

MINUTES

Walker Field Airport Authority Regular Board Meeting November, 19, 1987

BOARD MEMBERS PRESENT: Chairman Ron Gibbs, Directors Bill Love, Elaine Ingvertsen, Reford Theobold, Henry Faussone and John Collier. ABSENT: Director Maxine Albers. Also Present: Manager Frank Miller, Administrator Jeff Wendland, Clerk Tracy Peeples and Deputy Clerk Corinne Nystrom.

GUESTS: Kit Strott of SkyWest Airlines, Julie Roth of America West, Bob Wilson of Junction Jet Center, Kenneth Ray Cox of National Car Rental, Tari Folkestad of Hertz, Keith Koler of Armstrong Consultants, Inc., Don Pettygrove of Banner Associates, Rene Will of Budget Rent A Car, Barb Garber of AVIS, Libby Eisenman and Brett Wood of KREX, TV and Airport Employees Jerry Myers and Ted Balbier.

Meeting Called to Order

Chairman Ron Gibbs called the Board meeting to order at 8:00 a.m. The Clerk noted that a quorum of the Board was present.

Approval of Minutes Dated October 15, 1987 and October 30, 1987

Director Theobold noted a correction to the October 15, 1987 Minutes under Dalby, Wendland & Co., Engagement Letter. Director Theobold requested that the phrase "Discussion followed" be placed after the second in the motion to accept the Engagement Letter with Dalby, Wendland & Co. Director Theobold also requested that the phrase, "Director Theobold was opposed to the motion on the basis of the public's perception of a conflict of interest and because the audit was not bid competitively. Director Love and Chairman Gibbs strongly disagreed. The Motion carried with a three to two vote," be added. Director Theobold then made a motion to approve the October 15, 1987 Minutes as corrected; seconded by Director Collier. Unanimously carried.

Director Theobold then made a motion that the Board approve the October 30, 1987 Minutes as written; seconded by Director Ingvertsen. Unanimously carried.

OLD BUSINESS

Award of Rental Car Concession Operating Rights

Manager Miller informed the Board that on November 16, 1987 at 4:00 p.m., bids were opened for the four rental car concessions on Walker Field. Manager Miller reported that the current four rental car companies bid the five-year contract term as follows: Avis-\$318,072; Cox Motors-\$240,000; Castle Peak Transportation-\$237,500 and Daren Cyphers bid \$213,000. Manager Miller then discussed with the Board the provisions of the bids

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and how they coincide with the approved formula for awarding counter space. Manager Miller informed the Board that several minor irregularities were found in the bid documents, but recommended the Board waive those irregularities. Manager Miller then recommended that the Board award the four rental car concessions to Avis, Cox Motors, Castle Peak Transportation and Daren Cyphers, respectively. Director Theobold then made a motion that the Board approve Manager Miller's recommendation of awarding the four rental car concessions; seconded by Director Faussonne. Unanimously carried.

NEW BUSINESS

Approval of Amendment to Lease for Fuel Storage

Manager Miller informed the Board that the Airport Authority acquired Frontier's fuel storage tank as an offset to the amounts owed to the Authority and as a means for generating additional revenue. Manager Miller reported that Junction Jet Center has requested the Airport Authority to lease the tank to store fuel which will be dispensed pursuant to their operating rights as an FBO. Manager Miller then recommended the Board approve an amendment to Junction Jet Center's FBO lease which would impose a fee of \$.025 for each gallon of fuel delivered to the tank. Director Faussonne informed the Board that the Contracts Committee met and reviewed the amendment and recommended its adoption. Discussion followed. Chairman Gibbs then recommended that the amendment also have Dr. Howards' consent since he has personally guaranteed the underlying lease. Director Theobold then made a motion that the Board adopt the amendment to the Junction Jet lease contingent upon Dr. Howard's consent; seconded by Director Love. Unanimously carried.

FAA Tower Lease

Manager Miller informed the Board that the Tower lease with the FAA is negotiated every three years and covers the rent for the space as well as required maintenance items. Manager Miller reported that the new three-year lease agreement allows for annual adjustments of natural gas and trash hauling charges, provides for \$5,000 annual maintenance costs and a 5% increase per year for the base annual rental. Manager Miller recommended the Board approve the three-year lease agreement with the FAA to be effective beginning October 1, 1987. Director Faussonne reported that the Contracts Committee met and reviewed the document. Director Theobold then made a motion that the Board adopt the FAA Tower lease; seconded by Director Ingvertsen. Unanimously carried.

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Section 16 Release Appraisals

Manager Miller informed the Board that the Airport Authority currently has approximately 18 acres of property fronting H Road which are under restrictions for aviation-related uses only. Manager Miller reported that the Authority has the opportunity to request release of this land from the Section 16 restrictions. Manager Miller stated that the process to release the property requires an appraisal to determine the fair market value and a guarantee that the land use will not hamper airport operations. Manager Miller recommended the Board authorize the Chairman to sign the final letter of assurance indicating to the FAA that airport operations will not be impacted and indicated staff will arrange for the necessary appraisals. Director Faussonne reported that the Contracts Committee reviewed the letter of assurance and agreed with staff's recommendation. Discussion followed. Director Theobald then made a motion that the Board authorize the Chairman to sign the letter of assurance to the FAA; seconded by Director Faussonne. Unanimously carried.

Terminal Canopy Repairs

Manager Miller reported the following as an information item only. Manager Miller stated that in late September, a problem with the front canopy support beams of the terminal building was discovered. Manager Miller also reported that as work began to repair the beam in question, it was discovered that each beam should be replaced. Manager Miller informed the Board that a local structural engineer reported that the beams specified were untreated and the routing of the drainage caused extensive rotting of the beams. Manager Miller stated that it is staff's intent to recover the damages from the project architect, Mr. Jack Porter, for engineering, repairs and attorney fees. Manager Miller informed the Board that Mr. Griff has a conflict of interest since Mr. Porter is represented by one of his partners. Manager Miller reported that the costs for repair of the beams is estimated between \$35,000 and \$45,000. Discussion followed.

COMMITTEE REPORTS

Finance Committee

Director Love reported to the Board that the Finance Committee met and reviewed the financial statements for October, 1987. Director Love stated that the numbers compared very favorable to the 1987 budget, with expenditures running a little less than budgeted and revenues just ahead of budget. Director Love reported a \$140,000 income after depreciation.

Contracts Committee

Director Faussonne had nothing additional to report.

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Planning Committee

No report. Planning Committee meeting will be scheduled to review Strategic Plan.

MANAGER'S REPORT

The items discussed by Manager Miller were as follows:

1. Skier's Advocate Program
2. Questionnaire

OTHER MATTERS

Selection of New Airport Manager

Chairman Gibbs stated that Manager Miller tendered his resignation effective December 4, 1987 and also stated that the Board needed to decide on the recruitment process to be taken to fill the vacancy. The consensus of the Board was to schedule a workshop for Monday, November 23rd at 3:00 p.m. to discuss the selection process of the airport manager.

Director Love took this time to thank Manager Miller for his time and effort and to wish him good luck.

Chairman Gibbs suggested recognizing Jeff Wendland as acting manager during the interim period with a temporary increase in pay. Director Fausone made a motion that Airport Administrator Jeff Wendland be appointed as acting manager for the interim period with an adjustment in pay for compensation of his adjusted duties; seconded by Director Collier. Discussion followed on Mr. Wendland's rate of compensation. Director Fausone then amended the motion to reflect that the acting manager's rate of pay be commensurate with Manager Miller's current rate of pay; seconded by Director Collier. Unanimously carried.

TVOR Update

Director Love asked for an update on the status of the TVOR. Manager Miller informed the Board that the final date of commissioning should be sometime in March, 1988.

Nominating Committee

Chairman Gibbs appointed Director Fausone and Director Collier as the nominating committee for appointing officers of the Airport Board.

Temporary Staffing

Administrator Wendland informed the Board that the office will be one person short and suggested that Corinne Nystrom be made a temporary special assistant, and replace her with Tess

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Sullivan as temporary receptionist. Administrator Wendland recommended that the special assistant's pay be \$8.45 an hour and the receptionist's rate of pay be the current rate of \$7.65 an hour. Director Collier made a motion that the Board approve the temporary staffing recommendations made by Administrator Wendland; seconded by Director Ingvertsen. Unanimously carried.

Manager Miller took this time to introduce Bob Wilson of Junction Jet Center and Julie Roth of America West to the Board.

Meeting Adjourned

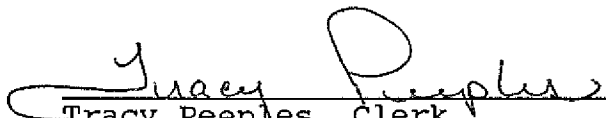
There being no further business to come before the Board; Director Theobald made a motion to adjourn the meeting at 8:56 a.m.; seconded by Director Collier. Unanimously carried.

ADOPTED AND PASSED this 21st day of January, 1988.



Ronald W. Gibbs, Chairman

ATTEST:



Tracy Peeples, Clerk