

MINUTES
Regular Board Meeting
October 16, 1986

BOARD MEMBERS PRESENT: Chairwoman Janine Rider; Directors Bill Love, Ron Gibbs, Maxine Albers, Henry Faussone and Al Cornelison. Also Present: Manager Frank Miller, Airport Administrator Jeff Wendland, Clerk Tracy Peeples and Deputy Clerk Corinne Nystrom.

GUESTS: Jim Mullins of Mile Hi Aviation, John Linke of Redstone Aero Services, Shirley Howard of National Car Rental, Tari Folkestad of Hertz Rent A Car, Deanna Strand of Strand Aviation, Jim Goad, Ron Rouse of Air Photo Surveys, Rick Fowler of Western Aviators and Walker Field Airport employees Ted Balbier and Jerry Myers.

Meeting Called to Order

Chairwoman Rider called the Board meeting to order at 8:08 a.m. The Clerk noted that a quorum of the Board was present.

Approval of September 18, 1986 Minutes

Chairwoman Rider noted a correction to the minutes under Public Comment - Derry Newby/National Weather Service. Chairwoman Rider requested that the phrase be changed to reflect Derry Newby's compliment of staff's actions regarding moving the National Weather Service out of the Old Terminal Building. Director Cornelison then made a motion to approve the Minutes as corrected; seconded by Director Gibbs. Unanimously carried.

OLD BUSINESS

Insurance Requirements

Manager Miller updated the Board on staff's review of the insurance requirements needed for the Walker Field Airport Authority. Manager Miller informed the Board that an insurance company out of Denver specializing in aviation insurance, was contacted in regards to types of insurance and their associated premiums, it was determined that the DOT has minimum per seat limits for Part 135 operators. Manager Miller recommended the board adopt insurance coverages and incorporate those coverages into the Walker Field Airport Minimum Standards for Services and Activities and that those coverages be as follows:

\$500,000 per occurrence for an operator with no
access to the airfield;
\$1,000,000 per occurrence for an operator with
access to the airfield

Discussion followed. Jim Mullins of Mile Hi Aviation and John Linke of Redstone Aero Services expressed concern about obtaining a \$1,000,000 per occurrence public liability insurance coverage. Mr. Linke informed the Board that five insurance companies that he had contacted had provided letters of denial for the

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\$1,000,000 per occurrence public liability insurance coverage. Discussion followed. Director Albers suggested staff contact an insurance underwriter to discuss with the Board insurance requirements and policies and to set realistic insurance requirements for the Walker Field Airport and be uniform in setting those minimum standards. Chairwoman Rider tabled the matter until the the Insurance Committee and the airport users could meet with an insurance representative and discuss insurance requirements for Walker Field.

Hall's Lease

Manager Miller updated the Board on the status of negotiations on a Commercial Ground Lease with the Halls. Manager Miller informed the Board that back taxes were owed on improvements done to the Hall's building and recommended the Board wait until after the tax default is cured on November 10 before entering into an agreement with the Halls. Manager Miller informed the Board that the Halls had submitted a check for \$4000 to be applied to back rents which will bring the Halls current thru September. Manager Miller then recommended the Board accept the check for \$4000 and that the Board take no action on negotiating a contract with them until after November 10. Once the ownership of the building is determined, Manager Miller recommended the Board then proceed with negotiations on a commercial ground lease. Discussion followed. Director Gibbs then recommended that staff continue with negotiations with the Halls on a month-to-month basis until the tax default is cured.

NEW BUSINESS

Contract Approval - Banner Associates

Manager Miller updated the Board on the status of the RFPs on engineering services for a study on irrigation water. Manager Miller informed the Board that four proposals were received and reviewed and that Banner Associates was the firm recommended with a contract price of \$16,800. Manager Miller informed the Board that although the Contracts Committee was unable to meet to review the Banner contract, Attorney Harry Griff reviewed the contract and his recommendations were incorporated. Manager Miller recommended the Board accept the contract with Banner Associates contingent upon any changes recommended by the Board. Discussion followed. Director Love expressed a concern about whether or not this item should be considered in the 1986 budget, or if it should be written into the 1987 budget. Manager Miller recommended that staff be allowed to discuss with Banner Associates the various tasks of the contract, and add to the contract a provision which would state that the Authority reserves the right to cancel any remaining part of contract, and to determine whether or not the contract price will hold thru fiscal year 1987. The Board concurred with management's recommendation.

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Hertz Rent A Car

Manager Miller updated the Board on the status of the Hertz audit and informed the Board that a discrepancy of \$30,000 of reported revenues was discovered by Administrator Wendland. Manager Miller informed the Board that after several unsuccessful attempts to meet with Hertz to discuss the discrepancy, staff recommended that the Board allow staff to instruct legal counsel to prepare a complaint and forward a copy to Reed Miller's attorney and if after 30 days there still was no response, instruct legal counsel to file the complaint with the court. Discussion followed. Director Love suggested the possibility of avoiding court action by bringing in an independent CPA that could certify to the Board whether or not a discrepancy had been made. Discussion followed. Director Fausone made a motion that the Board instruct staff to contact an independent auditor to review the books of Hertz Rent A Car and prepare a report for the next Board meeting; seconded by Director Love. Unanimously carried.

Landing Fee Adjustment - Under 10,000 Pounds

Manager Miller informed the Board that a Landing Fee adjustment was needed for small commercial operators who are based on the airport. Manager Miller recommended the Board adopt the following Landing Fee adjustments:

For aircraft over 10,000 lbs.:	
Leasehold:	.685 per 1000 lbs.
Non-Leasehold:	.75 per 1000 lbs.
For aircraft under 10,000 lbs.:	
Leasehold	\$5.25 per landing
Non-Leasehold	\$7.50 per landing

Manager Miller then introduced Rick Fowler of Western Aviators to the Board who suggested that the Airport Authority use 12,500 lbs. as the breakpoint for aircraft to remain consistent with the FAA. Mr. Fowler also addressed the 4% fuel flowage fee and whether or not this could be deducted from the landing fee. Discussion on airport fees followed. Director Gibbs then made a motion that the Airport Authority amend the cut-off weight for small commercial aircraft to 12,500 to comply with F.A.A. certification and that landing fees for on-airport operators be .685/1000 lbs. for aircraft over 12,500 lbs. and \$5.25 per landing for aircraft under 12,500 lbs.; seconded by Director Love. Motion carried unanimously.

COMMITTEE REPORTS

Finance Committee

Director Fausone informed the Board that the Finance Committee did meet and review the financial statements for September. Director Fausone informed the Board that staff had written-off the Frontier receivables and that an additional

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\$63,000 was invested into a 6-month C.D.

Contracts Committee
No report.

Planning Committee
No report. Meeting to be scheduled.

Old Terminal Committee
No report.

Compensation Committee
Director Cornelison informed the Board that a meeting was to be scheduled to discuss the findings of the salary survey.

Art Committee
No report.

MANAGER'S REPORT

The items discussed by Manager Miller were as follows:

1. Mesa Airlines
2. Gene Taylor/Ski Rental Booth

OTHER MATTERS

Appointment of Reford Theobold

Chairwoman Rider officially appointed Reford Theobold to the Board of Directors for the Walker Field Airport Authority under Resolution #005-1986; Resolution Concerning Appointment of a Board Member (attached to these minutes). Resolution passed unanimously. Director Theobold then read the "Oath of Office." Chairwoman Rider then appointed Director Theobold to the Finance Committee, the Compensation Committee and the Art Committee.

Appraisal Contracts

Manager Miller informed the Board that an RFP was advertised for contracts to appraise five parcels of land to be purchased under the F.A.A. AIP Program. Manager Miller informed the Board that upon review of three responding firms, Mr. Hodges and Mr. Nisley were recommended with contract amounts of \$2,500 and \$3,600 respectively. Manager Miller also informed the Board that legal counsel had reviewed the contracts. Director Love made a motion that the Board approve the contracts; seconded by Director Fausone. Motion passed unanimously.

Compensation Committee

Director Cornelison addressed the Board on the possibility of the Compensation Committee be carried as an ongoing Committee.

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State Aviation Office

Director Albers informed the Board of a proposed Bill that would put a 6 cent sales tax on aviation fuel with part of that money to be used to fund a State Aviation Office.

Monarch Negotiations

Director Gibbs addressed the Board on the status of the Monarch Negotiations. Director Gibbs informed the Board that Monarch was hesitating on 2 items of the agreement. One was the Performance Bond the Airport Authority is requesting and the second item being rents effective to June of 1985. Director Gibbs also informed the Board the Monarch was asking for the lease with NOAA. Director Gibbs informed the Board that staff had made a recommendation that Monarch post a Security Deposit with the Airport Authority in lieu of the Performance Bond. Discussion followed. Board concurred with staff's recommendation of the Security Deposit.

Meeting Adjourned

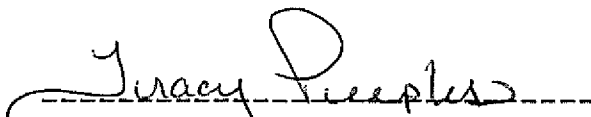
There being no further business to come before the Board, Director Theobald made a motion to adjourn the meeting at 10:35 a.m.; seconded by Director Faussone. Unanimously carried.

ADOPTED AND PASSED this 20th day of November, 1986.



Janine Rider, Chairwoman

ATTEST:



Tracy Peeples, Clerk