

May 14, 2020

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 May 14, 2020 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

Amendments to the Agenda

Next Meetings

- June 3, 2020 @ 6:30 p.m. – Noise Roundtable Meeting – Arapahoe Lima Board Plaza Room (TBD)
- June 18, 2020 @ 3:00 p.m. – Regular Board Meeting – Wright Brother's Room (Virtual)

CONSENT AGENDA

- 1. Approve Minutes of March 12, 2020** **Gwen Balk**
Recommendation: Motion to approve the minutes of March 12, 2020 and authorize the Chair to sign.
- 2. Ratification of First Quarter 2020 Expenditures** **Roxana Hahn**
Recommendation: Motion to ratify First Quarter 2020 Expenditures in the amount of \$2,244,028.98.
- 3. APA-NMG-3-08-0029-053-2020 Grant Agreement** **Robert Olislagers**
Recommendation: Motion to approve APA-NMG-3-08-0029-053-2020 Grant Agreement in the amount of \$157,000 and authorize the Chair to sign.
- 4. Change Order No.1 with Haselden Construction in the amount of \$157,713** **Robert Olislagers**
Recommendation: Motion to approve and ratify Change Order No.1 with Haselden Construction in the amount of \$157,713.
- 5. Ratification of contract with Haselden Construction, LLC for construction of a Carport Structure and Equipment Storage Building** **Gina Conley**
Recommendation: Motion to ratify the contract with Haselden Construction, LLC for the construction of a Carport Structure and Equipment Storage Building for the Aviation Community and Administration Facility as signed by the Assistant Airport Director.
- 6. Approval of Consent Agenda** **Nancy Sharpe**
Recommendation: Approval of the Consent Agenda

Commissioner Baker moved to approve the consent agenda followed by a second from Commissioner Holen; the motion passed unanimously. Chair Sharpe did state for the record, that there was a full Board in attendance.

BUSINESS AGENDA

7. Items Moved to the Business Agenda

Nancy Sharpe

None

8. State of the Airport Update – COVID-19 Impacts

Robert Olislagers

Recommendation: Information Only

Mr. Olislagers advised the Board that these are unprecedented times and there is an unprecedented Economic Fallout. Right now, we are 8 weeks in with one-month lag as shutdown became the normal. He stated that March showed a modest decline during the 2nd half of the month and April showed a 70% decline in operation and jet fuel sales; however, land rents have remained steady. Currently, it is too soon to tell, but a slow return of air traffic is evident. Mr. Olislagers also advised that this is obviously a very fluid situation and the airport is monitoring our revenues very carefully. There have been areas that have been flagged for vulnerability and that we will adjust projections accordingly. He stated that there are weekly calls with our FBO's to gauge the overall activity and unfortunately while some businesses are struggling there is some anecdotal evidence that some businesses may not even survive. While the CARES Act is insufficient, we will not wait for additional funds. The airport remains in a strong financial position with adequate reserves, but we prefer not to have to touch them unless necessary; however, if we need to make the difficult decision, we are prepared to do so, and those specific areas have been identified and prioritized. Mr. Olislagers advised the Board that we will defer increasing the fuel flowage fee to help pay for better snow removal equipment as this is not the right time; yet the airport won the top Balchen-Post Award for snow and ice control for the 12th time, which is more than any other airport. Mr. Olislagers advised as well that we do have reason for optimism, GA to the rescue as airlines struggle to meet demand! Chair Sharpe stated that it was quite a recognition for being the top Balchen-Award recipients and asked Mr. Olislagers to pass on from the Board a congratulations and thank you to our snow and ice removal team.

9. Establish Jurisdiction to Proceed with Public Hearing

Kimberly Bruetsch

Recommendation: Advisory

Ms. Bruetsch advised the Board that she reviewed the publications and the Board had the jurisdiction to proceed on the public hearing regarding the development plan for the VF Corporation Office/Hangar.

10. Development Plan for VF Corporation Office/Hangar

Mike Fronapfel

Recommendation: Motion to conditionally approve the VF Corporation Office/Hangar Development Plan and authorize the Chair to sign.

Recommended Conditions:

1. Final approval from Meridian International Business Center
2. Final approval from Douglas County
3. Begin construction within 2 years

Mr. Fronapfel presented the proposed development plan for the new VF Corporation Office/Hangar space. He stated that this hangar will be located on the south end of the airport that it will be a 33,830 square foot hangar with 14, 047 square feet of office and shop space, and have 5,058 square feet of indoor parking. Currently VF has aircraft fleet that consists of two Dassault Falcon 900EX's (Stage III) and one Dassault Falcon 7x (Stage IV); they do plan on adding to their fleet, but those aircraft will be Stage IV or higher. Mr. Fronapfel advised that they plan to start construction of June 2021 and that it is on two different parcels just outside the airport property. Commissioner Doubek asked Mr. Fronapfel if he could explain the problem with the taxi-lane. After discussions with Tectonic on behalf of VF, we concluded that their apron size will work with their current aircraft fleet. In the future, should they increase their fleet or aircraft size at the facility, they would expand their ramp area to have more room for movement to pull aircraft in and out of the facility. Chair Sharpe opened the public comment at 3:14 p.m. and asked Ms. Balk if there were any public comments. Ms. Balk stated that there was none, but there was about a two-minute delay. During the wait time, Mr. Fronapfel commended Tectonic and VF Corporation for having one of the cleanest developments plans he has dealt with and appreciated how quickly Tectonic responded to some preliminary comments at the beginning. He also stated that he is proud of this facility and believes it will be a great addition to Centennial Airport. Commissioner Huffman asked why construction of the facility will not be taking place until June 2021 instead of the fall. Mr. Kevin Larson with Tectonic responded that originally it was set to begin construction in the fall; however, due to the current economic status, VF has moved construction to 2021. Chair Sharpe closed the public comment at 3:20 and it followed a motion by Commissioner Doubek to conditionally approve the VF Corporation

Office/Hangar Development plan with the Authority's recommended conditions. Commissioner Holen seconded the motion and it passed unanimously.

REPORTS

11. March 2020 Financial Reports

Roxana Hahn

Recommendation: Advisory

Ms. Hahn presented the March 2020 financials. Commissioners Sieber and Huffman asked questions regarding the new administration facility; both Mr. Olislagers and Ms. Hahn responded.

12. Fuel and Operations Report for March & April 2020

Rachel Keller

Recommendation: Advisory

Ms. Keller stated the following:

March 2020

- 2020 YTD Operations for March: Up 5.5% from 2019 at 79,250
- Monthly Operations March: Down 3.2% from 2019 at 26,602
- 202 YTD Fuel Totals for March: Down 7.2% from 2019 at 3,262,147
- Monthly Fuel Totals March: Down 25.6% from 2019 at 903,790
- Monthly AvGas Fuel Sales March: Down 7.4% from 2019 at 45,386
- Monthly Jet Fuel Sales March: Down 26.4% from 2019 at 858,404
- Monthly Market Share for fuel sales for March: DJC: 38%; TAC Air: 29%; Signature: 23.7%; Modern Aviation: 9.1%; Heliplex: .1%

April 2020

- 2020 YTD Operations for April: Down 14.7% from 2019 at 90,755
- Monthly Operations for April: Down 63.2% from 2019 11,505
- 2020 YTD Fuel Totals for April: Down 22% from 2019 at 3,599,158
- Monthly Fuel Totals April: Down 69% from 2019 at 337,011
- Monthly AvGas Sales April: Down 54.4% from 2019 23,335
- Monthly Jet Fuel Sales April: Down 70% from 2019 at 313,676
- Monthly Market Share for fuel sales for April: DJC: 35.2%; TAC Air: 31.5%; Signature: 23.3%; Modern Aviation: 9.4%; Heliplex: .05%

Commissioners Huffman, Doubek, and Sieber asked questions regarding the loss of revenue and operations for both March and April due to COVID 19. Mr. Olislagers responded that this was consistent with what is being seen across the nation and that the Authority is closely monitoring and tracking that if any adjustments need to be made. Right now, we are just taking it about one week at a time and meeting with the FBO's and tenants here at the Airport. Chair Sharpe asked if this could be considered more dramatic than the effect, we saw during 2008-2009. Mr. Olislagers replied yes because this is something no one has ever seen affect society like this before. It is being more prolonged, and we are closely tracking it.

13. First Quarter of 2020 Land Use Referrals

Rachel Keller

Recommendation: Advisory

Ms. Keller gave the following information about the 1st Quarter Land Use Referrals

- The airport received a total of 20 referrals during January 2020 and March 2020
- 7 of the referrals were approved as submitted
- 11 were subject to comments
- 2 referrals were not recommended

Commissioner Huffman asked why the airport is saying no to a referral that is next to an already existent building next to the airport. Ms. Keller replied that because it is a school, it is considered a noise sensitive structure.

14. March and April Noise Update

Rachel Keller

Recommendation: Advisory

Ms. Keller presented statistics on the March and April 2020 noise complaints. She stated the following:

March 2020:

- There were 914 complaints from 41 households
- Year-to-Date there are 2,412 complaints from 71 households
- With the top household removed, there were 549 complaints for March.
- There were 865 daytime complaints; 49 nighttime complaints
- 8 requested a response by email; 13 requested a response by phone
- Majority of the complaints come from Centennial with 40% followed by Greenwood Village at 25% and Unincorporated Arapahoe County at 17%
- The Top 5 households comprise 87% of year-to-date complaints with a total of 2,412 complaints; the number one household makes up 37% of that total
- Departures led complaints with 53% and complaints for prop aircraft was 64%.
- Staff provided a 2018 Census Population information for the surrounding cities and counties affected by aircraft noise

April 2020:

- There were 607 complaints from 34 households.
- Year-to-Date there are 3,019 complaints from 85 households
- With the top household removed, there were a total of 300 complaints for April
- There were 581 daytime complaints; 26 nighttime complaints.
- Majority of complaints come from Centennial at 51% followed by Unincorporated Douglas County at 18% and Unincorporated Arapahoe County at 11%
- 7 requested a response by email; 8 requested a response by phone.
- Top 5 households comprise 87% of year-to-date complaints with a total of 3,019 complaints; the number one household makes up 40% of that total
- Staff provided a 2018 Census Population information for the surrounding cities and counties affected by aircraft noise

Chair Sharpe asked about how the number of complaints was still high with fewer operations taking place during those months. Ms. Keller explained that the complaints are not only coming from the operations we had here at the airport, but also the complaints that are coming from Metroplex that took off on 3/26/20 and then some. Commissioners Huffman and Laydon asked about the number of complaints coming from the certain individual households in Centennial and Unincorporated Douglas County and whether these complaints were all from operations at this airport or if there is a way to distinguish Metroplex complaints compared to regular operations complaints. Ms. Keller and Mr. Olislagers responded it would be difficult to do that. Commissioner Laydon asked if there is a way to have all information available on the website to the public before each Board meeting. Ms. Balk replied that the noise information could be located on our website; however, as far as the reports go that we provide to the Commissioners on the day of the meeting, we would need to investigate that.

Ms. Balk read a comment from Mr. Paul Krier that said "I am an CACNR representative for Unincorporated Arapahoe County. Although flight numbers are clearly down, with many more people at home versus at work, was there an increase in noise complaints per operation? Not total complaints as the numbers should have a drop like the drop-in operations, but per flight operation percentage." Ms. Keller replied that she would follow up with Mr. Krier.

15. Legislative Report

Recommendation: Advisory

Robert Olislagers

Mr. Olislagers advised the Board that Congress approved, and the President signed into Law the CARES Act, making \$10 Billion available to some 350 air-carrier airports and 100 Million to around 3,000 General Aviation Airports in response to the COVID-19 economic fallout. APA will receive \$157,000; however, FNL which does not have air-carrier operations at this time, will receive \$16.7 Million! They have 1/3rd the operational activity of APA. This inequity has been identified across the country, but it remains to be seen if the FAA has the ability to rectify the situation He also informed that finally, the CO State Legislature is set to resume next Monday with 50-plus days remaining in the adjusted legislative calendar year.

Public Comment

No public comment.

Nancy Sharpe

Comments from Board or Staff

Nancy Sharpe

Ms. Conley gave a brief update on the new administration and aviation facility. She stated that although there were some slight setbacks, construction has been going well and the building is officially framed and has walls on the outside of it and that the roof was set to be placed June 1st. Ms. Conley provided photographs of the new facility. She advised the Board that anyone who would like to take a tour should get with Ms. Balk and set up a time to have them come tour the new facility; however in order to take a tour, everyone must be wearing hard hats and closed toed shoes. Commissioner Huffman stated that he would like to tour it sometime soon so he will get with Ms. Balk about a time to go look at it.

Commissioner Holen thanked Wings Over the Rockies and the Authority for the support and acknowledgement with the Hmong Memorial T-28 aircraft located on the WOTR ramp.

Adjournment

The meeting was adjourned at 4:18 PM.

Nancy Sharpe

Execution of Documents

Gwen Balk

Approved:

Nancy Sharpe, Chair

PRELIMINARY WEB DOCUMENT