



#### IV. SPECIAL RECOGNITION OF BOB McDONALD

Chairman McCormick presented Walker Field Airport Authority staff member Bob McDonald a check for \$300.00 in appreciation for 30 years of service at Walker Field Airport. Mr. McDonald thanked the Board and entire airport staff and related some experiences encountered at the airport over the last 30 years.

#### V. CONSENT AGENDA

##### A. Minutes: June 17, 1997 Regular Board Meeting

##### B. Contract with Younge & Hockensmith P.C. for Legal Services

At the May, 1997 Board meeting, the Board selected the firm of Younge & Hockensmith, P.C. to provide legal services for the Airport Authority. Enclosed in the Board packet was a contract from Younge & Hockensmith which they have submitted to the Authority Board for consideration along with an attachment regarding legal fees.

##### C. Amendment to United Companies of Mesa County, Inc. & Luxury Wheels O.E. Plating, Inc. Lease Agreement

The Board was presented a second addendum to the United Companies of Mesa County, Inc. & Luxury Wheels O.E. Plating, Inc. Lease Agreement. The addendum addressed incorporating the current ground lease rates for the 4/22 G.A. area, and an increase in the size of the leased premises by 2,870 square feet to accommodate a parking area which the Lessee constructed.

##### D. Award of Bid to Munro Supply, Inc. for Irrigation System

On June 5<sup>th</sup> the Facilities Department sent out a Request for Proposals for an irrigation pumping system. This project was approved for the 1997 Capital Projects in the amount of \$16,000. The Invitation for Bids was published in the Daily Sentinel on June 5, 1997, and the proposal deadline was June 20, 1997. The only bid that was submitted was from Munro Supply, Inc. at an amount of \$14,750.00.

##### E. Reallocation of Capital Budget Funds for Eagle Drive Repair

Eagle Drive was chip sealed in May of 1997 as part of a two-part maintenance project for this road. This first part of the project consisted of pavement crack repairs which were performed in 1996. \$5,000.00 was budgeted in the 1997 budget for this chip seal project. At the completion of the chip seal portion of the project, it was found that the estimated bid quantities were lower than the actual square yards sealed. The resulting invoice from the contractor for this project was for \$5,579.28. Staff recommended the transfer of \$580.00 from the Capital Budget for the irrigation pump to the Capital Budget for the chip seal project. The budgeted amount for the irrigation pump was \$16,000 and the bid submitted was \$14,750.00, resulting in a savings of \$1250.00. It has been noted that the transfer of funds from the irrigation pump line item to the chip seal line item is not a request for additional funds, but merely a transfer from one line item to another.

##### F. National Weather Service Balloon Inflation Shelter Land Lease

Since 1981, the National Weather Service has leased 40,000 ft<sup>2</sup> of airport land for their weather balloon facility. The Board approved a new lease for the facility on March 18, 1997 which reflected adjustments in the rent rate to comply with fairness provisions in FAA regulations.

Effective with this lease, the costs for electricity used by the inflation shelter would be billed back to the National Weather Service. The National Weather Service requested that the Airport Authority continue paying for the electrical service to the site as was the arrangement with the expiring lease agreement. The average monthly amount for the electrical service is approximately \$7.01 per month. Staff recommended to the Board that the Authority continue to pay for the electrical at the site with a caveat that in doing so, the Authority is not creating a new policy, but is carrying over an old provision from the expiring lease agreement with the National Weather Service.

Commissioner O'Boyle moved to approve the consent agenda as presented; Commissioner Richards seconded. Roll call: all ayes. Motion carried.

## **VI. FINANCIAL REPORT:**

### **A. MAY, 1997 FINANCIAL STATEMENTS / ACCOUNTS RECEIVABLE REPORT**

Manager Nystrom highlighted the financial statements for May 1997. She noted May was a very good month. Staff is beginning to experience expenditures normal to the summer months with associated summer capital projects underway but that as fall arrives, we can expect to see it reducing again. Revenues are coming in very well. The Authority is over \$50,000.00 ahead of 1996 revenues year-to-date. Airline revenue is strong at 8.5% over budget and 18% over last year. Rental cars are strong, up 6.5% over last year. Air Freight revenues are getting stronger. The parking lot and terminal concessionaires are still struggling and all are currently under budget. Staff plans to talk with these tenants to see what we can do to work together and turn it around. The G.A. revenues continue to show strong numbers, and Doug Thompson with West Star Aviation is working hard to increase the military fuel numbers. Operating revenue is up 6% over 1996. Operating expenses are 18% under budget and 19% under 1996 through May. Maintenance expenses are currently 18% under 1996 and Administration is 35% under 1996. Income to retained earnings is currently at \$165,000.00. Manager Nystrom noted that staff has begun writing checks on expenditures for the 11/19 runway repair project.

Commissioner Gillett moved to acknowledge receipt of the May, 1997 Financial Statements and Accounts Receivable Report; Commissioner McCormack seconded. Roll call: all ayes. Motion carried.

### **B. MAVERICK AIRWAYS USE AND LEASE AGREEMENT TERMINATION**

Manager Nystrom explained that staff has applied Maverick Airway's security deposit towards their accounts that are in arrears and that the Use and Lease Agreement between WFAA and Maverick Airways will be cancelled effective July 17<sup>th</sup> as was previously approved by the Board. She described a letter staff received from Mr. Alan Willis, President of Maverick Airways, outlining a planned buyout of Maverick and an assurance that Maverick would be addressing their accounts in the near future. Commissioner O'Boyle questioned Staff on the deposit and collection process Staff is utilizing, but discussion was directed to take place later in the Board meeting when Item B of the Action items, Tenant Security Deposit Requirements, was discussed.

No motion or vote was acted upon on this item.

## VII. ACTION ITEMS:

### A. First Option to Lease Policy Statement

John Thomas provided initial comments regarding the ongoing process of drafting a policy statement and handed out the First Option to Lease Policy Statement drafted by Attorney Briggs. Commissioner Richards requested clarification on the second to last paragraph and how it would apply to future tenants. Commissioner Richards asked Staff to discuss with Attorney Briggs if this paragraph was clear on the issue that first option granting is restricted to tenants who already have a lease with the Authority when a first option to lease is requested. Commissioner Richards added that existing first rights and options should be Grandfathered into this policy and remain as is.

Commissioner McCormack moved to approve the First Option to Lease Policy Statement; Commissioner Richards seconded. Roll call: all ayes. Motion carried.

### B. Tenant Security Deposit Requirements

John Thomas opened the discussion by pointing out the chart provided to the Board which shows security deposit practices already in place with existing tenants. Commissioner Richards asked about Staff's comfort level with the Leaseholders that have no deposit in place. Manager Nystrom responded that Staff is comfortable with those firms, and that AT&T has a yearly agreement, Republic Parking has put capital dollars into improvements and thus no security deposit was required, and that other firms with no deposit are a result of previously signed agreements. Commissioner Gillett requested explanation of "other" category on the chart, which Manager Nystrom explained were tenants that utilize performance bonds instead of cash deposits such as the rental car companies. Commissioner O'Boyle questioned about differentiation between airlines and other tenants with regard to the security deposit requirement policy. John Thomas explained that the incumbent airlines have requested that Staff look into revising the requirement that was approved early in 1996 requiring a 4 month security deposit, since they have been serving the airport for numerous years and do not wish to tie up sizable amounts of money on deposits to airports that they have been serving for years. Peg Wallace of Thunder Mountain Ground Services stated that she would like to see the airport include PFC's in her collections from non-scheduled carriers operating into Walker Field and in the event of non-payment, the Authority refuse landing rights to the carrier. Chairman McCormick summarized the discussions with three separate issues that need attention: 1) collection of PFC's 2) collection policy on delinquent accounts 3) security deposit requirements. He directed Staff to address the issues of PFC collection and collection procedures on delinquent accounts and bring a recommendation back to the Board at a future meeting.

Commissioner Richards moved to direct Staff to go back to the Airport Attorney and draft a policy on airline security deposit requirements based on Staff's recommendations; Commissioner Gillett seconded. Roll call: all ayes. Motion carried.

## VII. DISCUSSION ITEMS:

### A. Terminal Smoking Policy

Dennis Wiss distributed a copy of a survey made available to airport terminal tenants and Manager Nystrom detailed the survey which outlined 4 possible options available to address the issue of smoking in the terminal building. Dennis Wiss stated that he had received 16 responses back from the tenant group with 9 surveys stating they want things to remain status quo, 2 stating that they would like to see the entire terminal smoke-free, and 5 stating they would like

the construction of smoking rooms on the first and second floor, and allow the tenants to smoke in their areas. Dennis Wiss informed the Board that Staff had also received 30 letters from the general public regarding their wishes for a smoke-free facility. Dennis Wiss explained that it would cost approximately \$28, 665.00 to construct the smoking rooms and install ventilation for the lounge and restaurant. Steve Robertson of Sky's Restaurant stated that he felt a smoking room on the second floor would not be necessary if smoking were still permitted in the lounge and restaurant. Anne Landman of the American Lung Association detailed a conversation she had with a passenger suffering from severe asthma who complained to her association about the smoke in the terminal building and also the unavailability of medicinal oxygen for passengers flying on the airlines out of Walker Field. J.J. Johnston of MCEDC presented a letter to the Authority Board from the Board of the MCEDC expressing their views and opinions on the smoking policy and the image the MCEDC is portraying for Grand Junction as a healthy community. Chairman McCormick shared previous Board members' opinions on smoking and Commissioner Gillett went on record stating his opinion that smoking is acceptable in the lounge but not the restaurant or the other general public areas. Chairman McCormick summarized the discussions with the following: 1) No smoking in the general public areas; 2) No smoking in the restaurant but the lounge is acceptable; 3) Smoking in tenant leased areas acceptable provided that the tenant restricts the smoke from exiting into a public area and if modifications are necessary to contain the smoke, the tenant will be responsible for those costs. Chairman McCormick requested staff to investigate and get more detailed cost estimates for an HVAC upgrade for the lounge area, constructing a restricted smoking area in the terminal building. It was also suggested that the ash trays outside be moved away from the entrances to the terminal building to prevent the general public from walking through the second-hand smoke at the entrances. Staff will be presenting the Board with cost estimates to review at a future Board meeting.

No motion or vote was acted upon on this item.

**B. Rocky Mountain Hangar, Inc. Lease Agreement**

Manager Nystrom described the number of leases in the 4/22 area that have been brought under the August 1996 rates and charges structure and noted that Rocky Mountain Hangar, Inc. is the last lease not in compliance with this rate structure. Manager Nystrom highlighted a letter sent from John Thomas to Jerry Feather, President of the Rocky Mountain Hangar Group requesting a response to the delivered lease agreements and the length of time the negotiations have taken to complete. Commissioner Richards suggested staff set a deadline for Mr. Feather to sign the lease or the Authority will revoke the offer to enter into a new lease at the current rate structure.

Commissioner Richards moved to place on the agenda for the August regular Board meeting for Staff to present a new signed lease or the offer to re-negotiate with Rocky Mountain Hangar will be terminated; Commissioner Gillett seconded. Roll call: 4 ayes and Commissioner McCormack as present. Motion carried.

**C. Timberline Storm Drain System Report**

Manager Nystrom requested a consensus of the Board on direction forward for this project. Manager Nystrom described the architectural standards for the airport infrastructure and would check with the FAA on A.I.P. eligibility for this project. The Board directed staff to indicate to Timberline that based upon Isbill Associates' report on drainage in this area, there are no technical reasons why the drainage cannot be extended past the first right of refusal parcel which Timberline has agreed to lease but that funds for this project have not been budgeted and are currently not available from the Authority. Manager Nystrom described the timeline on first

right of refusal talks and Board directed staff to negotiate a time frame on this development with Timberline.

Commissioner McCormack moved to inform Timberline Aviation that within the storm drainage study there are no technical reasons that the drainage project at Timberline can not proceed providing they maintain a collection pond for the surface runoff for the new ramp, extend the eighteen inch pipe out to daylight from the new fill and add one manhole, if necessary to meet the standard requirements but that at the present time, the Board has no funds available to participate in this project; Commissioner O'Boyle seconded. Roll call: ayes. Motion carried.

**D. August 13 City/County Breakfast Meeting Agenda**

Manager Nystrom handed out a list of proposed topics for the planned meeting. Chairman McCormick explained the 11 items on the list consisting of overviews, introductions, and a recap of operations at Walker Field over the last year. Staff was directed to put together a presentation for the meeting.

No motion or vote was acted upon on this item.

**E. Schedule Meeting of WFAA Pension Board**

Manager Nystrom described the pension plan in place since 1990. The plan has done well with earnings but is cumbersome to administer. Research is going on for a replacement plan to better expand, streamline and administer the program. Manager Nystrom detailed the makeup of the Pension Board as the Vice President of the Board of Commissioners, President of the Finance Committee, Airport Manager, and an exempt staff member. After the August 13, 1997 meeting with the City and County, the Pension Board will set up a meeting to discuss the possible options for a new plan.

No motion or vote was acted upon on this item.

**F. Chamber After Hours at Walker Field**

John Thomas informed the Board about the Chamber After Hours event at Walker Field scheduled for July 29, 1997 at 5:30 p.m. The event will be held at the front of the main terminal building and is to be catered by Sky's Restaurant. Approximately 300 Chamber members are expected to attend, and all the Board members were invited to attend.

No motion or vote was acted upon on this item.

**G. Air Show Update**

Mary Hammack of the Grand Junction Air Show Committee informed the Board that Airshow 97 was moving along very well and that tickets for the event will go on sale on August 1, 1997. This year the Air Show Committee will be giving each employee at Walker Field 1 free ticket and their spouses and children will pay normal entrance fees for the event. Ms. Hammack also stated that the required waivers and paperwork are in the works, and she foresees no problems with the Air Show proceeding as scheduled. She invited the entire Board and Staff to attend and watch the Blue Angels, Golden Knights and many other attractions.

No motion or vote was acted upon on this item.

Chairman McCormick recommended that this issue be brought up during the Board Workshop on July 1, 1997, and the item was not discussed nor was an Executive Session held.

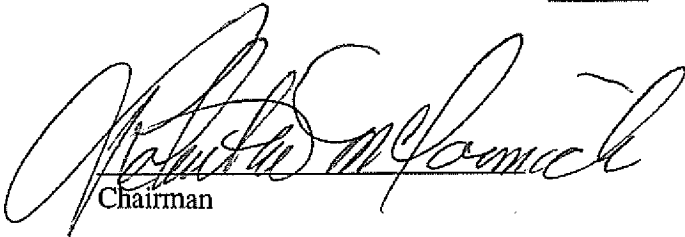
**VIII. OTHER ITEMS:**

No other items were brought before the Board at this time.

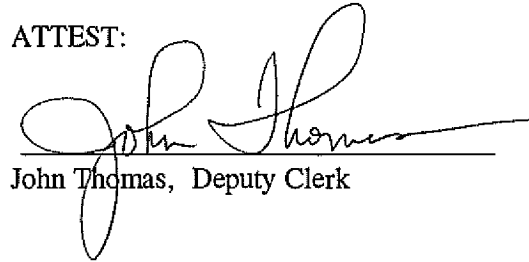
**IX. ADJOURNMENT**

There being no further business to come before the Board, Commissioner Graham moved to adjourn the meeting. Commissioner O'Boyle seconded the motion. Unanimously carried. The meeting was adjourned at 8:36 p.m.

APPROVED AND ADOPTED THIS 15<sup>th</sup> DAY OF July, 1997.

  
Chairman

ATTEST:

  
John Thomas, Deputy Clerk