



Grand Junction Regional Airport Authority Board
Board Meeting and Workshop
Meeting Minutes
September 16, 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 5:25 PM on September 16, 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
Sam Susuras

Other:

Bill Pitts, Citizen
Ryan Springer, Sequent
Scott Peterson, Citizen
Dennis Corsi, Armstrong Consultants
Shannon Kinslow, TOIL
Justin Pietz, Armstrong Consultants
David Shepard, GJAUTA
Bradley Sullivan, CFC
P.J. McGovern, P&L Properties
Larry Kempton, Kempton Air
Ben Wegener, Younge & Hockensmith

Airport Staff:

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

II. Approval of Agenda

Commissioner Murray asked to table discussion item F. Code of Professional Conduct Policy because he is still working on it.

Chairman Wood proposed to add a discussion on the process of selecting for the At Large Board member position that is now vacant.

Commissioner Wagner said that he would like to add an action item to designate Danielle Urban to act on the Authority's behalf in employment and government matters as their attorney.

Chairman Wood approved the agenda with the proposed changes by major motion.

III. Conflict Disclosures

Chairman Wood - Hangar Owner

Commissioner Frishe - None

Commissioner Wagner - None

Commissioner Nelson - None

Commissioner Murray - None

Commissioner Susuras - None

IV. Commissioner Comments

Chairman Wood said that he received Tom Frishe's resignation. Mr. Wood said that Mr. Frishe wanted everyone to know that he enjoyed his time serving and wished he could have stayed on but can't because he and his wife relocated to Nashville Tennessee. Mr. Wood stated that he would like to express his gratitude to Mr. Frishe for his service to the Board and to the community.

Chairman Wood also reported that he attended a TSA listening session with Dave Krogman, GM of West Star Aviation, in Glenwood Springs. Mr. Wood said that the purpose was so that TSA could listen to concerns specifically ones that Mr. Krogman had expressed in his letter. Chairman Wood said that the listening session was attended by very high level people.

Chairman Wood welcomed the airport's newest staff member Ty Minnick. Ty is the airport's Finance Manager.

V. Citizen Comments.

A. Dave Shepard

Mr. Shepard stated updated the Board on the Tenant's Association annual meeting and Board meeting. Mr. Shepard said that they are very appreciative that Mr. Johnson accepted their invitation to attend. Mr. Shepard said that Mr. Johnson did a fabulous job and showed tremendous poise as he faced some angry people. Mr. Shepard said that Mr. Johnson being there really mattered to them because they haven't seen an Airport Director at their meetings in years

and he earned the trust, confidence and the respect of their members. Mr. Shepard said that tenants were advised on the revised lease policy that is currently out for public comment and was received with tremendous enthusiasm and felt like they have been treated fairly. Mr. Shepard briefed the Board on some issues brought up by tenants for the lease committee to look at. Mr. Shepard asked for the Board to consider the creation of an aviation revitalization committee.

VI. Consent Agenda

A. Minutes: August 19, 2014 Regular Board Meeting

Discussion:

Recording equipment failed during the August 19, 2014 regular board meeting.

Chairman Wood said on page 9, second paragraph should read “they deal with sensitive information with their clients” and “tow” should be “two” and “Chairman Steve” should be “Chairman Wood” on page 10.

Commissioner Wagner also asked for the spelling of his name to be corrected on page 8.

Chairman Wood approve the August 19, 2014 regular Board Meeting Minutes, with corrections, by major motion.

VII. Discussion Items

A. Financial Update

Ms. Ann Eldridge briefed the Board on the current financial position of the Airport.

Discussion:

Commissioner Wagner said that the airport’s position has improved over the past year and it shows what a good staff they have.

Commissioner Murray asked if Ms. Eldridge is she had finances year to date compared to budget for this year.

Ms. Eldridge said she could do that if they would like to see a report like that but the budget is out of line and is not a good comparison.

Commissioner Susuras asked if the 2015 budget is more realistic.

Ms. Eldridge said she does feel like the 2015 budget is realistic because the entire staff of the airport involved in it.

Commissioner Murray asked if there was going to be a short fall.

Ms. Eldridge said yes because of grants that they didn't receive as anticipated and because money was spent from operations on capital expenditures that weren't budgeted.

B. Draft Budget

Ms. Eldridge stated that she created the spread sheet and gave copies to the department heads and they worked within their department to plug in the amounts for their projected budget.

The Board reviewed the budget.

Discussion:

Commissioner Murray asked why the parking revenue was budgeted high compared to 2013.

Chairman Wood said it is because the parking fee was changed from \$8.00 to \$9.00 and the change was anticipated at the time that the original budget was done.

Ms. Eldridge said that between the 2015 budgets and the reforecast is approximately a \$386,000.00 increase which is a 9% increase because of legal fees, a 13% increase for health insurance, 3% increase in dental insurance and maintenance expenses to snow removal equipment that hasn't been done since the airport has owned it.

Commissioner Murray asked how much deferred maintenance has there been.

Mr. Johnson said a lot.

Commissioner Murray asked if Mr. Johnson knew why.

Mr. Johnson said no and several of the surplus equipment bought from Denver has been on the airport for several years and has never had an oil change and the same for the fire trucks.

Commissioner Murray asked if there is anyone that heads those duties.

Mr. Johnson said that they have a fleet manager and he has now been freed up to perform those duties when before he was not allowed to do so.

C. Airport Manager Search Committee Update

Chairman Wood stated that the search committee is suspended and will await further direction from the Board. Chairman Wood noted that the Chairman of the search committee is no longer part of Board.

Discussion:

None.

D. Airport Commercial Development Update

Interim Airport Manager, Ben Johnson, briefed the Board. Mr. Johnson said that there has been interest in a piece of airport's land and details were discussed at the September 2nd Board workshop. Mr. Johnson said since then, staff has published an intent to lease and it closes October 9th and so far to date they have received one letter of interest. Mr. Johnson said that since the workshop they have solicited for quotes and have hired a commercial appraiser to appraise the land and tell them what the land is worth. Mr. Johnson said that the next step is to wait for the intent to lease to close and see what interest it generates.

Discussion:

Ms. Jordan said Arnie Butler is the appraiser and it should be completed in 30 days.

E. Security Solutions Committee Update

Chairman Wood stated that at the last meeting the Board authorized Armstrong Consultants to prepare an RFP for the technical equipment portion of the security solution. Armstrong has provided a draft and Mr. Johnson and Chairman Wood met to discuss it and have some redlines for Armstrong.

Discussion:

None.

F. At-Large Board Member Appointment Process

Chairman Wood said that Mr. Frishe was the At-Large member and was appointed in spring of 2013 by a four Board member committee who interviewed four or five applicants and then made a recommendation to the Board. Chairman Wood said that this time he recommends the entire Board review the applications and then make the recommendation to the city and county

Discussion:

Mr. Johnson said that the time frame for accepting applications ends on October 9, 2014.

Chairman Wood said that they will have applications just in time for the October 14th Board meeting so they could take a portion of that meeting to review applications.

VIII. Action Item

A. Danielle Urban Fisher and Philips

Commissioner Wagner stated that they have been using Danielle Urban from Fisher and Philips for employment related issues and she has been the insurance company's designated attorney. Mr. Wagner said that he wants to make sure that it is clear that she has the Board's approval to act on their behalf.

Commissioner Wagner moved to designate Danielle Urban with Fisher and Philips to act on the Grand Junction Regional Airport Authority's Board behalf with the compensation of their insurance providers, to handle matters involving personnel and/or resolving claims with the Federal Government. Commissioner Susuras seconded. Voice Vote. All Ayes.

B. Election of Vice-Chairman

Chairman Wood said that Mr. Frishe has resigned and that leaves the Vice-Chairman role for the balance of 2014 empty.

Discussion:

Commissioner Wagner asked if they renew the positions each year.

Chairman Wood said yes, at the first meeting in January.

Commissioner Susuras moved to elect Commissioner Paul Nelson as Vice-Chairman. Commissioner Murray seconded. Voice Vote. All Ayes.

C. Xerox Agreement

Ms. Jordan stated that this agreement is before the Board because it is a non-standard agreement. Ms. Jordan said that this agreement was executed with Xerox in 2009 and 2012 and is a lease and maintenance agreement and both expired in January of 2013. Ms. Jordan said that they would like to enter into a new lease and maintenance agreement with Xerox for new copier/fax work stations. Ms. Jordan said that they received quotes from two different companies and Xerox was the lowest, the other company came in at \$628.00 a month and Xerox came in with \$545.00 a month. Ms. Jordan said it will be a five year agreement.

Discussion:

Commissioner Murray said it comes in at \$587.00 a month with the add-ons of three-hole punch and the stapler.

Ms. Jordan said that those would be add-ons to the machine at the fire bay and that machine is just used by their maintenance and operations staff and they don't use those features but those features are incorporated in the machine that will be in the administration office.

Commissioner Murray said that the agreements states that if the airport ever terminates the agreement then it is the airports responsibility to return the machines to Xerox's designated place at their expense. Mr. Murray recommended to have them change it to the airport will deliver the machines to their local office in Grand Junction.

Commissioner Wagner said that he is a little concerned that a five year agreement is a long time for this equipment.

Ms. Jordan said that historically, five years has worked well for them.

Ms. Jordan said they did price out purchasing the machines and they are \$25,000.00 machines.

Commissioner Susuras made a motion for the Board to approve the Lease and Maintenance Agreement with Document Service Inc. for the lease of two Xerox WorkCentre's and to authorize

the interim Airport Manager to execute the agreement. Commissioner Nelson seconded. Voice Vote. All Ayes.

D. Purchase Request: Computers and Software

Facilities Manager, Ben Peck, briefed the Board. Mr. Peck said that an update is in need for their computer workstations throughout the organization. Mr. Peck said that they are proposing to upgrade 19 workstations and use four newer machines that they plan to repurpose. Mr. Peck said that they are currently operating under the Microsoft XP Operating System which is no longer supported as of this past April. Mr. Peck said that the average life of the machines is about five years and the majority of the computers are about seven years old so it's becoming critical to upgrade. Mr. Peck said that they received four quotes from Sequent on different types of computers that are included in the Board packets. Mr. Peck said that staff is requesting to spend up to but not to exceed \$36,000 to replace workstations, associated monitors and software.

Discussion:

Commissioner Susuras asked if this purchase was anticipated in the 2014 Budget.

Mr. Peck said yes, it was part of the IT budget.

Commissioner Susuras moved for the Board to approve the purchase of computers and software with the understanding that staff may not exceed \$36,000. Commissioner Wagner seconded. Voice Vote. All Ayes.

E. Information Technology Service Contract

Ms. Jordan and Ben Wegener briefed the Board on the major changes that were made to the contract. Ms. Jordan said that this contract is three years with two one year options.

Discussion:

Commissioner Wagner asked who owns phone numbers and emails.

Sequent representative Ryan Springer said that the Authority owns the emails and Sequent owns the phone numbers.

Discussion took place on how sensitive security information will be protected. The airport has no off site back up system.

Commissioner Susuras made a motion for the Board to approve the execution of the contract between Grand Junction Regional Airport and Sequent Information Systems as presented by Ben Peck and Amy Jordan. Commissioner Nelson seconded. Voice Vote. All Ayes.

F. Vending Concession Services Recommendation and Contract

Project Coordinator, Austin Fay, briefed the Board. Mr. Fay stated that a couple of months ago the airport began the RFP process to solicit proposals for a vending machines concessions service at the airport terminal, and after review and consideration of the proposals the search committee recommends awarding a contract to Meza Enterprises to provide that vending service. Mr. Fay said that this will be a five year contract.

Discussion:

Commissioner Murray asked what the difference is of anticipated income will be between this new vendor and the one that the airport had.

Mr. Fay stated that he has not done an official assessment but the proposal that they received would be more beneficial to the airport. Mr. Fay said that the vending machines that they proposed to provide will have credit card services which he believes will increase sales.

Mr. Johnson said that previously the airport was running the beverage and restroom vending but they included the beverage and restroom vending into this contract.

Commissioner Murray asked if it was included that the vendor be responsible for securing their machines so they cannot be tipped.

Ms. Jordan said that they will add it.

Commissioner Susuras asked if they were on the honor system when they turn in a monthly report.

Mr. Johnson said that the machines have counters on them so they can audit it.

Ms. Jordan said it is a lot more than what they get currently; they don't get any monthly report just a check.

Commissioner Susuras made a motion for the Board to authorize a contract to be entered into with Meza Enterprises allowing them to provide vending services and concessions in specific locations throughout the airport terminal. Commissioner Murray seconded. Voice Vote. All Ayes.

G. Capitalization Policy

Mr. Johnson briefed the Board. Mr. Johnson said that they have had a capitalization policy in the past and has previously gone unwritten. Mr. Johnson said it has been understood that their capitalization limit was 5,000 dollars. Ms. Eldridge recommended that they formalize the policy so staff drafted a policy including general rules and definitions and with Ms. Eldridge recommendation they reset the capitalization threshold at \$2500.

Discussion:

Commissioner Susuras asked what the reasoning was for dropping the threshold.

Ms. Eldridge said that is standard business practice for a company this size.

Ms. Jordan suggested that the Board revisits this annually since it is a policy.

Commissioner Nelson made a motion for the Board to adopt the new Capitalization Policy at \$2500 as presented. Commissioner Susuras seconded. Voice Vote. All Ayes.

H. Purchasing and Procurement Policy

Ms. Jordan briefed the Board on the Purchasing and Procurement Policy. Ms. Jordan said that not a lot has changed since the September 2nd workshop but did include Commissioner Murray's comments for the Board to review. One change was for petty cash to be secured and the other change was for department heads to review invoices.

Discussion:

Chairman Wood stated that he is okay with any changes as long as they are satisfied that they are not going to be overly burdensome.

Commissioner Susuras made a motion for the Board to approve the Purchasing and Procurement Policy as presented by Amy Jordan, including Commissioner Murray's redline comments. Commissioner Murray seconded. Voice Vote. All Ayes.

I. Resolution 2014-012: Revised Banking Resolution

Mr. Johnson briefed the Board. Mr. Johnson said that since they have new a vice-chairman so some changes need to be made to the Banking Resolution; Paul Nelson will be put into the document as Vice-Chairman to be a signatory and adding Ben Johnson as Interim Airport Manager to be able to execute checks, as well as adding "and/or" after the "Interim Airport Manager". Mr. Johnson said that the way this is written it would allow any two of those signatory's to execute the checks so it doesn't require that one of those be a Board member.

Discussion:

Commissioner Wagner suggested that one signature must always be a Board member's signature.

Commissioner Murray made a motion to approve the resolution with the modification that they place Paul Nelson's name where it says "vacant" and to change the language so that one signature must always be a Board signatory signature. Commissioner Susuras seconded. Roll call vote. Commissioner Murray: Aye, Commissioner Nelson: Aye, Chairman Wood: Aye, Commissioner Wagner: Aye, Commissioner Susuras: Aye. Resolution passes.

J. Resolution 2014-013: IRC Section 125 Premium Only Plan

Ms. Jordan briefed the Board. Ms. Jordan stated that in 1990 the Airport passed a resolution to approve IRC Section 125 Premium Only Plan and cannot find anywhere since that time those documents have been updated. Amy presented the new plan document to the Board.

Discussion:
None.

Commissioner Wagner made a motion to adopt Resolution 2014-013: IRC Section 125 Premium Only Plan. Commissioner Murray seconded. Roll call vote. Commissioner Murray: Aye, Commissioner Nelson: Aye, Chairman Wood: Aye, Commissioner Wagner: Aye, Commissioner Susuras: Aye. Resolution passes.

K. Landlords Consent and Subordination for P.H. LLC Leasehold

Chairman Wood said at the last meeting the Board authorized him to sign the Consent and Subordination Leasehold agreement pending counsel's review. Counsel had some changes. Further documentation needed and documentation with those changes needs to be submitted for the Board's review.

No action taken on this item. Previous approval still stands

IX. Any other business which may come before the Board

None.

XI. Adjournment

Commissioner Nelson moved to adjourn the meeting. Commissioner Susuras seconded. Voice Vote. All Ayes.

The Board Meeting adjourned at 8:28pm

Steve Wood, Board Chairman

ATTEST:

Victoria Villa, Clerk to the Board