



MINUTES
Airport Advisory Commission
February 23, 2010

COMMISSIONERS PRESENT: Dave Elliott
Joel Miller
Wally Miller –Chairman
Bud Patterson – Vice Chairman
Dr. Chris Thornton

COMMISSIONERS ABSENT: Dr. Pat Boone
Greg Timm

NON-VOTING MEMBERS PRESENT: Randy Courduff, Alternate Commissioner
Tom Hayden, Alternate Commissioner

NON-VOTING MEMBERS ABSENT: Dennis Hisey, El Paso County Commissioner
Rob MacDonald, Pikes Peak Area Council of Governments

CITY STAFF PRESENT: John Faulkner, Asst. Director, Planning & Development
Kelly Jackson, Airport Public Affairs Administrator
John McGinley, Asst, Director, Operations & Maintenance
Neil Ralston, Airport Planning & Development Manager
Gisela Shanahan, Asst. Director, Finance & Administration

CITY STAFF ABSENT: Mark Earle, Director of Aviation

GUESTS PRESENT: Levi Anstine, COS Analyst
Agnes Blachut, COS Intern
Mark Hauschild, Kleinfelder
Wayne Heilman, Gazette
Mary McElderry, Accountant
Danielle Scott, Accounting Manager
Lothar Von Wolfseck, American Airlines

Next meeting is Tuesday, March 23, 2010.

1. APPROVAL OF THE JANUARY 26, 2010 MINUTES:

Chairman W. Miller asked for approval of the January 26, 2010 Airport Advisory Commission minutes. No objections; minutes were approved as submitted.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

None

3. GENERAL BUSINESS

→ **Land Use Items – Neil Ralston**

Neil Ralston indicated that there were no new items to review this month.

- ◆ Item #1: CPC DP 92-A2CM309
- ◆ Item #2: AR CM3 10-00021
- ◆ Item #3: AR CM204-272-A1CM309
- ◆ Item #4: AR FP 10-00030/AR DP 08-0026-A1MN1

Staff recommends no objections to Items #1-4. We do have four items that remain tabled from previous meetings.

- ◆ Item #3 from September 2009: construction equipment for the communications tower adjacent to the west side of the airfield. They're having problems filing the 7460.
- ◆ Item #9 from January 2010: CSU's request for a new electrical substation on Hwy 24 just east of Mark Sheffel. 7460's have been filed and we expect this will be back for approval next month.
- ◆ Item #11 from January 2010: approval for construction of an addition to a church and we're still waiting for the 7460 to be filed.
- ◆ Item #12 from January 2010: approval of an application to develop an RV storage lot at Powers and Galley. We had concerns about some light poles they wanted to put up and have filed a 7460; we expect this will be back for approval next month.

Commissioner J. Miller asked why District 20 was putting a cell antenna on top of a school. Neil explained that a lot of the cell towers already exist and the companies are adding equipment. We're starting to see more of these requests coming through from the subdivision developers.

Commissioner Thornton moved to approve the items as submitted; Commissioner J. Miller seconded the motion and it was carried by unanimous vote.

→ **Master Plan / ALP Update;**

◆ **Overview of Goals and Objectives– Neil Ralston**

At the last meeting we presented the Guiding Principles so this month we will follow up with Goals and Objectives and the Summary of Stakeholder Engagement Plan that will help complete the foundation of our Master Plan. To build on the Guiding Principles, we have developed the Goals and Objectives with five key areas which will help us evaluate as we go through the Master Plan whether or not concepts we developed, ideas and

alternatives will help us as an airport to fulfill our long term vision and objectives. The five key areas are the Airfield, Passenger Terminal, Land Use and Access, Sustainability and Social Responsibility. For each one of these we have a goal and underlying objectives. Each goal for the areas is as follows:

- Airfield – plan for a safe, operationally efficient airfield that meets FAA standards.
- Passenger Terminal – provide plans that will help maintain a positive customer service experience throughout the entire terminal complex, from the entrance road and parking lots to the aircraft gate.
- Land Use and Access – provide a plan to enhance Airport access and encourage compatible land use surrounding the Airport. This is a key function of our land use group.
- Sustainability – provide a plan that is fiscally and environmentally sustainable.
- Social Responsibility - provide a plan that meets the aviation needs of the region in a socially responsible manner.

Commissioner J. Miller asked if we have a lot of waivers. Neil asked if he meant modifications to design standards and then responded that yes we have a few and they are primarily related to Runway 12/30.

◆ **Overview of Stakeholder Engagement Plan – Neil Ralston**

We are trying to be proactive in our ability to inform and educate key stakeholders and interested members of the public as well as gather inside information that will be useful to make sure our plan is accurate and maintain/enhance our credibility. Our intent is to reach out to key stakeholders in a phased approach that's based on the major milestones of the project. The type of interaction you have, changes as you progress through the planning process. The key milestones are:

- Project Formulation
- Facility Inventory
- Aviation Demand Forecasts
- Alternatives Development and Evaluation
- Implementation Planning

We have put together an example of the type of interaction that will occur at each of these phases. We've already started doing this. Our outreach will become increasingly external as we progress towards the preparation of our recommended development plan. We'll be soliciting a significant amount of information from airport users and tenants and we'll be sharing the key elements of the plan with local governmental agencies, the military and interested members of the community. One of the highlights, towards the end of the program and before we submit anything to the FAA, will be a public open house. It will be well advertised in advance, probably be at one of the local schools in the area or similar facility to answer questions and present information about our vision and strategy for the Master Plan to the public. In the next couple of weeks, we'll be finalizing a letter of introduction and a press release that will formally kick off the Master Planning process to the public and hope to do this in early March. Along with this, we hope to implement a new page on the Airport's website with information about the planning process.

Jacobs continues to make progress on our aviation forecasts. We have scheduled a technical briefing with Chairman Miller and Vice Chairman Patterson for March 23 giving them an overview of the forecasting process and giving them opportunity to ask questions and provide feedback. We intend to come to the full commission with a forecast briefing.

Chairman W. Miller asked if we'd be reaching out to the environmental organizations such as the Sierra Club, etc. Neil responded that if we felt it was appropriate to do so, we would. John Faulkner explained that this is also driven by the FAA. They will determine what level of environmental review the Master Plan will be subject to based on the kind of improvements. All of our environmental discussion will be in conjunction with the FAA; which is a fairly regular process. Chairman W. Miller wanted to be sure that we do not limit our environmental review to governmental agencies only. Commissioner J. Miller asked if we had a coalition that we worked with for the Business Park. John Faulkner noted that it was the Open Space Advocates. We have stayed in contact with these folks. Chairman W. Miller asked to see the PPACG forecast and Neil noted that it would be included in the technical briefing.

4. STAFF REPORTS

→ Traffic Report – Gisela Shanahan

- **Enplanements** – Enplaned passengers for the month were only down 1.6%. We have seen quite a few of the passengers that were booking on US Airways to Phoenix now booking on existing airlines here and have not lost as much of the traffic as we thought we might. We have also had additional seats and an increase in load factors. The decreases by airline: Allegiant had a combination of capacity and load factor reductions which caused an 11.7% decline; both American and Continental are experiencing higher load factors; Delta continues to have capacity reductions as well as declining load factors; Frontier has additional seats in the market and we're still seeing that sixth flight through May; and US Airways was only four days versus the entire month and United Express is where we are seeing quite a bit of increase in the shift in traffic.
- **Landed weight** – For the month 3% reduction compared to January last year; Cargo down 11%. We had a handful of fewer frequencies and then last year the decline due to the departure of US Airways.
- **Freight and Mail** – A flat change from Jan to Jan in the cargo. The enplaned and deplaned offset each other.
- **Aircraft Operations** – Up 8.7%. As you look at the categories the military operations were up 46.1% year over year for January.
- **Load Factors** – 69.7% average for Jan '10 and 68.6% average for Jan '09. Allegiant is slightly lower; with American and Continental slightly higher; Delta slightly lower; Frontier slightly higher and US Airways higher but this was due the service leaving the market; United and United Express up.
- **Seats Available** – Capacity was down 3%, this is a slightly different reason on the enplanements; some of the US Airways passengers have moved to other airlines. The reason the decrease is higher than the percentage of US Airways leaving the market is because we have slightly higher capacity in the market.

Commissioner Elliott asked about Republic's announcement to cancel Lynx, are they going to substitute one for one on the RJs? Gisela said yes there will be no reduction in the schedule. We'll see a gradual phase out of the Q400s as the RJs arrive.

Chairman W. Miller asked if we have or will take action to notify the military travel agencies about the new Dulles connection. Gisela noted that we talk regularly to the public affairs chiefs about this. She also noted that the travel agencies are aware of the new connection. Part of the problem is the system for purchasing tickets and that the travel budgets dictate what tickets the staff purchase. Gisela confirmed that we are encouraging the airlines to participate in the city pair bids for the military, which is an ongoing message. United notified the frequent flyers about this route prior to the public announcement.

→ Finance Report – Gisela Shanahan

- **Earned Revenue vs. Budgeted** – Down 14.4% primarily due to lower landed weight than what was budgeted. The budget cycle is early enough that it was submitted and approved prior to the US Airways announcement and includes their forecast. You'll see some of this variance until we hit summer and see the impact of additional frequencies and the new Washington service. Terminal Concessions up 5.5%; Food, Beverage and Gift are down due to the lower passenger traffic; Advertising continues to be impacted by the economic situation. The Other Building Rent and Other Terminal Concessions offset was due to additional leased space in the terminal from TSA. Terminal Area is down 7% with public parking driving this. We're seeing a combination of traffic and a reduction in per passenger revenue. Other Buildings and Areas down 26.2% driven by the Fuel and Excise Tax remittance. We also haven't received all the fuel flowage reports from our dispensers. Bottom line is down 11.1% year-to-date compared to 8.9% last year.
- **Revenue vs. 2009 Revenue** – Airline category down 18.3% primarily due to lower landed weight and lower landing fees. We've had fewer maintenance landings and charters in 2010 and again US Airways' departure is a primary contributor to the reduction. Terminal Concessions are flat at .7% above 2009; Terminal Area down 2.6%. When you look at the categories in this section the rental car category is down 9.7%, which is a small percentage but a larger dollar number and that is what's driving the overall reduction. We're also seeing lower revenue per contract. We're starting to see the fleet availability increase and the price per contract is coming down as more inventory is available in the market than this time last year. The primary contributor to this number is the departure of Dollar/Thrifty that went bankrupt in 2009. We carried that revenue on the books through the year so that it was recoverable through a court proceeding and the contract ended at the end of 2009 so you won't see it on the books any longer. Other Buildings and Areas down 13.4% compared to last year and again the fuel flowage fees are driving this number down. Bottom line is 9.7% below the 2009 revenue numbers.
- **Expenditures vs. Budget** – The largest variance in January has been in personnel services with \$30,933 less than the budget. This is due to vacancies and payroll, which accrues over the year. Repairs and Maintenance saving of \$65,491 due to timing; Admin Pro-rate variance is paid to the city for internal services and typically it takes a month or two before the payments are withdrawn.
- **Expenditures vs. Actual 2009** – Personnel services increase due to the FSLA payment that is part of the agreement the City reached with the Police Officers. Supplies is due to a large chunk of purchases on the P-Card which have not been reallocated into their various categories, which causes a variance. Repairs and Maintenance - the difference between this year and last year, was due to a significantly large expense primarily because we bought a very large set of tires. Services, we have not expended any funds there, parking management is higher than last year because we have payments that were not in place in

January 2009 for the revenue control system; these began in March/April timeframe. Utilities we've had a combo of higher utility fees and a slightly higher usage. Advertising is a timing difference; Misc is a matter of certain dues and memberships that haven't been processed yet this year. Bottom line is a 6.8% less expenditure level.

Commissioner J. Miller asked about the Admin Prorate related to Issue 300 and wondered if the airport is looking to consolidate services. Gisela explained that we are and we need to prepare for the long term outcome. Council passed Issued 300 as written by the City Attorney's office and that payments are not in violation of 300.

➔ **Operations and Maintenance – John McGinley**

- The TSA has announced a replacement for Gary McCurdy. They have appointed Rear Admiral James P. Shear to be the FSD for Colorado Springs, Pueblo and Alamosa. He will start sometime in April. Admiral Shear is a 37 year veteran with the US Navy, retired as a rear admiral from the Naval Reserve in 2000. He then went to US Air as a chief pilot for a number of years and then joined TSA. He has held a number of positions with TSA and was previously the FSD for Baltimore Washington Airport.

Operations

- On the Ops and Maintenance side of the house, snow removal has been taking the majority of staff time recently. We are reaching the time of year in which everyone is anxiously awaiting spring. The last couple of events have been tough. Last week the storm started on Friday and ended on Sunday with snow removal operations all the way through Monday mid-day. Staff is on call and then does shifts of 12 hours on and 12 off. These types of conditions are tough for them. We are really looking forward to April. The weekend of Feb 1, we had another long duration event with snow removal operations for 50 hours. Staff has been doing a great job. We've had to use a lot of chemical this year. Lothar Von Wolfseck from American Airlines complimented the Airport staff on how well they've been handling the snow removal. No complaints from anyone.

Maintenance

- We are still working on the interior sign project and have issued a time extension for the contractor. We are now looking at a completion date for the end of April. We are waiting for a prototype of the acrylic signs. A sign sample is on the wall near the women's restroom on the main level at the top of the escalator. We are now reviewing Volume 2 of the shop drawings which addresses the illuminated aluminum signs.
- Maintenance continues to work on repairs at the intersection of Taxiways M and F. These are mostly concrete, ASR and crack repairs. We hope to have this surface open at mid-to end of March.
- We received bids for the electrical outlets in the concourse and seating areas and hope to have this completed in the next 60 days.

GA

- The COS Pilot briefing was successful. We had 125 attendees, which is more than we've ever had. Great participation from the FAA and the military. The F16 tour was quite a hit.

- Cutter will be hosting a fundraiser benefit for Haiti this coming weekend.
- Minimum Standards deadline was Monday. We are still waiting on the last draft which should be back this week. It should be going out for public comment this Friday.

→ **Planning and Development – John Faulkner**

- **Relocation and Reconfiguration of the Operations Communication Center and the Third Floor Administrative Offices** – We are still working on some final edits and expect this project to bid in the next 30 days with it continuing into the fall.
- **Checked Baggage System** – This is still in the creative stage. We reviewed some very elaborate drawings today to accommodate a new checked baggage system. We are straddling between a mini-inline system and a more centralized system with bigger machines. The centralized system would require a larger machine, more bag belt and the cooperation of the airlines to work together. The mini system would be similar to what we have today in which each airline would have their own belts and smaller machines. This system, with the smaller machines, has less capacity than the centralized system with the bigger machine. We are struggling between these two trying to determine which system will best meet our needs during peak hours as well as looking at the pros and cons of both for future planning. We've had some conversations with DHS and they are willing to pay for the additional design analysis. We think we'll have a recommendation within the next 60 days. We'll also be soliciting input from the airlines. This is the second round for design; the initial round we thought we'd be ok with the mini inline system, however as the year progressed and the flights were consolidated, we have found the smaller machine would be at its capacity. Hopefully within the next 60 days we'll have a decision. Commissioner J. Miller asked if there was any way to have a central sorting area. John F explained that this is difficult due to space constraints. Neil noted that there are options to use RFID or laser scanning. Lothar asked if there would be a carousel that the airlines would have to pull bags off of and John said yes. We want to choose a system that will be able to meet future needs and be efficient for the airlines.
- **Reconstruction of Runway 12/30** – We have had the FAA down to look at the surface. One of the opportunities is that the FAA is supportive of making some changes to B2 and B3. This is a confusing intersection. The Tower and the FAA are willing to support a phased improvement of this intersection. If you can envision the intersection of B2 and then an extension of Charlie all the way through the intersection of 12/30, that would be the configuration of the east side. Then a year or two down the road, if it's supported by RSAT, there may be funding available to extend Alpha the full length of 17R so that you'd have a full crossing at the north intersection of 17R. Everyone feels this would be the best long term solution and we'd be able to affect the change on B2 this year with our 12/30 project. This is what we're driving towards, which expands the scope of the project. Based on our meeting with the FAA a few weeks ago, there may be additional money allocated to the project for this. We've been talking to RS&H about scoping this project and hopefully will be in design on this project by the time we meet next month. The project would then be complete over the summer. Talking with the FAA, funding for AIP projects will be in the July/August timeframe.
- **Interior Signage** – We are looking at the end of April for completion of the project. We are into Volume 2 which is for the illuminated signs.

- **Old Terminal Remediation** – We hope to get this project under way this year. We've made a consultant selection for our airfield projects to RS&H. We're going to advance some of our design projects in order to get out in front of the funding process. We would still like to get the southern half of the building demolished and renovate the northern half. As Lynx winds down with the Q400's we think we'll have time to get in there and do some work. Commissioner J. Miller asked if the interest in the building has waned. John replied that we are always talking to airlines about this building.
- **Defense Access Road Design and Construction** – Over the last two weeks we've finished the 30% design comments. The City was interested in having some bike lanes, which is a new city standard. We've been looking at how to accommodate that in the design and now have a solution on this. We've also been coordinating with Ft. Carson on their request for wider lanes to accommodate some of their equipment. CDOT has a project that's going to happen to the south of this roadway so we've been coordinating designs so no one tears up each other's work. We are now moving forward to 65% design. Hopefully we can get this under construction in June or July and complete in 2010. The northern portion will be completed in 2011.

→ **Construction – John Faulkner**

- **Roadway Signage** – We have a few signs up. The construction company has used the wrong color of silver pole so they will be repainting these. There are also a lot of large sign bases that have been set. We will have some road closures to install the poles since it will span over the roadway and expect all the signs to be in place by May. We also have some new guardrails in front of the overhead signs.
- **Rehabilitation of G and H** – We have shifted this over to Phase 2. This was bid last year, but we ran out of construction season and couldn't complete it. Jacobs Engineering was the designer and Kewitt won the bid for concrete. This work consists of construction at the intersection of Mike and Hotel. We hope to get all the work done and open in the June/July timeframe so we can do the work on Taxiway H down to the E intersection and not have to route aircraft all the way to N and keep two way flow. Work will begin around the middle of April and complete around June. Commissioner Thornton asked if we have to use the funds within a certain amount of time. John confirmed that we do and have to clear it with the FAA if we have to delay a project.
- Commissioner J. Miller asked if we have had any conversations or interest from the 302nd about the work on 12/30. John McGinley said we haven't had any concerns raised. They were more concerned as to when we would be doing the overlay. Once we have design information we'll send it over so they can see what is going on.

→ **Director's Report – John Faulkner**

- About two weeks from now Fed Ex will be replacing the 727 with a 757, which is much quieter and has more lift, as well as significantly increase our landing fees. This is a much nicer airplane.
- Gisela explained that the Dulles service will depart about 8:50 am and arrive in Dulles about 2:15 pm, then returns back here around 8:30 p.m. This will work well for those that use this route to be able to conduct business in a one night over.

- SkyWest has announced that they are reconfiguring the CRJ700 – 66 seat aircraft to a 3 class cabin.

5. OTHER BUSINESS

- Commissioner J. Miller asked that the Commission put comments out about the two state initiatives.
- John McGinley mentioned that the Airport Operators Group meeting went well last week. He also reminded everyone to be sure to RSVP so that there's enough food and drink.

6. CHAIRMAN'S COMMENTS

None

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Locate and distribute language on 2 State initiatives discussed and a summary of the impact on the airport	Mark	

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