

COLORADO DEPARTMENT OF TRANSPORTATION

AERONAUTICS DIVISION



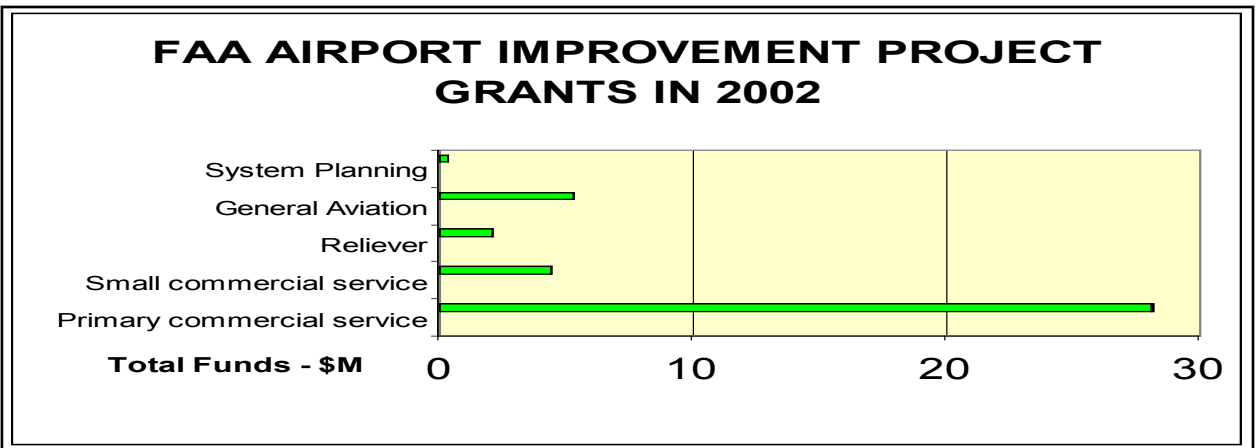
2002 ANNUAL REPORT

In support of the Colorado Department of Transportation's development of an forward-looking multi-modal transportation system for the 21st Century, the Colorado Division of Aeronautics shall promote partnering with its public and private constituents to enhance aviation safety, aviation education and the development of an effective air transportation system through the efficient administration of the Colorado Aviation Fund.

CAPITAL IMPROVEMENT PROGRAM

Each year, Colorado Division of Aeronautics and FAA-Denver ADO planners assist general aviation, reliever and small commercial service airports in maintaining a five-year Capital Improvement Program (CIP). This process includes the updating and implementing of capital projects and costs for years 2003 through 2008.

Through joint planning conferences, individual airport site visits and various other meetings, individual capital projects are identified, evaluated, prioritized and recommended for inclusion in the federal Airport Capital Improvement Program.



AIRPORT CATEGORY	PROJECTS	TOTAL FUNDS
Primary Commercial Service	10	\$28.2M
Small Commercial Service	2	\$4.4M
Reliever	4	\$2.1M
General Aviation	14	\$5.3M
System Planning	1	.3M
<i>Figures exclude Denver International Airport</i>		\$36.0M

FAA airport infrastructure funding has increased as a result of *Air 21* funding legislation from \$13.8M in 2001 to \$28.2M in 2002 for Colorado commercial service airport development. Likewise, general aviation and reliever airports are seeing significant increases in the amount of federal funds being offered. The Colorado Discretionary Aviation Grant program has consistently participated with the local sponsor in the 10% match to these federal funds.

In 2002, \$40.3M was awarded in 31 federal grants issues to 24 airports, nearly doubling the infrastructure funding offered in 2001.

Typical projects include runway and taxiway rehabilitation, land purchase for development or improvements to safety areas and equipment acquisition. In 2002, a multi-year project at **Greeley-Weld County Airport** continued with the reconstruction of Taxiway “A” to meet safety standards and at **San Luis Valley Regional Airport** in Alamosa a large runway rehabilitation project was begun.

COLORADO DISCRETIONARY AVIATION GRANT PROGRAM

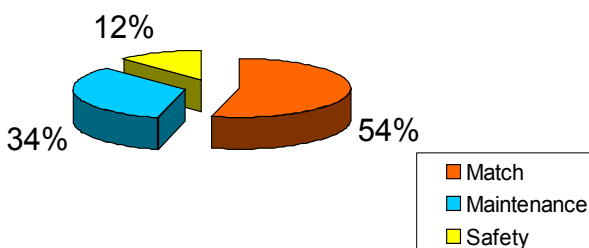


A number of significant developmental projects were begun at Colorado airports in 2002 – reconstruction and lengthening of the runway at **Stevens Field-Pagosa Springs**; continued expansion of commercial and cargo facilities at **Walker Field in Grand Junction**; first phases of construction to improve safety areas and relocate the runway at **Gunnison County Airport**; and the preliminary design to correct a line-of-sight concern at **Telluride Regional Airport**. Although the major funding has come from the FAA Airport Improvement Program (AIP), the Colorado Discretionary Aviation Grant (CDAG) program aids the sponsor in meeting local match requirements for these multi-year projects.

In 2002, the Colorado Discretionary Aviation Grant program provided nearly \$1.1M in support of local match for federal projects; \$681,989.00 was ear-marked to assist airports in maintaining their existing infrastructure; nearly \$250,000.00 corrected safety deficiencies.

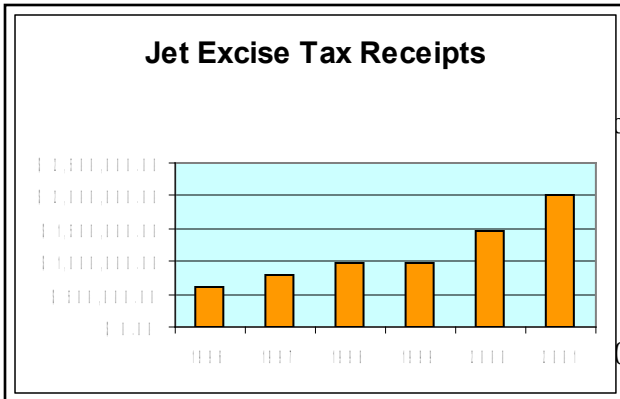
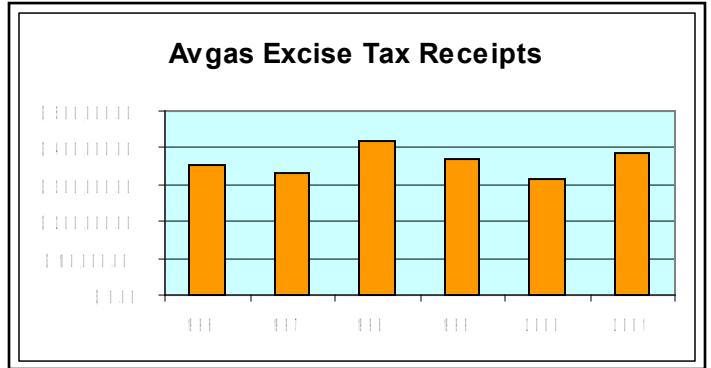
In 2002, 43 applications were received by the grant program, of which 25 were funded. Approximately 35% of the total revenues from sales and excise taxes collected on aviation fuels sold in Colorado is used to support the Colorado Discretionary Aviation Grant program. It is the goal of the grant program to underwrite development, maintenance and infrastructure projects at airports, as well as to provide financial support for community enhancement programs, such as the Colorado Aviation Management Internship program, aviation system studies and public information activities.

2002 GRANT PROJECTS

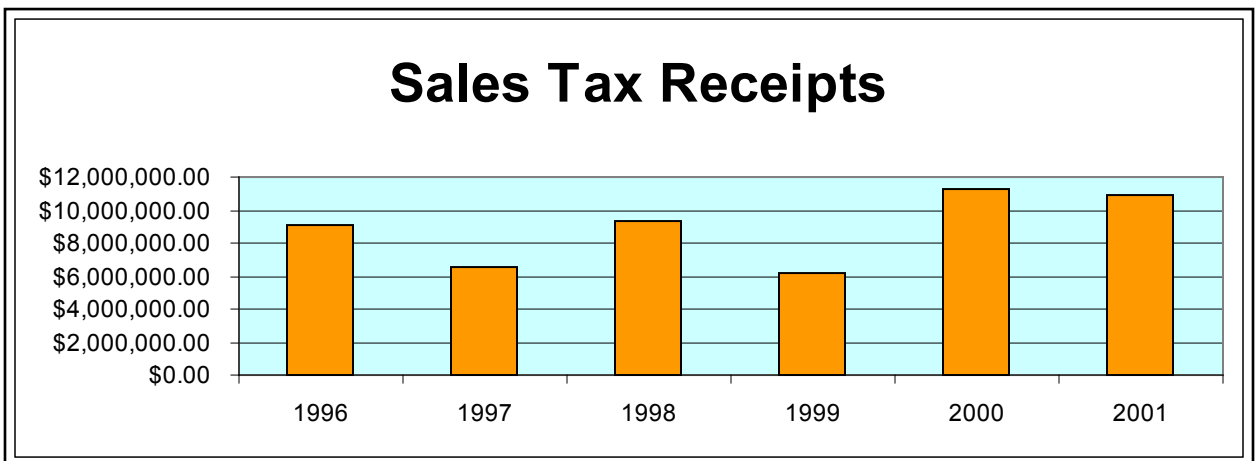


ENTITLEMENT TAX REFUNDS

Aviation fuel taxes find their way back to aviation users in the form of discretionary grants and through the **Entitlement Refund** program. Each year, thousands of dollars of fuel taxes collected at Colorado airports are reimbursed to the airports to be used in the operations and maintenance of the airport, to develop and enhance the facility and to support local match for federal funds. Pilots contribute excise taxes of \$.06 to the Aviation Fund each time they purchase a gallon of AvGas. \$.04 of that revenue is returned to the airport where the fuel was purchased in the form of an entitlement refund. The remainder becomes available as discretionary grants. Through June 2002, more than \$8.4M was returned to airports in the form of Entitlement Refunds.



Excise taxes are similarly collected on non-commercial jet fuel sold at Colorado airports. The entire \$.04 jet fuel excise tax is reimbursed as entitlement refunds. Reimbursements of Avgas and jet fuel excise taxes accounts for more than \$1.3M flowing through airport budgets through June 2002.



The most significant contributions to the Colorado Aviation Fund are collected at the commercial service airports as 2.9% sales taxes levied on jet fuel sold to the airlines and other commercial operators. 35% of the total contribution is earmarked for discretionary grants and the remaining 65% is reimbursed to the airport of origin. Sales taxes accounted for more than 84% of the total tax collections. The total amount of sales tax reimbursed to airports through June 2002 was \$7.1M.

STATE INFRASTRUCTURE BANK FOR AIRPORTS

In 2002, the first of a series of moneys were made available by the Colorado Transportation Commission for use to support major airport developments with long-term, low-interest rate loans from the **Colorado State Infrastructure Bank**. The revolving principal will continue to be offered to airports as the program matures, financing developmental capital projects not otherwise within the budget capabilities of the airport sponsor.

Denver-Centennial Airport was able to undertake storm-water drainage construction to provide additional developmental areas; Grand Junction-Walker Field and Aspen-Pitkin County Airports obtained loans to enhance safety and benefit business development; Denver-Front Range Airport matched State Infrastructure Loan amounts with local funds for design and construction of an air traffic control tower.

BIZ JET AIRCRAFT ACTIVITY REVIEWED

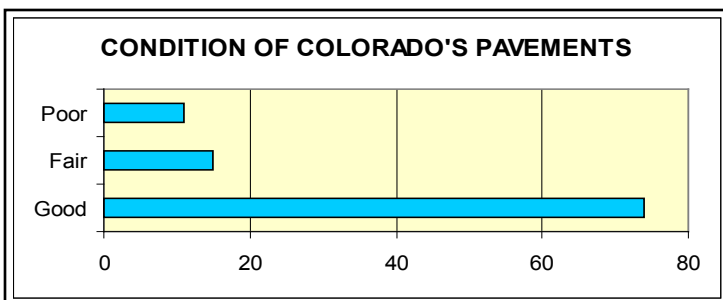


Nine Denver area airports were included in the 2002 study by the CDOT-Aeronautics Division to define existing and potential activity by business jet aircraft in the metro area. The study concluded that jet activity will continue to increase over the next ten years. Centennial Airport and Jefferson County Airport will continue to dominate the market, but higher-than-normal growth

Ft. Collins-Loveland Airport, Greeley-Weld County Airport and Front Range Airport is projected. The study predicted a dramatic increase in the

PAVEMENT CONDITION INDEXING

Colorado airport surfaces are evaluated on a 3-year cycle to define their condition and indicate those areas needing routine care. Nearly 3/4 of primary pavements are defined as “good” while 1-in-10 pavements are considered “poor”. Each year, significant amounts of state grant funds are channeled into maintenance projects to sustain and improve pavement quality, based on the needs found from these inspections



TERMINAL AREA FORECASTS

Using 2001 information, the Division staff prepared the **FAA Terminal Area Forecast (TAF)** reporting historical and forecast data for enplanements, airport operations and instrument operations to aid in meeting planning, budget and staffing requirements. The document is a valuable aid to FAA, State and consultant planners when forecasting future airport needs.

The finalized TAF revealed a forecast trend that will afford a 3-percent annual increase in airport operations and passenger enplanements, and a 1.3-percent annual increase in Colorado based aircraft through 2020. The figures used to determine these percentages were derived from the national average published by the FAA. Colorado percentages were slightly inflated due to the somewhat robust economy at the time of the research.

AUTOMATED WEATHER OBSERVING SYSTEM ON-AIRPORT SITE EXPANSION

ON-AIRPORT AWOS SITES

New in 2002

BOULDER MUNICIPAL AIRPORT	303-415-1590	
FREMONT COUNTY AIRPORT-Canon City	719-784-2014	120.025
HOLYOKE MUNICIPAL AIRPORT	970-854-5679	119.275
VANCE BRAND AIRPORT -Longmont		120.00
STEAMBOAT SPRINGS AIRPORT		
STERLING MUNICIPAL AIRPORT	970-526-3009	118.525
WALDEN-JACKSON COUNTY AIRPORT	970-723-4513	118.625



Utilizing a favorable economy-of-scale resulting from remote mountain AWOS installations in 2001, Colorado airports were offered matching grants from the Colorado Aeronautical Board to assist in the installations of AWOS equipment at their facilities.

The On-Airport AWOS program responds to the mandate of the **2000 Statewide Inventory and Implementation Study** to provide weather services at all Major and Intermediate category airports.

Both on-airport and mountain locations will be augmented as funding is available.

LET'S LOOK TO THE FUTURE

Much of what was accomplished by the Aeronautics Division in 2002 will not come to fruition until we are well into State Fiscal Year 2003. 2002 was really a year of building - aiding in the renewal of the aviation industry and finding new concepts and technology to better serve the State aviation system.

A number of significant multi-year airport improvement projects began or were continued in 2002. Relocation of the runway and improvements of the safety areas at **Gunnison County Airport**; extension of the runway and development of expanded safety areas at **Stevens Field-Pagosa Springs**; completion of the parallel taxiway to compliment the newly-operational Runway 16/34 at **Greeley-Weld County Airport**; preliminary work on reconstruction at **Telluride Regional Airport** to correct a number of safety issues and reconstruct the runway; construction of a new and technically-more sophisticated air traffic control tower at **Eagle County Regional Airport**; relocation of aircraft parking at **Aspen-Pitkin County Airport** to clear object free areas.

Following closely on the findings of the **Colorado RNAV and Weather Systems Plan** completed in late 2001, the Division has focused on the installation of RNAV (GPS) approaches at a number of general aviation airports which the Plan found lacked even the most elementary instrument approach procedure. Progress has been made in reaching the goal - more work is needed.

The Division, along with the CDOT-Highways Division, the U.S. Environmental Protection Agency and the Colorado Department of Local Affairs, shares the potential values of rubber asphalt paving techniques to give greater longevity and superior usability to general aviation airports maintenance programs. The introduction of rubber asphalt paving at **Glenwood Springs Municipal Airport**, will serve as a test platform for a number of future projects using similar materials and methodology.

The Division begins the update of the ***Colorado Aviation Community's Economic Impact Study***, last completed in 1998. Following precipitous declines in aviation in late 2001 and 2002, the future of our state's aviation industry now shows indications of renewal and recovery.

Additional *Automated Weather Observing System (AWOS)* sites at Cottonwood Pass, Glenwood Springs, Wilkerson Pass and Cameron Pass await renewed support of the Colorado Legislature when they can again provide matching funds to the Colorado Aviation Fund.

Looking toward a vibrant and expansive future, the Division continues to work hand-in-hand with our community to revitalize and expand aviation in Colorado.

Wray Municipal Airport began operations on its newly-relocated runway in early 2002.



COLORADO AERONAUTICS DIVISION STAFF



Back Row: T.K. Gwin-Airports Engineer, Darcie Grieser-Education Coordinator, Travis Vallin-Director
Front Row: Caroline Scott-Grants Administrator, Shawn Sederberg-Aviation Planner, Nikki Koplitz-
Financial Manager, Chris Pomeroy-Aviation Planner, Bob Lohne-Senior Aviation Planner

COLORADO AERONAUTICAL BOARD

*Seven member honorary policy-making Board appointed by the Governor for three year terms.
Each member represents a different constituency in the Colorado aviation community.*

Dale K. Hall, Chairman
representing Eastern Plains governments
810 Eighth Street - Suite 201
Greeley, CO 80631
PH 970-353-7122
FAX 970-346-0700
email dale.hall@lpl.com

Harold Patton, Vice Chairman
representing Eastern Plains governments
2350 Williamette Lane
Greenwood Village, CO 80121
PH 303-721-6333
FAX 303-721-6367
email petra2000inc@aol.com

Corinne Nystrom, Secretary
representing airport management
2828 Walker Field Road
Grand Junction, CO 81506
PH 970-244-9100
FAX 970-241-9103
email cnystrom@walkerfield.com

Bob Anderson
representing Western Slope governments
81 E. Topaz - Box 374
Granby, CO 80446
PH 970-887-2318
FAX 970-725-0565
email grndcty1@co.grand.co.us

John Hansen
representing aviation interests-at large
6919 Goose Point Court
Longmont, CO 80503
PH 303-583-3110
FAX 303-585-3142
email john@coloradoit.org

Pat Wiesner
representing pilot organizations
2907 Fairway View Court
Castle Rock, CO 80104
PH 303-397-7600
FAX 303-397-7619
email pwiesner@wiesnerpublishing.com

Joe Keck
representing Western Slope governments
305 La Plata Plaza
Cortez, CO 81321
PH 970-565-2505
FAX 970-564-1211
email joekeck@hubwest.com