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NEWSLETTER

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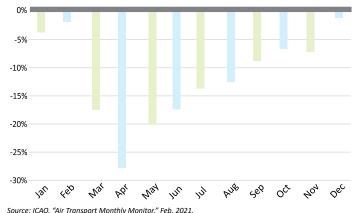
BY THE NUMBERS Pandemic Impacts on Cargo

In our last newsletter edition, we looked at the COVID-19 pandemic's impact on passenger enplanement numbers from 2019-2020 at 20 Alaska airports. Now, we take a deeper dive into pandemic impacts on cargo in Alaska and the Lower 48. As we all know, the pandemic dramatically affected aviation, with 2020 even dubbed as the "worst year ever for airlines" by the International Air Transport Association (IATA). According to IATA, by years end passenger traffic was down 60.2% and overall industry air travel demand decreased by 65.9%.

While passenger air demand was at its lowest, a more complex trend was emerging with air cargo. The narrative goes, as Americans were stuck at home, they began turning to e-commerce as a dual solution for both their essential needs (think: groceries, pet food, medicine, etc.) and their boredom/non-essential needs (think: new sourdough bread cookbook and starter, anyone?).

This caused demand for air cargo transport to go up. However, this isn't the full story. The extensive cancellations of passenger flights also took a toll on cargo capacity across the globe due to "belly cargo," or cargo that is transported in the holds of passenger planes. For a portion of 2020, cargo capacity was at a steep decline while cargo demand was rising for things like PPE and home office equipment, among other consumer goods. This in turn had an effect on air freight rates, causing them to spike and remain volatile compared to previous years. According to USITC, Asia-North America cargo routes were most affected by these trends, which has implications for Alaska's AIAS airports, which sit midway between Asia and North America on the Great Circle Route. The graph below illustrates how global air cargo tonne-kilometers (CTKs) compared in 2020 to 2019 levels.

2020 global cargo tonne-kilometers (CTKs) year-on-year percent change compared with 2019



Impacts to air cargo due to limited belly cargo capacity, increasing demand, and volatile freight rates affected different routes and regions in different ways. Globally, CTKs fell about 11%, making it the greatest decline since 1990 (USITC), while U.S. airlines' cargo traffic eventually recovered to 2019 levels and continued to increase in 2021 (Airlines for America). According to the Bureau of Transportation Statistics, "for the full year 2020, U.S. airlines carried 1.28M more tons of cargo than in 2019 for a 7% increase...that included an increase of 10% in domestic cargo and less than 1% in international cargo."

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AASP PROJECT UPDATE

aska Aviation System Plan

As warmer weather approaches, progress continues on many tasks within the AASP project scope. Recent website advancements, new content, and updates are covered in detail on page 3 in AirTime Q&A, and Coach Class.

The team published two Fact Sheets in March; AIP Project Process, which provided a high altitude overview of how DOT&PF develops rural airport projects, and the Aviation Project Evaluation Board, which describes the process of identifying and prioritizing federally funded projects at rural airports. Both fact sheets are available on the Documents page at <u>www.alaskaasp.com</u>.

The project team welcomes suggestions for new and updated fact sheet topics. Team contact information is available on the back page of this newsletter and on the website Contacts page.

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IN THIS ISSUE: By the Numbers AASP Project Update FAA News & Updates M&O Team Member Spotlight ABD Team Member Coach Class: Website News & Updates Air Time Q&A In the Works A Look Back: Airport Names Construction Season

AASP Project Update continued

Don't forget to submit your aviationrelated photos to the AASP Photo Contest, for a chance to be featured in a future newsletter! Submission form and instructions are at <u>https://www.alaskaasp.</u> <u>com/media/3673/aasp_photo_release_form.pdf.</u>

The Classifications and Performance Measures report is in final production and scheduled to post on the website later this month. The project consultant and Technical Advisory Committee (TAC) review airport classifications and performance measures approximately every five years to assess relevancy and validity of the data. In the report and appendices are new maps, charts, and graphics to assist the reader in understanding the importance of airport classifications and performance measures. The report details updates to measures and classifications categories and definitions. A new classification of airports was added-Landing Strips—to account for the 450 plus strips that are registered with the FAA but are not part of the National Plan of Integrated Airport Systems (NPIAS) and are thus ineligible to receive federal funding. The AASP recognizes the importance of these landing strips to the Alaska Aviation System. Future phases of the project may take steps to better inventory and classify these airports.

The Capital Improvement and Maintenance Program (CIMP) Technical Advisory Group continues to re-write and reorganize the inspection questions and groupings in preparation for updating the iPad application to streamline the process.



A float plane and a Boeing 737 at FAI.



The U.S. Department of Transportation's Federal Aviation Administration updated its advisory circular on Airport Design that provides guidance to airport sponsors and airport consultants designing and developing airports around the country.

"The advisory circular provides a critical roadmap for the aviation industry when planning, designing and developing the nation's airports," said FAA Associate Administrator of Airports Shannetta R. Griffin. "This update contains the latest information the industry needs as we work collaboratively to build safe, sustainable and accessible airport infrastructure to safely transport passengers, goods and services."

This advisory circular outlines the FAA's recommended standards for an acceptable level of safety, efficiency and capacity when designing and implementing projects at airports to meet the requirements of Federal Aviation Regulation, Part 139 Certification of Airports. Airport sponsors that receive federal funding from the Airport Improvement Program and the Passenger Facility Charge Program are required to fully comply with the advisory circular.

The updates include restructuring the document, explaining the meaning of terms used, expanding information in certain chapters and adding graphics to support information in the circular. Some specific updates to the standards include expanded departure surface guidance (Chapter 3), and reduced dimensions for the taxilane object free area (TOFA) and taxiway separation (Chapter 4).

This advisory circular takes effect immediately and cancels the prior version, dated Sept. 28, 2012. See <u>faa.gov/airports/resources/advisory_circulars/</u> for more information.

AASP Spotlight on M&O

Our spring newsletter spotlights someone essential to the operations of Alaska's second largest airport, Fairbanks **International: Equipment Maintenance** Foreman John Erickson. John joined DOT&PF in 2018 as a Mechanic before moving into his current role as Foreman 3 years ago. He became interested in aviation early on and says that being immersed in the industry remains one of his favorite parts of the job. John manages a team that is always busy because when something breaks- they're the crew that fixes it. His group maintains everything from small landscape equipment and light duty vehicles up to large highway equipment such as road graders and tractors.

John's team supports FAI's Airport Police & Fire and Operations sections as well as the other Maintenance groups. According to FAI Chief of Maintenance, Jason Jacobs,



John Erickson poses in front of a tractor in the Equipment Maintenance Shop at FAI.

"John has a keen awareness of each component's role and makes decisions to best support their individual missions while furthering the overall mission of FAI. He does this while balancing varying priorities, cost reductions, and the sustainability of the entire FAI fleet. His ability to analyze issues that face his section, apply analytical thinking to solve problems, and incorporate measures to protect the FAI mission in the future are key parts of our continued success." Thank you, John, for rising to the challenge every day to keep FAI moving through service and infrastructure. Keep up the great work!

AirTime

Q What are these new ACIP reports?

Airport Capital Improvement Program (ACIP) reports are now available for use under the internal website's Reports tab. There are two reports: "ACIP" and "ACIP Project Details." The "ACIP" provides summary financials for expected and contingency projects as well as high level project information. "ACIP Project Details" provides greater detail on all the projects. Each report can be filtered by a variety of geographic parameters including facility, state region, M&O District, and House and Senate areas. Other filters include

funding type, project category, project status, system and facility type (Reports > ACIP).

Q Can I get more information on performance measures?

Absolutely. With the outreach and feedback efforts completed in late 2021, the team has implemented the new and revised measures on the internal website. The fresh performance measure data and scorecards are available, and incorporated into annual statewide baseline data so comparisons can be made year over year (Facilities > Performance Measures and Reports > Performance Measures).

In The Works ...

The CIMP Technical Advisory Group continues to coordinate how inspections will occur in the future and strives to streamline the process while ensuring useful information is collected. The team is reviewing all checklist questions to improve consistency across the application and save valuable time on the ground. The team is reviewing all checklist questions to improve inspection consistency and save valuable time on the ground. Special thanks to all the CIMP team members who eagerly shared their expertise to improve the process. We have only just begun – stay tuned – more to come!



Coach Class Updated Facilities Tab

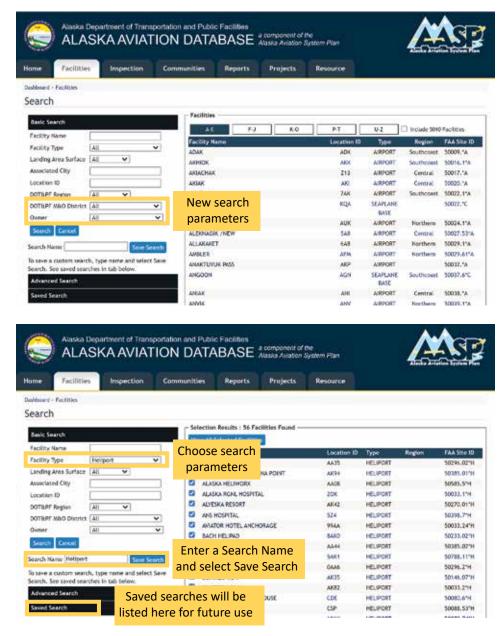
By Annette Lapkowski, PE, Panther International Project Manager

The Facilities tab is updated to include more search parameters and now users can save a custom search. You can view the updates on the Facilities > Search tab.

These changes include the addition of "DOT&PF M&O District" and "Owner" in the Basic Search and Advanced Search functions.

For the Basic and Advanced Search, the resulting set can be saved for future use. Enter any search criteria and select Search. Then enter a Search Name and choose Save Search.

The search will be added to the listing under Saved Search and retained until the search is deleted. Each user sets their unique Saved Searches which will be available whenever they login.





A Look Back

What's in a Name?

By: Patrick Cotter, AICP, Planning Manager, RESPEC

Have you ever wondered who the person was behind the name of the airport you just passed through? Some of them are easily recognizable, like Ted Stevens Anchorage International Airport, which was named after the late Alaska Senator Ted Stevens. But who was Merle 'Mudhole' Smith? Or Rocky Gutierrez? This article is the first in a series of four that will highlight the individuals behind the names of Alaska's airports.

Sitka's Rocky Gutierrez

Rocky Gutierrez moved to Sitka in fall 1949 after his military service ended in 1948 at the urging of a friend. He never had intentions of staying, but after spending five days on a boat from Seattle and seeing the beauty of southeast Alaska, he ended up getting a job and settling down. That first job was at a logging camp. Six months later Rocky was hired by the City of Sitka.

Rocky eventually became Sitka's Mayor and served during a time of considerable change in the city. He was mayor when the logging industry began to wane and mills were closing throughout the region.

In 1986, Rocky was appointed the DOT&PF commissioner by Governor Steve Cowper.

Unalaska's Tom Madsen

Charles Thomas Madsen operated Aleutian Air out of Dutch Harbor from 1981 until 1999. Flying a 1959 Beechcraft E18S twinengine taildragger, he regularly flew cargo and passengers between communities along the Aleutians and Alaska Peninsula. After retiring from his business in 1999, he moved to Juneau where he continued to fly his Aleutian Spirit until 2002 when he died tragically in a plane crash. Later that year, the Alaska State Legislature changed the name of Unalaska

Airport to Tom Madsen Unalaska Airport in his honor. Representative Moses said this about Tom during hearings for the renaming:

"Tom Madsen was a bush aviator for nearly twenty years throughout the Aleutians and is well known for willingly jeopardizing his own life in order to save the lives of others. He was instrumental in many medical emergencies and search and rescues. He knowingly flew in extremely hazardous weather in order to transport persons with medical crises. If he had not acted selflessly, lives most certainly would have been lost. In one particular incident, he flew in one hundred mph winds with heavy snow and sleet in order to save the life of a toddler who had ingested a fatal amount of iron pills. Thomas Madsen epitomized the term 'bush pilot' in selflessly putting others' needs above his own to meet the needs of humanity."

Kotzebue's Ralph Wien Memorial Airport

Ralph Wien came to Alaska in 1925 with his older brother Noel Wien and in 1927 the two brothers started an airline business in Nome. Their company eventually became Wien Alaska Airways with Ralph serving as the vice president. Their early fleet



Unalaska on final approach.

included a Stinson Detroiter and a Hamilton Metalplane.

Ralph was killed on October 12, 1930, while flying a diesel-powered Bellanca Bush plane out of Kotzebue.

Cordova's Merle K. 'Mudhole' Smith

Before moving to Cordova in 1937 to fly for Cordova Airlines, Merle Smith was a pilot in the Midwest and flew in traveling stunt shows. He became the president of Cordova Airlines in 1939 when the previous owner died in a plane crash. Merle flew throughout Prince William Sound and southcentral Alaska supporting mines in the Wrangell Mountains, hunters and fisherman, and passenger flights. Cordova Airlines eventually merged with Alaska Airlines in 1968 and Merle served as a director at Alaska Airlines until 1973, and continued to fly a charter service until 1979.

Smith got his unique nickname when he flew from Cordova to Bremner Mine just outside of McCarthy. A trip typically made in winter, Smith landed in summer and touched down on an airfield comprised of swampy tundra and a few large rocks. Upon landing, his bi-plane knocked one of the rocks loose, creating a big muddy hole in the runway, and sending the spinning propeller into the mud at 1,800 RPMs. Smith cleaned out the engine with an old rag, a screwdriver, and a putty knife. While reporting the incident to his boss, another aviator by the name of Bob Reeve overheard the story and dubbed him "Mudhole." Unfortunately, (or fortunately?) for Smith, the name stuck and even lived on to grace the Cordova Airport.



Ralph Wien 1927. Alaska Digital Archives, UAF-2010-50-354

By the Numbers continued

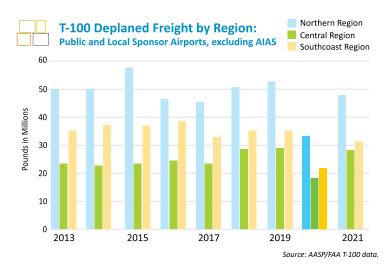
U.S. airlines were even fulfilling requests to carry new types of cargo, some on converted passenger planes, including, but not limited to, 6 tons of black soap, five charters of dog food from Germany to Denver, a charter full of mayonnaise and a request to transport 800 tons of Bacardi rum (Airlines for America/FreightWaves, Jan. 19, 2022). By November 2020, carriers such as Alaska Airlines Air Cargo had developed a new system for strapping cargo into passenger seats and stacking Amazon packages into the overhead bins. By December 2020, Alaska Airlines was transporting the new COVID-19 vaccine to the state's rural communities.

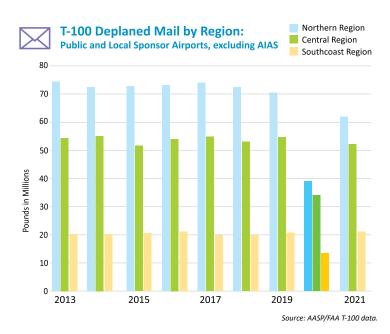
While 2020 still holds the title of "worst year ever" for aviation, unprecedented increases in cargo may have served to counteract some of the negative impacts wrought by the pandemic. With e-commerce still booming in 2022, many expect that the pandemic has permanently altered global buying habits toward online purchases and increased cargo demand. This trend, while carrying with it some troubling environmental consequences, may serve as an important stop-gap for the aviation industry until passenger traffic fully rebounds, expected no earlier than 2023 or 2024.

With all this chaos on the national aviation scene, how did air cargo in Alaska compare? Did the pandemic's effects on global cargo impact the Alaska aviation system in similar or different ways? To start to answer these questions, it is important to understand how the Alaska aviation system is unique compared to that of the country as a whole. One major difference is that 176 of Alaska's 235 DOT&PF-managed rural airports have no road access. These off-road airports serve as lifelines for the state's remote communities for essentials like mail, groceries, and transportation. Another defining factor is the By-pass Mail Program, which is unique to Alaska and has implications for cargo. One other significant difference pertains to the state's international airport system (ANC/ FAI). Due to legislation passed in 2004, the Alaska International Airport System (AIAS) has "the most liberalized air cargo transfer rights in the country," allowing international cargo carriers to make interline transfers at Ted Stevens International that would not be possible or financially feasible elsewhere.

The FAA: Cargo data for FAI and ANC do reflect broader pandemic trends with a 25% increase in total pounds of cargo from 2019-2020 (for comparison, average annual percent change in cargo for 2013-2019 was about 2%). However, breaking out the FAA T-100 data for Deplaned Mail and Freight tells a slightly different story for the rest of Alaska. While the FAA: Cargo data encompasses only AIAS airports (ANC and FAI), the T-100 data also includes the Alaska rural airport system. This data shows a pronounced decrease in enplaned and deplaned mail and freight in 2020, when cargo was booming elsewhere. When the AIAS airports ANC and FAI are removed, as shown in the graphs at right, the pattern still holds. Additionally, Northern Region becomes the highest amount in pounds over Central Region for both deplaned mail and freight.

So why is this? The number of off-road rural Alaska communities north and west of Fairbanks that depend heavily on aviation for cargo bumps Northern Region into the lead for total pounds of mail and freight deplaned when the AIAS airports are removed. As for the decrease in mail and freight during 2020, several factors are likely at play. At the peak of COVID impacts in 2020, many rural communities served by the aviation system placed strict restrictions on travel to protect their local populations from the virus. Additionally, as many Americans experienced, USPS operations



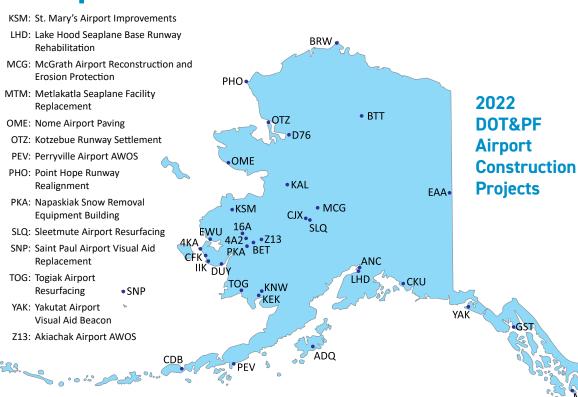


struggled to keep up with demand amidst increases in mail volume, backlogs, and staff shortages due to sickness. The cancellation of passenger flights within Alaska also decreased carriers' capacity to transport mail and freight to remote communities, as most flights carry both people and packages. While the *FAA: Cargo* dataset is helpful to understanding trends in international interline cargo traveling *through* Alaska's international airport system, the T-100 data allows us to focus on the local effects that the pandemic had on cargo delivery *to* Alaska's communities.

Construction Season: This Summer's Airport Projects

- 16A: Nunapitchuk Airport Improvements
- 4A2: Atmautluak Airport Improvements
- 4KA: Tununak Airport AWOS
- ADQ: Kodiak Airport Perimeter Fencing Upgrade
- ANC: Anchorage Airport Miscellaneous Improvement Projects
- BET: Bethel Airport Main Runway Reconstruction
- BRW: Barrow Airport Pavement Overlay
- BTT: Bettles Airport Improvements
- CDB: Cold Bay Airport Chemical SRE Building
- CDV: Cordova Airport ARFF Building Replacement
- CFK: Chefornak Airport Rehabilitation
- CJX: Crooked Creek Airport Improvements and AWOS
- D76: Noorvik Airport Rehabilitation
- DUY: Kongiganak Airport Improvements
- EAA: Eagle Airport Electrical Enclosure Building Replacement
- EWU: Newtok Airport Relocation
- GST: Gustavus Airport Gate Improvements
- IIK: Kipnuk Airport Rehabilitation
- KAL: Kaltag Airport Improvements
- KEK: Ekwok Airport Resurfacing
- KNW: New Stuyahok Airport Resurfacing

Summer is coming, and you know what that means – it's time for construction to begin at many airports near you (and across the state)! But don't fret, these projects shouldn't slow you down. While runway closures will occur on some projects, construction safety and phasing plans (CSPPs) work to minimize impacts to carriers and the public as much as possible while the work is completed. This year's DOT&PF airport construction projects range from pavement and runway improvements to





Galena airport 2018 reconstruction.

building upgrades and weather observation system installations. Some highlights include runway repaving at Nome (OME), seaplane facility replacement at Metlakatla (MTM), and budget-saving coordinated airport resurfacing projects at Ekwok (KEK) and New Stuyahok (KNW). About 35 projects will occur this season to keep Alaskans moving year-round across the aviation system.



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from the Federal Aviation Administration (AIP Grant 3-02-0000-024-2018 and 3-02-000-028-2021) as provided under Title 49 USC § 47104. The contents do not necessarily reflect the official views or policy of the FAA. Acceptance of this report by the FAA does not in any way constitute a commitment on the part of the United States to participate in any development depicted therein, nor does it indicate that the proposed development is environmentally acceptable in accordance with appropriate public laws.