



MINUTES

Board Meeting

Wednesday, March 8, 2017 | 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 | |

MEMBERS ABSENT & EXCUSED:

Joe Rice
William "T" Thompson

OTHERS PRESENT:

| | |
|--------------------|---|
| Shailen Bhatt | CDOT - Executive Director |
| David Ulane | CDOT - Division of Aeronautics Director |
| Christine Eldridge | CDOT - Division of Aeronautics |
| Todd Green | CDOT - Division of Aeronautics |
| Bryce Shuck | CDOT - Division of Aeronautics |
| Shahn Sederberg | CDOT - Division of Aeronautics |
| Scott Storie | CDOT - Division of Aeronautics |
| Kaitlyn Westendorf | CDOT - Division of Aeronautics |
| Richard Baker | Fremont County Airport |
| Debbie Bell | Fremont County |
| Sunny Bryant | Fremont County |
| TK Gwin | Jviation |
| Ray Hawkins | Colorado Seaplane Initiative |
| John Hirshman | Aircraft Owners & Pilots Association |
| Jake Hoban | Armstrong Consultants |
| Jeff Kohlman | Aviation Management Consulting Group |
| Rich LeDoux | Fremont County Airport |
| Leo Milan | Office of the State Attorney General |
| Marc Miller | FAA - Airports District Office |
| Zech Papp | Harriet Alexander Airport |
| Bill Payne | William E Payne & Associates |
| John Rostas | Armstrong Consultants |
| Dave Ruppel | Front Range Airport |



This meeting was live-streamed over the internet.

Pledge of Allegiance

1. CALL TO ORDER

Meeting commenced at 1:00 pm.

2. APPROVAL OF MEETING MINUTES

Jeff Forrest made the MOTION to approve the minutes from January 23, 2017 and Ann Beardall 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 John Reams seconded.

The MOTION carried unanimously.

4. BOARD MEMBER REPORTS

Jeff Forrest talked about some recent aviation events he has attended. Jeff also spoke briefly about Dr. Janine Davidson, who will be the new Metropolitan State University President, effective July of this year. She has an impressive military and aviation background. Robert Olislagers said that Centennial Airport is preparing to do a major construction project on the main runway, which will begin just after Memorial Day weekend and is expected to continue through the month of June. Robert spoke briefly about upcoming Metroplex meetings and voiced some of his concerns about this topic. Ann Beardall spoke about the recent passing of Dody Engel, one of the founding members of the Colorado Aviation Historical Society. Ann spoke briefly about some upcoming aviation events and took a moment to recognize the work that Ray Hawkins has done to help the Seaplane Initiative in Colorado, which will be talked about in more detail during the legislative issues agenda item. John Reams said that the runway at Hopkins Field in Nucla is scheduled to be rehabilitated this upcoming construction season. Ray Beck said that he was confirmed by the Senate last month to serve another term on the Colorado Aeronautical Board. Ray spoke about Aerospace Day at the State Capitol, which will be on March 20th and invited everyone to attend. He also took a moment to thank the participants of the Strategic Plan selection committee, to include David Ulane, Scott Storie, Jeff Forrest, Bill Totten and Steve Lee. He also acknowledged the panel who interviewed and selected our new Program Manager, to include David Ulane, Bryce Shuck, Shahn Sederberg, Jeff Forrest and Jason Licon. At this time, Ray introduced CDOT Executive Director Shailen Bhatt and welcomed him to the meeting.



Shailen said that the CAB and aviation is incredibly important to the state. Shailen spoke about a bill that will be introduced this legislative session that could see a sales tax initiative on the ballot in November that would benefit transportation.

5. PUBLIC COMMENTS

Richard Baker introduced Fremont County Commissioner Debbie Bell and Fremont County Finance Director Sunny Bryant. Ray Beck requested that all audience members introduce themselves to the Board.

6. DIRECTOR'S REPORT

David Ulane referred to an outline he gave to the CAB of recent activities he has participated in. He spoke about the trip to Washington D.C. that he took last week, along with Bill Payne and Jason Licon. They were able to meet with 7 of 9 Colorado congressional delegation about aviation issues, including the Remote Tower Project and the federal legislative issues addressed by the CAB in the resolution adopted in January. David said that they were also able to meet with FAA Administrator Michael Huerta during that trip. He was also able to attend the National Association of State Aviation Officials (NASAO) Washington Legislative Conference, which was held in conjunction with the American Association of State Highway and Transportation Officials conference. David spoke about the upcoming Strategic Plan and introduced Jeff Kohlman and Katelyn Watson with Aviation Management Consulting Group, the firm that was selected to do this project for the Division of Aeronautics (Division). Scott Storie informed the Board that he and David recently attended the annual Colorado Asphalt Pavement Association award ceremony, where Yuma Municipal Airport won the best airport project award for their runway rehabilitation project last year. Scott was honored by be selected to serve on the airport project judging team. David said that he, Scott, Todd Green and Kaitlyn Westendorf will be attending the FAA Northwest Mountain Regional Airports Conference in Seattle, beginning March 19th through the 21st. The Governor's Office of Economic Development and International Trade (OEDIT) is working to establish regular "Dream Big" aerospace events around the state, aimed at introducing high school students to career opportunities in aerospace, aviation, manufacturing and technology. The next Dream Big event will take place on April 27th in Eads and the Division plans to participate in that. David added that the Division will participate in "Aviation Day" at the United Airlines Tech-Ops center at Denver International Airport (DEN) on May 3rd. In conclusion, David said he was pleased to introduce Todd Green at the new Division Program Manager. Todd thanked David and the Board for this new and exciting opportunity.

7. FINANCIAL/GRANT UPDATE

7.1 Financial Update Dashboard

Bryce Shuck referred to a series of financial slides that were provided to the Board in their packets. He said that our month ending cash balance in January was -\$3M and the month ending cash balance in February was approximately -\$2M. As of the end of January, we were still projecting revenues at \$22.5M and recently raised that to \$23M. Bryce said that our sales tax revenues for January were \$1.64M, which was for December filings and refunds for December totalled \$1.0M, which was for November filings. Excise revenues for January were \$139K, which was for December filings. Excise refunds totalled \$119K, which was for November filings. Bryce said that the gallons of fuel used at DEN for February came in at 32M gallons, which was less than



was projected. The gallons of fuel used at DEN for January was 35.3M gallons, compared to December where 38.5M gallons were used. He added that year over year, there was an increase of 5M gallons used, for a 14% increase. The year to date costs of our Administrative Budget equal \$529K. For our yearly projected totals, we are on track to spend \$951K, below this year's 5% cap of \$1.066M. Bryce said to best represent the fluidity of our recovery date, we have switched to an expected date range of recovery, rather than a specific month. Based on January numbers, we currently anticipate the Division's recovery to a positive cash position between July to September of 2018. He said that our original FY2017 budget was showing a deficit of \$633K for the year, but we are now forecasting a surplus of \$2.4M for FY2017, due to fuel revenues being up \$4M at this point of the year to where they were initially budgeted. Accordingly, refunds paid to airports are up \$1.18M from their initial budgeted numbers.

7.2 Grant Administrative Amendments

Scott Storie said that the Eagle County Airport applied for and was administratively approved for a supplemental funding request to their existing FY2016 Internship grant. This was the first use of the internship program by Eagle and it was expected to last six months. Due to the success of the internship, they decided to extend the current internship by 600 hours, or approximately 3.5 months. This is the longest the county is able to employ an intern without exceeding the 1,500 hours in which health benefits are required to be paid. The original grant amount was for \$8,064 and the supplemental grant amount is for \$4,800, bringing the total grant funding amount to \$12,864.

8. 2017 COLORADO DISCRETIONARY AVIATION GRANT (CDAG) HEARINGS

David Ulane said that since our airport Capital Improvement Program (CIP) workshop conducted by Division staff last fall, our planning staff has been working closely with airport sponsors, consultants and the FAA Denver Airports District Office to update airport CIP's and develop the 2017 CDAG program. As a result of those efforts, the staff is recommending Board approval of 26 grants totaling \$1,570,745.88. These CDAG funds will be combined with \$3,518,561.79 of local airport funds to leverage \$51,480,938.74 of FAA Airport Improvement Program (AIP) funds for projects totaling \$56,570,246.41 (exclusive of Denver International Airport). All grants are within the reduced \$150,000 current CDAG cap and are solely for match on federally funded projects. David noted that under the current Memorandum of Understanding (MOU) with the State Controller's Office, we are required to pre-vet our grants with CDOT Division of Accounting and Finance (DAF), which we have done. Ray Beck stated the Board will vote individually on any grants where a CAB member may have either a valid or perceived conflict of interest, and the remaining grants will be voted on at one time.

John Reams made the MOTION to approve match for runway PAPI replacement, snow removal equipment building, commercial apron expansion and rehabilitation in the amount of \$69,833 of state funding at Hayden. Robert Olislagers seconded the MOTION. Ray Beck abstained from the vote.

The MOTION carried unanimously.

Robert Olislagers made the MOTION to approve match for runway rehabilitation, extension and turnaround construction in the amount of \$150,000 at Nucla; and match for expansion of taxiway C and D and a terminal area plan in the amount of \$66,805 at Montrose. Ann Beardall seconded the MOTION. John Reams abstained from the vote.

The MOTION carried unanimously.



Robert Olislagers made the MOTION to approve the remaining 23 grants in the amount of \$1,284,107.88 and Jeff Forrest seconded.

The MOTION carried unanimously.

9. FY2018 DIVISION ADMINISTRATIVE BUDGET APPROVAL

David Ulane requested CAB approval for the Division's FY2018 revenue estimate of \$23M and approval of the Administrative Budget in the amount of \$1.15M. Per state statute, the administrative budget for the Division cannot exceed 5% of the prior year's total gross revenue. After the Board approves this budget request, it is sent to the Transportation Commission for final approval. Jeff Forrest made the MOTION to approve this request and John Reams seconded.

The MOTION carried unanimously.

10. FY2018 STATEWIDE INITIATIVES BUDGET APPROVAL

David Ulane referred to a list of FY2018 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 FY2016 and FY2017 budgets that were awarded and the proposed FY2018 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. The Division staff gave brief updates to the Board on each of the initiatives. Robert Olislagers asked Leo Milan if he should recuse himself from the vote for the Airport Management Internship and USDA Wildlife Services programs and Leo stated that if he feels there may be an appearance of impropriety, he should. Robert stated he would like to recuse himself from voting on those two programs, so the Board opted to vote separately on them. Ann Beardall made the MOTION to approve all of the ongoing Statewide Initiatives except the Airport Management Internships and USDA Wildlife Services and John Reams seconded.

The MOTION carried unanimously.

Ann Beardall made the MOTION to approve funding for the Airport Management Internships and USDA Wildlife Services and John Reams seconded. Robert Olislagers abstained from the vote.

The MOTION carried unanimously.

David said that we are statutorily mandated to develop and maintain a Statewide Aviation Systems Plan (SASP). Although statute does not prescribe an update frequency, the Division has endeavored to update our SASP every five years and our most recent SASP was completed in 2011. Due to the Division's financial challenges, which began in late 2014, the SASP was not updated on its typical schedule in 2016. The SASP helps the CAB and Division determine our statewide investment priorities, while detailing how that investment elevates overall system performance. It also identifies and prioritizes airport and other related projects that help to provide an aviation system that can meet the state's air transportation needs, support local and statewide economic development and ensure that aviation is a key part of Colorado's multi-modal transportation system. This project would begin next spring and approved funding



would include the Economic Impact Study. Ann Beardall made the MOTION to approve this request and Robert Ollslagers seconded.

The MOTION carried unanimously.

The total dollar amount requested and approved for the Division projects is \$3,063,500.

11. REMOTE TOWER PROJECT UPDATE

Bill Payne said that the FAA NextGen had five responders to the Request for Information (RFI) to solicit vendors for the Remote Tower Project at Northern Colorado Regional Airport. One of the responders was dismissed for non-compliance and the remaining responders are currently being scored. Bill briefly spoke about the scoring process and what will occur after a selection has been made. He added that during his recent trip to Washington D.C. with David and Jason Licon, they briefed the Colorado congressional delegation on attempting to get Remote Towers eligible for AIP funding as part of the Federal Control Tower program. David said that once a vendor is selected, we will produce a stand-alone website that will contain updates on the status of this project.

12. LEGISLATIVE ISSUES

Ray Hawkins expressed his appreciation to the Board for their resolution that included support for the Seaplane Initiative and added that there should be a bill introduced in the Senate either later this week or early next week. He said that Colorado now has a chartered seaplane base at Lake Meredith. Ray talked about some upcoming splash-in events set for this spring and summer. Chris Swathwood spoke about the impending aviation license plate bill that will be introduced in the House on March 23rd. Robert Ollslagers and Bill Payne spoke briefly about the Metroplex issue and voiced their concerns about what it might mean for general aviation. They suggested that David work with Bill to craft a letter to FAA on behalf of the Board encouraging the FAA to consider potential impacts to all airports concerning the Metroplex project.

13. PROPOSED CALENDAR

The next scheduled CAB meeting will take place on Wednesday, May 10th at 1:00 pm at the Division Offices in Watkins. The following meeting will take place on Thursday, June 8th in conjunction with the Spring Colorado Airport Operators Association Conference in Glenwood Springs.

14. OTHER MATTERS BY PUBLIC & MEMBERS

Jeff Forrest and Ann Beardall volunteered to serve on the Strategic Plan committee.

15. ADJOURNMENT

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

The MOTION carried unanimously.



The meeting adjourned at 2:45 pm.

