

MINUTES OF REGULAR MEETING
March 11, 1982

Members Present: Chairman Rick Enstrom, Commissioners H. R. Barnett, Frank Dunn and George White. Airport Manager Paul Bowers and Clerk Mary Ann Harms

Guests Present: Daren Cyphers, Hertz; Ken Cox, National; and Joe Bestgen, Avis

Meeting was called to order by Chairman Rick Enstrom. The Minutes from the February 11 meeting were amended to show Joe as Attorney for Brian Vedder and Stan Anderson. Commissioner Dunn made a motion that the Minutes be approved subject to the above change. Commissioner White seconded the motion which was unanimously passed.

The Aerodrome T-hangar contract with Vedder and Anderson was presented for approval. Airport Attorney Pearce is working with Vedder's attorney and there are no changes in the terms, just some with the boiler plate. Commissioner White made a motion the contract be approved subject to Attorney approval. The motion was seconded by Commissioner Dunn and unanimously approved.

Bids for the game room contract are being advertised with a minimum square footage charge and five year term. The prebid conference is March 17th with bid opening March 24. Bids are also out for "Other" concession spaces with no defined uses, bid opening on April 7th. Commissioner Barnett asked that provisions in the game room contract be made to insure accurate income accounting to the Authority. Mr. Bowers said this would be controlled by a double locking system with an owner/airport employee present to remove cash and that this would be stipulated by contract. Attorney Pearce will be in attendance for prebid meetings (game room on March 17th; rental cars and advertising spaces on March 29th; "other" concessions on March 26th).

The "old" terminal bid package includes a four± acre air carrier ramp, 7± acre parking lot and 15,000 sq. ft. building, with an anticipated lease period of 15 to 30 years. Other than Monarch Aviation's "priority negotiating right", it is a very open package with all or part of the areas available for various uses, although all inquires to date have been FBO related and interested in removing the guard rails, medians, etc. in the parking area for use as aircraft tie down T-hangars.

Commissioner Barnett cautioned that overall investment must be considered as well as high bid as it might not be the "best bid. Mr. Bowers noted on this package, as all others discussed, that the Board has the right to accept or reject any and all bids, also a prebid meeting will address the Weather Bureau, located in the west end of the building, their need for line of sight to the inflation chamber (which would affect the placement of any T-hangars); the location of supporting walls in the terminal building and any other questions. Commissioner White asked if Monarch was still interested in negotiating for the package and Attorney Pearce said they were.

The February Accounts Payable were reviewed and approved (from the cancelled 2/25/82 meeting) and Commissioner Barnett questioned the Horizon and Continental delinquent amounts. The Horizon account had been paid and Continental consistently runs 60 days.

The Airpark Committee and Attorneys Nelson and Groves had developed after the prebid conference a rework of the rent-a-car bid packages. The basic package is a five year term in the terminal building, 25 years on the service car areas with a buyout provision based on fifteen year amortization if the terminal space is lost; rental is ten percent of gross which includes the ticket counter, office space and ready car area adjacent to the terminal building; rental on service area would commence one year after commitment to take same, or beneficial occupancy of service center, whichever is sooner. Commissioner Dunn asked the difference between the present lease and the new lease. Mr. Bowers said the present lease doesn't have a service area; there is a square footage rental charge for counter and office space and ready car space. The new lease has only the 10% of gross charge. In the new terminal this would translate to an approximate loss of \$37,000 (\$15.50/sq.ft. x 2400 sq. ft. (rent a car concession space). Also it will cost approximately \$180,000 to put in the rental car ready area. Bowers said the annual guarantee would be \$30,000; rental abatement clause if enplaned passengers are less than 75% of previous year on an annual basis, percentage payments are semi-annual. The bids are out and bid opening is scheduled April 7th.

Mr. Cyphers said the rent-a-cars are not costing the Authority a loss of revenue in the new terminal because "you can't lose something you don't have". Commissioner White asked if the rent-a-cars were comfortable with the package so far and Mr. Cyphers said yes, "so far" but that the rent-a-car operators had not yet seen the revised contract.

Commissioner White made a motion that the rent-a-car contract be approved subject to rent-a-cars and their attorneys and our attorneys review with a prebid conference and that it go to bid opening in three weeks. Commissioner Barnett seconded the motion which unanimously passed. Commissioner Barnett commended Bill Nelson's office for all the hard work and final product and that no major changes should be considered. Mr. Bowers voiced his objection to not having a square footage charge for concession space with 10% in addition to it. He noted this objection was for the Board as his position to date had only been voiced to the Airpark Committee in private discussions.

Commissioner Barnett reported on the Airport Art Committee. He asked the Board for its official approval and sanction of the Art Committee and also to give the Committee the ability to make its own decisions. The Chairman of the Committee is Mr. Kent Lewis from Saks Lewis Art Galleries. Rather than get overly ambitious, the committee decided to get one or two pieces of art for the exterior of the terminal building, and is currently drawing up applications for the artists. No airport money is being sought by the Committee but they have a goal of \$15,000 as a minimum with a price range from \$3,000 - \$100,000. The smaller of the two works sought would be placed by the east entrance to the building and the larger work by the west exit. The Committee will be considering, aside from the basic work, the type of material and ease of maintenance. Mr. Bowers said the west exit location will be very warm and needs to be shaded. Mr. Barnett said this and other landscaping would be coordinated.

Mr. Barnett stated this would be an ongoing committee and it would seek temporary and permanent displays and works for the interior of the building. Commissioner White made a motion that the Arts Committee be approved and allowed to operate under the auspices of the Authority and the Authority give the Committee the ability to make decisions. Commissioner Dunn seconded the motion which unanimously passed.

Mr. Bowers said Board members could benefit from attending the AAAE conference which is scheduled May 16 - 20 in Phoenix. Attending Board members declined, but suggested Attorney Pearce might attend with Mr. Bowers.

The terminal development is not on schedule according to its weekly projections but October is still realistic for completion. Mr. Bowers said terminal tenants will not be required to hire Porter or Centric for design or construction of leased spaces but it would be easier if they did. Commissioner White said that to date the Authority had not resolved any tenant leases. Mr. Bowers said only the tenant for the restaurant would be unresolved by the time of occupancy.

Mr. Bowers said a bond issue should be actively pursued in April following completion of contracts and that Coughlin and Company has a letter of commitment to do the issue. Chairman Enstrom said he would like to have Attorney Pearce investigate the possibility of breaking this agreement. The bond issue will be an item for future discussion.

The meeting adjourned at 7:52 A.M.