

**Aviation Advisory Board Meeting Minutes
January 26, 2011**

Meeting held in Franklin Room, Baranof Hotel, Juneau, AK

Meeting called to order by Chairman Lee Ryan at 8:30 a.m.

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

EXCUSED ABSENCE: Al Orot

OTHERS IN ATTENDANCE: Marc Luiken (DOT&PF) Steve Hatter (DOT&PF), Rebecca Cronkhite (DOT&PF), Jeff Roach (DOT&PF), Laura Baker (DOT&PF), Mary Siroky (DOT&PF), Jeannie Johnson, Juneau Airport Manager, Lyn Campbell (DOT&PF), Joy Journey (AACA), Linda Bustamante (DOT&PF), Becky Iles (DOT&PF) and via teleconference Mike Coffey (DOT&PF), Rich Sewell (DOT&PF), and Gabriel Mahns (FAA).

MINUTES: Approved by the Board prior to meeting.

Chairman Ryan – Welcomed all to meeting and shared an Alaska aviation DVD that he produced. Lee added that public comment will be accommodated throughout the day. Attendee introductions were made.

Commissioner Luiken – Welcomed all to meeting. As the department’s new Commissioner he is excited to be moving the DOT&PF agenda forward and will also be spending time working on the organizational structure of DOT.

Deputy Commissioner Hatter – Added his welcome and is looking forward to building relationships throughout the state. He acknowledged the wisdom in having a board with perspective and background for collective problem solving.

AGENDA:

Statewide Aviation Issues: Deputy Commissioner Hatter updated the Board on the following issues with ensuing questions and comments noted:

- Little Diomedé – the State has an obligation to help this community find service and it was recommended that the Aviation System Plan (AASP) include solutions for levels of service for all of the state. It was noted that this is a precedent setting issue and the board needs to think about this time sensitive issue and work with DC Hatter.
- TSA vs Private Screeners –it was noted that this could become another potential unfunded mandate. Board will monitor issue.
- Compatible Land Use and Zoning Issues –Tom Nicolos provided correspondence from the North Slope Borough about NSB zoning and platting laws. Copies of all

were provided to the board. Due to a full agenda, the Board has moved this topic to the next meeting.

- Umiat Weather Station – Currently there is no agency that is responsible for aviation weather information. DOT does provide space on state owned airports to locate navigational aids and it was recommended by the Board that DOT&PF work with the National Weather service to monitor this issue.
- Bethel 24/7 –DOT&PF has requested that the hours of operation at the Bethel Airport be increased to 24/7. The Board will be discussing this issue more with legislators. Joy Journey stated that the Alaska Air Carriers Association is not opposed to 24/7 operations.
- Ketchikan Airport –Ketchikan Greater Borough is requesting financial assistance for airport operations, to make up for revenue shortfalls. DOT&PF is exercising due diligence before deciding how to proceed. Teams have already been sent to Ketchikan to look at ways to assist.

Alaska International Airports System:

There was discussion about information on page 28 of the AIAS Organizational Study: <http://www.dot.state.ak.us/documents/AIAS-Report.pdf> and the FAA's concerns about DOT&PF's lack of ongoing airport pavement maintenance and that the pavement maintenance levels are estimated at \$600 million. The board would like to know more about the rural airports pavement needs at the next meeting and what the state's plan is to keep airports paved to a higher level.

Fuel – The board expressed concern over the availability of jet fuel and the state being fair to Alaska businesses engaged in fuel production. It was suggested that the board participate in working towards a solution for fuel production.

AIAS Statistics – Traffic and operations statistics showing some positive indicators across the International Airport System

Jeannie Johnson, Juneau Airport Manager, discussed Juneau airport operations and mentioned that as a municipal airport, Juneau does not have the luxury of the DOT&PF umbrella and asked that municipal airports not be forgotten. Steve Strait suggested that if a municipal airport user group was established, the make-up of the Aviation Advisory Board should be changed to include municipal airport representation.

Alaska Aviation System Plan Report:

Rebecca Cronkhite presented an overview of the AASP project to-date and the reports and products that are posted on the AASP web site <http://www.alaskaasp.com>. The primary focus of the discussion was the report on the role of statewide aviation. The history of that task was covered and the final report **Aviation Functions within DOT&PF** was provided on CD and is available on the web site. Draft deliverables on management elements, existing organizations structure and functions were provided. The

Board agreed that once the Regions reviewed these draft documents that the task could be considered complete. The AASP is an ongoing effort and will continue to be leveraged as a tool for management of the system. The Board will review any new AASP tasks at their next meeting.

Budget Review and M&O Deferred Maintenance Report:

Laura Baker presented an overview of DOT&PF - FY2012 operating and capital budget, deferred maintenance needs and historical appropriations. Mike Coffey participated via teleconference. There were questions about changes in costs from a previously provided deferred maintenance list that showed \$98M in needs versus the list provided at this meeting showing \$52M. It was explained that the current list did not include airport and facility needs and that those were moved to capital projects and no longer considered deferred. The board has requested more detailed information about these changes and a clear understanding of what the true needs of deferred maintenance are. They would like this information presented at the next AAB meeting. Information was provided about M&O maintenance expenditures. FY11 M&O highway and airport maintenance is planned for \$143.5M. It was said that about 75% of that figure is for highways and 25% for airports. The board requested more details about the percentages to also include how personnel costs are accounted for, specifically what the fringe benefits, as well as wages (separate items) were as a percent of operation cost for the M&O expenditures.

Lt. Governor Mead Treadwell and Chief of Staff, Dave Stone: Lt. Governor Treadwell and Dave Stone stopped by the meeting to greet the Aviation Advisory Board. Lt. Governor reiterated the importance of aviation in Alaska and will do all he can to help fund and improve its airports.

Civics 101:

Mary Siroky gave an overview of the Alaska legislative process, and explained the roles of the executive versus the legislative branch of state government.

State Transportation Fund:

Two Current legislative bills (HB 30 and SB 37) were distributed to the Board for review.

Senator Donny Olson and former State Senate President Rick Halford:

Senator Olson and Rick Halford stopped by the meeting to greet the Aviation Advisory Board and assure the board they are very interested in aviation issues.

US Postal Service:

Chairman Lee led the discussion on the US Postal Service Hub expansion plans. A review of correspondence to Western Area Operations Specialist Steve Deaton and information on proposed postal hub comparisons was reviewed. There was much discussion about the potential impacts to rural communities when postal hubs are expanded and or changed. It was requested that the AASP provide a socio-economic

case study documenting the impact to Emmonak and St. Mary's after those postal hub changes. There were questions about what the impact would be to Bethel if Hooper Bay were to become a new hub. It was suggested that the state needs to support the rural airport system and have a position in the USPS expansion plans. The Board formed a committee (DC Hatter, Lee Ryan, Judy McKenzie, Jim Dodson, Steve Strait, Mike Stedman and Frank Neitz) to produce a position paper for the Governor.

Motor Fuel Tax: Steve Strait moved that the board remain neutral on this bill as long as municipal airports are held harmless. Ken Lythgoe seconded and motion passed with one nay vote – Judy McKenzie.

Steve Strait requested a DOT&PF perspective on long-term funding for airports. If federal funding were to decrease, what options are DOT&PF planners considering to keep the system healthy? He also suggested that materials are needed to help the congressional delegation understand these potential funding issues clearly. Steve mentioned he had heard concerns from the Turnagain Community Council about Anchorage Airport operations and reviewed those with airport management.

Meeting Adjourned at 5:00pm

January 27, 2011

Board met to review meetings with legislators and had the following requests:

1. Request from Lt. Gov. Treadwell for a white paper on USPS issue.
2. Request from Senator Hoffman and Senator Olson for a position paper on Bethel 24/7 operations.
3. AAB wants DOT&PF to provide a position paper on Bethel 24/7 operations showing support and how \$900K will cover costs for extended hours.
4. DOT&PF maintenance management system – request to break down details to help legislators understand current and future M&O needs.
5. Rep. Wilson requested 2-4 minute video on airport operations. (Chair Lee handling)
6. Request that DC Hatter look at AASP tasks and determine what more are needed, i.e., risk analysis of M&O deferred maintenance, video, compatible land use and DOT&PF relationship with community.
7. Suggestion that a video of Akutan airport project might be beneficial.
8. Rep. Wilson requested AAB to testify on issues.
9. Next AAB meeting scheduled for April 5th and half-day on April 6th in ANC
10. Request to consider BET or OTZ for future AAB summer meeting location.
11. Agenda items for April 5th meeting to include; lease rates, M&O and risk assessment, USPS, MOA, zoning issues and update on status of KTN.