

AIRPORT AUTHORITY MINUTES
May 26, 1977

Members present: Chairman Larry Brown, Commissioners Maxine Albers, Larry Kozisek, Robert Holmes. Airport Manager Jim Spelman, Acting Clerk Mary Ann Harms

The meeting was called to order by Chairman Brown. The Minutes of the April 28 regular meeting and the May 12 special meeting were unanimously approved on a motion by Comm. Kozisek and seconded by Comm. Albers with the following changes; page 7, April 28th minutes change Larry Brown's name to Errol Snider in the 3rd paragraph and add Comm. Colescott as seconding the last motion. Comm. Albers asked that the May 12 minutes reflect her negative vote to indicate the importance she places on the larger lines being put in at the same time the BLM constructs their facility.

The Airport Manager gave a brief background on the current rent a car lease negotiàtion status. Mr. Cox of National and Mr. Cyphers of Reed Miller asked for a five year term. Mr. Spelman felt five years was too long and a three year term would be better for all parties. Chairman Brown asked about specific space assignments in relationship to the individual leases. Mr. Spelman said the spaces across from the canopied area and on the East end of the terminal building were available on a rent free, mutual convenience basis as negotiated last winter. Chairman Brown did not want the area across from the canopy specifically cited in the lease should it become necessary within the term of the lease to use these spaces for public accomodation. The position of the Board as stated by Comm. Kozisek was that the leases as written do

not leave any option open if the public needs more free parking than the spaces provided under the canopy plus the APCOA Lease is up in 1978 and there could be some changes in parking made at that time. Mr. Cox pointed out that Budget Rent-a-Car (Budget had no corporate representative present) had three or four spaces on the extreme South end of the area in question. Mr. Cyphers said that these spaces really didn't matter to him that they were never available when you needed them anyway. Mr. Cox pointed out that these were Budgets only areas. After some discussion Chairman Brown directed the Airport Manager to proceed with the leases if he could and to assure the rent-a-car companies the same number and approximately same location for their assigned spaces. Mr. Cyphers said they do not want an annual lease, that Denver contracts are five years and that the rental agencies are open to anything as long as it is equivalent to what they now have.

Chairman Brown suggested a three year lease and the period could be extended to five years when the plans for the parking and new terminal are firm. Mr. Cyphers said as the airport changes they will change but not always to a greater percentage and more rental per square foot. Mr. Spelman said the square footage charge could change with airline negotiations but that the object was to make all rates and charges equal.

Comm. Kozisek suggested that if a new terminal is built during the five year lease term it would render the lease null and void and new leases would have to be negotiated and the rent-a-car concessions could be put up for bid. Chairman Brown stated the three year lease is as good as a one year lease and the concern is not the revenue but public accomodation and flexibility. Comm. Holmes asked if in the

process of negotiating these leases some rent-a-car companies were locked out. It was pointed out that physically no more were able to fit into the terminal and that Aspen and Dollar a Day were permitted operation but there was physically no space for them.

Chairman Brown asked if there were any other items in the lease that needed discussion. Mr. Cox said it was his understanding that the counter and parking spaces were supposed to be \$5/sq.ft. and .05¢/sq. ft. respectively and they were written in at \$10 and .10¢. After discussion it was brought out that rather than revenue, these charges were for the use of the space and not for the right to do business and that all the companies pay 10% of their gross including those who have no right to space on the airport. Comm. Albers did not feel that the rent-a-cars and the airlines space rental needed to be tied together. Comm. Kozisek said as this was not a primary revenue source he would have no objection to \$5/sq.ft. for counter space and 10¢/ sq. ft. for parking. Mr. Cox said this would be \$19.00 per year per parking space. Comm. Kozisek asked the rent-a-car representatives if the 10¢ outside fee was an overcharge and that there would be some physical rearrangements necessary in the next couple years. Chairman Brown felt that \$19/parking space/year was high if nothing would be done and low if improvements were made. Mr. Cox said the four rent-a-car companies needed to get together. Chairman Brown restated the Board's offer of \$5/sq.ft. counter space and 10¢/sq.ft. outside parking space, a three year term and the assurance of a similar amount of outside reserved space in reasonable proximity to a workable operations arrangement. Comm. Albers suggested they discuss the offer and get back with the Board possibly at the luncheon meeting in June and that the rent-a-cars would be given

ample notice of the date of the meeting. Mr. Spelman was instructed to get copies of the agreements to the Board members.

The Airport Manager said Avis had approved their land lease and had Reed Miller approved theirs, as these leases should remain of even date. Chairman Brown asked if it were safe to lock this land up for three years. After some discussion of future development Comm. Kozisek moved that the Authority sign a three year land lease with Avis and Reed Miller, Inc. at the rate of 3¢/sq.ft./year effective January 1, 1977. Mr. Cyphers asked that the lease be dated as of today. Chairman Brown suggested that the lease begin on January 1 and any difference in fees be waived and that both leases contain a holding over clause. Comm. Albers seconded Comm. Kozisek's motion which passed unanimously.

Mr. Spelman had received a letter from Mr. Beckner regarding the airport liability insurance renewal for a premium of \$3,015. Mr. Beckner suggested raising the limits to \$10 million rather than the \$5 million now carried. After discussion Comm. Kozisek moved that the Board approve the insurance policy for the coming year at \$3,015, with the \$15.00 difference in premium over the budgeted amount. Comm. Albers seconded the motion which passed unanimously.

The payables were presented for payment and Comm. Albers moved they be approved for payment. Comm. Kozisek seconded the motion which passed unanimously.

Mr. Spelman gave a rundown of the three major priority projects; taxiway extension (stopped by the FAA), lowering of the threshold of 29 and resurfacing of the first 500-700 feet of 22, and ramp expansion. Monarchs lease on the Wegner ramp is up next year and this should be considered in rebuilding that areas ramp. The project needs to be

engineered and we have a contract with Isbill and Associates and should have them do a preliminary investigation for a lump sum payment and to follow through with bid specifications and engineering inspections, etc. Comm. Kozisek moved that Mr. Spelman be authorized to enter into negotiations with Isbill regarding this project. Comm. Albers seconded the motion which passed unanimously.

Mr. Spelman gave the following reports: The Master Security Plan has been approved by the FAA and the Rules and Regulations to guarantee ramp safety and vehicle identification need to be enforced through the Colorado Administrative Procedures Act procedure (advertising and Public Hearing); the enplaned passengers have started to gain over last year after a slow first four months and should end up even with last year; a fire school is in progress to train the volunteers at Walker Field; the Treasurer's Report showed accounts receivable down and the accumulated monies up, showing the slow ski season did little financial damage to the airport.

Chairman Brown brought up the GSA bid problem with our alternate putting their bid over the \$500,000 limit they had. Mr. Spelman said we would try to bid it separately though we couldn't take the low bidder but would take the GSA bidder.

The Thursday set aside for the Board luncheon at Walker Field needs to be moved to the second Wednesday to avoid a conflict in Comm. Roland's schedule.

Chairman Brown reported the Aviation Committee of the Chamber has offered to help the Authority wherever they can and Mr. Spelman said the Airport needed survey data on who is using the airport to assist the airports bid for oil shale and other funding that is becoming available for regional and local development in energy develop-

ment's impacted areas. He also pointed out they can also help in CAB type proceedings. Chairman Brown directed the Airport Manager to send a letter to Dennis Lowery inviting the Chambers participation and Mr. Lowery's and the Chambers ideas on their participation in the above type projects and if they were formulated by the June 8th meeting to give a brief presentation at the luncheon.

A brief discussion of when the Rules and Regulations Hearing should take place took place with no final decision.

Ted Straughan, representing the Chamber Aviation Committee, asked how the new terminal was going to be financed and Chairman Brown said through whatever funding would be available at that time and our own increased revenue base. He also pointed out that so far the airport has been right on the schedule set out in the Master Plan and that the terminal development was set within the next 2½-5 year period at roughly \$3½ million. Mr. Spelman pointed out the scope of such a development would consider the various elements, such as lobby, airline counter, freight, restaurant areas, against priority of need and revenue they could generate and on that basis could add or delete items to build a more or less expensive terminal.

Comm. Albers moved the meeting be adjourned and Comm. Kozisek seconded the motion which passed unanimously at 10:00 p.m.

MEMO

Date: June 21, 1977

To: Board of Commissioners
From: Jim Spelman, Airport Manager

Re: Proposed Meeting Agenda
Regular Meeting, June 23, 1977
7:30 p.m., County Court House Annex
Grand Junction, CO

Due to the fact that we have received late billings we have not been able to complete the Accounts Payable List except as enclosed, or develop the materials for the Treasurer's Report and the Explained Passenger Report was given at the last informal meeting. Because of this and the matters relating to the fencing exemption (copy with notes is attached) which are still undecided I am unable to propose an Agenda. I will talk with you before the meeting concerning the items.