

MINUTES

Walker Field Airport Authority Board of Commissioner Retreat

November 4, 1995

IN ATTENDANCE: Commissioners Joseph Croker, John Crouch, Judy Humphries, Larry Jokerst, Gary Morris, Martin O'Boyle, and Reford Theobold; Authority staff members Marcel Theberge, Corinne Nystrom, Ted Balbier, Dennis Wiss, and Susan Stokes; and airport attorney Harry Griff.

I. Welcome to the Annual Retreat

Commissioner Crouch called the meeting to order at 8:10 a.m. Commissioner Crouch welcomed those present and asked every one to introduce themselves and briefly tell about their "other lives." He handed out a recap of the 1994 retreat.

II. Update of Airport Activities

Marcel Theberge presented a slide show that included: statistics regarding Walker Field, accomplishments since the last retreat, an update on potential air service into Grand Junction, and information on a newly-formed Community Air Service Task Force. He explained the dynamics and position of the task force: no guarantees or subsidies to either existing or startup airlines.

Commissioner Morris asked about the leaning of the control tower. Ted Balbier explained the intended remedy.

III. Role Clarity for Board of Commissioners

Marcel Theberge presented overheads pertaining to: 1) the benefits the airport provides to Mesa County and surrounding areas, 2) strategic planning, and 3) and mission statements. He then turned discussion over to the Commissioners. Commissioner Jokerst suggested that the strategic plan be updated. Commissioner Morris noted the difference between a mission plan and a strategic plan, and said that defining the underlying philosophy would provide a way to measure performance. Commissioner O'Boyle suggested that the 1993 strategic plan be reviewed as a basis for future planning.

Commissioner Morris presented overheads showing: components of a mission statement, what is a mission statement, why have one, major areas of responsibility, and performance indicators.

Commissioner Crouch opened discussion regarding performance evaluation of the Airport Director and, in turn, the director's evaluation of his staff. Staff pointed out that staff evaluations are an existing policy and occur on an employee's anniversary date.

Commissioner O'Boyle offered that evaluations should start at the Board level, that doing so might neutralize the reactive/volatile process of appointments to the Board by the City and the County. Commissioner Croker suggested evaluation of both the Board and the Director.

Commissioner Crouch summarized the discussion and assigned the tasks into committees:

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| 1. Review/Update of the mission statement & strategic plan | } | Morris, Jokerst, Nystrom,
Theberge |
| 2. Levels of responsibility | | |
| 3. Measurement of performance |) | |
| 4. Process of review of Airport Director | } | O'Boyle, Croker, Theobold |

Commissioner Croker defined his committee's focus as: "set up good review process" for the Airport Director, then develop general standards for the Director's position.

Development of a Board evaluation process (using both the 1993 Strategic Plan as a jumping off point and the criteria developed by the airport director's evaluation committee) was put on hold.

Discussion centered on: Is where we are going as important as where we've been?

IV. Committee and Task Force Updates

A. Tenant ad hoc Committee

Commissioner Theobold explained that the next meeting was set for November 13, and therefore he had no report. He recapped the last meeting, noting that Peg Wallace and Ron Rouse served as tenant representatives. He expressed displeasure with the dynamics of the meetings, saying that all present spoke freely, but that only the designated representatives should be allowed to speak. Feedback from tenants indicate that they perceive the meetings as productive.

Commissioner O'Boyle provided a report on his recent informal tenant meetings.

Discussion followed regarding the stance of the tenants: their realization that they are behaving as a mob and need to re-focus.

B. Commercial Development Task Force

Commissioner Crouch provided a history of the task force, from its catalyst (Branough) to its present status and thrust. He reported on the status of the feasibility study, noting that it will be finalized in approximately 2 weeks.

Harry Griff asked if an exchange of information or coordination with the Downtown Development Association (DDA), the County, and the City had occurred regarding building of a hotel and convention center. Commissioners Croker and Theobold responded that the airport area and north end of the valley were perceived as major commercial development areas.

Commissioner Crouch noted that development ideas have not been presented to the Board or been voted on by the Board.

Harry Griff asked if the airport master plan had been coordinated with the plans of the County and the City. Commissioner Theobold responded that only the City master plan mattered because the area in question is in the City, that WFAA and the County are powerless. Marcel Theberge noted that the consultants on master plan committees of all three entities have been in touch with each other.

Commissioner O'Boyle asked how detailed or extensive the feasibility study would be.

C. Terminal Radar Task Force

Marcel Theberge stated he felt the potential to "win" in the situation and that the GAO study was continuing. Commissioner Theobold asked about the recent radar outages across the

country, wondering whether the seeming increase was a reality or he was noticing the reports because of the issue involving Walker Field. He was assured that the increase was real.

Commissioner O'Boyle reported that the task force may form a committee with the Chamber of Commerce, MCEDC, the County, the City, and St. Mary's Hospital.

D. Finance Committee

Commissioner Jokerst gave a brief report on the committee's activities, noting that several issues would be addressed later in the retreat. He asked if the Board felt the committee was fulfilling its responsibilities. Commissioner Morris asked for an overview of the function of the committee; Commissioner Jokerst responded.

E. Attorney Selection Committee

Commissioner Crouch noted that the RFP was being reviewed, and that bids will be sent out on January 1, 1996.

V. **Smoke-Free Terminal Building** (Discussion occurred after VIII., "Review of Proposed Budget")

Marcel Theberge explained that the office had received many complaints from passengers and tenants, and that most major airports (listed several) are smoke-free. The Board asked that the issue be put on the agenda for the November 1995 Board meeting. Theberge was directed to draw up a plan.

VI. **Rates and Charges, DOT Rules Regarding Lease Rates**

Harry Griff explained the chronology of events, noting the Kent County decision from the Supreme Court (determining fairness of fees and standards imposed on airlines):

- as long as standards are fair across all facets of an airport, then the *airport* sets the rates, and
- *only* DOT can set guidelines/regulations regarding fees and charges.

He explained the new DOT regulations (Sept 95) vs the previous (Feb 95) regulations, and the dilemma that non-specific language in the documents presents. He explained the history of the current lease rates, also.

Commissioner Crouch asked about the cost centers and total costs. Griff explained the variables of the rate figures. Theberge distributed copies of "Revenues vs Cost Allocations" for 1994 and 1995.

Commissioner Crouch asked Corinne Nystrom about the accuracy/legality of the 13¢ rate.

Griff explained the concerns of tenants on the "Pfleider end of the airport" and suggested a coherent plan for development that would define division of financial responsibility for utilities, paving, etc. He outlined the options for the Pfleiders:

- short term agreement 90-120 days with rates and terms in effect now (*not* retroactive if rates drop)
- long term agreement with rates and terms in effect now, reserving the right to file a lawsuit later (retroactive if rates drop)

Discussion followed. Consensus: Long term lease at rates and terms in effect now.

Griff mentioned that Jim Fuoco had called him directly recently. Commissioner Crouch stated that all tenant questions should be directed to Theberge. Griff pointed out that he had been directed by

both the Board and Theberge to meet with Paul Maynard and the Pfeiders, and that Fuoco had initiated the recent contact.

Marcel Theberge was directed to work on the rate schedule per DOT regulations and to commit to arriving at set rate figures by the January 1996 Board meeting.

VII. Capital Replacement Reserve Plan

Marcel Theberge presented a proposal to the Board to establish a capital replacement reserve plan using the owned depreciation expense amount from the most recent audited financial statements. Discussion followed.

VIII. Review of Proposed 1996 Budget

Marcel Theberge read the introduction from the Proposed 1996 Budget packet. He suggested holding a workshop exclusively for budget discussions later.

Corinne Nystrom, responding to questions from Commissioner Crouch, noted that the proposed budget will dip into reserves. The estimated amount of reserve at year-end (\$700,000) and proposed amount (\$1,000,000) were discussed.

Theberge asked for a consensus from the Board to quote a term lease rate of \$21.60/ft² to airlines in upcoming lease agreement negotiations, and to do leases with them on a month-to-month basis until DOT regulations regarding rates are resolved. Consensus ensued.

IX. 1996 Goals and Objectives

Marcel Theberge noted that these would rise out of the process set in motion under Section III.

X. Open Discussion and Other Issues

Commissioner Theobald asked about the long term plan for the roads and the infrastructure at the airport.

The easement off Falcon Way for Francis Constructors was discussed. Harry Griff asked what entity was responsible for maintaining the roads. Answer: the City maintains H Road, the airport maintains Falcon Way and all roads on airport property.

Commissioner Crouch asked about formation of committees to report to the Board on specific areas of responsibility, such as buildings and grounds, operations, safety, security, etc. He noted two existing committees: ad hoc tenant committee and the Finance Committee. Commissioner O'Boyle suggested rotation of Board members through each committee. Commissioner Crouch will bring a packet for committee formation to add to the agenda for the December Board meeting.

Commissioner O'Boyle asked about resuming mini-workshops. Subject will be added to the agenda of the December Board meeting.

ADOPTED AND PASSED THIS 21st day of November, 1995.

ATTEST:

Susan Stokes
Susan Stokes, Deputy Clerk


John Crouch, Acting Chairman