



COLORADO

Aeronautical Board

MINUTES

Board Meeting
Monday, January 25, 2016
Brown Palace - Ballroom B
321 17th Street | Denver, CO 80202
Time: 9:00 am

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
Lloyd Arnold	Montrose Regional Airport
Richard Baker	Fremont County
Steve Berardo	Jviation
Kevin Booth	Yampa Valley Regional Airport
Levi Brown	Lake County Airport
Bradley Curtis	City of Fort Morgan
Kim Day	Denver International Airport
Dave Elliott	Meadow Lake Airport
Michael Fronapfel	Centennial Airport
Steve Hadley	National Business Aviation Association
Warren Hendrickson	Aircraft Owners & Pilots Association
Lorie Hinton	Centennial Airport
Jake Hoban	Armstrong Consultants
Kevin Hoffman	Woolpert
Bryan Johnson	Rocky Mountain Metropolitan Airport
David Kuxhusen	Woolpert



Ken Lawson	KH Lawson Ent.
John Leavitt	Denver International Airport
Steve Lee	Denver International Airport
Jason Licon	Fort Collins-Loveland Airport
Mandy Longstreth	Greeley-Weld County Airport
Alex McKean	RS&H
Leo Milan	Office of the Attorney General
Zechariah Papp	Harriet Alexander Airfield
Bill Payne	William E Payne & Associates
Greg Phillips	Eagle County Regional Airport
Dave Ruppel	Front Range Airport
John Schulz	Colorado Springs Municipal Airport
Troy Stover	Colorado Springs Municipal Airport
Bill Totten	Colorado Pilots Association

Pledge of Allegiance

1. CALL TO ORDER

Meeting commenced at 9:00 am.

2. APPROVAL OF CAB MEETING MINUTES FROM NOVEMBER 18, 2015

Joe Rice made the MOTION to approve the minutes from the CAB meeting on November 18th and Jeff Forrest seconded. Robert Olislagers abstained from the vote, since he did not attend that meeting.

The MOTION carried unanimously.

3. AMENDMENTS TO THE AGENDA

There were no amendments to the agenda. William "T" Thompson made the MOTION to accept the agenda as presented and John Reams seconded.

The MOTION carried unanimously.

4. DENVER INTERNATIONAL AIRPORT UPDATE

Kim Day gave a comprehensive presentation about the history and state of Denver International Airport. She also thanked the Board for past support.

5. BOARD MEMBER REPORTS

William "T" Thompson spoke about the Colorado Springs Municipal Airport State Infrastructure Bank loan application. Jeff Forrest talked briefly about Unmanned Aerial Vehicle operations and potential legislation issues dealing with safety. Ann Beardall said that the Colorado Pilots



Association is outlining some of the upcoming events for 2016 and will be posting them on their website. Ann continues to be involved with various other pilot associations and will bring their initiatives to the CAB as they arise. Joe Rice briefed the Board on the recent activities of the Colorado Space Business Roundtable. Robert Olislagers mentioned that the Air Domain Intelligence Integration Center went live on January 11th and he plans to speak more about that during a presentation this afternoon. John Reams had nothing to report. Ray Beck spoke about Club 20 and the current legislative session.

6. PUBLIC COMMENTS

There were no public comments.

7. DIRECTOR'S REPORT

David Ulane referred to a memo given to the Board, outlining recent and ongoing activities. He said that the staff has worked closely with the Federal Aviation Administration (FAA) Airport District's Office (ADO) to put the final touches on our 2016 Grant Program. David spoke briefly about the Division's financial forecasting model, as well as the status of revising the Policies and Procedures Manual. David announced that this year will mark the 25th anniversary of the Aeronautics Division creation and that staff will be working on some exciting ways to celebrate that. He briefed the Board on his upcoming trip to Washington D.C.

8. PARAGON AUDIT PROGRESS REPORT

David Ulane said that since our November meeting, staff has completed five more of the 23 Paragon audit recommendations. As of today, we have documented and implemented 15 of the 23 audit recommendations. David said that by the March meeting, we hope to have three or four more completed and our goal is to have all 23 of them addressed by April.

9. FINANCIAL REPORT

9.1 Financial State of the Division

David Ulane gave a brief background on how our funding works, including revenue, expenditure, forecasting challenges and the Memorandum of Understanding (MOU) with CDOT Division of Accounting and Financing (DAF). He said that the Division has adopted a more conservative approach to forecasting revenues, since they are largely based on the volume of fuel sold, but also subject to volatile and unpredictable price. David explained the methodology of how the Division will attempt to forecast revenues and assured the Board that we will communicate these forecasts as early as possible to allow airports to adjust their local budgets and capital improvement programs (CIP) as necessary. He discussed three separate revenue/expenditure scenarios for FY17. David said that unless something drastically changes, it is possible that the grant cap for next year could be \$150,000 and that airports should likely plan on that amount. This information will be updated again before the Spring 2016 CAO Conference and once more by the CIP Workshop in October 2016. David will explain this in more detail at a session today at 1:30.



9.2 Financial Update Dashboard

Mike Krochalis went over six financial dashboards, containing information on our Aviation Fund Cash Balance, Discretionary Grants, FY16 Airport Tax Refunds, FY16 Revenues, FY16 Administrative Budget and the Metric of the Month highlighting historical fuel spot prices.

- The Aviation Fund had a negative balance of -\$3.185M. Forecasted fund balance for January was negative \$3.6M, however the current balance (as of FRI JAN 22) is less, at -\$3.2M. It is anticipated by the end of February the fund balance will be closer to -\$4.1M, accounting for slightly less revenues and maintaining regular flow of grant payment and refunds to airports.
- In NOV there was \$1,332,336 in revenue, and DEC there was \$1,874,931 received. Net refunds processed for November were \$1.032M, and DEC \$859.5K was refunded to our airport partners. Excise revenues were \$142K in NOV, and DEC was slightly less at \$122K. Refunds processed totaled \$392K in NOV (which were for 3 months' worth), and no refunds were processed in DEC.
- As the Director indicated in his financial update, the Division lowered the FY16 yearend forecast on revenue from the previous target of \$21.7M to \$19.4M (a reduction of \$2.3M).
- In NOV, the division's administrative expenditures were \$79,136, DEC \$74,119 was expended, bringing a cumulative total for the year to \$483,118. Our average burn rate reduced from the prior report of \$88K/month, down to a burn rate of \$80,519/month. The forecasted cumulative amount where we anticipate we'll expend a total of \$1.024M by year end against the budget of \$1.104M (a difference of \$79,879 under budget).

9.3 Aeronautics Business Manager Position Update

David announced that he has a short list of six candidates for the Business Manager position. Interviews should take place late next week and we hope to introduce the Business Manager to the Board at the March CAB meeting.

9.4 Greeley-Weld County Airport State Infrastructure Bank (SIB) Loan Update

David announced that the Transportation Commission approved the \$1 million SIB loan for Greeley-Weld County Airport at their meeting last week. David added that he and Andrew Wheeler, with CDOT DAF, will give a presentation tomorrow at 10:15 on the SIB loan process.

9.5 Grant Administrative Update

TK Gwin gave an update on two administrative contract amendments. The first is an intern for Rocky Mountain Metropolitan Airport, totaling \$16,640. Funding for interns was approved at the May 19, 2015 CAB meeting. The second amendment is for Creede on their 2014 grant to allow construction of a fuel farm. The grant was originally awarded for \$300,000 to install an Automated Weather Observing System (AWOS) and a fuel farm, but after receiving multiple bids, there was not sufficient funding in the grant to accomplish both projects. The amendment allows Creede to utilize all grant funding previously approved to be used solely to construct the fuel farm. The term of the grant is also being extended six months because of delay caused by negotiating the fuel farm project. This grant will now expire on December 31, 2016.



10. 2016 COLORADO DISCRETIONARY AVIATION GRANT (CDAG) HEARINGS

There are 27 projects that the Division is recommending for Board approval. Ray Beck said that four of the projects could be perceived as possible conflict of interest items with members of the CAB. Due to that reason, those four projects will be voted on individually. David Ulane said that staff is happy to answer any questions the Board may have on the 23 federal match requests listed on the CDAG Consent Agenda. William "T" Thompson made the MOTION to approve the 23 federal match CDAG requests on the Consent Agenda and Jeff Forrest seconded.

The MOTION carried unanimously.

The following CDAG requests were voted on individually:

John Reams made the MOTION to approve the CDAG request for Centennial Airport and Ann Beardall seconded. Robert Olslogers abstained from the vote.

The MOTION carried unanimously.

Robert Olslogers made the MOTION to approve the CDAG requests for Craig-Moffat County Airport and Yampa Valley Regional Airport and Jeff Forrest seconded. Ray Beck abstained from the vote.

The MOTION carried unanimously.

Robert Olslogers made the MOTION to approve the CDAG request for Montrose Regional Airport and Ann Beardall seconded. John Reams abstained from the vote.

The MOTION carried unanimously.

Jeff Forrest made the MOTION to approve Aeronautical Board Resolution 2016-03 and Robert Olslogers seconded.

The MOTION carried unanimously.

At this time, the Chairman called for a 5 minute break.

11. COLORADO SPRINGS MUNICIPAL SIB LOAN APPLICATION CONSIDERATION

David Ulane said that Colorado Springs is requesting a \$3,431,183 passenger facility charge (PFC)-backed loan, payable over ten years, to assist in funding portions of three taxiway reconstruction projects, as well as the acquisition of two pieces of heavy airport snow removal equipment and one airport vehicle. David said this application is in accordance with the requirements outlined in CDOT Procedural Directive 720.1 "Colorado SIB Procedure" and staff recommends CAB approval. Jeff Forrest made the MOTION to approve this request and William "T" Thompson seconded.



The MOTION carried unanimously.

This application, along with the Board's recommendation, will be sent to CDOT Office of Financial Management and Budget, which will prepare the application for review by the SIB Committee. Following its review, the SIB committee will make a recommendation and presentation to the Transportation Committee for final loan approval.

12. STATEWIDE SUSTAINABILITY UPDATE

Todd Green informed the Board that the program is now live and accessible via the Division's Web-based Information Management System (WIMS). Todd said that he will expand on this topic during a session tomorrow morning at 9:00. The Division is excited to see this project come to fruition.

13. WIDE AREA MULTILATERATION PHASE III UPDATE

Bill Payne gave a brief update on the status of the program and expressed his enthusiasm to implement the demonstration site for the Virtual Air Traffic Control Tower at the Fort Collins/Loveland Airport.

14. LEGISLATIVE ISSUES

David Ulane said that at the November meeting it was discussed that there might be upcoming legislation in regards to seaplane access in Colorado, but he hasn't heard of anything thus far. The other topic on the horizon is the FAA Re-Authorization Bill and the push to privatize Air Traffic Control. David spoke about that briefly, as did Steve Hadley with the National Business Aviation Association and Warren Hendrickson with the Aircraft Owners and Pilots Association.

15. BOARD ELECTIONS

Leo Milan said that state statute requires that CAB elections must be done annually and he proceeded to explain the nomination process.

Jeff Forrest nominated Ray Beck to remain as Chairman of the Colorado Aeronautical Board. Leo asked if there were any other nominations for Chairman and since there were none, the nominations were closed.

Leo requested a verbal vote of the Board to elect Ray Beck to remain as the Chairman and the CAB unanimously voted in favor of that.

Jeff Forrest nominated Ann Beardall to remain as the Vice-Chair of the Colorado Aeronautical Board. Leo asked if there were any other nominations for Vice-Chair and since there were none, the nominations were closed.

Leo requested a verbal vote of the Board to elect Ann Beardall to remain as the Vice-Chair and the CAB unanimously voted in favor of that.



Ray Beck nominated John Reams to remain as the Secretary of the Colorado Aeronautical Board. Leo asked if there were any other nominations for Secretary and since there were none, the nominations were closed.

Leo requested a verbal vote of the Board to elect John Reams to remain as the Secretary and the CAB unanimously voted In favor of that.

16. ANNUAL BOARD MEMBER CONFLICT OF INTEREST STATEMENTS

In accordance with CAB policies, every Board member shall make disclosure each January of any interest held by his or her immediate family which might actually or potentially conflict with his or her duties. Each Board member was provided a personalized disclosure, ready for review and signature.

17. PROPOSED CALENDAR

David Ulane said that the next regularly scheduled Board meeting is set for Wednesday, February 10th. Due to the fact that it is only two weeks away, he recommended that the Board cancel that meeting. William "T" Thompson made the MOTION to cancel the February 10th CAB meeting and Jeff Forrest seconded.

The MOTION carried unanimously.

Therefore, the next CAB meeting will take place on Wednesday, March 9th at the Division Office in Watkins.

18. OTHER MATTERS BY PUBLIC & MEMBERS

There were no other matters.

19. ADJOURNMENT

William "T" Thompson made the MOTION to adjourn the meeting and Robert Olislagers seconded.

The MOTION carried unanimously

The meeting adjourned at 11:22 am.

