



Newsletter
Anoka County Aviation Association
ACAA

Next Meeting: **Monday, July 9, 2012 7:00 PM**
 EAA Chapter 237 Hangar Anoka County Airport.

July, 2012

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Calendar

July 9, 2012 (Mon)	7:00pm	ACAA Meeting EAA Bldg
July 20-23, 2012 (Fri-Mon)	All Day	Big Bomber Weekend Key Air
Aug 24, 2012 (Fri)		Newsletter Deadline Want Ads due
Sep 10, 2012 (Mon)	5:00pm	ANE Picnic MAC Bldg.

July Meeting

Join us at the July meeting for an update on what's happening at ANE and the MAC.

Family, friends, and members of other airport associations are cordially invited. The meeting starts at 7:00 PM on Monday, July 9, at the EAA 237 Hangar on the west side of the field. Doors open around 6:45. Refreshments will be provided.

Note that in September we'll be having our annual ANE picnic. The date's the same as our regular ACAA meeting, but the location will be at the MAC building and it will start around 5PM.

Around the Airport

By Joe Harris, Airport Manager

The airport has been bustling with activity lately. It has been a wonderful site to see so many users flying and working on their airplane. Airport operations are up when compared to the first six months the previous year. It has been also very enjoyable to watch the many airport visitors who have taken advantage of the aircraft public viewing area adjacent to the tower. We cannot thank those who donated their time and resources to construct this community gathering area.

The FAA runway safety action team conducted its annual meeting to review the airport operating procedures. The FBOs, Fire Department, MAC and ATCT staff were present. The purpose of this meeting is to address existing runway safety problems and issues. The good news is that we have not had a runway incursion incident for several years, so we focused most of our attention to vehicle movements within operational areas. We identified several areas of concerns as it relates to potential runway safety issues. As airport tenants please make sure your visitors know how to get to your hangar so they don't penetrate an airport movement area. As a rule of thumb, it is always best practices to meet your friends at the entrance gate and escort them to the hangar.

The FAA non-fed NAVAID inspector was at the airport to conduct an inspection of the MAC owned MALSR system last week. The MAC is obligated to keep detailed maintenance records as the owner of this system. I want to thank the in-house electrical staff and maintenance crew for the preventive maintenance of this system. The FAA was really impressed and complimentary of our inspection and maintenance procedures. BTW - They are 19 non-FAA MALSR systems in the State.

Please support our highly qualified and professional airport businesses. Successful businesses play a vital role in the financial viability of the airport itself!

Safe flying,
Joe

RAAC Report

By John Krack

In the aftermath of the Ordinance 107 Public Hearing, MAC assembled a working group of stakeholders and staff to review concerns about the proposed changes, and discuss ways to address them. The members of the working group are:

- Nancy Grazzini-Olson – Thunderbird
- Dale Kariya - Signature Flight Support
- John Krack – RAAC (ANE & Chair)
- Al Lange – MATA
- Dave Lessard - St. Paul Flight
- Michael Lawrence - Key Air
- John Renwick – RAAC (21D)
- Al Rudd – Minnesota Jet
- Joe Smith – Elliott
- Bruce Wiley – RAAC (MIC)
- MAC: Kelly Gerads, Gary Schmidt, Jeff Nawrocki, Greg Fries, Joe Harris, Evan Wilson, Ed Podnieks

The first meeting, held May 16, was largely an orientation session, where MAC reviewed the rationale and details for the proposed changes, and walked the group through the new Financial Model. We discussed our concerns and suggestions for addressing them. Several of the commercial operators were opposed to the tiered fuel flowage structure, where the fee drops above certain thresholds. They wanted to see a flat structure regardless of the amount of fuel pumped.

Concern was expressed over the impact of the Sublease fee, particularly on tenants in the rental business, whether they absorb the fee or try to pass it on. If they pass it on, there's concern that some subtenants will leave the MAC system for lower-cost facilities.

There was also some sentiment that the landing fees should not apply to based operators.

Several attendees pointed out that newer turbine aircraft are more fuel efficient than older ones, and operators often "tanker" fuel, topping off where fuel prices are low and avoiding purchases where they are higher.

Staff offered some background on the NWA lawsuit challenging the use of MSP-generated revenues to subsidize Reliever Airports that drove them down this path. Basically, the lawsuit was blocking the environmental study for the FCM runway extension, and was threatening the entire project. This led to MAC negotiating the terms of the current agreement in return for NWA dropping the

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RAAC Report

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lawsuit. We discussed how “locked in” MAC is to the Reliever Airport Value, and were advised that MAC has met the terms of the agreement (to implement a funding structure to make the Relievers as self-sufficient as possible), and the only legal obligation on the RAV is encoded in Ordinance 107. With the proposed changes to Ordinance 107, that limit will be removed, however, there’s no assurance that the Commission will be amenable to increasing it, and if it is increased, there’s a chance that Delta will re-file the lawsuit. [This cleared up conflicting information I’ve received, where on the one hand I was told that there is a contractual agreement with NWA/Delta that doesn’t expire until sometime in the 2020s, while on the other hand we were told at the informational meetings that the only obligation is in Ordinance 107.] So far, Delta has been silent on the proposal to drop the surcharge.

The second meeting, a week later, discussed alternatives, and the various pros and cons thereof. Several of the commercial operators wanted the same fuel flowage at all airports, and the same landing fees at STP, FCM, and ANE. Joe Smith supported a flat fuel flowage fee across the system of seven airports, and a tiered landing fee structure. The commercial operators felt that everyone should have some “skin in the game,” and suggested a modest increase (10%) in the storage ground rental.

MAC then walked the group through the detailed expenses at each of the reliever Airports. As I recall there were no expenses that stood out as being particularly excessive or unnecessary. Staff really has been doing a lot to keep costs under control.

At the third meeting, on May 30, MAC presented the impact of several alternatives that we discussed at the second meeting:

- Jet A \$0.07; Storage Rate Increase 10% = Landing Fee \$3.09/1000 lb
- Jet A \$0.10, Storage Rate Increase 10%, = Landing Fee \$2.04/1000 lb

Basically, MAC is looking to derive \$1,800,000 from some combination of landing fees, fuel flowage, and storage rate increases. The question is how that’s allocated.

We continued to discuss alternatives and positions, with no clear consensus that would satisfy everyone.

I continued to lobby for an increase in the Reliever Value and dropping the \$250K MERF charge, and was told that Staff would not necessarily oppose these, but would not take the lead in recommending them. They felt doubtful that the Commission would agree to these changes.

I went into these meetings hoping to get the landing fees dropped, or at least postponed for several years, at ANE and FCM on the grounds that these would drive business away from these airports. My suggestion was to incentivize operators to use these airports by keeping fees low, and to make up the revenue with an increase in the Reliever Value and dropping the MERF charge from the Reliever Model, and aggressively focus on developing non-aeronautical revenue. As the business/corporate component of these airports matured, landing fees might be appropriate in the future.

However, the commercial operators, who are closest to the transient operators, did not feel that these fees would be a business killer if kept at a reasonable level. No one, of course, likes them, but in general they were supportive. They were concerned about the magnitude of fuel flowage fees, stating that even a 3-cent difference is significant. They also felt that they were effectively subsidizing the storage tenants, and that the storage tenants should contribute to the solution as well. I said that this would be a hard sell, but might be more palatable if we could acquire more revenue through increasing the Reliever Value.

Staff will take our input, which will become part of the public hearing record, and come up with a recommendation. I expect some

tweaking on the fuel flowage and landing fee structure, but probably not a storage tenant square footage increase. The sentiment seems to be that they don’t want to go through another public hearing process, and they can’t make major changes without doing so. Unfortunately, there are no easy solutions without bringing in more revenue from non-tenant sources, and it will be an uphill battle to get the Reliever Airport Value increased. Non-aeronautical revenue is the “ace in the hole,” but that’s hard to quantify right now and Staff will not include it in the budget planning until it materializes.

Following the working group meetings, I met with Commissioner Landy, chair of the M&O Committee and Commission representative to the RAAC, to get his take on the Reliever Airport financial structure, and in particular whether he would support an increase in the Reliever Airport Value. What he told me was not what I wanted to hear, but it did put a few things in perspective:

- The loss of hub status at MSP would have a serious negative impact on Minnesota’s economy and business climate. Thus, one of the Commission’s primary goals is to maintain our hub status, which means incentivizing Delta to keep MSP as a hub. I pointed out that Delta will do what’s best for their business, and he said the Commission’s objective is to keep MSP attractive [without giving away the store, of course] so that Delta wants to continue operating here. Delta is already clearly on record as opposing any further subsidy to the Relievers from MSP-generated funds, and pushing this issue risks alienating Delta.
- I pointed out that the dollar amount is small compared to MAC’s total financial picture, that MAC’s finances are healthy, and that the Reliever Airports’ finances are fragile. He wouldn’t buy the “fragility” argument. He noted that MAC needs to keep the overall finances robust for the reason mentioned above, and believes that the proposed Reliever Airport funding plan is workable and will not seriously impact the Relievers.
- He pointed out that recreational aviation is declining, and indications are that this trend will likely continue, largely due to costs and an aging pilot population, with relatively few young people getting involved. The future growth is in business/corporate aviation. The proposed plan targets the growth segment and those with the “ability to pay.” Storage tenants are affected very little, and he supports that policy.
- I mentioned the \$249K/year MERF bailout being charged to the Relievers, and he said he needs more details, but he might be able to support removing that from the Reliever O&M budget.
- He said that the Relievers need to generate more non-aeronautical revenue, and I noted that current Commission policy is to put no money into site preparation, requiring the prospective tenant to do all the environmental research/mitigation and other site prep. I also noted that Commissioner Deal (who is in the real estate development business) has told me that you need to spend money to make money. Commissioner Landy said that MAC makes investments all the time to generate future revenue, and implied that this should not be a stumbling block.
- He said that he would be open to any ideas, but they must be specific. He also indicated that if nothing is done, there’s a fair chance that the Commission would approve the surcharge.

Commissioner Landy is only one Commissioner, but he’s been around a long time and is very familiar with the issues and history. He’s also a private pilot, and is sympathetic to the plight of recreational aviation. I suspect his views would be reflected by a majority of the Commissioners. Rightly or wrongly, the fact is that Delta has a lot of influence through their control of the MSP hub,

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RAAC Report

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and with the recent repayment of their loans, they appear to have no legal restrictions on scaling back their MSP operations. At the working group meetings, the commercial operators gave conceptual approval to the landing fee and fuel flowage proposals, so these are apparently not a "business killer." MAC feels that these fees are targeted at the GA growth segment (business/corporate turbine operations) and that they will not have a serious negative impact on the Reliever Airports. If anyone disagrees, we need a lot stronger arguments than have been advanced to date.

I think that we should still push to get relief on the MERF charge, and focus on non-aeronautical revenue. I'm open to suggestions.

As always, if you have any concerns, issues, or suggestions regarding the Reliever Airports, let me, or any of the other RAAC reps, know.

The View From Here

By John Krack

Discover Aviation Days: The weather was perfect, the logistics were well-organized, the American Veterans Traveling Tribute was a moving experience, and the crowds made the event worthwhile. Like the mythical Phoenix bird, Discover Aviation Days has risen from the ashes of the total washout in 2004. It's not yet back to its former glory, but it's taken a giant step, and we're hopeful that the growth trend will continue. Moving the date to the first weekend in June turned out to be the right call, weather-wise.

Craig Schiller, of the DAD planning team, estimates that around 13,500 people attended the event. An estimated 3,000 folks patronized the breakfast/lunch concession and the kids' playground. The helicopter and airplane rides ran non-stop both days, offering the public a chance to experience flight in a light aircraft. Comments on the replica Vietnam Wall were very positive, and people came in as late as 3AM to experience this memorial to our fallen military heroes. Besides the Wall, the exhibit covered the US wars from the Revolution to Afghanistan, and served as a sad reminder that despite some 5,000 years of civilization, we still haven't learned to respect each other and live together peacefully.

Revenue-wise, the event covered all its expenses, and had some left over to grow the event next year. The Planning Team was very pleased with the results, and we're hoping that they'll decide to do it again next year, making the event even better. We were all very pleased to see so many families coming out to experience the airport in a positive way. This event is a huge boost for public relations, and maybe even will nudge some folks to get involved in aviation.

Car parking, expected to be the biggest challenge, went very smoothly.

According to Craig, the logistics challenges they experienced were of the "good kind."

Approximately 950 folks attended Saturday evening's Hangar Dance, a new record.

The event was all organized and run by volunteers, and they all deserve a very large "Thank You." Kudos go to:

- The Planning Team (see inside back page for a list)
- Joe Harris, who was a huge help with the planning, logistics, and getting the area prepared. Putting in the temporary "bridges" to facilitate car movement was a master stroke.
- The Civil Air Patrol, who had a very large presence, and covered (at least) aircraft parking and movement, the 24-hour guard at the AVTT, and watching over parked aircraft
- The sponsors (Cirrus, Golden Wings Museum, Key Air, Comfort Suites, MSP Airport Foundation, MAX AIR 2 AIR

Pictures, Country Inns & Suites, Print Central), who helped fund the event

- Greg Herrick, who made the Golden Wings facility available as the event hub
- Craig Schiller, who pulled it all together and worked through the inevitable last-minute glitches
- Blaine Aviation Promotion Group
- Flywell Flying Club, who scheduled the seminars
- American Wings Aviation Museum
- ACAA, who contributed to providing refreshments for the volunteers
- Tenants who brought their aircraft out for display
- EAA and AWAM, who kept the flame alive with Blaine Aviation Weekend for 7 years

I'm sure I missed a few, for which I apologize, but rest assured that your efforts were greatly appreciated.

Next year, Craig expects that they'll need more volunteers, particularly team leaders to participate in the planning phase and operations during the event. If interested, check out www.discoveraviationdays.org for contact information.

Finally, we would welcome more tenants to bring out your aircraft to fly or display.

See you next year.

Tim Anderson Has Retired: Tim Anderson, Deputy Executive Director of Airport Operations, retired June 23. Tim has been responsible for the operation of all MAC airports, both MSP and the Relievers. The retirement party was a great send-off, with many stories, both funny and serious. There was universal praise for Tim, his accomplishments, his management style, his integrity, his genuine interest in people, and his unwavering insistence on great customer service. I found out that Tim is a leading expert on airport security, and I expect that he'll have some involvement with that. We thank Tim for his stewardship of our airport system, and wish him a happy, healthy, and long retirement. Congratulations!

Applications have been taken for the position, and Tim's replacement probably won't be announced for several months.

Who Was Phillip H. Janes? I've often wondered who Phillip H. Janes was, and why he was important enough to have an airport named in his memory. The monument at ANE near the beacon gives a short synopsis, but I found a bit more detail in a book entitled "Minnesota Aviation History 1857-1945," by Noel E. Allard and Gerald N. Sandvick, at the Anoka Library. Allard and Sandvick have the following to say about Mr. Janes, who lived from 1909-1964.:

Janes learned to fly in New York in 1926, spent several years barnstorming and stunting, then became an FBO at airports in New York, Vermont, and New Hampshire. Janes went to work for the Civil Aeronautics Administration, was stationed in Cleveland, and in 1949, was transferred to Minneapolis as General Aviation Safety Inspector. After a period assigned to Kansas City, Janes returned to Minnesota as Deputy Director of the Metropolitan Airports Commission. Janes also served 22 years in the Naval Reserve

Andy Westerberg is Running for Re-Election. Andy is a former legislator and MAC commissioner, and is currently a county commissioner. Andy is a great friend of the airport, and needs our support. Visit his website at www.westerberg4cc.com.

MAC Committee and Commission Meetings

By Vivian Starr

MAC Full Commission 18 June 2012

Prior to the June Full Commission meeting, a reception for Tim Anderson was held in the Commissioners' Lounge. Mr. Anderson, Deputy Director of Operations, is retiring after 31 years with the Metropolitan Airports Commission. Jeff Hamiel, MAC Executive Director, reviewed his long association with Tim that began at their college freshman orientation and continued when they both entered ROTC. Mr. Hamiel joined MAC first and a few years later Mr. Anderson joined him. Both steadily worked up through the organization to their current leadership positions. Their long friendship was clearly evident as Mr. Hamiel described the many contributions Tim has made, not only to MAC, but also to the national and international aviation community. In particular, Mr. Anderson has become a leading authority on aviation security. Chair Boivin also complemented Mr. Anderson on his years of service. Obviously, he will be missed!

As the Full Commission convened and the roll was called, Commissioner Monaco joined via a telephone conference call from his hospital room. He was in Chicago when he took suddenly ill and required immediate surgery. He assured his fellow Commissioners that he was recovering quickly and expected to be present at the July Full Commission meeting.

The first agenda item was the Open Forum where members of the public may address the Commission regarding any issue that is not an agenda item. The first speaker was Mr. Rosenwinkle who owns rental t-hangars at FCM. He had concerns regarding his billing and questioned the accuracy of his lot measurements. Chair Boivin assured him that staff would investigate and send a report to all the Commissioners with a copy to Mr. Rosenwinkle.

The second speaker was Mr. Lorenz who wanted to tell the Commissioners not to do any expansion and building until a need became pressing.

There were no Reliever topics on the agenda.

The July Committee meetings will be on July 16, the same day as the Full Commission meeting.

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MAC Committee and Commission Meetings

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May 14 ACAA General Meeting Minutes

The meeting was called to order at 1903 by President Michael Lawrence.

Vivian Starr gave the Treasurer's Report:

Checking:	\$1,176.35
Savings:	\$5,908.40
Total:	\$7,084.75

Vivian's comments at the March meeting about our declining net worth were discussed. It was suggested that we have a sign-up desk and solicit members at the September picnic, that we send out a mailer beforehand, and that we have a sign-up booth at Discover Aviation Days.

It was moved, seconded, and passed by voice vote to approve the Treasurer's report and the March minutes as published in the May Newsletter.

Ordinance 107

John Krack summarized the May 7 public hearings on the changes to Ordinance 107 (Reliever Airport Rates and Charges), which were published in the May Newsletter. Comments during the discussion included:

- Many operators will not report their landings
- In Eau Claire, Hartland Aviation monitors the radio and collects landing fees
- Premier Aviation at FCM charges a \$10 parking fee but waives it with a 10 gallon fuel purchase
- Rice Lake is booming, with 25,000 operations per year and a 7,000 foot runway
- It seems that MAC only asks for money for MSP
- We need an advocate – a “go to” person within MAC for streamlining the development of non-aeronautical property

- Bump the fuel flowage fee and drop the landing fee
- Look at a hybrid approach (e.g., no landing fee if you buy fuel) to get the best possible cost distribution.
- Look at the tax structure

Discover Aviation Days

Craig Schiller said that DAD planning was going well. Parking will be the biggest challenge. The site will be open 24 hours with an honor guard so people may visit the Vietnam Wall replica.

John Krack moved that the ACAA donate \$300 to Discover Aviation Days for volunteer refreshments and meals. The motion was seconded and passed by voice vote.

The meeting was adjourned at 2020.

Respectfully submitted by John Krack, Secretary, ACAA.

WANT Ads

WANTED: Contributions for Blaine Airport Promotion Group. See www.aneairport.org for details.

HANGARS FOR RENT: Several south facing tee hangars available. Call George at 651/271-3023.

ACAA OFFICERS AND COMMITTEES

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V. Pres: Don Johnson 651-407-3403
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Treasurer: Vivian Starr 763-559-4683
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RAAC Alt: Don Rosacker 651-633-1751
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Committees & Members

Fire, Building Codes, and Environmental

Gary Specketer (Chair) 770-403-3450
Randy Huyck 753-1918
Roger Wyatt 755-7544
Dick Schoen 646-7539
Mike Holmquist 651-633-6525

Newsletter

John Krack 763-786-5876

Safety

TBD

Public Relations (Proposed)

Taxes

Vivian Starr 763-559-4683
Paul Thomas 483-9808
John Krack 763-786-5876

Membership

John Krack 763-786-5876

Commissioner: James Deal

Airport Mgr.: Joe Harris 763-717-0001

Discover Aviation Days

2012 Dates: June 2-3, 2012

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Michael Lawrence ACAA

ANOKA COUNTY AVIATION ASSOCIATION

The ACAA is an association of hangar owners, hangar renters, FBO owners, pilots, flight instructors, commercial operators, and anyone else with an interest in the future direction of the Anoka County Airport. Our mission is to actively promote a variety of interests and activities relating to the Anoka County Airport operation including:

- Safety
- Airport improvements
- Hangar use, lease contracts, and building/fire codes
- Relations with MAC, MnDOT, and adjoining communities
- Business and commercial interests
- Recreational Aviation
- Any other areas of interest to the membership

To get results, we need your support.

To join, either:

Attend the next meeting at the EAA Building, just north of the Golden Wings Museum facility. See the calendar on page 1 for the date and time of the next meeting.

Or:

Fill out the membership form on the back page, and send it with \$15 for one year, \$27 for two years or \$35 for three years to the address indicated on the form.

NEWSLETTER ARTICLES REQUESTED

Please send newsletter articles to:

John Krack
7629 Lakeside Rd. NE
Fridley, MN 55432
(h) 763-786-5876
Email: av8r00@gmail.com

Articles may be typewritten, handwritten or on disk in Microsoft Word format or text file. See the calendar on page 1 for next newsletter deadline.

Newsletter Want-AD Service

As a benefit to members, a free want-ad service is available. Rules are:

1. Ads must be received by the date indicated in the calendar notes to be guaranteed to appear in the next newsletter.
2. Anyone or any business may submit an ad.
3. There is no charge for paid-up members.
4. Graphical images are OK if in a standard computer image file format (.gif, .jpg, .bmp, etc.). Hard-copy images are also acceptable.
5. Send ads to the Snail Mail or Email address shown above.
6. Want Ads will run for 3 issues, unless canceled early or renewed to run longer.

Email List

Vivian Starr maintains an extensive email list of people interested in what's happening in the Minnesota aviation community. She keeps us up to date with timely reports on MAC meetings, and other activity of interest. In fact, many of the articles in this Newsletter were originally distributed via email. If you're not on the list and want to be, send your email address to Vivian at DVStarr@aol.com.

