

EXCERPT FROM THE MINUTES OF A SPECIAL MEETING
OF THE BOARD OF COMMISSIONERS OF
WALKER FIELD, COLORADO, PUBLIC AIRPORT AUTHORITY

HELD ON THE 13th DAY OF JUNE, 1978

A special meeting of the Board of Commissioners of Walker Field, Colorado, Public Airport Authority, was held in the Tower Building, at Walker Field, Mesa County, Colorado, on Tuesday, the 13th day of June, 1978, at the hour of 7:30 o'clock P.M.

The meeting was called to order by the Chairman, and on roll call the following members of the Board were present:

Chairman:	Larry Brown
Vice-Chairman:	Maxine Albers
Members:	Robert W. Holmes
	Lawrence L. Kozisek
	Howard Roland
	Errol Snider

Absent: _____

Also present:

Clerk:	T. M. Ford
Treasurer:	James W. Spelman

Thereupon the following Resolution was introduced:

R E S O L U T I O N

WHEREAS, Walker Field, Colorado, Public Airport Authority (herein the "Authority") is a duly organized and existing body corporate and politic, constituting a political subdivision of the State of Colorado, having been established pursuant to Title 41, Article 3, Colorado Revised Statutes 1973, as amended; certified proceedings of the City of Grand Junction and the County of Mesa, State of Colorado, having been filed with the Secretary of State of Colorado on March 24, 1971; and

WHEREAS, a Certificate of Incorporation of the Authority has been issued by the Secretary of State; and

WHEREAS, the Authority, by Resolution dated May 29, 1973, has duly authorized, sold, issued and delivered \$1,020,000 of its Refunding Revenue Bonds, Series A, dated June 1, 1973, of which there are now outstanding the amount of \$795,000, and has further authorized by said Resolution \$200,000 of its Revenue Bonds, Series B, dated June 1, 1973, of which there are now outstanding the full amount thereof (herein collectively the "Outstanding Bonds"); and

WHEREAS, the Resolution dated May 29, 1973, provides that additional bonds payable from the revenues of the Airport and related facilities may be issued on a parity with the Outstanding Bonds, provided that certain earnings tests are complied with; and

WHEREAS, the Authority can comply fully with the earnings tests set forth in said Resolution; and

WHEREAS, the Authority proposes to construct capital improvements to the Airport and related facilities located at Grand Junction, Colorado, known as Walker Field, and to issue the Revenue Bonds hereinafter described to provide the funds therefor, such Bonds and the interest thereon to be issued on a parity with the Outstanding Bonds and without the incurrence of an indebtedness by the State of Colorado or by any of its political subdivisions, thereby promoting transportation by air from and to points within and without the State, all to the benefit and general welfare of the State and the inhabitants thereof.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS
OF WALKER FIELD, COLORADO, PUBLIC AIRPORT AUTHORITY:

Section 1. That for the purpose of paying the costs and expenses of capital improvements to Walker Field Airport and related facilities the Authority shall issue its negotiable coupon Revenue Bonds in the principal amount of \$230,000.

Section 2. Said Bonds shall be dated as of June 1, 1978, shall bear interest evidenced by one set of coupons, designated "A", at the rate of 6-1/2% per annum, payable on December 1, 1978, and semiannually thereafter on the 1st day of June and the 1st day of December each year, shall consist of 46 Bonds in the denomination of \$5,000 each, numbered 1 to 46, inclusive, and shall mature on December 1, as follows:

<u>Bond Numbers</u> <u>(All Inclusive)</u>	<u>Amounts</u> <u>Maturing</u>	<u>Years</u> <u>Maturing</u>
1 - 2	\$10,000	1979
3 - 5	15,000	1980
6 - 8	15,000	1981
9 - 11	15,000	1982
12 - 15	20,000	1983
16 - 20	25,000	1984
21 - 25	25,000	1985
26 - 30	25,000	1986
31 - 46	80,000	1987

In addition to the "A" coupon interest rate hereinabove specified, Bonds maturing in the years 1982 to 1987, inclusive, shall bear interest at the rate of 2% per annum, evidenced by "B" coupons, for the period from June 1, 1978 to December 1, 1982, inclusive, payable December 1, 1978 and semiannually thereafter on June 1 and December 1 each year.

The net effective interest rate on this issue of Bonds is 7.5654%.

Bonds of this issue maturing in the years 1983 and thereafter shall be redeemable prior to maturity in inverse numerical order, at the option of the Authority, on June 1, 1983, and on any interest payment date thereafter, upon payment of par, accrued interest and a premium of 1% of principal.

Notice of prior redemption shall be given by publication in two consecutive weekly issues of a newspaper having general circulation in the City of Grand Junction, Colorado, the first such publication being at least thirty (30) days prior to the date of redemption. Notice shall also be given by registered mail to the original purchaser of the Bonds at the time of the

first publication.

The principal of and interest on said Bonds shall be payable at Central Bank of Denver, a banking corporation, Denver, Colorado.

Section 3. Said Bonds shall be executed in the name of and on behalf of the Authority with a facsimile signature of the Chairman of the Board of Commissioners, with the seal of the Authority affixed thereto, attested and countersigned by the manual signature of the Clerk. The interest accruing on said Bonds shall be evidenced by interest coupons attached thereto, bearing a facsimile signature of the Chairman, and when so executed, such coupons shall be the binding obligations of the Authority according to their import.

Should any officer whose manual or facsimile signature appears on said Bonds, or the interest coupons thereto attached, cease to be such officer before delivery of the Bonds to the purchaser, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes.

Section 4. Said Bonds and the coupons to be attached thereto shall be in substantially the following form:

(Form of Bond)

UNITED STATES OF AMERICA

STATE OF COLORADO

COUNTY OF MESA

WALKER FIELD, COLORADO, PUBLIC AIRPORT AUTHORITY
REVENUE BOND

No. _____

\$5,000

Walker Field, Colorado, Public Airport Authority, in the County of Mesa, and State of Colorado, a body corporate and politic, constituting a political subdivision organized and existing under the laws of the State of Colorado (herein the "Authority"), for value received, hereby acknowledges itself indebted and promises to pay to the bearer hereof, the principal sum of

FIVE THOUSAND DOLLARS

in lawful money of the United States of America on the 1st day of December, 19____, and to pay interest on said sum from the date hereof until paid at the rate of six and one-half percentum (6-1/2%) per annum, as evidenced by interest coupons attached hereto designated "A", payable on December 1, 1978, and semi-annually thereafter on the 1st day of June and the 1st day of December each year. In addition to the "A" coupon interest rate Bonds maturing in the years 1982 to 1987, inclusive, shall bear interest at the rate of 2% per annum, as evidenced by coupons designated "B", for the period from June 1, 1978 to December 1, 1982, inclusive, payable December 1, 1978 and semiannually thereafter on June 1 and December 1 each year.

The principal of and interest on this Bond are payable at Central Bank of Denver, a banking corporation, in Denver, Colorado, upon presentation and surrender of said coupons and this Bond as they severally become due.

Bonds of this issue maturing in the years 1983 and thereafter are redeemable prior to maturity, at the option of the Authority, in inverse numerical order, on June 1, 1983, and on any interest payment date thereafter, upon payment of par, accrued interest and a premium of 1% of principal.

This Bond, the coupons attached hereto and all benefits arising hereunder shall pass by delivery.

This Bond is one of an issue of negotiable coupon bonds in the aggregate principal amount of \$230,000, all

issued under and equally secured by and in accordance with the provisions of Title 41, Article 3, Colorado Revised Statutes 1973, as amended, and a Resolution duly adopted by the Authority at a lawful meeting thereof, and is issued for the purpose of providing the funds for capital improvements to the Airport and related facilities at Grand Junction, Colorado, known as Walker Field.

Both the principal of and interest on this Bond, together with the principal of and interest on outstanding Walker Field, Colorado, Public Airport Authority Refunding Revenue Bonds, Series A, and Walker Field, Colorado, Public Airport Authority Revenue Bonds, Series B, all dated June 1, 1973 (herein "Outstanding Bonds"), are payable solely out of a special fund designated as the "Walker Field, Colorado, Public Airport Authority Revenue Bond and Interest Fund", which Fund shall contain moneys transferred from the "Walker Field, Colorado, Public Airport Authority Revenue Account Fund", which shall be sufficient to pay the principal of and interest on the Bonds and the Outstanding Bonds and to establish a reserve therefor, all as more particularly set forth in the above-mentioned Resolution. The owners and holders of the Bonds of this issue, of which this is one, together with the owners and holders of the Outstanding Bonds, shall have a first and prior lien on such revenues and Fund. Reference is hereby made to such Resolution for a description of the nature and extent of the security and the terms and conditions upon which said Bonds are issued and secured, and the issuance of additional parity bonds, to all of which the holder hereof, by the acceptance of this Bond, assents. This Bond does not constitute an indebtedness of the State of Colorado or any of its political subdivisions within the meaning of any constitutional or statutory limitation.

It is hereby certified, recited and warranted that for payment of this Bond and the interest hereon, the Authority has created and will maintain said Fund and will deposit therein, out of gross revenues from the operation of its Airport and related facilities the amounts and revenues specified in said Resolution, and out of said Fund, and as an irrevocable charge thereon will pay this Bond and the interest hereon, in the manner provided by said Resolution.

It is further recited and certified that all requirements of law and all conditions precedent have been fully complied with by the proper officers of the Authority in the issuance of

this Bond.

IN WITNESS WHEREOF, the Board of Commissioners of Walker Field, Colorado, Public Airport Authority, has caused this Bond to be signed with a facsimile signature of its Chairman, the seal of the Authority to be hereunto affixed, attested and countersigned by the manual signature of its Clerk, and the interest coupons hereto attached to be executed with a facsimile signature of the Chairman, as of the 1st day of June, 1978.

WALKER FIELD, COLORADO, PUBLIC
AIRPORT AUTHORITY

By (Facsimile Signature)
Chairman

(S E A L)

ATTESTED AND COUNTERSIGNED:

(Do Not Sign)
Clerk

(Form of Coupon)

No. _____

\$ _____

No. _____

\$ _____

On the 1st day of December, ^{June} 19____, unless the Bond to which this coupon is attached, if redeemable, shall have been called for prior redemption, Walker Field, Colorado, Public Airport Authority will pay to bearer out of the special Fund designated in the Bond to which this coupon is attached, the amount stated hereon, in lawful money of the United States of America, at Central Bank of Denver, a banking corporation, in Denver, Colorado, being interest the due on Walker Field, Colorado, Public Airport Authority Revenue Bond, dated June 1, 1978, bearing

No. _____

(Facsimile Signature)

Chairman

Section 5. The proceeds of the Bonds shall be used solely for the purposes recited therein and for fees and expenses incurred in the issuance thereof, but neither the purchaser of said Bonds nor any subsequent holder of any of them shall be responsible for the application of such proceeds by the Authority or any of its officers. The issuance of said Bonds by the Authority shall constitute a warranty by and on behalf of the Authority for the benefit of each and every holder of said Bonds that said Bonds have been issued for a valuable consideration in full conformity with law.

Section 6. The Authority shall continue to maintain the special fund heretofore created known as "Walker Field, Colorado, Public Airport Authority Revenue Account Fund", into which Fund shall be deposited all income and revenues derived and to be derived from the operation of the Airport and related facilities, including any additions, extensions or improvements thereto hereafter constructed or acquired.

Moneys in said Revenue Account Fund shall be disbursed in the following manner and order:

(a) For deposits to the special Fund heretofore created known as "Walker Field, Colorado, Public Airport Authority Revenue Bond and Interest Fund" by the transfer monthly of moneys from the Revenue Account Fund equal to 1/6 of the next maturing installment of interest to become due on the Revenue Bonds authorized herein, and 1/12 of the next maturing installment of principal to become due on said Bonds. Such monthly payments into the Bond and Interest Fund for the Revenue Bonds authorized herein shall commence on the first day of the month following delivery of said Bonds. The owners and holders of the Revenue Bonds authorized herein, together with the owners and holders of the Outstanding Bonds, shall have a first and prior lien on such revenues and Fund.

(b) For additional payments into the "Reserve Fund" heretofore created, by making deposits therein totaling not less than \$15,000 per year, so that not later than December 1, 1987, there will be on deposit in said Reserve Fund a sum of not less than \$150,000. Except for the deposit for the year 1978, which the Authority agrees to make upon delivery of the Bonds authorized herein, future deposits into the Reserve Fund shall be

made monthly commencing on the first day of January, 1979, and shall equal 1/12th of the required annual deposit.

The money in said Reserve Fund may be used to prevent defaults in the payment of the Revenue Bonds authorized herein, and interest thereon, but if used for such purpose it shall be restored to the Fund as soon as possible. The Reserve Fund shall be maintained at \$150,000 until such time as the amount therein will be sufficient to pay all of the outstanding bonds authorized by the Authority and the interest thereon. Moneys in the Reserve Fund may be invested in direct obligations of the United States Government or in obligations or securities of any agency or instrumentality thereof, and the interest from any such investments shall be considered as income or revenues of the Airport facility.

(c) After the payments and accumulations hereinabove referred to have been made, any remaining revenues in the Revenue Account Fund may be used for any lawful Airport or related facility purpose as may be determined by the Board of Commissioners.

Section 7. The Authority hereby covenants and agrees with the holders of the Bonds authorized herein that it will establish, maintain and enforce a schedule of fees and charges for the use of the Airport facility and related facilities which shall be at least sufficient to pay the principal of and interest on the Outstanding Bonds and the Bonds authorized by this Resolution, and the payments to the Reserve Fund created herein, together with costs of operating and maintaining said facilities.

Section 8. The Authority hereby further irrevocably covenants and agrees with each and every holder of the Bonds issued under the provisions of this Resolution that as long as any of said Bonds remain outstanding:

(a) It will operate and manage the Airport and related facilities in an efficient and economical manner and keep and maintain separate accounts of the receipts and disbursements thereof in such manner that the income and revenues thereof, payable into the

Revenue Account Fund, may at all times be readily and accurately determined.

(b) It will not sell or alienate any of the property constituting any part or all of the Airport facility in any manner or to any extent that might reduce the security provided for the payment of the Bonds authorized herein, but the Authority may sell any portion of such property which shall have been replaced by other similar property of at least equal value, or which shall cease to be necessary for the efficient operation of the facility; provided, however, that in the event of any sale or sales, as aforesaid, where the aggregate consideration exceeds the sum of \$500, such consideration shall be paid into the Revenue Account Fund and shall be used for the purposes of said Fund into which it is deposited.

(c) At least annually the Authority shall furnish Boettcher & Company, Denver, Colorado, with a complete audit prepared by a Certified Public Accountant, covering the operation of the Airport and related facilities for the fiscal year immediately preceding such audit.

(d) It will carry workmens' compensation, public liability and such other forms of insurance on insurable property of the Airport facility and related facilities in such amounts as are customarily carried on prudently operated facilities of like character. In the event of loss or damage to the Airport or related facilities, the proceeds of insurance shall be used to restore the property so lost or damaged, and the excess, if any, shall be deposited in the Revenue Account Fund.

Section 9. Nothing in this Resolution shall be construed in such a manner as to prevent the issuance by the Authority of additional bonds payable from the income derived from the operation of the Airport facility or related facilities having a lien on such income on a parity with the lien of the Bonds herein authorized; provided, however, that so long as any of the Bonds herein authorized are outstanding, additional bonds of equal lien may be issued only if the revenues of the Airport facility and related facilities for the immediately

preceding twelve months, plus the projected revenues of the Airport facility and related facilities for the next twelve months shall be equal or greater than: 130% of the combined average annual principal and interest on all Outstanding Bonds during the said two year period; plus 130% of the annual principal and interest requirements on the bonds proposed to be issued times two; and plus 100% of actual and estimated operations and maintenance expenses of the Airport facility and related facilities during the said two year period.

The projection of revenues referred to herein shall be provided by a recognized airport consultant mutually acceptable to the Authority and to Boettcher & Company.

Bonds having a lien on the revenues of the Airport and related facilities junior and subordinate to the lien of the Bonds authorized herein may be issued if the Authority is current in the payment of all of the outstanding Revenue Bonds authorized herein, and its Outstanding Bonds heretofore authorized, and it has accumulated the reserves therefor as required by this Resolution and by the Resolution authorizing the Outstanding Bonds.

No additional bonds shall be issued by the Authority pursuant to this Section 9 unless serial maturities shall be provided for.

Section 10. All costs and expenses incurred in connection with the issuance and sale of the Revenue Bonds authorized herein shall be paid exclusively from the proceeds of said Bonds, from the revenues of the Airport, or from other available revenue of the Authority, and in no event shall any of such costs or expenses, or the principal of or interest on said Bonds be paid out of or charged to the general funds or tax levies of the City of Grand Junction or the County of Mesa, State of Colorado.

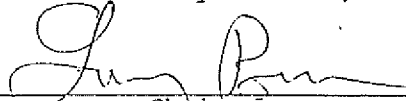
Section 11. The Authority covenants and agrees that it will make no use of the proceeds of the Bonds authorized herein which might cause such obligation to be arbitrage bonds within the meaning of Section 103(c) of the Internal Revenue Code of 1954, as amended, Temporary Treasury Regulations, Section 13.4, and Proposed Treasury Regulations, Sections 1.103-13, 1.103-14 and 1.103-15.

Section 12. Should any part or provision of this

Resolution be judicially adjudged invalid or unenforceable, such judgment shall not affect or impair the remaining provisions hereof, the intention being that the provisions hereof are severable.

Section 13. After said Bonds have been issued, this Resolution shall be irrevocable until both the principal of and the interest on said Bonds shall be fully paid, satisfied and discharged.

ADOPTED AND APPROVED this 13th day of June, 1978.



Chairman

(S E A L)

ATTEST:-



Clerk

Thereupon Commissioner KOZISEK moved that the foregoing Resolution be duly passed and adopted. Commissioner ALBERS seconded the motion, whereupon said motion was put to a vote and carried, the members of the Board of Commissioners voting as follows:


Those voting AYE:

Commissioners: Maxine Albers
Larry Brown
Robert W. Holmes
Lawrence L. Kozisek
Howard Roland
Errol Snider

Those voting NAY: NONE

Whereupon the Chairman declared that the motion was carried and the Resolution was duly passed and adopted, and the Clerk was directed to enter the foregoing proceedings and Resolution in the minutes of the Board.

After consideration of other business to come before the Board, the meeting was thereupon adjourned.



Chairman

(S E A L)

ATTEST:



Clerk