

**Aviation Advisory Board Meeting Minutes
June 28-29, 2011**

Meeting held at Long House Hotel, Bethel, AK

Meeting called to order by Chairman Lee Ryan at 9:02 a.m.

PRESENT: Lee Ryan, Jim Dodson, Tom George, Steve Strait, Dave Karp, Frank Neitz, Mike Stedman, Bob Hajdukovich, Tom Nicolos

EXCUSED ABSENCE: Judy McKenzie, Ken Lythgoe

OTHERS IN ATTENDANCE: Marc Luiken (DOT&PF); Steve Hatter (DOT&PF), Jeff Roach (DOT&PF), Mike Coffey (DOT&PF), Becky Iles (DOT&PF), Linda Bustamante (DOT&PF), Don Fancher (DOT&PF), Byron Huffman (FAA), Jessica Della Croce (DOT&PF), Troy Larue (DOT&PF), Tim Myers (Bethel airport tenant), Marcy Sherer (AVCP), Carl Berger (Lower Kuskokwim Economic Development Council), Mike Hoffman (AVCP), Jeff Hoffman (AVCP), Vance Sasinowski (ERA/Hageland Aviation)

MINUTES: Motion: Steve Strait moved to approve minutes. Seconded by Tom Nicolos. Motion passed unanimously with request to update minutes on website.

Chairman Ryan – Welcomed all to meeting and reviewed board’s itinerary and tours. Lee emphasized how rich in tradition Yuut Yaquungviat Flight School is and its importance to youth in the area. He also discussed the importance of holding AAB meetings in rural communities.

Commissioner Luiken – Welcomed all and added that he appreciates the role of the Board and having local community representatives at this meeting. The Commissioner reviewed DOT&PF’s strategic planning meeting held in June for 3 days with a leadership team from all three regions and modes of transportation. Commissioner noted it’s a BHAG (Big Hairy Audacious Goal) and is rolling out the new plan across the department in the next couple of weeks. The newly stated purpose and vision of DOT&PF is to *Get Alaska moving through service and infrastructure and Expand Alaska’s transportation system 30% by 2030.*

AGENDA:

Statewide Aviation Issues: Deputy Commissioner Hatter updated the board on the following key topics with ensuing questions and comments noted:

- Alaska International Airports System (AIAS) - they are also going through a strategic planning meeting with top airport managers. The DOT&PF and AIAS strategic plans are similar with the core purpose of AIAS - *Keep Alaska flying and thriving.*
- Essential Air Service (EAS) – EAS is important to Alaska where 44 communities receive federal EAS subsidy. This program was recently under attack and the

Alaska Congressional Delegation put forth good effort representing Alaska and the importance of EAS to communities. Need to stay on top of this and be ready for the next round of attacks on continued funding of this program.

- Service Based Budgeting – what does it cost to maintain our departments assets? SBB will produce a budget using new data that will define what these costs are and what level of risk we’re willing to accept if these assets aren’t maintained.
- Medallion Foundation – need to come up with a collective solution to keep foundation funded. Bob Hajdukovich requested that the State be engaged and educated about the foundation.
- USPS – reviewed the upcoming presentation to the rural subcabinet. Jim Dodson noted that bypass mail changes will impact AIAS too.
- Runway Safety Areas (RSA) – AAB needs to be aware of deadline and how designated funding will be altered and how that impacts other projects. Steve Strait asked if this discussion should be elevated to Alaska’s congressional delegation to ensure they have clear understanding of AIP funding in Alaska. Byron Huffman noted that RSA is a life safety issue and that ultimately it saves lives and money. DC Hatter suggested that we look for *Alaska Solutions for Alaska Problems/Challenges*.
- Safety Management Systems (SMS) – the FAA announced SMS is a proposed safety management system that will provide added safety measures during airport operations especially during construction projects. When new rule is finalized next year there will be impacts to Part 139 airports. Department is determining best way to proceed with implementing SMS.

Public Comments:

Mike Hoffman with the Association of Village Council Presidents, (AVCP) suggested that the State needs to partner with tribes in regions in order to leverage all sources of capital to build projects in rural Alaska. This Y-K Delta has the highest unemployment and poverty rates in the state and some of the highest in the nation.

Vance Sasinowski with ERA/Hageland Aviation asked - who are our champions in D.C. making safety assessments for rural airports in Alaska?

Alaska Aviation System Plan Status Update:

Jessica Della Croce (DOT&PF) provided the board handouts and an update on past and ongoing AASP work efforts. The beta test website is available for the Board to log on and provide comments and or suggestions on all features by July 29th via the site or to Becky Cronkhite. Advanced copies of reports on the 12 community socio economic studies were provided to the Board.

Don Fancher commented on the impact of state/federal regulations on projects and that the public could benefit from this knowledge. Tom George suggested that the air carriers participate more in the aeronautical surveys and approach procedures work group. Board was requested to review the beta website and the draft AASP Executive Summary and provide comments to Becky Cronkhite.

Public and Board comments:

Tim Meyers – leases airport property at Bethel airport. Has an agricultural project that could actually be a model to the state. He grows produce and eventually hopes to produce 100,000 lbs. of crops a season. Storage facility will store 200,000 lbs. He plans to plant 17 acres next year. Byron Huffman (FAA) mentioned that non aviation use leases on airports must be charged fair market rent and have limited term.

Dave Karp suggested that aviation stakeholders visit congressional delegation as a group for aviation dialogue and this visit should include time with Representative Don Young.

Land Use Compliance Briefing:

DC Hatter provided the board an overview of Land Use Compliance issues. FAA Grant assurances require the State to uphold and comply with said assurances that include compatible land use on and around obligated airports. DOT&PF is working hand in hand with FAA to identify and formulate plans to correct land use compliance issues. There are potentially issues at many airports per the FAA.

FAA Compatibility Land Use Presentation:

Byron Huffman (FAA) provided the board a presentation emphasizing what governs an AIP funded airport. Basically AIP monies and land come with strings. Examples of typical Alaska incompatible land uses included lack of zoning off-airport; parks; waste facilities; non-aeronautical uses such as buildings, schools, state troopers residence, and rental units. Airport zoning discussion included questions and suggestions from Tom Nicolos: Whose more stringent zoning laws do you follow? For instance, at the Barrow airport there is a building higher than local zoning law. State is empowered with zoning laws but how are they executed or exercised? Requests that the state and borough work together to keep the system protected.

Maybe the AASP or working group could work this issue? Need a comprehensive plan with borough and state to define regulations we follow for property use at and around an airport. Please add this as agenda item to next meeting.

The FAA is also designating AIP funding for airport runway safety areas. Congress has made RSA's mandatory by 2015.

Airport Maintenance & Operations Report:

Mike Coffey (DOT&PF) and Troy Larue (DOT&PF) provided a power point presentation listing Y-K Delta airports and their 2011 deferred maintenance projects.

The Department's goal is to eliminate deferred maintenance. Department is moving ahead with more clarity with service based budgeting. Troy noted that better communication with local villages could help maintain airports. It was suggested by AVCP that DOT&PF work with them for a brush cutting program with locals. DC Hatter added that service based budgeting holds promise to identify and fix airport problems sooner. He also noted that a new feature on the AASP website is intended to help change the culture of communication between airport users and sponsors and will be a valuable tool for identifying M&O concerns at rural airports.

Public Comments:

Vance Sasinowski (ERA/Hageland) commented that the Bethel airport has no radar or approach control. During special VFR conditions, there is a delay for VFR flights to land. ATO would make determination if business case to be made for approach control for Bethel. Not having radar might be a manpower issue.

The board requested that Bob Hajdukovich give the board a briefing on this at the next meeting.

USPS Bypass Mail Discussion:

DC Hatter discussed the AAB briefing to the rural subcabinet. Need to frame problem at an executive level, discuss issues and why they should care. What will happen to the people of Alaska if we don't have this subsidy in place? USPS interested in saving money but ends up passing costs onto villages and the DOT&PF. State needs to be engaged.

Ideas/comments from board:

Develop long range transportation plan

USPS - all costs being shouldered by them

White papers to rural communities should be sent explaining potential impacts

\$70M is annual loss to USPS in Alaska – should state cost share? Buy decision equity.

Matching funds?

Subsidy options – rural Alaska pays it all; do nothing; compromise and cost share equity.

DC Hatter organized ideas and suggested that a 10 slide brief for the rural subcabinet include that the USPS is losing money; the impact of hub expansion to rural communities, impact to each member of the rural subcabinet department, and to DOT&PF infrastructure. Recommendation – cost share. Participants in briefing: Bob Hajdukovich, Frank Neitz, Lee Ryan, Jim Dodson, Marc Luiken and Steve Hatter.

Board Comments:

Mike Stedman – float plane operations at Angoon often times had to use beach because there was no room at harbor.

Tom George – National Weather Service needs more weather not less. 30 day comment period is in effect and suggest action by Board and DOT&PF regarding removal of weather observers by NOAA/NWS.

Lee Ryan – need to think about next meeting date – fall timeframe in ANC or FAI?

Meeting Recessed at 5:00 p.m.

June 29, 2011

Meeting called to order by Chairman Lee Ryan at 6:40 p.m.

Excused absence: Judy McKenzie, Dave Karp and Ken Lythgoe

Board Comments:

The board reviewed and discussed the information provided at the meeting and airport tours with the following recaps:

1. Tom Nicolos suggested having Barrow host the next rural location meeting.
2. Bob Hajdukovich will take up Bethel approach control with AACA safety committee.
3. Mike Stedman – appreciated opportunity to see Y-K Delta airports. Recognizes significant challenges for DOT&PF.
4. Frank Neitz – noted there was good momentum with Board meeting.
5. Steve Strait – looking forward to next meeting –lots of issues to cover.
6. Jim Dodson – good meeting – board should write a letter of concern about approach issues at Bethel.
7. Tom George – pleased to see AASP moving forward. Suggested looking closer at different elements of our aviation system, specifically road system airports and remote small- population airports. Study these two types of airports and look for common problems in each category. Better understanding needed to address possible funding and management issues. Tom will forward links about weather service issue and contract weather observers.
8. Bryon Huffman – this was a good trip with lots of good information sharing. Feels all are moving forward in good partnership and moving aviation forward in the state.
9. Marc Luiken – thanked all and noted excellence is one thing that the department is known for. The folks working on our rural runways are doing the best job they can do. Recognized that there is lots to do and appreciates the Board, FAA and support for DOT&PF and the people of Alaska.
10. Chairman Lee – Big thanks to Department for allowing Board to see rural airports – appreciates charters. Service based budgeting will be a term for AAB to carry forward in Juneau. Request more information on this at next meeting, probably in October in Anchorage or Fairbanks. Requested a letter of concern for approach control from Board to AACA Safety Council – Bob Hajdukovich will write.
11. Statewide Aviation to prepare briefing power point for rural subcabinet briefing and will include the AASP USPS brief.
12. AASP needs air carrier on the work group for aeronautical surveys. Lee designated Judy McKenzie and Dave Karp.
13. Tom Nicolos – observed that there was no permanent lighting at the 3 airports visited. Airports do have emergency lighting available.
14. Troy Larue mentioned the idea of holding a rural board meeting in Unalaska that would include a look at the new Akutan airport.

Next Meeting and Adjournment:

The board is planning to hold their next meeting in the fall in Fairbanks or Anchorage.

Meeting Adjourned at 7:20 p.m.