



MINUTES
Airport Advisory Commission
May 24, 2011

COMMISSIONERS PRESENT: Wally Miller - Chairman
Joel Miller - Vice Chairman
Dr. Pat Boone
Dave Elliott
Tom Hayden
Bud Patterson
Dr. Chris Thornton

COMMISSIONERS ABSENT: None

NON-VOTING MEMBERS PRESENT: Randy Courduff, Alternate Commissioner

NON-VOTING MEMBERS ABSENT: Rob MacDonald, Pikes Peak Area Council of Governments
Peggy Littleton, El Paso County Commissioner

CITY STAFF PRESENT: Mark Earle, Director of Aviation
Gisela Shanahan, Asst. Director, Finance & Administration
John McGinley, Asst. Director, Operations & Maintenance
Dan Gallagher, Asst. Director, Planning & Development
Neil Ralston, Airport Planning & Development Manager
Agnes Blachut, Airport Public Affairs Administrator
Dana Jackson, Airport Sr. Office Specialist

CITY STAFF ABSENT: None

GUESTS PRESENT: Jennifer Boehm, RS & H
James Priester, RS & H
Patrick Bowman, Airport Intern
Wayne Heilman, Gazette

Next meeting is Tuesday, June 28, 2011.

- **APPROVAL OF THE APRIL 26, 2011 MINUTES**

Chairman W. Miller asked for approval of the April 26, 2011 Airport Advisory Commission minutes; no objections; minutes were approved as submitted.

- **PUBLIC OR CITIZEN GROUP COMMENTS**

None

- **NEW BUSINESS**

→ **Land Use Review – Neil Ralston**

- **Item #1 AL-11-003 Re-submittal, Review 2**
- **Item #2 PPR-11-008**
- **Item #3 PPR-11-006**
- **Item #4 PPR-11-007**

Airport staff reviewed four land use items this month. Staff did not recommend any objections to items #1 and #2. However, staff is recommending to table items #3 and #4 until the results from an FAA airspace evaluation are available for each one. Item #3 requests approval for a site development plan for an expansion to the existing Bestway Disposal transfer facility that is located near the intersection of Hwy 94 and Hwy 24. Item #4 is requesting approval for a site development plan for installation of a new section of the Southern Delivery System Water Pipeline in the proximity of the intersection of Highway 24 and Marksheffel Rd. The concern is the construction equipment that will be used to bury the pipeline. CSU has submitted a 7460 to the FAA for a 60 foot crane. We should have the FAA determination within the next few weeks and will bring a recommendation to the Commission.

Commissioner W. Miller asked about the implications of construction in an Accident Potential Zone. Neil responded that it depends on the proposed land use and that both the City and County have criteria as to what is acceptable as far as land use controls in the designated Accident Potential Zones.

One item remains tabled from a previous meeting (Item #4 from July 2010) which is still an active plan review, so it cannot be removed.

A motion was made by Commissioner Thornton to approve land use items #1 and #2 and table #3 and #4. Commissioner Elliot seconded the motion and it was carried by unanimous vote.

- **STAFF REPORTS**

→ **Finance & Administration – Gisela Shanahan**

Traffic Report

- **Enplanements** – Down year-to-date 3.1% for scheduled flights and 2.8% overall, including charters.
- **Landed Weight** – Increased by 2.1% year-to-date compared to April 2010.
- **Freight and Mail** – Increased by 2.6% year-to-date.
- **Aircraft Operations** – Down 21.6% year-to-date, which is attributed to a decrease in both general aviation and military operations.
- **Load Factors** – Decreased slightly to 71.3% compared to 73.0% in April 2010; driven by changes on the Continental side, which has seen a shift in connections through Houston and an increase in size of aircraft.
- **Seats Available** – Decreased by 0.5%; driven by the capacity changes in the Delta service.

Finance Report - Preliminary

- **Earned Revenue vs. Budgeted** – The Airline category is up 1.6% primarily due to an increase in non-preferential gate usage; Terminal Concessions are down 2.6%; Terminal Area is down 10.3%, which is primarily due to parking usage decline; Other Buildings & Areas is up 2.5%. The bottom line is that we are down 4.8% from the budget.
- **Revenue vs. Actual Revenue** – The Airline category is up 1.1% driven by an increase in rates; Terminal Concessions are down by 0.8%; Terminal Area is down 2.5% which is also primarily due to the traffic decline; Other Buildings & Areas is up 17.0%. The bottom line is that we are up 1.8% from the budget.
- **Expenditures vs. Budget** – Expenditures are down 8.1% year-to-date; primary factors include some personnel vacancies, and delayed billing from utilities.
- **Actual vs. Actual Expenditures** – Total 8.1% less than last year.

→ Operations and Maintenance – John McGinley

Operations

- We were pleased with the results of the May 5th Mass Casualty Exercise.
- FAA Certification Inspection is postponed to June 6-8, 2011.
- The Thunderbirds are in town for the AFA graduation.

Maintenance

Field Maintenance:

- This week and next week crews are finishing touch-up painting on the east runway
- Mowing season has begun- mowing around lights and signs has been completed. This will be a weekly occurrence throughout the summer.

Landside Maintenance:

- A lightning strike on May 22, 2011 damaged 28 lights on the airfield. The light fixtures have been rebuilt and all lights have been replaced. The lighting system is back to full operation at this time.
- The jet bridge 11 PLC upgrade has been completed. All systems are functioning as normal.

Facilities Maintenance:

GA

- Learn to Fly Day took place last week with about 100 participants.
- Airport Operators Group will be May 25th at 5:00 pm at the Radisson Hotel.
- Minimum Standards update – continuing to meet with tenants to discuss the program; we have not received comments from the FAA yet.

→ Planning and Development – Dan Gallagher

Planning Projects

Commissioner W. Miller inquired about the status of the Master Plan. Neil replied that due to resource limitations and workload associated with all of the upcoming construction projects, the Master Plan will be temporarily put on hold. We are continuing to work with the project team in order to get the GIS survey data approved. In addition, we are allowing the team to continue preparing the existing Airport Layout drawing. We will be postponing a lot of internal work on the Master Plan until the Fall.

Construction

Defense Access Road – pavement operations began in late April on Embraer Heights, which is the east to west roadway. The project is progressing well with an anticipated completion date of October 2011.

Reconstruction of Runway 13/31 – The contractor re-mobilized for repair work on May 2nd. Milling and paving operations have recently been completed and the first paint application has been striped. We should have an acceptance of the work by the end of June 2011.

➔ **Director’s Report – Mark Earle**

Council briefings are continuing; comments have been positive. COS funding and air service have been discussed in great detail. Other questions included the Business Park and how it was structured, and our relationship with Corporate Office Properties Trust (COPT); PAFB relationship was discussed at length—many of the Council members did not realize that the airport owns the Base property.

The Mayor’s office will be contacting departments to request tours and briefings after the Mayor gets settled.

Recently we hosted a group of Chinese aviation officials that were traveling around the US touring airports. They were focused primarily on emergency management programs at large airports such as San Francisco and Denver—COS was the only medium-sized airport that they visited. We hosted a lunch, provided a tour, discussed emergency planning and talked about our joint relationship with PAFB.

• **OTHER BUSINESS**

Commissioner J. Miller asked if there is concern about year over year traffic declines and the recent change in the Airport’s ratings outlook by Fitch. Mark answered that there is an industry-wide concern about capacity reductions by the airlines, and that there is a consensus that this is a structural change rather than cyclical. The impacts have been similar with small to medium-sized airports across the board. We are not sure where this will go, but we are continuing to stay on top of the issue.

Regarding the change in outlook by Fitch, we’re working with them to better understand it. Another major ratings agency recently reaffirmed the Airport’s A- rating and positive outlook based on the same set of metrics. One of our financial advisors contacted us about the Fitch announcement and said that it doesn’t make a lot of sense to them due to our strong reserve capacity, low cost structure and steady business performance relative to similarly situated airports.

• **CHAIRMAN’S COMMENTS**

None

AIRPORT STAFF ACTION ITEMS

Action Item	Assigned To	Status
Send bond rating to Commissioners	Gisela	

Minutes respectfully submitted by:
Dana Jackson, Sr. Office Specialist