

May 13, 2021

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 Administration Complex, 7565 South Peoria St., Englewood, Colorado, located within the County, on May 13, 2021 at 3:00 p.m.

The following members were present:

Commissioner Sharpe, Chair
Commissioner Bagnato, Chair Pro-Tem
Commissioner Baker, Clerk
Commissioner Doubek, Treasurer
Commissioner Holen, Voting Member
Commissioner Huffman, Ex-Officio
Commissioner Laydon, Ex-Officio
Commissioner Sieber, Ex-Officio

The following members were absent, but excused:

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 with instructions to access the meeting through video and web conferencing. 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.

Please note that due to the Governor's order related to the COVID-19 pandemic and restrictions on public gatherings, this public meeting was held through video and web conferencing software options for the Board members, staff and public.

Call to Order & Pledge of Allegiance

Chair Sharpe called the meeting to order at 3:00 p.m. and recited the Pledge of Allegiance.

Public Comment

None

Amendments to the Agenda

ADDED ITEM Consent – Consent to Assignment and Assumption of the FBO7 Ground Lease from AeroColorado to Aviate Colorado, LLC.

Next Meetings

- June 2, 2021 @ 6:30 p.m. – Noise Roundtable Meeting – Wright Brother's Room at the "Hangar", Virtual/Hybrid
- June 17, 2021 @ 3:00 p.m. – Regular Board Meeting – Wright Brother's Room the "Hangar", Virtual/Hybrid

CONSENT AGENDA

- 1. Approve Minutes of April 8, 2021** **Gwen Balk**
Recommendation: Motion to approve the minutes of April 8, 2021 and authorize the Chair to sign.
- 2. Ratification Board Actions** **Gwen Balk**
Recommendation: Motion to ratify the Board Actions of 2/11/2021, 3/11/2021, and 4/8/2021.
- 3. Bird's Nest, LLC – Expiration of Conditional Consent to Assignment** **Gwen Balk**
Recommendation: Advisory.
- 4. State Grant Agreement for the Purchase of Snow Removal Equipment** **Lorie Hinton**
Recommendation: Motion to adopt Resolution 2021-06 and authorize the Chair to sign the Resolution and Grant Agreement
- ADDED ITEM:** Consent to Assignment & Assumption of the FBO7 Ground Lease from AeroColorado to Aviate Colorado, LLC **Gwen Balk**
Recommendation: Motion to conditionally approve the Consent to Assignment and Assumption of the FBO7 Ground Sublease and authorization for Chair and Clerk to sign subject to the conditions listed herein.
- 5. Approval of Consent Agenda** **Nancy Sharpe**
Recommendation: Approval of the Consent Agenda

Commissioner Holen moved to approve the consent agenda as amended followed by a second from Commissioner Baker; the motion passed unanimously.

BUSINESS AGENDA

6. Items Moved to the Business Agenda

Nancy Sharpe

None

7. MetroPlex and the Hotel Updates

Robert Orlslagers

Recommendation: Information Only.

Before providing an update on MetroPlex and the Hotel, Mr. Orlslagers touched on the mid-air collision that had taken place on Wednesday, May 12th. He advised that a midair collision took place above Cherry Creek Reservoir between a Key Lime Air Metroliner and a single engine Cirrus Aircraft that had two passengers aboard. Both aircraft were cleared for final approach to the parallel runways. Following the collision, the Cirrus deployed the parachute and both passengers landed safely. The pilot of the Metroliner declared a Miday after losing the right engine but landed safely. Mr. Orlslagers could not explain how lucky the people involved were and that no one was injured. The accident could have been catastrophic. NTSB will take over the investigation and once they are finished, their findings will be published in about a year. He advised the Board that for an airport with over 340,000 annual operations, a midair collision is nevertheless very rare. Chair Sharpe stated that she was very impressed by ATC in quickly making adjustments to ensure safety. She also was impressed with how calm and collected the pilot aboard the Metroliner was and emphasized again how lucky everyone was that this wasn't worse than it could be. Commissioner Holen asked which direction the Cirrus was headed. Mr. Orlslagers replied that the Cirrus turned from base to final to 17K while the Metroliner was on a straight-in approach to 17L.

Mr. Orlslagers and Ms. Bruetsch informed the Board about the hearing for MetroPlex on May 6th. Mr. Orlslagers advised that although each party only had ten minutes to speak, Ms. Bruetsch did an excellent job presenting and that she made sure the court understood the difference between the traffic for APA and Denver International. Ms. Bruetsch stated that the petitioners (us) were allowed ten minutes each and answer any questions the Court had about the written arguments provided prior to the hearing. She advised that it was going to be interesting because the Chief Judge for the circuit was on the panel and he has opinions on standing issues so this should be interesting due to the precedence that currently exists. She also advised that the questions that were being asked were not what was expected because they were more technical and the Court wanted to know more about how MetroPlex came about with the routes and so forth; the other questions asked had to do with the standing issue itself which was no surprise. The FAA argued in their ten minutes mostly about standing, which avoids the main issue all-together. Commissioner Holen thanked Ms. Bruetsch for her thoroughness through this whole process.

Mr. Orlslagers advised the Board that he had been in contact with the receiver for the hotel and that he expects to have the proposals from the three hotels by May 25th; after which he will receive copies and distribute them to the Board. He stated that we also hired a separate consultant to help review the proposals. This individual has a great deal of experience operating multiple hotels and is very familiar with hotel operations. Commissioner Sieber and Commissioner Holen asked questions regarding the hotel proposals; Mr. Orlslagers replied.

Separately, Chair Sharpe thanked South Metro, Arapahoe County Sheriff and staff for all their work on the midair incident and reiterated how thankful she was that no one was hurt.

8. Concept Plan for the AeroColorado Office/Hangar on FBO Lot 15

Mike Fronapfel

Recommendation: Non-objection to the AeroColorado Office/Hangar Concept Plan located on FBO Lot 15.

Mr. Fronapfel presented to the Board the Concept Plan for Aero Colorado Office and Hangar space on FBO Lot 15. He stated that this design will have a private 20,000 square foot aircraft storage hangar with a 4,500 sqft of attached office space. Staff will present the proposed Development Plan at the June 17th Board meeting and pending Board approval; construction is expected to start July 2021 and be completed by June 2022. Mr. Fronapfel informed that Bryan Sherman and Iver Retrum were on virtually to answer any technical questions the Board might have. Commissioner Bagnato asked questions regarding the construction fee and why it has taken seven years to get us paid. Mr. Fronapfel replied that the 3% construction fee requirement is part of our Development Policy but that there was a disagreement on who was responsible for paying based on the wording in their sublease with SunBorne. Chair Sharpe asked since this is a private hangar do, they have a specific market its they are targeting; Mr. Fronapfel replied that right now there are two flight departments that are expected to occupy the facility. Commissioner Bagnato made a motion of non-objection followed by a second from Commissioner Holen; motion passed unanimously.

9. Concept Plan for Modern Aviation Hangars and FBO

Mike Fronapfel

Recommendation: Non-objection to the Modern Aviation Hangars and FBO Concept Plan located on Parcel 1 and FBO Lots 6 and 6W.

Mr. Fronapfel presented to the Board the Concept Plan for Modern Aviation Hangars and FBO. He stated that the proposed plan is to add a 7,000 sqft FBO office space, 52,110 total sqft of hangar space, and 4,000 sqft of shop space; more detail will be provided at the presentation of the Development Plan at the June 17th Board meeting. Pending Board approval, construction is expected to start July 2021 and be completed by October 2022. Mr. Fronapfel informed that Iver Retrum and Bryan Sherman were on virtually and that Kyle Quinn who is the General Manager for Modern Aviation was in person to answer any technical questions the Board might have. With no questions, Commissioner Bagnato made a motion of non-objection followed by a second from Commissioner Holen; motion passed unanimously.

10. Concept Plan for Sky Harbour Hangars

Mike Fronapfel

Recommendation: Non-Objection to the Sky Harbour Concept Plan SHG – Lot A.

Mr. Fronapfel presented to the Board the Concept Plan for Sky Harbour Hangars. He stated that the proposed plan is a private hangar campus that will take place in two phases. Phase one will have five large 14,200 sqft hangars totaling 71,000 sqft, seven small 8,000 sqft hangars that total 56,000 sqft, and one ground service equipment building. Phase two will also include five large 14,200 sqft hangars totaling 71,000 sqft, four small 8,000 sqft hangars totaling 32,000 sqft, with a full buildout of 230,000 sqft of new hangar space. Mr. Fronapfel advised that the Development Plan will be presented at the August 12th Board meeting and that pending Board approval, phase one construction is expected to start quarter three of 2021 with completion by quarter three of 2022. Phase two, pending Board approval and dependent on market demand will begin construction within the next three years; representing Sky Harbour is Tim Johnson and Will Schippers. Commissioner Bagnato asked if one 3% will be due at each phase with a CO or if it will be when all three parts are done. Mr. Fronapfel responded that usually payment of the construction fee is based off of when the certificate of occupancy is given, so technically when phase one is completed there will be two CO's and the 3% construction fee for both completed buildings would be due. Commissioner Huffman asked Mr. Johnson if these hangars will be designed for larger, smaller, or a combination of both aircraft; Mr. Johnson replied it will be for a combination of both. Commissioner Bagnato made a motion to the non-objection for Sky Harbour followed by a second from Commissioner Holen; the motion passed unanimously.

REPORTS

11. March 2021 Financial Reports

Roxana Hahn

Recommendation: Advisory

Mr. Gillespie presented information to the Board about GASB 87 and Ms. Hahn presented the March 2021 Financial Report. Commissioner Huffman asked questions, both Mr. Olslagers and Ms. Hahn responded.

12. Fuel and Operations Report for April 2021

Noah Yarborough

Recommendation: Advisory

Mr. Yarborough stated the following:

- 2021 YTD Operations for April: Up 4.1% from 2020 at 94,496
- Monthly Operations for April: 138.5% from 2020 27,444
- 2021 YTD Fuel Totals for April: Up 31.3% from 2020 at 4,728,403
- Monthly Fuel Totals April: Up 249% from 2020 at 1,176,070
- Monthly Avg Gas Sales April: Up 111.6% from 2020 49,383
- Monthly Jet Fuel Sales April: Up 259.2% from 2020 at 313,676
- Monthly Market Share for fuel sales for April: DJC: 32.8%; TAC Air: 29.9%; Signature: 27.2%; Modern Aviation: 9.9%; Hamplex: 0.2%

Commissioner Huffman asked with the All Star game coming to Colorado if the airport expects to see an influx with jet fuel sales. Mr. Olslagers replied that unless a player, owner, or someone else from the organization takes a private flight, Centennial is not expecting to see an influx at all.

13. March and April Noise Update

Rachel Keller

Recommendation: Advisory

Ms. Keller presented statistics on the March and April 2021 noise complaints. She stated the following:

March 2021:

- There were 863 complaints from 38 households
- Year-to-Date there are 2,544 complaints from 73 households
- With the top household removed, there were 689 complaints for March.
- There were 806 daytime complaints and 57 nighttime complaints
- 45 requested a response by email; 37 requested a response by phone
- Majority of the complaints come from Unincorporated Arapahoe County with 45% followed by Centennial and Unincorporated Douglas County at 13%
- The Top 5 households comprise 71% of year-to-date complaints with a total of 2,544 complaints; the number one household makes up 21% of that total
- Departures led complaints with 51% and complaints for prop aircraft was 74%.
- Staff provided a 2018 Census Population information for the surrounding cities and counties affected by aircraft noise

April 2021:

- There were 1,118 complaints from 55 households.
- Year-to-Date there are 3,662 complaints from 94 households
- With the top household removed, there were a total of 914 complaints for April
- There were 1,019 daytime complaints and 99 nighttime complaints.
- Majority of complaints come from Unincorporated Arapahoe County at 42% followed by Centennial at 21% and Unincorporated Douglas County and Greenwood Village at 12%
- 75 requested a response by email; 48 requested a response by phone.
- Top 5 households comprise 69% of year-to-date complaints with a total of 3,662 complaints; the number one household makes up 20% of that total
- Staff provided a 2018 Census Population information for the surrounding cities and counties affected by aircraft noise

Commissioner Laydon, Sieber, and Chair Sharpe asked questions regarding post-COVID numbers and the flight training and meeting with the flight schools from Centennial. Both Ms. Keller and Mr. Olslagers responded.

14. Centennial Airport Noise Roundtable Update

Don Kuskie

Recommendation: Advisory.

Mr. Kuskie presented the following:

- Seven members of the public joined the meeting from areas including Greenwood Village, Louviers, Elizabeth, Denver and the Highlands Ranch Metropolitan District (HRMD)
- The Highlands Ranch Metro District request to become a regular member of CACNR was approved
- There continues to be interest and concern about the southwest and southeast practice areas as well as the frequency with which the touch-and-go patterns extended
- Committees are continuing to address the tasks in the Work Program
- A major focus continues to be outreach with the flight schools and a preliminary meeting was held between Airport staff, CACNR, and three of the four major local flight schools
- Work to get Centennial Airport information on the Whispertrack database has resumed
- A statement will be placed on CACNR's website alerting the public to the anticipated increase in aircraft operations as Summer approaches

Commissioner Huffman asked some questions and made some comments about the fly quiet procedures; Mr. Kuskie responded.

15. Legislative Report

Robert Olslagers

Recommendation: Advisory

Mr. Olslagers advised that Senate Republicans introduced a \$568 billion counter proposal to the President's \$2.3 Trillion American Jobs Plan infrastructure proposal. The competing proposals represent the bookends to the start of negotiations, which are expected to be contentious. He stated that the House has called for passage of an infrastructure bill by the Fourth or July.

At the state legislature no bills have been introduced that impact the airport, including any bills elimination fly-away tax credits. Mr. Olslagers also advised that a recent legal decision concerning Possessory Interest Tax could have very significant tax consequences for airport tenants, but that the airport has not yet had a chance to look at its implications at this time.

Public Comment

No public comment.

Nancy Sharpe

Comments from Board or Staff

Nancy Sharpe

Mr. Olislagers thanked the fire department, staff, and ACSO for all their involvement during the incident and reiterated that he was thankful there was no injuries involved.

Adjournment

The meeting was adjourned at 4:18 PM.

Nancy Sharpe

Execution of Documents

Gwen Balk

Approved:

Nancy Sharpe, Chair

PRELIMINARY WEB DOCUMENT