MnDOT Aeronautics Update for MCOA
April 15, 2015
Cassandra Isackson and Kathy Vesely

We all have a stake in A→B
Welcome
What’s New – Who’s on First?

- Everyone wants to know about the Money
- It is the PEOPLE that matter
- What are we going to hear more about
- Status of Ongoing Efforts
- What we missed
Transportation Department required to implement efficiencies; highway, road, and bridge funding provided for construction, maintenance, and rehabilitation; and money appropriated.

Authors
Kelly; Howe; Kiel; Drazkowski; Erickson; Nornes; Runbeck; Petersburg; Dettmer; Fabian; Uglem; Lueck
# Governors Recommendations

## Transportation - FY 2016-2017 Budget Tracking

### Appropriations/Reductions

(All dollars in thousands, direct appropriations shown)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Department of Transportation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Multimodal Systems</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aeronautics</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airport Dev. &amp; Assistance - Base</td>
<td>AIR</td>
<td>31,296</td>
<td>28,596</td>
<td>28,596</td>
<td>14,296</td>
<td>14,296</td>
<td>28,596</td>
<td>28,596</td>
<td>14,323</td>
<td>14,323</td>
<td>28,596</td>
<td>14,323</td>
<td>14,323</td>
<td>28,596</td>
</tr>
<tr>
<td><strong>Change Item</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Airports Appropriation</td>
<td>AIR</td>
<td>11,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Aeronautics</td>
<td>AIR</td>
<td>42,296</td>
<td></td>
<td></td>
<td>34,296</td>
<td>34,296</td>
<td>56,596</td>
<td>56,596</td>
<td>28,646</td>
<td>28,646</td>
<td>56,596</td>
<td>28,646</td>
<td>28,646</td>
<td>56,596</td>
</tr>
<tr>
<td><strong>Aeronautics</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aviation Support &amp; Services - Base</td>
<td>AIR</td>
<td>10,572</td>
<td>10,572</td>
<td>10,572</td>
<td>5,286</td>
<td>5,286</td>
<td>10,572</td>
<td>10,572</td>
<td>5,286</td>
<td>5,286</td>
<td>10,572</td>
<td>5,286</td>
<td>5,286</td>
<td>10,572</td>
</tr>
<tr>
<td><strong>Change Item</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Plane Purchases</td>
<td>GEN</td>
<td>9,680</td>
<td>9,680</td>
<td></td>
<td>25</td>
<td>25</td>
<td>50</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>50</td>
<td>25</td>
<td>25</td>
<td>50</td>
</tr>
<tr>
<td><strong>Change Items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency Management Aeronautics Shift</td>
<td>AIR</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Nexten - Trunk Highway Aeronautics</td>
<td>TH</td>
<td>2,200</td>
<td>2,200</td>
<td>2,200</td>
<td>1,100</td>
<td>1,100</td>
<td>2,200</td>
<td>2,200</td>
<td>1,100</td>
<td>1,100</td>
<td>2,200</td>
<td>1,100</td>
<td>1,100</td>
<td>2,200</td>
</tr>
<tr>
<td>Shift to General Fund - House</td>
<td>GEN</td>
<td>9,560</td>
<td></td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
<td>9,560</td>
</tr>
<tr>
<td><strong>Change Items</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Aviation Support &amp; Services</td>
<td>ALL</td>
<td>12,772</td>
<td>12,772</td>
<td>12,772</td>
<td>10,621</td>
<td>0,001</td>
<td>23,822</td>
<td>13,724</td>
<td>12,822</td>
<td>0,411</td>
<td>12,822</td>
<td>0,411</td>
<td>0,411</td>
<td>12,822</td>
</tr>
</tbody>
</table>

---

**House Transportation Bill**
S.F. 269 (Rest) **Aviation taxes dedication to the state airports fund.** Glenn Burke, Manager, South St. Paul Airport and Gordon Hoff, Executive Director, Mn. Business Aviation Assoc. testified in support of the bill. The bill passed and was re-referred to the Finance Committee.

S.F. 493 (Rest) Bottineau light rail transit (LRT) bill. Joseph Gladke, Engineering and Transit Bottineau Line information sheet (PDF)

S.F. 1299 **Status in the Senate for the 89th Legislature (2015 - 2016)**

S.F. 529 (Koenen) **Motor vehicle sales tax exemption for local governments expansion.** The bill expands the current motor vehicle sales tax exemption on purchases of road maintenance vehicles to apply to all local governments and not just towns as is the current law. Tom Cook, City of Greenfield City Council member and Laura Ziegler, LMC, testified in support of the bill. The bill was laid over for possible inclusion in the finance bill.
Back at the Office

- Staff Changes
Air Transportation

- Vee > retired
- Sheila = New Scheduler
- Barry > retired
- Jeff = New Chief Pilot
- Barb > retired
- Linda = New Scheduler

- Barry < PT
- Tim < PT
Aviation Representatives

- Airports
- Heliports
- Seaports

- Chart
- Directory
- Events
Ryan’s Back
Julie = Staying
Deb > retired
Filling Position
New Rotation Opportunity
2014
Becky Deployed
Jake > MPLS
Don > North
Brian > South
Bob > North
Matt > West

2015
Becky’s Back!
Cathy > SALT (State Aid)
3 Regions

- Equal # Primary
- Equal # NPIAS
- Equal # State
Increase number of state agencies working for aviation

- **DEED**: airport projects, essential air service, drones
- **MNSCU**: internships, partnerships with post-secondary, education strategic plan
- **Tourism**: airports – access to communities, destinations for events, local partnerships
- **Revenue**: assist with registrations and licensing
Unmanned Aerial Systems

• UAS are aircraft and by statute must be registered in Minnesota.
• Operators using UAS in their business must have a Commercial Operators License.
• U S hou d not be operated at airports.
• Operators of model aircraft should follow established practices.

KnowBeforeYouFly.org
More Enforcement
Use Licensed Commercial Operators

- MN Licensed Required
- Ensure proper insurance, appropriate location, property owner permission
- Lists available under Businesses
- Requirements and process to obtain

Services:
- Aerial Photography (PDF, 56 KB)
- Aerial Spraying/Dusting (PDF, 88 KB)
- Aerial Survey (PDF, 27 KB)
- Air Ambulance* (PDF, 15 KB)
- Air Rides (PDF, 60 KB)
- Aircraft Charter* (PDF, 36 KB)
- Aircraft Dealers (PDF, 198 KB)
- Aircraft Fueling* (PDF, 50 KB)
- Aircraft Interiors* (PDF, 26 KB)
- Aircraft Painting* (PDF, 23 KB)
- Aircraft Rental or Leasing (PDF, 60 KB)
- Aircraft Restoration (PDF, 47 KB)
- Aircraft Salvage* (PDF, 15 KB)
- Aircraft Servicing, Maintaining & Repairing (PDF, 88 KB)
- Airlines (PDF, 17 KB)
- Aviation Colleges* (PDF, 12 KB)
- Avionics Shop* (PDF, 26 KB)
Aircraft Registration Required

- Resident
- Non-resident (60 days)
- Commercial operations that originate in Minnesota (pick up passengers)
- Commercial operators (aerial spraying, powerline/fire patrol, etc.)
Base to Final
Zero Balance of Expiring Entitlements
  – Use $$ for projects
  – Transfer to Other Airport

2014 ~ $250,000 expired
  (est $3M before)

Zoning

- Language ready in August 2014
- Asked to Reassess
- Attend Ryan’s session later this afternoon
Projects Rely on Funding

Planning
Paving
Lighting
Equipment
Safety & Security
Buildings
NavAids
FAA Grants = Process

- FAA has roles and responsibilities
- MnDOT has roles and responsibilities
- Airport sponsor has roles and responsibilities

- Planning (12–24 months)
- NEPA (12–24 months)
- Project Formulation (12–24 months)
- Construction (12–36 months)
M&O Reset

**Before**
- $3.8$ M
- $\frac{2}{3}s - \frac{1}{3}$ (statute)
- Frozen in 2009
- Intense Inventory

**After**
- $4.8$ M
- $75\% - 25\%$ (change?)
- Existing Infrastructure
- Simplified Items

| PAVED RUNWAY | per acre |
| TURF RUNWAY | per acre |
| TURF RWY/Open 6 months | per acre |
| PARALLEL TAXIWAY | per 100 ft |
| BEACON | each |
| LIRL & LITHL | per lamp |
| MIRL & MITHL | per lamp |
| HIRL & HITHL | per lamp |
| MALSR | per set |
| ODAL | per lamp |
| PAPI | per lamp |
| REIL | per lamp |
| VASI | per lamp |
| TAXIWAY LIGHT | per lamp |
| GUIDANCE SIGN | per lamp |

- 2015 Amendments COMPLETED
- Jenny sending ~ 4/28
M&O Reset

- Equipment Inventory Continues
- Audit
- Asset Management
  - Serial Numbers
  - Photos
  - Trade-In Value
2015 Grant Offers: State Funds

- Planning for more dollars
- Project scores are higher than in recent past
- MnDOT offers grants to highest priority projects based on available funding
2015 Grant Offers: State Funds

Prioritization System:
- Project purpose, such as safety
- Airport classification
- Component of airport, such as runway
- Type of project, such as obstruction removal

Planning for more dollars (proposed legislation)

Prioritization Complete

Offers being made (contact Regional Team)

MnDOT offers grants to highest priority projects based on available funding

Project scores at cut-off = higher than recent past

Many “stand alone” projects

Some paying a percentage of the “local” share for federal projects (90–5–5)
One last thing
Visit us!

› Booth
  ◦ Directory
  ◦ Proof of new chart
  ◦ Ideas for Passport 2.0
  ◦ Information on Registration and Licensure

› 222 East Plato, St. Paul

...or better yet
Invite us to your airport board meeting!!
Thank YOU!

Questions?

Contact Information:

Cassandra Isackson
Director
651–234–7210
cassandra.isackson@state.mn.us
www.dot.state.mn.us/aero

Kathy Vesely
Assistant Director
651–234–7193
kathy.vesely@state.mn.us
www.dot.state.mn.us/aero
Aviation Fuel Tax

Aircraft Registration

Aircraft Sales Tax

State Airports Fund

Airline Flight Property Tax

Other: inspection, licensing, etc.
### STATE GRANT, STATE SHARE PERCENTAGE

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>NPIAS</th>
<th>NON-NPIAS</th>
<th>NON-NPIAS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Existing</td>
<td>New</td>
<td>Existing</td>
</tr>
<tr>
<td>General</td>
<td>70</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Revenue Generating (except Fuel Systems)</td>
<td>50</td>
<td>80</td>
<td>50</td>
</tr>
<tr>
<td>FBO</td>
<td>50</td>
<td>80</td>
<td>50</td>
</tr>
<tr>
<td>Fuel Systems including Fuel Trucks</td>
<td>50</td>
<td>60</td>
<td>50</td>
</tr>
<tr>
<td>Equipment</td>
<td>2/3</td>
<td>80</td>
<td>2/3</td>
</tr>
<tr>
<td>M &amp; O</td>
<td>2/3</td>
<td>75</td>
<td>2/3</td>
</tr>
</tbody>
</table>

### FEDERAL GRANT, STATE SHARE PERCENTAGE

<table>
<thead>
<tr>
<th>PROJECT TYPE</th>
<th>Existing State Share</th>
<th>New State Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>General with 90% Federal Participation</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>General with 95% Federal Participation</td>
<td>0</td>
<td>2.5</td>
</tr>
<tr>
<td>Equipment</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>
Airport Obstructions Affect Access

- FAA notifying airports that they will be NOTAMing instrument approaches not available for obstructions around the airport.
- Airports have a limited amount of time to respond.
- Significant number of days each year where without an instrument approach aircraft cannot land at an airport.
- MnDOT Aeronautics wants to help airports clear the obstructions and keep their approaches available.
NOTAMs are critical

- Airport managers need to keep track of the condition of their airports and issue NOTAMs to advise pilots of deficiencies.
- Airport managers need to ensure that NOTAMs are cancelled when conditions change.
- In a recent change, Flight Service will now accept Field Conditions NOTAMs from pilots during hours when the airport is not monitored.
- Airport managers need to check for these NOTAMS daily.
Airport Self–Inspection

- Airport managers should conduct a field inspection daily to make sure the airport is in good condition.
- Any deficiencies should be reported to flight service so a NOTAM can be created to advise pilots.
- Ground markings may also be required such as barricades or crosses for closed surfaces.
- Night inspections are also important to check on the lights and especially the functioning of Pilot–Controlled–Lighting.
The ground network is complete. FIS–B provides weather inflight. TIS–B provides traffic information.

Equipage is required by 2020 but the benefits are available now.

If you haven’t installed ADS–B you should be shopping for it now.
100LL to No Lead

- The FAA is now testing four fuels to see if they can be certified as a replacement for 100LL.
- More diesel engines are showing up on aircraft that have typically run on 100LL.
- Diesels burn Jet A so airports that don’t currently offer this fuel may find demand increasing.
- Other aircraft are using MoGas (car gas) and airports should be concerned about the storage of gas cans and private tanks on airport property.
Aviation Planning

- State Aviation System Plan
- Airport Safety Zoning
  - Compatible Land Use
- Airport Master Planning
- Air Cargo Support
- Airport Project Environmental Review
- Inter-modal System Coordination (HPDP)
- Research and Special Programs
- Revenue Tracking & Forecasting
- Federal & State Legislation Coordination
T-hangars around the state

- $70K–$80K per unit (basic, no-frills, bituminous floor, cold storage)
- Basic 10-unit around $800,000
- 2009, Sauk Centre 11 units = $810,000
- 2010, Elbow Lake 8 units = $570,000
- 201, Moorhead 6 units = $500,000
- 2013, Pipestone 8 units = $600,000
- 2013, Benson 4 units = $310,000
- 2013, Windom 8 units = $500,000
# Hangar loan = 10-year interest free

## Construction (based on Bids):
- **Schedule A - Hangar Site Preparation & Ramps**
  - Total Cost: $199,648.07
  - State Share Eligibility: 50%
  - Local Share Eligibility: 50%
- **Schedule B - Taxi Lane & Pond Reconstruction**
  - Total Cost: $207,635.28
  - State Share Eligibility: 50%
  - Local Share Eligibility: 50%
- **10-Unit T-Hangar**
  - Total Cost: $723,425.00
  - State Share Eligibility: 80%
  - Local Share Eligibility: 20%

### Total Construction:
- Total Cost: $1,130,708.35
- State Share: $782,381.68
- Local Share: $348,326.68

## Engineering:
- **Site Preparation Fees (Per Task Order No. 6)**
  - Total Cost: $40,500.00
  - State Share Eligibility: 50%
  - Local Share Eligibility: 50%
- **T-Hangar Fees (Per Task Order No. 6)**
  - Total Cost: $48,000.00
  - State Share Eligibility: 80%
  - Local Share Eligibility: 20%
- **Taxi Lane Fees (Per Task Order No. 7)**
  - Total Cost: $43,000.00
  - State Share Eligibility: 50%
  - Local Share Eligibility: 50%

### Total Engineering:
- Total Cost: $131,500.00
- State Share: $80,150.00
- Local Share: $51,350.00

## Administration (Estimated):
- **City Administration (Bid Advertising, etc.)**
  - Total Cost: $3,000.00
  - State Share Eligibility: 50%
  - Local Share Eligibility: 50%

### Total Estimated Project Cost:
- Total Cost: $1,265,208.35
- State Share: $864,031.68
- Local Share: $401,176.68

---

*Cost includes bid of $715,000 plus Change Orders to date of $8,425

State Grant (50/50) $246,891.68 $246,891.68
Hangar Loan (80/20) $617,140.00 $154,285.00
Hangar Loan Amount Requested $615,000.00
14,500 pilots
7,000 registered aircraft
135 state funded airports
92 federally funded airports
9 commercial service airports
31 million passengers
Other:
80 Heliports
48 Seaplane Bases
70 private & personal use airports