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October 13, 2016

The Board of Commissioners of the Arapahoe County Public Airport Authority, Arapahoe County, Colorado, held a regular meeting open to the public at Centennial Airport, Control Tower / Administration Complex, 7800 South Peoria St., Englewood, Colorado, located within the County, on October 13, 2016 at 3:00 p.m.

The following members were present:  
Commissioner Doubek, Chairman  
Commissioner Bagnato  
Commissioner Doty  
Commissioner Sieber  
Commissioner Huffman

The following members were absent, but excused:  
Commissioner Holen  
Commissioner Sharpe  
Commissioner Weaver

Each Commissioner was notified of the date, time and place of the meeting and the purpose to which it was called. At least three (3) days prior to the date of the meeting, Public Meeting notices were posted at the Administration Buildings of Arapahoe County, Douglas County, Greenwood Village, City of Centennial; the courthouses in Arapahoe County and Douglas County; and at least three places on the Airport. At least 24 hours prior to the meeting, an agenda was posted on the Authority's website and in the window of the door at the base of the Control Tower/Administration Complex at 7800 South Peoria Street.

Call to Order & Pledge of Allegiance

Chairman Doubek called the meeting to order at 3:05 PM and recited the Pledge of Allegiance.

Public Comment

No public comment.

Amendments to the Agenda

There was an amendment to the motion on Consent Item 2, which was moved to the Business Agenda for discussion.

Next Meetings

- November 2, 2016 @ 6:30 p.m. – Noise Roundtable Meeting – Ramada Hotel and Suites
- November 10, 2016 @ 3:00 p.m. – Regular Board Meeting – Wright Brother's Room

CONSENT AGENDA

- 1. Approve Minutes of September 8, 2016** **Gwen Balk**  
*Recommendation:* Motion to approve the minutes of September 8, 2016 and authorize the Chair to sign.
- 2. Personnel Committee Recommendations** **Gwen Balk**  
*Moved to Business Agenda for discussion.*
- 3. Consent to Sublease on Parcel 63-6 & 63-3 between APP Centennial, LLC & Air Methods Corp.** **Gwen Balk**  
*Recommendation:* Motion to approve the Consent to Sublease on Parcels 63-6 and 63-3 and authorize the Chairman and Clerk to sign.
- 4. Ratification of Third Quarter 2016 Expenditures** **Roxana Hahn**  
*Recommendation:* Motion to ratify the Third Quarter 2016 Expenditures in the amount of \$3,943,798.79.
- 5. August 2016 Financial Reports** **Roxana Hahn**  
*Recommendation:* Advisory
- 6. Change Order #1 to the contract with SEMA Construction Inc. for AIP-49, TWY C Extension Project** **Mike Fronapfel**  
*Recommendation:* Motion to approve Change Order #1 to the contract with SEMA Construction Inc. for the AIP-49, Taxiway C Extension Project and authorize the Chair to sign.
- 7. Change Order #2 to the contract with Aggregate Industries for the AIP-50, Rehabilitate Runway 17L/35R Project** **Mike Fronapfel**  
*Recommendation:* Motion to approve Change Order #2 to the contract with Aggregate Industries for AIP-50, Rehabilitate RY17L/35R project and authorize the Chair to sign

**8. Approval of Consent Agenda**

**Robert Doubek**

*Action:* Approval of the Consent Agenda, less Item 2, passed unanimously on a motion by Commissioner Bagnato, seconded by Commissioner Doty.

**BUSINESS AGENDA**

**9. Items Moved to the Business Agenda**

**Robert Doubek**

*Item 2: Personnel Committee Recommendations*

Chairman Doubek asked Ms. Balk to present the Personnel Committee Recommendations Report. She summarized the report and updated recommendations of the Personnel Committee, and requested approval of the following:

1. Inclusion of the proposed \$2,567,428 Personnel Budget in the 2017 Budget preparations;
2. Renewal of the Employee Group Medical, Dental, Vision and Life Plans with the current carriers;
3. Approval of the revised Premium Contribution (Allowance) Schedule;
4. Approval of Rocky Mountain Reserve as the outside consultant for the Flexible Benefit Plan; and
5. Authorization for the Director–Administration to reflect the updated information in the Employee Handbook.

Upon a motion by Commissioner Doty to approve the Personnel Committee Recommendations, as presented, and a second by Commissioner Bagnato, the motion passed.

**10. Resolution 2016-05 – Request Related to Final Lease Payment to Arapahoe County**

**Roxana Hahn**

*Recommendation:* Motion to adopt Resolution 2016-05 and authorize the Chairman and Clerk to sign

Robert Olislagers presented information and history on the final lease payment which is due on November 15, 2016 to the County. He explained that the Resolution requests that the County ask the Trustee to apply the reserve fund to the County's final payments which would then be passed through to the Authority's final net payment. Commissioner Doty stated that the Arapahoe County Attorney advised that they need more time to assess this request and that she should not vote on the Resolution at this time. Brian Magoon advised of his conversations with the County and that he thought the Authority was seeking counsel from a Bond Attorney.

Roxana Hahn stated the final bond payment would be \$1,626,606.25 and the Reserve Fund is estimated to be \$1,611,888.38, so if the Reserve Fund were to be applied to the final payment, as planned, the Authority would only owe \$14,817.87 on the final payment.

Discussion took place on whether or not to grant conditional approval for Resolution 2016-05 and the different options available. After which, Mr. Olislagers decided to withdraw Item 10 from consideration and defer it to the November meeting.

*Action:* Item withdrawn and deferred.

**11. ACPAA Insurance Program Renewals for Year 2016-17**

**Gwen Balk**

*Recommendation:* Motion to approve the Airport Insurance Program for the renewal period from 11/1/2016 through 10/31/2017 in the amount of \$119,353 and authorize the Executive Director or Director of Administration to sign all necessary documents.

Ms. Balk presented information on the Insurance Renewal Program and stated there is not a lot of change this year, but overall, there will be a 5.6% decrease from the previous year's coverage. Her recommendation was to stay with all current carriers. The only change recommended by Ms. Balk was under Privacy and Security, which involves only switching the chosen option, not the carrier. She said the premium would remain the same, however, changing to "Non-Admitted" status increases the coverage for Crisis Management. Ms. Balk also noted that the Authority is on the third year of three year contracts under Pollution and Privacy & Security, so there may be increases next year; and that increases in Commercial Property were due to added assets (vehicles/equipment).

Discussion took place on the Public Officials coverage and its relation to the Governmental Immunity Statute.

The motion to approve the Airport Insurance Program passed unanimously on a motion by Commissioner Doty, seconded by Commissioner Bagnato.

**12. Presentation of the Proposed 2017 Annual Budget and Approval of Resolution 2016-06, which sets the meeting date for the adoption of the 2017 Budget.** **Roxana Hahn**

*Recommendation:* Adopt Resolution 2016-06.

Ms. Hahn presented the proposed 2017 Budget and fielded questions from the Commissioners. She stated the final adoption of the budget is set for a hearing on December 8, 2016 and the Resolution provides public notice of that Budget Hearing. She then recommended adoption.

Commissioner Bagnato motioned to adopt Resolution 2016-06 and authorize the Chair and Clerk to sign. Commissioner Doty seconded and the motion passed unanimously.

**13. Establish Jurisdiction to Proceed with Public Hearing** **Brian Magoon**

*Recommendation:* Advisory

Mr. Magoon stated that a Public Hearing is only required on a Re-Application when the scope of service was changing, as in this instance. He said that notice of the meeting was published in the *Villager Newspaper* and *Douglas County NewsPress* on September 29, 2016 and the Board had jurisdiction to proceed with the Public Hearing.

**14. Public Hearing on Application from Independence Aviation, LLC to conduct Air Charter** **Luke Skafflen**

*Recommendation:* Motion to approve the re-application from Independence Aviation, LLC and authorize the Chairman and Clerk to sign the associated 1st Amendment to the Agreement Under Standards.

*Commissioner Doubek opened the Public Hearing.*

Mr. Skafflen provided details on Independence Aviation, LLC and the intended addition of aircraft charter service to their repertoire that already includes flight instruction, aircraft rental, and aircraft management. Taylor Albrecht, Business Development Manager for Independence Aviation, was present to answer questions. Commissioner Doubek inquired about the aircraft and range to which Mr. Albrecht explained one Cirrus SR-22 Turbo would be used for chartering up to 500 nautical miles. Mr. Albrecht also introduced Jack Brennan, Chief Pilot, who was in the audience.

There were no comments from the public.

*Commissioner Doubek closed the Public Hearing.*

The motion to approve the re-application from Independence Aviation, LLC passed unanimously on a motion by Commissioner Doty, and a second by Commissioner Bagnato.

**REPORTS**

**15. Fuel and Operations Report for September 2016** **Jeremy Gunn**

*Recommendation:* Advisory

Mr. Gunn stated the following:

- YTD Operations: Up 7.8% from 2015 at 263,401
- Monthly Operations September: Down 2.2% from 2015 at 29,414
- YTD Fuel Totals: Down .4% from 2015 at 9,936,929
- Monthly Fuel Totals September: Up 1.3% from 2015 at 1,181,125
- Monthly Jet Fuel Sales September: Up 1.7% from 2015 at 1,128,912
- Monthly AvGas Sales September: Down 7.6% from 2015 at 52,213
- Monthly Market Share for AvGas and Jet Fuel Combined September: DjC: 39.5%; TAC Air: 32.1%; Signature: 19.18%; X-Jet: 9.0%; Heliplex: .2%

**16. Third Quarter of 2016 Land Use Referrals** **Aaron Repp**

*Recommendation:* Advisory

Mr. Repp stated that in the third quarter, there were 37 Land Use Referrals in or near the Airport Influence Area and that two of these developments were not recommended due to their proximity. He said the Authority continues to comment

consistently against all referrals for the Cottonwood Highlands development (125 homes) and continues to oppose the residential aspect of the Compark Village South development (192 homes).

**17. Noise Update**

**Aaron Repp**

*Recommendation:* Advisory

Mr. Repp presented statistics on the September 2016 noise complaints. He stated the following:

- There were 904 complaints from 74 households.
- With the top household removed, there were 433 complaints.
- Year-to-Date there are 7957 complaints from 219 households.
- With the top household removed, there were 2478 year-to-date complaints.
- There were 824 daytime complaints.
- There were 80 nighttime complaints.
- The Top 5 households comprise 82% of year-to-date complaints
- The Top 1 household comprises 69%
- There were more complaints for prop aircraft.
- Continue to see more complaints on departures.
- North flow traffic comprised 35% of operations, while South flow comprised 53% (Rest of percentages correspond to crosswind runway and helicopter traffic.)

*Commissioner Huffman departed at 4:29 pm.*

**18. Centennial Airport Community Noise Roundtable Update**

**Heather Vidlock/Brad Pierce**

*Recommendation:* Advisory

Ms. Vidlock reported that at the 10/5/2016 Roundtable meeting, the major topic of discussion was the FAA's decision on the Roundtable funding. Linda Bruce from the FAA disclosed that the Roundtable and Airport Authority will soon be receiving an official letter stating that the Authority would no longer be allowed to fund the Roundtable. She also stated that she advocated for the Roundtable, and the FAA decided not to make the Roundtable repay all funds used in the past back to the Airport Authority. Ms. Vidlock expressed the concern and surprise shared by the Roundtable members and said they are in a predicament now of "What to do next?" and not being able to send members to training next month.

Mr. Pierce also made comments, of his own opinion, expressing his surprise and want of the FAA to provide evidence leading up to the decision.

Robert Olislagers also added that he shares in the disappointment and felt blindsided by the FAA decision. He says he intends to pursue this issue with the compliance lawyers in Washington D.C. as the Roundtable is an essential function of the airport.

Commissioner Doty asked whether or not the Roundtable funds roll-over each year, to which Ms. Hahn explained they do not; that the budget is \$10,000 per year.

**19. Legislative Report**

**Robert Olislagers**

*Recommendation:* Advisory

Mr. Olislagers said Congress passed, and the President signed, a Continuing Resolution extending the government's spending authority through December 9, 2016 and that Congress has adjourned until after the Presidential Election. He added a side note urging everyone to get out and vote!

**Public Comment**

No public comment.

**Comments from Board or Staff**

Mr. Olislagers mentioned that the Colorado Division of Aeronautics received an Honorable Mention from the Airports Going Green Awards and that he was asked to receive the award on their behalf at the upcoming conference on November 1. He also noted that Centennial Airport, along with Canyon City and Rifle, will be mentioned at this conference for completing the Sustainability Program.

**Adjournment**

The meeting was adjourned at 4:27 PM.

**Robert Doubek**

**Execution of Documents**

**Gwen Balk**

Approved:

  
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Robert Doubek, Chairman