

# Walker Field Airport Authority

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## Minutes of the Regular Board Meeting

October 21, 2003

**BOARD COMMISSIONERS PRESENT:** Miles McCormack James Gardner  
Robert McCormick Karen Berryman  
Roger Little Gregg Palmer

**AIRPORT STAFF PRESENT:** Corinne Nystrom Charlie Novinskie  
David Anderson D. VanLandingham  
Ben Peck Gary Mancuso  
Ed Storer Ted Balbier

**ALSO PRESENT:** Jon Johnson of Timberline Aviation; Richard Schoenrad of Timberline Aviation; Louis Buescher and Doug Thompson of West Star Aviation; Gene Murphy of Washington Group; Ann Wintertrotter of The Daily Sentinel; and Joe Marie of FEDEX.

### I. CALL TO ORDER

The meeting was called to order at 5:15 p.m.

### II. APPROVAL OF AGENDA

Manager Nystrom noted that Staff was anticipating a fax and suggested that Action Items A - Approval and Appropriation of Funds for Additional FY 2003 Capital Items and B - Bid Award and Contract Agreement for Modifications to Aircraft Run-Up Area be removed from the agenda if said fax was not received in time for Board consideration.

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

### III. PUBLIC COMMENTS AND COMMUNICATIONS

There were no public comments or communications.

#### IV. CONSENT AGENDA

- A. Minutes: September 16, 2003 Regular Board Meeting
- B. Minutes: October 7, 2003 Special Board Meeting
- C. Acknowledgement of Receipt of August, 2003 Financial Statements/Accounts Receivable Report

On the Statement of Operations, continued progress is being made to maintain a positive budget variance between operating revenues and operating expenses. Year to date operating revenues are slightly under budget (2.1%), but close monitoring of expenses have resulted in year to date operating expenses that are 7.4% lower than budgeted. Year to date Operating Income Before Depreciation (OIBD) is \$505,783. This amount is 12.6% higher than budgeted year to date.

Parking revenues and BLM Fire Center aircraft landing fees exceeded budget projections (year to date). Because of reduced general aviation aircraft operations, fuel flowage revenues are still under budget. Rental car revenues also continue to be less than budgeted.

On the Balance Sheet, non-restricted cash/investments decreased 12.2% primarily from the payment of several large vendor invoices. Land, Buildings, and Equipment increased \$118,602 with expenditures for:

- Landscaping along Walker Field Drive and between the terminal building and the parking lot
- New Taxiway C1A general aviation expansion area
- PFC terminal building boarding area expansion project
- Terminal building stairwell improvements, entryway renovations, and roof replacement
- ARFF vehicle tires

Accounts receivable increased \$10,387 with increased customer activity. Accounts payable decreased \$181,111 as a result of the payment of several large vendor invoices. PFC funds decreased \$205,536 (net) with continued program collections and expenditures for the terminal building boarding area expansion project.

Overall, August yielded positive financial performance for the Authority.

It is required that accounts receivable accounts in excess of 90 days and amounting to more than \$1,000 be brought before the Board for review. There are currently two vendors with past due amounts who meet this

criteria, Farabee Adventures, Inc. d.b.a. Budget Rent-A-Car, and Westrac, Inc. (Thrifty).

Commissioner Palmer inquired concerning the history of the two concessionaires in terms of indebtedness in the past. Manager Nystrom responded that the amounts owed by them are the percentage of gross revenue owed to the Authority at the end of the fiscal cycle ending in April 2003. Farabee, which was bought out by Budget, is no longer an off-airport concessionaire with the Authority. The Authority has called upon Farabee's performance bond provider to collect, as they have not paid their final amounts owed to the Authority. Thrifty's delinquent amounts are also comprised of the additional amounts owed to the Airport Authority from April 2003. Thrifty has been making payments and hopes to pay the full amount by the end of October.

Commissioner Palmer inquired if Thrifty is current on their flat guaranteed rate. Manager Nystrom responded that Thrifty is now an off-airport concessionaire and, as such, is now only responsible for the 10% of gross revenues collected from Airport customers.

Commissioner Palmer inquired if Thrifty has been delinquent in the past. Manager Nystrom responded that they have been delinquent in the past, but that this is the first time their delinquency has been for an extended period of time.

Commissioner Palmer inquired what procedure Staff normally follows when handling long-term delinquent accounts. Manager Nystrom responded that Staff follows the Board-approved Accounts Receivable Policy established several years ago. However, over the years the Board has been flexible in allowing Staff to work with tenants if they are endeavoring to pay off their amount due.

Commissioner Palmer inquired if Staff felt comfortable with the effort that Thrifty is making to pay off the delinquent amount. Manager Nystrom responded that they are.

- D. **Request by Timberline Ground Services, L.L.C. to Rescind Termination of Ground Lease Agreement Granted on June 17, 2003**
- E. **Fourth Addendum to Ground Lease Agreement with Timberline Ground Services, L.L.C.**
- F. **Request by New Timberline Aviation, L.L.C. to Rescind Ground Lease Agreement Approval on June 17, 2003**

**G. Ground Sublease Agreement Between Timberline Ground Services, L.L.C. and New Timberline Aviation, L.L.C.**

At the June 17, 2003 Regular Board Meeting, Timberline Ground Services, L.L.C. requested to terminate its ground lease agreement with the Airport Authority because Timberline was in the process of selling its business to New Timberline Aviation, L.L.C. New Timberline then requested to enter into a lease agreement with the Airport Authority. The Board approved both requests.

New Timberline and Timberline have modified the proposed sales transaction, including the previous requests, and the parties now request to enter into a sublease agreement for a period of three years. Additionally, Timberline has agreed to relinquish the First Right of Refusal on Option Parcel contingent upon the execution of a sublease agreement between the two parties.

Authority Attorney Grattan is reviewing the Fourth Addendum and the additional provisions to the Ground Sublease Agreement in order to protect the Authority.

Staff recommended that the Board approve the Request by Timberline Ground Services, L.L.C. to rescind the termination of the Ground Lease Agreement, approve the Fourth Addendum to Ground Lease Agreement with Timberline Ground Services, L.L.C., approve the request by New Timberline Aviation, L.L.C. to rescind their Ground Lease Agreement, approve the Ground Sublease Agreement Between Timberline Ground Services, L.L.C. and New Timberline Aviation, L.L.C., and authorize the Chairman to sign the Addendum and Sublease Agreement on behalf of the Authority contingent upon:

- Timberline Ground Services, L.L.C. being current on all amounts owed to the Airport Authority.
- Receipt of the \$200 fee from Timberline Ground Services, L.L.C. for changes to agreements (Fourth Addendum).
- Review and approval by Authority Attorney of the Fourth Addendum and Sublease additional provisions.
- Receipt of Fourth Addendum signed by Timberline Ground Services, L.L.C.
- Receipt of Sublease signed by Timberline Ground Services, L.L.C. and New Timberline Aviation, L.L.C.

Commissioner Palmer inquired what the difference was between the old proposal and the new. Manager Nystrom responded that the Authority would continue to have the original ground lease agreement with Timberline Ground Services, L.L.C., except that the right of first refusal on

the real estate to the east of their parcel would be removed from the agreement. They would then sublease their parcel to New Timberline Aviation, L.L.C.

Commissioner Palmer inquired how much difference there was between the old lease rate and the new lease rate that New Timberline would have paid. Staff responded that the difference in the lease rates between the original lease and the new lease would have been minimal.

Manager Nystrom commented that Timberline currently has the Department of Defense contract for military aircraft. There have recently been military aircraft emergencies that forced portions of the airport to close down until Timberline could provide the appropriate equipment to tow aircraft off the runway or taxiway. It was noted that these situations impact airport operations when they occur.

Manager Nystrom inquired if New Timberline has made arrangements to acquire the necessary equipment to handle these situations. Richard Schoenradt of New Timberline replied that the necessary equipment is being custom made and will be purchased within thirty days.

**H. Change Order No. 1 to Contract for Purchase and Sale of Equipment with Oshkosh Truck Corporation**

Staff requested a change to the contract between the Airport Authority and the Oshkosh Truck Corporation for the new aircraft rescue firefighting vehicle. Listed on Change Order No 1 were several items that are not needed for the new truck. In exchange for these items, Staff requested additional needed items that would benefit the overall operational efficiency of the vehicle.

No additional funding was requested, as the additional \$3,393.00 comes within budget on this capital item.

Staff requested the Board authorize the Airport Manager to sign the Change Order No. 1.

Commissioner McCormack moved to approve the items on the Consent Agenda. Commissioner Little seconded the motion. Voice vote: all ayes. Motion carried.



## V. ACTION ITEMS

The anticipated fax arrived after the Board had moved on to Discussion Items. Board consensus was to return to the Action Items on the Agenda.

### A. Request for Approval and Appropriation of Funds for Additional FY 2003 Capital Items

A total of \$125,000 was appropriated for the construction of the multi-user aircraft run-up area northeast of the main runway (Runway 11/29). To date, project costs total \$113,755. Thus \$11,245 is still available.

To modify the aircraft run-up area to allow for its use by larger aircraft, it is necessary to install concrete pads on which the larger aircraft can park. Bids have been solicited for this project and were opened earlier in the day.

Staff recommended the Board approve and appropriate additional funds not to exceed \$15,000 for modifications to the aircraft run-up area.

Commissioner McCormack moved to approve and appropriate funds not to exceed \$15,000 for this project in addition to the \$11,245 already budgeted. Commissioner Berryman seconded the motion. Voice vote: all ayes. Motion carried.

### B. Bid Award and Contract Agreement for Modifications to Aircraft Run-up Area

Because of the recent damage to the run-up area surface caused by aircraft engine run-ups, staff requested pricing for two concrete pads to replace the existing asphalt surface in two areas. Based upon the engineer's initial modification design, the estimated costs were in excess of the \$10,000 bid threshold limited by State statute. Requests for Proposals were advertised in the Daily Sentinel for a bid opening date of October 21st.

Staff received one bid for the project and recommended that the Board approve the bid award and contract agreement with Mays Concrete for \$22,776 for modifications to the aircraft run-up area.

Commissioner Berryman inquired if the original project was bid for asphalt or concrete and why asphalt was chosen. Staff responded that it was only bid out for asphalt because of monetary budget considerations.

Vice Chairman Gardner inquired if Staff plans to expand the taxiway to meet FAA width specifications. Manager Nystrom responded that they do not plan to do so at this time, since the width is compatible with the type of aircraft currently using the run-up area.

Vice Chairman Gardner inquired if there are any aircraft that utilize the run-up area that exceed the design criteria. Staff responded that there are not.

Vice Chairman Gardner inquired if the FAA specifications take into consideration the local weather and climate conditions. Staff responded that the same FAA specifications are used nationwide. Staff noted that prior to the construction of the run-up area, all of the aircraft run-ups took place on the south end of Taxiway C. There is no evidence of damage to the asphalt in that area, and the same specifications were used for the new run-up area.

Commissioner Palmer inquired if the size of the run-up area would be large enough to accommodate anticipated aircraft. Staff responded that the pad accommodates aircraft that currently use it. Constructing a larger pad would require that it be relocated.

Vice Chairman Gardner inquired about the cost of the concrete. Staff responded that the bid from Mays Concrete came in slightly higher than average for concrete.

Commissioner Little inquired when the installation would be complete. Staff responded Mays Concrete is currently mobilized on the east air carrier ramp rehabilitation project and that the pads will hopefully be modified before the weather becomes inclement.

Chairman McCormick commented that haste and budget constraints on the original project might have contributed to the current problems with the run-up area.

Commissioner McCormack inquired if West Star Aviation has reviewed the proposed modifications. Manager Nystrom responded that they offered very helpful feedback during the modification design process.

Chairman McCormick inquired if the modifications to the run-up area will hinder a future expansion of the taxiway. Commissioner McCormack responded that it wouldn't make any difference.

Commissioner Palmer inquired if there is a way to complete the project, including a 35-foot taxiway to meet all FAA requirements. Manager Nystrom responded that originally the Authority planned to do that, but the cost was several hundred thousand dollars, and funds were not and are not available to do that.

Commissioner Little moved to approve the bid award and contract agreement with Mays Concrete for \$22,776 for modifications to aircraft run-up area. Commissioner McCormack seconded the motion. Voice vote: all ayes. Motion carried.

## VI. DISCUSSION ITEMS

### A. Walker Field Planned Airport Development

Staff has been working with the City of Grand Junction Community Development Department to formulate review criteria and standards for developments at Walker Field Airport.

Several years ago, when the City Development Code process was being updated by the City, there were discussions between the Authority and the City that the airport was unique with development features not found anywhere else in the city, such as runways, taxiways, and hangars. Historically, the Community Development Department would look at requests for development at the airport and sign off on them without having specific criteria on which to base recommendations. The Community Development Department approached the Authority about the possibility of going through a process to establish criteria for development at the airport so that when they receive requests, they have something specific to tie them back to.

Manager Nystrom reported on the proposed review criteria and development standards for the airport. There are three proposed types of development areas on the airport: aeronautical, aeronautical commercial, and non-aeronautical commercial.

The aeronautical parcels are unique and already governed by Federal Aviation Administration rules and regulations. These rules and regulations do not necessarily comply with standard commercial property zoning criteria. Secondly, much of this area was deeded to the airport by the Bureau of Land Management for aeronautical use only.

Regarding the non-aeronautical commercial parcels, in the 1980's, 16 acres along H Road that were formerly designated for aeronautical use were approved by the FAA and Congress to be split off from the rest of the airport to be used for non-aeronautical purposes. The aeronautical-commercial parcels are still designated as aeronautical, but will not be used for hangars, runways or taxiways. This area would include service businesses for the airport. The City is willing to classify both of these as C-1 property (light industrial commercial).

Chairman McCormick inquired if Staff felt comfortable with how they have worked through these issues with the Community Development Department. Manager Nystrom responded that they are.



Commissioner Palmer inquired if drainage was addressed. Manager Nystrom responded that drainage issues were already addressed in the most recent Airport Layout Plan Update.

Chairman McCormick inquired if these proposed criteria meet FAA guidelines. Manager Nystrom responded that the criterion is contingent upon it complying with the Airport Layout Plan, which is FAA-approved. The Airport Authority will be hosting a neighborhood meeting on October 27<sup>th</sup> from 5:30 to 7:00 p.m. to answer questions from the general public regarding the proposed development criteria.

## **VII. BOARD COMMITTEE REPORTS**

There were no Board Committee reports.

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

Manager Nystrom reported that the initial inspection of the elevators has been completed, and the Building Department will be conducting a final inspection the next day.

Commissioner Palmer inquired about progress with the Mesa County Sheriff's Department regarding providing Transportation Security Administration-mandated law enforcement services at the security screening checkpoint. Manager Nystrom responded that she will be meeting with the Sheriff on Friday.

## **IX. OTHER ITEMS**

### **A. November Board Workshop**

The proposed FY 2004 budget will be discussed.

### **B. Invitation to Attend Grand Junction Visitor and Convention Bureau (VCB) Board Meetings**

At the Airport Authority/VCB joint meeting held on September 25<sup>th</sup>, the VCB extended an invitation to the Board to attend their monthly meetings. Manager Nystrom suggested that a Board Member or Authority Promotions and Public Information Officer, Charlie Novinskie attend these meetings. The consensus of the Board was to have Mr. Novinskie attend the meetings on behalf of the Authority.

Chairman McCormick inquired if the Authority receives a copy of the VCB Board Meeting minutes. Staff responded that the minutes are published on the VCB website.

**C. Annual Airport Manager Performance Evaluation (Executive Session)**

Commissioner McCormack moved to enter into executive session to discuss personnel matters as outlined in Colorado Revised Statutes (C.R.S.) § 24-6-402(4)(f). He further moved that without compromising the purpose for which the executive session was requested, the topic of discussion pertains to "annual Airport Manager performance evaluation." Commissioner Palmer seconded. Voice vote: all ayes. Motion carried.

Chairman McCormick stated that the Board entered into executive session at 6:46 p.m. to discuss the "annual Airport Manager performance evaluation." He noted that the executive session would be recorded in the same manner as the recording of the open portion of the Board Meeting. No formal action would be taken during the executive session.

Commissioner Berryman moved to exit executive session. Vice Chairman Gardner seconded. Voice vote: all ayes. Motion carried. The Board exited executive session at 8:58 p.m.

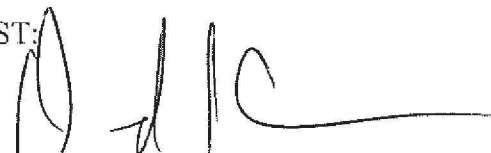
**X. ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned at 8:58 p.m.

APPROVED AND ADOPTED THE 18<sup>th</sup> DAY OF November, 2003.

  
Robert McCormick, Chairman

ATTEST:

  
David J. Anderson, Clerk