

## December 12, 2019

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 December 12, 2019 at 3:00 p.m.

The following members were present:  
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:  
Commissioner Sharpe, Chair

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 Bagnato called the meeting to order at 3:01 p.m. and recited the Pledge of Allegiance.

### Public Comment

Mr. Drew Testerman, the VP of Cordillera Corporation, owner of Denver jetCenter, came before the Board regarding a recent letter from the NATA. Mr. Testerman introduced Tim Wray, TAC Air's Regional Manager and Kyle Quinn, Modern Aviation's General Manager at Centennial and spoke on behalf of all three FBO's. Mr. Testerman stated that the FBO's at the airport believe it is not in the airport's best interest to have the Airport Authority ("Authority") take over the Air Plaza leasehold when the time is up because they are concerned that by doing this action it takes the Authority's role from an administrative/enforcement role in support of general/private aviation to a role that is operational and would compete directly with the Airport's tenants. He advised the Board that because the Authority has exclusive access to market data that none of the FBO's have access to, it would not only allow for them to price their hangars below that of the FBOs but by competing it can also create an environment of distrust. Mr. Testerman asked that the Authority work on trying to agree to terms with Air Plaza regarding an extension; however, if an agreement cannot be met, he suggested that the leasehold be the subject to an RFP where the Authority would enter a new lease agreement with the most suitable bidder. By doing this, it maintains a more robust competitive environment that currently exists among the FBOs and removes the potential for any conflict of interest between the airport and its largest tenants and customers.

Mr. Olislagers replied: The lessee is not in good standing and has 5% equity left in its lease which expires on its own by the end of next year; and the Authority is in no way trying to compete with the FBOs and other tenants here on the airport. Mr. Olislagers also advised the Board that the airport looks for three things when it comes to considering any lease extensions with any lessee or tenant on airport property, including 1) that there is at least 25% or more in equity left in the lease; 2) the lessee is in good standing with the Authority; and 3) the lessee maintains the property in good condition. He further stated the lessee is not in good standing with the Authority and the maintenance on the building has been a problem at least twice including a roof collapse that ended up in a lawsuit. He reiterated that this matter is still in open discussions and that the Board will consider everything before making any final decisions. Commissioners Doubek, Sieber, Bagnato, and Holen asked questions, Mr. Olislagers replied. The Commissioners stated they are all in concurrence with where the Authority staff stands on this issue.

### Amendments to the Agenda

- For the record, the Chair Pro-Tem will be signing for Chair on all approved documents.

### Next Meetings

- February 5, 2020 @ 6:30 p.m. – Round Table Meeting – Arapahoe Lima Board Plaza Room
- February 13, 2020 @ 3:00 p.m. – Regular Board Meeting – Wright Brother's Room

### CONSENT AGENDA

#### **1. Approve Minutes of November 14, 2019**

*Recommendation:* Motion to approve the minutes November 14, 2019 and authorize the Chair Pro-Tem to sign.

**Gwen Balk**

2. **2020 Schedule of Regular Meetings** **Gwen Balk**  
*Recommendation:* Motion to approve Notice of Year 2020 Regular Public Meetings.
3. **Colorado Skies Academy (Permanent Facility) Utility Easements - ACWWA** **Gina Conley**  
*Recommendation:* Motion to approve the Arapahoe County Water & Wastewater Authority easements and authorize the Chair Pro-Tem and Clerk to sign, pending final review and approval by staff and legal counsel.
4. **Colorado Skies Academy (Permanent Facility) – Uniform Easement Deed and Revocable Storm Drainage License Agreement** **Gina Conley**  
*Recommendation:* Motion to approve the Colorado Skies Academy (Permanent Facility) Uniform Easement Deed and Revocable Storm Drainage License Agreement and authorize the Chair Pro-Tem to sign pending final review and approval by staff and legal counsel.
5. **Ratification of Non-Qualified Executive Retirement Plan Changes** **Gwen Balk**  
*Recommendation:* Motion to approve and ratify the following three documents:  
1. Deferred Comp Plan Mapping Strategy;  
2. Plan Expense Agreement; and  
3. NQ RIA Payment Authorization Form.
6. **October Financial Reports** **Roxana Hahn**  
*Recommendation:* Advisory.
7. **Noise Monitoring System and Services Contract Extension Between the Authority and Brüel & Kjær (B&K)** **Dylan Heberlein**  
*Recommendation:* Motion to conditionally approve the Contract Extension of Centennial Airport Noise Monitoring System and Warranty/Maintenance Contract and authorize Chair Pro-Tem and Clerk to sign subject to review and approval of the final documents by staff, Airport Counsel not to exceed previously agreed upon annual contract amount for Warranty and Maintenance Services.
8. **Approval of Consent Agenda** **Thad Bagnato**  
*Recommendation:* Motion to approve the Consent Agenda.

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

#### **BUSINESS AGENDA**

9. **Items Moved from Consent Agenda for Discussion** **Thad Bagnato**  
None.
10. **Establish Jurisdiction to Proceed with Public Hearings** **Kimberly Bruetsch**  
*Recommendation:* Advisory.

Ms. Bruetsch advised that Board that the public hearings notices for the 2020 Annual Budget and the Development Plan were properly posted and that they had jurisdiction to proceed with both Public Hearings.

11. **2020 Annual Budget and Resolutions 2019-08 & 2019-09** **Roxana Hahn**  
*Recommendation:* Motion to Approve Resolution 2019-08, Resolution to Adopt Budget and Resolution 2019-09, Appropriation Resolution.

Chair Bagnato opened the public hearing at 3:20p.m. Ms. Hahn presented the final 2020 Budget and Resolutions. Chairman Bagnato and Commissioner Doubek asked questions. Both Ms. Hahn and Mr. Heberlein answered. With no public comment, Chairman Bagnato closed the hearing at 3:29 p.m. A motion to approve Resolution 2019-08, Resolution to Adopt Budget and Resolution, and 2019-09, Appropriation Resolution, was made by Commissioner Holen. Commissioner Doubek seconded the motion and it passed unanimously.

12. **VMAX Lot 50 B/E Private Hangar/Office Development Plan** **Mike Fronapfel**  
*Recommendation:* Motion to approve the Development Plan for the VMAX Lot 50 B/E Private Hangar/Office provided the following conditions have been met:

1. All comments from the Airport Authority and the referral agencies (Arapahoe County Planning & Engineering, Southeast Metro Stormwater Authority, Cherry Creek Basin Water Quality Authority, Arapahoe County Water & Waste Authority, South Metro Fire Rescue Authority) must be addressed to their satisfaction prior to construction.
2. Secure an easement on the adjacent Denver jet Center leasehold for access and parking on the west side of the proposed development.
3. Construction must be completed within 2 years of Board approval.
4. A 3% construction fee will be paid to the Airport Authority no later than 30 days after a Certificate of Occupancy has been issued for the facility.

Chairman Bagnato opened the public hearing at 3:31 p.m. and Mr. Fronapfel presented the final development plan for the Berland Development Group/Vmax Capital Private Hangar and Office. He stated that this would be a private hangar/ office facility that pending Board approval is expected to start construction early 2020. This development will be 1,760 sqft in office space and have a 19,750 sqft hangar that is designed to hold the largest aircraft for that space being a challenger. Mr. Fronapfel advised the Board that there is still one condition that to be worked out with Denver jetCenter regarding parking on the west side next to the fuel farm.

There being no comment from the public, a motion was made by Commissioner Baker to approve the recommendation as presented with a second from Commissioner Holen. The motion passed unanimously.

## **REPORTS**

### **13. Fuel and Operations Report for November 2019**

**Jeremy Gunn**

*Recommendation: Advisory*

Mr. Gunn presented the following for November:

- 2019 YTD Operations: Up 3.3% from 2018 at 325,934
- Monthly Operations November: Up 1.4% from 2018 at 26,613
- 2019 YTD Fuel Totals: Up .3% from 2018 at 13,140,365
- Monthly Fuel Totals November: Down 7% from 2018 at 1,079,343
- Monthly AvGas Sales November: Up 1.4% from 2018 at 49,099
- Monthly Jet Fuel Sales November: Down 7.9% from 2018 at 1,030,244
- Monthly Market Share for fuel sales for November: DjC: 41.2%; TAC Air: 30.4%; Signature: 22.1%; Modern: 6.2%; Heliplex: .2%

### **14. Noise Report for November 2019**

**Dylan Heberlein**

*Recommendation: Advisor*

Mr. Heberlein presented statistics on the November noise complaints. He stated the following:

- For November 2019 there were 480 complaints from 30 households.
- Of the 480 complaints 9 requested a response by email, 6 by phone.
- Centennial led the complaints by 45%; followed by Aurora at 25%, and Unincorporated Douglas County with 12%.
- 455 complaints came from the daytime operations while 25 came from nighttime operations.
- Prop led complaints by aircraft type with 60%, and arrivals led operations type at 43% followed close behind by departures at 41%
- 2019 YTD complaints are 5239 from 268 households.
- The number one household resides in Centennial with 1660 complaints followed behind by the number two household residing in Unincorporated Arapahoe County with 774 complaints and the number three household residing in Unincorporated Douglas County with 626 complaints.

### **15. Centennial Airport Community Noise Roundtable Update**

**Melissa Coudeyras (Castle Pines)**

*Recommendation: Advisory*

Mrs. Coudeyras presented the report for the noise roundtable. She did a brief update about the CACNR meeting on 12/5/19 and advised the Board that there were representatives present all the way from Black Hawk who had concerns with noise and the flight patterns. The Commissioners asked a series of different questions regarding Metroplex, the flight patterns, and what people's concerns are; Mr. Heberlein, Mr. Olislagers, and Ms. Bruetsch replied.

### **16. Legislative Report**

**Robert Olislagers**

*Recommendation: Informational Only*

Mr. Olislagers advised the Board that while Congress passed a continuing resolution until December 20<sup>th</sup>, they will have four working days to do so again to avoid another Government shutdown. He also stated that committees have worked hard on reconciling differences on many different topics, but deep divisions remain for a formal budget approval. Negotiators did remove the controversial PFAS amendment (hazardous chemicals used in firefighting foam) from the DoD budget, but this issue is not going to go away.

**Public Comment**

**Thad Bagnato**

**Comments from Board or Staff**

**Thad Bagnato**

**End of Year Presentation Video**

**Robert Olislagers**

**Adjournment**

The meeting was adjourned at 4:30 p.m.

**Thad Bagnato**

**Execution of Documents**

**Gwen Balk**

**Approved:**

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Thad Bagnato, Chair Pro-Tem

PRELIMINARY WEB DOCUMENT