



**MINUTES**  
**Airport Advisory Commission**  
**February 27, 2007**

**COMMISSIONERS PRESENT:** Stephen Ducoff - Chairman  
Lynn French – Vice Chairman  
Bud Breckner  
Bob Kudwa  
Joel Miller  
Greg Timm  
Dennis Weber

**COMMISSIONERS ABSENT:** None

**NON-VOTING MEMBERS PRESENT:** Dennis Hisey, El Paso County Commissioner  
Rob MacDonald, Pikes Peak Area Council of Governments  
Wally Miller, Alternate Commissioner  
Bud Patterson, Alternate Commissioner

**NON-VOTING MEMBERS ABSENT:** None

**CITY STAFF PRESENT:** Mark Earle, Director of Aviation  
John Faulkner, Asst. Director, Planning & Development  
Kelly Jackson, Special Projects Coordinator  
Bill Keller, Airport Planning & Development Manager  
John McGinley, Asst. Director, Ops & Maintenance  
Cheryl Schwab, Financial Analyst  
Gisela Shanahan, Asst. Director, Finance & Administration

**CITY STAFF ABSENT:** Pat McDivitt, City Attorney

**GUESTS PRESENT:** Keith Cook, Nunn Construction  
Dino Bakkar, City RTD  
Andy Garton, City Engineering  
Joel Johnson, URS  
Natalie Lovell, URS

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

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

**1. APPROVAL OF THE January 23, 2007, MINUTES:**

- Chairman Ducoff asked for approval of the January 23, 2007 Airport Advisory Commission minutes. Commissioner Breckner made the motion to approve the minutes and Commissioner French 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 presented the following land use items:

- ◆ AR FP 07-00021
- ◆ AR CP 07-00065 / AR DP 07-00066
- ◆ CPC CU 07-00066 / CPC FP 07-00067
- ◆ AR PUD 07-\*00102 / AR FP 07-00103
- ◆ CPC A 07-00074 / CPC A 07-00075 / CPC ZC 07-00076 / CPC CP 07-00077
- ◆ AR DP 07-00108 / AR FP 07-00109
- ◆ SP 06-029

Commissioner French made the motion to approve the land use items as recommended by Airport staff and Commissioner J. Miller seconded the motion. The motion was carried by unanimous vote.

- **Milton E Proby Parkway / South Metro Accessibility Design Update – Andy Garton**

Andy went through the Power Point presentation explaining the process for deciding on the preferred alignment to use for the interchanges and Milton E Proby. He also noted that there will be a neighborhood meeting for residents of Deerfield Hills.

**4. STAFF REPORTS**

- **Traffic Report - Gisela Shanahan**

- **Enplanements** for January are 3.7% below January 2006. The most significant reductions were in US Airways and Northwest enplanements. US Airways had 70 fewer landings (America West flights to Las Vegas; 3,500 fewer seats) and Northwest had 28 fewer landings (one flight to Minneapolis; [A319 with 124 capacity] results in 3,472 fewer seats), translating into roughly 7,000 total fewer seats in the market
- **Landed weight** is down approximately 16.8% in January due to the drop in frequencies
- **Freight and cargo** pounds are 8.4% below January of 2006
- Total **aircraft operations** are down 6.1% in January.

- Average **load factor** for January 2007 is 73.3%, up from 63.7% in 2006.

#### → **Finance Report – Gisela Shanahan**

- Airline **revenue** is 7.9% below budget. The shortfall is due to timing differences between our low and peak activity and the equal application of the annual budget across months.
- Concession revenue is 8.6% below budget; primarily in the food and beverage category also due to how the budget is applied over the year.
- Terminal area revenue is 5.0% below budget. The largest decrease is in rental car revenue associated with our slowest travel month.
- Other area revenues are 53.6% below budget. The decrease is related to fewer fuel sales and rebate of sales and excise tax on fuel.
- Interest income is \$322,906 above budget due to higher returns on investments.
- Overall revenue is 9.5% below budget. Compared to 2006, revenue is up approximately 2.0%.
- For **expenditures**, total obligations are 7.6% above budget. Increase primarily due to purchase of equipment early in the year and some expenses associated with repairs and maintenance related to the snow storms.
- **Concession revenues** are up 11.3% compared to 2006. Food and beverage revenue has increased and parking revenue is up due to a combination of the new lot and an increase in parking fees that took effect in February of last year.

#### → **Bond Reissuing – Gisela Shanahan**

- We are pursuing a refunding at this time because the 1996 airport revenue bonds became callable for the very first time in November 2006, which was our first opportunity to consider refunding those bonds. We put a working group together, completed a feasibility study and concluded that interest rates were favorable enough to pursue a refund, realizing a 3.5 – 4% savings on the outstanding principle. We will issue 2007 A & B bonds to refund the 1996 bonds. There is approximately \$11.8 million of outstanding on principle; they were originally issued at \$5.9 million. By pursuing a refunding, we will be realizing about a \$300,000 annual savings on our debt service payments, which relates to a reduction on our reserve requirements. Our airline rates and charges will go down because of this as well. Council will be receiving a bond ordinance at the next meeting and we should be refunding in April.

#### → **Snow Storm Statistics – Gisela Shanahan**

- There are two ways to look at the costs, one of which is the actual cost to us. We were roughly at \$167,000 of true costs. Labor was factored into this. We had a substantial number of staff dedicated to working 24 hours, which took them away from their desk duties. The second way to look at this is that FEMA has included El Paso County in the first snow storm. The way they allow you to seek reimbursement is to identify your 48 hour period during the December 20-22 event, that you feel is where you incurred the majority of your costs. They will only allow you to compute additional overtime due to the storm. You can't factor in that someone spent 24 hours that day dealing with the snowstorm and

didn't get anything else done. We could only factor in overtime above and beyond the employee's normal day, which meant that administrative staff and management who are exempt cannot be included. We had in excess of 300 hours for those two days that were put in by salaried senior management that were here at the airport in many cases 24 hours straight. In addition, you cannot bill your true cost for equipment for usage, repairs and maintenance. FEMA has a calculation that they use. By the time we used FEMA calculations, we submitted a package that was roughly \$19,000 of reimbursement on our snow event costs from December 20-22. We identified the 48 hour period during those four days where we felt we incurred the majority of our costs. What's not factored in is loss of revenue to the airport via landing fees and concession sales, which is an additional \$120,000.

## ➔ **Operations and Maintenance – John McGinley**

### **Operations**

- We are continuing with the work on the AAAE IET System, we are currently reviewing video for the system.
- Jan Watkins retired in January; Cathy Putman transferred from the Communications Center and filled the position.

### **Maintenance**

- Facilities Maintenance has been very busy. They are currently pulling permits for the vending areas that will be located in the concourse and baggage claim. Additionally, the ATM's will be relocated and we will be building a laptop business area with seating and desks. We will also be installing a rapid charger station for cell phones and IPODS.
- Facilities Maintenance is also performing the build out for Express Jet's space. Their ticket counter will be located between United and Northwest.

### **General Aviation**

- The AOPA Safety Seminar on February 7 was a success. Over 200 people attended. The next AOPA event will be held in October.
- All the flight schools in the area have noted that they are having difficulty getting full-time instructors, DOS Aviation in Pueblo has been hiring all of the full timers.
- We recently upgraded the GA tenant informational signs on the airfield.
- The wireless project is substantially complete. Inspection will take place on Monday. We are not implementing the West Side system right away as we need to allow time for the tenants and users to get badged.

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

### **Construction**

- Business Park – Northrop Grumman is completing their foundation and exterior work so they can begin vertical construction; Aerospace is moving along on their interior work.

- The Corps of Engineers' lift station design has been tentatively approved by PPACG. We are doing our best to keep this moving along.
- Roadway – Bids have come in. Old Drennan will be rebuilt and Canadair will be constructed. This will be the last two things the Airport will be doing in the Business Park. We hope to have this completed by June.
- Cell Phone Lot – We have given comments back to the designer. Alterations will be made to the on-ramp.
- Entrance /Exit Roads – We reviewed the 50% drawings. We have pavement failing at different rates in areas so we need to plan accordingly. We need warm temperatures in the evenings to work on this job.

### **Design**

- Taxiway E – The survey work has been initiated and the design process is beginning. We will begin at TW F and work to E1.
- Vehicle Service Roads – We are still trying to get a design firm for this project. The bid will be going out soon and we hope to start work in the spring a year from now.
- West Aviation Infrastructure – Most items are in place now and the road is in good shape. We have one more taxiway that extends to SkyWest which we'll work on next year.
- Drainage Project – Last month a Qwest line at Pond 8 was hit so the project was put on hold until the line can be relocated. Relocation should be completed this weekend. Unfortunately the line was not documented properly by Qwest. We have surrendered our excess dirt to Qwest in lieu of any delay claims from them.
- Kiosks & Canopies – We are in the framing stage now and this project is moving along well. We've gotten some painting done with the warmer weather. The first phase of this project should be done by early summer.
- Runway – We have reached a no cost extension agreement with the contractor due to the cold weather. With the warmer temperatures, we have been able to do some of the work but still need to complete the apron, painting and electrical work. The contractor will be back on site March 1 to go full force and be done in May.
- Roadway Signs – We received a preliminary design package from Carter Burgess. We may put this project out to bid as a design/build and hope to have it completed by the end of the year.

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

- Council met two weeks ago regarding the Powers Right of Way resolution. The Airport restated its position and Chairman Ducoff attended to restate the Commission's position in support of the project. Council has authorized the use of funds for the acquisition of the right of way. The Powers corridor won't be complete until 2008 and the EA will determine if it will be a freeway or expressway. The Airport will remain very active on this issue.
- We will be starting a \$250,000 marketing campaign this year. An RFP for a marketing/advertising consultant will be going out soon. Mark asked if the Commission

would like to have a representative on the selection committee. Denny Weber will send an email inquiring about Commissioner Interest.

- There has been some drag racing and vandalism taking place on Aviation Way. This issue was brought up at the last Airport Operators Group meeting. We are working with PD and the West Side tenants to alleviate this problem.

**5. OTHER BUSINESS**

None

**6. CHAIRMAN'S COMMENTS**

Chairman Ducoff encouraged the Commissioners to review the AOPA site regarding user fees. The fees will have a huge impact on GA operations.

**AIRPORT STAFF ACTION ITEMS**

<b>Action Item</b>	<b>Assigned To</b>	<b>Status</b>
Order more business cards for Bud Breckner and Joel Miller	Kelly	Completed
Send email to find out which Commissioner would like to be on the Marketing Consultant selection committee.	Denny	Completed
Educate Commissioners on the user fees proposal as listed on AOPA	Mark	

**Chairman Ducoff adjourned the meeting at 4:55 p.m.**

Minutes respectfully submitted by:  
Kelly Jackson, Special Projects Coordinator