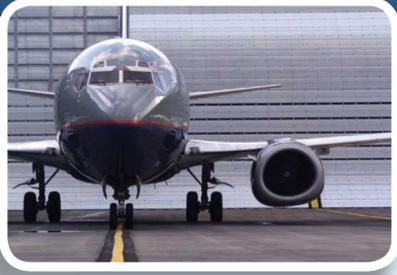


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Acronyms and Abbreviations

SCIP	State Capital Improvement Program
LATS	Long-Term Air Transportation Study
WSDOT	Washington State Department of Transportation





Introduction

Background

Airports are a vital component of the U.S. transportation infrastructure. They serve as essential links and provide for the movement of people and cargo throughout the country and world. As such, they are a critical economic enabler, providing direct and indirect jobs and facilitating commerce locally, regionally, nationally, and globally.

A recent study found that in 2010, commercial airports in the U.S. supported 10.5 million jobs, and contributed to a \$1.2 trillion in economic output comprised of on-airport output, visitor spending, and capital construction activities.¹ The study compares the 1.3 million people that work at U.S. commercial airports to private-sector business, being second to Wal-Mart, the nation's largest business employer at \$1.4 million.

General aviation airports provide distinct services that are critical to our national transportation system, such as emergency medical services, aerial firefighting, pilot training, law enforcement and border patrol, agricultural support, business travel, and air cargo services. Nationally, in 2009, general aviation contributed nearly \$39 billion in direct economic output.²

In 2012, the Washington State Department of Transportation's (WSDOT) Aviation Economic Impact Study identified the economic benefits of aviation to the state. Washington State airports support 248,500 jobs, and nearly

\$51 billion in economic output. Further, airports in Washington State provide beneficial services that are generally unique to each airport and its surrounding community. These services are essential to many communities and support critical life-saving needs, property protection, commerce, recreation and tourism. Further, these services contribute significantly to state tax revenues. In 2009, aviation activities in Washington generated \$792 million in tax revenues, with \$548 million going to the state general fund, and \$244 million was split fairly evenly amongst cities, counties, and special purpose districts. General fund revenues are returned to communities in the form of support for schools, human services and other essential state services.

Washington State has 134 public use airports, located in 36 of the 39 counties (see Exhibit 2-1). These airports are all available for public use, and are owned by either cities, towns, counties, port districts, private entities, joint agencies/authorities or WSDOT. Similar to most of our nation and state's public transportation infrastructure, monies are historically insufficient to operate, maintain, and improve Washington State's airports to meet demand and safety requirements. As such, its overall airport infrastructure is deteriorating and associated costs to maintain and rehabilitate are turning into significant costs to reconstruct.

¹ The Economic Impact of Commercial Airports in 2010, CDM-Smith, January 2012

² General Aviation Airports: A National Asset, Federal Aviation Administration, May 2012.



EXHIBIT 2-1
Washington State's Public Use Airports
Airports are located in 36 of 39 counties.



As Washington State's steward for statewide public-use airports, WSDOT Aviation has studied the state airport system for a variety of purposes, and some notable results emerged:

- WSDOT's last system wide study, the Long-Term Air Transportation Study (LATS), was completed in 2009. LATS identified a significant funding shortfall and determined that \$600 million is needed to bring all public-use airports into compliance with state performance objectives.
- WSDOT developed a statewide Airport Pavement Management System in 2005 to identify pavement conditions for most of the state's public-use airports, and identify appropriate preservation and rehabilitation capital plans to best maintain the pavements. At that time \$163 million in pavement maintenance project backlog was identified. This plan

was updated and pavement conditions were revisited in 2012. The results were an overall degradation in pavement conditions, and a resulting increase of the pavement maintenance backlog to \$257 million.

- In cooperation with the FAA, WSDOT has developed a Statewide Capital Improvement Program (SCIP) by which the airport sponsors may directly input their 5-year capital plans into a database that allows WSDOT/FAA to understand the statewide short-term needs and allows for prioritization of projects across the airports. For the 2014 to 2018 time period, the SCIP identifies over 500 unique capital projects totaling more than \$400 million.

It is clear that available funds are not keeping up with growing capital needs for Washington State airports.



WSDOT's Airport Aid Grant program provides state funding for capital projects. Exhibit 2-2 illustrates the historic grant funds requested vs. allocated. Over the past ten years, the requests have fluctuated, but generally trend upward, while the allocated aid has remained relatively flat. On average, requests have exceeded allocated funds by 226 percent, and the gap is widening. In 2012, WSDOT's Airport Aid Grant program, which typically only has \$1 million available per year, fell far short of funding the \$4 million requested by Washington State Airports. In 2013, a one-time additional allocation of \$1.5 million in grant aid was made available to help close the gap. This one-time allocation was funded by a long-term build-up of WSDOT Aviation revenues.

Purpose and Need

WSDOT Aviation initiated the Airport Investment Study in an effort to identify short- and long-term statewide airport infrastructure needs, understand past and current mechanisms and funding levels to support airport capital projects, and understand the impacts of potential gaps between forecast funding and needs. Findings from this study help to communicate the magnitude of

potential gaps and associated consequences to decision makers and legislators in order to adequately plan for the future.

Goals and Objectives

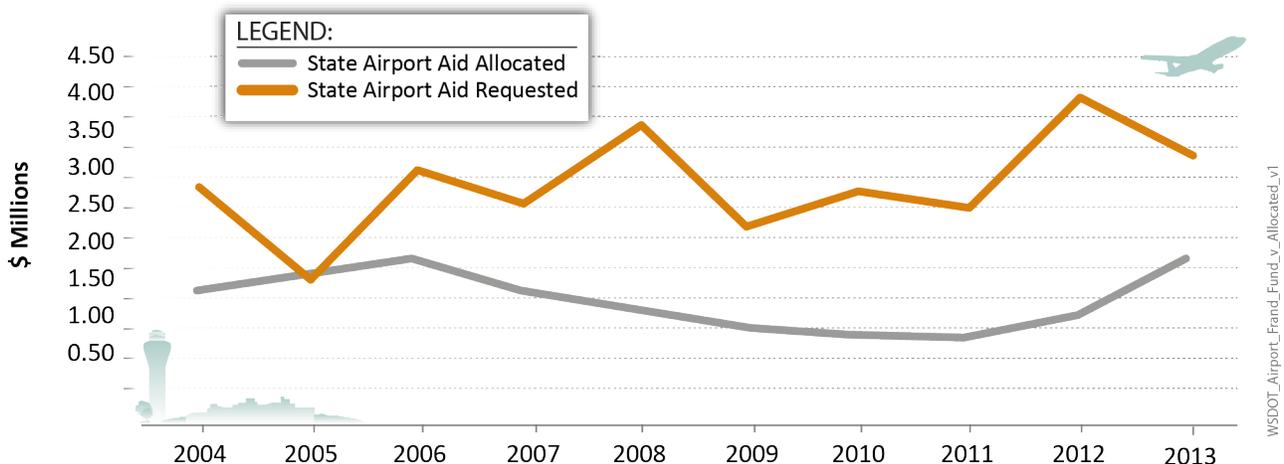
The overall goal of the study was to develop a comprehensive basis of the past, current and forecast conditions for Washington State's public-use airport infrastructure investments in order to identify and define potentially significant gaps and consequences.

Key Study Objectives included:

- 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

The project scope of work was developed specifically to accomplish the study goals, and address each of the key objectives along the way. The project team referred to the study goals and objectives to make decisions throughout the project.

EXHIBIT 2-2
WSDOT Airport Aid Grant Program – Funding Requests vs. Funds Allocated
Allocated funds fall short of requests.



Success Factors and Metrics

Success factors were developed and refined for the project to ensure that the key objectives of the project are met. The factors succinctly identify what a successful study outcome means to WSDOT and the project team. Metrics were defined to allow for a means to measure the outcome for each of the success factors identified for the study. Success factors and associated metrics are as follows:

- 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

A tailored transportation planning study process was developed to successfully accomplish the study, based on the project's goals and objectives. Exhibit 2-3 provides a graphic overview of the four-step approach. The linear process provided for integrated and meaningful touch points with aviation stakeholders (identified to participate on an advisory Study Committee) and interested parties that are focused on crucial two-way dialogue on key project issues, at the points in the process where those issues should be vetted. The four primary steps are summarized as follows.

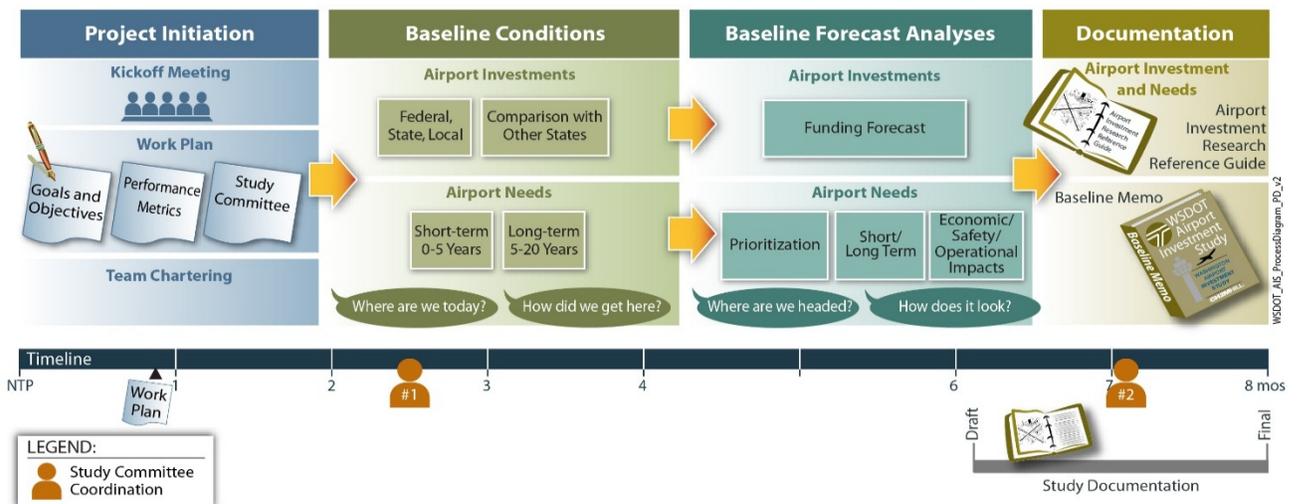
Project Initiation

Project initiation is one of the most critical steps in the process. Project initiation includes key tasks to define the project, how it will be accomplished, and what success at project completion comprises. At the project kickoff meeting, project goals, objectives, success factors, and project risks were refined to drive decision making, and lead to the timely, high-quality deliverables that are required. A Project Work Plan was developed that documents these key project definition elements, and also includes specific instructions for the team to recognize and manage change, and communicate

EXHIBIT 2-3

Airport Investment Study Process and Timeline

Simple, linear process with integrated study committee coordination touch points.



effectively with one another, as well as external stakeholders and the public. Team chartering is the process by which the key project team members refine and endorse the Project Work Plan elements.

Prior to accomplishing any study analyses, the Project Work Plan elements were reviewed with the study's Advisory Committee members at the first coordination meeting, to encourage two-way dialogue on these crucial elements and make refinements as needed.

Baseline Conditions

For this study, 'baseline conditions' refer to the historic and current status with regard to both airport investments and airport needs. The purpose of the baseline conditions step was to:

- **Research Current Funding Levels:** Research and understand "Where are we today?" and "How did we get here?" with respect to current state, federal, and local funding options for aviation preservation and safety capital projects. Historical and current airport capital project funding resources and processes are researched and documented. Washington State's funding levels and resources are compared with those from select states.
- **Research and Assemble Short-Term and Long-Term Needs:** Research and assemble available short-term (0-5 years) and long-term (6-20 years) capital projects for Washington State airports and confirm/refine this data in cooperation with the airport sponsors. The list of project needs is identified without regard to any potential funding limitations at this time, and applies a uniform set of standards regardless of airport eligibility for federal grant funding. Accurate and traceable data for project lists and costs are essential to provide credibility to the ultimate findings.

Baseline Forecast Analyses

The next step in the process forecasting analyses was to project the way we are currently funding airport projects at the federal, state and local levels into the future (20 year planning horizon) to understand the overall availability of funding for Washington State airport capital projects during this timeline. Once we understood funding availability in the short-and long-terms, we applied current FAA and WSDOT methods to prioritize the needs list in accordance with agency goals and objectives to develop constrained short- and long-term project lists that could reasonably be accomplished with the forecast available funding.

Similar to today, shortfalls in funding will likely preclude all projects from being accomplished. This step of the process also performed impact analyses to ascertain potential impacts, including:

- **Economic Impacts:** Evaluate economic impacts in terms of jobs, wages, total economic activity, and tax revenues in Washington State.
- **Impacts to Airport Users:** Assess impacts to the 17 aviation related activities provided by Washington State airports that benefit airport users.
- **Impacts to Airport Facilities and Operations:** Evaluate impacts to Washington State airports in terms of safety, operations, capacity and overall airport sustainability.

Understanding potential impacts will help to communicate and emphasize the implications of the perpetuation of current aviation funding methods and levels in Washington State, and provide messaging that is needed to bring about change.



Documentation

The last step in the process was to provide documentation of the study methodology and findings. Anticipated audiences for this study vary greatly, from aviation stakeholder agencies and businesses to state and local agencies, airport sponsors, planning agencies, legislative staff, and the public. Products of this study are envisioned to provide WSDOT with a number of different formats to effectively communicate the ultimate message to these audiences.

An Airport Investment Reference Guide provided complete documentation of the study, including all of the required backup for analyses performed. A Baseline Conditions Summary Memorandum (Baseline Memo) provided a condensed version of the reference guide to be used as a quick resource. A PowerPoint presentation, handouts, and a display board were prepared to provide WSDOT with tools needed to communicate study findings at conferences, and other meetings.

Study Advisory Committee Coordination and Public Outreach

The study process featured specific touch points with an Advisory Committee, and forums to communicate with the general public throughout the process. The coordination and outreach elements promoted two-way communication, project understanding, and provide for guidance throughout the process. The coordination and outreach elements are summarized as follows.

Study Advisory Committee

A Study Advisory Committee has been established and commissioned to serve throughout the study process to:

- Provide representation for aviation sectors, including commercial and general aviation, airport associations and organizations, airport 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

The Committee is comprised to represent a wide array of aviation stakeholder groups in Washington State, including:

- Airport Associations and Operators
- Aerospace
- Commercial Aviation and Airlines
- Business Aviation
- Emergency Medical Air Transport
- Aerial Agriculture Industries
- General Aviation
- State and Local Agencies
- Transportation Planning Organizations

The perspectives of each of these groups were invaluable to providing a study that both listened to and spoke to all of the key aviation stakeholders in the state. A complete list of Study Committee representatives and their respective affiliations is provided in Appendix 1.

Communications Plan

The stakeholder groups represented in the Advisory Committee comprised a significant portion of the audience for this study. The study must be a supported tool that all of these groups may leverage to elevate the topic of aviation investments and infrastructure needs to local and state governments, as well as state and federal legislators and other interested parties that may include legislative staff, other aviation stakeholders, etc.

A Communications Plan was developed and is included in Appendix 2. The Communications Plan refers to the project goals and objectives, and further identifies key messaging and specific touch points that leverage a number of different communication tools to reach varying audiences. A summary of the touch points for this project is provided in Exhibit 2-4.

All project deliverables will be posted on the WSDOT Airport Investment Study website at: <http://www.wsdot.wa.gov/aviation/AirportInvestmentStudy.htm>

Meeting notes from the Study Committee meetings are provided in Appendix 3.

EXHIBIT 2-4

Airport Investment Study Touch Points

Providing transparency and promoting understanding throughout the process.

Subject	Audience	Date	Method
Notice of formal agreement and bio request	Advisory committee	8/21/13	Email
Meeting reminder and bio request	Advisory committee	8/30/13	Email
News release	All	9/19/2013	WSDOT e-mail ListServ and Website
Notice regarding airport surveys	Airports	9/30/2013	Email
Invitation to interested party list	Interested Parties	10/11/2013	Email
Meeting reminder	Advisory committee and Interested Parties	10/23/2013	Email
Bio review	Advisory committee	10/24/2013	Email
Study updates – meeting presentation on web site and follow ups	Advisory committee and Interested Parties	11/6/2013	Email
Meeting summary distributed	Advisory committee and Interested Parties	11/13/2013	Email
Reminder to airports	Airports	11/20/2013	Email
Sample survey review	Advisory committee and Interested Parties	11/22/2013	Email
Survey to airports	Airports	11/25/2013	Email
Reminders to airports (survey)	Airports	12/5/2013 to 12/20/13	Telephone and Email
March meeting announcement	Advisory committee and Interested Parties	12/6/2013	Email
Report on survey results	Advisory committee and Interested Parties		Email
DRAFT Reference Guide “Introduction” for review	Advisory committee and Interested Parties	12/23/13	Email with link to document
DRAFT Reference Guide “Funding Airport Investments” for review	Advisory committee and Interested Parties	2/3/14	Email with link to document
DRAFT Reference Guide “Airport Investment Needs” for review	Advisory committee and Interested Parties	2/19/14	Email with link to document
DRAFT Reference Guide “Consequences for Perpetuating Current Funding” for review	Advisory committee and Interested Parties	3/18/14	Email with link to document

