

Walker Field Airport Authority

Minutes of the Regular Board Meeting

August 17, 1999

BOARD COMMISSIONERS PRESENT: Miles McCormack Robert McCormick
Steve Ammentorp Ken Sublett
Mike Sutherland

AIRPORT STAFF PRESENT: Corinne Nystrom Gary Mancuso
Dan Reynolds David Anderson
Ted Balbier

ALSO PRESENT: Gene Murphy of Raytheon/Isbill Associates; Dave Naski of West Star Aviation; Ned Wilson of Hertz Rental Car; and Richard and Lisa Robidoux of Double R Amusements.

I. CALL TO ORDER

Chairman McCormack called the meeting to order at 5:14pm.

II. APPROVAL OF AGENDA

Chairman McCormack asked for additions or changes to the published Agenda. Manager Nystrom requested that Consent Items C and D be relocated to Action Items A and B. She also requested a slight revision of Staff's recommendation on Consent Item I (last bulleted item) to state "final approval is contingent upon Airport Authority Attorney review and approval of all signed documents." Vice Chairman McCormick inquired if the recommendation for that Agenda Item should also include authorization for the Chairman to sign the Assignment on behalf of the Authority. Staff agreed and requested that the Chairman signature authorization clause be included in the recommendation.

Staff also requested the addition of Action Item C- "Request for Funding for Accounting and Project Management Software." Commissioner Sublett requested the addition of Discussion Item B- "Topic for Future Board Workshop." The Agenda was amended as requested.

III. PUBLIC COMMENTS AND COMMUNICATIONS

There were no public comments or communications.

IV. CONSENT AGENDA

A. Minutes: July 20, 1999 Regular Board Meeting

B. Supplemental Budget Appropriation for Public Service Easement for F.A.A. Equipment Power Loop

Staff presented the Board with a request for an appropriation of funds for a Public Service Company easement for the installation of a power loop for FAA equipment. The FAA recently experienced a catastrophic failure of its power cable that serves the Airport's communications and navigational facilities. The FAA is now planning to replace the old cable and will install a complete power loop that provides separate power sources. Public Service requires an easement for this new line. The Authority has historically paid for the corresponding survey costs. The estimated cost of this survey is \$5,000.

Staff recommended that the Board appropriate funding for the survey of the easement for the FAA power loop in an amount not to exceed \$5,000.

C. Supplemental Budget Appropriation for 4/22 Development Utilities Installation

Relocated to Action Item A.

D. 4/22 Development Utilities Installation Bid Award

Relocated to Action Item B.

E. Terminal Building Carpet Bid Award

Staff presented the Board with information regarding bids received from a recent Request for Proposals (RFP) for the possible installation of carpet in several areas of the terminal building. Sealed bids were received for the installation of carpet in the: terminal boarding area; front counter areas of the rental car agencies; terminal entryways; and office areas of the rental car agencies. Each area was identified as a separate schedule.

A review of the bids received indicated the Authority currently has enough funds budgeted for terminal building carpet to award the terminal boarding area carpet only. The total budgeted funds for the carpet is \$18,000. The low bidder was Inside Story with a square yardage cost of \$34.52 (\$17,259) for the boarding area. The proposed contract will stipulate a not to exceed cost of \$34.72 per square yard installed. However, payment will be made according to the actual cost of installation (not to exceed \$34.72).

Staff recommended the Board award the terminal building carpet installation bid, terminal boarding area only, to Inside Story and that the Chairman be authorized to sign the proposed agreement on behalf of the Authority. Staff also recommended that if the actual costs incurred by the Authority are less than the proposed amount of \$34.72 per square yard, Staff be authorized to work with Inside Story to install carpeting in the front counter and office areas of the rental car agencies if funds are available.

F. WFAA Airfield & Landside Property Leasing Policy

Staff presented the Board with a proposed Walker Field Airport Authority Airfield and Landside Property Leasing Policy. Staff has been developing a Policy in order to promote fairness, consistency and value to the Airport while conducting airport-leasing business in compliance with all applicable rules and regulations. In addition, Staff has developed proposed leasing procedures, guidelines, and requirements to support the Policy. Drafts of the Policy and supporting documents have been mailed to the Board, Authority Attorney, tenants, and prospective tenants for comments. Several suggestions have been received during the discussion period and the final draft reflects this collaborative effort. Authority Attorney Doug Briggs has reviewed the Policy and is currently reviewing the changes to the supporting documents.

Staff recommended the Board approve the Walker Field Airport Authority Airfield and Landside Property Leasing Policy and that the Chairman be authorized to sign the Policy on behalf of the Authority. Staff also recommended that the Board Authorize Staff to design, implement, and administer leasing guidelines and procedures which are consistent with the Policy.

G. Acknowledgement of Receipt of June 30, 1999 Financial Statements and Accounts Receivable Report

Staff provided the Board with a summary of the June 30, 1999 Financial Statements and Accounts Receivable Report. With the completion of the first half of fiscal year 1999, the Authority has experienced favorable financial results. On the Balance Sheet, unrestricted cash and investments increased \$75,000 (10%) during the month, while restricted cash and investments decreased \$205,500 (15%) during the same period because of capital project passenger facility charge (PFC) expenditures. Federal grants receivable increased \$43,000 for the month—all of which is the AIP portion of the AIP-18 retainage. Trade payables increased \$572,900 because of several large capital project invoices received at the end of June.

The net \$130,000 reduction of restricted and unrestricted cash and investments, coupled with the \$572,900 increase in trade payables, resulted in a decrease in Working Capital of \$806,000. However, the decrease in Working Capital was offset by an increase in Net Fixed Assets of \$1,038,900—a very busy capital project month for the Authority.

Revenues by source from the Statement of Operations indicates that leases and concessions and fuel flowage revenues continue to be over budget year to date, while landing fees and interest earnings line items continue to be slightly under budget year to date.

Overall, year to date Operating Revenues are 6.6% higher than what was budgeted, and Operating Expenses continue to be under what was budgeted year to date by 17.9%, primarily because of close monitoring of expenditures by Staff.

The net result of the favorable operating revenues and expenses has resulted in a year to date income to retained earnings balance of \$169,712, which is 33% higher than the year to date balance last year.

H. Agreement with Van Sant Group to Conduct Landside Landscaping Study

Staff presented the Board with a proposed agreement between Van Sant Group and the Authority for Van Sant Group to conduct a Landside Landscaping Study. Van Sant Group proposed to provide a Landscaping Study for the terminal building entryways, terminal building and parking areas, public display areas, and future development sites. The budgeted amount and proposal are each \$5,000. If

approved, the Study will be completed this year, with pertinent cost estimates available for future budget considerations.

Commissioner Sutherland asked about Van Sant Group's qualifications to perform landscaping studies. Staff commented that Van Sant Group normally incorporates landscaping design into its overall plans for various facilities. Additionally, Van Sant Group has a lot of experience with airport design and consulting. Commissioner Sutherland inquired if any local firms were considered for the Study. Staff noted that it had considered several firms, but it wanted to maintain consistency between the design of the terminal building renovations and the landscaping. Commissioner Sutherland stated that the reason he inquired about the possibility of working with a local design firm is because of a local firm's familiarity with the climatic conditions and types of vegetation which exist in the Grand Valley versus the Front Range.

Staff recommended the Board approve the Landside Landscaping Study proposal submitted by Van Sant Group and that the Airport Manager be authorized to sign the proposal on behalf of the Authority.

I. Assignment of Hertz Rental Car Concession Agreement

Staff presented the Board with a request for a proposed assignment of the Hertz Rental Car Concession. A request for the assignment was presented to Staff on Friday morning, August 13th. Daren Cyphers currently operates the Hertz franchise and is selling his interest in the franchise to Big Family Automotive Group, LLC. This assignment is within the parameters of Mr. Cyphers' existing concession agreement. Board approval is required for the assignment. The parties involved are scheduled to close the sale September 7, 1999.

Staff recommended that the Board approve the assignment subject to receipt of the following: security deposit in the amount of \$27,000 in favor of the Authority from Big Family Automotive Group, LLC; insurance certificate as specified in the underlying concession agreement; copy of a letter from Hertz accepting transfer of the franchise; and all amounts owing the Authority from Daren Cyphers be prorated to the day of closing and paid in full. Additionally, Staff recommended that final approval be contingent upon Authority Attorney review and approval of all signed documents and that the Chairman be authorized to sign the Assignment on behalf of the Authority.

J. WFAA Terminal Building Renovation Study

Staff presented the Board with a proposed final layout drawing of the Terminal Building Renovation Study. The Authority has been working with the Van Sant Group to finalize the Terminal Building Renovation Study. The final drawing incorporated changes requested at the previous Board Workshop. Based upon the changes and additions which have been made since the original draft plan was submitted several months ago, the estimated cost for renovating the terminal building will be \$1.0 – 1.2 million.

Staff provided additional information to the Board, including a verbal agreement by Coffee Time to move to the 2nd floor restaurant location inside the secured area. A non-exclusive concession agreement with them to provide food services in this area is currently being prepared and may appear on the September Board Meeting Agenda. Coffee Time indicated it does not wish to lease the former lounge area at this time, but it will be applying for a wine and beer license with the City of Grand Junction if the restaurant concession agreement is approved by the Board. Because Coffee Time still desires to hold the exclusive rights to serve cappuccino and espresso in the terminal building, Staff is preparing a Request for Proposals (RFP) for this concession privilege which will be advertised publicly in the near future. It is anticipated that Coffee Time will be submitting a proposal during this process.

Staff provided the Board with input it received from game and vending machine vendors. Staff is in the process of preparing a Request for Proposals for both of these vending concessions, with the following suggested parameters: on the first level in an enclosed area near the northwest storage and baggage claim area—1 soda machine, 1 snack machine, 4 game machines (maximum), and 1 change machine; on the second level in an enclosed area inside the secured area (including the current Operations Department storage closet)—1 soda machine, 1 snack machine, 7 game machines (maximum), and 1 change machine.

Commissioner Ammentorp inquired about the secured/unsecured access to concession areas on the 2nd floor of the terminal building. Manager Nystrom noted that the changes of access to the concession areas from unsecured to secured (boarding area) will be made in accordance with FAA regulations. Commissioner Ammentorp asked if the Authority wishes to continue having the games and vending machines in the terminal building. Manager Nystrom noted that the consensus reached at the Board Workshop was to reconfigure the location of the game and vending machines. Chairman McCormack suggested that any enclosed area for the game machines include plenty of ventilation to prevent overheating of the machines.

Vice Chairman McCormick commented that this Study is a road map to provide direction for terminal building improvements, but it does not specifically address all of the issues involved. He asked if there is a conflict between the exclusivity of cappuccino and espresso (concession) and having coffee vending machines in the terminal building. Manager Nystrom responded that this issue will be addressed in the RFP for the cappuccino and espresso concession to prevent a conflict.

Commissioner Sutherland noted that Coffee Time originally indicated that it did not want to be located in the secured area, but now it is interested in doing so. He inquired why Coffee Time changed its position. Manager Nystrom noted that Staff and Van Sant Group have had subsequent conversations with Coffee Time, and based upon those discussions, Coffee Time has stated that it is interested in locating in the secured area.

Vice Chairman McCormick moved to approve the Consent Agenda with the noted changes. Commissioner Sutherland seconded. Roll call: all ayes. Motion carried.

V. ACTION ITEMS

A. Supplemental Budget Appropriation for 4/22 Development Utilities Installation

(Former Consent Item C) Staff presented the Board with a request for the appropriation of funds for the installation of utilities in the Runway 4/22 general aviation area. Staff noted that engineering and specifications for site planning and the installation of utilities in this area have been completed and sealed bids received by the Authority were opened yesterday. The Authority Engineer's estimate for the completion of this project is \$125,000, including engineering costs. However, the original 1999 budget amount is \$50,000.

In the design process for the installation of utilities, Staff specified a layout plan and utility route which served the longer term needs of the Runway 4/22 general aviation area, instead of a smaller area originally planned. Because of the larger area (and corresponding increased linear footage), the estimated project cost increased. Chairman McCormack commented that the original scope of work was very minimal, and that the Authority should proceed with the installation of utilities to serve the larger portion of the Runway 4/22 general aviation area.

Commissioner Sublett commented that the Authority should consider including fiber optic lines for future developable parcels. Commissioner Sutherland recommended that fiber optic lines be included in future telephone line installation projects. Chairman McCormack noted that the Authority should also consider reviewing and revising its overall drainage plan. Manager Nystrom noted that the Drainage Plan Update was included in Staff objectives for this year.

Staff recommended the Board appropriate supplemental funds for the installation of utilities in the Runway 4/22 general aviation area in the amount of \$75,000 for a total not to exceed budgeted cost of \$125,000.

Vice Chairman McCormick moved to appropriate supplemental funds for the installation of utilities in the Runway 4/22 general aviation area in the amount of \$75,000 for a total not to exceed budgeted amount of \$125,000. Commissioner Sublett seconded. Roll call: all ayes. Motion carried.

B. 4/22 Development Utilities Installation Bid Award

(Former Consent Item D) Staff provided the Board with information regarding bids received for the installation of utilities in the Runway 4/22 general aviation area. In response to a formal advertisement for the installation of water and sewer services in the Runway 4/22 general aviation area, sealed bids were opened yesterday. The bid documents were for two schedules—sewer and water. Staff noted that there were eight bidders and the low bidder was M.A. Concrete, with a bid of \$66,394.75. Staff recommended that the Board award the bid for the installation of utilities in the Runway 4/22 general aviation area to M.A. Concrete, and that the Chairman be authorized to sign the resulting contract with M.A. Concrete on behalf of the Authority.

Commissioner Sutherland inquired which schedules the M.A. Concrete bid includes. Staff noted that M.A. Concrete's bid includes both schedules—water and sewer. Staff also commented that the increase in the scope of work (compared to what was originally planned) will provide utilities for a larger area of the Runway 4/22 general aviation area. Vice Chairman McCormick inquired whether the bid includes the installation of fire hydrants and manholes. Staff responded that the bid includes these items.

Staff commented that the \$125,000 estimate includes M.A. Concrete's work, engineering, specifications, oversight, and as-builts from Isbill Associates/Raytheon and Rolland Engineering. Commissioner Sutherland asked how much of the \$125,000 Staff estimates will actually be spent. Staff responded that it estimates \$100,000 will actually be spent. However, because this portion of the Runway 4/22 general aviation area is a new area, there may be some unexpected challenges encountered. Thus Staff requests that the \$125,000 appropriated by the Board for the project remain unchanged.

Vice Chairman McCormick moved to award the bid for the installation of utilities in the Runway 4/22 general aviation area to M.A. Concrete in an amount not to exceed \$66,395 and that the Chairman be authorized to sign the agreement with M.A. Concrete on behalf of the Authority. Commissioner Sublett seconded. Roll call: all ayes. Motion carried.

C. Request for Funding for Accounting and Project Management Software

(Acted upon prior to Action Items A and B). Staff presented the Board with a request for the appropriation of funds to purchase accounting and project management software. Upon installing and setting-up the new Authority computer system, it was discovered that the existing Authority accounting software is not easily configurable for operating on the new system. Staff had intended to include a request for new accounting and project management software in the fiscal year 2000 budget. However, because of the installation of the new computer system, Staff recommended that the Authority acquire the software this year, in an amount not to exceed \$5,000.

Commissioner Sublett commented that the existing accounting software system, which was acquired in 1987, could be modified to run on Windows NT. However, it would still be a less than a satisfactory system. Thus Commissioner Sublett recommended that new accounting software be acquired this year. Vice Chairman McCormick inquired whether the Authority needs to hire a Management Information Systems (MIS) Staff member since the Authority is operating a more sophisticated computer system. Manager Nystrom indicated that Staff does have a person whose job description includes MIS duties. Vice Chairman McCormick inquired whether that person has the expertise to maintain the Authority's computer system. Commissioner Sublett recommended that the Authority's MIS Staff member attend Windows NT Systems Administration school at the earliest possible time. This would allow the Authority to not rely as much on outside help to maintain the system. Vice Chairman McCormick agreed with Commissioner Sublett's recommendations.

Vice Chairman McCormick moved to appropriate funds, in an amount not to exceed \$5,000, to acquire accounting and project management software. Commissioner Sutherland seconded. Roll call: all ayes. Motion carried.

VI. DISCUSSION ITEMS

A. Topic for Future Board Workshop

Commissioner Sublett recommended that the Board consider addressing noise abatement issues at the next Board Workshop. Chairman McCormack agreed with Commissioner Sublett and stated that the Authority should be proactive in addressing this issue. Commissioner Sutherland noted that the Authority should also review its existing voluntary noise abatement procedures.

Manager Nystrom recommended that the Authority's rates and charges also be reviewed at the next Board Workshop. Additionally, Staff distributed copies of the preliminary 3rd floor Administration Offices layout plan, an update on Staff's Annual Action Plan Objectives, and a recent advertisement in Colorado Business Magazine which reflects a different approach the Authority is taking with the marketing of the Airport.

Vice Chairman McCormick inquired if Van Sant Group will be providing a final draft of the Terminal Renovation Study. Manager Nystrom commented that Staff will work with Van Sant Group in obtaining a final draft of the Study.

Commissioner Sutherland noted that he attended a zoning map meeting last week at which the possible 27 ½ Road realignment was discussed. The property on which the realignment may affect is partially within the Critical Zone for the Airport. Commissioner Sutherland commented that he brought this to the attention of the City of Grand Junction and recommended that the City survey the Critical Zone dimensions and contact Authority Staff if it has any questions regarding this issue.

Chairman McCormack asked if the 27 ½ Road construction has affected the City of Grand Junction Fire Department's response time to the Airport during emergencies. Commissioner Sutherland noted that several residents in the vicinity of 27 ½ and G Roads posed this question to the City, and the City commented that the response time has increased by approximately 5 minutes to that area.

B. Runway 11/29 Litigation Update (Executive Session)

Vice Chairman McCormick moved for the Board to enter into Executive Session to discuss the Runway 11/29 litigation. Commissioner Sutherland seconded. Voice vote: all ayes. Motion carried.

The Board entered into Executive Session at 6:23pm to discuss the Runway 11/29 litigation.

Commissioner Sutherland moved to exit Executive Session. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

The Board exited Executive Session at 6:40pm.

VII. OTHER ITEMS

There were no Other Items.

VIII. ADJOURNMENT

There being no further business to come before the Board, Commissioner Sutherland moved to adjourn the meeting. Vice Chairman McCormick seconded. Unanimously carried. The meeting was adjourned at 6:40pm.

APPROVED AND ADOPTED THIS _____ DAY OF _____, 1999.

Miles C. McCormack, Chairman

ATTEST:

David J. Anderson, Clerk