

# Aviation Advisory Board Meeting Minutes

August 5-6, 2010 in Unalakleet, Alaska

**Chairman Lee Ryan called meeting to order at 9:05am.**

**PRESENT:** Lee Ryan, Jim Dodson, Tom George, Tom Nicolos, Mike Salazar, Mike Stedman, Judy McKenzie, Frank Neitz, Steve Strait

**EXCUSED ABSENCE:** Al Orot, Ken Lythgoe

**OTHERS IN ATTENDANCE:** Marc Luiken (DOT&PF), Rebecca Cronkhite (DOT&PF), Jeff Roach (DOT&PF), Linda Bustamante (DOT&PF), Commissioner Leo von Scheben (DOT&PF), Harry Johnson, Jr. - Unalakleet Airport Manager, Laura Lawrence – Staff to Senator Donny Olson, Representative Neal Foster, Chuck Degnan, Jim Tweto.

**MINUTES:** Approved by the board prior to meeting – via email.

**Agenda Addition** – Add time for public comments to agenda which could happen throughout the day as the public stops in for the meeting.

**Announcement from Deputy Commissioner:** Deputy Commissioner Luiken thanked Chairman Lee Ryan for hosting the meeting in Unalakleet and welcomed new board members, Tom Nicolos and Mike Stedman.

## **AGENDA:**

**Alaska International Airports System (AIAS) and Statewide Aviation Update:** Deputy Commissioner Luiken provided an overview of the AIAS.

Marketing efforts of the Anchorage Airport include:

1. Plans to hire two key positions - marketing and air service development.
2. Interview with Supply Chain Management for an online story
3. Air Cargo Summit – International carriers invited to meet with representative from U.S. DOT to better understand the unique cargo transfer rights available in Alaska and to review fuel supply issues.

The State is conducting a study to review fuel storage and all aspects of fuel availability at the international airports.

**Public Comment:** Junior Johnson, Unalakleet Airport Manager expressed concern over Emmonak Airport not having a village contractor. Lowest bid received for this

position was too high. He also said that that St. Michael used to be served by Beach 1900 a/c but that aircraft was discontinued because of runway conditions.

### **Break – 10:15am to 10:30am**

### **AGENDA (continued):**

**Deputy Commissioner Luiken** provided an update on the Alaska International Airports System (AIAS) including enplanement, cargo and fuel statistics; status of executive director position; latest bond credit rating and the upcoming Airport Cities World Conference Exhibition. AIAS will be looking into adjusting lease lot and land rents. Any proposed changes will go through public comment period and are expected to be completed by year end. Rural airport lease rates are also being evaluated for economic potential and Statewide Aviation is looking for a means to help these airports by using fair market value for establishing lease rates.

Other Statewide aviation issues being worked include the **Northway Airport** where fuel services have ceased due to the tenant closing his business. The **Akutan Airport** should see construction begin this fall - this airport project is a good example of multiple funding sources coming together to make a project of this magnitude happen. Steve Strait recommended that a You Tube video be considered for this project. **Little Diomede** is seeking year-round air service and one of the options being considered is an EAS subsidy. **100LL** comments are due to the EPA by August 27, 2010. Statewide Aviation is working with the Governor's office and other aviation stakeholders to assist with gathering information and formulate comments. **Airport Operations Practicum** is a training program provided by the Alaska Airports Association. Statewide aviation wants a formalized training program to increase the level of competency of rural airport managers. There are also plans to contact UAA about developing curriculum for airport training.

### **Break for Lunch - Meeting called back to order at 12:30pm**

**Becky Cronkhite** provided a handout on the Alaska Aviation System Plan (AASP). The internal website for the AASP requires a password and Becky plans to provide this for the Board members.

**Public Comments:** Jim Tweto, President Hageland Aviation and co-owner of Era Alaska Group, requested that the Board provide direction to the US Postal Service regarding their plans to change postal mail hubs. New hubs will greatly impact the aviation industry. Steve Strait moved that the Board meet to discuss the USPS issue and to advance recommendations to the DOT&PF Commissioner and Governor Parnell. Motion seconded by Tom George and approved unanimously.

Chuck Degnan, resident of Unalakleet, asked the Board to look at issues from the perspective of small villages, i.e., Little Diomedea – how frequent do they get air service? Figure out a way to help them. Fulfill duties to small communities.

**Becky Cronkhite continued with a review of the AASP.** The Goals, Objectives, Measures and Airport Classes section was discussed with the Board. It was suggested that changes go to Tom George who will track changes and submit all to Becky.

Becky discussed Gustavus Airport advising that the cost to operate this airport in 2008 was \$310,000.

Social impact study – contractor has been hired, scope needed - Tom George and Steve Strait on committee.

Statewide Aviation has hired a new transportation planner whose duties will include land use issues.

**AASP Work group reports** were provided:

**Steve Strait - Aviation Management and Communications at DOT&PF** (Role of Aviation) Steve noted that DOT&PF has reorganized numerous times. The planning group met in August to review the draft organizational history and a scope of work for a new study has been submitted.

**Tom George - APEB** - Tom noted two areas of concern:

1. On-road airport improvements don't score well. In some cases, such as Talkeetna, relatively small improvements such as increased apron space would make a big difference in the economic viability of the airport, yet the APEB scoring system makes it very difficult to get projects approved when competing with off-road rural airports.
2. Rural airports with very small populations are discriminated against by the APEB process. While these areas don't have a large population base, they sometimes serve other values to the statewide system, which is not quantified under the current.

A description of these two issues was provided to the APEB Working Group. Tom Nicolos added to APEB workgroup.

**AASP Project Scoping** - Becky advised that the AASP scoping process is ongoing with new scopes being added yearly. The AASP project scoping committee should include a member of the Board.

**Tom George - M&O** – Tom asked that this work group look at the statewide aviation system and determine what level of maintenance and funding is needed. AASP is

providing an opportunity to bring M&O needs forward. Commissioner von Scheben suggested that the work group start with the pavement issue and index.

AASP work groups have the following board members assigned to them:

APEB – Tom George and Tom Nicolos

USPS – Jim Dodson and Frank Neitz

M&O – Mike Stedman, Lee Ryan and Tom George

Website – Judy McKenzie

Role of Aviation – Steve Strait and Tom George

Social Impact Study – Jim Dodson, Steve Strait, Tom George, Judy McKenzie

AASP Project Scoping – Lee Ryan (combined with Social Impact)

**Commissioner Leo von Scheben** reviewed the history and advantages of establishing a state transportation fund. He agrees that it is a good idea and noted that the FAA is asking states how they are going to assist with funding airport projects. This type of fund would also allow projects to be completed more quickly.

The FY11 capital budget contains \$1.26B for transportation including highways and aviation projects.

He is also focusing on M&O issues at state owned rural airports; project prioritization; and communications.

He requested that the Board continue to forward concerns to him.

**Meeting adjourned 4:00pm**

**Meeting reconvened, August 6<sup>th</sup> – 10:00am**

Board members gave a brief report on aviation issues and concerns in the area that they represent.

**Mike Stedman (regional carriers):**

1. Lack of concessions outside of the TSA area at the Anchorage Airport
2. Anchorage Airport regional ramp area has drainage issues and experiences water buildup.
3. Haines Airport runway plowing during wintertime should be a priority over highway plowing.

**Commissioner von Scheben** asked that he and the board be advised of the number of pilots that have taken advantage of the governor's loan program for Capstone equipment.

**Jim Dodson (Mayors of City of Fairbanks and North Star Borough):**

1. AIAS status important to Fairbanks and ongoing marketing efforts.
2. Focus on convincing SOA to operate a transportation system not just manage assets.
3. Need to consider and prepare for subsidies going away.

**Tom Nicolos ((Public):**

1. Bi-pass mail system important – helped to stabilize passenger fares 30 years ago.
2. Work with FAA to get lower visibility approaches for airports. Dependable access is needed for smaller communities

**Frank Nietz (Unorganized borough):**

1. Parallel runway at Bethel Airport is successful and allowing more operations. Still need 24-7 hours of operation.
2. Logistic issues getting material to remote airports – barges are used.
3. Deferred maintenance concerns – more funding needed for rural airport maintenance.

**Steve Strait (Mayor of Anchorage)**

1. Merrill Field update – this airport successfully received stimulus money; worked through some communication issues with Elmendorf regarding air show and has had NO noise complaints from neighbors.
2. Lake Hood – some community issues with growth of airport/activity; challenges accommodating pedestrian and aircraft traffic; receiving updates from LHD manager.

**Commissioner von Scheben**

1. Asked that LHD manager provide him and Marc an update on the results of the LHD pedestrian study.

**Lee Ryan (2<sup>nd</sup> Judicial District)**

1. Would like consideration for EAS at Little Diomed
2. Training for village airport contractors is an issue in Southwest communities. Requested that this issue be an agenda item at next meeting.
3. M&O personnel and training needed at rural airports. Compactor equipment not available at smaller airports. Runways have crowning and drainage issues.
4. US Postal hub concerns – hub & spoke system – how many can we support? State needs to drive transportation system.
5. Runway length standard classification is questioned by air operators.
6. Oxygen transport issue – some carriers have the needed exemption
7. Russia is looking to Alaska for technology.

**Mike Salazar (Alaska Air Carriers Association)**

1. AACA issues have been covered in meeting

## **Tom George (Pilots, aircraft owners, aviation supporters and Alaska Airmen's Association)**

1. NextGen: state involvement helps advance the FAA program. An example is the state loan program adopted by the Legislature
2. Military airspace
3. Denali Soundscape – agenda item for next meeting
4. Airport issues, Willow, Talkeetna, Northway. State DOT builds good airports but needs to move beyond building projects to managing them to include customer service and relations with the community. There are compatibility issues with land around airports, which are just starting to threaten some of our airports.
5. Aviation groups have advocated for for the “Division of Aviation” to give aviation more of a priority in DOT.
6. Airmen's cancelled plans to fly to Russia due to increase in landing fees. This is a potential trade issue, which should be referred to the Governor's office.

## **Judy McKenzie (all cargo carriers)**

1. Concerned about FAA rules and regulations that increase costs to carriers.
2. Noted it would be helpful if the SOA focused on kids going into the aviation industry. It's getting increasingly difficult to find people interested in aviation, i.e., mechanics.

## **Commissioner von Scheben**

1. Looked at the strengths of the Alaska aviation system – fortunate that state has a system with airports that already exist – couldn't do it today. Aviation Advisory Board (AAB) is also a strength.
2. Weaknesses are funding and challenges with regulatory agencies.
3. Opportunity – Alaska has assets and resources.
4. Need to celebrate the successes of the AAB and realize that there is still a lot of work ahead of us.

Lee Ryan recapped some requests for next meeting: M&O needs and costs, village contractor requirements, work shop briefs, Denali soundscape brief, Frank Nietz slide show.

Next meeting should be in Fairbanks, possibly in October during AFN and AAB is considering a town hall type of meeting.

**Meeting adjourned 12:35pm**