



MINUTES
Airport Advisory Commission
September 26, 2006

COMMISSIONERS PRESENT: Lynn French – Vice Chairman
Bud Breckner
Bob Kudwa
Joel Miller

COMMISSIONERS ABSENT: Stephen Ducoff – Chairman
Greg Timm
Dennis Weber

NON-VOTING MEMBERS PRESENT: Wally Miller, Alternate Commissioner
Bud Patterson, Alternate Commissioner

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

CITY STAFF PRESENT: John Faulkner, Asst. Director, Planning & Development
Bill Keller, Airport Planning & Development Manager
Kelly Koon, Special Projects Coordinator
John McGinley, Asst. Director, Ops & Maintenance
Gisela Shanahan, Asst. Director, Finance & Admin
Cheryl Schwab, Financial Analyst

CITY STAFF ABSENT: Mark Earle, Director of Aviation

GUESTS PRESENT: Michael Civitelli, Airport Operations Manager
Shannon Steuber, Sr. Office Specialist
Danielle Scott, Finance Manager
Lothar von Wolfseck, American Airlines
Glenn Messke, Peterson AFB
Sarah Colwell, Gazette

VICE-CHAIRMAN FRENCH CALLED THE MEETING TO ORDER AT 3:00 PM

Next meeting is Tuesday, October 24, 2006.

1. APPROVAL OF THE AUGUST 22, 2006, MINUTES:

- Vice-Chairman French asked for approval of the August 22, 2006 Airport Advisory Commission minutes. Commissioner Kudwa made the motion to approve the minutes and Commissioner Breckner seconded the motion. The motion was carried by unanimous vote.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

- None

3. GENERAL BUSINESS

→ **Land Use Items – Bill Keller**

Bill Keller reviewed the following land use items:

- ◆ AR DP 06-00607 / AR FP 06-00608
- ◆ AR CM3 06-00615
- ◆ AR PUD 06-00622
- ◆ AR FP 06-00629
- ◆ AR DP 06-00637
- ◆ AR DP 06-00643 / AR FP 06-00644
- ◆ AR DP 06-00650
- ◆ CPC ZC 06-00223 / CPC CP 06-00224 / CPC FP 06-00225
- ◆ AR DP 06-00663 / AR FP 06-00654
- ◆ CPC LUM 06-00226 / CP ZC 06-00228 / CPC PUZ 06-00229 / CPC CP 06-00230

Bill Keller opened by explaining that beginning in October, the land use items will be ordered according to “Staff Recommendations” and “Discussion Items”, which should help make it easier to track the Commission approval process.

Item #11 in this month’s packet was submitted by the developer of the Troy Hill subdivision. Bill noted that this submission has been substantially revised from any previous submissions. The location of the development has been confirmed and no residential development will take place inside APZ 1.

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

4. STAFF REPORTS

→ **Traffic Report - Gisela Shanahan**

- August enplanements are down 5.2% from August of last year. Year to date enplanements are down 0.3%. Available seats based on maximum capacity were down 8.7%. Adjusted for weight restrictions and blacked out seats the seat availability was down approximately 10%. Nationwide, carriers have registered a 2.5% drop in U.S. domestic traffic caused primarily by decreases in capacity among carriers in bankruptcy such as Delta and Northwest.

- Landed weight is down 9.7% in August and 5.1% YTD as compared to 2005. We have three fewer daily commercial passenger flights and 15 fewer monthly cargo aircraft landings.
- Freight and cargo pounds are 2.0% below August of 2005 and down 1.2% YTD. The decrease is primarily attributed to commercial airlines carrying less mail and freight as compared to 2005. Traditional cargo carriers are less than 0.5% down.
- Total aircraft operations are down 10.6% for August and 14.8% YTD. Primary contributor is GA traffic and local military traffic.
- Average load factor for August 2006 is 77.5%. Four of the seven major carriers are operating at loads above 80.0%. Continental and Delta's loads at COS are above their national average and above their breakeven load.

→ **Finance Report - Gisela Shanahan**

- Airline revenue is 1.1% above budget YTD and 1.7% higher than 2005.
- Concession revenue is 1.1% below budget YTD; however revenue compared to 2005 is up 7.4%. Food and beverage and gift are the primary contributor.
- Terminal area revenue is 2.2% above budget YTD. The actual terminal area revenue is 6.8% above 2005 numbers with a significant increase of 10.5% in parking revenues.
- Other area revenues are 17.1% above budget and 13.9% above 2005. The increase is primarily due to fuel excise tax collections and RON fees.
- Overall revenue is 5.2% above budget for YTD and 5.1% above 2005 revenue.
- For expenditures, total actuals are 5.7% below budget for YTD. 2006 expenditures are just slightly above 2005 by 0.2%. Increases in costs paid to the City for centralized services have been offset by savings in repairs and maintenance on large areas such as the runway.
- Net operating income is \$5.8M YTD excluding debt service.
- Concession gross sales are up 1.7% YTD. All categories are up except for small concessions such as Smart Carte, Shoe Shine, etc. which are more susceptible to passenger fluctuations. New advertising such as the soffit locations are contributing to a rise in our advertising income. Rental car revenue is down due to a decrease in leisure passengers renting vehicles. Parking revenue is up due to an increase in short term usage due to the full availability of the short term lot as compared to reduced availability in 2005 caused by the parking lot construction.

→ **Rates and Charges – Cheryl Schwab**

Cheryl reviewed the rates and charges for non-signatory airlines. If approved, these will go into effect January 1, 2007. The rates and charges are calculated using the 2007 revenue, operating expenses and debt service. Item C, the non-preferential gate use, has increased by \$.03 and the methodology for Item F, ground transportation, has been updated.

Commissioner Kudwa motioned for the Rates and Charges ordinance to go forward to Council as presented and Commissioner Breckner seconded the motion. The motion was carried by unanimous vote.

→ **Operations and Maintenance – John McGinley**

- TSA has changed their regulations allowing liquid items through the checkpoint and on the aircraft. Passengers are now allowed to carry 3 oz containers of liquids or gels, sealed in a quart size zip top baggie, through the checkpoint and onto the aircraft. Additionally,

passengers are now allowed to purchase drinks in the sterile area and take them on the aircraft. Wait times at the checkpoint have not been affected.

- Work continues on Taxiway E.
- We are gearing up for the snow season; early next month we will do some physical training, without the snow.
- We received a grant from TSA for \$112,000 for a checked bag screening system. The system will allow us to monitor the process for inspecting checked bags. Installation work will be done in house and the maintenance responsibility will be the Airport's.
- The Malibu Mirage Owners Pilots Association convention was a hit. Record attendance was 476 attendees and 150 aircraft. They were very happy with everything the Airport provided. The events are usually rotated among cities and Colorado Springs has been ranked #3. They are considering holding the event here in 2009.
- We are gearing up for the American Bonanza Society fly in on October 3 and 4. All aircraft will be parking on the pavement.
- Oct 2, the "Wings Over the Rockies" Barnstorming Tour will be at the jetCenter. John and Ed Huber will be speaking at the presentation. Pat Halloran will be the pioneering pilot. The kids involved will receive a tour of an aircraft, build a glider, and finish with a simulator ride. Thirty kids from Irving Middle School will be attending.
- The ILS for 35R will not be published until March 07. If we could have been checked out by November 3, then we could have been published in January, however this is not going to take place.

Planning and Development – John Faulkner

- Drainage – Pond 8 is out to bid. We are expecting some very competitive bids and hope to have work begin next month. We are encouraged by the amount of interest from the pre-bid meeting. Skywest has taken some of the dirt out of the pond for their hangar project, which has helped a lot.
- Business Park – Aerospace has put in their foundations and a crane will be on site next week. Wall infrastructure should be in place by the next Commission meeting and they may be moving indoors by winter. Utilities infrastructure out there is nearly complete. The electrical lines and phone lines are underground with gas lines going in now. All of this work should be complete by the end of October. The Corps of Engineers is working on the sewer line, which should extend beyond the tenant sites by the end of the construction season and we hope to have it complete by next year. The roadway infrastructure is under design and this project will start next spring. Right now we have lots of projects and hope to take advantage of that for pricing.
- Entry/exit roadway – we are trying to get coring samples and should have more details at the next meeting.

→ Construction – John Faulkner

- Taxiway Rehab – met with the FAA regarding the Taxiway projects and our CIP. We are going to be applying for a planning grant with some of our savings from the Runway CTS which will help us design the construction project over the next three years. The big project would be paving around the radius of Taxiway E. The FAA has allowed repair work around the radius on Taxiway E to get us through next year.
- Roadway signs – Staff is working with Finance to identify when we can get this out. Right now we have sign concepts and are looking for the funding window. As we improve the roadway surface, we'll be working on the signs as well. Hopefully we can get this scheduled before next year's construction season.
- West Side Aviation Improvements – In the last week and a half, we have initiated roadway and utility work on the West Side that affects the Intermountain and Proprius properties.

Hopefully the sewer line realignment will be done by the end of the month, which is the main utility piece impacting this project. We should also have the roadway done by the end of the year.

- AOA service roads – Peterson AFB has now taken control of the gates and the airport no longer has access.
- Aviation Way – We hope to have the first full pass of pavement this week and all the electrical poles down. Curb and gutter has been completed the full length and we should be close to paving by next month.
- Runway Project – Asphalt work is done and the electrical work is going well. The FAA has accepted the recommendations on the shoulder compaction. This will allow the contractor to begin paving the third lane. We hope to have the lane complete this week and the shoulder work done this month.

➔ **Director’s Report – Reported by John Faulkner for Mark Earle**

- Business Park Web Page – We have some draft web pages in the works for the Business Park. These will become the foundation for the RFP. The Business Park vision was distributed and discussed for approval. John will make some minor changes to the Vision Statement and then resubmit for Commission approval at the next meeting.
- Cell Phone Lot – Bill Keller and John Faulkner met with engineering to discuss using the current vendor staging lot as a public cell phone lot. A few ideas are in the process of being reviewed: 1) shorten the merge lane for a better view and to quicken the merge; 2) close the merge lane; 3) use the valet lane and change the striping to a solid stripe. We think we could make temporary improvements this year and could get the cell lot open next year.

5. OTHER BUSINESS

- Lothar von Wolfseck complimented the airport on the proactive approach to the new TSA requirements.
- Joel Miller asked John Faulkner if he’ll need Commissioner assistance for the Business Park design review. John replied that we will have room for two commissioners and will need to make a selection.

6. CHAIRMAN’S COMMENTS

- None

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Review Comment Card location in concourse	Kelly/ Mark	pending
Take Commissioners on tour of Business Park	John F	Scheduled for 10/23 & 10/24
Distribute Runway Construction Schedule	Kelly	
Business Park Design and Review Committee Report Back	John F	Pending member appointments
Community Recognition Program Policy	Mark	pending

Action Item	Assigned To	Status
Cell Phone Lot discussion		Discussed with engineering, waiting on report

Vice - Chairman French adjourned the meeting at 4:16 p.m.

Minutes respectfully submitted by:
Kelly Koon, Special Projects Coordinator