

# **State of Alaska FY2012 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Fairbanks International Airport Results Delivery Unit Budget Summary**

## Fairbanks International Airport Results Delivery Unit

### Contribution to Department's Mission

Provide for the safe movement of people and goods at Fairbanks International Airport (FAI).

### Core Services

- Administration including airport planning, marketing, operating and capital budget development, leasing, finance, engineering, environmental and Occupational Safety and Health Administration (OSHA) management, and information technology support.
- Building maintenance, housekeeping, and repair services including the airport terminal and other state-owned or managed buildings, exterior electrical systems for airfield lighting, aircraft and vehicle parking areas.
- Maintenance and repair of paved and unpaved airside and landside surfaces, signage, security fencing/gates, and airport-owned heavy equipment; snow removal and ice control, vegetation and dust control; hazardous materials handling and disposal.
- Airport operations duties including daily inspections and surface friction reports, Notices to Airmen (NOTAM), maintenance of the airport's Federal Aviation Administration (FAA) Certification Manual and Safety Manual, airfield safety training, and assistance to aircraft, tenants and construction project staff on the airfield.
- Aircraft rescue, fire fighting, law enforcement, 24-hour central dispatch radio communications, and required federal/state airport security response capability.

### Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> <li>• Comply with FAA safety directives including snow/ice removal</li> <li>• Maintain airfield lighting and signage in 100% working order</li> <li>• Maintain clear and safe access around the terminal</li> <li>• Aggressively promote FAI in national and international passenger and cargo carrier markets</li> </ul> | <ul style="list-style-type: none"> <li>• Collect all monthly rents and fees due to the airport and aggressively pursue any overdue payments</li> <li>• Utilize state contract awards and "buy in bulk" whenever possible</li> <li>• Automated work order system tracks timely response to customer requests and scheduled maintenance</li> <li>• Review leasing customer satisfaction survey distributed to business partners</li> </ul> |
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### Key RDU Challenges

- Most warranties have expired on mechanical systems installed in the new passenger terminal and are now the responsibility of airport maintenance staff.
- Despite forced vacancies and other budget restrictions resulting from the global recession; FAI is committed to maintaining current service levels.
- FAI continues to seek out new business opportunities and attract new air carriers to the Airport.
- Fuel costs continue to have a major impact on operating expenses despite significant reductions in oil and electricity consumption.
- Geopolitical developments in worldwide cargo transport directly affect revenues. Global air transport business has been directly impacted by the global recession.
- Implement the Eastside Safety Project in a safe and user friendly manner.

### Significant Changes in Results to be Delivered in FY2012

Continuation of existing service levels may be adversely affected if the recession continues to affect air cargo activity in Alaska.

### Major RDU Accomplishments in 2010

- ~~The Terminal Development Project was completed and the new passenger terminal building has been turned~~

over to the Airport. Continued efforts to attract international tourist flights from Japan and Germany including an 18% increase in passengers outbound from Frankfurt, Germany.

- Delta Airlines re-instated seasonal service at FAI direct to Salt Lake City and plans to continue this service in 2011.
- After several years of negotiation, Frontier Airlines began seasonal service four times per week from FAI to Denver, Colorado and plans to expand this service to five times per week in 2011.
- Completed most of the work on the main air carrier runway rehabilitation project.
- Handled weather and volcano related diversions from Ted Stevens Anchorage International Airport, Elmendorf, and Eielson Air Force Bases, including over 70 heavy jets during one six day period.
- With the cooperation of the general aviation community, completed initial construction of the Eastside Safety Project.
- Initiated construction of the Airport Rescue and Fire Fighting building reroof and additional quality assessments.

### Contact Information

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**Fairbanks International Airport  
RDU Financial Summary by Component**

*All dollars shown in thousands*

|                                      | FY2010 Actuals   |                 |                  |                 | FY2011 Management Plan |                 |                  |                 | FY2012 Governor  |                 |                  |                 |
|--------------------------------------|------------------|-----------------|------------------|-----------------|------------------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|-----------------|
|                                      | UGF+DGF<br>Funds | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  | UGF+DGF<br>Funds       | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  | UGF+DGF<br>Funds | Other<br>Funds  | Federal<br>Funds | Total<br>Funds  |
| <b>Formula Expenditures</b><br>None. |                  |                 |                  |                 |                        |                 |                  |                 |                  |                 |                  |                 |
| <b>Non-Formula Expenditures</b>      |                  |                 |                  |                 |                        |                 |                  |                 |                  |                 |                  |                 |
| FIA Administration                   | 0.0              | 1,565.2         | 0.0              | 1,565.2         | 0.0                    | 1,830.5         | 0.0              | 1,830.5         | 0.0              | 1,865.8         | 0.0              | 1,865.8         |
| FIA Facilities                       | 0.0              | 3,323.5         | 0.0              | 3,323.5         | 0.0                    | 3,262.8         | 0.0              | 3,262.8         | 0.0              | 3,347.4         | 0.0              | 3,347.4         |
| FIA Field & Equipment Maint          | 0.0              | 3,018.7         | 0.0              | 3,018.7         | 0.0                    | 3,696.5         | 0.0              | 3,696.5         | 0.0              | 3,807.2         | 0.0              | 3,807.2         |
| FIA Operations                       | 0.0              | 1,088.2         | 0.0              | 1,088.2         | 0.0                    | 1,269.4         | 0.0              | 1,269.4         | 0.0              | 1,305.3         | 0.0              | 1,305.3         |
| FIA Safety                           | 0.0              | 3,551.8         | 273.5            | 3,825.3         | 0.0                    | 4,132.4         | 320.0            | 4,452.4         | 0.0              | 4,155.8         | 320.0            | 4,475.8         |
| <b>Totals</b>                        | <b>0.0</b>       | <b>12,547.4</b> | <b>273.5</b>     | <b>12,820.9</b> | <b>0.0</b>             | <b>14,191.6</b> | <b>320.0</b>     | <b>14,511.6</b> | <b>0.0</b>       | <b>14,481.5</b> | <b>320.0</b>     | <b>14,801.5</b> |

**Fairbanks International Airport  
Summary of RDU Budget Changes by Component  
From FY2011 Management Plan to FY2012 Governor**

*All dollars shown in thousands*

|  | <u>Unrestricted<br/>Gen (UGF)</u> | <u>Designated<br/>Gen (DGF)</u> | <u>Other Funds</u> | <u>Federal<br/>Funds</u> | <u>Total Funds</u> |
|--|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| <b>FY2011 Management Plan</b>  | <b>0.0</b>                        | <b>0.0</b>                      | <b>14,191.6</b>    | <b>320.0</b>             | <b>14,511.6</b>    |
| <b>Adjustments which will<br/>continue current level of<br/>service:</b> |                                   |                                 |                    |                          |                    |
| -FIA Administration  | 0.0                               | 0.0                             | 35.3               | 0.0                      | 35.3               |
| -FIA Facilities  | 0.0                               | 0.0                             | 84.6               | 0.0                      | 84.6               |
| -FIA Field & Equipment<br>Maint  | 0.0                               | 0.0                             | 110.7              | 0.0                      | 110.7              |
| -FIA Operations  | 0.0                               | 0.0                             | 35.9               | 0.0                      | 35.9               |
| -FIA Safety  | 0.0                               | 0.0                             | 23.4               | 0.0                      | 23.4               |
| <b>FY2012 Governor</b>   | <b>0.0</b>                        | <b>0.0</b>                      | <b>14,481.5</b>    | <b>320.0</b>             | <b>14,801.5</b>    |