



**MINUTES**  
**Airport Advisory Commission**  
**May 23, 2006**

**COMMISSIONERS PRESENT:** Stephen Ducoff – Chairman  
Lynn French – Vice Chairman  
Joel Miller  
Dennis Weber

**COMMISSIONERS ABSENT:** Bud Breckner  
Bob Kudwa  
Greg Timm

**NON-VOTING MEMBERS PRESENT:** Wally Miller  
Bud Patterson

**NON-VOTING MEMBERS ABSENT:** Jim Bensberg, El Paso County Commissioner  
Rob MacDonald, Pikes Peak Area Council of Governments  
George Sugars, El Paso County DOT

**CITY STAFF PRESENT:** Mark Earle, Director of Aviation  
John Faulkner, Asst. Aviation Director, Planning & Development  
Bill Keller, Airport Planning & Development Manager  
Kelly Koon, Special Projects Coordinator  
Pat McDivitt, City Attorney  
John McGinley, Asst. Aviation Director, Ops & Maintenance  
Gisela Shanahan, Airport Finance Manager

**CITY STAFF ABSENT:** None

**GUESTS PRESENT:** Michael Civitelli, COS  
Matt Gaebler, American Airlines  
Guanell Halverson, COS  
Mary McElderry, COS  
Lothar von Wolfseck, American Airlines

**CHAIRMAN DUCOFF CALLED THE MEETING TO ORDER AT 3:02 PM**

**Next meeting is Tuesday, June 27, 2006.**

## **1. APPROVAL OF THE APRIL 25, 2006, MINUTES:**

- ➔ Commissioner Ducoff asked for approval of the April 25, 2006 Airport Advisory Commission minutes. Commissioner French made the motion to approve the minutes and Commissioner Weber seconded the motion. The motion was carried by unanimous vote.

## **2. PUBLIC OR CITIZEN GROUP COMMENTS:**

- ➔ Lothar von Wolfseck said that he has made arrangements for a tour of the American Airlines System Operations Control Center (SOC) in Dallas. The Commissioners are welcome to attend the tour of the SOC as well as the Alliance Base, which is the maintenance facility for the 767 and 777. The schedule is as follows: on June 6, depart COS at 0610 for Dallas, the tour of SOC will be at 10 am, conclude there about 11 am, then lunch and then drive up to Alliance Base which is about an hour from SOC and begin the tour about 1300, conclude around 1430, catch the 1830 departure and returning into COS at 1931. Transportation will be provided courtesy of American Airlines. As much advance notice as possible on attendance would be appreciated. Kelly will distribute details as well as collect RSVPs. Chairman Ducoff noted that this is a chance in a lifetime to see how the largest airline in the world is managed.

## **3. GENERAL BUSINESS**

### **Land Use Items – Bill Keller**

Bill Keller reviewed the following land use items:

- ◆ AR FP 06-00277 / AR PUD 06-00276
- ◆ AR DP 06-00282
- ◆ CPC PUD 06-00113 / CPC FP 06-00114
- ◆ AR FP 06-00293
- ◆ CPC CP 06-00120 / CPC FP 06-00121
- ◆ CPC PUZ 06-00130 / CPC PUD 06-00131 / CPC FP 06-00132
- ◆ AR CP 06-00315 / AR FP 06-00316
- ◆ SF- 06-10, SP, SP 06-006

Commissioner French moved 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**

- Total enplaned passengers for April were 82,520, an increase of 2.7%; year to date numbers are 313,117 representing a 2.1% increase above 2005 up from a 1.8% increase in March. American and Continental had the largest gains. American added two daily flights to Dallas/Fort Worth. Continental added an additional flight to Houston. There were no charter flights in April.
- Landed weight is up 3.1% in April and down 1.5% YTD, an improvement of 1.6% from March.
- Total revenue landings for 2006 are 6,582. The total number of landings for 2006 is 0.5% below 2005 attributable primarily to cargo aircraft. This is a 1.2% gain from March.

- Total aircraft operations are approximately 17.6% lower than last year. Decrease primarily in military operations.
- Freight and cargo pounds are leveling off as compared to 2005, with an increase in enplaned cargo of 8.9% in April. Both Comair and Skywest have increased their cargo loads. Airborne X has increased by 2.7% and FedEx by 4.9% compared to 2005.
- Average enplanements per departure are at 53 YTD.
- Average load factor for 2006 is 68.7% for the month of April and 69.3 % year to date. April is lightly lower than March due to spring break traffic in March. Loads thus far in May have been well above 70%.

#### → Finance Report - Gisela Shanahan

- Airline revenue is above budget for April and YTD is 0.7% below budget; an increase from March of 1.2%. The variance is due to lower than anticipated landing fees caused by an overall decrease in flights as compared to the budget. The decrease was partially offset by an increase in terminal space rent and non-preferential gate use fees received from airlines such as Allegiant and City gate usage by United, American and Delta. We should be above budget for airline revenue YTD by month end May. Actual airline revenue compared to 2005 is 1.5% higher.
- Concession revenue is above budget for April, and 3.5 % below budget YTD and improvement from 3.9% below in March. The variance is due to lower than budgeted concession fees collected from the food, beverage, and gift concessions. At the current rate of sales, we anticipate meeting forecasted revenue by year end. Actual concession sales are up 11.9% over 2005, but the budget was calculated using higher minimum guarantees.
- Terminal area revenue is above budget for April and 3.4% below budget YTD; an improvement of 3.3% from March. The primary contributor is parking revenue, up \$65,000 above budget in April. The actual revenue is 4.9% above 2005 numbers with a significant increase of 5.5% in parking revenues.
- The lower than budget numbers in other area revenues is primarily due to the timing of fuel excise tax remitted from the State of Colorado. Actuals are 8.8% above 2005.
- Overall revenue is 4.1% above budget for April and down 2.2% YTD; an improvement of 2.0% from March. Actual revenue for 2006 is 6.9% above 2005 year to date.
- For expenditures, total actuals are approximately \$128,000 above budget for April and \$275,000 below budget year to date; an improvement of 1.3% from March. Personnel costs are below budget due to vacancies as well as efficiencies achieved from reducing the requirement for overtime and seasonal workers. The maintenance department has been particularly proactive in managing their staff to reduce costs. Supplies are above budget due to the lag in recoding VISA purchases to the appropriate expense accounts. Repairs and maintenance and services are all down due to the timing of purchases. Parking is above budget due to budget changes approved by administration that were not incorporated into final airport budget. Adjustments will be made at mid-year. Equipment costs are up due to the purchase of vehicles that were not included in the budget.
- Net operating income is \$2.5M YTD excluding debt service; \$600K including debt service payments on outstanding bonds. Expenditures compared to 2005 are roughly equal YTD.
- Concessions are up 8.3% above April of 2005 and 6.4% YTD. News and gifts has seen the most dramatic increase in revenue. The new facilities are attracting customers.

#### → Operations and Maintenance – John McGinley

- Next week we will begin our annual rubber removal project. We will be concentrating rubber removal on the West Runway and will also be re-striping the taxiway centerlines.

The rubber removal will be conducted in the evenings from 12 am to 6 am and will close the West Runway; 12/30 will be open and available for use. The only scheduled arrival we have during that time is Fed Ex and America West, so we'll be coordinating with them and making sure that 12/30 is suitable for them. If we need to make arrangements to accommodate them, we certainly will.

- The following week we will be fog sealing Runway 12/30, which will involve closing the runway for 3 to 3 ½ days. We will close it on Monday, June 5 and reopen it hopefully by the end of Wednesday. They will come in on Monday morning and start shooting the fog seal on the runway and should be done Tuesday afternoon, which is when we will begin the re-striping process. This is about a \$300,000 project and \$150,000 is being sponsored by the State of Colorado.
- Another project that the maintenance staff will be working on, which will kick off later this summer, is a closed circuit TV camera project. We are going to spend about \$112,000 through a grant provided by TSA to put cameras in the checked baggage area downstairs. This is the area where all checked baggage is screened. The CCTV will be set up to monitor every single position, which will not only give us surveillance in the area; it will also give us screening in each bag location, just in case we ever have any type of a theft report. TSA will fund the entire system and once it's installed, it becomes ours and we maintain it. This will be going to Council on June 24 for grant approval and an appropriation for the money.
- On the GA side, Wednesday at 5:00 p.m. is the Airport Operators Group meeting at the Radisson. Chairman Ducoff explained to Commissioner W. Miller that this is an opportunity for the West Side operations and the commercial side to network. The Commission is invited. Dick Janitell and Jim Buswell coordinate the meeting.
- The Special Olympics will be putting on an airplane pull as a fundraiser on June 10.
- The Thunderbirds will be in town May 27, perform on May 31 and leave June 1 for the AFA graduation.

## → Construction

- We have completed the Access Control System project. All of the card readers in the building have been swapped out and the system completed. We have been using it for the last month and its working great. On June 1 we will be installing the new Cernium exit lane monitoring system. This will be tested for about two weeks and then we'll put it into full use. The monitoring system gives the ability to relieve law enforcement officers from standing at the exits in the evenings when the TSA goes home. We can now put that officer back on patrol and use him for response to the checkpoint and sterile area if we have an alarm. Initially, during operating hours, the TSA hopes to use the system and remove their staff from the exit lane and monitor it from the other side of the wall. The system is set up so that if anyone were to try to 'swim up stream' and go into the sterile area an alarm will sound off locally, in the Comm. Center and at the checkpoint. Chairman Ducoff asked how many people try to 'swim up stream'? John M said that based on observations, TSA is probably lecturing someone one or two times a day to stay behind the signs. The system is set up so that there are cameras in the area and if there's an event, we'll have digital video clips that can be reviewed to find out what caused the alarm. We'll initiate an investigation and once the situation has been resolved, the sterile area will be reopened. Chairman Ducoff asked who shuts down the airport. John M responded that it's based on the scenario; in the case of a breach or a threat, Airport staff has always consulted with TSA. As long as we have surveillance of the area and could follow the individual, John would not envision shutting down the sterile area, even if it is after 7 pm and TSA has gone home for the day. Commissioner J. Miller asked if this would completely eliminate TSA sitting in the exit lane. John M said that decision has not been made yet. This will allow TSA to free up staff. If the person entered the sterile area

before 7 pm, and we had him/her on the monitor at all times, we would not have to dump the concourse and do a complete sweep. If this happens at night, we can do our check of the sterile area and still bring the planes up to the building to unload passengers. When you have a breach, dump the sterile area and stop the screening operations, it primarily affects outbound operations. Commissioner Weber asked if we would be placing signs in the area so people know what's going on. John said yes. Mark noted that there will be a large sign hanging down from the top that says "Do Not Enter" and in addition to that, as soon as someone walks past a certain point, a warning signal goes off those alarms the person to stop. The rest of the system kicks in and records it if the person has gone farther in. The idea for recording it is so that TSA can look down the lane and make sure that was the only person involved and if so, then the concourse doesn't need to be dumped. Right now if TSA cannot make a determination that this was the only person involved, then you dump the concourse. John mentioned that there is a monitor at the checkpoint so they can see what has occurred in the exit lane.

- We have the biometrics running on the edge of the air carrier ramp and have four gates that have the biometric access installed. This will allow us to release the security company that we've had on contract to monitor the access points. Their last day will be June 22 which will be saving us about \$100,000.
- Aviation Way has moved into phase 2, which is the area between AIRINC and just north of Fountain Blvd. We will be in this area for about 45 days. Drainage work will continue northbound and proceed ahead of phase 2. We will discuss this in detail with the West Side tenants tomorrow.
- Went out on what's left of the runway on the east side and things are progressing fairly well. All of the concrete and CTS has been removed from the runway. The only thing left for National Salvage is to continue crushing the salvage. They are about 75% complete with the crushing and haven't started on the CTS yet; completion should be mid to late June. The pavement structure for the runway consists of twelve inches of cement treated soil, eight inches of asphalt and sixteen inches of concrete. Right now we are working on the cement treated soil and are about a quarter of the way done with CTS. Things are going smoothly with this part of the project and they are working on their test strips of the asphalt for the next layer. We hope to begin full production on the asphalt on Thursday. Chairman Ducoff asked if this was the black material you see and John noted that that is a tack material that is put on top of the CTS. They are doing eight inches in three runs and we should see concrete paving mid to late June.
- Other work that is occurring out there along with the base work, where they have separated the layer and saw cut where the runway meets the taxiway, we have observed some areas that need some maintenance; some honeycombs and cracking at the edges. In some cases we'll be doing some sand blasting and putting in some grout and full slab replacement. The grading and glide slope area has been completed. We need to put top soil and seed it. We're glad to see this done.
- The terminal remodel project column work is being completed and the mural is now installed.
- Commissioner J. Miller asked for the dates for the rubber removal. John said it will begin next week, Wed through Friday for the rubber removal and then fog seal will begin on June 5 and complete by the 7<sup>th</sup> or 8<sup>th</sup>. There will be a series of two or three nights between 2:00 a.m. and 6:00 a.m. for the rubber removal. We do have a call in to Fed Ex to see if this will work for them as they have priority. Chairman Ducoff asked for explanation of what the seal is going on 12/30. John said it's a fog seal and at this stage it doesn't do much for the moisture content, but it puts a cap on the pavement for oxidation. Chairman Ducoff said he noticed a ton of rubber on 12/30 and asked if we'd be coating on top of the rubber. John said he didn't think so but would check the specs on this and then send word out.

- Chairman Ducoff asked if we are on schedule with the East Runway schedule. John said that things are looking good, but we haven't gotten into the meat of the project yet. It's too soon to make a forecast on how it's going to wind up and will be dependent on weather. The completion was pushed two weeks later because of the delay in starting the project so it's now scheduled for November. John is hoping to have the runway reopened by Thanksgiving.
- John checked and found out that it's not necessary to remove the rubber on 12/30 as the fog seal will actually penetrate the rubber and strengthens the seal coat. The paint will remain also; and the seal will adhere to it and then we'll paint over the seal.

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

- We have made some progress on the AOA vehicle service roads. The project was successfully bid out and Kewitt was the successful bidder. The pre-con was last week and the construction is scheduled to begin about the first of next month. This project will be progressing over the summer.
- There is a massive amount of earth work taking place for the Business Park. We are near to finishing the design and development guidelines. We met with the Advisory Group for this document last month and should be turning around a draft in the next couple of weeks for their approval. There shouldn't be many comments on this and we are getting to the end of what needs to take place. The Notice-to-Proceed was given to the contractor on May 3 and they have been out working since then. They have made quite a bit of progress; it is silt fenced off and quite a bit of movement of the topsoil and grading is taking place now; Phase 1 is under way. There will be a lot of work between now and July 1. This project includes the earth work and the water line for the first two parcels in the Business Park.
- Taxiway Rehab – we had an interesting meeting with the consultant yesterday and received some new information on how we might fix some of the issues on the taxiways in terms of replacement as well as some of their thoughts on what's causing some of the issues. The next step is for staff to get together between Operations, Finance and Planning and the construction folks to figure out how we organize this into a program. The report is not quite finished but it should be done around the first of next month. Yesterday's meeting was very informative.
- Signage Program – we met with the consultant during the last couple of weeks to review some of their designs and locations. There were a few loose ends in terms of placement and some thoughts we had that weren't exactly what the consultant had, so we're going to make some modifications to that. We also need to have some discussions in terms of how we want to direct traffic once the Business Park comes into play. With a couple of new entrances and exits it will change things and how we direct people in and out of the airport. This report will probably be complete in the next month.
- West Side – URS gave us design for relocation of the roadway and utilities near the Intermountain and Propreius Investment sites. We are planning to begin that work momentarily. If we get this work started and done in the next couple weeks, then we'll have everything in place for them to finish up their construction.

#### → **Director's Report – Mark Earle**

- Mark introduced Michael Civitelli, the new Operations Manager. Michael came to COS from SEA-TAC. Michael managed Landside Operations at SEA-TAC and is now our Operations Manager and filling the position Gary Campbell vacated. Michael has a lot of experience in landside Operations and the ability to apply his management skills to the airside component of the Operations Division.

- The registered traveler program was brought up at the last Commission meeting. Mark asked how far the Commission wanted to get into this. The idea for the registered traveler program was to increase the efficiency of checkpoints in places that have extremely high volumes of passengers. The program as first envisioned was implemented at several airports through a pilot program that included the Orlando Airport. The concept for the registered traveler program was to take known travelers that are willing to provide a certain amount of information and give up a little privacy and allow them to go through the checkpoint with less scrutiny. Originally it was envisioned that registered travelers would not have to remove shoes and jackets or be subjected to intensive searches of carry-on luggage. The program requires the dedication of a designated lane for registered travelers. At smaller airports the program could tie up limited space and TSA staffing, thus having a negative impact on the screening process for the majority of customers. In addition to reducing overall efficiency, this would create a customer service problem. Another issue involves concerns about implementing the program through private sector companies that would charge for the privilege. At this point, staff is not recommending pursuing the program but will gather more information if the Commission would like to pursue it further.
- American Airlines presentation regarding the Wright Amendment – The Commission had asked for the other point of view. Mark is familiar with both points of view and would offer to explain the other side without taking a position. Commissioner Weber asked aren't we being asked to take a position? Mark noted that American Airlines is asking communities to take a position, and at this point, we are just providing as much information as we can to the Commission. Commissioner J Miller said that he has a couple of contacts at Southwest that could provide some materials. Mark said that he would follow up on that with Commissioner Miller. Mark explained that the City of Colorado Springs took a position on this quite some time ago. Looking at the issue from a statewide perspective, the mayor, on behalf of the City Council, wrote a letter to its congressional delegation supporting the repeal of the Wright Amendment. The reason for taking that position was based on the opportunity to have traffic out of Love Field go anywhere in Colorado. Under the Wright Amendment, any scheduled commercial carrier operating an aircraft with 30 seats or more cannot go beyond the state of Texas or one of the Border States. Colorado is outside of the limits imposed by the Wright Amendment. The Mayor, with City Council support, advocated for repeal of the Wright Amendment to support all efforts within the state to attract service that may eventually provide non-stops between Love Field and commercial service airports within the state of Colorado. A discussion of various perspectives on the Wright Amendment ensued. Afterwards, Mark agreed to work with Commissioner Miller to find a party with an interest in repealing the Wright Amendment to address the Commission.
- Community Recognition Program – we are still waiting on information from one more airport and will report back at the next meeting.
- Richard Skorman came in for a tour this morning so he can be in a good position to brief Senator Salazar if we ever need support from them on aviation issues at the federal level.
- A newspaper article on the Rocky Mountain News this Saturday about the airport was very disappointing. Mark was interviewed about two months ago. The interview was primarily about the Business Park, but a portion of it was about our approach to attracting air service since the Southwest Airlines announcement. Just a couple days before the article was to go out, we began hearing from others in the community and they were being told that the angle was going to be comparing DIA to COS. Mark called the reporter to make sure he understood that you can't compare them directly because they are two

totally different types of airport; one of them is a hub airport while the other is a pure O&D Airport. The economics for a hub facility are far different than the economics for a pure O&D airport the size of Colorado Springs. O&D airport growth is driven primarily by the local economy while hub airports are greatly affected by the size and nature of the hub operations they host. Mark also cautioned against using a ten-year perspective on operations and enplanements as the starting point for the analysis would be at a time when we were experiencing a huge (but brief) peak in traffic due to the startup and downfall of WestPac. The reporter apparently chose to ignore these comments. The story used carefully cropped photos and ten-year charts and graphs to paint an inaccurate picture of an airport in decline. Mark said that he is in contact with the Business Editor for the Rocky Mountain News and will discuss these concerns informally. He indicated that the Airport's approach is going to be to work with the editorial staff to get them to understand the true state of affairs at the Colorado Springs Airport and to better understand the differences between our airport and DIA.

## **5. OTHER BUSINESS**

- Kelly noted that we have placed the Customer Comment cards were placed at the Information Center last week. We have received two comments, back; one of the comments was very complimentary on our traffic management and the second comment was about how to spend our money.

## **6. CHAIRMAN'S COMMENTS**

- Chairman Ducoff welcomed and introduced Walter (Wally) Miller and Bud Patterson the two new alternate commissioners and encouraged them to contribute freely to the meeting.
- Chairman Ducoff encouraged the two new alternates that if they have anything they want to work on to be sure to bring it forward.

## **7. AIRPORT STAFF ACTION ITEMS**

- Airport staff –
  - Mark will check with Bob Kudwa to see if he wants to take the Wright Amendment issue any further.
  - Schedule quarterly reports for Complaint, Comment Cards and Contact Us status reports.
  - Mail copies of the AA resolution for Commissioners Patterson and W. Miller.
  - Lothar will verify the June 14 date for the Wright Amendment.

**Chairman Ducoff adjourned the meeting at 4:30 p.m.**