



**MINUTES**

Board Meeting

Wednesday, August 12, 2015 | 1:00 pm

Division of Aeronautics

5126 Front Range Parkway | Watkins, CO 80137

Joseph H. Thibodeau Room

**MEMBERS PRESENT:**

|                      |            |
|----------------------|------------|
| Ray Beck             | Chairman   |
| Ann Beardall         | Vice-Chair |
| John Reams           | Secretary  |
| Jeff Forrest         |            |
| Robert Olislagers    |            |
| Joe Rice             |            |
| William "T" Thompson |            |

**OTHERS PRESENT:**

|                    |   |
|--------------------|---|
| David Ulane        | CDOT - Division of Aeronautics Director |
| Christine Eldridge | CDOT - Division of Aeronautics          |
| Todd Green         | CDOT - Division of Aeronautics          |
| TK Gwin            | CDOT - Division of Aeronautics          |
| Mike Krochalis     | CDOT - Division of Accounting & Finance |
| Shahn Sederberg    | CDOT - Division of Aeronautics          |
| Scott Storie       | CDOT - Division of Aeronautics          |
| Kaitlyn Westendorf | CDOT - Division of Aeronautics          |
| Scott Young        | CDOT - Division of Accounting & Finance |
| Richard Baker      | Fremont County                          |
| Walt Barbo         | Colorado Pilots Association             |
| Dixie Beck         | City of Craig                           |
| Walt Bell          | Colorado Pilots Association             |
| Gary Cyr           | Greeley-Weld County Airport             |
| Ray Hawkins        | Seaplane Pilots Association             |
| Jake Hoban         | Armstrong Consultants                   |
| Leo Milan          | Office of the Attorney General          |
| Bill Payne         | William E Payne & Associates            |
| Zechariah Papp     | Harriet Alexander Airport - Salida      |
| Bill Totten        | Colorado Pilots Association             |

*Pledge of Allegiance*



## 1. CALL TO ORDER

Meeting commenced at 1:00 pm.

## 2. APPROVAL OF MEETING MINUTES

Joe Rice made the MOTION to approve the minutes from July 8, 2015 and William "T" Thompson seconded.

The MOTION carried unanimously.

## 3. AMENDMENTS TO THE AGENDA

There were no amendments to the agenda. Robert Olislagers made the MOTION to approve the agenda as presented and Ann Beardall seconded.

The MOTION carried unanimously.

## 4. BOARD MEMBER REPORTS

Jeff Forrest had nothing to report. Ann Beardall spoke about the Colorado Pilots Association (CPA) Meet and Greet that took place at Centennial Airport last Saturday and thanked Robert Olislagers and his staff for helping them host the event. She also thanked David Ulane and the Division staff members who attended, with special appreciation to Shahn Sederberg for the display he set up. Ann also highlighted some additional upcoming aviation events. Joe Rice briefed the Board about the Colorado Space Business Roundtable (CSBR) business development road trip to northeastern Colorado that occurred July 20th through the 24th and mentioned that David attended the session that took place in Fort Collins. Joe added that next week, the road trip will go through southeast Colorado. Joe said that on September 10th, CSBR will host a reception and open house in Rifle at the Center of Excellence for Advanced Technology Aerial Firefighting. Robert Olislagers said that the Executive Committee of Colorado Airport Operator's Association (CAOA) wanted to express their appreciation to David Ulane for his outreach to them. William "T" Thompson had nothing to report. John Reams had nothing to report. Ray Beck said he will be doing a presentation tomorrow to the Yampa Valley Regional Airport Commission about the Colorado Aeronautical Board (CAB) and Division of Aeronautics programs.

## 5. PUBLIC COMMENTS

Richard Baker spoke about activities at the Fremont County Airport, including an airshow to take place there on September 12th.

## 6. DIRECTOR'S REPORT

David Ulane spoke about the numerous opportunities he has had to meet with airports and other aviation constituents since the last CAB meeting. David said that the Division met with representatives from LeighFisher to participate in an Airport Cooperative Research Program



(ACRP) report on airport planning and NexGen and they were interested in our experience with Wide Area Multilateralization (WAM). Bill Payne and Travis Vallin were invited to the discussion to provide the history of the program and David very much appreciated their participation. David spoke briefly about the Sustainability Study. David mentioned the CPA Meet and Greet last weekend at Centennial Airport and said that it is his desire for the Division to be present at more of these types of events. David mentioned several upcoming aviation events that he and/or staff will be participating in. One event in particular is the Northwest Chapter American Association of Airport Executives 2015 Annual Conference scheduled for September 13-16 in Denver. Todd Green and TK Gwin will be speaking at this event, and David will be a moderator on the FAA panel. Ray Beck was pleased that the Division is going to focus more on public outreach.

## 7. DIVISION OF ACCOUNTING & FINANCE (DAF) UPDATE ITEMS

### *7.1 Financial Update*

Mike Krochalis said that we are caught up on tax disbursements to the airports. Mike has been assisting David Ulane with the responses to the Paragon Performance Audit. Mike is continuing to work with the Division and DAF to implement the cash forecasting model developed by the Dye Management Group. The year end close for FY15 should be completed within a day or two and once Mike has those numbers, he will provide that information to the CAB. Mike said preliminary numbers show that we ended FY15 with \$31.6 million in revenue and \$45 million in expenditures. As of today, the cash balance is negative \$1.4 million, but the Department of Revenue (DOR) has not yet prepared their deposit into the Aviation Fund from fuel taxes and that is estimated to be \$1 million. Mike said that the State Treasurer is allowing the Aviation Fund to operate in the negative and each time that happens they charge us interest, which is currently 0.96 percent. Mike said that the interest charge reporting is provided to CDOT by the State Treasurer monthly, one month in arrears. He will make sure that the CAB is provided a copy of that report.

### *7.2 Aeronautics Finance Position Update*

The position description has been drafted and is currently with CDOT Chief Financial Officer Maria Sobota, who is the Appointing Authority, for review and approval. There is a meeting scheduled this afternoon with Maria, David, Mike and Scott Young to review the drafted position description and the hope is to finalize it and to post the job opening as soon as possible.

Scott Young and David Ulane took a moment to recognize the work that Mike has done to help the Division get back on track. Ray Beck also expressed gratitude, on behalf of the Board.

## 8. PARAGON PERFORMANCE AUDIT UPDATE

David Ulane said that the Paragon Performance Audit is nearly complete. David said that there are 23 recommendations the Division will be responding to, none of which will be earth shattering. Since some of the findings may change the way we do business with the airports, David has recently met with the CAO Executive Committee to brief them on these potential changes and there was no resistance to the enhancements. David concluded by saying that the audit findings will be the first topic for discussion at the CAB Workshop, set to take place on September 9th in Rifle.



## 9. 2015 DIA SURPLUS SALE RECAP

Kaitlyn Westendorf said that the DIA Surplus Sale took place on July 15th. Fourteen airports attended the sale and twelve airports purchased equipment. DIA sold twenty two pieces of equipment and the state share totaled \$184,500, which was below the \$250,000 approved by the Board for this endeavor. The response from the airports that attended this sale was extremely positive. At this time, Shahn Sederberg played a video he produced about this event. Kaitlyn concluded by saying that the airports agree to keep the equipment at their airports for two years.

## 10. AUTOMATED WEATHER OBSERVING SYSTEM (AWOS) PROGRAM UPDATE

Christine Eldridge showed the CAB a map of where the CDOT owned AWOS units currently are in the state. Christine said that it has been a bad summer for three of the AWOS units. The AWOS at Monument Hill suffered two separate lightning strikes, one in May and the other in June. The damage to the unit totals \$34,462. A claim has been filed with CDOT Risk Management. The Wolf Creek AWOS unit also suffered two lightning strikes and preliminary damage is estimated around \$15,000. This unit is still currently out of service and the hope is to have it operational in the next couple weeks. This unit currently resides on Wolf Creek Ski Resort property that isn't always easily accessible by our AWOS Technicians, so when this damage was done back in May, we thought this might be a good time to relocate the unit to an area nearby called Lobo Peak, which currently has some other communication towers. Unfortunately, we were not able to make that happen. Christine said that the decision was made to leave the unit at its current location for now and possibly look at relocation next summer. The Cottonwood Pass unit had parts stolen from it in May. A theft report was filed with the Chaffee County Sheriff's Office and the value of the stolen parts totaled \$3,400. Christine reminded the Board that the Mount Werner AWOS unit was removed from the Desert Research Institute property last summer. The hope is to re-install this unit to a site at Walton Peak where the state already has some communication towers. The goal is to have this unit up and running in summer of 2016. Lastly, Christine said that we are on track to install a new AWOS unit at Dakota Hill in Gilpin County. This site is near the Corona Bowl and Rollins Pass area. The goal is to have this unit operational by the end of October.

## 11. AIRPORT GRANTS

### *11.1 FY15 GRANT UPDATE*

David Ulane said that per the May 11, 2015 Memorandum of Understanding (MOU) with the Office of the State Controller accepting the \$11 million cash advance/loan offer, the Division was able to issue grants for five percent of the local match of Federal Aviation Administration (FAA) Airport Improvement Program (AIP) grants only, up to \$3.5 million. At the CAB meeting on April 17th, the Board approved 25 grant requests for a total dollar amount of \$3,343,448. On July 8th, the CAB approved a \$10,201 increase for Yuma to match additional federal funds required to meet the project bid. Therefore, the total 2015 grant obligations of state funding is \$3,353,649. David said that the plan this year is to not contract grants with airports until the FAA has issued their AIP grant to the airport. This allows us to obligate our funds when needed, confirm the exact amount the FAA is granting and issue our grant in the appropriate amount at the onset, minimizing the need for future grant amendments. Of the 25 grants approved by the Board, we have currently contracted 11 for a total of \$1,445,320.



## 11.2 FY16 GRANT OUTLOOK

David said that we anticipate being under the \$3.5 million cap for the FY16 grant outlook, with preliminary estimates of matching \$77 million in FAA AIP grants. David assured the Board that as we get closer to the end of the year and get a better picture of the grant outlook, we will bring that information back to the Board and recommend the Capital Improvement Plan (CIP) grant amount and that will be the number we suggest going into the Grant Review in December and the Grant Hearing in January.

## 12. WIDE AREA MULTILATERATION (WAM) - PHASE III UPDATE

Bill Payne updated the Board on Unmanned Aerial Systems (UAS) and Blended Airspace. Bill said that he and David Ulane will meet with several CDOT offices to discuss the use of the CDOT Certificate of Authorization (COA) that covers the western half of the state. They will discuss UAS use for rock slides, flood analysis, traffic analysis and the possibility of use by other entities like the Center of Excellence for Fire Fighting in Rifle. Bill advised that the Blended Airspace program has been moved within the FAA from the Surveillance Broadcast Services Office to the NexGen Program Office in preparation for the Blended Airspace Demonstration Project. The FAA will have program representatives come to Colorado the week of August 24th for a site visit to decide which of the five candidate airports will be chosen for the demonstration. The five airports are Aspen, Durango, Fort Collins-Loveland, Greeley and Montrose. Bill is discussing within the program office dual use of FAA procured equipment that can possibly be used for UAS and Blended Airspace for a better return on investment. Bill added that there was a recent software update for Phase II that was flown last week and will be analyzed in the coming weeks. William "T" Thompson asked what experience other states are having. This started an anecdotal discussion of UAS issues nationally. Bill said that he thought that future decisions for UAS use may be based on statistical analysis in relation to the cost of doing business for an acceptable level of incidents. Robert Olislagers stated that Centennial Airport is considering the purchase of a quad copter to use for accident investigation. David Ulane said that he and Bill have had discussions on the Division's role in the UAS industry and suggested that the Board may want to consider this subject for discussion at the upcoming workshop. The Division will look at what other states are doing, as well. Ultimately, David wants the CAB to know what the Division is doing and endorse the actions.

## 13. WEB BASED INFORMATION MANAGEMENT SYSTEM (WIMS) AUDIT ACCEPTANCE

David Ulane said that at the last Board meeting, the CAB formally accepted the WIMS Audit report and all of the recommendations included in that report have been addressed and implemented. The Audit Committee ratified that report on July 24th and the Division is in the process of providing CDOT Audit documentation that we are now in compliance with the findings.

## 14. SEAPLANES IN COLORADO UPDATE

David Ulane said he reached out to Colorado Parks and Wildlife (CPW) to begin a conversation about the ban of seaplanes on Colorado waterways and there is a meeting set for August 24th. David shared an email from Aircraft Owners and Pilots Association (AOPA) regarding contact they have had with Governor Hickenlooper about this subject. Leo Milan has done some research on this topic and said that it appears that CPW does have the right to preclude seaplane access in



Colorado. This opened up discussion between Leo, David and members of the Board on how to move forward. Joe Rice suggested compiling information that shows the pros and cons to allowing seaplanes on Colorado waterways. There was a brief discussion on possible legislation and where that would reside, whether it be from CDOT, the Department of Natural Resources (DNR) or from aviation advocacy groups, such as AOPA or the Seaplane Pilots Association. Robert Olislagers said there will be a fiscal note associated if legislation is pursued. Ray Hawkins informed the Board that the Aurora Reservoir has agreed to let five seaplanes land there at a future airshow and the Dillon Reservoir will host an airshow the second week of June 2016 and will allow five to ten seaplanes to land there. Ray Hawkins also requested assistance from the CAB or the Division to obtain data from DNR in relation to boating density numbers on the lakes which fall under their jurisdiction that allow powerboating. Ray said he had requested that information from DNR and found that the fee they are going to charge him is more than he can afford to pay. He is hoping that the Board can assist in obtaining that information, either by way of assisting with the cost or trying to obtain the information from DNR. Leo Milan said that under the Colorado Open Records Act (CORA), government entities are entitled to charge a fee for research required and copy charges. Therefore, we would be subject to paying those same fees. Ann Beardall asked how much the fees are estimated to be and Ray Hawkins said \$1,000. Ann suggested that Ray take this request to the Colorado Pilots Association. Richard Baker added that this subject has been approached by the CAB in the past and the sticking points back then were not only safety, but pollution to the reservoirs that provide drinking water.

#### 15. PROPOSED CALENDAR

The next meeting is scheduled for Wednesday, September 9th at the Rifle-Garfield County Airport. There will be a Workshop, beginning at 9:00 am and the regular CAB meeting is set for 1:00 pm. David Ulane announced that staff's intent is to have this meeting broadcast in a live-stream manner via a web-cam.

Ray Beck mentioned the October 14th meeting and his desire to have it somewhere other than at the Division's office. His suggestion is to have this meeting at Metropolitan State University. Ray said it is important to have meetings throughout the state in an attempt to be accessible to our constituents.

#### 16. OTHER MATTERS BY PUBLIC & MEMBERS

Jeff Forrest spoke about upcoming meetings he has with the Sun Flyer Electric Airplane Group and invited David Ulane to join him. Bill Totten said that there will be a Colorado Pilots Association luncheon this Saturday at Centennial Airport. Ray Beck said it is important for the CAB and the Division to be made aware of these aviation events.

#### 17. ADJOURNMENT

Robert Olislagers made the MOTION to adjourn the meeting and Jeff Forrest seconded.

The MOTION carried unanimously.

The meeting adjourned at 2:33 pm.

