

# **Walker Field Airport Authority**

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## **Minutes of the Regular Board Meeting**

**Continuation of July 21, 1998 Regular Board Meeting  
and August 18, 1998 Regular Board Meeting**

**BOARD COMMISSIONERS PRESENT:**     Martin O'Boyle                     Robert McCormick  
  Miles McCormack                 Gary Morris  
  Jim Richards                     Mike Sutherland

**AIRPORT STAFF PRESENT:**             Corinne Nystrom                 Ted Balbier  
  John Thomas                     Dan Reynolds  
  David Anderson

**ALSO PRESENT:** Vern Smith of Civil Air Patrol; Dave Naski of West Star Aviation; Kent Pfleider of Colorado Skunkworks; Angie Sidwell of Larry Cobb & Associates; Joseph Marie of Mesa Airlines; and Doug Briggs, Authority Attorney.

### **I. CALL TO ORDER FROM RECESS- JULY 21, 1998 REGULAR BOARD MEETING**

Chairman O'Boyle called the meeting to order from recess at 5:19pm. Manager Nystrom commented that at the July 21, 1998 Regular Board Meeting, a quorum was not present at the time the Board of Commissioners had completed its business, thus it was decided to call a recess and formally adjourn the meeting on August 18, 1998.

### **II. APPROVAL OF AGENDA- JULY 21, 1998 REGULAR BOARD MEETING**

Chairman O'Boyle asked for additions or changes to the published Agenda. There were no additions or changes to the Agenda.

### **III. CONSENT AGENDA**

#### **A. Continuation of July 21, 1998 Regular Board Meeting**

#### **IV. ADJOURNMENT**

Commissioner Richards moved to adjourn the July 21, 1998 Regular Board Meeting. Commissioner McCormick seconded.

Commissioner McCormick asked whether a quorum is necessary to adjourn a meeting. Manager Nystrom stated that Staff is researching this question.

Voice vote: all ayes. Motion carried.

#### **I. CALL TO ORDER- AUGUST 18, 1998 REGULAR BOARD MEETING**

Chairman O'Boyle called the meeting to order at 5:21pm.

#### **II. APPROVAL OF AGENDA**

Chairman O'Boyle asked for additions or changes to the published Agenda. Manager Nystrom requested Discussion Item- "Rental Car Service Area Update" and Discussion Item- "Land Lease Issue" be added prior to Discussion Item C. The Agenda was amended as requested.

#### **III. PUBLIC COMMENTS AND COMMUNICATIONS**

Manager Nystrom distributed a letter to the Board that Staff received from Ruth Ann Chilton of Colorado Skunkworks at 4:23pm today. Manager Nystrom commented that the topic of the letter will be discussed as Discussion Item C. Additionally, she noted that Staff received correspondence from Kathy Crane, Executive Secretary to the Board of Commissioners of Mesa County regarding Jansco, Inc., which is attempting to commence air service from Front Range Airport (near Denver) to several Colorado cities, including Grand Junction. The letter was addressed to Doralyn Genova (Mesa County Commissioner). Manager Nystrom commented that this was a topic that was discussed with the Board at a previous meeting, and that the County forwarded the letter to the Authority for general information. The Air Service Task Force has also discussed this issue at its meetings. Jansco, Inc. has not contacted the Authority directly in the recent past. However, Manager Nystrom noted that as with Staff's previous responses to this issue, she will state that Walker Field Airport is open for use by all FAA-qualified users.

#### **IV. CONSENT AGENDA**

##### **A. Minutes: July 21, 1998 Special Board Meeting**

**B. Sublease Agreement Between Strand Aviation and Buescher Family Limited Partnership**

Staff presented the Board with a proposed Sublease Agreement between Strand Aviation and Buescher Family Limited Partnership. Strand Aviation currently subleases office space from Buescher Family Limited Partnership located in the building directly west of the main office complex of West Star Aviation. This proposed Agreement is a renewal of the existing agreement with an amendment to the 90-day cancellation provision. The amended cancellation provision reduces the notice period to 30 days. All other provisions appear to be unchanged from the previous agreement. Per Authority policy, Buescher Family Limited Partnership is required to obtain Authority approval on all subleases into which it enters.

Staff recommended approval of the Sublease Agreement between Strand Aviation and Buescher Family Limited Partnership and that the Chairman or Vice Chairman be authorized to sign the Agreement on behalf of the Authority.

**C. Amendment to Coffee Time, L.L.C. Use and Lease Agreement for Passenger Terminal Building**

Staff presented the Board with a proposed Addendum to the existing Coffee Time, L.L.C. Use and Lease Agreement. The Addendum addresses issues that Coffee Time and Staff have been discussing since the terminal beam renovation project began. The terminal beam renovation project necessitated Coffee Time's move to its present location. At the May, 1998 Regular Board Meeting, the Board approved the permanent relocation of Coffee Time to its present location until such time that an airline wishes to lease the 4<sup>th</sup> airline ticket office (ATO). The previous location utilized by Coffee Time was a 20 ft. x 20 ft. area adjacent to the down escalator on the first floor of the terminal building. Coffee Time quickly outgrew that area.

The present location is approximately 32 ft. x 28 ft. and will accommodate Coffee Time's expansion. Coffee Time also requested to add several services not previously included in its underlying Use and Lease Agreement with the Authority. Specifically, the authorization to sell bottled beverages (excluding soda pop and alcoholic beverages) and coffee-related items, such as coffee mugs, coffee cups, and tee shirts with coffee logos affixed. Finally, the Addendum addresses financial arrangements pertaining to a credit for electrical work for Coffee Time to remain in its present location and to identify a pay-back schedule for the purchase of the lamp post currently located in its leasehold area.

Staff recommended approval of the attached Addendum and that the Chairman be authorized to sign the agreement on behalf of the Authority.

**D. Resolution 1998-006: Amended Fees & Charges for Walker Field Airport**

Staff presented the Board with proposed Resolution 1998-006: Fees and Charges for the Walker Field Airport, Grand Junction, Colorado. In 1996, the Board approved a fees and charges schedule for all users of Walker Field Airport. Since that time, a new discounted monthly parking rate of \$100.00 has been added to the underlying Fees and Charges document. Resolution 1998-006 incorporates this change, modifies the definition of signatory airline to include any airline which has a use and lease agreement with the Authority, and changes Airport Director references to Airport Manager.

Staff recommended approval of Resolution 1998-006: Fees and Charges for the Walker Field Airport, Grand Junction, Colorado.

**E. Amendment to Use and Lease Agreement with Federal Express Corporation**

Staff presented the Board with a proposed Amendment to Use and Lease Agreement with Federal Express Corporation. At the July 7, 1998 Special Board Meeting, the Board approved a Use and Lease Agreement with Federal Express Corporation to lease the Authority-owned hangar for an initial five (5)-year term with a five (5)-year option to renew. The Board also approved a five-year fixed lease rate for the hangar building since this rate already factors-in cost of living adjustments over the next five years. This variance from standard policy was requested by Federal Express and was portrayed by Staff to the Board at the time the Agreement was approved.

However, since this negotiated amount was one of the last items on which Federal Express and Staff reached a consensus, the Agreement did not reflect that the hangar rent would be fixed for the first five years and not subject to the annual cost of living adjustment. When Staff brought this to the attention of Federal Express, Federal Express agreed that the wording in the Agreement should be changed to reflect the terms to which both parties originally agreed. Federal Express requested that an amendment be drafted to the original Agreement to reflect the change since its officials and the Authority Chairman of the Board have already signed the original document.

Staff recommended that the Board authorize the Chairman to sign an amendment to the Federal Express Corporation Use and Lease Agreement which Attorney Briggs is drafting to accurately reflect that the hangar rent amount (only) will be fixed for the first five years of the agreement since annual cost of living adjustments are already factored into the agreed-upon amount.

Commissioner McCormick moved to approve the items on the Consent Agenda. Commissioner Richards seconded. Roll call: all ayes. Motion carried.

**V. FINANCIAL REPORT**

**A. June, 1998 Financial Statements/Accounts Receivable Report**

Manager Nystrom updated the Board regarding the June, 1998 Financial Statements. She noted that the Authority is experiencing many of the same trends as it has throughout the year. Staff is monitoring unrestricted cash and investments very closely because the Authority is continuing to incur expenses for the Runway 11/29 litigation. Accounts Payable will continue to fluctuate throughout the summer because of capital projects and the associated grant reimbursements. Airline revenues are slightly under budget, primarily because of lower commercial fuel sales. However, rental car revenues are doing extremely well, and are 10% over year-to-date totals for 1997. Parking lot revenues are coming-in at approximately what was budgeted.

Terminal concessionaire revenues are under budget, mainly because of a few concessionaires bringing the numbers down, including the pay phones concessionaire. General aviation is slightly over budget, primarily because of increased general aviation fuel sales. Revenues are 5.9% over

budget which is comparable to the Authority's position at the same time last year. Income to retained earnings is substantially over budget. Overall, the Authority's finances are looking good.

Commissioner McCormick inquired why the number of passengers traveling to Phoenix is less than for the same period last year. Manager Nystrom noted that for the first part of 1998, Mesa utilized BE-1900 equipment, which many passengers avoided. Additionally, Staff spoke with Mesa Airlines, and Mesa indicated that people do not like to fly through Phoenix during the summer.

Vice Chairman McCormack moved to acknowledge receipt of the June, 1998 Financial Statements. Commissioner Sutherland seconded. Voice vote: all ayes. Motion carried.

## VI. ACTION ITEMS

### A. Sky's Restaurant Security Deposit

Staff presented the Board with a request to apply the remaining Sky's Restaurant security deposit balance to cleaning costs incurred by the Authority upon Sky's vacating the restaurant and lounge leasehold. At the June 16, 1998 Regular Board Meeting, the Board authorized the application of \$1,913.67 of Sky's Restaurant's \$3,900.00 security deposit to cover amounts owing the Authority for trash and utilities charges for the months of January, February, and March, 1998 and associated late charges. The security deposit balance after the application for past due trash and utilities charges is \$1,986.33. However, the Authority incurred cleaning costs totaling \$2,965.13 when Sky's Restaurant vacated the premises.

Steve Robertson, former concession owner of Sky's Restaurant, disputed the amount of cleaning costs incurred by the Authority to bring the condition of the premises vacated by Sky's to the level that it was prior to his commencement of operations. Staff met with Mr. Robertson on July 24, 1998 to discuss the disputed amount of cleaning costs. During the meeting, Staff agreed to reduce several cleaning line items, which reduced the amount of the cleaning costs to \$2,534.37.

On August 4<sup>th</sup>, the Authority received a letter from Mr. Robertson's attorney requesting a full refund of the original \$3,900 deposit, and threatened that if the Authority did not comply with the request within 10 days, treble damages would be imposed. Authority Attorney Briggs contacted Mr. Robertson's attorney to let him know that the referenced statute only applies to residential tenant deposits, and not to this issue. Although Attorney Briggs indicated that the Authority's position regarding this issue is strong, it is expected that up to \$3,000 of additional attorney's fees will be incurred if the Authority defends against Mr. Robertson's claim.

Staff presented the Board with several pictures of the restaurant/lounge area just prior to Sky's vacating the premises, including a picture of restaurant ceiling tiles which Mr. Robertson had claimed was altered. Attorney Briggs commented that in addition to the assertions in the letter received from Mr. Robertson's attorney, Mr. Robertson is alleging the Authority did not provide adequate notice of his default, and that he left the restaurant and lounge premises in a better condition than when he took possession of the leasehold (even though the kitchen was newly-constructed at the time Mr. Robertson took possession of the premises).

Chairman O'Boyle asked if Staff would like direction from the Board in case Mr. Robertson sues the Authority. Commissioner McCormick and Commissioner Richards suggested the Board proceed with Staff's recommendation. Attorney Briggs recommended that the Authority respond in writing to Mr. Robertson's allegations.

Commissioner Richards moved to apply the remaining balance of Sky's Restaurant's security deposit to the cleaning costs incurred by the Authority. Commissioner McCormick seconded.

Commissioner Sutherland recommended that the Authority notify Mr. Robertson that if he continues with his pursuit of a refund of the security deposit, the Authority will pursue collection of the cleaning costs which the remaining security deposit amount does not cover.

Commissioner Richards moved to amend his original motion to include that a letter be sent to Mr. Robertson indicating that the remainder of the security deposit will be applied to the cleaning costs incurred by the Authority. Additionally, if he pursues a refund of any part of the security deposit, then the Authority will counterclaim for the cleaning costs which the remaining security deposit amount does not cover. Commissioner McCormick seconded. Voice vote on amended motion: all ayes. Motion carried.

#### **B. Marketing Consulting Services**

Staff presented information to the Board regarding marketing consulting services and staffing issues. At the June 16, 1998 Regular Board Meeting, Staff presented a request to the Board to place an RFP for a marketing, advertising and public relations consultant. Five firms responded to the RFP. Staff interviewed three of the prospective marketing firms: Larry Cobb & Associates, Foster Communication; and Ryan, Whitney & Company. The interviews consisted of questioning the prospective firms on their ability to market an airport, ideas on marketing an airport, and how they would handle public relations issues. In previous discussions with the Board on marketing, there has been consensus that these areas continue to be important if the Authority is to be proactive in attracting more users to the airport.

Manager Nystrom commented that Staff would like to visit with two of the firms one more time before making a recommendation to the Board as to which marketing consulting services firm would be the most qualified. She noted that during the 1999 Budget process, Staff will probably recommend a Staff position be created to handle marketing and public relations issues. Manager Nystrom believed that current Staffing levels do not allow Staff to concentrate on these issues as much as what should be devoted. Regardless of whether the Board would approve an additional position, she stated that Staff would recommend that the Authority retain the services of a marketing consulting firm.

Commissioner Richards commented that the existing Marketing and Properties Coordinator Staff member is spread too thin. Chairman O'Boyle asked what the Scope of Work would be for a marketing consultant. Staff responded that there are several programs and projects it would like to implement, including "Fly Grand Junction!", creation of an internet home page, formatting advertising, and reviewing and implementing the Authority's Marketing Plan. Additionally, the consultant would be able to offer contacts within its field, including tour operators—more or less acting as a resource.

Chairman O'Boyle noted that the Air Service Task Force visited with Northwest Airlines to try to attract Northwest to serve Grand Junction. However, what was learned from that visit is that the airlines already have market information readily available and are "in-tune" with the market. He inquired how a consulting firm could market to the airlines better than what the Authority is currently doing. Staff commented that once an airline has Walker Field Airport on its awareness list, the Authority needs to take a proactive approach and provide the airline with additional information, such as the local economic conditions. A consulting firm could help prepare this information for Staff.

Commissioner Morris asked if having an additional Staff member would alter the Scope of Work for the consulting firm. Manager Nystrom commented that some of the services needed from the consulting firm may be reduced at that time. Commissioner McCormick expressed concern that when the Scope of Work for the terminal beams renovation project was created, it was fuzzy enough that there were some problems with the interpretation of the Scope of Work. He wanted to ensure that the Scope of Work for a marketing consultant would be specific enough to avoid any problems. Staff responded that the consultant's time could be purchased by the block or by the hour. Thus many of the Scope of Work problems may be avoided.

Chairman O'Boyle inquired how the Authority can measure the success of a marketing firm's work. Manager Nystrom answered that Staff is attempting to incorporate quantifiable goals within the Scope of Work. For example, if the number of "hits" increase on the Authority's web site, or if enplanements or operations increase, then the Authority's marketing efforts are probably effective. Commissioner Morris asked whether a consulting firm should be retained prior to adding a Staff member. Manager Nystrom indicated that Staff would prefer to structure the consulting agreement to take into account the addition of a Staff member. Either way, she indicated that Staff would like to be more proactive in marketing.

Commissioner McCormick stated that before getting involved with a marketing firm, it may be a good idea to hold a debriefing on the negotiations with Federal Express. He also inquired whether a job description has been created for the new marketing employee. Commissioner Richards recommended that before going through negotiations with another large prospective tenant, he would feel more comfortable with having a consultant available. Chairman O'Boyle asked how retaining a consultant would be different than what occurred five years ago with respect to commercial development. Manager Nystrom answered that the Authority has Planning Policies in place which will help to provide direction for Authority activities. Thus, the Policies will provide "checks and balances" and guidance as the Authority takes the next step.

Commissioner McCormick recommended obtaining a Staff member before hiring a consultant because the Staff member could help create the Scope of Work for the consultant and the framework for many of the tasks that the consultant would perform. Commissioner Richards noted that a Staff member may not have as much experience as a consultant would have. Thus it may be better to obtain a consultant first. Commissioner Sutherland recommended Staff analyze whether a consultant or an additional Staff member should be obtained first, and that the Board discuss this issue at a Board workshop.

### **C. Request for Additional Funding for WFAA Hangar Improvements**

Staff presented the Board with a request for additional funding for improvements to the Authority Hangar. At the July 8, 1998 Special Board Meeting, Staff requested the Board's approval for

additional funds for the renovation of the Authority Hangar. To date, the project has stayed within budget, but several items have since come to Staff's attention which were not included within the budget amount because they were not anticipated when the request was made. For example, the lighting fixtures were taken by the previous tenant when he vacated the building. A new hydrant and additional electrical lines are also required. Staff presented an itemized list of the items for which additional funding is requested. To date, Federal Express is spending approximately \$125,000 on improvements in addition to those being funded by the Authority.

Staff noted that there were some savings obtained in the environmental remediation costs thanks to the efforts of Commissioner Morris to review and negotiate the costs downward. These savings were factored into the process of preparing the additional funding request. Manager Nystrom commented that if the Board approved the additional funding, the budgeted amount would increase from \$155,000 to an amount not to exceed \$172,500. Commissioner McCormick asked if the project cost would be amortized over the life of the hangar. Manager Nystrom responded that the costs will be amortized.

Commissioner Morris asked if Kempton Air Service was allowed to remove the lights within the hangar. Staff responded that there was not an exact inventory of the lighting when Kempton Air Service moved-in. Thus it is difficult to determine which lights Mr. Kempton purchased versus what the Authority provided. Commissioner Richards commented that in 1997, the Authority conducted a study of the interior of the structure, and Mr. Kempton indicated he had installed many of the electrical items. Commissioner McCormick asked if Staff was confident that the estimates for the additional work are correct. Manager Nystrom indicated that Staff is confident with these numbers. She could not guarantee, however, that Federal Express would not request additional items be corrected or repaired in the Hangar. However, she did let Federal Express know that the Authority is approaching the limit of its financial participation in the project. Staff recommended the Board approve an additional \$17,500 to complete the Authority Hangar renovation project.

Commissioner McCormick moved to approve an additional \$17,500 for the Authority Hangar renovations project. Commissioner Richards seconded.

Vice Chairman McCormack asked if a portion of the project should be allocated to general infrastructure improvements instead of entirely to the Hangar project. Staff responded that there are several items within the project which will also benefit other parcels in the vicinity of the Hangar. Commissioner Morris recommended Staff review which items could be allocated to general infrastructure improvements.

Chairman O'Boyle asked if the intent of Federal Express is to occupy the Hangar for two years. Manager Nystrom responded that the initial term of the Use and Lease Agreement is five years. However, Federal Express has indicated that another location on the Airport may be needed before the expiration of its initial term. Additionally, he agreed with Vice Chairman McCormack and Commissioner Morris that improvements which may also benefit other parcels should be allocated to general improvements.

Voice vote: all ayes. Motion carried.



Manager Nystrom commented on the known cost savings to-date and thanked Commissioner Morris for his oversight and review of the environmental clean-up portion of the renovation project.

## **VII. DISCUSSION ITEMS**

### **A. 1999 State Discretionary Grant Application**

Staff updated the Board regarding the preparation of the 1999 State Discretionary Grant Application. The Application must be submitted by August 28, 1998. Staff identified the Authority's needs that it believes would be best served by this Grant, including the Runway 4/22 general aviation area. Staff recommended seeking funding to extend the access road which was built last year, and to create a taxiway between the Pfeider Hangar and United Companies Hangar. The estimated costs for these two items is approximately \$100,000, of which the Authority would ask for 80% funding participation from the State.

Manager Nystrom commented that Staff has received several recent inquiries regarding parcels in the 4/22 general aviation area, including a letter of interest last week for a parcel east of the Fuoco Hangar. One of the items Staff will probably request in the 1999 Budget is for the extension of utilities in the 4/22 area. Chairman O'Boyle asked if Taxiway "A" is in imperative need of refurbishment. Manager Nystrom noted that Taxiway "A" is one of the projects Staff considers to be a top priority, and Staff would like feedback from the Board as to what it would like to see as higher priority projects.

Chairman O'Boyle inquired whether federal funds will be used for the Taxiway "C" rehabilitation. Manager Nystrom answered that the Taxiway "C" rehabilitation project will be funded entirely with passenger facility charges. Additionally, she noted that there is a time constraint in which to proceed with the Taxiway "C" project. Thus Staff would like to combine the bidding for the two taxiway rehabilitations to obtain cost savings. Commissioner Morris indicated he would like to see an overlay on the aerial photograph for the general aviation area to show what source of funding will be used for each project displayed on the photo.

Commissioner Sutherland asked what the target date is for putting the three projects out to bid. Manager Nystrom responded that Staff is targeting next spring to put the projects out to bid. Commissioner Sutherland commented that because of the number of construction projects in the Grand Valley, the bids should be obtained as early as possible to avoid the receipt of higher bids, as the City of Grand Junction has experienced. The consensus of the Board was that Staff should proceed with seeking State funding for the Runway 4/22 general aviation area improvements.

### **B. Taxiway 'A' Rehabilitation**

Staff updated the Board regarding the Taxiway "A" rehabilitation project. Staff, along with Isbill Associates, met with the FAA Airports District Office (ADO) in Denver on August 3<sup>rd</sup> to discuss the Authority's passenger facility charge (PFC) program and the Authority's Capital Improvement Program (CIP). There were several issues discussed regarding the PFCs. First, under PFC Application #1, several projects were completed substantially under the budget cost projections, leaving the Authority with an estimated one million dollars in unspent PFC funds. Second, the scheduled rehabilitation of Taxiway "A," which was to be funded in part with PFCs, was not able

to proceed by its July 1, 1998 commencement deadline because FAA discretionary funds needed to complete the project are not available. Consequently, the Authority is technically in non-compliance with PFC regulations. Third, the three projects stipulated under the Authority's most recent PFC Application (Snow Removal Equipment, Rehab of Taxiway "C," and construction of a new ARFF/SRE Building) must be started by August, 1999.

Staff discussed several options with the Board to address the PFC issues. Option One- Delay the rehabilitation of Taxiway "A" until Airport Improvement Program (AIP) and FAA discretionary funds are available and direct the excess PFC revenue towards the other PFC projects listed above. Option Two- Phase the rehabilitation of Taxiway "A" over several years using FAA entitlement funds. Option Three- Delete or reduce the Scope of Work of one or more projects from the current PFC program and direct the excess PFC revenue towards the Taxiway "A" rehabilitation using PFC and entitlement funds rather than waiting for FAA discretionary funds.

Staff noted that Isbill Associates said that the rehabilitation for Taxiway "A" could wait for a couple of years. The FAA indicated that funding for the rehabilitation would be available, at the earliest, in 2003. However, at that time, many of the mountain airports will require rehabilitation of their airfield areas. Manager Nystrom recommended Option Three- deleting or reducing the Scope of Work of one or more projects from the current PFC program.

Chairman O'Boyle asked what item Staff would consider to be a lower priority. Manager Nystrom responded that instead of acquiring a new piece of snow removal equipment, the Authority could obtain used equipment. The used equipment could then be retrofitted. Another project which could be reduced in scope is the Aircraft Rescue Firefighting (ARFF) Building. However, Taxiway "C" is a top priority. Manager Nystrom commented that the Authority received a letter from the FAA because the Taxiway "A" rehabilitation has not commenced. The consensus of the Board was that Staff should proceed with Option Three.

### C. Land Lease Issue

Staff informed the Board that it had received correspondence from Ruth Ann Pfeider of Colorado Skunkworks at 4:23pm today. The letter was distributed to the Board during Public Comments and Communications. Manager Nystrom noted that Staff is still having discussions with the Pfeiders regarding the parcel directly to the north of the existing Colorado Skunkworks hangar. She commented that Staff is not in a position to make a recommendation to the Board regarding requests made by the Pfeiders in their letter because Staff received the letter only 45 minutes before the Board meeting and has not had an opportunity to adequately consider their requests.

Manager Nystrom continued that it appears the letter is a spin-off from the August 4, 1998 Board Workshop at which general aviation development issues were discussed. The letter contains a request by the Pfeiders for the Authority to work with them to make taxilane improvements to improve access to the parcel directly north of the existing Colorado Skunkworks hangar. Commissioner Sutherland indicated that any consideration of this request may be risky at this time because the Authority does not have a contract with United Companies to perform the work (as was suggested by the Pfeiders), nor does the Authority have an executed land lease for the referenced parcel.

Kent Pfeider of Colorado Skunkworks commented that if the taxilane is constructed, the existing vehicle gate for which access is gained to the parcel will have to be moved. Commissioner

Richards stated that Staff should be given time to look at this issue, and if needed, the Board can provide guidance on how to proceed. Mr. Pfleider commented that Staff had told him that the Authority does not have money to relocate the fence, and if Staff can't make a decision, then it falls on the Board to make a decision.

Commissioner Richards stated that just because Staff has not made a decision on this issue does not mean that the Board must solve it. Mr. Pfleider responded that the relocation of the fence is a minor point. Staff noted that the relocation is not a minor point because the construction of the fence was discussed at-length several months ago. At that time, all of the tenants were asked to participate in funding a portion of the fence project to locate the fence to the north of its existing location—Mr. Pfleider chose not to participate in the project. Now, Mr. Pfleider is requesting the fence be moved to the north at the Authority's expense—contrary to the Authority's decision several months ago. Commissioner Sutherland recommended that Staff continue negotiations with the Pfleiders.

#### **D. Rental Car Service Area Update**

Manager Nystrom updated the Board regarding the transfer of Farabee Adventures, Inc.'s rental car service area to a third party. Because Farabee Adventures has not provided adequate evidence of compliance with the Authority's insurance and security deposit requirements, nor has it brought its account current with the Authority, Staff notified Richard Farabee of Farabee Adventures, Inc., through his attorney, that the service area issue would not be presented to the Board for action at tonight's Board Meeting. Since the time that Staff spoke with Mr. Farabee's attorney, the Authority received a payment from Farabee Adventures, Inc. to bring its account current.

#### **E. Consultation with Authority Attorney Regarding Real Estate Negotiations (Executive Session)**

Vice Chairman McCormack moved to enter into Executive Session to discuss the applicable issues on the Agenda. Commissioner Sutherland seconded. Voice vote: all ayes. The Board entered into Executive Session at 7:30pm.

Commissioner McCormick moved to exit Executive Session. Commissioner Richards seconded. Voice vote: all ayes. The Board exited Executive Session at 9:11pm.

### **IX. OTHER ITEMS**

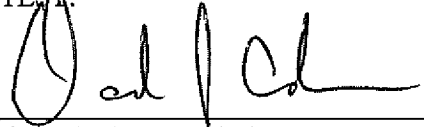
There were no Other Items.

**X. ADJOURNMENT**

There being no further business to come before the Board, Commissioner McCormick moved to adjourn the meeting. Commissioner Richards seconded. Voice vote: all ayes. The meeting was adjourned at 9:11pm.

APPROVED AND ADOPTED THIS 15<sup>th</sup> DAY OF September, 1998.

  
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Martin O'Boyle, Chairman

ATTEST:  
  
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David J. Anderson, Clerk