



**MINUTES**

Board Meeting

Wednesday, March 9, 2016 | 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
Jeff Forrest	
Robert Olislagers	
John Reams	Secretary
Joe Rice	

**MEMBER ABSENT & EXCUSED:**

William "T" Thompson

**OTHERS PRESENT:**

David Ulane	CDOT - Division of Aeronautics Director
Christine Eldridge	CDOT - Division of Aeronautics
TK Gwin	CDOT - Division of Aeronautics
Mike Krochalis	CDOT - Division of Accounting & Finance
Bryce Shuck	CDOT - Division of Aeronautics
Shahn Sederberg	CDOT - Division of Aeronautics
Maria Sobota	CDOT - Chief Financial Officer
Scott Storie	CDOT - Division of Aeronautics
Walt Barbo	Colorado Pilots Association
Ray Hawkins	Seaplane Pilots Association
Jason Licon	Fort Collins-Loveland Airport
Kenny Maenpa	Jacobs Engineering
Charles May	Sterling Airport
Leo Milan	Office of the State Attorney General
Bill Payne	William E Payne & Associate
Dave Ruppel	Front Range Airport
Bill Totten	Colorado Pilots Association
Mark Walp	Concrete Stabilization Technologies, Inc.

*This meeting was live-streamed over the internet.*



## *Pledge of Allegiance*

### 1. CALL TO ORDER

Meeting commenced at 1:01 pm. Ray Beck took a moment to acknowledge the passing of former CAB Chairman Harold Patton. David Ulane added that funeral services will take place on March 18th.

### 2. APPROVAL OF MEETING MINUTES

Robert Olislagers made the MOTION to approve the minutes from January 25, 2016 and John Reams seconded.

The MOTION carried unanimously.

John Reams made the MOTION to approve the minutes from February 29, 2016 and Robert Olislagers seconded.

The MOTION carried unanimously.

### 3. AMENDMENTS TO THE AGENDA

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

The MOTION carried unanimously.

### 4. BOARD MEMBER REPORTS

Jeff Forrest spoke about his recent meeting with Pilatus Aircraft. Ann Beardall mentioned the Harold Patton Lifetime Achievement Award that was formerly displayed at Denver International Airport and future plans to have it displayed at Wings Over the Rockies Air & Space Museum. She briefly mentioned proposed Seaplane legislation, to be discussed a little later during this meeting. Ann concluded by saying that there are upcoming aviation events that will be added to the Division's website. Joe Rice announced that Aerospace Day will take place on March 21st at the State Capitol. Robert Olislagers spoke about a session he attended on the Internet of Things and how it relates to aviation. Robert took a moment to congratulate Jeff Forrest on the release of his book (co-written by Jeff Price) called "Practical Airport Operation Safety and Emergency Management". John Reams said his nomination to serve on the CAB was confirmed yesterday by the Senate Committee. Ray Beck added that Jeff Forrest and William "T" Thompson were also confirmed.



## 5. PUBLIC COMMENTS

Mark Walp talked about some of the projects that Concrete Stabilization Technologies has been involved with.

## 6. DIRECTOR'S REPORT

David Ulane referred to an outline he gave to the CAB of recent activities he has participated in. On Monday, David, Jason Licon and Bill Payne met with several Colorado state legislators to brief them on our Virtual Air Traffic Control Tower (VATCT) program at Fort Collins-Loveland Airport. He recently met with the Colorado Airport Operator's Association (CAOA) Executive Committee, in an effort to continue to foster communication and collaboration in regard to airport and aviation issues in Colorado. David, Todd Green, Scott Storie and Kaitlyn Westendorf will be attending the Federal Aviation Administration (FAA) Northwest Mountain Region Planning Conference in Seattle, March 28-30. In May, David will be giving a presentation on our Airport Sustainability Program at the American Association of Airport Executives annual conference in Houston. On February 24th, Colorado Asphalt Paving Association awarded the "Best in Colorado Airport Asphalt Pavement Award" to a recent Yampa Valley Regional Airport project.

## 7. PARAGON AUDIT PROGRESS REPORT

David Ulane spoke about audit finding #9 - No Web Based Information Management System (WIMS) training manual. He said that the Division has hired the Brendel Group to draft this manual. The staff still expects to have a majority of the 23 recommendations addressed by the end of June. The exception is the finding that mentions a plan for an Aeronautics contingency fund, which is tough to complete when we are still experiencing a negative fund balance. Ray Beck asked about #12 - No training manuals for the employee roles at Aeronautics. David said that while we probably won't develop manuals, we will be looking to document the roles and responsibilities of each employee by using the RACI Matrix. David added that the auditors were in agreement with this strategy.

## 8. FINANCIAL UPDATE

### 8.1 Financial Update Dashboard

Mike Krochalis referred to the financial dashboards within the Board Packet and discussed the information contained in each of the six graphs. As of January 31st, the Aviation Fund balance was -\$2.649M. The interest rate on our loan with the State Treasurer is now 1.04 percent. The interest payment for January was \$2,887 and the total interest paid on the loan, thus far, is \$11,532. Our recovery date still stands at late fiscal year 2020. In January, we received \$928,770 in sales tax revenue and we did not process any sales tax disbursements to the airports at that time, due to late files received from the Colorado Department of Revenue (DOR). Within the last couple weeks, Mike was able to process the sales tax refunds to the airports for January and February, in the amount of \$1.8M. The amount of excise tax revenue received from DOR in January was \$303,244 and the amount disbursed to the airports was \$121,652. Mike was able to resolve the technical coordination issue for receiving the excise tax files from DOR and he recently received November, December and January files and will process those disbursements



as quickly as possible. Our FY16 revenue forecast remains at \$19.4M at fiscal year end. David added that it would be difficult to update this model monthly, so we will continue to look at this quarterly and advise the CAB of any changes. Robert Olislagers said it appears that we may have a shortfall in terms of the projected revenues versus the actual revenues and wondered how we will rectify that number. David said that we expect to be under budget in some of our statewide initiatives and be able to close the gap at the end of the year with those dollars. Mike said that in January, the Division's administrative expenditures were \$84,278, bringing the cumulative fiscal year administrative costs to \$567,581. The forecasted cumulative amount we anticipate expending is a total of \$1.016M by year end against the budget of \$1.104M, bringing us \$87,000 under budget. The metric of the month focused on General Aviation Fuel Consumption in the United States.

### 8.2 Aeronautics Business Manager Introduction

David introduced Bryce Shuck to the Board and welcomed him to the Division.

### 8.3 Colorado Springs Municipal Airport State Infrastructure Bank (SIB) Loan Application Update

David advised that the Transportation Committee unanimously approved the Colorado Springs SIB loan application at their February 24th meeting. David was pleased with the improvements made to this process over the last several months and is excited for Colorado Springs to receive this loan.

### 8.4 Grant Administrative Update

TK Gwin said that Colorado Springs is requesting funding for two interns, totaling \$22,500. The funding for this request was approved by the CAB at the May 19, 2015 meeting. Centennial Airport would like to amend their 2014 grant to shift the remaining funds from Element A (Rapid Intervention Vehicle) to Element B (Alert Notification System). The total cost for the Rapid Intervention Vehicle was less than anticipated and the cost for the Alert Notification System was more than planned, due to the purchase of three additional endpoint touchscreen systems that were required in order to meet the needs of the METCOM dispatch. No additional grant funds are being requested and the grant will still expire on June 30, 2016.

## 9. 2017 STATEWIDE INITIATIVES BUDGET APPROVAL

David referred to a list of FY17 funding requests for continuing Division statewide initiatives. These are ongoing programs requiring annual funding and we are asking that the Board take action on all of these requests as a group. The list contained the names of the projects, along with the FY15 and FY16 budgets that were awarded and the proposed FY17 budgets, as well as accompanying memos that outlined the specifics of the programs and how the requested dollar amounts were calculated. All projects contained in the list are for the purpose of implementing statewide aviation projects that cannot be accomplished by a public-use airport. Each request has also been evaluated for System Plan goals and objectives. Many of the requested amounts have decreased from last year, but some have increased, such as the Crack Fill Program. Traditionally, we offered a 75/25 match of up to \$4,999 per airport, per fiscal year. We were recently advised by CDOT Procurement that we can offer up to \$10,000 per airport, per fiscal



year, at a 90/10 match. Airport participation in this program extends the life of critical pavements and in turn, relieves pressure on the state grant funds. The total dollar amount requested for the Division projects is \$1,323,198. After some discussion, Robert Olislagers made the MOTION to approve the FY17 Division Funding Requests, as presented, and Jeff Forrest seconded.

The MOTION carried unanimously.

## 10. DIVISION PROGRAMS & PROCEDURES MANUAL REVIEW

David said that over the past several months, the Division staff has been working diligently to update, refine and improve the Division's Programs and Procedures Manual. The Board was given the revised draft, which incorporated feedback received that requested more detail on some programs, inclusion of graphical depictions of key processes and a consistent tone, language and style. The revision also helps to address several of the Paragon external audit recommendations. John Reams made the MOTION to accept the manual with the amendments as presented and Robert Olislagers seconded.

The MOTION carried unanimously.

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

Bill Payne updated the Board on Unmanned Aerial Systems (UAS) and Virtual Air Traffic Control Towers (VATCT). He said that the FAA has received an unsolicited proposal from Thales Corporation to implement the Blended Airspace Program at the Fort Collins-Loveland Municipal Airport. Bill said that Jason Licon recently presented to Senator Cory Gardner some recommended language to be included in the Senate version of the FAA Reauthorization Bill, which will have a direct effect on the VATCT program.

## 12. LEGISLATIVE ISSUES

### 12.1 FAA Reauthorization

David gave a brief update on the status of the FAA Reauthorization bill. As things evolve and are made public, he will pass that information on to the Board. He thanked the Board for their recent Resolution that supports VATCT and multi-year FAA reauthorization, but opposes privatized Air Traffic Control.

### 12.2 Non-Primary Entitlement (NPE) Reform

David said this topic is a carry-over from the CAB telecon meeting on February 29th. He reminded the Board that the National Association of State Aviation Officials (NASAO) was asked by several other state directors around the country to consider a legislative proposal in FAA Reauthorization that would restructure the FAA's NPE funding structure as it exists today. Basically, it would take the \$150,000 NPE that non-primary airports get each year and put it into the FAA's state apportionment pool and the FAA would choose where those funds are distributed. David met with the CAO Executive Committee and they in turn have written a letter saying that they do



not support the restructuring of funding that NASAO is suggesting. Jason Licon took a moment to elaborate on CAO's opinion on this topic. Gary Cyr spoke briefly and agreed with CAO's stance on this, as well.

### 12.3 Seaplane Legislation Update

Ray Hawkins announced that on March 2nd, House Bill 16-1315 was introduced in the State Legislature, concerning authorization for seaplanes to operate where motorboats may be operated. Review by the Transportation Committee will take place on March 23rd or 24th. The bill changes the definition of seaplanes to vessels, thus potentially allowing them to operate on waterbodies owned by the State of Colorado. After much discussion among Ray Hawkins and the Board, Robert Olislagers made the MOTION for the CAB to write a letter in support of House Bill 16-1315 and Jeff Forrest seconded.

The MOTION carried unanimously.

## 13. PROPOSED CALENDAR

The next scheduled CAB meeting will take place on Wednesday, April 13th at the Division Offices in Watkins. The following meeting is set for May 11th. The June meeting will take place in conjunction with the CAO Spring Conference in Durango on Thursday, June 2nd. Dave added that DIA would like to possibly host our August 10th meeting at the new Westin Hotel.

## 14. OTHER MATTERS BY PUBLIC & MEMBERS

Ray Hawkins announced a seaplane "splash in" event to take place at Lake Meredith on May 14th and 15th, involving 10-15 seaplanes. Ray also spoke briefly about the Seaplane Association's involvement in the Science, Technology, Engineering and Math program at Gateway High School. Ray added that the Seaplane Association will have a booth at the Aerospace Day at the State Capitol on March 21st.

## 15. ADJOURNMENT

The meeting adjourned at 2:45 pm.

