

Michigan Airport Conference

February 18-19, 2015

Department of Transportation
Office of Aeronautics
Update

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ACCOMPLISHMENTS

- Total of 67 Projects (up from 61 last year).
- 194 sponsor contracts with total value of \$67,898,638. This does not include Detroit Metro or Willow Run contracts, which received \$54,803,957 for a grand total of \$122,702,595.
- Project close-outs:
 - ❑ 29 primary airport grants
 - ❑ 87 non-primary airport sub-grants resulting in 9 state block grants.
- AeroPM fully implemented.
- 234 airports and 86 heliports licensed.
- 6,056 aircraft registered.

ACCOMPLISHMENTS CONT'D.

➤ Major Airport Development Projects:

- ❑ Detroit Metro – Runway 4R Threshold Displacement and Taxiway “W” Rehab (\$53M project).
- ❑ Detroit Willow Run Airport -- Rehabilitation of Rwy. 5R/23L (\$40M project).
- ❑ Sault Ste. Marie (Chippewa County International Airport) -- Rehabilitation of Rwy. 16/34 (\$3.4M project).
- ❑ Muskegon County Airport -- Apron Expansion (\$2M project).
- ❑ Charlevoix Municipal Airport -- Apron Expansion (\$2M project).
- ❑ Gerald R. Ford International – Storm water/Deicing System Improvements (\$8M project this phase).
- ❑ Alpena County Regional – Taxiway Rehabilitation (\$1.4M project).
- ❑ Capital Region International – Runway 10/28 and parallel taxiway rehabilitation (\$5M project).

ACCOMPLISHMENTS CONT'D.

- Mobile App Michigan Airport Directory
- Aircraft Registration On-line
- Project Engineer's Manual Updated
- Hosted UAV/UAS Session
- Training Completed
- AWOS Wind Towers Removed and Replaced
- Inspections on 41 AWOS
- Air Transport Estimated Savings in Travel
 - ❑ Over 14,000 hours
 - ❑ \$738,570
- Safety Management System

INITIATIVES

- “Increase our Capacity to Innovate” (MDOT’s new WIG).
- Implement new e-Construction administrative processes (digital signatures, electronic invoice processing).
- Continue to develop new innovative e-processes (e-manuals, increased usage of mobile devices).
- Finalize Meteorological Evaluation Tower (MET) legislation.
- Develop on-line payment for Tall Structure Permits.
- Finalize update of MDOT- Aero Electrical Specifications.
- Initiate update of additional MDOT-Aero Construction Specifications.

INITIATIVES CONT'D.

- Establish an electronic means for posting AWOS data taken during inspections and follow up with electronic record storage of this data.
- Working with FAA and AWOS data collection vendor to replace antiquated monitor systems in airport offices of the 41 AWOS systems.
- Airport Inspection, compliance and management
 - ❑ Established contract with new airport management for Plymouth Mettetal.
 - ❑ Provided oversight/management of airport during the period of search for new airport management. This function has now been transferred under the oversight of Rick Hammond in the Commission Office.
 - ❑ Provisional airport licenses were completely cleared through direction and assistance of the Airport Inspectors.
- Studies: MASP and Air Service

CHALLENGES

- Federal Issues
 - ❑ Modernize PFC Program
 - ❑ Funding for the AIP
 - ❑ Funding for Contract Towers
 - ❑ Funding for EAS
 - ❑ Address Bag Fee Loophole
 - ❑ Pilot Shortage

CHALLENGES CONT'D.

➤ State Issues

- Compatibility issues of innovative new MDOT e-Construction administrative processes with existing FAA processes.
- Obtaining FAA approval of updated MDOT-Aeronautics Electrical Specifications.
- Administration of state-owned airports (maintenance, staff time demands, audits, etc.).
- Funding
 - ❑ Excise Fuel Tax
2014 = \$5,056,196
2013 = \$5,288,153
 - ❑ Debt Service
 - ❑ Budget Pressures

MOVING FORWARD

- Aviation Funding Priorities
 - ❑ Adequate, stable, and predictable.
 - ❑ Ensure safety of air transportation system.
 - ❑ Deliver quality aeronautic services.
 - ❑ Fairness to users.
 - ❑ Compliance with Federal regulations.

FUNDING STRATEGY

- \$20 million for capital and operating needs
- Primary focus on Excise Tax
- Consideration of Sales Tax Issues
- Factors include:
 - ❑ 265,000,000 total gallons aviation fuel
 - ❑ Wholesale price of Jet A has dropped from **\$2.96** in Jan. 2014 to **\$1.75** in Feb. 2015. (Source – *eia.gov*)
 - ❑ Average retail price Jet A **\$4.70** (*airnav.com*)

EVENTS & HAPPENINGS

- MBAA/MAAE Legislative Day on March 17 at the Capitol
- May Off-Site Commission Meeting
- May Ballot Proposal
 - Proposed constitutional amendment would:
 - ❑ Eliminate all sales or use taxes on gasoline and diesel fuel beginning on Oct. 1, 2015.
 - ❑ Increase in the sales tax rate from 6% to 7%.
 - ❑ Activate other laws dedicating additional revenue for transportation purposes.
 - ❑ Require state funds for school aid to be used exclusively for financial assistance.
 - ❑ Dedicate a portion of use tax revenue for school aid purposes.
 - ❑ **No Aviation Component in Sales Tax Proposal**

THANK YOU QUESTIONS?

MDOT wants to deliver outstanding customer service for Michigan's citizens.

Please take a minute to tell us how we are doing.

Your opinion is very important to us!



“Aviation is proof that, given the will, we have
the capacity to achieve the impossible.”

Eddie Rickenbacker