

# Walker Field Airport Authority

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## Minutes of the Regular Board Meeting

February 19, 2002

**BOARD COMMISSIONERS PRESENT:** Miles McCormack Steve Ammentorp  
Robert McCormick Karen Berryman  
James Gardner Craig Springer

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

**ALSO PRESENT:** Terry Van Sant and Kevin Gould of Van Sant Group;  
and Marija Vader of the Daily Sentinel.

### I. CALL TO ORDER

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

### II. APPROVAL OF AGENDA

Vice Chairman McCormick requested the addition of Action Item D- "Rouse/Hall Gate." Commissioner Springer noted that because of his ownership interests in Home Loan Investment Company, he would recuse himself from discussion and action pertaining to Action Item A- "Insurance Broker Services Bid Award."

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

### III. PUBLIC COMMENTS AND COMMUNICATIONS

Staff introduced the new owner of SecreTechs, Juliet Evans. SecreTechs records and prepares the initial drafts of Board Meeting Minutes for the Authority.

**IV. CONSENT AGENDA**

**A. Minutes: January 15, 2002 Regular Board Meeting**

Commissioner McCormack requested that a correction be made within Item H on page 4 in the January 14, 2002 Minutes of the Regular Board Meeting. The correction should indicate “Staff recommended that the Board approve the Sublease agreement between Sky Adventures, LLC and Bell Aviation, Inc.”

**B. Acknowledgement of Accounts Receivable Report**

There were no reportable delinquent accounts within the Accounts Receivable Report.

**C. Revised WFAA Mission Statement**

Staff presented the Board with a revised Mission Statement that reflects proposed changes to the document derived from the February 2, 2002 Board Retreat. Staff recommended that the Board approve the revised Mission Statement and that the Mission Statement accompany the revised Vision in expressing to the airport users, the community and the general public the views of the Walker Field Airport Authority.

**D. Revised WFAA Vision**

Staff presented the Board with a revised Vision that reflects proposed changes to the document derived from the February 2, 2002 Board Retreat. Staff recommended that the Board approve the revised Vision as presented in the Board packet and that the Vision accompany the revised Mission Statement in reflecting to the airport users, the community and the general public the views of the Walker Field Airport Authority.

**E. Request for Reauthorization of FY 2001 Capital Projects Appropriations**

Staff presented the Board with a request to reauthorize a portion of capital appropriations for FY 2001 projects that were unused. Because the final invoices for these projects will not be dated during 2001, it is necessary to reauthorize a portion of the unused appropriations for these projects. The proposed re-appropriations do not increase the project costs to the Authority. Instead, the re-appropriations are necessary for fiscal year capital budget requirements.

Staff recommended that the Board re-appropriate \$110,196 for the following projects:

- AIP-21 (ALP Update) ..... \$10,036
- AIP-20 (Air Carrier Ramp) ..... 1,260
- Parking Lot Improvements ..... 28,629
- Parking Lot Drainage ..... 1,670
- CDAG Grant Match (Fog Seal) ..... 58,601
- Aircraft Run-Up Area (Design) ..... 10,000

F. **Resolution No. 2002-006: Agreement and Promissory Note for Colorado State Infrastructure Bank Loan**

Staff presented the Board with a proposed resolution to approve a revised Promissory Note for the Colorado State Infrastructure Bank (CO SIB) Loan in the amount of \$300,000 for the following capital projects:

- \$100,000 – Aircraft Rescue Fire Fighting (ARFF) Vehicle
- \$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 Run-up Area
- \$40,000 – Air Carrier Ramp Section Reconstruction/Rehabilitation

At the January, 2002 Regular Board Meeting, the Board adopted Resolution No. 2002-004: Agreement and Promissory Note for Colorado State Infrastructure Bank (CO SIB) Loan. After approving the document and forwarding it to the Colorado Department of Transportation (CDOT), CDOT notified the Authority that three (3) standard provisions required in these types of State agreements were inadvertently omitted by the State from the document provided to the Authority.

The three (3) provisions reference the Authority's duty to follow all applicable laws including those pertaining to discrimination and unfair employment practices, prohibit the use of arbitration for settling disputes arising from this agreement, and affirm that no State employee has a financial interest in the loan transaction.

Staff recommended that the Board adopt Resolution No. 2002-006: Agreement and Promissory Note for Colorado State Infrastructure Bank (CO SIB) Loan and authorize the Chairman, the 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.

G. **Non-Exclusive Easement to Public Service Company of Colorado for Relocation of Gas Line**

Staff presented the Board with a proposed non-exclusive utility easement to the Public Service Company of Colorado (PSCO) for relocation of a gas line in the east general aviation area. Recently, a PSCO main gas line ruptured north of Aviators Way. A permanent repair was not possible due to the age and poor condition of the pipe. A temporary repair was made, and PSCO approached the Authority with a proposal for the installation of a new line, at PSCO's expense.

PSCO and Staff, with input from West Star Aviation, determined that the old gas line should be abandoned and the new line relocated east of the road that accesses the Herr Hangar north of Aviators Way. Since this was an emergency situation, the new line has been installed, and PSCO is requesting an easement for the new utility line location. The standard PSCO easement form is being used.

Staff recommended that the Board approve the Non-Exclusive Utility Easement and authorize the Chairman to sign the easement form on behalf of the Authority

contingent on the easement being recorded by PSCO at the Mesa County Clerk and Recorder's Office.

**H. Airport Layout Plan/Development Plan Update**

Staff presented the Board with the proposed Airport Layout Plan/Development Plan Update (ALP Update). The ALP has been completed by the Authority's engineering firm, Washington Infrastructure Services. The FAA offices in Denver have reviewed and provided comments on the ALP and now require official acceptance of the plan by the Authority. The plan will then be signed by the FAA and returned to the Authority.

An approved ALP is required by the FAA for the Airport to be eligible for Airport Improvement Program (AIP) grant funding. It provides a general plan for the airport's development over the next 20 years and provides the planning "blueprint" for the Authority, the FAA, and the State Division of Aeronautics as it relates to Walker Field's capital development.

Staff recommended that the Board approve the ALP Update and authorize the Chairman to sign the Update on behalf of the Authority.

**I. Amendment No. Seven to Contract with Washington Infrastructure Services, Inc. for Planning and Engineering Services: Terminal Building Area Blast Modification Analysis and Explosive Detection System Installation Study**

Staff presented the Board with a proposed Amendment to the Authority's existing contract with Washington Infrastructure Services, Inc. for planning and engineering services associated with a terminal building area blast modification analysis and an explosive detection system installation study.

A terminal building area blast analysis is needed to determine what measures, if any, would be necessary to ensure adequate protection for the terminal building in the event an explosive device is used in the parking lot or passenger drop-off area. The findings of the analysis will be sent to the FAA. If the FAA concurs with the recommendations, the Authority can then proceed with instituting those recommendations and/or constructing any physical modifications that would allow it to reclaim as much of the terminal building parking as possible.

The explosive detection system (EDS) installation study will assist the Authority when installing one or more EDS machines inside the passenger terminal building to ensure that all checked baggage is screened for explosives. Congress has mandated the installation of these machines in all commercial service airports by December 31, 2002. This study should provide direction on such issues as preferred location, baggage flow rate, FAA timetable and intentions, and possible structural modifications and/or additions to the terminal building.

These projects fall within Washing Infrastructure Services, Inc.'s original scope of work. The project costs for performing these studies are:

- Terminal Blast Analysis .....\$15,500
- EDS Installation Study .....24,500

Both of these studies will be included in an FAA grant application and are eligible for 100% federal funding.

Staff recommended that the Board approve Amendment No. Seven to Contract with Washington Infrastructure Services, Inc. and authorize the Chairman to sign the amendment on behalf of the Authority pending FAA concurrence.

**J. Appropriation of Funding for Fencing in the 4/22 General Aviation Development Area**

Staff presented the Board with a request to appropriate funding for fencing in the Runway 4/22 general aviation area.

With the Nunnery hangar now being substantially complete, the Authority is ready to install approximately 250 feet of chain link fence along the leasehold boundaries of the Nunnery, Kempton Air, and Daly parcels.

The Authority received quotes for this work from Taylor Fence Co. (\$4,200) and J&S Fence (\$3,500). The three (3) tenants involved have agreed to help fund the installation of the fence and, combined, will reimburse the Authority for approximately \$1,100 of the total cost.

Staff recommended that the Board appropriate \$3,500 for fencing installation in the Runway 4/22 general aviation area.

Vice Chairman McCormick moved to approve the Items on the Consent Agenda. Commissioner McCormack seconded. Roll call: all ayes. Motion carried.

**V. ACTION ITEMS**

**A. Insurance Broker Services Bid Award**

Because of his ownership interests in Home Loan Investment Company, Commissioner Springer recused himself from discussion and action pertaining to this agenda item.

Staff presented the Board with a recommended selection of an insurance broker to provide insurance services for the Authority. AON Risk Services is the current "broker of record" for the Authority's property and casualty insurance and directors & officers (D&O) liability insurance. AON is currently in its third (3<sup>rd</sup>) year of a five (5) year insurance broker term. In December, 2001 AON notified the Authority that it would no longer be providing insurance coverage for Walker Field and similar-sized airports at the end of the existing coverage term on May 31, 2001 (annual insurance coverage renewal date).

This does not affect the underwriter's (Chubb's) desire to continue providing this coverage through another broker. Furthermore, Home Loan Investment Company has indicated it wishes to continue providing annual general liability insurance

coverage to the Authority through the remainder of its term, which expires May 31, 2004.

During previous insurance coverage requests for proposals, the issue arose that because of the limited number of airport insurance providers, once an airport insurance carrier provides a quote to an agent, that rate is locked from any other agent who is trying to obtain a quote. To address this challenge, Staff published a request for qualifications (RFQ) for insurance brokerage services.

Through the RFQ process, an agent or agency can be selected who will shop the market for property and casualty insurance and D&O liability insurance coverage. Additionally, the broker can provide associated consulting services, including risk analysis, loss prevention assessments, and reviewing existing insurance provisions within the Authority's standardized agreements.

Two (2) submittals were received in response to the RFQ – Home Loan Investment Company and Flood and Peterson Insurance Company. Staff interviewed both entities. Staff recommended that the Board select Home Loan Investment Company to provide insurance brokerage services for the Authority, with a term ending date of May 31, 2004.

Commissioner Gardner requested information regarding Staff's recommendation of selecting Home Loan Investment Company. Staff noted that Home Loan is the Authority's existing general liability insurance broker and has consistently provided good responsive service and additional insurance information as requested by the Authority in the past.

Vice Chairman McCormick moved to approve the selection of Home Loan Investment Company to provide insurance brokerage services for the Authority, with a term ending date of May 31, 2004. Commissioner Berryman seconded. Voice vote: all ayes, except for Commissioner Springer, who abstained from voting. Motion carried.

**B. Request for Appropriations and Supplementary Agreement No. Four to the Van Sant Group Agreement for Architectural, Design, and Engineering Services: Preliminary Design for Passenger Terminal Building Area Expansion**

Staff presented the Board with a request for a supplemental appropriation and a proposed Supplementary Agreement for preliminary design services for the passenger terminal building boarding area expansion. This design work is required so that the Authority can coordinate this project with the airlines and the FAA. The design work will consist of sketch plans, structural investigations, soils investigation, and conceptual design.

This is the initial phase of a three-phase process for building design, engineering and construction. The not to exceed cost specified in this Supplementary Agreement is \$12,750. These costs are part of the overall cost of the terminal building boarding area expansion and will be paid with passenger facility charge (PFC) funds. In 2001, the FAA approved the collection of PFC funds for this project.

Staff recommended that the Board appropriate \$12,750 to be used from the Authority's line of credit, to approve Supplementary Agreement No. Four with Van Sant Group, and authorize the Chairman to sign the Supplementary Agreement No. Four on behalf of the Authority.

Vice Chairman McCormick requested additional information regarding the scope of the project. Staff commented that the FAA approved this project in 2001 for PFC collections. The Authority is in the process of seeking approval from the FAA to accelerate the project by commencing it this year, instead of in 2006, which was the original estimated project commencement date. As a part of the project, structural and heating, ventilation, and air conditioning (HVAC) changes and modifications will be addressed.

Terry Van Sant of Van Sant Group presented the Board with three (3) preliminary designs for the proposed terminal building boarding area expansion project. Commissioner Springer commented that the Authority has committed to the tenants that HVAC upgrades will take place and he wanted to ensure the Authority conveys this message to the terminal building tenants. Staff stated that several improvements have already been made to the terminal building HVAC system, including repairing the auxiliary heating system, installing supplemental heaters in the bag ready room areas, and reducing the square footage for the main HVAC system services.

Commissioner Springer moved to appropriate \$12,750 and approve Supplementary Agreement No. Four to the Van Sant Group Agreement for architectural, design, and engineering costs associated with the preliminary design of the terminal building boarding area expansion project in an amount not to exceed \$12,750. Additionally, he moved to approve that the amount to be drawn from the Authority's line of credit and to authorize the Chairman to sign the Supplementary Agreement No. Four on behalf of the Authority. Commissioner Gardner seconded the motion. Voice vote: all ayes. Motion carried.

**C. Contract for Legal Services**

Staff presented the Board with information pertaining to the Authority's legal services contract. In 1997, the Board advertised a Request for Proposals (RFP) for legal services for the Authority. Several firms responded and were interviewed. The Board ultimately selected the firm of Younge & Hockensmith, P.C. to provide non-exclusive legal services for a five (5)-year term. This initial term will expire on July 15, 2002. According to Younge & Hockensmith, P.C.'s existing agreement with the Authority, the Authority may extend the term of the agreement thereafter on an annual basis, provided both parties understand and agree that legal counsel serves at the pleasure of the Board and that the agreement may be terminated by either party at any time.

Vice Chairman McCormick suggested that Staff provide a recommendation regarding whether the Authority should extend the agreement with Younge & Hockensmith, P.C. or advertise an RFP for legal services. Manager Nystrom commented that Staff has been pleased with the services provided by Younge & Hockensmith, P.C., but recommended that if the Authority is going to advertise for an RFP either this year or next year, they should proceed to advertise this year since other firms have expressed an interest in providing legal services for the

Authority. Commissioner McCormack recommended that the Authority include airport/security experience as one of the selection criteria in the RFP. Vice Chairman McCormick noted that just because the Authority is proceeding with an RFP does not necessarily mean the Authority will automatically select a different law firm.

Vice Chairman McCormick moved for the Authority to advertise an RFP for legal services with a five (5) year term to commence upon the initial expiration of the existing legal services agreement. Commissioner Berryman seconded. Voice vote: all ayes. Motion carried.

Manager Nystrom inquired if the Board would like to participate in the legal services RFP interview process. The consensus of the Board was for Commissioner Gardner to participate in the interviews.

**D. Rouse/Hall Gate**

Vice Chairman McCormick requested information pertaining to the Rouse/Hall leasehold access gate. Manager Nystrom noted that the access to that parcel has been secured with barbed wire above the chain link fence gate installed by the tenants and complies with FAA security regulations. Vice Chairman McCormick requested that additional fencing or another gate be installed.

Chairman Ammentorp inquired if the expense for any fencing or gates would be billed to the tenant. Manager Nystrom commented that because the tenant is in compliance with FAA security regulations and its lease agreement with the Authority, any additional upgrades to the leasehold fencing should be at the Authority's expense.

Vice Chairman McCormick moved for the Authority to secure the Hall/Rouse access point with the installation of a 6' gate or 6' chain link fence by March 1, 2002 and to appropriate funds necessary to accomplish this task. Commissioner Springer seconded. Voice vote: all ayes. Motion carried.

**VI. DISCUSSION ITEMS**

**A. WFAA By-Laws Revisions**

Staff presented the Board with proposed revisions to the WFAA By-Laws. The Board has recently been discussing some possible revisions to the WFAA By-Laws. The two (2) areas that have been discussed the most are Article IV, Section 9., Committees of the Board of Directors and Article VI, Section 2., Contracts.

In the section regarding Committees of the Board of Directors, the suggestion has been made to delete the requirement that a Finance and Audit Committee be appointed annually. The rest of the section would remain materially the same. In the section regarding Contracts, the discussion has revolved around increasing the amount for the contracts that would require a formal bid process. Inflation which has occurred since the By-Laws were amended in 1984 would be factored in.

There has also been a brief discussion about Article V, Section 1. Airport Manager wherein the Manager currently serves as the Chief Operating Officer (COO) for the Authority rather than the Chief Executive Officer (CEO).

Proposed revisions were drafted by Attorney Mike Grattan, to the first 2 sections: Committees and Contracts based upon prior feedback from the Board and recommendations from the Staff. The Staff has inserted a new amount of \$20,000 in the Contracts section, which the Board has the prerogative of either accepting or changing.

Manager Nystrom commented regarding the Airport Manager section that the Board may wish to discuss this further to ensure consistency between the By-Laws, the Airport Manager's Position Profile, Core Competencies, and the overall Board expectations of the Airport Manager. She furthered that the By-Laws may be amended pursuant to Article IX, Amendments.

Attorney Grattan has researched whether or not the By-Laws changes would need to be approved by the City and the County and has rendered the opinion that they do not since this is not required in the existing By-Laws. He has also researched other documents and has found no evidence that approval of the changes by either the City or the County is required.

Commissioner Springer requested clarification on the differences between classifying the Airport Manager as a Chief Operating Officer (COO) versus a Chief Executive Officer (CEO). He also asked if there would be a significant difference in how the Airport Manager approaches the two (2) positions. Manager Nystrom responded that the COO is a managerial position dealing with day to day operating issues, whereas the CEO focuses on the larger view of the airport environment and long range planning. She stated that specifying the classification may help to clarify Board's philosophy of the Airport Manager's position.

Vice Chairman McCormick asked if the additional proposed revisions to Article VI, Section 2. Contracts, other than an increase to the contract amount, is necessary. Manager Nystrom commented that the proposed revisions were intended to provide additional clarification and options for the Authority. She commented that she would contact Authority Attorney Mike Grattan to inquire as to the necessity of the additional wording.

The consensus of the Board was to proceed with the proposed changes to Article IV, Section 9. Committees, change Article VI, Section 2. Contracts to increase the contract amounts from \$10,000 to \$20,000, and modify Article V, Section 1. Airport Manager to reflect that position as the CEO. These proposed changes will be advertised and placed on the Agenda for the March, 2002 Regular Board Meeting.

## **VII. BOARD COMMITTEE REPORTS**

### *A. AD HOC AIRPORT MANAGER EVALUATION COMMITTEE*

Vice Chairman McCormick reported that the Committee met on Wednesday, February 13<sup>th</sup>. The Committee will meet prior to the March, 2002 Board Workshop and discuss the proposed evaluation with the Board during an Executive Session at the March, 2002 Regular Board Meeting.

## **VIII. AIRPORT MANAGER'S REPORT**

Regarding its exercise of the holdover provision within its Building Use & Lease Agreement with the Authority, Commissioner Berryman recommended that SkyWest be informed that its rent could be raised while it remains in the 3<sup>rd</sup> ATO on a month-to-month basis.

Vice Chairman McCormick recommended that the Airport Manager's report be consolidated into one report instead of separate reports. Manager Nystrom responded that this will be the case beginning in March since Board Meeting and Airport Manager reporting procedures were recently modified.

## **IX. OTHER ITEMS**

### **A. MARCH BOARD WORKSHOP**

The Board discussed possible topics for the March, 2002 Board Workshop. The consensus of the Board was to place the following items on the agenda:

1. Possessory Interest Tax Effect on Airport Leases/Concessions
2. Principles of Ethical Conduct for WFAA Board of Commissioners

Another item, Military Aircraft Operations, will be discussed at a Special Board Workshop pending the receipt of information from consultant Jim Fritze.

### *B. POW WOW TRAVEL AND TOURISM CONVENTION*

Commissioner Berryman recommended that the Authority participate in the Pow Wow Travel and Tourism Convention to be held in New Orleans this year. Manager Nystrom responded that although the Authority has consistently participated in Pow Wow, she spoke with Debbie Kovalik, President of the Grand Junction Visitor & Convention Bureau (VCB), regarding financial constraints that may prevent the Authority from participating in Pow Wow this year. Manager Nystrom noted that the VCB indicated it would be willing to work with the Authority to offset some of the expenses associated with participating in the convention. Consequently, Charlie Novinskie is scheduled to attend the convention on behalf of the Authority.

**X. ADJOURNMENT**

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

The meeting was adjourned at 8:12pm.

APPROVED AND ADOPTED THE 19<sup>th</sup> DAY OF MARCH, 2002.

***Signature on File***

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Steve Ammentorp, Chairman

ATTEST:

***Signature on File***

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David J. Anderson, Clerk