WSDOT Aviation Division: Airport Investments

“Update on the Airport Investment Study”

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Agenda

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Administrative Notes
Introductions
Project Overview
• Background
• Goals, Objectives and Success Factors
• Process
Study Committee
• Roles and Expectations
• Communications Plan
Baseline Conditions Approach and Progress
• Local, State, Federal Investments
• Short- and Long-Term Needs
Questions and Comments
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Administrative Notes

- Restrooms
- Parking area
- Smoking area
- Emergency evacuation / Rally point
PROJECT OVERVIEW
Background

• In 2005, a WSDOT-sponsored airport pavement study estimated a backlog of nearly $163 million in essential pavement maintenance in our state.

• In 2009, the Governor’s Aviation Planning Council determined that Washington’s aviation system suffers from a significant funding shortfall and determined that $600 million is needed to bring all public use airports into compliance with state performance objectives.

• In 2012, WSDOT conducted an updated pavement study- released July 2013. Study findings: Pavement conditions have declined statewide and with current funding the backlog will increase to $257 million.

• In 2012, the FAA Modernization and Reform Act increased the required state and local match from 5% to 10%. This placed a greater financial burden for airport investments on state and local governments. This change alone could require an additional $1.7 million biennially in state matching funds.

• In 2012, WSDOT’s Airport Aid Grant program, which only has $1 million available per year, fell far short of funding the $4 million requested.

• In 2013 the Statewide Capital Improvement Program received airport project requests totaling nearly $500 million.
Goals and Objectives

The overall goal of the study is to develop a comprehensive basis of the past, current and forecast conditions for Washington State’s public use airport infrastructure investments in order to identify and define significant gaps and consequences.

Key Study Objectives include:
• Evaluate current investment levels for airport preservation and safety projects
• Assess short-term and long-term statewide airport improvement needs
• Determine consequences of doing nothing in terms of economic and aviation system impacts
Success Factors and Metrics

• A clear and comprehensive study, founded on the best available data that is readily understood, intuitive, and supported by study committee, legislators, airports, and the general public.

• A well coordinated, high quality, organized and efficient study that provides:
  – Simplicity for airports to provide crucial inputs
  – Coordinated and meaningful touch points with project stakeholders
  – Recognized value for the State’s investment

• Quality metrics as defined in the Project Quality Plan are accomplished.

• Identification and assessment of potential gaps and consequences.
Study Process
WASHINGTON AIRPORT INVESTMENT STUDY

STUDY COMMITTEE
Committee Roles and Expectations

The Study committee will:

• Provide representation for aviation sectors, including commercial and general aviation, airport associations/organizations, sponsors, aviation agencies, and airport industries

• Act as a sounding board for understanding of project research and analyses

• Be a conduit for external project communications
Committee Responsibilities

Responsibilities include:
• Attend meetings and contribute to discussions
• Understand and articulate the Committee’s purpose and responsibilities
• Represent constituent group by:
  – Communicating perspective on key issues
  – Convey information back to stakeholders
• Review and comment on drafts and inputs throughout the process
• Provide feedback to the project team
Communications Plan

• Communication protocols
  – E-mails
  – Dialogue

• Communication tools
  – Website (http://www.wsdot.wa.gov/aviation/AirportInvestmentStudy.htm)
  – Aviation News service
  – Interested party list
  – Advisory Committee Charge
  – Airport Investment Study folio
  – Study brochure
  – Requested briefings
BASELINE CONDITIONS – APPROACH
Federal Funds

• Airport Improvement Program (AIP) Funding
  – Revenue Sources
    • Airport and Airways Trust Fund
    • General Fund
  – Legislative Acts
    • Authorizations and Obligations (10-year look)
    • Vision 100 → ARRA → Modernization and Reform Act
Federal Funds

• AIP Funding
  – Apportionment
    • Entitlement Funds
      – Primary Airports
      – Cargo Service
      – Non-Primary
    • Discretionary Funds
      – High Priority Projects
  – Eligibility
    • Sponsor and Project

136 public-use airports
64 eligible for federal funding
Federal Funds

• Forecast of “Status Quo”
  – Funding Source Stability
  – Competing Interests
  – Benchmarks
Aeronautics Account

Funds the administration of the Aviation Division, support of state and local airports, and maintenance of state-owned airports.

- History of aviation taxes in WA
- Examine revenue sources
  - Define and measure each source
  - Quantify revenue by source
- 10-year revenues/expenditures

![Pie chart showing 95% Aviation Fuel Tax and Other Sources]
Aviation Tax Comparison
Other States to be Examined

• At least 6 other states to be compared
• Resources:
  – Conklin & de Decker, State Aviation Tax Guide
  – NBAA State Tax Reports
  – AOPA State Government Affairs
  – State Revenue Departments
• Focus on states with robust aviation activity and revenue
• Bookend states
• States within FAA Northwest Region
Aviation Tax Comparison
Other States to be Examined

• Categories examined and quantified by state
  – Tax definitions - what taxes are levied
  – Tax measures - what is the tax rate
  – Tax revenue generated
    • Other aviation revenue
  – Investments/expenditures of tax revenue number of airports, by NPIAS and Non-NPIAS, Federal Classification
    • Investment per airport
  – Number of based aircraft per airport
    • Investment per aircraft
Local Funds

• How are local funds being leveraged for Airport Capital needs?
  – Types of Funds
  – Magnitudes
  – Across Airport Categories
Airport Needs

• Develop Short-term (0-5 years) CIP & Long-term CIP (6-20 years) for the 136 public-use airports in WA
  – NPIAS and Non-NPIAS
  – Unconstrained Budget View
  – Differentiate Eligible and Non-eligible Projects
  – Review / Assign Project Cost Estimates
  – Assign Project Priority Codes for Analyzing Funding Impacts
Short-Term Needs

• Leverage Available Data Sources
  – WSDOT SCIP
  – Master Plans / ALPs
  – WSDOT Airport Pavement Management Study

• Airport Survey
Long-Term Needs

- Leverage Available Data Sources
  - Master Plans, ALPs, APMS
  - PSRC’s NextGen Gap Analysis
- FAA Design Standards Review (AC 150/5300-13A)
  - Identify Non-standard Issues (i.e., runway width)
  - Form 5010
  - ALPs
- Airport Survey
Airport Survey

- General Airport Planning Information
- Short and Long-Term Airport Needs Review
- Airport Use and Benefits
- Local Funding Resources
Consequences Evaluation

• Economic Impacts
  – Wages, Jobs, Total Economic Activity
  – Tax Revenue

• Impacts to Airport Users
  – 17 aviation related activities per Aviation Economic Impact Study

• Impacts to Facilities and Operations
  – Safety
  – Capacity
  – Pavement Management
Summary

• Study Outcome
  – Statewide Short- and Long-Term Needs
  – Baseline Forecast Revenues
  – Gap Identification
  – Associated Consequences

• Committee Involvement
  – Input from Multiple Perspectives
  – Methodology and Data Validation
QUESTIONS AND COMMENTS
WASHINGTON AIRPORT INVESTMENT STUDY

NEXT STEPS
THANK YOU!