



MINUTES
Airport Advisory Commission
July 24, 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: Wally Miller, Alternate Commissioner

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

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

CITY STAFF ABSENT: Pat McDivitt, City Attorney

GUESTS PRESENT: Wayne Heilman, Gazette
Jeffrey Warkoski, Reynolds, Smith and Hills, Inc
David Yi, Gazette

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

Next meeting is Tuesday, August 28, 2007.

1. APPROVAL OF THE JUNE 26, 2007, MINUTES:

- Chairman Ducoff asked for approval of the June 26, 2007 Airport Advisory Commission minutes. Commissioner French made the motion to approve the minutes and Commissioner Timm 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:

- ◆ CPC ZC 07-00205 / CPC ZC 07-00206 / AR FP 07-00456 / AR MDP 07-00455
- ◆ CPC CU 07-00207
- ◆ CPC MP 87-381-A7MN07 / COC PUZ 07-00209 / CPC PUP 07-00210 / COC PUD 07-0211 / CPC FP 07-00212 / CPC ZC 07-00213
- ◆ AR DP 07-00403
- ◆ AR PUD 07-00410 / AR FP 07-00411
- ◆ AR FP 07-00443
- ◆ SKP-07-004 / PUD-07-0074 / SP-07-0012 / R-07-001

Commissioner Kudwa made the motion 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

- Enplanements - The good news for June is that we've had some carriers add additional flights and we've had a full month of ExpressJet, so our enplanements are up .1%. This was the first month of service for ExpressJet since they came on line and Midwest began service in July so we will watch the trend for July. Year-to-date we are still down.
- Landed Weight – we are closing the gap for the month and are only down 4.6% for the month and year-to-date is 13%. This is not only due to the service stoppage since last year, but also because of the equipment changes; the newer flights are on RJ's, so the weight we have coming in is a little less.
- Freight and mail is down 12% compared to June 2006 and again this is due to fewer cargo flights by the cargo carriers. Some of the postal contracts with the passenger carries have settled down, so we'll see what happens with that.
- Aircraft operations are up. GA is up 21% and bouncing back.

- Load factors – June seats available, American was over 95 for the month of June. Their flights have been filled. YTD is 77 which is skewed by ExpressJet with their low numbers. This is significantly higher than last year.
- Seats available – we are still 3% fewer seats flying out of here than last year. That gap should close after we have the Midwest service.

→ **Finance Report – Gisela Shanahan**

Revenue

- Airline revenue is down 5% compared to the budget. The budget was set based on a higher landed weight than we currently experience. That gap is closing along with the enplanement gap previously discussed.
- Concessions – 2.2% below budget. This is a small percentage relative to food and beverage. We still have the peak travel season to include in these numbers.
- Terminal area – 6.1% below budget. Again, this is directly impacted by the enplanement levels. We see that rebound about this time of year as we complete our summer season.
- Other buildings and areas is down 7%, which is due to fuel sales and fewer diversions and parking fees. Bottom line when we take into account the other categories and miscellaneous year-to-date we are very close to projections, especially when you factor in seasonal fluctuations.

Revenue as compared to 2006

- Airline revenue is down 3.6%. Primarily this is due to landing fees and landed weight.
- Terminal concessions are 4% higher. Greatest contributor is Food and Beverage and Other Terminal Concessions.
- Terminal area is down 1.1%. Public parking and rental car contributing to this. Other buildings is up 2.5% so the net is .4% revenue relatively equal to this point in time last year.

Obligations by Type or Expenditures

- Personnel services are down compared to the budget; fewer seasonals and vacancies than anticipated.
- Repairs and maintenance – down. Due to the east runway opening later in the year we have experienced a savings in the airfield maintenance category.
- Services – this includes a variety such as legal, financial and utilities, etc. Fewer have been required to this point in time than expected.
- Advertising – this is a timing issue. The advertising contract is being worked and we'll see these expenditures later in the year.
- Insurance is higher than budgeted. This is due to when the premiums come in.
- Miscellaneous is lower.
- Equipment and Capitol Outlay is due to timing of purchases.

- Net result is 5.2% below budget. If you net this with the revenue then it becomes a small net income.

Expenditures vs. Last Year

- Expenditures year to date are .8% below last year.

Concession Revenues

- Are up .3% for June and .6% year to date. When you look at it on a per passenger basis we are up 6.3%.

→ **Financial Statements – Gisela Shanahan**

- Commissioners decided to review the financial statements and then email questions to Gisela.

→ **CIP Update – Cheryl Schwab**

The last time the CIP was presented to you was this past January and with our goal being to update you on our capital projects at least twice a year, we wanted to bring you another look at our plan.

Item #1, which is the Jet Bridge Reconfiguration project, is a new project that has been added since the last time you've seen this plan. This project is needed in order to accommodate not only the various aircraft we have operating at the airport, but also to accommodate any new service we might get. Because of our current jet bridge configuration, we will have some challenges with accommodating new service in the future; therefore, we plan to undertake a reconfiguration this year so that we are better prepared to respond to changes or increases in air carrier operations. We are in the process of preparing a PFC application for this project, which will provide 100% of the funding.

Item #2 is carpet for the 1st floor of the Main Terminal Building. This is also new since the last time you've seen the CIP. As part of the overall terminal improvements that have taken place over the past couple years, we are planning on purchasing and installing the 1st floor carpet this year along with getting new terminal seating, which has been planned for some time.

Item #3 is two separate projects, Resurfacing of Entry/Exit Roads and Public Roadway Signage. These two projects have been on the CIP for a long time with the original intent being to fund them with PFC (Roads) and Airport Capital Improvement Funds (Signage). We have decided to pursue a Colorado Department of Transportation loan to fund these projects. The loan would be repaid with PFC's. The benefit in doing this is that the loan will free up a larger amount of PFCs and will free up all of the Airport Capital Improvement funds that we originally had set aside for these two projects. That, of course, will allow us to do more projects, such as the projects we just discussed. It will also allow us to improve our fleet to a greater degree than we otherwise would have been able to. The interest rate is quite favorable, so it makes a lot of sense for us to utilize the loan.

→ **Operations and Maintenance – John McGinley**

Operations

- Michael Civitelli was our Operations Manager and has left for a position at the Portland Airport. We are working to fill the vacancy.
- Our Certification Inspection will be next month. We inspect the airfield and the FAA inspects our process. Each year we have done very well.

Maintenance

- We continue to work on the airfield computerized lighting system and are currently putting together the RFP for an engineer to develop bid documents for the system.
- We have a project on our list to paint all the hand rails at the front of the building.
- We continue to work on the vending area build outs. We will be moving the ATM on the 1st level to its new home across from the elevator. Across from the current Shoe Shine location is an old phone area which will become the new Shoe Shine station.
- We are working on developing a Business Center with laptop and wireless access and recharging stations for laptops and phones. This will be located in the concourse. Mark Earle noted that our replacement seating will have battery plug ins as well and will be marked with a specific symbol on the chair.
- We are in the middle of the seal coat project on Taxiway A.

General Aviation

- John displayed the draft of the new Terminal Area Chart which will be published next month. The changes to the map were the outcome of the FRAWG meetings. Commissioner French had two suggestions for changes to the map: 1) Woodmen Road could more clearly defined on the map as it's a boundary line, and 2) Flanders Airport should be removed as it's been non-existent for many years. John McGinley will send a final copy of the chart to everyone.
- The AFMC conference and ASOS training begins this weekend. ASOS will be on Saturday and Sunday and the AFMC will be from Sunday through Tuesday. Staff has been working very hard to put this conference together. Attendance has been around 60-79 in the past and currently we have 80 registered. The conference is put on by the NWAAGE and all proceeds are split between the local and national chapters.

→ Planning and Development – John Faulkner

Construction & Design

- Cell Phone Lot and Roadways– Work began on this project about three weeks ago. We have received favorable bids for the entry and exit roadways and plan to conduct all work at night for fewer disruptions. In September, due to evening temps being lower, there may be some work done during the day.
- Taxiway Rehab – We hope to issue a Notice To Proceed next Monday. This year's work began on E1 with demo and reconstruction through F. As this moves along, we'll have a concrete plant near the Peterson gate and a laydown area near Stewart Road. We hope this occurs before the snows arrive.
- VSR – The FAA has moved up the due date about a month, due to an accounting closure. We have moved everything up so we can apply for the grant and hope to have bids in hand by next week. We will know next month if we get the grant and if not, we'll plan to use the entitlements for this project.

- Business Park Planning – The majority of the airport work is complete. Already completed are: sewer line; power and water installation; and roads. The first two tenants are in position to open their buildings; Aerospace will have some employees moving in next week and Northrup Grumman will occupy the building in March.
- Drainage, Pond 8 – We continue to work with URS regarding the structure failure of Pond 8. URS is working on a new outfall design.
- Canopies/Kiosks – We are working on the roofing and skylights now. We should be able to install the skylights without having any lane closures. All kiosks will be configured the same so that agencies can move around if needed.
- Roadway Signage – This is a project we are trying to get done this year. The engineering of the signs has not been designed yet.

➔ **Stormwater Drainage – Bill Keller**

- Bill explained the size and scope of the airport drainage explaining that the map in the handout shows a good view of the scope. The airport is limited to historic flows and anything we do to exceed flows must be mitigated. The airport is exempt from fees because we maintain our historic flows. The airport does not dedicate basins or ponds to the city. Ponds were pointed out on the map. Mitigating drainage is expensive.

➔ **Public Affairs – Kelly Jackson**

- Comment Cards – Comment Cards signs have been placed in the terminal in four locations. Cards are retrieved each day and then routed to the appropriate manager for resolution. So far we have received about 15 cards with about half being positive and half being negative. Comments have varied ranging from construction complaints to compliments about staff.

➔ **Director’s Report – Mark Earle**

- There was an article in the Gazette about an economic development project. We do not talk about economic development projects in the works. Wayne Heilman found enough sources to write an article. We did discuss the SkyWest project at the ribbon cutting ceremony last week. Commissioner Timm asked how the packages are put together. Mark explained that the city coordinates this process through its Economic Development Office. The EDC is not always involved in this process. Airport projects are initiated through a staff recommendation that is then forwarded to the City Economic Development Office and coordinated with City Finance and City Management. City Council is then briefed in closed session. They provide parameters for negotiating an agreement. Staff negotiates the agreement and then takes it back to City Council for final approval at a public meeting.

5. OTHER BUSINESS

- Commissioner W. Miller noted that he had attended the SkyWest Hangar Ribbon Cutting Ceremony and encouraged the other commissioners to attend events as well.

6. CHAIRMAN'S COMMENTS

- Chairman's term expires August 24. He will serve until a new commissioner is appointed.

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
N/A		

Chairman Ducoff adjourned the meeting at 4:15 p.m.

Minutes respectfully submitted by:
Kelly Jackson, Airport Public Affairs Administrator