



Grand Junction Regional Airport Authority Board
Board Meeting
Meeting Minutes
January 7, 2013

Opening:

Mr. Doug Simons, Board Chairman, called the regular meeting of the Grand Junction Regional Airport Authority Board to order at 5:15 PM on January 7, 2013 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners:

Doug Simons, Chairman
Tom LaCroix
Tom Kenyon
Denny Granum
John Stevens
David Hibberd
Steve Wood

Other:

Shannon Kinslow, TOIL
Guy Parker, GJAUTA
Dale Beede, GJAUTA
Larry Kempton, Plane Storage
Bill Marvel, GJAUTA
Bob Erbisch, GJAUTA
Deborah Gaul, GJAUTA
Bill Pitts, GJ City Council
Sam Susuras, GJ City Council
Martin Chazen
Dennis Corsi, Armstrong Consultants
Collin Fay, CFC
Rick Peterson, CAP
Wayne Clark, GJAUTA
Carl Vostatek, Architect
Mike Morgan, Airport Authority Attorney

Airport Staff:

Rex Tippetts, Director of Aviation
Amy Jordan, Clerk
Gary Schroen
Kathie Lucas

I. Approval of Agenda

Discussion:

Commissioner Kenyon stated that he would like to remove the Aeronautical Use Lease Guidelines from the agenda, and allow for additional public review.

Commissioner Kenyon moved to approve the agenda, with the removal of the Aeronautical Use Lease Guidelines. There was no second. Motion Fails.

Commissioner Stevens moved to approve the agenda as distributed. Commissioner Hibberd seconded. Voice vote: Kenyon, NO. Simons, Granum, Hibberd, LaCroix, Stevens, Wood, YES. The agenda was approved as distributed.

II. Conflict Disclosures

Chairman Simons – Yes, Hangar owner.

Commissioner Kenyon – None.

Commissioner Hibberd – Yes, Hangar owner.

Commissioner LaCroix – Yes, Hangar owner.

Commissioner Granum – Yes, Hangar owner.

Commissioner Wood – Yes, Hangar owner.

Commissioner Stevens – None.

III. Commissioner Comments

Commissioner LaCroix noted that he has been very pleased with the airfares he has seen into and out of Grand Junction recently.

Commissioner Simons said that his term as at-large member would be expiring in February, and he wanted to thank all everyone for making his time on the board a memorable and successful. Simons noted the major projects he was pleased to be involved with.

IV. Citizens Comments

Bill Marvel, Grand Junction Regional Airport Tenant and User Association

Mr. Marvel requested that any action taken on the Aeronautical Use Leasing Guidelines be postponed for a minimum of two-weeks. Mr. Marvel said that his association would like additional time to review the guidelines. Mr. Marvel also noted a letter, which was sent to the Board Dec. 28 concerning the engineering services contract, and wanted to know when his association would receive a response to that letter.

Bob Caskey, Grand Junction Regional Airport Tenant and User Association

Mr. Caskey asked the Board to get some education on the public process.

V. Consent Agenda

A. Minutes: November 2013 Board Meeting

B. Financial Statements: November 2013

Discussion: NONE.

Commissioner Granum moved to approve the consent agenda. Commissioner Hibberd seconded. Voice vote: All Ayes. The consent agenda was approved as distributed.

VI. Action Items

A. Aeronautical Use Leasing Guidelines

Airport Authority Attorney, Mike Morgan gave a presentation on the Aeronautical Use Leasing Guidelines. Mr. Morgan explained to the Board that in 2011, certain Airport hangar tenants expressed concerns that no written policy existed for aeronautical use ground leases at the Airport, and the maximum 30-

year lease terms were not adequate if title to the improvements was to transfer to the Authority. In response to these concerns, the Authority began developing formal Aeronautical Use Leasing Guidelines (the "Guidelines") in January 2012. The Authority worked with the Grand Junction Regional Airport Users and Tenants Association (the "GJAUTA") to prepare draft Guidelines for public comment.

Mr. Morgan explained that the Authority Board has gone above and beyond to be transparent and make this a very public process. Mr. Morgan noted that on July 31, 2012, the Authority released a draft of the Guidelines for 30-days of public comment. On August 21, 2012, the Authority held a public comment forum to solicit input on the draft Guidelines. At that public forum the GJRAUTA requested and the Authority grant a 30-day extension of the comment period, through September 30, 2012, which the Authority agreed to allow.

Mr. Morgan explained that this document (a) provides background on the Guideline development process, (b) summarizes significant portions of the Guidelines, (c) summarizes and responds to public comments received during the comment periods.

Mr. Morgan then walked through the outline of the final guidelines, highlighting the changes made since the last release, which included the addition of a definitions section, the time that the Authority Board has to respond to leasing requests, and the lease term.

Mr. Morgan suggested a few additional changes to paragraph 7.5.3 and paragraph 8.

Mr. Morgan advised the Board, that due to the number of commissioners that have a conflict of interest pertaining to this item, that only the necessary number of commissioners needed to make a quorum, which is five, take part in the discussion and action. Therefore, Mr. Morgan suggested that the two commissioners that do not have a conflict, Kenyon and Stevens be a part of the discussion and action, and that only three other commissioners take part. This is acceptable under Colorado Revised Statue, in that the additional commissioners are required to make a quorum.

Commissioner Granum recused himself.

Commissioner Hibberd recused himself.

Discussion:

Commissioner Wood asked Mr. Morgan about the lease term extensions.

Commissioner Wood was interested in why there is a lease term extensions of 5 years specifically called out. Mr. Morgan explained that if the Airport Authority commits itself to leasing land beyond 50 years, it could be seen as a disposable of public property, essentially violating grant assurances. Mr. Morgan also noted that the 5-year extension terms allow the Authority greater flexibility, if that property were needed for something other than its current use.

Commissioner Wood asked about the end of term clause, which discusses the removal of improvement, and/or the release of improvements to the Airport Authority. Mr. Morgan explained that the majority of airports surveyed, had the option available to the tenant, to either take the improvements, or release them to

the Airport at the end of the lease term. Mr. Morgan stated that this could end up creating a tremendous liability to the Airport Authority, depending upon the condition of the facility.

Commissioner Wood noted that he appreciates Mr. Morgan's counsel.

Commissioner Simons noted that the guidelines are meant to be amendable and not tie future boards to any policy. Simons discussed that this document is merely a road map, this document allows for additional years in lease terms, and is overall a huge improvement to what the Authority currently has in place.

Commissioner Kenyon said that he did not have any problems with the guidelines; however, he would like to allow for additional public comment, being that these guidelines were released with short notice.

Commissioner LaCroix noted that these guidelines are a huge improvement to what is currently in place, which is nothing. Commissioner LaCroix said that he agrees with Commissioner Kenyon, that it does no harm in allowing for additional public comment.

Commissioner Stevens said that he feels it appropriate to allow for additional public comment.

Commissioner Simons said that if the direction is to allow for additional public comment, he suggests that it be extended longer.

Commissioner Stevens moved to approve the Aeronautical Use Lease Guidelines, as distributed, with the changes counsel noted. Commissioner LaCroix seconded. Voice vote: All Opposed. The motion failed.

Commissioner LaCroix moved to allow for an additional public comment period of two weeks, allow counsel one week to review and compile comments, and release another draft one week prior to the February Board meeting. Commissioner Kenyon seconded. Voice vote: All Aye.

B. Election of the 2013 Officers

Director Tippetts explained that the GJRAA By-Laws require that the election of officers for a new year be held at the first regular board meeting in January.

The positions for election include, Chairman (Board Member), Vice Chairman (Board Member), Treasurer (Historically, the Director of Aviation), Clerk (Airport Staff Member), and Deputy Clerk (Airport Staff Member).

Tippetts recommended the following for the positions of Treasurer, Clerk, and Deputy Clerk. Tippetts said that historically the Treasurer has been the Director of Aviation.

- Treasurer: Rex A. Tippetts
- Clerk: Amy Jordan
- Deputy Clerk: Lauren Rasmussen

Chairman Simons said that he has been honored to serve as Chairman his final year on the Airport Authority. The rest of the Board thanked Simons for his service.

Commissioner LaCroix said that he would like to nominate Commissioner Granum to serve as the 2013 Board Chairman and Commissioner Hibberd to service as the 2013 Vice Chairman. The rest of the board agreed.

Commissioner Stevens moved to elect Denny Granum as the Board Chairman, Dave Hibberd as the Vice Chairman, Rex Tippetts as the Treasurer, Amy Jordan as the Clerk, and Lauren Rasmussen as the Deputy Clerk for 2013. Commissioner Kenyon seconded. Voice vote: All Ayes.

C. Resolution 2013-001: 2013 Posting of Notices of Meetings

Director Tippetts explained that State Law requires an annual designation of the Airport's official location for the posting of meeting notices. Resolution No. 2013-001 establishes the official meeting posting location as the notice board at the Grand Junction Regional Airport Terminal Building, 2828 Walker Field Drive, Suite #301, Grand Junction, Colorado, 81506.

Tippetts explained that the airport also posts the notices on the airports website, www.gjairport.com.

Discussion:

Commissioner Wood asked why only one location must be designated, since the Authority Bylaws has numerous locations.

Clerk Amy Jordan explained that State Statue only requires one designed location.

Commissioner Simons moved to approve the Resolution 2013-001: A resolution of the Grand Junction Regional Airport Authority designating the location for the posting of the notice of meetings. Commissioner Hibberd seconded. Roll call vote: All Aye. The Resolution 2013-001 was approved as distributed.

D. Resolution No. 2013-002: Resolution of the Board of Commissioners Regarding Authority to Execute Standardized Agreements for the Grand Junction Regional Airport Authority

Director Tippetts said that each year the Board must pass a resolution allowing the Director of Aviation to execute standardized agreements. The "Standardized Agreements" include the following:

- Ground Leases
- Building Use and Lease Agreement
- Sublease Agreement
- Easement Deed and Agreement
- Independent Contractor Agreement
- Loan of Property Agreement
- Community Exhibit an Display Agreement
- Off-Airport Rental Car Agreement

- Off-Airport Parking Agreement
- Licensing Agreement
- Termination Agreement
- Landlord's Consent to Lease Assignment
- Airline Lease

Tippetts explained that resolution 2013-002 renews the authority granted previously to the Director of Aviation to execute Standardized Agreements including certain amendments thereto, assignments thereof, and terminations thereof (unless such documents contain additional provisions that have not been previously approved by the Board) on behalf of the Authority. The Director of Aviation will continue to apprise the Board of any such Standardized Agreement signed during the previous month. This resolution will expire on January 31, 2014 unless renewed by the Board.

Commissioner Simons moved to approve the Resolution 2013-002: 2013 Resolution of the Board of Commissioners Regarding Authority to Execute Standardized Agreements for the Grand Junction Regional Airport Authority. Commissioner LaCroix seconded. Roll call vote: All Ayes. The Resolution 2013-002 was approved as distributed.

E. Resolution No. 2013-003: Resolution Concerning Execution of Documents Pertaining to Bank Accounts

Director Tippetts explained that each year, the Board adopts a new Banking resolution. The resolution is sent to all financial institutions with which the Authority conducts business. The resolution is follows:

1. Operating Expenses - Checks less than \$30,000 for invoices pertaining to regular business of the Authority – One staff signature.
2. Operating Expenses - Checks equal to or greater than \$30,000 for invoices pertaining to regular business of the Authority – One staff signature and one signature of either the board Chairman or Vice Chairman.
3. The board approved 2013 budgeted debt service payments (currently a bond for the Walker Field Drive Improvement and a promissory note to the Colorado State Infrastructure Bank) – One staff signature.

Tippetts explained that Items 1 through 3 are consistent with 2012 practices.

Commissioner Stevens moved to approve the Resolution 2013-003: Revised Banking Resolution. Commissioner Wood seconded. Roll call vote: All Aye. The Resolution 2013-003 was approved as distributed.

F. Resolution 2013-004: 2013 Fees and Charges

Director Tippetts explained that staff has prepared the recommended 2013 Fees and Charges. The major changes include:

1. Terminal rent adjustments to reflect operating costs and CPI-U changes.
2. Fees dependent on CPI-U changes. Annual CPI-U change is 2.2%.
3. Annual rate for Law Enforcement Officer (LEO) charged to air carriers.
4. Update conference room and audio/visual charges to going market rates.
5. Simplify presentation of charges for SIDA, Sterile and AOA fees.

Commissioner Stevens moved to approve Resolution No. 2013-004: Fees and Charges. Commissioner Hibberd seconded. Roll call vote: All Ayes. Resolution No. 2013-004: Fees and Charges were approved as distributed.

VII. Discussion Items

A. 2013 Meeting Calendar

The Board reviewed the 2013 Meeting Calendar. There was no discussion.

B. Airport Master Plan Update

Chairman Granum explained that the Airport had submitted a Civic Master Plan application to the City of Grand Junction several months ago. Granum noted that the current Airport Master Plan is outdated and that the Airport plans to begin an update on the Master Plan this year. Therefore, he feels it would be appropriate to pull the application and resubmit when the update is complete.

There was no additional discussion.

Commissioner Simons moved to repeal the Airport's Civic Master Plan application, and resubmit when the update is complete. Commissioner Hibberd seconded. Voice vote: Kenyon, NO. Simons, Granum, Hibberd, Stevens, Wood, LaCroix, YES.

C. At-Large Board Member Selection Process

Attorney Mike Morgan explained that At-Large commissioner, Doug Simons, term is expiring February 2013. Therefore, the Board must begin the process to appoint an at-large commissioner.

Morgan suggested that the Board announce the at-large position will be advertised, and the selection process will begin. Morgan also suggested to the Board that they direct staff to get the advertisement scheduled and send out a notice. Chairman Granum asked Clerk Amy Jordan to advertise the position for a period of 30 days.

Morgan explained to the Board that once the position has been advertised and applications submitted, the Board should select a committee of four commissioners to review application and interview candidates. Morgan said that historically, the committee would then present a candidate to the rest of the Board for approval, if approved, the Board would suggest to the City of Grand Junction and Mesa County, that the selected candidate be appointed and the Board suggestion ratified.

D. Security Solutions Committee Update

Commissioner Steve Wood gave an update on the Security Solution Committee's progress. Commissioner Wood said that a letter had been submitted, signed by Chairman Simons. Wood said that to his surprise, the TSA responded quickly to that letter. Wood noted that he felt that this letter be circulate, if the Board feels it be appropriate to do so.

Commissioner Simons said that he has worked with Tipton's office to get a contact within the TSA, and has been somewhat successful.

Director Tippetts said that he recently attended a security summit and had some luck getting additional TSA contacts.

Commissioner Kenyon said that the City of Grand Junction would be more than happy to be of assistance. Kenyon said that they would need some direction on what to include in a letter, and suggested a workshop to discuss the strategy.

E. Manger's Update

Director of Aviation, Rex Tippetts, updated the Board on the following items:

1. Phase I Terminal – Tippetts told the Board that the Administration Building design is complete and that he hopes to present the design to the Board at the next board meeting. Tippetts noted that he has been working with the architect to cut space and get the building back into budget.
2. Mesa Maintenance – Tippetts briefed the Board on the status of the Mesa Maintenance hangar. Tippetts said that the hangar had been released back to the Airport Authority. Due to the expense to heat/cool the building, Tippetts entered into a 30-day agreement with West Star Aviation to occupy the building. Tippetts noted that this agreement could be canceled at any minute. Tippetts also noted that Authority Attorney Mike Morgan is working on a Request for Proposal, for the building.
The board had no comment.
3. Law Enforcement Officer (LEO) – Tippetts explained to the Board that the TSA recently told the Airport that they might not be reimbursing the Airport for the required LEO. The Airport has not been reimbursed since September 2012. Staff is looking into alternatives if the reimbursement is not approved.

VIII. Adjournment

The Board adjourned the meeting at 7:25 P.M.

The next meeting of the Airport Authority Board will be at 5:15 P.M. on Tuesday, February 12, 2013.

Denny Granum, Board Chairman

ATTEST:

Amy Jordan, Clerk to the Board