



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
December 15, 2015

EXECUTIVE SESSION

Time: 3:00PM

I. Call to Order

II. Approval of Agenda

III. Motion into Executive Session

To confer with the Authority's legal counsel for the purpose of receiving legal advice relating to a pending investigation, as authorized by CRS§24-6-402(4) (b).

ALSO:

To discuss the Agreement between the Grand Junction Regional Airport Authority and the Transportation Security Administration in regard to the security system that is being proposed, along with the related contract by Dynetics for the installation of this security system, which identifies and discusses the security system being proposed, as this information is required to remain confidential and cannot be disclosed pursuant to federal law, including, but not limited to, 49 C.F.R. Parts 15 and 1520, and this executive session is authorized by C.R.S. § 24-6-402(4)(c).

III. Adjourn Executive Session

REGULAR BOARD MEETING

Time: 5:15PM

I. Call to Order

Mr. Rick Wagner, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:26 PM on December 15, 2015 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

Other:

Rick Wagner, Chairman
Steve Wood, Vice Chairman
Paul Nelson
Troy Ball
Dave Murray

Drew Armstrong, Finance & Audit Committee
Brad Barker, CAP

Airport Staff:

David Fiore, Executive Airport Director
Victoria Villa, Clerk
Amy Jordan
Ben Johnson
Ty Minnick
Ben Peck
Chance Ballegeer

II. Approval of Agenda

Commissioner Wood requested to remove item E. Rocky Mountain HMO Group Service Agreement, from the Consent Agenda and move it to the Discussion Items.

Commissioner Wood moved to approve the agenda with the proposed change. Commissioner Ball seconded. Voice Vote. All Ayes.

III. Conflict Disclosures

Chairman Wagner - None
Commissioner Wood – Hangar Owner
Commissioner Nelson - None
Commissioner Ball – None
Commissioner Murray - None

IV. Commissioner Comments

None.

V. Citizen Comments.

Mr. Dave Shepherd made a brief comment on Minimum Standards. Mr. Shepard informed the Board that a line by line analysis of the current minimum standards was provided to the committee, along with the tenants thinking as to why it was not a set of minimum standards but was instead a set of maximum standards. Mr. Shepard provided a few thoughts that tenants would like for the Board and committee members to consider. Mr. Shepard noted that he is not arguing for no minimum standards but he thinks it's important they begin with the premise that minimum standards really do need to be minimum.

VI. Consent Agenda

- A. October 13, 2015 Special Board Meeting Minutes**
- B. November 17, 2015 Regular Board Meeting Minutes**
- C. Pay Request: G4S November 2015 Invoice**
- D. Pay Request: Sequent Information Systems Invoices**
- E. Executive Airport Director's Update**
- F. Airport Website Project Update**

Commissioner Murray moved to approve the consent agenda with the proposed change. Commissioner Ball seconded. Voice Vote. All Ayes.

VII. Discussion Items

A. Financial Update

Mr. Minnick briefed the Board on the airport's current financial status. Mr. Minnick noted that the cash balances for the current year are higher than 2014 mainly due to the reduction and capital expenses in 2015. Mr. Minnick mentioned that they paid their semi-annual bond payment and their quarterly loan payment in early December. Operating revenue, 2015 year-to-date is consistent with the budget and slightly lower than prior year. Non-operating revenue is lower than budget. Year-to-date, terminal and admin operating expenses are both lower. Security expenses are higher and operating expenses are less than budgeted due to the delay in the AIP projects.

B. Security Solutions Committee Update

Commissioner Wood gave an update. Commissioner Wood noted that the preparatory infrastructure elements have been put into place. There is an action item on the agenda where they will discuss the contractor Dynetics.

C. 2016 Election of Officers and Committee Appointments Discussion

Mr. Fiore briefed the Board. This was put on the agenda for discussion with regard to either reaffirming or appointing the Chairman, Vice Chairman Positions as well as the Finance and Audit Committee and the Compliance Committee. Mr. Fiore recommended that the Treasurer position be filled by the Finance and Audit Committee Chairman, keeping Victoria Villa as Clerk and putting Amy Jordan as Deputy Clerk.

D. Rocky Mountain HMO Group Service Agreement

This item was moved off of the Consent Agenda so more conversation can take place. The Grand Junction Regional Airport entered into an agreement with Rocky Mountain HMO in August of '07 and they are requesting an updated service agreement. The Board would like to revisit the agreement to verify nothing has changed and bring it back before the Board in January.

VIII. Action Items

A. Resolution 2015-010 – Rental Car Customer Facility Charge

A customer facility charge (CFC) is a pass through charge to the customer renting a car at on airport rental car counters. It was discussed in the November meeting to increase the CFC by \$.20. So effective February 15th it will go up from \$3.80 to \$4.00. The budget before the Board tonight is predicted on this change. This increase is going to cover is going to loan payment, maintenance and the administration of the rental car parking area in the fuel site.

Commissioner Nelson moved to approve Resolution 2015-010 – Rental Car Customer Facility Charge increasing the charge to \$4.00 per day. Roll Call Vote. Commissioner Ball: Aye, Commissioner Wood: Aye, Chairman Wagner: Aye, Commissioner Nelson: Aye, Commissioner Murray: Aye.

B. 2016 Rates and Charges

- I. Resolution 2015-011 – 2016 Rates & Charges for the Grand Junction Regional Airport**
- II. Discussion – FAA Order 5190.6b Chapter 18 – Rates and Charges**

Mr. Minnick briefed the Board on Resolution 2015-011. Mr. Minnick noted that the amendments to the current rates and charges were done as a step that was already included in the budget document. Airport originated revenue was clarified and defined as both dropping off and picking up.

Mr. Fiore called the Boards attention to the FAA document. 18.4c talks about self-sustaining. Sponsors might maintain a fee on rental structure that in circumstances of the airport and makes the airport as financially self-sustaining as possible. Mr. Fiore noted that this is their whole analysis that the finance committee is going through to get an understanding of the airport's true cost

- The security badge fees increased to cover the cost of fingerprinting.
- As discussed at the November meeting, parking rates increased from \$9 to \$10 a day to provide supplementary revenue for cost center deficiencies.
- A security position was added to deal with the security solutions under the TSA program but also to provide further coverage on their parking in the off hours.

Commissioner Ball asked about a \$150 fee for commercial aircraft operator permit fee. Staff affirmed the fees are not being collected and were not equipped to do so at this time. Commissioner Ball suggested it be removed if it is not being collected. It was discussed that it could be added in the future if the fee is needed.

Commissioner Ball moved to adopt resolution 2015-011 – 2016 Rates and Charges for the Grand Junction Regional Airport and delete the paragraph under section 2a.

Commercial aircraft operative permit fee. Commissioner Nelson seconded. Roll Call Vote. Commissioner Murray: Aye, Commissioner Nelson: Aye, Chairman Wagner: Aye, Commissioner Wood: Aye, Commissioner Ball: Aye.

C. Resolution 2015-012 – 2016 Budget Adoption

Mr. Minnick briefed the Board on a few changes since the last meeting. The biggest impact to the bottom line was the rolling over the security solutions, the full cost of the security solutions from 2015 into 2016.

Commissioner Wood moved for the Board to approve Resolution 2015-012 the adoption of the 2016 budget as presented. Commissioner Nelson seconded. Roll Call Vote. Commissioner Ball: Aye, Commissioner Wood: Aye, Chairman Wagner: Aye, Commissioner Nelson: Aye, Commissioner Murray: Aye.

D. Task Order – Mead & Hunt Terminal Area Plan Update

Mr. Fiore briefed the Board. Mr. Fiore noted that this is a key strategic planning task for the airport and community. Mr. Fiore stated that this will help reset the capital improvement program to integrate things such as the terminal with the new runway and other projects.

Commissioner Nelson moved for the Board to adopt the terminal area plan update task order and to approve the executive director to enter into that agreement. Commissioner Ball seconded. Voice Vote. All Ayes.

E. FAA AIP Grant Application: Terminal Area Plan Update

Mr. Fiore briefed the Board. Mr. Fiore noted that in recent meetings with the FAA [in Seattle] they agreed to reconsider their former position to disallow further funding for planning dollars for Grand Junction Airport. Unmet elements in the CIP were also discussed in that meeting with the FAA. Mr. Fiore suggested that the cleanest way to do this is to get a grant application in front of them so they can reconsider their position to fund the Terminal Area Plan Update or not.

Mr. Johnson briefed the Board on the application. Mr. Johnson said that this application is a little different than a typical AIP application because this is a plan only grant. Mr. Johnson noted that the application still needs to go before the City and the County for their support. The independent fee estimates (IFE) will be worked on in the near future which are required for federal money. Mr. Johnson said that they are going to ask for the \$169,000 up front as an estimate and then they will write the grant based on what the final fees actually are, if awarded the grant.

Commissioner Murray moved to approve staff to submit the FAA grant application for the Terminal Area Plan Update. Commissioner Ball seconded. Voice Vote. All Ayes.

F. Code of Conduct Review and Revisions

Commissioner Murray noted that the only change is minor and it's in paragraph 5.7 and it just clarifies who to contact in the event there's a question of conflict.

Commissioner Ball moved to adopt the draft for the Code of Professional Conduct. Commissioner Nelson seconded. Voice Vote. All Ayes

G. Contract Award: Dynetics

Commissioner Wood stated that this was the subject of discussion during executive session for reasons that everyone should understand and he recommends to authorize the Board Chairman to execute the agreement with Dynetics and to approve payment of 50% upfront.

Commissioner Wood moved for the Board to authorize the Chairman to execute the agreement with Dynetics and to authorize payment under the same. Commissioner Murray seconded. Voice Vote. All Ayes.

H. Temporary Management Agreement for Food and Beverage Concession

Ms. Jordan briefed the Board and stated that a request for proposal (RFP) is public at this time for a concessionaire to come in and take over food, beverage and retail concessions at the airport. RFP's are due mid-January and a recommendation will come before the Board in February for selection. Current Subway staff was notified that an RFP was being put out and four of the eight employees have resigned so they are down to four employees. Staff confirmed that Subway corporate stats affirm turnover is high. Mr. Fiore advised the Board that the operation is currently netting about 9.5% of gross below industry standards of about 10% and that the proposed management contract sets forth a payment to the Authority of 10%. Ms. Jordan noted that instead of spooling up staff to cover for the short-term, she contacted the local Subway operator, Jim Cagle, and he has agreed to come in and temporarily manage it until a concessionaire is selected or until March 31st whichever comes first. Mr. Cagle has reviewed the contract and is okay with it and has requested a January 6th takeover date instead of December 16th.

Commissioner Murray made a motion to adopt the Temporary Management Agreement for Food and Beverage Concession with the addition of Errors and Omissions (E&O) Insurance. Commissioner Ball seconded. Voice Vote. All Ayes.

I. Service Agreement for CMMS and Lease/Contract Management System

Mr. Fiore noted that right now they managing tasks from anything from a word doc to and excel document and it's not in a systematic way that that they can set priorities. Mr.

Fiore mentioned that this system will help them track key issues at the airport including from a GIS standpoint, staff will be able to drop a pin with the application on an iPhone and write up a work order in real time. They will be able to track cost in terms of man hours and inventory everything from light bulbs or anything else. It will build a database of information that will also benefit the Finance Committee.

Mr. Johnson noted that its airport specific so they are able to do tasks such as track leases, track part 139 operations, part 139 inspections, track tending wildlife and it's all built in the system. Mr. Peck affirmed that based on his look of CMMS programs in the past this one was diverse and very airfield driven that touches each [airport] department and gives us the ability to budget and moving forward it will help us immensely.

Commissioner Murray asked if they decided after a year or two that they didn't want it anymore, how do they get the data that is already stored and in what format.

Mr. Fiore responded and said that one of the things they are asking for in the approval of this is the ability to negotiate final terms on the contract because there are other things that he wants to cross the T's and dot the I's before he puts his name on the contract to address matters like this.

Commissioner Wood made a motion for the Board to approve the purchase and entering into the service agreement for CMMS software and to to authorize the executive director to finalize the agreement together with airport's legal counsel. Commissioner Nelson seconded. Voice Vote. All Ayes.

IX. Any other business which may came before the Board

Commissioner Murray thanked the staff for all of their hard work and wished everyone a very happy holiday season.

X. Adjourn

Commissioner Ball moved to adjourn. Commissioner Murray seconded. Voice Vote. All Ayes. Meeting adjourned at 7:08PM.

Rick Wagner, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board
