MEETING SUMMARY

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

Location: CIRI Building First Floor Conference Room, 2525 C Street, Anchorage, AK 99503

RS&H Project #: 226-2566-000

Date and Time: September 11, 2013; 11:00AM-1:00PM

Subject: Working Group Meeting #7

Staff Attendees:
John Parrott (ANC)
John Johansen (ANC)
Teri Lindseth (ANC)
Katie Gage (ANC)
Trudy Wassel (ANC)
Mike Lee (ANC)
Scott Lytle (ANC)
Pat Oien (FAA)
Evan Pfahler (RS&H)
Delia Chi (RS&H)
Gareth Hanley (RS&H)
Katherine Wood (HDR)
Jessica Abbott (HDR)
Jessica Conquest (HDR)
Mark Mayo (HDR)

Working Group Attendees:
Mort Plumb, Anchorage Chamber of Commerce
Dana Pruhs, Pruhs Corporation
Aves Thompson, Alaska Trucking Association
Julie Dodds, Visit Anchorage
Dan Burgess, Sand Lake Community Council
Bob Auth, Spenard Community Council
Cathy Gleason, Turnagain Community Council
Mark Butler, Federation of Community Councils
Nick Moe, Alaska Center for the Environment
Matt Claman, Anchorage Airport Communications Committee
Thede Tobish, MOA Planning
Gordon Wetzel, Nordic Ski Association of Anchorage

Meeting Overview

On Wednesday, September 11, 2013, the Ted Stevens Anchorage International Airport (ANC) Master Plan Update hosted its seventh, and final, Working Group meeting. 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 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 1:15 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

27 people signed in to the event. Of those, 13 participated as representatives of organizations on the Working Group.

Meeting Materials

- Handouts
  - Agenda
  - Illustrations of each phase of the draft plan for airport development

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 Working Group members evaluate the presentation and take mental notes of how the presentation might be made clearer for the public open house the following evening. 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://www.ancmasterplan.com/library/index_83_2206953150.pdf

Presentation Q&A

Note: Questions and comments from Working Group 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

Working Group member question: Alternative 1 had the most public support?

Planning team response: The Airport received a wide range of responses that spanned from those that found Alternative 1 to be the "only acceptable alternative" to those that recognized that Alternative 1

would not meet future demand. It is not possible to say that Alternative 1 had the most or least public support.

Working Group member question: What is the current number of annual operations?

Planning team response: There are currently about 215,000 annual takeoffs and landings (operations) at Ted Stevens Anchorage International Airport (excluding takeoffs and landings from the Lake Hood and gravel runway facilities). Analysis of the International Airport's facilities shows that severe peak-period congestion exceeding 30 minutes period takeoff or landing would occur when *annual* takeoffs and landings reach about 258,000.

Working Group member question: Is the cost you are showing in the presentation materials (associated with each alternative) compared to what is being spent now?

Planning team response: The rough order of magnitude cost estimates are intended to estimate the total cost of capital development. They do not include the day to day airport operation and maintenance costs.

Working Group member question: Under Alternative 2, is the assumption that cargo carriers will choose to go to Fairbanks?

Planning team response: Yes, in Alternative 2 it is *assumed* that half of the forecast cargo tech stops (freight aircraft that land at Anchorage Int'l Airport to refuel and conduct crew changes) would instead operate at Fairbanks International Airport (FAI).

Working Group member question: So, we are injecting hypotheticals into some of the alternatives?

Planning team response: Yes, in the case of Alternative 2. It is hard for us to predict how many cargo carriers would be willing to move to Fairbanks. Alternative 2 is more of a demand management strategy. The Airport cannot force airlines to move their operations. The Airport would have to work closely with the airlines as congestion and delays increase at Anchorage International Airport. Even with congestion and delays at Anchorage International Airport, it may be necessary to consider financial incentives to encourage some airlines to consider operating at Fairbanks International Airport.

Working Group member question: Can you describe "poor weather conditions?"

Planning team response: Conditions like we are experiencing today [raining hard outside and low cloud cover], are a good example of poor weather, particularly when you add the Turnagain winds into the mix. During poor weather, when visibility is reduced, fewer planes can operate at the airport. This results from Air Traffic Controllers needing to maintain greater distance between each plane in the air in order to ensure safe operations.

Working Group member question: On average, how many "poor weather" days do we have a year?

Planning team response: On average, the Airport currently experiences poor weather conditions somewhere between one in ten days and one in five days, so 10-20% of the time. In these conditions, the Airport has to operate under a constrained configuration. Both weather and winds affect the Airport's performance capabilities.

Working Group member question: When in a constrained configuration [due to poor weather conditions], what percentage of operations are impacted? Does it matter if there is poor weather at 3:00am when not as many planes are flying?

Planning team response: For our analysis we assumed that the Airport is affected by winds and weather about 20% of the time. It is true that of that 20% of the time, there are periods when the Airport is very

busy and periods when the Airport is not very busy. However, we assume that the weather is poor about 20% of the time and that about 20% of the operations are impacted on an annual basis. We did not evaluate whether poor weather conditions have a propensity to occur in Anchorage during times of the day that the Airport is busier or less busy.

Working Group member question: How many poor weather condition days are there at ANC in comparison to other airports, such as FAI?

Planning team response: The AIAS Planning Study modeled Fairbanks International Airport in VFR conditions (e.g. "good" weather) 95% of the time. Thus, Fairbanks International Airport may have more consistently good weather for flying.

Working Group member question: Who's saving when it comes to "annual delay savings?"

Planning team response: The Airlines accrue the direct benefit of delay savings which lower operating costs. However, there are savings realized by the Airport, by passengers, and by other airline customers that are not included in the analysis.

Working Group member question: They (the airlines) don't pass on the savings?

Planning team response: It is reasonable to assume that if an airline's operating costs are lower that the airline may pass some of those savings on to its customers. That is a decision the airlines make just as any other business would make.

Working Group member question: Is the operating cost of an additional runway included in the cost estimates?

Planning team response: The capital costs used for this analysis do not include ongoing operating and maintenance costs.

Working Group member comment: There were not many positive comments on Alternative 4.

Planning team response: That is accurate.

Working Group member question: You said this alternative [Alternative 4] would require a modification of standards from the Federal Aviation Administration (FAA). Can you give us an example of a "modification of standards?"

Planning team response: An example of a modification to standards is when the FAA has permitted a large plane to operate at an airport designed for a smaller plane. As an example, most of the airfield infrastructure at Anchorage International Airport is not designed to accommodate the Airbus A380, the largest commercial service aircraft that has only been flying for about 5 years. However, if an A380 needed to land at Anchorage, the Airport has an FAA approved plan in place designating where the A380 could land, taxi, and park even though most of the Airport's infrastructure was not designed to accommodate the plane.

It is important to note that Modifications of Standards are typically used to enable an airport to *continue operating with existing infrastructure* as opposed to allowing an airport to build new infrastructure that fails to meet current FAA airport design standards.

Working Group member question: How would Alternative 4 look without any modifications to standards?

Planning team response: If Alternative 4 were to be adhere to standards without a modification, the runway and taxiway would have to be moved about 300 feet farther west, thereby impacting the ANC fuel storage facility and other infrastructure west of the Airport.

Working Group member question: What does "adds some capacity during good weather" mean?

Planning team response: Alternative 4 provides two north-south runways that are closely spaced (908 feet apart). During good weather, some planes can land and takeoff from both runways at the same time increasing capacity. However, when the weather is poor and visibility is reduced, the close spacing of the two runways means that they cannot be used at the same resulting in substantially reduced benefits during poor weather.

Working Group member comment: I think a parallel closely-spaced runway adds capacity in that only landings are impacted during bad weather.

Planning team response: Both landings and takeoffs are impacted during poor weather, low visibility conditions. Even if poor weather only impacted landings, it would still impact overall capacity given that most airplanes will take off again after having landed. If the Airport cannot accommodate 100 percent of the demand on landings then the demand for takeoffs would be reduced anyway.

Working Group member comment: I disagree with you. There is no constraint, and Alternative 4 would have benefit.

Working Group member comment: The additional closely-spaced runway would give an incremental increase, but not as much as a widely-spaced runway.

Planning team response: The analysis and assumptions have been reviewed by representatives of the Anchorage Air Traffic Control Tower and Terminal Radar Approach Control (TRACON) facilities to ensure that they accurately reflect the operating conditions required by FAA. FAA rules prevent simultaneous landings on closely spaced runways during poor visibility conditions. For more information on air traffic control procedures please see FAA Order JO 7110.65U.

Working Group member comment: I think the closely-spaced parallel runway would allow for simultaneous departures, but aircraft could not land at the same time.

Working Group member question: I thought you've been dialoguing with airlines for the past year. What do they have to say about the feasibility of Alternative 2?

Planning team response: At this time, no airline has made the decision to perform technical stops at FAI on a regular basis. Because of the nature of the aviation industry, airlines generally avoid making commitments about the future; they tend to plan only a few years in advance recognizing the difficulty in making long range predictions.

At this point, Katherine Wood opened the floor for general discussion

<u>General Discussion</u>

Working Group member question: Is this the last Working Group meeting?

Planning team response: Yes, at this time there are no further Working Group meetings planned.

Working Group member question: At the public meeting tomorrow, you should have handouts about the alternatives evaluation rather than expecting everyone to frantically write everything down.

Planning team response: Posters will be available at the meeting and all materials will be shared online.

Planning team: What are your thoughts on the communications plan?

Working Group member: That's low-hanging fruit that maybe warrants another meeting. We should focus our discussion today on alternatives and the draft plan.

Working Group member comment: This phased plan is no surprise. There were no real alternatives.

Planning team response: We heard from the public that no one alternative was the obvious choice. This phased approach allows for flexibility so that the Airport can make its development decisions in an adaptable manner that reflects the uncertainty of long-range planning.

Working Group member comment: I personally think [the phased approach] makes sense. I think it would be good to continue to keep public stakeholders involved as demand increases/decreases.

Working Group member comment: I think [the phased approach] is good. I think optimizing the Alaska International Airport System (AIAS) will be a challenge, but the prize if we succeed would be good. The thought of incentivizing airlines to go to FAI is mind-boggling.

Working Group member question: How does FAA look at AIAS? How do they feel about incentivizing flights to FAI?

Planning team response: There may have to be a package of incentives that are created in cooperation with the airlines. The State cannot mandate that airlines relocate. The State can waive fees, but cannot pay airlines to go to FAI. The airlines would need to agree upon an incentives package, and the creation of the package would have to be driven by the airlines. The incentives would have to take the form of lower landing fees or other payment incentives that would not come from the Airport or AIAS. Most airline incentive packages are done for passenger services. There is no precedent for airports to finance demand management incentives indefinitely. Usually incentives or fee waivers are granted on a temporary basis. For example, the local communities could step in to finance payment to airlines for operating at a local airport. More than likely the incentives would have to be set up and cost borne by the airlines. This action is unprecedented, so how it would ultimately work is unclear.

Working Group member comment: Some things are missing: trigger points, reality checks, and an overall timeframe.

Planning team response: The phases are tied to demand levels, not a specific timeframe. The trigger points and overall implementation plan will be developed in the next step of the Master Plan Update.

Working Group member comment: You should make this clearer.

Planning team response: We will have a better idea of what the trigger points will be and when we can expect them to occur in November, and can clarify that in our materials.

Working Group member comment: With the task you were handed, I think you did a fabulous job. There are always going to be people for or against any plan. I think a phased plan is good because it give us more time to think about what to do. I do think there could be potential adverse affects associated with sending cargo to FAI and that this should be presented to the public.

Working Group member comment: This is a game-changer. I don't see this taking into account the impacts you will incur by doing all of the alternatives. For example, under Phase 1 you will wipe out trees that currently provide a noise buffer for Turnagain. Then in Phase 2 you will realign Postmark Drive and thereby increase traffic in the Turnagain neighborhood and allow for more industrial development near residences. Then under Phase 4 there will be additional noise associated with another north/south runway. The cumulative impacts of the phased plan are therefore quite severe to the Turnagain neighborhood. I'd rather hear you say "we are going to do this, but not that" rather than "we are going to do it all."

Working Group member comment: I think there are questions when it comes to knowing what is really happening with air traffic. A phased approach allows us more time to see what's really happening. It allows us to ask ourselves: Where are we today? Where we are now compared to 2008?

Working Group member comment: I want to compliment you on the task you've done. If something happens that warrants additional development, we have a plan to accommodate it. If nothing happens to warrant additional development, then things can remain how they are.

Planning team comment: We want to make it clear that the Airport needs to be ready for a range of future scenarios and must be prepared to meet demand. The FAA requires that the Master Plan include an alternative that meets the projected 20-year demand. Phase 4 is included so that if the demand ever reaches the untenable congestion threshold identified in the AIAS Planning Study, there will be a plan in place to mitigate congestion.

Working Group member comment: An increase in cargo means an increase in economic activity.

Working Group member comment: The new runway is the Master Plan. It may take 5 years, 20 years, or 30 years, but it is where we will end up.

Planning team response: The Airport needs to make wise near-term, medium-term, and long-term decisions. The Airport doesn't want to box itself in, but rather be ready to meet the demand that may one day show up, and for that reason, we need a long-term plan that is capable of meeting demand should it occur. However, it is not accurate to state that because the widely-spaced runway is in the plan, it will inevitably be built. Phase 4, a widely-spaced runway, would only be pursued if untenable congestion occurs or is likely to occur at Anchorage International Airport and there is consensus that a new widely-spaced runway is the best way to mitigate that congestion.

Working Group member comment: In Alternative 2, there are more impacts than noise, like lower property values and danger of accidents as a result of directing air traffic over residential areas.

Working Group member question: Is the cost of impacts to AWWU included in the overall cost?

Planning team response: No it is not because we do not have any evidence at this time to believe that any alternative or development phase would have any impact on existing or proposed AWWU facilities that would require mitigation. The Airport and AWWU will continue to work together and evaluate whether proposed Airport development would impact AWWU facilities. In the event that Airport development is shown to impact to AWWU facilities, the Airport and AWWU would work tougher to either revise the Airport's development plan or find a mutually agreeable way to mitigate impacts to AWWU facilities.

Working Group member comment: I think Phase 4 should be taken out of the Plan. The environmental impacts are too great and the Airport would have to purchase land. It should wait for a NEPA process.

Planning team response: The Airport is aware of the environmental impacts you mentioned. In future environmental review, those impacts will be appropriately addressed through a National Environmental Policy Act (NEPA) analysis. Prior to implementation of Phase 4, NEPA analysis is necessary. At that time,

the environmental impacts would be fully vetted and the Airport would be required to complete the mitigation measures stipulated in the NEPA document's Record of Decision.

Working Group member question: Does the cost forecasted for Phase 4 include the cost to put fill the inlet and reroute the Coastal Trail?

Planning team response: Yes, both of those factors are included in the cost and estimated costs were developed for realignment of the trail. If realignment is needed then the Airport will engage trail users and the Municipality to identify the best way to mitigate impacts to the trail. That said, no design for the realignment has been undertaken at this time.

Planning team comment: I would like to clarify that Phase 4 is not the "end goal" of the Master Plan. The Plan is to start with Phase 1 and see what happens. Then, if necessary, move to Phase 2 and see what happens, and so on. The phased plan is like a strategic business plan – it reassures businesses that the Airport has a plan for contingencies, but does not assume or guarantee that we will end up implementing all the phases.

Working Group member comment: You capture what I was going to say. To me, it appears that we are choosing different alternatives based on demand. You should word it to the public as "decision points," rather than "trigger points."

Working Group member comment: Going back to the basics of managing an airport, this airport competes on a worldwide basis. As a developer, when I am looking to invest my money, I want to be sure it is a sound investment down the road. I want to have a level of comfort that the airport is being responsible in planning for the future. The airport has done a great job diversifying business at the airport. The cargo operations subsidize the passenger service. We all have our own individual sensitivities, but we need to be cognizant of the bigger picture. As a developer, if I invest at an airport, I want to know that they have a plan to accommodate me in 20 years in a responsible manner. This phased approach reflects responsible planning.

Working Group member comment: I don't see this as a phased process. This doesn't appear to be that way to me. I believe the majority of comments were negative towards Alternative 5 and now it's here. What's the point of continuing to ask for public input?

Planning team response: It is possible that someday the demand will exist that will warrant construction of another runway. The Airport needs to plan for this possibility, even if it never occurs. However, if Phase 3 works long-term they we may be able to defer the need for a new runway indefinitely. The plan is still a draft. Public comments could still affect the overall approach to phasing, timing and characteristics of the phasing and more. Our staff is still conducting the noise analysis and, depending on what the results are, this also could result in changes being made to the draft plan. Public input can still affect the outcome of the plan.

Working Group member question: How did public comment impact the drafting of this phased plan?

Planning team response: Adopting a phased approach was done largely in response to public comments. We heard from you that you didn't want development to occur until it is absolutely necessary. This phased approach is how we can best reflect public comment and still meet the FAA's requirements for the study. Other examples of results of public feedback include a potential site for a ground run-up enclosure, consolidating development in areas that are already mostly developed, and planning to site noise-generating facilities and activities as far away from existing neighborhoods as practical.

Working Group member comment: Operational costs aren't included. How will taxpayers be impacted? How might airplane ticket costs rise? The public needs those numbers. I'm a little leery of Phase 3, which

would require a lot of taxpayer money and there is a possibility that none of the airlines go to FAI. Then we would be paying for Alternatives 2 and 5.

Planning team response: Please note that airport development is not funded by general state or Federal revenue (e.g. income tax dollars). Most airport development is funded through operating revenues and ticket taxes the *users* of the aviation system pay. A person who does not use the air transportation system does not pay for its operation.

Working Group member comment: Why not drop Phase 4 for this plan and bring it back in for the next Master Plan Update?

Working Group member comment: I think we need much more environmental impact analysis and that we shouldn't wait for NEPA to conduct that analysis. We need more ground noise studies.

Working Group member comment: It is unclear from the handouts what the trigger points are for each phase.

Working Group member comment: I think a timeline would be useful.

Planning team response: The problem with timelines is that they assume that the forecast will occur exactly as predicted with a stable growth rate over time. Operational trigger points are better suited for an uncertain future and they allow the Airport to be flexible. Trigger points better match development actions to reality because they involve an iterative process of assessing growth in aviation activity. There are operations numbers being considered for trigger points, but these are rough estimates.

Working Group member comment: Phase 3 gets to a decision point. If the Airport can get sufficient number of airlines to go to FAI, then Phase 4 won't be necessary.

Working Group member comment: I didn't understand it when you first started talking about a phased plan, but I get it now and it's a good plan. In summary, Phase 1 is the no pain phase. Phase 2 is when the pain begins, and Phase 3 would be painful too. I think Phase 4 falls under the category of "we hope it never comes to be, but it's got to be in the plan." AWWU has plenty of room to expand, and I support the North Terminal plan.

Working Group member comment: I talked to a friend from AWWU who says they will have all the land they will need for expansion.

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

Next Steps

A Technical Advisory Committee meeting was held the following afternoon. This was followed by a Public Open House. The online open house can be viewed at: http://www.ancmasterplan.com/onlinemeeting/. A final Public Open House will be scheduled sometime soon this winter.

Katherine asked that Working Group 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

Three members of the public provided a comment at the end of the meeting. Comments will be recorded and responded to in the Master Plan Update comment response report.

Notes by: HDR Alaska, Reviewed by RS&H.