

**Aviation Advisory Board Teleconference Meeting Minutes
November 17, 2016**

Meeting called to order by Chairman Lee Ryan at 1:07p.m.

PARTICIPANTS:

Board Members: Jim Dodson, Tom George, Lee Ryan, Steve Strait, Frank Neitz, Dennis Parrish, Bob Hajdukovich, Earl Samuelson, Marilyn Romano, Gideon Garcia
Excused: Mike Stedman

DOT&PF: Marc Luiken, John Binder, Troy LaRue, Linda Bustamante, Jeff Roach, Jeremy Worrall

OTHERS: John Harris

AGENDA and MINUTES – Steve moved to accept agenda, Gideon seconded. Steve moved to accept minutes, Earl seconded. Motions passed unanimously.

Chairman Ryan – Welcomed all to the meeting and introduced new board appointment Gideon Garcia, replacing Dale Shaw, filling the All-Cargo Air Carrier seat.

Commissioner Luiken Comments –

The department is focused on a sustainable balanced budget. The department is using a new “results based alignment” form for the budget which should allow legislators to better see where money comes from (state and federal) and how it is used. The motor fuel tax will be discussed again this legislative session. The revenue from this tax goes into a designated account in the General Fund. This makes it possible to track fuel tax funds; know which specific mode they are being used for; and what services are being supported. Commissioner will be speaking to the Fairbanks Chamber of Commerce in December.

Deputy Commissioner Binder Remarks –

Alaska International Airport System (AIAS):

Statistics show passenger activity up 3-4% and cargo up 2%. Rates and fees – land rent increase scheduled for January 1st to help offset the increase in costs typically paid only by air carriers. Lake Hood meeting is scheduled with users to also review areas that need focus. DC Binder attended the TIACA conference – both VietJet Air and Silkway West Airlines are interested in coming to ANC.

Statewide Aviation (SWA):

Alaska received \$214M in AIP funds for FY16; \$45M for local sponsor airports and \$170M for State Of Alaska airports including the Internationals.

Rates and fees – appraisals have been made across the state to determine FMV.

Revenue and Organization Efficiencies: efforts are underway to maintain/reduce the budget including limiting overtime and cutting back on the use of commodities. Safety and security

officers are now part of the SWA organization. This has been a successful move and is already resulting in more standardization with airports across the state.

The Department is reviewing after-hour services with the goal to align airport duty hours with air carrier scheduled operations. Next steps include reengaging with air carriers to review the latest chart showing airport duty hours and air carrier schedules. After hour service charges will require a change to regulations and a MOA with air carriers. The final rate structure is also being reviewed. Medivac operators will be expected to try and recover service fees with the understanding that the state can waive fees not recovered. The board would like a synopsis of this program. They also support aligning airport duty hours with air carriers operations as much as possible and questioned Homer's hours starting at 4:00 a.m. The Board would also like to know more about the rural airport contractor requirements and requested a copy of the contract the state has with contractors.

Aircraft registration program is proceeding. The FAA requires airport sponsors to report their based aircraft. This information is used by the FAA to determine airport eligibility for inclusion in the NPIAS and helps make AIP funding decisions. The program could also be used to manage air carrier's insurance requirements under the Certificate of Compliance program and to better manage the aviation system. The board reviewed the A/C registration program and suggested other options. It was decided by the Department that proceeding with the A/C registration program was in the state's best interests and will proceed with public meetings and a change to regulations. The Chair said that the board committee is still available if SWA is willing to work the issue, and that bringing the FAA into the conversation might be helpful. The board subcommittee is comprised of Tom, Steve, Mike and Lee. The board would like to know if the data base would be accessible to taxing authorities and how many air carriers are tracked in the Certificate of Compliance program.

Board Discussion

- Pilot Shortage –the board discussed what the best path forward is to engage students to look at careers in the aviation industry. Suggestions included engaging with middle school students; finding out what the state's Department of Labor workforce development program is doing; looking at opportunities with Embry Riddle; writing letters of support for programs at UAF and UAA. A comment was made that the aviation industry must make some adjustments such as good pay in order to attract more people and improve the job situation.
- Juneau meeting was discussed and what positions the board was going to advocate for with legislators. It was determined to hold a couple more teleconference meetings in order to formalize board positions.
- Airport maintenance issues were discussed at Quinhagak, Kwigillingok, and Tununak. The L.A. Times is asking questions about the Aniak Airport runway relocation project.
- Provide an AIP/APEB briefing to the Board at the Juneau meeting.

The next teleconference meetings are scheduled for January 10th and 17th from 1:00pm – 3:00pm. Meeting adjourned at 3:13 p.m.