



MINUTES
Airport Advisory Commission
August 28, 2007

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

COMMISSIONERS ABSENT: Dennis Weber

NON-VOTING MEMBERS PRESENT: Wally Miller, Alternate Commissioner
Bud Patterson, Alternate Commissioner
Rob MacDonald, Pikes Peak Area Council of Governments

NON-VOTING MEMBERS ABSENT: Dennis Hisey, El Paso County 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

CITY STAFF ABSENT: Pat McDivitt, City Attorney

GUESTS PRESENT: Gary McCurdy, TSA FSD
James Colvin, Merrill Lynch
Debbie Carroll, CTL / Thompson Inc.
Tim Mitchell, CTL / Thompson Inc.
Yancy O'Barr, FAA

CHAIRMAN DUCOFF CALLED THE MEETING TO ORDER AT 3:07 PM

Next meeting is Tuesday, September 25, 2007.

1. APPROVAL OF THE JULY 24, 2007, MINUTES:

- Chairman Ducoff asked for approval of the July 24, 2007 Airport Advisory Commission minutes. Commissioner Timm made the motion to approve the minutes and Commissioner Kudwa 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 07-00229
- ◆ CPC CU 03-00268-A1MJ07
- ◆ CPC PUD 07-00235 / CPC PFP 07-00236
- ◆ CPC MPA 06-00206-0A2MJ07 / CPC LUM 07-00243 / CPC PUZ 07-00244/ CPC PUP 07-00245
- ◆ CPC ZC 07-00248
- ◆ AR FP 07-00507
- ◆ CPC CU 07-00254 / CPC CP 06-00246-A1MJ07 / CPC FP 07-00255
- ◆ AR CM3 07-00515
- ◆ AR DP 077-00524
- ◆ SF-07-017
- ◆ CPC ZC 07-00265

Commissioner Kudwa made the motion 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**

- Enplanements – In July 2007 we realized enplanements 4.2% greater than July 2006. This has reduced the YTD decline from 8.6% to 3.8%. We have closed the gap by 5% and anticipate it will take two more months to finish closing that gap and start realizing a net increase year over year.
- Allegiant has experienced a slight decrease partially due to a reduction in service; fewer days of the week, same route but a slight trade off. Some of the passengers for the service to Las Vegas have been picked up by US Airways. We have seen Delta increase their enplanements, not just on their Atlanta routes but Salt Lake City as well. In total in the number of routes for July 2006 was 54 and we've increased to 56 for July 2007.

- Landed weight - July 2007 is .4% below July 2006. Although we've seen a slight increase in frequencies, we have seen some downsizing on the RJs and we had a 757 in the market in July 2006.
- Freight and Mail – Down 21.6% as compared to 2006. This is a continuing trend we have discussed with the freight and cargo.
- Summary of aircraft operations – YTD an 8.2% increase. When you look at July, you'll see a significant increase on the GA side.
- Load Factors – Major carriers in July realized an 83.6% load average across all carriers. Factoring in the Regionals and Charters, it was 83.5%. Noteworthy is ExpressJet; from its original service it was around 30% and has gone up to 93.3% load factor. Midwest's first month of service load factor was 61.1%.
- Summary of Airline Seats Available – We were in the double digit reduction in the previous months and now we are down to 9.9% fewer seats available as we closed out July.

→ Finance Report – Gisela Shanahan

- Earned vs Budgeted Revenue – The bottom line YTD revenue is 1.4% below the revenue. The primary driver for this is landing fees, parking and rental car revenues. In July we made our airline settlement entry, which is a return of our share of the revenue, per the Use and Lease Agreement. When this entry hits the books you'll see an artificial deflation of revenue. In the past this entry has been made in August. This year we made it in July.
- Total Revenue as Compared to 2006 Actual Revenue vs the Budget -This is 1% lower than 2006 and is due to the settlement just referenced.
- Expenditures vs Budget – We are expending 5.6% below budget YTD through the month of July. Primarily the savings are due to maintenance, before airfield costs are reduced. We have not been using professional services at a rate we anticipated, which is another significant savings. Also the advertising campaign will be kicking off the second half of the year.
- Expenditures vs 2006 Actual Expenditures – They are running .4% below expenditures YTD from July of last year. There is a 58.8% reduction in services expended as to what we did in 2006. The security modification program, which involved putting in the new gates at the airfield perimeter, resulted in a discontinuance of a service contract for a savings of \$200,000 annually.
- Concession Revenues – YTD we are .9% above revenues on the concession side. The only area showing a reduction is rental car, which is particularly sensitive to business traveler traffic. On a per enplaned passenger basis, you'll see the concession revenues increase by 4.9%.

➔ Operations and Maintenance – John McGinley

Operations

- Introduced Gary McCurdy, the TSA FSD. Gary explained that they have met their hiring goal and continue to work on the scheduling issues. Gary encouraged feedback from everyone. Commissioner Kudwa asked about using the body scan machines and Gary stated that they are being used at the court house experimentally. There are no plans to use it at the airport. Commissioner J. Miller asked if Gary or the TSA had responded to the letters to the editor that were in the paper a while ago. Gary said that his headquarters said they would not be responding. Mark Earle noted that the airport has a great relationship with the TSA which has helped both sides work through a few issues.
- Introduced Yancy O'Barr, FAA Tower Manager. Reminded the Commissioners that there is a lot of new staff in the tower.
- On Aug. 13, the Airport received a bomb threat. The event lasted about 2 hours 45 minutes with an additional 90 minutes for TSA to recover. We received the call and immediately evacuated the building. K9 squads were called in from the Air Force Academy and Peterson. All together there were about 10 dog teams on site. We had one aircraft at the gate when the call was received. We are still investigating the call.
- Certification inspection will take place Wednesday, Thursday and Friday of this week. This is an annual FAA safety inspection on the airfield looking at the pavement, signs, markings, lighting, fuel farms and ARFF response times. This is a big inspection and we typically do very well.
- Taxiway E project is progressing and we are coming to the end of phase 1, which is working on TW E north end of E2. Next weekend we will be closing E2 so anyone wanting to use 17L for take off will have to back taxi from E3. This will be closed for about 60 days.
- Last week the IMOS was opened. This is the Infield Military Operation Service, which is used to unload hot ammunition.

Maintenance

- We spent a lot of time this month and last on annual training. The maintenance staff is getting ready for the cert inspection. We are also beginning our snow training.
- Spoke to Bob Schwaebel at Peterson. They are doing selective slab replacement on the Peterson side and have a contractor that will be working on this through the end of the calendar year.

General Aviation

- This weekend is the Balloon Classic. I will be providing a pilot briefing along with Air Traffic and FSDO on Friday at 6pm. Typically, we remind the balloon community to not land on airport property, inside or outside the fence. This is for security and operational reasons and because we have made commitments to preserve the open space in the Business Park. We ask all the balloonists in the community not to land on airport property unless they have a safety issue or they run out of wind and have nowhere else to go. Generally the community respects this request.

- Pilot briefing in the East Terminal Unit on Sept. 15.

→ **Planning and Development – John Faulkner**

Design and Development

- The design for phase 2 of the taxiway program is currently underway. Phase 2 will pick up where this year's construction project leaves off. The intent is to pick up from the F intersection and head south through the G & H intersections and pick up the reconstruction of G. Right now we are working with Carter Burgess on the design. We have exchanged comments and will be picking this up again in the next few weeks. We are hoping to get this bid early in the year. Next year is the reauthorization for the grant program so the availability of funds may play into how this gets phased. We want to be ready when the grant funds come through. It's possible we may not see grants until next summer so we may have to rephrase this project.
- Roadway Signage – The final design is under way and the electrical is under design. We hope to start this later in the fall around October.

Construction

- Cell Phone Lot and Roadways– We will not be making any improvements to the cell phone lot exit. We had some concerns last year, but found that it's adequate for use. There will be some aesthetic changes later this year.
- Taxiway Rehab – Taxiway E1 is being busted out and the contractor is hauling away the debris. We should see the concrete plant coming in soon. We are working with Peterson to use Stewart Road for access. Surprisingly there has been a lot of traffic to contend with because of the West Gate closure. We have a very good operating agreement and hope to have this complete by the end of the year.
- VSR – We received an agreement for the first phase and will be starting work soon. We'd like the pavement done by the end of the year.
- Business Park Planning – We're working on a few clean up items. The roads and sidewalks are done. Some of the vaults need to be fixed and there is some cracked concrete. We will also be reseeding some of the areas. The Corps is working on the lift station and the force main is going in.
- Drainage, Pond 8 – We are still working some of issues. URS is working on a complete redesign to help resolve the design failure. We may have to rebid the project to complete the repairs.
- Canopies/Kiosks – It will be about mid-September before this is complete. The contractor is working on the main skylight and some of the sidewalk design has been fixed.
- Business Park Master Developer – We have completed the interviews and should be able to make a selection announcement in about two weeks. We had a very good pool of candidates.

➔ **Director's Report – Mark Earle**

- Mark thanked the Commission for their work and noted that when a Commissioner leaves, we recognize everyone for their work. Commissioner Ducoff's term has expired, so this is his last meeting with us. As a token of appreciation for his service on the Commission he was presented a plaque.

5. OTHER BUSINESS

- None

6. CHAIRMAN'S COMMENTS

- Commented that it has been an interesting journey while on the Commission. There has been a tremendous change for the good. The Commissioners are dedicated folks and the staff, headed by Mark, is outstanding. Everyone is working to make this the best airport. The Council will be confirming the new appointments this afternoon. Wally Miller will be moved from a non-voting alternate to a Commissioner; Bud Patterson will be Alternate #1 and Dr. Pat Boone will be Alternate #2. Commissioner Ducoff has asked Commissioner French to chair the nominating committee. Commissioner Weber will be chairing the October meeting and will conduct an election. At that point the new Chair will take over.

AIRPORT STAFF ACTION ITEMS

| Action Item | Assigned To | Status |
|---|--------------------|---------------|
| Elect a replacement to the Asset Naming Board | Commissioners | |

Chairman Ducoff adjourned the meeting at 4:17 p.m.

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