

Walker Field Airport Authority

Minutes of the Regular Board Meeting

July 18, 2000

BOARD COMMISSIONERS PRESENT: Miles McCormack Steve Ammentorp
Ken Sublett Gary Morris
Gene Kinsey Robert McCormick

AIRPORT STAFF PRESENT: Corinne Nystrom Gary Mancuso
David Anderson Dan Reynolds
Charlie Novinskie

ALSO PRESENT: Matt Smith, District 54 State Representative; Steve Bottom and Lynette Bottom of Tri-Star Aviation; Larry Nunnery and Ron Nunnery of Grand Junction Aircraft Sales.

I. CALL TO ORDER

Chairman McCormick called the meeting to order at 5:23pm.

II. APPROVAL OF AGENDA

Manager Nystrom requested a change to Action Item E Resolution No. 2000-010 from WFAA "Unrestricted" Cash Reserves Requirement to WFAA Minimum "Non-Restricted" Cash Reserves Requirement.

Commissioner McCormick moved to amend the Agenda as requested. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

III. PUBLIC COMMENTS AND COMMUNICATIONS

State Representative Matt Smith (District 54) discussed the potential United Airlines and U.S. Airways merger. He expressed the possibility of a decision regarding the merger in the near future. Additional information will be provided to the Board as it becomes available. The consensus of the Board was to take a neutral position on this issue until additional information is available.

There were no other public comments or communications.

IV. CONSENT AGENDA

A. **Minutes: June 20, 2000 Regular Board Meeting.**

B. **Acknowledgement of Receipt of May, 2000 Financial Statements/Accounts Receivable Report**

Staff presented the Board with a summary of the May, 2000 Financial Statements. On the Statement of Operations, year to date operating revenues were noted as being 7.2% higher than budgeted and year to date operating expenses are 8.5% lower than budgeted. The net result of the operating revenues and expenses was an income to retained earnings balance of \$101,782, which is \$109,186 higher than budgeted year to date.

Rental cars, airline landing fees, terminal building concessions, fuel flowage fees and aviation fuel tax revenues were over budget (year to date), and close monitoring of operating expenses by all departments has continued to result in year to date operating expenses that are under what was budgeted.

On the Balance Sheet, nonrestricted cash/investments increased 4.4% for the month and PFC funds decreased 15%, reflecting the continued expenditures for the aircraft rescue firefighting/snow removal equipment (ARFF/SRE) facility project. Capital project expenditures led to an increase in Land, Buildings, and Equipment of \$154,445. Additionally, Accounts Receivable increased by \$115,563, reflecting the invoicing of the rental car concessions for the overage amounts owing the Authority for the most recent concession year.

Overall, May reflected the seasonal trend of increased airport activity in the Spring, and continued the solid financial trend for the Authority's fiscal year.

Commissioner Ammentorp inquired into the decrease in parking lot revenues. Staff commented that some of the demographics may have changed, such as more leisure fliers, more people per vehicle, or more short-term business travelers.

Commissioner Ammentorp requested information on whether the decrease in passenger facility charges (PFCs) on the equity side is a timing issue. Staff noted that as the ARFF/SRE building project progresses, a steady decline in the PFCs is anticipated.

C. **Agreement with KLB Business Services to Provide Clerical Services for Preparation of Board Meeting Minutes**

Staff presented the Board with a proposed Agreement between the Airport Authority and KLB Business Services for clerical services associated with the preparation of Board Meeting Minutes. At the June 20, 2000 Regular Board Meeting, the Board approved the selection of KLB to provide clerical services for the preparation of Board Meeting Minutes. Additionally, the Board authorized the expenditure of an additional \$2,450 for the Professional Services expense line item for fiscal year 2000.

The Agreement incorporates the fees and scope of work as outlined in the Authority's Request for Proposals and KLB's proposal. The proposed Agreement is similar to an Agreement previously drafted by Authority Attorney Mike Grattan for independent contractor services.

D. Sublease Agreement Between Buescher Family Limited Partnership and I Fly Strand Aviation, Inc.

Staff presented the Board with a renewal of the current Sublease between Buescher Family Limited Partnership and I Fly Strand Aviation, Inc. which grants Strand the right to operate a flight training school located at 800 Heritage Way on a non-exclusive basis. The term of the Agreement begins August 1, 2000 and terminates July 31, 2001 at 12:00 o'clock a.m. Although this Sublease is not the Standardized Sublease Agreement, it incorporates previous changes requested by the Authority Attorney.

Staff recommended the Board approve the Sublease and that the Chairman be authorized to sign the Agreement on behalf of the Authority.

E. Request by Angel Aircraft, LLC to terminate Ground Lease Agreement

Staff presented the Board with a request by Angel Aircraft, LLC to terminate its Ground Lease Agreement effective July 18, 2000 and to apply its security deposit to the outstanding amounts owing the Authority.

Angel Aircraft, LLC was previously operating an aircraft repair, detailing, and washing service located in a hangar on the Hangar One leasehold. In order to meet the Authority's Minimum Standards for an entity providing aircraft repair service, Angel Aircraft was required to provide parking for its customers. Consequently, on December 1, 1996 G-Force Maintenance, LLC (which later became Angel Aircraft, LLC) entered into a ground lease agreement with the Authority for 3,000 square feet of parking south of Aviators Way. Since Angel Aircraft has ceased operations and the owner of the hangar has not assumed the lease for the parking area, Angel Aircraft is requesting the termination of its Ground Lease Agreement.

Staff recommended approval of Angel Aircraft, LLC's request to terminate its Ground Lease Agreement effective July 18, 2000 and that Angel Aircraft's security deposit be applied to the outstanding amounts owing the Authority.

Staff commented that the Authority received notice of Chapter 7 personal bankruptcy regarding Steven Bush. This agenda item pertains only to Angel Aircraft, LLC and is separate and distinct from Steven Bush, personally.

F. Request by Sage Corporation to Terminate Ground Lease Agreement

Staff presented the Board with a request by Sage Corporation to terminate its Ground Lease Agreement with the Authority. Sage Corporation has been conducting non-aeronautical driver training on the parcel of land south of the new West Star Aviation, Inc. paint hangar since March 1, 1996. Due to the commencement of construction on the paint hangar in February, 2000 and West Star's need for more parking, Sage began looking for a new location because it was unable to conduct all of its activities without encroaching on the area needed by West Star for parking. Since another parcel was not available on the Airport, Sage has secured a location off-airport. Sage moved to its new location at the end of May, and the Airport Authority received final written notice on June 14, 2000 to terminate the lease effective May 31, 2000 and a request for a rent credit

to reflect the reduction of the area it was able to use as of March 15, 2000. Sage is current on its rental payments to the Authority.

Staff recommended that the Board waive the 90-day notice of termination, terminate Sage's Lease Agreement retroactive to May 31, 2000 and that Sage's rent be adjusted to reflect the reduction in parcel size beginning March 15, 2000. This request was made for the following reasons:

- ◆ Staff has been working with Sage since February regarding this matter;
- ◆ Sage's activities were curtailed by a reduction in area for use;
- ◆ Sage was unable to finalize the lease on its new location until late May;
- ◆ Sage has been cooperative with the Airport Authority and West Star Aviation regarding the situation.

G. Second Addendum to Use and Lease Agreement with Philip Chavarria and Michael Hansen d/b/a Retriever Air Freight

Staff presented the Board with a proposed second Addendum to Use and Lease Agreement with Philip Chavarria and Michael Hansen for vehicle parking. Philip Chavarria and Michael Hansen recently purchased the stock of Steve Patterson Enterprises, Inc. d/b/a Retriever Air Freight Services and changed the name to Philip Chavarria and Michael Hansen d/b/a Retriever Air Freight Services.

In order to relieve some of the congestion behind the terminal building, WFAA has requested that they lease an area 75' by 25' southwest of the tower in order to park several of their vehicles. The rent paid to the Airport Authority for this area will be \$14.55 per month. They have already been parking their vehicles in the designated area and have paid rent. They have agreed to pay additional rent that may be owed for use of the parking area prior to execution of the Second Addendum. Authority Attorney Mike Grattan has reviewed the Agreement to protect the Airport Authority.

Staff recommended approval of the Agreement and that the Chairman be authorized to sign the Agreement on behalf of the Airport Authority, contingent upon:

- ◆ Receipt of additional rent owed to the Authority prior to the execution of Second Addendum
- ◆ Receipt of additional security deposit

H. Request for Funds to Conduct Rental Car Concession Agreement Compliance Certification Reviews

Staff submitted a request to the Board to authorize an additional \$5,000 of operating expenditures for the Tenant Audits line item. The Authority has included a Tenant Audits line item in the current fiscal year and prior fiscal years to allow for the audit of Walker Field tenants and concessionaires. At the June 20, 2000 Regular Board Meeting, the Board requested that audits be conducted on all Walker Field rental car concessionaires this year, with random audits commencing next year.

In order to conduct the audits or compliance certification reviews this year, it will be necessary to authorize the expenditure of additional funds within the Tenant Audits line item. The projected cost is \$6,000 for all six of the existing rental car concessionaires. The Authority has currently budgeted \$1,000 for this line item.

Staff recommended that the Board authorize and appropriate an additional \$5,000 of operating expenditures for the Tenant Audits line item.

I. Engagement Letter with Chadwick, Steinkirchner, Davis, and Co, P.C. to Conduct Compliance Certification Reviews of Rental Car Concessions

Staff presented the Board with a proposed Engagement Letter from Chadwick, Steinkirchner, Davis & Co., P.C. to conduct compliance certification reviews of all Walker Field rental car concessions from May 1, 1999 through April 30, 2000. Although the scope of work is different than with previous engagement letters for the annual audits of the Authority financial statements, the assertions for the information to be obtained and the method of fees calculated is similar.

Commissioner Ammentorp inquired as to whether the Airport Authority was comfortable with the provision in the concession agreements allowing audits to be performed. Staff commented that they felt comfortable with the applicable provision. Staff also noted that Chadwick, Steinkirchner, Davis & Co. has previous experience with similar reviews at Eagle County Airport. All six companies will be audited this year and one rental car concessionaire will be randomly selected for review each year thereafter.

Staff recommended that the Board approve the Engagement Letter and that the Chairman be authorized to sign the Engagement Letter on behalf of the Authority.

J. Agreement with Washington Group International, Inc. for Planning Consulting Services (AIP-21: Airport Layout Plan Update)

Staff presented the Board with a proposed Agreement with Washington Group International, Inc. to provide planning consultant services for the Airport Layout Plan (ALP) Update. The Authority awarded the ALP Update project to Washington Group International, Inc. (formerly Raytheon Infrastructure Inc.) at the May, 2000 Regular Board Meeting, contingent upon FAA approval and execution of the AIP-21 Grant Agreement. The Authority, the City, and the County have accepted the Grant, and Staff is currently finalizing the project cost with the consultant and the FAA. Because the FAA must approve the final cost estimate and the Authority has a set amount budgeted for this project, the contract amount may not exceed \$147,000.

The Agreement with Washington International is the final step before issuing a Notice to Proceed on this project. Attorney Grattan has reviewed this Agreement.

Staff recommended that the Board approve and authorize the Chairman to sign the Agreement with Washington Group International, Inc. to provide planning consultant services for the ALP Update at a cost not to exceed \$147,000, contingent upon FAA approval.

K. Non-Exclusive Easement to Public Service Co. of Colorado for Relocation and Undergrounding of Utility Lines

Staff presented the Board with a proposed non-exclusive easement to Public Service Company of Colorado (PSCO). Construction of the new West Star Aviation maintenance hangar necessitates relocation and placement of the utilities underground in the area of the proposed maintenance hangar north of the National Weather Service facility. An easement of 874 feet by 10 feet will be required. The gas line would also be relocated at

the same time the trench for the electric line is open (at no additional cost to the Airport Authority).

Staff recommended approval of the gas and electric line relocation per the construction sketch and approval of the PSCO standard non-exclusive easement. Additionally, Staff requested that the Chairman be authorized to sign the easement on behalf of the Airport Authority contingent on the following items:

- ◆ All work to be done to PSCO specifications;
- ◆ A survey and legal description of the new easement be provided to the Airport Authority;
- ◆ The non-exclusive easement be recorded by PSCO at the Mesa County Clerk and Recorder's Office.

L. Request by West Star Aviation, Inc. for Airport Authority to Participate in Paying for the Cost of Relocating Utility Lines

Staff presented the Board with a request for participation in the costs of Public Service Company of Colorado's (PSCO's) re-location and undergrounding of electric and gas lines. At the June 20, 2000 Board Meeting, the Board authorized funding for the relocation and undergrounding of the existing overhead electric line north of the National Weather Service due to the impending construction of the proposed West Star Aviation maintenance hangar. This action will also eliminate an obstacle for the National Weather Service balloon launch facility. In addition, both gas and electric lines service the eastern portion of the Airport, including all the property along Aviators Way. The gas line would also be relocated at the same time the trench for the electric line is open at no additional cost to the Airport Authority.

Public Service Company of Colorado (PSCO) has provided a quote letter to complete the project in the amount of \$38,836. This does not include excavation costs. Since a portion of the electric and gas lines benefits other airport users, the amount attributable to the Authority is \$11,604, and the amount attributable to West Star Aviation is \$27,232. Airport Authority Attorney Mike Grattan has reviewed the PSCO quote letter.

A contractor selected by West Star Aviation, Inc. will be performing the excavation, easement survey, and legal description. The costs are estimated to be no more than \$18,027. PSCO will require a trenching agreement with the contractor to insure that the trench is to PSCO standards. West Star Aviation is proposing that the cost of the excavation, survey, and legal description of the easement be split equally between West Star Aviation and the Airport Authority with the Airport Authority's portion not to exceed \$10,000. Since the Airport Authority's cost is less than \$10,000, a request for proposals (RFP) is not required.

Staff recommended that the Board approve Authority participation in PSCO's relocation and undergrounding of the electric and gas lines in the amount not to exceed \$11,604 and that the Chairman to be authorized to sign the PSCO quote letter on behalf of the Airport Authority. Additionally, staff recommended that the Authority reimburse West Star Aviation, Inc. for one half of the actual cost of the excavation, survey, and legal description of the easement for an amount not to exceed \$9,015 contingent upon:

- ◆ All trenching must be performed to PSCO standards;
- ◆ Execution of a trenching agreement between PSCO and the excavator;

- ◆ Airport Authority review and approval of the final invoice for excavation, survey, and legal description of the easement prior to reimbursement to West Star Aviation, Inc.

M. Request to Amend Board-Approved Motion Requiring Addendums to West Star Aviation, Inc. Lease Agreement and Sublease Agreement with John E. and Susan K. Herr Family Trust (HFT) for a Non-Exclusive Utility Easement to Public Service Co. of Colorado (PSCO)

Staff presented the Board with a request to amend the requirement for an addendum to a lease agreement and sublease agreement for a non-exclusive utility easement. At the October 19, 1999 Board Meeting, the Board approved the relocation of utilities for the construction of the HFT Hangar, and the resulting easement. The hangar has been completed and the utilities relocated. PSCO has presented the Authority with an easement document and survey for review and approval, which has been reviewed by Authority Attorney Mike Grattan.

West Star Aviation, Inc. and HFT have already acknowledged easements of record in their respective lease and sublease. Consequently, an addendum to their respective lease and sublease is not required as approved at the October 19, 1999 Board Meeting.

Staff recommended that the Board amend the requirement for an addendum to the West Star Aviation, Inc. lease and HFT sublease that was approved at the October 19, 1999 Board Meeting but that the Chairman still be authorized to sign the non-exclusive easement on behalf of the Authority contingent upon the PSCO easement being recorded at the Mesa County Clerk and Recorder's office.

Commissioner Sublett moved to approve all items on the Consent Agenda as amended. Commissioner Ammentorp seconded. Voice vote: all ayes. Motion carried.

V. ACTION ITEMS

A. Request by Larry and Ron Nunnery to Terminate Existing Ground Lease Agreement

Staff presented the Board with a request by Larry and Ron Nunnery to terminate their Ground Lease Agreement with the Authority, execute a new Ground Lease Agreement and Addendum with the Nunnerys, and execute a new Ground Lease Agreement with Steven L. and Lynette K. Bottom.

Staff provided background information regarding the Nunnerys' request for termination of their Ground Lease Agreement. Discussion included subdividing the Nunnerys' existing parcel into two parcels. The Nunnerys are proposing to enter into a new ground lease agreement with the Authority on the northern parcel for the purpose of constructing a 99' by 110' hangar to conduct aircraft sales. The parcel will consist of 18,405 square feet.

Staff commented that a setback variance is being requested for the north and west leasehold lines because the proposed building would be located 3.88 feet from the west leasehold line and 0 feet from the north leasehold line. Chairman McCormick inquired as to whether granting this variance request would be consistent with previous Board actions. Manager Nystrom cited several previous variances that were granted which are

similar to the variance being requested by the Nunnerys. All plans will have to be approved by the City Planning Department and County Building Department.

The Nunnerys propose selling their existing hangar on the southern portion of the parcel to Steve L. and Lynette K. Bottom and retain the north parcel for the construction of another hangar for the operation of the Nunnerys' aircraft sales operation. Staff recommended that the Board approve the subdivision of the Nunnerys' parcel and cancellation of their existing ground lease agreement contingent upon three items:

- 1) approval of a new lease between the Authority and Steven L. and Lynette K. Bottom for the southern parcel;
- 2) approval of a new lease between the Authority and Ron and Larry Nunnery for the northern parcel;
- 3) transfer of ownership of the hangar from Larry and Ron Nunnery to Steven L. and Lynette K. Bottom.

Staff recommended that the Board approve the Ground Lease Agreement with the Nunnerys and Addendum to the Ground Lease Agreement, as well as the set back variance. Additionally, Staff recommended that the Chairman be authorized to sign the Agreement and Addendum on behalf of the Airport Authority contingent on three items:

- 1) receipt of insurance certificate naming the Airport Authority as additional insured;
- 2) receipt of security deposit as required by the Agreement;
- 3) transfer of ownership of the hangar from Larry and Ron Nunnery to Steven L. and Lynette K. Bottom.

The initial rent paid to the Authority would be \$106.14 per month. The Addendum to the Ground Lease Agreement is part of the new standard Lease Agreement and provides for reduced rent in the amount of \$53.07 per month during the construction period of the hangar. When a Certificate of Occupancy is issued for the hangar, the rent will be increased per the Lease Agreement.

Finally, Staff presented a proposed Ground Lease Agreement between Steven L. and Lynette K. Bottom and the Authority. The Bottoms proposed to enter into a new ground lease agreement for the parcel of land on which the Nunnery hangar is currently situated. Additionally, the Bottoms are requesting a 0' set back variance because the north wall of the hangar would be located on the north property line. The initial rent for this parcel would be \$104.48 per month.

Staff recommended that the Board approve and that the Chairman be authorized to sign the Ground Lease Agreement on behalf of the Authority contingent upon:

- 1) receipt of the insurance certificate naming the Authority as additional insured;
- 2) receipt of security deposit as required in the Agreement; and
- 3) transfer of ownership of the hangar from Larry and Ron Nunnery to Steven L. and Lynette K. Bottom.

Commissioner McCormack suggested taking care of Action Items A, B, and C all in the same motion.

Commissioner McCormack moved to approve, as per the staff recommendations, Action Items A, B, and C, the termination of the existing Ground Lease Agreement with Larry and Ron Nunnery, approval of a new Ground Lease Agreement and First Addendum to Ground Lease Agreement

with Larry and Ron Nunnery, and approval of a new lease agreement with Steven L. and Lynnette K. Bottom. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

B. Ground Lease Agreement and First Addendum to Ground Lease Agreement with Larry Nunnery and Ron Nunnery

This Agenda item was combined and acted upon with Action Item A.

C. Ground Lease Agreement with Steven L. Bottom and Lynette K. Bottom

This Agenda item was combined and acted upon with Action Item A.

D. Standardized Services Agreement

Staff presented the Board with a proposed standardized Services Agreement. Staff has been working with Airport Authority Attorney Mike Grattan on establishing standardized “boiler plate” agreements for those service providers the Authority may contract with from time to time. Examples of service type agreements could include janitorial services, security patrol, engineering and architectural services, and landscaping/lawn care. Authority Attorney Mike Grattan has recommended that larger agreements (generally in excess of \$100,000) be tailored to the specified work.

Chairman McCormick inquired into the progress of the signatory resolution for the Airport Manager to sign specific documents. Manager Nystrom informed the Board that as soon as the Standardized Services Agreement is approved, then the signatory resolution will be the next project.

Commissioner Ammentorp moved to approve the Standardized Services Agreement. Commissioner McCormack seconded. Voice vote: all ayes. Motion carried.

E. Resolution No. 2000-010: WFAA Minimum Non-Restricted Cash Reserves Requirement

Staff presented the Board with proposed Resolution No. 2000-010 which specifies the minimum non-restricted cash and investments balance at the end of each fiscal year shall be equal to the lesser of:

- 1) The total projected operating expenses (excluding depreciation) for the fiscal year less projected minimum rental and concession revenues owing the Authority for the fiscal year; or
- 2) An amount which is \$50,000 higher than the non-restricted cash and investments balance at the end of the previous fiscal year.

Staff commented that its goal is to develop a minimum non-restricted cash target level to use not only in the budgeting cycle but also as a back up for emergency expenditures during the year. This proposed Resolution is the result of a previous discussion regarding how to set the amount of an appropriate cash level carried from one year to the next. The objective is to establish a balance between having enough cash on hand to meet unexpected operating expenses and having funds available for capital expenditures.

Commissioner Ammentorp inquired into whether it had been determined what criteria other airports use in the determination of their cash reserves level. Staff highlighted survey results, noting levels ranging from deficit spending on up to a year of operating expenses. Other sources of input were area banks and other governmental entities.

Commissioner Ammentorp inquired as to how cash reserves are viewed by the FAA. Staff commented that they had contacted the FAA and asked for a recommendation of an appropriate level of cash reserves. The FAA suggested a “reasonable” cash reserves level. However, “reasonable” has not been specifically defined by the FAA.

Commission Sublett moved to approve Resolution 2000-010: WFAA Minimum Non-Restricted Cash Reserves Requirement and authorize the Chairman to sign the Resolution on behalf of the Authority. Commissioner Ammentorp seconded. Roll call: all ayes. Motion carried.

F. Resolution No. 2000-011: Mission Directive Document

Staff presented the Board with proposed Resolution 2000-011: Mission Directive Document. At the June, 2000 Board Workshop and the June 20, 2000 Regular Board Meeting, the Board discussed the Mission Directive Document and provided recommended changes. This proposed Resolution incorporates these changes.

Commissioner McCormack moved to approve Resolution No. 2000-011 and that the Chairman be authorized to sign the Resolution on behalf of the Authority. Commissioner Morris seconded. Roll call: all ayes. Motion carried.

G. Election of Vice-Chairman to the Board of Commissioners

Chairman McCormick stated that Mike Sutherland had previously served as the Vice Chairman. Because he is no longer on the Board of Commissioners, it is necessary to elect a new Vice Chairman.

Commissioner Morris nominated Commissioner Springer as a candidate for Vice Chairman and moved to elect Commissioner Springer for Vice Chairman. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

VI. BOARD COMMITTEE REPORTS

A. *FACILITIES COMMITTEE:*

Commissioner McCormack reported on the renovations in the terminal building. Bid returns have delayed the renovation due to the busy construction season, and it was decided to eliminate modifying the elevator this year because of the cost. At the lower end of bids for the two half flights of steps into the main lobby, estimates show a cost of \$75,000. The third floor renovation estimates began at \$250,000, are currently past \$300,000.00 and still climbing.

Additionally, Commissioner McCormack mentioned that because of the high bids for the landscaping projects, Staff will be hydroseeding and installing sprinkler systems along Walker Field Drive in the fall. Staff reported on the terminal building roof renovation. Items discussed were the peak structure of the roof and roof access.

B. *PERSONNEL COMMITTEE:*

Commissioner Morris stated that the Personnel Committee had nothing to report to the Board at this time.

VII. AIRPORT MANAGER'S REPORT

A. BOARDING AREA SEATING

Manager Nystrom displayed selected fabric swatches for the boarding area furniture. Additionally, Manager Nystrom introduced the book "Gateway to the West" received from the architectural firm which designed DIA.

B. TERMINAL ADVERTISING UPDATE

Staff updated the Board on the controversy between Interspace and a potential advertiser, which resulted in Interspace filing a \$20,000 lawsuit against the potential advertiser. At the urging of the Authority, Interspace has dropped the lawsuit. It was noted that Interspace has not sent a representative to Walker Field since last September, nor has Interspace maintained communications with Staff. The Board recommended terminating the current contract with Interspace, if it is at all possible, with a goal of January 1, 2001. Manager Nystrom mentioned that this issue will be taken into consideration for next year's budget, particularly in the areas of capital expenditures and staffing.

C. CURRIER PROPERTY

Staff brought the Board up to date on the Currier land purchase discussions. An Agreement of \$51,000 is being prepared for the purchase of the 63½ acre parcel to the east of the Airport. Negotiations have been held regarding a \$16,500 down payment and \$3,500 for closing costs, which include a Phase I environmental assessment. Ms. Currier indicated she would accept a payment of \$20,000 at the beginning of 2001 and the balance of \$14,500 paid in full by 2002. Staff has been directed by the Board to make an offer and present a contract to the Board as soon as details with Ms. Currier have been worked out.

D. NOISE COMPATIBILITY PROCEDURES

Staff noted that a Noise Compatibility Meeting is scheduled for Thursday, July 28, 2000. The meeting will focus on the distribution of noise compatibility procedures. The consensus of the Board was to proceed with distributing the procedures.

Staff noted that West Star Aviation is comfortable with having the new procedures apply to all operations, including military aircraft.

E. POSSIBLE NAVIGATORS WAY EXTENSION

Staff informed the Board that as part of the construction of the Runway 4/22 general aviation area, Tom Hall and Ron Rouse have requested a possible extension of Navigators Way directly to Eagle Drive at their cost. An inquiry was made whether some of the Authority's millings may be used as a sub-base for the proposed project. Discussion ensued over possible drainage and engineering specification issues. Staff commented that Tom Hall would provide plans for review by the Airport engineer. The consensus of the Board was to provide millings to Tom Hall and Ron Rouse and to keep the Board apprised of any developments warranting future communication.

F. MEETING WITH CITY AND COUNTY

Manager Nystrom commented on the need to provide periodic updates to various government entities. The FAA and the Colorado Division of Aeronautics have been provided with Airport updates. She recommended hosting a meeting with the Mesa County Commissioners and the Grand Junction City Council. Chairman McCormick recommended a breakfast meeting be scheduled.

Manager Nystrom advised the Board that she may be absent from the August 2, 2000 Board Workshop due to a possible personal trip to Seattle.

VIII. DISCUSSION ITEMS

A. Airport Manager Report and Recommendations Regarding Passenger and Air Cargo Airline Service Improvements

Manager Nystrom summarized existing and potential commercial passenger and air cargo service at Walker Field and offered the following recommendations:

- Continue to meet with Air Wisconsin and United representatives periodically to promote GJT and to maintain their awareness of our market.
- Make every effort to accommodate Aspen diversions into GJT by making space available for additional staff if requested by Air Wisconsin.
- Acquire aircraft loading bridges through the Passenger Facility Charges program.
- Continue to work with Denver International Airport to promote service between GJT and Denver.
- Continue to meet periodically with Skywest to maintain their awareness of GJT.
- Continue to work with America West's marketing people to promote their service to Grand Junction.
- Attempt to schedule another meeting directly with America West route planning personnel since scheduling a meeting through Mesa Airlines did not come to fruition.
- Efforts should continue to be made to establish a point of contact so that an ongoing working relationship can be established with UPS headquarters.
- Schedule a meeting with the F.A.A. regional office in Seattle to discuss how to make the tower operational at 5:00 a.m. FedEx is ready and willing to participate in these discussions as our partner.
- Step up our efforts to complete the Airport Layout Plan Update and locate a site for an interim air cargo facility.
- Initiate the process for securing funding to construct an interim air cargo facility with a construction completion date of no later than 2003.

B. Airport Manager Report and Recommendations Regarding New Revenue Sources

Manager Nystrom provided the Board with a list of potential revenue sources which the Board may want to consider. She suggested that further discussion of these potential revenue sources be held at the August Board Workshop. The Board discussed converting unused terminal building space into potential revenue producing space. Chairman McCormick noted the kitchen area on the 3rd floor is not in use and that potential rental income could be generated from that space. The Board recommended that Staff perform a sensitivity analysis on potential rental space and how this would benefit the Airport Authority. The analysis would take into consideration the option of leasing the entire 3rd floor to outside agencies and possibly constructing a separate stand-alone building for the

Airport Authority Administration Offices. The Board requested that Staff's findings be brought back to them for further review.

IX. OTHER ITEMS

Chairman McCormick inquired into the Walker Field history book which is being authored by Dave Fishell. Staff explained that the original projection of having the book published by the time of the Air Show is not attainable because Mr. Fishell has not completed the book as promised.

X. ADJOURNMENT

There being no further business to come before the Board, Commissioner Morris moved to adjourn the meeting. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried. The meeting was adjourned at 8:35pm.

APPROVED AND ADOPTED THE _____ DAY OF _____, 2000.

Robert W. McCormick, Chairman

ATTEST:

David J. Anderson, Clerk