

# Walker Field Airport Authority

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## Minutes of the Regular Board Meeting

December 7, 2004

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

**AIRPORT STAFF PRESENT:** Corinne Nystrom Charlie Novinski  
David Anderson Gary Mancuso  
Ed Storer John Thomas  
Ben Peck

**ALSO PRESENT:** Mayor Bruce Hill, Grand Junction City Council; Mitch Rothman of Rothman Law Firm; and Bob Kretschman of The Daily Sentinel.

### I. CALL TO ORDER

The meeting was called to order at 5:15 p.m. Chairman McCormick welcomed Mayor Bruce Hill who was present at the meeting.

### II. APPROVAL OF AGENDA

Commissioner McCormick moved to approve the agenda. Commissioner Little seconded. Voice vote: all ayes. Motion carried.

### III. PUBLIC COMMENTS AND COMMUNICATIONS

There were no public comments or communications.

### VI. CONSENT AGENDA

#### A. Minutes: November 16, 2004 Regular Board Meeting

#### B. Request to Re-Appropriate FY2004 Capital Funds

As a part of the FY 2004 capital budget, \$20,000 was appropriated for "Operations Vehicle/Equipment" and "Surplus Equipment" in aggregate. To date, \$10,800 has been expended towards these items. Because of an opportunity to obtain high-performance foreign object debris (FOD) removal equipment, Staff requested that the remaining funds from these two (2) capital items be reappropriated for the purchase of the FOD removal equipment.

C. Resolution No. 2004-015: Resolution to Renew Line of Credit with Alpine Bank

As a part of the FY 2004 Budget, the Authority authorized a \$350,000 line of credit for cash flow purposes and to ensure compliance with the Authority's Non-Restricted Cash Reserves Policy. Alpine Bank has approved a \$350,000 line of credit with materially the same provisions as the most recent line of credit the Airport Authority had with them. Although the Authority is not required to advertise another request for proposals (RFP) for the line of credit, the Authority contacted all known financial institutions in the Grand Valley to obtain the most competitive rates and terms. The proposed line of credit documents are materially similar to the previous line of credit documents.

Staff recommended that:

- the Board approve Resolution No. 2004-015: Resolution to Renew Line of Credit with Alpine Bank in the amount of \$350,000, with a variable rate of 5.0% APR (at Prime + 0%); and
- the associated Corporate Resolution to Borrow (standard form to be provided by Alpine Bank), or similar document associated with this transaction to be labeled as Resolution No. 2004-015; and
- the Chairman, a Commissioner other than the Chairman or Vice Chairman and Staff be authorized to sign the resolution and any documents necessary to execute the line of credit (in accordance with the Authority's Banking Resolution).

D. Bid Award and Letter of Engagement to Perform Audit of Walker Field Airport Authority Financial Statements

In October, 2004, the Airport Authority advertised a request for proposals (RFP) to conduct the audit of the Airport Authority's financial statements and to provide general audit services with a possible three (3) to five (5) year engagement. Four (4) accounting firms responded to the RFP. The following is a summary of the proposals:

Firm	Proposed Fee
Chadwick, Steinkirchner, Davis & Co., P.C. (Grand Jct.)	Not to exceed \$7,950
Dalby, Wendland & Co., P.C. (Grand Jct./Montrose)	Not to exceed \$8,000
Bondi & Co., LLP (Denver)	Not to exceed \$8,000
Reynolds, Henrie & Associates (Denver)	Not to exceed \$19,750

Dalby, Wendland & Co., P.C. has performed the audit services for the Authority for the three (3) previous fiscal years. For the three (3) fiscal years prior to that time, Chadwick, Steinkirchner, Davis & Co., P.C. (CSD) performed the audit services. Regardless of which audit firm is selected, Staff recommended that the audit term be increased to five (5) years. It is anticipated that this will reduce the frequency in which audit firms need to familiarize or re-familiarize themselves with the Airport Authority's operations and unique financial structure.

In addition to CSD submitting a lower proposed fee to conduct the annual audit of the Authority's financial statements, its hourly rates for general auditor services are also less.

All firms that submitted proposals indicated they would be able to meet the requirement of presenting the audit reports to the Authority Board of Commissioners at the April, 2005 Regular Board Meeting.

Although the auditors report directly to the Board, Staff recommended that the Board select Chadwick, Steinkirchner, Davis & Co., P.C. to perform the annual audit of the Airport Authority's financial statements for an initial not to exceed amount of \$7,950, to perform general audit services as needed, and with a term for all audit services up to five (5) years (to be reviewed on an annual basis). Additionally, Staff recommended that the Board approve and authorize the Chairman to sign the letter of engagement with Chadwick, Steinkirchner, Davis & Co., P.C. for the initial year of audit services.

**E. Bid Award and Contract for Terminal Building Vending Machine Concession**

The existing Terminal Building Vending Machine Concession Agreement with the Airport Authority expires on December 31, 2004. A request for proposals (RFP) was advertised for an exclusive packaged snack and beverage vending machine concession in the terminal building.

The proposed concession term is for five (5) years beginning January 1, 2005, and the scope of the concession includes snack and beverage machines on the first and second floors of the terminal building including the secured boarding area.

Two (2) bids were received by the deadline:

- Swire Coca Cola of Grand Junction's proposal includes:
  - ✓ (Coke products) 25% of gross revenues to WFFA
  - ✓ Although requested in the RFP, the bid did not include snacks
  
- Castaway Vending, Inc.'s proposal includes:
  - ✓ Soft Drinks (Variety) 30% of gross revenues to WFAA
  - ✓ Coffee 25% of gross revenues to WFAA
  - ✓ Candy/Snacks (Variety) 25% of gross revenues to WFAA

Staff recommended that the Board award the exclusive packaged snack and beverage vending machine services concession to Castaway Vending, Inc. subject to the conditions included in the RFP, and signing a standard Building Use and Lease Agreement with the Airport Authority.

Commissioner Palmer moved to approve the items on the Consent Agenda. Vice Chairman Springer seconded. Roll call: all ayes. Motion carried. (Commissioner Berryman was not present for the vote).

V. ACTION ITEMS

A. Public Hearing Regarding Proposed 2005 Budget and Appropriations

Members of the public were invited to provide comments or ask questions regarding the Proposed 2005 Budget and Appropriations. Notice of the proposed budget was published in the Daily Sentinel in accordance with State law. There were no public comments regarding the Proposed 2005 Budget and Appropriations.

B. Resolution No. 2004-016: Resolution to Adopt 2005 Budget and Appropriate Sums of Money

Staff presented the Board with the proposed 2005 Budget that was discussed at the November Board Workshop and Regular Board Meeting. Staff recommended that the Board approve Resolution No. 2001-016: Resolution to Adopt 2005 Budget and Appropriate Sums of Money and authorize the Chairman to sign the Resolution on behalf of the Authority.

Commissioner Springer asked if the federal grant funds included in the proposed 2005 Budget have been approved by the FAA. Manager Nystrom clarified that the estimated federal grant funds for 2005 are based on Staff's most recent discussions with the FAA. Commissioner Palmer questioned the amount proposed for the line of credit, specifically that the line of credit figure was not indicative of an actual budget deficit or a shortfall. Staff explained that it reviews the availability of cash flow to cover end-of-year project invoices and other expenditures. Based on those projections, Staff estimated that it may need to draw approximately \$200,000 at the end of 2004 to pay the large amount of end of year invoices while maintaining the targeted cash reserves level. Staff added that it estimates the Authority will have approximately \$750,000 of cash and CD's on deposit as of December 31<sup>st</sup>, 2004.

Commissioner McCormick inquired regarding the percentage of labor costs versus the total operating budget and recommended that additional information regarding labor costs be reviewed at a future Board Workshop. Commissioner Palmer concurred. Manager Nystrom summarized the proposed personnel changes for 2005.

Commissioner Springer moved to approve Resolution No. 2004-016 and authorize the Chairman to sign the Resolution on behalf of the Authority. Commissioner McCormick seconded. Roll call: all ayes. Motion carried.

VI. DISCUSSION ITEMS

A. Landing View Lane Extension Configuration

Manager Nystrom noted that Landing View Lane is in the process of being relocated as a part of the FAA Airport Improvement Program (AIP-29) project in preparation for the development of the air cargo facility. The Landing View Lane intersection with Falcon Way is currently being modified, subject to FAA approval. Feedback from the City of Grand Junction Public Works Department will also be solicited.

Manager Nystrom noted that Staff's intent was to provide the Board with an update regarding the latest concept pertaining to the Landing View Lane relocation and that Staff was not seeking formal action from the Board.

## VII. AIRPORT MANAGER'S REPORT

There was no additional information to add to the Airport Manager's Report.

## IX. OTHER ITEMS

### A. Nominating Committee for FY2005 Board Officers

Chairman McCormack informed the Board that Commissioners Palmer, Berryman, and McCormick had agreed to serve on the Nominating Committee for FY2005 Board Officers.

### B. Holiday Gathering

Manager Nystrom invited the Board to attend the Authority's Holiday Gathering on December 16<sup>th</sup> at 2:00 p.m. on the first floor of the terminal building and welcomed everyone to attend. She also extended a personal invitation to Grand Junction Mayor Bruce Hill.

### C. January Board Workshop

Manager Nystrom announced that the Board Workshop is scheduled for January 4<sup>th</sup> and that one of the possible topics for discussion could be the landside/Landing View Lane extension concept, depending on the availability of additional information prior to the Workshop.

Chairman McCormack stated that the Airport Manager's evaluation process was basically completed. However, in order to finalize the evaluation, further discussion was required to address a proposed salary increase. It was agreed to set an Executive Session at the January 2005 Regular Board Meeting.

Commissioner Springer asked about the procedures for filling the at-large Board member position. Chairman McCormack responded that the position had been advertised, and the deadline for submitting resumes and letters of interest for the position is Thursday, December 30, 2004.

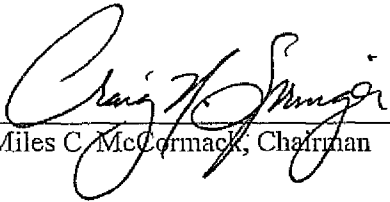
Chairman McCormack suggested that the Board review the resumes and letters of interest at the January 2005 Board Workshop. Manager Nystrom stated that copies of the materials received would be provided to the Board for review. She explained that once the Board has appointed the new at-large Board member, the selected candidate information would be presented to the City of Grand Junction and Mesa County for their review and ratification.

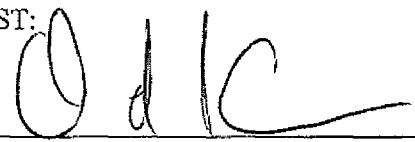
X. ADJOURNMENT

Commissioner Palmer moved to adjourn the meeting. Commissioner Berryman seconded. Voice vote: all ayes. Unanimously carried.

The meeting adjourned at 6:22 p.m.

APPROVED AND ADOPTED THE 18<sup>th</sup> DAY OF January, <sup>2005</sup>~~2004~~.

  
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Miles C. McCormack, Chairman

ATTEST:  
  
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David J. Anderson, Clerk