

Walker Field Airport Authority

Minutes

Board of Commissioners Workshop

January 15, 1995/6

BOARD	John Crouch	AIRPORT STAFF	Marcel Theberge
COMMISSIONERS	Larry Jokerst	PRESENT	Corinne Nystrom
PRESENT	Reford Theobald		Susan Stokes
	Martin O'Boyle		Dennis Wiss
	Gary Morris		
	Judy Humphries		

ALSO PRESENT: Peg Wallace and Marilyn Petek of Thunder Mountain Ground Service; Bruce Butlin(?), Gordon Bryan, and Roger Fischer of Timberline Aviation; Ron Rouse of Colorado Airlines; Ken Nesbitt, Jamie Hamilton as Grand Junction Chamber of Commerce representative; Jim Biber of Biber & Co.; Miles McCormack of Confederate Air Force; Bob Weber of Webair; Kent Pfleider and Ruth Chilton of Colorado Skunkworks; Deanna Strand of Strand Flying School; Bruce Balbier of Skywest Airlines; Ginger Rice of the Daily Sentinel; and Harry Griff as Airport Attorney.

I. CALL TO ORDER

Acting Chairman John Crouch called the meeting to order at 5:23 p.m.

II. REVIEW OF CURRENT FEES AND CHARGES

- A. Fees and Charges Schedule
- B. Lease Rate Schedule for Aviation-Related Lands - Resolution 1994-004

The above issues were addressed as one subject. Director Theberge noted changes to the updated Fees and Charges Schedule and made further recommendations. He noted that parking lot rates had increased and explained policy regarding rates for aviation-related lands.

III. REVIEW OF MATERIALS AND PRESENTATIONS

- A. Tenant Ad Hoc Committee Report

Discussion was deferred until later in the meeting. When the subject was addressed, Commissioner Theobald provided a brief re-cap of the issues discussed at the last tenant *ad hoc* committee meeting. He noted that the committee was favorable to Option 2 (of the new Fees and Charges proposal), but wanted to see Option 3 statistics and reserve decision until the final figures were released.

- B. Response Letter of 12/15/95 to FAA Letter of 11/17/95

Director Theberge noted that his response letter to the FAA was included in the agenda packet.

- C. Rates and Charges Survey of 35 Regional Airports
- D. Rates and Charges Survey - Comparables
- E. Correspondence from H. Griff re Historical Cost Issues Under DOT Fee & Charge Regulations
- F. 1994 Revenue vs Cost Allocations
- G. 1995 Estimated Revenue vs Cost Allocations
- H. 1996 Budgeted Revenue vs Cost Allocations

The above issues were addressed as one subject. Director Theberge provided a brief overview of each. Harry Griff addressed the historical cost issues, noting that revenues collected for the airfield were *less than* historical cost. Discussion followed. Commissioner Theobold asked about the formula used to reach the cost allocation figures: Were they FAA authorized or derived by the WFAA staff? Corinne Nystrom responded that FAA regulation served as the basis for establishing the formulas. Further discussion followed.

I. Rates and Charges Discussions (Options 1-4)

Director Theberge provided an overview of the options presented. Discussion followed. Harry Griff noted the relationship between fuel flowage fees and landing fees.

J. Information on Airport Revenue Diversion

Director Theberge noted that the information was included for the information of the Board.

K. Information on Tenant Leases - Airport Business

Director Theberge noted that the information was included for the information of the Board. He pointed out that several leases will be up for re-negotiation in 1996, and that several others are now on a month-to-month status (at the Board's direction) until the rates issue can be resolved.

IV. PUBLIC COMMENTS

Commissioner Crouch opened the meeting to public comment.

Kent Pfleider asked for definitive opinion from Nance Early of FAA regarding the sliding rate scale. Harry Griff stated that Mr. Early probably would not provide one. Commissioner Crouch stated that the FAA has been provided data on the issue and would likely respond sometime in within the month.

Peg Wallace asked Corinne Nystrom a question regarding non-exclusive lease rates.

Bernie Buescher commented about the statistics presented and said he had several issues he would like the Board to address.

1. Is military fuel fee *only* 6¢ or (6¢ + 4¢)? He was told: 6¢ only.
2. Why is average revenue only 5.6¢/ft²? Corinne Nystrom responded that the rates of the two largest leases (West Star Aviation and BLM) bring down the average because they are less than 6¢/ft².
3. He asked for written clarification on the interplay between fuel flowage fees and landing fees.
4. Regarding the 1¢/gallon proposal as affecting West Star's fuel customers: he would like an opportunity to study the issue further.
5. Noting the difference between Options 2 and 3, he asked what West Star's rate would be. Commissioner Theobold responded that West Star is largely not affected.

Further discussion followed. Harry Griff noted that the 11.3¢ rate was based on historical cost, not fair market value, adding that FAA regulations are not clear and definitive on the issue. He stated that using either historical cost (11.3¢ here) *or* the fair market value would be permissible if the September 1995 fees and charges policy is approved *as long as* the airport is not gaining extreme profit by using the fair market rates. Discussion followed.

Commissioner O'Boyle suggested providing copies of the rates and charges data (from the agenda packet) to the tenants for their review, stating that an analysis of the cost centers should be included.

Kent Pfleider asked about the doubling of the rates. Commissioners Crouch and Morris responded. Discussion followed.

Commissioner Morris asked who decides what the cost centers are? Corinne Nystrom answered that WFAA does at this time and explained the process. Discussion followed.

Commissioner Theobald asked the tenants, when they review the data regarding rates and charges, to react to how the statistics and any decision will affect not just them personally, but the airport as a whole now and in the future.

Commissioner Crouch suggested 1) setting another workshop for after the January Regular Board meeting, and 2) that the airport attorney contact DOT to attempt to fine-tune the formula that produced the 11.3¢ figure.

Harry Griff asked Corinne Nystrom to explain how the 1996 budget figures were derived; she responded that figures are based on actual costs in past years, except for newly-budgeted items such as additional personnel.

A Special Board Meeting was set for February 6. Commissioner Morris noted that he will not be able to attend.

Commissioner Crouch directed WFAA staff to prepare for the tenants and interested parties copies of the agenda packet information regarding rates. He directed those who would like to receive a copy to provide the Board with their names. A sheet of paper was circulated and several individuals signed to request the copies.

EXECUTIVE SESSION: Commissioner Jokerst moved to go into Executive Session to discuss personnel matters; Commissioner O'Boyle seconded. Motion carried and Executive Session began at 7:29 p.m. Commissioner Morris moved to end Executive Session; Commissioner Theobald seconded, and the session ended at 7:46.

VI. ADJOURNMENT

Commissioner Theobald moved to adjourn; Commissioner Jokerst seconded. Motion carried and the meeting adjourned at 7:46 p.m.

ADOPTED AND PASSED THIS 30th DAY OF JANUARY, 1996.

ATTEST:

John Crouch, Acting Chairman

Susan Stokes, Deputy Clerk