



MINUTES
Airport Advisory Commission
July 28, 2009

COMMISSIONERS PRESENT: Dr. Pat Boone
Lynn French – Chairman
Joel Miller
Wally Miller – Vice Chairman
Bud Patterson
Dennis Weber

COMMISSIONERS ABSENT: Greg Timm

NON-VOTING MEMBERS PRESENT: Dave Elliott, Alternate Commissioner
Dennis Hisey, El Paso County Commissioner

NON-VOTING MEMBERS ABSENT: Rob MacDonald, Pikes Peak Area Council of Governments
Pat McDivitt, Sr. Attorney

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

CITY STAFF ABSENT: None

GUESTS PRESENT: Jane Acosta, Sr. Office Specialist
Levi Anstine, COS Analyst
Anna Marron, COS Intern
Mary McElderry, COS Accountant

Next meeting is Tuesday, August 25, 2009.

1. APPROVAL OF THE JUNE 23, 2009, MINUTES:

Chairman W. French asked for approval of the June 23, 2009 Airport Advisory Commission minutes. No objections; minutes were approved as submitted.

2. PUBLIC OR CITIZEN GROUP COMMENTS:

None

3. GENERAL BUSINESS

→ **Land Use Items – Neil Ralston**

Neil Ralston presented the following land use items:

- ◆ Item #1: CPC ZC 09-00061
- ◆ Item #2: CPC ZC 09-00062
- ◆ Item #3: CPC CU 04-00136-A1MJ09
- ◆ Item #4: CPC MP 85-217-A5MN09
- ◆ Item #5: PPR-09-020
- ◆ Item #6: AR DP 09-00115/AR FP 09-00117 (tabled Item #4 from May 2009)

Staff recommends no objections to Items #1-4 and recommends that Item #5 be tabled until a 7460 is submitted. The consultant has been notified of this. Additionally, staff recommends approval of Item #4 from the May 2009 meeting. Item #1 from the June 2009 meeting remains tabled.

Commissioner J. Miller asked if Items #1-3 were required to have any sound attenuation. Neil noted that in some areas this is a requirement but these are so far away that it isn't necessary. Commissioner J. Miller also asked what the amendment was for Item #4 and Neil said it was to add an intersection at Platte so this was a roadway improvement. Commissioner Boone asked for clarification on the drawing for Item #5.

Commissioner Patterson made the motion to approve Items #1-4, table Item #5 and approve Item #4 from the May meeting, as recommended by Airport staff. Commissioner Weber seconded the motion and it was carried by unanimous vote.

→ **Master Plan/ALP Update – Neil Ralston**

Neil reported that the consultant selection committee chose Jacobs Consultancy selected to lead the Master Plan assignment. Neil thanked Commissioner W. Miller for helping on the committee. Terry Van Sant will assist with the terminal planning effort and Susan Watkins, who will assist with any public involvement throughout the master planning process. As of today, we are actively working with Jacobs to develop the work scope of the project defining exactly what it is we are going to do and a fee estimate, which will result in a contract for the work. We do look forward to hearing which commissioners will be serving on the Master Plan Advisory Group. Members will meet with airport staff prior to each monthly AAC meeting to get a briefing on the project status and to give advice on any outstanding issues as well as help with technical briefings. The first technical briefing will focus on the work scope of the Master Plan.

It was decided that Commissioners W. Miller and Patterson will serve on the committee.

→ **CIP Update – Cheryl Schwab**

We wanted to take an opportunity to give you an update on the Airport's capital improvement plan for the next several years. We review the CIP with you a couple of times per year to ensure that you have the most current information. We last reviewed the CIP with you this past January, and I'd like to share with you now the changes that have occurred since then.

The projects on your sheet labeled 1, 2, and 3 have been on our CIP for some time. The change that has occurred is related to the funding source. Our intent was to fund these projects with Passenger Facility Charges; however, the funding source will now be the airport capital improvement fund.

The reason that the funding source changed is related to the project's eligibility. Usually, the eligibility of most projects is clear cut; however, some projects are less clearly defined under PFC guidelines. In such cases, the Airport seeks eligibility guidance from the local FAA office in Denver prior to submitting the PFC application. After discussion with the Denver office, the application is sent to the FAA Regional Office where a final determination is made.

In two separate applications earlier this year, the Airport submitted eight projects for PFC approval. Five of the projects were approved while three were forwarded to the FAA Regional Office for further evaluation. After an extensive review, these three projects were determined to be ineligible for PFC funding. Accordingly, the Airport must now change the source of funding for these projects.

Also, all of the projects for which we intend to utilize AIP funding have been revisited to ensure that we've established the appropriate projects for the funding level we expect to receive in each year. We work with the FAA throughout the year to ensure that we understand the funding that they are programming for us, and also to collaborate on the projects for which the funding will be used, which in this case is primarily the rehab of several taxiways, which will be done in phases.

4. STAFF REPORTS

→ **Traffic Report – Gisela Shanahan**

- **Enplanements** – Enplanements decreased by 6.3% vs. June 2008. If you recall, this had been a double digit figure. They are down 12.3% year-to-date over June 2008. Overall these figures are favorable compared to nationwide statistics.
- **Landed weight** – Down 10.6% for the month of June as compared to 2008 and down 26% year-to-date. This is mainly due to the departure of DHL from the market.
- **Freight and Mail** – Down 16.2% for June and down 19.5% year-to-date.
- **Aircraft Operations** – Up 14.3% for the month of June over 2008 and up 2.4% year-to-date with the largest factor being the military.
- **Load Factors** – Average for June was 84.5 compared to 79.2 in 2008. Year-to-date the loads have been 77.6 compared to 76.3 year-to-date in 2008. Again you see the load factors continue to be higher this year than they have been in previous years. We do have

some capacity reductions which are reflected in the landed weight decline. Planes are fuller.

- **Seats Available** – Down 10.5% for June as compared to last year and 12.3% year-to-date. This reflects the activity decrease we've seen such as Northwest changing to CRJ900's vs. Airbuses, US Airways with some frequency reductions and a few other fleet mix changes.

→ **Finance Report – Gisela Shanahan**

- **Earned Revenue vs. Budgeted** – Is 3.7% behind six months of budget; Airline Revenue up 1.5% primarily due to higher than budgeted income across the board. Terminal concessions down 5.3% with traffic contributing to this; Terminal Areas are down 7.1%; Other Buildings and Areas down 16.4%.
- **Revenue vs. Actual Revenue** – We are 3.1% behind last year in actual revenues; Airline Revenues are up 10.9%; Terminal Concessions down 4.5%; Terminal Areas down 8.3% Other Buildings and Areas down 32.4%.
- **Expenditures vs. Budget** – Our emphasis on deferring purchases and looking for ways to defer repairs and maintenance continues to have an impact; we are 11.8% behind budget with most of this due to the conscious deferral of our activity levels.
- **Expenditures vs. June 08** – We have seen a 2.1% decline in expenditures as compared to last year this time.

Commissioner Boone commended airport staff on the fine job they have been doing managing the budget.

→ **Financial Statement Report – Gisela Shanahan**

We issue our own financial statements since we issue our own bonds. The Management Discussion and Analysis will be of most interest to you. We cover activity highlights that have occurred over the year. The financial highlights are on page 4 outlining any increases or decreases, any changes in net assets, etc. There is always a two year presentation of 2007 and 2008. There is information on our current debt issuance and then the actual financial statements. The fund balance gives a nice review of the monthly activities.

We have received our ratings from S&P and Moody's. Both are very favorable with an A- from S&P and an A3 from Moody's. This is very important for us to issue bonds at a favorable rate and is the same rating as last year, with a stable outlook, which is very good for an airport right now.

→ **Operations and Maintenance – John McGinley**

Operations

- Operations completed the annual FAA certification inspection last week. The inspector had never inspected Colorado Springs Airport before. The inspector spent a good deal of time reviewing training records. There were a few issues that came up during the inspection that we will look into. We are looking into some issues with the signage lighting

cycling off between steps and making sure that the markings and lighting on Rwy12/30 meet FAA regulations and standards.

Maintenance

- We are finalizing the plans and specifications for the interior signage project and hope to get the project advertised next week. We are looking at a total of 259 signs with 173 that are plastic, to be installed by staff, and 86 aluminum interior illuminated signs that will be installed by the contractor. We hope to have bids back by the end of August and are planning 120 days for fabrication and installation.
- Staff has been working out in the open space area attending to weed control.
- Landside staff continues to work on the Rent Car lot reconfiguration, pouring some curbs.
- The Aviation Way landscaping project is now complete. Aviation Way tenant signage is currently in an Administrative Variance Review process at Regional Building Department, we should have a response by the end of August.

General Aviation

- The fly over request for the Breckner Boulevard dedication was denied by the Pentagon because it didn't fall within their eligibility criteria.

→ Planning and Development – John Faulkner

- **VSR** – Nothing new on this project and we will be closing out the 2008 project with the FAA.
- **Rehab of Taxiway G & H** – This is our continuation of the program on Taxiways E, G and H. This project has been bid and IHC was awarded the contract. Funding may be available in the first part of August and we are still several weeks off from seeing some grants, which puts us close to the end of the year for completing this project. We've been working with the airlines and operations about the runway closure timeframe. We are also working with the contractor to see if we can mobilize a portion of this project until we receive some of our discretionary funding.
- **Stimulus Project Rehab of Taxiway E4 and E5 connectors** – This is one of our ARRA projects through the FAA. We do have grant funding for this and IHC has been selected as the contractor. We will initiate demo work on August 17 and complete the project by the end of November. The runway will be closed during this entire time because we'll be working in the safety area. The contractor is mobilizing and has started to move into their staging area. A concrete plant should show up soon. They understand this is a very strict schedule and are taking this seriously. We hope to have this done around Thanksgiving.
- **Relocation and Reconfiguration of the Operations Communication Center and the Third Floor Administrative Offices** – We have completed the design drawing review and are at approximately 60% drawings. Bid documents and final design will take place on the last 40%. We would like to start work this fall.

- **Checked Baggage System** – DHS contacted us with notification that there may be some funding for this project and we are in the preliminary stages of responding to this. It appears that almost \$7M will be available for machinery and conveyor. This could be a very exciting turn of events that could get us an inline baggage system by early spring. This will be a big improvement and make the inspection process more efficient. We should have more details on the funding in the next 30 days. We will also be advertising for a design firm within the next 30 days.
- **Reconstruction of Runway 12/30** – This project is a 2010 project and we want to begin design as soon as possible. This was an entitlement funded project and we expect it to be a mill and overlay.
- **Roadway Signage** – The contractor has continued working on the shop drawings. We've had a couple of sign changes and are doing some utility locates. We expect to see some signs manufactured this year and hope to put some of the signs up in the fall.
- **Old Terminal Remediation** – We've continued discussions with some potential tenants and feel we've had positive developments. We found that the northern half of the building appears to have some good use and life left in it. Based on this, we have determined that we would like to demo the southern portion of the building. We'll have one contractor remove the southern portion of the building and then we will have to put in some new systems such as a boiler and utilities. We are currently working with Jacobs Consultancy to retrofit the plans for this new direction and should be left with a fairly marketable situation, when its completed. We hope to be done with this work around Thanksgiving.
- **Defense Access Road Design and Construction** – The FHWA has completed their review and issued a FONSI for the realignment of the DAR road. We met with CDOT and FHWA and were told we've been approved to spend the funds. We are very close to signing a scope with CH2MHill, who is the designer on this project, to begin 30% design. The south half of the road is unchanged in design with the new alignment and the northern half of the road moved a couple hundred yards to the west where the current Air Cargo Road is and will intercept Milton E Proby Pkwy. We don't have any survey data so the first task will be to survey the area, get some soil samples, and develop a cost estimate. We are now able to begin this work. We will eventually negotiate a final scope and fee with CH2MHill to complete the design if the 30% plans look acceptable to everyone. We hope to bid the project and begin construction in 2010. Based on the schedule this may extend into 2011.

Commissioner Patterson asked if the realignment will cost any more because of relocating the utilities because of realignment of the road. John Faulkner noted that because Canadair only served Aerospace and Northrop Grumman, CSU plans had been to drive the main utility corridor through the DAR road so the utilities may not cost more, but the road itself may cost more.

→ **Director's Report – Mark Earle**

- **Sustainable Funding Committee (SFC)** – I have been reporting the status of the Assets and Enterprises subcommittee of the SFC. They have come to the conclusion after looking at all the enterprises, under the current existing law, it would be illegal to sell the enterprises unless you privatize, which would not make sense for an airport our size. This was reported to the full committee. They are completing their reports and will present their finding to City Council on August 10. Most of the recommendations of this committee will be longer term and some may require an election. One item that has come up for discussion is to have the enterprises make Payments in Lieu of Taxes (PILT).

- The stimulus grant funding that we have received this year has been a little over \$11M with \$4M in entitlements and \$7M in discretionary grants just from the AIP program. We have received an additional \$6.8M from the first ARRA grant for additional taxiway work which will help us advance our capital improvement program and bring future projects forward. Another \$7M grant will be coming from DHS bringing our total to about \$25M. These projects will begin this fall which is great for our economy.
- The only concern with the Meadowlake approach would be from an air traffic standpoint since it's a non-controlled airport. This is the first we've heard of this and will investigate more into it.

5. OTHER BUSINESS

None

6. CHAIRMAN'S COMMENTS

- GPS approaches have been approved into Meadowlake Airport. When this will come online, is unsure. Discussion ensued about the effect of this decision. Chairman French thought that the volume would be very low.
- Chairman French touched base with the Airport Canine unit and would like them to give a presentation at the next meeting.

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Request demonstration from Canine unit	Kelly	Completed
Invite TSA to give update at next meeting	Kelly	Completed
Send Commissioner list to PD for newsletter distribution	Kelly	Completed

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