

MEETING SUMMARY

Project: Ted Stevens Anchorage International Airport (ANC) Master Plan Update

Location: Anchorage International Airport
North Terminal, Room NA165

RS&H Project #: 226-2566-000

Date and Time: September 12, 2013; 1:30-3:30PM

Subject: Technical Advisory Committee Meeting #5

Staff Attendees:

John Parrott (ANC)
John Johansen (ANC)
Trudy Wassel (ANC)
Teri Lindseth (ANC)
Katie Gage (ANC)
Mike Lee (ANC)

Delia Chi (RS&H)
Gareth Hanley (RS&H)

Katherine Wood (HDR)
Jessica Abbott (HDR)
Jessica Conquest (HDR)
Mark Mayo (HDR)

Evan Pfahler (RS&H)

Technical Advisory Attendees:

Gretchen Rickard, Alaska Cargo Port
Joe Zerck, Pegasus Aviation Services
David Chilson, FAA ATC
PJ Cranmner, Commodity Forwarders, Inc.
Matthew Shaw, Alaska Airlines
Keri Stephens, AvAir Pros ATR
Dale Shaw, FedEx
John Steiner, Pfeffer Development
Larry DiFrancesco, AOPA

Meeting Overview

On Thursday, September 12, 2013, the Ted Stevens Anchorage International Airport (ANC) Master Plan Update hosted the fifth in a series of Technical Advisory Committee meetings. The purpose of this meeting was to provide information on progress to date, share the results of the alternatives analysis, and present the Airport's draft plan for future development. A presentation was given by Evan Pfahler, and the meeting's discussion and activities were facilitated by Katherine Wood. At the end of the meeting, there was time allowed for comments from the public. The meeting ended at approximately 3:30 PM.

Advertising

- Email to Master Plan Update contact list of approximately 950 addresses, including addresses for community council distribution
- Email invite to participants and draft agenda sent in advance
- Anchorage Daily News Legal Ad, 8/28/13
- GovDelivery Notice
- State of Alaska Online Public Notice
- Posted on bulletin boards in ANC Airport Manager's Office and in Terminal
- Master Plan Update Website: www.ancmasterplan.com
- Airport Website: www.dot.state.ak.us/anc/
- "What's Up" community email list

- Email notice sent to Federation of Community Councils, Turnagain Community Council, Spenard Community Council, and Sand Lake Community Council

Attendance

18 people signed in to the event. Of those, 10 participated as representatives of organizations on the Technical Advisory Committee.

Meeting Materials

- Handouts
 - Agenda
- PowerPoint presentation

Meeting Summary

Introductions

Katherine Wood, HDR Alaska, Master Plan Update Public Involvement Lead, opened the meeting by thanking those in attendance. She also explained that this meeting would cover the results of the evaluation of alternatives and would be followed by an open discussion. Katherine also requested that Technical Group members evaluate the presentation and take mental notes of how the presentation might be made clearer for the public open house. Evan Pfahler, RS&H, Master Plan Update Project Manager, then made a brief PowerPoint presentation.

Meeting Presentation

Evan Pfahler provided a PowerPoint presentation that:

- Provided background on the Master Plan process and the role of the aviation forecast study
- Gave an update on the public involvement process
- Reviewed the five draft alternatives and discussed how they were evaluated
- Revealed the draft plan for future Airport development

The presentation is available at

http://ancmasterplan.com/library/ANC_MPU_TAC_2013_9_12_v_2.0_POSTED.pdf

Presentation Q&A

Note: Questions and comments from Technical Advisory Committee Members and the Planning team in this summary are a synopsis of the meeting's dialogue. When appropriate, Master Plan Update planning team responses have been supplemented to supply complete responses.

Comments/Questions During the Presentation of Alternatives Evaluation and Draft Plan

Technical Advisory Committee member question: Is it correct that changing some of the taxiway crossings to be perpendicular, as required by FAA, will increase congestion?

Planning Team response: Yes, the FAA says that when runways are that close together, they prefer taxiways oriented perpendicular to the runways in order to force pilots to slow down. Although airfield efficiency is slightly reduced, safety is enhanced.

Technical Advisory Committee member comment: Have you analyzed if airlines will actually move to Fairbanks International Airport (FAI)? It [Phase 3] is going to be very expensive. If the airlines do not choose to move to FAI, the AIAS would have made a very expensive investment. A more thorough analysis to see if this is a viable phase needs to be done before you implement it. Once you put Phase 4 into effect, the money invested in Phase 3 will not be worth anything. You would not want to move to Phase 3 unless you know we are not going to need to go to Phase 4.

Planning Team response: The Airport recognizes the airlines are an important stakeholder in the development process. The Airport and airlines would need to have an open dialogue regarding how increased use of FAI would benefit both the Airport and airlines. The increased use of FAI by freight airlines that perform tech-stops in Alaska would evolve over time and would likely require some financial incentives and some investments in FAI infrastructure. There would be a need to evaluate the success of such a plan early and often to determine its ongoing and long-term potential benefit. As the commenter clearly recognizes, the Airport and airlines will want to approach all development cautiously and avoid making investments that don't have a long-term payoff.

Technical Advisory Committee member comment: There is no way to lock an airline into a long-term commitment. They could say they would be willing to do it; it is risky to assume they would.

Planning Team response: There is some capacity currently at FAI. If this transition is made incrementally, airlines can be given the opportunity to experiment.

Technical Advisory Committee member comment: Instead, you should have the airlines depart from the east-west runways in order to improve capacity (i.e., Phase 2).

Planning Team response: One of the things assumed is that the Airport will run the way it does today. There are ways to better utilize the runways and these will continue to be explored.

Technical Advisory Committee member question: Is the terminal build-out included in the cost estimates?

Planning Team response: Although cost estimates were completed for the terminal, the cost estimates presented today exclude the terminal build-out costs. The costs shown pertain primarily to the airfield.

Technical Advisory Committee member question: What about the North Terminal? What about having high-speed transit between terminals?

Planning Team response: The Airport could have high-speed transit, but it is expensive. The cheapest option would be to have shuttles transport passengers and employees between the North and South Terminals. Even then, it would still be costly to operate the shuttles. If the Airport is going to expect airlines to use the North Terminal it will have to make other substantial upgrades as well to provide a higher level of service than what is currently available at the North Terminal.

Technical Advisory Committee member question: Would businesses/offices remain in the North Terminal?

Planning Team response: Those located in the concourse portion would not remain. Those located in the processor or front portion would remain. Only 10 percent of the building is leased to tenants and generating revenue (not including Customs and Border Patrol since they do not pay rent).

Technical Advisory Committee member question: Do you know how people will be displaced?

Planning Team response: We have not evaluated where displaced North Terminal tenants would relocate to.

Technical Advisory Committee member question: Will the improvement areas that you designate (airside and landside) in the plan be built?

Planning Team response: In both cases, it would depend on demand. Each one of those improvement areas is a recommendation. Development of those areas will likely be completed incrementally as warranted by growth in demand and increasing congestion.

Technical Advisory Committee member questions: Will the Airport be actively engaged in prepping for leasing new land (site preparations, advertising, etc...)?

Planning Team response: The Master Plan Update will identify areas best suited for development. Generally, tenants are responsible for all land development and the Airport does not improve land available for lease or participate in tenant improvements other than the passenger terminal facilities.

Technical Advisory Committee member question: Will the Federal Inspections Service (FIS) remain where they currently are?

Planning Team response: The cost for a new concourse in the South Terminal includes a new area for processing international arriving passengers. The FIS will still be able to process those who come from international destinations in that new location.

Technical Advisory Committee member question: At the proposed new concourse there would be 3 gates? We don't want to overbuild because we don't anticipate international traffic to increase.

Planning Team response: The new concourse would add 5 narrow-body gates (can also be used as 2 wide-body gates and 1 narrow-body gate). The Airport doesn't want to overbuild because international traffic is not forecast to grow substantially. However, these gates could be used for intra-Alaska, domestic (lower 48 states), or international traffic.

Technical Advisory Committee member question: Doesn't the FIS require a certain amount of space?

Planning Team response: Yes, and that is taken into account and provided for in the new concourse square footage.

Technical Advisory Committee member question: If demand increases, could you swing the new gates to accommodate more wide-body gates? When you have additional landings you are going to have an increase in landing fees. You have to judge how much is financially sound considering landing demand and passengers.

Planning Team response: Should demand increase, the gates could accommodate wide-body aircraft. At this point the Airport is looking at what will meet its goal for delay savings. We are not at the point where we can answer that question. It's a balancing act between cost expenditures and revenue streams.

Technical Advisory Committee member question: Did the financial analysis look at increasing landing, passenger fees, and financing capacity?

Planning Team response: The financial analysis assessed total capital cost versus delay savings (i.e., reduction in congestion). There were many factors that have not yet to be considered, including funding sources and increasing revenue.

Technical Advisory Committee member question: Have you determined what the trigger points will actually be?

Planning Team response: In the next few months, following a decision of a final plan, trigger points for the environmental review, design, construction, etc., will be refined in order to prepare the Airport and guide them through the implementation process. Those trigger points will be shared at the next Public Open House and documented in the final Master Plan Update.

Technical Advisory Committee member comment: You are going to see more concessions revenue with the proposed addition to the South Terminal. Presently, it is difficult to incentivize good concessions to rent space in the North Terminal and when concessions choose to be located in the South Terminal, it takes away from the overall quality of the concessions in the North Terminal.

Technical Advisory Committee member question: What about parking?

Planning Team response: The Airport can raise rates to reduce and manage demand in the short-term. Long-term there is adequate space within the existing footprint of parking facilities to meet demand. There is no foreseeable need to expand parking beyond the existing boundaries.

Planning team comment: Some people may be wondering why the plan proposes optimizing ANC before AIAS. There is very little capital cost to implement Phase 2 at ANC (some administrative cost required). Phase 3 may require additional fueling infrastructure at Fairbanks International Airport plus the cost of the incentive program. The lower cost alternative was prioritized to meet the fiscal sustainability objective of the Airport.

Planning Team response: There is no capital cost to increase operations at ANC in the short term. At ANC, the Airport can prioritize those items that are the lowest cost in order to meet fiscal sustainability objectives of the Airport. FAI incentives may not be appropriate until the Airport has exhausted its options at ANC.

Technical Advisory Committee member question: Is FAI considering a movement of airlines to FAI in their Master Plan?

Planning Team response: Yes, FAI is presently completing a Master Plan Update that considers the results of the AIAS Planning Study. FAI recognizes that there is potential for movement of airlines from ANC to FAI. We expect the Fairbanks Master Plan team to look at the potential option just as the ANC Master Plan Update team has.

Technical Advisory Committee member question: Have you considered the impact of the NextGen technology?

Planning Team response: We have worked with FAA on the potential impact NextGen may have at the Airport. The first phase of NextGen is expected to have some impact on operations and efficiency, but not a significant improvement to the untenable delays that may occur.

Technical Advisory Committee member comment: NextGen is about efficiency, not capacity. FAA is not claiming it is a capacity increasing solution. AIAS is a unified entity. Any cost incurred is borne by all airlines.

Technical Advisory Committee member comment: It's either Phase 3 or go to Phase 4, which is even more expensive. If we are smart about it, we can keep airlines going to FAI and keep Phase 3 operational. Will you have specific capacity thresholds?

Planning Team response: More work needs to be done to determine the right timing for investing in infrastructure and other enhancements. The airlines' willingness to participate in Phase 3 will be a factor in its success. Right now the Airport operates pretty well. The Master Plan will discuss when decisions should be made and what should be seen as a successful or failed outcome.

Technical Advisory Committee member question: Will there be flexibility built into any threshold you suggest in the Master Plan? I think it is always wise to keep analyzing.

Planning Team response: Yes. When you have a demand-dependent plan you have to stay in tune with what the current demand/conditions are. This allows the Airport additional flexibility. Phase 2 would be gradually implemented during peak times giving the Airport several years to evaluate whether it is providing a benefit and whether it is resulting in a substantial noise impact. If congestion continues to occur, however, the Airport would need to consider what it would take to convince airlines to consider FAI as an alternative airport for cargo tech-stops. The Airport will need to continuously monitor demand levels and congestion so that decisions can be made appropriately.

Technical Advisory Committee member comment: It's hard to know how effective Phase 2 will be without knowing the noise impacts.

Planning Team response: Results of the noise analysis of Phase 2 are pending and will be shared as soon as they are available. One of the decisions the Airport might have to make is whether or not it wants to continue to give air traffic controllers more flexibility later if the Airport moves on to Phase 3 and/or Phase 4. At that point, it is possible that the improvements made would allow for the preferential runway use policy to be reinstated during all hours.

Technical Advisory Committee member comment: The FAA is in the process of finding ways to further enhance aviation safety culture, which will slow things down. From a carrier's perspective, [cargo] airlines may choose to go to Canada if they think it would be a more efficient option.

Technical Advisory Committee member question: Would Phase 3 be used as a way to hold over until Phase 4 can be implemented, or is it being viewed as a potential long-term solution?

Planning Team response: More detailed analysis needs to be completed to see if Phase 3 will be effective. It is not outside the realm of possibility that it could be the long-term solution. Each phase could be the final phase if growth slows, but the opposite is also true if growth continues.

Technical Advisory Committee member comment: We do exceed our capacity now, especially during the summer. It would be nice to build in some more capacity.

Technical Advisory Committee member comment: Can you talk about how, with the amount of growth forecasted, we could reach the critical level of activity sooner than expected?

Planning Team response: The aviation forecast is the basis of planning efforts for the Master Plan Update. However, as a Technical Advisory Committee member just mentioned, there is congestion during some periods even during current conditions. It is possible that growth could materialize sooner than predicted by the aviation forecast.

Technical Advisory Committee member question: Is there any way for the peak periods to be mitigated or will they continue to exist?

Planning Team response: If peak cargo operations could somehow be spread out, then the Airport can be more efficient. However, cargo airline representatives have said that if they could spread out their operations they would have done so a long time ago. It is difficult to say that it will never change but no indications have been made by cargo airlines that a change is likely or forthcoming.

Technical Advisory Committee member question: I take it an environmental impact assessment is not required for the Master Plan due to the fact that it can be conducted later when there are actual plans for development. Is that true?

Planning Team response: Yes. The Master Plan Update conducts an environmental overview. A greater level of analysis will be conducted prior to implementation of some of the proposed infrastructure that would be funded with Airport or FAA funds. The FAA gives conditional approval of the Master Plan meaning that further and more detailed National Environmental Policy Act (NEPA) analysis would need to occur in order to receive project funding.

Technical Advisory Committee member question: Will there be a NEPA process if FAA spends any money?

Planning Team response: A NEPA process is only required if federal dollars are utilized or a federal action is taken.

Technical Advisory Committee member comment: That brings up the fact that lawsuits could hold up the project during the NEPA process. It is good many options are on hand to give the Airport flexibility.

Technical Advisory Committee member question: Do we know we need to do a NEPA analysis for Phase 2?

Planning Team response: If actual departure operations are changed, the procedure could trigger NEPA. Changing the preferential runway use system during daylight hours may not trigger NEPA.

At this point in the discussion, Katherine Wood noted the time and closed the discussion.

Next Steps

A Public Open House will be held the evening of September 12, 2013. The online open house will be available for two weeks following the event, and can be viewed at:
<http://www.ancmasterplan.com/onlinemeeting/>.

Katherine asked that Technical Advisory Committee members work with their organizations to provide formal comments on the draft plan, should they wish to do so. She noted that while the Planning team will accept public comments at any time in the Master Plan process, planners will best be able to consider comments on the draft plan that are received by October 10, 2013.

A general meeting summary will be distributed to the group.

Public Comment

Six comments were made at the end of the meeting. Comments will be recorded and responded to in the Master Plan Update comment response report. One in particular was addressed to the Airlines, in which the member of the public asked why they do not oppose construction of an additional north/south runway for this Master Plan Update when they have in the past. Certain members of the Technical Advisory Committee chose to respond to the member of the public and noted that the airlines are not against the idea of another runway in this plan because the construction of an additional runway is part of a phased approach. They noted that there is not a need for another runway at this time, and under the Master Plan Update there are no plans to construct one right away.

Notes by: HDR Alaska, Reviewed by RS&H