

IV. CONSENT AGENDA

- A. Minutes: May 26, 1998 Special Board Meeting
- B. Minutes: June 2, 1998 Special Board Meeting
- C. Minutes: June 8, 1998 Special Board Meeting
- D. Minutes: June 16, 1998 Regular Board Meeting
- E. Minutes: June 26, 1998 Special Board Meeting
- F. Minutes: July 8, 1998 Special Board Meeting
- G. AIP-17 Contract with Taylor Fence to Construct Airport Perimeter Fence

Staff presented the Board with a proposed contract with Taylor Fence Co. of Grand Junction to construct certain sections of airport perimeter fencing as a part of AIP-17. The Authority advertised for and received bids for this project, and the low bidder was Taylor Fence with a bid of \$61,200. The Authority engineer, Isbill Associates, reviewed Taylor Fence's bid for compliance with the bid requirements and has recommended awarding the contract to Taylor Fence contingent upon review and approval by the FAA. If awarded the contract, Taylor Fence plans to begin work September 1, 1998.

Staff recommended the Board issue a Notice of Award to Taylor Fence Co. and approve the contract in the amount of \$61,200 for the construction of airport perimeter fencing contingent upon FAA review and approval.

Commissioner McCormick moved to approve the items on the Consent Agenda. Commissioner Richards seconded.

Vice Chairman McCormack complimented the Clerk to the Board, David Anderson, on the presentation and professionalism of the Minutes.

Roll call: all ayes. Motion carried.

VA. RESPONSE TO LETTER FROM UNITED AIRLINES REGARDING AIRLINE REREGULATION

Manager Nystrom solicited feedback from the Board regarding a letter the Authority received from Mr. John Philp, Director of Governmental/Public Affairs for United Airlines, addressing the issue of airline reregulation. She noted that this is the same letter which the Colorado Aeronautics Board received and discussed at its recent meeting held in Grand Junction. United Airlines is requesting the Authority express opposition to proposed legislation to reregulate the airline industry. Manager Nystrom recommended that the Authority respond to United Airlines' letter.

Manager Nystrom also commented that the American Association of Airport Executives, especially the Northwest Region, is requesting that airports take the opposite side of the issue, and support reregulation. She recommended obtaining information from other sources before the Authority expresses an official position on this issue. Commissioner Richards asked if the Frontier Airlines anti-trust lawsuit against United Airlines prompted this letter. Manager Nystrom agreed that the litigation may be a factor in prompting United Airlines to distribute this letter.

Commissioner Richards noted that the Court recommended the FAA look into the monopoly allegations itself, and that it may be awkward for the Authority to get involved in this issue at this point. Chairman O'Boyle asked if the Colorado Aeronautics Board (CAB) or the Air Service Task Force have drafted opinions on this issue. Manager Nystrom answered that neither the CAB nor the Air Service Task Force have stated official positions on this matter, and that the long-term ramifications of any response to this issue are substantial.

Chairman O'Boyle inquired how the Governor's Office became involved in this issue. Manager Nystrom responded that either United Airlines sent this letter directly to the Governor's Office, or someone forwarded a copy to the Governor's Office. The Governor's Office forwarded this letter to the Aeronautics Board and asked that the Aeronautics Board respond to this issue. Commissioner McCormick asked what the Air Service Task Force's position is on this matter. Manager Nystrom commented that the Task Force is waiting for feedback from other airlines before taking a position. Commissioner Morris asked what the duration is of the comment window. Manager Nystrom responded that the letter does not indicate any deadline.

Vice Chairman McCormack recommended the Authority tell United Airlines "thank you for the letter, the Authority is not taking sides on this issue, and that the Airport is open for use by all qualified businesses and individuals." Commissioner McCormick asked why the Authority has to respond. Commissioner Richards noted that Governor Romer requested the Aeronautics Board respond to this letter, and the Aeronautics Board asked for the Authority's feedback. Commissioner Morris cautioned against playing favorites with any of the airlines or airport users. Commissioner Richards recommended keeping in touch with the Aeronautics Board—they may choose a middle of the road approach when responding. He also noted that if any action is taken on this issue, it will be through the anti-trust litigation and the FAA—not as a result of what the airports think about this issue.

Mike Abdo of Timberline Aviation agreed with the Board that the Authority should stay out of the regulation of the airlines. Joseph Marie of Mesa Airlines also agreed with the Board and noted he liked the Board's neutral approach to this issue. State Representative Matt Smith commented that he is interested in the timing of this issue, and that if the Authority would like to add this issue to the Interim Air Service Committee Study, his office would include it.

Manager Nystrom summarized the feedback received from the Board—Staff will respond with a letter to United Airlines and provide a copy of that response to the Colorado Aeronautics Board. The general tone of the response will be that there are several sides to this particular issue, and the Authority will not be taking a position on this issue at this time.

VB. DISCUSSION WITH FAA REGARDING FRUITA VOR

Manager Nystrom provided background information regarding the possible decommissioning of the Fruita VOR. The FAA notified the Authority in May, 1997 that the easement on which the Fruita VOR is located may not be renegotiated because the property owners wish to re-zone the land for residential development. Thus the VOR would have to be relocated or decommissioned. Since that time, Staff has had numerous discussions with the FAA Regional Office in Seattle regarding this issue. The FAA indicated that as a replacement to the Fruita VOR, it plans to develop a global positioning system (GPS) approach to Runway 11, and possibly Runway 29. The Authority initially solicited input from commercial and general aviation users of Walker Field Airport. In general, users flying into and out of Walker Field Airport responded that their aircraft are not currently equipped to utilize the GPS approaches.

Commissioner Richards noted that from his perspective, the FAA has been indecisive as to a course of action. Steve Sherwood, Facilities Manager for the FAA Facilities and Equipment Office in Grand Junction, responded that his office did not receive notice of the possible decommissioning until after May 7, 1997. Mr. Sherwood stated that the purpose of the FAA attending this meeting was to obtain input from the users to determine if the Fruita VOR is necessary and provide that information to the FAA Regional Office in Seattle by August 10th. He also noted that the FAA representatives met with the Air Service Task Force earlier today to discuss this issue.

Commissioner Richards asked what the Authority is supposed to do between the time the VOR is decommissioned and until a suitable back-up to the instrument landing system (ILS) is in place. Dan Sage, Navaid Specialist for the FAA Regional Office in Seattle, answered that his office was not informed about the loss of the easement for the VOR until a form was filed for the subdivision indicating the effects of the development on the VOR. In essence, the subdivision was a "done deal." He stated that his office did not realize the land values surrounding the VOR would skyrocket. He noted that the FAA does not have the money to negotiate a continued easement for the VOR (estimated to be \$250,000-300,000). If the VOR is relocated, it would take 6-9 months to publish a new approach.

He continued that an alternative to relocating the VOR would be to have a GPS approach. Mr. Sage commented that the existing ILS averages only one or two unscheduled down times per year. When the ILS does go down, the repair time is only three to four hours because it is given a "priority one" status. Because of the low number of down times and the quick repair times, the cost/benefit analysis does not justify keeping the Fruita VOR as a back-up to the ILS.

Commissioner Morris asked if the FAA has a restrictive covenant in the easement which would require any person interested in that property to be given notice of the easement's existence. Keith Moon, Real Estate and Logistics Representative for the FAA, commented that there was not any provision in the easement requiring the landowner to notify the FAA of any transfer of ownership of the subject property. Mr. Moon indicated that Mesa County did not notify the FAA of any hearings regarding the proposed subdivision.

Vice Chairman McCormack asked if the FAA could contact the property owners to ask them to extend the term of the easement for a short period of time to allow the FAA and Authority to develop an alternative back-up. Mr. Moon stated that the attorney representing the landowners indicated that the easement could be extended for two months. Mr. Sage reiterated that the FAA does not have the money to renew the easement for an extended period of time. He stated that the

FAA needs to see instances where users would not be able to land at Walker Field Airport if the VOR is not available. He indicated that the new GPS approach would be a stand-alone approach. Thus there will be lower minimums.

Chairman O'Boyle referred to the Airman's Information Manual and noted that within the GPS section, it specifies a pilot must actively monitor alternate navigational equipment when utilizing GPS equipment unless the GPS receiver utilizes receiver autonomous integrity monitoring (RAIM) technology. Thus a GPS receiver necessary to execute a GPS approach without a functioning back-up alternative is much more expensive than a non-RAIM GPS receiver. He noted that tower operators (not necessarily GJT tower employees) have stated that the ILS is an effective navaid which does not go out very often. However, when it does go out, it goes out at inopportune times. Mr. Sage summarized the issue as whether there is any time during instrument flight rules (IFR) conditions at Walker Field Airport that the only approach to the runway is through the use of the Fruita VOR.

Commissioner Richards excused himself from the Board Meeting at 6:08pm.

Chairman O'Boyle suggested that the issue is whether the air carriers can maintain their existing level of air service without the Fruita VOR—overwhelmingly, the response has been that they cannot. Mr. Sage said that there would probably be a negative economic impact without the VOR. However, the FAA cannot justify spending \$500,000 to offset those costs. Vice Chairman McCormack asked if moving the VOR northwest of its present location would be a viable alternative, and to use it for “stacking” arriving aircraft. Mr. Sage responded that any time the VOR is moved to a location which is more than 6 miles from the threshold of the runway, the minimums increase substantially for the approaches.

Commissioner Morris asked the FAA to put itself in the Authority's shoes and determine what course of action should be taken. He asked what other airports have done in this situation. Mr. Sage commented that several airports have purchased their own navaids, then the FAA has taken over the maintenance of those navaids. Chairman O'Boyle asked if locating the VOR at the “outer marker” would be feasible. Mr. Sage commented that the terrain at the outer marker is probably not appropriate for the placement of a VOR. However, locating the VOR at the “middle marker” or perhaps the installation of a non-directional beacon (NDB) may be possible alternatives.

Chairman O'Boyle asked if the FAA could approach the landowners on which the easement is located, and ask for an extension of two months. Commissioner McCormick stated that this zoning issue with the VOR took place in June, 1997, and this kind of dialogue between the FAA and the landowners should have occurred a year ago. He continued that the expiration of the easement will occur in a couple of months, yet the FAA is asking for data now as to whether or not to maintain the VOR. Mr. Sage responded that because of the reliability of the Walker Field Airport ILS equipment and the good weather experienced in the area, it was felt by the FAA at that time that it was not too important of an issue.

Commissioner Morris asked Staff if there is any type of funding available to maintain a back-up VOR. Manager Nystrom stated that as an alternative, a back-up localizer is eligible for AIP entitlement funding, but Denver Airports District Office indicated it would not support the use of the entitlement funds for such a project. Commissioner McCormick asked what the Air Service Task Force's position is regarding this issue. Manager Nystrom stated that the Air Service Task

Force expressed concern regarding the impact this will have on commercial air service reliability and on-time performance, but it has not formulated an official position.

Mr. Sherwood commented that economic impact data is needed from the users. Commissioner McCormick asked if VOR technology has improved enough to allow the VOR to be located at the Airport. Mr. Sage responded that it may be possible to upgrade the VOR to Doppler technology and locate the VOR closer to the airport. However, locating the VOR close to the airport may restrict on-airport development to avoid interference with the VOR signal strength. Vice Chairman McCormack recommended the Authority look into a land swap for a parcel to locate the VOR, and to request an extension of the easement for two months.

Mr. Sherwood stated that the FAA needs a commitment from the Airport and the community to keep the VOR. Commissioner Morris responded that the Walker Field Airport users can provide economic impact numbers for the FAA. Commissioner McCormick stated that if the Airport and the community make the commitment requested by the FAA, then the FAA should reciprocate that commitment and try to save the VOR. Commissioner Morris asked the FAA to provide estimated costs for two or three alternatives to the VOR. Vice Chairman McCormack commented that an additional factor to consider is that the Winter Olympics in 2002 will be held in Salt Lake City, and Walker Field Airport will be a primary alternate airport for travelers to and from those games.

Commissioner McCormick stated that the FAA and the Authority should not walk away from the Fruita VOR by replacing it with the GPS approach. In five years or ten years, GPS may be a viable alternative, but today the users are not ready for it. Mr. Sherwood asked the Authority to provide the FAA with a list of parcels on which the VOR could possibly be relocated. Lou Thomas recommended that obtaining funding from Washington, D.C. should be pursued. Mike Abdo of Timberline Aviation believed this issue is a "red herring" because the Fruita VOR is not essential for safety. For the amount of money the FAA or the Authority may spend on a back-up to the ILS, other airport improvements could be made. He stated that if an airline can make money by servicing Walker Field Airport, it will install in its aircraft whatever navigational equipment is necessary to utilize the airport. His main concern is that Mesa County is allowing development around the airport which affects the airport operations.

Manager Nystrom conveyed a suggestion by George Brewer, Chairman of the Colorado Aeronautics Board, for the FAA to provide a Doppler kit for use in upgrading the Fruita VOR. Mr. Sage answered that the FAA probably has some kits available, but they are probably already assigned to other facilities. However, the FAA may have a back-up localizer available. Mr. Sage stated that the GPS approach will be a stand-alone approach—not an overlay approach. Manager Nystrom noted that this is the first time the FAA has stated it would be a stand-alone approach, and she would forward this information to Mr. Brewer of the Colorado Aeronautics Board. Chairman O'Boyle thanked the FAA and interested parties for attending this meeting.

VI. FINANCIAL REPORT

A. May, 1998 Financial Statements/Accounts Receivable Report

Manager Nystrom updated the Board regarding the May, 1998 Financial Statements. She commented that unrestricted cash and investments are being monitored closely because the Runway 11/29 litigation is impacting the cash flow. Because of the construction projects in-

progress, payables will be fluctuating for the next few months. Commercial Fuel Sales Tax reimbursements are down compared to budget, but airline landing fees and rents are holding strong. Income to retained earnings is substantially over budget. Administration expenses are over budget. This is primarily due to increased marketing expenses and attorney's fees. Overall, the Authority's finances are looking good.

Commissioner Morris asked when the last bond payment will have to be made. Manager Nystrom responded that the final bond payment will be made on December 1, 1998. Commissioner McCormick recommended that the ventilation in the Mesa County Economic Development Council Conference Room be improved. Regarding the accounts receivables, Manager Nystrom commented that Staff is continuing to pursue the delinquent amounts.

VII. ACTION ITEMS

There were no Action Items considered by the Board.

VIII. DISCUSSION ITEMS

A. WFAA Hangar Renovation Update

Staff updated the Board regarding the progress of the Authority hangar renovation project. Staff commented that the decontamination of the hangar was finished last week, the slabjacking is done, and the interior renovation work will begin this Thursday. Painting the exterior will also begin this week. Commissioner Morris stated that it appeared the decontamination oversight scope of work is more than what is necessary, and he volunteered to review the scope of work to look for possible cost savings.

B. Response to Letter from United Airlines Regarding Airline Reregulation

Relocated to V.A.

IX. OTHER ITEMS

There were no Other Items.

X. ADJOURNMENT

There being no further business to come before the Board, but there also being no quorum, the Board recessed until the next regular Board meeting.

APPROVED AND ADOPTED THIS 18th DAY OF August, 1998.



Martin O'Boyle, Chairman

ATTEST


David J. Anderson, Clerk