



MINUTES
Airport Advisory Commission
October 23, 2007

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

COMMISSIONERS ABSENT: Greg Timm

NON-VOTING MEMBERS PRESENT: Pat Boone, 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: John Faulkner, Asst. Director, Planning & Development
Kelly Jackson, Airport Public Affairs Administrator
Pat McDivitt, City Attorney
John McGinley, Asst. Director, Ops & Maintenance
Gisela Shanahan, Asst. Director, Finance & Administration

CITY STAFF ABSENT: None

GUESTS PRESENT: Kristine Andrews, Environmental Specialist
Mary McElderry, Accountant
Wayne Heilman, Gazette
Casey Parker, Sr. Operations Agent
Danielle Scott, Accounting Supervisor

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

Next meeting is Tuesday, November 27, 2007.

1. APPROVAL OF THE SEPTEMBER 25, 2007, MINUTES:

→ Chairman French asked for approval of the September 25, 2007 Airport Advisory Commission minutes. Commissioner Kudwa made the motion to approve the minutes and Commissioner Weber seconded the motion. The motion was carried by unanimous vote.

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2. PUBLIC OR CITIZEN GROUP COMMENTS:

→ None

3. GENERAL BUSINESS

→ **Land Use Items – Kristine Andrews**

Kristine Andrews presented the following land use items:

- ◆ AAR DP 07-00612 / AR FP 07-00613
- ◆ AR FP 07-00623
- ◆ AR FP 07-00627
- ◆ BOA-07-006

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 – September passenger count is up 9.1% compared to September 2006. This is the fourth month in a row that we've seen an increase. The gap from 2006 has been decreased to 1%. Looking at preliminary October numbers we anticipate that we should close the year to date gap. Allegiant, Continental and United had declines compared to 2006 which is due to frequency changes.
- Landed Weight – Numbers are equal to 2006 in September. Year to date we are down 8.7%, however this gap is closing. The biggest driver on the landed weight has been the reduction in cargo and solely attributable to Fed Ex flying approximately 15 fewer flights per month.
- Freight and Mail – We are down 12.5% this month and 19.7% year to date. Again this is due to Fed Ex and United.
- Aircraft Operations – This is down 2.8% in September and up 8.3% year to date. The drop is primarily due to a decrease in military traffic. Carrier and air taxi reductions are related to cargo.
- Airline Load Factors – The average for September is 81.7% with Midwest at 68.1% and ExpressJet at 57.9%. This is a reduction from the last few months however it is in

keeping with the national trend. Midwest's national average is just over 70% and ExpressJet's national load was 51.4%. Colorado Springs is significantly higher.

- Airline Seats Available – We are up 3.6% for September, but down 7.1% year to date.

Commissioner W. Miller asked how much demand is not being met because of decline in seat availability. Gisela responded that the carriers are aware of this issue but it comes down to aircraft availability.

→ **Finance Report – Gisela Shanahan**

- Revenue collected for September YTD as compared to our budget forecasted – Earned revenue is 1.8% above the projected 2007 budget. When we look at the major variances noted, landing fees are down due to cargo; non-preferential gates are slightly up; terminal concessions are down; building rents are slightly up; rent-car and public parking is slightly below budget; other buildings, which include fuel and excise tax is up; other misc had a change in reporting method for the K9 grant; and interest income is due to higher interest rates than what was anticipated when projecting the budget.
- Comparing September revenue to 2006 September revenue - Revenues year to date are 1.6% higher than that collected last year at this time. Variances here are: landing fees are down compared to 2006; building rent is up; non-preferential gates is down; food and beverage is up; other rent is due to an increase in the space being leased; other buildings and areas includes fuel and excise tax; other misc includes badging and fingerprinting, which has been higher than anticipated.
- Obligations by Type – We are down 7.1% below the 2007 budget. The savings are due to vacancies; supplies, mostly due to timing; repairs and maintenance; services; advertising; insurance; misc and capital outlay. We increased some purchases of critical equipment.
- Expenditures – Fairly even with a savings of .1%. Most of this is due to the same explanations already given.
- Concession Revenues – Revenue is up 9.7 % over 2006; rental car is up 10% and parking revenues up 7.6%. Year to date numbers are also all positive. Per enplanement is mostly positive with some slight variances in food and beverage, other and parking revenues.

→ **Budget Presentation – Cheryl Schwab**

- Gisela gave a brief introduction explaining the budget process.
- Cheryl reviewed the budget slides and gave explanation.

→ **Operations and Maintenance – John McGinley**

Operations

- We spent the last two weeks preparing for the snow season. Tomorrow, the crews will be on the airfield going through a simulated snow event. Staff has worked very hard on this so now we have a more clearly defined plan.
- I mentioned last month that Troy Stover is now the Operations Manager and Casey Parker is now the Sr. Operations Agent.

Maintenance

- The landside crews have been working on winterizing the sprinkler systems. You may have seen them out in the grass areas.
- The painters have been in town the last couple of days touching up airfield markings. As recently required by FAA, they are installing enhanced centerline markings on all of the centerlines that lead up to a hold short marking on the airport. The marking consists of broken or dashed markings on both sides of the centerline when approaching a hold short line.

General Aviation

- Spoke to Rob Martin about the status of his project. Last week Rob and the Colorado Springs Business Airpark helped move 24 hangar shells through the permitting process and received the final permits. They have received permission to construct five hangars that will go up on the west side between the hangars that have been constructed and the Pinkhus/Martin hangars. He hopes to have these completed by mid-December.

→ Planning and Development – John Faulkner

Design and Development

- With the weather changing, we are trying to close out the year end projects.
- Rehab of Taxiway E – This continues to be in the design phase for Phase II. This project will be going down Taxiway G, then north on Taxiway E and connect above F. We are working on the design and hope to have someone on board in February.
- Roadway Signage Project – We made some modifications based on the Business Park and the phasing that will be occurring out there. This design should be wrapping up in the next month or so and will be bid in the spring for construction.

Construction

- Cell Phone Lot and Roadways– We are going to reconvene to discuss the changes to the Cell Phone Lot. We will not be making any changes to the exit, but instead will be making modifications to the paint and median.
- Entrance and Exit Roads – We had pavement complete and then found that a good portion of the entry roads had contaminated asphalt. LaFarge has been out milling the surface to take out all the contaminated material and replacing the asphalt and final lift. They are hoping to get this done this week. The exit roads are pretty much complete.
- Taxiway E Rehab – IHC is hoping to wrap up the concrete paving this week. They'll begin the asphalt paving on the shoulders shortly after that and the work on some electrical tie ins. They are hoping to complete this project in November.
- VSR – We just issued task order #1 to get the contractor moving on this project. They should mobilize next week and begin paving on this project. We have cut this project

down to \$500,000. We just negotiated the construction management for Carter Burgess. They hope to be done in November also.

- Business Park Planning – The only thing to track on this is the sewer line. The Corps expects to have this in any day now and hope to have this wrapped up by the end of January. All of the Airport work should be completed within the next two weeks.
- Drainage Improvement – We do have a design and are working with the designer on how the repairs will be paid for. Once this is complete, we'll rebid this project and select a firm to come in and make the repairs. We've elected to sign a close out change order with Sima so their work will be done.
- Canopies/Kiosks – The canopies are completed and we're working on a few punch list items related to the skylight. This clean up work will take about a month and then we'll bid a package for the kiosks for the rental car companies.

→ **Public Affairs – Kelly Jackson**

- Information Center Statistics – In 2005 we opened the Information Center and there has been a sizeable increase in service each year. Our volunteer corps still hovers around 55 and 60. They frequently ask to work extra hours. We have one roaming volunteer that works every week on the main level of the terminal. We are on track for another increase in service this year. Last year we serviced 55,000 and this year we're already at 48,000 with three more months to go.
- Comment Card Program – The signs for this program were put out in July of this year. We've received about 269 comments, some positive and some negative. Overall, the airport is getting rave reviews; some of the negative comments are about issues we are working on such as vending machines, baby changing stations and things that are already in the plans. TSA struggles however Gary McCurdy is very much on top of this and extremely responsive to the comments.

Commissioner Weber feels the Comment Card signs need to be more visible and maybe even larger.

- Contact Us – This is from our website. I highlighted the most frequently asked topics. Airport Information has the highest inquiries which are usually questions about what time the ticket counters open and will services be available when the customer needs to be at the airport.

→ **Director's Report – Mark Earle**

- Apologized for missing the last meeting. The month of October was travel month with Mark attending NBAA in Atlanta, NWAAAE board meeting in Montana and the Aviation Forecast Conference in Florida.
- Interesting information on industry trends from the Aviation Forecast Conference. First, there was a consensus that network airlines are not going away...just changing to focus on larger markets with mainline fleets while developing relationships with regional carriers to connect smaller and midsized markets to the system. The regional carriers, however, are moving away from 50 seat regional jets in favor of newer, more efficient 70 -90 seat jets. This will mean less opportunity for the smaller markets that currently rely on 50 seat jets for service. Many see a reemergence of highly efficient turboprops as the answer for

the smaller markets. However, the new turbo props that are coming into the market are also in the 70 seat range (eg the Q400). While the turbo props can fly at lower costs, allowing some smaller cities to hang on to service, the trend toward larger capacities could pose a problem for the smallest markets. Fortunately, the Colorado Springs market is big enough to support the larger regional jets and turbo props, as well as larger mainline aircraft on certain routes. Fuel prices were also discussed at the conference. In the past, the airlines were put under pressure to become more efficient when revenues were depressed due to excess capacity in the system. The primary driver in today's market is the price of fuel. Two presenters at the conference said the airlines can continue to make money if oil stays in the \$70-\$80/barrel range. If it goes higher, you will see tremendous pressure on the airlines to find even more ways to reduce costs.

- Now that COPT has selected a marketing firm, we can move forward on the airport's marketing RFP. The airport's marketing program will be structured to complement the marketing effort that COPT is putting into the Airport Business Park. The first step is to establish a scope for the RFP. That will occur next week. Wally Miller will represent the Airport Advisory Commission in that process. The next step will be to issue the RFP and select a firm. Following the selection, a meeting will be set up with COPT's marketing firm to coordinate the overall marketing effort.
- At next month's meeting we will set up a display of the interior and exterior signs, as well as the new terminal seating. If any of the Commissioners would like to see the new seats prior to that time, there is an example in the Gate 6 area.
- We're moving into winter operations soon. The Operations and Maintenance staff conducted an exercise this week to prepare for the snow season. They do an excellent job keeping the facility open during snow events, and are constantly working to improve the system. This past year, we started to work on other aspects of our response with a focus on improving customer service in the terminal and improving our public communications system. We are also working on internal systems to ensure that our employees are properly compensated during snow events and that the workload is evenly distributed. Last year's snow storms stressed the system citywide, highlighting flaws in the system. In spite of the problems, our staff did a great job keeping up with a record-setting winter season. Commissioner Breckner commented that the airport did a fantastic job last year during the snow events and expressed his thanks to all those involved with the effort.

5. OTHER BUSINESS

- Commissioner Kudwa mentioned that he will be moving to S. Carolina and will be resigning January 1. He will be submitting a letter soon.

6. CHAIRMAN'S COMMENTS

- We are planning to hold another air traffic seminar on March 1, 2008 and a pilot briefing in Jan/Feb timeframe.

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Request for snow operations briefing	John M	Completed
Request for presentation on airport use and lease agreement	Gisela	Completed
Place sign program and seating into Conf Rm B for next meeting	John M	Completed

Chairman French adjourned the meeting at 4:30 p.m.

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