

**SB**

**153**

**HFIN**

**FILE**



# FISCAL NOTE

STATE OF ALASKA  
2005 LEGISLATIVE SESSION

Fiscal Note Number: 1  
Bill Version: SB 153  
(S) Publish Date: 3/29/05

Revision Date/Time (Note if correction): \_\_\_\_\_ Dept. Affected: Revenue  
Title Airport Bonds RDU Revenue Operations  
Component Treasury Division  
Sponsor Rules Committee  
Requester Governor Component No. \_\_\_\_\_

**Expenditures/Revenues** (Thousands of Dollars)

Note: Amounts do not include inflation unless otherwise noted below.

OPERATING EXPENDITURES	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
Personal Services						
Travel	15.0					
Contractual		10.0	10.0	10.0	10.0	10.0
Supplies						
Equipment						
Land & Structures						
Grants & Claims						
Debt Service			19,465.2	19,465.2	19,465.2	19,465.2
<b>TOTAL OPERATING</b>	<b>15.0</b>	<b>10.0</b>	<b>19,475.2</b>	<b>19,475.2</b>	<b>19,475.2</b>	<b>19,475.2</b>

<b>CAPITAL EXPENDITURES</b>						
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<b>CHANGE IN REVENUES ( )</b>						
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**FUND SOURCE** (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF	15.0	10.0	10.0	10.0	0.0	10.0
1005 GF/Program Receipts						
1037 GF/Mental Health						
AIAS Revenue Fund			19,465.2	19,465.2	19,465.2	19,465.2
<b>TOTAL</b>	<b>15.0</b>	<b>10.0</b>	<b>19,475.2</b>	<b>19,475.2</b>	<b>19,475.2</b>	<b>19,475.2</b>

Estimate of any current year (FY2005) cost: 0.0

Mark this box (X) if funding for this bill is included in the Governor's FY 2006 budget proposal:

**POSITIONS**

Full-time						
Part-time						
Temporary						

**ANALYSIS:** (Attach a separate page if necessary)

This legislation authorizes the State Bond Committee to issue \$288.3 million in revenue bonds to support the Alaska International Airport System capital improvement program.

Project size is approximately \$265 million. Initial debt assumptions are \$100 million in variable-rate bonds, and the balance in 25-year term bonds with fixed interest rates and serial maturities. Eighteen months of capitalized interest is assumed, with interest expense to be paid from bond proceeds. The blended assumed interest rate is 4.46%. Assumptions, including interest rates, are likely to change over time.

Prepared by: Daven Mitchell, State Debt Manager Phone 465-3750  
Division: Treasury Division Date/Time 3/21/05 3:35 PM  
Approved by: Tom Boutin, Deputy Commissioner Date 3/21/2005  
Agency: Department of Revenue

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# STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION  
AND PUBLIC FACILITIES  
OFFICE OF THE COMMISSIONER

FRANK H. MURKOWSKI, GOVERNOR

3132 CHANNEL DRIVE  
JUNEAU, ALASKA 99801-7898

TEXT: (907) 465-3652  
FAX: (907) 585-8365  
PHONE: (907) 465-3800

May 6, 2005

The Honorable Mike Chenault  
Co-Chair, House Finance  
State Capitol, Room 502  
Juneau, Alaska 99801

The Honorable Kevin Meyer  
Co-Chair, House Finance  
State Capitol, Room 515  
Juneau, Alaska 99801

Dear Representatives Chenault and Meyer:

During this morning's hearing on HB237 - International Airport Revenue Bonds, Representative Stoltze asked me how the Aviation Advisory Board felt about the projects to be funded by the bonds. I responded that the Board had not taken a formal position but that my sense of the Board is that the members are supportive.

I have since talked with the Chairman of the Board, Richard Wien. He assures me that the Board is supportive of the projects and the method of financing.

Sincerely,



Mike Barton  
Commissioner

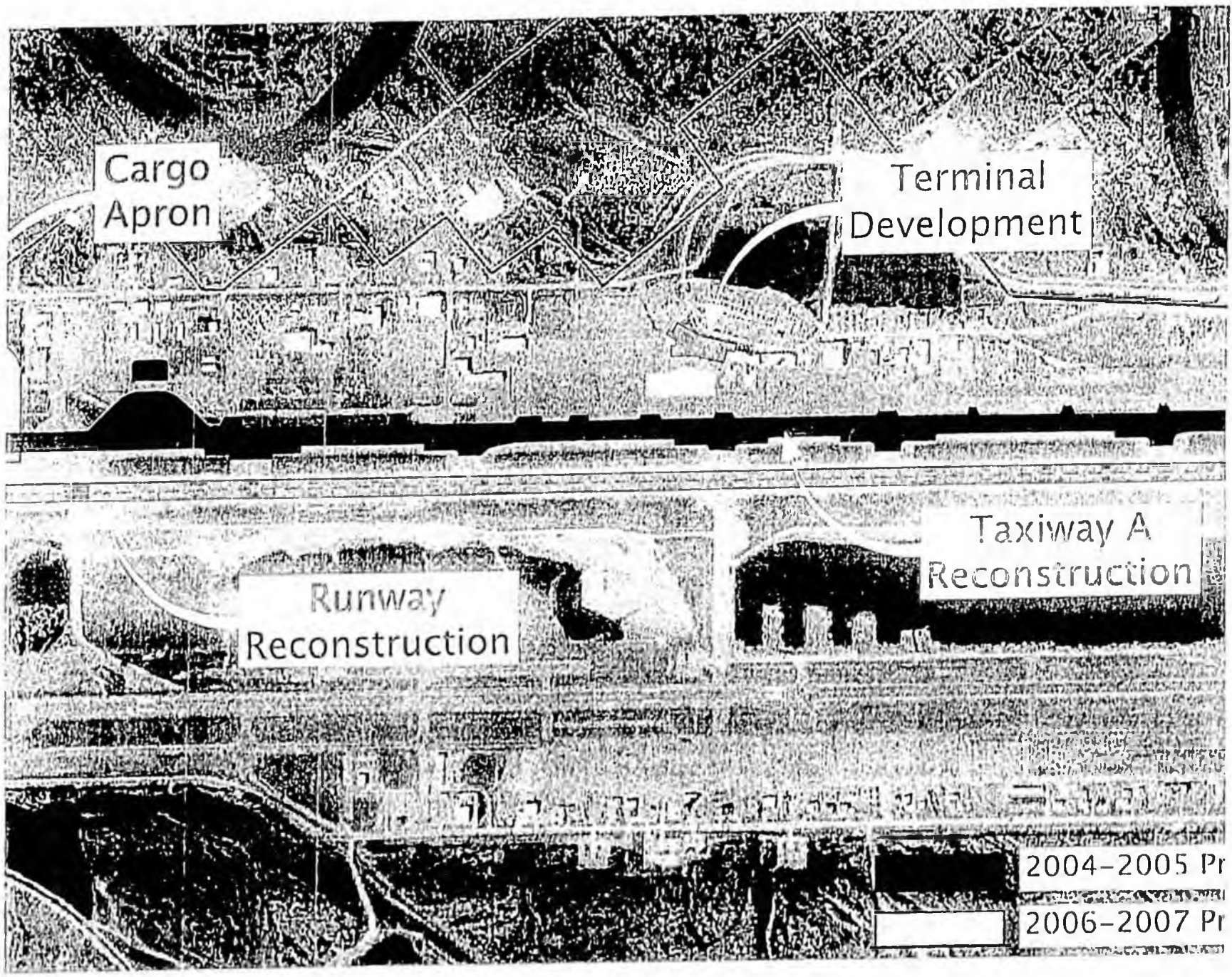
cc: Representative Bill Stoltze, Vice-Chair, House Finance Committee  
Representative Richard Foster, Member, House Finance Committee  
Representative Mike Hawker, Member, House Finance Committee  
Representative Jim Holm, Member, House Finance Committee  
Representative Mike Kelly, Member, House Finance Committee  
Representative Eric Croft, Member, House Finance Committee  
Representative Reggie Joule, Member, House Finance Committee  
Representative Carl Moses, Member, House Finance Committee

# AIAS Bond Funding Requirement

AIRPORT	ITEM	OTHER FUNDING	BONDS	TOTAL
ANC	A&B Retrofit	51.5	91.5	143.0
FAI	TERMINAL	12.4	86.8	99.2
ANC	CIP (FY06 - 09)	118.8	29.2	148.0
FAI	CIP (FY06 - 09)	50.4	5.5	55.9
Deferred	CIP (FY04 - 06)	0.0	19.9	19.9
<b>TOTAL</b>		<b>233.1</b>	<b>232.9</b>	<b>466.0</b>
Capitalized Interest			30.2	
Issuance Costs			24.9	
Total Bond Sale			288.0	

**Alaska International Airport System  
FY06 – FY09  
Bond Funded Projects**

<u>FAI</u>	<u>Bond Amount</u>	<u>Total Project</u>
Federal Match - Runway Reconstruction	\$ 2,587,500	\$ 51,750,000
Airfield Maintenance Equipment	\$ 2,934,000	\$ 2,934,000
Terminal Redevelopment	<u>\$ 86,843,500</u>	<u>\$ 99,843,500</u>
	\$ 92,365,000	\$154,527,500
<u>ANC</u>		
Federal Match – Airfield, Aprons, GA Parking, Taxiways	\$ 5,439,362	\$ 51,307,848
AOA Snow Melting System	\$ 3,000,000	\$ 3,000,000
South Terminal Seismic and Security Retrofit	\$ 91,500,000	\$143,000,000
Consolidated Facilities Center	\$ 5,000,000	\$ 5,000,000
Homeland Security/Terminal Area Upgrades	\$ 13,639,000	\$ 14,639,000
Noise Abatement and Land Acquisition	\$ 2,661,000	\$ 23,361,000
Safety/Security/Information Systems Improvements	\$ 6,474,000	\$ 11,974,000
Utilities/Roads/Grounds Upgrades	\$ 5,084,000	\$ 6,584,000
Airfield Maintenance Equipment	\$ 4,363,000	\$ 18,033,000
Advance Project Planning/Design	<u>\$ 6,900,000</u>	<u>\$ 10,900,000</u>
	\$144,060,362	\$287,798,848



Cargo Apron

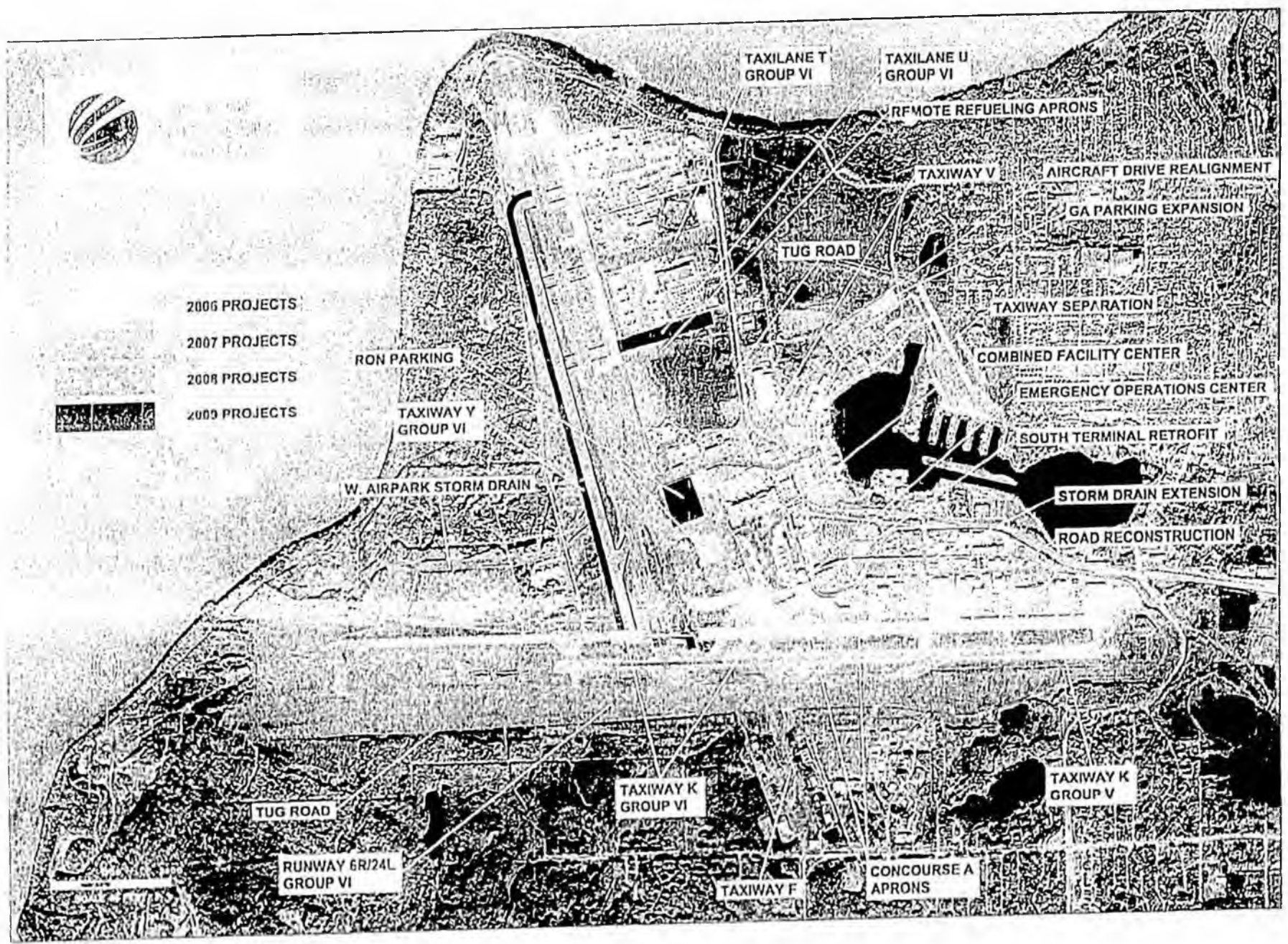
Terminal Development

Runway Reconstruction

Taxiway A Reconstruction

2004-2005 Pr

2006-2007 Pr



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