

# Walker Field Airport Authority

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## Minutes of the Regular Board Meeting

September 19, 2000

**BOARD COMMISSIONERS PRESENT:** Miles McCormack                      Steve Ammentorp  
Robert McCormick                      Gary Morris  
Ken Sublett                      Craig Springer

**AIRPORT STAFF PRESENT:** Corinne Nystrom                      Gary Mancuso  
David Anderson                      Dan Reynolds  
Charlie Novinskie                      Ted Balbier  
John Thomas

**ALSO PRESENT:** Mike Sutherland, President of Grand Junction Air Show, Inc.; Bonnie Richards of GISDHO Shuttle, Inc.

### I. CALL TO ORDER

Chairman McCormick called the meeting to order at 5:16 pm.

### II. APPROVAL OF AGENDA

There were no requested changes, deletions or additions to the Agenda.

Commissioner McCormack moved to accept the Agenda as presented. Commissioner Morris seconded. Voice vote: all ayes, motion carried.

### III. PUBLIC COMMENTS AND COMMUNICATIONS

Mike Sutherland, President of Grand Junction Air Show, Inc. presented the Board with a thank you letter for the Authority's assistance during the 2000 Air Show. A request by Mr. Sutherland was made to the Board to waive the airport concession fee owing the Authority by Thrifty Car Rental and thus charged to Grand Junction Air Show, Inc. for the rental of vehicles for air show participants. It was explained that waiving the concession fee would assist GJ Air Show, Inc., a not for profit entity, in offsetting some of the costs of the air show.

Commissioner Springer moved to waive the concession fee assessed to Grand Junction Air Show, Inc. in conjunction with the car rentals for the September 2000 Air Show. Commissioner Ammentorp seconded. Voice vote: all ayes. Motion carried.

#### IV. SPECIAL PRESENTATION TO MICHAEL E. SUTHERLAND, A.A.E.

The Board presented a plaque to Mike Sutherland in appreciation for his service on the Authority Board of Commissioners from May 1998 to July 2000.

#### V. CONSENT AGENDA

##### A. Minutes: August 15, 2000 Regular Board Meeting

##### B. Acknowledgement of Receipt of July, 2000 Financial Statements/Accounts Receivable Report

Staff presented the Board with a summary of the July, 2000 Financial Statements. On the Statement of Operations, year to date operating revenues are 12.2% higher than budgeted and year to date operating expenses are 6.6% lower than budgeted. The net result of the operating revenues and expenses was an income to retained earnings balance of \$220,495, which is \$191,032 higher than budgeted year to date.

Rental cars, airline and slurry bomber 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. Although parking lot revenues are lower than what was budgeted year to date, parking lot revenues are 3.2% higher this year than for the same period year to date last year.

On the Balance Sheet, nonrestricted cash/investments increased 6.9% for the month. PFC funds decreased 18.2%, 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 \$194,964. Additionally, Accounts Payable decreased by \$60,003.

Overall, July was a solid financial month for the Authority.

Commissioner Ammentorp requested more information regarding Thrifty Car Rental's past due balance and an explanation of the Authority's collection policy.

Staff mentioned the accounts receivable collection policy stipulates a letter be sent out on accounts 30 days past due and another letter at 60 and 90 days. When the delinquent account is over 90 days past due, the Board is notified for possible action. Interest charges are assessed at 1.5% per month equal to an 18% APR (*annual percentage rate*). Staff noted that Thrifty Car Rental is continuing to make its monthly minimums and did make a payment of \$30,000 on September 18, 2000 leaving a remaining delinquent balance of approximately \$12,000.

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

## VI. ACTION ITEMS

### A. **Ground Transportation Concession Agreement with GISDHO Shuttle, Inc.**

Staff presented the Board with a proposed Ground Transportation Concession Agreement between GISDHO Shuttle, Inc. and the Airport Authority. GISDHO Shuttle, Inc. is proposing to lease 100 square feet of space in the terminal building, including the podium in the baggage claim area for the purpose of operating a non-exclusive ground transportation concession. The leased premises will also include a parking area west of the rental car lot consisting of 1,250 square feet. GISDHO will pay the Authority \$186.17 per month in addition to 10% of its Airport-originated revenue as described in the WFAA Fees and Charges document.

The term of the Agreement is from October 1, 2000 to September 30, 2001 with one additional one-year term expiring September 30, 2002. Either party may terminate the Agreement with 30 days prior written notice.

Staff recommended that the Board approve the Agreement and the Chairman be authorized to sign the Agreement on behalf of the Authority contingent upon receipt of security deposit and proof of insurance.

Commissioner Sublett moved to approve the Ground Transportation Concession Agreement with GISDHO Shuttle, Inc. Commissioner Springer seconded. Voice vote: all ayes. Motion carried.

### B. **Resolution No. 2000-016: Standardized Building Use and Lease Agreement**

Staff presented the Board with proposed Resolution No. 2000-016 for the Standardized Building Use and Lease Agreement. The proposed Agreement was drafted by Authority Attorney Mike Grattan to expedite the leasing of terminal building space and buildings owned by the Airport Authority. It is similar to the standardized Ground Lease Agreement approved by the Board earlier this year.

Staff recommended that the Board approve Resolution No. 2000-016 and that the Chairman be authorized to sign the Resolution on behalf of the Authority.

Commissioner McCormack moved to approve Resolution No. 2000-016. Commissioner Sublett seconded. Roll call: all ayes. Motion carried.

### C. **Request for Funds for Additional FY 2000 Capital Expenditures**

Staff presented the Board with a request for funds for additional projects during the current fiscal year based on the amount of favorable operating revenue and expense variances. FY 2000 year to date capital appropriations total \$704,794. If operating revenues and expenses for FY 2000 match exactly with what was budgeted for the year, the December 31, 2000 nonrestricted cash/cash reserves balance is projected to be \$728,961, which is a targeted objective for the Authority.

Because of the amount of continued favorable operating revenue and expense variances, Staff recommended the appropriation of funds for the following additional projects:

1) Asphalt Pavement Repairs ( <i>Additional</i> )	\$ 3,000
2) Terminal Building Roof Replacement ( <i>Additional</i> )	20,560
3) Runway 4/22 General Aviation Area Surveying	2,000
4) ARFF/SRE Facility Furnishings, Computer Equipment, and Accessories	<u>9,500</u>
TOTAL	\$35,060

Commissioner Morris inquired whether the appropriation for additional capital expenditures was to be allocated from excess cash flow. Staff noted that the additional appropriations would be funded by favorable operating revenue and expense variances.

Discussion items pertaining to the appropriation of additional funds included:

- Computers and associated equipment for the ARFF/SRE Facility
- Asphalt pavement repairs
- Roof replacement, drainage slope, and anticipated completion
- Training room outfitted with instructional equipment
- Utilizing current furniture (*tables and chairs*)
- Surveying the Runway 4/22 General Aviation Area
- Network technology

Commissioner Morris motioned to approve the request for additional funds for the FY 2000 Capital Expenditures to include the above mentioned numerated items for a total of \$35,060. Commissioner Springer seconded. Voice vote: all ayes. Motion carried.

**D. Bid Award for Runway 4/22 Development Fencing Project**

Staff presented the Board with bids for the Runway 4/22 Development Fencing Project. Staff assembled fence specifications and contract documents for the installation of fencing adjacent to Navigator's Way, located in the Runway 4/22 general aviation area of the Airport.

This project includes the installation of fencing adjacent to Navigator's Way on both sides of the roadway and the relocation of the existing main access gate (where Navigator's Way and Heritage Way intersect) to the east point of Navigator's Way. 2,325 lineal feet of fencing will be installed.

The relocation of the access gate and installation of fencing will require tenants in the Runway 4/22 general aviation area along Navigator's Way to install gates (at their expense) to allow access to their leasehold for private or commercial purposes.

Staff advertised for bids for this project and received two bids. The following are the bid totals for this project:

J & S Fence	\$ 25,810
Taylor Fence	\$ 20,045

The budgeted amount for this project was \$20,000.

Those tenants affected are aware of the project and will be notified of the successful bidder after the bid award. Completion of the installation is expected by October 15<sup>th</sup>.

Staff recommended that the Board award the bid to Taylor Fence for the relocation of the access gate and installation of fencing adjacent to Navigator's Way and that the Chairman be authorized to sign the Standardized Construction Agreement on behalf of the Authority. In addition, staff requested that the additional \$45,000 required to complete the project be paid with operating expense funds.

Commissioner Morris requested additional information on the fence structure and location of the proposed fence lines. Staff noted the fencing would be a construction of 6' chain link fencing with additional three strands of barbed wire at the top of the framework. Commissioner Ammentorp inquired into who would be responsible for maintaining each gate access and by what specifications a gate would be selected. Staff explained that the gates must be selected according to FAA specifications. Maintaining the fence will be the responsibility of the Authority, and the tenants will be responsible for maintaining the gates.

Commissioner Ammentorp moved to award the Runway 4/22 Development Fencing Project to Taylor Fence in the amount of \$20,045. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

**E. Bid Award for Terminal Building Renovations**

Staff presented the Board with bid proposals for the terminal building renovations and recommended the appropriation of additional funds for Alternate One (*completion of the staircase*) and Alternate Three (*completion of the east wall renovation*). Staff worked with the Van Sant Group to assemble contract and bid documents for the renovation of select interior locations of the terminal building. This project consists of five schedules involving the following:

- Schedule I: Modification of existing and construction of additional stairways west of the elevator;
- Schedule II: Construction of first floor storage and vending space;
- Schedule III: Installation of a drop ceiling and lighting in the baggage claim area;
- Schedule IV: Removal of existing wall carpet on the east terminal walls and additional drywall and paint
- Schedule V: Remove counter space and install storage/office area in 4<sup>th</sup> ATO counter area.

Staff advertised for bids for this project and received three bids. The following are the bid totals for all five schedules:

R. W. Jones	\$ 131,778
K & G Enterprises	\$ 147,243
Crown Commercial	\$ 124,930

Staff combined all appropriated projects into one bid package and requested that the entire budgeted amounts on the five schedules be combined into one line item. The budgeted amount available for these items is \$133,500. Due to the bids allowing for an inclusion of additional features to complete the terminal building remodel, Staff

presented the Board with Alternate One (*completion of the staircase*) and Alternate Three (*completion of the east wall renovation*).

Discussion items relating to Alternate One and Alternate Three included:

- Cost effectiveness of a one-phase stairway remodel vs. a two-phase remodel
- Incremental project additions (*cost overruns*)
- Micro Pile system for stairway landing
- East wall renovation to include drywall, wood trim, and fabric panels

All three bidders used an alternate pile system for the stairway landing caisson system in the specifications. Engineer Michael Gaines is reviewing the alternate system and will make a recommendation. If the engineer does not approve the alternate pile system, Staff recommended that the stairway extension be removed from consideration.

Staff recommended combining all five budget items into one line item and awarding the bid to Crown Commercial, contingent upon approval of the alternate pile system per the bid. Staff also recommended that the Chairman be authorized to sign the Standard Construction Contract Agreement on behalf of the Authority.

The consensus of the Board was to complete the terminal building renovations in one construction phase consisting of Schedules One through Five and Alternate One and Alternate Three.

Commissioner Morris moved to appropriate the funding for the five schedules listed including the two alternates for the staircase and the east wall fabric panels for a total of \$161,446, and award the bid to Crown Commercial. Commissioner Springer seconded. Voice vote: all ayes. Motion carried.

**F. Bid Award for Terminal Building Roof Replacement**

Staff presented the Board with a bid for the terminal building 3<sup>rd</sup> floor clerestory roof replacement. Staff worked with the Van Sant Group to assemble bid specifications and contract documents for the replacement of the third floor clerestory roof with a combination metal, PVC membrane, and water shed membrane system. After advertising for bids, Staff received one bid for this replacement project.

The bid received was from Western States Roofing for an amount of \$84,060 for the entire third floor area.

The original budgeted amount for this project was \$65,000 (engineering cost = \$1,500 of this amount). Staff recommended an additional appropriation of \$20,560 in a previous agenda item. Staff recommended awarding this bid to Western States Roofing for the terminal building third floor clerestory roof replacement and that the Chairman be authorized to sign the Standardized Construction Agreement on behalf of the Authority.

Commissioner McCormack moved to approve the Bid Award for the terminal building roof replacement in the amount of \$84,060. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

**G. Bid Award for Pavement Repair Projects**

Staff presented the Board with bids for select pavement repair projects. As a part of the Authority's on-going Pavement Maintenance Program, the Authority has budgeted capital expenditures for the repair of select pavement locations on the Airport.

Staff assembled bid specifications for the repair of portions of Landing View Lane, Aviators Way, Taxiway C-1A and the taxiway north of the Colorado Skunkworks hangar. The scope of the repairs included rotomilling select areas of pavement and replacing with new asphalt, as well as excavating subgrade and replacing with new material, if necessary. After advertisement, Staff received three bids for these repair projects.

The following are the bid totals for the asphalt repair projects:

Elam Construction	\$41,971.95
Vista Paving	\$30,936.50
United Companies	\$32,440.00

The amount originally budgeted for the pavement repair projects was \$28,000. Staff recommended additional appropriations of \$3,000 in a previous agenda item.

Staff has combined all appropriate projects into one bid package and recommended that the entire budgeted amounts for these individual items be combined into one line item, awarding the bid to Vista Paving. Additionally, Staff recommended that the Chairman be authorized to sign the Standardized Construction Agreement on behalf of the Authority.

Commissioner Springer moved to award Vista Paving with the bid for the pavement repair projects as delineated in the amount of \$30,936.50. Commissioner Morris seconded. Voice vote: all ayes. Motion carried.

**H. Rental Car Concession Compliance Certification Reviews Report**

Staff presented the Board with a Rental Car Concession Compliance Certification Reviews Report performed by Chadwick, Steinkirchner, Davis & Co., P.C. (CSD) on all Walker Field rental car concessions for the May 1, 1999 through April 30, 2000 concession period. CSD completed its reviews and drafted a report of its findings. Because of a scheduling conflict, a representative of CSD was not able to attend the Board Meeting to present the Report. However, Staff discussed the Report and answered questions from the Board.

Commissioner Ammentorp commented that from the budget aspect, the reporting appeared fairly accurate based on procedures CSD was able to perform during the Compliance Reviews.

Chairman McCormick asked if the auditors were provided with written procedures and definitions of reportable gross revenues as contained within the concession agreements. Staff commented that the auditors were provided with copies of the on-airport and off-airport concession agreements.

Staff presented a recap of the individual Concessionaire Compliance Reviews highlighting the results for both on-airport Concessionaires and off-airport

Concessionaires. Staff commented that there appeared to be a difference between the definitions of “gross revenue” as contained in the agreements versus a standard industry definition.

Commissioner McCormack suggested performing a survey of surrounding airports and compare their rental car concession agreements to the Authority’s.

Staff noted that prior to drafting the existing rental car concession agreement, a survey was conducted of other airports to ensure consistency of the agreement provisions. Additionally, Staff held many meetings with the prospective Concessionaires to allow them opportunity to provide input and offer any suggestions for the Concession Agreement.

Staff commented that if the Board approves the Compliance Certification Reviews Report, Staff would proceed with sending letters to the Concessionaires outlining the Compliance Reviews results and schedule meetings with the Concessionaires to discuss the findings. Any overpayments made by the Concessionaires will be credited to their accounts or refunded. Concessionaires found to be in non-compliance because of underpayment will be assessed fees and interest charges according to the concession agreements.

Commissioner Morris moved to acknowledge receipt and acceptance of the CSD Rental Car Concession Reviews Report and to have Staff distribute the results to the Concessionaires and reconcile delinquencies accordingly. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

**I. Air Show Rental Car Concession Fees Waiver**

Staff commented on the Board’s approval of a waiver of the 10% rental car concession fee for air show rental cars—specifically, issues pertaining to the rental car concession agreements and FAA guidelines.

Commissioner Morris recommended the Authority make a donation to Grand Junction Air Show, Inc. instead of waiving the rental car concession fee as previously approved by the Board.

Commissioner Springer moved to rescind the earlier motion to waive the rental car concession fees for the GJ Air Show, Inc. rental cars used during the air show and donate the actual amount of the fees to Grand Junction Air Show, Inc. to help defray the costs of putting on the air show. Commissioner Sublett seconded. Voice vote: all ayes. Motion carried.

**VII. BOARD COMMITTEE REPORTS**

*A. PERSONNEL COMMITTEE*

Commissioner Morris updated the Board on the Position Profiles. The Personnel Committee reviewed the Position Profiles for all the Airport Manager’s direct reports and generated a recommendation, which was subsequently reviewed with the Airport Manager and the Chairman. The Key Deliverables, Purpose, Scope, and Requirements have been prepared and



are in the final phase of completion. The Airport Manager will develop the appropriate core competencies for each of those direct reports and present them to the Board.

Manager Nystrom commented that she is in the process of scheduling meetings to review the skills and core competencies with each of her direct reports with a target completion date of November 1, 2000.

*B. FACILITIES COMMITTEE*

Commissioner McCormack provided an update on the third floor remodel project. It was noted that the Mesa County Economic Development Council has indicated it is in need of a conference room, with an approximate size of 1,200 square feet, to meet its specific needs. Along with the conference room, additional interior partitions were requested.

Commissioner Sublett mentioned the necessity to construct higher ceilings to provide additional lighting. It was noted that designing higher ceilings would reduce the cost of construction. Chairman McCormick discussed the agreement made with the MCEDC regarding the duplication of its current space into the remodel, and allowing MCEDC the option of leasing additional space at its own cost.

Manager Nystrom noted that the Authority's architect, Terry Van Sant, of the Van Sant Group, is aware of the understanding the Authority has with the MCEDC. The drawings reflect the majority of the requests made by the MCEDC with the exception of the requested conference room. The conference room was left out of the drawing due to final square footage confirmation and cost discussions.

Chairman McCormick suggested having the conference room drawn into the plans and then presented to the MCEDC. According to the original discussions, the MCEDC is aware that the Authority will provide an equal size space for its use (*compared to existing space*) and any other changes or additions will be the financial responsibility of the MCEDC.

Commissioner Springer inquired how the Authority would handle recapturing the expenditures incurred by the additional remodeling requests made by the MCEDC. Manager Nystrom explained that historically the Authority amortizes the construction of improvements over the term of a tenant's lease. However, if a tenant leases space on a year by year basis, the Authority may want to reconsider the criteria for amortizing and depreciating the capital expenditures.

**VIII. AIRPORT MANAGER'S REPORT**

*A. NOISE COMPATIBILITY REPORT*

Manager Nystrom mentioned that the Authority has received notification from the Air Traffic Control Tower that the recently approved procedures are not published in an FAA approved document--prompting questions as to how and if it is possible to enforce the procedures.

Commissioner Morris suggested that the departing pilots be notified of the noise compatibility procedures via NOTAMs or similar advisory service. Manager Nystrom

noted that Staff is in the process of working with the FAA to develop a satisfactory solution.

*B. BLM/WEST STAR*

Manager Nystrom apprised the Board of the current status of the BLM and West Star access gates. She noted that BLM has been contacted and is in full compliance with the new gate procedures as set forth by the Authority. Staff is currently working with West Star in resolving maintenance issues relating to its gate. The Authority allows West Star full jurisdiction and authority in determining who has access through its gate.

*C. RECONCILIATION OF AIP-17*

Manager Nystrom commented that part of the AIP-17 project included replacing the beams in the terminal building with R.W. Jones as the general contractor. In reconciling the expenditures for this project, Staff's calculations for payments to R. W. Jones differed from the engineering firm's calculations.

Staff reported that upon recreating each request for reimbursement, it appeared that requests #3 & #4 were incorrect due to formula errors on the spreadsheets prepared by the Authority's engineering firm for the project, Nichols Associates. R. W. Jones has not disputed the over payment in the estimated amount of \$9,200. Attorney Grattan has been consulted to provide options available. Staff commented it has been doing the following to prevent this type of situation from occurring in the future:

- 1) Verifying reimbursement requests against Authority reconciliations
- 2) Immediately report any discrepancies to the Authority's engineering firm

The possibility was discussed of prohibiting R. W. Jones from performing any future work for the Authority until it has reimbursed the Authority. R. W. Jones has offered to possibly repay the Authority by providing in-kind work for upcoming projects. However, R. W. Jones is unwilling to commit to this prospect at this time.

Commissioner McCormack stated that when an engineer is contracted to complete requests for reimbursements for construction projects, it is responsible for verifying accurate formulas and disbursements. The consensus of the Board was to file a claim against Nichols Associates for the discrepancies in the spreadsheet formulas resulting in an overpayment to R. W. Jones.

*D. CITY COUNCIL AND MESA COUNTY COMMISSIONERS UPDATE*

Staff reported an October 12, 2000 meeting has been set up with the City Council and the Mesa County Commissioners. A decision on the time of the meeting will be made in the near future, and Staff will apprise the Board of the scheduled time.

*E. AIR CARRIER RAMP PROJECT*

Staff summarized the stages for the Air Carrier Ramp Replacement Project completion as follows:

- 1) Remove millings
- 2) Replace asphalt with concrete

*F. GRID L WALL*

Staff reported on the final phase of the Grid L Project. The wall has been completed. Phase Two will consist of removing a section of the flooring in the hallway to the north of the Grid L wall, replacing it with a floating pin system, and retiling the area. The remodel project will have a duration of two to three weeks.

*G. ARFF/SRE FACILITY UPDATE*

Staff reported on the status of the ARFF/SRE Facility construction project. The project is near completion and is almost ready for a final walk through with Van Sant Group to complete the punch list. Areas for inclusion on the punch list are:

- Aesthetics
- Roofing
- Fencing

Commissioner Sublett inquired whether the FAA sets the criteria for the final inspection approval of the ARFF/SRE Facility.

Staff noted that because passenger facility charges (PFCs) are the sole funding source for the project, the FAA is not directly involved with the project. However, the fencing must meet FAA specifications, as well as the gateway and ramp areas.

Commissioner Morris asked if a solution has been explored for adequate drainage immediately southwest of the retaining wall. Staff reported a modification has been requested and will be in place to prevent any future sluffing. Commissioner McCormack requested a walk through of the facility by the Board members to take place at a later date. Staff noted that a walk through for the Board members will be set up and possibly a ribbon cutting ceremony will be scheduled in November.

*H. CITY DETENTION POND UPDATE*

Manager Nystrom noted that the Washington Group is working with the Authority and City in determining the size of the detention ponds the City is proposing to construct on airport property. There is an FAA Advisory Circular which provides guidelines for the size of water gathering facilities an airport can maintain off the end of a runway. The requirements the City has indicated exceed what the FAA advisory circulars will allow and will constitute direct non-compliance with the Authority's grant assurances. Another meeting is being scheduled with the City to explore other options.

*I. CITY HALL AUDITORIUM*

Staff reported that the City of Grand Junction has generously offered to allow the Authority to use the new City Auditorium for its meetings. Among the amenities available are multimedia equipment, television recording, and the convenience of the downtown location.

The consensus of the Board was to continue meeting at the Airport to maintain a convenient and accessible location for Airport tenants and users.

*J. AIR TRAFFIC CONTROL TOWER BID PROCESS*

Manager Nystrom stated that the Authority was notified that Serco will continue its operation of the Walker Field air traffic control tower. The FAA overturned the bid award to Midwest Air Traffic Control Services. Staff is currently visiting with Serco about compiling aircraft operations statistics in order to determine the feasibility of expanding the tower's hours of operation.

*K. BOARD WORKSHOP*

Staff recommended that a review of Walker Field rates and charges be placed on the Agenda for the next Board Workshop. At the August Workshop, cost center revenue and expense information was presented. Thus the rates and charges discussion would be an appropriate follow-up topic.

**IX. DISCUSSION ITEMS**

**A. Currier Property Update**

Manager Nystrom provided an update of the Currier property negotiations. It was noted that Ms. Currier has found another interested party who offered her \$59,000 for her property. She has suggested that the Authority make a counter offer in the event the contract falls through. The prospective buyer has been in contact with Staff and discussed a possible land exchange with the Authority if that party purchases the Currier property. It was the consensus of the Board to not provide a counter offer at this time. If the contract with the other party falls through, then the Authority would actually be placed in a better position to offer another contract at the original bid of \$51,000.

**B. HVAC Study**

Staff reported on the status of the study conducted on the terminal building heating and cooling (HVAC) system. A representative from Burke and Associates was consulted, and recommended revamping the entire system at an estimated cost of \$750,000, excluding the engineering expenditures. Staff has requested more information regarding the possibility of maintaining the current system at an annual estimated expense of \$150,000 or developing a phased project, splitting the system into five separate zones. A phased system would provide a more economical means of dealing with system breakdowns and repairs by allowing the workable zones to function while, at the same time, shutting down the non-working zones to allow for repairs. A cost analysis requires

looking at several ways to fund this project. Burke and Associates has suggested that the following three avenues be explored:

- 1) Direct loan for HVAC expenditures
- 2) Request a repayment schedule from the contracted installation company
- 3) Repay expenditures with energy savings

Commissioner Sublett inquired into when the final draft report for the HVAC study will be completed. Staff noted that the completion goal for the revised draft is this week. Staff anticipates presenting the Board with the final cost breakdowns and specific final options and alternatives in the near future.

**X. OTHER ITEMS**

There were no Other Items.

**XI. 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 8:33 p.m.

APPROVED AND ADOPTED THE \_\_\_\_\_ DAY OF \_\_\_\_\_, 2000.

\_\_\_\_\_  
Robert W. McCormick, Chairman

ATTEST:

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David J. Anderson, Clerk