

**Aviation Advisory Board Meeting Minutes
June 18, 2013 – Barrow, Alaska**

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Meeting held at the Barrow High School - Barrow, AK

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

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

EXCUSED ABSENCE: Ken Lythgoe

OTHERS IN ATTENDANCE: Pat Kemp (DOT&PF), Steve Hatter (DOT&PF), Jeff Jones (Governor’s office), Linda Bustamante (DOT&PF), Jeff Russell (DOT&PF), Mike Coffey (DOT&PF), John Binder (DOT&PF), Ryan Anderson (DOT&PF), Patrick Cotter (PDC Engineers), Fred Pardy (NSB Planning), Jeff Seifert (KBRW-AM/FM) Lars Nelson (Umiaq), Reanne Heath (NSB), Don Long (Barrow Mayor’s Office), Jeff Roach (DOT&PF), Becky Iles (DOT&PF)

JOINING BY PHONE: Jim Lomen (FAA)

MINUTES: Motion to approve minutes, motion passed unanimously.

AGENDA: Motion to approve agenda, motion passed.

Chairman Ryan – Welcomed all to Barrow and added that visiting rural airports provides the Board good perspective in seeing rural aviation issues first hand. Public comments will be accepted throughout the meeting.

Commissioner Kemp – Welcomed the Board and new Operation Manager, John Binder. He appreciates having the meeting in a rural location. Discussed the challenges with capital projects noting there aren’t any “shelf projects” to substitute if there is a delay in a current project. He has placed a new emphasis on the Department to be more proactive on public outreach and legislative relations. Commissioner is implementing a 10 year plan that will include a needs list for each of the state’s 254 airports. On the operating side, the Department is tightening its belt looking for efficiencies with the state equipment fleet to include an anti-idling policy. Alaska is a growing state with a growing infrastructure. The Board can lend help with evaluating fiscal challenges; help us look at what worked in the past. Many of you are operators that use our airports – we value and need your help.

Jeff Jones, Special Assistant to Governor – Thanked the Board for their hard work. The State is looking to the Board for new ideas. The Governor’s priorities include transportation and resource development. The key to resource development is access and the key to access is infrastructure. Barrow is important to onshore/off shore oil wealth and is the epicenter for change and growth. It’s important to have the right infrastructure

at right place and right time. Board can help with this – be innovative; use our assets to assist in economy; and help develop revenue streams.

Deputy Commissioner Hatter – Welcomed all and appreciates the Commissioner’s optimism with all of the challenges. He discussed the success of the first M&O rural airport training conference held in Anchorage last May. Reviewed following agenda items:

TSA – working with TSA on specific issues such as tenant access controls; plan is to continue to hold strategic level conversations with Jesse Sanchez.

Barrow/Deadhorse Airports- Increased aviation activity at these airports is putting greater demands on both airports.

Akutan Airport – Unique airport – DOT&PF is coordinating with FAA to develop published approaches and is facilitating regular stakeholder meetings.

Bethel – Airport Master Plan is underway. There is a need to continue to engage with community with facts and ensure clarity in choices between proposed alternatives.

Chair Lee mentioned that new airport capital projects should include a review of that airport’s operations and increased costs. This will help provide some lessons learned and speak to airports sustainability issue.

AIAS – Anchorage undergoing a Master Plan (a blueprint for the future). This is a long and challenging process with lots of public engagement and a good team of technical experts.

Community member, Lars Nelson, commented on the Barrow Airport Master Plan noting that this is a tremendous opportunity for corporations in Barrow to participate in the planning and development process. There is a need for help on the state/federal level to develop security protocols and this should be handled expeditiously since construction season is short. Business development helps the community.

Introduction of Sustainability of a Regional Airport System:

DC Hatter started the discussion with a snapshot of where Alaska’s regional aviation system is today and how the changing federal fiscal environment is impacting the system.

Jim Lomen, FAA, discussed unprecedented funding challenges and that FAA HDQ more involved in decision process that normally would occur at local FAA level. FAA expects states to provide financial commitment to infrastructure. It’s a challenge telling the Alaska story – largest sponsor of airports and AIP is the sole source of funding for airport infrastructure. Not having to meet FAA requirements is an advantage of funding projects with state funds. State should considering funding a robust M&O program to extend the life of AIP funded projects/investments. He gave examples of what other states contribute to airport projects. Explained that non-primary airports earn entitlement funds determined by NPIAS – these airports earn up to \$150,000. NPIAS list was scrubbed in May 2013 – new funding calculations included \$10M less than DOT&PF expected.

Becky Iles – Reviewed federal and state authority. There are 13 SOA airports where non-aviation leases do not meet FAA requirements. There is \$4M in annual revenue in the rural aviation system - \$30M in costs to operate system.

Group Comments/Questions –

We need to articulate why Alaska is different. The FHWA did not build a highway infrastructure in Alaska.

Can DOT&PF change funding commitments for airports that today may not need to be a priority (Angoon Airport)?

Additional taxes does not stimulate economic activity

Most Alaskan airports have no economic value – raising rates/fees could discourage economic activity

Need to come up with a solution that works for Alaska

Compile list of needs for the rural airports – can AASP help identify airports and their economic potential. Can this be a task for the next phase of the AASP.

APEB process designed for new airports – do we need new airports?

Rural system needs strategic plan similar to what has been done for AIAS

What can SOA do to show what it is doing to sustain/extend life of current infrastructure?

Need to educate legislature on aviation regulatory requirements including exemptions offered today to a/c with less than 50 seats.

Need to articulate the Alaska “factor” in order to receive federal support

Smaller work groups needed to discuss revenue generation and promote conversation with Governor’s office

Where do we want to be in 5 years?

Need to do what’s right for the State and not limit view to AIP dollars

Look at current infrastructure – do we need long runways at CDB, AKN?

Need to define rural airport system and where we want to be in 10 years.

Goal is to be sustainable.

How does State get closer to covering M&O costs?

Next Steps –

Start strategic plan

AAB meetings will focus on sustainability of aviation system.

Target a few individuals to help with report to legislature. Report needs to be strategic and short and to the point.

Jeff Roach – provided an update and handouts on the Barrow Airport Master Plan and schedule of upcoming meetings. The Master Plan document should be finalized December 2013. Lars Nelson stressed coordination with surrounding land owners.

Meeting adjourned 2:30pm and Board traveled to Barrow Airport for tour and charter flights to NSB airports - Wainwright and Atkasuk.