



## FREQUENTLY ASKED QUESTIONS

about proposed landing fees at Deadhorse Airport (as of 4-16-15)

Here's a link to the public notice:

<https://aws.state.ak.us/OnlinePublicNotices/Notices/View.aspx?id=175847>

### **What is the proposed landing fee?**

- DOT&PF proposes charging \$2.00 per 1,000 pounds for all aircraft landing with a Certified Maximum Gross Takeoff Weight (CMGTW) greater than 6,000 pounds.

### **Why \$2.00 per 1,000 pounds CMGTW?**

- This rate is commensurate with landing fees charged at airports of similar size and purpose in Alaska. Juneau International, Ketchikan International, and Kenai Municipal airports were used as comparison airports. The \$2.00 per 1,000 pounds CMGTW rate is at the low end of rates charged at the three comparison airports.

### **To which aircraft would the landing fee apply?**

- The landing fee will apply to all aircraft landing with a Certified Maximum Gross Takeoff Weight (CMGTW) greater than 6000 pounds.

### **When would the landing fee go into effect?**

- The landing fee proposal is part of the State's FY16 operating budget currently under development. Anticipated implementation date would be sometime during FY16, with a target date of January 1, 2016, allowing for adequate notification to and implementation by all affected parties.

### **Why is DOT&PF proposing landing fees at the Deadhorse Airport?**

- There has been an ever-increasing demand for additional services across the Alaska airport system, particularly at Deadhorse Airport. In light of the state's fiscal situation, additional revenue generation is essential to preserving current levels of service, and increasing service at a strategic airport like Deadhorse, that is critical to continued economic development on the North Slope.

### **Will the landing fee revenue help improve the Deadhorse navigational aid (NAVAID) performance/reliability?**



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- Navigational aids are typically owned and maintained by the Federal Aviation Administration, as is the case at Deadhorse. While landing fee revenue will not directly impact the performance and/or reliability of the NAVAIDs, DOT&PF will continue to reinforce to the FAA the importance of these systems and their importance to Deadhorse aviation operations.

### **Will the landing fee revenue go into the state's General Fund or be directed specifically to the Deadhorse airport?**

- Under current statute, all revenue generated by the state's rural airports goes directly into the General Fund and is not specifically allocated to a particular airport. The annual budget process then appropriates sufficient general funds to operate the rural airport system as a whole for the given fiscal year.

### **How are the three new positions going to be implemented?**

- DOT&PF is reallocating three vacant permanent employee positions from elsewhere in the department to Deadhorse airport. The three positions will be incorporated into the regular shift schedule to accommodate the operations and maintenance requirements for the airport.

### **Why is the State proposing to extend the Deadhorse Airport hours of operation?**

-Industry requested DOT&PF provide extended hours of operations to accommodate their needs.

### **What are the latest figures available for Deadhorse Maintenance & Operations (M&O) costs and revenues received?**

DOT&PF's Airport Leasing compiles a list of airport M&O expenses and revenues. Note that M&O expenses include costs such as personnel, utilities and fuel for equipment, runway lights and some buildings such as heated storage.

	M&O Expenses	Leasing Revenue
FY13	\$1,589,385.05	\$1,797,385.82
FY14	\$1,822,039.42	\$2,069,954.57

### **What is the total jet fuel in gallons used at the Alaska International Airport System (AIAS), and total number of gallons of jet fuel in the Foreign Trade Zone (FTZ).**

This question was referred to Keith Day, International Airport Controller at the AIAS.



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**What is the cost to extend the airport operating hours to 18 hours per day including equipment costs, personnel costs, fuel, per diem, etc.**

- DOT&PF projects that the three new positions will cost approximately \$570,700 annually (\$325.2K personal services, \$180K travel, and \$65.5 contractual/lodging)

**Why is the state proposing to extend the Deadhorse Airport hours of operation?**

- The need for increased operating hours exist at Deadhorse due to the continually increasing number of passengers and flight operations over the last several years. In the past, the airport has extended operational hours using personnel overtime. Adding the three new positions will provide the personnel necessary to accomplish the operational task requirements (snow control, maintenance, ARFF, etc.) and meet the increased demand.

**Would the landing fees go into the general fund; do all the landing fees go into the general fund? Or what?**

-The landing fees would go into the general fund. The landing fees from the Ted Stevens Anchorage International Airport and Fairbanks International Airport go into the Alaska International Airport System “enterprise fund” so that revenue stays with those airports. Rural airport revenue goes into the general fund.

**Will some of the money go right back into the airport to help keep the nav aids and other infrastructure functioning up there?**

-The navigational aids are owned and maintained by the FAA. DOT&PF doesn’t have anything to do with the nav aids. So the landing fees would not address repair or maintenance of the nav aids owned by FAA.

**Assuming the regulation is adopted, what are the anticipated compliance parts.**

-The Statewide Aviation leasing office is implementing a software program called PROPworks that has a component for customer service web-based portal that we can use to enter customer data and generate invoices to the customers. A goal is to be paperless and cashless by going online. The Alaska International Airport System accounting office will process the payments submitted by air carriers through the PROPworks system.