

MINUTES OF REGULAR MEETING  
December 18, 1980

Members Present: Chairman Maxine Albers, Commissioners H.R. Barnett, Louis Brach, Rick Enstrom, Dale Hollingsworth, Bill O'Dwyer and Commissioner-elect George White, also present Airport Manager Paul Bowers, Clerk Mary Ann Harms. Guests Shirl Gordon with C-G Entertainment, Inc.; GJFD Chief R.T. Mantlo and Assistant City Manager Ron Rusky; Realty World Representatives; Monarch Aviation President John Pabst, and Aeroplane Restaurant Owner Dick Pond.

The meeting was called to order and the Minutes of the December 10, 1980 meeting were unanimously approved on a motion by Commissioner O'Dwyer, second by Commissioner Hollingsworth. At the request of Manager Bowers, the Western Colorado Minority Association of Contractors officers and counsel had agreed to postpone their presentation until the January 14th meeting, due to required 1981 budget consideration before year end.

Accounts payable were unanimously approved on a motion by Commissioner O'Dwyer, second by Commissioner Hollingsworth. Accounts receivable were reviewed, noting clearance of the Monarch and Horizon 90 day outstanding accounts. Both were brought current through the end of November.

Manager Bowers discussed the recent disqualification of the Airport as a recipient of FmHA '601' funds. However, both the City and County qualify for these funds and on a motion by Commissioner Enstrom, the County will act as an agent for the airport in pursuing these funds. Commissioner Hollingsworth seconded the motion, which passed unanimously.

Development of City Fire Station Number Five at the existing airport fire station was discussed and approved after Chief Mantlo said the facility could be remodeled into a workable station. Initially the fire station would be manned 24 hours by four men, and later when the airport required full GJFD CFR coverage, the manpower would be reduced to three men. with the GJFD Fire Station #5 located elsewhere on a one acre set aside to serve as backup: Chief Mantlo also requested the Airport Authority agree to provide this one acre of

ground with access to "H" Road and Horizon Drive. Commissioner Hollingsworth made a motion that three or four acceptable sites be worked out with Chief Mantlo and final site selection be negotiated by the Chief and the Airport Manager; Commissioner Brach seconded the motion which passed unanimously.

Mrs. Shirl Gordon, representing C-G Entertainment, Inc., presented a request to the Board for an entertainment center in the current terminal building in an area between the existing Hertz office and the main terminal entrance, with all improvements and machines to be provided by C-G, on a lease square footage plus percent of gross basis. Commissioner O'Dwyer commented on the lack of supervision, no intent by the Board to extend an option to the new terminal building, and obvious lack of public space in the current terminal building. Commissioner Hollingsworth considered this proposal as inappropriate use of this space and also expressed the need for public area. Commissioner Barnett made a motion that the application of C-G Entertainment, Inc. be denied and Commissioner O'Dwyer seconded the motion, which passed unanimously.

Monarch Aviation President John Pabst addressed the 4% fuel flow fee enacted by fiat at the December 10 meeting. Mr. Pabst objected to the 4% fee and asked that the Board meet with him in a workshop to resolve this matter in a fair and equitable manner. The ensuing discussion mentioned the Horizon Aviation agreement to the rate increase, the 17 year span the 4¢/gallon charge had been in force, two Iowa airports already employing this method of payment, and the inability of Mr. Pabst and Mr. Bowers to reach an agreement on three separate occasions. Commissioner O'Dwyer remained in favor of the 4% charge and Mr. Barnett expressed a willingness to work out a way to equate the fuel flow fee to inflation, and Commissioner Hollingsworth suggested that we try the percentage for a short period of time and then open it up for review. Commissioner White suggested a workshop be set up in the spirit of cooperation to review the FBO position and the suggestions of alternate charges to be posed

by Mr. Pabst at that time. Commissioner Brach made a motion to have the 4% fuel flow fee initiated on January 1, 1981 through March 31, 1981 on a trial basis, with a workshop with Mr. Pabst to be held early in January. Commissioner Enstrom seconded the motion which passed unanimously.

Commissioner Barnett reported on the suggested solicitation of proposals to develop an airport airpark, as developed with Mr. Bowers by Airpark Committee members Barnett, Brach and White. Mr. Barnett said he had received several calls from Denver firms that represented large hotels interested in the airport development. Chairman Albers voiced the concern of the Downtown Development Authority (DDA) regarding the airport competing with the efforts of the DDA to revitalize the downtown area through similar type of development. She suggested the Authority discuss possible alternatives to airport land development as well as possible reduction in the forthcoming bond issue from the anticipated \$6 million dollar level. Mr. Bowers noted the main objection of the DDA is to hotel and office building development on airport property. A long discussion followed regarding the actual benefit an airport delay or airport deletion of the objected developments would have on the downtown area, including the following: Mr. Barnett asked if the airport tabled such developments would it really benefit the downtown; also he pointed out that even if the airport abstains from hotel/office building development for the sake of the DDA, there is nothing to preclude the private property owners in the airport area from making their land available for hotel/office building use.

Coughlin Representative George Thompson explained his position as noncommittal regarding the way in which the airport elects to increase its revenues, that his only interest is the shortfall of airport revenues that preclude the issuance of the \$6 million dollar bond issue at this time and that maybe the Board should be looking, as alternatives to hotel/office building developments, to increased or new tenant revenues. Leases could be negotiated with tenants, such as FBO Monarch Aviation, to explore additional FBO

charges such as G.A. landing fees, percentage of aircraft sales and repair, a percentage of tie down and hangar rental, and updated land rental charges; he noted a more dictatorial position could be taken regarding all leases.

Mr. Bowers noted that if solicitations for proposals were put out now, to be returned to the Authority for review by January 15, followed by a two week review period, verbal presentation, March 1 selection, and agreement by April 1, there would then be a sixty day period required to issue bonds which could occur around June 1. A 56 week construction period would be required for the terminal building and if the construction were to start in April, airport revenues would run out in September or October without the bond money. Bowers also noted this would have start of a \$5 million construction project without absolute financing arranged; not an acceptable position and one that needs address. In this regard, the Board asked for a cash flow schedule prepared by the Airport Manager as a visual aid in understanding the total financial picture.

Commissioner Enstrom made a motion that the board accept the recommendations of the Airpark Committee and immediately begin to seek proposals; Commissioner O'Dwyer seconded the motion which passed unanimously. In conjunction with the above motion, Commissioner Brach asked that Manager Bowers immediately work with the Planning Department to establish the airport zone and permitted uses within that zone (Mr. Bowers noted this was already being done). Mr. Brach also suggested that a plat plan be drawn to clearly show the proposed development areas as described in the Airpark guidelines, as well as a clear written statement of the proposed guidelines for the potential developers.

Mr. Lamont Kinkade, representing Realty World asked, for the sake of clarification, if the Board was seeking a minimum annual guaranteed revenue of \$300,000; bond refinance in six years, and the exclusion of a possible "mini-capital" governmental complex as an acceptable development for the airport? He continued that if the Board were to limit the development of this land to preclude hotel/office developments,

scaled down proposals would be offered but it would be doubtful if they could generate the \$300,000 minimum. The Board answered Mr. Kinkade that it would entertain all proposals for the development of the designated areas but would not consider sale of any of the land.

The 1981 Budget hearing convened at this point. The administrative expenditure entitled "consultant services" was clarified as a fund to obtain whatever expertise was needed by the Board for any given project, but was not intended to preclude the use of City/County Attorney Ashby as the Airport's counselor. Discussion of administrative salaries noted the 1981 Airport Manager and Administrative Aide salaries were proposed at the 1980 average level for small hub airports (as established by a AAAE Survey of Airport Salaries). This increased the Administrative Aide salary from the city personnel system level: the Airport Manager salary had historically been set by the Board. The Secretary I position followed directly the city personnel system. Commissioner Barnett moved that the 1981 Airport Manager's salary be set at \$33,125.00 (a 5% reduction from the budget proposal), preface the Administrative Aide position with the word "airport" thus creating a new classification, and leave the Administrative Aide and Administrative Secretary I position as funded in the budget (\$19,484 and \$11,244 respectively); Commissioner Brach seconded the motion, which passed with Commissioner Hollingsworth casting the only negative vote. After further consideration, the 1981 Budget was approved as submitted with the above changes, on a motion by Commissioner Barnett, second by Commissioner Brach, with unanimous passage.

The Board asked that Mr. Bowers present a budget summary, plus a complete financial schedule for the new terminal building, establishing square footage cost and showing revenue requirement for the tenants in the new building so the lease negotiation process could be completed in a knowledgeable fashion.

Mr. Bowers asked the Board to approve a letter of agreement between the Authority and Betty Clark for a six month occupancy, in conjunction with Redstone Helicopters, of the now airport owned Wegner Hangar Building. The agreement would be for \$200 per tenant/month rent (the same as Monarch was previously charging). The adjacent T-hangar to the west would also be leased for the same six month period in a similar manner to various tenants at \$50/month per space. Commissioner Barnett moved that such a letter of agreement be made for these facilities and a reevaluation would take place at the end of the six month period: Commissioner Brach seconded the motion, which passed unanimously.

Mr. Barnett asked the Board for their opinion regarding an alternate choice for attorney for special projects, if Bill Nelson were unavailable; Mr. Nelson previously represented Monarch during airport lease negotiations and Mr. Pabst had recently contacted him, and therefore Mr. Nelson may be reluctant to represent the Authority at this time. The names of attorneys Ivan Clatter and Richard Livingston were suggested and the Board informally agreed that Mr. Barnett contact Mr. Clatter if Mr. Nelson declines.

The next meeting will be January 14, 7:00 A.M. at the airport offices. There was discussion of a forthcoming workshop, to be held in January. Members will be contacted individually regarding time and place.

The meeting adjourned at 1:15 P.M.