

MINUTES

Walker Field Airport Authority Regular Board Meeting July 18, 1995

BOARD MEMBERS PRESENT: Commissioners John Crouch, Elaine Ingvertsen, Larry Jokerst, Martin O'Boyle, and Reford Theobald. Also present: Authority staff members Marcel Theberge, Corinne Nystrom, and Susan Stokes. Commissioners Joseph Croker and Marian Novack were not present.

GUESTS: Miles McCormack of Confederate Air Force, Donna Sanford of West Star Aviation, Ron Rouse of Colorado Airlines, Kent Pfeider, Ruth Chilton of Colorado Skunk Words, Dana Brewer, Russ Hamilton, Steve Bush of G-Force, Tim Weiland of G-Force, Paul Maynard of Plane Storage, Herman Allmaras of Plane Storage, Sue Nees of GP Express, Peg Wallace of Thunder Mountain Ground Service, Marilyn Petek of Thunder Mountain Ground Service, Bud Gimple as a Confederate Air Force tenant, Jim Biber of Biber Company, Darryl Monroe, Andy Moffatt, Bernie Buescher of West Star Aviation, Dee Hoaglund, Judith Humphries, Ron Rish of Armstrong Consultants, Roger Little as an Authority Board applicant, Stephen McCallum of TPI, Mike McCallum, Bob Silbermagel of the Daily Sentinel, Doug Thompson of West Star Aviation, David Graham and Janet Terry of Grand Junction City Council, Sammy Kempton of Kempton Air Service, Steve Heller of KEKB-FM, Louis Buescher of West Star Aviation, Leonardo Guillermo as Authority intern, and other interested individuals who chose not to sign in.

I. Acting Chairman John Crouch called the meeting to order at 5:28 p.m.
A quorum was present.

II. Introductions, Presentations, and Public Comments

Guests introduced themselves. There were no public comments.

III. City appointment of new board member Martin O'Boyle

Commissioner Crouch officially welcomed Commissioner O'Boyle to the Board.

IV. Approval of Minutes of May 16, 1995 and June 20, 1995 Board Meetings

Commissioner Ingvertsen moved to accept the May 16 and June 20, 1995 Minutes of the Board Meeting. Commissioner Theobald seconded. The motion carried unanimously, with Commissioner O'Boyle abstaining.

V. EXECUTIVE SESSION

Executive Session was delayed until later in the meeting.

VI. Proposals

A. Modification of BFLP Lease

Director Theberge presented a proposal from Buescher Family Limited Partnership to modify the terms of the BFLP lease to exclude Tract B from the description of the Leased Premises and to replace property from the purchase of the Western Exchange Corp. He reviewed the calculations, noted that some figures had changed, and recommended correction. Director Theberge also pointed out the differences in the terms that Walker Field Airport Authority

(WFAA) had recommended and the terms actually contained in the proposed agreement. He distributed a handout with the differing elements highlighted.

Director Theberge explained Cost of Living Allowance (COLA) mechanics at Commissioner Theobold's query. Airport Attorney Harry Griff explained the history of rate adjustments on airport property leases.

Bernie Buescher explained the history of rate adjustments at West Star Aviation and expressed concern with what he interpreted as ambiguity in the wording of the agreement. He voiced his objections to the concept of COLA + rate adjustments, and suggested adoption of *either* a COLA *or* a 20% rate adjustment every 5 years. Commissioner Crouch responded and discussion ensued.

At this point, Commissioner O'Boyle asked about propriety of his involvement in the issue, in both a voting and a discussion capacity, because of his employment with Strand Aviation. Airport Attorney Griff recommended abstention.

Bernie Buescher suggested that the Airport Authority be more open in communicating and sharing information with its tenants. He asked that the proposal be tabled for now. Discussion followed. Airport Attorney Harry Griff explained why he felt an either/or (COLA/rate increase) arrangement would not work. Mr. Buescher countered with other options. Airport Attorney Griff responded by reading through the Pfleider lease revisions (see Handout #1). Consensus was reached between Mr. Buescher and WFAA.

Commissioner Theobold made a motion to accept the proposal and Commissioner Jokerst seconded, with Commissioner O'Boyle abstaining. Motion carried.

B. Proposal by G.C. Gimple to Build General Aviation Hangars

G.C. Gimple asked for correction in wording of his letter of July 11, 1995 requesting addition to Board agenda. Corrections approved. See Handout #2.

G.C. Gimple explained the tenants' position regarding lease rates. Jim Biber read a statement further explaining the issues from the tenants' perspectives. See Handout #3.

G.C. Gimple asked for a statement from Paul Maynard. Mr. Maynard explained the history of Plane Storage in Grand Junction, saying that he would like to build another building, but that the cost was prohibitive.

Director Theberge explained the criteria on which lease rates are based. He distributed copies of a letter from James Fuoco proposing construction of a new hangar on airport property. See Handout #4.

G.C. Gimple challenged WFAA policy regarding the area required to be leased: footprint vs. inclusion of peripheral land. Mr. Gimple introduced Darryl Monroe, a pilot, FAA mechanic, and Grand Junction native. Mr. Monroe stated that Walker Field Airport is not small-user friendly, and that he has considered bringing a business to airport property, but has not because the lease rates are too high. He explained that he built in Delta instead, because their rates were good.

G.C. Gimple introduced Andy Moffat, a certified flight instructor and Grand Junction businessman for 20+ years. Mr. Moffat stated that Walker Field Airport lease terms were user-*un*friendly, and that he had located his four planes and his business in Delta.

Bill Hunsaker read a 1994 letter he had received regarding a potential purchase of his hangar. He stated that the letter read that because Director Theberge could adjust lease rates at will, he (the buyer) would not purchase the hangar. See Handout #5.

G.C. Gimple introduced Bernie Buescher who stated that he wants to build additional T-hangars, but will not because Walker Field Airport rates are prohibitive.

G.C. Gimple asked for formation of a joint committee to seek answers and compromise; the committee would be composed of representatives from the airport and the tenant association.

Commissioner O'Boyle asked how many individuals were interested in hangar space and how much revenue would be generated for Walker Field Airport.

Kent Pfleider commented regarding the cost per square foot for location on airport property and on the footprint vs. peripheral land issue.

Commissioner Theobald summarized the contentions as:

1. footprint vs. peripheral land
2. 20-year vs. 30-year lease term
3. rate variation by location

Commissioner Theobald concurred with Mr. Gimple's suggestion for formation of a joint committee of airport representatives and tenant representatives. Acting Chairman Crouch directed Director Theberge to organize the group and to keep the Board apprised of its status.

C. Request for Extension of Restaurant Lease

Discussion deferred until later in the Board meeting. When the subject was addressed, a one-month extension was granted, with Commissioner Jokerst making the first motion, and Commissioner O'Boyle seconding. Carried unanimously.

VII. Contracts

A. FAA Master Ground Lease: Runway Reference Tower

Discussion deferred until later in the Board meeting. When the subject was addressed, the Board decided to table the issue until a later meeting.

B. Colorado Skunk Works Ground Lease Agreement

Discussion deferred until later in the Board meeting. See VII.C below.

C. Sub-Lease Between Colorado Skunk Works and G-Force

Director Theberge explained the terms of the lease, noting changes.

Kent Pfleider stated that his was not a money-making proposition, that it was job-generating only. He asked for postponement for one additional month to allow Steve Bush to realize profit from the sale of the hangar. See Handout #6.

Commissioner Ingvertsen made a motion to table the decision on both the Colorado Skunk Works agreement and the sub-lease. Commissioner Theobald seconded.

Director Theberge noted that the hangar is currently being used as an FBO. Corinne Nystrom pointed out WFAA liability in the interim while no lease is in effect. Director Theberge was directed to draw up a 30-day sub-lease.

VIII. Finance

A. May 1995 Financial Statements

Discussion deferred until later in the Board meeting. When the subject was addressed, Corinne Nystrom presented the May 1995 financial statements. She noted that the increased collection efforts have paid off. Discussion followed. Acceptance of the Statements was held until the August 1995 Board meeting because a quorum was not present.

B. Banking Resolution #1995-005

The Resolution to add Commissioner Reford Theobold as a second signer for execution of documents pertaining to bank accounts was approved, with Commissioner Jokerst making the first motion, and Commissioner O'Boyle the second. A roll call was taken; aye votes were: Commissioners Theobold, O'Boyle, Ingvertsen, Crouch, and Jokerst.

EXECUTIVE SESSION: Commissioner Theobold presented the motion that the Board go into Executive Session to discuss legal matters with Airport Attorney Harry Griff. Commissioner Crouch seconded, and the motion carried. Present were Commissioners O'Boyle, Jokerst, and Ingvertsen; Commissioner Crouch did not enter the Session. Executive Session began at 7:20 p.m. and ended at 7:45 p.m.

IX. Staff/Committee Reports

A. Passenger Traffic, Air Freight, and Aircraft Operations Reports

Director Theberge provided an overview of the June report of passenger traffic and air freight, noting that passenger traffic was down and that air freight figures were up. He stated that he had been in contact with air carriers interested in providing commercial service to Grand Junction. Discussion followed.

Director Theberge distributed copies of the Walker Field Airport List of Projects and Tasks for July 1995. See Handout #7.

B. Terminal Radar Facility Task Force

Director Theberge explained the FAA analysis of the basis of their decision to relocate radar service to Denver. He stated that the task force has decided to make a plea for legislative intervention, and that the legislative aides on the task force will follow up. The goal is to get the Legislature to make a decision *before* August 18 when the FAA is scheduled to come to Grand Junction to make the announcement of their decision.

C. Finance Committee

Corinne Nystrom reported that a payment had been received from Budget this day, and that the payment brought their 60+ days overdue accounts current.

Ms. Nystrom reported that the Hertz audit is almost completed, with a final report expected in August.

D. Airport Attorney Selection Committee

Director Theberge reported that the committee is preparing a report and recommendations for presentation at the August Board meeting.

E. Commercial Development Task Force

Commissioner Crouch reported that the real estate signs are ready and will be placed on the property soon. He noted that they have been receiving correspondence from several interested hotel investors.

The task force will undergo restructuring in the immediate future because the initial stages of the plan have been completed.

F. Colorado State Aeronautics Grant: Runway 4/22

Director Theberge updated the Board on the recently completed pavement improvement project on Taxiway C; the work was partially funded by a Colorado State Aeronautics Grant.

G. Colorado State Aeronautics Grant: Runway Vacuum Sweeper

Director Theberge reported that WFAA had received approval from the State and that the acquisition process had been initiated.

H. Other Items

Director Theberge stated that he had received a notice from GP Express stating their intentions to withdraw from the Grand Junction market. Commissioner Ingvertsen asked whether other airlines were being brought into the Valley, perhaps with a Colorado Springs connection. Director Theberge stated that he had been in recent contact with various airlines. Commissioner Crouch asked that Director Theberge provide a report to the Board on his progress with those airlines.

Director Theberge distributed a copy of the letter from the Benson Ranch landowners to the Mesa County Commissioners requesting restoration of the AFT zoning for the Benson Ranch property. See Handout #8.

Corinne Nystrom reported a decrease in WFAA insurance rates for 1995-1996.

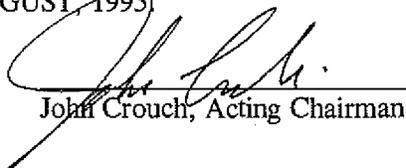
Commissioner Crouch suggested that Earl Payne be invited to the next meeting or to lunch so that his contribution and service to the Board can be recognized.

There being no further business to come before the Board, Commissioner Ingvertsen made a motion to adjourn the meeting. Commissioner Jokerst seconded; the motion unanimously carried, and the meeting was adjourned at 8:03 p.m.

ADOPTED AND PASSED THIS 22nd DAY OF AUGUST, 1995.

ATTEST:


Susan Stokes, Deputy Clerk


John Crouch, Acting Chairman