

MINUTES  
Special Board Meeting  
October 25, 1983

Members Present: Chairman Frank Dunn; Directors H.R. Barnett, Al Cornelison, Dave Humphries, Bill Love, Janine Rider, and George White. Also present: Airport Manager Mike Boggs, Atty. Rich Hall, and Clerk Mary Ann Harms.

Guests: Mark Thompson, KQIL; Cynthia Crawford, KSTR/KWD; Jim Bernath, Daily Sentinel; Joe Bestgen, Avis; Attys. John Groves and Bill Nelson; John Pabst, Monarch Aviation; Chuck Kohles, Horizon Aviation; and Janice Kinkade, KJCT; Airport Staff Mary Kay Rath and Jeff Wendland.

Call to Order:

Chairman Dunn called the meeting to order at 3:15 p.m.

Air Travel Center

Atty. Bill Nelson, representing the Airport Authority, said he was negotiating with Air Travel Center and had been in contact with Atty. Paul West representing Penner-Frantz. They had agreed to pay the Authority \$50,000 and provide cash or a clean letter of credit and pay the rents current through 12/30/83. They asked to be given until November 10, 1983, to draw up the Letter of Credit.

Mr. Nelson said there was also some dispute over the proper calculation of the interest, amounting to approximately \$2,000 and would like to work this out if it was acceptable to the Board.

Atty. Nelson said it would take some time to work out the Letter of Credit and suggested that Air Travel Center be given until the November 11 date and if the Letter was not received to then proceed with the suit. Air Travel Center had also asked that the start of construction date be moved to March 1, 1984 and that further default on this term of the lease be waived.

In review of the financial sheet provided by Air Travel Center Dir. Humphries noted that the \$5,000.00 payment received the last of June was not to be applied against the outstanding rents, that the payment had been made to obtain a lease extention.

There were two other matters discussed: 1) Water tap on the hotel. Atty. Nelson said the language of the contract says the Authority will bring the lines up to the edge of the property. Need to clarify that the running of the lines is up to us and the tap is the responsibility of the hotel; 2) Other parcels under lease. Atty. Nelson said there is no option involved the lease says at such time as the land is available for commercial development. Atty. Hall commented that it had been in the Penner/Frantz proposal at one time to give that land back to us.

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Resolution: 10-83-6

Be it resolved by the Walker Field Airport Authority that subject to the prompt payment of the \$50,000.00 in personal checks which have been tendered by the Air Travel Center principals:

1) Agree to accept the \$50,000.00 and the balance in cash and/or unqualified clean Letter of Credit acceptable to the Board's Attorneys, to be delivered by close of business November 11, 1983, for the balance of all funds including interest owed to the Airport Authority by Air Travel Center through and including December 30, 1983.

2) Subject to the successful delivery of the cash and/or Letter of Credit written above that the commencement of construction be extended to March 1, 1984.

3) In the absence of the fulfillment of foregoing comments that there will be an immediate default and the Airport Manager is herein authorized to initiate suit.

Thereupon Director Humphries moved that the foregoing Resolution be passed and adopted. Director White seconded the motion. The motion was put to a vote and carried, the members of the Airport Board voting as follows:

Those voting AYE:

Directors:	Frank Dunn
	H. R. Barnett
	Al Cornelison
	Dave Humphries
	Bill Love
	Janine Rider
	George White

Atty. Nelson said in making the calculations of the proper sums due to the Airport Authority, the \$5,000 received for an extension was not a payment of rent but a fee for an extension, and the interest rates varied depending upon the term, whether it is 12% or 18%.

#### Monarch Aviation

John Pabst said the sale of Monarch had been made to Air Business Incorporated, a subsidiary of The Independent American Group of Dallas, Texas. Mr. Pabst said the sale was due to the downward trend in aircraft sales and the purchase would make Monarch financially sound. The Board congratulated Mr. Pabst and wished him well.

Director White left the meeting at this time.

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John Porter Architects

Manager Boggs said the audit information on Porter will be given to the Board by the end of this week and Mr. Wendland said it will be into November before Porter could be paid. Director Love said the final payment to the architect should not be made until the building's problems are completed and taken care of.

The Board said that Porter should meet with the Airport Action Committee and that this meeting not take place until the audit is completed.

Skywest Airlines

Manager Boggs said Skywest has accepted the terms of the Authority's offer and will be starting service on December 1st and will be serviced by Frontier.

Avis Service Area

Mr. Bestgen said the corporate engineer and architect were here last Thursday and Avis will most likely provide their own lift station without a cooperative effort. They will probably have this service facility in operation by December of 1984. Mr. Bestgen said they would like to move up to the Second or Third location but as this does not appear feasible in the near future Avis will go ahead with the Fourth location.

Airport Fire Station

Chairman Dunn said the City is still in Budget hearings but he should have an answer of Fire Station Five for the next meeting.

Adjournment

Director Rider moved the Special Meeting be adjourned. Director Humphries seconded the motion which passed unanimously.