

**State of Alaska**  
**FY2022 Governor's Operating Budget**

**Department of Transportation/Public Facilities**  
**International Airports**  
**Results Delivery Unit Budget Summary**

## International Airports Results Delivery Unit

### Contribution to Department's Mission

The mission of the International Airports RDU is to “Keep Alaska Flying and Thriving” by the safe, effective, and efficient operation and maintenance of Ted Stevens Anchorage International Airport and Fairbanks International Airport in a manner consistent with good business practices, federal regulatory requirements, high customer service standards, sensitivity to user needs, and awareness of community goals.

### Core Services

- Plan, design, and construct airport infrastructure.
- Plan, organize, direct, and control airport functions.
- Develop and implement strategic management plans and airport operating and capital budgets.
- Implement effective and appropriate internal controls and policies.
- Promote and support all levels of airport training and education.
- Maintain compliance with federal and state regulations.
- Negotiate and administer airline operating agreements, leases, and other agreements.
- Manage airport lands, facilities, and buildings.
- Provide uniform rate and fee structures for airport facilities and services as required under federal grant assurances.
- Promote Alaska International Airports System (AIAS) in domestic and international markets.
- Facilitate advancements in aviation safety.

### Major RDU Accomplishments in 2020

- AIAS business development; continuing to assess and coordinate property development options for prospective industries capable of adding value to the air cargo transiting AIAS.
- 24-hour availability of both airports with no interruption to service.
- Partnered with airlines and ground service companies to submit individual stormwater permit applications and jointly negotiated new permit to minimize aircraft deicing costs while diminishing pollutant discharge to meet regulatory requirements.
- Participated in the implementation phase of designing and procuring a Statewide Identity Management System to consolidate, expedite and reduce the cost of badging employees at Alaska airports.
- Maintained world-class operations despite 90% decline in air traffic; air cargo surge elevated Anchorage International Airport to the busiest in North America several days in 2020.

### Key RDU Challenges

- Balancing cost centers by incrementally moving towards fair market rates on non-aeronautical land rent.
- Continuing to keep airline rates/fees competitive on the global market to ensure long-term passenger and air cargo stability in Alaska.
- Identifying and engaging prospective Asian passenger airlines on direct service opportunities between Alaska and Asia.
- Managing passenger ground transportation changes due to transportation network companies (Uber/Lyft) that impact taxi, rental car, and parking revenue streams.
- Maintaining the flexibility to operate as a business, and implement necessary personnel, procurement, and budget decisions in a nimble manner.
- Continuing debt management plan designed to provide significant long-term reduction in AIAS rates and fees in order to retain and grow trans-Pacific cargo freighter airline market share.
- Recruitment and retention of skilled trades (heating, ventilation and air conditioning climate system technicians, electronic technicians, electricians, and plumbers).
- Staffing and officer recruitment and retention to maintain Federal Aviation Administration and Transportation Security Administration federally mandated aircraft rescue and firefighting, law enforcement and security standards. Department continues to work at minimum staffing levels.

- Managing per- and polyfluoroalkyl substance contamination due to aqueous film-forming foam (AFFF) discharges around the airport, and ensuring continued business development occurs despite environmental challenges.

### COVID-19 Response and Telework Challenges

- AIAS fully partnered with Department of Health and Social Services to ensure travel mandates were implemented and provided minimum impact to the traveling public.
- Made 350,000+ Federal Emergency Management Agency (FEMA) masks available to aviation industries to ensure safety and comply with state and local mandates.
- Significant focus on containing system costs in light of 90% decrease in passenger travel/revenue while ensuring sustained airport operations to accommodate 25-30% increase in air cargo activity.

### Significant Changes in Results to be Delivered in FY2022

- Enhanced multi-agency narcotics interdiction.
- Continued integration and adoption of IDMS to streamline badging processes, reduce data entry burden, and ensure regulatory compliance.

Contact Information
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**International Airports  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2020 Actuals				FY2021 Management Plan				FY2022 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
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
International	0.0	2,130.5	0.0	2,130.5	0.0	2,269.0	0.0	2,269.0	0.0	2,296.3	0.0	2,296.3
Airport Systems												
AIA Administration	0.0	8,364.4	0.0	8,364.4	0.0	7,300.0	0.0	7,300.0	0.0	7,195.0	0.0	7,195.0
AIA Facilities	0.0	23,618.1	0.0	23,618.1	0.0	26,751.7	0.0	26,751.7	0.0	27,060.5	0.0	27,060.5
AIA Field & Equipment Maint	0.0	17,080.1	0.0	17,080.1	0.0	17,212.8	0.0	17,212.8	0.0	17,417.6	0.0	17,417.6
AIA Operations	0.0	6,180.9	0.0	6,180.9	0.0	7,006.1	0.0	7,006.1	0.0	7,095.0	0.0	7,095.0
AIA Safety	0.0	11,417.0	68.9	11,485.9	0.0	11,973.7	595.1	12,568.8	0.0	12,508.1	595.1	13,103.2
FIA Administration	0.0	2,069.1	0.0	2,069.1	0.0	2,257.6	0.0	2,257.6	0.0	2,271.2	0.0	2,271.2
FIA Facilities	0.0	5,007.6	0.0	5,007.6	0.0	4,720.3	0.0	4,720.3	0.0	4,738.2	0.0	4,738.2
FIA Field & Equipment Maint	0.0	4,401.1	0.0	4,401.1	0.0	4,564.1	0.0	4,564.1	0.0	4,616.5	0.0	4,616.5
FIA Operations	0.0	1,075.5	0.0	1,075.5	0.0	1,148.1	0.0	1,148.1	0.0	1,184.1	0.0	1,184.1
FIA Safety	0.0	4,561.7	141.8	4,703.5	0.0	5,025.8	213.3	5,239.1	0.0	5,246.0	213.3	5,459.3
<b>Totals</b>	<b>0.0</b>	<b>85,906.0</b>	<b>210.7</b>	<b>86,116.7</b>	<b>0.0</b>	<b>90,229.2</b>	<b>808.4</b>	<b>91,037.6</b>	<b>0.0</b>	<b>91,628.5</b>	<b>808.4</b>	<b>92,436.9</b>

**International Airports**  
**Summary of RDU Budget Changes by Component**  
**From FY2021 Management Plan to FY2022 Governor**

*All dollars shown in thousands*

	<u>Unrestricted</u> <u>Gen (UGF)</u>	<u>Designated</u> <u>Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal</u> <u>Funds</u>	<u>Total Funds</u>
<b>FY2021 Management Plan</b>	<b>0.0</b>	<b>0.0</b>	<b>90,229.2</b>	<b>808.4</b>	<b>91,037.6</b>
<b>Adjustments which continue current level of service:</b>					
-International Airport Systems	0.0	0.0	27.3	0.0	27.3
-AIA Administration	0.0	0.0	-105.0	0.0	-105.0
-AIA Facilities	0.0	0.0	308.8	0.0	308.8
-AIA Field & Equipment Maint	0.0	0.0	204.8	0.0	204.8
-AIA Operations	0.0	0.0	88.9	0.0	88.9
-AIA Safety	0.0	0.0	534.4	0.0	534.4
-FIA Administration	0.0	0.0	13.6	0.0	13.6
-FIA Facilities	0.0	0.0	17.9	0.0	17.9
-FIA Field & Equipment Maint	0.0	0.0	52.4	0.0	52.4
-FIA Operations	0.0	0.0	36.0	0.0	36.0
-FIA Safety	0.0	0.0	220.2	0.0	220.2
<b>FY2022 Governor</b>	<b>0.0</b>	<b>0.0</b>	<b>91,628.5</b>	<b>808.4</b>	<b>92,436.9</b>