

REGULAR MEETING
Walker Field Airport Authority
June 2, 1983

Members Present: Chairman Frank Dunn; Comms. Maxine Albers, Barney Barnett, Betsy Clark, Dave Humphries, and George White.

Guests: Ted Daniels, Andy Sims, Grandmet; Sterling Bittle, Wade Conwell, Mesa Cab; Art Moss, Chamber of Commerce; Joe Bestgen, Avis; Dick Schmitz, Continental; Duane Phelps, Frontier; Jim Bernath, Daily Sentinel; Bill Miears, Budget; Russ Caldwell, Kirschner Moore Company; Eleanor Muhr, Transwestern/United.

Meeting Called to Order, Minutes of May 26 Regular Meeting

June 2, 1983 regular meeting was called to order by Chairman Dunn at 8:11 a.m. Good news was the refunding bond series closed on May 31, 1983.

Minutes of the May 26, 1983 meeting were unanimously approved with date correction on page 5, paragraph 2 on a motion by Comm. Clark, seconded by Comm. White.

Dalby/Wendland Management Letter

Postponed until June 23, 1983 meeting.

Airline Representatives

Dick Schmitz, Station Manager for Continental, said Continental began Grand Junction service July 1, 1980, had a staff of 13 and currently had two flights per day to Denver. Hubs for Continental are Houston and Denver and Houston will be their corporate office in July. Their loads are down due to reduction in energy travel related business. They have 15,000 people per year participate in the raft trips and this is an international market with visitors from France and Germany. Mr. Schmitz said Continental is looking forward to a long and prosperous relationship with the airport.

Duane Phelps said the only problem Frontier was having was with their freight operations and the Monarch charge for use of the old terminal facilities of \$550.00 per month. Initially the Wegner Hangar had been designated for air freight but there wasn't enough space to accommodate air freight and the crop dusting operator so the project was abandoned. Mr. Phelps said a separate airfreight facility was needed.

Frontier has six flights per day with two to Montrose. During airport construction shutdown Frontier will bus their passengers to Montrose.

Mr. Schmitz asked that the public be continually made aware of the shutdown. All travel agents have been advised and all airlines have the information in their computers.

Comm. White asked about the status of () airline contracts and Mr. Phelps said there was another meeting set up between Mr. Bowers and the airlines as Mr. Bowers had made some changes in the contracts that needed corporate approval, but the airlines were paying according to the terms of the unsigned contract.

Art Moss said the Board of Directors of the American Society of Travel Agencies for the Rocky Mountain Region would be coming to Grand Junction. They are very influential in the travel agent industry and will be shown the Grand Junction recreational and business potential. The Authority gave Mr. Moss permission for the group to use the Board Room for their meetings.

Comm. Barnett suggested the airlines advertise their low fares to places like Orlando and Mr. Schmitz said all travel agents have the air carrier fares but the lower the fares the more restrictive the travel. Also that Aspen is starting a three year promotion starting with the summer ski shows and will be pushing Grand Junction use. Comm. Humphries asked if the airlines did cooperative advertising and Mr. Schmitz said not since deregulation went into affect but the forthcoming visitors and convention bureau would be a good place to channel advertising monies where monies could be used collectively. Chairman Dunn said the City has budgeted \$110,000 for the tourism and convention center.

Accounts Receivable

Report was presented and unanimously accepted on motion by Comm. Barnett, seconded by Comm. Clark. Comm. White asked when the new report would be ready and Jeff Wendland said for the June 23 meeting.

Comm. Clark asked when a second floor restroom sign would be put up and the Board also discussed cardboard renting/leasing signs for the available office/concession spaces and a "Welcome to Grand Junction" sign. Comm. Humphries suggested the available space be advertised commercially and Comm. Barnett suggested contacting Cowden-Niehues for a space to advertise this space. Comm. White asked staff to contact car agencies in town regarding the display area on the first floor of the terminal.

Accounts Payable

Comm. Clark moved approval of the accounts payable as presented. Comm. White seconded the motion which unanimously passed.

Other Matters

1. Runway 11/29 Project: Chairman Dunn said he and Comms. Clark and Love had met with Corn Construction, Isbill and the FAA

to agree on the project cutbacks. It was decided to delete the taxiway connector designated "F" for \$123,000; delete three fillets at \$5,000 - \$7,000 each; and cut back 1/2 inch of asphalt on the taxiway for approximately \$125,000.

Comm. Barnett asked that runway 4/22 be cleaned off and loose materials removed from the surface.

2. Penner/Frantz: Att. Pearce said he did not receive a check but had spoken with Norman Frantz. Mr. Frantz had met with the principals of a large Savings and Loan and should have a construction loan commitment by June 22. Mr. Frantz said with the favorable outcome of this meeting it would be easier for his investors to come up with the money and he should have an answer for the Board on June 6. Att. Pearce recommended no action be taken at this meeting but to wait until the June 23 meeting. Comm. Barnett moved to table action on Penner until the next meeting. Comm. Clark seconded the motion which passed unanimously.

3. Refunding Bond Resolution and Hearing: Att. Pearce said the hearing was to insure tax exempt status of the bond issue and Comm. Albers would be the Hearing Officer and Russ Caldwell, George Thompson and he would be in attendance. Comm. Humphries asked how loss of this tax exemption would affect the Authority, and Att. Pearce said the problem was the bond companys. Att. Pearce read the Resolution which is attached hereto and is made a part of the permanent record.

Comm. Clark moved that Resolution 6-83-5 be approved. Comm. Humphries seconded the motion. Roll call vote was taken with Comms. Barnett, Albers, Clark, White, Humphries and Chairman Dunn voting affirmatively. The Resolution unanimously passed.

4. Westcom: Att. Pearce said he needs the Board to act on several items regarding start of change over from Westcom to Mountain Bell. First he needs to be authorized to write a letter to Bell revoking Westcom's Power-of-Attorney, then a letter from the Authority stating they will not file suit against Bell. Also, Westcom is \$8,000 in arrears to Bell and the tenants are \$5,000 in arrears to Westcom. The Authority also just stopped payment on a \$2,800 check to Westcom when it was discovered that Bell had not been paid. Att. Pearce would like to have Westcom agree to assign the \$5,000 in tenant bills to the Authority to help recoup some of the losses. Comm. Barnett asked about the affect on the tenants and Att. Pearce answered there will be no cost to the tenants and their numbers will remain the same.

Att. Pearce said even though Westcom has asked to be let out of their contract with the Authority, he cannot guarantee there will be no law suit from Westcom in the future as the details of the pullout still need to be negotiated with Westcom. Comm. White said Westcom is not performing and Comm. Albers asked that Att. Pearce get a letter from Westcom stating they want out of

their contract with the Authority and a letter from the Authority to Westcom saying they are in violation of their contract. Att. Pearce said Westcom has \$10,000 in cable in the terminal which they will be asked to leave to help offset the payments to Bell the Authority has made.

Comm. White made a motion to authorize Att. Pearce to negotiate with Westcom and Mountain Bell so we can have an adequate phone service with the least inconvenience to tenants and retain the same phone numbers, subject to Board approval. Comm. Clark seconded the motion which passed unanimously.

5. Grandmet: Att. Pearce and Manager Bowers met last week with Ted Daniels. The letter from Grandmet which suggested percentages and charges was given to the Board. Comm. Barnett suggested the Board take no official action but to ask questions of Mr. Daniels. He also said that any relief given to Grandmet be totally unilateral and temporary.

Mr. Daniels said Grandmet sales were one-third of what they had anticipated and with very low volume and they are losing money on a monthly basis. Comm. Clark asked how other Grandmet operations are doing and Mr. Daniels said the Aspen Tree is unique as it was designed to attract local customers and had anticipated 50% of their income to come from the local market. Comm. Humphries asked according to Grandmet's feasibility study when did they anticipate breaking even. Mr. Daniels did not know.

Comm. Clark left the meeting at this time.

Att. Pearce said Grandmet currently owes \$17,796.00 in construction costs and had suggested the Authority pay this and Grandmet will pay it back over a five year period. Comm. Barnett suggested Grandmet pay the \$17,796.00 before the Authority works out relief conditions. Chairman Dunn said if and when the Board gives Grandmet relief it would be on a temporary basis and the original contract would stand. Comm. White said we had put \$400,000 into the restaurant based on company reputation and we expect to have Grandmet honor the contract. Chairman Dunn said the airport could pay off the \$400,000 and rent the space back to Grandmet and Ted Daniels said that would cost Grandmet more than they are paying now.

Att. Pearce said Jeff Wendland would have a breakdown and percentages to help the Board make a decision. Mr. Daniels agreed to meet with three members of the Authority following the meeting to give them financial information.

6. Mesa Cab Company: Mesa Cab asked the Board for relief from paying the \$.25/passenger use charge when acting as courtesy cars for the motels. They also requested access to the airport paging system for announcing their limo service. After some discussion staff was asked to price a microphone box from Custom

Music and the cost of a ground transportation booth. Chairman Dunn said the Board would meet with Staff and reach a decision.

7. Comm. Humphries moved the meeting be adjourned. Comm. Albers seconded the motion which passed unanimously.

Mary Ann Harms, Clerk

Frank Dunn, Chairman