



April 21, 2009

Governor Bill Ritter
136 State Capitol
Denver, CO 80203-1792

Dear Governor Ritter,

The Town of Hayden Mayor and Board of Trustees are writing this communication to express our deep concerns over a sales tax revenue concern. It came to our attention in the first part of February 2009 that sales tax was not being collected and remitted for jet fuel sold at the Yampa Valley Regional Airport. We were aware that there was a change of ownership at the FBO based at the airport in September 2008 from Spectrum Jet Center to Galaxy Aviation. Prior to the ownership exchange, a company called Avfuel was selling jet fuel to commercial airlines, which is taxed at State and local levels. The Town, during the time of prior ownership, received monthly sales tax revenues from Spectrum Jet Center, for the sales of jet fuel to private aircraft, and from Avfuel, for the sale of jet fuel to commercial aircraft.

The problem at hand is that from October 2008 through December 2008, the Town received no revenues from the sale of jet fuel for commercial aircraft. We have learned that at the time of ownership exchange, Conoco Phillips Company took over the commercial jet fuel sales, although they applied for a State/local sales tax license for a start date of January 1, 2009. We spoke to airport personnel who witnessed Conoco Phillip's presence at the airport since October 2008 and saw that they were fueling commercial jets.

On numerous occasions, Town staff has contacted various Department of Revenue personnel to discuss this concern, and have not gotten satisfactory response, and in some cases, no response at all. We are hoping that you may be able to help us to obtain the "missing" revenue that is a significant resource for the Town. Given the current economic situation that all levels of government are facing, we ask that you place utmost importance on this issue and help us receive the sales tax dollars we, the State and the County are due.

Please contact the Town of Hayden's Finance Director, Lisa Dowling, with any information that may lead to the recovery of these dollars. Her contact information is:
ldowling@hayden-co.gov, phone (970)276-3741.

Sincerely,

Lorraine M. Johnson, Mayor
Town of Hayden

Cc: State Representative Randy Baumgardner
State Senator, Al White