

MINUTES OF REGULAR MEETING  
July 22, 1982

Members Present: Chairman Rick Enstrom, Commissioners Louis Brach, Betsy Clark, Frank Dunn and George White. Airport Manager Paul Bowers, Clerk Mary Ann Harms, Attorney Randy Pearce.

Guests Present: John Pabst, Monarch Aviation; Pat Bridger, APCOA; Dick Gustine and Bill Myers, Budget Rent-a-Car; Joe Bestgen, Avis; Eric Kelly representing Flower Aviation; Dick Pond, Aeroplane Restaurant; Attorney Massey representing Budget; Attorney Cowan representing Hertz.

Minutes of the July 8 Regular Meeting and the July 14 Special Meeting were approved unanimously as mailed on a motion by Commissioner Dunn, second by Commissioner White.

The APCOA contract was presented for approval by Manager Bowers. The term is for ten years; rent is \$4,800/month prepaid with balance of percentage rent computed as follows: 15% of annual gross receipts 0-\$80,000; 25% of annual gross receipts in excess of \$80,000-\$125,000; 35.5% of annual gross receipts in excess of \$125,000-\$165,000; 67.5% of annual gross receipts in excess of \$165,000-\$190,000; 72.5% of annual gross receipts in excess of \$190,000-\$205,000; 85% of annual gross receipts in excess of \$205,000-\$220,000; 87.5% of annual gross receipts in excess of \$220,000-\$235,000; 90% of annual gross receipts in excess of \$235,000. Mr. Bridger estimated first year projected gross revenues at \$175,000. Parking rates are reviewed on a two year basis. Commissioner Brach made a motion that the Chairman be authorized to sign the contract. Commissioner White seconded the motion which passed unanimously.

The Cowden/Niehues contract draft was presented for Board review. Rental is based on square footage rate and contract is for three years. Commissioner Brach moved the Chairman be authorized to sign the contract. Commissioner Clark seconded the motion which passed unanimously.

An advertising board contract for the old terminal only was unanimously approved on a motion by Commissioner Brach, seconded by Commissioner Clark.

New terminal vending contract with Grandmet is, as bid, at \$400/month or 22½% of gross, whichever is greater. Attorney Pearce said he would like to rewrite the contract as to the language but the basic conditions

would remain the same. Commissioner Enstrom made a motion to approve the concept of the contract and when Attorney Pearce finished the rewrite, the Chairman be authorized to sign. Commissioner White seconded the motion which passed unanimously.

Manager Bowers said the Grandmet Restaurant contract was approved at the July 14, 1982 Special Meeting on a vote of 3 to 1.

Commissioner Brach reported that the Board subcommittee (Brach, Barnett, White) met with the rent-a-car operators Wednesday July 14, and it was the committee's recommendation that the Board abide by the terms of the lease agreement. Further, Mr. Brach said Hertz had agreed to move to the Number two position if everyone signed and paid according to their bid. Mr. Bowers said various forms of Performance Bonds or bond company commitments had been received from all rent-a-cars. Budget was given a one-half of first years minimum guarantee good for five years from Transamerica Corporation. Mr. Bowers recommended the spaces and service areas be awarded according to the bids received; inside terminal: Budget, Hertz, Avis, National and service areas Budget, Hertz, National, Avis.

Attorney Pearce said that still leaves the question unanswered that if an agency does not build their service area within the year specified, and an agency in a lower position does, then the lower position is locked in for the contract term. Also, as in Avis' position, they would like to know if they can move into a higher position after the years period as they did not option to build within that time.

Budget owner Gustine said the problem with the fourth position is the upfront improvement expense for a lift station. If the Authority would agree to upgrade this fourth area to the same level as the first three there should not be any problem. Commissioner White asked if the rent-a-cars had reached any agreement between themselves and Mr. Gustine said they had discussed a jointly developed service center only, with no agreement reached. Avis station manager, Joe Bestgen, again asked the question if any of the three ahead of Avis for a service center do not perform within the year, can Avis move up? Commissioner Brach suggested the time to discuss this would be in a year.

Commissioner Dunn wanted the service car area question settled. Mr. Gustine said his concern was to see if the Number 4 position could be brought up to the level of the first three areas. He feels the additional expense to the rent-a-cars is unfair and the Board should agree on some way to bring Number 4 up to the level of the other three. Mr. Bestgen said award of spaces in the position bid and the upgrade of the fourth space would be fine. He would, however, like to know if there is another space available should Avis have the ability to move up.

Commissioner Brach made a motion that the Chairman be authorized to sign the rent-a-car agreements as is, with no amendment, and then at a later date bring it back to the Board on the service area priority question. Commissioner White seconded the motion, which passed unanimously. V

The computer package and staff recommendations were presented. The Board informally approved the staff choice of an Altos microprocessor/computer from Gene Taylor's Computer Room. Commissioner Brach abstained from the discussion and Commissioner White expressed his concern with the purchase of an "off brand" rather than a brand name computer (i.e. IBM).

Mr. Bowers submitted an amendment to the Bendix Agreement agreeing to an additional four year lease period. Attorney Pearce asked that the standard late charge interest provision be added to the amendment. Commissioner Clark made a motion that subject to the interest clause addition the Chairman be authorized to sign the amendment. Commissioner White seconded the motion which passed unanimously.

The initial meeting of the Colorado Airport Operators Association meeting will be held in Denver on September 2, 1982. The goals of the association are to promote aviation in the State, exchange information among and between members, and to help the State with the airport update plan. All Board members are urged to attend this meeting.

Mr. Bowers asked for approval on the formal transfer of \$83,000 from ADAP-07 and put it into the ADAP-08 grant. This will require the approval of the City and County as well as the Airport Authority. Commissioner Clark made a motion that the paper transaction be authorized for the movement of funds from ADAP-07 to the ADAP-08 grant agreement. Commissioner Brach seconded the motion which passed unanimously.

The Board subcommittee members Barnett, Dunn and White had not yet met on the Flower/Monarch proposals. Flower representative Eric Kelly submitted Flower's financial statement as previously requested by the Board. The subcommittee was to meet and establish criteria for response by both Flower and Monarch.

The Accounts Receivable were reviewed and Chairman Enstrom questioned some of the interest charges, which were to be left on the record until various negotiations are completed. Accounts Payable were reviewed and unanimously approved on a motion by Commissioner Brach, seconded by Commissioner White.

There was a brief discussion about announcements of the new terminal and its promotion to the tourist industry. Mr. Gustine said this type of program would be quite helpful. Mr. Bowers said he had talked with Aspen Airport Manager Doug McCoy regarding a joint package to channel passengers through Grand Junction to Aspen rather than Denver and Colorado Ski Country U.S.A. is helping in this effort. The problem of excessively high air fares was mentioned and Mr. Bowers suggested calls and letters to the airlines protesting same. He noted enplaned passengers are decreasing, while area population is increasing.

The question of when the Horizon Aviation ramp package, dropped last fall from ADAP-07 due to inflated costs, would be done was asked. Mr. Bowers said last fall it was to become part of a "subsequent" program and we are planning on this under the forthcoming ADAP legislation. Mr. Bowers was asked to check on current costs and report back to the Board next meeting.

Commissioner Dunn suggested the need for some workshops as discussion time was so limited at Board meetings. Commissioner Enstrom tentatively set the terminal grand opening for the 22nd, 23rd, and 24th of October, with alternate dates November 12-13-14 or 19-20-21. Mr. Bowers noted he would check with necessary contractors to determine feasibility of earlier date, to ensure that various tenant spaces can be ready.

Commissioner Brach made a motion that the Board adjourn to executive session to discuss the Porter contract. Commissioner Clark seconded the motion which passed unanimously.