

AIRPORT BOARD MINUTES - SEPTEMBER 24, 1970

Present: Members Youngerman, Aubert, Wadlow, Lanm, Meachem, Anderson; Airport Manager Gus Byrom, Secretary Ted Ford; City Finance Director Bill Manchester; Gordon Hopkins of Avis Car Rental; Dan Halverson of Hertz Car Rental; William Reno of National Car Rental; C. Teed of The Daily Sentinel.

Purpose of meeting was to allow three present Car Rental Agencies to discuss with Board possible implications of having a fourth car rental agency in the Terminal.

Byrom offered a telegram from Dale Hahn of Budget Rent-A-Car that was read by all - copy as follows:

Budget Rent-A-Car in Business in Colorado nine and a half years Three years in Grand Junction. Grand Junction now under local ownership cars will be purchased and titles locally Budget statewide runs 700 cars anticipates 200 cars in Aspen Grand Junction winter fleet basic rates on November 1st \$9.00 a day nine cents a mile if in terminal mileage 11 cents gas included with two discount type car rental companies in Denver Stapleton Terminal there has been no price cutting and big three growth not slowed Budget has owned following and will continue to grow. I believe Grand Junction Airport would prosper by admitted Budget to terminal with no harm to present licensees.

Mr. Gordon Hopkins of Avis Car Rental said his company felt a fourth agency in the terminal could result in a 30% drop in revenue. He said his company statistics show that off-airport customers stay off airports, so if Budget Rental Car moved into terminal, there would still be off airport customers that someone else would pick up. Hopkins said Budget had less cars than National Car Rental this last year, so Budgets revenue to Airport would be less than Nationals. He added, "If Budget was in terminal and increased business they'd only take business away from us." Hopkins also said parking space is a problem, that National is trying to get on its feet with a new owner, and might be hurt by a New Car Agency in the terminal.

Byrom said he had contacted Miami and Salt Lake City, and that both indicated they had only the three major agencies in their terminal, Hertz, Avis, and National. Byrom said Budget is in very few airports across the nation. Byrom also said the three agencies now have rates that will compete with Budget.

Dan Halverson, of Hertz, told Board if Budget moves into terminal, the present agencies won't lose business, they'll merely cut rates.

Member Meachem said parking would be a problem if a fourth agency is allowed in the terminal ... that move agencies could result in higher expense later when a new terminal is built, and suggested Board pull in horns and don't allow a fourth car rental until plans more set for new terminal.

Member Lamm said with a little extra spent now for additional space on planned renovation, it would be the cheapest money the Board has ever spent. Lamm said a look back for five years will show that more space would be desirable. Byrom, in answer to question by member Aubert, said National would pay approximately \$3,000.00 for office space, and that Budget would do the same.

Anderson and Meachem both expressed disapproval of allowing fourth agency in terminal.

Anderson said he would withdraw his motion from the last meeting, and make the following new motion. "That the Board restrict the Car Rental Agencies to three for a period of three years."

Madlow seconded the motion. Anderson, Meachem, Madlow, and Youngerman voted yes ... Lamm voted no.

Various plans were again discussed by Byrom. Lamm then made motion that Plan D be approved, at an estimated cost of \$45,000.00. This would entail no extra Lobby space, an office for National, a pair of rest rooms,

and baggage check-in and claim areas.

Meachem seconded the motion, and it passed unanimously.

The meeting adjourned at 8:35 A.M.

T. M. Ford, Secretary