



NEWS LETTER

SOUTH METRO AIRPORT ACTION COUNCIL

~ Fall 2009 ~

Annual Meeting & Fall Forum 2009

MORE MSP EXPANSION? FOR WHAT BENEFITS?

**7:00 PM THURSDAY
NOVEMBER 19, 2009
MAYFLOWER CHURCH,
DIAMOND LAKE ROAD
& I35W, MINNEAPOLIS**

NWA Pilots Jeopardized 149 By Overshooting MSP Oct. 21

The two NWA pilots that overshot MSP by 150 miles, apparently while using their laptop computers, jeopardized the safety of 144 passengers and five crew members.

Failing to maintain radio contact with air traffic control for over an hour en route to MSP from San Diego resulted in speculation about skyjacking or loss of cockpit air pressure.

Their inattention could have resulted in: military fighters intercepting the flight; running short of fuel and an emergency landing; or colliding with another aircraft if pilots took control without knowing where they were.

Perhaps a more important lesson was learned: pilot oversight and training, an airline responsibility, brings into serious question long-standing airline requests for more route autonomy and higher operational rates at busy airports. The pilots said they were distracted by difficult schedules and the prospect of layoffs.

A parallel exists with the February crash near Buffalo, N.Y. that killed 26. Those pilots were flying without adequate rest as required by regulations. Determining whether regional airlines meet the same safety standards as big carriers is "crucial," NTSB investigators said.

MAC Releases Its Plan for More MSP Expansion

By Dick Saunders

A long-term comprehensive plan (LTCP) being floated by the Metropolitan Airports Commission (MAC) generates provoking questions and financial risks if implemented.

The plan reacts to the 2000-2009 travel slump, predicting that passenger boardings won't recover to peak 2005 levels until 2013 and flights won't return to their 2005 peak until 2019. Nonetheless, MAC forecasts that boardings will rise to 28.4 million by 2030, a 76 percent increase from 16.4 million this year. Flights, which peaked at 540,000 in 2005, are estimated to climb about 40 percent to 630,000 a year in 2030 from 450,000 this year.

MAC engaged its usual industry consultant for underlying demographic growth, economic demand and airline survival assumptions for the forecast. SMAAC doubts the best and proper evidence was analyzed. The costs, based on SMAAC's preliminary review, could top \$1.3 billion, surpassing the \$4.2-billion estimate for a new airport in the dual-track study that was deemed "too expensive" by the 1996 legislative decision to expand at the small (5.3 square mile) urban site.

[Continued on Page 8]

More MSP Flights; Less Local Air Service?

By Jim Spensley, President

As noted in SMAAC's public statement, the Metropolitan Airports Commission (MAC) *Long-Term Comprehensive Plan Update* misstates Minnesota Law and the circumstances of an extension to the Year 2030.

The MAC and Met Council should instead be reviewing capital improvements through 2010 and for 2020. The results should be detailed in a report to the Legislature. The State should then review the situation in light of the 1996 law that authorized and specified economic needs and requirements for MSP expansion *as of the year 2020*.

In My Opinion

The 1996 Legislature found that a *25% safe capacity increase* was needed to support Minnesota economic growth as projected for 2020. No way is the prediction of Minnesota's economic needs by MAC's consulting engineering firm, HNTB, sufficient. Even if HNTB's role was merely to report various forecasts by government agencies and industry institutes, -- and the sources to be used were not circumscribed by contract -- MAC itself is not qualified to independently adopt economic projections or goals, particularly not after 2020 when the original expansion-needed projections end.

Oh, it can be argued that the provision in law that prohibits "land-banking" applies *only to land for a new or second airport*, and so further expansion of MSP on, or adjacent to, its present site is lawful after 2020. I don't buy that, consider the source.

The Legislature should be making any new findings of economic need. The Legislature should be re-examining the 1996 trade-offs made with Northwest Airlines: jobs, purchasing, and direct and indirect tax payments in return for expanding MSP as the Northwest corporate headquarters, operations and maintenance base and major hub. Clearly one side of the deal changed in the merger.

Cities should be reviewing the adverse impacts of increased airport noise and pollution, at least half of which comes from services to connecting passengers.

Minnesota travelers should question MAC's assertions of the convenience and safety of high hub rates. Minnesota small businesses should doubt that high fares will come down if the hub is maintained at the Lindbergh Terminal, if capital costs are recouped for competing-airline gates at the Humphrey Terminal, or both.

We all should have our heads examined if we agree with the plan's premises:

Continued high rates and congestion at MSP around the Lindbergh Terminal because of the hub, unless Delta moves on, or \$500 million in new gates and parking facilities at Humphrey that are excessive if Delta does move part or all of the hub activities to States without laws protecting unions;

28 million passengers boarding annually at MSP, 37,000 fewer local passengers per day than projected for 2020 based on an unrealized 1:1 hubbing factor, and this lesser economic impact would be after \$800+ million more expansion at and around either or both Terminals,

The projected 650,000 operations annually (1750 passenger operations per day; 875 departures) or 130,000 more annually than the 2020 target, comes to an average of only 88 passengers per plane.

SMAAC's Legislative Agenda for 2010:

The Legislature should enforce its 1995 decision to review all options for airports furthering Minnesota's economic objectives after 2020, and limit MSP flight capacity to 125% of 1996 hourly use.

The Legislature should prohibit further gate expansion at MSP for safety, environmental and economic reasons.

How Airlines Use Hubs

By Jim Spensley

Big airlines use computer market models to set fares dynamically. A few hard-to-change-or-refund tickets are advertised at low promotional fares but available only months or weeks before the departure date.

While business class may be slightly more comfortable, the real value of a business class ticket is you can reserve a seat. At a hub, airlines block (refuse to sell) economy seats so that more business passengers can be accommodated, including connecting passengers.

The Delta/Northwest merger placed significantly more seats under control of a single corporation nationally. All major airlines limit the seats available for lower fares and wait for the higher business demand expected nearer the departure date. Business fares in hub cities remain high.

Other major airlines cede a *de facto* monopoly for local seats at each others' hubs. For example, Frontier added a flight between MSP and Denver and both NWA and United unblocked economy seats and lowered business fares on the route.

This wouldn't work if the low-cost airlines could increase flights at the hub airports at more convenient times of day. Fares for a trip within 10 days through a hub (are priced much lower than a trip from that hub on the same day, not only cheaper per mile traveled, but overall.

This is because there are multiple routes using different hubs, including Los Angeles, Toronto, and San Francisco also served by foreign airlines: real competition.

At MSP, Delta will control 90% of the gates and set fares for an even higher percentage of the departing seats. This situation was the gift of our airports commission, financed with expansion bonds, loans, and revenue-sharing and going even beyond the generous help to Northwest intended by the Legislature in 1996.

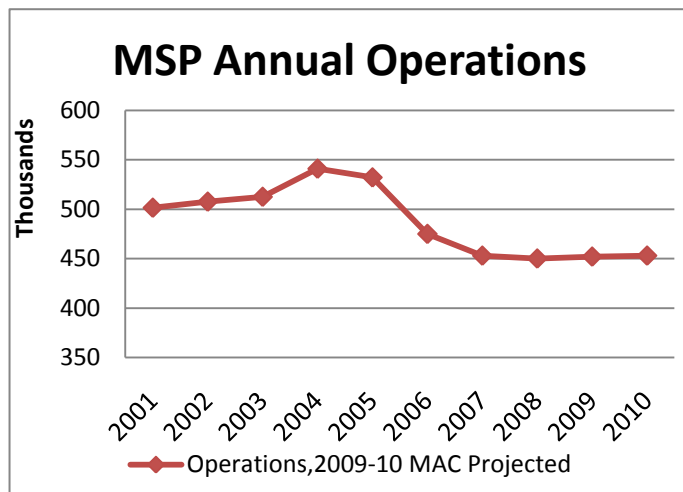
Gouging Minnesota business travelers also depends on more operations per hour at MSP -- even with FAA and the airlines squeezing costs. We must concentrate on safer operations and more airline competition here.

Specifically, Congress needs to limit rates because FAA systems and staffing were cut, even as peak rates doubled at MSP. Higher standards for ground movement and gate use need to be set for hub airports by FAA, MSP in particular because of its small site.

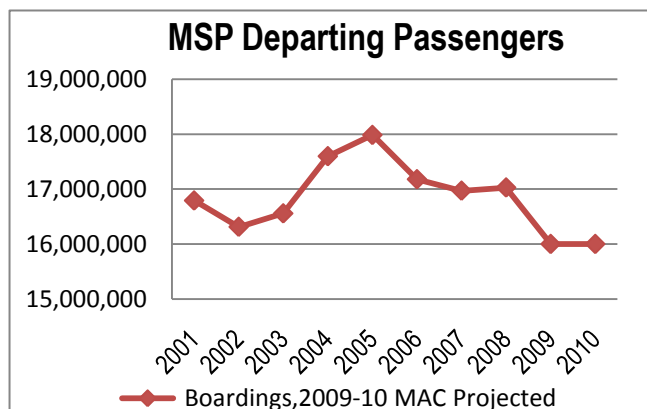
MSP Operations Report

Operations (arriving and departing flights) at MSP for January through September 2009 -- as reported by MAC -- were slightly reduced compared to the same period in 2008. The reduction was partly due to fewer scheduled flights by Delta/Northwest. Flights were added over the summer and fall by Southwest, Sun Country and regional carriers.

The net will apparently be a small increase for 2009 over 2008. Daily operations have remained near 1,230 per day over the past 4 years.



As the recession progressed, airlines reported reduced flight demand. At first glance, the effect seemed to be felt equally at MSP, as about a million fewer passengers (5.9%) boarded here. However, part of the drop in total passengers resulted from the Delta/NWA merger: more regional operations in smaller aircraft reduced the seat supply.



Annoyed Homeowners And Delayed Passengers Checked in With SMAAC

During the August to October work on the North Parallel Runway. MAC and FAA sent flights over new neighborhoods and more and lower flights over the usual neighborhoods. The South Metro Airport Action Council asked citizens to note new flight patterns and report air travel difficulties.

Because the North Parallel Runway was closed, more residents and businesses were exposed to unnecessary health, environmental and safety risks -- without any meaningful opportunity to propose alternatives.

Some problems, such as using the new runway over Minneapolis, are rate dependent, and peak rates can be reduced by re-scheduling. SMAAC suggested this, but there was no response from MAC or FAA.

Although re-scheduling would interfere with the Delta/NWA hub, the repaired runway benefits the airlines primarily. As one pundit remarked, "The runway wasn't smoothed for pedestrians, bicycles, or automobiles."

Southerly Flow During the first few weeks of the runway closure, winds were from the South and arrivals often used the new runway (R17), and the cross wind runway (R22).

Jets descended over or just south of downtown Minneapolis and followed Cedar Avenue to land on Runway 17. Numerous residents reported flights over Phillips, Powderhorn, and Bancroft neighborhoods. They said kids couldn't do their homework; babies and nursing home residents couldn't nap; and business meetings were disturbed. An office worker downtown was surprised to see airliners from her 42nd floor window.

Runway 22 arrivals were also noted over Highland Park in St. Paul and Morris Park, Keewaydin, and Ericcson in Minneapolis. Both SMAAC and MAC recorded complaints that heavy departure traffic -- from the South Parallel Runway -- was spread over a large area on either side of the noise corridor.

Northerly Flow Winds shifted in October and use of the cross-wind runway was more limited.

With operations limited to two runways, the south parallel and the new runways, take-offs were over Minneapolis and Richfield and landings over Apple Valley, Bloomington, and Eagan. Noise complaints increased in Bloomington.

Poor weather contributed to delays, and people told SMAAC that there were too many evening flights.

Movement of aircraft on the ground is staff-intensive and gate-ramp management was slowed due to airline personnel replacements and reductions. Since the Delta/NWA merger, fewer pilots are accustomed to the MSP taxiways, gate locations, and procedures.

It makes little difference if the above factors increased weather delays slightly or if weather increased ground traffic management problems.

"Technology isn't going to be the answer to MSP delays," one pilot messaged, "and the goal should be more safety even if delays increase."

Congress is working on a Passenger Bill of Rights because air travelers were stuck on airliners for hours. Reported MSP delays were reduced by the recent practice -- which airlines hate -- of the destination airport Tower holding up departures at other airports. This led to the well publicized abuses at other airports. But there were unusually long delays at MSP during the project.

MAC Sends Changes in Departure Routes for FAA Approval

The MSP FAA Tower submitted a change in air traffic control procedures for MSP departures to FAA on July 15, 2009 for review and approval. The change allows pilots to dial-in more precise flight courses using Area Navigation (RNAV) near the airport unless the Tower assigns another departure procedure. The RNAV systems use known radio transmitter positions for navigation "fixes" automatically. The course to be followed by the autopilot is held relative to the area navigation transmitters, allowing a more precise flight path compared to keeping a compass or radio beacon heading.

The change was requested by MAC from an MSP Noise Oversight Committee (NOC) recommendation. NOC wants departures to more closely maintain a course over less populated river valleys and noise corridors (industrial areas) to reduce noise exposure. The FAA Tower request and FAA approval are the first step.

According to MAC Noise Manager Chad Leque, short tests of RNAV courses stayed near the river valley center.

MAC Levels Old NWA HQ For More Gate Space

Having reached the point where no further Lindbergh Terminal gates can be built without clearing additional ground space, MAC has finished doing just that.

Space for up to 16 wide body jet gates and a larger international arrivals terminal has been opened by MAC's \$20-million two-year demolition of the 1961-1985 Northwest Airlines Headquarters on the south side of Glumack Way last spring,

The massive windowless NWA offices were said to reflect the frugality of onetime President Donald W. Nyrop.

Humphrey Terminal Skyway Planned

Bids are to be awarded in December for a climate-controlled skyway linking the 10-gate Humphrey Terminal with the LRT station at the ground level of the new 8-story Orange parking ramp. The estimated \$12-million skyway job is due for completion in late 2011.

Delta Puts NWA's Eagan HQ on the Block By Bob Friskney

As expected since the 2007 merger, Delta has placed the current NWA headquarters and an adjoining land parcel on the market.

The pilot training center nearby and a 300,000-square-foot computer center elsewhere in Eagan, plus Mesaba Airlines headquarters in Eagan, are presently expected to remain in service.

Most Eagan HQ employees needed by Delta have been transferred to Delta's Atlanta headquarters, as have those at the Systems Operations Center on 34th Ave. S. Others will be located elsewhere in the Twin Cities.

In that vein, MAC is spending about \$10 million to renovate the former Republic Airlines headquarters on 34th Avenue near I494. Delta is leasing the facility for December-January occupancy by its remaining corporate functions here.

The building lease also includes space for the new Delta North Regional Airline connections headquarters. SMAAC understands that Delta will house at least 300 staff there, some as transfers from other sites, including the Compass Airlines headquarters staff to be relocated from Chantilly, VA.

FAA Demands Better Oversight Of Runway Incursions By Bob Friskney

FAA inspectors required MAC to install new procedures and improve facilities at Flying Cloud airport in Eden Prairie after the airport experienced 11 runway incursions in the year ending May 31, 2009.

That record placed Flying Cloud sixth for incursions nationwide, third in the FAA's Great Lakes Region. Five more incursions occurred in June and July 2009.

FAA required flight instructor and tenant briefings on airport safety. MAC installed new runway and taxiway markings and signage, including flashing yellow runway guard lights.

To help control vehicular incursions, MAC modified pavement markings and larger "No Vehicles Allowed" signs. Keypad locks were installed at entry gates.

New procedures require tower and field work crews to monitor activities to prevent incursions. MAC is encouraging tenants to call 911 for security violations, and is briefing Eden Prairie police to ticket and prosecute violators.

Costs will total \$1.3 million, of which MAC will contribute \$60,000-\$70,000.

Anoka Runway Extension Request Withdrawn

By Bob Friskney

Key Air, a fixed-base operator from Oxford, CT, has withdrawn its request to extend the 5,000-foot east-west runway at Anoka County-Blaine airport by 1,000 feet.

Intense public opposition arose last summer. City councils in four suburbs – Circle Pines, Lexington, Lino Lakes and Mounds View – passed formal resolutions opposing the runway extension. Another runway extension proposal from Key Air also failed under public opposition in November 2008.

Barbara Haake, co-chair of Concerned Citizens of North Metro, expressed an underlying skepticism over the long-range implications of a runway extension. "One they get 6,000 (feet), they're going to want seven, then eight, and it's all going to be couched in safety," she said.

Key Air CEO Brad Kost said citizen concerns "... had everything to do with our decision to withdraw." Kost said Key would continue operating at Anoka County Airport, but noted that "5,000 feet doesn't allow much margin for error."

More Delays Coming

A recent Brookings Institute report predicted increased frequency and duration of air travel delays and canceled flights generally. The report correctly noted that this is a drag on economic recovery.

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Thank you for your financial support of SMAAC, for your attendance and for your continued encouragement.

One important project underway is improving our communications with Members and a big part of that goal is using the internet and <http://quiettheskies.org>. Soon, we will email News Letters to Members who prefer that and have provided their email addresses. Starting with the Fall 2009 Edition, we are supplementing the mailed News Letter with a larger on-line edition. – Ron Lischeid, Treasurer

NOC By-Laws: Impacted Citizens Not Consulted About MSP Airport Noise

SMAAC's unsuccessful efforts to comment on MSP noise abatement measures, or the lack thereof, mirror those of other organizations and individuals. Calls to the MAC Complaint Line are recorded, counted, and ignored.

Access to the MSP Noise Oversight Committee is encumbered by its By-Laws, which place MAC staff, the airline Co-Chair, and cumbersome access to Community representatives between citizens and the airports commission. The MAC will not consider public initiated noise measures unless recommended by NOC. And, as Community Co-Chair Vern Wilcox said at a legislative committee hearing, NOC recommendations are not accepted if there is an airline objection.

Because it was clear that the NOC failed to provide the citizen forum required by Remedial Action 1 of the Federal Part 150 MSP Noise Compatibility Program, SMAAC has lobbied community members and MAC commissioners since 2002 to revise the NOC By-Laws. FAA has not, as far as is publically known, approved a Noise Compatibility Plan Update with NOC named in RA 1.

Under the NOC By-Laws, citizens can only introduce items through the community representative of their city of residence. We are not arguing that every NOC recommendation is bad. We know, however, that NOC doesn't discuss legitimate concerns raised by citizens.

NOC made several recommendations, based on incomplete or misleading information, and contradictory information offered by SMAAC and others was not heard or debated. Scott Benson's (Minneapolis delegate until 2008) questions were referred to staff and never answered.

When the 2003 NOC recommendation allowing new departure procedures reached the Commission, NOC's findings were substituted for operational safety and environmental reviews. Minneapolis should have resigned from NOC then, as suggested by SMAAC, because overflights and noise were demonstrably increased over residential neighborhoods in Minneapolis as a result.

Cities should withdraw from NOC or insist on By-Law changes instead of rubber-stamping limited proposals acceptable to MAC staff and NOC industry members. Continued participation on NOC, an extended, opaque and uncertain process without minority reports, is inimical to public welfare.

Minneapolis Delegates Unable to Alert NOC To New Overflight Noise Studies

In October 2008, SMAAC reviewed the north parallel runway reconstruction project plans and objected to using the new runway "backward" over Minneapolis. We asked the city to object to the added overflights as unnecessary, if not unsafe, and introducing noise over un-insulated neighborhoods --violating the spirit of the extended sound insulation program lawsuit settlement.

We asked the Minneapolis NOC delegate, Elizabeth Glidden to introduce two studies of overflight events that concluded that less noisy overflights still adversely impact the public.

By NOC By-Law, a Member has to propose an agenda item to the staff and Co-Chairs. Ms. Glidden agreed to propose such a discussion to NOC. Possibly she introduced this topic during discussion of the 2009 NOC Work Plan. SMAAC could find no record in NOC meeting minutes that the request was ever made or rejected.

The system is rigged so that MAC noise staff, the industry Co-Chair, or any 4 members can object to consideration of anything. In any event, we have had no feedback from Ms. Glidden to date, or from current Council Member Betsy Hodges (seated July 2009).

For show, not for real

NOC's Mission Statement

Provide a balanced forum for the discussion and evaluation of noise impacts around MSP (to identify, study, and analyze airport noise issues and solutions.

Under its By-Laws, noise policy at MSP can be proposed to NOC by the national airline industry lobby, Air Transport Association (ATA), by invitation of the industry Co-Chair alone. ATA is even recognized in the NOC By-Laws as a noise abatement expert!

ATA has never conducted, or to our knowledge funded or contributed to an independent study of noise effects. SMAAC is certainly as expert as ATA on airport noise.

Delta Airlines, ATA, or other opponents of noise abatement and apologists for airport noise and pollution can be invited to object to noise policy proposals directly to the Metro Airports Commission *even before a policy has been discussed and proposed by NOC.*

FAA Reauthorization Stalled Again

By Jim Spensley

As of October 29, the Federal Aviation Administration (FAA) reauthorization bill passed by the House remains stalled in the U.S. Senate. As a result, FAA is again operating on a continuing resolution.

Two pressing issues, Afghanistan and health care reform, currently dominate Senate debate. But the national air transportation system has two serious problems that are not being solved in a timely way: Airspace management along the East coast and other congested corridors; and better air and ground traffic systems at airports.

The significance is that FAA development program schedules are slowed or undefined for busy hubs like Minneapolis-St. Paul International Airport (MSP).

FAA and MAC say that Federal rules require them to reasonably accommodate airlines at MSP, and they deny that more gates and higher rates are a problem.

SMAAC disagrees. A peak-hour rate reduction would be more prudent considering the small airport site and Minnesota weather.

FAA may be developing an air traffic control system using Global Positioning Satellites (GPS) for more precise area navigation, nick-named Next Gen (for next-generation ATC system), but as now specified it neither replaces nor significantly improves things at or near airports for another 8 years at best.

As Greg Principato, President of the Airports Council International-NA, said recently "Congress ... and FAA must (come to) understand *that NextGen begins and ends at airports ...* (where unique) solutions include procedures, communications, and environmental evaluations. One of the most daunting (is the) environmental impacts – particularly noise – of new flight procedures.

According to Delta Airlines VP Steve Dickson, FAA "must improve (traffic management) performance now, *before the transition to Next Gen in 2018.*" SMAAC agrees.

Delta/NWA and other major airlines' planes have varied avionics systems, even within their own fleets, and oppose "required navigation capability." Their recurring issue is how cockpit equipment and pilot training will be subsidized by government, *not if, how.*

Others, like FedEx Senior Operations Advisor, Steve Vail, say that airlines cannot wait much longer to decide on compatible aircraft equipment. Again SMAAC agrees.

SMAAC thinks increasing MSP operational rates should not be *presumed safe before ground communications, surveillance, and collision-avoidance systems are upgraded*, and gates and other infrastructure ought not be built until these limitations are fixed.

[Vail and Dickson were quoted in Air Transport magazine, September 2009; Principato in Aviation Week & Space Technology, October 5, 2009.]

Alaska and Southwest Begin MSP Service

By Bob Friskney

In the midst of the severest recession in more than 25 years, the Twin Cities market has attracted two new airlines, showing pent-up local demand.

Alaska Airlines began two daily flights to Seattle-Tacoma International, its home base October 26, 2008. Alaska long ago expanded outside its namesake state down the West Coast and Mexico, and across the continental U.S., gaining an excellent reputation for innovation and passenger service.

Southwest, the country's largest carrier by passenger count, opened MSP service March 8, 2009 with eight daily trips to Chicago-Midway, its second largest center.

The Dallas-based carrier added three daily flights to Denver May 26, and has announced plans to begin two daily flights to St. Louis Jan. 10, 2010. The MAC, which says it pursued Southwest's discount service for 15 years, is providing gate space at the Humphrey Terminal.

In June, Southwest announced plans to begin service from Milwaukee Nov. 1 with 12 flights daily to Baltimore-Washington, Orlando, Tampa Bay, Kansas City, Phoenix and Las Vegas.

MAC Releases Its Plan for More MSP Expansion

[Continued from page 1 column 2]

MAJOR CHANGES

The *Preferred Draft Long-Term Comprehensive Plan Update* if fully implemented for MSP would:

- Add 44 more gates, 26 at Humphrey (Terminal 2) and 18 at Lindbergh (Terminal 1) for a total of 155 (from 111), 40% more gates overall.
- Enlarge parking ramps at both terminals to 23,850 spaces (from 19,850), 20% more parking overall;
- Expand the international-arrivals halls at both terminals.
- Rebuild roads and curbs for ready access to ground transportation for Lindbergh Terminal arriving passengers.
- Redevelop areas now used for the Post Office, other buildings, and the road to and from Highway 5 and I-494.

SMAAC notes that redevelopment near the Lindbergh Terminal (point 5 above) is presented as “parking ramp expansion and space for a possible airport hotel.” The 18-gate addition to Lindbergh plus a taxiway over the re-routed entry and exit roads are actually planned to expedite aircraft movement for faster circulation of more arriving and departing Delta/Sky Team hub flights.

SMAAC Board Activities Report

Distributed flyers at 8 summer festivals and 6 MAC open houses

Attended MAC Commission and committee meetings

Attempted to introduce new studies on health effects of over-flights for NOC discussion through its public members

Released public announcements and published articles in the *Southside Pride* newspapers

Collected information from citizens for a report on delays and disturbances due to the recent MSP runway closure

Consulted with U.S. House Transportation Committee staff

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SMAAC NEWSLETTER

Published intermittently
by the
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Minneapolis, MN
55419-0036

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