

**Aviation Advisory Board Meeting Minutes**  
**January 24, 2018**  
**DOT&PF Headquarters**  
**Juneau, Alaska**

**Meeting called to order by Chairman Lee Ryan at 9:04 a.m.**

**PARTICIPANTS:**

**Board Members:** Jim Dodson, Tom George, Lee Ryan, Steve Strait, , Gideon Garcia, Bob Hajdukovich, Dennis Parrish, Earl Samuelson (by teleconference), Marilyn Romano, Frank Neitz,

**Excused Absence:** Mike Stedman

**DOT&PF:** John Binder, Troy LaRue, Linda Bustamante, Commissioner Luiken, Megan Byrd

**OTHERS:** Kristi Warden (FAA Airports Division), Robert Venables (Chair of DOT&PF's Marine Transportation Advisory Board), (by teleconference) John Harris, Merle Akers

**AGENDA and MINUTES** – Steve moved to accept agenda, Dennis seconded. Dennis moved to adopt minutes with some changes. Steve seconded. Motions passed unanimously.

Changes to minutes:

Under DC Binder Comments add that DC Binder will set up a meeting with airport management and the TCC and Lake Hood Pilots Association about the lease to Ketchikan Air; under Board Discussion add DOT&PF should go back to public notice because of substantial changes to aircraft registration proposal; and under Public Comments add specifics about request to break lease with Ketchikan Air and expand on list of 250+ on tie-down wait list.

**Commissioner Luiken Comments:**

The Commissioner welcomed the group and thanked them for their service. The Department's operating budget information now includes metrics associated with the four core/direct services of preserve, operate, modernize, and provide. This new format has been well received and the department is looking forward to sharing it with legislators.

**Chairman Lee Ryan:**

Introduced Robert Venables - Executive Director of Southeast Conference and Chair of the Marine Transportation Advisory Board (MTAB). Lee and Robert discussed the benefit of having members of AAB and MTAB jointly participating in each other's board meetings in an ex-officio status. Invitations to future meetings will be extended.

**Deputy Commissioner Binder Comments:**

- Reviewed the AIAS statistics noting combined Passenger/Cargo CMGTW is up 7.1% for December and up 4.8% year-to-date.

- **Statewide Aviation’s strategic initiatives** include Unmanned Aerial Systems (UAS), Airport Liability Exposures, State & Federal Policy and Airport Improvement Program Eligibility Initiative, and Zoning Policy.

**UAS** – DOT&PF is exploring the many uses of UAS such as pavement management, at job sites, and survey uses. States are getting involved with the FAA since the introduction of drones into the NAS (National Airspace System). Alaska has a UAS steering committee that includes public safety (state troopers), Alyeska Pipeline, DOT, and UAF. They are also coordinating with Rep. Shelley Hughes task force.

**Airport Liability Exposures** – This initiative will further analyze DOT&PF’s ability to manage and reduce liability exposures at rural airports. Liability exposures include environmental issues with lease holders, ramp areas that need to be maintained; dilapidated buildings left vacant or returned to the state. The board recommended the department should also analyze building structures, terminals, and leases. Troy mentioned maybe the state could build t-hangars and suggested this be another strategic initiative. Tom George suggested the department take a broad look at alternatives that bring business to airports instead of limiting them.

**State/Federal Policy & AIP** – goal of this initiative is to expand AIP eligibility for airport projects in Alaska.

**Zoning Policy** – goal is to investigate adoption of community zoning laws on airport property. Tom George discussed the importance of compatible land use and the need to protect land around airports. He suggested including the aviation community in this effort. Earl suggested including Lake Hood. The board would like to participate the next time Statewide Aviation determines its strategic initiatives.

- **Airport Divestment** – The Department is open to public/private partnerships with management of some of its airports – Birchwood Airport may be an example. DOT will remain as the sponsor, however.
- **Aircraft Registration** – reviewed the department’s proposal with board. Kristi Warden reviewed the FAA’s need for based aircraft data at non-primary airports and its role for continued AIP funding at airports. Populating the aircraft N numbers in a database can determine the type of funding the airport is eligible for and what it can be used for. Based aircraft information that does not require N numbers is required for all airports.

#### **Budget Review- Amanda Holland, DOT&PF Deputy Commissioner**

- Reviewed DOT’s FY2018 Operating Budget of \$586M and the direct services that the funds are used for including funding sources and metrics used to measure the efficiency and effectiveness of the services delivered.
- Board member Gideon Garcia asked what additional metrics (other than Letters of Investigation and Letters of Compliance) were measured under the Operate Direct Service that measured Certificated Airports? DC Binder to provide.

#### **Alaska Legislative Update – Mike Lesmann, DOT&PF Legislative Liaison**

- Mike explained the legislatures framework, various committees, DOT&PF legislative priorities including aviation related legislative proposals:

HB270 – introduced by Rep. Saddler prohibits aircraft registration

HB242 – introduced by Rep. Gara establishes landing fees for the Deadhorse Airport and oil and gas company contribution toll for use of the James Dalton Highway by certain vehicles.

SB25/HB60 – Governor’s Motor Fuel Tax

### **FAA Update – Kristi Warden**

- Kristi is the Acting FAA Airports Division Director since Byron Huffman retired. Alaska is one of nine regions and currently averages \$225M in annual Airport Improvement Program (AIP) funding. She reviewed the timelines needed to optimize quicker disbursement of AIP funds and the benefits of public/private partnerships when it comes to infrastructure investments. The board would like additional information on the AIP Program from her at their next meeting. Kristi also discussed the state’s proposed aircraft registration program and what is needed to provide needed based aircraft information that assists the FAA with establishing eligibility for funding with some classes of non-primary airports.

### **Board Discussion**

- The board has appointed an aircraft registration committee consisting of Tom George, Earl Samuelson, Bob Hajdukovich, and Lee Ryan. The board decided to issue an immediate press release advising the public that in view of the significant public comments, the board will work with DOT&PF on a revised registration proposal that meets the state’s informational needs, simplifies elements of the program and provides a tangible benefit to aircraft owners.
- Chair Lee Ryan would like the board to establish a policy for voting on issues outside of regular meetings. Jim Dodson and Steve Strait have been provided the state’s policy and procedures and will provide the board a policy recommendation at the next meeting.
- Establishing an Alaska International Airport System Airport Authority was previously recommended by the board in 2003. It was suggested by Steve Strait that the board consider making this request again. Jim Dodson discussed the last efforts and talked about the amount of resources needed to proceed. He suggested discussing this concept directly with the Governor first to get his support before proceeding. Marilyn reported that Hawaii has been trying for three years to establish an airport authority without any success.
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- The board reviewed their role to be consulted when a new airport manager is being considered for either the Fairbanks or Anchorage airports. Tom George moved to review policy outlining the Board’s role in the process of hiring an AIAS Airport Manager to include reviewing the decision; advising during process selection; retention; and remuneration of the Airport Manager and to provide this policy as a recommendation to the Governor. Steve Strait seconded. Motion passed. A subcommittee was formed consisting of Bob Hajdukovich, Dennis Parrish, Gideon Garcia, and Marilyn Romano with a request to present a policy to the Board at their next meeting.

- Gideon reviewed the Boards presentation to the Labor & Commerce Committee. Meeting is scheduled for 1:30pm on January 25<sup>th</sup>.

### **Public Comments:**

Merle Akers discussed the Ketchikan Air lease that included 13 private tie-down slips that are now no longer available to those on the Lake Hood waitlist. He also stated that no notice was given to the community about the commercial aviation lease and mentioned there was an agreement that no commercial operations would be allowed on Lake Spenard. He said the Lake Hood master plan meetings addressed the need for more tie-down slips, but that such were not included in the final plan.

He submitted an email with the following request of the Board:

Regarding the rewrite of AAC title 17 42 when I spoke last to Mr. Alex Moss, I do not recall him saying anything about sending the final draft to board for its review before it is signed into regulation. Mr. Ryan I hope the Board insists that they be given the proposed regulations for review as provided for in the Aviation Advisory Board Operating Charter 2.b. May I suggest the board holds its review in Anchorage, with all members in attendance, so each provision can be fully discussed so as to make sure all including the general public are best informed.

I would like for the Board to Press the Commissioners on righting the tie down issue caused by the Ketchikan Lease. I think the lease should be broken – canceled, and Ketchikan lease hold interest be extinguished. Taking or acquiring back Ketchikan lease hold interest will be less expensive than the Airport constructing 13 new slips. The average cost of last slips the Airport reconstructed, was about \$66,000 each. It is not likely in my opinion that Ketchikan Air has yet to invest in this project \$858,000 the probable cost of the Airport constructing of 13 new slips.

### **Board Comments:**

Reviewed the aviation related legislation and the board's scheduled meetings with legislators on January 25<sup>th</sup>. If the bill proposing landing fees at the Deadhorse Airport gets a hearing it was recommended that the board testify.

Meeting adjourned at 4:56 p.m.