



MINUTES
Airport Advisory Commission
September 15, 2004

COMMISSIONERS PRESENT: Kenneth P. Chalfant – Chairman
Stephen Ducoff
Lynn French
Bernie Herpin
Dennis Weber

COMMISSIONERS ABSENT: Bud Breckner
Patsy Buchwald

NON-VOTING MEMBERS PRESENT: Chuck Brown, El Paso County Commissioner
George Sugars, El Paso County DOT

NON-VOTING MEMBERS ABSENT: Gregory Timm, Alternate Commissioner
Rob MacDonald, Pikes Peak Area Council of Governments

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

GUESTS PRESENT: Wayne Heilman, Gazette Telegraph
Glenn Messke, 21CES/CECB, Peterson AFB
Lt Col David Angle, 21 MSG, Peterson AFB
Mark Entrekin, Echent LLC

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

1. APPROVAL OF THE AUGUST 18, 2004, MINUTES:

- Commissioner Chalfant asked for review of the August 18, 2004 Airport Advisory Commission minutes. Commissioner French made the motion to approve the minutes and Commissioner Herpin seconded the motion. The motion was carried by unanimous vote.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

- Mark Entrekin said that he would be sending invitations to an October 8 breakfast for the Rural Transportation Authority. He will send them directly to the commissioners. Mark Earle requested guidance on city employees and commissioners acting in support of or opposition to ballot issues. City Attorney Steve Hook said that no public funds may be spent in connection with ballot issues. The best course is only to speak on any ballot issue as individuals, not as city employees or commissioners.

3. GENERAL BUSINESS

→ Land Use Items – John McGinley

The following land use items were reviewed:

- ◆ Buckslip File No. CPC CP 04-00258
- ◆ Buckslip File No. AR FP 04-00463
- ◆ Buckslip File No. AR FP 04-00474
- ◆ Buckslip File No. AR FP 04-00482

John McGinley stated that there were no noise issues for any of the items.

The first item is for Patriot Park, and the airport staff recommends no objection subject to FAA review and approval and an executed avigation easement. The staff recommends approval of the other three items subject to an avigation easement.

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

4. STAFF REPORTS

→ Traffic Report – Erica Hupp

- As part of their restructuring, Delta is discontinuing their Dallas/Fort Worth hub, and as a result, we will lose four SkyWest flights a day to Dallas/Ft Worth. SkyWest operates 50-passenger regional jets. There is no timetable yet for the discontinuation of the flights, but we don't expect to lose those flights until January 2005. These changes will not have any impact on the SkyWest's plans to operate a maintenance and crew base in Colorado Springs. Commissioner French asked if there was a chance that SkyWest might be interested in flying to Dallas/Fort Worth for United.
- American will add a sixth daily flight to Dallas/Ft Worth as part of the expansion of its Dallas/Ft Worth hub. American operates 129-passenger aircraft.

- Enplanements for August were down 2.8%. The August national enplanement statistics are not yet available. United is up two flights over last year, but the aircraft are smaller and this month the load factors were low. American cut back on flights and switched to smaller aircraft last October, so starting next month we should see more comparable year-to-year figures for them.
- Commissioner Ducoff commented that he believes that fares were driving the enplanements down. He asked about the fare comparisons that used to be reported. Mark Earle said that those fare comparisons were snapshots, and because price change in the industry is so rapid, the information didn't necessarily represent typical fares. Commissioner Ducoff also thought that the United Airlines program offering destinations within 750 miles for 15,000 frequent flyer miles might be driving passengers to Denver, since no cities (other than Denver) qualified for that program from Colorado Springs. Mark Earle commented that without low fare competition, there is no economic incentive for the airlines to lower their fares.
- Commissioner Weber asked if there was any new information on low-cost carriers. Mark Earle responded that the airport continues to stay in touch with them, that he feels that he is providing them with the type of information they want, and that they all say not to expect any major decisions in 2004.

→ **Community Relations - Erica Hupp**

- The airport has hired all staffing for the Information Center and will open the booth in October. Initially, the hours will be noon to 9:00 p.m. Monday through Friday and 9:00 a.m. to 6:00 p.m. on Saturday and Sunday. When we bring volunteers on board, the weekday hours will be 9:00 a.m. to 9:00 p.m. The airport is working with an architectural design company on the booth redesign. Commissioner Weber wondered if the booth would be better placed upstairs on the departure level. Erica said that most of the people who have questions are incoming passengers and use the baggage claim level.
- Commissioner Herpin asked if we can tell how much the wireless is being used. Erica said she would check. She also said that the airport would be making cards explaining how the wireless connection works. She also said that we do get many favorable comments because of the free wireless availability. Commissioner Ducoff asked about the cost of the system and whether or not we advertise its availability. Erica replied that it was \$10,000 to install the system and the airport has run print ads and does discuss its availability on the web site. She is, however, working on featuring the free service more prominently on the web site due to the interest it has generated.

→ **Finance Report -- Rick Gorman**

- ◆ We have changed our reporting so that we compare budget versus actual instead of last year versus current year. We do not prepare our budget on a monthly basis, so the budgeted figures for each month are simply one twelfth of the annual budget without consideration to seasonal variations.
- ◆ The airport's revenue year to date through August is \$12.622 million versus a budget of \$12.688 million. Last year at this time, revenues were \$11.9 million, so we are up about \$700,000 in revenues over last year, although we are very close to budget.

- ❑ Airline revenues were up about \$264,000, primarily due to rates and charges. That gap will close because of a mid-year adjustment to the rates and charges.
- ❑ Terminal concession revenue is down about \$23,000. The food, beverage and gift concession revenues are down in spite of the fact that passenger traffic is up 4% year to date through July. We are seeing less spending per passenger, and we are looking for an explanation for that trend.
- ❑ Terminal area revenues are down about \$106,000. Rental car gross sales are slightly up, but parking is below budget, in particular in the short term parking and valet parking.
- ❑ Interest revenues are \$190,000 below budget, but this is primarily a timing issue. Second quarter interest earnings are not yet included in the numbers. We may show accrued interest in future reports to make the interest revenue more realistic.
- ◆ The airport's actual results are below budgeted expenditures by about \$719,000, which is about 6.2%.
 - ❑ There have been vacancies in senior management positions. These positions have now been filled or are about to be filled.
 - ❑ We are down about \$150,000 in services. That is largely a result of rental car and concession planning expenses the airport had last year. This year we have not incurred the same level because the contracts were bid in early 2004 and are now in place.
 - ❑ Airport advertising expenses are \$137,000 down, and we are slightly below in capital outlays and equipment largely because of a variable message sign and a vehicle are not reflected in the figures. The variable message sign will be an important piece of equipment during all of the upcoming construction.
 - ❑ Commissioner French asked if Rick might be able to break the "miscellaneous" category down in the footnotes since it is such a big category. Rick said that he would be able to do that, and mentioned that the two biggest categories are insurance and the administration prorate from the city. Commissioner Weber asked what we get for the administration prorate, which is about \$700,000. Rick gave the following examples: legal services, purchasing, human resources, finance, public affairs, economic development.

➔ **Project Development – Rick Gorman**

- ◆ Taxiway H: This taxiway runs east/west and connects the parallel runways of 17L/35R and 17R/35L. Due to the Alkali Silicon Reaction issues that have surfaced on existing runways, it is important to obtain an approved concrete mix before proceeding. Because of necessary testing to meet this requirement, this project will not begin until next spring.
- ◆ Aircraft Operations Area vehicle service roads: This project includes federal funding. Travel from Peterson AFB to the airport on the vehicle service roads requires vehicles to get tower clearance to cross taxiways. The highest priority part of this project is to build a perimeter road that allows vehicles not to cross an active taxiway.

- ◆ Business Park: The goal is to be ready to start next summer. There have been some major changes to the original plan for the business park. Mark Earle described the changes that related to open space. Originally, a compromise was reached whereby a tract of land was designated as open space, but only for a period of 25 years, and only if a particularly good development opportunity did not come along. The airport developed a proposal redefining the open space to preserve aviation-related access in exchange for making that open space designation permanent. The open space advocates who have looked at the plan liked it, so the airport hopes that this plan will succeed. The changes developed by the airport also included roadway pattern changes that improve the traffic flow to, from, and in the business park.
- ◆ General Aviation: There are two major ongoing general aviation projects in progress:
 - Paving for the general aviation holding bay is ongoing.
 - The airport has put Taxiway A2 out for bid and it should be built this construction season.
- ◆ Rental car/parking improvement project: Bids came in too high, and airport staff think that the tight schedule and the winter construction season probably affected the price. We can still proceed with bringing Enterprise leasing onto the airport in January, and get the project completed closer to budget in the spring without the tight schedule and the impact of the holiday season. Commissioner Chalfant asked about the reaction of the rental car companies to the delay. Rick said that there are still some issues under discussion about the design, so the delay actually will give the airport additional time to go over the plans with the rental car companies.
- ◆ Terminal expansion: The project is proceeding well, and building construction will soon be visible. Up to this point, the focus has been on electric transformer relocation and site preparation.
- ◆ Food and beverage concessions: The contract was awarded to Creative Host, and Rick distributed drawings showing the concepts. Gordon Biersch, a full-service sit-down restaurant and brew pub and A&W will be on the pre-security side. Pike's Perk will be adjacent to the news stand of the Paradies gift shop, also pre-security. In the Gate 5A area, there will be Quizno's, Pizza Hut Express, Café Azul (Mexican fast food), and Pike's Perk. Paradies will expand on the concourse as well. The airport is close to finalizing the contract. Commissioner Ducoff said that it would be important for the concessions to be open early in the morning. Rick said that the vendors will be open prior to the first departure and that they will have breakfast offerings. Not all of the vendors will be open early and late, but there will be some service. Commissioner Ducoff also expressed concern that from the seating areas for people waiting for passengers, they will not be able to see down the concourse and may still congregate at the exit. Mark Earle said that not all of the partitions on the drawing are solid and that there is some visibility. There is also a change to the design of the security screening checkpoint that will be shown at the next meeting.
- ◆ Commissioner Weber asked about progress on the move of the Explosive Trace Detection (ETD) equipment. John McGinley answered that between October 4 and November 12, the company hired by the airport will begin modifying the bag belt downstairs to accommodate the move of the TSA agents and equipment. The transition will be phased. American West and Northwest will move the ETD equipment downstairs in November. United Airlines, Delta Air Lines and American Airlines will have the ETD

equipment upstairs until the end of the year. Other ongoing projects – the terminal expansion and the move of the American Airlines counter – had an impact on the timing of the move of the ETD equipment. We will provide an update on the progress of this project at the next meeting.

- ◆ Commissioner Chalfant asked if there was any work planned on the public address system because it is difficult to hear what is being said. Mark Earle said that airport staff will look into the problem.

→ **Operations and Maintenance – John McGinley**

- ◆ John McGinley addressed the issue of an expanded chart detailing the restricted airspace in the Colorado Springs area. He showed a sectional that had a white line around the Denver area. This indicates that there is a separate terminal control area chart for that area. Colorado Springs does not have such a chart. There are three restricted areas close to Colorado Springs (Fort Carson, the Air Force Academy, and Schriever AFB), and because there is so much going on, an inset to the map or a separate area map might be useful. The alternative of a state map was brought up, but Commissioner French felt that the airport should ask the FAA for an inset on the sectional because pilots have to use FAA maps to avoid a violation.
- ◆ On September 20, concrete pads will be poured in front of the terminal for the new designated smoking areas. Signs should be up in October.
- ◆ A draft copy of the minimum standards for commercial aeronautical activities on Colorado Springs Airport was given to the commissioners. John McGinley asked for comments by October 9. Mark Earle said that if a tenant doesn't meet the standards, the airport would set a deadline by which the tenant would have to come into compliance. At the next meeting, inputs received from various sources on the minimum standards will be discussed.
- ◆ Commissioner Ducoff asked when the next west side meeting would be held. John McGinley said that it would be on September 29 at 5:00 at the Radisson Hotel. Commissioner French asked if there could be more notice in the future. John McGinley will ask Dick Janitell if he can put together a longer term schedule for these events.

→ **Director's Report – Mark Earle**

- ◆ Commissioner Chalfant has been reappointed to the commission for a period of one year and Commissioner Ducoff was reappointed to a full three-year term. The chair and vice chair for the next year will be elected at the next meeting, so a strategy to determine who is interested in the positions was discussed. Commissioner Weber volunteered to collect the names of those interested in either position. Since he is not, he will serve as a disinterested party. An email will go to each commissioner asking them to contact Commissioner Weber if he or she is interested in the chair or vice chair.
- ◆ Airport staff are out in the community talking about airport projects because construction is beginning to be visible. We are also discussing our air service efforts with the public.
- ◆ We will look into the possibility of a tour of the control tower prior to the next meeting. The meeting itself would not move to the control tower because it would inhibit public access to the meeting.

- ◆ The Transportation Security Administration is going to take over management of the “stop list.” The system itself will not change – only those who manage it will. Additional screening procedures are being put in place on Monday, September 20.

5. OTHER BUSINESS:

- ➔ County Commissioner Brown said that the county approved 6000 new residential units in El Paso County east of the airport. For these units, the Colorado Springs Airport will be very convenient.

6. AIRPORT STAFF ACTION ITEMS

- ➔ United opportunity for DFW flights.
- ➔ An evaluation of wireless usage.
- ➔ Breaking out the “miscellaneous” expense category.
- ➔ Providing a sketch of the airport to make it easier to follow construction project discussions.
- ➔ Evaluation of the quality of the public address system.

Commissioner French motioned to adjourn the meeting and Commissioner Weber seconded the motion, which was carried unanimously.

Chairman Chalfant adjourned the meeting at 5:20 p.m.

Minutes respectfully submitted by:
Michele Golley, Senior Office Specialist