

ALASKA LEGISLATURE COMMITTEE FILES 1987-1988 8672

5153 HTRA HB 173 (FILE 1) - HB 173 (FILE 2)

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regulation or rule.

* Sec. 8. AS 02.15.108 is amended to read:

Sec. 02.15.108. RELOCATION OR REMOVAL OF ENCROACHMENT. If, incidental to the construction or maintenance of a state airport subject to the jurisdiction of the department or the authority, the department or the authority determines and orders that an encroachment previously authorized by written permit must be changed, relocated, or removed, the owner of the encroachment shall change, relocate, or remove it within a reasonable time set by the department or the authority in the order. The cost of the change, relocation, or removal shall be paid as provided in AS 02.15.104(c). If the owner does not change, relocate, or remove an encroachment within the time set by the department or the authority, the encroachment will be considered an unauthorized encroachment subject to the provisions of AS 02.15.114.

* Sec. 9. AS 02.15.110 is amended to read:

Sec. 02.15.110. UNAUTHORIZED ENCROACHMENTS. If an unauthorized encroachment exists in, on, under, or over a state airport subject to the jurisdiction of the department or the authority, the department or the authority may require the removal of the encroachment, at the expense of the owner, in the manner provided in AS 02.15.112 - 02.15.-114.

* Sec. 10. AS 02.15.112 is amended to read:

Sec. 02.15.112. NOTICE OF REMOVAL OF UNAUTHORIZED ENCROACHMENT. Notice shall be given the owner, occupant, or person in possession of an unauthorized encroachment, or to another person causing or permitting the encroachment to exist, by serving upon any of them a notice demanding the removal of the encroachment within a time limit set by the department or the authority. The notice must describe the encroachment with reasonable certainty as to its character and location.

Service of the notice may be made by certified mail.

* Sec. 11. AS 02.15.114 is amended to read:

Sec. 02.15.114. REMOVAL AT OWNER'S EXPENSE AFTER NONCOMPLIANCE; REMOVAL EXPENSE. After a failure of the owner of an unauthorized encroachment to comply with a notice or order of the department or the authority under AS 02.15.104, 02.15.108, or 02.15.112, the department or the authority may remove the encroachment, or cause it to be removed. The owner of the unauthorized encroachment shall pay to the department or the authority

(1) the expense of the removal of the encroachment;

(2) all costs and expenses paid by the state as a result of a claim or claims filed against the state by third parties for damages due to delays because the encroachment was not changed, removed, or relocated according to the order of the department or the authority; and

(3) costs and expense of suit.

* Sec. 12. AS 02.15.130 is amended to read:

Sec. 02.15.130. ASSISTANCE TO MUNICIPALITIES AND OTHER PERSONS. The department may make available its engineering, maintenance, and other services, with or without charge, to the federal government, to the authority, or to a municipality or person in connection with the planning, acquisition, construction, improvement, maintenance, or operation of airports or air navigation facilities. The commissioner of administration shall separately account for money that is generated by the provision of services to nonstate entities under this section and that the department deposits in the general fund. The annual estimated balance in the account may be used by the legislature to make appropriations to the department to carry out the purposes of this section. The department may make available its engineering and

1 other technical services, with or without charge, to a [ANY] municipi-
2 pality or person in connection with the planning, acquisition, con-
3 struction, improvement, maintenance, or operation of airports or air
4 navigation facilities.

* Sec. 13. AS 02.15.210 is amended to read:

Sec. 02.15.210. NO EXCLUSIVE RIGHTS GRANTED. The department may not grant an exclusive right for the use of an airway, airport, or air navigation facility under its jurisdiction. This section does not prevent the making of contracts, leases, and other arrangements under AS 02.15.060 - 02.15.100 and 02.15.120, including exclusive contracts for the sale and delivery of in-bond merchandise [DESCRIBED IN AS 02.-15.091].

* Sec. 14. AS 02.15.260 is amended by adding new paragraphs to read:

(19) "authority" means the Alaska International Airport Authority created under AS 02.40.010;

(20) "highway" includes roads and streets.

* Sec. 15. AS 02.25.110(4) is amended to read:

(4) "department" means the Department of Transportation and Public Facilities of this state with regard to airports that are not subject to AS 02.40 and the Alaska International Airport Authority with regard to airports that are subject to AS 02.40;

* Sec. 16. AS 35.27 is amended by adding a new section to read:

Sec. 35.27.025. APPLICATION TO ALASKA INTERNATIONAL AIRPORT AUTHORITY. This chapter applies to the Alaska International Airport Authority. Compliance with this chapter is the sole responsibility of the authority with respect to the public buildings and facilities of the authority.

* Sec. 17. AS 35.27.030(2) is amended to read:

(2) "building" or "facility" means a permanent improvement

constructed by the department or the Alaska International Airport Authority; the term

(A) includes, but is not limited to,

(i) schools, office buildings, and court buildings;

(ii) other buildings which the commissioner determines are designed for substantial public use;

(iii) boats and vessels of the marine highway system;

(iv) transportation facilities which accommodate traveling passengers;

(B) excludes other transportation facilities; [.]

* Sec. 18. AS 36.10.180(a) is amended to read:

(a) The preferences established in AS 36.10.150 - 36.10.175 apply to work performed

(1) under a contract for construction, repair, preliminary surveys, engineering studies, consulting, maintenance work, or any other retention of services necessary to complete a given project that is let by the state or an agency of the state, a department, office, state board, commission, public corporation, or other organizational unit of or created under the executive, legislative, or judicial branch of state government, including the University of Alaska, the Alaska International Airport Authority, and the Alaska Railroad Corporation, or by a political subdivision of the state including a regional school board with respect to an educational facility under AS 14.-11.020;

(2) on a public works project under a grant to a municipality under AS 37.05.315;

(3) on a public works project under a grant to a named

1 recipient under AS 37.05.316;

2 (4) on a public works project under a grant to an unincor-
3 porated community under AS 37.05.317; and

4 (5) on any other public works project or construction
5 project that is funded in whole or in part by state money.

6 * Sec. 19. AS 36.30.015(e) is amended to read:

7 (e) The boards of directors of the Alaska Railroad Corporation,
8 the Alaska International Airport Authority, and the Alaska State
9 Building Authority shall adopt procedures to govern the procurement of
10 supplies, services, professional services, and construction by the
11 corporation. The procedures must be substantially equivalent to the
12 procedures prescribed in this chapter and in regulations adopted under
13 this chapter.

14 * Sec. 20. AS 36.30.050(c) is amended to read:

15 (c) The lists may be used by the chief procurement officer or an
16 agency when issuing invitations to bid or requests for proposals under
17 this chapter. The lists may be used by the Legislative Council, the
18 court system, the Alaska State Building Authority, the Alaska Interna-
19 tional Airport Authority, and the Alaska Railroad Corporation.

20 * Sec. 21. AS 36.30.850(b)(8) is amended to read:

21 (8) acquisitions or disposals of property and other con-
22 tracts relating to airports under AS 02.15.070 and [,] 02.15.090 [,
23 AND 02.15.091];

24 * Sec. 22. AS 36.30.990(1) is amended to read:

25 (1) "agency" means a department, institution, board, com-
26 mission, division, authority, public corporation, the Alaska Pioneers'
27 Home, or other administrative unit of the executive branch of state
28 government, except for the University of Alaska, the Alaska State
29 Building Authority, the Alaska International Airport Authority, and

1 the Alaska Railroad Corporation; it does not include a regional Native
2 housing authority created under AS 18.55.996, or a regional electrical
3 authority created under AS 18.57.020;

4 * Sec. 23. AS 37.05 is amended by adding a new section to read:

5 Sec. 37.05.307. APPLICABILITY TO ALASKA INTERNATIONAL AIRPORT
6 AUTHORITY. The commissioner of administration may delegate the per-
7 formance of the functions under this chapter as they relate to the
8 Alaska International Airport Authority to the authority and set out
9 the criteria and guidelines that shall be followed. The commissioner
10 shall direct necessary stipulations and exercise monitoring respon-
11 sibility for conformance through the board of directors of the Alaska
12 International Airport Authority.

13 * Sec. 24. AS 37.15.480 is amended to read:

14 Sec. 37.15.480. AMOUNTS REQUIRED FOR PAYMENTS. The committee
15 shall, before December 31 of each year, commencing with the year in
16 which the bonds are issued, determine [CERTIFY TO THE COMMISSIONERS OF
17 REVENUE AND TRANSPORTATION AND PUBLIC FACILITIES] the amounts required
18 in the next ensuing calendar year by the bond resolution or resolu-
19 tions to be paid out of the revenue fund into the bond redemption fund
20 and to be paid into and maintained in a [ANY] reserve fund or account
21 or [ANY] other fund or account created by the bond resolution or
22 resolutions, and shall also determine [CERTIFY TO THE COMMISSIONERS]
23 the last date or dates upon which payments may be made.

24 * Sec. 25. AS 37.15.500 is amended to read:

25 Sec. 37.15.500. AIRPORT CHARGES. The authority [COMMISSIONER OF
26 TRANSPORTATION AND PUBLIC FACILITIES] shall fix and collect the [SUCH]
27 fees, charges, and rentals derived by the state from the ownership,
28 lease, use, and operation of the airports and all of the facilities
29 and improvements of them or used in connection with them that [AS]

will provide revenues sufficient to comply with all of the covenants of the bond resolution.

* Sec. 26. AS 37.15.510 is amended to read:

Sec. 37.15.510. STATE IMPROVEMENTS TO AIRPORTS. The state is authorized to acquire, equip, construct, and install additions and improvements to and extensions of the airports, facilities for the landing, parking, loading storing, repairing, safety, and utility of aircraft at the airports and passenger, freight, and terminal facilities, including safety equipment and devices at the airports, found to be necessary by the authority [COMMISSIONER OF TRANSPORTATION AND PUBLIC FACILITIES].

* Sec. 27. AS 37.15.550 is amended by adding a new paragraph to read:

(10) "authority" means the Alaska International Airport Authority created by AS 02.40.010 or another committee, body, department, or officer of the state that or who succeeds to the rights, powers, duties, and obligations of the authority by lawful act of the legislature.

* Sec. 28. AS 38.05.030(b) is amended to read:

(b) The provisions of this chapter do not apply to a [ANY] power, duty, or authority now or in the future granted to the Department of Transportation and Public Facilities or the Alaska International Airport Authority in the name of the state, to acquire, use, lease, dispose of, or exchange real property, or an [ANY] interest in real property. Land assigned by the division of lands to the Department of Transportation and Public Facilities or the Alaska International Airport Authority shall be returned to the management of the division of lands when it is no longer needed for the purposes assigned.

* Sec. 29. AS 39.35 is amended by adding a new section to read:

Sec. 39.35.152. ALASKA INTERNATIONAL AIRPORT AUTHORITY EMPLOYEES. (a) An employee of the Alaska International Airport Authority who was an employee of the state on the day before the employee was transferred to the authority under AS 02.40 shall be included in the system.

(b) An employee of the authority who is not covered under (a) of this section shall be included in the system on the effective date of the authority's participation in the system for that employee.

* Sec. 30. AS 39.50.200(b) is amended by adding a new paragraph to read:

(49) Alaska International Airport Authority (AS 02.40.010).

* Sec. 31. AS 39.52.960(2) is amended to read:

(2) "agency" means a department, office of the governor, or entity in the executive branch, including but not limited to the University of Alaska, public or quasi-public corporations, and boards or commissions, but excluding the Alaska International Airport Authority and the Alaska Railroad Corporation;

* Sec. 32. AS 39.52.960(4) is amended to read:

(4) "board or commission" means a board, commission, authority, or board of directors of a public or quasi-public corporation, established by statute in the executive branch, but excluding the Alaska International Airport Authority and the Alaska Railroad;

* Sec. 33. AS 39.52.960(12) is amended to read:

(12) "instrumentality of the state" means a state agency or administrative unit, whether in the legislative, judicial, or executive branch, including [SUCH ENTITIES AS] the University of Alaska, the Alaska Railroad, the Alaska International Airport Authority, and any public or quasi-public corporations, boards, or commissions; the term includes municipalities;

* Sec. 34. AS 44.42.020(a)(7) is amended to read:

(7) manage, operate, and maintain state transportation facilities and all docks, floats, breakwaters, and buildings, including all state highways, vessels, railroads, pipelines, and airports [,] and aviation facilities other than airports and aviation facilities subject to AS 02.40;

* Sec. 35. TRANSITION. (a) Real and personal property used and controlled by the Anchorage International Airport or the Fairbanks International Airport on July 1, 1987, shall be transferred to the Alaska International Airport Authority.

(b) All employees of the Department of Transportation and Public Facilities assigned to the management, operation, and maintenance of the Anchorage International Airport or the Fairbanks International Airport on July 1, 1987, shall be transferred to the authority as employees of the authority.

(c) Classified state employees transferred to the authority under (b) of this section retain the rights and status of state employees until the expiration dates of the collective bargaining agreements covering those employees that are in effect on July 1, 1987.

(d) The authority is bound by the collective bargaining agreements covering employees transferred to the authority under (b) of this section for the terms of the agreements.

(e) Notwithstanding AS 02.40.900(a), as enacted by sec. 2 of this Act, and (c) - (d) of this section, the authority shall operate under personnel rules adopted under AS 39 until January 1, 1988, or until the authority adopts its own personnel rules under AS 02.40.100(b), as enacted by sec. 2 of this Act, whichever occurs first.

* Sec. 36. INITIAL APPOINTMENTS. Notwithstanding AS 39.05.055, one member of the board of directors of the Alaska International Airport

1 Authority residing in the Municipality of Anchorage and one member residing
2 within the geographic boundaries of the Fairbanks North Star Borough shall
3 be appointed to an initial term of four years and the remaining members
4 shall be appointed to initial terms of two years. The governor shall
5 designate the initial terms of the members under this section at the time
6 the members are appointed.

7 * Sec. 37. TRANSFER OF RESPONSIBILITY FOR INTERNATIONAL AIRPORTS REVE-
8 NUE BONDS. All rights, duties, powers, obligations, and authorities of the
9 state bond committee in regard to international airports revenue bonds
10 under AS 37.15.410 - 37.15.550 are transferred to the Alaska International
11 Airport Authority.

12 * Sec. 38. SAVINGS CLAUSE. Litigation, hearings, investigations, and
13 other proceedings pending under a law amended or repealed by this Act, or
14 in connection with functions transferred by this Act, continue in effect
15 and may be continued and completed notwithstanding a transfer or amendment
16 or repeal provided for by this Act. Regulations adopted under authority of
17 a law amended or repealed by this Act remain in effect for the term adopted
18 or until repealed or otherwise amended under the provisions of this Act.

19 * Sec. 39. The revisor of statutes shall change "committee" to "author-
20 ity" as appropriate, in AS 37.15.410 - 37.15.550.

21 * Sec. 40. AS 02.15.091; AS 37.15.550(5), 37.15.550(6); and AS 39.25.-
22 120(14) are repealed.

23 * Sec. 41. Except for secs. 19 - 22, this Act takes effect July 1,
24 1987.

25 * Sec. 42. Sections 19 - 22 of this Act take effect on the effective
26 date of sec. 2, ch. 106, SLA 1986.

11/10/87

HB 173 - An act creating an International Airport Authority

During the interim, House Transportation staff visited with numerous persons on all aspects of the airline industry to receive comments, suggestions and recommendations on HB 173

These persons included:

Mr. Richard Wein, President, Fairbanks Chamber of Commerce and representative from the airline industry.

Mr. Chris Birch, Manager, Fairbanks International Airport

Mr. Dave Carlstrom, Marketing Director, Fairbanks Chamber of Commerce.

Mr. Doyle Ruff, International Airport Director.

Mr. Robert Smith, City Manager, city of Anchorage

Mr. Brian Phillips, City Manager, city of Fairbanks

Mr. Jim Dobson, city of Fairbanks

Mr. Bob Poe, Deputy Commissioner, DOTPF

After many hours of discussion it became very apparent that everyone was in agreement in almost all areas. Industry representatives, a majority of the airlines, Anchorage and Fairbanks city officials, the Chamber of Commerce and various other related businesses all support HB 173. However, these same individuals and groups feel the recent reorganization of the International Airports by the Department of Transportation does provide many of the same benefits proposed in HB 173.

Until recently, the Anchorage International Airport fell under the central region and the Fairbanks International Airport under the Northern Region. With each airport accountable to different Deputy Commissioners, co-ordination of the two airports was difficult.

Under the reorganization, both Fairbanks and Anchorage International Airports are supervised by one Director. Each airport has its own airport manager who answers directly to the International Airports Director. This restructuring has gone a long way to answering a lot of the concerns regarding coordinating efforts.

While those involved in the discussions did feel this restructuring by DOTPF did answer a lot of the problems with coordination, concerns over marketing of the airports still exist. Representatives from Fairbanks and Anchorage expressed their concern regarding the state's ability to adequately market the airports. Mr. Wein stated while he felt the Department of Transportation could effectively manage the airports, he did not feel the department has the marketing expertise or background necessary to properly market the airports.

Proper marketing of the airports is vital to the future growth and development of the state. Chamber of Commerce representatives, city officials and representatives from the private sector unanimously agreed upon the importance of a professional, well developed and uniquely designed marketing plan for the airports. With the recent expansion of both airports the possibilities for new business is endless. However, marketing is the key to this expansion and the expansion of our tourism markets.

Representatives from both Fairbanks and Anchorage feel the cities, the chamber and other related industries should be involved in the marketing process. Tourists do not come to see the airports, they come to see the state and what it has to offer. Stopover passengers may stay longer if they know what the state had to offer. Airlines and travel agencies may increase travel to and from Alaska at reduced rates if the proper marketing strategies were offered.

In summary, all those involved feel the restructuring and reorganization of the International Airports within DOTPF should answer most of the coordination and operational concerns. While coordination and smooth operation of the airports is important, marketing the airports and attracting new business, industry and tourists to our state is vital for the continued growth and development of the airports and the state. House Bill 173 does offer the autonomy necessary to provide aggressive marketing of the airports. Industry officials feel without further restructuring of the International airports within DOTPF, marketing efforts will be fairly passive.



Official Business

COMMITTEE:

House Transportation Committee

DATE: March 30, 1987

SIGN-IN

Subject of meeting:

HB 173: International Airport Authority

HB 196: Regulation of Air Carriers

NAME <small>Please include title</small>	ADDRESS <small>Please use full address. Please include zip.</small>	PHONE	REPRESENTING	DO YOU WANT TO TESTIFY?
Lobbyist Reed Stroops	Box 1211 Juneau 99802	586-3340	Air carriers AACTA Assoc.	Yes 196
Robert Poe Mark Hickey Doyle Ruff Larry Michae		465-3900	DOT/PF	Yes 173
Frank Podmotic Personnel Analyst	Box 0701 Juneau 99811	465-4430	DOA Div. of Personnel	Requested 173
Bus Man & Sec/Treas AL. J. BAFFONE	2510 ARTIC BLVD 99503	276-7211	plus employees local M ALC-10	Yes 173
Cherie Shelley	3401 Franklin, Juneau	586-2334	APEA	Yes 173
rue Pearce EXECUTIVE DIRECTOR Doyle Ruff	P.O. Box 60369 FAIRBANKS, AK 99706	474-2500 or 266-1400	DOT/PF	Yes 173

HB

173

(FILE 2)

SPONSOR SUBSTITUTE FOR
HOUSE BILL NO. 173

"An Act relating to the international airports in Anchorage and Fairbanks and establishing the Alaska International Airport Authority; and providing for an effective date."

For presentation to
House Transportation Committee
Bette Cato, Chairman
Monday, March 30, 1987

T A B L E O F C O N T E N T S

- I. Copy of SSHB 173
- II. Overview and Letters of Support
- III. Policy Issues
- IV. Budget Items
- V. Airline Operating Agreement and Synopsis
- VI. Example of Authority Bill from Metropolitan Washington Airports
- VII. Audit - July 16, 1985
- VIII. Marketing Issues

Intentional Omission

All references in SSHB 173 to bonds and bonding for the Alaska International Airport Authority are omitted. More study is necessary to ensure that the proper language is carried in the final bill. We anticipate that these additions will be made in a subsequent committee substitute.

STATE OF ALASKA
THE LEGISLATURE

POUCH Y. STATE CAPITOL
JUNEAU, ALASKA 99811
907 465 3800

LEGISLATIVE AFFAIRS AGENCY

MEMORANDUM

March 30, 1987

SUBJECT: Section-by-section analysis of SS HB 173: An Act relating to the international airports in Anchorage and Fairbanks and establishing the Alaska International Airport Authority.

TO: Representative Drue Pearce

FROM: George Utermohle *GU*
Legislative Counsel

The following is the section-by-section analysis of SS HB 173, requested by Jo Fenety of your staff.

A section-by-section analysis or summary of a bill should not be considered an authoritative interpretation of a bill, and the bill itself is the best statement of its contents.

Section 1. Section 1 of the bill states the findings of the legislature and the purpose of the bill.

Section 2. Section 2 of the bill adds a new chapter to AS 02 creating the Alaska International Airport Authority.

Sec. 02.40.010 creates the Alaska International Airport Authority as a public corporation and instrumentality of the state in the Department of Transportation and Public Facilities.

The authority is the exclusive state agency responsible for the state owned and operated international airports at Anchorage and Fairbanks.

Sec. 02.40.020 vests the powers of the authority in its board of directors consisting of five members. One member of the board is the commissioner of transportation and public facilities. The other four members of the board are appointed by the Governor and may not be employed by the state or hold elective state or municipal office.

Two members of the board shall reside in the Municipality of Anchorage. One of the two members from Anchorage

must be nominated by the Assembly of the Municipality of Anchorage.

Two members of the board shall reside in either the North Star Borough or the City of Fairbanks. One of the two members from the Fairbanks area must be nominated by the borough assembly.

Appointed members of the board serve staggered, four year terms, may be reappointed, and may serve until a successor is appointed.

Members of the board are subject to AS 39.50 relating to conflict of interest.

Appointed members of the board shall be confirmed by the legislature but may serve as a member until the nomination is rejected or not confirmed by the legislature.

Sec. 02.40.030 limits the compensation of members of the board to an amount not to exceed \$400 per day while performing the duties of the board up to a maximum of 60 days per year. Members are also entitled to per diem and travel expenses authorized under AS 39.20.180.

Sec. 02.40.040 describes the grounds and procedure for removing members of the board.

Sec. 02.40.050 requires the board to hold at least four meetings each year. The board may hold other meetings as the chair or three members consider necessary.

Sec. 02.40.060 describes the officers of the board, sets the quorum of the board at three members, and prohibits voting by proxy.

Sec. 02.40.070 describes the staff that the board may employ. The board may employ an executive director, a controller, and legal counsel. The executive director with the concurrence of the board may employ airport directors.

Sec. 02.40.100 lists the powers of the authority.

Sec. 02.40.110 determines that the activities of the authority in regard to the international airports are governmental functions and are exercised for a public purpose.

Sec. 02.40.120 grants the authority the power to acquire land and easements in land necessary for the purposes of the authority. The authority may exercise this power to abate

airport hazards and to obtain sand, gravel, rock, and other materials.

Sec. 02.40.130 grants the authority the power to acquire land for the purpose of exchanging for other land needed by the authority.

Sec. 02.40.140 grants the authority the power to acquire land by eminent domain. The governor must approve the exercise of eminent domain by the authority.

Sec. 02.40.150 allows the authority to defend and indemnify current or former board members, employees, or agents of the authority in a civil or criminal action, if the person acted in good faith and within the scope of the person's official duties or powers.

The authority may purchase insurance to cover employees, agents, and board members for actions arising out of the performance of their duties for the corporation.

Sec. 02.40.160 requires the authority to obtain a fidelity bond for board members and for executive officers responsible for accounts and finances.

Sec. 02.40.170 requires the authority to obtain insurance or provide for self-insurance, to protect its assets, services, and employees and to protect against claims for bodily injury, death, or property damage.

Sec. 02.40.200 grants to the authority the power to construct and operate airport facilities and imposes a duty on the authority to repair and maintain the facilities.

Sec. 02.40.210 grants the authority the power to enter into long term agreements (up to 55 years) for the use of airport facilities or for the privilege of supplying goods, services, and facilities at an airport or air navigation facility. The authority may set the terms, charges, rents, and fees for the use of airport facilities and for the services. The authority in making these agreements may not deny to the public the right to equal use of the airports and air navigation facilities.

Sec. 02.40.220 requires the authority to grant an exclusive contract for the sale and delivery of in-bond merchandise at the airports.

Existing contracts for the delivery and sale of in-bond merchandise at the Fairbanks and Anchorage international airports may continue until they expire, but no additional contracts for the delivery and sale of in-bond merchandise may be made. When the existing contracts for the delivery and sale of in-bond merchandise expire the authority shall enter into an exclusive agreement for the delivery and sale of in-bond merchandise at the Fairbanks and Anchorage international airports.

The authority shall award the exclusive contracts for the delivery and sale of in-bond merchandise by competitive bid.

Deliveries of in-bond merchandise to airlines as cargo are exempt from this section.

Sec. 02.40.230 grants general police powers to the designated officers and employees of the authority and requires these officers and employees to meet certain minimum standards.

Sec. 02.40.240 prohibits the authority from excluding taxis, buses, limousines or courtesy cars from airports. Courtesy cars are defined.

Sec. 02.40.250 grants to the authority the power to adopt rules and sets out the procedure which the authority must follow in adopting rules.

Sec. 02.40.260 grants to the authority the power to adopt emergency rules and sets out the procedure for adopting emergency rules. Emergency rules are valid for 120 days.

Sec. 02.40.270 sets out the grounds on which a rule adopted by the authority may be invalidated.

Sec. 02.40.300 sets out the procedures for the authority to follow in preparing its budget for consideration by the governor.

If the authority does not prepare its budget by the date set by the governor, the governor may prepare a budget for the authority.

The authority's budget becomes public information after it is submitted to the governor.

Sec. 02.40.310 grants the authority the power to administer its programs for the management of airports, except as limited by the governor, appropriations, and other laws.

The governor may direct the authority to withhold or reduce expenditures if external factors make the expenditure factually impossible or if estimated receipts and surpluses are not sufficient to fund the expenditure.

Sec. 02.40.320 grants the authority the power to receive money from federal agencies and other public and private sources to accomplish the purposes for which the authority was created, provided that the legislature appropriates the money to the authority. Funds received from the federal government shall be spent under the terms and conditions set out in federal laws and regulations.

Sec. 02.40.330 requires the authority to prepare a concise report to the governor and legislature describing the operations, income and expenditures of the authority for the prior fiscal year.

Sec. 02.40.340 requires the authority to have a certified audit of its financial records performed annually by an independent certified public accountant.

Sec. 02.40.900 declares that the employees of the authority are not employees of the state.

Those employees of the authority who were state employees before they were transferred to the authority continue to participate in the Public Employee Retirement System under AS 39.35 and the supplemental benefits system. The authority shall continue to contribute to these programs for those employees.

Sec. 02.40.910 exempts the authority from the State Procurement Code (AS 36.30) except as specifically provided, the Executive Budget Act (AS 37.07), AS 39, relating to public employees, except as provided in this chapter, and portions of the Administrative Procedure Act (AS 44.62.010 - 44.62.300).

Sec. 02.40.990 defines the terms "airport", "authority", "board", and "capital improvement."

Sec. 02.40.995 designates this chapter as the Alaska International Airport Authority Act.

Section 3. Section 3 of the bill makes a technical amendment of AS 02.15.090 in order to conform with the substance of Section 2 of the bill.

Section 4. Section 4 of the bill makes a technical amendment of AS 02.15.095 in order to conform with the substance of Section 2 of the bill.

Sections 5 - 11. Sections 5 - 11 of the bill make technical amendments to AS 02.15.102 - 02.15.114 in order to clarify the responsibility of the authority and the Department of Transportation and Public Facilities in regard to the construction, maintenance, relocation, removal, and permitting of utilities on airports. The authority is responsible for activities involving utilities on the Anchorage and Fairbanks international airports. The department is responsible for activities involving all other state-owned or state-operated airports.

Section 12. Section 12 of the bill makes a technical amendment to AS 02.15.130 to allow the Department of Transportation and Public Facilities to provide engineering, maintenance, and other services to the authority.

Section 13. Section 13 of the bill makes a technical amendment to AS 02.15.210 in order to conform with the substance of Section 2 and Section 37 of the bill.

Section 14. Section 14 of the bill makes a technical amendment to AS 02.15.260 by adding a definition of "authority" and "highway".

Section 15. Section 15 of the bill makes a technical amendment to AS 02.25.110(4) in order to clarify the responsibility of the Department of Transportation and Public Facilities and the authority in regard to state-owned or state-operated airports and to conform with the substance of Section 2 of the bill.

Section 16. Section 16 of the bill makes a change to AS 35.27 (Art in Public Buildings) to give the authority responsibility for complying with the chapter as it affects the buildings and facilities of the authority.

Section 17. Section 17 of the bill makes a technical amendment to AS 35.27.030(2) in order to conform with Section 16.

Section 18. Section 18 of the bill makes a technical amendment to AS 36.10.180(a) in order to subject the authority to the preferential hiring requirements for contracts subject to AS 36.10.150 - 36.10.175.

Section 19. Section 19 of the bill makes an amendment to AS 36.30.075(e) in order to allow the authority to adopt its own procurement code that is substantially equivalent to the state procurement code (AS 36.30).

Section 20. Section 20 of the bill makes a technical amendment to AS 36.30.050(c) in order to allow the authority to use the list of contractors compiled by the commissioner of administration.

Section 21. Section 21 of the bill makes a technical amendment to AS 36.30.850(b)(8) in order to conform with Section 38 of this bill.

Section 22. Section 22 of the bill makes an amendment to AS 36.30.990(1) in order to exempt the authority from the definition of agencies subject to the state procurement code (AS 36.30).

Section 23. Section 23 of the bill amends AS 37.05 (Fiscal Procedures Act) in order to allow the commissioner of administration to delegate functions under AS 37.05 to the authority.

Section 24. Section 24 of the bill amends AS 37.15.480 in order to transfer authority from the commissioner of transportation and public facilities to the controller of the authority in regard to the repayment of international airport revenue bonds.

Section 25. Section 25 of the bill amends AS 37.15.500 in order to transfer responsibility for setting and collecting fees, rents, and charges for use of the international airports from the commissioner of transportation and public facilities to the authority and to conform with Section 2 of this bill.

Section 26. Section 26 of the bill makes a technical amendment to AS 37.15.510 substituting the authority for the commissioner of transportation and public facilities in order to conform with Section 2 of this bill.

Section 27. Section 27 of the bill makes a technical amendment to AS 37.15.550 by adding a definition of "authority" in order to conform with Sections 2 and 24-26 of this bill.

Section 28. Section 28 of the bill makes an amendment to AS 38.05 in order to exempt land held by the authority from the jurisdiction of the Department of Natural Resources under AS 38.05.

Section 29. Section 29 of the bill amends AS 39.35 by adding a section that requires state employees who are transferred to the authority to remain as participants in the Public Employees Retirement System.

The authority may elect to include new employees of the authority within the coverage of the Public Employees Retirement Systems.

Section 30. Section 30 of the bill amends AS 39.50.200(b) in order to subject members of the board of the authority to AS 39.50 (Conflict of Interest).

Section 31. Section 31 of the bill amends AS 39.52.960(2) in order to exclude the authority from the definition of "agency".

Section 32. Section 32 of the bill amends AS 39.52.960(4) in order to exclude the authority from the definition of "board or commission."

Section 33. Section 33 of the bill amends AS 39.52.960(12) in order to include the authority in the definition of "instrumentality of the state."

Section 34. Section 34 of the bill amends AS 44.42.020(a)(7) relating to the duties of the commissioner of transportation and public facilities in order to clarify the jurisdiction of the commissioner over state operated and state owned airports and to conform with Section 2 of this bill.

Section 35. Section 35 of the bill provides for the transfer of real and personal property used or controlled by the Anchorage International Airport and the Fairbanks International Airport to the Alaska International Airport Authority.

Employees of the Department of Transportation and Public Facilities who are involved in the maintenance, operation, and management of the Anchorage and Fairbanks international airports are transferred to the Alaska International Airport Authority.

Classified employees transferred to the authority retain their rights and status as state employees until their existing collective bargaining agreements expire.

The authority is bound by the collective bargaining agreements covering those employees that are transferred to the authority.

The authority shall develop its own personnel rules, but for the first six months of operation or until the authority develops its own personnel rules, whichever happens first, the authority shall follow state personnel rules.

Section 36. Section 36 of the bill prescribes the terms of the initial appointments to the board of directors of the Alaska International Airport Authority.

Section 37. Section 37 of the bill repeals AS 02.15.091, AS 37.15.550(5), and AS 39.25.120(14).

Section 38. Section 38 of the bill establishes July 1, 1987 as the effective date for secs. 1-18 and 23-37 of the bill.

Section 39. Section 39 of the bill establishes the effective date of secs. 19-22 of the bill as the same as the effective date of sec. 2, ch. 106, SLA 1986.

GU: csh
c7/110

OVERVIEW OF HB 173

The purpose of this Act is to establish an Authority for the operation, management, planning, effective marketing, and construction of facilities for the state-owned and state-operated international airports located at Fairbanks and Anchorage.

The Board of Directors of the Authority consists of five members. Two members are appointed from Anchorage with one member being nominated by the Municipal Assembly. Two members are appointed from Fairbanks with one member being nominated by the Borough Assembly. The fifth member is the Commissioner of the Department of Transportation and Public Facilities. The board members are appointed by the Governor and confirmed by the legislature to serve staggered four-year terms. A member may be removed for cause.

The board meets at least quarterly receiving compensation of \$400 per day for a maximum of 60 days plus travel and per diem authorized by law for the state's boards and commissions.

The board hires an executive director who in turn hires staff including a controller and airport directors for each of the international airports. Specific reference is made to the qualifications of the airport directors. Those qualifications are education, experience, training, and expertise in management of airports.

The Authority would be exempted from the Executive Budget Act and the Administrative Procedures Act except that they would be required to create systems and procedures that would be acceptable to the governor.

Each year the Authority would be required to submit to an independent audit by a certified public accountant and also to submit a performance report to the Governor and the Legislature.

The Act contains a provision honoring collective bargaining agreements in force upon the day the Authority is created. Those agreements will be honored until their expiration.

ANCHORAGE/FAIRBANKS AIRLINES AIRPORT AFFAIRS COMMITTEE

P.O. Box 68900
Seattle, WA 98168
March 27, 1987

The Honorable Drue Pearce
Alaska State Representative
Pouch V
Juneau, AK 99811

Dear Representative Pearce:

The Anchorage/Fairbanks Airlines Airport Affairs Committee is an organization representing the scheduled airlines (international, domestic, and regional) serving the State's two International Airports. A majority of the members of the Committee have advised me that they are in support of the concept of creating an independent Airport Authority to operate Anchorage and Fairbanks International Airports, along the general lines set forth in your legislation, HB 173.

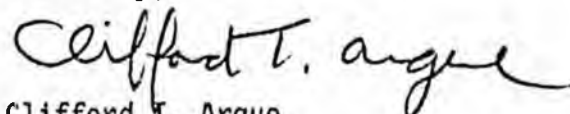
However, the airlines are very concerned that the legislation as written does not go far enough in making the Airport Authority truly independent. Specifically, we feel that the proposed Authority, similar to many airport authorities throughout the country, should be completely independent in matters such as establishment of the budget, fiscal oversight and financing, including the issuance of Airport Revenue Bonds. The International Airports Revenue Fund is totally self-sufficient and therefore does not present even a potential burden to the General Fund of the State. Further, the airport revenue bonds issued by the IARF are not supported by the full faith and credit of the State, but instead are backed by the revenues of the airports which come from the airlines and other users. These are important issues to the airlines.

At this point, we have not been able to review the legislation in full detail and will most likely have more specific comments in the near future. Individual airlines may also be providing direct input as the legislation progresses.

The overall goal of the airlines, as evidenced in our recently negotiated Lease and Operating Agreement with the State, is to operate in a partnership with the airports and to help ensure the most cost-effective, prudent management structure possible. The proposed Airport Authority can be an excellent vehicle to this end, subject to the concerns expressed above relating to the degree of independence.

Thank you for introducing this legislation. We look forward to working with you to finalize a bill that is mutually agreeable to all concerned.

Sincerely,

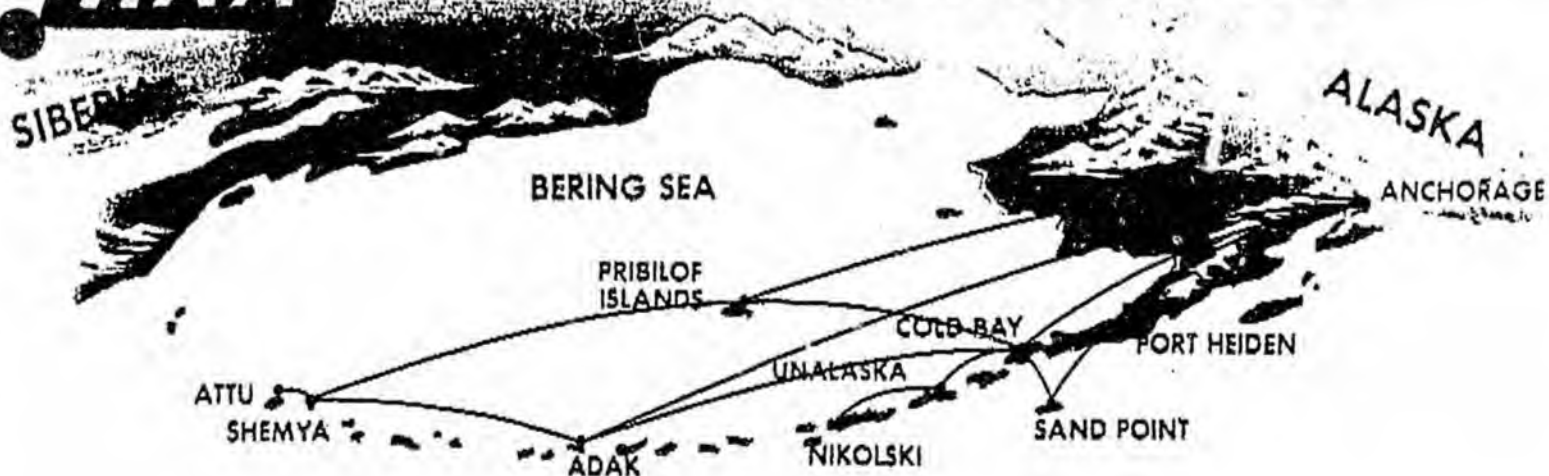


Clifford T. Argue
Chairman, Anchorage/Fairbanks
Airlines Airport Affairs Committee

CTA:jk

cc: Anchorage/Fairbanks Airlines Airport Affairs Committee

RAA REEVE ALEUTIAN AIRWAYS, INC.



March 27, 1987

Honorable Betty Cato
 Chairman - House Transportation Committee
 P.O. Box V
 Juneau, AK 99811

Dear Rep. Cato:

Reeve Aleutian Airways fully supports in concept SSHB173 as introduced by Pearce and Hanley. Reeve believes that creation of an Alaskan International Airport Authority is in the best interest of air carriers, air commerce and the traveling public.

Reeve notes that the legislation omits language relating to revenue bonding and strongly encourages addition of such provisions in powers granted the authority. I understand that language is being drafted to permit this authority.

Reeve does anticipate testifying at some later time in favor of this legislation and I do wish to keep this letter as brief as possible. There are certain other points I would like to comment on.

Under Section 02.40.020 BOARD OF DIRECTORS

Reeve believes that Anchorage and Fairbanks are regional airports in addition to their International status. Each community should have the authority to nominate one person directly to the legislature without the governor's confirmation. The governor should have the authority to select two nominees without restriction as to place of residency.

Page 3, line 6 any reference to designees for board members is troublesome. No board member should be authorized to have a designee, including the commissioner.

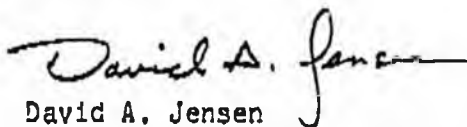
RAA

March 27, 1987
Honorable Betty Cato
Page 2.

This legislation is pretty straight forward. The concept is tested, proven and common throughout the United States. The legislation is sorely needed here in Alaska. I would be happy to answer any questions or address any concerns you may have or the committee members may have. I am hopeful that this bill will move along quickly and that we will see the legislation this year.

Thank you.

Sincerely,



David A. Jensen
Administrative Vice President

. DAJ/kd

AVTECH ALASKA

4740 Talus Drive

Anchorage, Alaska • 99518

907 • 345•4317

March 27, 1987

Honorable Betty Cato
Chairman - House Transportation Committee
P.O. Box V
Juneau, AK 99811

Dear Rep. Cato:

I have polled the following airlines and they fully support in concept SSHB173. They also are in general agreement with the suggestions and concerns outlined by Mr. David A. Jensen, Administrative Vice President Reeve Aleutian Airways and Mr. Jack Birmingham, Vice President ERA Helicopters in their March 27, 1987 correspondence to Honorable Betty Cato and Honorable Drew Pearce.

Northern Air Cargo Inc.
South Central Air
Peninsula Air

Sincerely,



Norman R. Israelson
President
Avtech Alaska

ERA HELICOPTERS, INC.

5051 WESTHEIMER - SUITE 1900
HOUSTON, TEXAS 77056
TELEPHONE 713 621 7800

P. O. BOX 60149
FAIRBANKS, ALASKA 99701
TELEPHONE 907 452 1838

6160 SOUTH AIRPARK DRIVE
ANCHORAGE, ALASKA 99502
TELEPHONE 907 240-4422

VIA TELECOPIER

PLEASE REPLY TO

March 27, 1987

Anchorage

The Honorable Drue Pearce
Alaska State Legislature
House of Representatives
Post Office Box V
Juneau, Alaska 99811

Ref: SSHB 173; Anchorage and Fairbanks International Airport
Authority.

Dear Representative Pearce,

We at ERA support the essence of the Bill you and Representative Hanley have sponsored, and we wish to commend you and your staffs for the excellent work. Creation of an Airport Authority will result in a vast improvement in the management of the Anchorage and Fairbanks International Airport System.

As we have noted before, there are some areas of the Bill that we would like to see refined. We will outline these briefly here, and comment in further depth as discussion on the Bill progresses.

Proper management of the Airport System requires an Authority that is independent of disruptive influences. We need continuity and consistency in management, and a management that is truly focused on the purposes, obligations and needs of the Airport System. The effectiveness of the Authority will in large measure depend on the degree of its independence. The Authority should be as independent as feasible from certain influences that may not be based entirely on the best interests of the Airport System, its users, and the communities it serves.

The Board in particular should be as independent as possible. We suggest that all four Board members other than the Commissioner be nominated by their respective communities. We also believe that the Board ought to be more staggered in terms. That is, of the four Board members other than the Commissioner, one should be appointed for an initial term of one year, one for two

The Honorable Drue Pearce
Alaska State Legislature
House of Representatives
March 27, 1987

years, one for three years and one for four years. The way it stands now, any governor could appoint a majority (and a quorum) of three members every two years.

On the other hand, the method of selecting Board members proposed by Reeve Aleutian Airways in its March 27th letter to Representative Cato would be an acceptable improvement.

Section 2.40.100 sets forth the powers of the Authority, but not the duties. We suggest the addition of a provision to the effect that the primary duties of the Authority include the management, operation, maintenance, development and promotion of the Airport System in an efficient, responsive and businesslike manner, with due regard for the System, its users, and the people they serve.

The Authority should have more independence in terms of controlling its own finances and budgets. In particular, it should not be subject to the control of the State Bond Committee when issuing Bonds. Nor should it be subject to undue control by the Governor or the Legislature when establishing Airport System budgets or priorities.

We believe the Controller should be hired by and should report to the Executive Director. If the Board does not like the choice, or the Controller's performance, we are confident that the Board's views will be taken seriously.

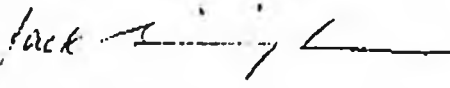
We are unclear about the effect of the language permitting the Commissioner's "designee" to sit on the Board. If the governor wishes to appoint a qualified "designee" in lieu of the Commissioner, fine. If, on the other hand, the Commissioner could assign a different deputy or staff person to attend Board meetings on his behalf any time he chose to be elsewhere, that would not be appropriate. No other Board member may vote by proxy.

We are also unclear about the purpose of the difference in residency requirements between Board members from the Fairbanks area and those from the Anchorage area. We suggest changing the first sentence in Section 2.40.020(b) to read "Two members shall reside within the geographic boundaries of the Greater Anchorage Area Borough". This would make it parallel with Section 2.40.020(c).

The Honorable Drue Pearce
Alaska State Legislature
House of Representatives
March 27, 1987

Again, our thanks to all for the time and energy put into this important matter. Please do not hesitate to call if we can help in any way.

Very truly yours,


Jack Birmingham
Vice President & General Counsel

cc: The Honorable Betty Cato, Chairman, House Transportation
Committee.

JB/bjc

MEMORANDUM

TO: Representative Bette Cato, Chair
House Transportation Committee

FROM: Representative Drue Pearce

DATE: March 26, 1987

SUBJECT: HB 173 - Potential policy issues

The committee will hear the Alaska International Airport Authority bill on Monday, March 30, 1987. The purpose of this memo is to suggest some policy issues which the committee may wish to address.

— The Authority is a corporation established in the Department of Transportation and Public Facilities but has its legal existence independent of the state.

— The Authority is responsible for the operation, management, planning, effective marketing, and construction of facilities for the two Internationals located at Fairbanks and Anchorage.
— Should it be specifically stated that the Authority should be self-sustaining?

Authority Board

— Five-member board. Two from Anchorage, two from Fairbanks plus the Commissioner of DOTPF.
— Board appointed by Governor and confirmed by legislature. Members serve for four-year staggered terms.

— Members subject to conflict of interest disclosure (AS 39.50).

— Compensation is set at the "not to exceed" amount of \$400/day payable for a maximum of 60 days in a calendar year. Per diem and travel expenses are authorized.

— Members may be removed for cause (incompetence, neglect of duty, or misconduct in office).

— Board must meet at least quarterly upon the call of the chair or at the request of three members.

Representative Cato
March 26, 1987

Staff of Authority

- ___ Board employs an executive director who serves at the pleasure of the board. Executive director responsible for selection and hiring of additional staff.
- ___ Board employs a controller who serves at the pleasure of the board. Should the controller report to the board or to the executive director?
- ___ Executive director, with the concurrence of the board, employs airport directors for each airport. The directors are selected on the basis of education, experience, training and expertise in management of airports. Should directors hold the professional designation "AAE" (Accredited Airport Executive)? Should the director be allowed a period of time such as 24 months to receive the designation?

Insurance

- ___ What are the consequences of the Authority removing itself from the umbrella of the state for the purposes of insurance? What are the present costs? Is there a way for the Authority to participate in the state's insurance coverage in order to hold down costs?

Budget Preparation and Presentation

- ___ Shall the Authority be required to submit information to the governor in a document that sets out the goals and objectives, proposed plans to implement those goals and objectives, and a budget for the succeeding fiscal year?
- ___ Shall the Authority be exempted from the Executive Budget Act?
- ___ Shall there be legislative oversight regarding appropriations?

Reporting Requirements

- ___ The Authority is required to submit a concise report to the Governor by January 15 of each year describing its operations, income, and expenditures for the preceding fiscal year.
- ___ The report includes audited financial statements.
- ___ The Authority shall have a certified audit annually conducted by an independent CPA.

Representative Cato
March 26, 1987

Real Property

- ___ All real and personal property used and controlled by the Anchorage and Fairbanks International Airports will be transferred on the effective date.
- ___ Eminent domain exercised only with Governor's approval.

Employees of the Authority

- ___ Employees transferred from DOTPF to the Authority will continue to participate in SBS and PERS.
- ___ New employees will be included in the system on the effective date of the Authority's participation in the system for that employee. (Requires that the Authority sign a Participation Agreement with the Department of Administration.)
- ___ All employees of DOTPF assigned to the management, operation, and maintenance of Anchorage and Fairbanks Internationals on the date of transfer shall be transferred to the Authority as employees of the Authority.
- ___ Classified employees transferred retain the rights of state employees until the expiration of the collective bargaining agreements in effect on the effective date.
- ___ The Authority will operate under the State's personnel rules until 1/1/88 or until the Authority adopts its own personnel rules, whichever occurs first.

Exemptions

- ___ Except as may specifically noted the Authority is exempt from:
 - ___ the State's procurement code AS 36.30.
 - ___ the Executive Budget Act AS 37.07.
 - ___ AS 39 (Public Officers and Employees)
 - ___ the Administrative Procedures Act AS 44.62.010 - 44.62.300
- ___ Specifically NOT exempted from the Open Meetings Act.

Bonded Indebtedness

- ___ Existing debt will be transferred.
- ___ When new bonds are issued, shall the Authority have responsibility for selling its own bonds? Should the authority come from the state's Bond Committee or from the Legislature?

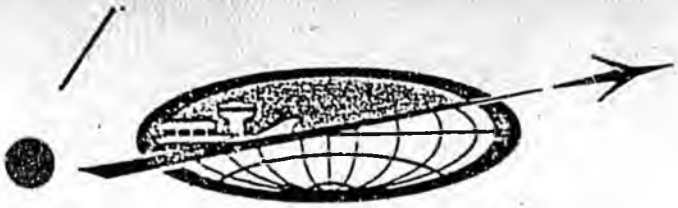
AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES

Professional Designation
known as A.A.E.

Summary of Requirements

1. Apply to Association with recommendation by person currently holding designation.
2. Write a 10,000 word thesis on some phase of airport management.
3. Complete three 2-hour written exams on the subjects of history of transportation industry, economics, and management theory. (The written exams can be proctored locally.)
4. Complete a 3-4 hour oral examination that is given twice each year only at a national conference.

It is reasonable to believe that a person could apply for and complete the A.A.E. designation in 24-36 months.



AIRPORT HIGHLIGHTS

March 2, 1987
Volume XXIII, No. 9

Published Weekly By The AIRPORT OPERATORS COUNCIL INTERNATIONAL, Inc.

EMPLOYMENT OPPORTUNITIES

*
Three positions are open at Robert Mueller Municipal Airport in Austin, Texas. All carry a March 15, 1987, deadline for resumes to be received by Paula Gamez, City of Austin, Human Resources Dept., P.O. Box 1088, Austin, Texas 78767 -- 512-445-1030.

Minimum requirements for manager, administration and finance, are a bachelor's degree in airport management, finance/accounting or related field; and five years experience in airport management, including two years in a supervisory capacity. Salary range is \$32,800 - \$52,000.

Minimum requirements for manager, project planning, are a bachelor's degree in civil engineering or related field and eight years experience. Professional engineering work involving airport construction projects is preferred. The job requires registration as a Professional Engineer in the state of Texas, or ability to obtain registration within one year. Salary range is \$38,900 - \$63,000.

Minimum requirements for manager, airport operations, are a bachelor's degree in aviation management, business administration, or related field; and five years management experience in airport operations and maintenance. Salary range is \$35,600 - \$57,900.

The Port of Seattle, Washington, is seeking a deputy director for its aviation division, which manages Sea-Tac International Airport. Resumes should be received by March 6, 1987, by Port of Seattle Human Resources Dept., P.O. Box 1209, Seattle, Washington 98111.

Minimum requirements for this new position are a bachelor's degree in business, airport management, engineering, law, or a related field; and, ideally, experience that includes an emphasis on operations management, tenant negotiations, budgeting, cost control, and work with governmental agencies on security. Salary range is \$55,200 - \$75,684; starting salaries normally don't exceed \$65,442.

The City of San Jose, California, has an opening for a supervising real estate agent at San Jose International Airport. Candidates must have a bachelor's degree (or equivalent) and four years of property-related experience, including two years with a public agency. The salary range is \$38,340 - \$46,680. Interested persons must contact Sharon Borden by March 13, 1987, at the City of San Jose, Personnel Dept., 801 N. First St., Room 207, San Jose, California 95110 -- 408-277-4204.

March 2, 1987

FAIRBANKS INTERNATIONAL AIRPORT

FAIRBANKS INTERNATIONAL AIRPORT

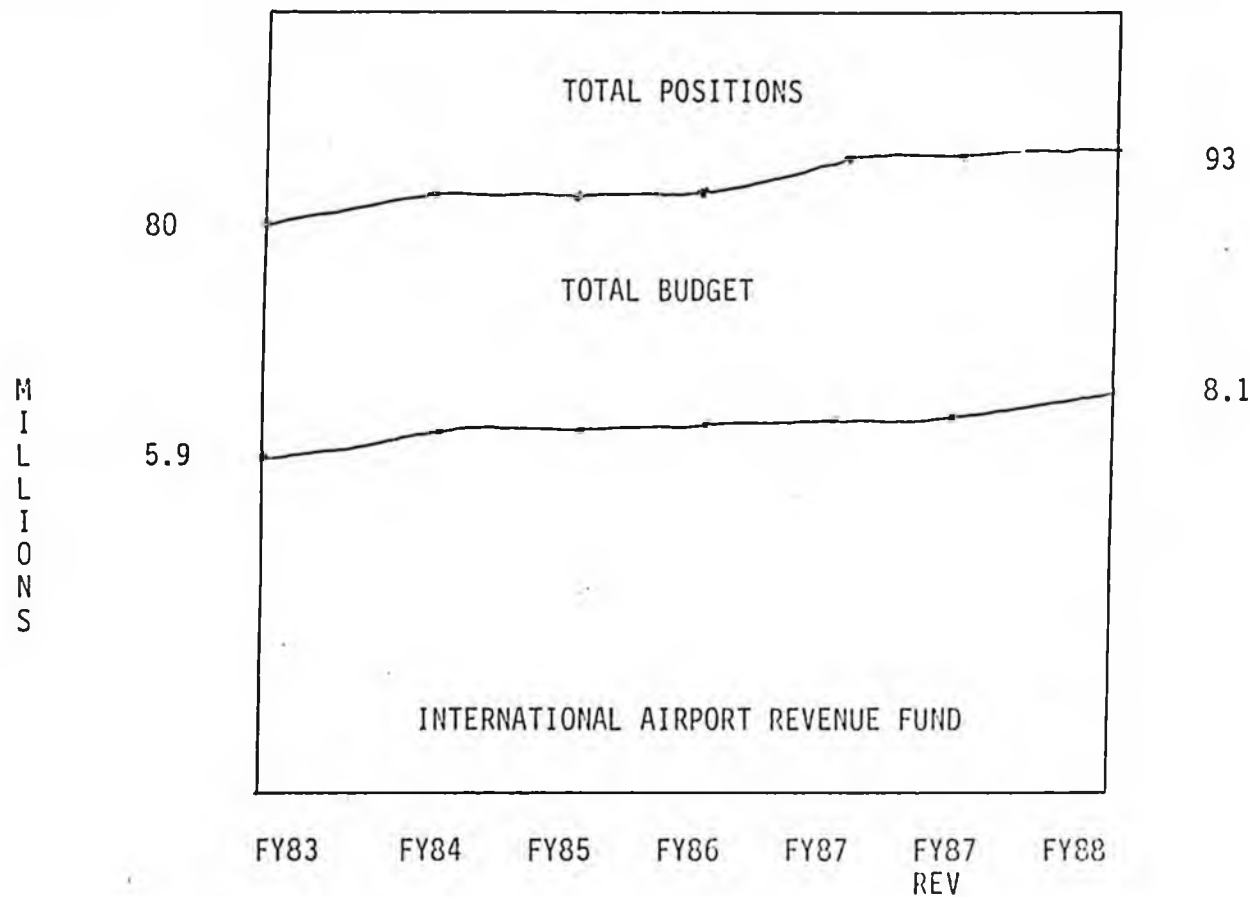
Fairbanks International Airport (FIA) together with Anchorage International form the Alaska International Airport System. FIA is a unique and integral part of this system. In addition to being the second busiest domestic flight destination in the State, FIA serves as the primary Federally required alternate airport for polar and Far East flights diverted from Anchorage International Airport. This airport also serves a principal support function for the operation and development of the interior and northern sectors of the State, as well as having a large general and commuter aviation constituency.

The Airport System is self-supporting and derives its funding from the International Airport Revenue Fund (IARF). The IARF is an enterprise fund which is supported by receipts from landing and parking fees, terminal and land rental charges, and concession and fuel flowage fees collected at both airports. Since over 70% of the IARF revenue collected annually comes from major domestic and international airlines, in early 1986 five-year Airline Operating Agreements were executed with 34 airlines in order to establish a steady and guaranteed flow of revenue into the fund. During FY88, FIA is forecast to collect \$5,270,200 in revenue out of \$59,673,000 total for the IARF.

The facilities within the Airport System are operated and maintained using only IARF revenue. Airport facilities are constructed using IARF funding which may be utilized in conjunction with either Federal grants or bond funds. Given the requirement for public air transportation facilities, the purpose of the FIA operating budget is to provide a safe, efficient, convenient, economically positive transportation center. Activities required for year-round maintenance, operation, and administrative efforts at FIA include snow removal, asphalt patching, sanding and ice control on traveled and parking surfaces, erosion control, custodial services, building maintenance, revenue accounting, leasing property and building space, billing preparation and collection, overseeing parking lot management, providing for safety and fire protection (both aircraft and facilities), emergency medical services, and overall police protection within the airport perimeter. During FY88, FIA is projected to have 339,000 enplaned passengers, 16,813 aircraft departures, and 163,000 total aircraft operations within the airport's 20 mile control zone radius. FIA has 11,885,663 square feet of paved taxi-ways, runways and aprons and 203,140 square feet of building space being maintained along with 34 lane miles of roadway. The FY88 operating budget request for FIA is \$8,075,100, an increase of \$179,900 over FY87. These additional costs are directly attributable to law enforcement related functions that include meeting increased F.A.A. requirements caused by world-wide terrorism and performing duties that had to some extent been previously handled by the State Troopers.

Major issues facing FIA and shared by Anchorage International are the completion of expanded and improved facilities, maximizing airport revenues, reduction of operational deficits, marketing the Airport System, reorganization of the airports into an Airport Authority, and completing the implementation of the comprehensive Airport Management Information System. Addressing these challenges while maintaining the posture of providing the necessary facilities for the aviation industry and the traveling public is the primary objective.

FAIRBANKS INTERNATIONAL AIRPORT



	<u>FY83</u>	<u>FY84</u>	<u>FY85</u>	<u>FY86</u>	<u>FY87</u>	<u>FY87REV</u>	<u>FY88</u>
IARF	5,924.1	6,728.3	6,926.1	7,596.8	7,895.2	7,895.2	8,075.1
POSITIONS*	80	87	87	88	93	93	93

*Position Total includes permanent full time, permanent part time and seasonal positions.

FAIRBANKS INTERNATIONAL AIRPORT
Historical Budgetary Information

CAPITAL BUDGETS (\$)

FY82	Remote Apron Expansion	922,000
	Paving Access Road & Apron	1,160,000
	Sand Storage Building	710,000
	CFR Vehicle	282,000
	Quick Response Rescue Unit	269,000
	Cat II Generator	245,000
		<u>3,588,000</u>
FY83	Terminal Expansion	13,311,000
	Auto Parking Expansion	650,000
		<u>13,961,000</u>
FY84	Drainage & Utilities	134,000
	Terminal Improvements	372,000
	East Ramp & Float Pond	5,632,000
	Maintenance & Security Eqp.	959,000
		<u>7,097,000</u>
FY85	Airfield Improvements	200,000
	Management Info. System	100,000
		<u>300,000</u>
FY86	Runway Overlay & Rehab.	9,130,000*
	Annual Improvements	300,000
		<u>9,430,000</u>
FY87	CFR Vehicles	600,000*
	Land Acquisition	3,500,000
	Annual Improvements	200,000
		<u>4,300,000</u>
	GRAND TOTAL	<u><u>38,676,000</u></u>

*FAA Grants, All Others IARF

OPERATING BUDGET (\$) AND AUTHORIZED POSITIONS

FY82	5,432,000	77 Full Time, 3 Part Time
FY83	5,924,100	77 Full Time, 3 Part Time
FY84	6,728,300	87 Full Time
FY85	6,926,100	87 Full Time
FY86	7,596,800	88 Full Time
FY87	7,895,200	93 Full Time

PERCENTAGE OF OPERATING BUDGET EXPENDITURES
BY MAJOR CATEGORIES

- Personnel Services	67%
- Travel	1 1/2%
- Contractual Services	20%
-- Utilities	8%
-- Risk Management (Insurance)	4%
-- Parking Lot Expenses	4%
-- Other services	4%
- Commodities	12%
-- Heating Fuel	1%
-- Diesel Fuel	1%
-- Equipment Parts	2%
-- Custodial Supplies	1%
-- Other Commodities	7%
- Equipment	1 1/2%

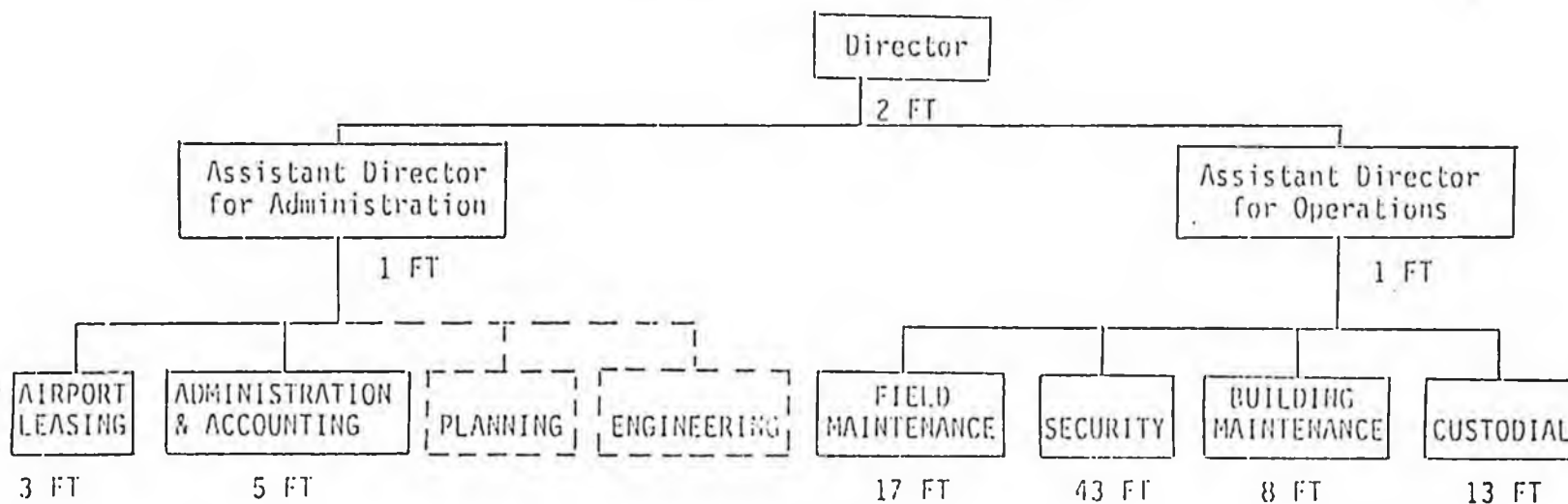
Fairbanks International Airport
 FY 1988 Operating Budget
 (Dollars in Thousands)

<u>EXPENDITURES</u>	<u>Field Maintenance</u>	<u>Building Maintenance</u>	<u>Security</u>	<u>Custodial</u>	<u>Equip. Maint.</u>	<u>Administration</u>	<u>DP/ WP</u>	<u>TOTAL</u>
Personal Services	\$1,047.4	\$ 476.7	\$2,700.0	\$589.3	\$ --	\$624.8	\$ --	\$5,438.2
Travel	2.0	3.6	12.4	--	--	19.0	--	37.0
Contractual	149.1	709.3	65.3	--	--	706.5	--	1,630.2
Commodities	487.6	236.7	109.9	84.8	--	14.0	--	933.0
Equipment	8.0	6.0	10.2	9.0	--	3.5	--	36.7
Total	\$1,694.1	\$1,432.3	\$2,897.8	\$683.1	--	\$1,367.8	--	\$8,075.1
<u>FUNDING</u>								
IARF	\$1,694.1	\$1,432.3	\$2,897.8	\$683.1	--	\$1,367.8	--	\$8,075.1
Total	\$1,694.1	\$1,432.3	\$2,897.8	\$683.1	--	\$1,367.8	--	\$8,075.1
<u>POSITIONS</u>								
PFT	17	8	43	13	--	12	--	93
PPT	--	--	--	--	--	--	--	--
Total	17	8	43	13	--	12	--	93

Only major change for Fiscal Year 1988 over Fiscal Year 1987 budget is a \$179.9 increase in the Personal Services portion of the Security Component budget. These additional costs are directly attributable to law enforcement related functions.

Department of Transportation and Public Facilities

Fairbanks International Airport



Total Positions:

93 FT CURRENT AUTHORIZATION
93 FT FY88 REQUEST

Close liaison is maintained with other Divisions' engineering and planning personnel on a daily basis. This is in lieu of establishing an in-house infrastructure of assigned positions to perform these functions as is the case at Anchorage International. Also unlike Anchorage International, Equipment Maintenance is not a separate budget component but rather this type of maintenance is performed and budgeted for within the Field Maintenance and Security Components.

EFFECTIVE DATE: July 1, 1986

FAIRBANKS INTERNATIONAL AIRPORT
RESPONSIBILITIES BY COMPONENT

Administration

- Management service for the airport, accounting, leasing, planning and engineering.

Field Maintenance

- Snow removal and ice control
- Crack sealing and pot hole maintenance
- Equipment maintenance

Building Maintenance

- Maintenance of terminal buildings
- Baggage conveyor systems
- Maintenance of parking garage

Security

- Crash Fire Rescue
- Security - buildings and grounds

Custodial Services

DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES
FAIRBANKS INTERNATIONAL AIRPORT
FY 1988 PROJECTED RATES and FEES

Landing Fees	\$.68 per 1,000 pounds take off weight
Fuel Flowage	\$.02 per gallons
Docking Fees	\$ 27.33 per use of state owned jetway
Federal Inspection Station (FIS)	\$ 36.36 per Federal Customs Inspection
Space Rental	\$ 27.21 per square foot

DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES
FAIRBANKS INTERNATIONAL AIRPORT
FY 1988 PROJECTED REVENUE

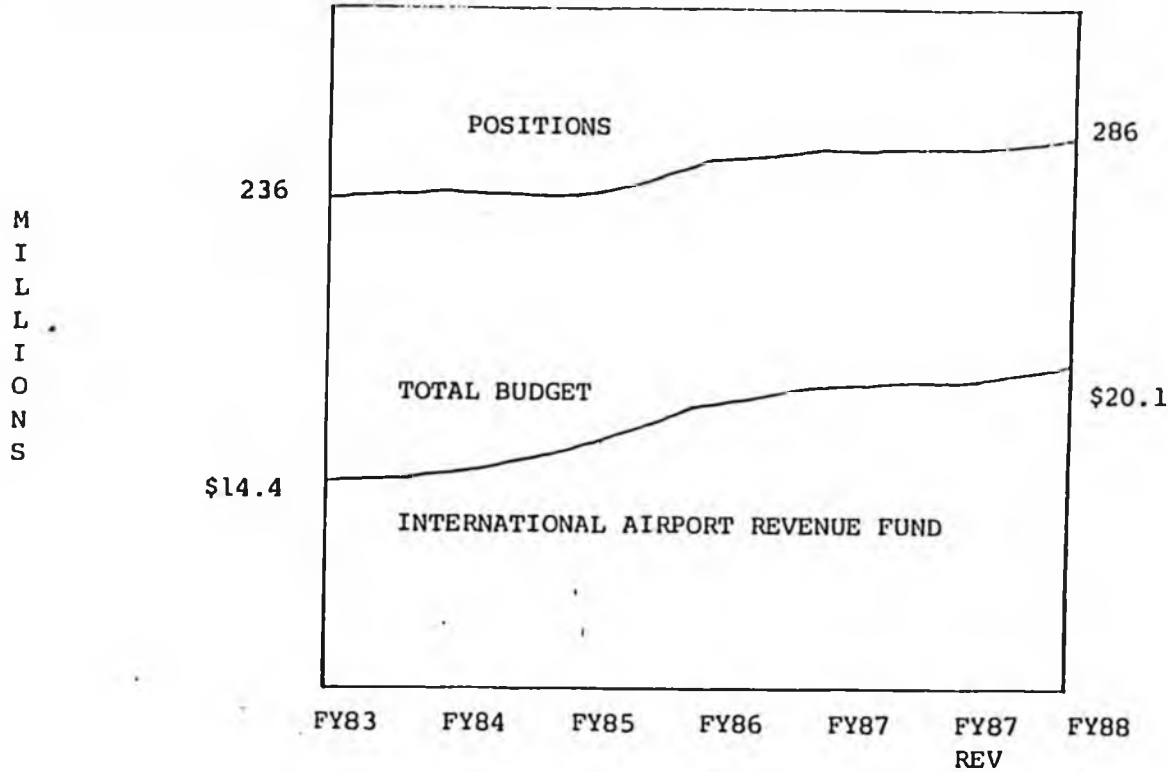
Landing Fees	16,500	Revenue Landings	\$1,385,400
Fuel Flowage	28,350,000	Gallons	567,000
Docking Fees	1,760	Dockings	48,100
Federal Inspection Station	825	Uses	30,000
Space Rental	52,800	Sq. Ft.	1,436,700
Auto Parking			412,000
Concession Fees			726,000
Land Rental & Tie downs			<u>665,000</u>
TOTAL Projected Revenue			\$5,270,200

FAIRBANKS INTERNATIONAL AIRPORT
OVERVIEW

One Terminal Building	132,000 Square Feet
Runways, Taxiways, Ramps	273 Acres of Asphalt
Grounds around runways	12 Acres
Runway & Taxiway lights	950 Lights
Lighted signs	52 Signs
Equipment	67 Vehicles

ANCHORAGE INTERNATIONAL AIRPORT

ANCHORAGE INTERNATIONAL AIRPORT



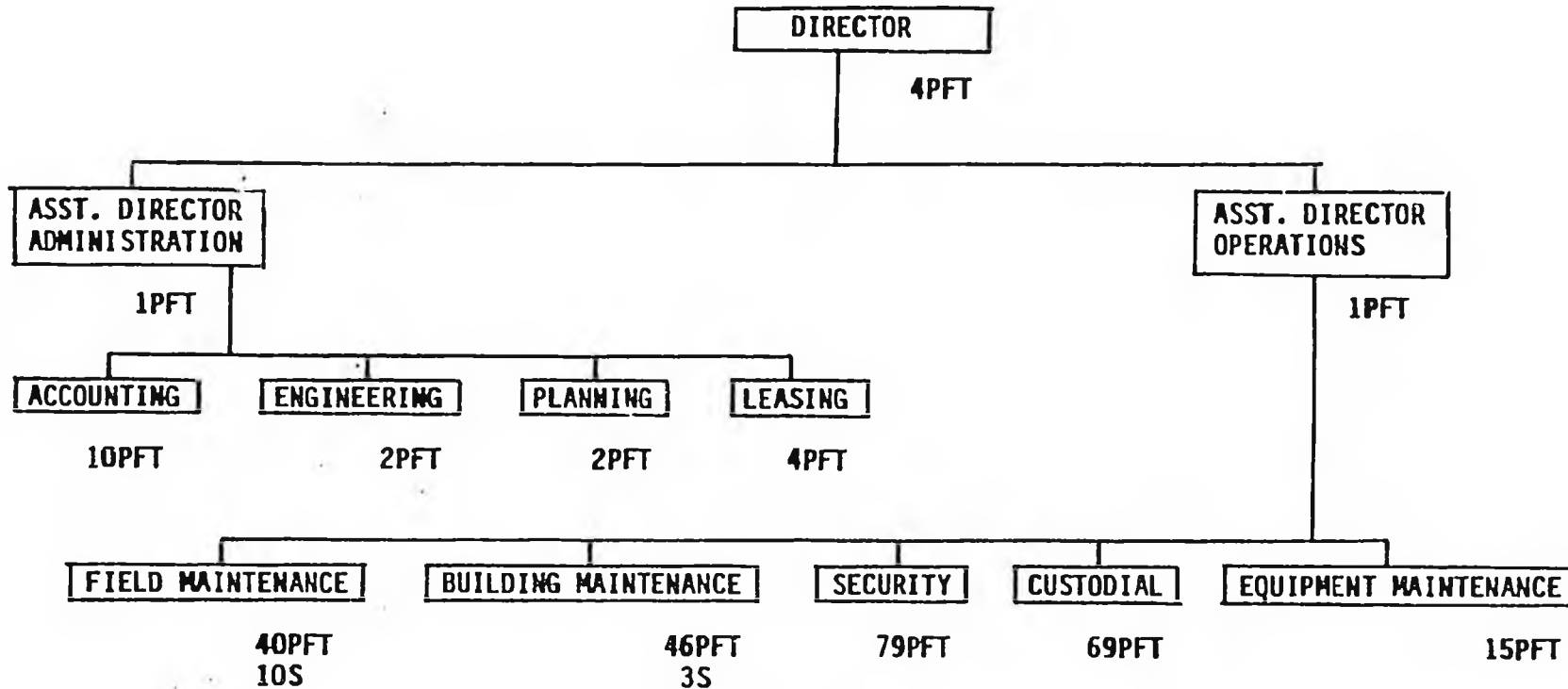
	<u>83</u>	<u>84</u>	<u>85</u>	<u>86</u>	<u>87</u>	<u>87REV</u>	<u>88</u>
IARF	14427.2	15158.3	16210.7	18518.7	19115.0	19115.0	20110.1
POSITIONS *	236	241	239	270	277	277	286

*Position Total includes permanent full time, permanent part time and seasonal positions.

DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES
 ANCHORAGE INTERNATIONAL AIRPORT
 FY 1988 Operating Budget Request
 (dollars in thousands)

	Field Maintenance	Building Maintenance	Security	Custodial	Equipment Maintenance	Administration	Data & Word Processing	TOTAL
<u>EXPENDITURES</u>								
Personal Services	\$ 2125.5	\$ 2183.3	\$ 3956.8	\$ 2505.5	\$ 787.3	\$ 1120.5	\$ 0.0	\$ 12678.9
Travel	3.5	6.8	16.0	0.0	6.0	16.3	0.0	48.6
Contractual	263.3	1675.7	117.9	568.0	111.1	2837.7	20.0	5593.7
Commodities	629.8	239.4	168.9	127.8	398.6	15.1	2.0	1581.6
Equipment	46.8	35.2	66.4	3.6	16.5	0.0	38.8	207.3
TOTAL	\$ 3068.9	\$ 4140.4	\$ 4326.0	\$ 3204.9	\$ 1319.5	\$ 3989.6	\$ 60.8	\$ 20110.1
<u>FUNDING</u>								
IARF	\$ 3068.9	\$ 4140.4	\$ 4326.0	\$ 3204.9	\$ 1319.5	\$ 3989.6	\$ 60.8	\$ 20110.1
TOTAL	\$ 3068.9	\$ 4140.4	\$ 4326.0	\$ 3204.9	\$ 1319.5	\$ 3989.6	\$ 60.8	\$ 20110.1
<u>POSITIONS</u>								
PFT	40	46	79	69	15	24	0	273
PPT	10	3						13
TOTAL	50	49	79	69	15	24	0	286

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
 ANCHORAGE INTERNATIONAL AIRPORT
 FY 1988 OPERATING BUDGET REQUEST
 STAFFING CHART



PERSONNEL TOTALS	286
PFT	273
PPT/S	13

ANCHORAGE INTERNATIONAL AIRPORT
RESPONSIBILITIES BY COMPONENT

Administration

- Management service for the airport, accounting, leasing, planning and engineering.

Field Maintenance

- Snow removal and ice control
- Crack sealing and pot hole maintenance

Building Maintenance

- Maintenance of terminal buildings
- Baggage conveyor systems
- Maintenance of parking garage

Security

- Crash Fire Rescue
- Security - buildings and grounds

Equipment Maintenance

Custodial Services

DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES
ANCHORAGE INTERNATIONAL AIRPORT
FY 1988 PROJECTED RATES AND FEES

Landing Fees	\$.68 per 1,000 pounds take off weight
Fuel Flowage	\$.02 per gallons
Docking Fees	\$222.62 per International Carrier Docking
Federal Inspection Station (FIS)	\$ 36.36 per Federal Customs Inspection
Space Rental	\$ 27.21 per square foot

DEPARTMENT OF TRANSPORTATION and PUBLIC FACILITIES
ANCHORAGE INTERNATIONAL AIRPORT
FY 1988 PROJECTED REVENUE

Landing Fees	77,358 Revenue landings	\$11,228,160
Fuel Flowage	516,550,000 Gallons	10,331,000
Docking Fees	6392 dockings	1,422,987
Federal Inspection Station	8,700 Uses	316,332
Space Rental	345,000 Sq. Ft.	9,389,450
Auto Parking		2,225,000
Concession Fees		24,913,000
Land Rental & Tie Downs		<u>1,376,000</u>
TOTAL Projected Revenue		\$61,201,929

ANCHORAGE INTERNATIONAL AIRPORT
OVERVIEW

Two Terminal Buildings	659,000 Square Feet
Runways, Taxiways, Ramps	456 Acres of Asphalt
Grounds around runways	9.5 Acres
Runway & Taxiway lights	2,476 Lights
Lighted signs	135 Signs
Equipment	129 Vehicles

INTERNATIONAL AIRPORTS
FUND BALANCES
(Approximate as of 7/1/86)

Revenue Fund	\$12.5 Million
Construction Fund	* \$ 1.4 Million
Revenue Bond Redemption Fund	**\$ 6.0 Million
Reserve and Replacement Account	\$ 2.0 Million

* This is the fund into which money is placed after it is appropriated and pending the payment of project costs.

** This amount is equal to approximately one-year's principal and interest on the revenue bonds.

CORRECTION

**THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY**

INTERNATIONAL AIRPORTS

FUND BALANCES
(Approximate as of 7/1/86)

Revenue Fund	\$12.5 Million
Construction Fund	* \$ 1.4 Million
Revenue Bond Redemption Fund	**\$ 6.0 Million
Reserve and Replacement Account	\$ 2.0 Million

* This is the fund into which money is placed after it is appropriated and pending the payment of project costs.

** This amount is equal to approximately one-year's principal and interest on the revenue bonds.

STATE OF ALASKA
CAPITAL PROJECT FUNDS - AIRPORT CONSTRUCTION
BALANCE SHEET
June 30, 1986
(Stated in Thousands)

	1966 Airport Construction	1968 Airport Construction	1970 Airport Construction	1972 Airport Construction	1974 Trunk & Sec. Airport Construction	1976 Airport Construction	International Airport Construction	International Airport Construction Series G	Total
ASSETS:									
Current Assets:									
Cash in Treasury	\$ 38	\$ 857	\$ 321	\$ 897	\$ 1,527	\$ 1,114	\$ (1,369)	\$ 25,940	\$ 29,325
Accounts Receivable			159					150	309
Total Assets	\$ 38	\$ 857	\$ 480	\$ 897	\$ 1,527	\$ 1,114	\$ (1,369)	\$ 26,090	\$ 29,634
LIABILITIES AND FUND BALANCES:									
Liabilities:									
Accounts Payable	\$	\$	\$	\$	\$ 53	\$	\$ 19	\$ 26,068	\$ 26,140
Warrants Outstanding						400	10		10
Due to General Fund							2,134	22	422
Due Other Funds									2,134
Total Liabilities	\$	\$	\$	\$	\$ 53	\$ 400	\$ 2,163	\$ 26,090	\$ 28,706
Fund Balances:									
Reserved for Encumbrances	\$ 38	\$ 857	\$ 480	\$ 897	\$ 1,156	\$ 5	\$ 163	\$ 394	\$ 718
Unreserved					1,318	709	(3,695)	(394)	210
Total Fund Balances	\$ 38	\$ 857	\$ 480	\$ 897	\$ 1,474	\$ 714	\$ (3,532)	\$	\$ 928
Total Liabilities and Fund Balances	\$ 38	\$ 857	\$ 480	\$ 897	\$ 1,527	\$ 1,114	\$ (1,369)	\$ 26,090	\$ 29,634
LEGAL REFERENCE:									
	CHAP 167 SLA 1966	CHAP 167 SLA 1968	CHAP 222 SLA 1970	CHAP 194 SLA 1972	CHAP 118 SLA 1974	CHAP 248 SLA 1976	CHAP 149 SLA 1972	CHAP 61 SLA 1985	

STATE OF ALASKA
CAPITAL PROJECT FUNDS - AIRPORT CONSTRUCTION
ANALYSIS OF CHANGES IN FUND BALANCES
For the Fiscal Year Ended June 30, 1966
(Stated in Thousands)

	1966 Airport Construction	1968 Airport Construction	1970 Airport Construction	1972 Airport Construction	1974 Trunk & Sec. Airport Construction	1976 Airport Construction	International Airports Construction	International Airports Construction Series G	Total
Initial Project Authorization (Reference Only)	\$ 11,500	\$ 8,800	\$ 10,000	24,000	\$ 10,400	\$ 6,866	\$ 28,000	\$ 38,000	\$ 137,566
Beginning Balance, July 1	\$ 38	\$ 857	\$ 558	1,239	\$ 889	\$ 726	\$ (3,532)		\$ 775
Prior Year Adjustments						(322)			(322)
Adj. Beginning Balance, July 1	\$ 38	\$ 857	\$ 558	1,239	\$ 889	\$ 404	\$ (3,532)		\$ 453
ADDITIONS:									
Revenues:									
Federal Receipts	\$	\$	\$	6	\$ 835	\$ 311	\$	\$	\$ 1,152
DEDUCTIONS:									
Expenditures:									
Construction Costs			78	348	250	2			678
Excess/(Defic.) of Additions over Deductions	\$	\$	\$ (78)	(342)	\$ 585	\$ 309	\$	\$	\$ 474
Ending Balance, June 30	\$ 38	\$ 857	\$ 480	897	\$ 1,474	\$ 713	\$ (3,532)	\$	\$ 927

STATEMENT 65

STATE OF ALASKA
 INTERNATIONAL AIRPORTS REVENUE BONDS
 Bonds Authorized, Issued and Unissued
 June 30, 1986

(Stated in Thousands)

Bonds	Statute	Authorized		Issued		Amount Unissued
		Date	Amount	Date	Amount	
International Airports 1961 Construction	Ch. 66 SLA 74		\$ 34,825(A)	6/1/68	\$ 7,000	\$
				6/1/69	2,225	
				6/1/71	6,500	
				6/1/73	8,500	
				6/1/75	10,600	
International Airports	Ch. 25 SLA 83	6/23/83	28,000(A)	8/1/83	28,000	
International Airports	Ch. 61 SLA 85	5/31/85	38,000(A)			38,000
Total			<u>\$100,825</u>		<u>\$62,825</u>	<u>\$38,000</u>

(A) Legal Reference AS 37.15.410 - .550

STATE OF ALASKA

INTERNATIONAL AIRPORTS REVENUE BONDS
Debt Service by Fiscal Year
June 30, 1986

STATEMENT 66

(Stated in Thousands)

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service To Maturity</u>	<u>Net Cash Redemption Reserve</u>	<u>Required by Fiscal Year</u>
1969	\$	\$ 411	\$ 411	\$	\$ 411
1970		555	555		555
1971	225	555	780		780
1972	300	1,013	1,313		1,313
1973	325	992	1,317		1,317
1974	360	1,474	1,854		1,854
1975	405	1,447	1,852		1,852
1976	510	1,418	1,928		1,928
1977	540	1,384	1,924		1,924
1978	570	1,350	1,920		1,920
1979	610	1,315	1,925		1,925
1980	650	1,277	1,927		1,927
1981	690	1,237	1,927		1,927
1982	740	1,195	1,935		1,935
1983	1,245	1,150	2,395		2,395
1984	395	1,076	1,471		1,471
1985	915	5,099	6,014		6,014
1986	1,820	3,645	5,465		5,465
1987	2,005	3,487	5,492		5,492
1988	2,165	3,315	5,480		5,480
1989	2,340	3,128	5,468		5,468
1990	2,530	2,915	5,445		5,445
1991	2,725	2,686	5,411		5,411
1992	2,920	2,453	5,373		5,373
1993	3,140	2,219	5,359		5,359
1994	3,385	1,965	5,350		5,350
1995	3,635	1,690	5,325		5,325
1996	3,910	1,390	5,300		5,300
1997	3,300	1,063	4,363		4,363
1998	3,600	772	4,372		4,372
1999	2,985	451	3,436	2,072	1,364
2000	3,265	155	3,420	3,420	
Total	\$ 52,225	\$ 54,296	\$106,521	\$ 5,492	\$101,028
Paid as of 6/30/86	<u>10,320</u>	<u>26,600</u>	<u>36,920</u>		<u>36,920</u>
Remaining Liability as of 6/30/86	<u>\$ 41,905</u>	<u>\$ 27,695</u>	<u>\$ 69,600</u>	<u>\$ 5,492</u>	<u>\$ 64,107</u>

The Redemption Reserve in the amount of \$5,492,975.00 is held by the Bank of America as trustee.

STATE OF ALASKA
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT
 June 30, 1986

TABLE 8

(Stated in Thousands)

<u>Governmental Unit</u>	<u>Share Debt</u>
General Obligation Bonds	
State of Alaska General Obligation Bonds	<u>\$ 706,883</u>
Bonds Based on State Appropriation	
Alaska State Building Authority*	\$ 89,555
University of Alaska Revenue Bonds*	<u>22,248</u>
	<u>\$ 111,803</u>
Revenue Bonds	
International Airport Revenue Bonds	\$ 41,905
Alaska Medical Facility Authority	11,943
Alaska Housing Finance Corporation	3,246,156
Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans Mortgage Program)	1,190,365
Alaska Railroad Corporation	12,864
Alaska Municipal Bond Bank Authority	122,433
Alaska Industrial Development Authority	245,150
Alaska Power Authority Bonds	<u>452,604</u>
	<u>\$5,323,420</u>

* This debt is that of non-profit corporations which have issued bonds on the strength of the State Legislature annually appropriating the necessary funds to meet the debt service payments and a minimum of administrative fees. The rating bureaus have been using this debt to compute the State's net debt position.

STATE OF ALASKA
 SCHEDULE OF REVENUE BOND COVERAGE
 INTERNATIONAL AIRPORT FUND
 Last Ten Fiscal Years
 June 30, 1986

TABLE 9

(Stated in Thousands)

<u>Fiscal Year</u>	<u>Gross Revenue</u>	<u>Expenses</u>	<u>Net Revenue Available for Debt Service</u>	<u>Debt Service Requirement</u>			<u>Ratio</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
1977	\$18,187	\$ 9,546	\$ 8,641	\$ 540	\$1,384	\$1,924	4.49
1978(a)	18,756	10,087	8,669	570	1,350	1,920	4.52
1979	21,503	11,332	10,171	610	1,315	1,925	5.28
1980	22,385	12,483	9,902	650	1,277	1,927	5.14
1981	25,129	13,477	11,652	690	1,237	1,927	6.05
1982	27,106	16,525	10,581	740	1,195	1,935	5.47
1983	28,045	20,300	7,745	1,245	1,150	2,395	3.23
1984	29,370	20,311	9,059	395	1,076	1,471	6.16
1985	42,515	22,409	20,106	915	5,099	6,014	3.34
1986	47,900	25,504	22,396	1,820	3,645	5,465	4.09

(a) Revised Data

STATE OF ALASKA

TABLE 10

SUMMARY OF DEBT SERVICE REQUIREMENTS TO MATURITY
ANNUAL PRINCIPAL AND INTEREST REQUIREMENTS
June 30, 1966

(Stated in Thousands)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>International Airport Bonds</u>	<u>Alaska Medical Facility Authority</u>	<u>Alaska Housing Finance Corporation Bonds</u>	<u>Alaska Housing Finance Corporation State Guaranteed Bonds (Veterans Mortgage Program)</u>	<u>Alaska Railroad Corporation Bonds</u>
1987	\$154,892	\$ 5,492	\$ 1,505	\$ 346,553	\$ 120,072	\$ 3,952
1988	147,905	5,480	1,498	378,756	122,676	2,594
1989	135,511	5,468	1,494	395,849	124,985	2,420
1990	120,306	5,445	1,487	388,814	127,331	2,411
1991	95,482	5,411	1,483	396,141	129,650	1,996
(Balance thru final payoff year)	<u>249,040</u>	<u>42,302</u>	<u>13,021</u>	<u>5,215,211</u>	<u>2,979,294</u>	<u>3,104</u>
Total	<u>\$903,138</u>	<u>\$69,600</u>	<u>\$20,491</u>	<u>\$7,123,324</u>	<u>\$3,604,208</u>	<u>\$16,480</u>

* Lease purchase bonds through non-profit corporations which are paid through appropriations for rent by the State.

TABLE 11

STATE OF ALASKA
DEBT SERVICE REQUIREMENTS TO MATURITY
June 30, 1986

(Stated in Thousands)

GENERAL OBLIGATION BONDS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
1987	\$108,380	\$ 46,512	\$154,892
1988	108,685	39,220	147,905
1989	103,727	31,784	135,511
1990	95,560	24,746	120,306
1991	77,499	17,983	95,482
(Balance thru final payoff year)	<u>213,032</u>	<u>36,008</u>	<u>249,040</u>
Total	<u>\$706,883</u>	<u>\$196,255</u>	<u>\$903,138</u>

These totals do not include principal and interest on AHFC State Guaranteed Bonds (Veterans Mortgage Program).

INTERNATIONAL AIRPORT REVENUE BONDS

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
1987	\$ 2,005	\$ 3,487	\$ 5,492
1988	2,165	3,315	5,480
1989	2,340	3,128	5,468
1990	2,530	2,915	5,445
1991	2,725	2,686	5,411
(Balance thru final payoff year)	<u>30,140</u>	<u>12,162</u>	<u>42,302</u>
Total	<u>\$41,905</u>	<u>\$27,695</u>	<u>\$69,600</u>

IV. ANCHORAGE INT'L AIRPORT

January 3, 1997
10:29:19 am

CENTRAL REGION SIX YEAR CAPITAL IMPROVEMENT PROGRAM
OBLIGATION/SPENDING PLAN FY92 - FY93

ANCHORAGE INTERNATIONAL AIRPORT

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 92			ADD. FED. REQUIRED	TOTAL FUND	MATCH RATIO	AREA	
					AIF FUND	IARF FUND	OTHER					
OBLIGATION	9	EXP	92	2,4	ATA OVERLAY AND GROOVE RUNWAY 6R/24L	\$1,875.0	\$125.0	\$0.0	\$1,375.0	\$2,000.0	0.9375	ATA
	9	EXP	98	2,4	ATA DOMESTIC TERMINAL EXPANSION PHASE III	\$0.0	\$11,000.0	\$0.0	\$0.0	\$11,000.0	0	ATA
	9	EXP	89	2,4	ATA ANNUAL IMPROVEMENTS FY89	\$0.0	\$600.0	\$0.0	\$0.0	\$600.0	0	ATA
	9	EXP	98	2,4	ATA TAXIWAY 'J' BLAST PROTECTION	\$375.0	\$25.0	\$0.0	\$375.0	\$100.0	0.9375	ATA
	9	EXP	83	2,4	ATA TERMINAL RENOVATION (BOTH TERMINALS)	\$0.0	\$5,000.0	\$0.0	\$0.0	\$5,000.0	0	ATA
	9	EXP	88	2,4	ATA MAINTENANCE EQUIPMENT PURCHASE AND REPLACEMENT FY88	\$0.0	\$740.0	\$0.0	\$0.0	\$740.0	0	ATA
	9	EXP	88	2,4	ATA CONSTRUCT EPA APPROVED FIRE PIT	\$0.0	\$550.0	\$0.0	\$0.0	\$550.0	0	ATA
	9	EXP	92	2,4	ATA RECONSTRUCTION OF RAMP AREAS	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
	9	EXP	88	2,4	ATA PAVE TUG ROAD PHASE I	\$0.0	\$100.0	\$0.0	\$0.0	\$100.0	0	ATA
	9	EXP	88	2,4	ATA EXPAND SAND STORAGE BLDG	\$0.0	\$300.0	\$0.0	\$0.0	\$300.0	0	ATA
	9	EXP	85	2,4	ATA PAVE GENERAL AVIATION APRON FY85	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
						=====	=====	=====	=====	=====		
					\$2,250.0	\$20,440.0	\$0.0	\$2,250.0	\$22,490.0			
ALTERNATE	9	ALT	88	2,4	ATA HIGH SPEED TAXIWAY CONSTRUCTION	\$1,300.3	\$86.7	\$0.0	\$1,300.0	\$1,227.0	0.9375	ATA
	9	ALT	88	2,4	ATA CFR BUILDING	\$2,400.0	\$1,625.0	\$0.0	\$0.0	\$4,025.0	0	ATA
						=====	=====	=====	=====	=====		
					\$3,700.3	\$1,711.7	\$0.0	\$1,300.0	\$5,412.0			

January 2, 1987

10:29:55 am

CENTRAL REGION SIX YEAR CAPITAL IMPROVEMENT PROGRAM
OBLIGATION/SPENDING PLAN FY88 - FY93

ANCHORAGE INTERNATIONAL AIRPORT

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 89			ADD. FED. REQUIRED	TOTAL FUND	MATCH RATIO	AREA
					AIP FUND	IARF FUND	OTHER				
0	EXP	89	2,4	ATA RESURFACE TAXIWAY 'K'	\$2,912.5	\$137.5	\$0.0	\$2,513.0	\$3,000.0	0.9375	ATA
9	EXP	89	2,4	ATA CFR BUILDING	\$2,400.0	\$1,625.0	\$0.0	\$0.0	\$4,025.0	0	ATA
9	EXP	89	2,4	ATA DOMESTIC TERMINAL EXPANSION PHASE IV	\$0.0	\$0.0	\$46,000.0	\$0.0	\$46,000.0	0	ATA
9	EXP	89	2,4	ATA ANNUAL IMPROVEMENTS FY89	\$0.0	\$650.0	\$0.0	\$0.0	\$650.0	0	ATA
9	EXP	89	2,4	ATA MAINTENANCE EQUIPMENT FY89	\$0.0	\$540.0	\$0.0	\$0.0	\$540.0	0	ATA
9	EXP	89	2,4	ATA RECONSTRUCTION OF FAME AREAS	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
9	EXP	89	2,4	ATA EXPAND FLOAT PLANE FACILITY	\$0.0	\$2,500.0	\$0.0	\$0.0	\$2,500.0	0	ATA
9	EXP	89	2,4	ATA GENERAL AVIATION DEVELOPMENT PHASE I	\$0.0	\$3,500.0	\$0.0	\$0.0	\$3,500.0	0	ATA
9	EXP	89	2,4	ATA GENERAL AVIATION PAVING FY89	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
9	EXP	89	2,4	ATA GENERAL AVIATION ELECTRIFICATION	\$0.0	\$350.0	\$0.0	\$0.0	\$350.0	0	ATA
					=====	=====	=====	=====	=====		
					\$5,212.5	\$11,352.5	\$46,000.0	\$2,513.0	\$62,565.0		

January 9, 1987

10:30:24 am

CENTRAL REGION SIX YEAR CAPITAL IMPROVEMENT PROGRAM

OBLIGATION/PENDING PLAN FY83 - FY93

ANCHORAGE INTERNATIONAL AIRPORT

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 90			ADD. FED. REQUIRED	TOTAL FUND	MATCH RATIO	AREA
					AIP FUND	IAAF FUND	OTHER				
9	EXP	90	2,4	AIA RECONSTRUCTION OF INTERNAL ROADWAYS FY90	\$0.0	\$3,537.0	\$0.0		\$3,537.0	0	ATA
9	EXP	90	2,4	AIA ANNUAL IMPROVEMENTS FY90	\$0.0	\$700.0	\$0.0	\$0.0	\$700.0	0	ATA
9	EXP	90	2,4	AIA MAINTENANCE EQUIPMENT FY90	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
9	EXP	90	2,4	AIA RECONSTRUCTION OF RAMP AREAS FY90	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
9	EXP	90	2,4	AIA NORTH AIR PARK DEVELOPMENT PH II	\$0.0	\$3,200.0	\$0.0	\$0.0	\$3,200.0	0	ATA
9	EXP	90	2,4	AIA PAVE TUG ROAD PHASE II	\$0.0	\$300.0	\$0.0	\$0.0	\$300.0	0	ATA
9	EXP	90	2,4	AIA AIRCRAFT STORAGE AREA	\$0.0	\$1,300.0	\$0.0	\$0.0	\$1,300.0	0	ATA
9	EXP	90	2,4	AIA NOISE ABATEMENT PROGRAM FY90	\$2,500.0	\$2,100.0	\$0.0	\$0.0	\$4,600.0	0	ATA
9	EXP	90	2,4	AIA GENERAL AVIATION DEVELOPMENT PHASE II	\$0.0	\$3,500.0	\$0.0	\$0.0	\$3,500.0	0	ATA
9	EXP	90	2,4	AIA GENERAL AVIATION PAVING FY90	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	ATA
9	EXP	90	2,4	AIA NOISE MONITORING EQUIPMENT FY90	\$0.0	\$100.0	\$0.0	\$0.0	\$100.0	0	ATA
					=====	=====	=====	=====	=====		
					\$2,500.0	\$17,727.0	\$0.0	\$0.0	\$20,227.0		

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 91			ADD. FED. REQUIRED	TOTAL FUND	MATCH RATIO	AREA
					AIP FUND	IARF FUND	OTHER				
9	EXP	91	2,4	AIA OVERLAY 8 GROOVE RUNWAY 14/32	\$2,343.3	\$156.3	\$0.0	\$0.0	\$2,500.0	0.3375	AIA
9	EXP	91	2,4	AIA ANNUAL IMPROVEMENTS FY91	\$0.0	\$750.0	\$0.0	\$0.0	\$750.0	0	AIA
9	EXP	91	2,4	AIA RECONSTRUCTION OF INTERNAL ROADWAYS FY91	\$0.0	\$13,100.0	\$0.0	\$0.0	\$13,100.0	0	AIA
9	EXP	91	2,4	AIA RECONSTRUCTION OF TAXIWAYS FY91	\$0.0	\$2,000.0	\$0.0	\$0.0	\$2,000.0	0	AIA
9	EXP	91	2,4	AIA MAINTENANCE EQUIPMENT FY91	\$0.0	\$1,200.0	\$0.0	\$0.0	\$1,200.0	0	AIA
9	EXP	91	2,4	AIA RECONSTRUCTION OF RAMP AREAS FY91	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	AIA
9	EXP	91	2,4	AIA NOISE ABATEMENT PROGRAM FY91	\$0.0	\$7,500.0	\$0.0	\$0.0	\$7,500.0	0	AIA
9	EXP	91	2	AIA UPDATE EXISTING MASTERPLAN & NOISE STUDY	\$409.3	\$31.3	\$0.0	\$0.0	\$500.0	0.3375	AIA
9	EXP	91	2	AIA NORTH TERMINAL EXPANSION STUDY	\$0.0	\$100.0	\$0.0	\$0.0	\$100.0	0	AIA
					=====	=====	=====	=====	=====		
					\$2,912.5	\$25,237.5	\$0.0	\$0.0	\$22,650.0		

January 1993
10:31:21 am

CENTRAL REGION SIX YEAR CAPITAL IMPROVEMENT PROGRAM
OBLIGATION/SPENDING PLAN FY88 - FY93

ANCHORAGE INTERNATIONAL AIRPORT

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 92			AGG. FED. REQUIRED	TOTAL FUND	MATCH	
					AIF FUND	IARF FUND	OTHER			FATIC	AREA
9	EXP	92	2,4	ATA ANNUAL IMPROVEMENTS FY92	\$0.0	\$750.0	\$0.0	\$0.0	\$750.0	0	AIA
9	EXP	92	2,4	ATA TERMINAL RENAB & REMODELING (BOTH TERMINAL BLDGS)	\$0.0	\$5,000.0	\$0.0	\$0.0	\$5,000.0	0	AIA
9	EXP	92	2,4	ATA RECONSTRUCTION OF TAXIWAYS FY92	\$0.0	\$1,000.0	\$0.0	\$0.0	\$1,000.0	0	AIA
9	EXP	92	2,4	ATA RECONSTRUCTION OF RAMP AREAS FY92	\$2,300.0	\$3,000.0	\$0.0	\$0.0	\$5,300.0	0	AIA
9	EXP	92	2,4	ATA MAINTENANCE EQUIPMENT FY92	\$0.0	\$1,200.0	\$0.0	\$0.0	\$1,200.0	0	AIA
9	EXP	92	2,4	ATA NORTH AIRPARK DEVELOPMENT PH III	\$0.0	\$1,700.0	\$0.0	\$0.0	\$1,700.0	0	AIA
					=====	=====	=====	=====	=====		
					\$2,600.0	\$12,650.0	\$0.0	\$0.0	\$15,450.0		

ELECT DIST	EXP/ ALT	FISCAL YEAR	PHASE(S)	PROJECT	FISCAL YEAR 93			ADD. FED. REQUIRED	TOTAL FUND	MATCH RATIO	AREA
					AIP FUND	IARF FUND	OTHER				
9	EXP	93	2,4	ATA OVERLAY RUNWAY 06L/24R	\$0.0	\$2,500.0	\$0.0	\$0.0	\$2,500.0	0	ATA
9	EXP	93	2,4	ATA ANNUAL IMPROVEMENTS FY93	\$0.0	\$500.0	\$0.0	\$0.0	\$500.0	0	ATA
9	EXP	93	2,4	ATA TERMINAL EXPANSION (PHASE IV)	\$0.0	\$0.0	\$45,000.0	\$0.0	\$45,000.0	0	ATA
9	EXP	93	2,4	ATA MAINTENANCE EQUIPMENT FY93	\$0.0	\$1,500.0	\$0.0	\$0.0	\$1,500.0	0	ATA
9	EXP	93	2,4	ATA NOISE ABATEMENT PROGRAM FY93	\$2,800.0	\$2,200.0	\$0.0	\$0.0	\$5,000.0	0	ATA
9	EXP	93	2,4	ATA REMOTE EMPLOYEE PARKING	\$0.0	\$2,000.0	\$0.0	\$0.0	\$2,000.0	0	ATA
					=====	=====	=====	=====	=====		
					\$2,800.0	\$9,000.0	\$45,000.0	\$0.0	\$56,800.0		

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
SIX YEAR CAPITAL IMPROVEMENT PROGRAM

March 25, 1987

8:32:21 am

FAIRBANKS INTERNATIONAL AIRPORT
INTERNATIONAL AIRPORT REVENUE FUNDS

FISCAL YEAR	REGION	EXP/ALT	FHWA FUNDS	AIP FUND	IARF FUND	GEN FUND	OTHER FUND	CLASS TYPE	FUND TYPE	ELECT DIST	PROJECT
88	NO	EXP	\$0.0	\$0.0	\$3,000.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Access Road "A" Construction
88	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Annual Improvements '88
88	NO	EXP	\$0.0	\$0.0	\$700.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Land Acquisition
88	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA CFR Bldg Upgrade-PE
TOTAL BY FISCAL YEAR			\$0.0	\$0.0	\$4,100.0	\$0.0	\$0.0				
89	NO	EXP	\$0.0	\$1,300.0	\$100.0	\$0.0	\$0.0	IA-PR	FA	20	FIA NW Aaron & Txyw Extension
89	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Annual Improvements '89
89	NO	EXP	\$0.0	\$0.0	\$500.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Terminal Area Landscaping along Airport Wy
89	NO	EXP	\$0.0	\$0.0	\$2,000.0	\$0.0	\$0.0	IA-PR	FA	20	FIA CFR Bldg Upgrade Const leasing/ventil/
TOTAL BY FISCAL YEAR			\$0.0	\$1,300.0	\$2,800.0	\$0.0	\$0.0				
90	NO	EXP	\$0.0	\$600.0	\$1,000.0	\$0.0	\$0.0	IA-PR	FA	20	FIA NW Aaron & Taxiway Extension Ph 2
90	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Annual Improvements '90
90	NO	EXP	\$0.0	\$0.0	\$400.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Fuel Hydrant Sys Repairs
90	NO	EXP	\$0.0	\$0.0	\$600.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Float Pond Expansion
TOTAL BY FISCAL YEAR			\$0.0	\$600.0	\$2,200.0	\$0.0	\$0.0				
91	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Annual Improvements '91
91	NO	EXP	\$0.0	\$0.0	\$1,500.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Maintenance, CFR & Security Equip Replac.
91	NO	EXP	\$0.0	\$0.0	\$800.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Noise Abatement Program
TOTAL BY FISCAL YEAR			\$0.0	\$0.0	\$2,500.0	\$0.0	\$0.0				
92	NO	EXP	\$0.0	\$0.0	\$200.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Annual Improvements '92
92	NO	EXP	\$0.0	\$0.0	\$1,500.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Maint Facility Expansion, Equip Shop,
92	NO	EXP	\$0.0	\$0.0	\$800.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Automobile Parking Lot Expansion
92	NO	EXP	\$0.0	\$0.0	\$1,000.0	\$0.0	\$0.0	IA-PR	FA	20	FIA Gen Aviation Aaron & Txyw Expan, Ph 2
TOTAL BY FISCAL YEAR			\$0.0	\$0.0	\$3,500.0	\$0.0	\$0.0				

EXP/ALT *CLASS TYPES (HWAYS/OTHER)* *CLASS TYPES (AVIATION)* *FUND TYPES*

EXP=EXPECTED IS=INTERSTATE PR=PRIMARY FH=FEDERAL HIGHWAYS
 ALT=ALTERNATE PS=PRIMARY/SECONDARY CN=COMMERCIAL/NON-PRIMARY FA=FEDERAL AVIATION
 DEF=DEFERRED UR=URBAN NC=NON-COMMERCIAL GF=GENERAL FUND
 TR=TRANSIT AP=AREA POPULATION IA=INT'L AIRPORT REVENUE
 HB=HARBORS DI=DISCRETIONARY OT=OTHER FUND
 PF=PUBLIC FACILITY
 RD=RAINFALL (FHWA)