



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
October 14, 2014

EXECUTIVE SESSION AGENDA

Time: 2:00PM-5:00PM

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 to discuss personnel matters as authorized by CRS §24-6-402(4)(f).

III. Adjourn Executive Session

Adjourn into Executive Session at 4:00PM

BOARD MEETING AGENDA

Time: 5:15PM

I. Call to Order

Mr. Steve Wood, Board Chairman, called the Meeting of the Grand Junction Regional Airport Authority Board to order at 5:24 PM on October 14, 2014 in Grand Junction, Colorado and in the County of Mesa.

Present:

Commissioners Present:

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

Other:

Bill Marvel, GJAUTA
Eric Trinklein, Armstrong
Shannon Kinslow, TOIL
Guy Parker, GJAUTA

Airport Staff:

Ben Johnson, Interim Airport Manager
Victoria Villa, Clerk
Amy Jordan
Ben Peck
Austin Fay
Ty Minnick

II. Approval of Agenda

Chairman Wood approved the agenda by major motion.

III. Conflict Disclosures

Chairman Wood - Hangar Owner

Commissioner Frishe - None

Commissioner Wagner - None

Commissioner Nelson - None

Commissioner Murray - None

IV. Commissioner Comments

None.

V. Citizen Comments.

Bill Marvel, GJAUTA

RE: Review of Minimum Standards

Please see attached comment.

VI. Consent Agenda

A. Minutes: September 16, 2014 Regular Board Meeting

Discussion:

None.

Commissioner Nelson moved to approve the September 16, 2014 Regular Board Meeting Minutes. Commissioner Wagner seconded. Voice Vote. All Ayes. Minutes were approved as distributed.

VII. Discussion Items

A. Financial Update

Finance Manager, Ty Minnick, briefed the Board on the Grand Junction Regional Airport's current financial status. Mr. Minnick said that as far as assets are concerned unrestricted cash is down around a million dollars from December due to the unreimbursed cost of the administration building and passenger facility charges cash account is higher due to the 50,000 being used to pay the 2007 bonds when the current monthly cash coming in is 75,000. Mr. Minnick said that he is proposing to increase the monthly pay out to 75,000 and that will keep the PFC cash account at a balance of around 2,000,000 to fund the elevator and escalator rehabilitation and any other future capital items that qualify under PFC guidelines. Mr. Minnick said that income statement

is trending to come in a little bit higher in operating income than prior years since they anticipate an increase in enplanements this year.

Discussion:

Commissioner Wagner said that in the past there has been discussion about possibly building a new terminal rather than to just keep spending money to repair the current terminal and asked if there were any thoughts or feedback about that.

Mr. Johnson said that the terminal was taken off of the capital improvement plan because it was estimated at 50,000,000 and he doesn't know where that money would come from. Mr. Johnson said that the airport still has the outstanding 2007 series bond and an SIB loan so they are pretty leveraged out.

Commissioner Murray said that he thinks it would be a good idea to have an overall assessment done on the terminal to see the condition it is in and look at long term planning. Commissioner Murray also asked about refinancing the bonds.

Mr. Johnson said that they had two conditional assessments on the building and the latest was 2012 and their recommendation was to build a new building because of the cost it would take to keep the current building running. Mr. Johnson said as far as refinancing the bonds, they could not do that until 2017.

B. Draft Budget

Mr. Minnick briefed the Board on the draft budget handout. Mr. Minnick said that most changes were small, however, there were significant changes to the capital budget. Mr. Minnick said that the budget will be open for public comment starting on November 18th and closing on December 2nd.

Discussion:

None.

C. Airport Commercial Development Update

Mr. Johnson briefed the Board and said that since the last update the notice of intent to lease soliciting interest was open for 30 days and closed on October 9th. Mr. Johnson said that they received one letter of interest which was from the party that came and presented at the Board workshop. Mr. Johnson said that at a meeting they had with the FAA they asked about their land release amendment that they put in to allow these spaces to be used for non-aeronautical use, and the position of the FAA is that the old land release done in 1979 can't be amended so they should just start the process over again. Mr. Johnson said that Armstrong is working on most of those aspects except the surveying, surveyors are going to survey the properties for them.

Discussion:

Ms. Jordan said that Arnie Butler and Associates is completing the appraisal and anticipated having it done today but had not heard from them yet.

Chairman Wood asked roughly how much they would be looking at for surveying.

Ms. Jordan said that she has only received one quote so far and that one was between 1,000 to 2,000 dollars.

D. Security Solutions Committee Update

Chairman Wood briefed the Board and said that last week they had a joint vulnerability assessment conducted by the TSA which is not mandatory for an airport this size, however, it was requested by the federal security director. Chairman Wood said that it consisted of a team of three individuals from Washington DC to tour and study the airport and then report back any observations or recommendations. Chairman Wood said that they were impressed with the challenge procedures that were in place and the fuel farm and with the terminal and a lot of things with the airport in general. Chairman Wood said that all of the content of those meeting is security sensitive information.

Chairman Wood stated that Collin Fay has served on the committee for a couple of years and in his absence Guy Parker has agreed to apply his help to the committee.

Discussion:

Commissioner Murray asked if there will be an impact on the capital budget.

Chairman Wood said yes, an install cost estimate of about \$125,000 although they would flesh that out through the RFP process then once they go through the RFP process they will come to the Board with a recommendation.

E. November Special Meeting and Workshop

Mr. Johnson proposed subjects to talk about at the November 4th Special Meeting and Workshop.

Topics proposed:

1. CFC for the rental cars
2. CIP for AIP eligible projects

The special meeting would be intended to be approving the CIP for the next fiscal year.

Discussion:

Chairman Wood suggested to take time to review and amend the by-laws.

F. Code of professional Conduct Policy

Mr. Johnson said that this has been in front of the Board a couple of times but this particular copy has some additions and revisions that were done by Mr. Murray.

Discussion:

Commissioner Langley said that in reading through it he didn't see a limit on gifts or entertainment.

Mr. Johnson said that that was correct what they had in the original draft, then Commissioner Susuras commented at a past meeting to put a limit on it, so a limit was put on it and now the comments of Commissioner Murray took that limit out to be the language of not to accept any gifts/entertainment of any value.

Commissioner Langley said while he supports the non-acceptance of gifts there needs to be some level of tolerance just because if someone give someone a stick of gum that would be considered a gift.

Mr. Johnson said that is one of the paragraphs they have received conflicting comments on so they need some direction.

Commissioner Murray said that he has attended many of the seminars of the Department of Justice they consider a paper clip or anything handed over to be a gift. Commissioner Murray said that as far as perishable items go they should be put in a common area for all to share.

Chairman Wood said that working directly with the federal government he knows there is some recognition in a modest practical limit.

Commissioner Wagner stated that he was not in favor of have a zero tolerance policy.

Further discussion took place regarding the acceptance of gifts and entertainment.

Mr. Johnson said that the language in the previous draft was taken from the Colorado Constitution which allows gift of up to \$50 adjustable by CPU every year so it is somewhere around \$53 or so.

Chairman Wood said just for clarification that is per entity to individual exchange.

Commissioner Murray said they could insert that language back in.

Chairman Wood said he thinks as long as they are within the statute they are not embracing a lot of risk.

Mr. Johnson said the other paragraph they got conflicting comments on was 5.6 allowing a conflicted director to vote if it was necessary to obtain a quorum. Mr. Johnson said that the language was copied directly from the State Statue.

Discussion:

Commissioner Murray said that Colorado is one of the few states that allows that.

Chairman Wood asked if this would trump the Airport Authority's statue or by-laws which prohibit a commissioner from being a person of interest in a transaction with the airport.

Mr. Wegener said that he would suggest to clear it up with the amendment to the by-laws.

Chairman Wood said it sounds like they don't have much disagreement with the content in 5.6 right now.

G. Capital Improvement Program

Mr. Johnson briefed the Board and said that this Capital Improvement Program only lists AIP eligible projects and there is a separate locally funded Capital Improvement Program. Mr. Johnson said that for the fiscal year of 2015 the airport has approximately 7.3 million in entitlement funds to use. Mr. Johnson said if they don't use at least 1.8 or 9 million dollars of it they will lose it. Mr. Johnson said that another option they have is to loan it to another airport and be repaid by their entitlement funds assuming that the AIP program is in existence when they come back to repay it. Mr. Johnson said they need to at least know next year's projects by November 14th and that they pushed back all of the projects that have to do with Runway 11/29 for another year to allow them time to understand the geo-tech report and whatever else they need to do to make a sound decision, so none of those projects are in 2015. Mr. Johnson said that they do have four projects programmed in for next year that would use 3,000,000 in discretionary and 7.3million in entitlement funds.

Discussion:

Ms. Jordan said that they pulled all of the rental car service facility projects out of the CIP and thought they would build a separate capital improvement plan for the use of the CFC fee, because that is a different pot of money.

Chairman Wood said that they would have a more in depth conversation about this at the Board workshop on November 4th.

VIII. Action Item

A. Well Fargo Service Agreement

Mr. Minnick briefed the Board on the Wells Fargo Service Agreement. Mr. Minnick said that this agreement would allow him online access to view the Wells Fargo bank statements. This is a non-standard agreement.

Discussion:

None.

Commissioner Wagner made a motion for the Board to authorize the Interim Airport Manager to sign the Wells Fargo Service Agreement to allow Ty Minnick online access to view financial statements. Commissioner Murray seconded. Voice Vote. All Ayes.

B. Purchase Cards – Application and Agreement

Mr. Minnick briefed the Board on the application and agreement for purchase cards. Mr. Minnick said that these cards will replace the two current credit cards they have through Home Loan State Bank. Mr. Minnick said that these purchase cards will increase their charging ability,

less checks going out through payables, decreases check fraud, increases their use of discounts, and they would be able to control were the purchases take place and how much they are allowed to spend. Mr. Minnick said that Home Loan is discontinuing the cards they currently have.

Discussion:

Chairman Wood asked with the new purchasing policy if this would change anything.

Mr. Minnick said that people with these cards will still have to turn in receipts and get it the purchase approved.

Commissioner Wagner made a motion for the Board to Authorize the Interim Airport Manager to execute the Purchase Card agreement and application as presented. Commissioner Nelson seconded. Voice Vote. All Ayes.

C. Armstrong Pay Request – Runway 11/29 Geotech Analysis

Mr. Johnson briefed the Board on the Armstrong Pay Request for Runway 11/29 Geotech Analysis. Mr. Johnson stated that Armstrong has completed the geotech project and they have previously billed for 50% of that project and this bill is for the remaining 50% of that project. Mr. Johnson said they have received the final report for that project and they reviewed the scope of work to ensure that everything was completed and they are satisfied. Mr. Johnson said that staff recommends to approve this payment.

Discussion:

None.

Commissioner Nelson moved to approve the Armstrong pay request of \$39,000. Commissioner Langley seconded. Voice Vote. All Ayes.

D. Extension of Planning and Environmental Services Contract

Ms. Jordan briefed the Board on the contract extension for planning and environment services. Ms. Jordan said that at the July 2014 Board meeting Chairman Wood appoint a committee to work on a RFQ for planning and environmental services, and this contract terminates at the end of October and they anticipate there being some time in between where they are able to get a new contract executed with a service provider and the termination of the current contract. Ms. Jordan said that they have prepared an extension for 90 days to the current based contract with the current providers. Ms. Jordan said that they have talked with the FAA to make sure they were okay with this, and Linda Bruce with the FAA said that this would be okay to do. Ms. Jordan said that the current providers, Mead and Hunt, are okay with this extension as well. Staff recommends extending this contract for 90 days with a termination date of January 31st 2015.

Discussion:

Mr. Johnson said that the RFQ has been published and closes on November 6th.

Ms. Jordan said that they do not anticipate giving them new work they just wanted to give themselves enough time for decision making but they are currently working on the environmental assessment for the replacement runway.

Chairman Wood asked if there was language that says once a new contract is established that this one will terminate.

Ms. Jordan said no but there isn't anything that says they can only be in contract with one company.

Commissioner Wagner moved to authorize Interim Airport Manager to execute the agreement on behalf of the airport. Commissioner Murray seconded. Voice Vote. All Ayes.

IX. Any other business which may come before the Board

None.

XI. Adjournment

Commissioner Nelson moved to go 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 to discuss personnel matters as authorized by CRS §24-6-402(4)(f). Commissioner Wagner seconded. Voice Vote. All Ayes.

The Board adjourned into executive session at 7:00pm

Open meeting reconvened at approximately 8:25pm.

I. Any other business which may come before the Board

None.

Commissioner Murray moved to reopen and extend the ad for the At-Large Board member applications until November 17th 2014, to allow all Board members to be present. Commissioner Wagner seconded. Voice Vote. All Ayes.

Commissioner Murray moved to adjourn. Commissioner Nelson seconded. Voice Vote. All Ayes.

Meeting adjourned at approximately 8:30pm.

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board