

GUNNISON VALLEY TRANSPORTATION AUTHORITY

MEETING MINUTES

May 6, 2022

Crested Butte Town Council Chambers

A. INTRODUCTION

Janet Farmer called the meeting to order at 8:02 am

Board members in attendance: Janet Farmer, Boe Freeburn, Roland Mason, Steve Morris, Liz Smith, Anna Fenerty

Also present: Scott Truex, Leia Morrison, Rick Lamport, Kent Myers, Bill Tomcich (ZOOM), Jeremy Herzog, Andrew Sandstrom, Danny Bartelli, Jeff Moffett, Cindy Barbour (ZOOM), Jon Galle, and community members

CONSENT AGENDA

B. ADOPTION OF THE AGENDA

C. APPROVAL OF PREVIOUS MEETING MINUTES

1) Approval of March 18, 2022 meeting minutes

D. EXECUTIVE DIRECTOR'S FINANCIAL REPORT

E. CORRESPONDENCE

F. OLD BUSINESS

1) Air program reports

2) Bus program reports

Jim Miles ***moved to approve the consent agenda*** as presented. Boe Freeburn seconded the motion. The motion passed unanimously.

REGULAR AGENDA

F. OLD BUSINESS

3) Airport Update - Rick Lamport

Lamport reported that the airport construction is progressing nicely. A substantial percentage of completion should be done by early July. Skywest has been reliable and has experienced no issues with the approach.

4) Tourism Association Report - Andrew Sandstrom

Sandstrom reported that Denver has experienced a 32% increase in capacity. The majority of marketing spend from TAPP is focused on a national campaign for people with the intent to travel. We are experiencing similar load factors from previous years.

5) Bus service update - Scott Truex

Truex reported that ridership in March was up 66% and up 29% in April. Ridership for the Winter 21/22 was up 52%. Truex thanked the Alpine Express staff for their efforts that contributed to

smooth operations throughout the winter. The TSA mask requirement has officially been lifted on public transportation. Truex reported that the new library bus stop is in service. As of now, the RTA has a temporary sign installed until the shelter is erected in 2023. Danny Bartelli gave a mechanical update including a schedule for routine bus maintenance, issues with items on backorder, and how many vehicles have received tag axel retrofit kit. Truex reported that he and Morrison will be attending the Spring CASTA conference this month in Colorado Springs.

6) Air Command Report - Scott Truex

All major Air Command topics will be discussed further at this meeting.

7) 2021 Winter air service discussion – Kent Myers & Bill Tomchi

Kent reported that operationally and financially the season performed well. In his opinion, the 68% load factors show a solid season. Kent updated the board that he has not received the April report from American yet and that March was a booming month.

8) 2022 spring air service - Bill Tomchi and Kent Myers

Kent reported that the load factors are about even with the two previous time frames. The number of passengers flying is 43% above where we were last year. We have larger aircraft and two flights a day through April & May with more seats available. Kent reported that at this time fares are high.

9) 2022 summer air service - Kent Myers and Bill Tomcich

Tomcich discussed the new navigational approaches and reported that environmental approval has been received and GUC is next on the list for implementation. This new navigational system will be a gamechanger with reliability according to Tomcich. Myers updated the board on the new Embraer 175 aircraft which will be replacing the CRJ700s. Myers brought up the uncertainty in the industry around increased fuel costs. A positive for the summer schedule is the fact that connections can be optimized with three flights to Denver per day. We now have 23 flights per week vs. the 21 flights per week last summer. Overall, we are experiencing a 10% increase in frequency and a 32% increase in total seat capacity. The GUC airport is the only mountain airport that is seeing a flight increase. Lamport shared that a visitor from United Corporate made the comment to him that GUC is a hot market and that United would like to expand service here. Lamport reported that several communities which were part of the essential air service program are losing service due to the pilot shortage.

10) Bus Storage Facility Construction - Scott Truex & Leia Morrison

Truex reported that the project did receive approval for a categorical exclusion. While the RTA did receive one bid for the construction project that bid was withdrawn after the submission due to a miscalculation of cost on their part. The RTA will rebid the project and open the bids up again on June 2nd. Truex will make a recommendation to the board at the June 3rd meeting. There is a local contractor that has expressed interest.

11) Lazy K housing purchase - Scott Truex & Leia Morrison

Truex performed a site walk-through last week and reported that the drywall and interior painting is complete and that we still anticipate an end of summer completion. The Master Lease will be brought to the board for approval at the next meeting. Truex is recommending \$1,000 for 2 bedrooms (not including utilities) for the monthly rent.

12) Request to move the RTA Board Meeting from June 10th to June 3rd to be followed by a Board Retreat with the Air Command Committee to discuss air service planning – Scott Truex & Leia Morrison – Jim Miles ***moved to approve moving the June meeting from June 10th to June 3rd to be followed by a board retreat*** as presented. Liz Smith seconded the motion. The motion passed unanimously.

G. PUBLIC COMMENT PERIOD

No public comments were submitted.

H. COMMENTS FROM BOARD MEMBERS AND STAFF

Truex reported that sales tax was up by 17% in February. He and Jeremy Herzog will be presenting to the CB South POA concerning 2022/23 winter service. Truex reported that the Small Community Service Grant updates were submitted. Truex is working with John O'Neal for the housing project on West Denver. This project is still about a year away and he should have more information to share with the board in June or August. Truex announced that the RTA was awarded a million dollars from CDOT for a new transit center in Gunnison. Morrison and Truex will be working with the City of Gunnison on a location that works for everyone.

Lampert reported that car rentals at GUC are up 52% overall and that AVIS is 87% up year-over-year.

New Business

1) Request to fund the Late-Night Taxi in Crested Butte

Herzog gave a brief history of the service. The contract amount is for \$210,000 for a year and fare revenues are expected to cover \$60,000 of that amount. Therefore, the total subsidy needed will be approximately \$150,000. Herzog has data showing that approximately 20% of the passengers on this service are going to the unincorporated parts of the county (mostly in the RTA service area). The request is for the RTA to cover 20% of the subsidy for a total amount of \$30,000 this year. The Towns of Crested Butte and Mt. Crested Butte will be asked to cover the other 80%.

Boe Freeburn ***moved to approve \$30,000 in funding for the Late Night Taxi in Crested Butte***. Liz Smith seconded the motion which passed unanimously.

2) Airport surveys for the summer of 2022 and winter of 2022-23 – Kent Myers & Leia Morrison
Myers and Morrison met with representatives of RRC Associates about a possible summer/winter airport survey. Morrison recommended that further discussion be had with community partners who may also benefit from the survey results, including TAPP and

potentially Gunnison County. Myers spoke with John Norton who was open to the idea. At this point, the RTA is still in the planning phase. Myers is encouraging the board of directors to volunteer for time slots as well as the employment of a part-time survey taker. Roland Mason reiterated the importance of having elected officials present for the surveys and was in support of this idea. Kent reported that they are waiting on a contract proposal from RRC.

3) 2023 FTA Section 5311 Operating Grant application to CDOT – Scott Truex noted that we ask for public comment on the application each year. There were no comments.

4) Approval of 2023 FTA Section 5311 Operating Grant Project Description and Budget – Scott Truex described the project. Roland Mason ***moved to approve the 2023 FTA Section 5311 Operating Grant Project Description and Budget as presented.*** Jim Miles seconded the motion which passed unanimously.

5) Authorization of Board Chair to sign a contract with Adena Corporation to construct a Bus Storage Facility at the Whetstone Industrial Park using local and State FASTER funds for an amount not to exceed \$3,200,000 – Request withdrawn since the bid was withdrawn.

6) Update on Bus Purchase and possible request to increase spending authorization to an amount not to exceed \$1,825,000 – Scott Truex reported that 1.65 million had previously been approved by the Board for the bus purchases and that he is still waiting on a price quote from MCI. The RTA quote has gone to corporate for approval. Truex would like the flexibility to increase the amount if necessary and asks the board for approval. Boe Freeurn ***moved to approve an increase in spending authorization to an amount not to exceed \$1,825,000.*** Roland Mason seconded the motion which passed unanimously.

7) Discussion regarding a possible contract with JSX to provide air service between Dallas and Gunnison during the summer of 2022 – Kent Myers and Bill Tomcich
Myers gave the board some background on the JetSuiteX (JSX) charter operations. Myers and Tomcich have worked with this company in the past. They are based out of Dallas/Love Field (not DFW). They operate with a modified RJ135/145 aircraft with 30 business-style seats and because of capacity they don't have to clear TSA. Myers shared that there are numerous operators like this across the country. JSX approached the RTA about offering this service to GUC. Myers reported that their initial question was, "where else are you going to fly in the resort communities of Colorado", the answer was, "no other place". Jeff Moffett presented the board with some background. Elevation Hotel's prospective owners have a familiarity with JSX and made the introduction. JSX has 23 airplanes and 50 on order over the next two years. Myers added that Dallas Love Field is great but that the RTA's goal would be Austin, TX. JSX has made a commitment to fly the Gunnison plane between Dallas and Austin before and after flying to/from Gunnison. Andrew Sandstrom added that TAPP is willing to support this flight since Austin is a market that they have been focused on for some time now. Sandstrom feels it would be an easy transition to add this to their roster of flight marketing options. Jeff Moffett added that JSX is very analytical and data-driven and strong on the marketing front. Liz Smith mentioned that Phoenix had been identified as a potential market and JSX flies there. Perhaps this is an

opportunity to explore other markets? Jeff Moffett said that Phoenix hasn't been identified as being that large. Steve Morris asked if the carbon footprint per mile has been identified. Kent Myers will follow up with the board on this comment.

8) Executive session for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) for the purpose of conferring with staff and consultants regarding a possible contract with JSX to provide air service between Dallas and Gunnison during the summer of 2022 - Janet Farmer **moved for the board to go into Executive Session** and Liz Smith seconded the motion which passed by $\frac{2}{3}$ vote.

Janet Farmer stated the following: "This Executive Session is not open to the public and action may not be taken. It is Friday, May 6, and the time is 9:32 a.m. For the record, I am the presiding officer; Janet Farmer, Board Chair. Present at this Executive Session are the RTA board members in attendance and the following persons: Scott Truex, Kent Myers, Andrew Sandstrom, Leia Morrison, Jeff Moffat, and Rick Lamport. If, at any point in the Executive Session, any participant believes the discussion is going outside the proper scope of the Executive Session, please interrupt the discussion and make an objection for the record."

The board moved into executive session at 9:32 a.m.

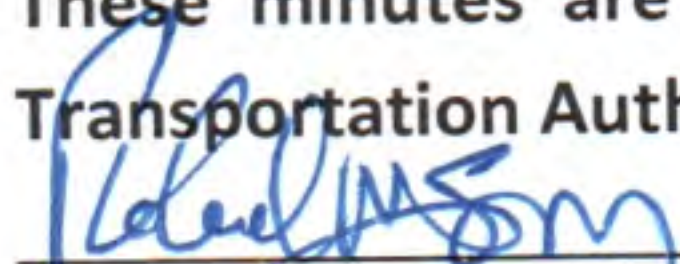
The executive session was concluded at 10:33 a.m.

Janet Farmer stated that "For the record, if any person who participated in the Executive Session believes that any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive Session or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, I would ask that you state your concerns for the record." No concerns were stated.

9) Potential authorization of the Board Chair to sign a contract with JSX to provide air service between Dallas and Gunnison during the summer of 2022 - Roland Mason moved to authorize the Board Chair to sign a contract with JSX to provide summer air service between Dallas Lovefield and Gunnison with a financial commitment not to exceed \$80,000. Jim Miles requested an amendment to \$100,000. Roland amended the ***motion to authorize the Board Chair to sign a contract with JSC to provide summer air service between Dallas Lovefield and Gunnison with a financial commitment not to exceed \$90,000 and to include a prorated refund if they don't fly the flight.*** Jim seconded the motion and amendment which passed by a 5-2 vote with Freeburn and Fenerty voting against.

The meeting adjourned at 10:38 am

These minutes are the final version approved by the Board of Directors of the Gunnison Valley Transportation Authority at its meeting on June 3, 2022.



Roland Mason, Secretary

