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COMMONWEALTH OF VIRGINIA

DEPARTMENT OF AVIATION

5702 Gulfstream Road

Richmond, Virginia 23250-2400

Virginia Aviation Board Meeting Agenda

December 13, 2006

Wyndham Hotel Richmond

4700 S. Laburnum Avenue

Richmond, Virginia

- 1 VAB Attendees on **December 13, 2006**
- 2
- 3 Roger L. Oberndorf, Chairman
- 4 Richard C. Franklin, Jr.
- 5 Bittle W. Porterfield, III
- 6 Larry T. Omps
- 7 Robert S. Dix
- 8 William J. Kehoe
- 9 Marianne M. Radcliff
- 10 Alan L. Wagner
- 11
- 12 Other Attendees:
- 13 John J. Beall, Jr., Counsel
- 14 Randall Burdette, Director, Department of Aviation
- 15 Terry Page, FAA
- 16
- 17 DOAV Staff, Federal Government Representatives, Airport Managers and
- 18 Sponsors, Consultants, Engineers, State Government Representatives,
- 19 Business Owners and City and County Representatives
- 20
- 21
- 22
- 23
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- 25

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1 NOTE: The Virginia Aviation Board reconvenes on December
2 13, 2006 at 9:10 a.m.

3

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5

6 MR. OBERNDORF: I'd call the Bi-Monthly
7 Meeting of the Virginia Aviation Board to order. Do I hear a motion on the
8 Minutes?

9

MR. OMPS: So moved.

10

MR. OBERNDORF: Do I hear a second?

11

MS. RADCLIFF: Second.

12

MR. OBERNDORF: All in favor? (Ayes.)
13 Opposed? (No response.) The ayes have it, the Minutes are approved.

14

The first report this morning will be from the Department of
15 Aviation, Randall Burdette.

16

MR. BURDETTE: Good morning, ladies and
17 gentlemen of the Board and in the audience. I'm glad everyone had time to
18 make it back from last night's festivities and had a good time.

19

Today I'd like to give you an update on Virginia Aviation and
20 all the great things we're doing and all the great opportunities we have
21 before us. We've had a good year for 2006 with a lot of opportunities facing
22 us in 2007.

23

Next slide. The vision we've had for almost two years now is to
24 be the model aviation system, a model transportation gateway providing
25 economic development opportunities for all communities throughout the
Commonwealth. Of course, the Department to be the standard of excellence

1 amongst state aviation agencies. During the past year with the new governor
2 we've had several things that will impact that vision. The good news is
3 you've all heard that Forbes #1 Rating for the "Best State for Business", the
4 priorities from Council on Virginia's Future have been re-released, and the
5 Governor's Economic Development Strategic Plan has been released, and the
6 Governor's rural Economic Development Strategic Plan has been released,
7 and we have new strategic measures for the Agencies.

8 I bring these to let you know that these things will really impact
9 where we're going in the future as well. We're in the process of reviewing
10 these and looking at how aviation can be a key player in all these great
11 opportunities.

12 Next slide. Possible New Vision, as we review these
13 documents it maybe something along the lines of a nationally recognized
14 aviation environment providing aviation access, education and economic
15 development opportunities for the communities of the Commonwealth. One
16 of the things that the Governor focused on is outcome measures, and would
17 like to see visions and goals that result in something meaningful and
18 measurable for the Commonwealth. We'll be looking at the various things
19 that the Governor has put out and looking at our opportunities to see how we
20 will rework our vision to be a key part of Virginia's future.

21 Next slide. Our mission will remain the same as we work to
22 cultivate an advanced aviation system providing safety and security and
23 economic development for our communities. We want to continue to
24 promote aviation awareness and education and provide executive flight
25 services for the Commonwealth Leadership. You'll see that throughout

1 today's briefing.

2 Next slide, please. In the advanced aviation system, the key to
3 this is of course our navigation system, and Virginia is one of the states that
4 takes a very leading role through our approaches. In our approaches we
5 work very closely with the FAA to assure that our listings where we think
6 the priority approaches and the FAA's are the same. The FAA's national
7 system allows airports to go directly to the FAA, and in many states there is
8 no coordination with the FAA. In our case we try to work with a statewide
9 system, and working with Terry and his people has been very great in doing
10 that.

11 We are looking at reducing the number of NDB's in
12 coordination with the national system because of operating costs, and
13 maintaining the NDB's are critical to approaches into an airport. VSATS,
14 Virginia SATS is part of the SATS program as an overall entity. SATS, as
15 we knew it, ceased to exist in its entirety; technologies, however, are
16 continuing. The opportunities that were a result of the SATS, we want to
17 make sure those are picked up and continued within the state. We're
18 energizing VSATS as a research arm for Virginia aviation, and we can see
19 what's coming down the road and how we can take advantage of that
20 technology to provide aviation opportunities throughout the Commonwealth.

21 The Joint Planning and Development Office, JPDO, Keith and I
22 will be facilitating an airport workshop on Thursday and Friday of this week.
23 It's taken a long haul to get to be a key part of the Joint Planning and
24 Development Office. The workshop we'll be facilitating this week will be
25 focusing on airports five and ten years out. What do they need, what do they

1 look like, what are some of the challenges, what are some of the
2 opportunities? Try to make sure that general aviation is represented in the
3 planning network, if you will. So, it's going to be an interesting workshop.
4 We have tried to get JPDO to delay that workshop because of the holiday
5 season, and the responses we've had back from the airports, they have some
6 time lines that they have to deal with. We'll continue to work that, and we'll
7 probably have a follow-on workshop, hopefully in January/February time
8 frame, and get more airport participation.

9 The ADS-B, FAA has made the decision that ADS-B will be
10 the system of the future and is permeating throughout the state and
11 throughout the nation. We're seeing more and more of our workshops and
12 more and more of the events we go to, and we're getting the word out to our
13 pilots. We're also working with the FAA to be the model state for the ADS-
14 B. Right now the FAA is working pockets of ADS-B, and we're trying to
15 convince them, hey, we're close to you in your home area ,and we can get
16 Virginia done in its entirety, full coverage, and you would have a model,
17 then, for other states to emulate. They kind of like that because it cuts down
18 on the travel, but they're not sure, because of the political realm they're
19 operating in, whether they can say no to some of the other states that are also
20 wanting to have the ADS-B. We'll try to work with them and try to take
21 advantage of our locality and the fact that we have already invested in ADS-
22 B and provided somewhere in the neighborhood of 90 percent coverage.

23 Space, Wallops Island is the site of a possible Board meeting.
24 Jerry Evans our Director for Communications and Education, Launch
25 Director, is a personal friend of ours, and he said he is willing to host us for

1 a Board meeting and a tour out there. We will be working with the Board
2 members to see if they'd like to do a tour or host a Board meeting there at
3 Wallops Island, and then we could also make arrangements for VAB to
4 attend a future launch, separate and apart from the Board meeting, if you'd
5 like. We'll try to work through those issues. We'll try to see if it's possible
6 to get Board access to the launch we had scheduled for Monday, and now
7 scheduled Friday, and we didn't have the lead time to get the security
8 clearances and stuff, and we'll look at that in the future.

9 Next slide, please. Virginia Aviation Safety Statistics, we're
10 having a bad year. The bad news is the number of accidents we had.
11 Further bad news, the nation is having a bad year, according to aviation
12 statistics.

13 Next slide, please. How many accidents? Twenty-five
14 accidents so far. That's almost double our accident rate last year, where we
15 had thirteen, and we surpassed the 2004 number, which was twenty. In
16 looking at statistics I'll show you, and looking for trends, we don't see a
17 common trend, and that's the challenge we have. We also met with the FAA
18 to see if they see a common trend, and looking to see what we could do to
19 mitigate those accidents and try to reduce the occurrence of them.

20 Next slide, please. Classification. Classifications, by far
21 single engine, as you can see on the chart, has been the main event, if you
22 will, the number of accidents and the type of accidents. We're seeing light
23 support make their entry, the two light support accidents that we've had. No
24 glider, no upright accidents, one rotor craft, three experimental aircraft and
25 one multi-engine landing.

1 Next slide, please. We also took a look at the 2004, 2005 and
2 2006 status to see if there was an air frame or anything that would say a
3 common denominator, and there is no common denominator. You'll see in
4 the next three slides 2004, 2005 and 2006, there is no aircraft where we can
5 say this is the culprit or this is the issue. In 2004 we had seven accidents in
6 single engine land, five accidents in multi-engine, three accidents in the
7 experimental, two in the rotor, one accident in the ultra light and one in the
8 glider, for a total of 20.

9 Going into 2005, next slide, please, we see a little bit of an
10 increase in single engine landing, nine accidents, two accidents in
11 experimental, one in rotor craft and one in glider, for a total of 13 during that
12 period. Any accident is too many accidents, 13 is a low number for us, and
13 that's too much of a record for us.

14 Next slide. If we go to this year, there are 18 accidents, and
15 we've doubled the number of accidents in our single engine land, multi-
16 engine land one accident, one in rotor craft, three in experimental and two in
17 light support. Again, no common thread here, and we'll show you that once
18 it's been identified and the accident causes, see the accidents prevail on
19 takeoffs and landings. That's not news, and that's where most accidents
20 happen in history.

21 Next slide, please. We've also got the locations to see if there
22 was some kind of analysis where we have IFR issues or VFR issues, or if
23 they're all centered in a central location. If you look there, that's pretty much
24 throughout the state, and we don't have a good trend analysis there to say
25 that we have an airport or region that's accident-prone. There's no data there

1 to support a focused effort, if you will, in each particular region.

2 Next slide, please. Fatalities and injuries. 2006 is an
3 unfortunate situation. We had 11 fatalities and two serious injuries; no
4 injuries, we had nine; and of course three minor injuries.

5 Next slide, please. Weather, many people think the accident
6 rate is much, much higher under IFR conditions, and in fact our charts for
7 the last three years have shown that there is a higher rate of VFR accidents
8 than IFR. It's not a weather condition causing most of the challenges. We're
9 talking about getting to all of the pilots and all the crew members and all the
10 flying public, even in VFR when you're out doing recreational flying
11 conditions.

12 Next slide. Pilot residency, are we having more challenges
13 with pilots that are residents or non-residents? We're seeing an increase on
14 both sides, and looking for a slight trend analysis, our non-resident pilots
15 have a greater proportion of the increase than say the residential pilot. It's
16 not enough of a trend to say we've got a challenge outside of Virginia, but
17 we've got a challenge in both areas.

18 Next slide. Accident causes. You'll notice these numbers don't
19 add up to the 25 accidents we've had to date, because NTSB does not release
20 the causes to date to have all of this year's released. What you see there in
21 the 2006 blue line, landing and takeoff is the majority. We have fuel
22 management, one accident there. Other than that, they're falling in taking
23 off and climbing. We don't have the information right now to say the
24 breakdown specifically of maintenance issues versus pilot error. The
25 discussion we had with the FAA, the vast majority are turning out to be pilot

1 error.

2 Next slide, please. How do we compare with the U.S.? See if
3 we have an anomaly. Right now, for our flying program, as best we can
4 ascertain, we're slightly under the national average. One point nine percent
5 if we were to equate a level playing field, two percent across the board for
6 each of the states. One point nine percent is unacceptable, and we're going
7 to try to figure out what we can do to reduce that number.

8 Next slide, please. Resources to go to. The Air Safety
9 Foundation, Nall Report, FAA Accident Website, Landings.com, NTSB,
10 Virginia State Police Accident Reports. See if we can get any trend analysis.

11 Next slide, please. What are we doing to try to help aviation
12 safety education? Twice a year we have an aviation safety program or
13 aviation safety week, if you will. We go throughout various locations in the
14 state and provide training, if you will, or opportunities for discussion. We
15 take the FAA with us. Last June, cockpit resource management and dealing
16 with emergencies, we focused a lot on emergencies within 25 miles of the
17 airport and takeoffs and landings. In October we had the Aviation Safety
18 Foundation seminars, and we focused on emergencies. We trained about
19 270 pilots there. The challenge is we're still seeing a lot of the same pilots at
20 these things. We're asking the rest of the pilots to show up and make an
21 effort, bring a friend, and try to bring somebody that's not familiar, because
22 when I see the same faces in the June and October seminars and reaching the
23 same audience, and there's a lot of people who have accidents are not the
24 ones that are showing up, so it's a challenge for us.

25 The FAAST, the FAA Safety Team, reorganization and their

1 safety program. The safety managers no longer report to the local FSDOs.
2 In our case, they report to Joseph Foresto, the Eastern Region FAAST Team
3 Manager. We had a meeting with him a couple of months ago. He's located
4 and headquartered in New York. Our local team remains the same, report to
5 the manager now in New York, Karen Arendt in Northern Virginia, George
6 Ream here in Richmond, and right now the gentleman we have in
7 Charleston, West Virginia is unnamed, and we don't have a person there.
8 They also have a south or southwest side in Virginia, as far as their
9 coverage. What we did early on is we, at that time we did have a Charleston
10 rep, and we got together and said there would be one safety program for
11 Virginia. What was happening prior to our meeting is that we were actually
12 told in Northern Virginia one time, you can't make that presentation, it's not
13 on our agenda. We reminded them we're paying for the presentation, we'll
14 decide what's relevant to Virginia. With Karen George and the former
15 person they had in there, we worked as a team and worked on putting
16 together a safety program all across the Commonwealth. The FAAST team
17 focus has changed. They've looked at the pilot seminars, and because of the
18 low tie up, the FAA have deemed the pilot seminars, in their words and not
19 ours, a failure. They're no longer advocating pilot seminars, going out and
20 getting the pilot. They're looking at web-based safety programs. They're
21 developing web access programs and go online and pull these down for self-
22 education. They're also looking at something called public education. They
23 are now, because they felt the pilot numbers weren't sufficient, so they're
24 going to go to the local community Rotarians and Garden Clubs and all these
25 places people might fly and educate them about general aviation. One of the

1 things we had a challenge on that Joe has agreed to withhold, they developed
2 a list of 12 to 15 questions that you should ask your G.A. pilot before getting
3 on board to determine if that's a safe flight. I told Joe that is an affront. If
4 we're going to develop 12 to 15 questions for the general public, then also
5 introduce it to the pilot population first, because they would be prepared to
6 answer those types of questions and say do I want to carry passengers. He
7 said he would forestall that for 90 days and give me a copy of these
8 questions and get it out to our pilot population so we don't have a situation
9 where we're putting the flying public against general aviation, if you will.
10 So there's a difference in philosophy there. The FAA and we are working to
11 accommodate that, and in Virginia we'll try to get that information out to the
12 pilots first and let them know of any problems that might be coming down
13 the road. I thought that would be a huge challenge, putting the general
14 population against the flying public, if you will.

15 Next slide. Security program. We're very active in our security
16 program, and the Virginia Aviation Security Advisory Committee has been
17 established according to the FAA and in accordance with some other people
18 we've dealt with. We're one of the pioneers. We have teamed on that, and
19 we have TSA on our Board, and we have AOPM on our Board, and we have
20 two members of the Virginia Aviation Board on the panel. We're looking
21 for best practices and looking for ways that we can do things better, and
22 security across the board, and that's working out well. We had our last
23 meeting last week, and the Chairman of the Board can give you a brief
24 synopsis of what happened there. The DOAV is now represented on the
25 Critical Infrastructure Sub Panel for the Secure Commonwealth Panel. You

1 may recall last year we couldn't get a seat. That left Aviation without
2 representation on the Secure Commonwealth Panel. Through continued
3 work, we've been able to get a seat now. We're part of the plan and not
4 reacting to the plan. So, that's good news. Conducted security training for
5 airport personnel, Fall Maintenance Workshop in coordination with VAOC,
6 November of 2006. We're scheduled to conduct security training in the
7 Spring Workshop with VAOC, April 23rd and 24th, 2007.

8 The Virginia State Police are now on board and conducting
9 security audits for airports. At a security conference on Monday I checked
10 with the TSA, and we're the only state right now that had Virginia State
11 Police doing the audits as a standard. Many states have no program, and
12 some states are asking local authorities to do it. Some are having individual
13 consultants do it. Bringing the State Police in and training them to aviation
14 requirements, and we now have a standard across the board, and as we learn
15 from one airport we can share with the other airports and learn about
16 security and share that information with all the airports. We're very pleased
17 that the Virginia State Police are coming on at no cost on the Crime
18 Prevention Team to help us in this area. We now have 97 percent
19 participation on security assessments, and we have 55 of the 57 airports that
20 have an active security program. The two we don't have involved now are
21 Smith Mountain Lake, the airport is for sale, and we're working with the
22 current owner to try to encourage him, until it's sold, to get involved with us.
23 We'll see how that continues to work. New London has new owners, and
24 they are interested in the program and have already started communicating
25 with us, and they have some obstructions, but we're working with them on

1 that as well. We expect for the next briefing we'll have New London on
2 board in our security program, and if we're fortunate enough to be able to
3 communicate with them, we'll try to have Smith Mountain Lake on as well.

4 Hartwood is an airport that wasn't on board, and they have
5 dropped from the public roles, and they have a brand new owner, and the
6 new owner is expected to stay with paradrop operations, and because of
7 some of the options he has he's decided to drop from the public roles, so he
8 doesn't have to take action on those obstacles. That's fine with us, but we're
9 working to make sure that we have good public security, and where we don't
10 have a situation where someone might clip a tree or something.

11 On the Security Grant Program, it's working well. We do have
12 airports coming in asking for the funds, and I've got some good responses
13 from the airports that Vern and Steve are getting that money out, getting it
14 turned around. We're in the process of doing a needs assessment. What
15 we're looking to do, in combination with the airport department and the
16 Virginia State Police, is trying to develop a long-term plan of our security
17 needs. One of the challenges we've got to have is at least a six-year plan, as
18 far as what our security needs are, and further if we can. One of the reasons
19 for this is that occasionally money becomes available without our
20 expectation, if you will, and if we had a needs assessment saying these are
21 our needs, we could capture some of that money and bring it into Virginia.
22 We were able to capture some money last year from DHS and put it into our
23 security program. The number escapes me, 500,000. So if we have a good
24 needs assessment and a list of the things we need, maybe we can capture
25 some additional money in the future.

1 Next slide, please. Economic Development. One of the things
2 that we're doing this year is we put in a new budget line requested for
3 Economic Development Study every two years. The economic development
4 statement in the past has been erratic, at best, and averaging approximately
5 four years or better. The environment is changing very quickly in our area,
6 and our airports need to know what the economic impact at that airport on a
7 more frequent relevant basis will be. By doing an economic study every two
8 years, I can tell you how much an airport will be bringing in, giving a better
9 defendable number having more current information. The information we
10 had in 2003 and 2004 aviation brought in 10.8 billion dollars to the Virginia
11 economy, and that's pretty good numbers. If you break it down to G.A. and
12 break it down into carrier airports, there are some good reasons to support
13 local airports, and this information continually helps us.

14 We are also teaming with Virginia Economic Development, and
15 we attend the NBAA Conference, and we look to bring business into
16 Virginia and explain the opportunities that Virginia presents. We participate
17 in the Virginia Conference on Economic Leadership. The Secretary of
18 Commerce gave a great presentation there.

19 We're looking to assist localities in developing an Economic
20 Development Plan. Keith is going to be working on that this year to try to
21 see what we can do to be more active out there in helping communities work
22 on economic development plans for their airports.

23 One of the cornerstones of economic development is to help
24 localities understand why they should support the airport and what money it
25 brings in and why they should take that extra step for land use. Zoning

1 properly protects the airport so that we don't have a situation where we're
2 losing airports. Two weeks ago AOP released findings that once every two
3 weeks throughout the nation we're losing public use airports, partially due to
4 land use issues, encroachment and things of that nature. In today's
5 environment we can't put in new airports, and it's difficult. So, we need to
6 protect what we have, of course.

7 Next slide, please. Promote aviation awareness and education.
8 The Virginia Aviation Ambassador Program is going very well. We've
9 awarded now our 50th jacket and have gotten some good responses from the
10 public, the flying public, and the airports are saying they see people they
11 hadn't seen before, people getting out there doing some flying, and that's
12 been a success for us.

13 We have a new website and a new look to it, and that's also
14 with the American Disabilities Act compliant, same address, and we'll
15 continue to improve that.

16 We're having the Ultralight Safety Seminars move to
17 Ultralight/LSA Safety Seminar, and that was well attended this year. We're
18 seeing ultralights carry less impact and LSA carry more impact. The
19 ultralight folks asked us to have an LSA focus on the next one.

20 Our Legislative Reception is January 30th in the Library of
21 Virginia. Look for VABA to carry the lead in that, and we're working with
22 NASA now and probably have another astronaut there as a speaker. We're
23 also looking for other opportunities for vendors and so forth. We'll get you
24 more details as we get closer to that. That's been very successful for us.

25 Our grants for teachers and promotions for airports is going

1 well. We're about to plan our 2nd State Aviation Jobs Fair, being planned
2 for Northern Virginia in February. The challenge we have in aviation in
3 Virginia today is that we don't create enough aviation technicians, pilots and
4 instructor pilots and mechanics, to meet our own needs. We're finding that
5 people who have aviation business in Virginia are going outside and out-of-
6 state many times to find the skills that they need. We have aviation business
7 in Virginia, and we're hoping that in the July time frame we'll have enough
8 money in the budget to do a study and look at our long-range forecast needs.

9 Across the board, all the aviation needs that we might have, we
10 want to look at our education system and see how we can plug in aviation
11 education network. We've teamed with NASA and the Foundation. NASA
12 has taken a look and gotten the standards of learning matched to aviation
13 skills and topics so that we can now get that out to the schools. The
14 challenge is to get personnel to help us do that, and we're hoping that the
15 Virginia Aviation Foundation will help us get that distribution out there.

16 We're looking at the long-range future for us and looking at a
17 way to bring aviation education into the schools so that our counselors and
18 people will say aviation is a good career and a good way to go. It's a good
19 opportunity for us.

20 We're still participating heavily in seminars and workshops and
21 trade shows to make sure that Virginia is out there, people see us out there
22 and understand the benefits and opportunities for us.

23 Next slide. Our mission is to provide executive flight services
24 for the commonwealth leadership. Our safety assessment is complete, no
25 Part 91 findings; we had no violations; we did, however, find numerous best

1 practices to improve our operation. Mike Mills and his team are looking at
2 ways to incorporate the changes and make things bigger and better. We're
3 planning to be the first Part 91 operator to go for the gold rating, if you will.
4 A gold rating is a rating, there are very few people that have the highest
5 standards in their flight operations, and we're looking to be the first Part 91,
6 a Part 135 operator, but we'll go for this rating, and we don't see any reason
7 why we can't, as a Part 91, go for it as well. We're working on that issue.
8 Mike is also looking for an international standard rating, and we'll see what
9 the requirements of that might be and see if we can improve in that area as
10 well.

11 The Asset Replacement Plan, our independent aircraft needs
12 analysis is completed, a near-term purchase, and there's a possibility we'll
13 have a contract award for a replacement aircraft by the end of this month.
14 The bids for the aircraft will be open on Tuesday the 19th, and depending on
15 the number of questions, we could get an award for a replacement aircraft by
16 Friday of next week. Delivery of a replacement aircraft somewhere June or
17 July, possibly.

18 We're also looking to maintain a long-term purchase program
19 with a 20-year replacement philosophy, so the aircraft when it reaches its
20 20th birthday would be replaced, and continue that process. Our aircraft
21 usage is up. The Governor is a very businessman, and we've seen a lot more
22 trips from him, and we're seeing a lot more trips on the economic
23 development side of the House. We're doing a lot more trips now on the
24 ConAir, if you will. We assist local authorities in picking up the convicts.
25 When the Governor is not there, we have the convicts; it's a good thing, but

1 it works well.

2 We're also hiring a maintenance tech, and we're reviewing our
3 maintenance bills and reviewing the work we're doing on the four aircraft,
4 and we found we're able to hire a maintenance tech, and we'll save the salary
5 and benefits of that person many times over by having an internal
6 maintenance capability.

7 Next slide, please. 2006 Opportunities, or 2007 Opportunities,
8 apologize for the typo. Further automation, airport IQ is out. I should
9 mention that yesterday this Board was the first one of the airports that we're
10 able to put everything on electronically, and we're looking to continue that
11 automation and provide access to every Commonwealth citizen, aviation
12 information. Everything we can, we want to be able to put it out there to the
13 airports and the citizen and get it out there.

14 Economic Development, we think that's one of the areas we
15 want to continue to push and get more active in.

16 Land use, every opportunity we can be out there and talk to
17 people about land use and what proper zoning will do for the airports or do
18 to their airports so people will understand.

19 Next slide, please. One of the big challenges before us in 2007
20 Opportunities is creating a Virginia Aviation Emergency Operation. The
21 hurricanes we had in Louisiana and some of the devastation we had and
22 challenges we had. The Governor wants to look at Virginia as a whole and
23 what we need to do if an emergency might happen to the Commonwealth.
24 When you look at the aviation piece of that, and looking at Katrina and the
25 operations in Louisiana and what challenges they had, they were immense.

1 Communications were down, they hadn't thought of anything this
2 tremendous. We have the opportunity to look back at them and say what can
3 we do better. Some things we have to do is we have to look at the air lift
4 capability and what we would do in an emergency situation and how will we
5 communicate with carriers, military helicopters, civilian aircraft. How
6 would we handle that in an emergency situation? How would we
7 coordinate it? You've got to look at the facilities that we have and designate
8 airports at level one and level two and level three, emergency preparedness.
9 Airports may have to have special equipment to continue operations during
10 an emergency, and we have to identify which ones and at which level we
11 invest appropriately at a few airports. There is no way that we can bring six
12 or seven airports to a level one for emergencies, so we have to look at that
13 and try to get a plan together in that area.

14 We also found that during Katrina airports became emergency
15 survival sites. People were going to the airports, and they were either on the
16 high ground, or we found that airports were serving the communities and
17 how they can provide service to their communities during emergencies, and
18 we have to look at that.

19 Personnel, one of the challenges that Louisiana and states down
20 there had, personnel came in, and volunteers actually in many cases clogged
21 the system. We didn't have a way to communicate with the personnel, and
22 we didn't have a plan in place. In fact, when we volunteered our aircraft to
23 go down, they said, please don't, our ramps are clogged, we don't have
24 support infrastructure. We have people flying in with good intentions and
25 without any way to support themselves. We've got to look at what pilots

1 knew and what kind of ground crew, how we manage and assist volunteers.

2 Control and communications, of course, within the Agency we
3 do it with FAA and FEMA and numerous other agencies that get involved in
4 emergencies. How we work that, we need to get started working with a
5 plan, and our teams start working with that this year and see how we can put
6 together something that if we had a statewide catastrophe, or if we had a
7 localized catastrophe, how we handle that, how does aviation play a role in
8 that, and that's going to be a big one for us.

9 Next slide. Another 2007 Challenge or Opportunity. We'd like
10 to conduct a Virginia Aviation Partners one-day conference and work on our
11 strategic plan and share with them. We want to look for input from the
12 partners, look for synergy, look for assistance. With only 32 people on the
13 staff, we just can't do all these things if the opportunities are out there. So
14 we're going to be looking VABA, VAOC all the other organizations that we
15 can team with and see how we can work together to get things down the
16 road. We want to ask their assistance and look for challenges they may face
17 and opportunities to improve communications.

18 Next slide. Our key to success is teamwork, and these are some
19 of the organizations that we should be teaming with and are teaming with,
20 and we're talking about a one-day seminar and bring these people together
21 and say, here are some of the things we're doing, and what are some of your
22 challenges, how can we work together. Virginia Health Association, NASA,
23 the FAA, VAB, VABA, Civil Air Patrol, VAOC. There are a lot of people
24 here that play a part in Virginia aviation, and I think what we're going to try
25 to do is have a one-day seminar to share information and see where we can

1 go from that, where we can give assistance, and where we can identify
2 challenges for us.

3 Next slide, please. Of course, participation, and we are
4 involved in a lot of other organizations not mentioned here that we want to
5 play an active role. So we're either on the board of directors or members or
6 participants, and the key is to be involved and get the information, get the
7 challenges so we can take action on them.

8 Next slide. One thing I'd like to impress upon everybody, in
9 many cases our airports are the first and lasting impression in Virginia, and
10 we need to make that impression count. If somebody is flying in, a business
11 man or business lady, give them an opportunity that when they come into
12 our system they need to know this is the first face they see in Virginia, and it
13 needs to be a good face, because it could have an impact that would impact
14 the rest of the Commonwealth, and we need everybody's assistance to make
15 that work.

16 Ladies and gentlemen, I'll be glad to answer any questions, and
17 that concludes my briefing this morning.

18 MR. OBERNDORF: Thank you, Randy.

19 Are there any questions?

20 DR. WAGNER: My compliments, and it's always
21 informative, and it's great to know where we are and what progress you've
22 made as the Director. My hat's off to you, Randy.

23 Two things I think to add to the opportunities. We're seeing
24 coming up, and it was plastered all over our newspaper in the southeastern
25 part of the state about aerospace and the upcoming launches, and I think

1 that's a tremendous opportunity, and we heard of what's trying to be built
2 here. Aerospace and aviation, I think, are viewed as one thing by the
3 community at large, and I think that's a great opportunity for us.

4 Also, about the Ambassador Program, this may perhaps go
5 under new business or alteration, but I think we have other opportunities to
6 make that even more vital and more high profile. I'll bring it up later. My
7 thanks for a great presentation.

8 MR. BURDETTE: On the Wallops Island, I'm not
9 sure when you came in, but Terry Evans is friends with the launch director
10 --

11 DR. WAGNER: -- I caught that, but I was saying,
12 when you were talking about opportunities for 2007, an additional
13 opportunity is obviously to improve the slide, and that's a fourth opportunity.

14 MR. BURDETTE: Thank you.

15 MR. OBERNDORF: Go ahead, Mr. Omps.

16 MR. OMPS: I would just add two points that talk
17 about the Ambassador Program, which has been highly successful. Have
18 you ever considered maybe having those airports able to stamp a sticker that
19 you put in that passport? I know personally several times I've been to six or
20 seven airports and didn't have my Ambassador's or the Passport with me.
21 That way, if the person is there, they can still take it back and put it in their
22 book. It's a small point, but the best would be no accidents whatsoever, and
23 we also know that that's humanly impossible. But what would be good, and
24 I'm sure there's no way to even track us, those numbers look high, but when
25 you compare them with the number of takeoffs and landings it's almost an

1 insignificant number, and I'm not trying to make light of the accidents in the
2 State of Virginia. It would be interesting if you had any kind of information
3 on that.

4 MR. BURDETTE: It's a challenge, but let me get
5 into it and see what we can do. Takeoffs and landings for operations. We
6 deal with the airports already, and that might be a good statistic, to say what
7 are the number of operations and what percentage is there. I'll take a look at
8 it and see if it gives us any insight.

9 MR. OMPS: You hear the public say, oh, flying is
10 so unsafe. If you brought those two numbers into it, it would publicize it.
11 People might have an idea of how safe it really is.

12 MR. BURDETTE: We had, with our new FAAST
13 team leader, we had a little challenge. During our conversation he said that
14 things have changed. He cited an MIT study that said if you drive, driving is
15 five times safer than flying general aviation, and flying commercial is fifty
16 times safer than driving. I said, you know what, I'm not sure I want you to
17 stay if that's where you're going to go with this. We need to talk about the
18 opportunities, and he cited the MIT study. One study out of a lot of things.
19 We've got a lot of work to do to make sure that the proper word gets out
20 there. We've got some safety challenges, but it's not taking your life in your
21 hands every time you get in an aircraft.

22 MR. OMPS: I think everyone that realizes it, or
23 knows aviation, the most dangerous part of a flight is driving to and from the
24 airport.

25 MR. OBERNDORF: That's correct. The other

1 thing, probably, is we probably need to look at some method of educating
2 the press. Radio and television really don't do a good job reporting accidents
3 or reporting anything to do with general aviation. It's really a real problem
4 and makes the public more and more apprehensive, in my opinion.

5 Another thing I'd like to say is that Angel Flight has got a
6 number organized into it, and the Department of Homeland Security
7 Emergency Pilot Organization, where we're on call for them for emergency
8 operations, which possibly could be integrated into any system that we
9 establish for that within the state.

10 MR. BURDETTE: Angel Flight today, the
11 discussion, because I think you've got to be a player. They were a very
12 aggressive player in Louisiana; even after being asked not to come, they said
13 we're coming anyway, and they did a lot of good. We need to be part of the
14 plan.

15 MR. FRANKLIN: Why did they ask them not to
16 come? Because of the state of things?

17 MR. BURDETTE: Airspace security issues and
18 also ramp space issues. Between the state officials and Angel Flight there
19 were some disconnects, but at the end Angel Flight did a lot of good
20 missions. There was some confusion and anxiety initially.

21 MR. OBERNDORF: Dr. Kehoe.

22 DR. KEHOE: Thank you for the report, it's an
23 excellent report, and I just wanted to make a few comments and questions.

24 Like Mr. Omps, I was thinking if we could tie the accident
25 report into takeoff and landing and put accidents into that context so they

1 just don't stand there comparing one year of accidents to another. If we put
2 it in the context of takeoff and landing data, that may give it a greater
3 meaning and understanding. I thought you, Mr. Director, did an excellent
4 job with your analysis of the data. I thought it was a superb job of analysis
5 and presentation of the data.

6 MR. BURDETTE: Well, certainly like to get
7 some better conclusions than the data that was given at this point.

8 DR. KEHOE: You also mentioned in your report
9 that SATS, SATS is no more, has it run its course or lost funding?

10 MR. BURDETTE: Yes, basically. One of the
11 challenges is that SATS has some wonderful opportunities, and when we
12 had the culmination demonstration in Danville it was well received, and
13 NASA because they've been given different direction going to Mars and
14 stuff was very adamant that they not present the phase two side; that was not
15 part of the Danville presentation. Keith and I struggled, we said, gosh,
16 you've got a wonderful opportunity here, tell the people what next has to
17 happen. And, they said, no, we're going to Mars. So we really didn't present
18 the next opportunity. Next generation JPO is supposed to be picking up that
19 technology and helping it go forward. NGATS is not funded to a higher
20 level, and Keith and I are trying to stay involved and ensure that it doesn't
21 forget aviation as a whole as we start talking because there's a lot of airline
22 representation on the board, and things of that nature.

23 MR. MCCRAE: Many of the concepts and
24 technologies that were developed and hoped for during SATS will be
25 followed on during NGATS. Randy mentioned we've been trying to elbow

1 our way into the room, if you will, and make sure that some of these things
2 do occur.

3 DR. KEHOE: NGATS, the acronym is what?

4 MR. MCCRAE: NGATS, Next Generation Air
5 Transportation System.

6 DR. KEHOE: Okay. NGATS?

7 MR. MCCRAE: Yes.

8 MR. BURDETTE: You'll see it written two ways,
9 NGATS, like that, and sometimes it's called NexGen, so it's both ways.

10 DR. KEHOE: You had mentioned something
11 about a research arm that's SATS going into a --

12 MR. BURDETTE: -- VSATS. Virginia SATS,
13 nine laboratories, I believe there was --

14 MR. MCRAE: VSATS was the participant from
15 Virginia in the SATS program. What Randy and I have decided is that since
16 SATS as an official program within the federal government has now ceased,
17 that we'll transform VSATS and carry it on, because we have a certain
18 amount of experience with it, if you will, and move it into different
19 directions beyond just SATS technologies, the sort of things that will help
20 the airport sponsors into the future. It'll be, as Randy described it, the
21 research arm of Virginia aviation, which it was in the past, but solely defined
22 under the SATS program.

23 DR. KEHOE: Maybe there might be an acronym
24 that will be developed for the research arm of Virginia aviation that's for the
25 future, 2007.

1 MR. FRANKLIN: When you said, or when
2 somebody said we need to educate the press, I said, good luck with that. I
3 think the reason that they spotlight so much and they really blow up airplane
4 crashes is, of course with an airliner it's hundreds of people. We can
5 understand that. But I think we're almost a victim of our own safety success,
6 because it does happen so rarely that when it does it makes good video, a
7 picture of a little airplane stuck in the tree, or whatever. But I think that's
8 really the case. I think it happens so rarely now in most communities, even
9 this year, that's a very small number compared to the operations that we
10 have, as has been pointed out.

11 MR. BURDETTE: That's one of the challenges
12 for us. I think we might be able to look at takeoffs and landings, love to tell
13 you how many hours, and that's just not data --

14 MR. FRANKLIN: -- Or miles. I'm still amazed
15 every day at the people that won't fly, and I say you know it's more
16 hazardous when you get in your car and go to the office on the interstate
17 than it is when you fly.

18 MR. BURDETTE: Over 5,000 people died on
19 American highways last year.

20 MR. FRANKLIN: And every day they die, just
21 about, somewhere every day in this country, and usually in this state every
22 day, if you watch the little report or little blurb that comes out in the paper
23 that says how many people are killed in accidents.

24 MR. OBERNDORF: But the perception of the
25 public because of the press is very negative about aviation safety, no

1 question about it.

2 MR. BURDETTE: We've just got a challenge, and
3 we've got to educate the public about safety and the measures we take. As
4 soon as I get from the FAA those 12 or 15 questions they developed for the
5 flying public, I'll get it out to the Board members, and we'll start an
6 education program here.

7 MR. OMPS: If the carriers tell them, if he has to
8 ask 12 or 15 questions, he won't get in the airplane.

9 DR. WAGNER: Why should it be any different
10 than getting in a car?

11 MR. BURDETTE: Dr. Wagner, that's where the
12 FAAST team leader and I have a huge departure of philosophies. My
13 feeling is that if he went public with a program like that, it would try to set
14 the general public against general aviation.

15 DR. WAGNER: Did they ask or reserve a formal
16 comment period regarding this?

17 MR. BURDETTE: No, sir. This is one region. I
18 did talk to --

19 DR. WAGNER: -- This is not a national?

20 MR. BURDETTE: No. The FAAST team concept
21 is national. That's changed.

22 DR. WAGNER: Is the idea of these questions
23 regional?

24 MR. FRANKLIN: Definitely give them some
25 regional feedback.

1 DR. WAGNER: About members of the region and
2 have them give feedback as well?

3 MR. BURDETTE: I don't know. This year I got,
4 I'm now the regional representative for NASAO, and I'll have a
5 teleconference probably next month to talk to other regional members and
6 other state directors within our region on issues and see if we have a unified
7 information back.

8 DR. WAGNER: What is the anticipated release
9 date to the public? Who is wanting to go? Where is Mike Mills? Do you
10 remember what the date was?

11 MR. MILLS: I don't recall.

12 MR. BURDETTE: He was saying imminent, and I
13 was saying, you've got to give me at least 90 days heads up so I can get it to
14 the pilots before you release it to the public. I said, if you've got the
15 authority and you're going to do this, at least give me 90 days to do an
16 education program for pilots so they're not blindsided by this. He said he
17 would put it off, and we haven't heard anything more. He was supposed to
18 give me the 12 to 15 questions. I haven't seen it yet.

19 DR. KEHOE: You had mentioned the security
20 audits. We've got 97 percent participation. That's great. Are we the only
21 state doing something like this or the highest participation among states?

22 MR. BURDETTE: We are actually probably in
23 the top five percent. New York is doing some crackdowns. They're making
24 things mandatory and legislative. We've got a couple of other states that are
25 being aggressive. They don't have anything that matches this, as far as I can

1 tell. According to NBAA and AOPA I've been checking with, we are
2 probably one of the leaders in the nation with this type program.

3 DR. KEHOE: Should the Department anticipate
4 doing something when it hits 100 percent just to publicly announce, a press
5 conference or some type of small celebration?

6 MR. BURDETTE: You know, that's a good
7 thought, and let me think about that, and I'll get back on that. It's kind of a
8 double-edged sword. If they find out we're now a hundred, percent they're
9 going to say weren't you a hundred percent before. If you're a hundred
10 percent of a voluntary program, why not mandatory? It's kind of one of
11 those things I've got to weigh the pros and cons.

12 DR. KEHOE: The ups and downs.

13 MR. OBERNDORF: And then someone is liable
14 to breach it just so we're really not and do some --

15 DR. KEHOE: -- Good points.

16 MR. OBERNDORF: As Randy said, we had the
17 meeting last week of the Aviation Security Advisory Committee, and
18 actually most of the Committee was not there, and we brought the people
19 from the TSOC down to see the Virginia Intelligence Fusion Center, which
20 is co-resident with the State Police Emergency Operations Center on
21 Midlothian Turnpike. They were very impressed with what was being done
22 by the State of Virginia in general and our aviation program in particular.
23 We seem to be way ahead of most of the other states, as far as bringing
24 everybody in and having the State Police involved in it. So the TSA, at this
25 point, is very happy with what we're doing down here. It's still growing a

1 lot, when you have this one 888 G. A. secure number, the number of non-
2 emergency calls that come in, the thing is quite interesting. They have to
3 field all of them. It's everything from someone calling for the directions to
4 the nearest restaurant, and that sort of thing.

5 MR. BURDETTE: Make sure when you give the
6 number out it's 1-866. If you call the 800 number it's a phone sex line.

7 MR. OBERNDORF: I said 888, I meant, that's a
8 problem with that one. In general we're moving ahead, ahead of a lot of the
9 states, fortunately, and we've had a lot of cooperation from the airport
10 operators, too, that should not go unheralded.

11 MR. FRANKLIN: Mr. Chairman, something I
12 was going to bring up, and I was just talking to the folks in the hall about it.
13 I learned to fly because in 1980 we were having some serious flooding down
14 in southeast Virginia, like they've had recently. I went up in a plane, just a
15 150 to try to get an idea of what it would look like, and it was amazing,
16 because in the flatlands there when you get a flood it floods the towns, but
17 then in the rural areas it goes across hundreds of acres of farmland. That's
18 what I was looking at. I fell in love with aviation from that flight and got
19 my license a year later. My son is a reporter in Hanover, and somebody took
20 him up. He talked about it for days, how wonderful it was and all this stuff,
21 even though he had flown with me a whole lot, but he hadn't flown for a
22 while. I was just wondering if we couldn't do something with either the
23 local sponsor or a combination of the state and local sponsors to encourage
24 some of these reporters to get to the airport. You can beg them until you
25 know what freezes over and they're probably not going to come, but if you

1 give them an airplane ride you're probably going to get 80 percent of them.
2 You'd have that opportunity to show them airport, you'd have an opportunity
3 to maybe take them on a 20-minute demonstration flight, or whatever. So I
4 think that's worth considering, something like that. Get them in there and at
5 least have a chance to talk to them a little bit and have a chance to mention
6 that.

7 MR. OBERNDORF: That sounds good.

8 MR. BURDETTE: You have a question, Bill?

9 MR. KELLY: A good opportunity for doing
10 something like that is when the sponsors have Young Eagles Day at the
11 airport. If they invite the reporters to come out and talk to the kids and get
12 them to come out a little bit earlier the day before and maybe take them for
13 an airplane ride and then cover the event. That's worked well for us, and the
14 reporters loved going for a ride.

15 MR. ELLIOT: We've done that as well.

16 MR. BURDETTE: I guess, Mr. Franklin, we need
17 to make people aware of it, because most of the airports that I've talked to
18 are willing to do that, and if they don't have the assets, we're willing to work
19 with them and help them make it happen. It's a matter of getting an
20 organized effort pushed and make sure that the reporters have that access.

21 MR. OBERNDORF: Thank you, Randy.

22 Next we'll have the FAA Report from the Washington Airports
23 District Office.

24 MR. PAGE: Thank you, Mr. Chairman. It's
25 appropriate to take reporters up, the Young Eagles, and leave the old

1 buzzards.

2 I have a short report. Something tickled me this morning, I've
3 got a funny joke, or at least I think so.

4 DR. KEHOE: Are you going to tell us?

5 MR. PAGE: The VOC meeting was just held
6 earlier this month, and I attended that, and one thing I wanted to report to
7 everyone and people may not have been at the VAOC meeting. It's just the
8 status of our '07 grant program. Obviously, Congress has changed parties,
9 and we do not have appropriation yet for the federal grant program. Our
10 authorization is in place for the AIP, but the Appropriations Bill has not
11 been passed, so we don't have money for grants. Since there was a change
12 and Congress is out without that appropriation in place, the new Congress
13 will put that in place, and we don't know when it will happen. It may go a
14 little bit longer than in normal years. Normally, and last year, we were ready
15 to issue grants in late February or early March. This year we might still be
16 on a continuing resolution and not have any grant funds at that time. The
17 airport sponsors still need to be in a position to take grants like in a normal
18 year, still press along with anything that's still in their federal capital
19 program. Get the bids in place, or your engineering agreements, scopes of
20 work, and get all of that in place for the normal year, because once the
21 money comes loose it will come loose in a flood, rather than throughout the
22 year at measured times. Our deadlines for this year for any new grants this
23 fiscal year we're going to want the application in the office by mid-July. So
24 sponsors and consultants need to be able to have those ready to go and bids
25 in hand, documentation to us for a grant in mid-July. Our deadline for '08

1 planning, planning for next year, we're going to need your requests in for
2 funding and updates and get your program up to date for next year's program
3 by the end of April. At the end of April we cut off the plan for next year.
4 We'll finalize our program in May, so by June the federal program is
5 finalized, and that ties in pretty well with the deadline for your August
6 Board meeting for the state matching money for next year. We've gotten our
7 programs pretty well matched up between the federal programs and state
8 requests. This is what was reported out at the VAOC meeting, and I want to
9 make sure that the sponsors and consultants and the Board is aware of that
10 status.

11 The second item on my list is that we have a new engineer
12 coming on board in my office to fill a vacancy. That engineer is Mr. Wayne
13 Switzer, and Wayne will handle the Tidewater area of Virginia. Valerie
14 Jackson was handling it over a year ago, so it's taken us a year to get the
15 position filled, but he will be on board in early January. He'll handle airports
16 at Franklin, Chesapeake, Suffolk, Tidewater, Hampton Roads Airport, up the
17 Eastern Shore, and he'll have responsibility for the Eastern Shore of
18 Maryland, and we're interested in that right now. Mr. Switzer will be on
19 board January 8th. I'll bring him to the next Board meeting and introduce
20 him to everyone.

21 The next thing I wanted to bring to your attention was there'll
22 be an Aviation Conference, the FAA's Annual Aviation Conference, in
23 Hershey, Pennsylvania, which will be mainly a technical conference with
24 sessions for two days on airport engineering, airport planning, airport
25 management, airport safety issues, about five separate tracks, and a very

1 good conference. This year it will be held March 6, 7 and 8, so please put
2 that on your calendars, and we'd like to see the sponsors, consultants,
3 Department of Aviation, Board members, and anyone else that's interested.
4 It's usually attended by five to six hundred people, and it's a very large
5 conference. It's the first conference, this year it's the 30th annual; we've
6 been doing it for 30 years in Hershey, Pennsylvania. If anyone wants the
7 information, the best place to find it is it's held in concert with Penn State
8 University. They help organize it. Go to Penn State University's website,
9 the Outreach Program, the Hershey Conference. An announcement will be
10 sent out to everyone that attended last year if they want to attend again.

11 The next thing on my agenda is I wanted to bring the Board up
12 to status on an issue at Lonesome Pine Airport. Just a quick status, and I
13 don't want to belabor this. The FAA was required by Congress and the
14 legislation to install navigational aids ILS, and it was earmarked in Congress
15 a number of years ago. The FAA has completed that. The FAA localizer is
16 there, and they've given the Department of Aviation back their localizer,
17 taken theirs out and put the FAA's in. The glide slope is there also. The
18 trouble is the FAA can't turn it on because the airport has not made the
19 changes on the ground. So the airport has gone from having an operational
20 functional state localizer to the FAA system and the off switch. Until the
21 airport can relocate the threshold and move the lights and mark the runway
22 appropriately, the ILS won't fully work until obstructions are removed also.
23 It's in their hands at the airport. We've had an issue with that airport for a
24 number of years. Right now they aren't eligible for federal grants because
25 they gave away an interest in the land by giving someone a permit to access

1 the airport without any FAA concurrence and without funding. From our
2 standpoint, they're ineligible for our grants.

3 MR. BURDETTE: That same position the Board
4 has taken as well.

5 MR. PAGE: In the past it's been an issue that they
6 granted this access or actually given a permanent deed. A lease would have
7 been okay with us if they would have leased access to someone. An airport
8 can do that. We don't recommend it, but they can do it, and it's not a
9 violation. But permanently giving away that land right was a violation of
10 the grant assurances, and that's where we are with that. This is coming to a
11 head now because they've got a navigational, they've got one there that
12 doesn't work. The one that works was taken out, and they're less functional
13 than they were. In efforts to improve the airport they've gone backwards.
14 They don't have enough money locally, I don't think, to do the work to
15 rehabilitate that threshold, at least that's what they said, they can't do it, so
16 they're stuck. That's the current status, and I know the Board has been
17 involved with this in past years, or a number of years.

18 MR. OBERNDORF: What's the value of the
19 equipment that's stuck out there, roughly?

20 MR. PAGE: I'll tell you the FAA funding that's
21 been appropriated for the design and environmental studies and actual
22 physical equipment installed probably in the million to two million dollar
23 range that the FAA spent; the Department probably could have done that for
24 half that cost, but that's the requirement of some our equipment that we
25 have. In the million to two million dollar range, and Congress has

1 appropriated an FAA --

2 MR. PORTERFIELD: -- How would we, or what
3 would the role of the Board of Aviation be in how to mitigate this? How
4 would we, because that's a, Southwest Virginia, the far Southwest is a place
5 that needs an airport.

6 MR. PAGE: This is the largest runway they've got
7 there that's over 5,000 feet, and it's a poor location for access.

8 MR. PORTERFIELD: Is anyone working on a
9 strategy to mitigate this problem?

10 MR. BURDETTE: Mr. Porterfield, we've had Mr.
11 Dix working with our attorneys as well and John, just as recently as a couple
12 of weeks ago. The airport has asked for more money, and we have reiterated
13 the Board's position is at least meet with us so we can fix the problem. John
14 Beall has requested meeting several times with their attorney to try to get
15 resolution, and we've been unable to get that to happen. So, John, would
16 you like to elaborate, sir?

17 MR. BEALL: No. I don't mean to be nasty, but I
18 think it might exacerbate it. I suspect sometime between now and the 1st of
19 February, resolution will be made.

20 MR. PORTERFIELD: Okay, I'll withdraw the
21 question.

22 MR. PAGE: I think maybe they've got more
23 reason to try to settle their issues there.

24 MR. BEALL: The time has come when they'll
25 look for money. How much money do we have in the General Aviation pot?

1 MR. BURNETTE: Seventy-six thousand.

2 MR. BEALL: After today?

3 MR. CARTER: The cost of relocating the
4 threshold there is estimated to be in the \$200,000 range.

5 MR. OMPS: Since they have a localizer, took that
6 out and put in an ILS, and I realize that part of this game is to solve the
7 whole problem, for safety's sake, couldn't they just put the localizer or turn
8 the localizer part of it on and leave that alone?

9 MR. PAGE: They could, and the FAA really
10 wants them to do it. The trouble is, the FAA standards for separation from a
11 runway threshold to a localizer, and because of maintenance and the jet
12 blast, wear and tear on the equipment and so forth, the FAA standard is 600
13 feet. We allow somebody to go down as low as 450, and the current
14 threshold is 300. So they've got to move 150 feet, that's the crux. If they
15 can move the threshold 150 feet, FAA can flip the switch, flight check has
16 been done, and we can turn the localizer on. If they clear obstructions
17 further, we can cut the glide scope on. Obstruction clearance is a big
18 problem, it's millions of dollars, and it's not small. The terrain, it's rock, and
19 it's quite a bit of obstruction. They can cut the localizer on, but they've still
20 got to move that threshold to do it.

21 MR. OBERNDORF: And all the flight checks
22 have been done?

23 MR. PAGE: Yes, flight checks have been done.

24 MR. BURDETTE: This is one of those cases
25 where good intentions have gone awry. If we can work with the airports and

1 sponsors and the FAA together, we can normally come to a solution with
2 this type of funding, and this went outside the normal channels with a
3 Congressional mandate which has created some challenges for us.

4 MR. PAGE: The equipment went in, and no
5 planning was done. Here are all the impacts of putting that in there,
6 accommodate us, and then put the equipment in. It was just the other way
7 around, and the equipment goes in first, and now figure out how to make it
8 work.

9 MR. OMPS: If they had the Congressman to get
10 the ILS for them, why can't they get the Congressman to get them the
11 obstruction taken care of?

12 MR. PAGE: We'll fund that under our grant
13 program as soon as they're eligible to receive the grant.

14 MR. OBERNDORF: Private access to the airport?

15 MR. PAGE: Congress has also passed a law
16 saying you can't give away airport land without receiving something in
17 return and without getting concurrence from FAA.

18 MR. OMPS: They got the ILS through the back
19 door, now they can get the obstruction out through the back door.

20 MR. PAGE: That's possible, whatever Congress
21 passes we put in place.

22 The last thing, and I've got to defend my FAA brethren on those
23 14 questions. I figured if it's good for the Department maybe I'd get the
24 crowd here to come up with the Top 10 List for Letterman. Number 10
25 would be, what's that skinny thing you have up front? And what Larry and

1 Dr. Wagner came up with I can't repeat. What movie will be shown on this
2 flight? Where are the parachutes stowed? You want me to just what in that
3 little red plastic bottle?

4 That's all I've got, Mr. Chairman.

5 MR. OBERNDORF: Next we'll hear from the
6 Virginia Aviation Operator's Conference Report. Mark Courtney.

7 MR. COURTNEY: Good morning, Mr. Chairman
8 and members of the Board. I never thought I'd say Terry Page would be
9 tough act to follow.

10 As you know, the VAOC has made a commitment to be a more
11 active partner in the Virginia Aviation Board. I can tell you that we very
12 much want to continue the partnership, no matter how difficult or painful it
13 may be. You started something, Terry. In any event, we are very
14 appreciative of the opportunity we've had and the Board has provided for us
15 to be a more active partner with you, certainly, by participation on the
16 Airport Program Manual and a special committee that was formed on
17 obstruction policy. There are a lot of issues still to be resolved, and those
18 kinds of things. Nonetheless, we really had recognized the additional
19 opportunities that we have. We've gotten to know you much better as a
20 result, and we certainly hope to continue that in the future. As a matter of
21 fact, with our meetings potentially working out fairly well, our meetings
22 tend to be scheduled just prior to the workshop and Board meeting, and as a
23 result we get an opportunity to be able to discuss, debate and hash out
24 whatever particular policies you may take as a Board and then take a
25 position. There have been some growing pains, and there is an evolution in

1 process. But we appreciate your patience and also your willingness to
2 continue to be open with that process.

3 As far as VAOC, we certainly want to continue to have direct
4 VAOC participation and an opportunity to speak as part of our membership.
5 Also, I would like to stress that just the way that we've been able to
6 recognize at the Board meeting and you made opportunities for sponsors,
7 whether VAOC members or not, and for sponsors to be able to have an
8 opportunity for input. As part of that, I would like to stress this as personal,
9 as well as speaking for my airport, that in the event that although the policies
10 may end up or may create opportunities for members of VAOC to comment,
11 I would like to stress that, in any event, when any policy tends to be or have
12 more impact on airports, that the Board does provide ample opportunity for
13 input from the sponsors for the aforementioned subcommittees if necessary.
14 In many cases we don't necessarily need that, but we need to have time to be
15 able to digest what you're proposing and go back and get input from the
16 membership, and other airports for that matter, and then come back to the
17 Board, although we don't want to drag things out. I think we can avoid some
18 of the issues that came about with the obstruction policy and how it's
19 implemented back in August. I think that's a very positive thing.

20 Just to give you one other update from the standpoint of VAOC
21 and giving thought for a conference. The Spring Workshop has been a very
22 successful growing workshop, and it's had great benefits in conjunction with
23 the Virginia Aviation Board meeting in April. This year in April it's April
24 23rd and 24th. We're trying something a little bit different. We're moving
25 it up so that the Spring Workshop is more in conjunction with our Board

1 meeting so that not only do our members have better opportunity to attend
2 the workshop, but certainly seems to be an opportunity to have sponsors and
3 airports and VAOC input, but gives you an opportunity to be able to interact
4 more with the sponsors and airports. I can tell you we're trying our best to
5 try to get more airports involved to attend Board meetings and also to be
6 more involved with other Board members and better dialogue with the
7 Board. So I think the new schedule this year kind of loaded up on the front
8 end overlap some of the workshops so we can try to get a maximum number
9 of people and airport sponsors to the workshop.

10 Other than that, the VAOC membership chairman, Michael St.
11 James, at the Virginia Tech Airport, is continuing his efforts. We have a
12 lofty goal of having a hundred percent representation by all Virginia airports
13 on VAOC, and it will be a learning experience, no matter what. We're
14 continuing projects on this to be very active; that remains our goal for the
15 coming year.

16 One of the things I have a question about. Our airport just
17 received a security sign at the Fusion Center. I'm wondering if one of the
18 staff members might at some time during the meeting give a little report on
19 the distribution of those, the intentions for those, and how it should be
20 erected, and that type of thing. Other than that, that's all I have.

21 MR. CARTER: What is it you want to know?

22 MR. COURTNEY: We just got ours, we got a
23 number of those. What is your intention on exactly where they're supposed
24 to go --

25 MR. CARTER: -- It's at your discretion. We don't

1 have intention of, basically they were for your, yes, for your G.A. side, and I
2 believe there were one or two airports that decided not to. One has decided
3 not to take them, but they're for the G.A. security side, and the intent was to
4 put them on the G.A. side, yes.

5 MR. COURTNEY: Do you have a plan as far as
6 the recommendation, put it on fences or --

7 MR. CARTER: -- We left that to your discretion.

8 MR. COURTNEY: Our discretion?

9 MR. CARTER: Correct.

10 UN: They said they're air carrier airports, and they
11 said TSA said what type they wanted and didn't want anymore, and I said,
12 yes, sir. They said that, they're air carrier airports, and they said that TSA --

13 MR. COURTNEY: -- That's somewhat of an issue
14 that we had, especially on the air carrier side. I just wanted to clarify exactly
15 --

16 MR. CARTER: -- We're not going to tell you
17 where to put them. Basically we're making them available to you, and it's at
18 your discretion where you want to put them.

19 MR. DIX: I can tell you that your membership
20 chairman is doing a much better job, he's contacted airports that have never
21 been contacted before --- VAOC membership. So he's out there working for
22 you.

23 MR. COURTNEY: Thank you, sir.

24 MR. OBERNDORF: Thank you.

25 Next we'll go to old business, Obstruction Certification Policy

1 Committee.

2 MR. FRANKLIN: Mr. Chairman and ladies and
3 gentlemen, we've had much discussion on this issue, extensive e-mails, and
4 at least one special meeting with all of us discussing with the VAOC. We
5 have, just to recap briefly, this came up because members of the Board were
6 very concerned that there were sponsors who signed their certification and
7 application for the August meeting and said they didn't have obstructions,
8 when in fact they did. The Board was trying, I think, Mr. Chairman, maybe
9 hit a nerve, and I think we hit it, and I think the pain has been felt all the way
10 down. I personally don't have a problem with the one-year certification, but
11 upon hearing of numerous sponsors that did have a problem with it, we
12 started pursuing up until last meeting, maybe, when we evaluated it.
13 Without further ado, we had a little bit of a technical difficulty this morning
14 on the slide presentation.

15 MR. BURNETTE: What I have handed out, Mr.
16 Franklin, is the memo, a handwritten document that was the result of our
17 meeting. The only adjustment that needs to be made is on the second page
18 under item B, and insert item F, that says FAR Part 139, inspections of air
19 carrier airports; under B, F would become FAR Part 139, inspections for air
20 carrier airports.

21 MR. BURDETTE: If I may, Mr. Chairman, Cliff,
22 based on yesterday's discussion we talked about the, comment about the way
23 the obstructions are worded; it might be good to exempt the air carrier as
24 opposed to requiring -- they don't say affirmatively no obstacles.

25 MR. BURNETTE: That's what this effectively

1 says. Item 4 says they can use that in their way of certifying, saying the
2 same thing.

3 MS. SHUCK: A lack is a violation.

4 MR. FRANKLIN: So you have, I believe, a copy
5 of what we actually came up with, but I'd like to make this motion with one
6 other preface, and that is the consensus of VAOC members, most of the
7 airports, and I heard from three airports in my district and one airport in
8 another district, and they all were calling, and they wanted a three-year
9 certification period, feeling that, I don't have a problem with that, and if
10 anyone on the Board wants to amend the motion I'm about to make to
11 include that, that will be fine with me. I think two years is a compromise. I
12 think most, just by polling the Board, we did not hold an official meeting,
13 but in polling the members individually it looks like many of the Board
14 members feel like a two-year certification is appropriate.

15 I would like to make the motion that we adopt a two-year
16 certification to include the methods of inspection as noted by Cliff and
17 added to this paper the Board just received, which basically includes
18 everything we talked about, including Part 139 state inspection. That this
19 motion would also mean the airports can still certify every grant application
20 that they are obstruction-free. There would be no 60-day grace period, but
21 they could appeal to this Board in special situations. Only projects that deal
22 with a lack of obstruction removal, maintenance, and like the airport layout
23 plan where there may be some of those issues. It could be approved if they
24 have obstructions, but what I'm adding is a new little twist to this this
25 morning as I thought about it, and that is if there is a critical safety issue or

1 other matter that the Chairman, the Aviation Board member from that area
2 and the Department be allowed to approve a project if it's deemed to be
3 critical in nature or regarding safety. I'd make that in the form of a motion,
4 Mr. Chairman.

5 (Second.)

6 MR. OBERNDORF: Any other discussion?

7 MR. PORTERFIELD: I'd like to ask some
8 questions. The difference between the two-year certification and the three-
9 year certification, other than the obvious issue that one is for two years and
10 one is for three, and that's the difference. I heard from member airports in
11 my region that they would like a three year certification. I want to know
12 from a safety point of view, is that, or do we have a lot of obstruction
13 accidents to start with? I'm not saying that to say that obstructions is not a
14 very critical thing; it is, but I just wonder is that a, accident reports are
15 obstructions, obstruction accidents?

16 MR. BURDETTE: We haven't had an accident as
17 a result of an obstruction at this point, sir.

18 MR. DIX: Virginia has always done a good job in
19 keeping them away.

20 MR. PORTERFIELD: The program works. Has
21 there been, I mean I don't know how many different programs there have
22 been over this period of time that there have been no obstruction accidents.
23 I'm more concerned with the on the ground, how this works out in practice.
24 In other words, when the airports go through the certification process there
25 was comment yesterday from one of our sponsors that it's rather a complex

1 thing, and sometimes the timing of it on a two-year basis you can get pretty
2 close, sometimes not be able to get things done just because of scheduling
3 and how the matching funds, are there funds available to meet the schedule,
4 whether the obstruction are on your property or on somebody else's property,
5 you've got to deal with that. I guess what I'm saying is, is this a critical
6 safety issue between two and three, or a safety issue at all between two and
7 three years? Recognizing that I don't want to compromise safety, I don't
8 think the airports want to compromise safety at this time, but I'm trying to
9 find out from people who know more about it than I do, since this question
10 has come up, whether it would be reasonable to have a three-year
11 certification period. Would that be considered to be haphazard or
12 hazardous?

13 MR. BURDETTE: I think the critical thing that
14 was mentioned by the VAOC yesterday, the airports still have a requirement
15 that if the airport sponsor certifies the three-year or two-year, or whatever
16 the Board decides is appropriate, is a safety net or reminder, if you will. The
17 certification is an annual requirement that's still on the back of the airport
18 manager and airport sponsors. That part is not going to change. The two to
19 three year thing is a matter of the Board's preference. Can we get out there
20 and provide assistance whether it be PhotoSlope or 5010 and things of that
21 nature? If it's really something that we can accommodate the airports and
22 accommodate the Board's desires, that's fine.

23 MR. PORTERFIELD: As a new member, that's
24 the tough part for me. I don't have any desires whether two or three years.
25 I'm just trying to see if it in fact is what the Board wants, if the Board wants

1 for some reason and the Board doesn't want for nothing. I'm trying to find
2 out if there is credible information that it makes a significant difference or a
3 difference, whether you have a two or three year certification.

4 MR. BURNETTE: I believe it's a three-year
5 certification and the sponsor is more inclined to stay on top of it and let it
6 kind of set aside and put it off. Most likely in a three-year, in the third year,
7 --- not a three-year period, we're going to get some type of look by the
8 Department, somewhat. So, it kind of negates that third year. You get a
9 good look anyway, and that's when you supersede what they had, a rolling
10 type of certification.

11 MR. FRANKLIN: Mr. Chairman, in answer to
12 Mr. Porterfield's question, I don't think there is a magic number, like after 24
13 months or 36 months you automatically have all of these obstructions, it's
14 just a commonsensible thing that obviously at the end of three years you've
15 got more than you had at two or one. Like I said, this was just designed, and
16 I think you could go with two or three, as long as we put emphasis on the
17 safety factors and we remind the sponsors and airports that they are
18 responsible. This just brings attention to it. As I say, it just highlights it and
19 makes you do it and makes you think obstruction, except for that one month
20 a year when you submit applications. But as far, I don't think there has ever
21 been, since I've been in aviation for 25 years or whatever, that I have seen
22 obstruction cause an accident. I'm not saying there hasn't been one, that's
23 not so much the issue as it is just trying to get us to focus on safety and focus
24 on doing it. Like I say, I don't have a problem if someone wants to make
25 that as a substitute motion for three years. Then we'll vote on that and see

1 how it goes. But I can tell you most of the Board members have expressed
2 to me that they thought two years. That's all I'm going to say.

3 MR. PORTERFIELD: Well, you know, as
4 somebody that's new and wants to represent their region, I'm not going to
5 move that motion, but I would like to say that in the next couple of years, as
6 we move forward, if the VAOC membership finds it difficult and for
7 whatever reason still thinks three is better, we'd be open based on the fact
8 that it is more simply a margin one way or the other, come back to us and
9 bring this matter back. I think our job is to support the operating sponsors
10 and not need to complicate their lives. I don't say we're doing that, but I just
11 say if there comes a time, don't hesitate to come back to us.

12 MS. RADCLIFF: I had a question about, probably
13 clear to everyone else. On the critical safety matter a Board member and the
14 Chairman and the Department get together and talk about it. Do you mean
15 then come before the Board like a "Missed Opportunity", or do you mean --

16 MR. FRANKLIN: -- I think you're talking about,
17 Ms. Radcliff, the times when you need to do something right away, hole in
18 the runway stops the airport, or something like that. When the airport has
19 obstruction, technically they're not supposed to get any money. I think this
20 has been an unofficial policy, anyway.

21 MS. RADCLIFF: Are we allowed to let people
22 have funding --

23 MR. BEALL: -- I think you can set it up any way
24 you wish. It's not necessarily the wisest thing to do.

25 MR. KELLY: If you have obstructions, you're not

1 eligible for maintenance funds.

2 MR. PORTERFIELD: Unless they're involved in -

3 -

4 MR. OBERNDORF: If there's an obstruction that
5 has not been removed and an emergency situation arises, like a hole in the
6 runway.

7 MR. FRANKLIN: I'm not trying to usurp the
8 power of the Board, I'm just trying to give us a vehicle and give us a definite
9 process, rather than just kind of doing it on the side.

10 DR. WAGNER: Well, it says on 2D if it's critical

11 --

12 MR. FRANKLIN: -- The language, that's correct.

13 DR. WAGNER: It's right there, 2D.

14 MR. FRANKLIN: That's fine, as long as we've
15 got that in there.

16 MR. OBERNDORF: Any other comments? Is
17 there a second to the motion?

18 MR. FRANKLIN: If the second will agree, I'll
19 take out the part and go with the language regarding the Chairman and the
20 DOD is critical safety issues. I'll take out the part about the Chairman and
21 the Board member.

22 UNIDENTIFIED: Second.

23 MR. OBERNDORF: All in favor? (Ayes.)

24 Opposed?

25 DR. WAGNER: No.

1 MR. OBERNDORF: The vote was six to one, Dr.
2 Wagner voting no.

3 Now we have Tentative Allocations from the Commonwealth
4 Airport Fund. Mike Swain. We're going to have a presentation on the
5 recommended Entitlement Fund Policy.

6 MR. BURNETTE: Yesterday the Board asked the
7 Department to bring forth a discussion on the Entitlement Utilization Policy,
8 and I really wouldn't call it a recommendation. This is what is existing in
9 the Manual. It kind of summarizes.

10 Entitlement funds should only be expended on projects defined
11 in the Airport Program Manual as capital, maintenance or debt service.
12 General categories for capital projects include planning and environmental
13 studies, land acquisition, design and construction of airside and landside
14 facilities and terminal buildings. The manual has many more specific
15 projects listed, but those are general.

16 Examples of ineligible capital projects include revenue-
17 producing projects, exclusive use of facilities/hangars,
18 concessionaire/restaurant areas, leased baggage handling areas, airport
19 management office space, day facilities for sleeping accommodations, office
20 space and ATC facilities for lease to the FAA and TSA, FBO's or whoever.

21 General categories for eligible maintenance projects include
22 scheduled inspections, scheduled and unscheduled maintenance repairs
23 necessary to preserve existing facilities and operation, purchase of
24 maintenance equipment and repair, obstruction removal, projects listed in
25 Airport Program Manual, Chapter 9. Again, a very long list of particular

1 projects.

2 Examples of ineligible maintenance projects include, in
3 accordance with the Code of Virginia, Section 5.1-55, recurring maintenance
4 is not eligible, work required daily, weekly, or monthly to maintain
5 appearance or operational use. Periodic prevention maintenance of
6 equipment, for example, changing oil or tune-ups.

7 Air carrier airports may use state entitlement funds to retire debt
8 service for eligible projects.

9 The last slide, yesterday during the sub-committee, updating the
10 Airport Manual, Dr. Wagner established a sub-committee to consider
11 entitlement fund project eligibility and some of the issues that were
12 recommended. That's where we're at, and that's what the Manual says, and
13 that summarizes it, Mr. Chairman, as we see it.

14 DR. KEHOE: Yesterday we discussed these broad
15 categories of safety, presently the Entitlement Policy, capital projects,
16 maintenance projects and debt service. We had a discussion yesterday
17 which included a broad category of safety, and that category we have to
18 define what we mean by safety. Safety, I guess, could include equipment for
19 safety. Does it include training for safety? Does it include computer-assisted
20 training for safety? So, I think there are a lot of questions, and what would
21 we mean if we had a category for safety, what's in that category and what's
22 not in that category? As presently in each of the three categories we
23 understand what's in capital and what's not in capital, and we need to do the
24 same for safety. I'm not sure that's something we can do here at a Board
25 meeting. It may be something that goes into a committee or into a

1 workshop, a session.

2 MR. OBERNDORF: Dr. Wagner, you headed the
3 sub-committee, and you appointed a sub sub-committee.

4 DR. WAGNER: As we were working through the
5 Airport Program Manual, it became quite clear that there are requests,
6 demands and needs by the airport operators and sponsors, and like to see
7 expansion and also see some conflicts when it comes to G.A. airports versus
8 the need airports. Capital has to be available, as well as the yes and no
9 problems of unintended consequences concerning an expansion of the
10 requests to others for capital needs presently --- made upon the department
11 that's funding at the time of shortfall of funds. We're trying to order that,
12 and we've got a good representative group to study it from their perspective.
13 I hope to have these recommendations brought forward to the Board,
14 probably two Board meetings from now. We may be closer to a consensus,
15 or we may not be. It will all be recommended clearly to the Board, and it
16 might be appropriate to set up a separate committee of the Board itself for
17 further discussion and make final recommendations. We've got a working
18 group status, and we've got a lot to do.

19 MR. OBERNDORF: Thank you. It seems to me
20 that we've got to let this, in my opinion, we need to let this working group go
21 forward and get us some better definitions. In speaking with the director, we
22 need to go back and get the policy firmly encoded, then enforce it in the
23 future. So at the present time I don't think any changes are called for. If any
24 member of the Board feels differently, feel free to make a motion.

25 We'll go on with our next item.

1 DR. KEHOE: Mr. Chairman, I might mention Dr.
2 Wagner's sub-committee meetings, if additional help is needed I'll be happy
3 to be available.

4 MR. SWAIN: Mr. Chairman and members of the
5 Board, good morning. I apologize for not having the proper presentation
6 attire this morning. My jacket wanted to stay in the trunk of my car along
7 with my car keys. I'll make it up to you all in the next couple of months and
8 wear two jackets.

9 The first item of business under tab one in your manual is
10 approval of a few more entitlement and utilization reports. You should have
11 a gray sheet entitled, Entitlement Funding Utilization Report. The staff
12 recommendation today is to approve the reports for Lynchburg,
13 Metropolitan Washington Airport Authority for Dulles International,
14 Norfolk International and Charlottesville-Albemarle Airport, with two
15 exceptions.

16 On the next page, or next gray sheet, you see the Charlottesville
17 report, and there are two highlighted items on that. ANTN LETN training
18 program in the amount of 4276.60. Rescue and firefighting and law
19 enforcement equipment in the amount of 2344. As Cliff just spoke on what
20 we believe is eligible funding under the entitlement program, we believe
21 these two items should not be approved; however, the rest of them are fine.
22 They were the two exceptions to our recommendations for Charlottesville.

23 MR. PORTERFIELD: Is that the subject of the
24 sub sub-committee?

25 MR. OBERNDORF: The definition of what is

1 properly included under the entitlement funding and what is not. The
2 working group is going to be looking into it.

3 MR. PORTERFIELD: That's what this reflects?

4 MR. OBERNDORF: With the potential of adding
5 possibly safety items and some safety training.

6 MR. PORTERFIELD: Thank you, very much.

7 DR. KEHOE: These two items, this could be
8 under that one group. I think we heard from the airport director yesterday
9 that these may have been approved, these items in previous reports back to
10 1996. Since we want to go forward and not necessarily look back, how we
11 let this --

12 MR. BURNETTE: -- Mr. Lee, you as a Board
13 have the authority to ---- accept those; that would be fine, as opposed to
14 saying no, it's not acceptable, because when you talk about going forward it's
15 the Board's decision whether or not to accept those.

16 MR. OBERNDORF: If you make a motion to
17 accept these expenditures under current regulations and current policy, and
18 then in the future we'll look at potentially a modified policy.

19 DR. KEHOE: I would so move that that be
20 included in the entitlement report for --

21 MR. PORTERFIELD: -- I would second the
22 motion.

23 MR. OBERNDORF: All in favor? (Ayes.)
24 Opposed? (No response.) The ayes have it. The motion is approved.

25 MR. SWAIN: Next under tab two --

1 MR. BEALL: -- Before you go, you have to adopt
2 the rest. Essentially, what you did was you modified the report of the agency
3 to say we'll accept Charlottesville-Albemarle without the -- you have to
4 approve all of them.

5 DR. KEHOE: Mr. Chairman, I'd make a motion
6 that this Board approve the entitlement funding utilization reports for
7 Lynchburg Regional, Washington Dulles International Metropolitan
8 Washington Airport Authority, Norfolk International, and we just now
9 previously approved the Charlottesville-Albemarle.

10 MS. RADCLIFF: Mr. Chairman, can we separate
11 that out and to abstain on one of them?

12 DR. KEHOE: Mr. Chairman --

13 MR. OBERNDORF: -- You can abstain on all of
14 them. You could make a qualification of what you're abstaining on. City
15 Councils do this all the time.

16 MS. RADCLIFF: Very well, I'm going to abstain
17 on Norfolk International's report.

18 MR. FRANKLIN: Second.

19 MR. OBERNDORF: We're voting on the
20 entitlement utilization reports, and Ms. Radcliff is abstaining on items that
21 reflect Norfolk International Airport.

22 All in favor? (Ayes.) Opposed? (No response.) The ayes have
23 it.

24 MR. SWAIN: Under tab two, next we have an
25 application for a loan from the Virginia Airports Evolving Loan Program

1 sponsored by the Virginia Resources Authority, and this is for the
2 Tappahannock-Essex County Airport. They're asking for a loan of
3 1,750,000 for new airport development. We only request that the Board
4 endorse this loan. There is no immediate financial impact on the Board at
5 this time but purely asking that these loan applications be prioritized,
6 because there are quite a few of them; however, this is just one.

7 The staff recommendation is that the Board endorse this loan
8 application.

9 MR. OBERNDORF: Do I hear a motion?

10 DR. KEHOE: Mr. Chairman, I move that the
11 Virginia Aviation Board endorse Tappahannock-Essex County revolving
12 loan request.

13 MS. RADCLIFF: Second.

14 MR. OBERNDORF: Any discussion? All in
15 favor? (Ayes.) Opposed? (No response.) The ayes have it.

16 MR. BURDETTE: Mr. Chairman, just a point on
17 that. I was told that Tappahannock-Essex County has made a motion and
18 has let the contractors know that the project to move the airport forward, that
19 they will front some, as opposed to waiting for payment from the Aviation
20 Board as support for the project.

21 MR. OBERNDORF: That's good news.

22 Everybody is anxious to get the new airport under way and get out of the
23 way, speaking of obstructions.

24 MR. SWAIN: Under tab three we have a little bit
25 of financial information, and I'd refer to the second page, which is the

1 memorandum to the Aviation Board from Cliff Burnette. There are some
2 changes we discussed yesterday. Go to the second page of the
3 memorandum, and I want to reiterate the funding available today. Under the
4 air carrier reliever discretionary program, I have available today
5 \$2,533,704.92. Under the general aviation discretionary program,
6 \$76,966.18. We looked at some of the summary sheets yesterday.

7 I'd like to go ahead under tab four, tab four through eight, there
8 are numerous spreadsheets that show special fund programs that the
9 Department administers. With that we can start with the funding
10 recommendations for Region 1.

11 Mr. Chairman, our counsel has advised that it might be
12 appropriate for me, even though assuming we're going to stick with voting
13 based on regions, let me reiterate that the actual recommendation for these,
14 unfortunately under Region 1, we do not recommend any funding.

15 MR. OBERNDORF: Do I hear a motion?

16 MR. PORTERFIELD: So moved.

17 MR. OBERNDORF: Do I hear a second?

18 DR. LEE: Second.

19 MR. OBERNDORF: All in favor? (Ayes.)

20 Opposed? (No response.) The ayes have it.

21 MR. SWAIN: Region 2, received no requests for
22 funding.

23 Region 3. The second sheet in Region 3, the recommended
24 funding for two projects, Gordonsville Municipal Airport layout plan,
25 \$30,338.40. Front Royal-Warren County, T-Hangar Site Preparation Phase

1 2 design, \$35,520.00. They are the two recommendations.

2 MR. OMPS: Mr. Chairman, I make a motion that
3 we accept the staff's recommendation for Region 3.

4 DR. LEE: Second.

5 MR. OBERNDORF: All in favor? (Ayes.)
6 Opposed? (No response.) The ayes have it.

7 MR. SWAIN: On Region 4 we received no
8 requests. If I could for a moment skip to Region 7, since we might have a
9 change on Region 5. Under Region 7 --

10 DR. KEHOE: -- Anything on Region 6?

11 MR. SWAIN: I'm sorry, thank you, sir. Region 6.
12 There is a request, and we do recommend funding in Region 6. Chesterfield
13 County Airport, runway and taxiway rehabilitation, design increase in the
14 amount of \$4,978.80. Recommend funding.

15 MR. FRANKLIN: Mr. Chairman, I so move the
16 recommendation.

17 DR. LEE: Second.

18 MR. OBERNDORF: All in favor? (Ayes.)
19 Opposed? (No response.) The ayes have it.

20 MR. SWAIN: Now Region 7. I have no
21 recommendation for funding in Region 7.

22 DR. WAGNER: I move the staff report.

23 MS. RADCLIFF: Second.

24 MR. OBERNDORF: All in favor? (Ayes.)
25 Opposed? (No response.) The ayes have it.

1 MR. SWAIN: Back to Region 5. As we discussed
2 yesterday, and I'll be brief, unless there are questions. There is a "Missed
3 Opportunity" request from Charlottesville-Albemarle Airport under Region
4 5, a land acquisition project. Due to unforeseen costs, the property was
5 acquired under condemnation, and the court's ruled that it was worth a lot
6 more than the appraisal thought it was worth. So they came in with their
7 request for 80 percent of 1.7 million dollars. Based on the Board policy, we
8 had to prioritize all of the projects under the first year of Charlottesville's
9 six-year plan. What you see on the first sheet of Region 5 is the result of
10 that prioritization, showing three other projects before you get to the fourth,
11 which is the land acquisition project. The policy requires that if an airport
12 requests discretionary funds the entitlement is spent on the highest ranked
13 projects first. With that, the staff recommended that the Board approve their
14 entitlement funds for the first project, the 800 Mhz radio system debt
15 service, in the amount of \$19,903. Terminal building debt service in the
16 amount of \$230,000, runway visual range, distance measuring equipment
17 and runway 21 localizer design, \$148,800. Those three will be out of their
18 entitlement.

19 The fourth program, the land acquisition, \$785,869.99 out of
20 their entitlement in the amount of \$574,130.01 out of the debt carrier
21 reliever discretionary fund. And that's the staff recommendation.

22 MR. OBERNDORF: Do I hear a motion?

23 DR. LEE: Mr. Chairman, let me be sure. Is it
24 appropriate to ask the manager of Charlottesville to comment?

25 MR. OBERNDORF: Yes.

1 MR. ELLIOT: Mr. Chairman and lady and
2 gentlemen of the Board. My name is Bryan Elliot, Executive Director of the
3 Airport Authority. As was described yesterday, a number of those
4 entitlement uses that we listed, our pre-application requests have already
5 been funded by funds committed for those purposes this year. If you follow
6 staff's recommendation, staff's recommendation will basically undo what
7 we've already basically spent, completed. The rehab of the air traffic control
8 tower building and the rehab of the exterior lighting on the landside and on
9 the --- side it's all been completed and paid for with entitlements. We have
10 partially obligated funds on those other items staff has recommended. We
11 are merely suggesting that we obtain from you all today the necessary
12 funding to allow us to move forward with the land acquisition. We're
13 proposing to you to use our FY07 FAA entitlement funds for this, and we'll
14 pay the state back 77 percent of that, once we get our FY07 entitlement from
15 the FAA. What we're seeking is use of approximately 184,000 of our
16 entitlements and 1,176,000 discretionary funds for the project as a bridge
17 loan until such time as Congress passes the legislation and we receive our
18 FY07 grant.

19 DR. KEHOE: Mr. Chairman, I would move that
20 the Board grant the request from Charlottesville; they're putting 84,000 in
21 their entitlements and 1,176,000 in discretionary. This is, as Mr. Elliot
22 suggested, might see this as a bridge loan which is temporary and when we
23 do this hopefully without precedent. This is really a "Missed Opportunity"
24 from the airport for this airport in the sense that this was not seen coming
25 like this. This is a piece of land about nine acres on the southeast side off

1 runway three, and it will complete, I believe that will complete the land
2 necessary to get the runway protection area at that end of the runway fully
3 intact. So this is a good thing that's being done. That does not include the
4 church; in time, hopefully, that will be moved somehow. But that land was,
5 just the appraisal the airport had on it was 250,000, and then it got in the
6 court system and came back at 1.7 million. If the developer appeals, the
7 appeal may be for 3.2 million. So it's important now that we take action.

8 DR. WAGNER: What happens later if they come
9 back with 3 million or 2 million and we've already spent that amount of
10 money, or if it comes back at 5 million?

11 MR. ELLIOT: Dr. Wagner, we'd be in the same
12 situation as if you don't give us or allow us to have the discretionary grant
13 today, we'd have to go out and borrow the money to make up the difference.

14 DR. WAGNER: What happens to the money next
15 year, whether it comes back to you or whoever, 77 percent of that, so there's
16 a net expenditure of the Department toward the airport?

17 MR. ELLIOT: It's three percent.

18 MR. SWAIN: His request is for 80 percent of the
19 1.7 million. The way we worked it is that we fund 80 percent of the total
20 project cost, and once it goes on the FAA grant the sponsor returns 77
21 percent of the total project cost. The net three is the percent share for the
22 AIP project.

23 DR. WAGNER: Three percent off the total
24 amount of the project, three percent off --

25 MR. OBERNDORF: -- Can you take title to the

1 property?

2 MR. ELLIOT: Once it's entered into court and the
3 title is clear, yes.

4 MR. OBERNDORF: Then if there is an appeal
5 you would put a lien on the property?

6 MR. ELLIOT: No, if it's not appealed it's entered
7 into the court, and that's the end of it.

8 DR. WAGNER: Does the money go into escrow?
9 How does the Department handle that money when it comes back, general
10 funds?

11 MR. MCCRAE: Back into the CAF.

12 MS. RADCLIFF: Is it discretionary?

13 DR. WAGNER: The money is in the fund right
14 now, and there is no collateral damage, if you will?

15 MR. BURDETTE: No, sir.

16 MR. OMPS: What is the time line on this deal?

17 MR. ELLIOT: I received an e-mail from our
18 counsel yesterday. The opposite side wanted to know how quickly we could
19 make the money available to them, and if it was within their time frame,
20 which I suspect would be December 31, which happens to coincide with the
21 particular tax year, they would drop their appeal.

22 MR. BEALL: When they go for the appeal, end
23 up starting all over, 1.7 million, that's the rationale. Your motion should
24 include that upon receiving the federal funds that the money will come back,
25 and that was not in your motion, but that's been the discussion.

1 DR. KEHOE: I'll add that to the motion that,
2 being that this is a temporary type bridge loan until Charlottesville receives
3 their FAA FY07 funding, at which time 77 percent of what we're granting
4 today would come back to go into our airport --

5 MR. SWAIN: -- That would be 77 percent of the
6 total project costs.

7 (The motion is seconded.)

8 MR. OBERNDORF: All in favor? (Ayes.)
9 Opposed? (No response.) The ayes have it.

10 Thank you very much.

11 Now we'll have the public comment period. If anybody from
12 the public would like to make a comment, please come to the podium and
13 state your name. If not, then Board member comments. Would any of the
14 Board members like to make a comment?

15 DR. WAGNER: One comment. I'd like to
16 publicly commend the people that have been sitting through the meetings for
17 the Program Manual Sub-Committee. There has been a lot of conversation,
18 and it has been helpful. It's a lot of work with a group of five or seven, and
19 that can be managed, but still I think it's important to get people's opinions,
20 get a lot of positions and detail so we can get our work completed.

21 Secondly, when it comes to the Aviation Ambassador Program,
22 I think there are a lot of people in the Commonwealth that fly a small aircraft
23 that maybe are not able to get into a 21 hundred foot strip. I don't think
24 we're going to get a lot of people who live in southeastern Virginia that have
25 high-performance aircraft to drive Mountain Empire. I would think that

1 perhaps there might be some consideration for those people. I'd say 3,000 to
2 3,500 feet would qualify for those airports. Nobody wants fiberglass, so I
3 think it would be worth consideration, Mr. Executive Director, to give some
4 support to those people in the Commonwealth that support aviation.

5 MR. BURDETTE: We'll be glad to give you a
6 ride.

7 MR. OMPS: Mr. Chairman, talking about having
8 meetings in different locations, on the rain check list twice. and in talking to
9 a gentleman, I believe the name was Horner --

10 MR. BURDETTE: -- I've got a contact, I don't
11 know --

12 MR. OMPS: -- In talking with him, he said he
13 would be glad to host a Board meeting if given an opportunity to.

14 MR. OBERNDORF: I know Norfolk approached
15 Scott tours after 9-11, I don't know if they've resumed them. That's always
16 been a very good thing for pilots, certainly good for the Aviation Board to
17 see how the system works.

18 Hearing no other comments, I'd like to make a couple. Last
19 night at the dinner I was able to thank the staff for the support they give the
20 Board. I want to reiterate that. We have a nice situation and a very efficient
21 small Department, I think does a great job, and they certainly have been very
22 supportive of the Board. We all appreciate that, I know.

23 I want to wish everybody Happy New Year, Merry Christmas,
24 Happy Hanukah, Happy Kwanza and all the other holidays that happen at
25 this time. Please, everybody stay safe, I'd like to see everyone be back here

1 at the next meeting.

2 MR. BURDETTE: Mr. Chairman, I'd like to really
3 a team effort, VAOC, all the consultants out there that help to make things
4 happen and the support from the various boards, and Virginia Aviation is
5 part of the cause of that teamwork, and I'd like to thank everyone for their
6 hard work in 2006 and wish you a happy holiday and look forward to
7 making 2007 even better.

8 MR. OBERNDORF: Thank you. Hearing no
9 other comments, the meeting is adjourned.

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11 PROCEEDINGS CONCLUDED.

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CERTIFICATE OF THE COURT REPORTER

I, Medford W. Howard, Registered Professional Reporter and Notary Public for the State of Virginia at large, do hereby certify that I was the court reporter who took down and transcribed the proceedings of the **Virginia Aviation Board Meeting when held on December 13th, 2006 at Wyndham Hotel Richmond, 4700 S. Laburnum Avenue, Richmond, Virginia.**

I further certify this is a true and accurate transcript, to the best of my ability to hear and understand the proceedings.

Given under my hand this _____ day of December, 2006.

Medford W. Howard
Registered Professional Reporter
Notary Public for the State of Virginia at Large

My Commission Expires: October 31, 2010.