

State of Alaska FY2013 Governor's Operating Budget

Department of Transportation/Public Facilities Aviation Results Delivery Unit Budget Summary

Aviation Results Delivery Unit

Contribution to Department's Mission

Provide State of Alaska aviation system vision, goals, land management, and planning. Prioritize infrastructure development for the safe movement of people and goods. Provide Alaska International Airport System (AIAS) planning oversight as well as relevant and reliable financial information to the International Airport System.

Core Services

- Airport Improvement Program (AIP) Five-Year Funding Plan development and coordination.
- Airport planning, design, construction, and operation coordination, as well as technical assistance for 254 state sponsored airports.
- Development and management of the Federal Aviation Administration (FAA) grant-funded Alaska State Aviation System Plan and related continuous planning processes.
- Conduct Federal Aviation Administration (FAA) Airport Inspections (5010 database maintenance).
- Ensure appropriate operating and capital accounting and financial policies and procedures are used at the international airports.
- Provide uniform rate and fee structures for use of the airport facilities and services as required under federal grant assurances.
- Property management services for the use of lands, facilities, and buildings at state rural airports.
- Facilitate advancement in aviation safety through increased coordination and cooperation between state, federal and non-profit organizations by way of the Joint Project Office (JPO) while investigating and integrating supportive technologies.
- Promote and support all levels of airport operations and management training and education.

Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> • Analyze inventory data on airports that are below minimum FAA standards. • Assess projects through Airport Project Evaluation Board (APEB) scoring process to prioritize projects and equipment for limited federal funds. • Coordinate regularly with FAA Airports Division to identify issues, regulatory priorities, and funding. • Develop and maintain an aviation web site to provide user-friendly access to airport information. • Initiate new, and develop existing, aviation technical training to retain/promote airport career path to improve safety, efficiency and sustainability • Conduct strategic planning in order to articulate organizational core purpose, mission, vision, and values. | <ul style="list-style-type: none"> • Set strategic agenda for Statewide Aviation and for the Alaska International Airport System. • Inventory airport lease lots and needs to meet aviation demands and FAA requirements. • Coordinate state airport safety, security, compliance, land use, rates and fees, education, and mapping policy. • Lead the Alaska Aviation System Plan’s continuing planning process and related public efforts to identify user issues and priorities. • Support the Governor's Aviation Advisory Board in their advocacy of the state aviation system. • Provide leadership role in the acquisition of accurate elevation data for the Statewide Digital Mapping Initiative (SDMI). |
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Key RDU Challenges

Maximize the amount of federal Airport Improvement Program (AIP) funding available for the state and ensure this funding is applied to the highest priority airport capital improvement needs. AIP funding objectives of special emphasis:

- Execute federal AIP funding grants to improve airports which currently experience seasonal closures due to weather-induced runway conditions.
- Execute AIP funding grants to improve airports to 24-hour medical evacuation capability with improved runways and permanent runway lighting.
- Maintain compliance with federal grant assurances and other FAA airport and security regulations and

priorities. Accommodate work load demands and funding of these efforts.

The increasing costs for airline operators, fluctuating fuel costs, and increasing regulations are decreasing flights to communities. Fewer operations have had an impact on revenues generated at all airports. It will be critical for management to concentrate on:

- Identifying cost reductions that will keep aviation rates and fees stable and not jeopardize the traveling public's safety.
- Identifying new, and enhancing existing, revenue sources in order to meet airline and customer needs.
- Continuing to involve, value, and balance the interests of system stakeholders.
- Providing access to land available for lease.
- Providing utility infrastructure, if required, to lease lots.
- Developing raw land in order to make it available for lessee use.
- Obtaining current market rates for airport land-use types; needed to obtain compliance with FAA Orders.

Statewide Aviation supports non-precision approach Global Positioning System (GPS) navigation technology because it improves aircraft operations and saves lives. These systems impact rural airport design, construction and operations. Emphasis on this technology will help facilitate navigational improvements and structures important to aviation safety at our airports. Statewide Aviation also supports the statewide effort to acquire accurate elevation data because it will reduce Controlled Flight Into Terrain (CFIT) accidents from occurring which will decrease aviation related fatalities, injury and economic loss.

Significant Changes in Results to be Delivered in FY2013

Increase non-aviation, land-use rates at rural airports to align with FAA CFR/Order and AS 02.

Increase rural airport land suitable to lease.

AIAS restructuring to enhance AIAS function in support of international airports.

Major RDU Accomplishments in 2011

- Worked with the FAA to execute approximately \$205 million in federal Airport Improvement Program (AIP) funding for Department of Transportation and Public Facilities (DOT&PF) airports for Federal Fiscal Year (FFY) 2011.
- Opened the relocated Akiachak Airport in FFY'11, which corrects the seasonal closure associated with the old Akiachak airport. In addition, one AIP funding grant was executed which is expected to address the seasonal closure issue at Kwigillingok Airport in FFY'12.
- Rural Airport Lighting Program (RALP): Executed \$28.8 million in AIP funding grants to improve four airports to 24-hour medical evacuation capability with improved runways and permanent runway lighting; a Runway lighting system was completed at one airport using RALP funding during FFY 2011.
- Addressed, responded and met with FAA regarding outstanding Land Use Compliance issues. Continued efforts to establish and develop methods and solutions for resolving and avoiding non-compliance issues on a statewide basis.
- Performed 126 airport safety inspections and prepared associated form 5010 airport master record reports.
- Completed 207 Airline Operators Insurance Certifications.
- Continued planning efforts under the ongoing Alaska Aviation System Plan (AASP) update. The plan is required by FAA and has not been updated in over 10 years. The plan prioritizes Alaskan aviation needs and improves the chances of FAA grants for those identified needs in the future. The AASP update has accomplished an analysis of critical issues facing Alaska's aviation system; development of the mission, goals, and performance measures of Alaska's aviation system; airport classifications; the AASP web site; an aviation facility inventory database available through the web site; aviation activity forecasts; economic impact studies of the aviation industry statewide and for representative individual airports; and special studies to support decision making on issues such as airport maintenance and operations, air mail service, and the role of Statewide Aviation.
- Facilitated the state/federal cost sharing partnership to continue acquiring elevation data over prioritized areas of the state, which supports many critical functions including aviation safety.
- Promulgated the Joint Project Office (JPO) to facilitate coordination and cooperation between state, federal and not-for-profit concerns through a collaborative aviation safety effort involving cue-based training for use in

aviation simulators.

- Facilitated two airport and aviation training programs – AAEE Certified Manager Course in March 2011 (30 participants) and Essentials of Small Airport Business Management in May 2011 (45 participants).
- First Aviation Career Fair held in March 2011; sponsored by the Federal Aviation Administration and Statewide Aviation. Over 80 local high school and middle school students participated.
- Governor's Aviation Advisory Board met four times in 2011. June meeting included tour of the Bethel regional hub and three Y-K Delta airports.
- Completed Strategic Planning for the AIAS articulating a 20 year vision and a 1-3 year strategic agenda to begin achieving the vision.
- Elevated concerns about the US Postal Service and federal legislators proposing potentially harmful changes to the Bypass Mail system to the Rural Action Sub-Cabinet. Currently partnering within multi-agency task force to address potential change scenarios based on possible federal program changes.

Contact Information
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**Aviation
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2011 Actuals				FY2012 Management Plan				FY2013 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
Formula Expenditures None.												
Non-Formula Expenditures												
Statewide Aviation	2,107.3	728.3	0.0	2,835.6	2,370.5	720.0	0.0	3,090.5	2,428.2	774.1	0.0	3,202.3
International Airport Systems	0.0	733.8	0.0	733.8	0.0	884.0	0.0	884.0	0.0	893.3	0.0	893.3
Totals	2,107.3	1,462.1	0.0	3,569.4	2,370.5	1,604.0	0.0	3,974.5	2,428.2	1,667.4	0.0	4,095.6

Aviation
Summary of RDU Budget Changes by Component
From FY2012 Management Plan to FY2013 Governor

All dollars shown in thousands

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
FY2012 Management Plan	0.0	2,370.5	1,604.0	0.0	3,974.5
Adjustments which will continue current level of service:					
-Statewide Aviation	0.0	57.7	14.1	0.0	71.8
-International Airport Systems	0.0	0.0	9.3	0.0	9.3
Proposed budget increases:					
-Statewide Aviation	0.0	0.0	40.0	0.0	40.0
FY2013 Governor	0.0	2,428.2	1,667.4	0.0	4,095.6