

Walker Field Airport Authority

Minutes of the Special Board Meeting

April 6, 2004

BOARD COMMISSIONERS PRESENT: Miles McCormack Roger Little
Bob McCormick Gregg Palmer
Craig Springer Karen Berryman
Dan Lacy

AIRPORT STAFF PRESENT: Corinne Nystrom David Anderson
Gary Mancuso Charlie Novinskie
John Thomas Ben Peck

ALSO PRESENT: Bob Kretschman of the Grand Junction Daily Sentinel; Merv Heinecke of Extreme Construction; Jon Johnson of Alpine Group; Tim Fennie of Timberline Aviation; Mike Sutherland of Sky Adventures, LLC; and Louis Buescher and Bob Barry of West Star Aviation.

I. CALL TO ORDER

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

II. APPROVAL OF AGENDA

Chairman McCormack noted that there was a question as to whether or not the posting of notices for this meeting were completed in accordance with the Authority's By-Laws even though notices of this meeting were distributed extensively. Airport Authority Attorney Lloyd Quesenberry commented that State law requires the posting of the meeting notice at three (3) locations within the City of Grand Junction and three (3) locations within Mesa County. Although notices were sent to the ten (10) entities that are designated as official posting sites, two entities appeared to not have posted the notices as required by law. He stated that there is limited case law regarding this issue.

Manager Nystrom stated that the notice for this meeting was distributed in the same manner as all other prior special and regular Board meetings. The agendas are typically distributed on Friday afternoon. Commissioner McCormick noted that the only way for the Authority to control whether or not an entity actually posts the notices is to have a Staff member travel to each location to post the notices. He furthered that if the notice for this meeting is determined to be insufficient, then the notices for prior Authority meetings may have to be considered as insufficient. Commissioner McCormick stated that he feels comfortable that notice of this meeting was sufficient. Commissioners Little, Berryman,

and Lacy concurred. Commissioner Palmer stated that he felt the posting of the agendas was completed in good faith.

As a separate issue, Commissioner McCormick stated that he was uncomfortable with placing Agenda Item V- "Supplementary Agreement with FCI Constructors to Construct Law Enforcement Officer Workstation" and Agenda Item VI- "Bid Award and Contract Agreement for Landside Utility Equipment" on the Agenda. He commented that these are routine business items, and should not be on a special Board meeting agenda. Chairman McCormack noted that because these items are time sensitive, they were added to the agenda. Vice Chairman Springer stated that since the Board is already taking the time to meet, adding these items to the agenda is not an additional burden.

Commissioner Palmer moved to approve the Agenda. Commissioner Berryman seconded. Voice vote: all ayes, except for Commissioner McCormick, who voted against approving the Agenda. Motion carried.

III. REQUEST BY ALPINE GROUND SERVICES, LLC TO TERMINATE GROUND LEASE AGREEMENT

Alpine Ground Services, LLC (formerly known as Timberline Ground Services, L.L.C.) entered into a Ground Lease Agreement with the Authority on June 1, 1996 for the purpose of providing fixed base operator services.

Alpine Ground Services, LLC reached an agreement to sell its assets to West Star Aviation, Inc. Consequently, Alpine requested to terminate its Ground Lease Agreement with the Authority so that West Star would be able to enter into a new ground lease agreement with the Authority for the parcel of ground currently occupied by Alpine.

Staff recommended that the Board approve Alpine Ground Services, LLC's request to terminate its Ground Lease Agreement dated June 1, 1996 (as amended) and authorize the Chairman to: 1) sign a corresponding Ground Lease Termination Agreement and 2) to acknowledge (by signature) a Sublease Termination Agreement applicable to the existing Sublease Agreement between Alpine Ground Services, LLC and New Timberline Aviation, L.L.C. on behalf of the Authority, contingent upon:

- ✓ Alpine Ground Services, LLC being current on all amounts owing the Authority;
- ✓ Execution of a Ground Lease Agreement with West Star Aviation, Inc.;
- ✓ Effective date of the Termination Agreement to be the same as the date of execution of the Ground Lease Agreement with West Star Aviation, Inc.;
- ✓ Authority Attorney review and approval of applicable documents and agreements, as needed; and
- ✓ Final sale and closing between Alpine Ground Services, LLC and West Star Aviation, Inc.

Vice Chairman Springer inquired why West Star was interested in leasing the parcel and purchasing the building. Bob Barry of West Star Aviation, Inc. responded that it has a use for the building. Vice Chairman Springer asked if West Star would ever sell the building. Mr. Barry stated that if the right price is offered, selling the building is always a possibility.

Commissioner Berryman asked what would happen if the Authority did not approve the termination of the Ground Lease Agreement. Tim Fennie of Alpine Ground Services, LLC stated that it would have to review its options. Commissioner McCormick inquired about the effects this transaction will have on the existing Department of Defense fueling contract, which is currently held by Alpine Ground Services, LLC. Mr. Fennie noted that the contract will be transferred to West Star Aviation, Inc.

Vice Chairman Springer inquired if it is proper policy for the Authority, through its leasing activities, to preclude another fixed base operator from the Alpine site. Commissioner Palmer stated that Walker Field is a free market operation, and any new fixed base operator is free to locate somewhere else on the Airport. Commissioner McCormick concurred and noted that he does not want to control the free market activities at the Airport.

IV. GROUND LEASE AGREEMENT WITH WEST STAR AVIATION, INC.

This Agenda Item is associated with Agenda Item III- "Request by Alpine Ground Services, LLC to Terminate Ground Lease Agreement." Manager Nystrom stated that the Authority received a signed proposed standard Ground Lease Agreement from West Star Aviation, Inc. with no additional provisions. Thus she is authorized to sign the Ground Lease Agreement, which would become effective if the Board approved the proposed transaction between Alpine Ground Services, LLC and West Star Aviation, Inc., and all of the contingencies are satisfied.

Commissioner McCormick moved to approve Alpine Ground Services, LLC's request to terminate its Ground Lease Agreement dated June 1, 1996 (as amended) and authorize the Chairman to: 1) sign a corresponding Ground Lease Termination Agreement and 2) to acknowledge (by signature) a Sublease Termination Agreement applicable to the existing Sublease Agreement between Alpine Ground Services, LLC and New Timberline Aviation, L.L.C. on behalf of the Authority, contingent upon:

- ✓ Alpine Ground Services, LLC being current on all amounts owing the Authority;
- ✓ Execution of a Ground Lease Agreement with West Star Aviation, Inc.;
- ✓ Effective date of the Termination Agreement to be the same as the date of execution of the Ground Lease Agreement with West Star Aviation, Inc.;
- ✓ Authority Attorney review and approval of applicable documents and agreements, as needed; and
- ✓ Final sale and closing between Alpine Ground Services, LLC and West Star Aviation, Inc.

Commissioner Palmer seconded. Voice vote: all ayes, except for Vice Chairman Springer who voted against the motion. Motion carried.

V. SUPPLEMENTARY AGREEMENT WITH FCI CONSTRUCTORS TO CONSTRUCT LAW ENFORCEMENT OFFICER WORKSTATION

The Grand Junction Police Department (GJPD) agreed to utilize a proposed workstation to be located near the passenger screening checkpoint on the 2nd floor of the terminal building, if constructed by the Authority. The workstation would be equipped with computers, desks, filing cabinets, and phones provided by the GJPD. The purpose of the

workstation is to allow officers of the Police Department, Mesa County Sheriff's Office, and the Colorado State Patrol to perform administrative duties necessary to provide law enforcement services to the community.

By locating a workstation at the airport, the time for law enforcement personnel to respond to airport security incidents would be reduced if an officer is already present at the workstation. It would also reduce the transit time for officers working on the north side of the City who must currently drive to the Police Station downtown to perform certain administrative duties.

At the February 2004 Regular Board Meeting, the Board appropriated funding not to exceed \$15,000 to construct the workstation. The proposed Supplementary Agreement with FCI Constructors authorizes them to construct the workstation for an amount not-to-exceed \$13,558.

A Hold Harmless License Agreement (drafted by the Authority Attorney using the Authority's standard Hold Harmless License Agreement) has already been signed by the Chief of Police on behalf of the City and the Airport Manager on behalf of the Authority to identify the location of the workstation, to identify the conditions for which it can be utilized by the GJPD, and to indemnify either party against claims, suits, damages, costs, expenses, liabilities, actions, or proceedings resulting from the negligence of the other party during the time that the GJPD is authorized to use the workstation space.

Commissioner Palmer commented that this proposed workstation is a great idea, and would be beneficial to the community. Commissioner Berryman inquired about the term of the Agreement. Staff noted that the term is twelve (12) months.

Commissioner McCormick moved to approve and authorize the Chairman to sign the Supplementary Agreement with FCI Constructors on behalf of the Authority, with a project amount not to exceed \$13,558.

VI. BID AWARD AND CONTRACT AGREEMENT FOR LANDSIDE UTILITY EQUIPMENT

The Authority advertised and received bids for the purchase of a skid steer tractor and attachments to replace the 1984 John Deere tractor. Staff received bids from the following local equipment dealers:

- Delta Implement
- Western Implement
- Bobcat of the Rockies
- Wagner Rents
- Century Equipment
- Faris Machinery

All bids met the Authority's minimum specifications regarding performance, operation, and minimum equipment, as well as the ability to provide rentals of attachments that may be used on future projects by the Authority. The low bid received for the skid steer and basic attachments was from Bobcat of the Rockies--\$17,007.

At the March 2004 Regular Board Meeting, the Board appropriated \$25,000 for the purchase of the replacement equipment and attachments. Due to the favorable bids received, Staff recommended purchasing additional attachments for utilization on Authority projects and maintenance programs. The additional attachments would possibly include a trencher, post hole auger, and construction area sweeper. The entire contract amount, including all attachments would be \$24,750.

Staff recommended that the Board award the bid (\$24,750) to Bobcat of the Rockies and approve and authorize the Chairman to sign the contract agreement with Bobcat of the Rockies for the purchase of the skid steer equipment and attachments.

Commissioner Berryman inquired about the types of projects for which this equipment would be used. Staff stated that the skid steer would be used primarily for landside projects, including small construction projects and additional phases of landscaping.

Commissioner Little moved to award the bid (\$24,750) to Bobcat of the Rockies and approve and authorize the Chairman to sign the contract agreement with Bobcat of the Rockies for the purchase of the skid steer equipment and attachments. Commissioner Berryman seconded. Voice vote: all ayes. Motion carried.

VII. DISCUSSION: WFAA BY-LAWS REVISIONS

Staff provided the Board with proposed revisions to the Authority's By-Laws. Commissioner McCormick expressed concern about adding "employees" to the section pertaining to the non-liability for debts and indemnification of Directors and Officers of the Authority. He recommended the possibility of addressing employee non-liability and indemnification within another section. Additionally, he inquired if adding employees for such non-liability and indemnification may have some type of impact upon the Authority's insurance coverage.

Chairman McCormack inquired whether or not the Authority could enter into an Executive Session without having previously listed such item on the Agenda. Authority Attorney Quesenberry stated that he would research this issue. Commissioner Palmer requested that revisions be made to the Director attendance requirements.

Manager Nystrom noted that a Bill is pending in the Colorado State Legislature to raise the dollar amount at which point a formal bid process is required for the purchase of goods or services. The Bill would increase the amount from \$10,000 to \$50,000. She recommended that the Board review whether it would like to duplicate the State dollar amount or have a reduced amount.

Chairman McCormack recommended that the Authority continue its review of the proposed revisions to the By-Laws at a future Board Meeting or Workshop.

VIII. OTHER ITEMS

Commissioner Berryman commended Staff for its work in hosting the Grand Junction Area Chamber of Commerce's Business After Hours.

IX. PERSONNEL MATTERS (EXECUTIVE SESSION)

Commissioner Palmer moved to enter into Executive Session in order to discuss personnel matters as outlined in the Colorado Revised Statutes (C.R.S.) § 24-6-402(4)(f). Without compromising the purpose for which the Executive Session was requested, the topic of discussion pertained to Airport Manager performance goals and organizational review. Commissioner Little seconded. Voice vote: all ayes. Motion carried.

Chairman McCormack noted that the Executive Session would be recorded in the same manner as the recording of the open portion of the Board Meeting. Additionally, he stated that no formal action would be taken during the Executive Session.

The Board entered into Executive Session at 7:00pm.

The Board exited Executive Session at 9:07pm.

X. ADJOURNMENT

There being no further business to come before the Board, Commissioner Little moved to adjourn the meeting. Commissioner McCormick seconded. Unanimously carried.

The meeting was adjourned at 9:07pm.

APPROVED AND ADOPTED THE 18th DAY OF May, 2004.

Miles C. McCormack
Miles C. McCormack, Chairman

ATTEST:

David J. Anderson
David J. Anderson, Clerk