

MINUTES
Regular Meeting September 1, 1983

Members Present: Chairman Frank Dunn, Commissioners H.R. Barnett, Betsy Clark, Al Cornelison, Dave Humphries, Bill Love, and George White. Also present, Attorney Richard Hall, Clerk Mary Ann Harms, and Consulting Accountant Jeff Wendland.

Guests: Bill and Kyle Dufford; Peg Wallace, United/Transwestern; Dick Schmitz, Continental; Marv Brownlee, Ken Cox, Shirley Howard, National Car Rental; Daren Cyphers, Hertz; Bill Mears, Budget; Bruce Kochevar, Associated Insurers of Western Colorado; Ed Marvin, FAA-FSS; Art Moss, Chamber of Commerce; Mark Thompson, KQIL; Jim Bernath, Daily Sentinel; Duane Phelps, Frontier Airlines; Joe Bestgen, Avis.

Chairman Dunn called the meeting to order at 8:10 a.m. The good news was the runway construction on 11/19 was complete.

Approval of Minutes

Minutes of the August 4 and August 18, 1983 meetings were approved as written on a motion by Comm. Love, seconded by Comm. Humphries, and unanimously passed.

Prescheduled Guests.

Chairman Dunn said the Airport Action Committee had a 66 item punch list they were working on and that Mr. Porter and Mr. Sperber were in attendance to give an update report.

Mr. Porter said he is working with the Commissioners analyzing the problems though some of the items are outside the contract. Mr. Sperber is "bird dogging" all the items under all the various contracts. They will handle every item on the list; some have been completed, some are in process, and some are still under consideration. Dr. Kreider is handling the solar evaluation.

Chairman Dunn said he understands there is a problem in the leakage of the building envelope. Mr. Porter said he is dealing with engineering people and to date he is not aware of the magnitude of the problem and they are in the evaluation process.

Mr. Porter said the settling is cosmetic and there is no structural settling. He is working with Armstrong and Associates, and they are being most cooperative and will come up with a measurement scheme. The structure hasn't moved; there is just visible breakage. Chairman Dunn thanked Mr. Porter and Mr. Sperber for their work.

Management Report

1. Fifth Rent A Car Operation. Request has been made for a

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fifth rent a car "jeep" operation onfield. Mr. Dunn said the original bid specified five operators, but only four bids were finalized so the fifth space was eliminated in the terminal. Attorney Pearce thought a fifth car operator could be allowed on field at another location. The minimum bid would be \$30,000/10%; and there is a fifth car service area designated behind Motel 6. Chairman Dunn asked for discussion.

Comm. Barnett said he is not too receptive as this would dilute the present activity, but we would have to consider it. We need to get the operators financial history. Chairman Dunn said they would pay for their own lease area. Mr. Moss said there is space in the terminal building available, and Chairman Dunn said the rent a car areas are defined. Comm. Humphries asked if this type of service is available now, and Mr. Cox said he has 44 4-wheel drive vehicles in his fleet.

Comm. Love said we need to find out more about these people and added that as far as the five operators originally contemplated, he would not give an opinion until he has more information. Comm. Humphries said he is reluctant to go with a fifth operator due to economic conditions and another operator would dilute what market we have here. Comm. White said that he agrees with Comm. Humphries and wondered why, if these people were in business at the time these spaces were bid, they didn't bid at that time. He added things aren't all that good and we need more information.

Comm. Clark asked why this was on the Agenda if we don't have all the information. Mrs. Harms said the staff needed to know if the Board wanted to pursue this before asking for a financial statement and performance record. Comm. Humphries suggested the Board postpone commitment until the new Manager arrives. Comm. Cornelison said he didn't have the background but he didn't want to prevent competitiveness, and he would like to see fairness and profitable businesses. Attorney Hall said the Board doesn't need to make a denial decision or shut the door. These decisions can be made when the new Manager arrives. There would be a problem only if we don't listen. Chairman Dunn said no decision needs to be made, but we will ask them for a financial statement. These people have been asking us for an answer since May.

Chairman Dunn said the Board needed to make a motion to pay Mr. Sperber \$20.00 per hour for his consulting services. Comm. Cornelison so moved, Comm. White seconded the motion, which unanimously passed.

Comm. Love said he agreed with what Mr. Porter has said, and we need to be sure these things get done. Mr. Love said Mr. Sperber is representing the Board on the Committee (Committee

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members are Comms. Cornelison, Dunn and Love.) Comm. Love said most of the problems aren't serious unless the floor turns out to be, and he asked Mr. Porter where the report was that was to be out this week as we need to get on this. Mr. Porter said a week was wasted deciding whether the Authority had hired an independent soils consultant, and he had just met with Armstrong yesterday.

Comm. Love said the problem with the air-conditioning should be solved with the installation of the water treatment system, as the orifices in the nozzles had been plugged due to the quality of the water. The Board does need to decide whether or not to install auxillary gas heat and radiant heat at a cost of \$16,000. This would be the Authority's expense, as this wasn't in the contract. Mr. Sperber said Dr. Kreider had said it was a good idea and had been used in Gunnison. Comm. Love said the gas auxillary heat would go into the main circulating system and would go on when the ambient temperature dropped to a certain level. This would cost approximately \$10,000.00. The radiant heat would be used above the counter areas and would cost approximately \$6,000.00. Operating cost estimates by Yoder for gas heat is \$300-\$350/year and \$500/year for radiant heat. This needs Board approval very soon. Comm. White asked for Mr. Love's recommendation and Comm. Love said he is for it.

Comm. Cornelison said Mr. Porter had said we haven't been through a full winter. Comm. Love said this is a fair point and if the blinds are put in, it should help direct the solar heat where it is needed. Comm. Clark suggested the heat only be put into the ATO spaces. Mr. Porter suggested the Board get Dr. Kreider over. Comm. Love said Dr. Kreider has already written a letter recommending this system, and mentions Gunnison. Comm. White said the Authority is bound by contracts to maintain certain temperatures.

Comm. Clark asked Mr. Porter, as he has had more experience with solar, that since the building was cold when we moved in, would this year when the building is warm make a difference. Mr. Porter said yes, in theory, but it didn't work in Gunnison.

Comm. Cornelison suggested that control of auxillary heating be handled only by Airport maintenance people. Mr. Sperber said the radiant heat can be thermostatically controlled, but he doesn't know what has been designed. Comm. Barnett said the Board should have Mr. Sperber research this and make a decision. Mr. Sperber said he would check into the details and costs of the thermostats and added these costs are good for 30 days. Comm. Humphries asked if these were bid prices, and Mr. Porter said they had been negotiated with the subcontractors. Comm. Humphries asked if we could save money bidding it, and Mr. Sperber said he would explore this and get a couple more bids.

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2. Airport Insurance Procedures

Chairman Dunn said this is a sensitive item, and that one of the policies lapsed and has since been bound. Mrs. Harms said the Airport's Insurance Committee, composed of Ron Ford and Rod Power, had been out and reviewed the Airport's policies and will be submitting recommendations to the Board. Comm. Humphries said as the policy is bound, we should wait until the new Manager gets here. Chairman Dunn asked for comment from the people in the audience.

Mr. Bill Dufford suggested the Board pick three agencies within the County to select representatives for the Airport Insurance Committee and have them draw up specifications. Chairman Dunn asked Mr. Dufford how this agency selection should be made, and Mr. Dufford said just pick them out of the telephone book. Comm. Cornelison suggested having an insurance consultant come in; this would be a non-partisan and give us specifications and provide services.

Comm. Barnett said there are several men on the Eastern slope providing this type of service, but we are looking at several thousand dollars. The Airport liability is very specialized and the rest of the insurance is routine. Chairman Dunn asked about getting a third member on the Insurance Committee, and Comm. Clark asked if there were any volunteers from the audience (no one volunteered).

Mr. Kochevar said the Board should know when their insurance is about to lapse and should go over the policy for additions/deletions. Comm. White suggested we let the Insurance Committee work up the presentation for the new Manager, and let the Manager come to us with recommendations.

3. Finance Committee Report

Comm. Humphries said they went over the Cash Flow Report and Financial Statements. We are not doing as well as we had hoped, but we're still in the black by \$123,000 net, and our net worth is \$14.7 million. Administrative expenses are over budget, but should be more in line as the year progresses. In summary, we are not as good as we had hoped or as bad as we could be.

The major obstacle is Penner-Frantz. We should be alright the next two years and get by on reserves. He also recommended the Dalby/Wendland ADAP audit letter be approved. The 1984 budget should be completed 30-45 days after the new Manager arrives. Mr. Humphries then recommended the Board renew Mr. Wendland's contract to 10/31/83. Comm. White said a portion of the Administrative overrun is Mr. Wendland's consulting position, but that it was a wise decision to have him here; adjustments can

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be made. Comm. Barnett said this budget season will be a lot easier. Last year we didn't know the utilities and costs, but it will take some long budget sessions. Chairman Dunn said only a preliminary budget will be presented to Mr. Boggs, and that the 1984 budget needs to be conservative.

Comm. Cornelison asked if the Airport budget needed to coincide with the City and County budgets so if the Airport has a deficit it can be covered. Comm. Humphries said we hope to keep the Airport in the black and only as a last option go to the City and County for help. Comm. White said the County has budgeted its share of the 4/22 matching funds in the amount of \$37,500. He added the City and County should be aware that the Airport may have a problem. Comm. Cornelison said the Airport could be less than self-sufficient and when we are making policies we should take this into account. Comm. Barnett said we should shoot for October on the budget. Mr. Wendland said he went over the preliminary budget with Mr. Bowers and would hold this until Mr. Boggs gets here to meet with the Finance Committee. Comm. Barnett commented we are at the mercy of the City on personnel. It was noted that Mrs. Harms' report on withdrawal from the City system had been put on hold until the new Manager arrives.

Comm. Humphries said there was a problem giving directions to Jeff Wendland on what type of information he can give out, as a CPA has ethics to meet as to what he can give out. The Finance Committee suggested publishing quarterly income statements, and beyond that to give information out according to the statutes and charge \$1.25 per copy. Comm. White said people would like to look at things, and we should not charge to have them do so. Comm. Humphries said it would be \$1.25 if they take a copy with them. Comm. Clark asked for a clarification of Mr. Wendland's problem. Mr. Wendland said it is unethical for a CPA to release any information unless he has the Authority's permission. He said he had had a problem and had asked for Board direction.

Comm. Humphries moved that Mr. Jeff Wendland's contract services be extended to 10/31/83, at a rate of \$15.00/hour. Comm. White seconded the motion which unanimously passed. The Dalby/Wendland ADAP audit letter had been approved at the August 18th meeting.

4. Accounts Receivable/Payable Report.

Accounts Payable were reviewed, and Mrs. Harms requested the Clarke/Younger payment for retainage on the landscaping/irrigation system be withheld until Land Design Partnership signed off on the contract punch list. Mr. Touffer will be in town Wednesday, September 7th at 10:00 a.m. to do this. A proposal from Clarke and Younger to do additional

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landscaping around the Mangold sculpture and East side of the front of the terminal building for \$1,400.00 was turned over to the Airport Action Committee as were the additional sidewalks.

Comm. White moved the payables be paid except for Clarke and Younger, who will be paid at the next meeting if their work is approved. Comm. Clark seconded the motion which passed unanimously.

Accounts Receivable Comm. White said there are still some accounts in the 90-day column. Mr. Wendland said all accounts in the 90-day column have been sent demand letters. Chairman Dunn complimented Mr. Wendland on his diligence. Comm. Barnett suggested thank you letters be sent when these accounts are brought up to date, and Mr. Wendland said this is being done. Comm. Clark asked for a complete accounts listing. After brief discussion, it was decided this would be too cumbersome.

Comm. Love asked about Penner-Frantz, and Mr. Dunn said there had been no correspondence since Attorney Pearce had written to them.

5. Approval of FAA Agreement for National Weather Service. Mrs. Harms said this contract is for the first floor space in the Control Tower vacated by the Weather Bureau. Atty. Pearce had reviewed the contract and found no problems. The Board asked about the increase in revenue, and Mrs. Harms said it is an additional \$365.00/month. Comm. White moved the Board approve the lease with the FAA for the first floor space in the tower; Comm. White seconded the motion, which passed unanimously.

6. Mesa County Land Use Plan Update. Chairman Dunn said this has been a very positive process, and that he had attended a neighborhood meeting at Thundermountain School regarding the Plan. Comm. White said when extension of Runway 11/29 was moved from the East to the West end of the runway, it relieved the pressure caused by the critical zone covering a school and a large amount of already zoned property. He said the first hearing had 350 people in attendance, the second meeting a lesser amount, and only 36 people attended the last hearing. He would like to see the Authority pursue its land acquisition program though it will mean major expenditures.

Chairman Dunn said he would be in Washington the end of this month and would meet with Mr. Burford regarding acquisition of the BLM land surrounding the Airport. Comm. White said the Mesa County Land Use Plan should be finalized in 60 days. Comm. Clark said both the City and the Airport will have to act on the revised plan and asked Mrs. Harms to pursue this.

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7. Westcom Update. Mr. Wendland said he had met with Westcom and they will do the changeover. He will then arrange a meeting with the tenants and discuss the changeover procedures with a Mountain Bell and Westcom representative in attendance. Mr. Phelps said the airlines will need two weeks lead time, but after some discussion decided one week would be sufficient. Mr. Wendland said he is awaiting a written response from Westcom before proceeding to set up the meeting.

Comm. Cornelison asked if this would be competitively bid, and Mr. Wendland said the Authority will not have ownership of the cable and in conversation with a person interested in the Airport phone system it was decided that it would be best to go with Bell at this point until the cable ownership question was legally settled. We currently are paying about \$6,000.00/month in phone bills as Westcom is not paying Bell, and our cost of the changeover will be less than one months' payments at this time. Mr. Wendland said to date Westcom has been very cooperative. Chairman Dunn said there will be no disruption of service to the tenants.

8. Airport Landscaping Update. This item has already been discussed under the Clarke/Younger discussion above.

9. Vending Bid Package. Mr. Wendland said he is preparing to send out a bid package on airport vending per agreement by Grandmet that they no longer wished to provide this service. The bid opening will be on September 7, 1983. Commissioner Humphries asked if we had received any response from Grandmet, and Mr. Wendland said we have not but we have received a check for the cost overruns on construction. Comm. Humphries asked approximately how many bids we expected to receive on the vending, and Mr. Wendland answered he expects three or four.

10. Airport Signage. The need for more inside and outside signage was brought up at the tenant meeting. Mrs. Harms said she had contacted Jim Bragdon from the City to come out and review the signage and make recommendations. She said she would have Mr. Bragdon prepare the specifications so these signs could be bid. Mr. Phelps said the air freight signs need to be in place by September 15th.

Mrs. Harms also brought up the previously requested proposal on the "Welcome to Grand Junction" signs. The proposal was for two signs at a cost of \$803.00. The prices were still valid though the proposal was dated in June. The Board was undecided on the wording of the sign and thought it should be broader, i.e. "Welcome to Western Colorado". All sign decisions were postponed until Mr. Boggs is on board.

11. Transportation Booth/Information Booth. Chairman Dunn

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said there were many problems during the last ski season regarding ground transportation and information. Mrs. Harms had met with representatives from the transportation agencies (Trailways and Mesa Cab) and Mr. Bill Cleary from Club 20, Mr. Art Moss and Mr. Dale Hollingsworth from the Chamber to discuss the booth.

Mr. Moss said Mrs. Harms had done a good job making the people in attendance at the meeting aware of all the multiple problems. The Chamber had suggested identifying all the problems, which would take quite some time, and they realize there is some urgency in this matter. The Chamber had suggested using Mesa College students to fill out questionnaires prepared by the Chamber by standing at various locations at the Airport to catch people both inside and outside the facility. He said there are four types of users of the Airport: those people coming, those going, those meeting people and those using the facility. Mr. Moss said if the survey is agreed to by the Board, it would be done during various times of the year and over an extended period. This survey would enable the ready identification of all the problems people are having with the Airport. Mr. Moss said he left before the meeting was over, and Mrs. Harms would have to fill in.

Mrs. Harms said that all the transportation people were in agreement that a central booth and information dissemination point was necessary. They were enthusiastic about forming a group to meet with the motel operators on Horizon Drive and to contact all ground transportation operators using the Airport to see if everyone would be willing to participate in paying for this type of service. She said they had even suggested an increase in the user fees if the Airport would use the revenues to help fund this type of service.

Mrs. Harms said it would be best to have one "booth" to serve the ground transportation and the ski country booth during ski season, and after ski season to have it available for ground transportation and tourist information. The transportation representatives had volunteered to work Saturdays during ski season to help the passengers find ground transportation, and that they would provide this service without bias and would recommend rent a cars as well as other forms of ground transportation. Chairman Dunn asked the rent a car representatives in attendance if they would have any problem with this type of service, and Mr. Cyphers responded that he didn't care where this type of booth was located and if it operated.

Chairman Dunn then brought up the problem of where to park the buses and the problems we had last year with bus access. He said he had spoken with Mr. Isbill about a location and solution

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to the access problems. Mr. Isbill had suggested the area West of the rent a car ready area be used for bus parking and that the outside lane on the entry road be widened at the ticket spitters to allow for easier passage. Mr. Dunn said the buses only had about 1-1/2" of clearance from the outside curb to the curb the spitter was located on. Mr. Cyphers said the ready car area was an exclusive lease area. Comm. White said he wanted to make sure this would be a long range solution. Comm. Barnett recommended that the bus area be designed by Mr. Isbill.

Mr. Ken Cox suggested the buses be put in the regular Airport parking lot. Mrs. Harms said buses would not be able to get in or out of the parking lot as the entrance and exit now exists. After a brief discussion, the Board asked that this matter be turned over to Mr. Isbill for his review and options and that it fit in with the existing Airport traffic plans.

12. Tenant Meeting. Comm. Barnett said he appreciated the recording of the tenant meeting and giving the information to the Board, but he did not want it to become a line by line review at the meeting. Chairman Dunn said this was for the Board's information and also to allow staff-followup of the problems and concerns of the tenants.

Other Matters

Comm. Barnett said he would like to thank Jeff Wendland, Mary Ann Harms and Jerry Myers for all their hard work in keeping the Airport running.

Comm. Cornelison said he would like to have the staff look into the cost of retaining an insurance consultant to look into the Airport's insurance. After a brief discussion, Comm. Cornelison made a motion that the staff look into the cost of retaining a consulting service for review of the insurance. Comm. White seconded the motion, which passed with Comm. Humphries voting against it. Comm. Barnett said his agency does not write insurance for the Authority and he would be willing to bird dog the insurance, and that the Insurance Committee had competent men on it. Mr. Cornelison said the Board would have a choice of using Mr. Barnett's services, the Insurance Committee or the consultant. Mr. Barnett suggested that the staff contact Mr. Wayne Jorganson in Denver or call Independent Insurers in Denver.

Comm. Clark said she did not feel that we needed a consultant, and she feels comfortable using local people. Comm. White said we need to know if we are over or under insured. Comm. Barnett said when we are all done we will find we are in

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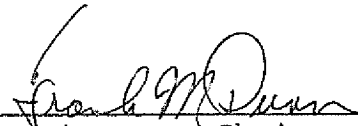
good shape and that Rod Power and Ron Ford are very competent. Comm. Cornelison said he made the motion to get information only.

Comm. Clark said it had always been her intent to get off the Board, and the City Council has a Selection Committee for interviewing her replacement. They will try and have someone on the Board for the October meeting. }

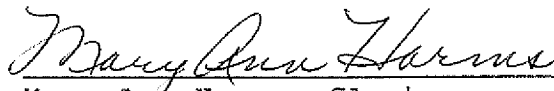
Mr. Bestgen asked about whether the Board would write a letter saying they would pay for the lift station required on the fourth rent a car service area.

Comm. White moved that this meeting be recessed to reconvene on Thursday, September 8 at 8:00 a.m. Comm. Love seconded the motion, which unanimously passed.

Approved as set forth this 6th day of October, 1983.



Frank Dunn, Chairman



Mary Ann Harms, Clerk