

**Alaska International Airport System: Maintenance and Operations Reserve Fund**

**FY2006 Request: \$15,000,000**  
**Reference No: 40309**

**AP/AL:** Allocation

**Project Type:** Construction

**Category:** Transportation

**Location:** Anchorage Area-wide

**Contact:** Kip Knudson

**House District:** Anchorage Area-wide (HD 17-32)

**Contact Phone:** (907)269-0724

**Estimated Project Dates:** 07/01/2005 - 06/30/2010

**Appropriation:** Airport Improvement Program

**Brief Summary and Statement of Need:**

The Alaska International Airport System (AIAS) Operating Agreement and Terminal Lease requires a balance in the Maintenance and Operation (M&O) Reserve Fund equal to one-fourth (1/4) of the projected M&O annual expenses. This project contributes to the Department's Mission by reducing injuries, fatalities and property damage and by improving the mobility of people and goods.

<b>Funding:</b>	<b>FY2006</b>	<b>FY2007</b>	<b>FY2008</b>	<b>FY2009</b>	<b>FY2010</b>	<b>FY2011</b>	<b>Total</b>
Int Airprt	\$15,000,000						\$15,000,000
<b>Total:</b>	\$15,000,000	\$0	\$0	\$0	\$0	\$0	\$15,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

**Operating & Maintenance Costs:**

	<u>Amount</u>	<u>Staff</u>
Project Development:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
<b>Totals:</b>	<b>0</b>	<b>0</b>

**Additional Information / Prior Funding History:**

None.

**Project Description/Justification:**

The Maintenance and Operations (M&O) Reserve Fund balance must be equal to one-fourth (1/4) of the projected M&O expenses for each Fiscal Year. Per the AIAS operating agreement and passenger terminal lease, the moneys in the Maintenance and Operating Reserve Fund shall be used by DOT&PF to pay normal maintenance and operating expenses. This is strictly a reserve fund, mandated by agreement with signatory airlines. Funds would be expended only under conditional, unanticipated circumstances, and legislative authority must exist to make this possible.