

MINUTES

Walker Field Airport Authority Regular Board Meeting May 18, 1988

BOARD MEMBERS PRESENT: Chairman Bill Love, Directors Ron Gibbs, Elaine Ingvertsen, Maxine Albers, and Reford Theobald. Also present: Airport Manager Jeff Wendland, Clerk Corinne Nystrom, and Acting Deputy Clerk Tess Sullivan.

GUESTS: Ron Rish of Armstrong Consultants, Shirley Howard of National Rent-A-Car, Bernie Buescher and Dick Witsken of West Star Aviation, Jo Ann Smith of Open Range Gift Shop, Ken Robison of Budget Rent-A-Car, Loree Badger of Alexander & Alexander, Jerry McDonough of the Civil Air Patrol, Warren McKay of Powderhorn Resort Corp., Pete Siegmund and Ken Nesbitt of United Companies, and Walker Field Airport Authority employees Jerry Myers and Ted Balbier.

Meeting Called to Order

Chairman Love, noting that a quorum was present, called the meeting to order at 8:00 a.m.

Approval of Minutes Dated April 21, 1988

There being no changes or corrections to the April 21, 1988 minutes, Director Gibbs moved that the minutes be adopted as prepared; seconded by Director Albers. Unanimously carried.

OLD BUSINESS

Approval of Off-Airport Rental Car Agreement With Thrifty Rent-A-Car

Manager Wendland reviewed the background of the matter, stating that staff had received a signed contract from Westrac, together with a settlement agreement, which staff reviewed with the Contracts Committee. Director Gibbs discussed his concerns relative to the time element in which Thrifty could file suit and suggested an additional provision be added to protect the Airport Authority from excessive fees and interest being charged if suit is not filed for a number of years. Director Gibbs moved that the Board approve the Settlement Agreement with Thrifty Rent-A-Car contingent upon a provision being put in the Settlement Agreement providing that paragraph 5, concerning non-waiver, and paragraph 8, concerning the obligations of the Airport Authority to reimburse any monies collected if the ordinance or resolution is declared invalid after litigation, only exists for a period of six months. If litigation is not commenced within six months from the effective date of the agreement, which is May 2, 1988, then those provisions would fall out, and we would have no

contractual commitment to Thrifty and could raise defenses and/or could decline to repay, and it would be up to the court as to what we had to reimburse. Director Ingvertsen seconded the motion.

Manager Wendland requested the additional contingencies that the Airport Authority receive a certificate of insurance, corporate resolution authorizing Westrac's officers to enter into the contract, and financial statements from Westrac.

Director Gibbs amended his motion to include that the Settlement Agreement be approved contingent upon receiving those additional items. Director Ingvertsen seconded the motion. Unanimously carried.

Election of Vice Chairman

Chairman Love declared the nominations open for the Vice Chairman. Director Ingvertsen nominated Reford Theobold, and Director Albers seconded the nomination. There being no other nominations, Director Gibbs moved that the nominations be closed; seconded by Director Albers. Chairman Love declared that it had been moved and seconded that the nominations be closed and that Reford Theobold be elected Vice Chairman. Unanimously carried.

Approval of Construction for Civil Air Patrol Hangar

Manager Wendland reviewed the background regarding construction of the CAP hangar. Plans for the hangar have been reviewed by staff and the Planning Committee. Jerry McDonough of the CAP was introduced. Staff recommended approval of the hangar plans and authorization to commence construction contingent upon the following changes being made: the roof line over the meeting room area would be pitched; provisions would be made for water and sewer in the building. Discussion was held regarding a pressurized cistern system. Director Theobold stated that the Planning Committee approved of the plans with the changes noted and moved that the Board approve the construction plans for the hangar. Director Albers seconded the motion; unanimously carried.

Acceptance of Mr. and Mrs. Schiesswohl's Offer to Sell Land to the Airport Authority

Manager Wendland reviewed this offer, stating that the Board had previously authorized staff to make an offer on a parcel of land containing approximately 20 acres. During negotiations, Mr. Schiesswohl suggested that the Airport Authority purchase an additional parcel of 9.2 acres just outside of the critical zone, together with the 20 acre parcel, for a total of \$25,500. The purchase of the 20 acre parcel would be 90% funded by the FAA; the 9.2 acre parcel would be purchased with Airport Authority funds. Until clear title could be delivered to the Airport Authority, the purchase money would be held in an escrow account.

Director Theobold moved that the Board accept Mr. and Mrs. Schiesswohl's offer to sell both parcels. Director Ingvertsen seconded the motion; unanimously carried. Director Gibbs abstained from voting because of his acquaintance with Mr. and Mrs. Schiesswohl's daughter, who had previously been employed at the firm with which Director Gibbs is affiliated.

NEW BUSINESS

Approval of Assignment of Budget Rent-A-Car Franchise to Citation, Inc.

Manager Wendland discussed the financial background of Citation, Inc. and recommended that the assignment be approved contingent upon receipt of a certificate of insurance and a security deposit. Citation, Inc. has requested that in lieu of a standard performance bond, the Airport Authority accept an unencumbered interest in the service building which Citation, Inc. would own.

Director Gibbs discussed the Contract Committee's review of the matter and recommended that approval be given only contingent upon Attorney Griff's assurance that the legal matters can be worked out. Director Gibbs and the Contracts Committee felt that this provision should only be allowed under this concession term and that this arrangement be made known to the other rental car operators to allow them to do the same. Director Gibbs moved that the Board accept the assignment of the Budget Rent-A-Car franchise at Walker Field from Castle Peak Transportation, Inc. to Citation, Inc. and further moved that the Board accept, in lieu of a performance bond or security deposit, a commitment from Citation, Inc. of non-encumbrance of their service area building and that it be pledged to the Authority in lieu of the security deposit contingent upon legal counsel being able to work out the details so that there will be no encumbrance and that the public be put on notice that they cannot encumber that building. The motion was seconded by Director Theobold. Unanimously carried.

Award Schedule III of AIP- 06 "Grade and Drain General Aviation Development Area" to Ames Construction

and

Award West Star Ramp, Reliever Access Road Construction and Seal Coat Contract to United Companies of Mesa County

There were no questions or comments relative to these awards. Director Gibbs moved that the Board accept and award the contracts. Director Theobold seconded the motion; unanimously carried.

Amend Contract With Isbill Associates to Include Field Engineering for Schedule III of AIP- 06

and

Amendment of Contract With Isbill Associates, Inc. for Engineering for West Star Ramp, Reliever Access Road and Seal Coat Construction

Manager Wendland explained these amendments and gave background regarding the engineering contract. Discussion followed regarding the field engineering costs and whether they have been approved by the FAA. Director Gibbs moved that the Board approve the amendment to the Isbill contract for the AIP-06 and 07 projects contingent upon receipt of concurrence from the FAA and an award of grant monies from the FAA to do these projects. Director Albers seconded the motion; unanimously carried.

Approval of Construction Plans for West Star Aviation's Office Building

Director Theobold described the proposed building, suggested that the National Weather Service be contacted as a potential tenant, and stated that the Planning Committee recommended approval of the plans. Bernie Buescher of West Star Aviation was introduced and described their construction plans, including the prospect of relocating NOAA back onto the airport, the size of the building, and their possibilities for financing the project. Dick Witsken of West Star stated that the stairway siding plans had been re-designed to provide for metal siding. Director Theobold moved that the Board approve the construction plans for the West Star office building. The motion was seconded by Director Ingvertsen; unanimously carried.

Approval of Placing Insurance Policies

Manager Wendland gave background regarding procedures for selecting insurance carriers and an explanation as to why we were considering the matter at this time ie. an unsolicited quotation was received from Alexander & Alexander of Denver at a significantly lower premium figure than what the Airport Authority is currently paying. Staff recommended that we stay with the existing agencies (who had agreed to lower their premium rates in response to Alexander & Alexander's quote) with the understanding that we bid out proposals next year. Discussion followed regarding the lowering of premium rates, bidding out the contracts annually, and whether the Board could be assured that even though low premium rates are being quoted now, rates will not increase substantially in the future. Loree Badger of Alexander & Alexander was introduced and answered questions. Further discussion followed regarding bidding the contracts each year, limiting the number of brokers, whether or not an Insurance Committee should review the procedures next year, what was committed to the successful bidders last year, the potential for alienating underwriters, and cancelling the short rate policy.

Director Theobold moved that the Board accept the bids from Alexander & Alexander for \$10,250 for the comprehensive general liability and for \$22,000 for casualty coverage and auto liability. Director Albers seconded the motion; unanimously carried.

COMMITTEE REPORTS

Finance Committee

Director Albers stated that the expenses for the month of April exceeded the revenues because of a refund of \$4,500 to Avis for 1987 amounts paid over their minimum guarantee. Net income is expected to rebound in May. A profit of approximately \$6,100 is still being shown for 1988 year to date.

Contracts Committee

Director Gibbs stated that all Contracts Committee matters had been previously discussed.

Planning Committee

Director Theobold stated that with the exception of land acquisition matters (which the Airport Manager would discuss later), everything else had been discussed.

Terminal Action Committee

Manager Wendland stated that a copy of the engineer's report on the terminal canopy repair has been forwarded to Mr. Porter, and when he has had an opportunity to review it, the Terminal Action Committee anticipates a meeting with him.

Nominating Committee

No report

MANAGER'S REPORT

Manager Wendland discussed the following items:

Land Acquisition:

Staff is working with the county to split the Burkhalter property so that this transaction can be closed with Central Bank.

Horizon View owners turned down the Airport Authority's offer to purchase. Attorney Griff is commencing with the condemnation proceedings.

A meeting is being scheduled with Bill Klapwyck of the Grand Valley Water Users' Assn. and their attorney to discuss the

Benchmark property.

The Airport Authority is pursuing the acquisition of the BLM property with legislators. Discussion followed relative to the necessity for further public hearings, why the Airport Authority was requested to pay \$15,000 last summer to process the request, and why our original application submitted three years ago to BLM was not addressed in BLM's 1987 land use plan.

L & L Porters: Staff is waiting to receive their application to operate at the airport, financial statements, and insurance certificate from them.

Advertising Concession: An agreement could not be reached with our only bidder, so staff is investigating various alternatives regarding the concession.

An airline negotiations meeting is scheduled for June 8 to commence in earnest discussions regarding airline contracts.

The Region 10 Tourism Forum will be held in Montrose on May 19, and Manager Wendland will attend.

The 3-year contract with Isbill Associates will be expiring soon, and staff will be requesting qualifications for engineers.

Staff is beginning to consider a staffing plan, and Manager Wendland plans to discuss this further while at the AAAE conference in Las Vegas.

Memorial Park: No additional discussion

The Annual AAAE Conference will be held next week in Las Vegas, and Manager Wendland, Directors Theobald and Van Houten plan to attend.

The FAA Safety Inspector was at the airport yesterday to conduct his annual certification and safety inspection. His comment was that the airport is very well operated and maintained. Jerry Myers and staff were commended. Problems which need to be resolved are: 1) the prairie dog holes on the airfield; 2) the new Part 139 regulations which require that the hold lines be moved farther back; 3) some of our suppliers have not been supplying the Airport Authority with FAA-approved runway lights, and the Airport Authority must replace these with FAA-approved lighting.

OTHER MATTERS

Director Gibbs opened a discussion as to whether any other public entities have passed resolutions to change the Governmental Immunities Act to "dovetail" with insurance.

Manager Wendland requested and received direction on the

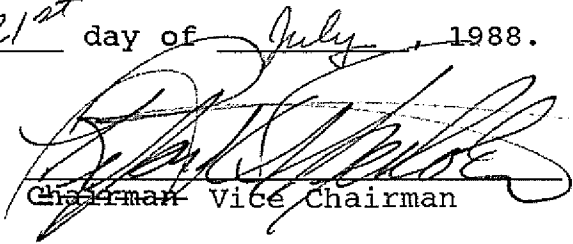
directors and officers insurance coverage which is scheduled for renewal on May 23, 1988.

PUBLIC COMMENT

None

There being no further business to come before the Board, Director Theobald moved to adjourn the meeting; seconded by Director Albers. The meeting was adjourned at 9:34 a.m.

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


~~Chairman~~ Vice Chairman

ATTEST:

Cornie Nystrom
Clerk