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February 10, 2011

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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 February 10, 2011 at 3:00 p.m.

The following members were present:  
Commissioner Beckman, Chair  
Commissioner Bockenfeld  
Commissioner Doubek  
Commissioner Neukirch  
Commissioner Sharpe  
Commissioner Seiber

The following members were absent, but excused:  
Commissioner Hilbert  
Commissioner Wells

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, there were posted written notices of Public Meetings 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 there was posted an agenda of the meeting 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 Pro-Tem Neukirch called the meeting to order at 3:00 p.m. and Commissioner Beckman recited the Pledge of Allegiance.

Public Comment

None

Amendments to the Agenda

Consent Agenda:

- Item #20 – Epic Aviation Services – amended report to show that Mark May is no longer principal owner.
- Item #23 – Denver jetCenter – See revised report on Dias.
- Item #24 – Rare Air – See revised report on Dias.

A motion to approve the amendments to the agenda passed unanimously (4-0) upon a motion by Commissioner Neukirch and a second by Commissioner Doubek.

Next Meetings

- March 2, 2011 – 7:00 p.m. Noise Roundtable meeting – Ramada Hotel and Suites
- March 10, 2011 @ 3:30 p.m. – Wright Brother's Room.

ELECTIONS AND APPOINTMENTS AGENDA

**1. Election of Airport Authority Board Officers**

**Pete Neukirch**

Chairman Pro-Tem Pete Neukirch moved to nominate and elect the following slate of Officers to the Board:

- Chair (or Chairman): Susan Beckman
- Chairman Pro-Tem: Pete Neukirch
- Clerk/Treasurer: Robert Doubek
- Assistant Clerk: Nancy Sharpe

Commissioner Doubek seconded the motion. Motion carried (4-0).

**2. Committee & Foundation Appointments**

**Susan Beckman**

Commissioner Beckman deferred this item to the March 10, 2011 Board Meeting.

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**CONSENT AGENDA**

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3. **Approve Minutes of December 9, 2010** **Gwen Balk**  
*Recommendation:* Motion to approve the minutes of December 9, 2010 and authorize the Chair to sign.
4. **Resolution 2011-01 Regarding Posting Places** **Gwen Balk**  
*Recommendation:* Motion to approve Resolution 2011-01 and authorize Chair and Clerk to sign.
5. **Resolution 2011-02 – Official Publications for Notice of Public Hearings** **Gwen Balk**  
*Recommendation:* Motion to approve Resolution 2011-02 and authorize Chair and Clerk to sign.
6. **Grants Authorization Resolution No. 2011-03** **Robert Olislagers**  
*Recommendation:* Motion to adopt Resolution No. 2011-03 and authorize Chair and Clerk to sign.
7. **Revision to 2011 Schedule of Regular Meetings** **Gwen Balk**  
*Recommendation:* Motion to approve the revised Notice of Year 2011 Regular Public Meetings.
8. **Flexible Benefits Plan Adoption Agreement and Plan Document** **Gwen Balk**  
*Recommendation:* Motion to approve the restated Flexible Benefits Plan Adoption Agreement and Plan Document and authorize the Chair or Director of Administration to sign.
9. **Xanadu Aviation Ventures, LLC dba Sky Shares – Third Amendment to Agreement Under Standards** **Scott Storie**  
*Recommendation:* Motion to approve the Third Amendment to Agreement Under Standards and authorize Chair and Clerk to sign.
10. **State Grant Contract for Purchase of a High Speed Snow Blower** **Lorie Hinton**  
*Recommendation:* Approve Resolution 2011-04 and authorize the Chair and Clerk to sign the Resolution and Grant Contract.
11. **Internship Grant Contracts** **Lorie Hinton**  
*Recommendation:* Motion to adopt Resolutions 2011-05 and 2011-06 and authorize the Chair and Clerk to sign the Resolutions and Grant Contracts.
12. **Amendment No. Twelve to the Contract between CH2M Hill, Inc. and the Arapahoe County Public Airport Authority** **Lorie Hinton**  
*Recommendation:* Motion to approve Amendment No. Twelve to the 2/21/08 Contract with CH2M Hill, Inc. and authorize the Chair and Clerk to sign.
13. **Land Acquisition 3.02 Acres** **Robert Olislagers**  
*Recommendation:* Motion to approve Land Acquisition of 3.02 Acres, authorize the Chair and Clerk to sign the Purchase Agreement with Greenwood Plaza Partners, LLC and associated documents, and authorize Counsel to represent the Authority at closing.
14. **Ratification of Fourth Quarter 2010 Expenditures** **Roxana Hahn**  
*Recommendation:* Motion to ratify Fourth Quarter 2010 Expenditures in the amount of \$2,522,781.34.
15. **November 2010 Financial Reports** **Roxana Hahn**  
*Recommendation:* *Advisory*

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**BUSINESS AGENDA**

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16. **Approval of Consent Agenda** **Susan Beckman**  
Approval of the Consent Agenda as amended passed unanimously (4-0) on a motion by Commissioner Neukirch and second by Commissioner Doubek.

17. **Items moved from Consent to Business Agenda**  
None

Susan Beckman

18. **Establish Jurisdiction to Proceed with Public Hearings**  
*Recommendation: Advisory*

Brian Magoon

Mr. Magoon advised that the Board has jurisdiction to proceed with public hearings for 1) Cessna Aircraft Company to conduct Mobile Aircraft Maintenance as defined under Part 3 Section (11); and 2) Epic Aviation Services, LLC to conduct Aircraft Maintenance and Avionics Repair as Defined under Part 3 Section (11); and 3) Jet Linx Aviation, LLC together with Jet Linx Denver, LLC to conduct Air Charter as defined under Part 3 Section (5); and USAero, LLC to conduct Aircraft Sales as defined under Part 3 Section (8). He further advised that all of the above were published in the Villager Newspaper and in the Douglas County News-Press on January 27, 2011.

Commissioner Bockenfeld arrived.

19. **Public Hearing on Application from Cessna Aircraft Company to conduct Mobile Aircraft Maintenance activities under Part 3 Section (11) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities**

Scott Storie

*Recommendation: Motion to approve the Cessna Aircraft Company application and authorize the Chairman and Clerk to sign the associated 10-year Agreement Under Standards.*

Mr. Storie introduced the applicant to the Board and summarized its background, experience, hours, what the business entails, and that the applicant has met the required insurance requirements. Commissioner Doubek asked why this operation would be considered mobile, to which Mr. Storie explained that this business is strictly for Citation aircraft. Commissioner Sharpe wanted to know if this particular business would increase traffic to the airport and Mr. Storie explained it would not due to this maintenance company going to the customer on the airfield instead of the customer having to take off or land in a particular area to receive services. Mr. Melillo, general manager of ServiceDirect for Cessna Aircraft Company, then took the podium and reiterated what Mr. Storie had explained about the company and how it operates.

Commissioner Beckman then opened this hearing to public comment. Ms. Betty Todd, Councilwoman for the City of Greenwood Village, stepped forward and asked how many Cessna aircraft are based at Centennial Airport to which Mr. Olislagers replied that there are quite a few Cessna's on the airfield and about 20-30 Citations. There being no further comments, the Chair closed the public hearing.

A motion to approve the Application from Cessna Aircraft Company passed unanimously (5-0) upon a motion by Commissioner Neukirch and a second by Commissioner Sharpe.

20. **Public Hearing on Application from Epic Aviation Services, LLC to conduct Aircraft Maintenance and Avionics Repair activities under Part 3 Section (11) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities**

Scott Storie

*Recommendation: Motion to approve the Epic Services, LLC application and authorize the Chairman and Clerk to sign the associated 10-year Agreement Under Standards.*

Mr. Storie introduced the applicant to the Board and summarized its background, experience, hours, what the business entails, and that the applicant has met the required insurance requirements. Commissioner Sharpe asked, in terms of maintenance, how many of these facilities are located on the airport and also what market do they hope to fill. Scott Amore of Epic Aviation Services, LLC stepped up to the podium and explained that Epic Aviation markets Cabin Class Single and Multi-Engine aircraft. He went on to state that the business was established due to the limitations in avionic services. Currently people would have to fly out to California, Kansas, or Nebraska to get these services done.

Commissioner Beckman then opened this hearing to public comment. There being none, she then closed the public hearing.

A motion to approve the application from Epic Aviation Services, LLC passed unanimously (5-0) upon a motion by Commissioner Bockenfeld and a second by Commissioner Doubek.

**21. Public Hearing on Application from Jet Linx Denver, LLC and Jet Linx Aviation, LLC to conduct Air Charter activities under Part 3 Section (5) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities** **Scott Storie**

*Recommendation:* Motion to approve the Jet Linx application and authorize the Chairman and Clerk to sign the associated 10-year Agreement Under Standards.

Mr. Storie introduced the applicant to the Board and summarized its background, experience, hours, what the business entails, and that the applicant has met the required insurance requirements. He also explained that this company will not be required to lease hangar space due to the fact that they do not own any fleet. Commissioner Sharpe wanted to know how exactly charter flights work. The applicant's President, Mr. Errol Bader stepped up to the podium and explained that most individuals the company serves are already at Centennial Airport and therefore, his company would not be bringing in much outside traffic. He went on to explain charter flights, the different planes, and how they work.

Commissioner Beckman then opened this hearing to public comment. There being none, she then closed the public hearing.

A motion to approve the application from Jet Linx Denver, LLC and Jet Linx Aviation, LLC passed unanimously (5-0) upon a motion by Commissioner Neukirch and a second by Commissioner Sharpe.

**22. Public Hearing on Application from USAero, LLC to conduct Aircraft Sales activities under Part 3 Section (8) of Centennial Airport's Minimum Standards for Commercial Aeronautical Activities** **Scott Storie**

*Recommendation:* Motion to approve the USAero, LLC application and authorize the Chairman and Clerk to sign the associated 10-year Agreement Under Standards.

Mr. Storie introduced the applicant to the Board and summarized its background, experience, hours, what the business entails, and that the applicant has met the required insurance requirements.

Commissioner Beckman then opened this hearing to public comment. Ms. Betty Todd, Councilwoman for the City of Greenwood Village, expressed concern that this operation would conduct demonstration flights, specifically, how many there would be and where they would fly. Mr. Olislagers explained that demonstration flights are different than a regular flight in that the customer would be taken up in the plane to demonstrate its capabilities and not be in a specific air traffic training pattern. Ms. Todd asked how many flights would be expected per week and if there was plan as to where these planes would go. Mr. Olislagers then pointed out that as a business selling aircraft they want to sell as many as possible, however the number demonstrated or sold can vary greatly. Ms. Todd then reiterated that this was a concern and would like to make sure that expanding airport issues are evaluated. Mr. Olislagers explained that the airport currently operates less than 300,000 operations a year, down from 436,000 operations per year when he came on board in 2000. Commissioner Neukirch commented that the planes being demonstrated were not large and do not make a lot of noise. There being no further comments, the Chair closed the public hearing.

A motion to approve the application from USAero, LLC passed unanimously (5-0) upon a motion by Commissioner Bockenfeld and a second by Commissioner Neukirch.

**23. Denver jetCenter Master Concept Plan for Parcels 100 & 100a** **Michael Fronapfel**

*Recommendation:* Informational only.

Mr. Fronapfel went over Denver jetCenter's preliminary plan to develop parcels 100 & 100A which totals 80.6 acres. He advised that the development will be located on the south side of Peoria Street, which puts it on the Douglas County side of the Airport; and that it will provide space for an FBO facility, corporate and private hangar spaces, as well as aircraft tie down space. He further explained that since this is a preliminary plan no motion or approval will be needed at this time and that the first concept plan for the initial hangar is the next agenda item. Commissioner Sharpe wanted to know what the total capacity of this plan will be when it is finished. Mr. Fronapfel stated there would be 121 tie-down locations however, in terms of hangars, it depends on the size of the aircraft going into them. Larry Ulrich of Denver jetCenter interjected that the plan is a 60-year build out, so it is impossible to guess at this point in time. Mr. Olislagers commented that the use of an airport can change fairly rapidly due to the economy.

**24. Rare Air Hangar Concept Plan**

**Michael Fronapfel**

*Recommendation:* Motion for non-objection to the Concept Plan for the Rare Air Hangar.

Mr. Fronapfel presented Rare Air's concept plan for developing a 30,000 square foot corporate hangar and 9,961 square foot office and support space; and that a full development plan is expected to be presented at the April 14<sup>th</sup> Board meeting. He advised that the development plan will need to go through a full review process with Douglas County and that because there are concerns about increasing traffic on Aviator Lane, they are all looking at alternative access points. Commissioner Doubek wanted to know when the actual construction is expected to start to which Mr. Fronapfel replied that Rare Air is fairly anxious to get started, so they anticipate 16 months to be up and running, however the plan expects full development in 6 years. Commissioner Neukirch expressed that he was very pleased to see all the Airport expansion because it creates jobs, so it is a great asset to the community.

The recommendation passed unanimously (5-0) on a motion by Commissioner Doubek and a second by Commissioner Neukirch.

**25. Concept Plan for Wings Over the Rockies Museum and Education Center**

**Michael Fronapfel**

*Recommendation:* Informational Only.

Mr. Fronapfel reviewed an informational and preliminary concept plan from Wings Over the Rockies Museum to build a permanent annex which will be a "living museum" with flyable aircraft and an Educational Center. He advised that the first phase of the project will be for approximately 40,000 square feet of orientation exhibits, restaurant and administrative space and at full build out, a 110,000 square feet will be developed. Mr. Fronapfel further advised that this plan is contingent upon successful fundraising and lease negotiations which are expected to happen by July 2012. Commissioner Neukirch asked how much money needed to be raised before construction could start. Greg Anderson of Wings Over the Rockies responded that approximately 15 Million depending on different factors and that not all funds will be required to start construction. Commissioner Sharpe wanted some more information on the charter school. Mr. Anderson explained that they had engaged a consultant to provide some research on the potential of a charter school, however it will not be in the near future. Project Manager Alec Garbinni wanted to point out that this is being presented as informational only. Mr. Olislagers informed everyone that the Airport is very excited to have the museum both for educational purposes and also to host events.

**26. Fuel and Operations Report for December and January**

**Kelsey Reeves**

*Recommendation:* Advisory

- YTD Operations: Up 7.8% from 2009 at 289,546
- YTD Fuel Totals: Up 12.9% from 2009 at 10,162,223
- YTD Jet Fuel Totals: Up 13.9% from 2009 at 9,614,703
- YTD Av Gas Totals: Down 1.8% from 2009 at 547,520
  
- Dec Monthly Operations: Up 29.1% from 2009 at 22,506
- Dec Monthly Jet Fuel Sales: Up 16% from 2009 at 844,608
- Dec Monthly Av Gas Sales: Up 5.7% from 2009 at 37,560
- Dec Monthly Market Share for AvGas and Jet Fuel Combined: DjC: 50.0%; TAC Air: 21.4%; Signature: 18.1%; X-Jet: 10.4%; Heliplex: 0.1%.
  
- Jan Monthly Operations: Up 2.5% from 2009 at 21,952
- Jan Monthly Jet Fuel Sales: Up 13.2% from 2009 at 877,052
- Jan Monthly Av Gas Sales: Up 2.3% from 2009 at 40,435
- Jan Monthly Market Share for AvGas and Jet Fuel Combined: DjC: 49.5%; TAC Air: 23.0%; Signature: 17.4%; X-Jet: 9.8%; Heliplex: 0.2%.

**27. Noise Report/ Roundtable Update**

**Todd Green**

*Recommendation:* Advisory

Mr. Green provided a summary of the noise statistics for the months of December 2010 and January 2011 as well as YTD totals.

For December he advised that there were 307 total logged noise complaints with 22 households reporting the following:

- Complaints by Household (HH): HH #1 = 32%; HH #2 = 19%; HH #3 = 17%; HH #4 = 7%; HH #5 = 5%; and the remaining households consisted of 20% of the complaints.
- The top 5 households totaled 80% of all complaints.

For 2010 Year End Complaints he advised that there were 3,770 total logged noise complaints with 224 households reporting the following:

- Complaints by Household (HH): HH #1 = 30%; HH #2 = 6%; HH #3 = 5%; HH #4 = 4%; HH #5 = 4%; and the remaining households consisted of 51% of the complaints.
- The top 5 households totaled 49% of all complaints.

For January he advised that there were 691 total logged noise complaints with 33 households reporting the following:

- Complaints by Household (HH): HH #1 = 36%; HH #2 = 31%; HH #3 = 8%; HH #4 = 6%; HH #5 = 4%; and the remaining households consisted of 15% of the complaints.
- The top 5 households totaled 85% of all complaints.

Mr. Green also summarized the last two Roundtable meetings held January 5<sup>th</sup> & February 2<sup>nd</sup>, 2011.

At the January 5<sup>th</sup> meeting, an Air Traffic Controller informed the roundtable members what "touch and go" traffic patterns look like; what the requirements are; and what happens when more aircraft enter into the pattern. It was found that when 5-10 Aircraft enter the pattern, the traffic pattern expands, sometimes over residential areas. Typically, no more than 20 would be allowed in the pattern at once.

At the February 2<sup>nd</sup> meeting a member of the Airports Districts Office did a presentation of what the process is to update our part 150 noise study. Also a member of the DIA noise office came down to explain how their Webtrak operated. Mr. Green then did a presentation on Centennial Airport's current Quiet Flight procedures. There was also an RNAV update, which Mr. Olislagers elaborated on the upcoming public workshops on airspace redesign and how it works. He then recognized Mr. Bill Payne for all of his outstanding work. Mr. Payne wanted to point out that what is designed in Denver, the FAA wants to use throughout the nation. The goal is to keep airplanes high, which will burn less fuel, have less noise impact, and be able to descend on a lower power setting. Commissioner Beckman expressed what a wonderful opportunity this was to enrich the Airport and the Community. Commissioner Neukirch wanted to know what to expect from the future meetings. Commissioner Sharpe inquired as to when this redesign will be implemented. Mr. Olislagers explained that it is anticipated to be in the next 18-24 months and he encouraged the public to get involved.

**28. Legislative Update**  
Advisory Only

**Robert Olislagers**

Mr. Olislagers reported that on the Federal level, the House and Senate have been focusing on cutting the budget; the House on the Airway Trust Fund Reauthorization is proposing a 17% cut basically across the board, which is very significant; and that the Senate Finance Committee came out with a proposal to increase GA Jet Fuel Tax. Mr. Olislagers reported that Senator Lautenberg, made an amendment to reduce the phase out period of stage I & II Aircraft from 5 years down to 3.

Mr. Olislagers reported that at the State Level, House Bill 1066, which considers aircraft flying below 500ft. an illegal taking of property in which money would be owed to the property owner is being considered. He expressed concern about how this legislation will be written.

**Public Comment**  
None.

**Susan Beckman**

**Comments from Board Staff**

**Susan Beckman**

Mr. Olislagers wanted to give a brief update on Xjet and their progress. He explained they are working diligently and continuing to work with SEMSWA to expand their detention pond in order to complete their full build out. He then went on to report that the Airport is working with SEMSWA in order to obtain a credit on our runways and taxiways as potential right-of-ways that are exempt from fees. This is still in discussion with SEMSWA.

**Adjournment**

The meeting adjourned at 4:33 p.m.

Susan Beckman

**Execution of Documents**

Gwen Balk

**Approved:**

  
Susan Beckman, Chair

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