

State of Alaska FY2002 Governor's Operating Budget

Department of Transportation/Public Facilities
Anchorage Airport Administration
Component

Component: Anchorage Airport Administration

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Component Mission

The mission of Anchorage International Airport (AIA) Administration component is to provide the overall airport management and leadership necessary to assure that all Airport functions are conducted in accordance with appropriate laws, regulations, policies, and procedures and in a safe, efficient and cost-effective manner.

Component Services Provided

- Supervise all AIA operations/activities and develop policies to assure compliance with all laws and regulations.
- Administer marketing and public relations programs.
- Plan capital improvement projects.
- Provide engineering oversight/coordination of AIA construction activities.
- Develop environmental policy and plans to meet laws and regulations.
- Provide accounting and financial reporting.
- Manage AIA land and facilities by managing contracts for operation of airport parking facilities.

Component Goals and Strategies

To direct and coordinate all Anchorage International Airport (AIA) functions and provide administrative support to the other AIA components to meet the overall mission of operating the largest airport in the state safely, cost effectively and in a manner consistent with federal, state, and local regulatory requirements, high service standards, and sensitivity to users needs and surrounding community goals.

Key Component Issues for FY2001 – 2002

- Continuing work on twenty year Airport Master Plan.
- Promulgation of revised Title 17 airport regulations.
- Gateway Alaska and Airport Terminal Redevelopment Program.
- Alaska Railroad Airport terminal development.
- Planning for growth in cargo operations, passengers and airport infrastructure requirements and listening to community concerns.
- FAA approval of Part 150 Noise Mitigation Plan and implementation, authorization to implement Passenger Facility Charges (PFCs).
- Aircraft de-icing and Lake Hood discharge limits.
- Negotiate a new operating agreement with airlines.
- Applied for 10 year wetlands permit from the Corps of Engineers.

Major Component Accomplishments for FY2000

- Conducted major "Partnering Session" with Terminal Redevelopment team, Kiewit and other workgroups for next phase of the new terminal construction. The strategic goals centered on safety, quality, schedule, budget, operations and teamwork.
- Comprehensive planning and coordination enabled the construction of a new temporary check-in facility to offset the loss of the upper arrival ramp. Despite this major construction impact on airport traffic and operations, passengers were able to smoothly check-in and access the terminal. Opened new upper ramp and inbound lanes on June 17, six weeks ahead of schedule.
- Overall cargo growth for FY2000 was 12.7%.
- Delta Airlines began daily non-stop service between Anchorage and Atlanta on June 1, 2000.

- Alaska Airlines commenced daily non-stop service to Chicago.
- Continental Airlines commenced daily non-stop flights to Houston (summer only).
- American Airlines commenced daily non-stop flights to Dallas (summer only).
- American West Airlines commenced daily non-stop flights to Phoenix (summer only).
- China Airlines increased passenger operations through Anchorage for the summer season with additional ten new flights per week between Taipei, and on to New York.
- LTU direct flights commenced three flights per week from Dusseldorf for summer months.
- JAL added summer Tokyo/Germany charters plus All Nippon Airlines added charters from Tokyo.
- Developed new GSE parking area using recycled runway material, which enabled cost savings of approximately \$100,000.
- Re-direction of project dirt haul and disposal program resulted in dirt being used to correct FAR 139 safety discrepancies instead of being disposed in dump area. Cost savings of approximately \$100,000
- In-house creative design and installation of a new drainage system in the safety area of the approach end of runway 24R, corrected a major FAR 139 report discrepancy and avoided a major CIP project with a cost savings of approximately \$500,000.

Statutory and Regulatory Authority

- FAR Part 108, 612
- AS 18 Health/Safety
- AS 37.15.430

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Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	2,730.7	3,118.0	3,269.7
72000 Travel	64.8	30.0	33.3
73000 Contractual	2,608.7	3,054.5	2,733.7
74000 Supplies	226.4	189.5	217.8
75000 Equipment	45.9	52.0	58.5
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	5,676.5	6,444.0	6,313.0
Funding Sources:			
1007 Inter-Agency Receipts	11.0	0.0	0.0
1027 International Airport Revenue Fund	5,665.5	6,444.0	6,266.5
1061 Capital Improvement Project Receipts	0.0	0.0	46.5
Funding Totals	5,676.5	6,444.0	6,313.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	61,143.5	58,095.2	58,095.2	64,879.2	64,879.2
Unrestricted Total		61,143.5	58,095.2	58,095.2	64,879.2	64,879.2
Restricted Revenues						
Interagency Receipts	51015	11.0	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	0.0	0.0	0.0	46.5	46.5
Restricted Total		11.0	0.0	0.0	46.5	46.5
Total Estimated Revenues		61,154.5	58,095.2	58,095.2	64,925.7	64,925.7

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Proposed Changes in Levels of Service for FY2002

Add one Leasing Officer III for Concession monitoring for the new retail area in the South Terminal and Title 17 oversight.

Contractual is increased \$209,500 for Dept. of Administration Chargeback (\$104,500), a consultant to help implement the Concession Master Plan (\$25,000), Dept of Law RSA increase of (\$50,000) and a data processing professional consultant (\$30,000) to provide technical support related to the PWDS/MUFIDS implementation. Anticipated needs are for network configuration, network management, database development and installation support.

Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	0.0	6,444.0	6,444.0
Adjustments which get you to start of year:				
-Add \$46.5 CIP implement Phase 2 Indirect Cost Allocation Plan-comply with OMB Circular A-87	0.0	0.0	46.5	46.5
Adjustments which will continue current level of service:				
-Transfer \$250.0 from Admin Contractual to Facilities Personal Services	0.0	0.0	-250.0	-250.0
-Transfer \$100.0 from contractual to Field & Equipment personal services.	0.0	0.0	-100.0	-100.0
-Transfer \$60.0 from contractual to Operations personal services for Ops Officer.	0.0	0.0	-60.0	-60.0
-Transfer \$50.0 from contractual to Operations personal services.	0.0	0.0	-50.0	-50.0
-Year 2 Labor Costs - Net Change from FY2001	0.0	0.0	-24.1	-24.1
Proposed budget increases:				
-Add \$22.1 in IARF authority to fund increase resulting from Engineers' classification study.	0.0	0.0	22.1	22.1
-Add 25-#018 \$75.0 for one fulltime Leasing Officer III position for concession contracts.	0.0	0.0	75.0	75.0
-Add \$159.5 in IARF authority to fund DOA Chargeback increases &	0.0	0.0	159.5	159.5

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
Concession consultant -Add \$50.0 in IARF authority to fund Dept of Law billings for increased level of service.	0.0	0.0	50.0	50.0
FY2002 Governor	0.0	0.0	6,313.0	6,313.0

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Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	48	49	Annual Salaries	2,459,143
Part-time	0	0	COLA	37,889
Nonpermanent	0	0	Premium Pay	15,968
			Annual Benefits	876,807
			<i>Less 3.54% Vacancy Factor</i>	(120,107)
			Lump Sum Premium Pay	0
Totals	48	49	Total Personal Services	3,269,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accountant I	1	0	0	0	1
Administrative Clerk II	5	0	0	0	5
Administrative Clerk III	3	0	0	0	3
Administrative Manager IV	1	0	0	0	1
Airport Manager Anch	1	0	0	0	1
AK Intl Airport Sys Plnr	1	0	0	0	1
Analyst/Programmer III	2	0	0	0	2
Analyst/Programmer IV	2	0	0	0	2
Asst Commissioner	1	0	0	0	1
Building Maint Manager	1	0	0	0	1
Data Processing Mgr I	1	0	0	0	1
Dev Spec II, Option A	1	0	0	0	1
Drafting Technician III	1	0	0	0	1
Engineer/Architect I	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Environmental Analyst II	1	0	0	0	1
Environmental Analyst III	2	0	0	0	2
Environmental Coordinator	1	0	0	0	1
Leasing Officer I	1	0	0	0	1
Leasing Officer II	5	0	0	0	5
Leasing Officer III	3	0	0	0	3
Leasing Officer IV	1	0	0	0	1
Micro/Network Tech II	1	0	0	0	1
Personnel Asst I	1	0	0	0	1
Planner II	1	0	0	0	1
Planner III	1	0	0	0	1
Planner IV	1	0	0	0	1
Procurement Spec I	1	0	0	0	1
Program Coordinator	1	0	0	0	1
Project Coordinator	1	0	0	0	1
Safety Officer	1	0	0	0	1
Secretary	1	0	0	0	1
Spec Asst To The Comm I	1	0	0	0	1
Tech Eng I / Architect I	1	0	0	0	1
Totals	49	0	0	0	49