

**FRONT RANGE AIRPORT AUTHORITY
MEETING MINUTES**

A meeting of the Front Range Airport Authority (FRAA) was conducted on March 9, 2005, in the second floor conference room of the Front Range Airport (FTG) located at 5200 Front Range Parkway, Watkins, Colorado 80137-7131. Larry Pace, Chair called the meeting to order at 2:01 pm.

1. ROLL CALL OF MEMBERS:

The following FRAA Board Members were present: Skip Fischer, Alice Nichol, Larry Pace, and Dave Pehr. Elaine Valente was excused absent. Jim Robinson, representing General Counsel, and Ken Lawson, Assistant Director of Aviation was also present. Dennis Heap, Director of Aviation was excused absent.

2. PLEDGE OF ALLEGIANCE

3. CONSENT CALENDAR:

A. Approval of February 9, 2005 Minutes

B. Operations, Maintenance & Marketing Report

	February	<u>YTD</u>
Operations	27.2%	15.1%
Fuel		
Self Fuel	26.9%	-4.9%
Avgas Truck	-9.8%	-19.7%
Jet A	-44.7%	-11.9%
Total Fuel	-25.8%	-13.9%

2005, February Operations & Maintenance Report

1. Following items are highlights, accomplishments and on-going activity in the reporting period month, by the Operations and Maintenance Departments:

A. Airfield: (Runways, Taxiways, Ramps)

Installation of the new AWOS has been set back to March due late parts delivery and installer scheduling.

As time allowed, staff continued working on an in-house program to keep the critical, runway 'hold' short area signage working.

Started working on final closeout of the FAA Master Plan. Final FAA comments were satisfied and turned in for their review. Best guess, we should see completion within 90-days if not sooner.

We have started discussing training programs with the FAA on new procedures the control tower will be bringing to the Airport. The general Airport population has lived without airfield control for 20-years. Training must be made available and the FAA agrees and will provide the training. First training program scheduled for March 16, 2005. Follow up seminars in April and May.

With the new tower come new radio procedures for the Airport staff and a requirement to equip staff and vehicles with the proper radio equipment. We are procuring these radios and support components this next few months.

B. Landside: (Buildings, Grounds, Hangars)

We are continuing work on our annual hangar inspection program. This is an annual event required by our Minimum Standards and in some areas, mandated by the EPA, the local Fire Department and Aurora Water Department. This is an on-going event expected to be 60 to 90 days. As of this report we are 85% complete.

Continued working on our Airport fees and charges where it concerns development items, water/sewer issues and construction issues. This project will be ongoing throughout the next few months. Expect Authority action to adopt updates in April-May timeframe.

Continued research for a new trash-rubbish program for trash generated by Airport owned buildings. We would like to consolidate and hopefully have all airport buildings and tenants participate in some type of a program. I believe there is cost savings, better efficiency and above all eliminate trash trucks from interacting with aircraft in the hangar area.

Parking policy went into effect this last month at the Terminal. Most vehicle owners complied. Some removed their vehicles. Overall we think this is better for security and not having the less attractive vehicles parked outside our building, is a positive for our overall look to the Airport.

Continued, as time allowed, working on the t-hangar storerooms this period. We need the storage for Airport and FBO equipment. We also spent time in buildings to improved storage and shelving for tools and supplies.

The North and South office buildings required work this period due to tenants moving out. The moving issue is complete. Upgrades began in the restrooms with new counter tops and we continue with repair work in other areas.

The Airport had opportunity to lease out the modular building to one of our flight schools. The staff made an all out effort to meet the March 1st move in and just

made it. School is up and running and the building upgrades made a huge improvement to the property.

C. Utilities: (Water, Sewer, Drainage, Electric, Telephone)

We continued with our upgrading of our preventative maintenance schedule for Airport owned utilities.

Continued working on installation and completion, of Module 3 storm sewer drainage. This has been an on-going project and should complete this year.

Finalized plans for phone service to the tower project. Qwest will provide the service. The Airport will install the last 3,000 feet of cable.

D. Fuel Farm

Continued work to the fuel farm controls with work continuing as time allows. Fuel farm is showing its age also; however, just in the controls, wiring and valveing.

Staff continued working on our newly acquired self-fueling system. Nothing major but preventative maintenance and minor repairs will be ongoing as time allows.

E. Personnel

No personnel movements this period.
Review will be ongoing in March

F. Construction Projects

Staff began working on new construction vehicle routing to Modules 3 & 2. There is a need to maintain order and safety for the construction site and for vehicles to not interfere with the aviation side of the Airport.

The ATCT project is consuming more staff time as the project progresses. Interior finish work has begun. Staff has been working with engineer and tower contractor on the electronics package. General contractor states they are about three days ahead of schedule at this time.

G. Security/Incidents

There was one incident this period where a vehicle drove through the Airport and down the runway to avoid the police. This person broke through two steel gates to get to the outside area and eventually was caught by police.

The week of February 21st we started our security assessment from the Colorado Department of Public Safety. The assessment team spent two days in evaluation and we expect a final report within 30-days. This team is also evaluating Centennial, Jeffco and DIA. The report is confidential and will be released to Airport management. This was at no cost to the Airport.

2. Following items are highlights, accomplishments and on-going activity in the reporting period month, by the FBO Aircraft Service Department

A. Fueling

With the startup of our self-fueling station we have seen a small slow down in truck fueling. We are trying to hold a fair margin in pricing between the truck fueling, which includes a labor factor and the self-fueler. We are learning daily.

B. Equipment

We continued minor and major preventative maintenance on both fuel trucks and tugs this month.

C. Aircraft Storage

We have seen a small increase in overnight visits with turbine aircraft this period.

Since EGOS has moved out of the Airport's FBO hangar we have better utilized our hangar space for overnight storage.

D. FBO counter and customer area.

We have started a reorganizing effort to bring up efficiency in the customer area and counter. The FBO Customer Service Manager's office will also move closer to the counter to better monitor the day-to-day operations.

3. Development Highlights

Module #2, AmJet has moved some dirt in; however has back off until March.

Hangars USA has started work on sites 3 & 4 in Module 3. Staff has approved plans and we are working on final lease language at this time.

We are getting daily inquires on development opportunities on the Airport. Very encouraging for the future!

4. Events

We have continued communication with the EAA Fly-In committee. Fly-In scheduled for June 25-26, 2005.

Ken Lawson
Assistant Director of Aviation

2005, February Marketing Report

February 01

Dennis and Bob Loew hosted a meeting with the Aurora Fire Department. A tour was taken of the Airport and SRE building.

February 02

Dennis attended the Aurora Chamber of Commerce Transportation Presentation.

February 03-04

Ken and Ken Manley, Consultant for TransPort manned a booth at Operation Stimulus, which is a Transportation Trade Show, primarily for the trucking industry.

February 09

Dennis attended the Aurora EDC Infrastructure Sub-Committee Meeting.

February 10

Dennis and Ken met with Don O'Brien, Civil Engineer and Scott Frederickson, Colorado Planner, both with the FAA, to discuss future Airport Improvement Projects (AIP), Land Acquisitions, and Entitlement Funds.

February 10

Dennis and Ken met with Doug Blake, owner of American Hangars, LLC and Hangars USA and Joe Meheen, Independent Engineer, to discuss large hangar development for Module #3 and 5.

February 10

FTG hosted REAP in the Authority Room; which featured RTD Representatives who discussed their plans for FasTracks. The East Corridor Commuter Rail will come from Denver Union Station and will end at DIA.

February 11

Dennis and Ken met with Major Doug Strawbridge to discuss C130 Aircraft possibly landing at Front Range Airport on a regular basis.

February 11

Dennis and Ken met with Bill Howard, President, Plan West Inc. and Tom Raonetti, Attorney. Bill and Tom belong to CAMA (Colorado Amateur Motorsport Association), which consists of 5 racing clubs. They are interested in purchasing 320 acres of land close to the Airport for CAMA.

February 11

Laura Shewmaker, Customer Service Manager and Debi Lay, Customer Service Representative toured the area Hotels.

February 14-16

Laura Shewmaker represented the Front Range Airport at the NBAA (National Business Aviation Association) Schedulers and Dispatchers Seminar in Reno.

February 16

FTG and TransPort held a Transportation Meeting in the Authority Room to promote trucking and transportation in the area. Dennis gave a PowerPoint presentation on the Airport. Attendees of the meeting: John Groendyke, CEO, Groendyke Transport; John Prather, Vice President, Business Development, Groendyke Transport; Ken Hoffman, Attorney; Steve Brooks, Chief of Staff, American Trucking Association; Steve McLaws, Director of Business Development, Union Pacific Railroad; Bill Schuck, The Schuck Corporation; Bob Loew, Executive Vice President, TransPort and Ken Manley, Consultant for TransPort.

February 17

Ken met with CDOT; Division of Aeronautics in the FTG Authority Room to discuss the NBAA, a tour of the Airport and ATCT was given after the meeting.

February 17

Dennis attended the Business Development Conference at Fitzsimons.

February 23

Dennis met with Susan Stanton, Vice President, DIA Partnership to discuss their support of the Airport and why the Front Range Airport should be listed as critical infrastructure in the NE Quadrant.

February 24

FTG hosted the DIA Sub-Group in the Authority Room. John Huggins, DIA and Dennis hosted the event to update the DIA Working Group on the Airport and TransPort. Attendees included Commissioner Pace; Aurora Mayor Ed Tauer; Turner West, Co-Manager of Aviation, DIA ; Julie Bender, President and CEO, DIA Partnership; Rick Busch, DIA Director of Planning; Jerry Kanter, Real Property Development Specialist, DIA; Alan Ochsenbein, Associate Manager of Aviation/Procurement, DIA City Council Liaison.

February 28

Dennis attended a study session with the Adams County Commissioners and TransPort to assist in an update on TransPort/FTG.

Dave Pehr moved to approve the Consent Calendar. Skip Fischer seconded the motion. Motion carried. 4-0

4. FINANCIAL REPORTS:

A. Financial

Financial statements for month end, February 28, 2005. The balance sheet reflects \$765,826 in cash. \$39,201 accounts receivables, \$79,166 inventory, and \$44,880 undeposited funds for total current assets of \$899,442. The February Profit & Loss reflects total income reduced by cost of goods of \$484,605 and total expenses of \$244,799 resulting in a positive income of \$238,398.

Ken gave the Board a brief update on the Financial Reports. He reported that the Café had a loss of \$733.

Dave Pehr moved to approve the Financial Report. Skip Fischer seconded the motion. Motion carried. 4-0

B.2005 Budget

Information only.

5. BOARD MEMBERS:

Larry told the Public that he and the other Board Members would be looking forward to the EAA Fly-In and Dedication for the ATCT. He also mentioned the trip to Washington DC the Adams County Commissioners had just returned from. Larry stated that the Commissioners had petitioned Congressmen for projects that would be beneficial for Adams County.

6. OLD BUSINESS:

A. ATCT Update

Ken stated that the Airport is still waiting on the Hunt Broadcasting contribution and that Dennis worked on it daily.

Ken then reported that Jessie Shapiro, Administrator from Seattle FAA had contacted Dennis about the funding for the ATCT, she stated that it could be as late as August 1, 2005; which would prevent the controllers from manning the ATCT; however the Administrator said this would be the worse case scenario and advised the Airport should still proceed with the June 25th open and EAA Fly-In.

Ken told the Board about a recent visit from an FAA Administrator, Wes Price, who started the FAA communication with the Airport to get the ATCT going. Wes told Ken that he was confident that the funding would meet the June deadline.

Ken explained that Dennis had sent a letter to Harold Thomas, Manager of Contract Tower, in Washington DC, to expedite funds for the ATCT in a timelier manner.

Larry questioned; mildly concerned at this point.

Ken replied, yes every indicator states that Serco, General Contractor and the local FAA should not have a problem in meeting the June deadline. Serco said they could meet the deadline provided they are given the contract from the FAA, but it would all depend on funds. From the time Serco is in receipt of the contract they would be certified after thirty days to operate the ATCT.

Alice then asked if there had been correspondence from Congressman, Bob Beauprez office.

Ken replied, the Airport would wait for a response from Harold Thomas and if that did not happen within the next week it would be the next step.

Larry asked if the ATCT would be ready physically and does that mean it would be considered operational, but can't be operated because we don't have the FAA contracted controllers to operate the ATCT.

Ken replied, correct. Ken added that he had asked if the ATCT could be used in the event the funding was not made available for a temporary tower for the EAA Fly-In and the initial response was yes. The radios would be certified and other equipment would be ready with the exception of some equipment like the d-bright. AWOS is currently being installed.

Larry added that invitations to the ATCT Dedication would be going to some important individuals, including elected officials and the Board is quite concerned that we don't embarrass Front Range Airport.

Ken finished with a statement made by Wes Price to Ken on a visit to the Airport March 8, 2005; "We wouldn't want a Congressional Granted Tower to be embarrassed".

B. Qwest Service Expansion Update

Dennis received a memo from Doug Edelstein, Assistant County Attorney, which gave a summary of Administrative Law Judge's recommended decision regarding Qwest application to revise Denver Metro exchange area Aurora Zone. Ken also told the Board about a recent memo from Qwest and stated they are also confused on the ruling.

Qwest confirmed that they will still allow the Airport to feed the ATCT with our phone line going from our side of the Airport to the ATCT. This would be a legal move for the Airport.

Jim Robinson added; the bottom line on the ALJ decision is that it's a recommendation to the PUC Board. The PUC actually makes the final decision and should do so by May 2, 2005. Even once the decision is rendered it could and probably will be appealed.

7. NEW BUSINESS:

A. Approve Lease Purchase Agreement – Wells Fargo

The Front Range Airport has provided fueling services for most of the twenty years that the Airport has operated. A third party self-fueling system was approved by the Front Range Airport Authority (Authority) for an initial term of ten years, which began August 21, 1996. Fueling by a third party opened the door to other fueling concessions on the Airport. The owner of a public-use airport may elect to provide any or all of the

aeronautical services needed by the public at the airport. The only way that fueling can be “exclusive” on an airport is if the airport operator provides the service. And the only way the Airport can achieve an operating break-even is by providing the fueling services.

August of 2004, the Authority approved the Director of Aviation to negotiate the purchase of the purchase of the self-service fuel facility as part of the Airport’s strategy to provide all fueling services on the airport

On November 10, 2004 the Authority, by resolution approved a revision to the Minimum Standards for Commercial Aeronautical by deleting all references to third party fueling and specifying the minimum level of service for the FBO as the level of service being provided by the Airport as of that date. It was further approved that USA International, would be allowed to continue operating the self serve fuel system until the end of the term of its Lease with the Authority dated August 21, 1996, or the system is purchased by the Authority, whichever shall come first.

The Authority financed its share of the Aurora water system through a Lease/Purchase Agreement with Wells Fargo Public Finance, June 15, 2000, for \$500,000.00, at a rate of 6.05%.

August of 2004, the Authority approved the Director of Aviation to negotiate the purchase of the purchase of the self-service fuel facility as part of the Airport’s strategy to provide all fueling services on the airport. December of last year the self-service fuel facility was purchased by the Airport and Adams County forwarded a part of the Counties 2005 operating assistance for the systems purchase.

The Airport has been working with Wells Fargo Public Finance to restructure the existing loan, which has a remaining balance of \$220,905, which will be combined with the new funds needed for the self serve fuel system of \$124,800. The new loan (Lease/Purchase) will be for \$351,755, at an interest rate of 3.75%

Currently the Airport pays \$9,678 month or \$116,136 year. The new loan will be paid twice a year for a total of \$57,601, which will reduce P & I payment by \$58,535, which will improve the Airport’s cash flow.

Jim Robinson addressed the Board; Resolution 05-01, was drafted by the County’s Bond Council, Bill Jensen who has reviewed all the documents and they are in the proper form and ready for execution.

Larry asked the Public for comments; hearing and seeing none he asked the Board for a motion.

Dave Pehr moved to approve Resolution 05-01. Skip Fischer seconded the motion. Motion carried. 4-0

B. Action Aviation Modular Building Lease

Office Lease Agreement with Action Aviation, LLC for the entire modular building for a term beginning March 1, 2005 and ending February 28, 2006, with a one year extension. Action shall pay a monthly rental of \$675.00 plus utilities and janitorial for the first year and \$750.00 per month plus utilities and janitorial for the second year.

Action Aviation, LLC is a licensed based business on the Airport that operates a Flight School. The Airport replaced carpet in the modular and did minor repairs; Action painted the modular with paint supplied by the Airport.

Larry asked if there were comments; hearing and seeing none he asked for a motion.

Skip Fischer moved to approve Resolution 05-06. Alice Nichol seconded the motion. Motion carried. 4-0

C. Public Records Policy

This policy contains rules concerning the inspection of public records, pursuant to the Colorado Open Records Act (CORA), § 24-72-201, *et seq.*, C.R.S., as amended. The policy has been adopted by the Board of the Front Range Airport Authority upon a finding that these rules are reasonably necessary for the protection of public documents and for the prevention of unnecessary interference with the regular discharge of the duties of Front Range Airport employees, pursuant to § 24-72-203, C.R.S., as amended.

All applications to inspect a public record pursuant to CORA in which the official custodian of the public record is a Front Range Airport employee shall be subject to the following rules:

1. All applications must be submitted in writing to the Director of Aviation. If the Airport does not have custody or control of the record requested, the applicant will be notified.
2. All applications must be specific as to the information desired.
3. Public records shall be made available for inspection during regular business hours, which for the purposes of this policy shall be deemed to be from 8:30 a.m. to 4:30 p.m., Mondays through Fridays, except for Airport holidays.
4. If a public record is not immediately or readily available for inspection, the official custodian shall make an appointment or other arrangements with the applicant concerning the time at which the requested record will be made available.
5. Public records shall be made available for inspection in as timely a manner as possible. However, responding to applications for inspection of public records shall not take priority over the previously scheduled work activities of the custodian of the records.

6. A public record shall not be removed from the office or department in which it is held. Records may be removed from file folders or places of storage for photocopying by the official custodian or the custodian's designee.

7. Photocopies and other reproductions of records shall be provided at a fee of \$1.25 per page, unless the actual cost per page exceeds that amount, in which case the applicant shall be charged the actual cost per page.

8. The Front Range Airport reserves the right to charge a reasonable fee to the applicant for research and retrieval services associated with any request to inspect a public record.

9. The official custodian of any public records shall deny inspection of the records if such inspection would be contrary to federal or state law or regulation, would violate a court order, or would cause substantial injury to the public interest.

Larry asked if there were comments or question; hearing and seeing none he asked for a motion.

Skip Fischer moved to approve Resolution 05-07. Dave Pehr seconded the motion.
Motion carried. 4-0

D. Kulp Property Option Agreement

Hold over for Executive session

E. AIZ Adoption – Arapahoe County

Information only

Ken told the Board that the meeting would be held Thursday, March 24, 2005, from 6:30-8:30 pm at the Front Range Airport, in the Authority Room. It would be the second public meeting.

Ken asked the Board and public to view the AIZ map and stated the AIZ has been improved.

Larry said there have been discussions on the subject in the past.

Ken replied; it is information only.

Larry asked if the Board would like to comment.

No comments were made.

9. CITIZEN COMMENTS/REPORTS

Walt Barbo, Tenant; there has been a proposal presented to the Legislator for a North South Toll Road that would bypass I-25 and would be east of the Airport. It would do a lot for development of the Airport. He wanted to know what the Boards position was.

Larry commented; Mr. Barbo the Adams County Commissioners had just learned of the Toll Road that morning, which means no comment can be given until further information is gathered.

Larry asked Dave Pehr if he had comment; Dave had not heard about the Toll Road, but would be interested in learning more on the subject.

Alice asked where it was in the Legislative process.

Larry then asked Jim to comment.

Jim Robinson said our review of it would not approve or disapprove the Super Slab. What the bill would do right now, would be to make the private Toll Road, which would go through more than one County, not have to go to each County to get the rate set for the tolls, but instead go through the Private Tolling Authority and they would set the rates. It also re-confirms that each County would have land use jurisdictions over the siting of the roadway, which would be of interest to the Counties. He ended with; it is always subject to amendment. The bill does not authorize the construction of that Super Slab, but would make it so they did not have to go to each Board of County Commissioners for the Toll Rate.

Reed Sundine asked about the fuel prices; and stated that guys are flying to Greeley for their fuel.

Ken replied that the Airport can't compete with the fuel wars going on in Greeley. Dennis's goal with the self fueler will be to be the cheapest in Denver. We are working on it.

Larry asked if there were more comments.

Ken wanted the Board to know that he had been given verbal approval for the entitlement funds from the FAA. Verbal approval does not always mean a guarantee. The \$300,000 would go to the AWOS and repairing the original asphalt by the first executive hangars, which are the taxilanes that go east and west. That particular asphalt is in the worst condition on the Airport. That would be about a two year project and in order to complete the Airport will need the entitlement money from 2006.

Ted Lemen, Tenant asked; do you have a schedule for when the repairs will start and will there be crack repairs.

Ken replied; not yet. There will be a bidding process that needs to take place by June of this year. Some crack repair will be done; however the engineers have stated that some of the asphalt in the first two rows will need to be completely replaced.

Alice asked; you have a verbal agreement, but the check is not in the mail, does this happen all the time.

Ken answered; most of the time you will get a verbal agreement from the FAA; the next step would be an agreement in writing within the next week or so.

Ken reported that the Airport had finalized the first training class for the ATCT to start the introductions of the tower. First class will be held March 16 and will be for based businesses on the Airport and general users. All indications are that we will have three of these classes. The last one will be right before the ATCT opens and will be a meet and greet with the ATCT Controllers. The meetings will be titled Operations on Towered Airports.

Larry asked if it qualified for the Wings program.

Ken replied; I don't know, but will find out.

10. OTHER BUSINESS

None

11. EXECUTIVE SESSION

Jim Robinson announced that the Board would be going into Executive Session – under **C.R.S. 24-6-402 (4) (b)** and asked the Board for a motion.

Alice Nichol motioned to go into Executive Session. Skip Fischer seconded the motion. Motion carried. 4-0

D. Kulp Property Option Agreement

12. ADJOURNMENT

The meeting was adjourned at 2:55 p.m.

The next Airport Authority Meeting is scheduled for Wednesday, April 13, 2005 at 2:00 pm in the second floor Authority room of the Administration Building at the Front Range Airport.

Dennis R. Heap, Clerk
Front Range Airport Authority