

MINUTES OF REGULAR MEETING  
February 27, 1981

Members Present: Chairman Maxine Albers, Members Louis Brach, Rick Enstrom, Dale Hollingsworth, Bill O'Dwyer and George White. Airport Manager Paul Bowers and Clerk Mary Ann Harms. Guests: Joe Bestgen of Avis, Bob Bright from the City/County Planning Dept., COMBE Representative John Basher, WCMAC Joe Vigil and Jim Pacheco

The meeting was called to order by Chairman Albers at 7:00 A.M. The Minutes of the January 22, 1981 meeting were approved unanimously on a motion by Commissioner Brach and second by Commissioner O'Dwyer.

The Western Colorado Minority Association of Contractors (WCMAC) President Joe Vigil and Colorado Minority Business Enterprises (COMBE) representative John Basher distributed a draft guideline for establishing MBE contract goals. A committee to suggest ways for WCMAC, the Airport Authority and others to expeditiously establish MBE goals for the forthcoming terminal project was suggested. Mr. Basher quoted the suggested goals established by Governor Lamm (9% overall) and also the goals set by the State Highway Department as possible guidelines to be used in this community. Mr. Basher also stated that he was working with the governor's office regarding minority goals or requirements for the Oil Shale Trust Fund monies as these have not yet been established.

A brief discussion followed and Chairman Albers suggested a working committee, comprised of members from the City/County/Airport Authority/WCMAC/Western Colorado Contractors (WCC)/Associated General Contractors (AGC), work to resolve this immediate problem and report back to the Board. Commissioners Enstrom and Brach and Airport Manager Bowers were appointed to this committee. The Airport Authority staff will notify these agencies of forthcoming meetings.

A Resolution of Appreciation for Commissioner Mike Kelly was signed by the Board. A plaque has been ordered and will be presented to Mr. Kelly at a later date.

Horizon Aviation had requested a Lease Assignment to First National Bank North which would enable Horizon Aviation to acquire additional capital to complete their ongoing expansion project. Commissioner Enstrom made a motion to approve the assignment of the Horizon Aviation lease to First National Bank North. Commissioner Hollingsworth seconded the motion which passed unanimously.

The agreement letter with Currier for the land donation and "H" Road relocation had one minor change in wording requested by Mr. Currier. This would be that the Airport Authority would not "unreasonably oppose" the Currier land development project. Commissioner Enstrom made a motion that the Chairman be authorized to sign the final agreement pending review by Commissioner White and Attorney Gerald Ashby. Commissioner O'Dwyer seconded the motion which was unanimously passed.

The American Locker Company contract was considered for a cabinet of lockers to be placed in the small lounge area to the east of the Hertz lease area. It was noted this contract does not give first right of refusal to operate in the new terminal building, and that a locker concession would be bid for that facility. The Board unanimously approved the lease for signature by the Chairman on a motion by Commissioner White, second by Commissioner Brach.

Attorney David Palo was appearing on behalf of Dick Pond in an attempt to help clarify several issues in the ongoing Pond Brothers, Inc. contract negotiations. Mr. Pond questioned continuing the percentage payment figured on the combined restaurant/catering operation and the Board asked that this be left as stated in the contract; Mr. Pond agreed. He then questioned the \$2,500/month minimum in light of the United Airline discontinuance of service to Grand Junction. When asked what he wanted, he suggested there be no minimum now and the minimum be reinstated when the new terminal building was occupied. After a brief discussion, Mr. Pond agreed to leave the \$2,500 minimum in effect as stated. The next point considered was the Paragraph 4 requirements of a surety bond for new terminal

development. Commissioner White suggested that a letter of committment from a bank would be acceptable in lieu of a surety bond. The Board concurred that the Agreement read either a letter of committment from a bank or a surety bond. Mr. Palo asked that agreement to this term be confirmed by letter to Mr. Pond.

Mr. Pond next asked about that part of Paragraph 10 regarding his right to do business in the new terminal building. Commissioner White said the restaurant in the new terminal would be bid with Mr. Pond having the opportunity to meet the terms of the accepted bid on a first right of refusal basis. Attorney Palo, in interpreting the lease and Mr. White's statement, said this would mean that Mr. Pond would have first right of refusal to meet the terms for the new terminal restaurant as determined by the Board and if he does not agree to these terms his lease would be cancelled. Mr. Bowers said these terms were addressed in a draft letter he had submitted to the Board as part of the Agenda package, indicating that the new terminal restaurant concession would be bid, with Mr. Pond having first right of refusal to meet these terms. This letter was reviewed by the Board and informally authorized for transmittal. The next question raised by Mr. Pond was regarding arbitration should the Airport Manager and a lessee fail to reach agreement. As the agreement now reads the Board is the arbitrator and also has the final determination. No formal action to change this was undertaken and this clause remains in effect.

Mr. Pond next asked about the separate vending contract, which he had had since September, but had not signed. The Board agreed the contract would remain at 20% of gross as stated, and that Mr. Pond would have the same first right of refusal to meet the terms of the competitive bid for the new terminal building, or by refusal to do so, cancel his agreement. Mr. Pond and

Attorney Palo agreed to these terms and Mr. Pond signed the Addendum to his August 28, 1980 Restaurant, Lounge, Catering Agreement and agreed to sign the Vending Contract as it was presented, with the addition of the above "first right of refusal" when it is prepared.

Several variances and offers on the Directors Liability Insurance were presented to the Board. After a brief discussion, a motion by Commissioner O'Dwyer to accept the Mountain West quote on the \$1,000 deductible and \$5 million liability limit for a three year premium of \$3,985.00 was seconded by Commissioner Hollingsworth and unanimously passed.

Mr. Bob Bright from the City/County Development Department presented a draft for an Airport Development District Zone. This plan is limited to currently owned airport properties only. Chairman Albers asked that specific setbacks be eliminated and this problem be addressed through the "planned" development process. Commissioner Enstrom asked that the sign limitations also be similarly addressed. This plan as presented was for update and review only and is not ready for final adoption. Revisions to the plan will be made and Mr. Bright will bring it back to the Board for approval. Commissioner Brach asked that these revisions be done quickly and, if possible, brought back to the Board for final approval at the March 11th meeting. Mr. Bowers pointed out that the three development Parcels A, B and C would not be affected by adoption of the Airport Development District as all proposed uses are acceptable under the existing commercial zone designation for those areas.

The Fixed Base Operator fuel flow agreement with the 4% of sale price on fuel was established in December to be in effect on a trial basis from January 1, 1981 through March 31, 1981. Commissioner White had conferred with Monarch President John Pabst and would suggest the following change in the charge; retain the 4% charge through the end of February, then change to 5¢/gallon through June 30, 1981 and from July 1, 1981 through December 31, 1982 at 6¢/gallon. Then the contract would be up for renegotiation. Commissioner Enstrom

said the problem with the percentage was limited to only Monarch, as he had discussed this with Horizon Aviation and they had no problem paying the 4% and were willing to cooperate with the Airport Authority. Commissioner White said that the rate increase between cent/gallon to a percentage almost doubled the charge and the plan he proposed could phase into a percentage charge when the contract was up for negotiation. Mr. Bowers said he felt the percent of price fuel flow fee was most appropriate, but that the proposed transition plan would create less immediate problems. He also noted a recent Aviation Monitor article outlining President Reagan's plan to change the aviation fuel/gas tax to a percent of price from the now existing 4¢ per gallon. Commissioner Hollingsworth made a motion that the matrix worked out between Commissioner White and John Pabst be accepted as stated above: 4% charged through February 28, 5¢/gallon from March 1 - June 30, 1981, and 6¢/gallon charged from July 1, 1981 through December 31, 1982. Commissioner O'Dwyer seconded the motion which passed unanimously.

Commissioner Enstrom made a motion to strike any discussion of development on Parcel A, B and C relative to the Section 16 restrictions from the Agenda as it was premature without the written position of the FAA in hand. Commissioner O'Dwyer seconded the motion which passed unanimously.

An additional progress payment of \$289,890.68 to Kirkland Trenching and Excavation was added to accounts payable which were accepted and unanimously approved on a motion by Commissioner Enstrom. Accounts receivable and the explained passenger report were also accepted.

On a question from Commissioner Hollingsworth, Mr. Bowers discussed the BLM land transfer to the airport and several available alternatives. The airport itself cannot ask for this land transfer through the Federal Aviation Act, but the FAA could ask on behalf of the airport, or the County could via a directive from new Interior Secretary James Watt. Bowers noted pursuit of this land transfer through the FAA is planned for 1983. Chairman Albers said the County would proceed to set up this package immediately.

The meeting ended with a candid exchange of ideas between the media representatives in attendance and the Authority members. Chairman Albers suggested that totally informed spokesmen be appointed so timely and accurate information could be given to the press. The Board as a whole agreed informally to appoint Airport Manager Bowers and Chairman Albers to act in this capacity. Commissioner White called for a combined effort by the media and the Authority to accurately and fairly disseminate news to the public or the result of the type of recent coverage could be damaging to the airport and its relationship to the community as a whole. Mr. Bowers was asked to be more open with the media, though discretion on sensitive issues would be maintained when necessary to protect the interests of the airport. All meetings would be open to media representatives including the March 6 hearing on the developments proposed on Parcels A, B and C. This meeting is scheduled to convene at 7:30 A.M. at Howard Johnsons and continue until 5:00 P.M. (on a schedule previously sent to Board members).

The meeting adjourned at 9:10 A.M.