



Alaska Department of Transportation & Public Facilities

Aviation Overview for Alaska Legislature

Deputy Commissioner John Binder

January 23, 2014



Mission Statements

DOT&PF:

“Keep Alaska moving through service and infrastructure.”

Alaska International Airport System (AIAS):

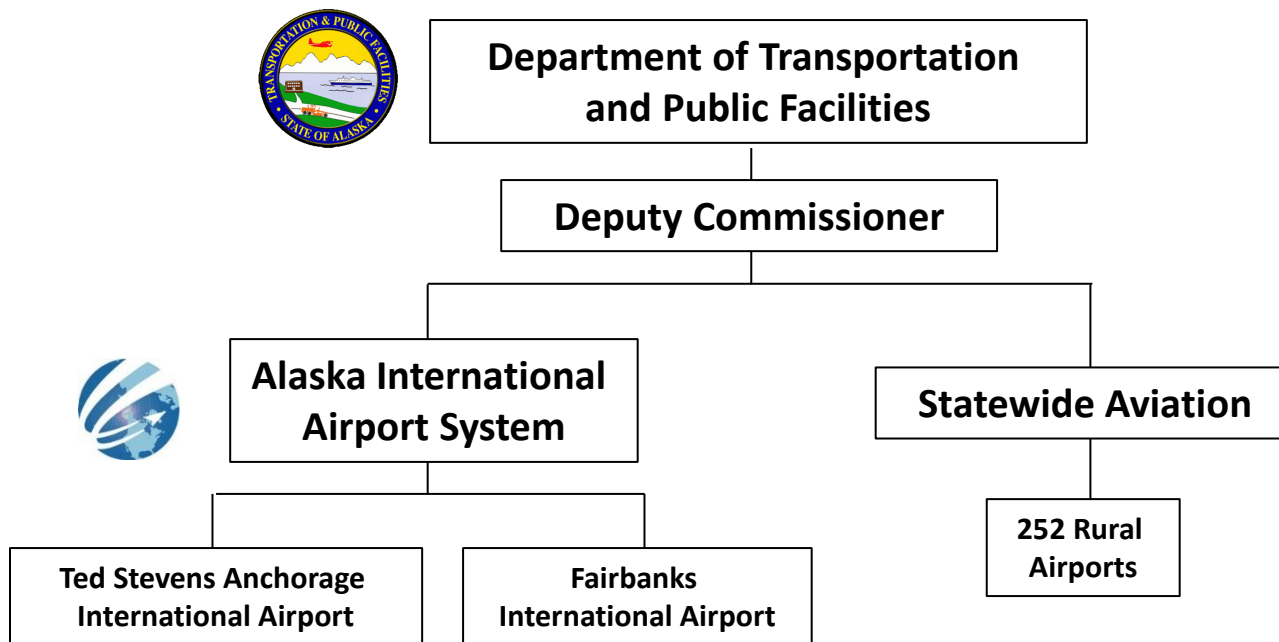
“To keep Alaska flying and thriving.”

Statewide Aviation (SWA):

***“To sustain and improve
the quality of life throughout Alaska”***



Organization





AIAS Structure

Created over 50 years ago by Ch88 SLA
1961 - (AS 37.15.410-550)



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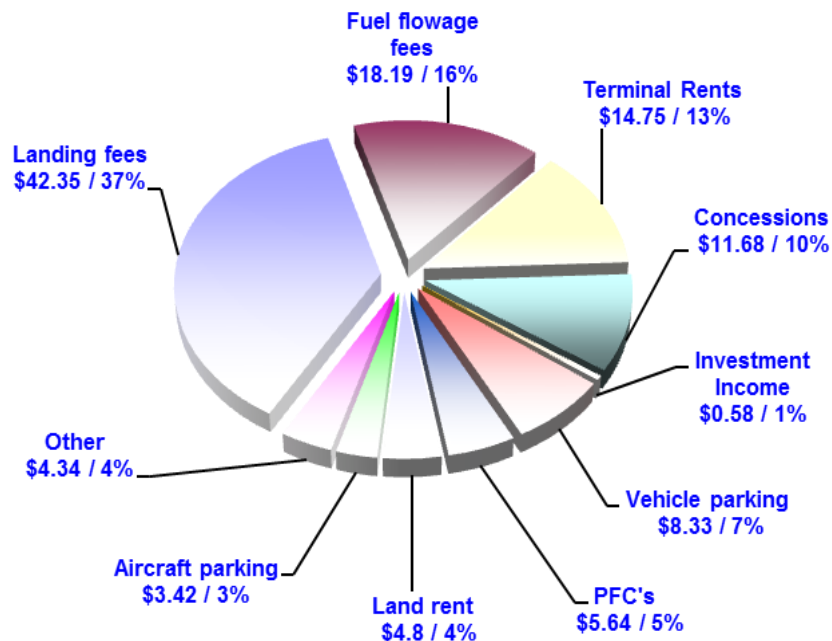
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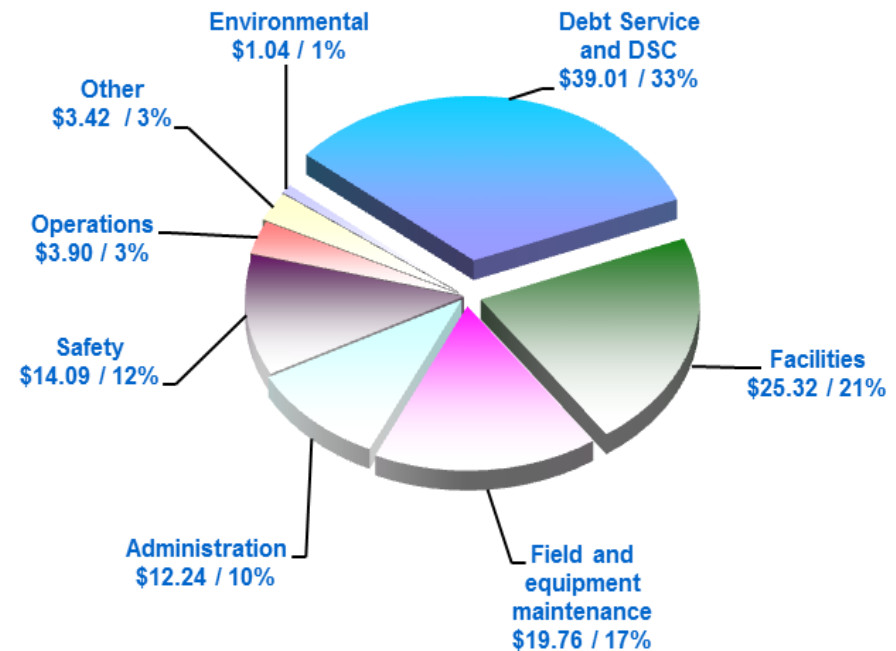
Annual Revenues and Operations, Maintenance and Debt Costs - Funded from Customer Charges -

**AIAS FY2013 Revenue
Sources (Millions)**



\$114M in Operating/Other Revenues

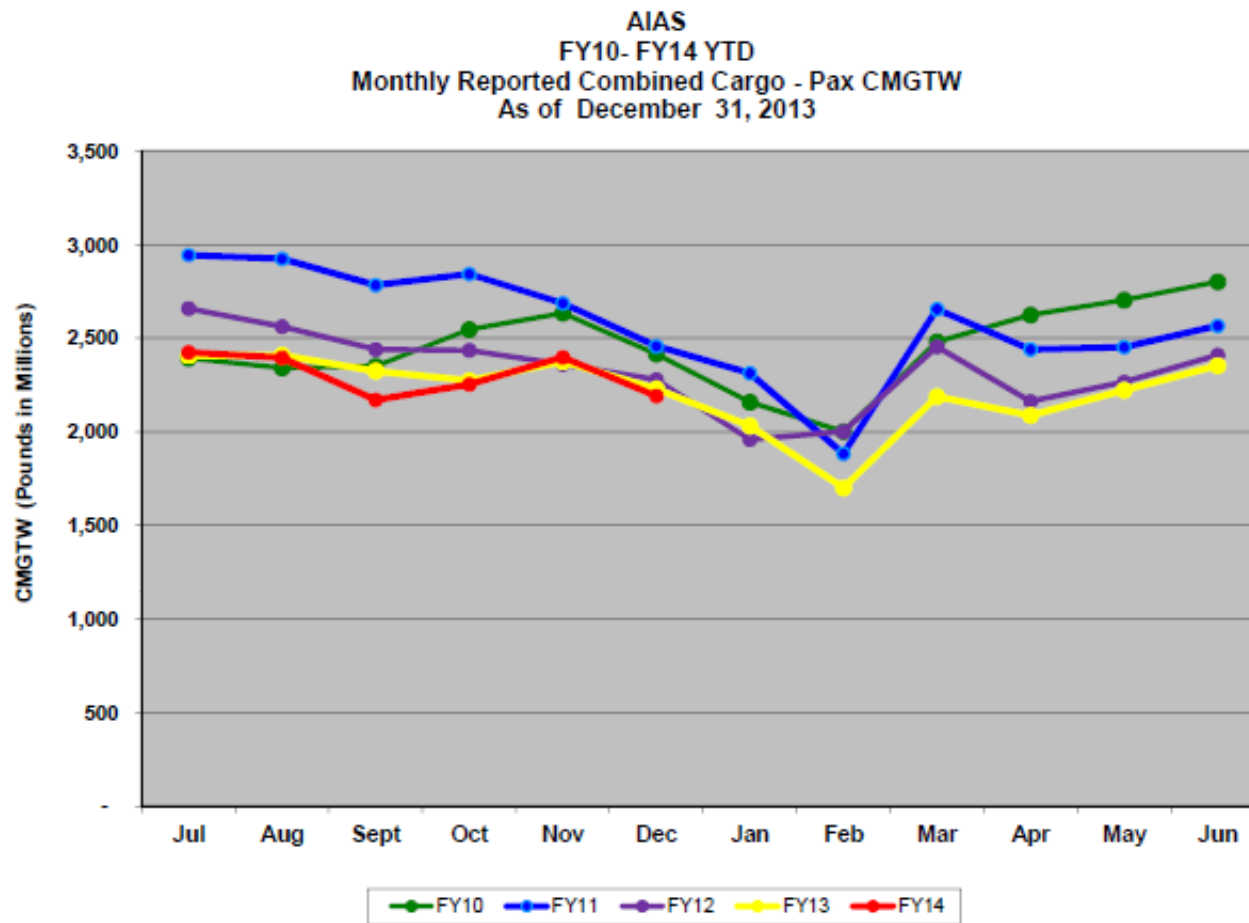
**AIAS 2013 Annual Costs
and DSC (Millions)**



**Costs are covered by adjustments to
rates and fees – self sustaining system**



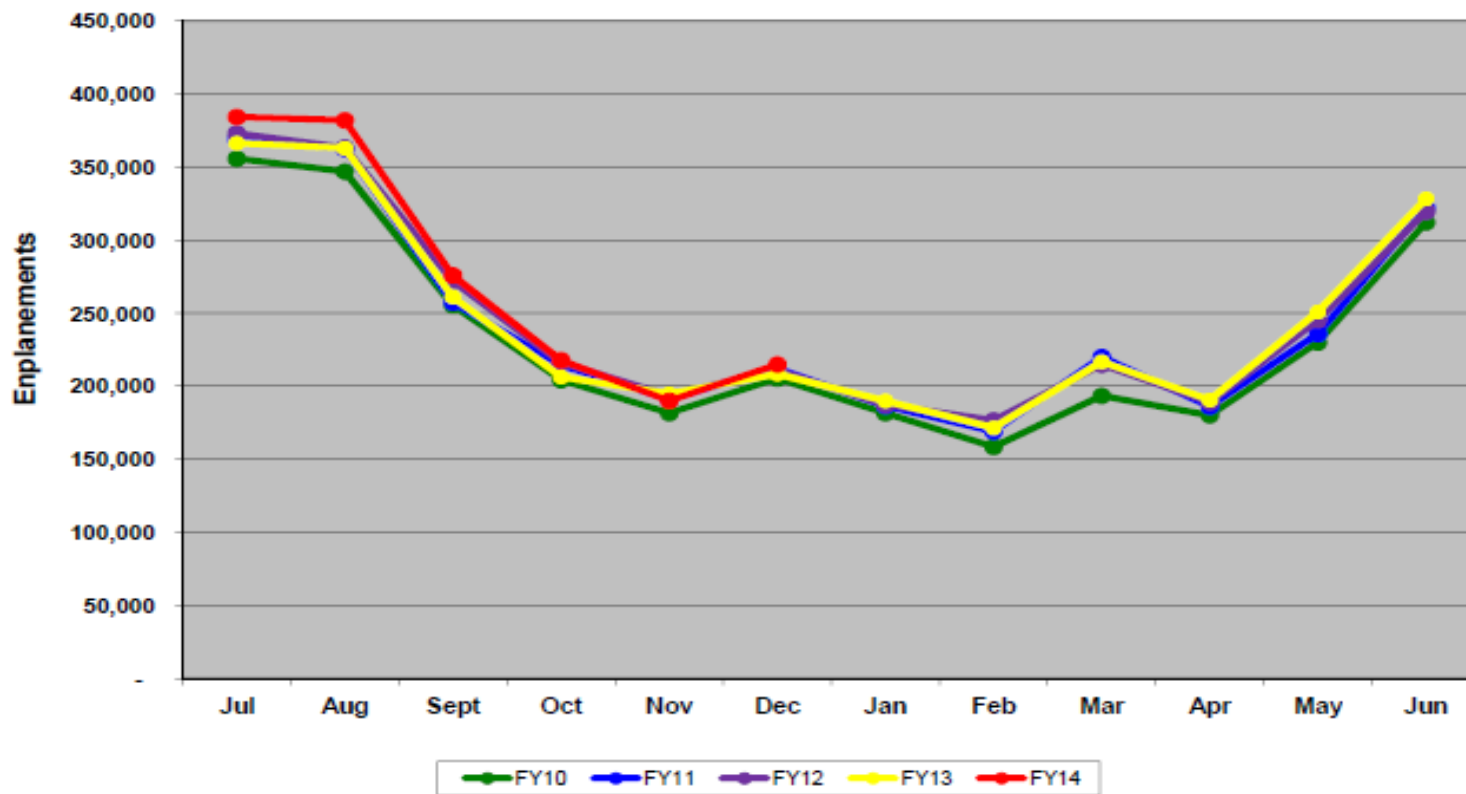
Airfield Revenue Activity (CMGTW): -5% FY13 /-1% FY14 ytd





Passenger Activity

AIAS
FY10 - FY14 YTD
Monthly Enplanements
As of December 31, 2013





Operating Agreement with Air Carriers

- **New Operating Agreement established July 1, 2013**
 - 30 Airlines are Signatory
 - Lengthened term from 5 to 10 years
 - Maintained existing framework with enhancements
 - Reduces barriers to entry as Signatory allowing for competition and growth
- **Residual Cost Model**
 - Signatory Carriers share financial risk
 - Signatory Carriers have discounted fees and Operating, Capital input
- **AIAS has authority to issue revenue bonds**
- **Signatory Carriers organize and engage AIAS as Airline Airport Affairs Committee (AAAC)**



Strategic Planning & Marketing

- **System planning/responses to previous management reviews**
 - Strategic Agenda (2014)
 - Business Plan (2014)
 - Marketing Plans / System Branding (Ongoing)
- **Proactive communications**
 - Work with sister State agencies; Convention and Visitors Bureaus (CVBs) and Economic Development Corporations (EDCs) to strategize opportunities
 - Attend passenger and cargo conferences to promote AIAS
 - Recurring engagements with Asian carriers



Master Plans

- **AIAS Strategic Plan (DOWL/HNTB Team)**
 - Completed Sept 2013; scenarios, capacity and forecasts
 - Report located at <http://dot.alaska.gov/aias/news>
- **FAI Master Plan(RS&H Team)**
 - On-going, planned completion summer 2014
 - Progress updates at <http://pdcprojects.info/FAIMasterPlan>
- **ANC Master Plan (RS&H Team)**
 - On-going, planned completion summer 2014
 - Progress updates at <http://www.ancmasterplan.com>



Statewide Aviation



Rural System Scope and Scale

- 252 DOT&PF owned/operated airports & seaplane bases
- 172 gravel & 47 paved airports; 32 seaplane bases & 1 heliport
- 19 Part 139 certificated airports
- Airports provide only practical access for 82% of Alaskan communities that are off the contiguous road system



Major Rural System AIP Construction Projects Expected to be Funded in FFY'14 & '15

Runway Safety Areas

- Kodiak

Pavement Rehab

- Bethel
- Gulkana
- Haines
- Nome
- Petersburg
- Shishmaref
- Wrangell
- Yakutat

Rural Access

- Ambler
- Aniak
- Coldfoot
- Hooper Bay
- Koliganek
- Pilot Station

Buildings

- Barrow
- Bethel
- Deadhorse
- King Salmon
- Ketchikan
- Unalaska

- Alaska Airport Needs Directory published

<http://dot.alaska.gov/airport-portal-newsres.shtml>



Alaska Aviation System Plan (AASP)

2008

AASP Phase I, Stage I Report

Public Website (www.AlaskaASP.com)

2009

The Economic Contribution of the Aviation Industry to Alaska's Economy (study)

Intra-Alaska Mail Service by Air (white paper)

Impacts of Rising Airport Commodity Prices (fact sheet)

Rural Airport Deferred Maintenance (fact sheet)

Cost of Federal Regulatory Requirements (fact sheet)

Extending Operational Hours at Bethel (fact sheet)

2010

An Economic Analysis of Runway Extensions (study)

Aviation Functions within State of Alaska DOT&PF (study)

DOT&PF Aviation Organization Structure Review

Web-based Aviation Facility Information Directory

2011

Alaska Aviation System Forecasts (report)

AASP Mission, Goals, Measures, & Classifications (report)

Economic and Community Contributions of 12 Selected Alaska Airports (study)

Airport Emergency Plan Updates for 18 Part 139 Certificated Airports

AASP Executive Summary 2011 (brochure)

2012

Aviation – Alaska's Lifeline (video & fact sheet)

Public Aviation Facility Information Directory Update

Airport Emergency Plan Quick-Reference Flipbooks

2013

Alaska's Lifeline – Counting the Costs (video & fact sheet)

Airport Needs Inspection Pilot Project (fieldwork & report)

Capital Improvement & Maintenance Program

Development for 18 Individual Airports (web-based)

Alaska Bypass Mail: Preparing for Change (study)

Essential Air Service in Alaska (study)

Yukon-Kuskokwim Region Air versus Roads Access: Construction & Maintenance Baseline Cost Comparison (study)

Flight Approach Procedures Coordination Work Group Summary



Aviation Challenges

- **Evolving federal agency relationships**
 - Increasing regulatory pressure (FAA, TSA, EPA)
 - Lessening awareness of, and appreciation for, Alaska realities not present in lower 48
 - FAA AIP funding uncertainty – ~\$30M decrease in 2013
- **The increasing cost of winter maintenance chemicals and the federal ban on a common chemical (UREA) used at the largest airports – replacement chemical is almost 2x as expensive**