

State of Alaska FY2012 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 Activities to Advance Strategies

- | | |
|--|--|
| <ul style="list-style-type: none"> • Provide police and fire protection • Comply with Federal Aviation Administration (FAA) safety directives including snow/ice removal • Maintain airfield lighting and signage • Maintain clear and safe access around the terminal • Aggressively promote ANC in national and international passenger and cargo carrier markets | <ul style="list-style-type: none"> • Maintain airfield equipment • Develop plans for future airport development • Keep the terminal facilities clean and appealing through excellent janitorial services • Monitor the land and airside operations |
|--|--|

Key RDU Challenges

- Impacting all levels of airport management, staff and expenses is the continuing federal and state updates/changes to airport security requirements and guidelines. 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 closure of Kulis Air National Guard Base is going to have an airport wide impact. The Base has begun the closure process, and will be complete by calendar year 2011. The ANC has been working on the impacts and issues for over a year. With the Base closure, the Field and Equipment Maintenance Component will acquire an additional 31 road miles to maintain, in addition to all the grasslands, sidewalks, exterior roadway lighting and the Kulis taxiway. The Facilities Component will acquire over 20 buildings to maintain, requiring additional maintenance manpower. The Safety Component will acquire an additional fire station to man. The Administrative Component's Leasing Section will acquire over 130 acres of leasable land. All of these issues and operating cost projections are being worked on now.
- The costs associated with deicing chemicals have increased significantly since the vendor that supplied the deicing chemical urea has closed. The cost of urea was \$340 per ton delivered up until 2009. The cost of urea for the 2010-2011 season is \$719 per ton delivered.
- Runway lights have been upgraded and the cost has gone from \$500 per fixture to \$2,500 per fixture.
- Efforts are needed to reduce fuel and power consumption in an attempt to minimize the increase in utility and services costs. Electricity, natural gas and water have all increased significantly over the past year and are expected to increase even further in 2012.
- To ensure that the airport is maintained to the highest level of safety and proficiency requires a highly trained and qualified staff. It is becoming more and more difficult to recruit qualified equipment operators, mechanics, electricians and airport police and fire fighters. A new equipment operator will take 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 FY2012

No significant changes are anticipated.

Major RDU Accomplishments in 2010

- The Administration Component Environmental Section recycled 150,000 pounds of cardboard; over 80,000 pounds of scrap metals; over 81,000 cubic yards of reclaimed/reground asphalt and generated less than 1,400 pounds of hazardous waste.
- The Facilities Component completed and opened the A/B Concourse remodel on time and on budget.
- The Field and Equipment Maintenance Component performed several emergency repairs of aircraft movement areas as well as drainage improvements. Over 500 runway and taxiway centerline lights were lowered in order to reduce maintenance costs.
- The Operations component worked with the airlines for implementation of a new B concourse gate schedule.
- The Safety Component, (Airport Police and Fire) and many other agencies participated in the FAA Required Triennial drill. The drill consisted of a mockup plane crash with survivors, and also a water rescue drill. The drill was a success and much was learned for future emergencies at the airport.

Contact Information
<p>Contact: John Parrott, Airport Manager Phone: (907) 266-2526 Fax: (907) 243-0663 E-mail: John.Parrott@alaska.gov</p>

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

All dollars shown in thousands

	FY2010 Actuals				FY2011 Management Plan				FY2012 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
Formula Expenditures None.												
Non-Formula Expenditures												
AIA Administration	0.0	6,189.5	0.0	6,189.5	0.0	7,780.5	0.0	7,780.5	0.0	7,930.1	0.0	7,930.1
AIA Facilities	0.0	18,084.6	0.0	18,084.6	0.0	20,376.3	0.0	20,376.3	0.0	20,844.4	0.0	20,844.4
AIA Field & Equipment Maint	0.0	10,862.8	0.0	10,862.8	0.0	12,352.4	0.0	12,352.4	0.0	12,718.2	0.0	12,718.2
AIA Operations	0.0	4,372.4	0.0	4,372.4	0.0	5,484.6	0.0	5,484.6	0.0	5,581.0	0.0	5,581.0
AIA Safety	0.0	7,415.9	708.7	8,124.6	0.0	8,940.8	2,248.5	11,189.3	0.0	8,953.6	2,248.5	11,202.1
Totals	0.0	46,925.2	708.7	47,633.9	0.0	54,934.6	2,248.5	57,183.1	0.0	56,027.3	2,248.5	58,275.8

**Ted Stevens Anchorage International Airport
Summary of RDU Budget Changes by Component
From FY2011 Management Plan to FY2012 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>
FY2011 Management Plan	0.0	0.0	54,934.6	2,248.5	57,183.1
Adjustments which will continue current level of service:					
-AIA Administration	0.0	0.0	149.6	0.0	149.6
-AIA Facilities	0.0	0.0	468.1	0.0	468.1
-AIA Field & Equipment Maint	0.0	0.0	365.8	0.0	365.8
-AIA Operations	0.0	0.0	96.4	0.0	96.4
-AIA Safety	0.0	0.0	12.8	0.0	12.8
FY2012 Governor	0.0	0.0	56,027.3	2,248.5	58,275.8