

Alaska Department of Transportation & Public Facilities

Aviation Overview

John R. Binder, Deputy Commissioner
Ryan Marlow, UAS Program Manager

February 2, 2023

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



MISSION STATEMENTS



Alaska 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



Department of Transportation and Public Facilities

Commissioner

Deputy Commissioner



Alaska International
Airport System



Statewide Aviation

Ted Stevens Anchorage
International Airport

Fairbanks
International Airport

235 Rural
Airports





ALASKA INTERNATIONAL AIRPORT SYSTEM



Fairbanks International Airport



Ted Stevens Anchorage International Airport





AIAS STRUCTURE

AN 

+

=



Fairbanks
International Airport
"AeroNexus"



Alaska
International Airport
System

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



OPERATING AGREEMENT WITH CARRIERS



Existing 10-year Operating Agreement & Passenger Terminal Lease (OAPTL) Effective July 1, 2013 – June 30, 2023

NEW 10-year OAPTL Effective July 1, 2023 – June 30, 2033. Negotiations substantially completed 2/1/2023.

35 Signatory Carriers

- **Share financial risk in exchange for capital & 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**

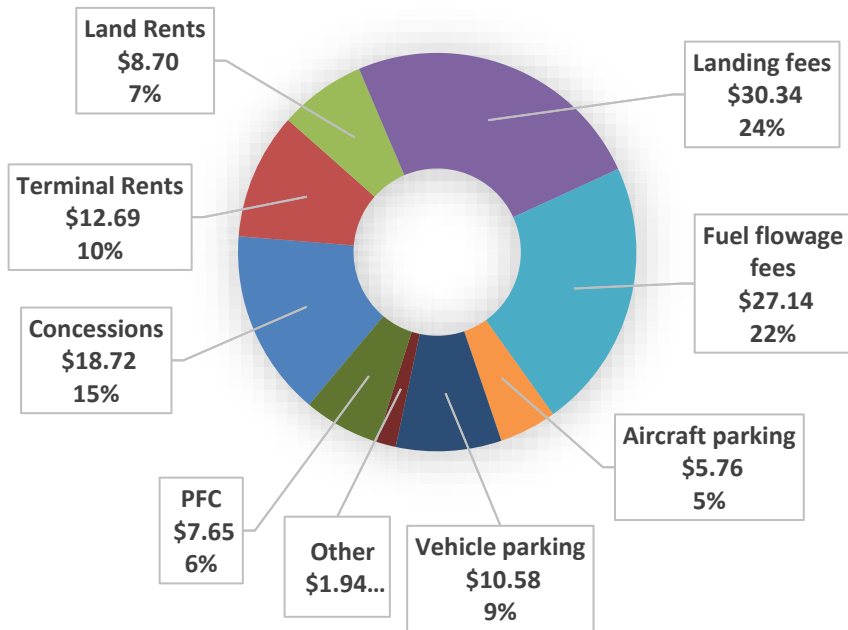
AIAS issues general airport revenue bonds (GARBS) through State Bond Committee (\$990.6M issued since 1999 with \$243.8M outstanding at 6/30/22); *Moody's A1 positive*



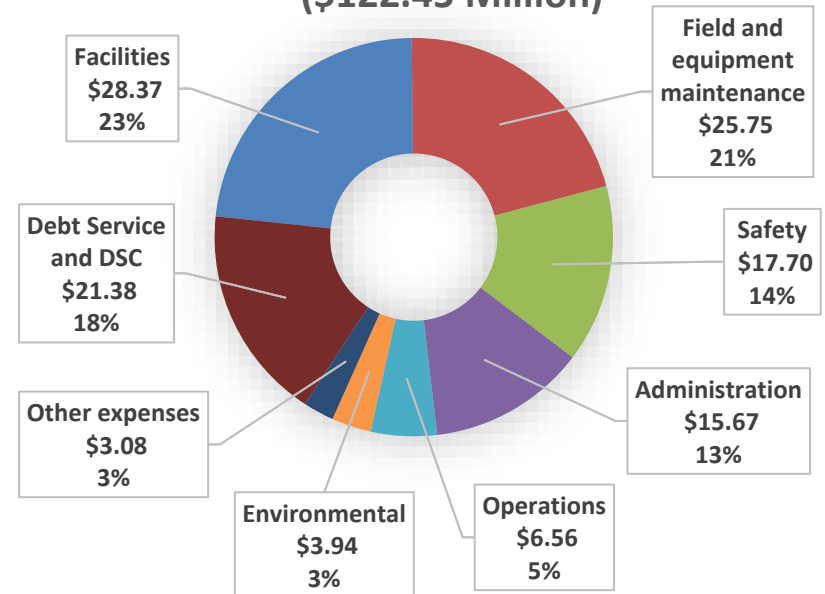
ANNUAL REVENUE AND OPERATIONS, MAINTENANCE AND DEBT COSTS

- Funded through Customer Charges -

AIAS FY2022 Revenue Sources*
(\$123.52 Million)



AIAS FY2022 Annual Operating Costs and Debt Service**
(\$122.45 Million)



Operating, passenger facility charges, and interest revenues – Does not include capital grant receipts, FAA Pandemic Relief funds, or Unaudited Loss on Investments (2.52M)

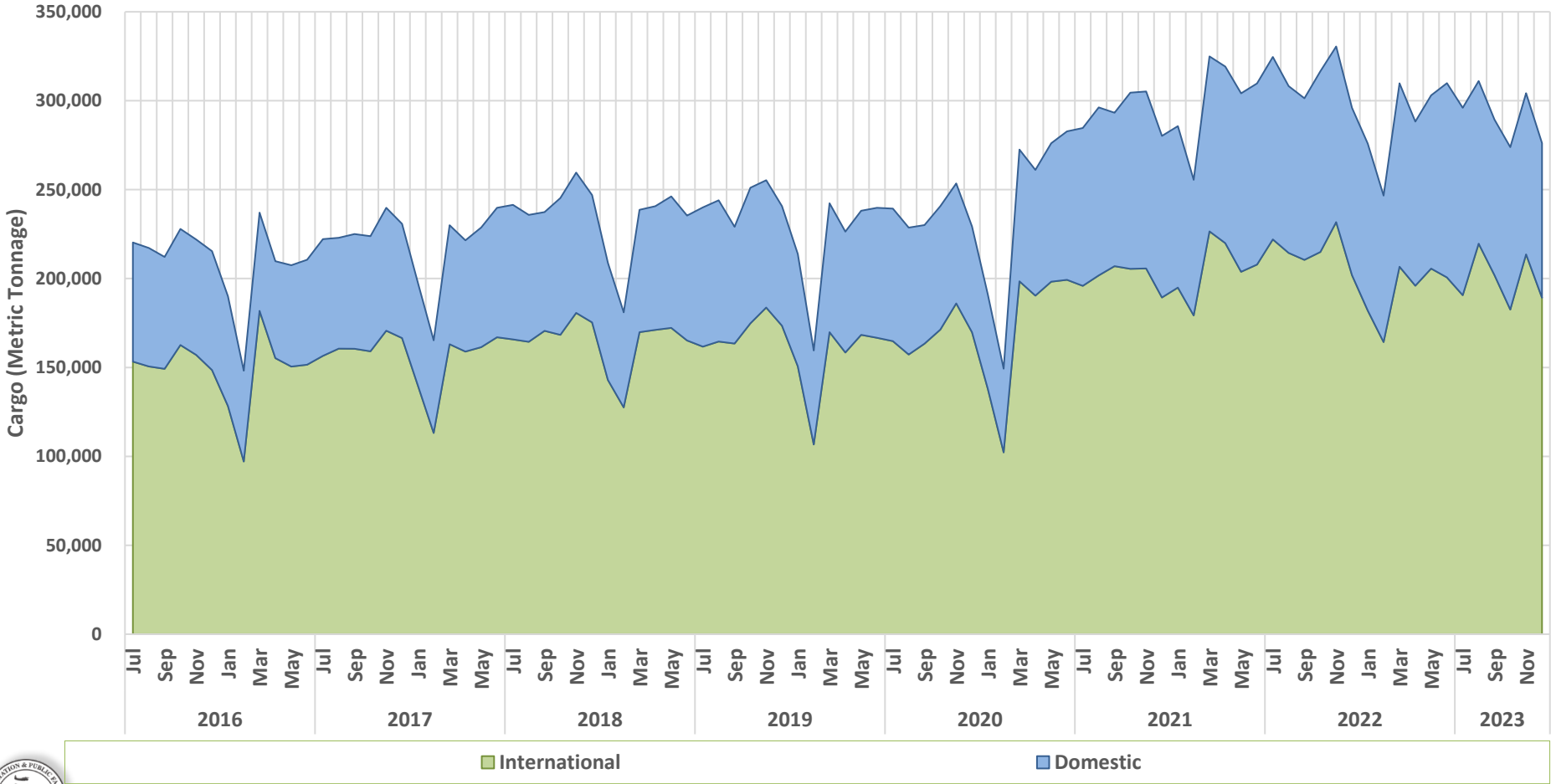
*** Expense does not include rates & fees funded capital costs or depreciation.*





CARGO TONNAGE

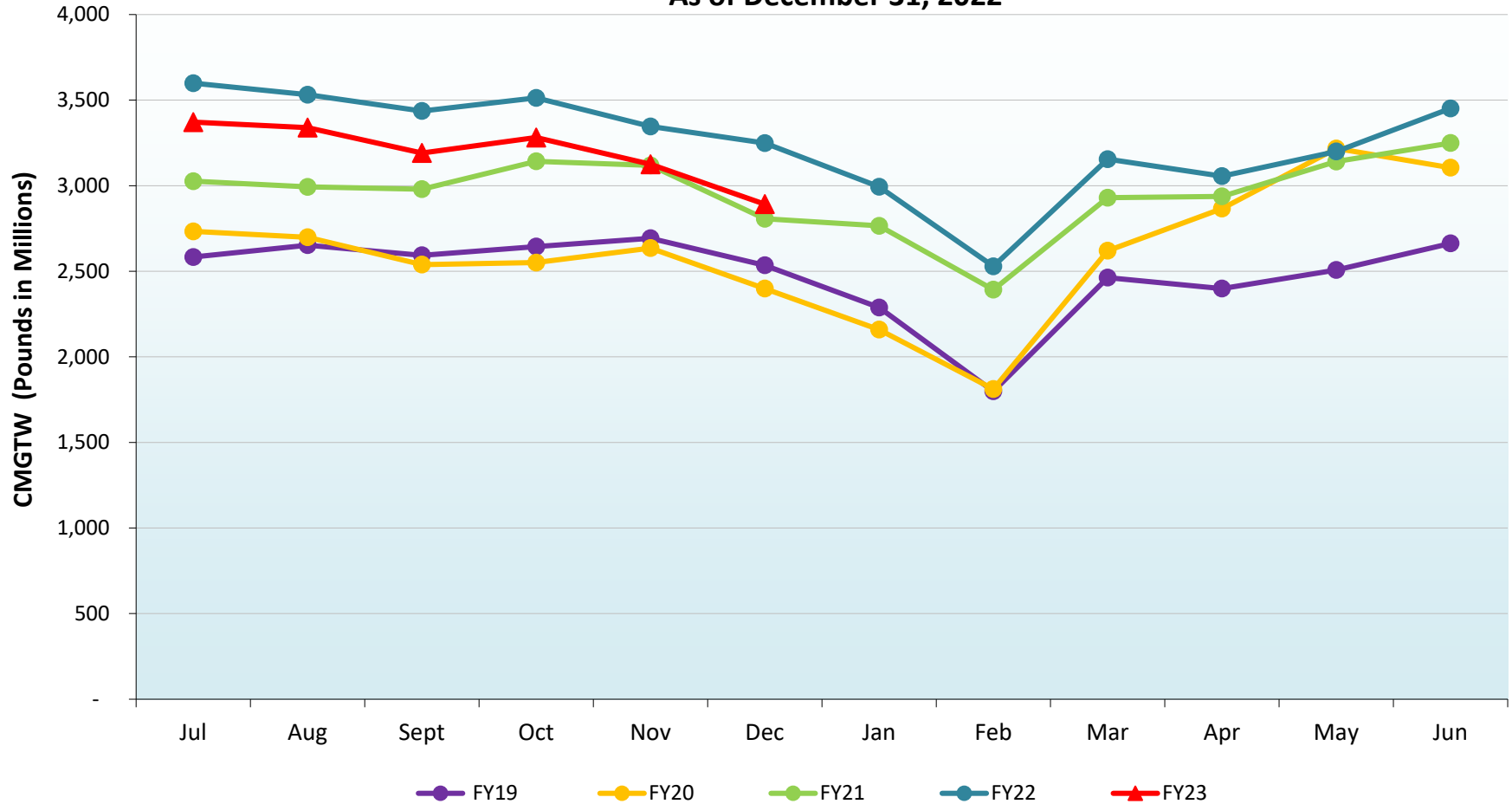
AIAS
Monthly Cargo in Metric Tonnes
Domestic & International
FY16 - FY23 YTD (Dec '22)



PRIMARY REVENUE DRIVER

Airfield Activity (CMGTW)

AIAS
FY19 - FY23 YTD
Monthly Reported Combined Cargo - Pax CMGTW
As of December 31, 2022

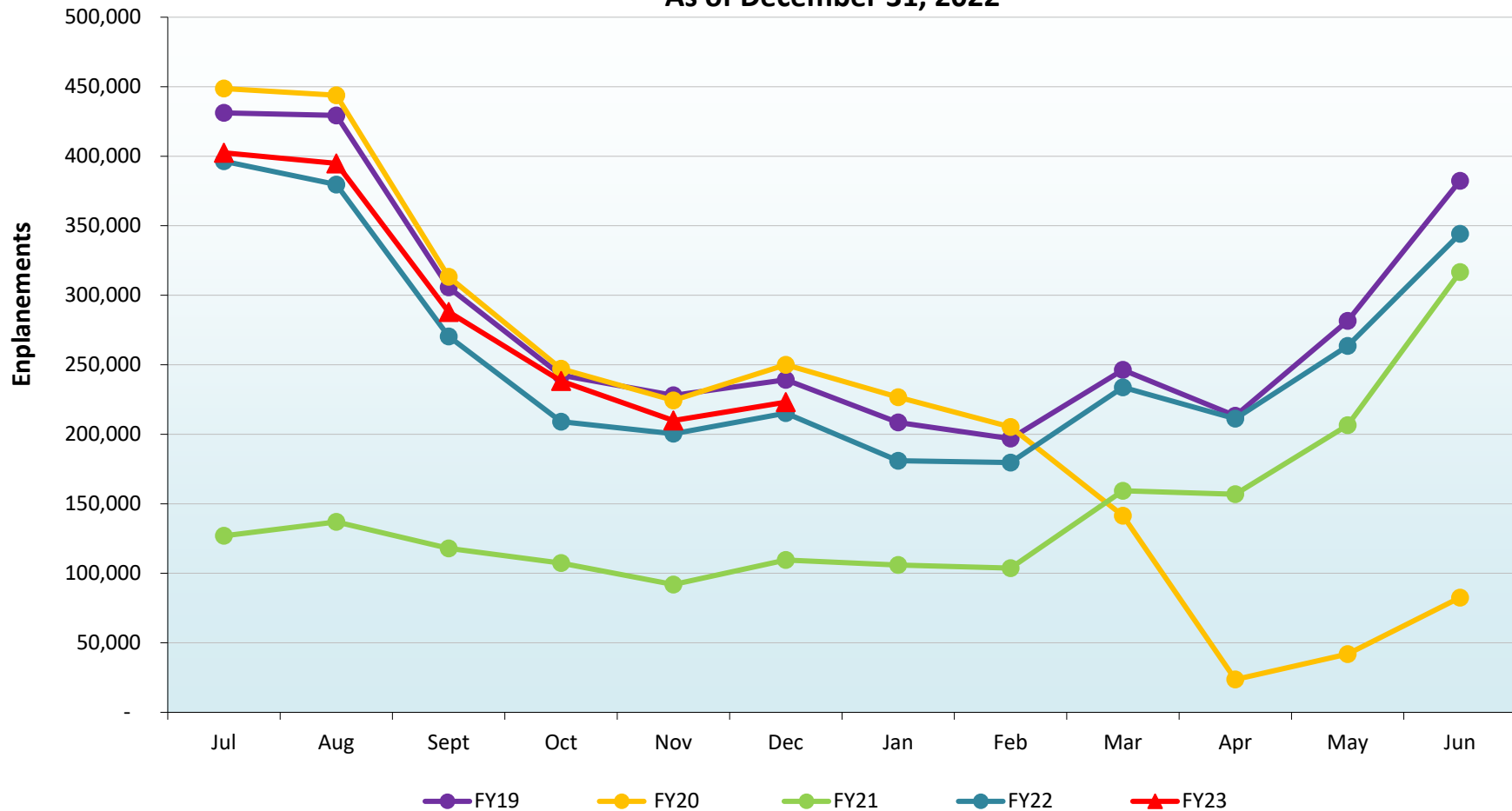


FY22 Up 10.1% vs FY21 / FYTD23 Down 7.1% vs FYTD22

CMGTW = Certified Maximum
Gross Takeoff Weight

PASSENGER ACTIVITY

AIAS FY19 - FY23 YTD Monthly Passenger Enplanements As of December 31, 2022



FY22 Up 77.3% vs FY21 / FYTD23 Up 5.1% vs FYTD22



CAPITAL FUNDING

Airport Improvement Program (AIP)

(in Millions)

FFY2022

	<u>Discretionary</u>	<u>Entitlements</u>	<u>Supplemental</u>	<u>BIL/IIJA</u>	<u>Total</u>
ANC	\$0.0	\$9.4	\$15.8	\$1.6	\$26.8
FAI	\$1.2	\$1.7	\$0.0	\$0.0	\$2.9

Anticipated FFY2023

	<u>Discretionary</u>	<u>Entitlements</u>	<u>Supplemental</u>	<u>BIL/IIJA</u>	<u>Total</u>
ANC	\$23.8	\$23.0	\$0.0	\$16.5	\$63.3
FAI	\$4.2	\$7.9	\$0.0	\$7.8	\$19.9

ECONOMIC OPPORTUNITIES

\$800M+ in private development at ANC

- NorthLink Aviation, 10+ hardstands, warehousing facility
- Alaska Cargo and Cold Storage, aircraft parking & warehousing facility
- FedEx Expansion, aircraft parking and domestic operations center

Passenger Service Growth

- Eurowings Discover returning for second year
- Northern Pacific Airways starting summer 2023

Sustainability

- Researching sustainable aviation fuel opportunities
- ANC applying for sustainability planning grant

FAI is future home for Bureau of Land Management/DNR Firefighting base.



An aerial photograph showing a wide river on the left, a road running parallel to it, and an airport with a long runway on the right. The background features a range of mountains under a cloudy sky. A semi-transparent white banner is overlaid across the middle of the image.

STATEWIDE AVIATION

RURAL SYSTEM OPERATING BUDGET

SFY 2022

- **Operating Cost = \$39.4M (plus \$18.9M in FFY 2022 Airport Improvement Program (AIP) federal funds for Surface Maintenance and Snow Removal Equipment)**
 - CARES Act grant for \$49.4M was applied to Rural Airport operational costs for FFY 2020 and beyond.
- **Revenue = \$11.52M (\$6.97M Leasing + \$4.55M fuel taxes)**
 - Fuel Tax to Gen Fund = \$4.55M less \$.16M shared w/ Local Sponsors
- **System Sustainability**
 - **Cost reductions/efficiencies**
 - Sand/Chemical optimization
 - Maintenance conversion to federal program
 - **Workforce challenges**



AIP RURAL SYSTEM CAPITAL FUNDING

FFY 2016 THROUGH FFY 2022

Federal Capital Funding

- Rural System AIP annual average FFY 2016 - 2019 = \$132.9M
- FFY 2020 AIP = ~\$198.9M
- FFY 2021 AIP = ~\$184.2M
- FFY 2022 AIP = ~\$236.4M
- FFY22 BIL = ~\$19.6M

Rural Airport System State Match Required

- Generally, 6.25% of project eligible costs
- A few Essential Air Service (EAS) airports in designated economically distressed communities qualify for a 5% match of project eligible costs





AVIATION PROJECTS (FY22/23)

State of Good Repair / Safety

Homer (23)

Saint Mary's (22/23)

Chefornak (22)

Kotzebue (22)

Brevig Mission (22)

Kwethluk (23)

Point Hope (22)

Chalkyitsik (23)

Kongiganak (22/23)

Economic Vitality (rural access)

Little Diomed (23)

Noorvik (22)

Wrangell (23)

Marshall (23)

Shishmaref (22)

Mekoryuk (23)

Sleetmute (22/23)

Sustainability (buildings)

Chignik (23)

Mekoryuk (23)

Eagle/Tok (22)

Sitka SREB (23)

Kongiganak SREB (22)

Sitka Terminal (23)

AIRPORT IMPROVEMENT PROGRAM (AIP) FOR DOT&PF AIRPORTS IN FFY 2022

FAA AIP airport capital improvement project funding for DOT&PF programs (~\$256M)

Cargo Entitlements (\$4.5M)

- Earned by airports with more than 100 million pounds landed weight

Primary Passenger Entitlement (\$36.1M)

- Earned by airports with more than 10,000 enplaned passengers and scheduled commercial service

Non-Primary Passenger Entitlement (\$27.7M)

- Earned by airports with fewer than 10,000 enplaned passengers annually

State Apportionment (\$19.4M)

- An area/population formula used after cargo/passenger entitlements calculated

Alaska Supplemental (\$19.0M)

- Congressional amount based on 1980 amounts

Discretionary (\$134M)

- What remains – divided among 50 states
- FAA Airport Environmental Mitigation PFAS Pilot (\$1.2M)

Supplemental Discretionary grants (\$19.6M)

- Special additional federal GF appropriation – Projects Selected by FAA
- Kongiganak SREB (\$3.7M)





Unmanned Aircraft Systems (UAS) and Advanced Air Mobility (AAM)



ALASKA UAS DEVELOPMENT

\$35.4 Million Programmed for CY 2023 for UAS Research and Development

Funding Sources

- U.S. DOT & FAA
- State of Alaska
- Private investments

Partnerships

- ACUASI
- State of Alaska agencies
- Federal
- Private industry



ACUASI



2022-2023 ALASKA UAS GROWTH STATS

“IN ALASKA, MORE UAS AIRCRAFT ARE REGISTERED THAN MANNED AIRCRAFT”


FAA | UAS Drone Popularity

Reporting data as of 1/10/2023 3:56:10 AM ET

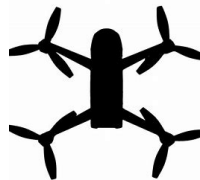
Ratio of Population to Drone Registrations

Rank of Popularity	Name	Population	Registrations	Ratio 1 to Population
1	Alaska	738,432	9,091	81
2	Hawaii	1,431,603	15,628	92
3	Utah	2,995,919	30,821	97
4	Idaho	1,654,930	17,003	97
5	Colorado	5,456,574	55,587	98
6	Washington	7,170,351	68,218	105

Unmanned Aviation (AK)


Remote Pilots = **3,713**  37% from 2022

Registered Unmanned Aircraft = **9,091**  12% from 2022



Manned Aviation (AK)

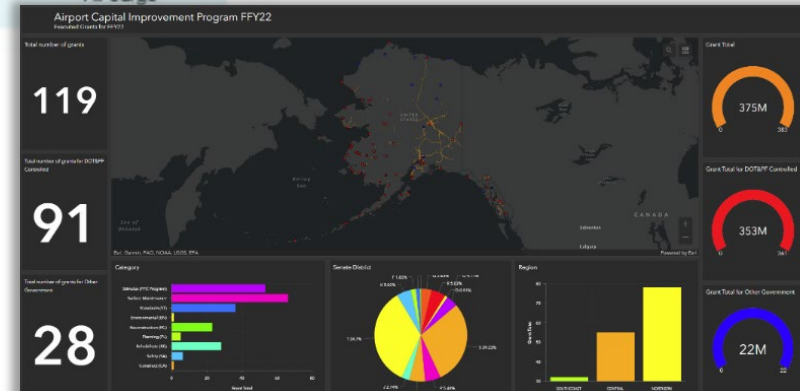
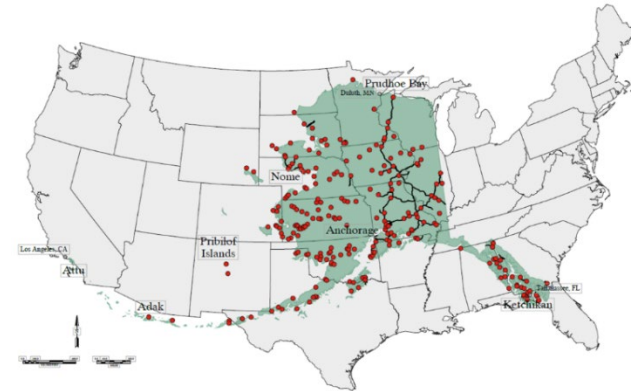
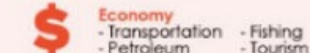
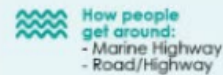
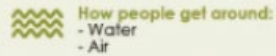
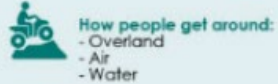
Manned Pilots = **8,795**  3% from 2022

Registered Manned Aircraft = **8,737**  1% from 2022





ADVANCED AIR MOBILITY (AAM)



AIRPORT WORKFORCE



Challenges

- Attracting equipment operators, mechanics, and electricians
- Airport training needs
- Increased airline operational hours (24/7 and/or overtime needed)
- Aviation project delivery

Solutions

- Broad recruitment efforts
- Flexible work schedule options (1x1, 2x2)
- Mission-critical incentive pay (MCIP)
- Contracting for services



AIRPORT ENVIRONMENT

Challenges

- Warming climate impacting coastal erosion, precipitation patterns, airport surface stability
- Increase in freezing rain / ice events
- Equipment utilization is more complicated
- Higher aircraft performance requirements

Solutions

- Chemical / deicing programs
- Weather prediction / RWS utilization (road weather stations)
- Surface stabilization solutions



REMOTE AIRPORT LIGHTING



Challenges

- Aging lighting systems that are extremely expensive to maintain / replace
- Harsh arctic climate
- Damage & vandalism

Solutions

- Focused airport lighting program
- Electrical training for current staff
- Emergency lighting systems
- Training / Public outreach / communication efforts

THANK YOU. QUESTIONS?

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