

MINUTES OF REGULAR MEETING
September 9, 1981

Members Present: Chairman Dale Hollingsworth, Commissioners Maxine Albers, H. R. Barnett, Louis Brach, Frank Dunn, Rick Enstrom and George White.

Guests Present: Architect Jack Porter; Joe Bestgen from Avis; Dick Pond, Aeroplane Restaurant Owner

The meeting was called to order by Chairman Hollingsworth at 7:07 A.M. The Minutes of the August 27 meeting were unanimously approved on a motion by Commissioner Dunn, second by Commissioner White.

Architect Jack Porter reviewed the new terminal building bids. Thirteen out of 32 contractors bid with a spread from 3.7 to 4.5 million dollars. The low bid by Centric Corporation puts the cost of the building around \$50/s.f., with a completion time of 350 days. From a superficial review, it appears that Centric is a sound company and capable of building this type of facility. He proposed that his office contact the architects who have previously worked with Centric; Mr. Bowers contact the building owners and financial institutions; and Commissioner Barnett review Centric's bonding position. If these areas check out then a review of Centric subcontractors and suppliers needs to be done. After this review work is done we can meet with Centric next week to work out the details.

There were four alternates included in the bid package as outlined below:

Alternate #1: Insulation of holding room floor. Additional \$22,000 for this work; strongly recommended by solar consultant Jan Kreider and Architect Porter.

Alternate #2: Polished rather than weathering steel siding. Mr. Porter would like to delay any decision on this item until he has an opportunity to talk with the supplier.

Alternate #3: Take out all ceramic floor tile. Carpeting is not included in the contract. It will cost \$100,000 either way and Mr. Porter suggests any decision be delayed until we are more into interior design.

Alternate M1: Baseboard cover. Would recommend that a higher quality be used.

In summation, Mr. Porter said he would recommend the Board accept Alternates 1 and M1 and wait on 2 and 3 until further research is done; he will prepare a report on the architects review of Centric for the Board.

Commissioner Barnett asked if the specifications were detailed enough not to have change orders and Mr. Porter said this project did not have many parts and the information provided in the specifications was adequate to build the building. Mr. Porter did note that there was one area in the Centric bid where there was a substantial difference that needed to be worked out. Commissioner Barnett cautioned that a careful review of the major subcontractors was imperative.

Mr. Porter said there were some change orders he would like to see implemented such as a screening system of blinds or shutters (about \$10,000). He would like to establish procedures for approving change orders and payments that would not necessarily involve the entire Board. All payments to the contractor will be processed through Mr. Porter's office, with a 10% retainage, before being presented to the Authority for payment.

After Mr. Porter's presentation, and the concern expressed regarding subcontractor review, Commissioners Barnett, Brach and White were appointed to this review committee. (A meeting of this committee has been tentatively scheduled for Wednesday, September 16, at 7:00 A.M.) Commissioner Barnett asked Mr. Porter if he could bypass the bonding agent and go directly to the underwriter when checking out Centric's bonding capabilities. Mr. Porter said he would check into this and let him know.

There was some discussion regarding payments to the contractor and change orders. It was decided that any change order of \$10,000 or more be brought to the Board for approval and those under that amount be handled by the building committee. Payments to the contractor should be presented to the Board before the meeting date so there would be review time. Commissioner Barnett noted that in these times of high interest rates payments must be made in a timely manner and also that care be taken that the contractor is not over billing.

Commissioner Brach asked Porter how much time he would spend on the job and Mr. Porter said the job would be checked every day and he would be on call, but it would not be full time. Chairman Hollingsworth said the School District had hired a job supervisor to oversee their

construction projects and Mr. Barnett said that as the building progresses, Mr. Bowers will be overtaxed and such a coordinator/supervisor should be kept in mind.

Mr. Bowers said the contract award date, within the 20 day period, would occur one day before the next regularly scheduled board meeting. After some discussion it was informally decided that Mr. Porter should contact Centric for a one day delay of award and that such award be done at the regularly scheduled September 24 meeting.

The ADAP-08 project status for the terminal access roads was presented by Mr. Bowers. The western region FAA has just experienced a cut in discretionary ADAP funds from 9 to 3 million dollars, which would cut our anticipated one million discretionary grant to \$200,000 - \$300,000 for 1981. Our enplanement monies have also been reduced from \$612,000 to \$465,505 which would give us \$465,505 plus 10% or a \$517,000 project (this would be enough to do the roadway less some curb and gutter).

Mr. Bowers discussed with FAA staff members Nance Early and Edward Tatum the possibility of Walker Field foregoing the \$200,000 - \$300,000 in discretionary funds this year to enable a larger project to be funded in 1982 under the new ADAP program. (Fiscal year 1982 begins October 1, 1981 for the FAA.) There is some risk involved in foregoing these funds in that we stand to lose \$200,000 - \$300,000 if the new ADAP bill is not approved by the House and Senate. However, though it is a gamble, it is Mr. Bowers understanding that a compromise has been reached between the House and Senate and that a new ADAP bill is forthcoming.

Mr. Bowers recommended that we forego the discretionary funds this year and do the ADAP-08 roadway project in conjunction with a connecting taxiway between the existing ramp area and Horizon Aviation (a \$40,000 to \$50,000 add on). We would not do these projects until next July or August but we would have ADAP-08 under grant by the end of fiscal year 1981, or September 30). Walker Field stands to gain substantially both in favor with the regional FAA and financially with a larger project, if the ADAP bill goes through.

Mr. Barnett asked if the engineering had been done on the roadway and Mr. Bowers said that it was done and ready to go; Mr. Barnett also said the FAA needs to be made aware of what the Authority is doing in giving up these funds and the help we will need in 1982. Commissioner

Enstrom made a motion that the Board accept the management recommendation to forego the 1981 discretionary funds in the amount of \$200,000 - \$300,000 in the hope that greater benefits will be derived from the FAA next year and that this motion is made in full realization that this is a calculated risk. Commissioner White seconded the motion which passed unanimously.

Mr. Bowers noted that this ADAP-08 grant will need action by the County Commissioners and the City Council. Commissioner Brach said the last Council meeting of the month is on September 16, 1981; and Mr. Bowers said he would have the necessary documents ready for signature.

Section 16 removal is still being pursued through Representative Hank Brown and Senator Armstrong. After the Secretary of Transportation, in a letter to Representative Brown, did not interpret the law in our favor, we have turned to the legislative process. Mr. Bowers has been working with Representative Brown staff member Jim Huska who has recommended that we seek release at this time on only the Penner-Frantz eighteen acres. This not only gives us an immediate revenue stream but sets an established precedent for the release of those essential portions of the acres remaining under Section 16.

After some brief discussion the Board informally agreed to initially seek release on the 18 acres at this time. Commissioner Albers said that she would be in Washington on September 10 for a meeting with Senator Armstrong's staff and would pursue this issue. Mr. Bowers said there is a possibility that our release may go in as a floor amendment to the multi-year ADAP bill. If it doesn't then it could take up to a year to secure a release on this land.

The Aeroplane Restaurant contract is still being negotiated by the attorneys. The County Commissioners excused themselves at this time (8:09 A.M.) to attend another meeting.

Mr. Bowers reported that the highest allowable interest rate the airport could charge was 21% and that it now was charging 18%. The remaining Board members informally agreed to maintain our current 18% level.

Chairman Hollingsworth handed out an article from Colorado Business, week of September 7-13, 1981, entitled "Power Lines Inc. Threatened. Small utility company faces extinction if Walker Field is annexed". This article is attached to the Minutes for the benefit of the County Commissioners who did not receive a copy before they left.

Another article from the Colorado Business publication entitled "Dollar losses noted at the Springs airport" was distributed by Commissioner Hollingsworth. This article prompted Commissioner Barnett to ask if the airlines were using the PATCO strike to eliminate uneconomic routes and help the already ongoing restructuring of the airlines under deregulation. Mr. Bowers said he was sure this was the case in some instances but that it was not evidenced by Frontier or Continental here at Walker Field but that Golden Gate had cut down to one flight before it ceased operations here as Golden Gate (it is currently operating under Swift Aire). Chairman Hollingsworth noted that Frontier has done well under deregulation but Continental has not on a national level. In spite of deregulation and the FAA reduction of flights following the PATCO strike, Grand Junction is experiencing a current unprecedented economic upturn compared with the rest of the country. (Article sent to County Commissioners.)

The Air Traffic Record for 1980-1981 was presented, as requested by Commissioner Barnett, and it was noted that the general aviation figures are way up. Chairman Hollingsworth commented that each aircraft landing and takeoff contributes to the airports economic impact on the community.

Several comments were made in passing: Chairman Hollingsworth asked Mr. Bowers if the agreement with Ute Water had been finalized and Mr. Bowers answered that it had been settled with them but they do not yet have the easement. The Authority had traded tap fees for the new terminal in exchange for the Ute right-of-way across airport lands but Ute is waiting on the receipt of a cap and the line has stopped where it turns toward the BLM. Chairman Hollingsworth also commented that he was in favor of the Airport Board being elected from the community at large and this may be an item that should be on the election ballot this fall.

The meeting adjourned at 8:30 A.M.