

AIRPORT AUTHORITY MINUTES
July 27, 1978

Members Present: Chairman Larry Brown, Members Larry Kozisek, Errol Snider, Maxine Albers. Guests: George Thompson, Coughlin and Company; Steve Clark and Jim Hill, Boettcher and Company; John Tasker, Ron Rish, Dale Hollingsworth. Airport Manager Jim Spelman, Assistant Manager Paul Bowers, Acting Clerk, Mary Ann Harms

Meeting was called to order by the Chairman at 7:40 p.m. The Minutes of the June 13, 1978 Special Meeting and the June 22, 1978 Regular Meeting were unanimously approved on a motion by Errol Snider, seconded by Larry Kozisek.

City Engineer Ron Rish presented the modified frontside plan. The plan provides 110 rent a car spaces and 317 public parking spaces. A tentative time schedule proposed by Ron Rish was for formal notice to engineering firm on July 7; detail plans and specifications to Ron Rish on August 7; one week to review; to to bid August 15. Chairman Brown asked who coordinates the project and Mr. Rish said not the engineers and that a policy decision needs to be made regarding who does what. Mr. Spelman said it would require a three party letter of agreement between the City, County and Airport Authority. At the August 10, noon meeting Mr. Rish will give a report and the letter of agreement should be prepared.

Mr. Spelman gave a brief introduction to the Coughlin and Boettcher presentations regarding the advance refunding on all current outstanding bond issues.

George Thompson, Coughlin and Company. Refunding would (1) save money (not significant amount over the long run) (2) restructure debts to meet the debt ratio to enable the Authority

to borrow for the terminal building. To do it now would be advantageous if the May 3, IRS regulations are effective as of September 1 as the arbitrage differential would no longer be admissible and would be borne by the Authority. It will be several weeks before we know. Also refunding could change the indentures; be made subject to getting an "A" rating for the airport bonds; also done so there would not have to be another advance refunding in 1981.

Mr. Spelman said no risk is involved that it all depends on the IRS regulations. He felt that Coughlin's agreement should not be executed but look at it again on the 10th. Also, the Board might want to look at proposals from Gerwin and Boettcher. John Tasker said the proposals should be looked at closely. The bond rating and the changing of the covenants would be worth the effort.

George Thompson from Coughlin and Company said the May 3 IRS regulations could increase the cost of refunding the bonds by \$50,000 if the Authority would wait until 1981. The contract offered would define the best payment schedule for 1981. There would be no cost to refund today. The payment schedule would illustrate what can be accomplished. Future bond ratings were discussed . . . there are two covenants on the 1973 issues, one of which is in the is in the most recent issue. The first is that in case of default by the Airport Authority the City and the County may be called upon to pay for operation of the airport. This would be deleted by refunding. The new bonds would be guaranteed through government escrow. The second is the Boettcher approval covenant which also would be deleted. There is no cost for refunding at this time, not only is it appropriate but would

eliminate the above covenants.

Mr. Steve Clark from Boettcher in Denver was introduced. Mr. Clark felt the current interest rates for refunding are currently unfavorable and we should wait for them to come back down. In order to get an "A" rating you must have a 1.85 x coverage of debt service and the current coverage would probably be for a rating of B^{AA}. Larry Brown asked why Boettcher had not mentioned refunding and Jim Hill said only the underwriters benefit and that it would be hard for the airport to get an "A" rating until the revenues are justified. Larry Brown asked about the consent and approval covenant and Mr. Clark answered it is a standard clause to comfort the future bond holders as it guarantees a professional will look at the security for the bonds. Mr. Tasker asked about refunding becoming obsolete and Mr. Clark said no that taking away arbitrage stops unnecessary refinancing. Mr. Tasker asked about future cost and Mr. Clark said it was a point to be made and the main advantage was new money.

Mr. Spelman presented a letter written to the Federal Trade Commission for approval by the Board. The letter was regarding rate control of rental cars by airports. The Authority does currently control advertising for appearance sake and Mr. Spelman suggested this clause in its current form be dropped on future contracts as it could be misconstrued to provide for such rate control.

The Bureau of Land Management had asked permission to place several horses on one acre of airport land behind the GSA building. After some discussion Larry Kozisek moved the agreement with the BLM be approved as submitted; Errol Snider seconded the motion. Commissioners Albers, Kozisek and Brown voted no and Commissioner

Snider voted yes. After further discussion no firm decision was reached.

An amendment to the By-laws of the Authority was presented to allow for a deputy clerk and deputy treasurer of the Authority; by changing Article IV. Commissioner Snider moved the adoption of Article IV as changed and Commissioner Kozisek seconded the motion. Roll call vote was taken: Commissioner Brown, yes; Kozisek, yes; Commissioner Albers, yes; Commissioner Snider, yes. Commissioner Snider moved that Mary Ann Harms be appointed Deputy Clerk. Commissioner Kozisek seconded the motion which was unanimously approved.

Mr. Dale Hollingsworth from the Chamber of Commerce commented that he felt the By-laws could be too easily changed and Comm. Brown said this was a point well taken and such changes should be advertised. Commissioner Snider suggested the By-laws should be tightened up and change should come about in an appropriate manner.

Chairman Brown briefly reiterated the forthcoming special meeting would be to discuss the parking and the bonds and the next regular meeting to have a copy of the By-laws available for review and discussion on them to be at the September luncheon meeting. After a brief discussion Chairman Brown also asked that a copy of the Colorado Airport Authorities Act be handed out at that meeting too.

Mr. Spelman said the airlines have offered 39¢ per thousand pounds gross landing weight. Commissioner Albers moved this amount be accepted, Commissioner Snider seconded the motion which passed unanimously.

Mr. Bowers reported on his progress and research on the

various funding sources available to the airport to aid in the 1980 terminal development not covered by ADAP.

Chairman Brown said we need a case for oil shale funds showing evidence and proof of actual impact. Mr. Bowers said primary impact is difficult to document but secondary impact has been mentioned. Larry Brown said we need a well documented case this fall and Maxine Albers said we should prove primary impact. Mr. Spelman said there will be two presentations this fall; firm estimate on bringing Horizon Drive in a loop to "H" Road to use as a feeder road to the new terminal building and Commissioner Snider suggested Mr. Bob Carr with the Road Department be contacted. The second presentation; local impact assistance team doing a \$25,000 engineering study layout of the terminal development for the best utilization of the space.

Chairman Brown said to investigate construction funds available for new roads, parking lot, etc., to new terminal and put this work into phases. Mr. Spelman said the hill will be moved to provide the road this August; the water is already in and this fall phase 1 of the apron will be done. Mr. Spelman said the new terminal will cost about \$75/square foot.

Commissioner Kozisek said Oil Shale Trust Fund requests should be prepared to be given in December. The County Commissioners need to present priorities to COG and this material for Walker Field needs to be in the hands of the Commissioners by October 1 with documentation, numbers and proof.

Mr. Spelman presented the current status on the ADAP 04 Application and read the Cosponsorship Resolution (attached in its entirety). Commissioner Snider moved for acceptance as read

and Commissioner Kozisek seconded the motion. Roll call vote was taken: Larry Brown, yes; Maxine Albers, yes; Errol Snider, yes; Larry Kozisek, yes.

Mr. Spelman said the Hearing in the U.S. Court of Appeals is to be August 8 at 9:30 a.m. and asked those Commissioners interested to please attend. Paul Bowers said the CAB Colorado Ski-Points Investigation will be August 15, 16 and 17 in Aspen and said a statement and/or direct testimony should be prepared. It was informally decided such a statement should be written and possible the Chairman pro tem could attend.

Mr. Hollingsworth said the Chamber is still working on extra seats and Mr. Bowers said he and Mr. Hollingsworth participated in a commuter air traffic survey being paid for and sponsored by Four Corners Regional Committee money.

The Accounts Payable were presented (attached). Commissioner Snider moved they be paid, Commissioner Kozisek seconded the motion which passed unanimously. The treasurer's report was then given.

The meeting adjourned at 10:40 p.m.

ACCOUNTS PAYABLE
Walker Field Airport
July 1978

Check No.	Description	Amount
2161	Air Photo Surveys	\$ 7,075.00
2162	Robert S. Brownson (glasses - Rodgers)	60.00
2163	City of Grand Junction - June	20,449.04
2164	Colorado Dept. of Revenue (Boiler Inspection	15.00
2165	Western Fire Equipment Co.	694.91
2166	Boss Business & Office Supply	12.45
2167	Corn Construction Co.	52,935.99
2168	Xerox Corporation	339.19
2169	G. W. Arnold (paint solvent)	13.05
2170	APCOA	125.95
2171	Mountain Bell	214.73
2172	Valley Refuse	60.60
2173	West-Col	23.50
2174	Ron Cloyd (Septic Tank Service)	80.00
2175	Miller's Answering Service	35.00
2176	Daily Sentinel	7.25
2177	C. W. Silver Company	91.35
2178	Ute Water (May)	316.05
2179	City of Grand Junction - Sewer	45.60
2180	Eastgate Vacuum	27.85
2181	Dalby-Wendland-Jensen	140.00
2182	Len's Rent All	23.00
2183	Independent Lumber	62.20
2184	Dover Elevator	68.00
2185	Meridian Security	58.50
2186	P.P.G.	67.78
2187	Gibson's	29.07
2188	Grand Valley Rural Electric	1,903.79
2189	Mesa Sanitary	290.80
2190	CED	43.80
2191	Cordray	138.00
2192	Arrow Refrigeration	473.49
2193	Public Service	165.10
2194	H & J Supply Company	9.70
2195	Jim Spelman	100.00
2196	Valley Federal	833.33
2197	First National Bank (Petty Cash Account)	1,067.56
2198	Monarch Aviation	73.14
2199	Steiner Corporation (American Linen)	177.25
2200	Isbill Associates (ADAP 03 Engineering)	22,393.99
2201	Alvin Ricks (Vinyl repair in terminal)	60.00
2202	Roberts Electric	69.07
2203	Boss, Business & Office Supply	24.90
2204	Ute Water (June)	371.56
2205	State Compensation Ins. Fund	3.00
2206	Independent Lumber	17.34
		\$111,286.88