has been in the works with airlines and other tenants about construction starting back up again.

Mr. Achen asked Mr. Trinklein if the test results that are no payment, is it most likely that the contractor is going to want to have payment and this would be replacing it? Mr. Trinklein stated that is correct. Chairman Taggart asked Mr. Achen to explain his question. Mr. Achen stated if the contractor doesn't remove and replace the concrete that meets the strength test there not going to get paid, but we suspect they'll want to get paid right away. That's not final but that's what we presume will happen. Chairman Taggart thanked Mr. Achen for the explanation.

Commissioner Benton joined the meeting.

Commissioner McDaniel asked what's in the invoice. Mr. Trinklein stated that the invoice is payment for the underlying layers of the first two phases. There are general conditions that IHC has, but it's mostly payment to the local sub-contractors that have done the work for the underlying layers.

Commissioner Pollard asked if there was any payment request for the failed concrete, Mr. Trinklein stated there is no concrete on the invoice.

Commissioner Shrader asked if city had any discussion with the contractor about retainage for when they pull the concrete out and there may be damage to the underlying layers that going to have to be mitigated and increase the cost on that end, or is there some kind of agreement that they will cover that cost in future. Mr. Trinklein stated that it's part of the contract, they cannot place a layer on top of an unsatisfactory layer. Commissioner Shrader then stated that before we approve or deny this invoice, if it was important to put some kind sort of language that speaks to denial of increase cost due to the badge concrete removal, specifically to the underlying layers. Mr. Trinklein stated he would do some follow up research on the issue.

Chairman Taggart asked Mr. Trinklein if the airport has something in writing with the contractors that have in fact, acknowledge their failure to perform, and that they will incur all the cost to make this correct? Airport Attorney's stated that staff is taking the precautionous approach and documenting everything regarding this issue.

*Commissioner Pollard made a motion for the Board to approval the IHC invoice and Commissioner Benton seconded. Voice Vote. All Ayes.*

## **B. Junction Aerotech Lease Amendment**

Mr. Minnick briefed the board, as well as introduced PJ McGovern, who is representing Junction Aerotech and can field any questions.

Commissioner Benton asked Mr. Minnick for clarification on the expiration dates. The date in the packet is August 15, 2028, is that for the initial term or for all of the option terms. Mr. Minnick stated that they will get a total of 50 years. Commissioner Benton stated “then with options, what year will it be final.” Mr. Minnick stated 2054. PJ McGovern stated that it’s not a total of 50 years, its 50 years from the time of the initial lease. PJ then explained the new lease history and his leases and that simply West Star cannot move in 6 months and that’s why we have requested 2 years. These are only around option periods.

Chairman Taggart asked Mr. Minnick and Mr. McGovern to explain the dates as they seem to not add up. Mr. McGovern stated that there is a standard 20 year lease, 1 (10) year option and 4 (5) years options, that equal 50 years. Mr. Minnick stated that the 10 year option is not be amended.

*Commissioner Pollard made a motion for the Board to approve the Junction Aerotech Lease and Commissioner Brabaek seconded. Voice Vote. All Ayes.*

## **C. ADK board meeting/executive session October 10, 2017**

Mr. Achen and the board locked down a date and time for the ADK meeting. After some discussion, October 9, 2017 at 8am was picked for this Executive session meeting.

## **D. Business Development Committee**

Commissioner Taggart briefed the board on how the Business development committee came about and who board members can go to on staff to help customers talk about business development at the airport. Chairman Taggart asked for any volunteers to be at the point of the business development committee. Also a point of staff and Chairman Taggart suggested the executive director. Commissioner Shrader stated that he could support it anyway he can but could have difficulties devoting time. Commissioner McDaniel and Commissioner Brabaek volunteered.

## **E. Customs and Border patrol facility**

Chairman Taggart stated that before we talk about customs and borders patrol, going into an executive session is not a good idea as the board was going to lose a board member. Chairman Taggart stated that it didn't feel right to have an executive session without the full board being present considering the topics. The other Commissioner agreed. Commissioner McDaniel asked if we could role some of the topics into the October 9<sup>th</sup> meeting, but Chairman Taggart stated that it might be difficult to talk about those topics and 10 to 12 finalist down to 6 without being in the executive meeting for a long period of time.

Commissioner Benton asked if item E, the 2018 budget draft had already been discussed prior to him getting there. Chairman Taggart stated that the commissioners got the draft book, but hasn't been discussed. Commissioner Benton stated that we need to be ready to approve it in the October board meeting for Ty because of certain guidelines and time requirements. Mr. Minnick wanted to clarify that it has to be presented to the board and public by October 15<sup>th</sup>. Airport attorney added that by distributing it to commissioners and having it out on the website, we have met the requirement of presenting it to the board and public. Chairman Taggart reiterated that board members needed to be prepped on this document for the regular scheduled October board meeting so that we can approve the draft of the 2018 budget.

Mr. Jeff Mason from Mead and Hunt briefed the board on the Custom and Border patrol Facility. Commissioner Benton asked Mr. Mason for some clarification on when we talk about Custom and Border facility, are we also talking about the foreign trade zone. Mr. Mason stated that's not their understanding, these are two different things. Commissioner Benton stated that one of the things that they are getting push from is that a number of companies are importing goods, we need a foreign trade zone to make it competitive, and we know that Montrose is working on that, so why wasn't that in consideration for this facility not combined. Mr. Mason stated that he's not an expert about foreign trade zones. Commissioner Benton asked if it is designed for a custom and border patrol facility and it also house a facility for foreign trade zone compliance. Chairman Taggart stated yes because the foreign trade zone falls under the jurisdiction of the custom and border patrol and so it has to be approved through that chain of command. Chairman Taggart agrees with Commissioner Benton in that a community is biting at the bit on this issue. A suggestion would be to organize a meeting in the next few weeks with folks in Denver and get the discussion going so that we can follow the proposal.

Commissioner Brabaek asked when cargo lands here and when cargo has to be held somewhere whether it's over night or for a long periods of time, is there a place in the proposal for that. Mr. Mason stated no.

Commissioner McDaniel stated after reading the memorandum that Chairman Taggart handed out, the foreign trade zone can be a really big place, but you also have to have an agent here who must have supervision or enforcement of the trade zone. So I don't know if we need a warehouse.

Commissioner McDaniel added that in terms of process going forward the board needs to figure out how to finance the site, before going out for bids, that's there some way of financing it.

Commissioner Benton mentioned that based on the last economic development meeting there is some interest from the public private sector to help pay for that side of things, so once we know the cost is, then we can try and secure investor(s) in that process. Chairman Taggart stated that other members of the community may also be interested in this process. Mr. Achen stated that we will continue on.

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

**IX. Adjournment**

*Adjournment @ 7:01pm*

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Rick Taggart, Board Chairman

***ATTEST:***

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Chance Ballegeer, Deputy Clerk to the Board