Commission Meeting

of

NEW JERSEY GENERAL AVIATION STUDY COMMISSION

LOCATION: Committee Room 11
State House Annex
Trenton, New Jersey

DATE: February 27, 1996
1:30 p.m.

MEMBERS OF COMMISSION PRESENT:

John J. McNamara Jr., Esq., Chairman
Frederick Telling, Ph.D., Vice-Chairman
Senator C. William Haines
Assemblyman Richard H. Bagger
John S. Penn
Abraham Abuchowski, Ph.D.
Linda Castner
Jack Elliott
Philip W. Engle
Peter S. Hines
Suzanne Solberg Nagle

ALSO PRESENT:

Robert B. Yudin
(representing Gualberto Medina)
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**APPENDIX:**

Miscellaneous newspaper articles submitted by Thor Solberg

mjz: 1-125 (Internet edition 1997)
JOHN J. McNAMARA JR., ESQ. (Chairman): My name is Jack McNamara. I would like to call this meeting of the New Jersey General Aviation Study Commission to order. The first order of business is to call the roll.

Abe Abuchowski? (no response)
Rich Bagger? (no response)
Linda Castner? (no response)
Jack Elliott?
MR. ELLIOTT: Here.
MR. McNAMARA: Phil Engle?
MR. ENGLE: Here.
MR. McNAMARA: Senator Haines? (no response)
Pete Hines?
MR. HINES: Here.
MR. McNAMARA: Wesley Jost? (no response)
Huntley Lawrence? (no response)
Suzanne Nagle?
MS. NAGLE: Here.
MR. McNAMARA: Joe Odenheimer? (no response)
Jack Penn? (no response)
Henry Rowan? (no response)
Fred Telling?
DR. TELLING: Here.
MR. McNAMARA: Bob Yudin?
MR. YUDIN: Here.
MR. McNAMARA: Okay. We have a quorum. Were there any problems with notice of this meeting? (no response) That being the case, I would like to ask--

First of all, I would like to thank Harry White for all of his help in securing hearing rooms for this Commission during the month of March, or what are now being referred to as our “marathon sessions.”

I would like to ask Harry: Where do we stand in terms of the record?

MR. WHITE (Hearing Reporter): We currently have one meeting outstanding at the printer. It should be completed within the next week.

MR. McNAMARA: Okay. Has everyone on the Commission received the record, as they were supposed to?

Harry, how do the copies of the record get distributed?

MR. WHITE: They are sent to Ms. Theresa Mano in Jack Penn’s office, and I understand she distributed them through the U.S. mail.

MR. McNAMARA: All right. Are people receiving that record in the mail?

DR. TELLING: I haven’t.

MR. YUDIN: I received two.

MR. McNAMARA: Pete, you received yours?

MR. HINES: Yes, I have.

MR. McNAMARA: Bob has received his. Jack Elliott.

MR. ELLIOTT: No, I don’t--

MR. McNAMARA: Senator?

SENATOR HAINES: I have not.
MR. ENGLE: I have.

MR. McNAMARA: Phil has.

Have you, Suzy, received a copy of the record in the mail?

MS. NAGLE: Yes.

MR. McNAMARA: Okay.

Harry, is it possible that these were sent recently and we haven’t received them yet?

MR. WHITE: No, sir. The most recent mailing was probably three or four weeks ago.

SENATOR HAINES: Oh, four weeks ago? Probably I did get the last one then.

MR. McNAMARA: Okay.

MR. WHITE: The most recent meeting that your Commission should have received was distributed at the last meeting, at the end of January, or the 28th of January.

MR. McNAMARA: Okay.

Do you have a list of the records that have been sent?

MR. WHITE: Yes, sir.

MR. McNAMARA: Would it be possible to include that list in our next mailing, so we can all verify that we have a complete record.

MR. WHITE: I will speak with Mr. Penn’s office. I don’t think that will be a problem.

MR. McNAMARA: That would be great. Thank you for all your help, Harry. You are holding us together.

MR. WHITE: You’re very welcome.
MR. McNAMARA: We are not going to have too many reports from every Committee today, but I would like -- unless one of the Commissioners believes there is something urgent that should be called to our attention. Failing that, I would just like to hear from Phil Engle, who is Chairman of our Municipal Relations Committee, to find out how the scheduling of municipalities is going for our March meetings, and also from Ms. Nagle, Chairwoman of the Airport Committee, to find out about scheduling the airports.

Mr. Engle?

MR. ENGLE: Thank you, Mr. Chairman.

We sent out 50 questionnaires to the various municipalities. We have only gotten 13 back. This has been followed up with telephone calls. As of right now, there are only two municipalities that are scheduled. We will be calling all of them back to see how many more we can get for the meetings at the end of next month.

MR. McNAMARA: You’re putting together the agenda for a given day?

MR. ENGLE: Yes. Actually, I have four days.

MR. McNAMARA: I know that, but for our planning, you are filling the first day first, right, so that if we don’t have enough townships coming to testify, we will cancel the other three days -- we won’t have to appear on all of the days?

MR. ENGLE: Yes.

MR. McNAMARA: Okay.

Right now, which day are you filling?
M R. ENGLE: The first day, March 16. Is that the first?

M R. McNAMARA: Does anyone have a calendar? (member of Commission complies) The first day would be the 13th.

M R. ENGLE: Oh, that’s Suzy’s day. It would be the 19th and 20th, then.

M R. McNAMARA: Oh, the 13th was yours, Suzy, right? So we would be talking then about the 19th.

M R. ENGLE: Right.

M R. McNAMARA: So we’re talking about March 19. Now, in all events, for the members of the Commission, we will meet on the last Tuesday of the month, which will be the 26th, because we do have, first of all, witnesses to testify on that day. The Port Authority will be coming in.

That would be the day, Phil, to set up for the Delaware Valley Regional Planning Commission, and set up for bringing us up to date on the schedule of the economic study.

M R. ENGLE: The 26th?

M R. McNAMARA: March 26, that’s right.

Suzy, how are you coming with the airports? Your date is the 12th, right -- March 12 and 13?

M S. NAGLE: Do I hit this button?

M R. ENGLE: Yes.

M S. NAGLE: Okay.

On March 12, we have six airports set up to testify, and on March 13, we have two. The people scheduled on the 13th are not able to make it on the 12th. I have had a very difficult time. I have called every airport, and I
have had a very difficult time trying to get someone to come to testify. However, I will call them again.

Any suggestions you may have, or anyone on the Commission may have, to try to get them to come in to testify, I would be happy to listen to.

MR. McNAMARA: How many do we have now, Suzy?

MS. NAGLE: Eight, in addition to the ones that have already testified.

MR. McNAMARA: Okay, and we have already heard from, roughly, what, about five or six? (no response) That makes 13 out of 50.

MS. NAGLE: Do we want to hear from Lakehurst and McGuire?

MR. McNAMARA: If they have something to say to us, yes. If not, they are not as urgent. They are not as much our concern.

MS. NAGLE: Okay. I will have to find out how to reach them.

MR. McNAMARA: They certainly should be invited. It would be propitious for us to know what their plans are -- what their long-range plans are.

MS. NAGLE: All right, I will do that.

The other problem I had was with the questionnaire we sent out. We still have 24 airports that have yet to return the questionnaire. So we are sending it out for the third time.

MR. McNAMARA: Is there any telephone follow-up on that?

MS. NAGLE: I have called before, but I have not called them again. When I call them now to ask them to come to testify, I’ll mention it again, so actually they have had three telephone calls on this.
MR. McNAMARA: I want to thank both Ms. Nagle and Mr. Engle for their efforts in setting up the schedule for March. I know it was not an easy job.

Just continue working on it. If there are particular entities that members of this Commission believe should be heard from who are not inclined to testify, please let me know. The members of the Commission who have feelings about that should let Ms. Nagle and Mr. Engle know. If it is appropriate, we will arrange to have those entities subpoenaed to come before us to testify.

I would say, in the first instance, there will be a presumption in favor of any Commissioner on this Commission who feels a subpoena is appropriate-- All you need to do is tell Ms. Nagle or Mr. Engle-- Ms. Nagle for airports and Mr. Engle for townships. Then we will take steps to issue a subpoena.

With that, are there any questions for Ms. Nagle or Mr. Engle?

SENATOR HAINES: Mr. Chairman, I have a comment. I met a couple of gentlemen downstairs. There was no information downstairs as to where this meeting was going to be held. This is the second time I have been here and have had people who could not find this meeting, because there is no notification down on the first floor as to where the meeting is.

I think some people wanted to testify here, Mr. Chairman, and have not known, you know-- There is no one down there who seems to know that we're up here.

MR. McNAMARA: Harry, how is that problem solved?
Mr. White: Mr. Chairman, normally, whoever in the Office of Legislative Services fills the position of a committee aide is responsible for the appropriate notification of public meetings, committee hearings, etc., etc. I am not sure of the exact nuts and bolts, but I will be glad to look into it and find out what steps you and your Commissioners have to take to have the appropriate notices issued.

Mr. McNamara: But all we are talking about is a sign of some sort downstairs on the first floor.

Mr. White: I believe, although I am not sure, that once you find out the appropriate manner in which a notification is to be issued, the signage, etc., automatically kicks right in -- I believe.

Mr. Elliott: Excuse me. Mr. Chairman, I have had the same experience as Senator Haines has had. People could not find this place, because they asked people downstairs, and nobody downstairs knew that there was any such meeting.

Mr. McNamara: However, every witness who was coming to testify had been notified by me, personally, that it is in this hearing room, or this committee room, that these meetings are being conducted. It might be that some of the walk-ins -- who are certainly welcome -- didn’t know where we were, and that situation we must correct. But the ones who had been scheduled were all notified.

Harry, could I ask you to look into that, if we could just, on the days that we were going to meet, have a sign indicating which hearing room. You know, it would be helpful, also, to the members of the Commission, because we are going to be moving about between hearing rooms in this
building as we go through this month. It would be nice in case one of them forgets their agenda. It would be a nice way to let them know where the meeting is.

M R. WHITE: Mr. Chairman, let me look into that. I will contact you and we will find out what can be done to at least get some directive signs put up, or something along that line. I think it is a little bit more complicated than that, actually, but I am not sure. So let me look into it, and I will report back to you via telephone.

M R. M cNAMARA: Now, if you need, as Jackie M ason might say, “If you need a really big man, a really big man”-- Would it be all right for them to contact you, Senator?

SENATOR HAINES: Yes, sure, if I can be of any help to you. But I can tell you that this has been a problem in this building, even with committee meetings. It should be-- They have a daily poster down there of the meetings that are held daily in this building, and we should be included. This Commission should be included, Mr. Chairman.

M R. M cNAMARA: If you have any problems, then just contact Senator Haines’ office and he’ll straighten them out, I’m sure.

M R. WHITE: Thank you.

M R. M cNAMARA: Is that fair?

SENATOR HAINES: I hope so. (laughter)

M R. M cNAMARA: Our first witness, representing Morristown Airport, is Tom Dixon.
Tom, all of the witnesses testifying here are testifying under oath. Do you swear that the testimony you are about to give is the truth, under penalty of perjury, in the State of New Jersey?

THOMAS DIXON: I do.

MR. McNAMARA: Harry, is he on the air? Are you getting a return on him?

MR. WHITE: Say something.

MR. DIXON: Test.

MR. WHITE: Fine.

MR. McNAMARA: Okay. Please go ahead.

MR. DIXON: Good afternoon, Mr. Chairman and members of the Commission. As the Chairman said, my name is Tom Dixon. I am here to represent the Morristown Airport with relation to the concerns and issues we have. My remarks today are going to primarily concern environmental regulations and problems we have had complying with environmental regulations in performing the work we need to do at the Airport.

Mr. Barkhauer, who is the Airport manager, was initially scheduled to be here. He sends his apologies for not being able to come, which is why I am here in his place.

At the outset, I would like to say that a lot of what I say may sound critical, or overly critical, of the Department of Environmental Protection. It is not really meant to be that way. We understand that the Department and the people who work for the Department are doing their jobs in trying to uphold the regulations they are charged with, just as we are trying to do our jobs to uphold and implement the regulations on the aviation side
that we are charged with. So I hope that none of this gets misconstrued as being overly critical.

I plan to speak for maybe 10 or 15 minutes, and then, hopefully, you will have questions, or whatever, and we will go from there.

Our main concern, again, are the regulatory obstacles we have encountered when attempting to implement capital improvement projects that are safety related. We don’t really have the same concern if it is a hanger addition or a runway extension. This is primarily safety-related issues that we are concerned with. What these obstacles that we encounter do is, they cause a delay in our completing the project and an increase in the project cost. Some of these projects-- I think some of you are familiar with the types of projects like obstruction removal on runway approaches, any type of tree clearing -- we have done tree clearing for a line of sight for the control tower -- deer deterrent fencing, which is a big problem in Morristown, safety area improvements off the end of runways, and a very current project for us, which is an aircraft deicing facility.

For anyone who doesn’t know anything about Morristown, I will give you a quick, little thumbnail sketch. Morristown Airport opened in 1994 -- excuse me, 1944 -- in its present location. It was built by the military, and it has been operated by Morristown ever since then. It is 620 acres total. About 18 of those acres are developed with hangers and other structures. I am not sure of the exact amount of land that is used for the runways, but the rest of it is basically wetlands, flood plain, or both, and we really can’t develop that. In 1995, we did just over 263,000 operations.
To get to our concerns, the first point of concern we have is the apparent conflict between environmental regulations -- State environmental regulations -- and the Federal aviation regulations, primarily Part 77 and some of the other regulations we have to deal with.

We have done two recent projects, one of them being the line of sight, tree clearing for the control tower, which was a project we did to allow the control tower to see all the aircraft operations areas on the field. We had to cut about 19 acres of trees, trim them basically. When we initially applied for this work, DEP responded by saying, “Well, can you move the tower?” Well, the control tower is a five-story building. We were a little surprised, but they were rather serious that we consider moving the tower. The FAA really didn’t like that too much.

The day before we filed for an injunction, someone realized that we were in a pretty good position, and they issued us an emergency permit to do the work we had to do. We do not like getting to that point, but that is how that happened.

Again, we had a situation where the wetlands regulations were preventing us from getting in there and doing the work we wanted to do. The control tower and our safety requirements mandated that we trim the trees and correct the situation.

A second one we just finished last year was a deer fence. Morristown has an extreme problem with deer on the airfield because the development around the Airport has forced deer into the 600-acre relatively calm area. We have had a number of deer strikes. When we initially applied for the permit to put up the fence, we ran into a problem where DEP would
like us to put it in close to the runway, where there was open area around the runway, which violated our Part 77 surfaces again, which are FAA regulation. We wanted to move it out. We have a utility road on the far eastern border of the airfield that the water authority maintains. We thought that it was a rather commonsense location down the road where we wouldn’t have to disturb many of the wetlands.

They responded that we were going to deny too much of the habitat from the animals. I’m sorry, I said that backwards. We were going to deny too much acreage to these deer, which was kind of what we wanted to do with the fence, and we didn’t have to run it through the wetlands. They are the kinds of problems we come up against.

MR. McNAMARA: May we interrupt you from time to time just for points of information?

MR. DIXON: Sure.

MR. McNAMARA: Your Part 77 requirements are your ILS setback requirements?

MR. DIXON: Part 77 really has to do with airspace in general. ILS does come in under some of that, which is a separate, kind of special consideration. Even if the Airport did not have an ILS, it would still require that we maintain Part 77 clearances, which is a number of what we call “imaginary surfaces” that start at the ground and move progressively back and up away from the airfield to prevent any obstacles that would be a hazard to air navigation.

MR. McNAMARA: How high is this deer fence?
M R. DIXON: The deer fence is a 10-foot fence with barbwire. The restriction, really, that the Part 77 implies, or mandates, is that you can’t put anything nonfrangible in one of the surfaces. Frangible means that it breaks away if you hit it. Obviously, a 10-foot fence cemented into the ground is not going to be frangible. It is a concern for the ILS, also, because if you run 6000, 7000, 8000 feet of wire mesh in the ILS critical area, you screw up the signal, and it becomes basically nonusable. That is something else we didn’t want to do.

Our primary concern, really, was the fact that we were going to place it in a Part 77 surface, the primary surface and, also, in the object-free area, which falls under another aviation requirement, but not necessarily Part 77.

M R. McNAMARA: Now, there should be no dispute that the Federal regulation would preempt the State regulation. Was there a dispute?

M R. DIXON: Well, DEP doesn’t necessarily agree with that. Maybe that is a misunderstanding on our part, but we have had a conflict where we have gone in there and wanted to do a number of projects, and they said, “Well, we really don’t want you to touch this. You can’t cut the trees down to the ground. You have to leave them here.” Those are some of the problems that I wanted to get into.

We end up negotiating an agreement with them to do these projects that compromise, basically, the safety and the level of safety we wanted to reach. It ends up being more costly. In the case of tree removal -- and we have done two projects recently -- they restricted us on the techniques, basically. We were not allowed to use heavy equipment or wheeled equipment
at all. They had to carry everything out by hand. We had a contractor who had a fairly complicated crane and cabling system that was able to lift the trees off the ground and winch them in and out.

Expensive, time consuming, and then it leaves us with a situation where we can’t cut the trees -- in this case, trees down to the ground or within six to eight inches of the ground. We had to leave them between 18 and 24 inches up. In the case of our approach zone, we had 79 acres cut like that. You can’t even hardly walk in there when you have stumps sticking up, let alone get any kind of equipment in there to maintain that. That gets to where it becomes very costly.

We could permanently fix it by going in there and trimming the trees to a level where we could--

MR. McNAMARA: I am going to invite all the members of the Commission to ask any questions -- to interrupt the testimony to ask any question that goes to a point of information with respect to the facts of what is being said.

MR. DIXON: I apologize if I--

MR. McNAMARA: Please, just continue. You don’t mind, do you?

MR. DIXON: No, I don’t mind at all. I apologize if I forget that some of you may not be as familiar with airports as I am.

SENATOR HAINES: Mr. Chairman, I would like to interrupt at this point, because I think I have what possibly could be a solution.

Have you talked to Commissioner Shinn about some of these problems?
MR. DIXON: I personally haven’t. I believe the Airport Manager, Mr. Barkhauer, has approached Jack Penn, possibly, or someone in the office -- the Division of Aeronautics about doing that. I don’t know exactly what has happened with that.

SENATOR HAINES: Well, Jack Penn is a very good friend of Commissioner Shinn’s. Commissioner Shinn was my running mate up until he became the Commissioner of DEP. Commissioner Shinn had some of these similar problems with DEP when he tried to build bypasses around many of the towns in Burlington County. He is a practical type of person, and it sounds like some of the people at DEP are trying to be very impractical.

From the standpoint of putting a deer fence near a runway with barbwire on top, I can tell you, as a farmer, that we would never put barbwire anywhere where a car coming off the road would run into it. An airplane running off a runway, running into barbwire, you’re going to kill people. Basically, it should not be near a runway. It should be, as you said, on that service road. Now, maybe I’m wrong, but I think people are more important than deer.

MR. DIXON: Well, that is our position exactly.

MR. ENGLE: Mr. Chairman?

MR. McNAMARA: Mr. Engle.

MR. ENGLE: I’m glad that Jack Penn has made it, because I thought this whole issue-- I was under the impression that when it comes to safety-related items, such as deer fence, trimming trees, and all like that, that the Commissioner of Transportation is charged, through legislation, with the
safety of aircraft. That is not a Department of Environmental Protection call, it is a call for the Commissioner of Transportation.

Jack, maybe you can correct me if I am wrong.

M R. M cNAM ARA: This account that M r. Dixon is giving us may (indiscernible) the establishment of that arrangement, which does not mean that we are less interested in this account.

M R. P E N N: Well, I think if you reflect on the deer fence up there, the fence along the one side of the runway, we did invoke our safety powers and did, in fact, order that to be done. The very next day, DEP came down with a permit, if you remember that incident.

M R. D I X O N: Yes, I haven’t gotten to that yet.

M R. P E N N: Well, that is what actually--

M R. M cNAM ARA: But there was a history to that, Jack. Can you recount that history?

M R. P E N N: Well, basically what it was, was that they had been trying for years and years -- or for a long period of time -- to build this fence. They claimed that it went through certain parts of what they said was a wetlands area, even though it was only a short width where the fence would be erected. Basically, they tried to block this.

When it came to my attention, I checked with our staff attorneys and found that we had the power, under a certain article -- I don’t know what it was offhand -- to invoke, in the name of safety, the right to order it to be done, which is what we did.

M R. D I X O N: Right.
M R. PENN: At that point, the very next day, DEP did not want us to invoke those powers. They were cooperative, and they issued a permit right away. I believe that was then done.

I didn’t mean to jump ahead of your story.

M R. DIXON: That is what happened, right.

M R. PENN: I think we had the same situation with the control tower, if I am not mistaken.

M R. DIXON: Correct. That was an emergency permit also. That was prior to the deer fence, but--

M R. PENN: Right, that’s right.

M R. DIXON: What happened to precipitate the emergency move that Aeronautics made was -- and this is kind of getting ahead of where I was -- we had applied for the permit and we were two and a half months into the approval process. During this approval, we had two deer strikes by aircraft. The second one was by a Navajo which struck two deer on the runway at 3:30 in the morning. It did some damage and skidded about 1500 feet down the runway. The pilot did a fantastic job in not getting hurt, according to all investigators.

At that point, we called Jack Penn’s office. They were able to invoke emergency powers, and we got the permit. But short of that, we don’t know when we would have gotten the permit. We had flood plain issues; we had wetlands issues. We were being asked to calculate the volume of the wire that was in the flood plains and account for that and the volume of the poles in the ground that we displaced. It got very, very complicated.
I think we beat a lot of this to death already, so I will move on -- keep moving here.

Mr. McNamara: But, from what I have just heard -- and I want this for the record -- that issue is still an issue. It has not been resolved. Whether DOT’s emergency authority supersedes DEP’s authority is an issue unresolved, because it sounds like in each instance DEP capitulated at the last minute and issued a permit in its own name.

Mr. Dixon: Exactly.

Mr. Penn: Mr. Chairman, we have the powers, but I think they would rather see us not use them. That’s basically it. But we do have the power to do that when safety is involved. Again, we are reluctant to do it, unless we have to -- unless we are forced to do it.

Mr. McNamara: Thank you.

Mr. Dixon: Again, not every single project we do involves this type of an issue. It is the ones that involve safety that have become a problem for us.

The next point I want to make is, when we do a project like this -- and we have a number of them coming up in the next year and a half -- there is an inability to act quickly once we address a safety concern. When we did obstruction clearing on the end of our main runway -- Runway 23 -- the FAA had raised our ILS minimums -- our instant approach minimums. They had come to us with funding. They said, “We have the money for you to do this. We want you to remove these trees, get the minimums down, increase the level of safety.” Then we went through this long protracted period of permitting and wetlands and dealing with that.
The concern is that, as I said with this Navajo-- This guy who struck two deer on the runway and lived through it could very easily have not lived through it. We don’t want to get into a situation where we are waiting for the approval process 3 months, 90 days, 100 days, whatever it turns out to be, and during that period of time we have a problem, and we are letting this level of safety, which is not necessarily up to FAA requirements and commonsense requirements, linger, which we do not think is a good thing.

The other problem with not being able to act quickly is, in the case of our large tree clearing project, we were restricted in how we could do the project by the type of equipment we could use, which lengthens the time it takes us to do the project, which, in a lot of cases, raises the cost of the project and, again, allows this condition of less than ideal safety conditions to linger and be protracted.

The last major point I would like to make is about the cost of the whole process -- of the permitting and approval process -- in time. I think we covered that -- the fees, which sometimes are not insignificant fees, and the design changes we have to make. Normally when we approach DEP with our initial design work, it gets changed a number of times, because they don’t want us to do this, they want us to change our method there. That costs us time and money to do all that.

Last is the mitigation costs that are required when you do work to disturb wetlands. To date, we have not had to do any mitigation, because the work with the tree clearing hasn’t-- We have been able to get around the definition of “disturbing the wetlands.” We put a fence along a road. We did not have to go through the middle of the wetlands.
But when we construct our aircraft deicing facility, which we are going to do this summer, when we start Phase 2 of this deer fence that can close the Airport, we are going to run through wetlands, and when we do safety area improvements, which is going to be basically filling some area off the end of our main runway to bring the level up to the proper elevation, we are going to run into mitigation costs.

For any of you who do not know what this means, I will use our deicing facility as a quick example. We are building a large pad to do deicing in winter operations. We foresee that we will disturb between one and two acres of wetlands. As I said before at the beginning, we do not have any land on the Airport that is not already developed that is not wetlands. The whole place is kind of landlocked. We estimated, as of yesterday, that the design and construction costs would be $700,000, a good chunk of change for that.

When you get involved in mitigation-- Our consultants that I met with at the end of last week told us that the mitigation is two to one. For every acre you disturb, you have to mitigate two. With the current price, they gave us between $50,000 and $100,000 per acre. So we could end up spending $400,000 in mitigation for a $700,000 project.

MR. McNAMARA: What does that mean, mitigation two to one?

MR. DIXON: If we disturb an acre of land to put in a facility, we have to either create two acres of land on-site -- they would like us to do it on our own property -- two acres of wetlands created, or I think there is a program where you can buy wetlands credits in the region you are in -- and I don’t think this is in effect yet for our region -- or you can bank the money in a wetlands cash contribution bank, but it is at a two to one ratio. So for every
acre we disturb, we have to put two back. That gets very expensive, as you can tell. When we do the safety area improvements, we are going to have to disturb eight acres of wetlands. Eight times two is sixteen acres of mitigation at $100,000 an acre. That is $1.6 million in mitigation costs alone -- not in project costs, in mitigation costs. That, to us, is a serious problem.

The ironic part of our deicing facility is--

MR. McNAMARA: Mr. Dixon, something doesn’t track-- Why do you put two back? If you take one out, why do you put two back?

MR. DIXON: That is their requirement, DEP’s requirement. That is not our--

MR. ENGLE: Mr. Chairman, this has been faced at other airports. It is the requirement. That was issued out of the -- I believe it was the EPA, in Washington. It’s Federal. Two for one is the goal.

MR. McNAMARA: Is a Federal EPA goal--

MR. ENGLE: Yes.

MR. McNAMARA: --that the New Jersey DEP is seeking to attain?

MR. ENGLE: That’s right.

MR. DIXON: As I said, we haven’t actually done this yet. We are planning to do this. The mitigation cost is a serious cost for us at the Airport.

What ends up happening is, you spend a lot of money, with no direct benefit on the Airport, really, that we can see. I mean, we build a facility, and then we have to spend 60 percent more just to meet the mitigation requirements.

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The deicing facility -- and this is another kind of interesting little turn here-- The reason why we are building the deicing facility is because of the new stormwater pollution prevention regulations. We can no longer deice out on a ramp and let the fluid run off. We have to do some kind of containment. We got a grant from the FAA to do the deicing facility. So now we have one set of regulations causing us to build this facility which is in the wetlands, which kicks us into the whole wetlands regulation problem, and then the mitigation problems on top of that. So the costs get extremely prohibitive.

If we, right now, don’t have all the money to do this, what are we going to do?

The environment we live in-- I know many of us here in this room are aware of what is happening with AIP money, which is Federal Airport Improvement Program money for general aviation airports. The reliever fund is shrinking. The bets are that it is probably going to disappear altogether in the next couple of years. The State now has some money that we hope can flow toward general aviation airports, but we do not know what is going to happen with that yet.

With all of these things happening, we don’t want to spend half a million dollars replacing wetlands somewhere else, when we could use that money for improvements on the Airport.

MR. McNAMARA: Just to make sure we understand, taking just one of your projects, the deicing facility--

MR. DIXON: Right.

MR. McNAMARA: --the total cost with and without mitigation is what -- say with and without DEP involvement?
MR. DIXON: These numbers are not finalized, but the engineer I spoke to yesterday estimates that at this point where he is in the design, to design and construct the facility alone, with none of the other mitigation costs, is going to be about $700,000, possibly more than that, but $700,000 is a good number.

MR. McNAMARA: That is to take two acres and turn them into -- two acres you already own and turn them into a deicing facility?

MR. DIXON: Right. Then we figure, depending on what deal we can work out with DEP about how much mitigation they require, it may cost us $400,000. It could cost us, we think, $400,000 to do the mitigation, because if we disturb two acres we have to then replace four acres. Our numbers have been between $50,000 and $100,000 per acre. At 4 times $100,000 -- in the worst case -- we could spend $400,000 on mitigation. We don’t know how that is going to go yet, but that is a concern of ours, because we do not have the $700,000 yet to build the facility, let alone the $400,000 to do mitigation.

Which brings us back to the point where the stormwater regulations are pushing us to do this. We have to have this facility in place-- The stormwater regulations take effect, I believe, in May of this year. If we do not have this facility built by the winter, do we not allow anybody to deice aircraft? We do not want to be in that situation, but we may get into a situation where, if the funding does not follow along this summer to finish this project, how do we -- what do we tell our operators, “Sorry, you can’t deice. Either you go with ice on your wings, or you don’t go”? That is not a position we want to be in. It really has us concerned.
The other problem with mitigation -- and a big problem we have -- is, we own this land. The Airport has owned this land since the 1940s. Essentially what the regulations are making us do is, we have to rebuy the land now, because we have to create it somewhere else. We already own it. We bought the land around the runways to protect the approaches. We bought the land in the safety areas to protect the safety areas. Now they are making us rebuy the land, which we think is a waste of aviation funds. That is not something we look forward to doing.

SENATOR HAINES: Mr. Chairman, before he gets on to a different subject, at least in my area, where people have been required to have mitigation, oftentimes it becomes a pond, and these ponds attract year-round Canadian geese. These geese can be a real hazard to an airport. So, basically, what you may end up doing is creating four acres that are going to be a hazard to the planes flying in there.

MR. DIXON: Our position on the mitigation has been that there really is no-- You have to take an area that is not wetlands and make it wetlands to qualify for mitigation. We do not have any area that is not wetlands that doesn’t already have something on it. So we don’t have any area on the Airport property itself to do that.

There is no area in the Passaic River Basin, that we are aware of, or that our consultants are aware of yet, where we could go in the same region and create wetlands. We are doing some investigation on that now. The alternative that leaves us is making the cash contribution to the wetlands bank. I am not totally familiar with how that works, but that is what we are going to end up doing.
To do this, we are going to have to spend several hundred thousand dollars, and that is on this one small project. When we get into the safety area improvement that we want to do that is eight acres, we’re talking about significant money. That is not what we want to do.

We are opposed -- to agree with the Senator -- to creating wetlands as a bird hazard on the Airport, which becomes unsafe there, too.

MR. ENGLE: Mr. Chairman, just as a point of information, we ran into a situation similar to what the Senator was talking about, except we had one portion of the U.S. Fish and Wildlife Service saying, “You have to protect these areas and this habitat,” and we had another portion of Fish and Wildlife saying, as we say, “This is a hazard to aviation. You should do your best to destroy the habitat.” We had two different portions of U.S. Fish and Wildlife fighting with each other as to which was the best way to go.

MR. DIXON: We feel we are going to get into a situation with the deicing facility where we are going to have the stormwater side of the DEP saying one thing and the wetlands side saying another thing. We are going to be stuck in the middle, and we don’t want to be in the middle.

I guess you could take the view that, “Well, what if we don’t do any of these things and we let the environmental regulations kind of win out and we don’t improve the safety and maintain the safety standards as we should?” Basically, you will reduce the utility of the Airport, you reduce the safety of the Airport. We have -- if anybody is familiar with Morristown -- a number of corporate aircraft and corporate entities that have a significant investment in our facility. It just makes them -- If we cannot maintain our ILS to the proper standards so they can use the Airport when it is bad weather, it
basically forces them to want to go somewhere else, and forces good economic
generators out of our State and out of our county in New Jersey, and we do not
want to see that happen.

The other concern we have is, if we are not able to maintain levels
of standard that are established by the FAA and the Federal aviation
regulations, what are the possible legal implications if someone gets killed or
if we do serious damage because we were not able to clear the obstructions in
an approach, or we were not able to maintain the safety areas the way they
should be maintained? To date -- knock on wood -- we have not had a
situation where that has happened, where an accident has been linked to the
fact that the obstructions were not cleared or we had an unsafe condition. But
if that occurs, you know, God forbid someone gets killed by hitting a deer, and
did we do diligence to prevent that from happening, that is a concern we do
not want to have.

To summarize my three points here-- I would like to just
summarize in three quick statements, and then offer a proposed solution that
we have to some of these problems.

We would like to see any perceived -- real or unreal -- conflict
between environmental and aviation regulations resolved where aviation safety
takes precedence. That, to us, is common sense.

We would like to see the cost of environmental permits and the
mitigation involved with that minimized to reduce any extra or unnecessary
expenditure of public funds.

We would like to have the ability to address safety concerns
efficiently, quickly, and permanently.
Maybe the way to do this would be to empower the Division of Aeronautics with the authority to declare a project a significant safety concern, and then redirect this project through an expeditious review and approval process, with input and comment from DEP -- we do not want to lock them out -- but with overall authority resting with the Division of Aeronautics. We have seen some of this before in kind of an emergency method, but we would like to see it as a formal procedure. We believe this is correct, because the Division of Aeronautics is the aviation expert. They can make the determination that this is a legitimate safety concern, or the hanger that we are going to put up is not really a safety concern, but obstruction removal is.

We think this may not be as difficult as it sounds, because as we do a couple of these projects, they are all going to be the same types of projects, probably tree clearing, obstruction removal, and safety area improvements. A sort of template could be developed -- an engineering template -- that would be modified slightly for each unique location, but at least you could agree on a basic design and method between DEP and DOT that would be acceptable to both sides and attain the goals in a permanent fashion.

I think currently there is a MOU that operates between the Division of Aeronautics and DEP, so they already have kind of this working arrangement. Maybe we can just enhance that a little bit and get to where we need to be.

Lastly, we would like -- maybe you can tell from my earlier comments -- to get an exemption from wetlands mitigation if it involves a safety improvement project. As I mentioned before, the Airport owns the land,
has owned the land for 50 years. We acquired all the easements and all the property to protect our approaches. We do not think we should be forced to buy the land again to do the projects we need to do to maintain the level of safety we should maintain.

The other thing is, we cannot move the Airport. The Airport is where it is. It is not like we are putting a new highway in and we can divert it a quarter of a mile to the south because there is a wetlands or a sensitive area. We are stuck there. The Airport was lawfully and legally built and legally operated long before these regulations took effect, and now we are supposed to stop doing what we have been doing. We disagree with that, and we would like to see that changed.

Also, we just feel it is a wasteful expenditure of public funds that are earmarked for aviation infrastructure to spend them on buying wetlands at $100,000 an acre.

I thank you for the chance and opportunity to make these comments. I will be happy to answer any other questions.

MR. McNAMARA: Mr. Dixon, do you know how many airports in the State of New Jersey are located on wetlands?

MR. DIXON: I don’t have a clue, but probably most of them.

MR. McNAMARA: That is my understanding, too. I heard that was an old joke in New Jersey, that they always put the airport down in the least valuable part of the area and cleared a swamp to make a runway. It could be, if you are concerned to preserve the airports in the State, that you are going to have-- This isn’t just Morristown’s problem; this could be a pervasive problem.
M R. DIXON: We understand that. A lot of our comments are based on trying to help some of the other airports that don’t have the revenues and the capacity that we have in getting Federal funds. I mean, mitigation at a smaller airport would probably put it out of business.

M R. MCNAMARA: Just a few quick questions for general understanding: Would you rather, if you were driving a car-- Would you rather hit a deer driving a car or driving an airplane?

M R. DIXON: I would rather not hit him either way, but I would rather him hit by my car.

M R. MCNAMARA: Why is it more dangerous in a plane?

M R. DIXON: Most of the aircraft are moving at a high rate of speed. Aircraft are probably more stable in the air than on the ground. When losing a gear or damaging a gear at 100 knots or 120 knots, the aircraft becomes extremely more difficult to control than a car doing 45 miles an hour with 4 tires on the ground.

M R. MCNAMARA: Did you say that DEP required that you cut trees leaving a two-foot-high stump in the runway overrun?

M R. DIXON: When we cut trees in two locations, one was the approach to Runway 23, which is our main ILS runway, we were not allowed to cut them down to the ground outside of a minimum area that was 200 feet either side of the extended center line. We had to leave them up off the ground about 18 inches.

M R. MCNAMARA: How far out on the extended center line could you cut them to the ground?
MR. DIXON: The extended center line extended out, I think, 2600 feet. It was for the MAUSR approach light system. That was really to maintain the light plane, because we had trees growing so close in that you could not see the lights unless you were right on top of them. So we had to cut these trees low. We got permission to cut them low in close, but as you got away from it in the RPZ, we were not allowed to cut them down flush with the ground, so they stick up.

MR. McNAMARA: Now, are those trees considered a hazard to transportation -- or, navigation by air?

MR. DIXON: Officially I am not sure if they would be considered a hazard. I think they are a hazard. We don’t like to have them stick up there. All of them are not in what we would consider the clear zone. The clear zone, really, in that case, is not really there, because we have not filled it in. The terrain drops off the clear zone. That is another problem. This is a little further out than we need to -- that we address with this tree clearing.

In the line of sight project we did, which was prior to that, where we were cutting trees to allow the control tower to see the ends of the parallel taxiway -- again, we were not allowed to cut the trees down to the ground, which we would have liked to have done, and mow it, or somehow trim it with the conventional equipment we have-- They stuck up between 18 and 24 inches, and you can’t even drive in there with anything, let alone mow it.

So this stuff, if anyone is familiar with vegetation in a swamp like that, grows pretty quick. Two years after we did the project we had the same problem again. The tower was complaining that they couldn’t see. So it is a serious problem.
Another thing we didn’t get a chance to do-- The reason why we couldn’t keep it permanent is that this one area was separated by a man-made drainage canal that was fairly large that you would have to cross with a-- We built a temporary bridge. We had applied when we did the project-- We had asked about making that permanent with a culvert and piping to allow the water to flow, so we could get in and out of this area to maintain it. They denied the request to allow it to be permanent, so we had to pull the bridge out afterwards, and we couldn’t-- Other than wading through it by hand -- on foot -- you can’t get in there to do anything. That has been a problem for us, too. We do not like any of that.

MR. McNAMARA: Are there other questions for Mr. Dixon? Ms. Nagle?

MS. NAGLE: Just to make sure that I understand the mitigation of the wetlands, in your situation I understand that you have no other land that has not been described as wetlands, so you don’t have any land you can use. But if there were other properties-- What is the radius that you can go to? I mean, is it within 10 miles, 5 miles?

MR. DIXON: I am not sure. I believe it has to be in the same watershed region. I think we are in the Passaic River Flood Basin.

MS. NAGLE: So is there land there that you could make your own arrangement with the property owner -- the property owner of that land that is not already described as wetlands?

MR. DIXON: Correct.
M.S. NAGLE: This number that you are referring to -- the $50,000 or $100,000 number -- is that the number that is set up by DEP for you to pay -- in the fund, I'm talking about?

M.R. DIXON: The number, I think, comes from-- I am not exactly sure. The consultants we are dealing with have given us the number and have said, "Be prepared to spend this kind of money." They are fairly familiar with doing these types of programs. The problem in our region is, there is no what they call "credit." We can't buy any credits in the Passaic River Flood Basin, because there are no undeveloped wetlands that exist. I think someone is attempting to get some approved for that use, but as of now we understand that there are no approved credits. So we can't even go outside the Airport in our region and buy any. Because we can't do it on the Airport, the only option we are left with is the cash contribution, which gets very expensive.

M.S. NAGLE: Thank you.

M.R. M cNAMARA: Are there other questions?

SENATOR HAINES: Yes, M r. Chairman.

Just to let you know, I think Jack Penn, Bill Haines, and many other legislators, when the wetlands bill was passed, exempted from the Wetlands Act linear facilities, such as roads, such as airports, such as power lines, and this kind of thing. Unfortunately, the Governor conditionally vetoed it and put those things back in. That is the problem today. If it had gone through as we had originally proposed it, you would not have that problem.

I feel it is a very serious problem for many of the airports in my area, many of the airports in South Jersey, because the runways go right up to
a wetlands area, and, in many cases, they need to be extended. And the mitigation costs are just so huge that nobody can afford to do it. I really believe that safety is terribly important, more important than the wetlands.

MR. DIXON: We totally agree. The cost of mitigation -- again, the money is eligible under FAA regulations for AIP money. The problem is, we do not know if FAA is willing to make mitigation a high enough priority to get the money to do that. They will give us money for the project, but if we want an extra $400,000 just for mitigation, they may say, “Well, that $400,000 is better spent at Sussex Airport to overlay that runway than to do mitigation in Morristown, which basically does not do any aviation benefit.” So that is a concern we have also.

MR. YUDIN: A question.

MR. McNAMARA: Mr. Yudin?

MR. YUDIN: When was this legislation that you said the Governor vetoed?

SENATOR HAINES: Do you remember, Jack, when this was passed? Was it in the first term of Tom Kean?

MR. PENN: It was in his second term.

SENATOR HAINES: The second term, was it?

MR. PENN: Yes.

SENATOR HAINES: It was 1985 or 1986.

MR. PENN: Yes. The thing is, also, as Senator Haines mentioned, we had tried to grandfather-- Under the original legislation, that Airport would have been grandfathered as an existing project, an existing thing. It would not have been covered. It would only have been from then on out.
But instead, everything was conditionally vetoed, it went back, and all grandfathered only could run for two years. Then it went back to the original thing, so you had a two-year window. You had to do everything within two years, and then it reverted back. He did away with the lateral improvement which we had in the original legislation. The only thing we can hope for is that some time when we introduce new legislation that would address these issues, that--

MR. YUDIN: That is exactly what I was going to-- You anticipated my question. This Governor -- and I don’t speak for the Governor -- certainly is more friendly to easing up these environmental regulations. She ran on that platform. It would seem to me that maybe that would be a possible alternative for us to recommend in our final report, new legislation to alleviate this kind of a problem. I think we have a friend in the Governor’s Office on this one.

MR. McNAMARA: Okay.

MR. PENN: Let me say that, actually, there hasn’t been anyone to come forth and say that this really does do any great -- or is any great benefit for the environment to begin with. I mean, after this period of time, this is being looked at and looked at. A lot of the wetlands that are at the Airport were created by other development on the Airport -- the (indiscernible) lab, the runoff to create another wetland. This was not originally a swamp, but as you build and you have runoff, you create additional wetlands. This is what has happened at Morristown and at many of the airports. I think that is something this Study Commission should take a real hard look at.

Thank you, Mr. Chairman.
MR. McNAMARA: Okay.

SENATOR HAINES: I think the safety factor may be a way that we can get our foot in the door on this issue. It certainly seems that that should be- It is pretty difficult to just go and say that any linear facility can be exempt, but I think if we use the safety factor in there, which you clearly have expressed here, I think maybe we can do something. I think it would be a great thing for the Commission to recommend.

MR. PENN: Mr. Chairman, just one more.

MR. McNAMARA: We are going to have to keep moving along here, or else we will be here until 7:00.

MR. PENN: Okay. I have to be out earlier than that, because I have a press conference in a little while.

Let me say this: In Colorado, they are using a nontoxic to deice their airplanes out there. It has no effect at all on the runoff. Have we looked at or examined any of the new methods of deicing aircraft?

MR. DIXON: We have investigated stuff. At our Airport, we like to use something that is environmentally friendly and a regulated substance. I think the big factor with those types of chemicals is the cost. The Airport itself does not do the deicing of the aircraft. Our FBO is fixed space operators, tenants of ours, doing the actual work. They buy the fluid and they charge their customers for the service. If there were someone who had an effective, approved chemical that was nontoxic, we would love to use it, but we have not seen that yet. We have investigated infrared technology, all kinds of stuff that does not use chemicals. That is all in the test phase. None of it is approved for use on aircraft yet. Maybe someday, but not now.
M R. M cNAM ARA: Mr. Dixon, we want to thank you very much for coming before us and giving us this testimony. We hope you will stand available to answer any questions we may have, if we have any for you in the future.

If you have any exhibits or written testimony you would like to submit, please give them to the hearing reporter. That will take care of it.

Thank you very much.

M R. DIXON: Thank you, Mr. Chairman.

M R. M cNAM ARA: I have been handed the card of Mayor John Gregorio, from the City of Linden, and John Ziemian, Linden City Engineer. They are scheduled to testify next.

M A Y O R   J O H N   T.   G R E G O R I O: Thank you, Mr. Chairman and members of the Commission.

We have answered the questionnaire, and I would like to turn this in to you.

M R. M cNAM ARA: You can give that to Ms. Nagle. She will handle that.

Are you Mayor Gregorio?

M AYOR GREGORIO: Yes, sir.

M R. M cNAM ARA: And are you Mr. Ziemian? Did I say that correctly?

J O H N   Z I E M I A N: Yes. I am the City Engineer.

M R. M cNAM ARA: Now, gentlemen, the testimony that you are about to give, do you swear it is true, under the penalties of perjury in the State of New Jersey?
MAYOR GREGORIO: I do.
MR. ZIEMIAN: I do.
MR. McNAMARA: Go ahead with your prepared comments.
MAYOR GREGORIO: Well, Mr. Chairman, I do not have prepared comments. I think I have been living with this long enough to speak extemporaneously. If there are any questions after that, I will be open to answering those questions.
MR. McNAMARA: You go ahead. If you don’t mind, we may interrupt you for questions as you go.
MAYOR GREGORIO: By all means.
I was the Mayor of Linden 1967 to 1983. I left for two terms, and then I was reelected in 1991. So I have been Mayor and living with an Airport for about 25 years.

It is not a lucrative thing to have an Airport in your city, at least not in Linden. We do not make a lot of money on it. It was convenient for us and helpful to us in our industries and corporations. Years ago, we had many corporate planes -- General Motors, Exxon, Merck -- so it was very helpful. But now with the cutbacks, and so forth, it is not as helpful as it was. I think probably the most we derived from the Airport was approximately $100,000, and that was a few years ago. That has dropped off to nothing right now.

I would like to give you a little history of what has happened. When I left in 1983, the former mayor, at least the mayor preceding me, tried to close the Airport. He wanted to do away with the Airport entirely. We had a contract, with the FAA asking us -- or demanding that we keep the Airport
as an Airport until the year 2002. He wanted to bypass that and commercially
develop it. There was 188 acres of land there. The FAA strongly objected.
They gave him a couple of plans. If he could move it to another site, perhaps
they would accept it, but every place he tried to move it to the FAA objected,
and the citizens of that city objected.

MR. McNAMARA: Is Linden, under the War Surplus Act, not a
perpetual Airport?

MAYOR GREGORIO: Not perpetual. We could get the land
eventually, but we borrowed money from the FAA, and then we gave them a
20-year extension. Every time we borrowed money, we had to keep it for
another 20 years in order to pay back the loan. We were satisfied with doing
that. (Mayor Gregorio consults with Mr. Ziemian) That’s right. We managed
to have a bill passed in Congress that released us from that Act, by the way.
As it stands now, we have to keep it as an Airport until the year 2002.

The former mayor wanted to close it immediately or not do
anything with it until the year 2002, then the loan would be repaid, and then
he planned to develop the entire Airport. I thought of a compromise. I would
like to keep an Airport in Linden. I think general aviation needs airports. It
was helpful, and it is still helpful, to some degree, in Linden. So I proposed
that we--

MR. McNAMARA: When you say “helpful,” helpful in what way?

MAYOR GREGORIO: Helpful to our businesses, helpful to our
corporations, helpful to attract people to Linden, to attract business and things
like that to Linden. To some degree, I think that is a big help. I proposed that
the FAA release approximately 100 acres so we could develop commercially.
Linden is getting away from being a place for refineries and chemical companies. Evidently, the demographics are good for commercial activity. So we wanted to develop all of the land along Routes 1 and 9 and Stiles Street on the western side of the main runway and move the Airport operations to the eastern side. To do that, we would have to close the Crosswind Runway, which is a runway of about 2500 feet. The main runway is 4000 feet.

The FAA gave us four plans that we could choose from, and we chose Plan B, which is approximately what I have stated to you. They would give us the land on the western side of the runway, and move the Airport operations to the other side. We are just about-- I think today is probably the day that we will make a final agreement with the developer. We have already negotiated for about five years with the FAA on what their share will be for us for the improvements.

Now, to do this, we are going to have to build an entire new Airport. We are going to have to build a new terminal, new “T” hangers, new repair hangers, new runways -- not new runways, new taxiways. They tell us that because they built taxiways before, they don’t want to rebuild taxiways, so our eligibility for that cost is down to what?

MR. ZIEMIAN: Instead of 100 percent eligibility and we would get 90 percent, it is now down to 60 percent, and 90 percent of 60 is 54. So we are losing, like, 36 percent in grants.

DR. TELLING: If I may ask a question, what you estimate you might lose in grants is how much, then, in coverage? How does that relate to what you will gain in development fees?
MAYOR GREGORIO: Well, it is going to be an approximately $115 million development, including a hotel, a 15-screen movie theater, and a sizable commercial shopping center, and Home Depot is supposedly to be one of them. We estimate that the income -- the tax ratables will be approximately $2 million a year, and almost 2000 jobs -- about 1700 or 1800 jobs, to be exact. That, I think, is going to be the trigger for the development right through from Elizabeth to Rahway.

DR. TELLING: So, I’m sorry-- If I may declare, it is that I didn’t hear an answer to the question. The degree of loss from the FAA funding reductions was some amount of money. It sounds like whatever it is will be more than outweighed by the increased revenue.

MAYOR GREGORIO: Maybe John can be a little more specific on that, but our total costs for doing what we have to do according to the FAA is about $7 million or $8 million. If we get a higher percentage of help from the FAA, some portion of that $7 million or $8 million will be--

MR. ZIEMIAN: Well, it would make the project more palatable to the residents of Linden, in that the profit margin would go up. The purpose of this is to jump start the economy in Linden and still maintain an Airport.

We have roughly -- almost $4 million in Airport improvements we would not get funded, or grants for, and that hurts the profit margin.

MAYOR GREGORIO: Another thing we are going to have to be responsible for is the entrance to the Airport from Routes 1 and 9. That is going to be entirely our cost. Is that right, John? (Mr. Ziemian nods affirmatively) So we could use some help from DOT, perhaps not so much with the money, but with helping us to expedite the permitting. We do not
want to hold this project up. You know, it has been on the books for almost five years now, and we have been working on it continuously.

M R. McNAMARA: Is the FAA in agreement with what you are proposing?

MAYOR GREGORIO: Yes.

M R. ZIEMIAN: Yes.

DR. TELLING: Some of the additional costs-- Have you entered into negotiations with the developer? It is not unusual for developers, obviously, to pick up--

MAYOR GREGORIO: We have been in negotiations--

M R. ZIEMIAN: That is what is taking so long.

MAYOR GREGORIO: --for almost three years.

DR. TELLING: Perennially.

MAYOR GREGORIO: I think it is to a point where today he is supposed to let us know if he is going to sign the letter of agreement. On the phone he said, "Yes."

DR. TELLING: Good.

M R. McNAMARA: Are you proposing to lengthen the existing runway?

MAYOR GREGORIO: No, sir. There really isn’t any room for us to lengthen it. Four thousand feet is what it is, and that is probably what it will stay.

M R. ZIEMIAN: There may be some improvements we can make at the end to lengthen the threshold. In effect, the flying length of the runway could be lengthened, but not the physical overall length of the runway.
MR. McNAMARA: So the runway is now and would remain 4000 feet.

MR. ZIEMIAN: Well, it is 4200 feet, roughly.

MR. McNAMARA: Forty-two hundred feet? Okay. You would take away one runway--

MAYOR GREGORIO: The Crosswind Runway.

MR. McNAMARA: --but you would be adding “T” hangers and terminal--

MAYOR GREGORIO: And repair hangers, tie-down space--What do they call it, the gas--

MR. ZIEMIAN: The fuel farm.

MAYOR GREGORIO: A fuel farm has to be built.

MR. McNAMARA: What would be beneficial to you in going forward and achieving these things would be some DOT assistance in helping you to secure permits?

MR. ZIEMIAN: That is a highway access permit. That could take from a year to a year and a half. If that time could be reduced, we would start reaping the benefits of the improvement by taxes, you know.

MR. McNAMARA: How much did you say you would be receiving in incremental taxation?

MAYOR GREGORIO: Two million.

MR. McNAMARA: Two million.

MAYOR GREGORIO: By the way, it has been estimated that the State would receive approximately $12 million in sales tax, so the sooner we get started, the better.
MR. McNAMARA: You have the funds either in place or planned for to go forward and complete the project. Is that correct?

MAYOR GREGORIO: Well, we are going to be using the down payment from the developer, and eventually the full payment could be used for any expenses we may have.

MR. McNAMARA: Will you be using additional Federal Aviation Administration grant-made funds, Airport Improvement Program funds?

MAYOR GREGORIO: Yes. They are going to be helping us on a percentage basis for all of the horizontal improvements.

MR. McNAMARA: To what extent will they be contributing that?

MAYOR GREGORIO: Various degrees, but I will leave it up to Mr. Ziemian to go further into that.

MR. ZIEMIAN: That is what we were speaking about earlier. The degree of participation by the FAA varies. As I said, if they rule-- If this microphone (witness points to microphone) is 100 percent eligible, we could get up to 90 percent -- a 90 percent grant. But if they say this microphone (witness points to different microphone) is only 60 percent eligible, we get 90 into 60, so we do not get nearly the funding that we feel we should get for airport improvements.

MR. McNAMARA: Your commitment to the FAA to secure that funding-- Is that a perpetual commitment?

MAYOR GREGORIO: No.

MR. ZIEMIAN: It would be, right, if you are going to keep the Airport--
MAYOR GREGORIO: Oh, yes. We are at least committed for another 20 years.

MR. McNAMARA: All right. My understanding is that if a municipality owns a facility that just receives funds— I guess if it receives funds, then it is a 20-year commitment. If you use their funds to buy land, that is perpetual commitment.

MAYOR GREGORIO: I think that’s right.

MR. ZIEMIAN: Every time you get a grant, the day you sign that grant agreement, you commit to operating the airport for 20 years from that date. So if each year you get another grant, it is 20 years from the date of the last grant.

MR. McNAMARA: Is that correct, Jack, or is there a— Does the State require municipalities to make perpetual commitments?

MR. PENN: What you say is basically right, yes. Right now, the State has been— On our funds, we have been looking— In the past, it was a 10-year commitment or for the life of the improvement. We have been looking at that. We may follow the Federal guidelines and go with 20 years. Right now, we are at 10 years or the life of the improvement. In other words, if you put down a taxiway and it has a 15-year life, then you would be obligated for 15. If it has a 5-year life, you would still be obligated for 10.

MR. McNAMARA: Okay.

Are there other questions for Mayor Gregorio at this point?

MR. PENN: Yes.

MR. McNAMARA: Go ahead.
M R. PEN N: I was going to say: Have you got your design planned for the access permit from Route 1? Is that engineering completed?

M R. ZIEM IAN: No.

M R. PEN N: When do you think you will have that engineering completed?

M R. ZIEM IAN: I don’t know. It depends. As the Mayor mentioned earlier, we are ready to enter into an agreement with the developer. When we do, that is his responsibility, and we will ask him how long it will take. But I would assume it would take him three to five months to get the engineering done.

M A Y O R G R E G O R I O: Well, that is highway access for the shopping center. What I was talking about--

M R. PEN N: But you mentioned that one of the things that is important for this project to move ahead is an access permit. Now, you need an access permit for the Stiles Avenue out to Route 1. Is that correct?

M A Y O R G R E G O R I O: Right.

M R. ZIEM IAN: Right.

M R. PEN N: That is something that would be your responsibility.

M R. ZIEM IAN: Right.

M R. PEN N: Have you got that designed yet?

M A Y O R G R E G O R I O: We did not want to start on any other expenses until we were sure that the contract was signed, and that should be imminent.

M R. PEN N: Well, you know, at that point, when it is the aviation’s side on the permit, then you should come to our office.
MAYOR GREGORIO: We'll be down next week.

MR. PENN: Well, you have to have a design first.
Mayor, you have been there already.

MAYOR GREGORIO: I know, and you were very helpful with your advice. The thing is, you know, we have had some experience with waiting for permitting. Every year that we wait, every year it is going to take us to complete this project, is another $2 million at minimum and the lack of 2000 jobs during that time. So we are anxious to--

MR. PENN: Mayor, I pledge to you that we will work with you. You get the engineering done, get it to us, and we will work with you on it.

MAYOR GREGORIO: Jack, not only the permitting for the access road to the shopping center, but also the road that has to be built from U.S. 1 alongside of the Airport to the Airport facility.

MR. ZIEMIAN: To relocated facilities.

MAYOR GREGORIO: To the relocated Airport facilities, right.

MR. PENN: I don't mean to belabor it, but the road that you are going to bring off of Route 1, and it turns around, is that eventually going to join Stiles Avenue in the back -- it swings all the way around to Stiles? I am very familiar with the property there.

MAYOR GREGORIO: Yes. There is an old railroad track that goes almost in that same place. That is where we will be going from.

MR. PENN: Right.

MAYOR GREGORIO: Stiles Street and what they call Lower Road, all around the outside parameter on the eastern side of the development to U.S. 1 and 9, approximately in front of General Motors.
M R. PENN: Thank you.

M R. McNAMARA: Why is it that you would be interested in spending that money on “T” hangers and on terminals at Linden Airport? How much money have you allocated for that?

MAYOR GREGORIO: John, you saw the figures today.

M R. ZIEMIAN: You say, why are we interested? We are not so much as the FAA is. The FAA-- We had a Master Plan update, and they required these facilities. Now, we do not have to build, like, “T” hangers all at once. Eventually, they will want us to have 90 “T” hangers. We might start out with 20. But these are facilities which the FAA requires in relocation--

MAYOR GREGORIO: The “T” hangers are moneymakers. We are concerned with the cost of the terminal, the repair hangers, and so forth.

See, what happened -- if I may just take another few minutes -- with the former mayor’s idea of closing the Airport, a lot of the pilots and owners of the planes went to other facilities because of the uncertainty of what was going to happen to Linden. So we are down to approximately 70 planes. I think now, once it is public that the contract has been signed, that the new Airport is going to be built, they will be rushing back, because it is a great location for a general aviation airport.

If we are going to have an Airport, I want it to be a successful Airport. I want it to be something we can be proud of, that people can fly into and go into the men’s room or the ladies’ room without being embarrassed. I mean, what we have now is a disgrace. We are trying to improve it.

As far as I am concerned, I would like to keep an Airport in Linden forever. Well, I am not going to be here forever.
M.R. McNAMARA: What will happen to the buildings that are there now?

MAYOR GREGORIO: They will have to be demolished.

M.R. McNAMARA: They are all going to be torn down?

MAYOR GREGORIO: Yes, sir.

M.R. McNAMARA: Are there other questions for Mayor Gregorio? (no response) None?

Do you have other comments, Mr. Ziemian?

M.R. ZIEMIAN: No, sir. The Mayor said it all.

M.R. McNAMARA: Thank you very much for coming before us. Thank you especially for sending in the answers to this questionnaire. That is going to be very helpful to us.

MAYOR GREGORIO: Thank you.

M.R. McNAMARA: Is Mr. Clark, here, Barry Clark, from Readington Township? (no response)

Are the representatives of Hillsborough Township here?

MAYOR KENNETH C. SCHERER: Here.

M.R. McNAMARA: Are you Mayor Scherer?

MAYOR SCHERER: Yes, sir.

M.R. McNAMARA: Please come forward.

Do you know Barry Clark, from Readington Township? I believe he is the Township Administrator.

MAYOR SCHERER: No, I don’t.

M.R. McNAMARA: If you see him come in, could you please mention that to me?
M.S. Nagle: Do you want me to look for him downstairs?

Mr. McNamara: Yes, that would be a good idea.

Mr. Engle: Mr. Chairman, speaking to Readington, for the questionnaire and like that, there was some confusion, I know, on their part about coming either today or coming on the third Tuesday, March 19.

Mr. McNamara: Well, okay.

Ms. Nagle, just look, but don’t waste a lot of time. Phil Engle feels there may be some confusion about what day they were supposed to come.

Who do we have? We have Mayor Scherer.

Mayor Scherer: Yes, sir.

Mr. McNamara: And Frank Scarantino. Is that correct?

Frank S. Scarantino: Yes, sir.

Mr. McNamara: Gentlemen, do you swear that the testimony you are about to give this Commission is true, under the penalties of perjury in the State of New Jersey?

Mayor Scherer: Yes, I do.

Mr. Scarantino: Yes.

Mr. McNamara: Please proceed.

Mayor Scherer: Thank you, Mr. Chairman.

Are these mikes on, or do I have to press any buttons here?

Mr. McNamara: If you are not on the air, that gentleman will tell you so posthaste.

Mayor Scherer: Okay.

Good afternoon. As you are well aware, we were invited here this afternoon to speak before this Commission and to discuss the relationships
between municipalities and the small airports within them. It gives us great pleasure to be here. Frank Scarantino is our Township Engineer, and I am the Mayor of Hillsborough Township.

Mr. Chairman and members of this Commission: Thank you for the invitation to address you on the subject of local airports as they relate to general aviation throughout New Jersey and as they relate to the municipalities in which these airports reside.

My perspective on airports comes not only from having Kupper Airport within Hillsborough’s boundaries, but from our considerable study of Kupper’s operations for potential acquisition by our town.

You have previously heard testimony regarding Somerset County economic growth as a microcosm of New Jersey. Somerset hosts numerous Fortune 500 companies, including: AT&T, the Chubb Group, Ethicon, Ortho-McNeil Pharmaceuticals, Hoechst-Celanese, the Forbes and Gannett newspaper families, and many others.

Supporting these businesses are Somerset’s three privately owned general aviation airports: Somerset Airport, Princeton Airport, and Kupper Airport, in Hillsborough. These three local facilities are home base to at least 465 aircraft, and this number is expected to increase to 531 by the year 2013. Together they support a quarter of a million aircraft operations annually, and this number is expected to swell to nearly 300,000 in the year 2013.

The dependency of business upon these local airports is clearly demonstrated by the fact that approximately 30 percent of the aircraft based at the Somerset County airports are corporately owned. Coincidentally, none of the Fortune 500 companies I’ve discussed are located in Hillsborough
Township, yet we in Hillsborough recognize the importance of Kupper Airport to the businesses of Somerset County and all of New Jersey.

Hillsborough’s detailed feasibility study for our potential acquisition of Kupper Airport has provided some unique insight into the problems of New Jersey’s smaller airports. Insufficient revenues over the past several decades have taken their toll on these airports. Aging facilities and lacking services have sent these airports into a downward spiral. FAA grant programs have only recently become available to some of these airports, which have been classified as “reliever” airports, but this may well be too little, too late.

What has become glaringly apparent is the fact that small airports throughout New Jersey have a difficult time staying profitable, and yet they provide invaluable and irreplaceable services. What should also be apparent is that the FAA grant program has proven inadequate to sustain general aviation airports.

Currently, other states such as Delaware, Pennsylvania, and North Carolina -- just to name a few -- have already recognized this fact and have implemented aggressive funding programs to support airport enhancement and development. This has already led to New Jersey’s loss of business to other states offering superior aviation facilities.

While the new Transportation Trust Fund allocates more aviation dollars than ever before, New Jersey is far behind and suffers major disadvantages. Unlike these other states, we have yet to develop specific strategies and policies that will address our unique problems. Clearly, one of the more significant problems is the fact that New Jersey will have little or no
opportunity to develop new airport facilities. This makes the enhancement of existing facilities all the more critical.

Our major airports are already taxed to their air traffic limits and, in many cases, are restricted from further expansion by environmental and land use constraints. There is no capacity to handle the added volume of air traffic diverted from closing reliever airports.

We are all aware that the loss of reliever airports will have insurmountable consequences on the ability of the State’s aviation infrastructure to meet the needs of New Jersey industries. These consequences stem not only from reduced and irreplaceable capacity, but from the ensuing gap of coverage in general aviation airport distribution throughout the State.

I have already discussed the pressures placed on airports due to the intensity of today’s air traffic volumes. It should be clear that there will be no hope in meeting the future’s air traffic needs unless the current trend of closing airports is abated. The means and strategy to deal with this issue will have to come at the State level in the form of new funding sources. The key will lie in funding grants, loans, and other subsidies which recognize the fact that airports themselves must function as businesses.

Even at the municipal level, government recognizes that the construction and maintenance of infrastructure are vital and necessary expenditures which require the commitment of significant capital outlay, without the benefit of direct revenue payback. Rather, these improvements provide the indirect benefit of sustaining local economic viability, thereby providing a healthy tax base.
The State’s investment in its airports represents this same commitment. However, the subsidies provided to date to privately owned airports have proved to be sorely lacking.

If New Jersey is to remain competitive, it must make more funding available to the existing airport network. This funding, above and beyond the 5 percent match for FAA Federal funding, must be made available to augment existing funding levels and help subsidize indirect infrastructure improvements which do not qualify for Federal subsidy, but which are vital to the running of an airport business.

The Federal government has not recognized the need to sustain airports as business. It treats them as pieces of infrastructure. This approach is no longer viable. Local airports must evolve into well-balanced business operations, integrated into the fabric of their communities.

The application of significantly increased State funding for airport-related projects will dramatically increase the ability of local airports to function as businesses by supporting diversification and tapping alternative revenue sources. By itself, increased State subsidy for items such as hangers, access roads, and fuel farms will begin to give New Jersey airports the edge they need to provide better and more cost-effective services to industry. However, this is only part of the answer. Today’s infusion of funding into carefully crafted master plan objectives can and will lead to private sector airport investments and even public/private partnering.

Recommendations: I have attempted to convey a municipal perspective on the local airport presence. Yet, I cannot say that Hillsborough’s perspective is typical of municipalities throughout New Jersey. Hillsborough
is more fortunate than most host municipalities in that Kupper Airport is predominately surrounded by vacant and/or industrially zoned lands.

We have had an opportunity that few other municipalities have shared, that is, to have participated in an in-depth study of how a general aviation airport functions, or doesn't function, as a business. The State, as a whole, can benefit from this study if this Commission considers as a part of any comprehensive aviation policy that it recommends goals and objectives which address the following:

1) Recognize the inadequacies of current grant funding programs and develop an expanded program of State financial support.

2) Recognize that airports, in and of themselves, need to be treated and must be allowed to function as businesses which have special needs and which provide jobs for New Jersey families. This translates to a new State policy which supports the development and enhancement of aviation-related improvements such as hangers, tank farms, and access roads with adequate grant funding.

3) Recognize that more than just a quick fix is required if public and private general aviation airports are to survive long into the future as indispensable components of New Jersey's aviation infrastructure.

4) Recognize the deteriorated state of many private aviation facilities and the need to make them safer, more capable, and better able to compete on a national scale.

5) Recognize the need to provide encouragement and incentives for local government and interested citizens to participate in aviation infrastructure preservation.
I thank you for allowing me to come before you this afternoon.

If you please, I would like to have our engineer read a prepared statement as well.

M R. McNAMARA: Do you have a copy of the statements for us? (witness complies and hands copies to Chairman) Would you give one, at least, to the hearing reporter? (witness complies)

Please proceed, sir.

M R. SCARANTINO: Mr. Chairman and members of the Commission: Thank you for this opportunity to address you on the issue of local airports from the municipal perspective of being a host community and, more specifically, from the perspective of a municipality debating whether or not to acquire and thereby become the owner operator of a municipal airport. I have tried to keep my statements as brief as possible, but in order to present a total perspective, I must go back and provide you with some background on Kupper Airport and Hillsborough Township.

Kupper Airport was originally constructed on farmland in the early 1940s and was able to expand throughout the 1960s as other small general aviation airports in the vicinity closed. Beginning in 1965, on-site facilities on the north side of the Airport were leased to Raritan Valley Aviation, providing tiedown, hangar rental, flight training, aircraft maintenance, rentals, charter flights, and later, aircraft sales. Hangers from nearby North Brunswick Airport, which closed by 1966, were reerected at Kupper just south of the airfield. By 1970, there were 100 based aircraft at Kupper and, for the most part, the facilities, as they currently exist today, were constructed.
In 1974, the owners of the Airport formed Tri-State Airways in order to expand the aviation services provided by Raritan Valley Aviation. In 1984, Tri-State began dispensing aviation fuel and providing flight training and aircraft maintenance facilities. By 1988, as one of the few surviving general aviation airports, Kupper enjoyed having over 250 based aircraft.

The effects of the economic recession of the late 1980s, early 1990, have left Kupper with as few as 130 permanently based aircraft, and an aging infrastructure mostly assembled prior to 1970.

In late 1994, faced with external financial pressures, the owners of Kupper Airport sought to divest themselves of their Airport.

Enter Hillsborough Township. We are more fortunate than most host municipalities in that Kupper Airport is predominately surrounded by our own vacant and/or industrially zoned lands.

Hillsborough has long recognized that Kupper Airport can be the catalyst for future business development in Hillsborough Township. It is already today an important local employer providing the livelihood for local families and generating business for local companies which, in turn, provide the livelihood for more families. This is critical to the future of Hillsborough Township, a predominately bedroom community of nearly 34,000, which is striving to find a balance between runaway residential growth and an inadequate ratable tax base.

You have, on previous occasions, heard testimony regarding local opposition to any expansion of general aviation airports. While Hillsborough does not advocate expansion of Kupper Airport, we certainly recognize the importance of its preservation to all levels of New Jersey’s economy.
Hillsborough has planned and designed for a corporate district anchored at one end by Kupper Airport. Linking Kupper Airport with U.S. Highway Route 206 is also an issue of major concern, so much so that we have planned, as a municipal initiative, an access roadway known as Corporate Way, which, when built, will provide this linkage. This access is not just a master plan concept, for we have taken it through preliminary design, and hope to reach final design this summer, 1996.

The stage was set back in late 1994. Kupper Airport is for sale and no private buyers can afford the tremendous investment necessary to maintain the Airport operation. The State Division of Aviation is very much concerned that Kupper Airport continue its operation, and Hillsborough Township, a willing sponsor, is equally interested to see this vital component of its local economy stay in operation.

The resulting “Kupper Airport Acquisition Feasibility Study,” while still a preliminary document, has provided substantial insight into the dilemma of small general aviation airports. This comprehensive study of Kupper Airport as a business included the collection of other studies, a master plan, financial data, infrastructure inventory, environmental assessment, and an “Airport Users Survey” in which 123 users responded, 27 of which had based aircraft at Kupper Airport. I could not possibly do justice to the entire document here and now, so I will only attempt to highlight the more significant issues.

On the positive side:

Kupper based aircraft should rise to 185 in the year 2103. The Airport’s facilities could probably support the 1988 peak of 250 aircraft, if
sufficiently renovated. This includes providing additional land site facilities and upgrades to comply with FAA safety and dimensional standards, but does not require a longer runway.

Over 37 percent of the aircraft owners responding to the survey indicated that even though their aircraft were based elsewhere, they required the occasional use of Kupper. In fact, 80 percent indicated they would increase their use of Kupper if facilities and services were upgraded. The survey quantified this as an additional 3170 annual trips.

The top four specific improvements to Kupper Airport suggested by the respondents included: improved and expanded hangers, runway resurfacing, navigation instrumentation and landing aids, and improved maintenance services.

Aircraft liability reform and aircraft production activity support a strong potential for this recovery in general aviation activity.

Kupper Airport operation today is marginally profitable, but the study has identified numerous opportunities to enhance the revenue potential significantly. Unfortunately, these items include: “T” hanger renovation and construction, fuel farm rehabilitation, and access roads which would not currently qualify for grant funding.

On the negative side:

Kupper infrastructure was essentially completed by 1970, and even at that time much of the facilities were aging and/or relocated. In order for Kupper Airport to evolve into a viable business operation, it is anticipated that $11,600,000 of improvements will be needed over the next 16 years, with approximately $4.3 million required in the first 3 years. Within the current
funding program, the private or municipal share of these costs cannot be sustained by the projected revenue increases.

Unfortunately, the study has also identified hazardous waste contamination which, while not surprising, could be of a magnitude which would either require special regulation or force the bankruptcy of the current owner. Despite the above, Hillsborough is hopeful that a new State policy will provide the means for saving Kupper Airport.

M R. M cNAMARA: Mr. Scarantino, may I interrupt you? What is that hazardous waste?

M R. SCARANTINO: It is predominantly groundwater contamination from leaking aviation fuel tanks.

M R. M cNAMARA: Okay. Thank you.

M R. SCARANTINO: As a private Airport, Kupper has continued to operate at the lower fringe of regulation. Clearly, should Hillsborough ultimately acquire Kupper Airport, our exposure to liability will hold us to a higher standard.

While Hillsborough Township clearly recognizes the value of maintaining Kupper Airport’s operation, there is no incentive to take on a negative cash flow. One should not expect a singular municipality to bear the tax necessary to sustain what has been recognized as a vital link in New Jersey’s general aviation infrastructure.

Therefore, I submit to this Commission that there are two general issues for you to consider:

The first issue is to recommend a new policy which will generally provide private airports a greater range of funding, recognizing not only their
importance as New Jersey’s aviation infrastructure supporting business, but as businesses themselves, employers with special needs, businesses which need to be better integrated into the local fabric without compromising national standards. This will hopefully prevent other airports from declining to the poor state of Kupper and enable them to better serve New Jersey’s economy.

The second issue is to recognize the more unique circumstance of municipally owned airports, and to develop a separate set of criteria which will provide greater economic incentives for host communities. For airports such as Kupper, this may be the only hope for survival. For others, it may be the key element to turn the tide of local hostility towards airports.

Thank you.

M R. McNAMARA: Thank you very much, sir.

Have you received a questionnaire from this Commission to be completed?

M R. SCARANTINO: No, sir.

M R. McNAMARA: Pardon?

M R. SCARANTINO: No, sir.

M R. McNAMARA: Ms. Nagle, did Hillsborough not-- (Ms. Nagle’s response indiscernible; speaking off-mike) Oh, okay.

I would like you to double-check that. I think you should have received that questionnaire from this Commission. If you have not, please let me know and I will see that another one is sent to you. In fact, we will raise that issue as soon as Mr. Engle gets back.
Does your Airport provide any ascetic benefits to your Township? Does it preserve any wetlands, or woodlands, or Green Acres -- ascetic sight benefits?

M R. SCARANTINO: It does preserve an existing stream corridor with wetlands.

M R. McNAMARA: Do you anticipate that there are going to be any complaints from the citizens of your Township about this Airport, especially with respect to noise or surplus traffic?

MAYOR SCHERER: There were some concerns raised when it first hit the press that the municipality was considering purchasing Kupper, but the fact of the matter is, I think most of the residents surrounding the Airport, as long as we have no plans for expanding it -- I don't think they have a problem with it staying there.

There certainly are two different issues. If we were going to move in there, take it over, and expand the runways and bring in larger aircraft, I think there would be a huge concern by both the residents of Hillsborough, as well as the residents of Manville, which also borders the Airport. If the Airport is to remain status quo but just be improved, I don't think there is going to be an organized opposition.

M R. McNAMARA: Suppose you were to expand -- not necessarily expand, but lengthen the existing runways without being able to bring in larger aircraft, but just make your existing facilities safer, would that meet with opposition?

MAYOR SCHERER: To my knowledge, Mr. Chairman, I do not believe the runways can be extended there. From my limited knowledge of the
facility to date, from discussions we have had over the last couple of years, I don’t believe the runways have the ability to be extended.

Is that correct?

M R. SCARANTINO: They have very minor extension capability at this time, but I do not believe the community would be opposed to any expansion in that regard, provided larger, turboprop-type craft were not brought in. I think there is opposition to--

M R. McNAMARA: Do you mean turboprop or turbine engine aircraft?

M R. SCARANTINO: Turbine engine aircraft, sir.

M R. McNAMARA: Because I know that you already have turboprop aircraft. By larger turbine engine aircraft, I mean aircraft in the nature of, say, a Boeing 737 to 767, that series, or an Airbus, or something like that. Is that what you mean?

M R. SCARANTINO: Yes, sir.

M R. McNAMARA: The type of aircraft one normally would see at Newark, or Atlantic City, or perhaps even in Trenton?

M R. SCARANTINO: Yes, sir.

M R. McNAMARA: But aircraft of a smaller size than that you do not think they would object to?

M A Y O R SCHERER: You know, to be honest with you, Mr. Chairman, the issue has never come up yet. We are such in the early stages of this Feasibility Study that I think the community is just watching. As I said before, there has been no organized effort to stop the proceedings. There have been no real issues raised amongst the public to this point. It would only be
speculation, at this point, as to what might happen. Of course, it can always fall into the hands of the political season, and then who knows what could happen during a campaign. We have not gotten to that point yet.

M R. McNAMARA: The reason I ask the question is, we have had testimony from other townships that indicates a considerable confusion about what a jet aircraft is. We have received testimony that is very convincing that a jet aircraft is not necessarily the noisiest aircraft, that certain propeller aircraft make much more noise.

Also, local residents hear the words “jet aircraft” and think immediately of airline type -- transport aircraft of the 747 variety. They are very concerned that that sort of operation might occur in their neighborhood, not realizing, because of their complete unfamiliarity, that jet aircraft could be a much smaller aircraft and not one that makes a great deal of noise. That is the reason I asked the question.

MAYOR SCHERER: Again, we have not-- The community has not spoken to those issues as of yet, so I cannot answer to that point. I would guess that we have no shot at landing a Boeing 747 at Kupper Airport, either for practical reasons or for reasons of opposition. However, smaller, what I would consider corporate jets, are what I am thinking may, in fact, be acceptable to the community, especially since it is in our corporate zone. That is the zone that has lain fallow for some 20 years. I think, actually, that there would be a lot of enthusiasm to welcome that type of traffic.

M R. McNAMARA: Is the Kupper Airport Feasibility Study that you referenced in your comments available?
MAYOR SCHERER: We received it, sir, and it is under staff review. I think that is the status right now. We have had it for about 30 days. The governing body has yet to really bring it to a public meeting. So we have it, but I believe there is some additional work that needs to be done on it, especially in the environmental area, because of what was found out there in the initial phase.

So, yes, we do have it, but it has not been released -- or, I'm sorry, it has not been discussed at a public meeting yet.

MR. McNAMARA: Other than what you have already mentioned, do you have any-- Do you perceive any way that the State can help Hillsborough go forward in admiring and developing the Kupper Airport?

MAYOR SCHERER: From my perspective, Mr. Chairman, I think the State has been immensely helpful to date. Jack Penn's office has been very helpful in getting us to the point where we are. When we finally get through this first phase of this Feasibility Study, we will be looking to Jack's office, and perhaps to this Commission, for further help.

I am sorry to say, though, what it might boil down to is dollars. As we mentioned in our statements today, new policies are what are going to help us when we get to that point. Hopefully, you will be in a position to help us when we get to that point of making the decision to actually acquire Kupper, because, quite frankly, if it is economically unfeasible to do it, our taxpayers would probably forbid us from moving forward with the purchase. So it may boil down to dollars.

MR. McNAMARA: Under these circumstances where the land is being purchased, the commitment -- am I correct in saying -- is a perpetual
commitment, a commitment in perpetuity to operate an Airport? I know that is the Federal commitment.

MAYOR SCHERER: I understand it is 20 years, but I could be wrong.

M R. PENN: It is a 20-year commitment, Mr. Chairman. It is a 20-year commitment for a municipality.

M R. McNAMARA: To the State, but the Federal commitment--

M R. PENN: It is a Federal and State commitment of 20 years. Every time they do another improvement, the 20 years gets moved out and moved out, so that--

M R. McNAMARA: Yes, I understand, but I also believe -- subject to being corrected -- that if you are purchasing land, the commitment with Federal dollars-- If you are a municipality purchasing land with Federal dollars, it is a perpetual commitment. If you own the Airport already and you make an improvement, it is a 20-year commitment. The Linden commitment would be a 20-year commitment.

But your belief is that it is a 20-year commitment?

MAYOR SCHERER: Yes, sir.

M R. McNAMARA: Okay.

M R. PENN: I might be able to clarify a little bit. If they bought some additional land other than the Airport land-- Let’s say they decided to buy the clear zone, or something like that, that would be into perpetuity.

M R. McNAMARA: Do you have any intention to buy any additional land with the Airport?

MAYOR SCHERER: No, sir, not at this time.
MR. McNAMARA: Is there other land available in the vicinity?
MAYOR SCHERER: Yes, sir.
MR. McNAMARA: Okay.
Are there other questions? Ms. Nagle?
MS. NAGLE: You mentioned, in your closing comments-- I believe the second one was to give incentive to the host community that has an airport in it. Do you have any specific recommendations you would like to see done? Are you talking about-- I don't know, are you talking financial-- or, what are you talking about?

MAYOR SCHERER: Again, at this stage of the game for us, that is what the picture is beginning to shape up as. Yes, I think all of our comments today are geared toward new policies which need to be addressed and written, perhaps by this Commission, perhaps by the Legislature, I am not quite certain. I think we have started in the right direction by having host municipalities come in and perhaps save airports which are failing. I think it is the right thing to do, if everyone agrees. That also includes the community, as well as the governing body and the airport owners themselves. But without that additional funding--

Yes, incentives, from my perspective, would be to make sure that if we were to take over Kupper Airport and purchase it, that we are not running in the red for a decade, because then what have we accomplished? So, yes, I think we are probably targeting the financial.

MS. NAGLE: How about if some private investors came forward and spoke to the Kupper family, and said they were interested in buying the Airport, and Hillsborough is just the host community? Are there some
recommendations you would like to see made so that just as the host, even
though you do not own it, but as the host community taking on responsibility
for having the Airport in your community-- Are there some benefits you see
that the State should bestow on you?

MAYOR SCHERER: Well, certainly, the new buzz phrase today --
one of the new buzz phrases is “a partnership.” Whenever we see something
that is going to benefit the community for years to come, the governing body
in Hillsborough is always willing to be a partner, or enter into a partnership,
a public/private partnership, as long as it benefits the community. So if a
private investor were to come forward to save Kupper and we did not have to
rely on Federal funding or State funding, yes, at that time, we would have to
evaluate that, and I think we would be willing, as a municipality, to be a
partner. I don’t own a plane, and I do not pretend to know a lot about
aviation, but I do know that the Airport can be a very viable tool in our
economic development and the pursuit of economic development in
Hillsborough. So we would be willing to be a partner.

MS. NAGLE: You explained to Chairman McNamara that your
Feasibility Study has not been completed yet. Is it possible to get a copy of it
if we stamp every page “Draft Form”?

MAYOR SCHERER: Is that okay?

MR. McNAMARA: We do not need to have that until--

MS. NAGLE: I am interested in the testimony, but he is drawing
on facts that were evident in the master plan -- the Feasibility Study showing
the value of airports to host communities.
MR. McNAMARA: I think that is important, but we do not need it unless it is completed. We do not want a study that is going to be revised later.

MS. NAGLE: I was just looking for those facts.

MR. McNAMARA: Do you have parts of that study that are not going to be revised? Have you drawn conclusions of fact in that Feasibility Study?

MR. PENN: Mr. Chairman, the Feasibility Study is being done by an outside consultant firm. They have a preliminary draft that they have to review and then go back to the consultant. Our office is working with the consultant. At this point, until it is ready as a public document, it is not really available, because there are going to be so many changes of this and that made.

MR. McNAMARA: We don’t want it until it is in its final form.

MR. SCARANTINO: That makes sense.

MR. McNAMARA: Then it is submitted to your office, Jack. When you submit that to DOT, would you also submit that to us for our record?

MAYOR SCHERER: Absolutely, sure.

MR. McNAMARA: Are there other questions for the representatives of Hillsborough?

MS. CASTNER: Actually, Suzanne and I are looking at each other’s notes, because she asked-- She is on the same train of thought that I am on.
Financially, it sounds like you have done some good preliminary work on the Airport's viability. The reason it is failing now is because it is in the red all the time.

You mentioned public funding and changing the funding policies to support the local townships, rather than (indiscernible). If those fundings do not change, if it stays the way it is right now for current airports that are privately owned but open to the public, would you still be interested in that piece of property?

MAYOR SCHERER: When we get the final report, when we get the final financial Feasibility Study, we will be in a position to better address that question. But I have to tell you honestly, this is a unique program that we are looking at and we are in a unique situation, but we have a community to report to. I don't think, under these economic times, with the costs of running local government always on the increase, that the community is going to endorse us to purchase an Airport which is failing. There is no reason to believe that within 10 years it is going to turn a profit. I think that would kill it.

M.S. CASTNER: Did you approach the Airport, or did the Airport approach you? How did it occur that you ended up looking at this unique situation?

MAYOR SCHERER: Well, I think-- Gee, that was about two years ago. I think, Jack, you might have a better answer for that than I. I do not remember.

MR. PENN: The present owner of the Airport is what you might call “property rich, but cash poor.” There was a situation involving inheritance
taxes, and so forth, that put him in a situation where in order to meet this debt service he had -- an obligation to the government -- he had to place the Airport on the market for sale. Hillsborough has expressed an interest, and we have moved ahead jointly on funding the Feasibility Study.

I think that is the best way I can possibly answer that, Mayor.

MAYOR SCHERER: I don’t remember who called who, but we were brought in early.

MR. PENN: Well, I think that maybe when they came to us, we may have even-- Either that, or possibly his attorney contacted your Township attorney. I do not remember, but it was something of that sort.

MS. CASTNER: Okay. A final question: When you were doing some of this research, did you find any other-- You mentioned some other states -- Pennsylvania, Maryland. Did you find any other states where this type of a partnership was being approached or where it had already been done?

MAYOR SCHERER: I didn’t get that far into the research. Do you have any comments on that?

MS. CASTNER: Are you going to do that? Are you going to include them in the Study?

MAYOR SCHERER: In the Feasibility Study we are currently-- The Feasibility Study is for the feasibility of Hillsborough purchasing Kupper Airport. It really pertains to the condition of the Airport, both economically and physically at this point, then with a financial and environmental study to help us to decide whether we should purchase it. I do not believe that as part of that study we are going to be going out of State at this point.
I think, quite frankly, there will be enough in that document to help us to decide either yes or no. If we decide to purchase it, then I think we would be looking for additional help from this Commission and from Jack’s office, and perhaps even our neighboring states, to see what has helped their success stories.

M S. CASTNER: Okay. Lastly, you said $11.6 million was needed for improvements. Did you do some type of projection? You said that you could not do -- that the revenue did not cover those improvements.

MAYOR SCHERER: Right. That is coming from the consultant on this study.

M S. CASTNER: So the pro forma you might be looking at for how to run this on a yearly basis-- You are not that far along to talk about it? Have you thought-- Do you know who would take hanger space and all of that?

MAYOR SCHERER: I apologize. The timing of this hearing is before the final stages of the Study, so I do not have the answers, unfortunately. I mean, we are well along, but we have not even, as a governing body, reviewed the documents, so we are really not prepared to address some of those issues.

M S. CASTNER: Okay.

MR. McNAMARA: Have you had conversations with any adjoining municipalities about your plans or intentions, and have they given you any indication of their reaction?

MAYOR SCHERER: I have not discussed this with the Mayor of Manville. He is our neighboring Mayor which this purchase would impact, you
know. Well, there really is no impact, but certainly they would be concerned about anything that might be happening at Kupper.

MR. McNAMARA: They would also be the beneficiaries of anything that happened there.

MAYOR SCHERER: Absolutely, absolutely, but then again, they have a constituency of their own to deal with and, of course, that would reflect in their decisions as well.

But, in answer to your question, no, there have been no formal discussions with our neighbors on this subject. I suppose that those will come about once the Study comes back and we bring it to a meeting and it gets into the press -- the papers -- as to their position on this whole thing.

MR. McNAMARA: Phil Engle, Hillsborough Township may not have received your questionnaire. Could you follow up and make sure they do receive one? Should we sent it directly to you, Mr. Scarantino?

MR. SCARANTINO: Yes, sir.

MR. McNAMARA: If you send it to the Township Engineer, he will--

MR. ENGLE: Do you have a fax number?

MAYOR SCHERER: Area code 908, 369-3954.

MR. ENGLE: That’s 369-3954, right.

MR. McNAMARA: Are there other questions?

DR. TELLING: Mr. Chairman, if I may, at least for the record, I would like to take a moment to applaud, I think from what I have heard today, the efforts of both Jack Penn and his Division and the Mayor, the Chief Engineer, and, I guess, the municipal officials of Hillsborough who are, it
appears, undertaking every effort they can to keep one of New Jersey’s airports going and to find a solution that will support economic development.

I think it is fair to say that the lesson I hear coming out of this is obviously where there is -- as we have heard before -- sufficient land, in the interest of economic development, what is appreciated is the potential, even in a limited situation, for some compromises to be worked out, if they are desirable. That might be an area of economic growth and development we ought to look into more as we get the rest of the studies in.

MR. McNAMARA: Pete?

MR. HINES: Just a fast question, maybe I missed it. What is the acreage of the Airport, sir?

MAYOR SCHERER: We knew you were going to ask technical questions like that. Is it 100?

MR. SCARANTINO: It is over 100.

MAYOR SCHERER: It is over 100 acres.

MR. HINES: Just slightly over, 103, or something?

MR. SCARANTINO: I apologize. I think it is closer to 130.

MAYOR SCHERER: That rings a bell with me, 130 acres.

MR. HINES: The $11.6 million, is that correct -- for improvements?

MR. SCARANTINO: Yes.

MR. HINES: Does that include the value of the land?

MR. SCARANTINO: No, that is above and beyond the cost of acquisition of the Airport as a business entity.
M. R. McNAMARA: That is all for Airport improvements -- the $11.6 million?

M. R. SCARANTINO: That is the consultant’s reevaluation of the draft Master Plan currently on file with the Department applying cost escalation over a 16-year period. It is an ultimate bill out of a law that proposed improvements that would be in compliance with FAA standards.

M. S. CASTNER: You also said that included things like hangers, which currently are not funded because they are -- they have nothing to do with safety.

M. R. SCARANTINO: That is correct. It includes other improvements which the consultant has-- The consultant has tried to build a well-rounded business operation for the Airport. One of the predominant failings of the Airport today is its lack of support services to anyone who bases his aircraft at that facility. In fact, many Hillsborough residents who have aircraft do not base them at Kupper.

M. S. CASTNER: That is currently not funded now?

M. R. McNAMARA: Oh, yes, but that is not-- That is a different issue, whether it is funded or not. These gentlemen are saying that Hillsborough is-- First of all, they recognize the value of the Airport to their community as it is. Secondly, they recognize that if it has an investment made in it -- especially if part of that investment is put into hangers and other revenue-generating facilities -- it can return to the community a certain amount of income.
Essentially, isn’t that what you’re saying? Whether those revenue-generating improvements are funded under DOT funding or not, you feel they are valuable?

M R. SCARANTINO: That is correct. One of the issues we are now considering in the financial analysis is that if the municipality acquires the Airport, it becomes an exempt property, and that tax revenue is lost. So, right now, we’re talking about a study which potentially projects a negative cash flow for 13 years, because of the magnitude of improvements that are required, and, on top of that, a loss of tax revenue to the Township by creating an exempt property. Those are the types of issues we are facing.

M R. M cNAMARA: Are there other questions or comments?

M R. HINES: If I may finish up with my questions, that $11.6 million, at this point of your projections, does that include any improvements to the taxiways and runways?

M R. SCARANTINO: Virtually complete reconstruction due to the significantly deteriorated state.

M R. HINES: I’m sorry?

M R. M cNAMARA: Please speak into your microphone. We cannot hear you.

M R. SCARANTINO: It ultimately calls for complete reconstruction of the airfield itself, including the existing taxiway and the construction of a new taxiway.

M R. HINES: For which funding would, hopefully, be available?

M R. SCARANTINO: Yes.
M. HINES: But you are also then looking for funding for both
ground improvements like the hangers and--

M. SCARANTINO: That is correct.

M. HINES: Thank you.

MAYOR SCHERER: Mr. Chairman, if I may make one comment, I
notice that in Mr. Scarantino’s testimony he uses the year 2103. I believe it
is supposed to be 2013. That is on page 4.

M. McNAMARA: That would be in the last paragraph?

MAYOR SCHERER: Yes, sir.

M. McNAMARA: Gentlemen, thank you very much for coming
-- for taking your time to come down to testify before us today. We look
forward to receiving that Study. If you think of anything you wish you had
included, but have not, you may submit it by sending a letter to me.

Other than that, once again, thank you.

MAYOR SCHERER: Thank you, Mr. Chairman and members of
the Commission.

M. SCARANTINO: Thank you.

M. McNAMARA: Is Mr. Clark here? (no response)

Is Mr. Dashevsky here? (affirmative response) Mr. Dashevsky is
from the Great Eastern Balloon Association. I told him he could come down
and have 15 minutes to tell us the importance of airports. The Great Eastern
Balloon Association is known as GEBA. Is that correct, Mr. Dashevsky?

ALAN DASHEVSKY: Yes, Mr. Chairman.
Mr. Chairman, members of the Commission: Good afternoon. My name is Alan Dashevsky. I am a resident of Monroe Township, New Jersey. I am a balloonist holding a private pilot’s license with a Lighter Than Air rating. I own a hot air balloon and have been active in ballooning for six years. I am a member of the Balloon Federation of America -- BFA -- and the Great Eastern Balloon Association -- GEBA. The BFA is a national association of individuals interested in ballooning. GEBA is an organization with a membership of about 200, covering the New Jersey, Pennsylvania, New York area.

Ballooning is a unique part of the aviation community. Currently, there are only 6000 or so registered balloons in the United States. Opportunities for flights are very restricted. Generally, we fly just after sunrise and/or just prior to sundown. These times of the day provide the most favorable climatic conditions.

In New Jersey, the majority of flights occur on weekends, as only very few individuals derive their entire livelihood from the activity. Therefore, the actual number of flights per balloon, given the weather conditions, is about 50 per year.
Even though we are a small part numerically of the aviation community, our interests and our concerns are identical. We seek the opportunity to fly, to enjoy our activity in a safe, convenient manner. We are alarmed at the decline in private airports and the ongoing assault on those that remain. It is impossible to read a newspaper and not see an article dealing with attempts to limit and/or close a private airport. Furthermore, the growth and expansion of these facilities is generally viewed in the same manner as pollution.

You may wonder about the relationship between balloons and airports. Yes, it is true that we are not required to originate our flights from an airport. By New Jersey State regulation, we are required to have a balloon port license for any field we use as a launch site. Licensed airports do not require separate certification in that area. A number of balloonists have made arrangements to launch from private airports around the State. Generally, balloon operations occur from a field some distance from runways and taxiways, thus having a minimal effect on other airport traffic.

Federal regulations concerning the designation and use of air space, as well as common sense, prevent balloon flights from larger airports such as Morristown and Newark.

Some people are of the opinion that balloon operations in and around airports is inherently dangerous and should be prohibited. Just like a small private aircraft pilot has no desire to interfere with the flight of a commercial jet airliner, balloonists have little desire to become a hood ornament on any airplane, large or small. Most balloon pilots own the equipment they fly, an investment of over $20,000. There are very few rentals
available, and therefore, we desire to keep our equipment and ourselves out of harm’s way.

Airports and balloons have a long history of cooperation in the form of balloon events known as festivals. These are of significant economic importance to the surrounding communities and the State. In the immediate area, there is the New Jersey Festival of Ballooning at Solberg, the event attracting over 100,000 annually over the three-day period, with over 125 balloons participating. The Festival in Alexandria -- the Magic of Alexandria -- is held in Pittstown, a bit smaller, but, again, just as important economically to that area. In neighboring states, there are similar events at airports -- the Quakertown Airport in Pennsylvania, the Tri-Cities Airport in Binghamton in New York, and the Dansville Airport in Dansville, New York, and the list goes on and on.

If the decline and the restriction imposed upon local airports continues, it is logical to conclude that these events could cease to exist. This would result in an economic hardship on those businesses and groups that derive income from the various concessions involved. It would adversely effect the balloonists through the loss of passenger ride income, and would certainly deprive the public of simple enjoyment.

As a group, we are concerned about the sublimable reversal in governmental regulation that has slowly taken place. Not many years ago activity was considered permissible unless it was expressly forbidden by law or regulation, but we are now seeing an interpretation that an activity is expressly forbidden unless it is approved or authorized. We are concerned about that.
We do not understand why a business or activity can exist for many years and suddenly be threatened by individuals after the fact. Common sense says that if you do not like or want the various effects of living near an airport, then don’t buy a house near an airport. It is illogical and unfair to move near an airport and then demand that it be closed as a nuisance. There must be protection from the after-the-fact NIMBY syndrome that plagues so many facilities and activities.

Furthermore, a certain amount of growth is important to the economic survival of any business. While we are not suggesting that every private airport be given the approval to reach the size of Newark, there must be recognition that the absence of some growth and the inability to stay current with the needs of aviation are a death sentence for these facilities. While the State does not necessarily have an obligation to economically support these facilities, it should also not take steps that might result in their economic deprivation. It is a slow, agonizing economic strangulation if that should occur.

There is also a need for protection from legal ravishes. Our society is litigious, and has been conditioned to continue a legal process until the desired result, whatever that may be, is achieved. Opponents of private aviation know that by forcing legal action after legal action they can bankrupt the small airport, and thus achieve the result they want. This is not fair to anyone.

While some activity at smaller airports is sports/pleasure oriented, we must not lose sight of the transportation values these facilities bring to our State. Other existing modes of transportation -- vehicle, rail, and the roads --
are congested beyond the point of reason. Rather than allow the demise of airports, efforts could and should be made to look toward the future and incorporate them into overall transportation planning.

Although I live in New Jersey, I have an office in New York and one in Washington, D.C. My travel choices are very limited and waste hour after hour. In traveling to Washington, a trip by rail consumes over three hours door to door. Travel by air, using Newark Airport, is no better. Why not a series of local airports with commuter flights? These would eliminate the hassle of traveling to a major airport, time wasted between the parking lot and the terminal, and so on and so on. This cannot even be a partial reality if private airports and the land they occupy become an office park or a housing development and are lost forever.

Finally, the aviation community and regulators should recognize that although balloons have similarities to the rest of aviation, there are sufficient differences in our purposes and modes of operation to make it undesirable for common regulation. Airplanes are not balloons; balloons are not hang gliders; hang gliders are not parachutes. Yet, the State has devised regulations that attempt to provide similar controls on all entities. While well intended, they may not be in the best interest of those being regulated. In this case, one size may not fit all.

I thank you for your time and interest. I would be glad to entertain any questions you might have about our relationship to aviation and the work you are doing.

Thank you.

M R. McNAMARA: Thank you.
Are there questions for Mr. Dashevsky?

DR. TELLING: Do your operations -- your balloon operations -- and you say they have to leave from a registered balloon port--

M R. DASHEVSKY: Correct.

DR. TELLING: Is an airport a registered balloon port automatically?

M R. DASHEVSKY: Yes, it is. By definition in that regulation, it is considered as such and we only need the permission of the owner of the airport to operate there.

DR. TELLING: When you take off from an airport in a balloon, do you have control over which direction you proceed?

M R. DASHEVSKY: The balloon’s flight control is directed by where we launch from and the direction of the wind. Typically, we will originate a flight based upon the climatic conditions at the time.

For specific example, a wind out of a certain direction, I will use the field adjacent to the Robbinsville Airport to launch my flight, and I will head in a direction with the wind that will provide me with safe opportunities to land at the other end.

DR. TELLING: Now, aircraft operations at that field would be operating into the wind, so all aircraft departing the field would depart in the opposite direction to you. Is that correct?

M R. DASHEVSKY: That is correct.

DR. TELLING: And aircraft arriving at the field would be arriving parallel to the one on which you are departing. You would be heading toward them, presumably off to the side. Is that correct?
MR. DASHAEVSKY: That is correct, although in most instances the direction of flight that we generally take out of an airport when there are powered flights in progress would be from a field sufficiently far enough away from a runway to avoid conflict. Where there is active traffic, we do notify airport radio control.

DR. TELLING: Can the balloon pilot control the altitude to which the balloon goes in the initial stages of flight?

MR. DASHAEVSKY: Yes, we can. A typically safe ascent is at less than 200 feet per minute.

DR. TELLING: And aircraft traffic, of course, is much above that, 800 to 1000 feet.

MR. DASHAEVSKY: That would be correct.

DR. TELLING: The commercial impact of ballooning, other than the balloon festivals which you say attract upwards of 100,000 people, is relatively small, isn’t it?

MR. DASHAEVSKY: In comparison to aviation, it does finger out into a mirage of areas: the purchases of propane, the purchases of radio equipment, and, I guess, to some smaller extent, the purchases of champagne for the traditional toast afterwards. Vehicle purchases? We are fairly specialized. We still require large vans and/or trailers to safely transport our equipment. For the festival events, there are hotel accommodations for all of the balloonists, and so forth. A major economic--

MR. McNAMARA: So there is a continuing economic impact even for balloons?

MR. DASHAEVSKY: Correct.
MR. McNAMARA: Yet, the main purpose for balloons would be recreational. Am I correct in saying that?

MR. DASHEVSKY: Yes and no. While many of us fly for pleasure, one of the goals of most pilots -- because none of us are exceedingly rich -- is to be able to do enough commercial activity to support the process, basically selling rides, if you will. You have all probably seen the advertisements, gift certificates for anniversaries, weddings, what have you. A good number of people in this activity do commercial rides. There are a few who have made ballooning their exclusive form of income, and they do it through a variety of mechanisms, advertising, if you will. You have seen balloons that have signs on them when they fly. There is compensation for that as well.

MR. McNAMARA: What would happen to the ballooning public if all the airports closed?

MR. DASHEVSKY: We would lose two very important recognition events -- Alexandria and Solberg. The one way that our activity survives throughout the year is that people remember those events. Those are our advertisements, if you will. Someone goes to an event, or sees pictures of news coverage, and says, “Gee, that looks like I would like to do that,” and the balloon pilot gets a couple of rides out of that and is able to continue ballooning.

If we take that away, if we take the airports away, if we take the ability to have those festivals away, ballooning will become an invisible activity, and the interest in the rides will dwindle, the interest in ballooning will dwindle, and there will be some economic loss, not to mention that it is a
beautiful spectator sport. It is one of the pleasures in life, and there seem to be so few these days.

MR. McNAMARA: Are there other questions? Mr. Hines?

MR. HINES: One quick one again: Have you in performing your activities received any noise complaints?

MR. DASHEVSKY: We are very conscious of noise. Balloon burners -- and there are many varieties -- have a varying level of noise, and we are very conscious about that, especially in the morning flights. One of the things we do in order to minimize that is not to overuse one particular place we are launching from so we do not wear out our welcome. We try to be as far away from people as we can when we do it. Typically, by the time we land, folks are up and they are excited to see us.

MR. HINES: Do I take that to mean that, yes, you have received some complaints?

MR. DASHEVSKY: Personally, no, I have not.

MR. HINES: That is the answer I was looking for.

Thank you.

MR. McNAMARA: Other questions?

DR. TELLING: Yes, Mr. Chairman.

If you are launching from a location that is not an airport, what do you have to do to make it declared a balloon port?

MR. DASHEVSKY: We are required by the State to go through a fairly extensive process to get it registered as a balloon port. It is a process that involves more than just getting the landowner to say, “Yes, it’s okay. You can fly out of my farm field.” We have to get the town involved. We have to
get a fair amount of legalistic paperwork involved. We have been working with Jack Penn and his group on that very actively and very cooperatively.

DR. TELLING: If I may ask, not to be too dull on this point, do you mean if I own a farm someplace, 100 acres, and I want to go ballooning some afternoon, I can’t just launch a balloon there?

MR. DASHEVSKY: Legally, no.

DR. TELLING: That’s absurd. When was this put into place?

MR. DASHEVSKY: Many years ago.

DR. TELLING: Do you have any idea how long ago?

MR. DASHEVSKY: Not specifically. It is a balloon port regulation. The intent, if my understanding is correct, is to prevent a situation that would worsen the effect on ballooning, and that is to prevent the municipalities from outlawing it, as there are currently municipalities in this State that have done that.

MS. CASTNER: I think I can answer that question. I was at a meeting one night with some of Jack’s people -- one of Jack’s people -- and Emmett’s people, and they were presenting this to the balloon group. It was about three to four years ago that they redid the regs.

MR. DASHEVSKY: Yes.

MS. CASTNER: They actually started out with that you had to register where you took off from--

MR. DASHEVSKY: And landed.

MS. CASTNER: And landed.

MR. DASHEVSKY: Which was impossible.
M.S. CASTNER: It took awhile to explain to the people there that that wasn’t possible.

I would like to compliment this group, GEBA. Al, I know your name and everything, but I don’t believe that we have ever met. GEBA works closely with the balloon festivals for landowner relations. We have a program where we supply money and make a lot of cards (indiscernible) because always somebody makes it bad for everybody else. There are some balloonists who don’t have a crew who go ahead and ask, “Is it okay to land here?” It may not be okay. They land in crops or disturb the horses.

I think what GEBA is doing is very carefully planting the seeds for the future, to make sure that those people who are interested in the mystique of ballooning can still do it without the neighbors— I have been in a balloon where a guy stood out there with a shotgun and said, “Not here.” I have also been where people have stood there and had 25 or 30 neighbors come over, take the balloon, give rides with Mickey Mouse, so it runs the gamut from, “We hate you,” to “Land here, land here.” I think GEBA, Al’s group, is doing a great job in trying to keep it an enjoyment.

M.R. McNAMARA: What do you do when you want to land? How do you get permission from a landowner?

M.R. DASHEVSKY: I have radio contact with my chase truck which follows the flight pattern. Basically, I radio down and say, “I am looking at this farm here. Go check and make sure there is someone home.” Now, invariably, depending on the terrain, I may be on the ground before they actually achieve that. At that point, I will remain in the balloon with the
balloon ready to relaunch if, in fact, the landowner says, “I don’t want you here. Get out of here.” Fortunately, that has never happened to me.

I do take great pains about avoiding certain places. I prefer to put my balloon into a scrub field, rather than into someplace where I might anger the landowner. I was a farmer in New Jersey for many years.

MR. McNAMARA: Okay.

Are there other questions? Mr. Elliott?

MR. ELLIOTT: Have complaints gone down in recent years from landowners?

MR. DASH EVSKY: Generally, I would have to say “Yes.” They seem to become a little more numerically high around the festival time, because we get pilots in from out-of-state who may not be as concerned about our landowners as the guys who fly here regularly. We work with them, we counsel them, and try to make them see that, “When we go to your state, we try to respect your flying areas, so do the same for us.” But when you get 125 balloons in the air at once, you can have a complaint or two. It’s possible.

MR. McNAMARA: Okay. Thank you very much, Mr. Dashevsky.

ASSEMBLYMAN BAGGER: Jack, may I say something?

MR. McNAMARA: I’m sorry. Go ahead.

ASSEMBLYMAN BAGGER: Just as a follow-up, you said before that you thought the rationale behind the State regulation was to prevent municipalities from banning ballooning. Then you said that there are some municipalities that ban ballooning.

MR. DASH EVSKY: Yes.
ASSEMBLYMAN BAGGER: Do you know if this regulation does prevent municipalities from having ordinances like that?

MR. DASHEVSKY: What I do know is the following: It is supposedly illegal to launch a balloon flight from Hopewell Township. You cannot originate a flight there legally.

Subsequently, this regulation, according to Jack Penn and Emmett O’Hare, was to supersede a municipality’s right to enact an ordinance of that nature by taking the responsibility for authorizing balloon flight -- balloon operations. I think to that extent it makes a great deal of sense. We in the ballooning community are not opposed to the concept. We would like to see it become a little more workable on the casual informality level that we generally work with.

If you say to Farmer Brown, whom you have been with for five years -- he has let you launch out of his back field -- “We need to fill out 27 pieces of paper, go down to the town hall, appear before the planning commission, and then, you know, send in some stuff to the State,” the answer you are very likely to get is, “I think you ought to find another field to fly from.”

When we are picking fields, we just can’t pick any field. It has to be in the right flight path. It has to be suitable for wind direction. It has to be safe, in terms of balloon operations. It has to be accessible, and it has to be something we can drive a truck on. There ain’t too many of those around, to be truthful with you, and those that we get we cherish very carefully. They are like gold to us. We do not want to alienate a landowner over bureaucratic regulation and lose that opportunity. You know, getting a letter from a
landowner that says, “Yes, it is okay to do that. Just make sure that you are insured,” which all of us are, is about all we think we need. That would make sense to us.

MR. McNAMARA: There have to be two purposes for that regulation. One is State preemption of local ordinances. Without it, you are subject to a locality saying that it is an illegal operation and you are prohibited from operating there.

It is clear to me that your approach, Mr. Dashevsky, to matters of aircraft operations is a careful one, but not everyone’s is. I don’t think it is completely harmful for the Department of Transportation to go and review a potential balloon sport just to make certain that the location of high tension power lines, and that sort of thing that causes really tragic balloon accidents, are not such that those accidents will occur. I think the State does have an interest in that, just as it does with certain airports.

MR. DASH EVSKY: I couldn’t agree more. My concern is to not make it a bureaucratic nightmare with the local municipality and appearing before their various boards and commissions, which would tend to turn the landowners off.

ASSEMBLYMAN BAGGER: If I may, on that point, presumably those ordinances are invalid. Presumably that Hopewell ordinance is invalid. The purpose of the State regulation is to preempt the municipalities— I mean, legally, it is meant to be practical.

MR. DASH EVSKY: The last version of the regulation required us to file paperwork with the local municipality.

MR. McNAMARA: Is it a burdensome amount of paperwork?
MR. DASHEVSKY: It is not so much that it is burdensome, but it is the kind of thing that says to a landowner, “Go fly somewhere else. I don’t need this. You know, I have a bone to pick with the town council, or this department, or that department. If I have to get involved with them, I would just as soon you do your sport somewhere else.”

ASSEMBLYMAN BAGGER: I’m sorry, Mr. Chairman, to belabor the point, but I am just trying to understand. I would think the purpose of the State regulation would be that the procedure of requirements would be the same everywhere, and that there would be no greater burden in terms of paperwork in Hopewell Borough versus Hopewell Township versus Pennington Township. That is a separate question, then, whether there is too much paperwork required by the State regulation. But when you say that somebody has to file paperwork with the municipality, and then they say, “Go fly someplace else,” it is a sacred relationship we are talking about-- There is no place else in New Jersey that they can go to.

Through the Department of Transportation regulation, is there a preemption of municipalities’ ability to regulate the spots where you can take off?

MR. DASHEVSKY: I’m not sure I totally understood the question.

MR. McNAMARA: I don’t think he would know, Rich. I think that is sort of a question that Jack has to answer.

MS. CASTNER: No, it is in the regular--

MR. McNAMARA: I believe that any State regulation preempts a local ordinance.
M.S. CASTNER: What it says is, you have to go-- Like I was going to do some morning flights in Flemington and things for my balloon festival a few years ago, and I fell under this regulation. This was at the airport. The balloonist who was going to take off had to go to the Township -- or it was Flemington Borough, or whatever -- and have a form filled out for a temporary balloon order. Now, if it were permanent, you would have to do it for a permanent balloon order. Then you have to go to the landowner, and the landowner has to fill out a similar piece of paper. Those three -- the pilot who is asking for the balloon order, the landowner, and the municipality -- have to send it to someone in Jack’s office, I think it is Gil, and then they come out.

You have to have a plot plan. That is why they have to go to the planning board. You have an inspection just like Suzy and I have an inspection at the airports. There is a fee associated with it, but the balloonists didn’t like it. They never had any regulation. Now, all of a sudden, they had to get more than one person’s permission. They had to get three people’s permission, and it cost them money. You also had the liability now that it is a real balloon board. It is an aviation/aeronautical facility. It has to have fire extinguishers. It has to have the grass mowed. It has to have egress and access. It is not a cornfield anymore.

MR. DASHEVSKY: To give you an example, I have a friend on the board of education. There is a school out, literally, in the middle of nowhere with a humongous amount of land. No houses around it. It is literally an ideal launch spot for a balloon. The flight path is perfect. I talked to my friend, and he said, “It shouldn’t be a problem to get you an okay to
launch from there, as long as you name us as a coinsured,” which I was amenable to doing on my policy.

The bottom line was, once they heard about the licensing part of it, and that all of a sudden it became a legal thing, they said, basically, “Go look someplace else.” So there is a bit of a situation there.

We in the ballooning community are not opposed to working with the State. We are not opposed to letting them know and to being on file as to where we launch from. We are not trying to hide anything. We are not trying to be secretive. We just don’t want to lose what we already have. That is the fear among many, many pilots; that those places they have been so many years with, that once it turns into a paperwork thing, they will be less than welcome. Then we will all be at Linda’s door, and at Suzy’s door, and in Robbinsville. We will all want to launch from there, and then it is going to be congested at an airport. It won’t be just the occasional guys who go out at the festivals. Then that will become a problem.

M R. M cNAMARA: Thank you very much, M r. Dashevsky.
M R. DASH EVSKY: Thank you for the opportunity.
M R. M cNAMARA: Is M r. Solberg here?

T H O R S O L B E R G: Should I step up?

M R. M cNAMARA: Yes, please. Take a seat, M r. Solberg. You have already given testimony before this Commission, so you are still sworn. M r. Solberg heard testimony submitted previously, and wants to supplement the testimony he had given in light of that. I told him he could have 15 minutes for that purpose
Before we get started, though, let me ask Rich a question.

(consults with Assemblyman Bagger)

Okay, Mr. Solberg.

MR. SOLBERG: Thank you very much. Is this microphone on?

MR. McNAMARA: I don’t hear you well. You might get up close to it.

MS. CASTNER: Is the red light on?

MR. SOLBERG: The red button is on.

MR. McNAMARA: Oh, there you are.

MR. SOLBERG: I thank you for letting me come back again. I was here present when Maryann Nergaard spoke for the League of Municipalities, and Kathy Kitchener spoke as the Administrator of Branchburg. I also heard Senator Schluter speak. All three expressed concern about making sure that the municipalities of this State have some control over what is happening at the airports. I thought it might be important if I could share with you some of the experience I have had living in the last half century at our Airport, experience with Readington Township, and our neighboring municipality, Branchburg.

I think it is fair to say that the local municipality generally is the rule of society. I know when my father first started the Airport, there were probably no more than five homes within miles of the facility. It was mostly farming. Other municipalities stayed that way over time, and the underlying philosophy of the government -- the municipal government -- has been to try to maintain it as an undeveloped state, which is, I suppose, a laudable goal.
They have, I think, constantly done that by trying to limit the kind of infrastructure the community has.

They have tried, through zoning, to limit development, and the courts have chastised them somewhat for that. But the other club I suppose they have is that of limiting the kind of infrastructure the community has, so as to, in some way, try to control development. The problem with that is that all of us who are within the municipality with this limiting infrastructure suffer from the degradation to the safety of our welfare that is created by these limitations. I think, instant specific, the kinds of roads they develop in town.

Normally, they will make them very constrained, narrow and small. The purpose, I suppose, is to try to limit traffic. On the other hand, those of us who really have to travel those roads are doing so at a little bit of risk to our own personal safety. It seems to be sort of a general rule, or my observation, of how the municipality tries to effect some sort of development control.

Readington, with regard to our particular Airport, has done similar sort of techniques. Generally, they try to ignore us. Until recently, within the last 15 years or so, the municipality hasn’t even included us. It is more of an inventory in their master planning process. They have totally ignored the Airport. They have made no attempt to communicate with the Airport to find out what the Airport’s needs might be and how those needs might be meshed with the design and philosophy of the town.

As a matter of fact, even the Chairman of the Planning Board, the long-standing Chairman -- I guess a lot of municipalities have long-standing chairmen of planning boards -- when asked about the Airport has often
remarked to people that it is only a transient use, and that probably, in time, it will disappear. I think that has always been in their background -- or, in the back of their minds, that if they ignore it long enough, it will probably go away, without ever trying to find out whether there was some meaningful purpose for the facility and trying to plan for the future.

They have done, in terms of control, things that would give them some advantage over the development of the Airport. For example, placing a municipal recreational facility on the departure end of the primary runway, with the idea that, “Well, certainly we can control what happens here if we put the safety of children at risk.” Over the last 10 years, they have tried to build a school off the end of the secondary runway. Even though there is plenty of land available in other places, I think they use it sort of as a wedge.

Most recently, now, they are trying to buy some land on the end of another runway, just off the threshold of the runway, to place another recreational facility and baseball fields. This is the sort of problem, I think, that sovereignty within a municipality causes general aviation, which has a broad-reaching benefit far beyond the boundary of a municipality itself.

It is for those reasons that I would urge that any recommendations that come out of here try to put a broader perspective on this. Certainly, the needs of the municipality need to be addressed. They need to be considered. But if they are given total control over activities that occur within their boundaries, the system that exists within the State will be severely degraded.

More recently, we have started to develop a master plan for our facility. We began about four or five years ago, having received a Federal grant to do so. We tried desperately to get Readington and Branchburg to join with
us in going through this procedure, hoping it would open a dialogue and provide a way that the Airport and the municipalities could speak together and address their common goals, and provide an aeronautical solution compatible with the communities.

Initially, neither community wanted to participate. I think they were fearful that in some way it would lend credibility to the study itself. For two years we tried to get them to participate. Finally, we were successful in getting them to participate, and over the last year and a half or so we have been working together with them, until most recently.

This study advisory group, when we came to the point in the study where we were recommending various alternatives to satisfy what we saw as the forecast aeronautically in the future, the representatives of both Readington and Branchburg, at this meeting, would not listen to the entire presentation. They interrupted the presentation and simply said that, in their view, it was inappropriate to have such a solution, even though they had not heard the total presentation of the solution.

We ended up in an hour or an hour and a half of debate back and forth about this, until I finally said to them, “If we can show you that this solution not only serves the aeronautical need, but also is compatible with the community which would entertain such a solution--” Their answer was, “Absolutely not. We think it is inappropriate, and we do not want it.”

Now, granted, these are the words of only four people who were present.

MR. McNAMARA: This was at a public hearing, or was this a private, smaller meeting?
M R. SOLBERG: It was at a smaller meeting of the study advisory group, which consists of members of Readington Township, Branchburg Township, Hunterdon County, and Somerset County. There were seven or eight of us there. It was open to the public, though the public was not allowed to participate in it.

M R. McNAMARA: The two townships took the position that they did not want to hear the presentation. They were not going to provide any conclusion that the presentation might lead to. Is that what you’re saying?

M R. SOLBERG: What I am saying is, when we first presented an alternative solution, they failed to wait until the complete presentation of these alternatives was finished, which sort of analyzed them with regard to their impact on the community. They just said that on the face of it, it was unacceptable, even without listening.

M R. McNAMARA: Even without knowing what it was?

M R. SOLBERG: Without knowing what its impact would be based on the study itself.

M R. McNAMARA: Did the counties take a similar position?

M R. SOLBERG: The counties did not take a similar position.

M R. McNAMARA: Did the other attendees at the meeting have a similar position, or was it just the two townships?

M R. SOLBERG: It was just the two townships. The other attendees at the meeting were a representative from the New Jersey Department of Transportation, the two counties, and the Airport. It was just the municipalities. It bothered me quite a bit listening to the municipalities testify here and listening to Senator Schluter trying to gain additional control,
or power for the municipalities. It was disappointing to see how they reacted when, on the one hand, they want power to do more.

M R. M cN A M A R A: As I recall, the thrust of Ms. Nergaard’s comments -- and I believe she commented both for the League of Municipalities and for Branchburg-- She stated that she would like some facility to have an overview over the development of airports, such that a local municipality could not allow that airport to develop without some consideration being given to the concerns of the neighboring municipality. I clearly recall that portion of her testimony.


M R. M cN A M A R A: And you would concur with that concept?

M R. S O L B E R G: Yes, of course. I think it is important that the communities are able to participate in the planning process. The problem is in educating the people as to the real benefit, and to try to-- Since it is such an emotional issue -- airports are such an emotional issue -- it is difficult to present things logically to people. When you get it politicized by a local politician, he takes advantage of the fervor of the crowds to just gain popular support, and the underlying principles involved seem to get lost. That was evident when we had our public hearing -- or, not a public hearing, but our public meeting, to present these comments to the public.

M R. M cN A M A R A: When was that?

M R. S O L B E R G: It was on March 8, I believe -- or, February 8, I’m sorry, which was a couple of weeks ago. I brought a bunch of newspaper accounts that sort of describe the events. I know that some of the members of
this group were present, also, and probably have a firsthand knowledge of how that went.

MR. McNAMARA: Could you-- I don’t mean to interrupt you all the time.

MR. SOLBERG: No, go ahead.

MR. McNAMARA: Do you have representative portions of those newspaper accounts you could just leave?

MR. SOLBERG: Yes, sure, I could do that for you. This particular one is from The Courier-News, dated February 9: “The crowd at the packed municipal building, which easily exceeded the meeting room’s 367-person capacity, did not treat the Airport’s manager, Thor Solberg, kindly after he outlined the Airport’s recommendation for expansion. The audience at times resembled an angry mob that frequently interrupted Solberg and his master plan consultant. One pilot who spoke in support of the plan was nearly shouted away from the microphone. Another said, ‘I’ve learned about mob democracy here. It scares me silly.’”

Again, I think generally the people who were there, for the most part, were interested people, but there is always a small group of people who are inconsiderate, and it is at the expense of those who really want to learn.

In this same paper, one of the commentary people wrote an article, and I will read just a few things from his. The headline is entitled, “Unruly Crowd at Airport Hearing Hurts Cause.” “Most of the people I know from Branchburg and Readington are decent human beings. As such, they were probably not among the crude and uncouth at Thursday evening’s meeting about the future of Solberg Airport.
“What’s inexcusable is the lack of civility and decorum that reportedly marred the meeting. Some people shouted out smart-aleck remarks. Others simply yelled while people were trying to talk. It was like a bad fifth grade class. The absence of civility Thursday night was telling. This was also a textbook example of buffet-style politics and situational ethics at work.”

This was another commentary that was written about the meeting:

“The unruly and outrageous behavior at a meeting in the Branchburg Municipal Building on the proposed expansion of Solberg Airport was duly reported in newspapers all over the area. They reported on how insulting remarks were hurled at the meeting’s host, Thor Solberg, along with his master plan consultant, Alan A’Hara, who arranged the meeting to explain his plans to the area residents and to give them a chance to comment on those plans.

“The reports told how the Branchburg residents, more than 400 of them, packed into the meeting room, interrupted Solberg with raucous shouting and insults, and how they shouted down anyone who attempted to speak in behalf of Solberg’s facility. It was a disturbing scene of verbal mob violence.

“What wasn’t reported was that the town’s committeemen, including the mayor and deputy mayor, sat on the platform, observed the unruly behavior of their constituents, and not one ever suggested that they tone it down and behave in a more civil and intelligent manner.

“Instead, each of them tried to outdo the other in supporting the views of the mob, thus becoming part of the mob and encouraging their absolutely outrageous behavior.”
MR. McNAMARA: Both of the mayors were there from both of those townships -- Branchburg and Readington?

MR. SOLBERG: The Mayor of Readington was present, but it was not as part of the group. She was in the audience.

Then there was an editorial in The Courier: “Raucous residents of Branchburg and Readington took turns objecting to the noise pollution and safety problems upgrading would entail and hooting at any who spoke in defense of improvements. Few critics acknowledged that the Airport was there in 1939, long before most of the homes next to it.

“The protests produced impassioned vows by Readington officials to block the plans.” The final sentence says: “The Branchburg hearing showed why it’s a good idea to have decisions on airport improvements made at higher levels.”

I think that is really the final thing that needs to be considered here, because there is so much emotion that takes place on an issue such as this that it is very difficult to get to what is reasonable, and the future of our aeronautical infrastructure, systemwise, is stayed by local impassioned and emotional statements.

MR. McNAMARA: You were at this meeting, obviously, Mr. Solberg.

MR. SOLBERG: I was there.

MR. McNAMARA: What was it that the members of the township -- the people from the township were concerned about? Could you tell from their screaming and from their cries what it was?
M R. SOLBERG: Unfortunately, there are a couple of people who are neighbors of the facility who are extremely distraught and fearful of the facility, so much so that they published some pamphlets a few days before which led the people to believe that the growth of this Airport to serve the community would produce a major jetport with DC-10s and 747s landing there; that the property values of everyone within the area would go in half; that the taxes would double; and that all of this was only for the purpose of making me rich. They were pretty angry when they came. Unfortunately, it was not possible to explain the true facts to them.

M R. M cNAMARA: Do you have a copy of one of those pamphlets that were distributed with you?

M R. SOLBERG: Yes, I do.

M R. M cNAMARA: Would you mind leaving that with us for the purpose of our record?

M R. SOLBERG: No, not at all. I also brought, though it is incomplete -- I can probably arrange to have another made which would be complete -- a sort of videotape of that meeting, if that might be something you would want to include as part of your--

M R. M cNAMARA: We would like that. Also, we would like you to leave those newspaper accounts with our hearing reporter to make them part of this record.

Now, let me ask you: Is it possible in that environment -- I don’t really mean the environment of this public meeting, but in the environment of things like that meeting and the other meeting with municipal officials which was a closed meeting, in that the public was not allowed to participate--
Is it possible to have logical discussions over a period of time with municipal officials to work out the master plans for airports -- or for your Airport?

MR. SOLBERG: I was certainly hopeful that at least at the initial meeting, which was just a small group of officials from the towns and the county planning boards, we would be able to. That was the whole purpose of it, to keep it on a rational level, as opposed to an emotional level.

The plan that was to be presented to them -- which they failed to hear in its entirety -- showed that the alternatives we had developed would create a situation in the town that was exactly the same as things are today. I mean, the problem, as I have viewed the town-- The problem to the town, as I have always viewed it and they have expressed it, is that they do not know what tomorrow is going to be. They know what they have today, but they cannot imagine what it will be like tomorrow. Our whole analysis of the alternative solutions to satisfy the aeronautical demand of the future related to what the future would be to what it is today. But they never got to hear the presentation, though they were provided the written form of that document in advance. I don’t know if they really looked at it. But they rejected the plan on the face without specific reasoning for it.

MR. McNAMARA: My question was: Is it possible, in your opinion, to work out a master plan when you have meetings like that? You described two meetings. Now, is there a possibility of other meetings where these things can be worked out, or is that just not going to be possible?

MR. SOLBERG: Certainly it is not possible if the participants of the meeting react the way they did at this last meeting. You can’t do it, that’s true. This was our third meeting, however. The first two meetings were not
of that regard. Of course, we were not talking about ultimate solutions at that point either.

Obviously, at the meeting that was open to the public, it was not possible at all to relate any facts or even get any consideration of the facts.

MR. McNAMARA: Has the township in the past-- Now, you have been there since, what did you say, 1939?

MR. SOLBERG: That is correct.

MR. McNAMARA: Have they, in the past, participated in any of your planning functions or asked you to participate in any of theirs?

MR. SOLBERG: No, they have not. That, I think, is really a shame, because, as I said, they even failed to include us within their inventory on their master plans for several years. They failed to adopt the Airport safety zone, even though legislation was enacted requiring them to do that. It was just sort of a, “If we don’t recognize it, maybe it will go away,” without even trying to find out whether its staying could be a benefit to the community.

MR. McNAMARA: Do you have other comments you wish to make, Mr. Solberg?

MR. SOLBERG: I think that’s it. I would be happy to answer any questions.

MR. McNAMARA: Are there questions for Mr. Solberg?

DR. TELLING: I have one, if I may, Mr. Chairman, by way of clarification.

The uses you were talking about -- recreational facilities off the end of the Airport -- are they consistent with the Airport Safety Zone Act?
M R. SOLBERG: I don’t think there is a specific prohibition against recreation areas. I think the prohibition may be against concentrations of population.

DR. TELLING: Is there anything actionable in it, do you know?
M R. SOLBERG: I don’t know. Maybe that is Jack’s bailiwick.
DR. TELLING: Thank you.
M R. McNAMARA: Mr. Elliott.

M R. ELLIOTT: You referred to the flyers that were distributed about DC-10s. One of them said, “Stop the DC-10s,” and there were others I saw that said, “747s are going to come in here.” Would it not be possible for you to agree to sign a statement saying that you guarantee in perpetuity that no DC-10s or any commercial airline would ever be permitted to land at Solberg, thus robbing them of one of their most emotional and irrational issues?

M R. SOLBERG: All their thunder?

M R. McNAMARA: You know, that is somewhat illogical, but I am not sure this Commission has heard the reason it is illogical. When they are concerned about 747s and DC-10s landing at your Airport, why is it that you would say they shouldn’t be concerned about that, or that it is illogical for them to be concerned about that?

M R. SOLBERG: Well, of course, in our plan, the development we propose certainly was not providing the infrastructure that those types of aircraft require. For that reason, it would be illogical.

M R. McNAMARA: What is that? Describe that.

M R. SOLBERG: Describe the infrastructure?
M R. M cNAM ARA: Yes.

M R. S OLB E R G: Well, it is both in the weight bearing and width of the runway, the length of the runway and approaches, and also the infrastructure once you get off the runway, in terms of ramps, taxiways, and other facilities that are necessary for those aircraft to operate consistently.

M R. M cNAM ARA: For instance, a fuel tank to refuel them?

M R. S OLB E R G: Those kinds of things are necessary from the point of view of providing consistent operational utility of that kind of aircraft.

One of the comments we heard consistently was, “If you build it, they will come,” some sort of theoretical expression that those who are objecting to the Airport like to rally behind. They feel that all you have to do is build some sort of a runway that might someday accommodate some airplane and it will come just because the runway is there. That’s one of the problems that the airport operator has in communicating with the residents, that the airplanes have to have a reason to land at an airport, and that is because they need to be there for some reason, not just because there is a runway are they going to be there.

M R. M cNAM ARA: What weight-bearing capacity is your proposed runway designed for now?

M R. S OLB E R G: It would be 30,000 to 60,000 pounds.

M R. M cNAM ARA: What would happen if a 747 or a DC-10 taxied onto that runway?

M R. S OLB E R G: In the middle of the summertime, it would come to a stop rather quickly.

M R. M cNAM ARA: Why?
M.R. SOLBERG: Because the wheels would sink into the pavement.

M.R. McNAMARA: How far?

M.R. SOLBERG: I don’t know how far, far enough to make it very difficult to taxi, though. (laughter)

M.R. McNAMARA: It would just sink in the mud, right?

M.R. SOLBERG: Yes, that is the problem.

M.R. McNAMARA: Okay.

Are there other questions for Mr. Solberg? Mr. Elliott, go ahead.

M.R. ELLIOTT: I would just like to point out that no airliner could land at any airport that did not have a FAA tower. I doubt that the FAA is about to put one of their towers at Solberg Airport.

M.R. SOLBERG: Yes, we need to find a solution to this, because it is going to be a problem that will reoccur at every airport that is trying to fulfill what it needs to do to satisfy the growth in New Jersey. So there needs to be a way to address that somehow.

M.R. McNAMARA: Dr. Abuchowski?

DR. ABUCHOWSKI: I was present at the meeting, and I have to concur that it was nothing short of mob violence. I think the next stage of inciting these individuals could very well be mob violence. I didn’t see anyone there who was interested in listening to rationality or fact, or discuss any of the issues. People were simply there to extract a pound of flesh. Just from observation, I do not believe that the process can continue with that kind of mentality surrounding the process. As a consequence, it does need an
alternative method of a process by which one can present fact and a different authority.

Actually, I would be concerned if the process continued that the atmosphere would begin to explode to one of a destructive atmosphere, especially towards the Airport, which is very concerning.

MR. SOLBERG: As a matter of fact, one of the few people who had the courage and fortitude to stand and try to speak positively about the Airport was physically threatened when he left the meeting. He had to get the police to help him.

MR. McNAMARA: Really?

MR. SOLBERG: Yes, really.

MR. McNAMARA: Are there other questions? Ms. Castner?

MS. CASTNER: (speaking away from microphone) In the way of a solution, especially thinking about what Senator Schluter has said, I am offering two thoughts: The planning boards of each township should have a component that represents these types of problem areas to the Airport. I think maybe the only reason our Airport is not in big trouble is because my father and brother always sit on the planning board.

The other option would be that when you give them a presentation, ask-- I wouldn’t even give it to them verbally anymore. Give it to them in writing, and ask for a written response to that solution. People can’t scream and yell at you as easily. They would have to sit and think about it and write some type of response, which is now in black and white, which could really make them look stupid if they just sat and wrote four-letter words over and over again.
They might be two ways to look at what Senator Schluter has said, looking at another group that is going to oversee this. It isn’t going to be local township people, which I am sure, Mr. Solberg, you don’t want. You don’t want it all to fall on Jack’s people. Maybe there is some type of compromise in the middle of the planning board and this ability of the townships to respond in writing.

MR. SOLBERG: I think the townships need to be instructed to take cognizance of the aeronautical resources that are within their boundaries. But it is difficult for them, I think, with the parochial pressure they have, to fairly and reasonably deal with aeronautical resources.

MR. YUDIN: Jack?

MR. McNAMARA: One last question. Bob Yudin?

MR. YUDIN: Can you just give me an idea of what your plan called for, what you were trying to do?

MR. SOLBERG: What we had done was analyze the performance capability of the aircraft that were out on the field at the present time, the ones that required the greatest in facilities. The two aircraft we chose to evaluate were a Beech King Air, which is a total prop airplane that holds maybe 10 people, and also the most common small corporate jet, which is the Cessna Citation.

Those two airplanes, in concert, represent, perhaps, 50 percent of Jack Alcott’s membership, who testified here before the National Business Aircraft Association. They are very common airplanes.

In order to give them operational safety and utility, we chose the mean high temperature day of the summer, which was July and 90 degrees.
We looked into the performance specifications of those airplanes and designed a runway length that would be long enough for them to safely operate fully loaded. That required a runway length of 5600 feet. That is what we propose to do.

MR. YUDIN: Which runway were you going to extend to 5600 feet?

MR. SOLBERG: We have a 3700-foot runway that would be extended to 5600 feet. The interesting part of the whole analysis was that by extending the runway, we are actually able to reduce the average sound exposure level in the community, just because the airplanes are higher when they leave the boundary of theAirport.

MR. YUDIN: So that is Runway 22?

MR. SOLBERG: Correct.

MR. McNAMARA: In one direction, and then it would be Runway 4.

MR. YUDIN: Four, yes, one way, take the reciprocal, yes. I didn’t figure I had to say that.

MR. McNAMARA: It took me years to master the art of subtracting and adding--

MR. SOLBERG: Well, the digits always add to the same number.

MR. YUDIN: I just assumed we all understood that. Okay.

Was that the only improvement? This plan, did it call for you doing anything else?

MR. SOLBERG: We never really got to do anything else. What the plan will ultimately do -- and it is not finished -- is not only establish what
runways are required or what NAVAIDS are required, but also what ramp space, and storage space, and that sort of stuff is required to handle what the projected demand is in the future.


M R. S O L B E R G: Taxiways, ramp areas, and storage facilities. We did not get into that too much.

M R. Y U D I N: It would seem that all the hostility you were receiving was over the length of the runway and the fact that people thought that meant you were going to bring 747s in, and other things like that.


M R. Y U D I N: I like the suggestion here about going public with a statement that there is absolutely no intent, and that you can guarantee in perpetuity that commercial airlines are not your objective and will not be brought in. I think if you were to do that publicly, that might be a first step to defusing some of the hostility.

It also seems to me that you cannot defuse all hostility in some of the people there. They just don’t want the Airport -- period.


M R. Y U D I N: But I think you might be able to calm some people down if you guarantee that there is no intent to bring those kinds of aircraft in.

M R. S O L B E R G: That is exactly what I did at the meeting. The media reports indicate that that was my statement over and over again.

M R. Y U D I N: The articles you have indicate that you said that?

M R. S O L B E R G: Yes, many times.
MR. YUDIN: Jack, I wasn’t here for the last meeting, so I am not familiar-- I understand you had some of the elected officials here.

MR. SOLBERG: Yes.

MR. YUDIN: But that meeting took place before this public hearing.

MR. McNAMARA: That is correct.

MR. YUDIN: Would it be proper, in lieu of what the articles are saying and what we have heard here, to bring some of those public officials back?

MR. McNAMARA: That is something we could consider, yes. We have had men come in and give us testimony.

MR. YUDIN: I mean, I am a public official myself. I sit on a board, and we do not allow-- You know, you just don’t allow the public to browbeat you. You try to conduct your meetings in a civilized manner.

MR. McNAMARA: It sounds to me, when there are 356 people-- Is that what the one account said? Is that the number? (no response) Three-hundred fifty-six people, if they were all hostile, I am not sure what a law-abiding public official could achieve. However, that does not answer your question.

Your question was: Should we call back the Mayor of Branchburg? We are going to have the Mayor, or some official, from Readington come before us. We thought he was going to be here today, but apparently there was some confusion about the date they were scheduled.
So, yes, we will have the one. Whether we should call the other back or not-- I think we ought to read that testimony first -- read the transcript.

M R. YUDIN: That is the one I assume I have not gotten yet.

M R. McNAMARA: Right. In fact, no one has it yet. Let’s read it, and consider it then, that together with these newspaper articles.

M R. YUDIN: Can we get copies of those newspaper articles?

M R. McNAMARA: Yes. They will be given to the hearing reporter and will be made an exhibit. Harry, this is correct, isn’t it? (no response) They will be appended to the record that will be mailed to each one of us.

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Are there other questions? (no response) Hearing none, thank you very much.
Mr. Solberg, I don’t know if we got your credentials at the time of your original testimony. Would you mind just covering them quickly?

MR. SOLBERG: As I said, I have lived at the Airport all of my life, which is 52 years. I was educated here in New Jersey. I went to the Lawrenceville School. I am a graduate of the Aerospace and Mechanical Sciences Department of Princeton University. I have also done graduate work at Princeton University. I have been a commercial airline pilot since 1969. I have been Airport Manager at Solberg since 1966. I am a certified flight instructor, and an airline transport pilot rated to fly Boeing 727s, 57s, 67s, 47s, and also Cessna Citations, which is the small general aviation airplane.

I have flown all over the world in my capacity as an airline pilot, and all over the United States, both as a small pilot and an airline pilot. I think I have had an opportunity to see all phases of aviation, so I feel kind of happy to be able to share some of my experience with you people.

MR. McNAMARA: Thank you very much, sir.

We have one other item on -- two other items on the agenda. One is, I would just like to make a quick report that in response to a letter I wrote to the Governor requesting some assistance for this Commission, we have had a meeting. Jack and I, with a man from the Office of Management and Budget, who has told us that we are going to be given an office across the street, and they are going to give us a budget to hire some people. We are going to have the facilities thereby put into place to-- Also, part of our budget will be for bringing in additional witnesses, if we need to bring some in from out of State, and providing them transportation and lodging, one of whom I
thought would be somebody from MIT, where they are working on aircraft noise.

Anyhow, all of that is going forward, and hopefully, we are getting the machinery in place to be able to crank out some interim report in April or May.

I know Rich Bagger has one other thing to address.

ASSEMBLYMAN BAGGER: Thank you, Mr. Chairman.

Several months ago, experts from McCarter & English made a presentation to the Commission relating to the alternative tax premium for general aviation facilities whereby essentially the State would be exempt from taxation on nonincome producing property at general aviation airports and replacing local property taxes with a fixed State rate, which is the way that railroad property has been taxed in New Jersey for over 100 years.

The presentation at that time was well received by members of the Commission just based on the initial presentation. Senator Haines and myself were interested in pursuing this further. We have asked and McCarter & English has provided us with a very preliminary draft of the legislation that would repeal all existing State and local taxation of general aviation facilities, and would replace it with a State property tax which would be only on income producing property, and a State franchise tax that would replace business taxes.

What I would like to do is just pass this out for you to take with you and look at. What I would propose, Mr. Chairman, is that I will work with McCarter & English and Jack Penn between now and the next meeting, as well as if there is a volunteer from among the airport owners or operators
present, we might be able to get on a conference call over the next month. What this legislation needs is some aviation expertise, drafted by some tax experts in terms of the definition of the taxed property and characterizing the property. We really need some expertise.

MR. McNAMARA: All right. I think in terms of aviation expertise, we have an aviation committee here. Let’s start there. There are a few others who could have some input on that and who would be willing to help, perhaps myself.

I would like, as this gets handed out, to give everyone a homework assignment. If I were a teacher in a classroom, that is what I would do.

I think what we ought to do, every one of us, is make a list of what would be included in a piece of legislation that we would recommend to the Legislature if we were going to make that recommendation today. We heard a substantial amount of testimony already. This is a very preliminary assignment, obviously, but I don’t think it would hurt for us to start thinking about it, and then let that help us to structure additional hearings to test those for some sort of proposed piece of legislation. Remember that we are hoping to make some interim report to the Legislature no later than sometime in May.

ASSEMBLYMAN BAGGER: Mr. Chairman, I find that an excellent suggestion. It is particularly important with regard to timing the interim report, because the Legislative Calendar is such that it is the desire of this Commission for anything -- for any of these topics to be enacted and signed into law by the Governor in this two-year legislative session, which we just began in January. It really needs to be a recommendation of this Commission during, let’s say, the first six months of next year. If we wait until
next January, or sometime in that time frame, to make recommendations to
the Legislature for enactments of statutes, chances are they will not be heard
until after the next gubernatorial election. I am just giving you the amount of
lead time it takes to work on these things.

So the interim report is particularly important. As we think about
those things, we are probably thinking of several pieces of legislation, because
we are not permitted to have anything like an omnibus aviation statute. The
State Constitution requires us to break things down to single topics we might
have, something that pertains to taxes, something that may pertain to
regulations.

MR. McNAMARA: DEP regulations. Some hearing agency that
is over the municipalities and over the airports to be able to give common
justice to applications. Some recommendations about community involvement
in airport operations. We had one person come in and recommend that there
be a “right to fly.” I am not sure that this Commission is prepared to go that
far, but that was something that was suggested.

I am not quite sure what the fellow here today with the balloons
wanted. With respect to airports, I am not sure that legislative concern had to
do with balloon ports. I think if any aspect of aviation is overregulated, that’s
wrong. They have to fill out forms in triplicate, as he described it, and it could
seem somewhat cumbersome, but maybe there is no other way.

Anyhow, they were all just thoughts off the top of my head, but
the things that come to my mind, hopefully will be somewhat different from
those that come to your minds. We will get a master list if everybody plays to
the wheel.
Mr. Yudin: I am still not clear in my mind from the number of months I have been here listening, but what exact control do municipalities have, through their planning boards and through their zoning, relative to airports?

Now, from what I have been able to ascertain, when it comes to safety, they really do not have much control. The State can pretty much and the FAA can pretty much step in when it is relative to safety. But relative just to the basic planning, like extending a runway, doing improvements, exactly what control do the planning boards, which are the local municipalities, have, and what control don’t they have?

Mr. McNamara: The quick answer to that is, once the wheels leave the ground, the FAA has complete control. The rest of it has been, in recent history -- for the last 10 years -- in a state of flux. The municipalities impose regulations on the operation. The municipalities have always had review and control over physical improvements on airport pieces of land, including the airports in their communities, just as you are familiar with a planning board or a board of adjustment.

The caveat is, if an airport makes an application to extend a runway, it would have to have the approval of both the municipality with respect to the engineering that would go into it, and all the other aspects of the municipality that might be affected. You have to have traffic flow studies, drainage studies, soil erosion studies, etc.

In addition to all that, for the local municipality, they would also have to have the approval of the Division of Aviation in the Department of
Transportation for the airport aspect of it -- the airport planning aspect of it. Would the runway be long enough, wide enough, etc.?

Does that answer your question? That is more or less how the regulation comes down. Now, whether an airport itself is a permitted use or a conditional use, until 1983, was determined by the municipal zoning ordinance. After 1983, it was determined that no airport in the State of New Jersey could be zoned conditionally, or for a nonpermitted use, I guess. In fact, it was then zoned as a conditional use. The Division of Aviation took the position that that was not what the statute provided, so it has to be zoned as a permitted use.

Mr. Yudin: I think basically what I was trying to get at, because originally you said it was a flux, but toward the latter part you started to define it-- Does this Commission want to attempt to get into that and make a recommendation to the Legislature to define, specifically, who has the authority?

Mr. McNamara: My impression, at this point, is that I think we could help the municipalities and the airport owners if we had some clear understanding about where they took their applications, and, if we found it was necessary to amplify, or define the meaning of the 1983 Airport Safety Act, which established the airport zone, then we might want to make some further definition of that. But that we might want to be hesitant about, because it has already been through judicial interpretation, and it was determined to be a constitutional provision. So that law is in place.

Sorry, Fred.
DR. TELLING: I just wanted to raise the point that I think, as Chairman, you have done an extraordinary job of building a record. One can tell, obviously, even today, that many of the questions are designed to get into the record the information necessary to provide the Commission an adequate basis to act. I applaud you for that.

I only pick up at this time, though, because I, too, am beginning to better appreciate the range of issues we are going to face. I just wanted to raise the idea that it may be worthwhile in our planning going forward after this next set of hearings, if we try to schedule a couple of executive sessions, which would permit us to do at least two things: One, I think, set aside some comprehensive time for questions such as the one you have asked, and others have asked, about the interrelationship of various current existing laws and regulations, so that when we are deliberating prior to trying to say what we want interim reports on, we are deliberating in a full and appropriate context of the current law and regulation.

I think Jack, or others, could provide that support for us. Then, as we develop the interim report, I assimilate --would urge that we will probably need a section of time in executive session to debate the kinds of recommendations. I suspect that is the process you are headed toward as you elicit the assignment, which I think is well crafted.

MR. McNAMARA: I couldn’t be happier that you brought that up, because we have already been discussing that -- we discussed it a little bit earlier -- and a comment made, probably by me, was that we do have to have deliberative sessions. As soon as we get through the marathon hearings, it
would be appropriate for us to discontinue hearing testimony for awhile and just find out where we are.

I suggested that we did not have to come here to do that. Maybe it would be more convenient, appropriate, and even tastier to do that out at the meeting room at the Pfizer facility in Trenton, if we are still welcome.

DR. TELLING: The Commission is welcome, and Pfizer would be honored to have you to be host for the facilities and discussion at any time.

MR. McNAMARA: Thank you very much.

DR. TELLING: Either there or at any other facilities that are necessary.

MR. McNAMARA: Now, further on your comments, I forgot to mention that one of the people we had asked for when I wrote to the Governor was an attorney who was familiar with aviation matters. In our talks on the telephone with the officer of Management and Budget, we gave him the name of a fellow Jack Penn felt was very competent in aviation. So, hopefully, in the near term, we will have someone whose job it will be to counsel us on all these things.

DR. TELLING: Great.

MR. McNAMARA: Is there anything else?

MR. ELLIOTT: I would just like to add, Mr. Chairman, in answer to the question of what control municipalities now have over airports-- I would like to point out that Dan Walker testified that for three years now he has tried to build "T" hangers. That is not an expansion, it is just an improvement. In three years' time, as a result of the municipal approval process and the permit process, he has spent -- and also on legal costs -- $178,000 over a period
of three years, and has yet to turn one spade of dirt. That is not expansion. It is improvement to serve his customers and provide them with something they want.

M R. McNAMARA: As far as I am concerned, no matter what the industry is, no matter what the business is, whether airports, pharmacies, private schools-- What we have heard in terms of expenses that have to be incurred by these airports is outrageous.

We had one fellow come in -- was it Ed Brown? -- who told us he had spent $500,000. Dan Walker spent nearly $200,000. We had the fellow from the little airport upstate -- Trinca -- who came in and told us-- What was his number? I think that was near $500,000, wasn’t it? (no response) I might be mistaken on that number, but he also had a litany of municipal and regulatory problems that were just as tedious and expensive.

And Mr. Solberg came in. Somebody testified in favor of his Airport at a public meeting, and had to have police protection to get out of the building, and there were municipal officials who wouldn’t quiet down a budding riot. That is a real problem. That is something that this Commission, I think, was asked to help solve.

So, yes, I think that is something we must address.

M R. YUDIN: Jack, just one other thing: We are not going to have a more friendly environment to accomplish some goals than over these next two years. That is about as friendly as we are ever going to get. So this is the time to make the move and make the recommendations and try to get it through the process.
M R. M cNAMARA: If there are no other comments, this meeting is adjourned.

(MEETING CONCLUDED)