



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
May 13, 2014

I. Call to Order

II. 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) and pending contract negotiation, as authorized by CRS§ 24-6-402(4) (e).

III. Adjourn Executive Session

5:00PM-5:15PM: RECESS

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:17 PM on May 13, 2014 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

Steve Wood, Chairman
Tom Frishe, Vice Chairman
Rick Wagner
Paul Nelson
Rick Langley
Dave Murray

Other:

Shannon Kinslow, TOIL
Drew Armstrong, C1A COA
Bill Pitts, Citizen
David Shepard, GJAUTA
Jason Hofman, BLM
Eric Trinklein, Armstrong
Jerry McDunough, CAF/CAP
David Bratcher, WCARC
Robert Caskey, GJUTA
Bill Marvel, GJAUTA
Ed Behen, CAP

Airport Staff:

Amy Jordan, Interim Director of Aviation
Victoria Villa, Clerk
Ben Peck
Ben Johnson

II. Approval of Agenda

Chairman Wood stated that the Board is suggesting a change, under the Action Items on the agenda. The Board suggests an update on the resolution To Negotiate with the Department of Justice.

Discussion:
None

Chairman Wood stated that if there is no objection they will make that amendment to the agenda.

III. Conflict Disclosures

Chairman Wood - Hangar Owner
Commissioner Frishe - None
Commissioner Wagner - None
Commissioner Nelson - None
Commissioner Langley – None
Commissioner Murray - None

IV. Commissioner Comments

None.

V. Citizen Comments.

None.

VI. Consent Agenda

A. Minutes: April 15, 2014

Discussion:
None.

Chairman Wood major motioned to approve the April 15, 2014 Minutes. Minutes were approved as distributed.

VII. Discussion Items

A. Financial Update

Interim Airport Manager, Amy Jordan briefed the board and presented power point slides with the current restricted and unrestricted bank account balances.

Discussion:
Commissioner Wagner said that performance wise the Airport is doing better than last year.

B. Finance & Audit Committee Update

Commissioner Langley briefed the Board with an update from the Finance & Audit Committee. Mr. Langley stated that they engaged Ann Eldridge, an independent CPA, to bring the 2013 financial records current and prepare for audit. Mr. Langley said that the auditors from EKS&H started their engagement on May 6, 2014. Mr. Langley stated that they are on track to issue the report at the end of June.

Discussion:
None.

Ms. Jordan also briefed the board and stated that the final name for the position is Finance and Accounting Manager. Ms. Jordan said that the job was posted April 23, 2014 until May 23, 2014. Ms. Jordan stated that to date 18 applications have been submitted.

Commissioner Langley stated that once the job closed the Finance and Audit Committee will review all applications and schedule interviews.

Discussion:
Chairman Wood expressed his appreciation to Commissioner Langley, Mr. Armstrong and Ms. Jordan for all of their work with the search.

C. IT Committee Update

Airport Facilities Manager, Ben Peck, briefed the Board and stated that the RFP has been written and would like to move forward with publishing the RFP.

Discussion:
None.

D. Director Search Committee

Commissioner Frishe briefed the Board and stated that there were a total of 63 applications submitted. Mr. Frishe said that they are currently in the process of conducting interviews.

Discussion:
Commissioner Wagner asked if the committee is satisfied with the quality of applicants they have received.

Commissioner Frishe said in general yes.

E. Security Solutions Committee Update

Chairman Wood briefed the Board and stated that after the last meeting with Steve Cambra from TSA, there has been further telephonic and e-mail communication with him. Mr. Wood stated the committee has met with Armstrong Consultants and have a draft task order from them to handle the procurement of the necessary equipment to implement the security change. Chairman

Wood stated that they are optimistic with the solution and TSA has shown a high level of interest in getting to a resolution of the issue.

Discussion:
None.

F. Allegiant Air Conference Briefing

Interim Airport Manager, Amy Jordan, briefed the Board and stated that she and Commissioner Frishe went to the Allegiant Airport Conference in Las Vegas which is a conference that Allegiant holds for all airports that they provide service into. Ms. Jordan said that they had a one-on-one meeting with a route planner who gave a report card for GJT and out of the 84 airports Allegiant services the Grand Junction Regional Airport is right in the middle at about 52 or 53 performance wise. The seasonal, non-stop, twice weekly service to LAX starts June 5th and will run through the first week of September.

Discussion:
None.

VIII. Action Items

Update Resolution

Chairman, Steve Wood, stated that at the last meeting the Board, by resolution, authorized the Special Litigation Committee and Special Litigation Council, Bill Tylor, to enter into negotiation with the Department of Justice. Mr. Wood stated that he has filed with Board Clerk Victoria Villa, Mr. Susuras's proxy, which Mr. Susuras granted to Mr. Wood, for purposes of this meeting.

Commissioner Wagner stated that they have been working with the Department of Justice and the office of the United States Attorney and a particular US attorney in the area, to try to craft an agreement to excuse the Grand Junction Regional Airport from prosecution. Commissioner Wagner stated that The United States Attorney for the District of Colorado has decided not to criminally prosecute the Airport Authority, as an entity (not individuals), for any crimes related to the investigation that has been conducting in concert with the Federal Bureau Investigation and the US Department of Transportation Office of Inspector General. Mr. Wagner said that they have negotiated a specific agreement with the Department of Justice and that agreement has memorialized in a document that acknowledges things that have happened, Board and staff actions that have been taken and also sets out some other responsibilities that they will continue to engage in. Mr. Wagner stated that this is in accordance with the resolution that the Board had put forward in the past. Mr. Wagner asked for the Board to ratify the signatures and the agreement entered into by Mr. Wagner, Mr. Wood and Mr. Taylor.

Discussion:
None.

Commissioner Frishe made a motion to ratify the adoption of the agreement. Commissioner Nelson seconded. Voice Vote. All Ayes. The record shows Chairman Wood voting in the affirmative for Commissioner Susuras.

A. Commercial Insurance Renewal

Interim Airport Manager Amy Jordan briefed the Board and stated that Home Loan Investment Company was reselected in March of 2004, for a three year term, to provide insurance broker services to the airport. Ms. Jordan said that their term expired in June of 2007; however, no formal selection was done again so since 2007 Home Loan Investment Company has continued to be the broker on record for the Airport. Ms. Jordan stated that she and Commissioner Langley met with Jerry and Jamie Hamilton from Home Loan, and is providing updated information for renewal.

Discussion:

CEO of Home Loan Investment Company, Jamie Hamilton, spoke about Home Loan's broker service.

Commissioner Wagner stated his appreciation in working with the Airport on such short notice so coverage doesn't lapse.

Mr. Hamilton stated that the carriers are aware of what has been going on so they are just waiting for the updated information which Airport staff is providing at the moment

B. Asset Disposal Request

Chairman Wood stated that this topic was discussed at the last meeting and the best option at that time was for staff to see what they could get in scrap value for the truck.

Airport Operations Manager, Ben Johnson, briefed that Board and said that no company in the valley has a crusher big enough for the truck so the truck would have to be taken apart plus the Airport would have to pay for shipping so the offer for scrap is very slim. However, Mr. Johnson said that they received an offer from a very interested party for the purchase of the truck for \$2,000.00. Mr. Johnson stated that staff would like to change the disposal method from last months approved method to this selling it to this party.

Discussion:

Commissioner Murray asked if there was a conflict with the private party.

Chairman Wood said that there is no relationship to the airport.

Commissioner Murray asked if they needed FAA approval.

Mr. Johnson said they haven't yet but they will and the money goes back into the capital account and needs to be used for an AIP project.

Chairman Wood, with no objections, major motioned for Board to approve the sale of the fire truck to the private party for \$2,000.00.

C. Armstrong Pay Request

Airport Operations Manager, Ben Johnson, briefed the Board on the detailed pay request from Armstrong Consultants. The pay request is for 50% completion on the Runway Geo-tech project. The pay request is in the amount of \$39,000.00. Staff recommends paying the pay request.

Commissioner Murray requested to retain the core samples.

Eric Trinklein from Armstrong said they will do their best.

Commissioner Nelson moved to approve the Armstrong Engineering pay request of \$39,000.00. Commissioner Langley. Voice Vote. All Ayes.

D. Apron Design Grant Application/ E. Remote Transmitter Receiver (RTR) Project

Airport Operations Manager, Ben Johnson, briefed the Board on the Apron Design Grant Application. Mr. Johnson gave some background information on all of the AIP applications. The three applications presented tonight are the three AIP eligible projects that the Airport had this year which are the Terminal Air Carrier Apron Reconstruction,

Discussion:

Commissioner Wagner said that there are concerns in regards to action items D & E. Remote Transmitter Receiver. Mr. Wagner said that staff and Board members and not entirely conversant with representation certifications made along with these proposals to show compliance and because of that there is some reluctance to submit these. Mr. Wagner said that with that in mind more exploration needs to be done to be able to certify that proper steps and compliances were in operation during the formation of the request. Mr. Wagner said that he doesn't think they have sufficient information from parties who are tasked with oversight.

Commissioner Murray said that there are certifications that need to be made in accordance with the AIP compliance check list.

Commissioner Wagner said that they would like staff to come up with some kind of correspondence to address with Jviation the need to certify, in detail, the steps that were taken to ensure compliance.

F. Administration Building

1. Administration Building Grant Application

The Board reviewed the Administration Building Grant Application along with the addendum and caveats explaining why certain certifications are not completed. No staff recommendation.

Discussion:

Commissioner Frishe stated that if it is submitted and it gets turned down the result will be the same as if it didn't get submitted.

Mr. Johnson said that they can roll the money over into next year but if they don't use the money next year then they will lose 1.9 million dollars the following year from 2012 entitlements.

Commissioner Murray said to roll it over.

Commissioner Frishe said maybe they should submit it and let the FAA say yes or no and if it's a no let them say why.

Commissioner Wagner agreed and said he is interested to know their response and maybe the Airport would get some kind of indication from the FAA of what remedial measures the Airport could take.

Commissioner Nelson made a motion to submit the Administration Building grant application along with the noted notes and caveats. Commissioner Frishe seconded. Voice Vote. All Ayes.

2. Shaw Pay Request: March 2014

Airport Operations Manager, Ben Johnson, briefed the Board on the Shaw pay request and stated that the first page of the pay request is not certified by the engineer. Mr. Johnson said that the engineer is concerned that there is paperwork missing that is contractually required for stored materials. The contractor is asserted that the required paperwork is a cost associated with the shut down and wants written authorization and assurance that it will be paid for time gathering the required paperwork.

Chairman Wood added that their review of the contract doesn't necessarily indicate that to be the case or that if in fact were the case it would be possibly eligible for payment after resumption of construction.

Mr. Johnson asked for a quote and was told it would be billed and a time a materials basis.

Commissioner Wagner stated that they would not be exercising good governance by paying a bill that has not been certified by the engineers.

Ms. Jordan asked if they wanted to allow Shaw to request payment to collect the information.

Chairman Wood stated that based on the understanding of the contract, no. Mr. Wood suggested for staff to confer with council on the wording for the communication back to Shaw.

3. Fentress Pay Request: February 1 to May 2, 2014 Construction Administration Services

Interim Airport Manager Amy Jordan briefed the Board and stated that at the last meeting the pay request was tabled and further information was requested. Ms. Jordan stated that she went back to Fentress and asked them for further explanation on the time that was being charged and they provided additional detail along with another request for compensation to provide the detail. Ms. Jordan said that they are also asking for 92hrs of additional pay for cost associated with assisting the airport to change the floor plan that was amended back in January.

Discussion:

Commissioner Wagner asked how much daily observation reports were conducted on the project because in the letter Fentress wrote, they say that full time representation is required on site to observe construction, prepare the other reports and review the contractors billing and payment status and they directed Jviation to fill this need.

Facilities Manager Ben Peck said that Jviation had someone on site on average three days a week and daily reports were written out by Mike Quinn from Jviation detailing construction activities.

Commissioner Langley asked if there is a subcontract by Jviation with Fentress.

Mr. Peck said he is not aware of any contract.

Chairman Wood said that Fentress keeps referring to an “agreement” with the airport and no one knows what that is.

Ms. Jordan said that Kelly Dunn from Fentress said that their billing is in line with what Shaw is billing as percentage complete.

Commissioner Langley asked who is determining what the level of completion is.

Mr. Peck said when Jviation make their required reports to the FAA; they put percentages of completion.

Chairman Wood said that they need to ask Fentress to provide the agreement they keep referring to or what they think the agreement was. The other questions that need to be asked are who determines the completion percentage, describe the process, describe the scope of contract administration, do they have a written contract with Jviation, and when is a cost additive to the fixed fee.

Commissioner Wagner said that with the amount of money they are talking about and especially without a contract they need to be certain the Airport’s money is being well spent.

4. Stormwater Permit

Facilities Manager Ben Peck briefed the Board and said that last meeting they started to make a recommendation on a transfer of the storm water permit for the construction site of the admin. building. Mr. Peck said that after that meeting he did a job site tour with a superintendent of Shaw and the inspector of the 521 drainage authority and was rather pleased with some

corrections that were done and the drainage inspector said that it is possible for the EPA and the State to come and conduct an audit. Mr. Peck said that the inspector elaborated on what the airport could be fined if there was a violation with the storm water permit which is \$30,000.00 per day per violation. Mr. Peck said that he got a number from Shaw to conduct the biweekly inspection which is \$400.00 a month special inspection excluded. Mr. Peck recommended continuing to let Shaw do the inspections.

Discussion:
None.

Chairman Wood major motioned to direct staff to have Shaw to continue to do the stormwater inspections.

IX. Any other business which may come before the Board

Ms. Jordan stated that she and Ben Johnson met with Dave Shepard and PJ McGovern as requested at the last meeting and it was a very good meeting and have started a draft of goals and objectives.

XI. Adjournment

Commissioner Frishe moved to adjourn the meeting. Commissioner Langley seconded. Voice Vote. All Ayes.

The Board Meeting adjourned at 7:20pm

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board