

Walker Field Airport Authority

Minutes of the Regular Board Meeting

November 21, 1995

BOARD COMMISSIONERS PRESENT: John Crouch Larry Jokerst
Gary Morris Martin O'Boyle
Judy Humphries Reford Theobold

AIRPORT STAFF PRESENT: Marcel Theberge Corinne Nystrom
Dennis Wiss Susan Stokes
Ron Bumann

ALSO PRESENT: Joseph V. Marie, II of Mesa County Civic Forum, Miles C. McCormack of Confederate Air Force, Kent and RuthAnn Pfeleider of Colorado Skunk Works, Sammy Kempton of Kempton Air Service, Peg Wallace of Thunder Mountain Ground Service, JoAnn Smith of Open Range Gift Shop, Kim Bang of BLM, Ed Armstrong of Armstrong Consultants, J.J. Johnston of MCEDC, Bob Richardson of Avis Rent-a-Car, René Romer of Budget Rent-a-Car, Stephen Robertson of Sky's Restaurant, Harry Griff as Walker Field Airport Authority attorney, Steven Ausmus of MCEDC, Ed Chamberlin of Chamberlin Architects, and Ginger Rice of the Daily Sentinel.

I. Acting Chairman John Crouch called the meeting to order at 5:20 p.m.

A quorum was present.

II. Introductions, Presentations, and Public Comments

Acting Chairman Crouch welcomed visitors.

III. Approval of Minutes of October 24, 1995 Board Meeting

Commissioner Theobold moved to accept the Minutes of the Regular Board Meeting of October 24, 1995 as corrected. Commissioner Croker seconded. Motion carried.

Commissioner Jokerst moved to accept the Minutes of the Board Retreat of November 4, 1995 as corrected. Commissioner Theobold seconded. Motion carried.

IV. Challenger, Inc. Bankruptcy Case

Director Theberge introduced Harry Griff who explained the Challenger, Inc. situation. Mr. Griff presented three options for the Board's consideration: 1) object to Challenger's right to stay in business (affirmance of contract); 2) object to Challenger's affirmance of contract unless they provide the airport with certain assurances; 3) not object and allow Challenger to stay in business on airport. He pointed out that the holder of the performance bond had sent notice of intent to cancel

the bond effective December 31, 1995. Mr. Griff recommended Option 1 or 2; Director Theberge and Commissioner Crouch recommended Option 2.

Commissioner O'Boyle moved to follow Option 2; Commissioner Morris seconded. Motion carried, with Commissioner Theobold abstaining.

V. Update of 3-D Systems, Inc.

J.J. Johnston of MCEDC introduced Ed Chamberlin of Chamberlin Architects, Steve Ausmus who is handling re-zoning efforts, and Ed Armstrong of Armstrong Consulting.

Ed Chamberlin gave an overview of progress to date, explaining the lay of construction, present and future. Mr. Johnston addressed the issue of traffic input on Falcon Way, stating that no congestion is anticipated. Director Theberge noted that all tenants on Falcon Way had been contacted and invited to attend the Board meeting. Harry Griff explained that MCEDC and Chamberlin Architects were requesting a two-year temporary easement. Discussion followed. The Board decided that the airport will be responsible for Falcon Road maintenance, with easement to be re-negotiated in two years. The two-year lease will begin April 23, 1996 with the Certification of Occupancy. Mr. Chamberlin noted that no 18-wheelers will be driving on Falcon Way.

VI. Update on Benson Ranch Litigation

Harry Griff provided an update: IDI is negotiating the purchase of Benson Ranch. The Court has put the lawsuit on hold for five months.

VII. Contracts

A. Short-Term Lease Agreement and Access Easement for Francis Constructors, Inc.

Director Theberge explained the dynamics and recommended approval. Commissioner Morris asked about dust control and about location of trailers. Ed Chamberlin responded that Francis Constructors will control the dust and mud on Falcon Way, and the trailer will be moved after grading and paving is completed.

Harry Griff explained the difference in easement granted to Francis Constructors for use of Falcon Way and that to be granted to 3-D for later use.

Commissioner Jokerst moved to approve the agreement; Commissioner Croker seconded. Motion carried.

B. Access Easement Agreement for 3-D Systems, Inc.

Director Theberge briefly explained the dynamics. Commissioner Croker moved to approve the agreement; Commissioner Theobold seconded. Motion carried.

C. Lease Agreement with Colorado Skunk Works, L.L.C.

Director Theberge noted the new/alterd portions of the agreement (pp.19-20). Discussion followed. Harry Griff explained the need for a sublease agreement from Steve Bush.

Kent Pfleider addressed the Board, expressing discontent with the "ultimatum" he felt the Board had imposed, especially regarding retro-activity.

Commissioner Croker moved to accept the lease amended to include a *two*-month deposit; Commissioner Jokerst seconded. Commissioner O'Boyle asked for clarification: Could a decision regarding retro-activity occur at a later date? Mr. Griff said yes. Commissioner Humphries asked why provisions in *this* lease pertain to only three other leases and not *all* other

leases. Mr. Griff responded. Commissioner Theobold stated that any retro-activity should pertain to all leases. Motion carried.

D. Grant Agreement from CDOT for Aviation Management Intern

Commissioner Theobold moved to approve the agreement (amended to read "Mesa County" rather than "Routt County"); Commissioner Croker seconded. Commissioner Jokerst was absent from the room and did not vote. Motion carried.

VIII. Proposals

A. Letter of Intent from Thomas Daly

Director Theberge asked approval to proceed with negotiations. Commissioner O'Boyle asked if the Board should differentiate between this type of lease (private) and others (commercial). Commissioner Croker moved to grant approval to proceed using standard lease; Commissioner Theobold seconded. Mr. Griff asked if lease should contain same language as the Pfeider lease; the Board responded affirmatively. Motion carried.

B. Letter of Intent from Paul Maynard

Director Theberge presented the particulars of the letter. Brief discussion followed, but further discussion was postponed until an actual lease agreement is submitted. Commissioner O'Boyle moved to accept the Letter of Intent; Commissioner Theobold seconded. Motion carried.

C. Letter of Intent from Bud Gimple

Director Theberge explained that no information was available yet on the lot size and that the issue of utilities is yet to be resolved. Commissioner Croker moved to approve initiation of negotiation; Commissioner O'Boyle seconded. Motion carried.

IX. Finance

A. September 30, 1995 Financial Statements

Corinne Nystrom provided a brief overview of the financial statements. Commissioner Jokerst moved for acceptance with commendation to Maintenance Department for keeping expenses down appreciably; Commissioner Theobold seconded. Motion carried.

B. GP Express Airlines Correspondence

Corinne Nystrom presented a brief explanation of the situation.

C. 1995 Audit Proposals

Commissioner Jokerst explained that four proposals had been received, and moved to designate Costello, Allyn & Company as auditors for up to five years. Director Theberge explained that the designated auditor could be changed at any time throughout the five-year period. Commissioner Theobold seconded. Commissioner Humphries opposed. Motion carried.

X. Staff/Committee Reports

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

Director Theberge presented the October report for passenger and airfreight traffic and the September report of aircraft operations.

B. Terminal Radar Facility Task Force

Director Theberge provided an update on the task force's progress.

C. Updated List of Board of Commissioners

No changes were noted to the updated list.

D. Tenants *ad hoc* Committee

Commissioner Theobold noted that the next meeting is scheduled for December 11, and that the rates and charges survey will be completed by then.

Kent Pfleider stated that his lease agreement reads "July," but should read "August 1, 1995." Bill Hunsaker pointed out that he had paid for the hangar *through* July 31 via his lease.

Commissioner O'Boyle asked about an upcoming FAA investigation. Commissioner Crouch said discussion would be held at a later date.

E. Flight Schedule Update

Director Theberge referred the Commissioners to the printout in the agenda packet.

F. Nominating Committee Report

Commissioner O'Boyle noted that a slate of officers will be presented at the December 19 meeting.

XI. 1996 Proposed Budget Review

An announcement of a public hearing held to adopt the 1996 Budget and to appropriate sums of money (Resolution 1995-009) was made by Marcel J. Theberge. There were no public comments.

Director Theberge noted that the changes the Commissioners had requested had been made and presented a second option. Corinne Nystrom explained the changes. Director Theberge recommended the Commissioners approve Option 2. Ted Balbier explained the need for the additional full time employee in the Maintenance Department, pointing out the cost saving gained by doing work in-house rather than contracting out. Discussion followed. Commissioner O'Boyle remarked that he was in favor of increased staff levels, but that he felt revenue projections are inflated. Discussion followed. A straw vote was taken to determine whether more support existed for Option 1 or Option 2; Option 1 garnered one vote, Option 2 garnered 6. Commissioner Theobold moved to approve Option 2; Commissioner Morris seconded. Motion carried. The results of the roll call vote regarding Option 2 were:

THOSE VOTING AYE

Gary Morris
Reford Theobold
Joe Croker
Judy Humphries
Larry Jokerst

THOSE VOTING NAY

Martin O'Boyle
John Crouch

XII. Other Items

A. Commissioner Crouch said that at the next Board meeting, he would like to set policy regarding Board members' use of legal counsel and airport staff.


- B. Commissioner Crouch stated he would like the RFP for attorney selection completed.
- C. Commissioner Humphries suggested holding a Board workshop between the time of the tenants' ad hoc meeting (December 11) and the January 1996 Board meeting (January 23). Director Theberge will make arrangements.

XIII. Adjournment

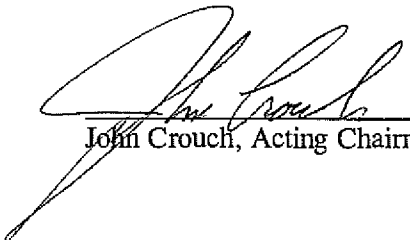
Commissioner Jokerst moved to adjourn the meeting. Commissioner Croker seconded. Motion carried and the meeting adjourned at 8:00 p.m.

ADOPTED AND PASSED THIS 19th DAY OF December, 1995.

ATTEST:



Susan Stokes, Deputy Clerk



John Crouch, Acting Chairman