

PAC Meeting #2: November 10, 2016

Meeting Participants:

Pangborn Airport: Trent Moyers, Tina Stadther, Ron Russ
Port of Chelan County: Mark Urdahl
Consultant Team: Damon Smith, Jeff Smith, Charla Skaggs
PAC Members: Lori Barnett, Donn Etherington, Stephen Neuenschwander, Lisa Parks, Jack Snyder

Members of Public in Attendance:

Wayne Massing
Timothy Kyker
Greg Brizendine
Jessica Richardson

Meeting Agenda:

1. Master Plan Status/Events
2. Working Paper #1 Finalization
3. Initial Forecast Overview
4. Next Steps

Meeting Notes:

Summary of PAC Meeting #2 discussion topics and action items (Q: Question, A: Answer, S: Statement):

Introduction

S: Reviewed meeting agenda and purpose. (Damon Smith)
S: Reviewed meeting ground rules. (Charla Skaggs).

Working Paper #1 Finalization

S: Introduced inventory chapter updates, user survey findings, and EAT web inputs. (Jeff Smith)

Initial Forecast Overview

Q: What information is needed and what the associated cost is for a 20-year timeframe forecast?

A: Noted that the Federal Aviation Administration (FAA) creates high-level terminal area forecasts. Added that the Master Plan works to pull in local information, and build from the

bottom up. The FAA serves as an official forecast until the Master Plan is complete; then the FAA will insert the Master Plan forecast into their documents. Master Plan forecasts must go to FAA for approval. If the Master Plan forecasts deviates from the FAA more than 10-15%, they will ask for more information to support that conclusion.

S: Emphasized PAC members' responsibility to identify forecast influencers (community, industry, etc.), scenarios (low, medium, high parameters, and FAA guidance), forecast approach (influencers, scenarios, and methods). (Jeff Smith)

S: Explained the upward forecast influences such as large geographic EAT commercial service to the PAX catchment area, regional socioeconomic expansion trends, and positive FAA terminal area forecasts for EAT and the region. (Jeff Smith)

Q: What does growth look like?

A: Growth, per FAA Terminal Area Forecasts, looks like two to three percent in enplanements. Reference presentation slides for charts and historical and projected rates of change.

Q: We have never been at the level of FAA projections. Is there a way to identify what happened during dips and peaks trendline? We need to factor the departure of SeaPort. Why did Alaska Airlines transfer to larger aircrafts?

A: We can analyze the Compounded Annual Growth Rate (CAGR) as a way to identify the trendline. There has been a continued passenger growth since Alaska transitioned from the Q200 to the larger Q400 aircraft.

Q: Is there an assumption that there will never be a smaller aircraft in the Alaska Airlines fleet?

A: Yes, based on current orders.

Q: If we cannot fill existing flights, it will be difficult to add frequency, but could we see another airline coming in to take away from Alaska?

A: Yes, but likely to supplement Alaska service.

Q: Why do we have such leakage?

A: It is not absolutely certain; there are multiple factors. This data is not currently available.

Q: Consider sending a questionnaire that asks about smaller airplanes, etc.

A: A questionnaire is not always a reliable tool to capture this, or other traveler sensitivity information.

S: Considered infrastructure improvements needed to assist FedEx (non-air) operations to grow at the airport.

S: Where do we want to focus growth?

S: Flights to Portland (PDX) would generate additional revenue, but would require improvements to the terminal building.

Q: Can we have an Origin and Destination (O&D) analysis in lieu of flying to PDX? Perhaps a survey could help?

A: We talked to project stakeholder in the Wenatchee Valley to determine if that is possible, and why or why not. The Airport is working with an airline consultant, outside of the master plan, on airline service analysis and promotional efforts.

Q: Are we comfortable not having a forecast that matches the Terminal Area Forecast (TAF) or should we adopt the TAF? What is the benefit?

A: It doesn't take any effort to match the TAF, and we do not need to build a case with the FAA. Fewer meetings do not affect funding. Operational differences do not significantly affect EAT airfield capacity. We will not have to act upon this, but there will be more activity and potentially more people to complain about the activity.

A: Snow removal operations can be impacted by the forecasts, if over the 40,000 annual operations threshold.

Q: Is the trend in General Aviation going down?

A: Yes, but segments of the GA industry are going up. Private pilot services are going down, but business flights are going up. This trend could change, and it could form flying clubs. We need to look at changing the regulations.

S: Noted that it is easier to fly out of EAT than other airports. Chelan may be an interesting destination, and it has a good service area.

S: Noted that that for the passenger building seating capacity at EAT must be considered for Allegiant or others to come into the Airport. The staff that works the counter and does baggage might need to change also.

Q: Is there an increase in activity because of forest fires? Are these included in projections?

A: We have talked to USFS about this issue. They believe they will keep two or three here over the year. They bring in 10-12 aircraft through the year, depending on fire season severity, but they do not plan to keep them here year-round. We might need to repair ramp space or find additional places to lay down and increase fuel capacity. We may need to prepare for bigger and more intense fires in the future and consider the needs of the airport. During a low fire season the USFS typically has approximately 2,000 aircraft ops. For a more severe fire season, EAT could see as many as 10,000 ops per fire.

Q: Are we basing additional USFS aircraft?

A: It's not likely that EAT will see large transport USFS aircraft operating or based here.

S: Noted two based planes a year is average

Q: What is our vacancy percentage?

A: Two hangar units are usually empty. The airport only owns a portion of the hangars; others are owned or leased privately for an extended period. EAT's option to provide hangars is not required by FAA or the general market. It's possible that EAT could recruit some business from Cashmere, but that may not be the right use of limited airport capacity or capital dollars.

Q: Why would aircraft move here?

A: EAT doesn't want to build additional hangars unless there is a demonstrated opportunity for return on investment.

S: Noted that there may be huge potential in GA for gliders and small aircraft and additional uses of the Miss Veedol; here could be reversal of the trend seen over the last several years. Cashmere is a "bugger" to get in and out of for GA. But the problem is that EAT has no cross runway. There's no solution for that.

Q: We don't want to park aircraft outside often. There are more restrictions, and it's happening nationwide. Does Chelan County support Cashmere airport?

A: We don't think so.

S: Noted that it could be possible to find other funders through business contacts.

S: Noted that Waterville and Quincy Airports are not seeing much building.

S: Noted that not much is going on at Waterville. Six hangar leases, registered aircraft. Phil Johnson sold his business. Space is available, land leases only. Issue is least \$300 per year with no other services.

Meeting Flip Chart Notes:

Forecast Influencers

Positive Influences (factors that could increase forecast/enplanements):

- Ease of security at Pangborn
- Regional focus on economic development
 - Tourism
 - New industry/sectors
- Available industrial property well-placed for development

Negative Influences (factors that could decrease forecast/enplanements):

- Need new equipment in order to land planes in less than ideal weather conditions
- Too few flight time options
- Low availability of affordable housing
- Cost burden of maintaining or expanding EAT facilities

Other notes:

If goal is to broaden catchment area to include surrounding counties, then there are questions about funding burden:

- Do we need to broaden the ownership base at EAT?
- Are there other funding mechanisms or sources?
- What is the horizon of this question – duration of Master Plan, longer, shorter?
Also, is this a short- or long-term goal for the region?
- Can we clearly delineate the cost/benefit ratio as well as opportunity costs if the catchment area doesn't grow?
- Does the Washington State Office of Financial Management (OFM) forecast accurately capture population and employment growth for region?

PAC Action Items:

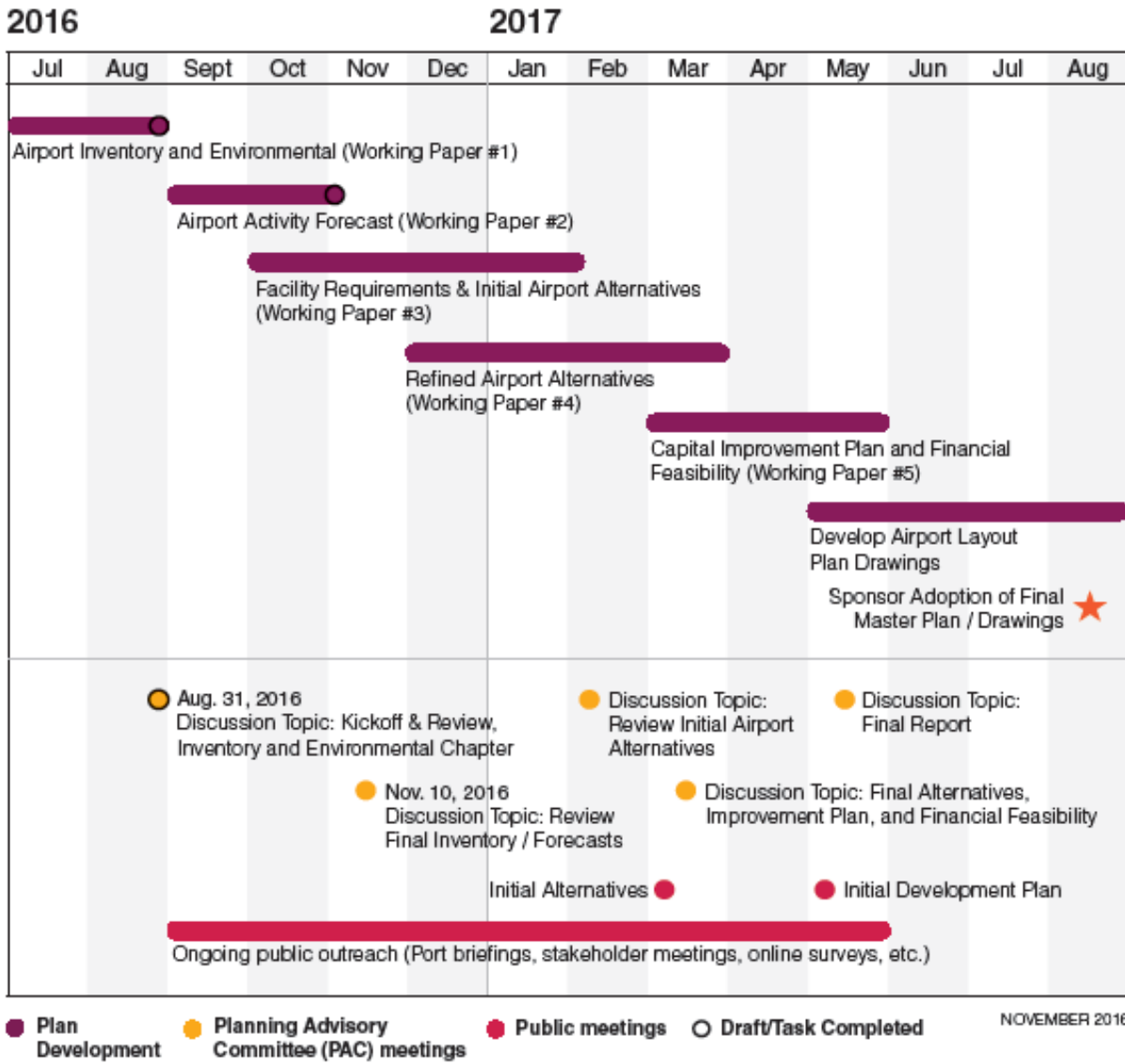
PAC Actions:

- Review and provide initial comment to Airport Team on the PAC Meeting #2 Forecast Presentation at November 10 meeting.
- Review and provide comments on PAC Meeting #2 Summary to masterplan@pangbornairport.com by December 9.
- Review and provide comments on 'draft' Working Paper #2 (Forecast Chapter) to Airport Team via email to masterplan@pangbornairport.com by December 19.
- Notify Airport Team of any information that might impact the Airport Master Plan

Project Team Actions:

- Provide 'draft' Working Paper #2 (Forecast Chapter) to PAC for review by December 9.
- Coordinate Forecast review and approval with FAA
- Identify opportunities and coordinate events for public engagement
- Prepare Working Paper #3 (Facility Requirements and Initial Alternatives Analysis)
- Schedule PAC Meeting #3 (Facility Requirements and Initial Alternatives Analysis)

Pangborn Airport Master Plan Development: Key Milestones





MASTER PLAN MEETINGS & MAJOR ACTIONS

Chronology Updated: 01-04-2017

Past Event Date:	Purpose/Description:
December 17, 2015	Sponsor Project Scoping Meeting
April 13, 2016	Sponsor Project Kick-Off Introduction
April 24, 2016	Execute Contract, Notice to Proceed
May 24, 2016	Project Data Collection Visit and Stakeholder Interviews
August 12, 2016	Planning Advisory Committee (PAC) Formed for Airport Master Plan.
August 25, 2016	'Draft' Working Paper #1 (Introduction, Inventory/Environmental Overview Chapters) Submitted to Planning Advisory Committee (PAC)
August 31, 2016	Planning Advisory Committee (PAC) Meeting #1; Consultant Team Site Visit(s)
September 30, 2016	Finalize Planning Advisory Committee (PAC) Meeting #1 Meeting Summary Notes/SWOT Findings.
October 10, 2016	FAA AirportsGIS (AGIS) Statement of Work (SOW) Submitted to FAA for Approval.
October 19, 2016	Draft Airport Stormwater Materials Submitted to Airport and Douglas County for Review and Approval.
October 22, 2016	FAA AirportsGIS (AGIS) Survey and Aerial Imagery Flight



October 30, 2016	EAT Airport User Survey Opportunity Closed, Responses Reviewed by Consultant Team.
November 7, 2016	PAC Meeting #2 Forecast Presentation Deliverable Submitted to PAC for Initial Review and Consideration.
November 8, 2016	Finalized Working Paper #1 (Introduction, Inventory/Environmental Overview Chapters) Posted to EAT Website and Submitted to FAA for Review.
November 10, 2016	Planning Advisory Committee (PAC) Meeting #2.
December 1, 2016	Submit 'Preliminary Draft' Working Paper #2 (Aviation Forecasts) to Airport Staff for Review.
Upcoming Events:	Purpose/Description:
January 10, 2017	Meet with Airport Staff to review 'Draft' Working Paper #2 (Aviation Forecasts)
Mid-January, 2017	Submit 'Draft' Working Paper #2 (Aviation Forecasts) to Planning Advisory Committee (PAC) for Review.
Late-January, 2017	Submit and Coordinate 'Draft' Working Paper #2 (Aviation Forecasts) with FAA for Review and Approval.
Early-February, 2017	Finalize Working Paper #2 (Aviation Forecasts) for Public Release.

Please See EAT Website for Other Project Information.