

## **APPENDIX C**

### **Economic Impacts Documentation**

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- **Economic Impact Study Statement of Services - From AASP NTP3**

**Alaska Aviation System Plan**  
**Economic Impact Study Statement of Services**  
**7/31/08**  
**From AASP NTP3: PHASE 1, STAGE 3**

**Task 17: Economic Impact Study**

The following scope of work is based on the technical memorandum submitted to DOT&PF and the AAAB in late May and subsequent discussion.

**17.1 Economic Impact Analysis**

This subtask completes an economic impact analysis that quantifies and describes the economic effects of airports to the State of Alaska's economy. Recent reports have been prepared for airports in Anchorage, Juneau, Kenai and Palmer, and there may be others as well. To the extent that such reports are recent and available the contractor will incorporate this information into the report. For other airports, this task would require data collection on the number of existing jobs at or on airports within the state, and direct expenditures by the airport owners and businesses operating at the airport. Contacts with DOT&PF regional planners and others will be made to obtain information on state-owned airports, and similar telephone calls will be made to larger municipal airports. A survey will be sent to remaining public and private airports and strips as well as on-airport businesses that can be identified. To cut survey costs we will utilize the internet where possible, and the US Mail as a secondary means to conduct the survey. The information collected for this task will be managed so that it can be added to the project database if desired.

**17.2 Case Studies**

Eighteen case studies of rural airports will be undertaken to describe the social impacts of airports on Alaska residents. Six case studies will be conducted within each of the ADOT&PF regions (Southeast, Southcentral, and Northern). Within each region, two case studies will be done for regional hub airport communities (e.g., Bethel), subregional hub airport communities (e.g., Bettles), and community-level airport communities (e.g., King Cove). A preliminary list of communities will be submitted to the AAAB for their review and comment. The selected communities will be identified based in part on the agreement of air carriers to distribute and collect a short survey form on flights to or from the community. The survey would be not more than one page in length and be similar to the surveys that are collected on flights to Hawaii. The purpose of this task will be to collect information and describe the importance of airports to rural residents, using quotations from survey respondents where possible to help tell the whole story. Interviews with airport managers, air carrier representatives, community officials, and others at these selected case study airports will be conducted to better understand and describe the role that airports play in rural Alaska. As part of this task the consultant team

will evaluate different approaches for community case studies early in the schedule and select the most appropriate approach.

### **17.3 Comparisons to Lower 48 Airports**

A comparison of enplanements, pounds of cargo per capita, and similar metrics, if available, will be made for case study communities that are not accessible by road with remote communities of similar population size in the lower 48 states. This comparison will be undertaken to demonstrate the greater importance of airports to Alaska communities. Telephone calls will be made to six remote airports in the western U.S. and discussions will be held with the airport manager or other knowledgeable individuals to ascertain the social importance of the airport to the community. This information will be compared with the information collected and analyzed for the 18 Alaska case study communities. The selected lower 48 communities will be reviewed with other members of the consultant team and submitted to the Department for concurrence.

The contractor recognizes that there will not be a large number of communities in the lower 48 states with a population of less than 500 and an airport so an additional approach will be employed where we compare in a graphical manner FAA data on enplanements and tons of cargo for Alaska communities and communities in selected western states. These graphs will likely show that the number of enplanements and tons of cargo is much higher for Alaska communities than for communities with larger populations in the lower 48 states.

### **17.4 Longer Runway Impact Analysis**

This subtask involves an analysis of the effect of longer runways on the cost of living in rural communities and economic development successes and failures following runway extensions. This subtask will collect data and document the effects of longer runways based on historic data from three prior extensions, and incorporating the results of case study analysis in subtask 2.11. Communities often state that a longer runway would result in lower transportation costs and enable local businesses to ship more products to market at lower costs but are unable to document this statement; this task would provide information on the actual results from runway extensions. We will also collect data on the impact of seasonal closures at certain airports on community residents. Some airports are built on very poor soils and the airports cannot be used during spring break-up. This task will document the costs of those closures for three selected airports.

### **17.5 Report and Brochure**

The contractor will complete this analysis and prepare a concise and readable five to six page executive summary by the end of 2008. The executive summary will also be produced into a 4 page double sided glossy brochure with accompanying PowerPoint briefing. The full report would be completed in the first quarter of 2009 with a presentation of the final report to the AAAB.

Deliverables of this task will include the following:

- A preliminary list of airports for case study analysis.
- Draft survey instruments for Contracting Agency review and comment
- Draft executive summary by December 1, 2008
- Final executive summary by end of 2008
- Proof of brochure by mid-December 2008
- Glossy 4-page double-sided brochure (250 copies) with accompanying PowerPoint briefing by end of 2008
- Draft report by end of January, 2009
- Final report not later than end of March, 2009

Contracting Agency Will:

- Communicate the preliminary list of airports to the AAAB and solicit their input on the list
- Submit comments on draft survey instruments within five working days of receipt
- Review and submit comments on draft executive summary and brochure proof within five working days of receipt
- Review and submit comments on draft report within 10 working days of receipt
- Review and approve final report within five working days of receipt.

DOWL Team Responsibility:

- Lead: Northern Economics,
- Support: HNTB
- Input: WH Pacific, DOWL

Contracting Method of Payment:

- Cost plus fixed fee