



**MINUTES**  
**Airport Advisory Commission**  
**February 28, 2012**

**COMMISSIONERS PRESENT:** Wally Miller – Chairman  
Dr. Pat Boone – Vice Chairman  
Randy Courduff  
Tom Hayden  
Steve Janitell  
Dr. Chris Thornton  
Dave Elliott

**COMMISSIONERS ABSENT:** None

**NON-VOTING MEMBERS PRESENT:** Peggy Littleton, El Paso County Commissioner

**NON-VOTING MEMBERS ABSENT:** Andrew Biancur, Alternate Commissioner  
Rob MacDonald, Pikes Peak Area Council of Governments

**CITY STAFF PRESENT:** Mark Earle, Director of Aviation  
Gisela Shanahan, Asst. Director, Finance & Administration  
John McGinley, Asst. Director, Operations & Maintenance

**CITY STAFF ABSENT:** Dan Gallagher, Asst. Director, Planning & Development  
Dana Jackson, Airport Sr. Office Specialist

**GUESTS PRESENT:** Dan Deutsch, Airport Accounting Manager  
Erik Anderson, Financial Analyst  
Kelly Jackson, Air Service Development Analyst  
Sam Abriani, Airport Intern  
Agnes Blachut, Airport Public Affairs Administrator  
Neil Ralston, Airport Planning & Development Manager  
Rob Schmalz, The Paradies Shops  
Patsy Buchwald, The Paradies Shops  
Melissa Danielson, The Paradies Shops  
Wayne Heilman, Gazette  
Alex McKean, Reynolds, Smith & Hill (RS&H)

**Next meeting is Tuesday, March 27, 2012**

- **APPROVAL OF THE JANUARY 24, 2012 MINUTES**

Chairman Miller asked for approval of the January 24, 2012 Airport Advisory Commission minutes; no objections; minutes were approved as submitted.

- **PUBLIC COMMENTS**

None.

- **NEW BUSINESS**

→ **Land Use Review – Neil Ralston**

- **Item #1 AR DP 06-00663-A1MJ12/AR FP 12-00066**
- **Item #2 VA-12-001. PPR-12-003**

Airport staff reviewed two new land use items; one in the City, one in the County. Staff did not recommend any objections to any of the items.

One item remains tabled from a previous meeting (Item #4 from July 2010).

A motion was made by Commissioner Thornton to approve both items as rendered; the motion was seconded by Commissioner Hayden; it was carried by unanimous vote.

- **STAFF REPORTS**

→ **Traffic Report & Finance Report (December) – Gisela Shanahan**

We will start by reviewing December 2011 numbers and year-end. Reporting traffic and financial information two months in arrears has worked well for airlines and gives the airport time to reconcile.

**Traffic Report**

- **Enplanements** – Final 2011 enplanements were 814,336; this is a 5.7% decline from 2010. At mid-year we were anticipating an 8% decline based on schedule changes- we lost 2 frequencies to Long Beach on Allegiant; Delta had less frequencies on Minneapolis and Salt Lake City routes; United had last frequencies on Chicago and Los Angeles routes. In addition, we always have cancellations and they were more frequent in 2011. All of that factored in, a 5.7% decline was a positive outcome.
- A reminder that beginning the week of May 18<sup>th</sup>, Frontier will start flying to four new destinations non-stop- Los Angeles, Phoenix, Seattle and Portland. We are forecasting an 8% increase in enplanements in 2012 compared to 2011, and another 4-5% increase in 2013 compared to 2012 based on the scheduled service. Bookings are looking very good.
- **Seats Available** – Down 1.1% for December; down 4.4% for 2011 based on factors discussed on enplanements.
- **Load Factors** – 76.9% for December and 76.5% for 2011. Load factors are flat from 2010 to 2011.
- **Landed Weight** – Down 1.1% for December and down 3.3% for 2011.
- **Freight and Mail** – Down 13.6% for December and down 3.1% for 2011.

- **Military Cargo** – Up 14.9% for 2011.
- **Aircraft Operations** – Up 10.3% for the month; down 9.5% for 2011, primarily driven by military operations.

Chairman Miller pointed out that, when referencing the charts at the bottom of each page of the Traffic Report, every air traffic element, with the exception of one, which is flat, is up for December 2011.

### **Finance Report**

These are not the final numbers for the financial statements. We are in the process of closing out the year and reconciling numbers.

- **Earned Revenue vs. Budgeted** – Airline Revenue is 5.5% below the budget; Terminal Concessions are up 2.8%; Terminal Area is down 4.3%; Other Buildings & Areas are up 24.2% which is due to the fuel sales and excise tax variance; the bottom line is that we are 2.0% below the budgeted revenue. The budget is prepared well in advance in June the year prior and then submitted to Council for approval. Schedule changes were made after budget submittal at mid-year when it is too late for us to adjust our budget numbers. Given the fact that the airport was not able to make adjustments upon learning the airlines' schedule reductions, a 2.0% below budget outcome is favorable.
- **Revenue vs. Actual Revenue** – Airline Revenue is up 8.3%; Terminal Concessions up 2.0%; Terminal Area down 3.2%; Other Buildings & Areas up 8.0%; overall we are up 2.7% compared to 2010. Much is due to airline revenues- we had a higher rate of rental in the terminal building.
- **Expenditures vs. Budget** – Final numbers came in 5.4% below the authorized 2011 budget. A large portion was due to savings in the Personnel Services category; the airport continued to have vacancies and the recruitment time necessary for the positions resulted in vacancies not being filled.

Commissioner Elliot asked where the Airport is now with vacancies. Gisela responded that half are now filled and about half are in the recruitment process. Mark Earle mentioned that a couple positions have not been approved yet and the Airport continues to work on approval.

- **Actual vs. Actual Expenditures** – Compared to 2010, we expended 4.1% less in 2011. The large driver is Repairs and Maintenance- airfield rubber removal and painting, and fleet maintenance were brought in-house. Both of the programs contributed substantially to savings. Commissioner Boone asked whether the Airport will continue to conduct these activities in-house when the economy gets better. Gisela responded that we've achieved many efficiencies by doing such activities in-house. John McGinley added that that airport maintenance is always a mix of contracting out and doing jobs in-house. It makes sense to keep specialized activities like fleet and airfield maintenance in-house and contract out such jobs as landside pavement maintenance.

Chairman Miller asked if the Commission finds value in looking at the colored financial charts provided by Airport staff in the Finance Report. The Commissioners responded that they like the bar charts that compare the previous years to the current year by cost center. Airport staff will no longer be providing the stacked bar chart.

→ **Operations and Maintenance – John McGinley**

## **Operations**

- Ops completed an annual security inspection with TSA; it went well. The TSA spent most of their time in the Ops Office reviewing paperwork but also got out on the airport to inspect individuals and the airport perimeter.
- Ops is developing a webpage so that badge application information can be displayed for everyone to read and review. This will assist a signature authority or tenant representative to pass on the information required to complete the process. Phase II of the project is to capture data in a database so that when a badge holder goes through the renewal process, he/she will not have to fill out all forms again.
- John McGinley and Troy Stover recently attended a diversions conference in Denver. This meeting was initiated by an incident in the Northeast where a number of diversions were sent to an airport that was not capable of handling the aircraft due a storm. The purpose of the meeting was to get airports, airlines and the FAA together to discuss the challenges that arise during irregular operations/diversion and come up with solutions for the future. Much of the discussion centered on communications between air traffic control, airlines and airports. Airports will be required by DOT to come up with contingency plans for handling diversions and irregular operations.

During the fall and spring the Airport averages 35-40 diversions during weather events. In recent years Airport staff put together a Diversion Plan to address such situations. Mark Earle added that much credit is due to the relationship the Airport has with the airlines and the Airport's vested interest in airlines' passengers. For the Airport, writing the Diversion Plan was a matter of formalizing the process for handling diversions. The remaining element that the Airport continues to work on is formalizing the customer care aspect. What tends to happen during a diversion event is that the airline does not communicate with the passengers due to lack of personnel. In the past, COS has stepped in to provide that communications piece. John added that from talking to other airports and the FAA, what COS has in place is unique; we have good communication flow between ATC, the airlines and the airport. Additionally, COS has a written agreement in place with Customs and Border Control to handle international flights.

## **Maintenance**

### **Landside**

- Administration is working with staff to replace directional and information signage in the parking lots.

### **Facility**

- The Airport is hosting an Airport Facility Maintenance Conference (AFMC) in August. Airport staff will provide much of the moderator support. The conference will bring upwards of 90 attendees to Colorado Springs, which does not include exhibitors. The program will be held at the Antlers.

### **GA**

- We are looking at dates for the next pilot briefing.

## **→ Planning and Development – John McGinley**

- On March 5<sup>th</sup> we will begin reconstruction of Taxiways H and E. During the first 160 days of construction we will be in a back-taxi situation on the East runway.

### **Consolidated Terminal Expansion/Renovation Project Summary**

- The Checked Baggage Inspection System (CBIS) project is going well. The additions to the building on the East and West side are substantially complete. Glidepath, the contractor installing

the bag belt equipment, continues to work on the West side. We anticipate using the West side in a pass-through mode beginning at the end of March or early April.

- Seven Explosive Detection System (EDS) machines have been delivered to the Airport. Neil Ralston added that six of the machines are in their final locations and the Airport is working with the TSA to retain the seventh machine in ticketing, which could be used to scan oversized baggage.
- The shells for the Security Screening Checkpoint have been substantially completed and the contractor should reach final completion before the next AAC meeting. The Airport is currently negotiating a contract for the interior finishes and will have a better schedule for upcoming AAC meetings.
- Freshens and Pikes Perk near the checkpoint have been closed as a part of this project.
- The shell on the East wing, a part of the 3<sup>rd</sup> floor expansion, has been finished, and the contractor is currently hanging drywall on the interior walls. The Airport anticipates taking occupancy of the space on March 19<sup>th</sup>. At that time administration staff will move out of the 3<sup>rd</sup> floor administrative space in to the new wing while the 3<sup>rd</sup> floor is remodeled.

### → Director's Report – Mark Earle

Frontier is pleased with bookings for the new non-stop routes, which indicates that the response from the community has been very strong. Frontier mentioned in the beginning that there is the possibility of two rewards for continued strong bookings. First, the seasonal Seattle and Portland service may be offered year-round. Second, if this remains well-supported by the community, Frontier will add additional routes. They have already done the planning and it is up to us to support the service. Airport staff is pushing a "Support Colorado Springs Airport" campaign in the community. We're using many community groups to reach out and ask for support of the new and all air service at COS. The Airport is happy to participate in expanded presentations around the community and region to spread this message. Additionally, Airport staff will provide talking points about the Airport in general and the new service to Commission members for use in community groups.

Frontier recently mentioned that it is very cost-effective for the airline when people book tickets directly on their website. The online booking habits of a community have become an important factor in calculating the cost of operating in a certain market. When you pitch flying out of COS, be sure to stress the importance of booking on an airline's website versus another website online.

Airport staff is also continuing to track developments that affect air space in and around Colorado Springs. One emerging issue is the use of unmanned aircraft systems (UAS). The FAA is starting to issue permits to allow UAS operations, but has limited such activity to remote areas and enforced strict operating procedures. Congress recently mandated that the FAA explore the use of UAS operations in the National Airspace System. The recently-passed FAA reauthorization included a provision to establish six UAS training areas, and the State of Colorado is actively pursuing the establishment of one of those areas within the state. To ensure that the Commission is up-to-date, staff will provide a report on the history and future plans for UAS activities at an upcoming Airport Advisory Commission meeting.

### • **COMMISSIONERS' COMMENTS**

Commissioner Boone requested that the Airport organize a trip to the COS air traffic control tower and TRACON. John McGinley will organize this trip.

Commissioner Elliot inquired whether the Airport anything in the plans for International Learn to Fly Day on May 21<sup>st</sup>. The Airport has not heard about any imminent events but John said he would contact our West side to verify.

- **CHAIRMAN'S COMMENTS**

None

**AIRPORT STAFF ACTION ITEMS**

Action Item	Assigned To	Status
Set up ATC tour.	John / Agnes	
Provide new service and general COS talking points for Commissioners to use with community groups.	Mark / Agnes	Talking points emailed on Monday 3/12

Minutes respectfully submitted by:  
Agnes Blachut, Public Affairs Administrator