



MINUTES
Airport Advisory Commission
September 25, 2007

COMMISSIONERS PRESENT: Lynn French – Vice Chairman
Bud Breckner
Bob Kudwa
Joel Miller
Wally Miller
Greg Timm
Dennis Weber

COMMISSIONERS ABSENT: None

NON-VOTING MEMBERS PRESENT: Pat Boone, Alternate Commissioner
Dennis Hisey, El Paso County Commissioner
Bud Patterson, Alternate Commissioner
Rob MacDonald, Pikes Peak Area Council of Governments

NON-VOTING MEMBERS ABSENT: None

CITY STAFF PRESENT: Jane Acosta, Sr. Office Specialist
John Faulkner, Asst. Director, Planning & Development
Bill Keller, Airport Planning & Development Manager
John McGinley, Asst. Director, Ops & Maintenance
Gisela Shanahan, Asst. Director, Finance & Administration

CITY STAFF ABSENT: Mark Earle, Director of Aviation
Kelly Jackson, Airport Public Affairs Administrator
Pat McDivitt, City Attorney

GUESTS PRESENT: Dave Elliott, Frontier Airlines
Wayne Heilman, Gazette

VICE-CHAIRMAN FRENCH CALLED THE MEETING TO ORDER AT 3:07 PM

Next meeting is Tuesday, October 23, 2007.

1. APPROVAL OF THE AUGUST 28, 2007, MINUTES:

→ Vice-Chairman French asked for approval of the August 28, 2007 Airport Advisory Commission minutes. The minutes stand as submitted.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

→ None

3. GENERAL BUSINESS

→ **Land Use Items – Bill Keller**

Bill Keller presented the following land use items:

- ◆ AR PFP 07-00538
- ◆ AR FO 07-00562
- ◆ AR DP 07-00566
- ◆ AR FO 07-00568 / AR FP 07-00569
- ◆ AR FP 07-00589
- ◆ AR DP 07-00570
- ◆ CPC FP 07-00297 / CPC DP 71-51-A25MJ07
- ◆ AL-07-009

Bill noted that there is a land use item up for approval for a new jet center at the airport. Commissioner Breckner asked what is Rocket Man Jet Center? Bill explained that it is a Fixed Base Operator, currently based in Texas. Commissioner Patterson asked how many FBO's are allowed on the field. John McGinley explained that there is no limit unless the airport is performing those services, then we would have exclusive rights. We don't and the way the regulations are written we have to allow that commercial service opportunity to anyone but they have to meet our criteria. Rocket Man will be located just south of the ARINC hangar and much closer to taxiway Alpha and east of the Janitell area. This FBO will be a subtenant to Dick Janitell. Commissioner Timm commented that as a Commissioner, these are the types of items that we should be specifically looking at and maybe a little in advance of it becoming a land use item; we should be aware that this is happening and could have a discussion about it. Gisela Shanaha noted that some of this is due to timing issues and there are some confidentiality issues we deal with as well. Bill Keller said that at the time an item becomes a land use item, it is then available for public discussion. Commissioner Patterson expressed concern that the new FBO might block access to the taxiways. Bill responded that there will be access via the ARINC taxiway.

Commissioner Breckner made the motion to approve the land use items as recommended by Airport staff and Commissioner Weber seconded the motion. The motion was carried by unanimous vote.

4. STAFF REPORTS

→ **Traffic Report - Gisela Shanahan**

- Enplanements - August of 2007 was the highest enplanement numbers for the month of August since 2001. We had our first significant increase in July and August outpaced July. Compared to August of 2006, the enplanements were up 7.5%. August of 2007 was the highest enplanement numbers since 2001. Year to date that shrunk our decrease; it was 3.8% last month to 2.2% with in increase of 1.6% year to date. Looking at September traffic, we anticipate those numbers to continue in that direction. If it holds, sometime in the first or second week of November, we would expect to surpass 2006 numbers and start moving to a net increase on the year to date totals. Holiday season is traditionally very strong at this airport.
- Landed Weight – Relatively even to August 2006 with a slight decrease of .8%; year to date down 9.8%. The contributing factor is that quite a few of the mainlines shifted to other code share partners that are flying more of the 50 seat RJ's vs the 70 seat RJ's. When you factor this in along with fewer cargo flights, it puts downward pressure on the landed weight.
- Freight and Mail – This continues to be negative compared to 2006. We have discussed this before.
- Aircraft Operations – This is increasing and GA is the primary contributor. Year to date GA traffic is up 20.2% compared to 2006. Overall traffic is up 9.8%.
- Airline Load Factors – Loads are continuing to run very high. Comparing these airline by airline to their national averages for the month of July and August, COS load factors are equal to or greater than the national loads for all of these airlines. The average for the month was 81.9% and year to date 79.2%.
- Airline Seats Available – We are 9.9% below 2006 and have shrunk to 8.4% year to date for August. As we get additional seats in the market we'll see that number move in the positive direction.

➔ **Finance Report – Gisela Shanahan**

- Revenue collected for August YTD as compared to our budget forecasted – We are just about even with budget projections; we are down .4%. The primary contributor is landing fees which continue to run well below what was budgeted. Budget is prepared a year and a half out and at that point in time we didn't have any projections from the airline that they'd be downsizing some of the RJ's. The reduction in Cargo landings was also not projected
- Comparing August revenue to 2006 August revenue - Revenues are 4.4% lower this year primarily due to lower landing fees.
- Obligations by Type – We are running 6.6% below our budgeted expenditures year to date. The savings are in repairs and maintenance, services and advertising. We expect to expend close to what we were authorized to spend for these by the end of the year.
- Expenditures - August 2007 vs August 2006 – Despite inflationary pressures and increases in cost, we are just about even with expenditures year to date in 2006; we are 0.3% above. Fairly good number when considering that the approved budget is 2.3% above the 2006 budget. Expenditures are running relatively even.

- Concession Revenues – Revenues are up 1.6% compared to 2006. Our other category, which is our smaller concessions is doing really well. They seem to be doing a better job at marketing and customer service, such as SmarteCarte and Shoe Shine. Every single category is above 2006.

➔ **Operations and Maintenance – John McGinley**

Operations

- Pleased to announce that Troy Stover, our Maintenance Manager, will be moving to the Operations Manager position, taking Michael Civitelli's place. We also promoted Casey Parker from Ops Agent to Senior Ops Agent. This leaves one vacancy in the operations department and we'll be advertising for it next week. With Troy moving to Operations, it leaves the Maintenance Manager position vacant.

Maintenance

- We made a lot of progress on the vending areas. If you have been in the concourse recently, cell phone stop, business center and shoe shine, have all been built out. We are still working on some aesthetic items. As soon as we get some contractual items ironed out we'll be bringing in our vending and moving the shoe shine to his new area. You'll also notice that we have moved the ATM machine on the concourse; its now inset into the east wall.
- We have not started the rough in for the relocation of the ATM and the vending machines at the base of the escalator. We are taking the ATM machine and moving it around the corner and setting it into the east wall. On the south wall that's behind the existing ATM, we'll be installing two drink vending machines. We hope to have this completed this fall.

General Aviation

- The Sept 15 pilot briefing was a success. We had controllers from the Springs, Pueblo, Denver Center, Denver TRACON and Rocky Mountain Regional Airport to give pilots briefings on current and projected procedures that may or may not be issues to pilots. The best thing about the event is that the pilots were given a very open opportunity to ask controllers from all the different areas whatever they wanted. This is something the FAA has been very supportive of. Also available at the event was Dan Rund from the AFA. He gave an update on the Front Range Airspace Working Group and the new terminal chart. Thanks to Lynn French for doing a lot of the work. Our next one will be in March 2008. We have put additional funds in the budget to support these pilot briefings twice a year and two additional events for training. We'll provide the facilities, if the FAA through the Flight Standards Office, coordinates training programs for pilots in the area. Commissioner French counted approximately 77 in attendance at the meeting and received numerous calls thanking us for the event. It was very well received. At the next meeting, in March, we need to appeal to the younger aged group to attend.

➔ **Planning and Development – John Faulkner**

Design and Development

- We are wrapping up the design for the projects for the year and are getting close to completing the 2007 designs that are out there. We are about half way through most of our 2007 construction program if you look at the amount of dollars to spend.

- Rehab of Taxiway E – This includes G and H. We're still working on the second phase of design for this, which will be next year's construction project. We want to get this design in the books and ready to bid starting in February. This project will pick up where this year's program stops; E1 through the F intersection, pick up from there through the G & H intersection. We are still working on the design.
- Roadway Signage Project – We were very near getting this wrapped up. There are a few more elements on electrical and the mechanical drawings the contractor will use to put this project together. The intention is to complete this design over the next few weeks and get it out there for construction in the month of October to complete the project this year. This would include all of the exterior signage as you drive in.

Construction

- Cell Phone Lot and Roadways– We are going to make some changes in the lot, however the question is whether we'll do this through the O & M budget. We've scaled this back quite a bit. At one time we were looking at replacing the exit, but its working quite well, so this project will be scaled down to make some changes to the median, change the paint somewhat and maybe install some curbing. As we scale this back it may move into a maintenance project rather than a bid.
- Entrance and Exit Roads – The contractor is doing a great job. Temperatures overnight have gotten too cold to continue work at night. They have done a really nice job of cleaning up and have everything done by the morning. With the temps dropping over the last couple of weeks, our quality assurance team advised that we should conduct work during the day. They have made a lot of progress with a lot of final mat down on the exit road. They are working on the entry roads today and doing a pretty good job of traffic management. Unfortunately, they need to get into the center of the road periodically to make sure the joint adheres, so from time to time they are stopping traffic. This is usually only for about 30-40 seconds while the roller is on the joint. The majority of the paving should be done around October 4, then they will do painting and shoulder raising. The entire project should be complete in November.
- Taxiway E Rehab – The majority of the demolition work has been done. They are working on getting their test strip down for asphalt paving, which is top coating of the sub-base. Once they get the sub-base down, they pave over that with asphalt and then over that with concrete. The asphalt operations should be done in about a week. Immediately following will be cement paving. Shoulders and painting will be done towards the end. They are making good progress and this should be done by the end of the year.
- VSR – We are very close to starting work on this project. We have accepted a grant for \$500,000 to begin paving. We'll do about 1000' of paving and an intersection and then we'll head north. Construction should start around the end of this month. Future phases of this project are planned in our CIP; as grant monies are available we'll continue north towards the fire station.
- Business Park Planning – Our first tenant is out there now. Aerospace Corporation moved in a couple weeks ago. Also in the last month, we announced that we selected COPT, Corporate Office Properties Trust, as the master developer. We'll begin lease negotiations soon. The Corps has completed their sewer lines. This will provide all the sewer capacity for the entire business park.

- Drainage Improvement – We've met with the designer and discussed how to complete the project. We plan to bid out the repair work. We have a new design with a drop structure, instead of an open pipe/gravity system. We have accepted the new design from URS and are getting ready to bid for repair.
- Canopies/Kiosks –The canopies are open now and look really nice. There are still a few punch list items to complete. Next step is to begin work on the tenant build outs on the kiosks.
- Commissioner Timm asked about the roadway coming from Ft. Carson into the Business Park. John Faulkner explained that that's the Defense Access Road. This will also give access to the airport from the south.
- Commissioner W. Miller asked when the master developer will begin work. John Faulkner said that negotiations will take about 60-90 days and once the lease is signed, they are planning to get Class A office space of about 90,0000 – 100,000 square feet, up by next year. This will be their first building in the park. COPT has been willing to express what their plans are. The airport has control over the development of the park. Commissioner W. Miller would like a presentation about their 'big picture'.

→ Director's Report – Gisela Shanahan

- Mark sends his regards. He is on his way to the NBAA convention. He'll be there through this week and then heads to the NWAAAE conference the following week.
- The next council meeting will cover the budget process. We'll present this to the Commission at the next meeting.
- We'll be meeting with the airlines to discuss Rates and Charges.
- Commissioner J. Miller asked if our budget process changes because we are an enterprise. Gisela noted that the way the state looks at whether you're an enterprise or not via the TABOR law and City, is using the accrual basis of accounting. Under that basis, we are still an enterprise because we have not collected enough federal revenue to take us out of that status, however we anticipate by the end of year, by the time we collect all of the revenue due to us under the grants, and receipt of invoices, we can't draw on the grants and that delays when the revenues come in. We anticipate by the end of the year that we will have collected enough revenue to be out of enterprise status so the City has chosen to treat the airport proactively as a non-enterprise prior to this date. It's a little gray. The budget process doesn't change. It's less of an impact on the airport than the City. When we are out of enterprise status, the City has to take our revenue and fold it into the City's revenue. Then the City TABOR kicks in and causes an issue for the general fund because it increases the City's liability to establish their reserves based on the higher revenue.

5. ELECTIONS

- Commissioner Weber is in charge of elections. Commissioner Weber noted that after receiving all the responses from the Commissioners, the consensus was to nominate Lynn French for Chairman and Bud Breckner for the Vice-Chair positions. Commissioner Timm wanted to point out that after reading through the rules these positions are only to serve for one year, unlike where we had three years for the last chairman.

Commissioner Breckner made the motion to approve the nominations for one year positions as chair and vice-chair and Commissioner W. Miller seconded the motion. The motion was carried by unanimous vote.

6. OTHER BUSINESS

- Commissioner W. Miller thanked John McGinley for the outstanding presentation to the Rocky Mountain Aero Club on airspace and operations issues.

6. VICE-CHAIRMAN'S COMMENTS

- Welcomed and introduced Dr. Pat Boone as the new second alternate Commissioner.

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Have COPT give presentation about development of the Business Park.	John F	
Make name plates and order business cards for commissioners	Kelly	completed

Chairman French adjourned the meeting at 4:10 p.m.

Minutes respectfully submitted by:
Kelly Jackson, Airport Public Affairs Administrator