

**State of Alaska
FY2005 Governor's Operating Budget**

**Department of Transportation/Public Facilities
Statewide Aviation
RDU/Component Budget Summary**

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RDU/Component: Statewide Aviation

(There is only one component in this RDU. To reduce duplicate information, we did not print a separate RDU section.)

Contribution to Department's Mission

Provide airport infrastructure for the movement of people and goods.

Core Services

- Airport Improvement Program (AIP) Six Year Funding Plan development, coordination, guidance and monitoring.
- Aviation Leasing coordination.
- Airport planning, design, construction and operation coordination.
- FAA liaison regarding aviation regulatory and policy issues affecting Alaska.
- Serve as the state's primary contact with airlines, aviation user groups and aviation organizations.

End Results	Strategies to Achieve Results
<p>(1) Increased private investment on airports.</p> <p><u>Target:</u> Increase new private investment at rural airports statewide by 5% over prior year.</p> <p><u>Measure:</u> Percent change in new private investment at rural airports compared to prior year</p>	<p>(1) Implement aviation and non-aviation land leasing business plan.</p> <p><u>Target:</u> Net increase of 10 aviation and 10 non-aviation leases over prior year.</p> <p><u>Measure:</u> Number increase in aviation and non-aviation leases compared to prior year.</p>

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> • Analysis of below-standards inventory. • Analysis of APEB scoring for below-standard criteria. • Meet regularly with FAA Airports Division. • Analysis of snow removal equipment. • Analysis of APEB scoring for SRE. 	<ul style="list-style-type: none"> • Inventory lease lots. • Leasing officers attend Chambers of Commerce. • Leasing officers e-mail aviation business' available aviation properties. • Hire part time staff to deliver lights.

FY2005 Resources Allocated to Achieve Results							
<p>FY2005 Component Budget: \$1,853,500</p>	<p>Personnel:</p> <table> <tr> <td>Full time</td> <td>18</td> </tr> <tr> <td>Part time</td> <td>4</td> </tr> <tr> <td>Total</td> <td>22</td> </tr> </table>	Full time	18	Part time	4	Total	22
Full time	18						
Part time	4						
Total	22						

Performance Measure Detail

(1) Result: Increased private investment on airports.

Target: Increase new private investment at rural airports statewide by 5% over prior year.

Measure: Percent change in new private investment at rural airports compared to prior year

New Private Investment at Rural Airports

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2003	not available	not available	not available	not available	not available

Analysis of results and challenges: Economic development is a priority of the administration. Towards that goal the Statewide Aviation Division will direct resources to market airport property. Available state airport land will be identified and investors will be sought to build on those lands.

(1) Strategy: Implement aviation and non-aviation land leasing business plan.

Target: Net increase of 10 aviation and 10 non-aviation leases over prior year.

Measure: Number increase in aviation and non-aviation leases compared to prior year.

Number of Leases at Rural Airports

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2003	not available	not available	not available	not available	not available

Analysis of results and challenges: Economic development is a priority of the administration. Towards that goal the Statewide Aviation Division will direct resources to market airport property. Available state airport land will be identified and potential lessors will be sought. Other areas needing focus to increase state revenues are sub-leases and concession fees.

Key Component Challenges

Challenges regarding increasing private investment:

- As a follow-on to the Title 17 rewrite, Statewide Aviation (SWA) staff will write and adopt new insurance guidelines for airport leases as called for in AS 02.15.090(g). Statewide Aviation will conduct public meetings and coordinate with department working groups and the Division of Risk Management to write the guidelines.
- SWA will update the international airport regulations to incorporate the improvements written into the rural airport regulations.
- SWA will attempt to resolve some long-standing airport issues such as the “City on an Airport” problem at Bettles and Beaver. SWA will work with FAA and department staff to forge a solution, which allows improved local management of land.
- SWA will lead a project to market airport land. Webpages will be updated to show available land and other avenues will be explored to provide that information to the general public such as speaking engagements at chambers of commerce and other local organizations.
- SWA will lead the development of online forms project to make applying online for airport land as easy as renewing a drivers license.

Challenges regarding improving mobility, saving lives and reducing suffering:

- This office serves as the primary contact point between the Federal Aviation Administration (FAA) and the state of Alaska. Our challenge is to 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. We manage the evaluation of capital improvement needs at 258 state owned and maintained rural airports and develop a multi-year spending plan to fund the highest priority needs. We work closely with the FAA to obtain the federal funding for these high priority needs, which is 93.75% of the eligible project cost. This involves working through numerous policy and programming issues with FAA to ensure our projects are eligible for AIP funding. We execute and accept the grants to allow the state to obtain the AIP funding for these projects. In FY’03, the state obtained approximately \$170 million in AIP funding to improve state owned airports.
- GPS navigation continues to impact the way in which airports are being designed, built and operated. The more that we can facilitate these improvements, the more likely we are to improve mobility and save lives. Specifically, GPS navigation will soon make non-precision and precision approaches possible to most of the 260 state-operated airports, yet our facilities may not be acceptable for that dramatically improved navigation ability. For example the state’s current method of measuring airport dimensions by hand may need to be changed to surveying with sophisticated techniques. As well, the current state standards of runway and primary surface area (the area immediately above the land surrounding the airport) may not be appropriate to accommodate the improved navigation opportunities. Current staffing levels require any expertise on this issue be acquired through the CIP process.

Significant Changes in Results to be Delivered in FY2005

The consolidation of rural airport leasing into the SWA structure will allow for a more consistent leasing policy application, and an improved delivery of private-investment results.

Major Component Accomplishments in 2003

Accomplishments towards improving mobility:

- Programmed \$170 million AIP funding which is an increase of 28% from \$133 million in FFY02.
- Updated AIP spending plan to address airports with seasonal closures – such as Tanana, Nunapitchuk and Ekwok.
- Commented on FAA's Part 139 NPRM to protect DOT&PF's operations.

Accomplishments towards increasing private investment:

- Amended rural airport regulations to repeal aviation business activity permits and change other provisions.
- Orchestrated airport leasing conference for all state airport leasing staff to facilitate consistent policy application and discuss new ways to increase private investment.
- Drafted decision to implement tiedown parking at 15 rural airports.
- Coordinated creation and revision of forms to implement new regulations, such as non-aviation business activity permit form and tie-down permits.
- Began drafting insurance guidelines changes to regulations and "clean-up" language for international airport regulations to bring them in line with more recent improvements to rural airport regulations.
- Initiated procedures to insure all air carriers are in compliance with Chapter 40, Title 2 of the Alaska Statutes. Provided information to air carrier industry to facilitate a clear, concise understanding of what is required to be in compliance with program.

Accomplishments towards saving lives and reducing suffering:

- Deployed first four emergency landing zone lighting systems. One life already saved in Angoon.
- Inspected airports in accordance with FAA Order 5010.4 for purpose of updating Airport Master Records. From May through October made site visits to 90 rural airports (over 60% of targeted inspections now complete) throughout Northern and Central Regions. Area covered encompassed North West coast (Pt. Lay) to Easternmost border (Boundary), to end of Kenai Peninsula (English Bay). Some airports had not been inspected for over 15 years.
- Advised FAA Capstone installation in Southeast Alaska and helped begin planning for Capstone Phase III.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 19 Highways
- AS 44 State Government
- ACC 17 DOT&PF
- Federal Highway Program Manual
- Executive Order 39
- Title 14 CFR
- Title 23 CFR
- Title 25 CFR, BIA

Contact Information

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Statewide Aviation Component Financial Summary

All dollars shown in thousands

	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	486.8	386.9	1,589.3
72000 Travel	5.7	18.3	41.3
73000 Contractual	53.3	57.0	204.9
74000 Supplies	28.1	5.5	18.0
75000 Equipment	0.7	0.0	0.0
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	574.6	467.7	1,853.5
Funding Sources:			
1004 General Fund Receipts	136.2	0.0	0.0
1007 Inter-Agency Receipts	0.0	0.0	132.3
1027 International Airport Revenue Fund	16.6	17.1	18.0
1061 Capital Improvement Project Receipts	168.1	218.9	280.9
1156 Receipt Supported Services	253.7	231.7	1,422.3
Funding Totals	574.6	467.7	1,853.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2003 Actuals	FY2004 Authorized	FY2005 Governor
Unrestricted Revenues				
None.		0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	0.0	0.0	132.3
Receipt Supported Services	51073	253.7	231.7	1,422.3
Capital Improvement Project Receipts	51200	168.1	218.9	280.9
Restricted Total		421.8	450.6	1,835.5
Total Estimated Revenues		421.8	450.6	1,835.5

**Summary of Component Budget Changes
From FY2004 Authorized to FY2005 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2004 Authorized	0.0	0.0	467.7	467.7
Adjustments which will continue current level of service:				
-Changes to Retirement and Other Personal Services Benefits	0.0	0.0	20.9	20.9
-Reduce one-time increment for autocad services to create and update land occupancy drawings	0.0	0.0	-50.0	-50.0
-Consolidate Central Region Leasing & Property Management with Statewide Aviation	0.0	0.0	709.6	709.6
-Consolidate Northern Region Leasing & Property Management with Statewide Aviation	0.0	0.0	654.4	654.4
-Consolidate Southeast Region leasing with Statewide Aviation	0.0	0.0	150.9	150.9
Proposed budget decreases:				
-Reorganize rural airport leasing-change 4 PFTs to PPT and reduce RSS	0.0	0.0	-150.0	-150.0
Proposed budget increases:				
-Add CIP to fully fund positions	0.0	0.0	50.0	50.0
FY2005 Governor	0.0	0.0	1,853.5	1,853.5

**Statewide Aviation
Personal Services Information**

Authorized Positions		Personal Services Costs		
	FY2004 Authorized	FY2005 Governor		
Full-time	4	18	Annual Salaries	1,145,061
Part-time	0	4	Premium Pay	0
Nonpermanent	0	0	Annual Benefits	491,551
			<i>Less 2.89% Vacancy Factor</i>	<i>(47,312)</i>
			Lump Sum Premium Pay	0
Totals	4	22	Total Personal Services	1,589,300

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	1	0	0	2
Administrative Clerk III	1	1	0	0	2
Leasing Officer II	4	4	0	0	8
Leasing Officer III	1	1	0	0	2
Leasing Officer IV	2	1	1	0	4
Planner III	1	0	0	0	1
Regnl Saf&Arpt Sec Off	1	0	0	0	1
Secretary	1	0	0	0	1
Tech Eng I / Architect I	1	0	0	0	1
Totals	13	8	1	0	22