

**2009 Legislative Briefing
South Metro Airport Action Council**

Appendix B to LTCP Analysis Report

Prolog: May 23, 2005, SMAAC Forum: Sen. Dayton’s remarks on failed noise mitigation promises turn into concern about the May 10, 2005 collision at MSP. The SMAAC Board is asked by Dayton and other attendees to follow the investigation carefully and report to elected officials and to the public.

“Candidates who believe government is ‘bad’ have been elected.” Dayton said. “Then, they prove the point by running government badly.” He was referring to noise mitigation, but the label stuck.

Before the 2006 Session, SMAAC focused on how the Metropolitan Airports Commission (MAC) had slipped any traces of public involvement and Legislative oversight. In his News Letter column, Fall 2006, SMAAC President Jim Spensley wrote: *Airline (and energy) lobbyists and campaign contributors pay more attention to their own economic interests at MSP than most elected officials give to airport issues. Northwest’s lobbyists won (the Dual-Track) contest in the Legislature with these three assertions:*

- 1] *economic growth through 2020 will not require more than a 25% increase in annual flights (including operations added by attracting more low-fare airlines) ;*
- 2] *operations at MSP will generate ample funds (per-passenger fees and landed weight fees) for noise mitigation;*
- 3] *the overall capital cost of expansion and environmental protection will be limited to the new runway and cost less (than for a new airport) because of existing MSP terminal, maintenance, parking, and emergency response facilities.*

They lied. None of these were, or are, accurate.

SMAAC’s Legislative Goals

Doing little about aviation management, governance, and oversight has not worked: SMAAC surveyed all the candidates filing for Minneapolis elected office (2005) about MAC plans and policies implementing MSP expansion and opening the new runway. The results were that no one supported MAC. More detail is available in the News Letter, but the table is a good summary.

QUESTION	SMAAC’s POSITION	RESPONSES
Is MAC properly balancing economic growth and environmental protection?	No. Environmental reviews are inadequate and too many permit violations occurred.	100% Agree
Will Minnesota realize the expected economic benefits from MSP expansion?	Unlikely. With a near-monopoly, high local fares and expansion costs slow business growth and Northwest’s job shrinkage limits tax revenue and other contributions.	57% Agree 43% Neither Agree or Disagree
Is a larger hub, the 2020 Plan, in the public interest?	No. It would be inefficient, anti-competitive, polluting, and noisy compared to other ways to offer more local capacity and service.	86% Agree 14% Neither Agree or Disagree
Are planned high peak-hour rates safe and feasible at MSP?	No. In a (small, urban) site, safety in the air and on the ground demands high levels of FAA staffing – not budgeted – and advanced technology -- still in early stages of deployment and also unfunded.	71% Agree 29% Neither Agree or Disagree

The MAC’s popularity near MSP was, is, nil. But around the capitol, proposals for audits or even minor changes in MAC authorities never got off the ground. Massive fuel leaks, significant emission permit violations, and questionable dealings with Northwest Airlines in bankruptcy were raised as issues but few bills were ever heard in either the House or Senate. A Senate Subcommittee invited 3 Mayors to present their idea for a State Aviation

Planning Board, and the MAC to testify about it. Public testimony was not solicited. SMAAC submitted written testimony suggesting that neither out-state Commissioners nor Metro Commissioners were guided by State-wide economic needs, rather their focus was the MAC's "business" relationship with Northwest Airlines.

SMAAC's Legislative Agenda:

1. The Legislature should prohibit further gate expansion at MSP's Lindbergh Terminal for safety, environmental, and economic reasons. More gates spawn larger banks, higher rates, and more congestion. Current rates at MSP are 155 operations per hour or more, using three runways. In 1995, *safely* increasing the rate 25%, from 60 - 65 operations per hour to 80 for more than an hour, was *said to require a new runway*. High operational rates disperse flights and associated noise and pollution.. *Hub expansion* means also more flights without increasing airline competition or local-passenger capacity.

2. Most, if not all, airport commissioners should be elected or selected by the Legislature in a more open way. Alternatively, a new airports authority should be created with more public accessibility and more balance of interests. The principle of involving the affected neighborhoods and citizens should be restored.

3. More frequent Legislative audits and more intense oversight is needed on the MSP capital improvements program. The Legislature intended a limitation on terminal expansion in the 1996 law ,according to committee minutes, but this point was not audited. All environmental mitigation projects, such as compliance with permit-limits, ground water decontamination, hazardous chemical containment, and noise mitigation, such as the SIP, noise berms, and low-frequency sound attenuation, should be completed *before* new projects adding flight capacity are undertaken.

Some progress. Last Session, several bills along the lines SMAAC suggested were introduced, including by Senator Dibble and Representative Hornstein. The bills made scant progress. A joint subcommittee held a hearing (Eagan, Date) stimulated by unexpected (by south suburban legislators) flights using the new runway. MAC was present at the Hearing, not to testify, but to observe. MAC staff submitted unattributed articles to House Research in advance, and Chair Lanners "informally" took the stand to say that all was well, open, okay with the airlines, and expansion only slightly over budget. Public testimony was limited. SMAAC was allotted 20 minutes, with questions by the subcommittee based on written testimony This was reduced to 10 minutes at the Hearing, and we were cut off after 5 minutes with no time for questions.

The renewed merger proposal. In 2007, Delta proposed acquiring Northwest. This led to bills seeking enforcement of understandings between the State and Northwest Airlines. Jobs and economic development projects by Northwest, as promised in return for State aid and loans were thought to be in doubt after the merger. Correctly, as it turns out.

Although the State Legislature theoretically set the conditions, in practice implementation was left to MAC and State agencies. MAC assumed it had the authority to renegotiate the agreements, and did so three times (during lease negotiations in 2000, after 9/11, and while Northwest was emerging from bankruptcy).

The Environmental Regulation Problems. MAC has a unique position in law and has evolved a system in practice whereby environmental review and regulation is limited for MAC projects, for its contractors, for its leaseholders, and for airlines using MSP.

Shortly after creating MAC, the Legislature enacted MS xxxxx which “simplified” environmental review of capital projects at MSP. Projects costing less than \$5 million dollars annually were exempted. Larger projects are reviewed during capital budget approval. In general, capital projects at MSP increased operations and more emissions, discharges, and mishaps occurred during and after construction. The requirement to *consider the cumulative impacts of airport operations* has not been implemented. The fact-finding purpose of a public hearing by an “examiner” under administrative rules has been degraded in practice. For at least the past twelve years, the “Findings,” supposedly based on the record of testimony, were drafted in advance, adopted with no or minimal discussion, and published *before the announced close of testimony*.