

# **State of Alaska FY2014 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Ted Stevens Anchorage International Airport Results Delivery Unit Budget Summary**

## Ted Stevens Anchorage International Airport Results Delivery Unit

### Contribution to Department's Mission

The mission of the Ted Stevens Anchorage International Airport (ANC) is to safely, effectively, and efficiently operate and maintain the airport consistent with federal regulatory requirements, high customer service standards, sensitivity to user needs, and awareness of community goals.

### Core Services

- Airport police and fire protection.
- Airfield and equipment maintenance.
- Land and airside operational monitoring, health and safety, security and control operations.
- Facilities maintenance.
- Airport administration, marketing, development, environmental, leasing, information systems, engineering, planning, noise program, and public relations.

### Major RDU Accomplishments in 2012

- The Information Technology Section has successfully integrated AirIT software in the airport network infrastructure to provide a Common Use Passenger Processing (CUPPS) platform. CUPPS allows carriers to log onto their own mainframe with the equipment at the gate counters. The carrier does not have to bring their own proprietary equipment each year. This is most important to seasonal operations.
- No flight delays or cancellations were reported due to equipment provided and maintained by airport Facilities
- The airport remained open during the snowiest winter on record and received the national Balchen Post award for demonstrating excellence in ice and snow control.
- Helped to create and participated in a Security Consortium for all Alaskan airports with members from each region, Anchorage and Fairbanks
- The training and TSA certification of one new explosive detection K-9 team, to replace another recently "retired" K-9, and the seeking of another position to meet increased demands incurred by contractual agreements to meet increased screening of priority mail.

### Key RDU Challenges

- Changing state and federal airport security requirements present a challenge at all levels of airport operations. The administrative changes associated with responding to nationwide political and economic concerns will occupy significant amounts of time, energy and resources throughout each budget year.
- The preliminary process has begun for a revision of Title 17, Chapter 42, of the Airport Regulations. Revisions can take up to two years, from negotiating and completing a draft document, through public hearings and approval.
- The current operating agreement with the signatory carriers expires on June 30, 2013. Negotiations for the next operating agreement began in late 2012 and continue into FY2013. The challenge is to complete negotiations and send the final agreement out to the airlines by March 2013 in order to receive the signed documents back before the expiration of the current agreement.
- The Environmental Protection Agency's September 2013 implementation of their ban of urea will require the use of replacement de-icers at a significant cost increase. The cost of urea was \$840 per ton delivered up until 2012 and the current contract price for the replacement product is \$1,820 per ton delivered.
- The closure of Kulis Air National Guard Base in September of 2011 has had an airport wide impact. With the Base closure, the Field and Equipment Maintenance Component acquired an additional 31 road miles to maintain, in addition to all the grasslands, sidewalks, exterior roadway lighting and a taxiway. The Facilities Component acquired over 20 buildings to maintain, requiring additional maintenance manpower. The Safety Component acquired an additional fire station to man. The Administrative Component's Leasing Section acquired over 130 acres of leasable land.
- Electricity, natural gas and water costs have all increased significantly over the past year, a trend that is expected to continue in 2013. A reduction in fuel and power consumption is necessary to minimize increases

in utility and services costs.

- It is essential to retain a highly qualified and trained staff to ensure that the airport is maintained to the highest level of safety and proficiency. Recruitment of qualified equipment operators, mechanics, electricians and airport police and fire fighters has become increasingly difficult. For example, a new equipment operator takes 2 to 3 seasons to become proficient with the specialized airport equipment and to be able to maneuver that equipment safely around the airport. It is also becoming more difficult to recruit qualified administrative staff, including engineers, leasing professionals and radio dispatch operators.

### Significant Changes in Results to be Delivered in FY2014

No significant changes are anticipated.

Contact Information
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**Ted Stevens Anchorage International Airport  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2012 Actuals				FY2013 Management Plan				FY2014 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
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
AIA Administration	0.0	7,790.3	0.0	7,790.3	0.0	8,044.3	0.0	8,044.3	0.0	8,018.6	0.0	8,018.6
AIA Facilities	0.0	20,376.6	0.0	20,376.6	0.0	21,900.7	0.0	21,900.7	0.0	21,885.5	0.0	21,885.5
AIA Field & Equipment Maint	0.0	15,964.2	0.0	15,964.2	0.0	15,044.4	0.0	15,044.4	0.0	17,677.0	0.0	17,677.0
AIA Operations	0.0	4,507.0	0.0	4,507.0	0.0	5,651.8	0.0	5,651.8	0.0	5,652.0	0.0	5,652.0
AIA Safety	0.0	8,476.4	513.2	8,989.6	0.0	9,400.3	2,262.2	11,662.5	0.0	9,698.6	2,268.7	11,967.3
<b>Totals</b>	<b>0.0</b>	<b>57,114.5</b>	<b>513.2</b>	<b>57,627.7</b>	<b>0.0</b>	<b>60,041.5</b>	<b>2,262.2</b>	<b>62,303.7</b>	<b>0.0</b>	<b>62,931.7</b>	<b>2,268.7</b>	<b>65,200.4</b>

**Ted Stevens Anchorage International Airport  
Summary of RDU Budget Changes by Component  
From FY2013 Management Plan to FY2014 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>
<b>FY2013 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>60,041.5</b>	<b>2,262.2</b>	<b>62,303.7</b>
<b>Adjustments which will continue current level of service:</b>					
-AIA Administration	0.0	0.0	-25.7	0.0	-25.7
-AIA Facilities	0.0	0.0	-15.2	0.0	-15.2
-AIA Field & Equipment Maint	0.0	0.0	137.2	0.0	137.2
-AIA Operations	0.0	0.0	0.2	0.0	0.2
-AIA Safety	0.0	0.0	298.3	6.5	304.8
<b>Proposed budget increases:</b>					
-AIA Field & Equipment Maint	0.0	0.0	2,495.4	0.0	2,495.4
<b>FY2014 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>62,931.7</b>	<b>2,268.7</b>	<b>65,200.4</b>