

MINUTES
Regular Board Meeting
January 5, 1984

Members Present: Chairman Frank Dunn, Directors H.R. Barnett, Al Cornelison, Dave Humphries, Bill Love and Janine Rider. Also Present: Airport Manager Mike Boggs, Atty. Randy Pearce and Clerk Mary Ann Harms.

Guests: Jim Bernath, Daily Sentinel; Joe Bestgen, Avis; Art Moss, Chamber of Commerce; Airport Staff Members Ted Balbier, Jerry Myers, Mary Kay Rath, and Jeff Wendland; Atty. John Groves.

Meeting Called To Order

Chairman Dunn called the meeting to order at 8:06 a.m. He then reviewed the progress made by the Airport Authority in the year 1983.

Approval of Minutes

Director Rider asked that the Minutes be corrected at the bottom of page 4 regarding "no meeting in November".

Motion: Dir. Humphries moved the December 15 Meeting Minutes be approved as corrected. Dir. Cornelison seconded the motion which unanimously passed.

Airport Authority Bylaws

Dir. Cornelison asked about the Bylaw bonding provision for the Treasurer. Dir. Barnett said a blanket bond had been proposed. Atty. Pearce read the Resolution Concerning the Repeal and Adoption of Bylaws in its entirety. The Resolution was unanimously adopted and approved on first consideration by roll call vote as follows: Directors Barnett, Love, Cornelison, Humphries, Dunn and Rider voting aye. The Resolution is entered into and attached as a permanent part of the Minutes of this meeting.

1983 Audit Engagement Letter

Dalby, Wendland and Company proposed costs for the 1983 audit is \$3500.00 with a 10% reduction if the audit is completed by the end of January. Dir. Barnett said this speaks well of staff accountant Jeff Wendland and the present airport administration.

Motion: Dir. Rider moved the engagement of Dalby, Wendland and Company for the 1983 audit. Dir. Cornelison seconded the motion which unanimously passed.

Financial Matters

Mr. Wendland presented a partial payables list for Board approval. Dir. Barnett asked that we receive approval from the bonding company before releasing retainage on Peter Kiewitt and Sons and Corn Construction.

Motion: Dir. Humphries moved to pay the Accounts Payable. Dir. Love seconded the motion which unanimously passed.

Rental Car Status

Manager Boggs said there is a payment method variance on the rent a car service areas. There has been some dispute over the contract and bid procedure associated with the contract and as a result Hertz filed suit last year. Manager Boggs continued that he and Jeff Wendland had met with the rent a car operators to try and reach some middle ground and resolve some of the issues that have existed for some period of time. They were successful with three of the operators but one operator was reluctant to go along with any modification that would bring the issues to a non-litigated closure. We now have a contract which has been in force for one year as of December 15th and we have an existing lawsuit. If that lawsuit goes to Court and the Authority were not to be successful then it could have severe impact on not only the Authority but on the other three rental car operators on the airfield. He said we need to get a determination from the Court on that suit before we can proceed with many of the other things we have to do related to the rental car operators.

Atty. Pearce raised three points relative to these issues:
1. Press on the law suit. 2. The Board need to formulate a policy on how to deal with defaults in the contract as there are a broad range of defaults and options available in regard to enforcing the contract as it now stands. The Manager needs some guidance from the Board on how to react to various occurrences so he can act quickly and not put off decisions until the Board meets; 3. The Board need to decide who is to handle the suit. Do they want to continue with Hall and Pearce or go to Nelson and Groves.

Manager Boggs said he had spoken with Atty. Groves and if we have to litigate he would like to have Nelson and Groves work with our general counsel.

Atty. Pearce said there is a motion to dismiss filed by Avis that has not been heard and he would like to suggest that this motion be heard. This would be simply based on Mr. Bowers letter extending the Performance Bond due date and the contract and, in his opinion, there would be no need for evidence. In summary Mr. Boggs said there are two issues that need Board action (1) authorization to go ahead and press for a Court date to get a determination and (2) to bring Nelson and Groves firm into the litigation.

Motion: Dir. Cornelison moved that we direct the Airport Manager to hire Attorneys to pursue this car rental matter as has been suggested. Dir. Rider seconded the motion which unanimously passed.

Dir. Cornelison suggested a Committee be appointed in order to make it easier for the Board and the Manager, composed of the

the new Chairman and the two senior board members to meet on this matter. Manager Boggs suggested he use the Finance Committee as an executive committee when input and feed back is needed on short notice.

Air Travel Center

Manager Boggs said Mr. Wendland was in Denver to meet with Norman Franz and to obtain payment to the Authority utilizing the letter of credit provided by Air Travel Center in the amount of \$102,272.65. At that meeting Mr. Franz said no more payments would be forthcoming until Air Travel had received a commitment from a bank. Air Travel Center has paid the Authority a total of \$325,000 to date.

After a lengthy discussion between the Board and Atty. John Groves regarding timing, economics and the options available to the Board, the following motion was made.

Motion: Director Barnett moved that the Manager be given time to meet with Air Travel Center and find some middle ground before the next Board Meeting. Dir. Cornelison asked that after the given time period is over and, in the opinion of the negotiating team, the negotiations were not going to reach settlement, then we go on to Court and finalize this matter. Dir. Cornelison then seconded the motion.

After discussion the motion was put to a roll call vote as follows: Dir. Barnett, yes; Dir. Love, no; Dir. Humphries, no; Dir. Rider, no; Dir. Cornelison, yes; Dir. Dunn, yes. The motion failed to pass on a tie vote. Dir. Barnett withdrew the motion.

After further discussion the following motion was made:

Motion: Dir. Humphries moved that the Finance Committee meet with the Manager and attorneys and develop strategies on how to deal with Air Travel Center and their default and to make recommendations to the Board at the next meeting. Dir. Barnett seconded the motion which passed unanimously.

Bill Shea Visit

Manager Boggs said we had a visit from Mr. Bill Shea, Assistant Administrator of the FAA on December 18. Mr. Shea was very impressed with the terminal building and our projected needs at Walker Field were discussed. Also that there may be some discretionary money available for Runway 4/22.

Snow Removal

Manager Boggs reported on the snow removal operations over the holidays and thanked airport maintenance and Corn Construction for their excellent job. Some problems and equipment failures were mentioned. Dir. Barnett asked if the Budget for snow removal had been depleted and Mr. Boggs said \$18,000 had been budgeted and an estimated \$12,000 had been spent. He added that Monarch

had sold 40,000 - 50,000 gallons of gas.

Westcom

Atty. Pearce reported that the Westcom trial was to have started at 9:30 a.m., January 4, 1984. As the result of Westcom's attorney not appearing a default judgement was made in favor of the Authority in the amount of \$49,908.00 (\$30,000 on Mountain Bell Bill, \$10,000 on cable installation in the terminal, and the balance in Attorney's fees and administration time). Westcom's attorney has fifteen days for review of the order and fifteen days from then to file for a retrial. He can appeal to the Court of Appeals, which is doubtful, and if the appeal is granted we may have a retrial. However, if the appellate judge rules in our favor we have a \$50,000.00 settlement.

Other Matters

1. Director Cornelison asked that the following be done:
 - a. The Bylaws be indexed and put into a better quality binder.
 - b. An Information Sheet be made up containing the names of the Board Members and the Airport Management.
 - c. The Finance and Audit Committee report at the annual meeting and a reconfirmation of the standing Committees of the Board also be done at that meeting.
 - d. Board of Director's terms need to be clarified.
2. Other Suggestions:
 - a. Have a formal swearing in of new board members to provide a clear record in the Minutes.
 - b. Have a copy of the Bylaws mailed to the City and County Attorneys.
 - c. Have the meeting Agenda format changed to accommodate old and new business. However, as a courtesy to the Chairman, anyone desiring to bring up these items should notify the Chairman in advance of the meeting.
 - d. Have the staff review and list unfinished business and include this list with the proposed meeting agenda.

Selection of Officers

Reading of the Resolution Concerning The Election Of Officers was waived but is hereto attached and made a part of the Minutes. Roll call vote was taken as follows: Dir. Barnett, aye; Dir. Love, aye, Dir. Humphries, aye; Dir. Rider, aye; Dir. Cornelison, aye; Dir. Dunn, aye. The Resolution unanimously passed.

Resolution of Appreciation

Dir. Love thanked the Board for their support of his Chairmanship and especially thanked Chairman Dunn for all the progress made by the Board in 1983. He said Chairman Dunn had worked hard under tough circumstances and had done an excellent job. Dir. Barnett read a Resolution of Appreciation to Frank Dunn into the record, as attached hereto. Roll call vote was

taken as follows: Dir. Barnett, aye; Dir. Love, aye; Dir. Humphries, aye; Dir. Cornelison, aye; Dir. Rider, aye. Passed unanimously.

Banking Resolution

Reading of the Resolution Concerning Execution of Documents Pertaining to Bank Accounts was waived. Roll call vote was taken as follows: Dir. Barnett, aye; Dir. Bill Love, aye; Dir. Humphries, aye; Dir. Janine Rider, aye; Dir. Al Cornelison, aye; Dir. Frank Dunn, aye. The Resolution unanimously passed and is attached to and made a part of the Minutes.

Board Committees

Finance and Audit Committee. Dir. Love said the Finance/Audit Committee is composed of the following members: Dave Humphries, George White, and Al Cornelison. Dir. Love asked that Dir. Barnett be appointed as a committee member and be given voting privileges in the absence of the other members.

Insurance Committee. Barney Barnett, Dave Humphries and Frank Dunn.

Art Committee. Dir. Barnett asked that he be allowed to drop off this committee. A new representative needs to be appointed.

Airport Action Committee. Frank Dunn, Al Cornelison, George White and Bill Love as Board Chairman.

Planning Committee. Dir. Love said this is a new committee for long term planning (3-6 year period). Members: Chairman Janine Rider, Al Cornelison, Frank Dunn and Barney Barnett.

Director Humphries asked that dates and times of various meetings be provided for all Board members on a monthly basis.

Meeting Adjournment

Dir. Humphries moved the meeting be adjourned at 10:51 a.m. Dir. Dunn seconded the motion which unanimously passed.

ADOPTED AND PASSED this _____ day of January, 1984.

Frank Dunn, Chairman

ATTEST:

Mary Ann Harms, Clerk