
AGENCY OVERVIEW**412 Aeronautics Commission**

Date: 12/07/2012**Time:** 13:53:52**Statutory Authority**

North Dakota Century Code Chapters 2-05, 2-06, 2-08, 57-40.5, 57-43.3.

Agency Description

The Aeronautics Commission encourages the establishment and maintenance of airports and navigational facilities; cooperates with federal and local governments in the development and coordination of all aeronautical activities; and represents the state and industry in all matters relating to aeronautical activities.

Agency Mission Statement

The North Dakota Aeronautics Commission was established to serve the public by providing economic and technical assistance for the aviation community to ensure the safe and cost effective advancement of aviation in North Dakota.

Agency Performance Measures

Performance measures and results reporting are not currently used by the agency.

Major Accomplishments

1. Provided technical and financial assistance to the 89 public owned airports across the state.
2. Coordinated financial assistance through the FAA/State Capital Improvement Plan for 54 federal airports in North Dakota which belong to the National Plan of Integrated Systems (NPIAS).
3. Provided grants through the Air Carrier Grant Program and General Aviation Grant Programs.
4. Provided grants to community airports to not only make runway/taxiway and pavement improvements, but to purchase snow removal equipment and buildings to provide shelter to the snow removal equipment plus other grounds repair and grooming equipment.
5. Increased the Flight Instructor Assistance Program (FTAP) to offer to rural public use airports not served by an active flight instructor to help defray the cost of flight instructors' travel to and from their airports. This program provided a means for airports to train new pilots at their airports by defraying the costs of bringing in a flight instructor from elsewhere. This program was boosted significantly by using a billboard along a western highway. Increased funding has allowed the program to grow further.
6. Continued the Air Carrier Intern Program for the eight communities that have airline service. This program provided funding to each airport that wanted to create an internship for airport management, and is being expanded due to its popularity.
7. Presented the first completion awards for the Airport Passport Program to encourage pilots to visit all of the state's airports. This initiative with the tourism division has been very popular.
8. Served as the Governor's coordinator of the "Real World Design Challenge" encouraging high school students to pursue careers in science, technology, engineering and math related fields. The fourth group of high school students have represented ND in the national competition.
9. Distributed aviation charts, airport directories, balsa gliders, and the "Imagine Being A Pilot" brochure to numerous career day events throughout the state.
10. Provided support to all eight airline serviced communities which helped increase airline boardings to all-time record numbers in each community.
11. Developed a state economic impact report for all aviation communities, showing the benefits from aviation in each city.
12. Provided funding to enable internet connection to the Automated Weather Observation System (AWOS) that reports wind speed, current weather, ceiling and visibility, increasing flight safety.
13. Educated 89 public airport sponsors through airport inspections, training conferences, safety and security information, federal grant assurances, and community meetings.

Future Critical Issues

Airport needs are modified to handle the increased business as a function of a booming economy. Oil field development in the state requires additional airport capabilities, particularly in the western part of the state. Airline capacity needs are increasing at commercial airports, and airports need longer runways and instrument approaches to accommodate larger, long distance clients. The Commission works closely with the communities on air service to insure that we receive quality service not only for our state residents but for those who want to do business with our business community.

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Federal funding is always a critical issue. The FAA has reduced their portion of federal projects from 95.0 percent to 90.0 percent, requiring twice the local share for each project. The commission will look for effective ways of sharing that increased burden with each airport community.

Unmanned aerial vehicles (UAS) will require changes to airspace regulations, modernized equipment, additional aviation fields of expertise and additional infrastructure to support them in the state. The commission will hold an active role in ensuring that the UAS business is supported here as a new aviation partner, keeping in mind that manned aircraft remain a critical part of the commission's mission.

Wind turbines and meteorological towers are posing a safety risk to airport operators during takeoff and landing, and to many aerial applicators throughout the state. Legislation was passed to register and mark wind turbines, and the commission will continue to track the initiative.

REQUEST SUMMARY412 Aeronautics Commission
Biennium: 2013-2015

Bill#: SB2006

Date: 12/07/2012

Time: 13:53:52

Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
By Major Program					
Regulatory and Administration	1,175,984	1,757,188	325,346	2,082,534	0
Airport Development and Maintenance	5,706,069	12,582,645	(1,721,645)	10,861,000	57,510,000
Total Major Program	6,882,053	14,339,833	(1,396,299)	12,943,534	57,510,000
By Line Item					
Salaries and Wages	746,861	1,005,639	70,846	1,076,485	0
Operating Expenses	1,698,669	2,262,549	(285,500)	1,977,049	0
Capital Assets	75,081	780,000	(390,000)	390,000	0
Construction Carryover	0	1,251,645	(1,251,645)	0	0
Grants	4,361,442	9,040,000	460,000	9,500,000	57,510,000
Total Line Items	6,882,053	14,339,833	(1,396,299)	12,943,534	57,510,000
By Funding Source					
General Fund	550,000	554,500	(4,500)	550,000	57,510,000
Federal Funds	1,554,504	4,696,000	(2,419,000)	2,277,000	0
Special Funds	4,777,549	9,089,333	1,027,201	10,116,534	0
Total Funding Source	6,882,053	14,339,833	(1,396,299)	12,943,534	57,510,000
Total FTE	6.00	6.00	0.00	6.00	0.00

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Salaries and Wages					
Salaries - Permanent	557,853	733,939	58,037	791,976	0
Temporary Salaries	250	6,000	6,000	12,000	0
Fringe Benefits	188,758	265,700	6,809	272,509	0
Salary Increase	0	0	0	0	0
Benefit Increase	0	0	0	0	0
Total	746,861	1,005,639	70,846	1,076,485	0
Salaries and Wages					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	746,861	1,005,639	70,846	1,076,485	0
Total	746,861	1,005,639	70,846	1,076,485	0
Operating Expenses					
Travel	82,828	84,500	0	84,500	0
Supplies - IT Software	5,312	7,000	0	7,000	0
Supply/Material-Professional	9,202	10,800	0	10,800	0
Bldg, Ground, Maintenance	112,377	270,618	(100,000)	170,618	0
Miscellaneous Supplies	260	5,500	0	5,500	0
Office Supplies	11,949	12,100	21,000	33,100	0
Postage	12,347	10,500	0	10,500	0
Printing	39,062	38,000	0	38,000	0
IT Equip Under \$5,000	8,691	47,000	0	47,000	0
Office Equip & Furn Supplies	10,777	15,000	0	15,000	0
Utilities	4,897	3,078	0	3,078	0
Insurance	19,220	49,000	0	49,000	0
Rentals/Leases-Equip & Other	2,541	5,000	0	5,000	0
Rentals/Leases - Bldg/Land	77,540	122,000	0	122,000	0
Repairs	73,807	55,000	31,000	86,000	0
IT - Data Processing	22,874	40,500	(4,500)	36,000	0
IT - Communications	16,752	19,000	3,000	22,000	0
IT Contractual Srvcs and Rprs	11,840	53,253	0	53,253	0
Professional Development	35,321	41,000	0	41,000	0
Operating Fees and Services	22,799	22,600	0	22,600	0
Fees - Professional Services	1,118,273	1,351,100	(236,000)	1,115,100	0
Total	1,698,669	2,262,549	(285,500)	1,977,049	0
Operating Expenses					
General Fund	0	4,500	(4,500)	0	0

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
Federal Funds	996,024	1,292,400	(340,000)	952,400	0
Special Funds	702,645	965,649	59,000	1,024,649	0
Total	1,698,669	2,262,549	(285,500)	1,977,049	0
Capital Assets					
Land and Buildings	75,081	0	0	0	0
Extraordinary Repairs	0	294,100	35,900	330,000	0
Equipment Over \$5000	0	35,900	24,100	60,000	0
Motor Vehicles	0	450,000	(450,000)	0	0
Total	75,081	780,000	(390,000)	390,000	0
Capital Assets					
General Fund	0	0	0	0	0
Federal Funds	12,478	294,100	(16,500)	277,600	0
Special Funds	62,603	485,900	(373,500)	112,400	0
Total	75,081	780,000	(390,000)	390,000	0
Construction Carryover					
Land and Buildings	0	0	0	0	0
Grants, Benefits & Claims	0	1,251,645	(1,251,645)	0	0
Total	0	1,251,645	(1,251,645)	0	0
Construction Carryover					
General Fund	0	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	1,251,645	(1,251,645)	0	0
Total	0	1,251,645	(1,251,645)	0	0
Grants					
Grants, Benefits & Claims	4,361,442	9,040,000	460,000	9,500,000	57,510,000
Total	4,361,442	9,040,000	460,000	9,500,000	57,510,000
Grants					
General Fund	550,000	550,000	0	550,000	57,510,000
Federal Funds	546,002	3,109,500	(2,062,500)	1,047,000	0
Special Funds	3,265,440	5,380,500	2,522,500	7,903,000	0
Total	4,361,442	9,040,000	460,000	9,500,000	57,510,000

Funding Sources

REQUEST DETAIL

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Description	Expenditures 2009-2011 Biennium	Present Budget 2011-2013	Budget Request Change	Requested Budget 2013-2015 Biennium	Optional Budget Request
General Fund	550,000	554,500	(4,500)	550,000	57,510,000
Federal Funds	1,554,504	4,696,000	(2,419,000)	2,277,000	0
Special Funds	4,777,549	9,089,333	1,027,201	10,116,534	0
Total Funding Sources	6,882,053	14,339,833	(1,396,299)	12,943,534	57,510,000

CHANGE PACKAGE SUMMARY

412 Aeronautics Commission
Biennium: 2013-2015

Bill#: SB2006

Date: 12/07/2012

Time: 13:53:52

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 3 Remove Capital Construction Carry-over		0.00	0	0	(1,251,645)	(1,251,645)
A-E 4 Remove One-time Biennium Expense for Met Tower		0.00	(4,500)	0	0	(4,500)
Total One Time Budget Changes		0.00	(4,500)	0	(1,251,645)	(1,256,145)
Ongoing Budget Changes						
A-A 5 Operating Expense Changes		0.00	0	(340,000)	59,000	(281,000)
A-A 6 Changes to Grants		0.00	0	(2,062,500)	2,522,500	460,000
A-A 7 Agency Aircraft Equipment		0.00	0	0	60,000	60,000
A-A 8 Airport Capital Improvements		0.00	0	277,600	52,400	330,000
A-F 2 Remove Prior Biennium Capital		0.00	0	(294,100)	(485,900)	(780,000)
Base Payroll Change		0.00	0	0	70,846	70,846
Total Ongoing Budget Changes		0.00	0	(2,419,000)	2,278,846	(140,154)
Total Base Budget Changes		0.00	(4,500)	(2,419,000)	1,027,201	(1,396,299)
Optional Budget Changes						
One Time Optional Changes						
A-D 10 Airport Grants for Oil Impacted Airports	2	0.00	57,526,500	0	0	57,526,500
Total One Time Optional Changes		0.00	57,526,500	0	0	57,526,500
Total Optional Budget Changes		0.00	57,526,500	0	0	57,526,500
Optional Savings Changes						
A-G 1 General Fund Reduction	1	0.00	(16,500)	0	0	(16,500)
Total Optional Savings Changes		0.00	(16,500)	0	0	(16,500)

BUDGET CHANGES NARRATIVE

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Change Group: A	Change Type: A	Change No: 5	Priority:
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Operating Expense Changes

Changes to Operating Expenses

Change Group: A	Change Type: A	Change No: 6	Priority:
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Changes to Grants

Changes to the amounts projected for airports grants for air carrier and general aviation airports/

Change Group: A	Change Type: A	Change No: 7	Priority:
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Agency Aircraft Equipment

Equipment for the state agency's aircraft Cessna 2006 to install Avoidance for safety

Change Group: A	Change Type: A	Change No: 8	Priority:
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Airport Capital Improvements

Airport capital improvements for the state owned International Peace Garden Airport.

Change Group: A	Change Type: D	Change No: 10	Priority: 2
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Airport Grants for Oil Impacted Airports

Just as with other aspects of its infrastructure, western North Dakota is in desperate need of reinforcements in aviation. While the roads have shown increased wear from larger numbers and heavier traffic, so have the airports in the oil patch.

Aircraft operations are at an all-time high at the commercial service airports in Western North Dakota and passenger numbers have been increasing at a rate of anywhere between 20% to 55% from previous years. Airliners across the region have filled to capacity, and airline terminals and parking lots are operating at levels much higher than what they were designed. Oil crews and supplies require larger equipment to operate from our airports and the runways and aprons need to be widened and extended to accommodate these larger aircraft and increased traffic levels.

In addition to workers utilizing air service, most general aviation airports in the Williston Basin are seeing dramatic increases in aviation traffic as well as workers are finding fast and economical means of transportation. Corporate and charter aircraft from exploration companies around the continent are flying in to conduct business and the increased economic development has increased the need for fixed based operations, air ambulance, aircraft maintenance, flight instruction, and air cargo flight. This dramatic increase in activity has placed stress on runways, aprons, hangars and other airport facilities in western North Dakota. Similar to the commercial service airports, the runways and aprons need to be widened and extended to accommodate the larger aircraft and increased traffic.

Unlike other areas of the infrastructure in western North Dakota, the airports have received no oil impact funding to date. Without this assistance from the general fund, the safety, efficiency and quality of life in the state's west will continue to deteriorate. All airports will need to apply for the funds through the current North Dakota Aeronautics Commission airport grant process.

BUDGET CHANGES NARRATIVE

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Change Group: A	Change Type: E	Change No: 3	Priority:
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Remove Capital Construction Carry-over

Remove Capital Construction Carry-Over one time funding (for existing airport construction projects).

Change Group: A	Change Type: E	Change No: 4	Priority:
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Remove One-time Biennium Expense for Met Tower Database Implementatio

Remove a one-time general fund allocation for the Commission to implement a Met Tower Database

Change Group: A	Change Type: F	Change No: 2	Priority:
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Remove Prior Biennium Capital

Remove Prior Biennium Capital.

Change Group: A	Change Type: G	Change No: 1	Priority: 1
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General Fund Reduction

General Fund reduction - 3% Optional Package.

Change Group: R	Change Type: A	Change No: 100	Priority:
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Executive Compensation Package Adjustment

This budget change provides funding for recommended 2013-15 compensation adjustments. Compensation adjustments for each agency were calculated following the recommendations of the Hay Group developed through the 2011 study of the state's classified employee compensation system. Pursuant to those recommendations, compensation adjustments were calculated to provide funding to allow for both performance-based salary adjustments and market-based salary adjustments. This funding allows for increases of 2% to 4% for employees in the first quartile of the pay range and 1% to 2% for those in the second quartile of the range. For employees in the third and fourth quartiles, which are above the market policy position, no market policy increase is funded. Performance-based increases are assumed to be 3% for employees meeting performance standards and up to 5% for employees exceeding performance standards. No performance-based increases are provided for employees that fail to meet performance standards.