



June 16, 2022 Meeting Minutes

Chair Overcash called the meeting to order at 3:34

Call to Order:

Roll Call: Chair Overcash, Vice-Chair Fleming, Commissioners Adams, Arndt, DiMartino, and Stooksbury were present. Commissioner Stooksbury attended by teleconference. Commissioner Burger was absent

Public Comments: None

Consent Agenda

Vice-Chair Fleming moved to approve the Consent Agenda. The motion, seconded by Commissioner Arndt carried with all the Commissioners present voting in favor thereof.

Pulled Items None

Consent Follow up None

Monthly Report Follow-up: None due to time constraints

Public Comments: None

Regular Agenda

**4. 2021 AUDIT
PRESENTATION**

The City of Loveland's Finance Department contracted external auditing firm Plante Moran to complete an annual audit of the Airport's finances. These audits are required as a public entity. City of Loveland Finance Department staff and consultants from Plante Moran presented the 2021 consolidated audited financial statement to the Airport Commission.

3:40 pm Commission Burgener arrived

Public Comments: None

Vice-Chair Fleming moved to approve the 2021 audit. The motion, seconded by Commissioner Adams carried with all the Commissioners present voting in favor thereof.

**5. STAFFING
ANALYSIS
PRESENTATION**

The airport currently has seven (7) full time equivalent (FTE) employees and an intern. These staff members are tasked with safely operating and maintaining the airport. Staff provide a



variety of functions including maintaining grounds, facilities, equipment, lease management, financial coordination & budgeting, communications with stakeholders and the public, security compliance and badging for 1,200 airport users, plus much more.

A staffing analysis was created in late 2019 with help from a consulting firm specializing in airport staffing and recruitment. Once the analysis was completed, the pandemic arrived, creating an uncertain future that delayed implementation. Fast forward to this year, staff reviewed the draft plan, and elected to update it with current information. Since 2019 much has changed at the airport including the start of testing the remote tower project/provision of air traffic control services, increased security needs, and airport growth requiring greater personnel resources and professional services. The staffing analysis was updated by the same executive search firm that specializes in airport executive recruitment utilized for the study in 2019.

The result of the study showed that there is a great need for additional staff compared to other airports and current workloads. The study also focused on the creation of a longer-term framework for classifying and organizing future personnel needs. The City of Loveland Human Resources Department has reviewed the study, and concurs with implementation of the short-term recommendations. This includes the immediate addition of one staff member to focus on administrative services & security badging support. A Deputy Director position to assist with airport managerial functions this role will be reviewed at the September Commission meeting after further refinement which will also include a final draft of the expanded staffing analysis. These two positions are designed to reduce workloads from most if not all current staff, allowing focus and effective use of time, bringing the total FTE to nine (9).

Public Comments: None

Commissioner DiMartino moved to approve the new Business Services Technician position with approval for the staffing analysis and additional staff position to be suspended until the September 15 meeting. The motion, seconded by Commissioner Arndt carried with all the Commissioners present voting in favor thereof.

**6. GENERAL
AVIATION HANGAR
DEVELOPMENT
AREA**

Recent hangar development has led to a shortage of shovel-ready land for development. With the likely redevelopment of the Airport-owned T-hangars, the Airport Commission has directed staff and the Planning & Development Subcommittee



RECOMMENDATION
ITEM

(PDSC) to work on the creation of an infrastructure plan that will create more improved sites for future hangar development projects. Two sites were discussed as the best options for near-term development, the area east of the existing T-hangars (Site B from the Hangar Development RFP) and the area north of Runway 6/24 (Site C from the RFP).

Dibble engineering prepared high-level cost estimates for improving both sites to shovel-ready condition for basic general aviation hangar development. At the May PDSC meeting, the estimates were analyzed and the pros and cons of both areas were discussed. The PDSC voted unanimously to recommend the area north of Runway 6/24 (Site C) to the Airport Commission as the area where infrastructure planning efforts should be focused for new general aviation hangars. Although infrastructure estimates for this site were 30% higher, the area has more potential with the ability to accommodate many more hangar units.

Public Comments: Diane Jones, PDSC: This could be an opportunity to look at different ways to fund infrastructure for the long term. Jason mentioned grants and funds available in the budget. But this might be an opportunity really to look at this in a pilot perspective and discover other ways in which we might use revenues off of property taxes or something like that, or look at plant investment fees. Then there is a combination of not only the airport fronting infrastructure costs, but find other ways to financially pay for. So just look at this as an opportunity and if we do it as a pilot, that gives us a chance to look at what works, what doesn't work and tweak it, for the future. I just wanted to put that out as it could be an opportunity to look at other financial approaches. **Ted Rogers, FNL pilot:** Appreciated the advance note sent to T-hangar tenants. Requested the Commission look into the ability to cap rental rates for hangars owned by developers. Asked that the Commission change airport land leases to no longer have a reversionary clause or the ability to guarantee perpetual renewals as that may turn off investors. **Chad Graves, Cichos Construction:** Stated that site C was much more attractive as a developer and agreed with the Commission's direction. Stated they had many years constructing hangars and had just completed two on Gulfstream and Cessna and were aware they did not hold much standing with the GA community. Stated small T-hangars do not make economic sense due to high development costs. Stated they also found the north site attractive and would like to sign a lease and begin building now.

Direction: The Commission approved staff to move forward with site C and also requested legal counsel to investigate if the airport is able to cap private developer's lease rates for their buildings.



**7. US CUSTOMS
PROPOSAL FROM
DISCOVERY AIR**

At the April 21st Airport Commission meeting, representatives from Discovery Air provided a report on their recent efforts to apply for a US Customs program during other business. Staff were directed at that meeting to investigate options available for partnership possibilities with Discovery Air in support of the U.S. Customs Reimbursable Services Program. This included legal staff review on what would be in compliance with federal requirements and crafting Airport Commission written support for the USCBP application. Since that meeting Discovery Air have met with Airport Staff to discuss the topic further, which has evolved into a request for financial support.

Staff have reached out to the Cities and Larimer County Economic Development staff to discuss the potential of financial support on this item. The service as it is currently proposed would support a number of based businesses within the region, and would be more in line with regional economic development support. During conversations an idea arose where this financial request could be funded through the American Rescue Plan Act resources that the three entities were anticipating to receive this year. This discussion is in the preliminary stages of investigation with no commitments finalized.

- The \$200,000 annual request would require 13% of the airport's \$1.57 million operating and maintenance budget to support.
- Discovery Air provides an annual lease fee to the Airport of \$46,723
- Revenues that would be generated from the service to the airport is unknown, but can be assumed that it may result in additional fuel

4:56 Commissioner Stooksbury disconnected

Public Comments: Delores Wisner, FNL pilot and T-hangar Tenant: I would just request from Legal that there be a clearly identified set of risks and if possible, monetary risk. But beyond monetary, what they (FAA) can close down because we do this or the private partnership of it. And I'm not saying we weren't, but Laurie's clearly identified that there is a significant risk here and that that can't be forgotten despite any future benefit or secondary benefit that might be available. So that would be just a request from our side. **Scott Schorling, Economic Development City of Loveland:** I just want to mention I've been doing a lot of background economic impact analysis for primary employers. And if we got one new primary employer in Fort Collins or Loveland it would more than pay for what this maximum contribution is. So, whether



they're investing in equipment for their machinery or doing other sales tax, the one million dollars could be offset easily by one primary employer.

Overcash: So. So, your department would make a contribution to this?

Schorling: It just comes from the general fund, so I guess it would.

Diane Jones, PDSC: Just a quick comment, we've worked on this for some time. And I think that in developing the contract that would come back to the Commission as well as the Councils, to be really clear on some of the discussions, i.e., the budget, to be really clear about, you know, anticipated revenues and then how those are expensed. I think also having it would be helpful to have some metrics included so that some of the comments that have been made about, you know, the benefits from refueling, we can really track that and see what those benefits are.

So having some of those metrics as part of the contract and then also really be willing to open up the books both from our side and Discovery Air to see what those expenses really are, because we're estimating and it would be really helpful just to have some of those because then that builds that in into have a real clear review after one year because there may be some tweaks that could happen either way. But if we're going to be in a partnership and contract really being open about both metrics and what goes into it. **Theo Barker, based pilot:** I just want to Emphasize that for an exclamation point on the end of it. Looking at page 148 for the financial plan. I've never seen a financial plan where they only had expenses listed out and have no revenues.

Direction: The Commission directed staff to continue working on this potential collaborative effort with Discovery Air and to present a contract back to the Commission at a future meeting. Discovery Air's final proposal must reflect this venture directly benefits the general public by including passport control, the proposal also needs to clearly reflect the expected revenues and expenditures, metrics on scoring the performance of this CBP office, what the future goals would be within what defined period of time to determine success, the defined lost opportunity if the Commission opts to fund the hangar infrastructure development north of 6/24 instead of this venture. The Commission specifically requested Discovery Air provide more analysis and numerical values to build their case for the Commission's support of this proposal. A contract will be drafted to allow Discovery the ability to review it and the Commission would like to have control in the fees and share in revenues.

Commissioner Adams moved to postpone items 8 and 9 for the next Commission meeting. The motion, seconded by Vice-Chair Fleming carried with all the Commissioners present voting in favor thereof.

Adjournment: Meeting adjourned at 5:31 p.m.

Respectfully Submitted,



Vice-Chair, Tom Fleming

June 16, 2022 REGULAR MEETING SIGN IN SHEET

Please Print Your:

NAME

ORGANIZATION

NAME	ORGANIZATION
LISA MEACHAM	Plante Moran (audit)
Jacki Marsh	C. of Loveland
Mick Krantz	Nutrien
Scott Holst	Discovery Air
Danny McBrinn	FNL jet
David Dixon	
Delores & Chet Witzner	
Diane Jones	FD&E
Cameron Singh	Business Aviation Group
Jeff Miller	COL
Joyce Robinson	COL
Ted Rogers	Western Cherokee G
David Ries	Freedom Flyers
Katherine Stalka	Biz West
WILL MAFF	BA GROUP - HOMESTEAD HANGARS
Mike Hoffman	Hartford Homes
Scott Ellis	City of Loveland
Theo Banker	Learn Flight Assn
BRAD CONRAD	T-HANGAR TENANT