

**Aviation Advisory Board Teleconference Meeting Minutes  
January 8, 2020**

**Meeting called to order by Chairman Lee Ryan at 1:33 p.m.**

**PARTICIPANTS:**

**Board Members:** Jim Dodson, Steve Strait, Lee Ryan, Gideon Garcia, Mike Reeve, Frank Neitz, Bob Hajdukovich, Bob Kaufman

**EXCUSED ABSENCE(S):** Mike Stedman, Marilyn Romano, Dennis Parrish

**DOT&PF:** Deputy Commissioner John Binder, Division Operations Manager Troy LaRue, Communication Director Meadow Bailey, Development Specialist Linda Bustamante, AIAS Transportation Planner Alex Moss, Central Region Director Wolfgang Junge, Aviation Design Group Chief Luke Bowland, Pre-Construction Engineer John Linnell, Project Manager Jenelle Brinkman, Anchorage Airport Manager Jim Szczesniak.

**FAA:** Kristi Warden, Director Alaska Region Airports, Rodney Clark, Deputy Director Alaska Region Airports.

**OTHERS:** Tom George, Aircraft Owners and Pilots Association (AOPA); Adam White, Alaska Airmen Association (AAA); Merle Akers, Lake Hood Tenant; Chuck Kasmar, Earl Samuelson, Jaqueline Garcia and Leila Johnson (Calista Corporation)

**AGENDA and MINUTES** – Steve Strait moved to accept agenda, Gideon Garcia seconded. Gideon Garcia moved to adopt last meeting minutes, Steve Strait seconded. Motions passed unanimously. Approved minutes [posted](#) to website.

**Chairman Lee Ryan Remarks**

Welcomed and thanked all for participating in the board meeting. Commissioner unable to attend due to another meeting in Juneau. Jacqueline Garcia and Leila Johnson with the Calista Corporation were introduced and gave the board an overview of the corporation's workforce and shareholder training programs. They would like the aviation industry to support the hiring of youth in rural Alaska. The board requested a white paper on specifics of the program.

**DC Binder Statewide Aviation Update**

- FY21 DOT&PF Budget – the overall budget is flat, however, the department is starting to see some impacts from no additional funding such as the closure of the Silvertip Maintenance Station. There is a request for supplemental funds for ongoing efforts to address PFAS contamination at state owned properties.
- Aviation Revenue – all options have been provided to the Administration (landing fees, registration fees, and motor fuel tax). Waiting to hear if Senator Bishop will introduce a bill to increase the motor fuel tax.
- PFAS/PFOA – one of the key ingredients in firefighting foam is an emerging public health concern that has been found in public well water sources close to airports where the foam has been used. Cleanup efforts are underway for contaminated ground water. A Class Action Lawsuit has been brought against the state.

- Airport Authority Study – the report will be made public after the Governor’s office has reviewed.
- Ground Transportation Study – the international airports (ANC & FAI) are assessing what rates or fees TNC’s (Uber & Lyft) should be charged for airport services that currently are only paid by taxi’s and other ground transportation companies. The board asked about revenue generated (currently unknown) and also the importance of communicating the standard of fairness (parity between TNC’s and taxis) when this proposal goes out for public comment.
- Alaska International Airport System (AIAS) financial statistics were distributed to the board. The combined AIAS Passenger/Cargo CMGTW is down 0.1% ytd FY20, and down 2.2% for November relative to same period last fiscal year. Passenger enplanements were down 1.6% for November relative to November 2018, with year-to-date AIAS passenger enplanements up 2.6%.
- Rural Airport Construction Strategy – Troy LaRue discussed the department’s plans to study erosion, climate change and permafrost issues impacting airports and infrastructure. The board recommends planning for worse case scenarios and advocating with the congressional delegation for increased funding to address climate change impacts throughout Alaska. It was also suggested a video highlighting these issues be produced. A summary of runway conditions at numerous airports around the state was distributed.
- APEB Board and Spending Plan – a list of airports outlining future projects and current conditions was reviewed. The board would like to be notified of APEB meetings and provided project information prior to the APEB meetings.

### **Jim Szczesniak, ANC Airport Manager Update**

Jim reviewed Anchorage Airport statistics noting that cargo flights are down 2 ¼ %. The airport is working to diversify the air cargo market and look for more flights from countries such as Vietnam and India (northern area).

Passenger Traffic is up 2 ½ %. Anchorage will have 7 flights a week from Frankfurt this summer, and non-stop service to San Francisco. The airport is looking for more non-stop flights to the east coast. Anchorage tourism is strong and one of the drivers of increased flights.

Air cargo facilities applications as of November 2019 were discussed. If the projects move forward they could represent 700-1500 jobs and around \$700M in construction. Signed leases for the projects are expected by this spring.

The airport is not extending long-term leases located in the East Air Park without further study. The airport wants to be able to protect the highest and best use of airport land. The board expressed concern over this policy change and impact to local businesses. It was suggested the airport balance the need for revenue versus keeping local businesses open.

### **FAA Update**

Kristi Warden, Director of the Alaska Region Airports, discussed AIP funding (Airport Improvement Program) noting that by April 2020 the fund should be liquid and that should include entitlement funds but not discretionary.

The FAA is holding a conference May 13<sup>th</sup> & 14<sup>th</sup>, in Anchorage. The agenda will be forwarded to the Board when finalized.

## **Board Discussion**

The Lake Hood Pilot's Association is active again with new officers in place. They will restart dialog between TSAIA and Lake Hood seaplane users.

Aviation Revenue - the Board encourages DOT&PF to look for opportunities to increase revenue and streamline red-tape involved with leasing transactions. Board members, Steve Strait and Lee Ryan will track the motor fuel bill that may be filed by Senator Bishop. Tom George agreed to update the motor fuel tax and aviation fuel tax graph he previously provided the board.

Bypass Mail – the U.S. Postal Service continually looks for ways to operate the Alaska Bypass Mail program with the least amount of subsidy. The Post Office is looking at intermodal transportation (surface) for shipping. Changes to the current bypass mail program can impact aviation operations, costs, and grocery deliveries throughout the state. The board continues to monitor USPS activities and impacts to Alaskans. The DOT&PF Bypass Mail white paper is available at this [link](#).

Chairman Ryan is submitting a letter to the Commissioner requesting the board hold their next meeting in Juneau during the legislative session.

## **Public Comment**

Chuck Kasmar said the Alaska Legislature adopted laws in 1996 for the rights of lessees to renew or extend their leases. That was the legislative intent.

Merle Akers asked about the Lake Hood Subcommittee. Steve Strait will review more with him after the meeting.

**Meeting adjourned 4:12 p.m.**