

REGULAR MEETING
WALKER FIELD AIRPORT AUTHORITY, October 14, 1982
Verbatim Transcription

Members Present: Chairman pro tem Barney Barnett, Commissioners Maxine Albers, Louie Brach, Betsy Clark, and George White. Also present Airport Manager Paul Bowers and Clerk Mary Ann Harms, Att. Randy Pearce.

Guests: Joe Bestgen with Avis.

Chairman pro tem Barnett: Walker Field, Colorado, Public Airport Authority will now convene. Start out by approving the Minutes of the September 23 meeting of which you have all been mailed a copy. Are there any additions or corrections?
Commissioner Brach: I see no problems. Mr. Chairman I move we approve the Minutes of the 23rd.
Commissioner Clark: I second the motion.
Chairman Barnett: Any conversation at this point if not I call for a vote. The motion passed unanimously.
Chairman Barnett: We have no prescheduled guests and at this time we will proceed with the management report.

Manager Bowers: I have an application for the bank loan and Resolution that Randy handed me this morning for Board approval with Mesa United Bank.
Chairman Barnett: We had a meeting with our Subcommittee which consisted of Louie Brach, George White and myself.
Bowers: Most of the meetings . . .
Brach: Which meetings are you talking about?
Barnett: Originally the bank's commitment wasn't quite what it was set out to be and after much negotiation and conversation particularly between Paul and George Thompson and myself in my office one day we spend an awful lot of time, things seemed to fall into place with Mesa United Bank. The members of the Board should understand that this would entail moving our accounts from First National Bank and for the reasons that are strictly economic, I don't think there was any other consideration really. Mesa United Bank took this thing pretty quickly and it produced I think some very satisfactory terms for some short term financing.

Bowers: In that Memo you were given this morning I compared the cost between the \$2.3 million revenue bond and the \$1.8 million loan from the bank. There are several costs in there we would not bear if we went with a \$1.8 Million loan than the revenue bond and George raised the point that it is higher \$146,840. That the difference on that is the reserve account which is \$320,000 that's on page 2 of Thompson's 10/7 letter.
George White: plus the insurance.
Bowers: No, the other costs are included in this George.
White: plus the interest you pay on the reserve which you can't spend plus the fact its a long term where you pay interest for many years versus a short term. I think we should go on with the short term and see where things fall into place.

Barnett: I think the first issue here is Board approval of moving to . . .
White: what is the interest, term . . .
Barnett: With the Mesa United proposal? I think Paul should do this. Do you have copy?
Bowers: What it all amounts to is 80% of prime; 10% for the first six months and then any time as long as that loan is outstanding thereafter it would be 80% of prime.
Barnett: The loan amount of loan at this time should tide us over.
White: We pay interest only this year, so we can get everything in place.
Bowers: Interest only this year; actually there would be no payment this year since we are this close to the end, that's not that big a thing. This would not be renewed the 31st of December. This would be a five year loan and it has, do you have that 10/7 letter from George Thompson that was sent out as part of the agenda package?
Albers: Does that mean that there will be no interest?
Bowers: End of calendary year 1982 we will have no payment period. At end of the year fall 12/21/83 we would have interest and principal payments. That is outlined . . . Mesa United projected debt service in 1983,

Principal and Interest would be \$630,400 and that scales down to \$338,400 in 1987. Essentially Mesa United Bank would be, they have legal lending limit of \$600,000, or thereabouts. They would take \$600,000 of the \$1.8 Million loan now, \$1.2 million above that would go to United Bank of Denver. When that's paid back United Bank of Denver is paid off first, they are paid off in the first three years and Mesa United would be paid off in '86 and '87 which makes the five year package.

White: The thing that is confusing me a little bit on the issue is, I thought we resolved it last week that we had negotiated and it came out reasonably close to what we had projected that it would, annual payments not monthly payments. Did we make a commitment to the Mesa United bank that we would bond and take them out? (Board members say "no" talking simultaneously.) Barnett: They were well aware that that may not transpire. White: I want to make sure that they understand that. We want to have a choice. Bowers: Mesa United Bank's position as of last, as the day we talked last week is that they do not want to have that as a five year loan. They want that paid off by a revenue bond and the only way they will make the commitment is for the Airport Authority to say they will go ahead with the revenue bond.

Barnett: George I think in the final negotiations you are really negotiating with Denver and . . . frankly things were breaking down and they came back with the proposal that if we go ahead with the bond . . . White: I thought that's what we were trying to avoid. I guess that's where I lost the . . . I thought it was packaged. . .

Clark: If that's the deal I'm not sure I don't think that's appropriate. If we're to go with Coughlin I thought we made it very clear at the last Board meeting that isn't what we wanted. I mean we might as well go out and issue bonds. White: I thought we had a choice, I guess that's what I mean. I guess we still have a choice to leave it three years or so and we don't have to bond in a specified period of time. Barnett: I think that we would have a moral obligation in a certain time to take them out. I think they are also realistic enough to know that this may not transpire and that is why we do have a five year . . . White: You're really saying that we have a choice in the next five years. Brach: Last negotiations (. . . can't hear rest of sentence). White: I think, that isn't what we started talking about, that's what is confusing me. I don't understand it.

Bowers: When we started out talking to the banks they were willing to go with a five year loan but we were talking to the Mesa United bank here and when the Denver bank got involved they did not want the five year loan. Albers: but in effect they don't have , they have a three year loan, right? If we pay them off in three years, is that more palatable to them? Bowers: From what I understand from Heimer, no. Barnett: I would like to see that we stick to the issue of the bank and forget about the loan. I think it is something we are going to have to do, we have obligations which are quickly approaching us. White: The only thing we did with all this maneuvering around is that we aren't having to sell the existing \$800,000 bond issue. Barnett: That is the major thing. White: That was one thing I was totally against. Bowers: The interest rate has changed dramatically recently . . . White: We made some gains. Bowers: Rate 5½ to 7½%. Barnett: This is the major thing that faces the Authority . . . but this bank thing, for a moment lets disregard this bond thing we have a commitment through both banks and I think the committee pretty well agreed that the Mesa United was . . . (can't hear rest of sentence). Brach: Mr. Chairman I move that we adopt the Resolution. Authorize the Chairman to sign it. Barnett: I think we should be more explicit . . . say Mesa United . . . that would entail a Resolution and physical removal . . . White and Albers: cannot be heard on tape clearly but asked to be disqualified from voting

as Comm. Albers is on the Mesa United Board and Comm. White is on the Board at First National. Barnett: That does not give us a quorum, we've got to have a vote this morning. Clark: I will second and then I would like to ask a question. Albers: I was going to vote on it but I did not want to be a part of the motion. Clark: Now this in no way commits us one way or the other on the bonds is that a correct statement? Barnett: At this point no. We are going to discuss it later. Resolution is basically to accept a loan for \$1.8 Million. (Overtalk conversation) Bowers: That does take a roll call vote. Brach: I have one comment, I think we ought to discuss all the managers, all the letter stating the terms. Barnett: Are there any letters that aren't before us, Paul that have come from the banks? Bowers: Not that I know of. White: One of the neat things about that is we are not paying any points up front this is just a straight loan with no penalty points. Barnett: That's neat they started out with two points and things like this and I really think that they moved very quickly, both banks did and I think its a real pat on the back . . . to the current Authority. Two years ago we had a budget of \$300,000 or \$400,000 and now we're bonding big . . . and our projected incomes are substantial even if worst and I think this is a real major break through for this Authority (Overtalk conversations) Clark: . . . negotiations, I'll commend the group who did because I think it was an excellent job and its a real credit and one of the more creative ways of cooperative financing between public and private enterprise. I think its just a Barnett: I think its been done in a very business-like way and I am very proud . . . so lets take a roll call vote . . . and we'll start with George. White: Yes. Albers: Yes. Brach: Yes. Clark: Yes. Barnett: I will note yes. It's unanimous. (Overtalk conversation). Brach: I think we should instruct the manager to send a very nice letter to the First National. Barnett: I think it should be understood that these were strictly financial considerations . . . Brach: The proposals aren't really that far apart . . . Clark: We appreciate the fact that the banks were willing to compete too . . . you know for a long time they weren't . . . White: They will be executed and . . . to the banks. Bowers: Before we . . . Today, thanks. White: Are we that tight. Bowers: No. There's no sense . . . White: Don't, now wait a minute, one of the things I want to borrow it is on a draw down not a lump sum. Bowers: That is a draw down account George. Barnett: (unintelligible) Bowers: Would you turn to the October 8 letter from Coughlin to Alan Heimer. It is my understanding from Alan Heimer, that they wanted the Airport Authority to commit to revenue bond prior to making that loan. That was not what they started out saying. That was what they ended up saying and that was what we discussed last week. White: I need more clarification. Clark: Yah. Can we clarify that. White: When they made that proposal that was not part of it. Bowers: That's correct. White: I think its proper that we go to bond proposal . . . Maxine can tell you what happened yesterday. Albers: Jefferson County sold their . . . some revenue bonds for their jail on a lease purchase situation and went for a \$29.3 issue and the rates were 6 3/4 or 8 3/4. Barnett: That was a larger issue I was afraid . . . White: It was a double A or triple (Overtalk conversations) Albers: I can't imagine that was a triple A though. I'll tell you why . . . its something different but I'll tell you Jefferson County has a good rating but frankly I'm . . . Barnett: I don't think frankly we can wait 30 days . . . whether we do a bond or don't do a bond I feel the bank, we have passed . . . gone a little further with the bank . . . we will take them out. Brach: We intend to Barney but how soon? White: There's no time frame, that's the point right now. Bowers: The time frame isn't set forth as what it will be. There is agreement to take them out with a bond but it doesn't say when. The time to do the bond however appears to be coincident with the election next month. The interest rates appear to be the best next month because of White: Can you hear us back there? We'll turn the mikes on if you can't. Bowers: and that's what the people in the bond market are saying now is the time to do a revenue bond issue not wait. White: I think they are probably right but if I were in the bonding business I would encourage people to bond. Bowers: Sure.

Barnett: George from the beginning, and Louie in our negotiations with the

bank and maybe this is the businessman in me, I have, favored trying to do this privately without a bond issue . . . the long range costs are less. But as I reevaluate the situation I think we are carrying a heavy load for the next two or three years. White: We can meet that based on a current percentage with about a Half Million surplus. (Overtalk conversation) Brach: The reason it makes the difference is the reserve account. Albers: I understand that but you know that is possible too but as far . . . Bowers: There are a couple things that are going to be . . . White: You see the annual debt service on the bond according to him, if those figures be true, are \$335,000 per year our bank payment the first year \$400,000 and something, and the second year is \$300,000 and so it very quickly becomes . . . as far as debt service is concerned about the same. Bowers: '83 and '84 are the problem years there is no question of that. White: The first two years and really that's critical years for us because we're trying to get everything in place and get the cash flows to generate . . . Barnett: What I'm concerned about and next a real problem is our runways they desperately need some repair . . . White: . . . our matching part of it that's . . . (Overtalk conversations) Bowers: There's probably 1/2 Million dollars between the two runways. . . . White: That's why I was interested when we were talking about this thing of an overline. Barnett: You know, last week I was taxiing out on my way to Gunnison and I thought now I'll just use 22, I took one look at the runway and decided and I thought I'd probably . . . by prop or something with the loose asphalt laying all over the thing, weeds and we could at least do something about that Paul. Bowers: They've been mowed every month. Barnett: I'd bring my plane in there if I had a really bad cross wind situation and the other thing is the taxiway is a mess. White: How much do we project in ADAP funds this next year. Can somebody tell me? What do you project for next year that we will be able to pull in. Bowers: We are going to try and do Runway 4/22, . . White: Dollars. Bowers: Dollarwise? That depends on how much it costs to build that runway. White: I know but can you give us a handle on this? Bowers: A Million and a Half to Two Million. White: Alright Two Million we need \$200,000 to match that. Bowers: If we do 11/29 after that there's another \$2½ Million. Barnett: The other nice thing is that we have a bank loan to fall back on. White: But have we the thing since I met the thing has changed a little bit. Barnett: That happens with banks . . . they were offering a short term Clark: I just feel like . . . White: Betsy, I really think that we have a choice whether we go with something or not and I'm not sure we shouldn't look at going ahead and getting the bonding especially with the interest. This letter was written on the seventh and treasury bills are down to 7.80 or something like that this month and that means that the bond market has to be better. I would project that maybe this 12% might be down as low as 10 or 11 right now. Bowers: I talked to Thompson yesterday and he said it would be 11 today, yesterday. White: I guess you look at it as a calculated risk. I wish that Mesa County bonding . . . we got alot of things done but I wish we could afford to bond today instead of last January because we could have saved three points. Barnett: . . . I look at this whole bonding thing with a pretty critical eye and if you will recall I previously felt maybe we could go without but I've kind of turned around. I think . . . we should . . . I hate to saddle the Authority the first two years. White: One of the neat things that makes it again is the fact that we don't have to, I don't know why we; remember you and Louie and I met we were upset about selling the \$800,000 of bond indebtedness that's out of the picture not that makes it . . . yes. Albers: What makes the difference, will this change their mind? (Overtalk) Bowers: No, it was purely a result of interest rates. When you start adding one or two or three points to that \$2,000,000 our debt service got to be so high per year we could not accommodate that and our existing debt. It was purely from cash flow, Maxine. White: I think when we were first talking about it we were talking about \$3.7 Million and about \$700,000 of that was reserved in the two required accounts and that only left us with \$3,000,000 to spare and pay off \$800,000 pay 12% for it and pay it off at 6½. Albers: Yes but my point is the bonding company did they have

the requirement when they sold that if we refinanced we had to pay it off. White: That bothers me. Albers: If they did why in the heck are they changing now because they still would like to get rid of that 5½% thing. I don't understand it. Bowers: I'm not sure I understood your question. Albers: If they had that provision in the bond when we bought it last time that if we refinance we have to pay it off why are they now saying they will forgive that. Brach: This letter is a complete turnaround from what we've been hearing. Albers: . . . so why have they changed that that's what I want to know. Why are they changing. Why are they now saying we don't have to pay it off if we refinance. Bowers: The bond did not say that we had to. If we want to refinance we had to refund the old bond. White: Like hell they . . . Albers: Then why were we told that that's what we were all un ppy about.

Barnett: The existing bond apparently does not demand that it be paid off. Bowers: I think the reason they wanted to refund is that, Maxine, I think the reasons they wanted to refund is to remove some of the covenants in that revenue bond issue that are pretty restrictive but it does become a case of interest. Barnett: I think what changed alot of it is when we started bringing our leases in and we ran out a projection, Maxine. And even at a worst basis its not a bad looking projection. As you'll recall it shows about a million dollars that we're going to have to service debt even if enplanements the way they are and everything else. With all the criticism we've taken through these lease negotiations we've come a long ways. Maybe it was worth it, you know, a year ago our prospects didn't look very bright. White: Excuse me Barney could you follow me through this; if we get the bond and our debt service is \$335,000 per year and our existing \$800,000, its \$161,000 debt service, are we going to operate out there in the new terminal for \$500,000 per year. Barnett/Bowers: Yes/Yes I think so. White: So that's \$996,000 that we know has got to go some place and with a Million Five Hundred to \$1.8 Million income we can do what we think we need to do. Barnett: That's the reason the banks are going with us. White: It's an extremely good plus, I wish I had it as a business. Albers: I wish the County owned it.

Clark: The only thing I don't understand is according to this letter that Coughlin wrote Mesa United would be purchasing the bonds or I mean Coughlin would be purchasing them from Mesa United is that a correct statement? Bowers: No. Coughlin would be purchasing them. The Airport Authority is issuing them and Coughlin would be purchasing them. That's what . . . Barnett: Coughlin's actually said right now they would purchase the bonds and they'll worry about selling them. This was a letter of precedent to our bank. Clark: Did we sign this letter. Bowers: No, but this does need to be signed for them to make the loan. Clark: But there's no commitment in this as to time frame. Bowers: No and when it says a point mutually agreeable terms and conditions there is alot of room in there. (Overtalk) Barnett: You have a commitment basically to Coughlin and Sons and you also have a commitment to a \$7,000 feasibility study . . from Fox. White: They are doing that right now is that correct? Bowers: No they are not. (Overtalk) White: Let's put it this way if I were Coughlin and Company I'd be doing the same thing they are trying to get you in the boat and . . . Barnett: Yah, and we've been vacillating alot with them for two years and there are alot of arguments pro and con. White: I know, I know. Barnett: I think its now time to get in the boat or get out, White: Either way we go its not a bad deal. The only thing I don't want to do is sign that damn letter and be in a boat that we have to sell those bonds in any specified period of time and that we can take our time and chose when we are ready to do it. I don't see that I agree. Bowers: We're not, we're not locked into a time frame; George. However . . . White: Locked into Coughlin aren't we? Bowers: Yes. To me this letter doesn't lock us into Coughlin any more than . . . White: . . . I think that George Thompson really wants to do us a good job. I think he's had a time doing it because of . . . and we have been trying to get our ducks in a row. Barnett: And times have changed a year ago we were looking at interest of . . . White: I really think he's tried to work with us and come up

with some kind of answer. Brach: Is he still talking about a BAA rating? Bowers: It will be non-rated. He thinks the interest rate will be better on this side of an issue non rated because the interest rate we get would not be that good. White: Cost us \$60,000 for interest. Barnett: If we can jump in and avoid the insurance and he thinks we can like I say times have changed since a year and a half, two years ago when I came on the Board . . . White: You know it is a calculated risk and we need to be positive and go about it and you know we can make the wrong decision or we can make the right decision. It appears Mesa County, who knew, you know, how the bond or interest would be. Albers: We made it up in what we saved. White: We made it up in what we saved in construction costs to a point but we still would love to . . . Bowers: Maxine, that means we could have built the building versus not being able to build the building. White: That's true. Be thankful we are where we're at folks.

Barnett: Well, I've given this thing an awful lot of thought and I want you to all understand all the ramifications of it but I feel it's something we should do. Albers: What covenants are in the other one that we think shouldn't go into this one. White: We shouldn't have restrictive covenants on our bonds that are not acceptable. Bowers: I don't see any. Albers: What would we have been getting rid of if we refinanced? Bowers: I can't answer that. Brach: I'm going to go along with George when he said I'm not happy with this Coughlin letter at all I think the committee should have been in on the meeting at the last part of the negotiations. When we agreed at the last meeting we had this wasn't even mentioned and I still can't figure out where that turnaround . . . Barnett: That afternoon, Paul, I can't remember what afternoon, (last Wednesday) I was involved but not directly with the bank but we are in a position George where, frankly, the bank was backing out and up until 5:00 or 5:30 in the afternoon when we got a call from Denver and the United Bank of Denver reversed their, totally reversed their position and it was one of those things you go through with the bank for that kind of money. It was handled pretty well. I know Paul, gosh, they were in negotiations out there for a couple hours and they came into my office and we discussed it. White: And they also came to my office. Brach: But I met with George at 9:00 Wednesday morning and up to then I didn't know about this. Bowers: Louie this package had changed several times during the course of the day on Wednesday. Barnett: Actually it was down to two at one time about 4:00 p.m. Bowers: We talked, Thompson and I talked to Al Heimer starting a little before 3:00 and were getting ready to leave before 5:00, leaving with no deal and then he got a call from United Bank of Denver and he turned 180 degrees. Totally changed the package. The United Bank of Denver changed not Mesa United. (Overtalk) Albers: What changed their mind? Bowers: I don't know. Albers: Well it wasn't this necessarily. Bowers: It was my understanding that based on if Coughlin went with, along with the bond issue to buy it out they given. . . (overtalk) . . . that was the position they made to us . . .

White: Mr. Chairman I would make a motion that we sign the letter with Coughlin and Company and agree to having them proceed with the possibility of bond . . . Barnett: I think incorporated in this we should agree to the Fox study. White: Absolutely, because that would help our issue. Brach: I would second George's motion. White: Again with the understanding that we have . . . cut choice of when we and if we decide to proceed. Barnett: Mary Ann why don't you try and read that back. Harms: Motion to sign letter with Coughlin and Company and proceed with possibility of bond issue and to proceed with the Fox study with the clear understanding that bonds will be issued at the Board's discretion. White: That's my motion. And my motion is also to authorize the chair to sign. Barnett: Chairman pro tem calls for voice vote. White: Yes, Albers: Yes, Clark: Yes, Barnett: Yes.

Brach: now one thing I need to ask too on this. If we follow through with

this along with Coughlin and get them paid off that \$16,000 that we owe them from a previous commitment, the next time the Authority goes to bond issue is it possible that we can put it out for bids. Bowers: Absolutely. Brach: How about Boettcher. The old bond is tied to some kind of a . . . Boettcher deal will that be cleared too? Bowers: That was one of the terms that Boettcher had put a lock on us in a way for subsequent revenue bond issue and made it . . . had several terms in there that were difficult to live with and that was the question you asked before, Maxine, and I do not have the specifics on it. Would you like a breakdown of those specifics. Albers: We went with Coughlin that was one of the Board's specific instructions that we not get tied in with another one and it almost seems as if we did. Bowers: Do you remember when Coughlin was hired in 1980? There were interviews between Coughlin, Boettcher and another company and it wasn't bid per se Louie but there were three parties involved and Coughlin was chosen. Brach: As I understand there was some hanky panky pulled when they was all interviewed with all of them sitting in the room. Bowers: No they were interviewed separately. Albers: They all arrived there and were sent out (Overtalk). White: Before we go to bond I want to make sure we have Coughlin hired and review bond cost in detail of how they are going to work that. It bothers me that this prospectus is \$10,000 and damn it, that's the cost of bond issue that's standard cost of bond issues in that prospectus and I see that he's got \$10,000 in addition in this letter. That I don't understand we've paid that when the bonds are done.

Barnett: I want you to understand these letter came about at my insistance right, and I was confused so I wanted something that was reasonably concise. White: Its time we got it cleared up where the hell we're at. I appreciate that, I'm glad. Barnett: I had alot of confusion in my mind and . . . this I think makes it a little more concise. Brach: There's one more thing that I'm distrubed about when he wrote the letter, the one I got he was quoting 12% and now they say it was 11% yesterday and that's still not a very good interest rate. Barnett: He told me one day that he would purposely quote high, he felt with the market working the way it is now he was just conservative. White: Can we have him here at the next meeting so we can ask him some questions? We don't want him splitting it up with any other bonding companies with extra percentages and all the things that they do. Clark: If we are to go ahead and sell the bonds though there, no, it says Fox and Company can go and complete the feasability study three weeks after being authorized to proceed and we did not authorize them to proceed. Everything is in a holding patten. Bowers: No, Betsy, what George's motion just did was authorize the feasability study. It has not been started yet but George's motion did just authorize that to be done. Barnett: Okay, I would like to move on. White: I am so glad that we're proceeding along, Mr. Chairman but, I would like to have George (Thompson) here at the next meeting if we can. Barnett: If you have specific questions why don't you note them and . . . White: This \$93,000 discount and miscellaneous \$93,000 projected cost are not listed in there . . . Barnett: Paul why don't you drop him a note. Bowers: Will do. Barnett: . . . get a letter back by next meeting. Bowers: I'll have the answers to those questions or Thompson whichever the case may be. But, Maxine did you want a breakdown as to what the terms were on that old revenue bond issue? Albers: . . . the impression I get one time is one thing and the . . . (Overtalk) White: . . . \$146,000 on an issue of \$2.3 Million really expendable money of \$1.8 Million.

Bowers: Construction update. (Overtalk). The access roadway in front of the building. We're going to start paving this morning. Start paving the parking lot first and the reason we're paving . . . if weather holds they'll be done with most of their paving in about 2½ weeks.

Albers: You know, now that everythings out there it looks like that hotel is darned close. Bowers: It is its 1300'. White: That was one of the pluses

because . . . (Overtalk) Bowers: That's a plus for the hotel actually its a plus for the airport. Cutting down on your parking; the parking area in front of the building now will be about 450 cars that's expandable to about 2800 to 3,000 cars at today's mix of about 55%. If you get vehicles too far from the door people won't use the door. (Overtalk) Paving should be done within the next two to three weeks and there will be a lot of curbing and detail work left to do. Item B is the air carrier apron behind the building that is being readied now for paving, asphalt and concrete and they've had a bit of a problem on it with the mix for the concrete was, the specs on that were a little screwed up and that will be straightened out real soon and they should start putting in concrete behind it. Albers: How'd that happen? Bowers: Western Engineers. Clark: Is Western a subcontractor of Isbill? Bowers: We bid the, we bid the program specing (specifying) what the size of the area and strength requirements for a 727 stressed concrete and asphalt. The contractor comes back and gives us a bid, and whom they use as far as an engineering firm is their choice and Peter Kiewit used Western Engineers and so we've got a minor problem out there . . . which is being corrected, they have to make it right. Local engineering firm, George. White: Local engineering is just as good as Isbill in Denver. Bowers: I didn't say they were not as good George.

Bowers: The landscaping plans are being bid I think about the 28th of this month or 25th (October 28 is correct). Barnett: How many areas (are) we talking about landscaping? Bowers: That landscaping parking will be a phased program we'll be doing some planting on the west side of the building in the rental car ready area, there is a median strip directly in front of the building that separates the four lanes from the public parking lot, there are planters within the public parking lot and some planting to the east of the building so most of it will be centered right around the building. There's part of this irrigation which will be about a \$100,000 total including irrigation pipes and planters, landscaping fees and planning; will be a phase one and there are several phases more we can go to. When we do go to that the ducting and plumbing for it will be in place we will not end up cutting roads. (Overtalk) Bowers: When you walk out the side door to the west . . . of the large planter that will be part of it. Barnett: That will be the planter where the eagle goes how about the area in front where the large Mongold goes? Bowers: That area is being coordinated with Ron Liston who is the landscape architect and that will be one of the first phases but we wanted to find out what sort of engineered footing or base we had to have for that Mongold and specifically where it will be and then try to incorporate a landscaping scheme around it where it doesn't, where neither detracts from the other. Brach: You are designing now to use Ute water? Is that what you are doing? Bowers: Yes Sir. Brach: Is it designed so later on maybe next year you can open up to irrigation water. Bowers: There is no ducting to get irrigation water to it we don't know where we're going to bring it from. Brach: I understand there are going to be some developments up there . . . (Overtalk). Bowers: The logical place would be from the west that's correct. Barnett: These are relatively small areas. Albers: . . . won't take much water . . . White: That landscaping does it include our planting inside is that part of the same contract? Bowers: Inside? Yes sir. White: It will all be taken care of in one shot. Albers: And that will be in before it opens? Bowers: I doubt it Maxine. (Overtalk) Bowers: what we're looking at, we want to get those plants planted this fall but that may or may not coincide with the terminal opening.

Barnett: How about the terminal? White: Yah, boy I was out there the other day and gosh it's going to be tight. (Overtalk). Bowers: You're not kidding there. Albers: Do you have the invitations already printed? Here I am making up a guest list for you. Barnett: Grand opening is set for November 19 and that's it. Bowers: The terminal itself may or may not be complete by the 19th. When we talked about setting that date, there are a couple ways of having "grand openings" you can do it before the building opens. Atlanta for example, when they opened there's earlier

this summer, they had their grand opening party about three weeks before they actually opened the building for use, or we can do it after the building opened, a couple months three months after it opens when you do have all the details worked out. Barnett: November 19th we're going to do it one way or another (Overtalk) Bowers: Yes all the asphalt will be done but some of the things will not be. The airline ticket spaces for example in all probability will not be complete. White: All the carpet will be done? Bowers: All the carpet and tile and painting should be complete (Overtalk) Brach: What is the completion date Paul? Bowers: The completion date as far as having the building ready for use? Brach: Yah. Bowers: We'll see how we get as far as construction through the program. We're looking right now at having telephone transfers take place the week after November 19th or it will be either just before or just after Thanksgiving. Albers: Or by Dec. 1. Bowers: We should be in there within a week of Thanksgiving. White: By Christmas all the kinks will be out and we can kind of settle down. Bowers: By Christmas but I don't know what year George. Albers: Well anyway its exciting and it looks nice.

Barnett: I'm going to jump in here with the Arts Committee. This gala is not going to be an easy thing. There's alot of hard work involved and Grandmet has been working with them and lets really push for this thing. We want the governor his office has pretty much committed he will be here . . . It's going to be \$30 bucks a head we'll try to explain to people that . . . Contribution for . . . the ticket sales are going slow. Albers: They usually do until right up close to the time. Brach: I've got a complaint to make, I went down and tried on a tuxedo the other day and I look like a baby penguin. Barnett: It's going to be worded optional. Brach: If I were to stand next to George I'd look like a midget. Barnett: Incidentally, . . . in about two weeks . . . My son is one of the people to park cars and he's really anxious to park Geroge's Jaguar. White: My Jaguar? I haven't even got one. Barnett: The U.S. ank did make a loan to the Arts Committee for the eagle so the sculptor could move ahead. Clark: When will he have the eagle sculpture done. Barnett: Probably not in time for the opening, with artists you don't push them. . . (Overtalk) Albers: What's the date of the gala? Bowers: It's November 19, its a Friday night as it sits right now we are planning an arts thing on Friday night and having a VIP contractors party Saturday night which is rapidly becoming pretty insignificant relative to the art function but it would be a Saturday night thing and would be a beer and chips compared to champagne and hors d'oeuvres Friday night thing. It might even be worthwhile postponing that all together and doing it at after the building is complete. Barnett: Most of the contractors I've talked to want several representatives at the Friday night thing and I'm . . . we're going to take time to acknowledge everyone all the contractors, architect and . . . manager, everybody, its going to be a night when I think we can really celebrate and its an exciting building and its a big step. Its going to be a major interest . . . Clark: Speaking of celebrating I still haven't seen anything on the liquor license. White: That's what I was wondering about. Harms: We're going for a special event license to cover that eventuality because we're using the entire building and we would need one anyway. Paul needs to make up his mind today on the contractor's party because we won't get a special event license for the next night for the airport part unless we do it today. Bowers: Let's do it. Harms: I've got the process started. I'm picking the forms up from Neva right after the meeting. Bowers: We go before the November 3 City Council meeting.

White: We've come a long way everybody but on thing is still bugging me. When in the hell are we going to get some kind of ruling on the rent a cars where are we at on that. Att. Pearce: Within the last week Avis has finally answered . . . everyone is in place now and we should be able to get a speedy resolution . . . Barnett: We're going to have a trophy to award to the rental car agencies that evening to . . . confusion.

Clark: I have a question of ethics in that regard. Mr. Cowan accused two of the Airport Board members for making a decision in the City Council Chambers because, against him, because of the airport . . . lawsuit and I really thought that was unethical. Is there a lawyer's code then? Att. Pearce: I don't think that it was unethical but I certainly think it was out of line. Brach: I wouldn't discuss it too much as this may go to court. Clark: I just wondered because I just thought . . . Att. Pearce: It's not unethical as a private citizen making a comment . . . (Overtalk).

Barnett: Is there anything else? Att. Pearce: Yes, I have a couple things. First, we have an obligation to Mr. Pond for payment in Bowers: That ah .. agreement the . . . agreement with Mr. Pond was done several months ago and there was a package, and additional package that had to be executed and that had an October 1 date on it and that was not signed when it was initially prepared by Bill Nelson because the October 1 date was a fudge factor so that it was supposed to be revamped to make it into a time frame when there actually was going to be a transfer from the old building to the new building and we're not at that point yet so . . . Barnett: That's true (Overtalk) Bowers: When we move from the old building to the new. Att. Pearce: . . . Oct. 1 and that agreement was signed by the Authority, the only thing that was not signed was the promissory note that laid out the actual terms of the agreement. The promissory note just echoes those terms, I think the Board has . . . an obligation to pay Pond. White: Mr. Pond asked me about it and I told him you'd be getting that done somewhere around the middle of the month. I think we should pursue and get it done. Pay it. Clark: I think that's alot like Coughlin, you know whether its a technicality or not . . . Barnett: The intent was to pay when we move into the new building. Att. Pearce: There were two documents and the agreement and the note says the first of October. White: Pond was very good about it, no problem except he was wondering . . . Clark: Do we need action on this? Barnett: Yes. Clark: I would so move that by the first of November we make payment to Mr. Pond. Bowers: It was going to be on the Accounts Payable for the month of October. Clark: The only reason I put November 1 was the bank loan. Bowers: how about as soon as possible. Clark: Yah, okay, as soon as possible. Brach: Second. (Vote was unanimous).

Att. Pearce: Mr. Porter sent me a . . . remember earlier I circulated an agreement I had prepared on first payment. I understand there are more problems that Paul wants to hold off on execution of that agreement at this time. I would confirm that since the language of the agreement says that there's a full settlement of all claims up to the time of the agreement is executed. Of course, I prepared that two months ago and more things have come up that have not yet been resolved. White: . . . get the little unknowns. Barnett: I think we need a little leverage there I really do. Albers: These are not something we have changed these are things that . . . there's a difference in whether or not we've asked for some kind of change and . . . White: One of the things he agreed to do is meet with the people out there on a regular basis and resolving last minute details and that has not happened. We need to get on him about getting that project done and it's the engineer, the architect, the contractor, and Paul that need to work out the little things. Barnett: Paul I would . . . the retainage and money being held . . . we're down to the point now where we need all the . . . (Overtalk).

Barnett: Public comment? Att. Pearce: We need authorization for the Chairman pro tem to execute Pond's agreement. White: So move. Albers: Second. White: Do we need a Resolution that either Rick or Barney can sign? I would so move in case we get bogged down. Albers: Second. Bowers: For that matter any time the Chairman is in absence the Chairman pro tem is authorized to sign. White: Are you sure? Bowers: Yes. White: My motion still stands to make sure, I don't want to delay for two weeks. Barnett: Call for vote. (Vote unanimous). Meeting is adjourned.