



MINUTES
Airport Advisory Commission
June 16, 2004

COMMISSIONERS PRESENT: Kenneth P. Chalfant – Chairman
Stephen Ducoff – Vice Chairman
Bud Breckner
Patsy Buchwald
Lynn French
Bernie Herpin
Dennis Weber

COMMISSIONERS ABSENT: None

NON-VOTING MEMBERS PRESENT: Greg Timm, Alternate Commissioner

NON-VOTING MEMBERS ABSENT: Chuck Brown, El Paso County Commissioner
Rob MacDonald, Pikes Peak Area Council
of Governments (PPCAG)
George Sugars, El Paso County DOT

CITY STAFF PRESENT: Gary K. Campbell, Airport Operations Mgr.
Mark Earle, Aviation Director
Rick Gorman, Asst. Aviation Director-Finance
Wendell R. Hawkins, Sr. Airport Operations Agent
Steve Hook, Assistant City Attorney
Erica Hupp, Community Relations Manager
John McGinley, Asst. Aviation Director, Ops & Maintenance
Posie Brown, Senior Office Specialist
Michele Golley, Senior Office Specialist

GUESTS PRESENT: Lt Col David Angle, 21MSG, Peterson AFB
Wayne Heilman, Gazette Telegraph
Mark Entrekin, Pike's Peak Transportation Coalition

CHAIRMAN CHALFANT CALLED THE MEETING TO ORDER AT 3:05 PM

1. APPROVAL OF THE MAY 19, 2004, MINUTES:

- ➔ Commissioner Chalfant asked for review of the May 19, 2004 Airport Advisory Commission minutes. Commissioner Breckner made the motion to approve the minutes as written. Commissioner Buchwald seconded the motion. Motion carried by unanimous vote.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

- ➔ Mark Entrekin from the Pike's Peak Transportation Coalition presented a briefing on local transportation issues and a proposed solution in the hope of getting Airport Advisory Commission endorsement.
 - ◆ Surveys and studies indicate that traffic and congestion are the community's most important issues.
 - ◆ Unfunded transportation needs are \$1.3 billion.
 - ◆ The preferred solution that came out of a 2003 leadership summit was a Rural Transportation Authority (RTA) in which all El Paso County cities and towns may participate. It would be funded by a sales tax increase in those cities and towns that opt into the program. There will be a November ballot issue.
 - ◆ A copy of Mr. Entrekin's briefing and a list of transportation projects that would be tackled with the income can be found at www.pikespeaktransportation.com.
 - ◆ Revenue from the proposed sales tax increase does not go in the general fund and is specifically earmarked for the named projects.
 - ◆ The RTA board includes representation from the county and all cities that have opted into the program. Maintenance projects would be funded in proportion to population.
 - ◆ The Pike's Peak Transportation Coalition is working on a public education campaign in preparation for the November ballot issue.
- ➔ Commissioner Weber moved to send a letter stating that the Airport Advisory Commission endorses the recommendation to create the RTA and supports the November ballot issue. Commissioner Breckner seconded the motion, which was carried by a unanimous vote.

3. GENERAL BUSINESS

➔ **Land Use Items – John McGinley**

Airport Staff recommends approval of the following land use items. Those in bold are recommended pending FAA approval:

- ◆ Buckslip File No. AR FP 04-00271
- ◆ Buckslip File No. AR FP 04-00298
- ◆ Buckslip File No. AR FP 04-00294
- ◆ Buckslip File No. AR FP 04-00260
- ◆ Buckslip File No. AR FP 04-00261
- ◆ Buckslip File No. AR FP 04-00259
- ◆ Buckslip File No. AR DP 04-00306
- ◆ **Buckslip File No. AR PFP 04-00249**

- ◆ **El Paso County File Name SF-04-009**
- ◆ **El Paso County File Name ID-04-005**
- ◆ Buckslip File No. CPC CP 04—00184
- ◆ Buckslip File No. CPC FP 04-00186
- ◆ Buckslip File No CPC ZC 04-00182
- ◆ Buckslip File No. CPC ZC 04-00183
- ◆ Buckslip File No. CPC DP 04-00185
- ◆ Buckslip File No. AR DP 04-00289
- ◆ El Paso County File Name VA-04-005 and EX-04-002
- ◆ Buckslip File No. AR FP 04-00280
- ◆ **El Paso County File Name PPR-04-012**

The part of El Paso County File Name SF-04-009 that is inside a 65DNL zone will not be used for residential construction. This was an open question from the previous meeting.

A commissioner wanted to know what the final use of El Paso County File Name ID-04-005 would be. The ultimate use is undetermined at this time. John McGinley will research the zoning on this parcel of land. Mark Earle said that the land is outside the noise and safety areas but could fall into the higher-notification area.

The chairman asked if the commissioners could receive the land use items along with recommendations from the airport staff prior to the meeting. Mark Earle will look into the format, why the recommendations are no longer there, and how the format should be changed.

Commissioner Herpin motioned to accept airport staff recommendations. Commissioner Weber seconded the motion. The motion was carried by a unanimous vote.

4. STAFF REPORTS

➔ **Community Relations – Erica Hupp:** Nothing to report.

➔ **Traffic Report – Erica Hupp**

- ◆ Airport enplanements for May were up 3.9%. Enplanements were at 88,087 for May 2004 and 84,781 for May 2003. Year-to-date, the airport was up 2.4%, with 400,830 enplanements in 2004 versus 391,379 in 2003. The national average was up 6.6% for May.
- ◆ American Airlines was down 13.4% in enplanements and 12.8% in landed weight in May, resulting in year-to-date reductions of 20.3% in enplanements and 32.7% in landed weight. Their load factor was 61% for the month.
- ◆ Delta's May numbers were the best, with a 36.8% increase in enplanements and a 46.1% increase in landed weight over May 2003. Year-to-date figures are also up, with a 27.2% increase in enplanements and a 29.3% increase in landed weight. Delta has added four weekly flights since last year, which helps explain their increase in enplanements and landed weight. Their load factor was 61.2%.

- ◆ Allegiant was up 7.1% in enplanements and 10.8% in landed weight over May 2003. The year-to-date numbers are up 31.4% in enplanements and 24.5% in landed weight. They continue to have strong load factors, with 75.9% in May.
- ◆ Our year-to-date enplanements are still about 10% down from 2002, but we continue to see an improvement over 2003.

✈️ **Finance Report-Rick Gorman**

- ◆ Airport revenue year to date through April is \$6.6 million, up 1.7% over 2003. The airlines are up 1.1% due to slightly higher landing fees and loading bridge charges.
- ◆ Revenues are lower in terminal building rents this year. Last year at this time, we were accruing revenues from Great Plains airlines. Subsequently, when they filed for bankruptcy, all of those revenues were written off. Therefore, the 2004 decrease is a bit of a misnomer because the revenues that showed last year were written off later in the year.
- ◆ Food, beverage, and gift revenue is up 8.8%, which is slightly higher than the traffic increase so far this year.
- ◆ Parking revenue increased 4.1%
- ◆ The major driver with regard to the overall increase in revenues is interest income, which is up by \$140,000. We do have slightly higher cash balances and interest rates, but the size of this increase is more of a timing issue than a significant increase. In reality, we are about flat with respect to last year at this time.
- ◆ The airport had \$5.8 million in operating expenditures year to date, and that is down 3.3% from last year. Last year at this time, the weak economy dictated that the airport not immediately fill personnel vacancies. In 2004, we have filled these vacancies. In addition, the City is paying for higher medical costs and there have been salary step increases. In the second reading by City council, there is a proposed 4% pay increase for City employees effective July 1. That will be another incremental increase to our operating expenses that the Airport budget will have to absorb.
- ◆ In the category of repair and maintenance expenses, one of the reasons we are so far below last year is that a major carpet replacement in the baggage claim area was completed last year at a cost of about \$100,000. Excluding this item, we are spending about the same for repair and maintenance.
- ◆ Advertising is quite a bit lower because we are redirecting our advertising dollars toward more cooperative advertising to be spent later in the year.
- ◆ Like everyone else, we have higher fuel costs, and our natural gas bill has rocketed. It's projected to continue to increase significantly in next year's budget.

➔ **Project Development – Rick Gorman**

- ◆ **Relocation of screening equipment.** We are relocating the ETD equipment out of the lobby. To accommodate the equipment downstairs, we will have to make modifications to

our baggage make-up area. That effort is quite involved with respect to the logistics and the process by which the luggage goes down to screening for chemical residue testing. A lot of queuing theory has to be accomplished, and with feedback we have received from airlines, we are rethinking our designs with a view to further automating the system. This project is important because the passengers won't have to queue twice, and the airlines are hoping to go increasingly to self-service kiosks. The current congestion in the lobby hampers that effort.

◆ **Business Park Planning**

- On June 3, we received the target industry analysis from Deloitte and Touche. These corporate relocation experts are surveying the type of industry that would be most fitting for our community so that we can target those types of businesses. A detailed presentation of their findings is available. Some of the highlights follow.
 - The strengths of Colorado Springs include the available skilled and semi-skilled labor force, the quality of life, low natural disaster risk, and the fact that there are large parcels of land controlled by one entity.
 - Challenges include the distance of the business park to I-25 and other infrastructure and the lack of a research university.
 - The results of the study were that the kind of industry that is a good fit includes computers, software, back office financial, and aerospace and defense industries. The downside of those industries could be the potential for outsourcing to such places as India. However, the consultant feels most of the work must remain in the U.S., so we should still think of going after these types of firms.
 - The recommendations include remaining flexible in terms of offering large tracts of land. On the whole, Deloitte and Touche were very positive about the city and the site.
- As far as concept planning is concerned, we have continued to design how the parcels are laid out. There are a lot of suggestions from environmental groups regarding land use practices and approaches. In the next month or two, we may have a draft document to present to the Airport Advisory Commission.
- With respect to the business park, the role of the Airport Advisory Commission is to advise City Council and city management on anything related to the airport including the business park. Rick Gorman will notify the commissioners of meetings relating to the business park and invited them to attend.
- We are working on the feasibility of a golf course to determine if there is a market. We also received a report from Audubon International, which gave its recommendations regarding the environment and the best use of the land. Careful land management leads to cost savings, so it is a very useful program to consider.

- ◆ **Redesign of the terminal front.** Rick Gorman handed out drawings of the planned redesign for the rental car and parking canopies. These canopies will cover the crosswalk between the building and short term parking and the rental car area and will extend the length of the building. The new design should give the building greater presence because

all three levels will be visible. Phase one should be completed by 12/1/2004. Phase two will involve a roadway underpass.

- ◆ **Terminal expansion.** Work starts in two weeks. Most of the activity will be at Gate 5. Initially, the work will involve moving utilities, and that part will not be very visible to the public. Once that is done, the building expansion work will begin. Gate 5A will become a food court. The contractor is Art Klein Construction. The lowest bidder was another firm, but we could not reach agreement due to some technicalities regarding their bid.

→ **Operations and Maintenance – John McGinley**

- ◆ Noise ordinance. For the past six weeks, we have been having conversations with the El Paso County planning department regarding their ordinances relating to height and noise critical subzones. The county is looking at updating their ordinances. They plan to go to the commissioners on July 1 with their recommendations. The airport staff supports this initiative. The driving force has been Joe Gorney, and we are unsure what will happen when he leaves on July 1. We hope that the county will continue the project so that ultimately the county ordinance will mirror that of the city, simplifying the approval process.
- ◆ FAA Regulation Part 139. This is the regulation that we follow with respect to safety and certification of the airport. The main component is the Airport Certification Manual (ACM) which explains to the FAA how we plan on meeting their requirements. It will take a lot of work update our manual, but there are no major expenditures or capital outlays. Most of the changes affect training and record keeping. The revision has a greater impact on the smaller airports that previously were not required to meet the regulation.
- ◆ Presidential visit. The visit went smoothly. Mr. Campbell and Mr. Hawkins of Airport Operations did most of the work for the airport and we received compliments from the advance team.
- ◆ Airport Operators' Group. The group had its second quarterly meeting on June 11, and it was a successful event. Mark Earle appreciated the Airport Advisory Commission attendance.
- ◆ "In Their Honor Airshow" – Gary Campbell
 - There will be warbirds, flybys, and static displays. At the end of each day, C-130s will fly by and do equipment drops.
 - The show is July 10 and 11, with practice on July 9. Hours of operation are 11:00 to 3:00. There will be waived airspace but there will be five-to-ten minute breaks between shows to allow general aviation to move.
 - We expect about 10,000 people over the two days.
 - Mark Earle said that if next year's show involves a jet act, the airport staff will be sure that the Airport Advisory Commission, the airlines, Peterson AFB, and general aviation are all involved very early in the process because a jet act leads to a much more significant disruption of traffic.

◆ Disaster exercise

- The scenario involved a departing aircraft that exploded, dropping radioactive parts outside of the airport perimeter. The exercise turned into a security scenario because the explosion was determined to be a terrorist act. An officer was shot, and the SWAT team came to the scene.
- Overall, the exercise went well. The main resulting observation is that areas in the communications plan need review. County and city operations centers, where their senior leaderships were located, didn't communicate effectively with each other. Communication at the lower levels was much better.

✈ **Director's Report- Mark Earle**

- ◆ We have a lot of construction going on with the terminal expansion, the canopy construction and the baggage screening area. Altogether, the construction represents \$15 million in projects, and they will be going on until next spring.
- ◆ Introduced Michele Golley, his new administrative assistant, who will work the AAC agenda as well as some military and air service issues.

OTHER BUSINESS:

- ✈ There was a discussion about the new low-cost airline, Independence Air, which had its inaugural flight this morning between Dulles and Atlanta. Mark Earle said that Independence (formerly ACA) will use their smaller aircraft to connect the east coast to Dulles. With their larger Airbus aircraft, they will connect Dulles with other large cities throughout the country. He is hearing that they are considering Denver and other Denver-sized cities. Denver is getting crowded and fares have dropped considerably in the last year. Virtually every low-fare carrier that has started operating in this region since 9/11 has chosen Denver, and we're starting to see that there's only so much demand for that type of pricing.
- ✈ Now that Comair is transcontinental and serves San Francisco, the question of whether or not Colorado Springs had explored having them connect through here was discussed. There has been no contact with Comair at this point. This led to discussion about the Sky West relationship with Delta, which is strong in this area. The Sky West relationship with both Delta and United leaves little need for additional service from Comair. A remark was made that better service to the west coast would be an asset, and Comair could be the answer. Mark Earle said that it is important to protect our relationship with Sky West and he would discuss options including possible Comair service with the host carriers and Sky West.
- ✈ The taxi and limousine lanes were discussed. A commissioner brought up the fact that he'd been told that taxi drivers could not help their passengers with their bags and wondered what a handicapped person would do and why the taxi couldn't come right up to the terminal. A handicapped person should ask the taxi driver to contact the skycaps before arriving, and they will meet the taxi. Commercial vehicles use the AVI lane to keep the close-in lane open for privately owned vehicles and because the cars in the third lane are tracked by the AVI system and pay trip fees..

- ➔ The Commissioners occasionally receive letters about commissioners' meetings in various cities and would like to know if the City would help pay for commissioners to attend. Mark Earle said that cost versus return is a public perception issue. The Airport Advisory Commission Handbook is an attempt to educate the commissioners on what other cities do. Airport staff will look into the question to see how other advisory commissions with the City handle these travel opportunities.
- ➔ The expiration of the commissioners' terms was reviewed. Chairman Chalfant's terms ends in August 2004, so it is time to go over the processes with the Mayor's Office to establish a plan for this transition. The airport staff will report on that process at the next meeting.
- ➔ The surface of the valet parking was discussed. It is not paved, and is therefore messy when the weather is bad. Paving it is in the five-year Capital Improvement plan.
- ➔ There was a discussion of a situation where TSA required a passenger who did not want to remove his shoes to go into the side room for further inspection. It is true that TSA does not require a passenger to remove shoes. However, if the passenger refuses and the shoes fit a certain profile, the passenger will undergo additional inspection. The same procedure was not followed at the other airport on this passenger's trip. Presumably that was because this procedure is fairly new, and there is always a certain delay and inconsistency involved with implementing a new TSA procedure. At one airport, an instrument was used that allowed the shoes to be inspected while being worn. Mark Earle is familiar with the instrument and said that it does not detect what is being looked for when the shoes have to be removed but that airport staff will look into it and report back at the next meeting.
- ➔ A commissioner mentioned that at Las Vegas, there is a kiosk near the entry control point where they will mail prohibited items that a passenger may have forgotten were in his or her possession. Could we get something like that? Mark Earle said that this is a commercial enterprise, and while it is convenient, it requires a vendor who is interested.
- ➔ Mark Earle addressed the inconsistencies that passengers see with regard to TSA at different airports or even with different employees at the same airport. This is a training issue, and Mark assured the Commission that TSA does get the feedback that the airport staff receives and does take action.

6. AIRPORT STAFF ACTION ITEMS

- ➔ As soon as the staff receives the guidelines from the TSA relative to the opt-out program, we will pass the information on to the Airport Advisory Commission.
- ➔ Will research the zoning on El Paso County File Name ID-04-005.
- ➔ Will check on the piece of equipment used at other airports to check shoes.
- ➔ Will draft the letter endorsing the Rural Transportation Authority and the November ballot item.
- ➔ Will review the format for the Land Use Item report.

→ Will check into the possibility of subsidizing the travel of commissioners to related meetings.

→ Will review and report on the process for replacing the commission chair.

Commissioner Buchwald motioned to adjourn the 6/16/04 Airport Advisory Commission Meeting. Commissioner Herpin seconded the motion. The motion was carried by a unanimous vote.

Chairman Chalfant adjourned the meeting at 5:14 p.m.

Minutes respectfully submitted by:
Michele Golley, Senior Office Specialist