

MINUTES

Walker Field Airport Authority
Regular Board Meeting
May 21, 1987

BOARD MEMBERS PRESENT: Chairman Ron Gibbs, Directors Bill Love, Janine Rider, Reford Theobald, Maxine Albers, Henry Faussonne and John Collier. Also Present: Manager Frank Miller, Administrator Jeff Wendland, Clerk Tracy Peeples and Deputy Clerk Corinne Nystrom.

GUESTS: Mr. Keith Koler, Armstrong Consultants, Inc., John Linke and LeaAnn Thomas of Redstone Aero Services, Jerry Bashar of Western Aviators and Deanna Strand of Strand Aviation.

Meeting Called to Order

Chairman Gibbs called the Board meeting to order at 8:04 a.m. The Clerk noted that a quorum of the Board was present.

Approval of April 16, 1987 Minutes

There being no corrections to the April 16, 1987 Minutes; Director Rider made a motion to approve them as written; seconded by Director Collier. Unanimously carried.

Approval of April 30, 1987 Minutes

There being no corrections to the April 30, 1987 Minutes; Director Rider made a motion to approve them as written; seconded by Director Faussonne. Unanimously carried.

OLD BUSINESS

None.

NEW BUSINESS

Assignment of Bendix Lease

Manager Miller informed the Board that Bendix Field Engineering Corporation is currently leasing four acres of land from the Airport Authority. Manager Miller stated that pursuant to the terms of the contract, Bendix must receive written consent of the Airport Authority for assigning the lease and releasing Bendix from any future liability. Manager Miller informed the Board that the United Nuclear Corporation (UNC) has assumed the contract and Bendix has requested to assign the lease and be released from future liability, provided however that Bendix will be held responsible for any environmental conditions that may have been caused by Bendix's activities under the June 1, 1986 lease. Manager Miller recommended the Board authorize the execution of the release contingent upon receipt of an insurance certificate from UNC and an authorizing resolution from UNC accepting the lease under its terms and conditions. Discussion of the release followed. Chairman Gibbs recommended that the

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language in the phrase regarding claims made against Lessee by any governmental entity be narrowed down to include anybody who makes an environmental claim against the Lessee or the Authority. Director Rider then made a motion that the Board approve the assignment of the Bendix lease to UNC contingent upon staff receiving a certificate of insurance and an authorizing resolution from UNC accepting the lease under its current terms and conditions and contingent upon the words "by any governmental entity" being struck from the last paragraph of the release; seconded by Director Albers. Unanimously carried.

COMMITTEE REPORTS

Finance Committee

Director Love informed the Board that the Finance Committee did meet and review April's results. Director Love reported to the Board that expenses are running close to budget and that revenues are slightly ahead of budget. Director Love also stated that revenue earnings are slightly higher than last year.

Contracts Committee

No report.

Planning Committee

No report.

Insurance Committee

Manager Miller informed the Board that the Insurance Committee did meet and review the bids received from the insurance agencies. Manager Miller stated that based upon the bids received, it was recommended that the Board stay with the current coverages under Beckner-Power and the Valley Agency; which include \$5,000,000 Comprehensive General Liability with Beckner-Power and the Valley Agency providing Property, Automobile, Boiler Machinery, Bond and Directors and Officers coverages. Discussion of the coverages followed. Chairman Gibbs recommended that due to changes in laws concerning the Governmental Immunity Act, staff and the airport attorney draft a resolution waiving, in part, governmental immunity. Discussion of the D & O coverages followed with staff making the recommendation that the Airport Authority continue with the present \$1,000,000 coverage. Staff was then instructed to accept the quotes offered by Beckner Power and the Valley Agency.

Art Committee

Manager Miller informed the Board that the art currently being showed will be displayed for an additional three months due to the financial position of the Art Committee preventing any expenditures for advertising and holding a reception.

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MANAGER'S REPORT

The items discussed by Manager Miller were as follows:

1. Boarding Survey
2. Airport Brochure

OTHER MATTERS

AAAE Conference

Chairman Gibbs gave a report to the Board on the AAAE conference in San Antonio.

M/A Acquisitions

Manager Miller updated the Board on negotiations with Buescher/Sparkman. Manager Miller also stated that Monarch is currently operating as West Star Aviation under a short-term agreement with the Airport Authority.

Strand Aviation

Manager Miller stated to the Board that in September of last year, the Board approved a Use and Lease Agreement and a Specialized FBO Agreement with Strand Aviation. Manager Miller informed the Board that the Specialized FBO Agreement calls for a monthly guarantee of \$75.00 or 1.5% of gross sales exceeding \$10,500.00 per month. Manager Miller also stated that the contract calls for crediting of fuel flowage fees against the monthly guarantee or percentage, on a month-by-month basis. Manager Miller informed the Board that Deanna Strand has asked to be able to average her fuel flowage fees. Manager Miller reported that Deanna Strand has not signed the agreements, and therefore instructed the Airport Attorney to file a complaint in court, with a 15-day notice to cure. Manager Miller stated that Deanna Strand had requested a jury trial, to be held June 2, 1987. Manager Miller informed the Board that the Airport Attorney's recommendation was not to pursue the delinquency in court, and to issue a 30-day notice to terminate the month-to-month tenancy.

Deanna Strand then addressed the Board on the monthly guarantee called for in the Specialized FBO Agreement. Deanna then proposed a reduction of rental space to offset the \$75.00 monthly guarantee. Discussion followed.

The Board's recommendation to staff was to instruct the Airport Attorney to withdraw the complaint and continue negotiations with Deanna Strand on reduction of her square footage rental space.

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Hertz Audit

Manager Miller informed the Board that the audit should be completed the next week.

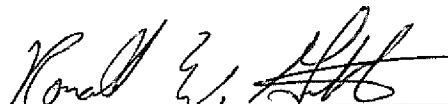
PUBLIC COMMENT

Jerry Bashar of Western Aviators addressed the Board on the possibility of performing annual inspections of aircraft without a signed agreement between the Airport Authority and Western Aviators in effect. Mr. Bashar informed the Board that the required information needed to conduct business on the airport was submitted to the Airport Authority staff, but not in enough time to allow it to be on the agenda. The direction of the Board was to approve the annual inspections currently under contract contingent upon Western Aviator's facility successfully passing an inspection by Airport Authority Staff. However, Western Aviators are not authorized to solicit any additional work until a Specialized FBO Agreement authorizing them to perform these services is entered into with the Airport Authority.

Meeting Adjourned


There being no further business to come before the Board, Director Theobald made a motion to adjourn the meeting at 9:41 a.m.; seconded by Director Albers. Unanimously carried.

ADOPTED AND PASSED this 16th day of July, 1987



Ronald W. Gibbs, Chairman

ATTEST:



Tracy Peoples, Clerk