

AIRPORT BOARD MINUTES - APRIL 13, 1970

Those Present: Members Richard Youngerman, Stan Anderson, Ed Lamm, Jack Wadlow, and Lawrence Aubart, Airport Manager Gus Byrom, City Manager Richard Gray, Attorney Gerald Ashby, Jim Dufford, Representing Car Dealers Association, Car Dealers: Jim Fuoco, Jim Eisenhauer, Les Shellebarger, Jesse Boyce, Jack McLaughlin, Rental Car Managers Dan Halverson and Everett Pond.

Airport Manager Byrom passed out copies of Addendum Lease to Hertz that was granted on one acre of land for \$50.00 at Airport meeting of June 16, 1969. Byrom read the lease, (copies attached to these minutes.) And a discussion followed. (The discussion centered on the sale of cars from the Airport.) Jim Dufford pointed out the Board had stated at Meeting of June 9, 1969 that there should be no sales of used cars ... then apparently reversed itself.

Byrom stated that Airport Attorney Ashby gave legal opinion that if leased cars are considered equipment (which they apparently are), then they legally can be sold at Airport.

Ashby stated it was legally questionable that the Board could stop Hertz from selling cars: Ashby said he told the Board that this practice is common across the U. S.

A discussion followed, with the following points made: Dufford stated the car sale business is not needed for Airport operations such as the restaurant. He said the car dealers object strongly to sales from the Airport. He said they would not object if Hertz sold only about 20 cars from the Airport, with the remaining cars being sold elsewhere. Dufford also questioned the legality of the lease.

Auto Dealer Jim Fuoco said most rental cars in other areas sold through

car auction.

Auto dealer Jim Eisenhauer said it is unfair to lease ground for \$50.00 a month to sell cars. Eisenhauer said car dealers are put at disadvantage with the large number of rental cars needed for skiers, that subsequently are sold.

Car dealer Jesse Boyce said he recently invested \$28,000.00 in used car operation that he may shut down due to poor business.

Dan Halverson of Hertz pointed out that many car dealers are getting into rental. He said he can not believe that he is hurting car dealers since he says he only accounted for 4% of all car sales in Mesa County in 1969. Halverson also said he has put at lease \$7,500.00 into acre lot at Airport, so costs are actually higher than \$50.00 a month.

Airport Manager Byrom said if car sales disallowed, then rental car will sell from another location and many rentals will also be made outside Airport, with a loss of revenue of perhaps 5%.

Board member Aubert said rental car agencies should not be competing with car dealers. He said he felt there was a disadvantage due to the low rent.

Youngerman agreed. Suggested Hertz be restricted to storage lot only. Anderson said he did not feel it would be right to terminate the lease at this time. Wadlow agreed there is not much that can be done about lease now. He suggested a long look at future leases.

Attorney Ashby suggested lease might be terminated by January 1, 1971, with 60 days notice. Youngerman suggested no action at this time, but the Board would take a hard look before first of year.

On other subjects: Byrom said preliminary engineering is being done on proposed runway extension. He asked if any state funds might be available anywhere.

or if Board could find or borrow some money so dirt moving part of project could be started. Byrom said advice from fiscal agent is that bonds for runway extension and for terminal should be sold seperately. Byrom received Board Approval to ask F. A. A. for any small amounts of funds that might help get dirt moving started soon. He said hangup on Federal Airport Bill is aid to terminals -- that the U. S. Senate wants this in Bill -- House does not. A conference committee now has Bill.

Board adjourned at 9:30 P. M.

T. H. Ford, Secretary

LEASE ADDENDUM

THIS ADDENDUM to that certain Lease, dated January 1, 1966, in which the CITY OF GRAND JUNCTION, and the COUNTY OF MESA, COLORADO, are Lessor and O. S. HALVERSON, a licensee of HERTZ SYSTEM, dba REED MILLER, INC., is Lessee, entered into this 1st day of August, 1969, between said parties:

WITNESSETH:

1. That by this Addendum, there is hereby leased by Lessor to Lessee the real property as the same is described in Exhibit 1 attached hereto and made a part hereof by reference.

2. The lease of said land shall be for a term of three years from the date hereof except as the term is subject to the cancellation provisions in the basic Lease.

3. Rental of \$50.00 per month shall be paid monthly, in advance, for said property beginning at the time of the execution of this Addendum.

4. Said property may be used for the storage, servicing and sale of the rental cars of the Lessee; provided that no used car signs, no lights other than those necessary to light the area, and no pennants or similar devices shall be permitted on the location to give the area a used car lot appearance.

5. Where the same are applicable, all of the terms of the basic Lease shall apply herein as though a stated part hereof.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals this 21st day of July, 1969.

CITY OF GRAND JUNCTION, COLORADO  
COUNTY OF MESA, COLORADO