

Alaska Department of Transportation & Public Facilities

Aviation Overview

John Binder, DOT&PF Deputy Commissioner

February 17, 2022

Our mission is to ***Keep Alaska Moving*** through service and infrastructure.



Mission Statements

DOT&PF

“Keep Alaska moving through service and infrastructure”

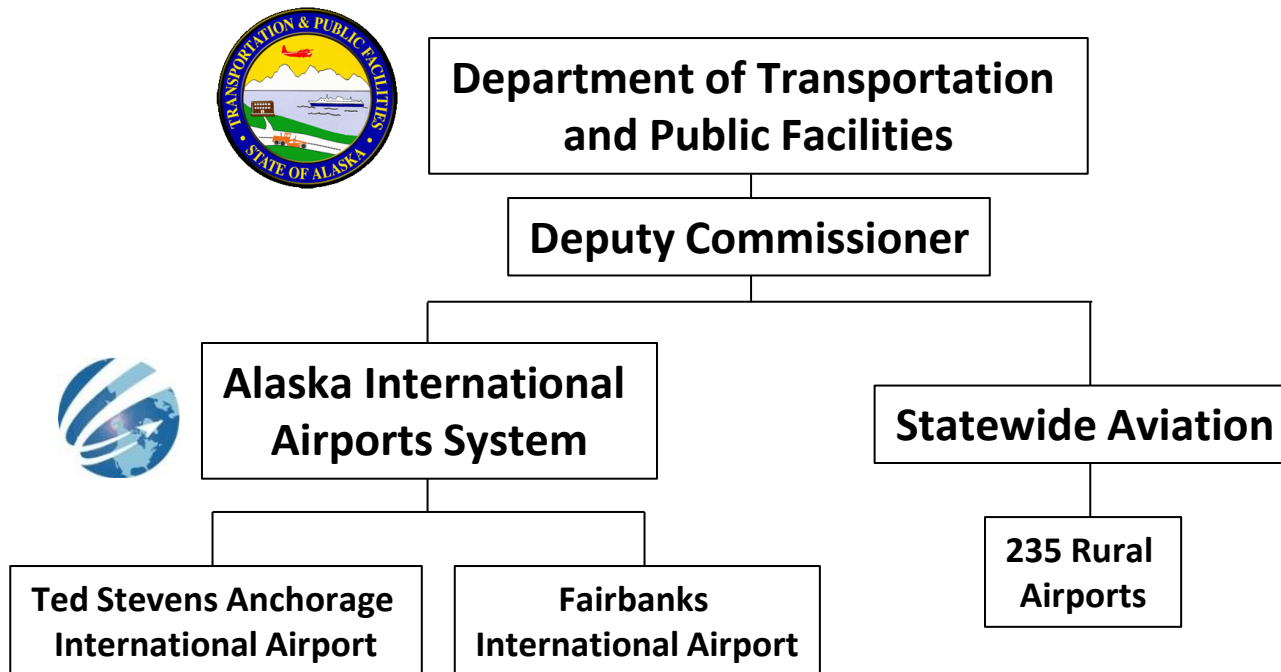
Alaska International Airports System (AIAS)

“To keep Alaska flying and thriving”

Statewide Aviation (SWA)

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

Organization/Leadership





Statewide Aviation



<https://dot.alaska.gov/stwdav/>

Rural System Operating Budget

SFY 2021 Actuals

- Operating Cost = \$41.0M (plus \$8.5M in FFY 2021 AIP federal funds for Surface Maintenance and Snow Removal Equipment)
 - A CARES Act grant for \$49.4M was received and applied to Rural Airport operational costs for FFY 2020 and beyond.
- Revenue = \$10.4M (\$6.6M Leasing + \$3.8M fuel taxes)
 - Fuel Tax to GF = \$4.0M less \$.2M shared with Local Sponsors

COVID Relief Funding Grant Totals

CARES	\$ 49,307,764
CRRSAA	\$ 27,046,506
ARPA	<u>\$ 35,315,416</u>
Total	\$111,669,686

Continuation of UGF Offset (from FY2022)

FY2023 Governor's Budget		
Replace GF with FAA CRRSAA / ARP	\$	14,668.0
Replace GF with FAA CARES	\$	4,190.2
Maintenance & Operations for Rural Airport Paint Striping (FAA CARES)	\$	2,719.3
FY2023 Total:	\$	21,577.5

Breakout

Rural Airport Paint Striping (formerly an AIP eligible activity)		
Central Region	\$	500.0
Northern Region	\$	390.0
Southcoast Region	\$	1,829.3
Paint Striping Subtotal:	\$	2,719.3

Rural Airport Maintenance & Operations		
Northern Region Highways and Aviation	\$	6,505.6
Central Region Highways and Aviation	\$	4,157.9
Southcoast Region Highways and Aviation	\$	4,004.5
Northern Region Facilities	\$	2,621.0
Southcoast Region Facilities	\$	1,569.2
Rural Airport Maintenance & Operations Subtotal:	\$	18,858.2

\$ in Thousands (1,000)



AIP Rural System Capital Funding FFY 2016 through FFY 2021

Federal Capital Funding

- Rural System AIP annual average FFY 2016 - 2019 = \$132.9M
- FFY 2020 AIP = ~\$198.9M
- FFY 2021 AIP = ~\$184.2M

Rural Airport System State Match Required

- Generally, 6.25% of project eligible costs
- A few Essential Air Service airports in designated economically distressed communities qualify for a 5% match of project eligible costs
- Most FFY 2021 project matches were 100% American Rescue Plan Act funded.



Alaska International Airport System (AIAS)



<https://dot.alaska.gov/aias/>

AIAS Structure

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



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**Alaska
International Airport
System**
"AeroNexus"®

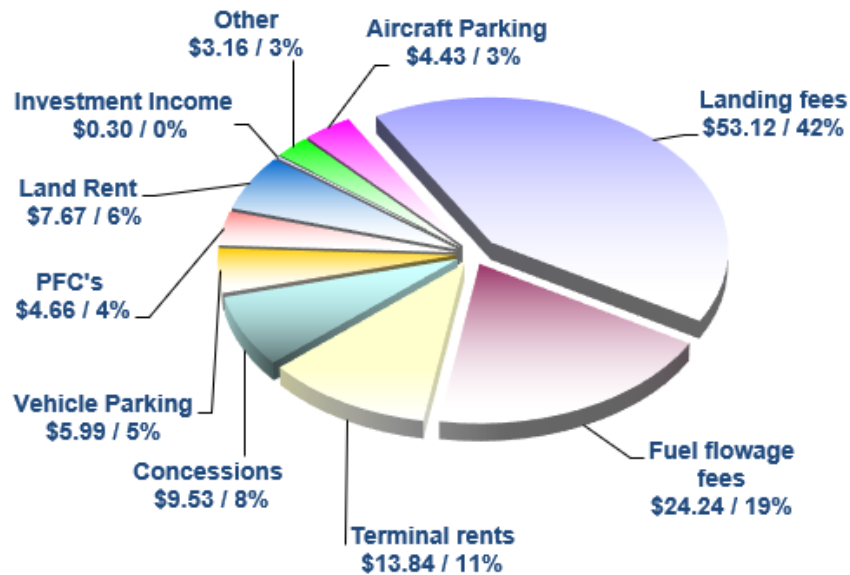


Operating Agreement with Carriers

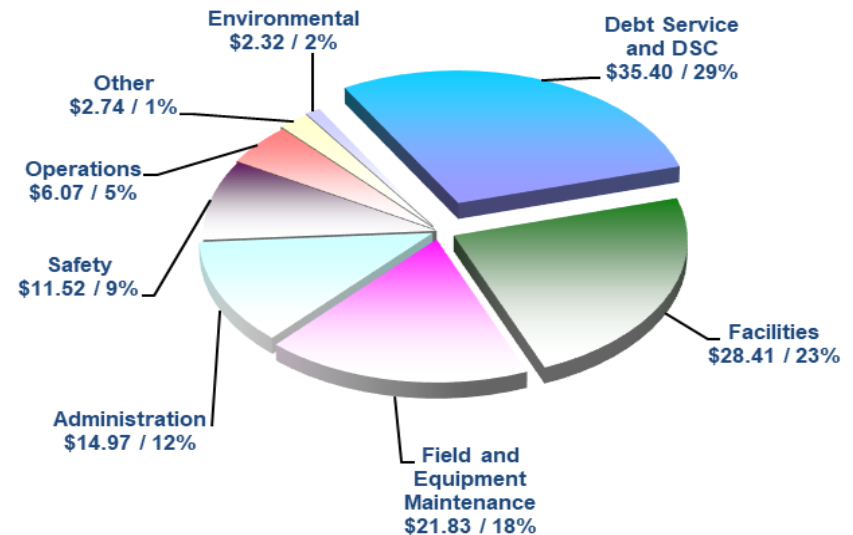
- **Ten-year Operating Agreement July 1, 2013 – June 30, 2023**
- **35 Signatory Carriers**
 - **Share financial risk in exchange for capital and operating input and discounted fees**
 - **Signatory Carriers organize and engage AIAS as Airline Airport Affairs Committee (AAAC)**
 - **Co-chairs are representatives from UPS and Alaska Airlines**
- **AIAS issues general airport revenue bonds (GARBS) through State Bond Committee (\$990.6m issued since 1999 with \$319.4M outstanding at 6/30/21); *Fitch A+ / Moody's A1***

Annual Revenue and Operations, Maintenance and Debt Costs - Funded through Customer Charges -

**AIAS FY2021 Revenue
Sources*
(\$126.94 Million)**



**AIAS FY2021 Annual Operating
Costs and DS&C**
(\$122.27 Million)**

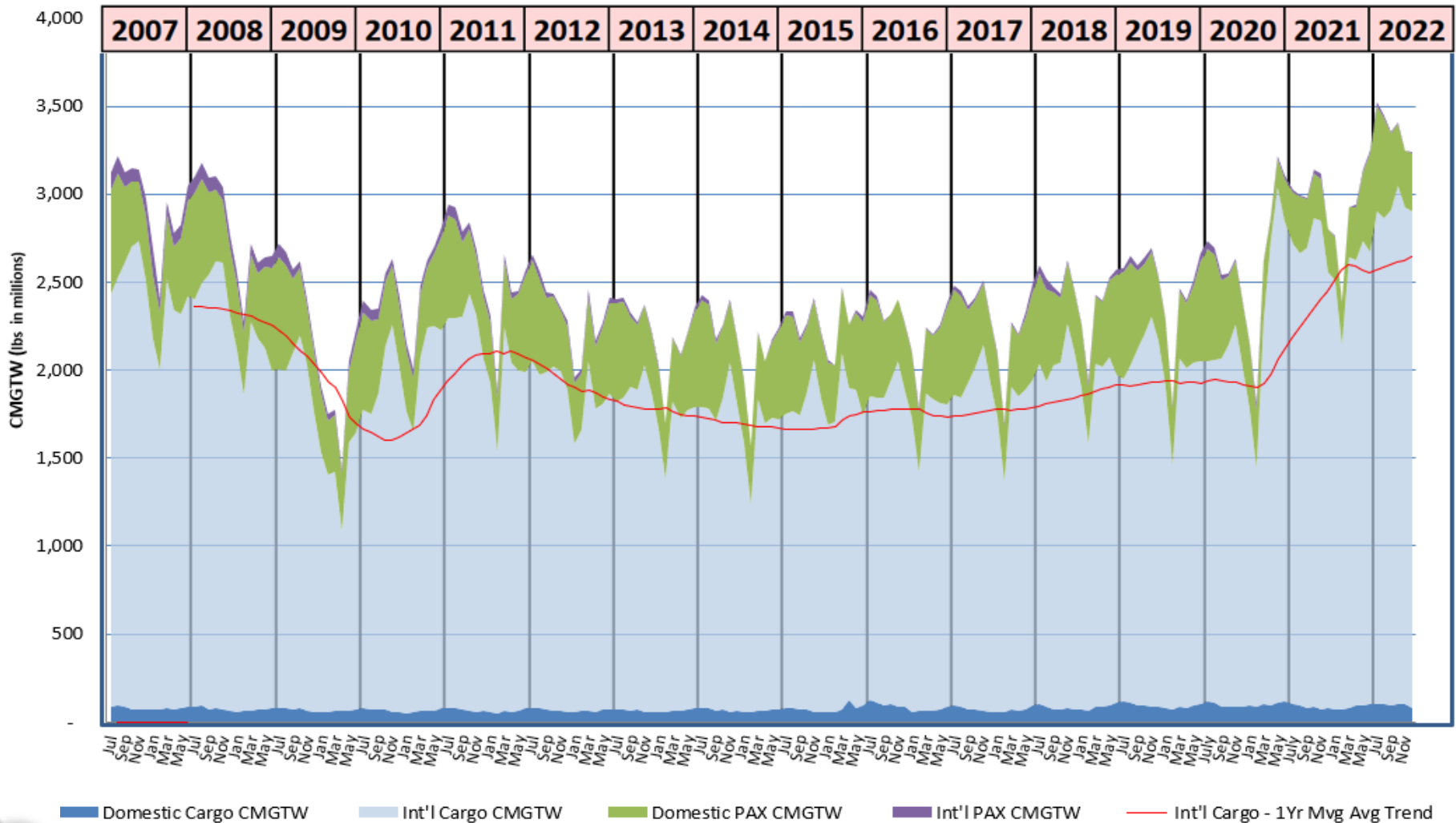


Operating, passenger facility charge, and interest revenues – Does not include capital grant receipts and FAA Pandemic Relief funds.

*** Expense does not include rates & fees funded capital costs or depreciation.*

Cargo/Passenger (PAX) Activity

AIAS Monthly Cargo & PAX CMGTW, FY07 – FY22 YTD (Dec '21)

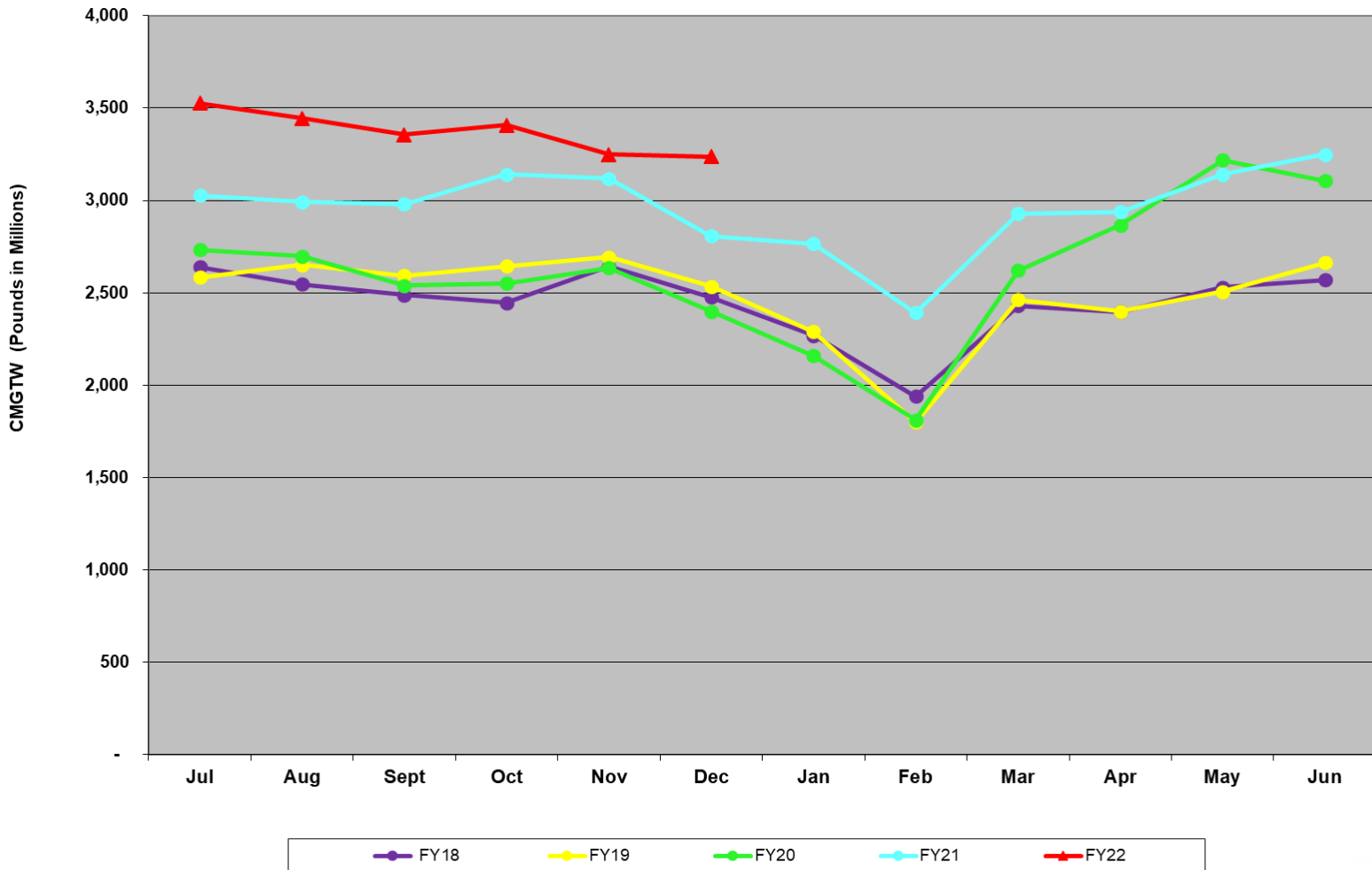


CMGTW = certified maximum gross take-off weight

Primary Revenue Driver - Airfield Activity (CMGTW): Up 13.2% FY21 / Up 11.9% FY22 YTD



AIAS
FY18 - FY22 YTD
Monthly Reported Combined Cargo - Pax CMGTW
As of December 31, 2021

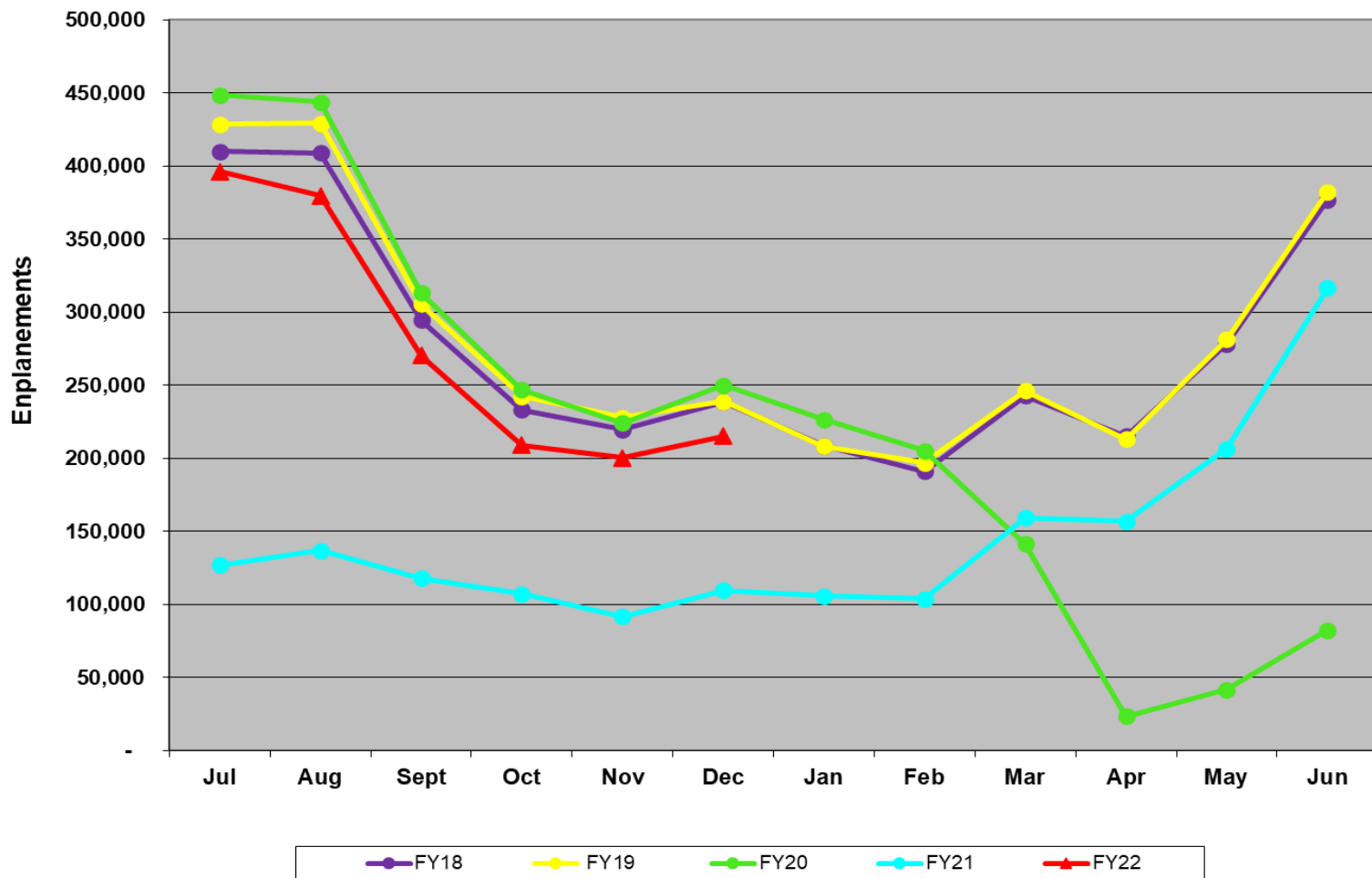


Passenger Activity

Down 34.3% FY21 / Up 141.9% FY22 ytd



AIAS
FY18 - FY22 YTD
Monthly Passenger Enplanements
As of December 31, 2021



Capital Funding

Airport Improvement Program (AIP)

FFY2021 (in Millions)

	<u>Discretionary</u>	<u>Entitlements</u>	<u>Supplemental</u>	<u>COVID Relief (CARES, CRRSAA)</u>	<u>Total</u>
ANC	\$17.7	\$14.9	\$20.5	\$4.6	\$57.7
FAI	\$0.0	\$1.1	\$0.0	\$0.1	\$1.2

Anticipated FFY2022

	<u>Discretionary</u>	<u>Entitlements</u>	<u>Supplemental</u>	<u>COVID Relief (CARES, ARPA)</u>	<u>Total</u>
ANC	\$19.1	\$15.3	\$18.7	\$0.0	\$53.1
FAI	\$0.0	\$1.4	\$0.0	\$0.0	\$1.4

Opportunities

COVID Relief Funding Grant Totals

	ANC	FAI	Total
CARES	\$27,429,130	\$ 5,704,159	\$ 33,133,289
CRRSAA*	\$14,463,415	\$ 3,807,856	\$ 18,271,271
ARPA*	<u>\$45,558,606</u>	<u>\$ 6,842,486</u>	<u>\$ 52,401,092</u>
Total	\$87,451,151	\$16,354,501	\$103,805,652

\$1B+ in private development
FAI recognized as UAS Hub for Alaska
Air service expansion

*Including All Concession Grants totaling \$3.5M



Thank you!



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