

Walker Field Airport Authority

Minutes of the Regular Board Meeting

January 15, 2002

BOARD COMMISSIONERS PRESENT: Miles McCormack Steve Ammentorp
Karen Berryman Craig Springer
James Gardner Bob McCormick
Dennis Kirtland

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

ALSO PRESENT: Mike Sutherland of SkyAdventures, L.L.C.; and Louis Buescher and Park Douma of West Star Aviation.

I. CALL TO ORDER

The meeting was called to order at 5:15 pm.

II. APPROVAL OF AGENDA

Manager Nystrom requested that Consent Item H- "Second Addendum to Use and Lease Agreement with Skywest Airlines, Inc. be relocated to Action Item G.

Commissioner McCormick moved to approve the Agenda as amended. Commissioner McCormick seconded. Voice vote: all ayes. Motion carried.

Commissioner McCormick moved to relocate Consent Item F- "Resolution No. 2002-002: Resolution of the Board of Commissioners Regarding Authority to Execute Leases for the Walker Field, Colorado, Public Airport Authority" to Action Item H. Commissioner McCormick seconded the motion. Voice Vote: all ayes. Motion carried.

III. PUBLIC COMMENTS AND COMMUNICATIONS

There were no public comments or communications.

IV. CONSENT AGENDA

- A. **Minutes: December 18, 2001 Regular Board Meeting**
- B. **Minutes: January 8, 2002 Special Board Meeting**
- C. **Acknowledgement of Receipt of November, 2001 Financial Statements/Accounts Receivable Report**

On the Statement of Operations, year to date operating revenues are 1.4% lower than budgeted and year to date operating expenses are 3.9% lower than budgeted. The net result is an income to retained earnings balance of \$283,241, which is \$17,866 higher than budgeted year to date.

Terminal building concessions, slurry bomber landing fees, and aviation fuel tax revenues remain over budget (year to date), and close monitoring of expenses by all departments resulted in year to date operating expenses that are less than what was budgeted.

On the Balance Sheet, nonrestricted cash/investments increased 6.6% for the month, which corresponded with the receipt of a large aviation fuel tax payment from the State of Colorado. PFC funds increased \$25,272 with continued program collections. Land, Buildings, and Equipment increased \$6,994 with expenditures towards several projects in-progress, including parking lot improvements and airline ticket office heating upgrades.

Overall, November resulted in favorable financial performance for the Authority.

- D. **Designation of Public Places for Posting Notices of Meetings of the Airport Authority Board of Commissioners**

Staff presented the Board with a list of designated public places for posting notices of meetings of the Authority Board of Commissioners.

Staff recommended that the Board approve the designation of the following locations for posting notices of meetings of the Authority Board of Commissioners:

- Grand Junction City Hall (within City)
- Mesa County Administration Building (within City)
- Mesa County Public Library (within City)
- Two Rivers Convention Center (within City)
- Mesa County Justice Center (within City)
- DeBeque City Hall (within County)
- Fruita City Hall (within County)
- Palisade City Hall (within County)
- Collbran City Hall (within County)
- Walker Field Airport Terminal Building (within City)
- Mesa County Courthouse (within City)

E. **Resolution No. 2002-001: Resolution of the Board of Commissioners Regarding Authority to Execute Contracts under \$10,000 for the Walker Field, Colorado, Public Airport Authority**

Staff presented the Board with a proposed resolution which would renew the authority for the Airport Manager to execute contracts under \$10,000 on behalf of the Authority. At the August 15, 2000, Regular Board Meeting, the Board approved a resolution which authorized the Airport Manager to sign certain contract agreements without prior Board approval. These contracts include agreements with vendors and contractors that are either routine in nature or are materially small in dollar amount. The resolution expires, if not renewed, on January 31, 2002.

The proposed resolution would renew the Airport Manager's authority to execute these agreements, and would expire on January 31, 2003 unless renewed again by the Board.

F. **Repeal of Board of Mesa County Commissioners, Mesa County, Colorado, Resolution Designating Official Parking Signs at Walker Field Airport**

Staff presented the Board with a request by Mesa County to offer an opinion regarding a proposed County resolution to repeal an existing County resolution that designated official parking signs at Walker Field Airport. The January 15, 1979, parking sign resolution at Walker Field Airport is no longer relevant, since Mesa County does not have jurisdiction over the parking at the airport. Mesa County is seeking the Authority's opinion on the parking sign resolution prior to its review and possible repeal by the Mesa County Board of Commissioners.

Staff recommended that the Board agree with the review and potential repeal of the County Resolution- "Designating Official Parking Signs at Walker Field Airport" by the Mesa County Board of Commissioners.

G. **Ground Sublease Between the Walker Field, Colorado, Public Airport Authority, Sky Adventures, LLC, and Strand Flying School, Inc.**

Staff presented the Board with a proposed sublease agreement between Sky Adventures, LLC and Strand Flying School, Inc. Strand Flying School, Inc. currently subleases office space from West Star Aviation on a month-to-month basis. Sky Adventures, LLC proposes to sublease office space in its newly remodeled hangar to Strand Flying School for the purposes of operating a flight school, airplane rental, and sale of pilot supplies.

Staff recommended that the Board approve the Sublease Agreement between Sky Adventures, LLC and Strand Flying School, Inc. and authorize the Chairman to sign the agreement on behalf of the Authority, contingent upon:

- Issuance of a Certificate of Occupancy by the Mesa County Building Department for the premises involved.
- Authority's receipt of a Certificate of Insurance naming the Authority as an additional insured.

H. Ground Sublease Between the Walker Field, Colorado, Public Airport Authority, Sky Adventures, LLC, and Bell Aviation, Inc.

Staff presented the Board with a proposed sublease agreement between Sky Adventures, LLC and Bell Aviation, Inc. Bell Aviation, Inc. currently subleases office space from West Star Aviation on a month-to-month basis. Sky Adventures, LLC proposes to sublease office space in its newly remodeled hangar to Bell Aviation for the purposes of operating a corporate aircraft sales business.

Staff recommended that the Board approve the Sublease Agreement between Sky Adventures, LLC and Bell Aviation, Inc. and authorize the Chairman to sign the agreement on behalf of the Authority, contingent upon:

- Issuance of a Certificate of Occupancy by the Mesa County Building Department for the premises involved.
- Authority's receipt of a Certificate of Insurance naming the Authority as an additional insured.

Commissioner Kirtland moved to approve the Consent Agenda. Commissioner Berryman seconded. Roll call: all ayes. Motion carried.

V. ACTION ITEMS

A. Election of 2002 Walker Field Airport Authority Officers

The Walker Field Airport Authority By-Laws require that the election of the officers for a new year be held at the first regular Board meeting in January. The positions include Chairman (a Board member), Vice Chairman (a Board member), Treasurer (historically the Airport Manager), Clerk (a Staff member), and Deputy Clerk (a Staff member).

Commissioner Berryman moved to nominate Steve Ammentorp for Chairman; Bob McCormick for Vice Chairman; Corinne Nystrom for Treasurer; David Anderson for Clerk; and Charlie Novinskic for Deputy Clerk. Commissioner Kirtland seconded. Roll call: all ayes. Motion carried.

Chairman Ammentorp thanked Commissioner Springer on behalf of the Board and presented him with a plaque in recognition of his service as Chairman during 2001.

B. Resolution No. 2002-003: Resolution Concerning Execution of Documents Pertaining to Bank Accounts

Staff presented the Board with a proposed resolution to update the Authority's bank account signatories due to the changes in Authority Board officers. The Resolution is sent to all financial institutions with whom the Authority conducts business.

Staff recommended that the Board approve Resolution No. 2002-003: Resolution Concerning Execution of Documents Pertaining to Bank Accounts contingent upon the insertion of the Board officers' and members' names resulting from the election of officers.

Vice Chairman McCormick moved to approve Resolution No. 2002-003: Resolution Concerning Execution of Documents pertaining to Bank Accounts. Commissioner Berryman seconded. Roll call: all ayes. Motion carried.

C. **Resolution No. 2002-004: Agreement and Promissory Note for Colorado State Infrastructure Bank Loan**

Staff presented the Board with a proposed Agreement and Promissory Note to borrow funds from the Colorado State Infrastructure Bank (CO SIB) loan program to assist with the commencement of several high priority FY 2002 projects. At the October, 2001 Regular Board Meeting, the Board adopted a resolution authorizing the submittal of an application to borrow funds from the CO SIB loan program.

The Authority submitted the application with a proposed three (3) year repayment period. The loan was approved in the amount of \$300,000 for the following projects:

- \$100,000 – Aircraft Rescue Firefighting (ARFF) Vehicle Acquisition
- \$60,000 – AIP Local Match (for projects including Commercial Site Development; Access Road Realignment; General Aviation Site Development; Property Purchase; and Security Systems Upgrade)
- \$100,000 – Aircraft Runup Area
- \$40,000 – Air Carrier Ramp Section Reconstruction/Rehabilitation

Staff recommended that the Board adopt Resolution No. 2002-004: Agreement and Promissory Note for Colorado State Infrastructure Bank (CO SIB) Loan and authorize the Chairman, Airport Manager, and one (1) Board member other than the Vice Chairman (per the Authority's Banking Resolution) to sign the Resolution on behalf of the Authority.

Commissioner Kirtland asked if the Authority should discuss this loan with the City of Grand Junction. He suggested sharing more information of this type with the City and Mesa County.

Chairman Ammentorp inquired whether or not the City Council members have been provided with Minutes from Authority Board meetings. Staff noted that the City of Grand Junction and Mesa County are provided with copies of the Minutes from each Board meeting. Vice Chairman McCormick stated that Authority Board members have also held meetings with their respective appointing entities for the purpose of communicating activities of the Authority.

Manager Nystrom noted that Authority Attorney Grattan has reviewed the State Airport Authority law. It is his legal opinion that the Airport Authority is not legally required to obtain approval from the City or County prior to entering into these types of agreements.

Commissioner Kirtland stated that his concern did not center on the legal requirements surrounding loan approval. Instead, he recommended informing the City of Grand Junction and Mesa County prior to executing loan agreements.

Commissioner McCormack suggested forwarding Executive Summaries of the Authority Board meetings to the City of Grand Junction and Mesa County, in addition to the

Minutes, for the purpose of providing information to the City Council and County Commissioners. It was the consensus of the Board for Staff to prepare Executive Summaries of each Board Meeting and forward them to the City Council and the County Commissioners in addition to forwarding the Minutes. The Board also requested that the Airport Manager contact the City Manager and the County Administrator to find out the circumstances under which the City and the County might have the need or desire to review an Authority document or agreement.

Vice Chairman McCormick moved to approve Resolution No. 2002-004: Agreement and Promissory Note for Colorado State Infrastructure Bank (CO SIB) Loan and authorize the Chairman, Airport Manager, and one (1) Board member other than the Vice Chairman to sign the Resolution on behalf of the Authority. Commissioner McCormack seconded the motion. Roll call: all ayes. Motion carried.

D. Bid Award and Contract Agreement for AIP-22 Project

Staff presented the Board with bid information and a proposed contract for the AIP-22 project, which includes the construction of an electrical lighting and equipment building and the installation of runway end identifier lights (REILs) on Runways 4 and 22. The Authority advertised for bids on the project and received four (4) bids. Power Electric is the apparent low bidder, pending engineering review, at \$301,523.50.

Chairman Ammentorp inquired about the reduction of the impact of the REILs upon residential neighborhoods in close proximity to the airport. Staff responded that as soon as specifications of the equipment are obtained, the information will be disseminated to those neighborhoods. However, because of the incorporation of baffling units into the project, it's anticipated that the impact upon surrounding neighborhoods will be minimal.

Additionally, Manager Nystrom commented that the FAA has suggested closing Runway 4/22 during times when the air traffic control tower is closed. This is the result of an FAA review of line of sight issues affecting both runways. If Runway 4/22 is closed during these times, the REILs on both ends of that runway would also be shut down. The FAA has listed the installation of the REILs as a high priority project.

Staff recommended that the Board award the AIP-22 project bid to Power Electric and authorize the Chairman to sign the FAA approved contract, pending the engineer's and FAA's approval.

Commissioner Kirtland moved to award the project bid to Power Electric and to authorize the Chairman to sign the FAA approved contract, pending the engineer's and FAA's approval. Vice Chairman McCormick seconded. Voice vote: all ayes. Motion carried.

E. Resolution No. 2002-005: Amendment to Fees and Charges for Walker Field Airport, Grand Junction, CO – Aircraft Stairs Usage Fee

Staff presented the Board with a proposed resolution to amend the Fees and Charges Schedule to include a fee for the use of widebody aircraft stairs that are in the process of being acquired by the Authority.

The aircraft stairs would be available for use by all aircraft operators and ground handlers. To assist with offsetting the Authority's costs of preventive maintenance, the

consensus of the Board was to implement a fee for use of the aircraft stairs. The proposed fee is \$100.00 per aircraft use. Commissioner Springer recommended that the Authority look into the possibility of selling the stairs to a fixed base operator or aircraft ground handling operator.

Staff recommended that the Board approve Resolution No. 2002-005: Amendment to Fees and Charges for Walker Field Airport, Grand Junction, CO – Aircraft Stairs Usage Fee, and authorize the Chairman to sign the Resolution on behalf of the Authority.

Commissioner Springer moved to approve the Resolution No. 2002-005: Amendment to Fees and Charges for Walker Field Airport, Grand Junction, CO – Aircraft Stairs Usage Fee and to authorize the Chairman to sign the Resolution on behalf of the Authority. Commissioner Berryman seconded. Roll call: all ayes. Motion carried.

F. Request by Republic Parking for Concession Fee Adjustment

Staff presented the Board with a request by Republic Parking System to adjust its terminal building parking lot concession fees to the Authority. Due to the events of September 11, 2001 and the temporary cessation of air service, Republic requested that its concession fee be adjusted.

Republic contends that since it provides a fixed service to Walker Field, a drop in revenue of the magnitude experienced in September and October dramatically impacts its ability to operate.

Staff recommended that the Board deny Republic's request for a concession fee adjustment since there is not a significant change in gross parking revenues between 2000 and 2001 and since Republic is now enjoying the revenues from the former parking meter customers.

Commissioner McCormack moved for the Board to acknowledge receipt of Republic Parking's request for the concession fee adjustment, but the request is not acceptable at this time. Additionally, he moved for the Board to place Republic Parking's request under review for additional consideration at the April, 2002 Regular Board meeting. Vice Chairman McCormick seconded. Voice vote: all ayes. Motion carried.

G. Second Addendum to Use and Lease Agreement with SkyWest Airlines, Inc.

Staff presented the Board with a proposed Second Addendum to Use and Lease Agreement with SkyWest Airlines, Inc. On October 31, 2001, SkyWest took over the operation of the United Express flights to Denver and leased the Third Airline Ticket Office (3rd ATO) consisting of 2,400 square feet in addition to the Second (2nd) ATO consisting of 1,123.5 square feet that SkyWest already occupied. After assessing its new facility requirements at Walker Field, SkyWest requested to relocate its entire operations to the Third (3rd) ATO and terminate its lease in the Second (2nd) ATO effective March 1, 2002.

Staff recommended that the Board approve the Second Addendum to Use and Lease Agreement with SkyWest Airlines, Inc. and authorize the Chairman to sign the addendum on behalf of the Authority.

Commissioner Kirtland moved to approve the Second Addendum to Use and Lease Agreement with SkyWest Airlines, Inc. and to authorize the Chairman to sign the addendum on behalf of the Authority. Commissioner Springer seconded. Voice vote: all ayes. Motion carried.

H. Resolution No. 2002-002: Resolution of the Board of Commissioners Regarding Authority to Execute Leases for the Walker Field, Colorado, Public Airport Authority

Staff presented the Board with a proposed resolution that would authorize the Airport Manager to sign standardized leases on behalf of the Authority. The Board previously approved a resolution which authorized the Airport Manager to sign standardized Ground Lease Agreements and Sublease Agreements without prior Board approval as long as the Agreements are unaltered from the standard form. The Airport Manager would then apprise the Board at each Regular Board Meeting of any such leases that were signed during the previous month.

Resolution No. 2002-002 renews the authority previously granted to the Airport Manager. Manager Nystrom commented that since the inception of this resolution, the Board has approved the standardized Building Use and Lease Agreement and Sublease Agreement, but this document is not referenced within the resolution. She suggested that the Board may wish to include authorization to sign these documents in the Resolution, also.

Commissioner Gardner moved to approve Resolution No. 2002-002: Resolution of the Board of Commissioners Regarding Authority to Execute Leases for the Walker Field, Colorado, Public Airport Authority, with the modification that the authority for the Airport Manager to execute standardized Building Use and Lease Agreements and Sublease Agreements also be included within the resolution. Vice Chairman McCormick seconded. Roll call: all ayes. Motion carried.

VI. BOARD COMMITTEE REPORTS

A. FACILITIES COMMITTEE

No report.

B. PERSONNEL COMMITTEE

No report.

VII. AIRPORT MANAGER'S REPORT

A. AIRPORT LAYOUT PLAN (ALP) UPDATE

The ALP Update was reviewed by the FAA Airports District Office in Denver and has been forwarded to the FAA Regional Office in Seattle for review.

B. WIDEBODY AIRCRAFT STAIRS

Washington Infrastructure Services will inspect the widebody aircraft stairs on January 16th. Thunder Mountain Ground Services has indicated it would be interested in utilizing the stairs.

C. QUARTERLY TENANT MEETINGS

Tenant meetings were held on January 9th. Approximately ten (10) tenants attended the meetings. Commissioner Berryman requested that the Board receive an e-mail notification of the next tenant meetings.

D. ANNUAL AUDIT OF WFAA FINANCIAL STATEMENTS

Staff met with the Authority's new audit firm, Dalby, Wendland & Co., P.C., to review initial financial documents and procedures for use in the audit. It is anticipated that the audit field work will be completed by mid-February.

E. MESA AIRLINES ACCOUNT UPDATE

Progress is being made on the collection of past due amounts from Mesa Airlines. Three payments have been received from Mesa, totaling \$13,500. The payments have reduced the overdue amounts to \$8,600, and Mesa has been paying its current invoices.

F. INSURANCE BROKERAGE SERVICES REQUEST FOR QUALIFICATIONS

The Authority received notice from its property insurance and employee bond broker, AON Risk Services, that it will be exiting the smaller airport market at the end of the existing coverage term (May 31, 2002). Staff will be advertising a request for qualifications (RFQ) for insurance brokerage services. It is anticipated that this type of program would provide the benefits of an insurance broker being able to shop the insurance market on behalf of the Authority to acquire the best available rate.

Vice Chairman McCormick recommended that Staff obtain information regarding self-insurance programs. Commissioner Kirtland recommended contacting the City of Grand Junction to obtain information regarding its insurance program.

G. PASSENGER FACILITY CHARGE (PFC) APPLICATION UPDATE

Staff is proceeding with an application to be submitted to the FAA that will allow the use of the PFC funds for the boarding area expansion project.

H. APPLICATION FOR REIMBURSEMENT OF SECURITY COSTS

Staff is working with the Authority's engineering firm, Washington Infrastructure Services, to prepare the application to the FAA for airport reimbursement of security costs incurred since September 11, 2001 and anticipated to be incurred thru September 30, 2002. The Authority is requesting approximately \$300,000 in reimbursement funding.

I. 2002 WINTER OLYMPICS AIRPORT "GATEWAY" PROGRAM

Staff met with the FAA regarding the "Gateway" Program security procedures that will be in place for all general aviation aircraft traveling to the 2002 Winter Olympics in Salt Lake City. Walker Field has been selected as one (1) of only four (4) facilities through which all general aviation aircraft traveling to the Olympics must be screened and inspected. The Aircraft Rescue Firefighting/Snow Removal Equipment (ARFF/SRE) facility will be used as the Gateway site. The Gateway will function for approximately sixteen (16) hours per day for seventeen (17) days on a reservations-only basis.

J. ENVIRONMENTAL ASSESSMENT OF FORMER FIRE BAYS

The environmental assessment of the former Authority fire bays has been completed by Walsh Environmental Services. There were no environmental hazards detected in the building.

K. GRAND JUNCTION POLICE DEPARTMENT SUBSTATION

Staff is working with Authority Attorney Grattan to address liability concerns associated with the proposed Police substation in the terminal building and will continue to explore available options for the substation.

L. PUBLIC PARKING/TERMINAL BUILDING THREAT ASSESSMENT

Staff updated the Board on the threat assessment being conducted by Washington Infrastructure Services.

M. AIR SERVICE UPDATE

Manager Nystrom reported that United Express has increased the number of flights from Grand Junction to Denver to eight (8) per day. Overall load factors for October, 2001 were 61.4% and 55.3% for November, 2001.

N. OPEN RANGE GIFT SHOP

The Open Range Gift Shop owner wishes to relocate the entrance to the shop to inside the secured boarding area.

O. CITY OF GRAND JUNCTION DETENTION PONDS

The City of Grand Junction is still preparing a survey for the location of the proposed detention ponds to be located on the airport. Upon completion of the survey, an appraisal of the sites will be conducted to determine the fair market value of the parcels.

P. NOISE COMPLAINT PROCEDURES

Standardized noise complaint response letters have been developed. These letters will be mailed to individuals upon receipt of their noise complaints.

Q. ECONOMIC AND COMMUNITY PACKETS FOR AIR CARRIERS

At the Airport Authority's request, economic and community development information is being prepared by the Chamber of Commerce to provide to incumbent and prospective air carriers.

R. INVITATION TO ATTEND GRAND JUNCTION CITY COUNCIL FUNCTION

Manager Nystrom received an invitation from the Grand Junction City Council to attend a gathering at Two Rivers Convention Center on February 1, 2002. Several Board members stated that they have also received an invitation.

S. COLORADO AIRPORT OPERATORS ASSOCIATION BOARD MEETING

Manager Nystrom attended a Colorado Airport Operators Association (CAOA) Board Meeting in Denver. She also met with the FAA and Colorado Division of Aeronautics to discuss airport capital improvement programs. Following the meeting, she attended a reception for the Colorado State legislators hosted by CAO A.

The CAO A Nominating Committee nominated Manager Nystrom to serve as Chairman of CAO A for a two (2)-year term. She brought this to the Board's attention since the Chairman's respective airport staff is historically called upon to handle some of CAO A's administrative functions.

It was the consensus of the Board that Chairman Ammentorp meet with Manager Nystrom to discuss this matter further.

T. ANALYSTS CONFERENCE

Manager Nystrom stated that she received an invitation from the President & CEO of Mesa Air Group to attend an Analysts Conference in Telluride, CO in March,. Based on Board feedback and the nature of the conference agenda, she will decline the invitation.

VIII. DISCUSSION ITEMS

A. 2002 BOARD COMMITTEE APPOINTMENTS

Chairman Ammentorp commented that the appointment of Board members to the Personnel and Facilities Committees has been placed on hold. However, he created an ad hoc Personnel Committee to perform the Airport Manager's annual performance evaluation. He appointed Vice Chairman McCormick, Commissioner Kirtland and Commissioner Springer to that committee.

B. MILITARY AIRCRAFT OPERATIONS AND PROCEDURES

Staff provided the Board with an updated draft of Military Aircraft Operations and Procedures for discussion. The Authority received an e-mail from the U.S. Navy regarding its aircraft utilizing civilian airports such as Walker Field. According to the e-mail, Navy pilots wishing to land at Walker Field must have prior coordination with the airport and obtain a waiver from the Navy's TYCOM.

Staff noted that per FAA grant assurances, the Authority must allow military aircraft to utilize the airport. Commissioner Kirtland recommended that the Authority obtain the services of a consultant who has expertise in this area. Commissioner Springer noted that there is a larger issue that needs to be addressed—whether or not the Board wants military aircraft at the airport. The consensus of the Board was for Staff to hire a consultant to assist with addressing this issue.

IX. OTHER ITEMS

There were no Other Items.

IX. ADJOURNMENT

There being no further business to come before the Board, Commissioner McCormack moved to adjourn the meeting. Vice Chairman McCormick seconded. Voice vote: all ayes. Motion carried.

The meeting was adjourned at 10:30 pm.

APPROVED AND ADOPTED THE _____ DAY OF _____, 2002.

Steve Ammentorp, Chairman

ATTEST:

David J. Anderson, Clerk