

Rural Airport Improvement Program

FY2025 Request: \$225,222,984

Reference No: 61033

AP/AL: Allocation

Project Type: Construction

Category: Transportation

Location: Statewide

House District: Statewide (HD 1 - 40)

Impact House District: Statewide (HD 1 - 40)

Contact: Dom Pannone

Estimated Project Dates: 07/01/2024 - 06/30/2029

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Appropriation: Airport Improvement Program

Brief Summary and Statement of Need:

This project funds airport improvements at State-owned rural airports, which are eligible for federal funding as outlined under the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) and the Bipartisan Infrastructure Law (BIL).

Funding:	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>	<u>Total</u>
1002 Fed Rcpts	\$225,222,984	\$190,000,000	\$190,000,000				\$605,222,984
Total:	\$225,222,984	\$190,000,000	\$190,000,000	\$0	\$0	\$0	\$605,222,984

State Match Required
 One-Time Project
 Phased - new
 Phased - underway
 Ongoing
 6% = Minimum State Match % Required
 Amendment
 Mental Health Bill

Operating & Maintenance Costs:

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

Prior Funding History / Additional Information:

Sec5 Ch8 SLA2020 P68 L9 HB205 \$140,000,000
 Sec1 Ch3 SLA2019 P8 L4 SB19 \$140,000,000
 Sec1 Ch19 SLA2018 P11 L5 SB142 \$140,000,000
 Sec1 Ch1 SLA2017 P8 L33 SB23 \$140,000,000
 Sec1 Ch2 SLA2016 P8 L7 SB138 \$199,550,000
 Sec1 Ch38 SLA2015 P7 L23 SB26 \$87,050,000
 Sec1 Ch18 SLA2014 P65 L10 SB119 \$126,303,000
 Sec1 Ch16 SLA2013 P81 L14 SB18 \$149,547,000

Specific Project Level detail will be input during future budget requests.

Project Description/Justification:

The State owns and operates 235 airports within the Rural Airport System. Airports are capital-intensive enterprises, requiring significant resources to fund construction projects, land acquisition, airfield design and development, and supporting existing infrastructure to successfully meet the operational demands of airline operators and the service demands of the traveling public.

The Department of Transportation & Public Facilities (DOT&PF) receives federal funding from the FAA through the AIP. In general, AIP funds are used for projects that enhance airport safety, capacity, security, and environmental concerns. Most airfield capital improvements, repairs, property

acquisition, and professional services (such as planning, surveying, and design) are eligible. All projects must meet FAA regulatory and policy requirements and be compliant with FAA design standards, in addition to meeting all federal environmental, permitting, and procurement requirements.

BIL funding was authorized after the Covid-19 pandemic, with funding available starting in Federal Fiscal Year (FFY) 2022 through FFY2026. The program funds approximately \$54 million for the rural airport system in addition to the standard AIP allotment for Alaska and is included in this budget total. This project includes potential Airport Terminal Funding, as well, which goes through a nationally competitive Notice of Funding Opportunity (NOFO) process. BIL funded projects, similarly to the AIP program, focus on improving the airport system and follow the same development process.

Proposed airport project needs are collected and entered in DOT&PF's Alaska Aviation System Plan (AASP) website and compiled from the Alaska Airport Needs Directory into DOT&PF's statewide capital improvement program. Needs are collected through input from the public, air carrier operators and other aviation interest groups, community representatives, FAA staff, the Alaska State Legislature, and DOT&PF staff resulting in projects being created and prioritized.

DOT&PF scores projects based on aviation criteria and guidance and prepares detailed project nomination sheets and estimates for most major construction projects. Criteria includes, but is not limited to, safety, health and quality of life, economic development, maintenance and operations issues, and local capital contribution to project cost. The project nomination goes through a regional screening and then is evaluated by the Aviation Project Evaluation Board (APEB). This board scores project nominations statewide. The highest scoring projects are then ranked competitively, and the highest ranked projects are considered for inclusion in the Airport Capital Improvement Plan (ACIP). In some cases, projects are included in the spending plan based on federal requirements from the FAA or the Transportation Security Administration (TSA).

The ACIP is a planning and programming document that is continuously revised to adjust for project schedules and cost estimate changes as projects develop and funding constraints shift. Should a scheduled project encounter delays and be unable to advance as proposed, if actual project bids come in lower than estimated, or if sufficient funds are identified for other reasons, the department selects alternative or supplemental projects from the plan that best serve the interests of the State in the maintenance and operation of the aviation system.

To be eligible to receive federal funding to construct an AIP funded project, the project must meet the following prerequisites:

- Project prioritized (scored and ranked for most major construction projects).
- Project is included in the ACIP.
- Adequate Legislative authority obtained.
- Environmental analysis completed and approved by FAA.
- Airport Layout Plan and/or Master Plan approved by FAA.
- Airspace coordination completed by FAA.
- Sufficient land interests acquired.
- Project design completed and approved by FAA.

Projects may be added or deleted over time as the ACIP evolves and project needs arise.