

MINUTES
REGULAR MEETING, SEPTEMBER 9, 1982
WALKER FIELD AIRPORT AUTHORITY

Members Present: Chairman Rick Enstrom, Commissioners Maxine Albers, Barney Barnett, Louie Brach, Betsy Clark, Frank Dunn, and George White. Also present Airport Manager Paul Bowers, Clerk Mary Ann Harms, and Airport Attorney Randy Pearce.

Guests Present: Flower Aviation Attorney Eric Kelly; Monarch Aviation Attorney Tony Prinster, Monarch President John Pabst, Avis representative Joe Bestgen, Horizon Aviation President Chuck Kohles.

Meeting was called to order by Chairman Enstrom. Minutes of the August 12 and August 26 meetings were unanimously approved on a motion by Commissioner Dunn, second by Commissioner Clark.

Flower Attorney Eric Kelly asked to address the Board. Mr. Kelly said Flower had submitted a proposal for the old terminal building, which proposal had been solicited by the Authority, and was the best proposal submitted. He also stated that Monarch, under their contract, has the right to keep out all competitors (from the old terminal site).

The Board was put in the position of determining which operator is the best though the two companies considered are different type of operations and operators. Flower is sure there is room for another operator and that new business would be brought to the airport. This comparison has come down to it appearing that Flower is stealing Monarch's business and the Board position is one of trying to balance its concerns. This places Flower in a can't win position; if in six months Monarch should fail Flower would be blamed. The economy is fragile for FBO survival with fuel sales down, aircraft sales down, etc. and FBO failures will be common and Flower does not want to be blamed for Monarch's failure. Attorney Kelly continued that according to his count the Board is split with four in favor of Flower and three members in favor of Monarch. He said that Flower would like to enter into a "mutual benefit partnership" with the Board with a good working relationship and he did not feel that this split vote would enable a good working relationship to be developed. Flower, therefore, officially is withdrawing its proposal (letter was submitted to Board). Mr. Kelly said Flower would like to be back in a couple of years and would like to start its operation in Grand Junction on good terms with the Board.

Commissioner Dunn said the Board appreciated all the work Flower has done and that they submitted a fair proposal and have dealt with the Board in good faith. Mr. Kelly thanked the Board

and said Flower would feel good leaving while on good terms with the Airport Board.

Attorney for Monarch Aviation, Tony Prinster, said he would like to clarify the Monarch position. Monarch had originally been given six months in which to accept or reject ultimatums given by the Board and that period will be up soon. They are not rejecting the Board offer but would ask the Board to consider 4% on fuel sales which would be a substantial increase in revenues to the Airport (increase of \$41,000.00 per year based on this year and based on a peak year it would be an increase of \$51,000.00). Monarch has a commitment to the Airport and a dedication to continued operations at the Airport. Commissioner Dunn said this did not have any bearing on the lease. Attorney Prinster said Monarch was planning on renovating the old terminal building and operating a helopad and all this would directly benefit the Airport. Monarch would also like to pay 4% of fuel sales rather than the 5% proposed by the Authority. Mr. Pabst said the 1% would amount to approximately \$25,000.00 on a standard year and \$35,000.00 on a peak year. Commissioner Barnett said Monarch needed to put something in writing on intended improvements to the old terminal and the rest of the lease details could be worked out in a private session. Mr. Prinster said a preliminary sketch had been prepared and Monarch was committing the \$80,000.00 minimum improvement cost mentioned in the original Airport proposal. Mr. Pabst said it would amount to more than that as the planned exterior would cost \$50,000.00 to \$100,000.00. Commissioner Barnett asked if the plans were for an executive type terminal for larger planes or what Monarch was planning. Mr. Pabst said they intended to turn the APCOA lot into a helopad and leave the rent-a-car area as a parking lot.

Commissioner Brach said he had reviewed Monarch's financial statement and it was bad last year but the current operating statement looks good. Commissioner Dunn asked how long a turn around period the statement showed and Mr. Pabst said it was for one quarter which showed the inventory had been reduced along with some employees and it would be a continuing trend. Chairman Enstrom appointed Commissioners Barnett, Brach, and Dunn to be on the Monarch Committee, next scheduled to meet at 7:00 a.m. at Cedar Square Inn on Friday, September 10. Commissioner Barnett said this has been a difficult decision for the Board to make and he has been ambivalent but he would like to see a competitor for Monarch on field especially for aircraft maintenance. However, Monarch runs a very clean operation, and though aircraft sales do not necessarily benefit the Authority, the rest of the services do. The Authority needs to be sure a competitive, proper service for air travelers is provided.

Mr. Bowers reviewed the new terminal apron bids with the Board. Three companies bid on the project: Peter Kewitt and Sons, Corn Construction, and Eisenhauer Construction. Bids were

close, with an approximate \$4,400.00 difference (3/10 of 1%) between low bidder Peter Kewitt at \$1,439,291.50 and Corn Construction at \$1,443,714.00. Mr. Bowers recommended that the Board accept the apparent low bid of Peter Kewitt and Sons. Commissioner Albers made a motion that the Board accept the low bid of Peter Kewitt and Sons for the terminal apron project; Commissioner White seconded the motion which passed unanimously. Mr. Bowers said the FAA should deliver the grant for this project around the 22nd of September and construction should commence by October 1, 1982.

The Airport Master Plan Update will cost around \$55,000.00 with the Airport share \$5,000.00. The remaining \$50,000.00 in FAA funds would not come from construction funds but from monies specifically set aside for planning purposes. This update would reflect the current Mesa County plans and update the 1975 Airport Master Plan. Mr. Bowers recommended that Isbill Associates be awarded this update project. In response to several questions as to what a \$55,000.00 Master Plan Update entails? Why Isbill Associates should do the work? Are other firms available? What firms were contacted? Bowers answered that we had advertised for and solicited statements of qualifications regarding this "update" and, of responses received, Isbill Associates appeared best qualified (particularly since they did the existing 1975 Airport Master Plan). Mr. Bowers said he would provide a cost breakdown and summary of responses regarding this update for the next meeting. Commissioner Barnett said he understood that Isbill Associates had a good working relationship with the FAA and Chairman Enstrom said Isbill Associates is the best in the region.

Mr. Bowers presented the offer from the Masons for supplying a "time capsule" cornerstone for the new terminal building. The Board suggested such a "vault" to be put into some of the flooring (sidewalk) that has not already been poured as the building does not have a "cornerstone". Commissioner White made a motion that the Masons be allowed to put the vault in the floor; the motion was seconded by Commissioner Albers and passed unanimously.

Commissioner Barnett made a report on the meeting he and Mr. Bowers had with Centric in Denver. He said Centric will be done by the 15th of November and the main problem would be with the interior finishing. Some change orders were then discussed: the tile had been deleted from the original Centric contract and changed at the recommendation of the architect and, therefore, it shouldn't be called a change order. Commissioner White said if you exclude the tile, the remaining change orders are very reasonable and in line. Mr. Bowers said they are all reasonable and were primarily due to onfield "catch". He continued that the \$32,061.00 paving under the holding room was postponed until it could be determined whether there would be federal funds

available; the \$21,000.00 charge for backfill was due to an inadequate soil survey performed by Armstrong Engineering where pea gravel had to be brought in for fill; the \$30,000.00 Centric extended overhead was primarily due to delays in the rental car ceiling area design (which Porter was asked to change in March and final plans were given to Centric September 3). Commissioner Barnett said Centric has done a tremendous job in making up for the architect's inadequacies.

Mr. Bowers said there were also problems getting the roof drains around the beams. He also said two walls need to be changed; the concrete signwall in front of the terminal obscures the view and will cost \$3,100.00 to cut down. Commissioner Barnett said the wall had been designed in such a manner as to cut down on the windshield glare, though he agreed the placement could have been better. He suggested that this money could be put to better use in landscaping. The Board informally agreed to leave the wall in place. The second wall was across from the administration space and needs to have a window cut into it. This would cost \$4,000.00; the Board also informally agreed that it was not worth it. Mr. Bowers said there still is about \$240,000.00 in interior work to be bid.

Regarding the tenant improvement agreement to finish Continental Airlines space, Mr. Bowers suggested the Airport use the same standard A.I.A. agreement for the Continental space that Frontier did. There will be \$13,500.00 in it for architectural fees. Mr. Bowers continued that Continental has already submitted the layout. Commissioner Brach asked if Frontier's plans could be used on the Continental space and Mr. Bowers said no, although similar, they were not the same. Commissioner Barnett made a motion that the A.I.A. agreement with Porter to do the Continental space be used provided Mr. Porter agree to an hourly fee basis with the top figure of \$13,500.00 for his services. Commissioner White seconded the motion which passed unanimously. Commissioner Dunn said he still protests the \$13,500.00 fee.

Commissioner Barnett reported on the art committee and his trip to Denver to attend the organizational meeting of the Colorado Airport Operators Association meeting. Mr. Barnett urged the Board to support the art committee by selling the raffle tickets; proceeds to go towards the purchase of the selected eagle sculpture. The gala grand opening sponsored by the art committee will be by invitation only, black tie and cost \$30/person. Mr. Barnett said our Airport Manager is to be commended on his election to the presidency of the newly formed Colorado Airport Operators Association. He said the State of Colorado collects \$5-6 million in taxes from aviation activities and the airports around the state do not get anything back. Commissioner Barnett also asked the City members of the Authority how they were progressing on the fire station to be located at

the Airport and Commissioner Dunn said it would be done next year and would be included in the budget.

The regular meeting adjourned into exeuctive session to discuss the Hertz law suit status and the Singh property at 8:11 a.m.