

2011 HOUSE APPROPRIATIONS

HB 1006

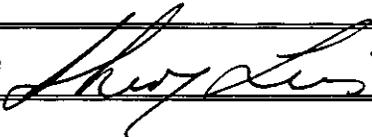
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1006
January 10, 2011
12697

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for and Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission.

Minutes:

Chairman Thoreson: We will open the hearing on HB1006.

Larry Taborsky, Director Aeronautics Commission: See attached testimony 1006.1.10.11A, 1006.1.10.11B.

Chairman Thoreson: I did see something about that recently, their upgrading that across the entire United States is that correct?

Larry Taborsky, Director Aeronautics Commission: Yes, sir.

Chairman Thoreson: And when do we expect to see that in place, any timeline available?

Larry Taborsky: In fact, most of the ADSB antennas are installed in North Dakota now. The University of North Dakota airplanes have that equipment on board. So they can fly across the state and see other aircraft on their displays on board.

Chairman Thoreson: From what I understand this is going to significantly change the way that navigation is done. It's kind of replacing a many year old system, is that correct?

Larry Taborsky: That is absolutely correct. The timeline is the one that's being negotiated now with the FAA. It's going to take quite a transition to get all the aircraft equipped and into this new kind of procedure. The antennas that were installed were done so that they were as good as the radar we have now. There's a lot of places in the state where the radar doesn't cover from the surface all the way up. Part of our budget is anticipating putting in additional antennas to give us; basically, ground level to infinity radar coverage. Mr. Taborsky continued with his testimony.

Chairman Thoreson: What are the red x's over Grenora and Killdeer?

Mr. Taborsky: I'll be getting to those shortly, but, they're no longer in the system. Testimony continued.

Chairman Thoreson: Do you project that this because of the expansion in the energy industry in the state or what's your primary reasoning for this; any idea?

Mr. Taborsky: It seems like a combination of things. We've had good growth in the West, of course, we've had military increases in the Devils Lake/Jamestown area. The economy's been good so our people have been going elsewhere for vacations; while, the rest of the country has been hunkered down a little bit. So as far as the capacity goes, the airline's found us as a good area to keep working out of while they constricted elsewhere.

Representative Kroeber: How close is Jamestown to getting up to the 10,000 passengers per year; the increase to receive the additional funding?

Mr. Taborsky: I've got our airport planner, Brad Fields with us. Maybe he can maybe answer that one.

Chairman Thoreson: We can get it later when he gets it out.

Testimony continued.

Representative Dahl: I don't want to get too far off topic, have you seen any movement in terms of affordability? For example, flying from Bismarck to Minneapolis is pretty expensive; you really wouldn't do it unless you're going to connect somewhere else.

Mr. Taborsky: In answer to the Minneapolis question, it's kind of a one plane market. We are looking at those all the time and it helps to get the inputs to the aeronautics commission. Meetings with Delta, in particular, they say they're understaffed and just can't watch this from day to day. So if we find something that really is out of whack, they like to know about it; and we have been able to juggle prices a little bit.

Testimony continued.

Chairman Thoreson: What are the funding sources for those? Are those local, federal, combination or where do the dollars come from?

Mr. Taborsky: All of the above. We've got in rough numbers \$300,000.00 to \$400,000.00 into each one of the airports on top of usually a million dollars or so of federal money. Then the local shares, typically, two to five percent.

Testimony continued.

Chairman Thoreson: Is the federal mostly for security TSA, other security upgrades?

Mr. Taborsky: The federal will do what's required for the gates, the boarding; the TSA will define how much square space that they are authorized to pay for and anything beyond that becomes the local burden.

Testimony continued.

Representative Dahl: Just to go back a couple of slides to page 29: Can you go into a few more specifics about what that box up there that says "special funds carryover"?

Mr. Taborsky: Most of our funds come from all the other sources up here. The airport inspections, the excise taxes, the fuel. It all goes into a special fund which gets authorized to be spent in the next biennium. It is basically, what is remaining in there. We have that passed on from year to year as apposed to it expiring.

Representative Dahl: And why keep \$3.5 million in there?

Mr. Taborsky: All the money was earned by aviation sources. It's always used for aviation in the future. We need that kind of buffer to anticipate the building needs year after year. It has been accumulated somewhat; anticipating things like needing replacement aircraft, large terminal expansions, extra FAA projects that come up.

Chairman Thoreson: Do you know Larry has that fund stayed about at that level over the years or is that something that fluctuates greatly?

Mr. Taborsky: It has slowly built up in recent times. In the last two bienniums, we've asked for more spending on the airports to bring that down somewhat.

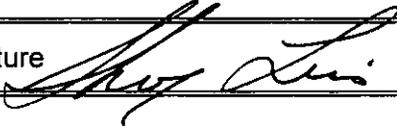
Chairman Thoreson closed the meeting.

2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1006
January 31, 2011
Recorder Job# 13659

Conference Committee

Committee Clerk Signature 

Explanation or reason for introduction of bill/resolution:

A Bill for and Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission.

Minutes:

Chairman Klein opened the hearing on HB1006.

Representative Kempenich: Does the aeronautics handle very much ERRA money?

Unintelligible.

Representative Kempenich: Is there anything major planned that you're looking at?

Unintelligible.

Larry Taborsky, Director, North Dakota Aeronautics Commission: It's a wait and see.

Representative Klein: You're general increases are in line with the 3% and 3%; is that your pay raise?

Larry Taborsky: I believe so. It was the way it was presented to us after we put our request into the executive office.

Representative Kroeber: The small but necessary airports; what do we have 8 of them? That's basically federal funding that you get for that? Do you foresee that that's going to remain?

Larry Taborsky: You're referring to the commercial airports?

Representative Kroeber: Yes. Especially the Jamestown, Dickinson, Devils Lake, Williston airports.

Larry Taborsky: Most of our airports are federally funded. For those particular ones we get general funds for; and they in turn get their own federal funding based on boardings.

Representative Kroeber: On the green sheet then, the federal fund dollars the \$550,000.00 that's what goes to those small airports?

Larry Taborsky: The \$550,000.00 all goes to the bigger commercial airports.

Representative Kroeber: The eight?

Larry Taborsky: Yes. Then all the rest of our budget is coming from aviation dollars; the tax dollars in the special fund and those support all the airports, including the ones that are federal.

Representative Kempenich: How many more AWOS are you planning to put up?

Larry Taborsky: We are pretty much done with those; maybe 3 or 4 to fill in the gaps, particularly in the north and west.

Representative Kempenich: Most of that air money; a lot went to Grand Forks for terminals. Were there any airports redone with that money?

Larry Taborsky: Ft Yates got their runway from it.

Representative Kempenich: Has everything been spoken for out of that money?

Larry Taborsky: I believe it has.

Representative Kempenich: That \$333,000.00 for the Peace Gardens; that runway we did upgrade a couple of years ago. Now you're talking a terminal or what are you going to do up there?

Larry Taborsky: Part of that money is going to be for another overlay on that runway. The terminal is put in there as an option; there is nothing there right now if a pilot were to land; to stay out of the weather, etc.

Representative Klein: There's \$400,000.00 in the previous budget for capital assets. What did that amount to or what was that used for?

Larry Taborsky: Originally in my budget proposal, we were replacing our aircraft. It's gone beyond its economic life.

Tad Torgerson, Office of Management and Budget: That \$400,000.00 was for capital assets funded during the 2009-2011 biennium.

Larry Taborsky: The peace gardens airport is well above the customs portion. So, now, there's a walkway that goes between the airport to where the customs people are.

Representative Kroeber: So it went to the International Peace Garden?

Larry Taborsky: I believe it was.

Representative Kempenich: You're going to replace that Cessna, I'm assuming?

Larry Taborsky: That's correct. Our maintenance cost each year is higher than the blue book of the airplane.

Representative Kempenich: You run two of them?

Larry Taborsky: Just one.

Representative Kempenich: Does the patrol have one or does DOT?

Larry Taborsky: Department of Transportation has the one with the camera in it.

Representative Kempenich: Moving forward, what are you looking at dollar wise on a plane?

Larry Taborsky: My choice would be to go out of the special fund that we have already; and purchase a new Caravan, or else ask for a lease for \$216,000.00 a year for 15 years.

Representative Kempenich: The special funds, what makes up that?

Larry Taborsky: It's all aviation dollars fuel taxes, aircraft excise taxes, registration fees.

Representative Kempenich: Does that run through the feds and comes back; or is that money we collect internally?

Larry Taborsky: It goes to the tax department and then into special funds.

Representative Kempenich: What else is that money used for?

Larry Taborsky: It goes into constructing airports.

Unintelligible.

Representative Klein: What does that consist of?

Larry Taborsky: One of the positions we hired was one to generate new aviators in the business. This grant goes towards school children getting programs where they can teach their normal curriculum with an aviation aspect to it; the mathematical aspects of planning a flight. There's an art contest program for the younger children. We're working with a science technology engineer in math emphasis with a program called real world design challenge; it's a national competition designing aerodynamic aspects of a plane.

Representative Kempenich: Have you put together on that plane a cost benefit on what it's costing to run that; and what you're looking for on the lease part of that? Do you have some information?

Larry Taborsky: I can give it to a couple of different ways. I can give you a spreadsheet of our cost over last year.

Representative Kempenich: That's a late '60's era plane that's been maintained well; but, after awhile it becomes expensive to fly.

Representative Klein: I'm looking at HB1132. Is that something you got involved in and put in? Will that have any effect on you?

Larry Taborsky: I'm trying to recall which one that is.

Representative Klein: It's the one that amends the powers of duties of the aeronautics commission and provisions relating to the use of special funds. I wondered if you had any input on that or if that's something you generated?

Larry Taborsky: I did a lot of work on that one. When I came into the job, the commissioners and I reviewed all of the century codes and statutes. It does a few things, one of them being that it spells out the duties of the aeronautics commission for education. They had a point for reporting to the DOT for annual reports when requested; and there was never anything done like that; so, we requested to pull that out. We had to do something on the sunset clause for the 90% reimbursement for airports.

Representative Kempenich: What's a new caravan cost?

Larry Taborsky: The new one is either \$2.4 million; that would handle all the photographic needs for the DOT in the future.

Representative Kempenich: Would the DOT be getting rid of their Skymaster also?

Larry Taborsky: There's going to be a time.

Representative Kempenich: I'd like to talk to DOT also and see what they have in mind.

Representative Kempenich: What did you say \$2.2 million?

Representative Kroeber: \$2.4 million.

Larry Taborsky: I asked the Cessna Corporation for an estimate; and for purchase price of \$2.4 million over 15 years.

Representative Klein: Could you put together a list of the state aircraft, who has them, and how old they are?

Larry Taborsky: Sure.

Representative Kempenich: What's the availability if we replace 2 with 1?

Larry Taborsky: It sounded like it would be compatible.

Representative Kroeber: What do you have for your repairs this time or what's actually in the budget?

Larry Taborsky: I asked them to double the budget because of the repairs of the airplane. \$281,000.00 was put in for running the airplane; which is about double of what it was last time based on keeping track of the maintenance costs.

Representative Kroeber: Was there any discussion at all with OMB on replacing the plane in conjunction with the Adjutant General's or DOT?

Tad Torgerson, Office of Management and Budget: We've had extensive conversations about replacement of aircraft. In the end, we decided not to include it in our recommendation; mostly because of the dollar amount.

Representative Kempenich: What kind of hours are you looking at over the biennium?

Larry Taborsky : Realistically, we're looking at 600 hours for the biennium. That's a combination of Attorney General, DOT, Commerce and aeronautics.

Unintelligible.

Larry Taborsky: It's about half the cost per hour for operation.

Chairman Klein closed the meeting.

2011 General Discussion
(Check appropriate box)

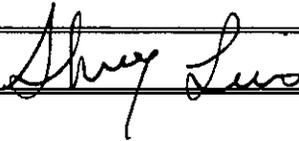
- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Government Operations

Date of meeting/discussion: February 10, 2011

Recorder Job Number: 14302

Committee Clerk Signature



Minutes:

Chairman Thoreson opened the general discussion on HB1006.

Representative Kempenich: This agency didn't have a lot going on the last couple of years. They just got a new director last summer. One thing of interest is, their travel has gone up. I did ask him about his maintenance bill and the majority of that increase is on that plane. I think that we might wind up taking that out.

Chairman Thoreson: Since this does deal with aeronautics, do you want to give a quick overview of what you're looking at?

Representative Kempenich: The problem is I've been talking to people that know what's going on and we have 7 different aircraft by different agencies that the state, outside of UND has. There's no real direction. We're keeping planes that are old; they're not fitting what's required of the agencies. They just put new engines in the Cheyenne about a year ago for about \$500,000.00. That's the same with the Skymaster that DOT's using; they put a new engine in that this last fall for \$37,000.00 and I doubt they could get that for the plane with that engine on it. So, I think we're going to have to have a system.

Chairman Thoreson: So you're looking at maybe consolidating and coordinating better amongst the agencies?

Government Operations

February 10, 2011

Page 2

Representative Kempenich: I have an amendment to put the highway patrol plane into the DOT. We should have all these planes coordinated out of one agency. DOT said they had a scheduler so there's no conflicts.

Chairman Thoreson: So they have somebody already that coordinates?

Representative Kempenich: They have somebody that already does that. DOT provides most of the pilots. There's 2 part time pilots with the highway patrol; they're troopers, but, they fly also.

Chairman Thoreson: Would there be any issues with the pilots; with the pilots being able to fly different planes?

Representative Kempenich: Right now, the King Air is the crown jewel. So everybody is cross trained so that they can fly that plane. By rule on twin engine planes they have 2 pilots. They require 2 pilots to fly the Governor around. One thing about the Cheyenne, it's an older plane and it's expensive; also they don't make the parts. Mr. Taborsky suggested a Caravan and a C90.

Chairman Thoreson: So those are similar for the pilots to fly?

Representative Kempenich: So that's sort of been the conversation. You look at the maintenance costs; he's got \$281,000.00 for maintenance costs on the Skymaster.

Representative Klein: A couple of questions, I'm looking at the green sheet and it looks like they're increasing funding for aviation education grants. Are you familiar with what that is?

Representative Kempenich: AOPA, Aircraft Owners Pilots Association, has a program and they're trying to coordinate together. The money they use for these things are out of the fuel tax and license and fees.

Representative Klein: It's a 100% increase>

Representative Kempenich: It's to promote aviation because the pilot numbers for general aviation have dropped. There's a national push to get some more interest in general aviation.

Chairman Thoreson: Is that just because of the cost of flying?

Representative Kempenich: It's the cost of flying and after 9-11 it became so complicated in general aviation. North Dakota is a good state to fly in because you don't have a lot of controlled airspace. It's getting tougher around the country and that's one of the big pushes to get more interest in general aviation. It comes out of their special fund money.

Representative Klein: We're spending \$330,000.00 at the Peace Gardens. You're familiar with that?

Representative Kempenich: We put a runway but there is no building for the pilots to go into while they wait.

Representative Klein: They're doing fencing; are they having wildlife problems?

Representative Kempenich: They're doing some fencing. The majority of the money is going to be for the airport building. The special funds is for the airport improvement and also for the operating part of it.

Representative Klein: It's been going up or is it holding fairly steady?

Representative Kempenich: Aviation gas is going up it's already \$5.00 a gallon.

Representative Klein: I would imagine the tax is staying the same?

Representative Kempenich: I don't have it broken out by the tax.

Representative Kempenich made a motion for a "Do Pass".

Representative Klein seconded the motion.

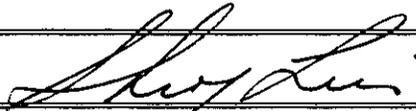
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Committee
Roughrider Room, State Capitol

HB 1006
February 17, 2011
Recorder Job# 14713

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for an Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission.

Minutes:

Chairman Delzer: Opened the discussion on HB1006.

Representative Thoreson: Vice Chairman Kempenich is carrying that bill.

Vice Chairman Kempenich: Went through the green sheet. This is pretty much a special fund budget.

Chairman Delzer: Where do the special funds come from?

Vice Chairman Kempenich: Mostly aviation fuel and they get some federal money.

Chairman Delzer: How much is federal? Did they give you that information?

Vice Chairman Kempenich: The grant program last biennium was \$5 million.

Chairman Delzer: What is that used for? Are there some salaries that have to be paid out of general fund that can't be paid out of special fund?

Vice Chairman Kempenich: Some of their operating is coming out of that.

Chairman Delzer: Air Carrier Airport Grant Program.

Vice Chairman Kempenich: I think that was part of the Peace Garden stuff.

Representative Williams: In the last biennium, was there any (Unintelligible) fund money in there?

Vice Chairman Kempenich: Yes, there was \$550,000.00 last session. Yes, here I found where there is some match money required on some of the grant program. It drops down

into Airport Grant Program of \$5.8 million, air service of \$3.3 million and then general aviation. It is to match some of these grants that are going out.

Chairman Delzer: Did the federal grant reduce? That shows to be down \$100,000.00.

Vice Chairman Kempenich: It probably did. They had some stimulus money that came into this; most of it ran through the Bismarck airport.

Vice Chairman Kempenich: Made a motion for a "Do Pass".

Representative Thoreson: Seconded the motion.

Vice Chairman Kempenich: There's one other thing that we brought up and I've been working on it. It's to replace some planes. The aeronautics has a Skymaster; I don't think we'll deal with it in this. We have 4 old aircraft and he brought in a proposal to lease; that's what got me going on this. We have 4 aircraft and 3 of them have over 10,000 hours and we put \$500,000.00 worth of engines on one of them; and it was only worth about \$400,000.00. We're looking at trying to get rid of 3 older aircraft and maybe try to lease 2 newer ones. It doesn't affect this budget right here right now; because, he put in his maintenance was \$281,000.00 for this Skymaster. That Skymaster is only \$60,000.00 or \$70,000.00 at best. It's becoming a diminishing return of maintaining these things.

Chairman Delzer: Game and Fish is in the second half is it not?

Vice Chairman Kempenich: Yes.

Chairman Delzer: I think there's an issue with an airplane at Game and Fish that they've had numerous problems with.

Vice Chairman Kempenich: They bought a new Scout and a new 182 also in the last 3 years. There again you're talking special funds.

Chairman Delzer: Further discussion?

A roll call vote was made for a "Do Pass". 19 Yea's 1 Nay 1 Absent

Chairman Delzer: Closed the discussion.

Date: 2/17
 Roll Call Vote #: 1

2011 HOUSE STANDING COMMITTEE ROLL CALL VOTES
 BILL/RESOLUTION NO. 1006

House Appropriations Committee

Legislative Council Amendment Number _____

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Rep. Kempenich Seconded By Rep. Thoreson

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X		Representative Nelson	X	
Vice Chairman Kempenich	X		Representative Wieland	X	
Representative Pollert	X				
Representative Skarphol	X				
Representative Thoreson	X		Representative Glassheim	X	
Representative Bellew	X		Representative Kaldor	X	
Representative Brandenburg	X		Representative Kroeber	X	
Representative Dahl		X	Representative Metcalf		
Representative Dosch	X		Representative Williams	X	
Representative Hawken	X				
Representative Klein	X				
Representative Kreidt	X				
Representative Martinson	X				
Representative Monson	X				

Total (Yes) 19 No 1

Absent 1

Floor Assignment Rep. Kempenich

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1006: Appropriations Committee (Rep. Delzer, Chairman) recommends DO PASS
(19 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). HB 1006 was placed on the
Eleventh order on the calendar.

2011 SENATE APPROPRIATIONS

HB 1006

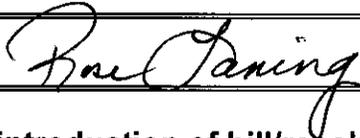
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee Harvest Room, State Capitol

HB 1006
March 2, 2011
Job # 14827

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission.

Minutes:

See attached testimony - #1.

Chairman Holmberg called the committee hearing to order on HB 1006.
Tad H. Torgerson - OMB. **Roxanne Woeste** – Legislative Council.

Larry Taborsky, Director, ND Aeronautics Commission

Testified in favor of HB 1006.

Testimony attached - # 1

Senator Robinson asked about the Skymaster airplane and Mr. Taborsky's reference that maintenance on the plane has almost doubled their budget for maintenance and wondered whether they had an annual or bi-annual budget.

Larry Taborsky – In the past it was a whole budget of \$110,000 for the biennium was sufficient. We're spending about \$100,000 a year to keep it going.

Senator Robinson asked about the Blue Book value and what is the replacement value to buy a new model.

Larry Taborsky: The value of the plane, Blue Book is \$92,000. There is a gentlemen in Florida who takes these specific kinds of planes, strips them out and is offering \$110,000 for it. There is nothing comparable. They just don't make something that has this kind of short field capability so the choices are a big jump to a turbine or a jump back to a single engine fixed gear plane which would fall within our budget.

The range for the Caravan like FedEx uses is \$2.2M. The jump backwards to a Cessna 206 similar to the Highway Patrol is \$300,000.

Senator Grindberg: If you bought a new airplane, would you look at a Cessna Cardinal? That must do what, 180?

Larry Taborsky: 150, typically.

Senator Grindberg: You could get a 182 for \$400,000 brand new, couldn't you? State of the art, G-1000 equipped? Answer yes.

Senator O'Connell: Do they still make the push-pull like you have.

Larry Taborsky: They stopped making them, I believe in 1981. We're having trouble getting parts. In particular, the landing gear coming down, cost us fits because it kept having different failures and there were no more motors made. They would re-wind it to get another try at it. It's one step after another. It's always safe, it's just unreliable.

Chairman Holmberg: Was this presented as part of your budget discussions with Tad H. Torgerson and OMB or was this something that has been simmering for a long time?

Larry Taborsky: When I got this job a year and a half ago, we were at that point where the plane had to have some serious work done on it. I went to the emergency committee and they said "this is not an emergency. Come back during the session". So I submitted this part of the budget to the executive office and it was taken out.

Chairman Holmberg: Could you supply to our subcommittee a breakdown of the costs of maintaining this plane that you have?

The subcommittee will be: Senator Krebsbach, Senator Grindberg, Senator O'Connell.

Chairman Holmberg: If subcommittee could take a look at those costs and if you look out over the next two or four years, it may or may not be wise to make some different recommendations than are in the executive budget.

Senator Grindberg: We may look at a lease to purchase option.

Chairman Holmberg: The subcommittee can take a look at that.

2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1006
03-15-2011
Job 15468

Conference Committee

Committee Clerk Signature

Explanation or reason for introduction of bill/resolution:

A SUBCOMMITTEE HEARING REGARDING THE AERONAUTICS COMMISSION.

Minutes:

See "attached testimony."

Chair Krebsbach called the subcommittee to order in reference to HB 1006. **Senators Grindberg and O'Connell** were present. **Tammy R. Dolan, OMB and Sara Chamberlin, Legislative Council, Larry Taborsky, Director, North Dakota Aeronautics Commission** were also present.

Chair Krebsbach: Need to discuss the situation of the airplane. Not sure—was there any other issues you had with your budget, Larry? **Larry Taborsky:** The budget is ok.

Chair Krebsbach: Then it is strictly that area we should visit about; do you have any additional information? **Larry Taborsky:** As requested, I sent the maintenance items for the Skymaster (#1 E-mail attached). Tried to keep it in plain English; usually a group of maintenance items one at a time. At least gives you a feel for its major items, often repetitive items. Constantly addressed—biggest issue with the airplanes. Great plane, does a good job but the reliability is at question. **Chair Krebsbach:** Is it just getting tired and old? **Larry Taborsky:** That is exactly it, and worse than that they don't make them anymore so the parts aren't available.

Senator O'Connell: How many hours on the plane, roughly? **Larry Taborsky:** Roughly 4,000; the hobs meter gives a guess but thinks they've switched hobs meters along the way too.

V. Chair Grindberg: What is HIS on the back page (#2 Attachment)? **Larry Taborsky:** A horizontal situation indicator; an electronic compass to get you in the right direction. **V. Chair Grindberg:** So there were two replaced in short period of time? **Larry Taborsky:** Yes, and it didn't work the first time, the factory remanufactured so sent another one to try again. **V. Chair Grindberg:** You have to pay twice? **Larry Taborsky:** We do; they give like a 90 day, but in this case they said it was beyond what we did there.

Senator O'Connell: The offer that you have, how long is that offer good for that you have been checking on this other aircraft for trade-in? **Larry Taborsky:** It was still valid, 6 months the same, and last month the same. It is a company that specializes in that particular kind of Skymaster, so will be happy whenever they get it. **Senator O'Connell:** So you wouldn't need

the emergency clause? Or would you like to have that if you got a plane? **Larry Taborsky:** Not familiar with what that would do for us? **Senator O'Connell:** You could do it as soon as the Governor signs the bill. **Larry Taborsky:** That would sure save us money as a tax payer.

V. Chair Grindberg: Remind me again what the sale price would be and the options you would have. Be complete, sell the airplane for how much, and then look at lease purchase option or ?? **Larry Taborsky:** The offer made for our plane was \$110,000 and that is before they inspected it, so may vary a little. Basically a good price and it is in line with the blue book values. The proposed replacement plane is a turbo 206 single engine Cessna; slightly simpler in design, goes faster, carries more people. Much lower operating costs. Prices range from new (\$585,000) to 2009 models for \$529,000; a 2008 for \$476,000; somewhere in that range for a recent year one.

Chair Krebsbach: \$585 is new list price? **Larry Taborsky:** Yes, we have that in our special fund, just need authorization for it.

Chair Krebsbach: Where does that come from? **Larry Taborsky:** Combination of fuel taxes, excise taxes, federal, airport inspection money that has been accumulating through the years. And the money we don't spend from the last authorization keeps getting put back in there. **Chair Krebsbach:** How many dollars do you have in that fund? **Larry Taborsky:** \$2.5 million roughly. **Chair Krebsbach:** Otherwise it is used for? **Larry Taborsky:** Put into the present budget for aircraft repairs, airport repairs, federal projects, and generally reimbursed the following year from the feds on that. We have been spending that down for the last couple of biennium's, been building up through the years. We are in good shape right now, and if we keep our same budget for the next couple of years, this would fit right in.

V. Chair Grindberg: On page 28 of your presentation, talk us through what you have listed—as you know we are working on this **Automatic Dependent Surveillance-Broadcast (ADS-B)** project and item I caught my attention. You have \$600,000 for ADS-B navigation. **Larry Taborsky:** This was put in there similar to the previous biennium with the uncertainty of what the FAA would do with the previous program. The original premise of the ADS-B (satellite based navigation system) is to replace the radars for the air traffic control purposes. The premise was it would only be as good as the radar was at that time, which leaves us without any kind of coverage from somewhere between 3,000 to 5,000 feet. The purpose of that money was to give us additional antennas to allow the aircraft to be seen on the surface in North Dakota. That would be a good follow-on to the unman aerial systems where we'd need that kind of coverage to keep them safe from other aircraft. **V. Chair Grindberg:** For tower installation? (Yes) At all airports? **Larry Taborsky:** In the gaps to allow coverage from the surface to the part where they are not covering right now. That would be in conjunction with FAA to increase our air traffic control coverage.

V. Chair Grindberg: When do we expect Congress will have the FAA budget? **Larry Taborsky:** They give three month promises right now; can't predict better than that. The one certain thing in both the House and Senate version is the unmanned aerial systems are on the forefront.

Chair Krebsbach: The 31 year old Skymaster—has that been in possession of this airport all those years. **Larry Taborsky:** Believes that since the mid 90s. They bought it used at that time.

Chair Krebsbach: The runway at the Peace gardens just recently redone or was that awhile ago? **Larry Taborsky:** It was awhile ago; they are working at some kind of covering probably not this year but the next to resurface/rejuvenate it.

Chair Krebsbach: Does that get a lot of usage? **Larry Taborsky:** About 40 airplanes a month is the customs report; a lot of Canadians coming through and an easy way to clear customs as long as the weather is ok.

Chair Krebsbach: We will try to move this out soon so that we can be on our way and you'll have a resolution to your aircraft.

Larry Taborsky: I can provide more information; have copies of prices of similar aircraft or ?

Chair Krebsbach: Thinks the more information you can provide the better. If you have some prices that would be helpful (#3 Attachment) We are recessed for the time being.

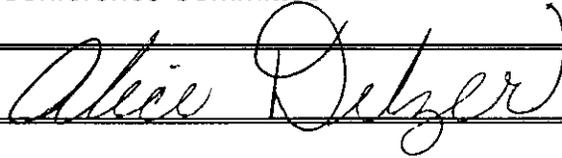
2011 SENATE STANDING COMMITTEE MINUTES

Senate Appropriations Committee
Harvest Room, State Capitol

HB 1006
04-04-11
Job # 16323

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A ROLL CALL VOTE FOR A DO PASS AS AMENDED ON THE AERONAUTICS BUDGET

Minutes:

You may make reference to "attached testimony."

Chairman Holmberg called the committee to order on HB 1006. Tammy R. Dolan, OMB and Becky J. Keller, Legislative Council were also present.

Senator Krebsbach explained amendment # 118127.01005. There is the wording that has been added and the money added for the replacement of an aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000, less a trade-in allowance of \$100,000. That's the only dollar amount added there and then, I think we all heard in committee why they need one. They are spending upwards to \$100,000 a year on repairs and maintenance on that plane and parts are very difficult to get a hold of and it's a 31 year old plane so it is time to do something. And the other change to the amendment I would like to have Senator Grindberg explain to you.

V. Chair Grindberg: The Section 2 language is permissive language where it says the Aeronautics Commission may use federal or special funds appropriated in Section 1 of this Act for the limited deployment-cooperative airspace project involving the ADS-B navigational system. Part of the proposal we had with that joint venture. The language clarifies it- the Aeronautics Commission may use funds, and in particular, if you recall from Mr. Taborsky's presentation in one of his slides they anticipate \$600,000 from the FFA in the next federal budget for their federal aviation administration. This provides them the language to use that for what they had presented during their testimony so that it's clear that the ADS-B project or other projects related to next airspace can be used for this purpose. Currently the FFA budget is tied up in Congress and they do anticipate that funding will come, it's just a matter of how much, whether it's \$600,000 or \$400,000.

Senator Krebsbach: Senator Grindberg is correct. There was a slide in his presentation. That says UAS development and as an alternative the Aeronautics Commission is actively involved in the development of a procedure to allow UAS to fly with civil aircraft rather than blocking the airspace from civil use. So I think it fits well to do this within that budget.

Senator Krebsbach moved the amendment #.01005.. seconded by Senator Grindberg.

Senator Christmann: This does not authorize them to do anything that interferes with private or commercial aircraft. At one time there was that worry out in the western part of the state that this was going to limit the air traffic out there because they wanted to do all this.

Chairman Holmberg: Would you call the roll on amendment # 1005 on HB 1006.

A roll call vote was taken on amendment # 11.8127.01005. Yea: 13. Motion carried.

Senator Krebsbach moved a Do Pass as Amended. Seconded by Senator Grindberg.

Chairman Holmberg: Discussion. I think that one can assume by tomorrow night the blogs will be talking about this jet liner, this Leer jet that we are buying but keep in mind in the amendment it talks specifically about replacing a 31 year old airplane that is financially a disaster.

Senator Krebsbach: We did have an amendment 0004, that was for a new. Mr. Taborsky got in touch and indicated he would prefer to have a replacement because he is still looking for a used one, if he can find one that is under that amount. And also this is not coming out of general funds; it's there own special funds for the airplane.

Chairman Holmberg: and if they purchase an airplane, a used airplane for \$400,000, then the rest of the money stays in their aeronautics fund. Call the roll on a Do Pass as Amended on HB 1006.

A ROLL CALL VOTE WAS TAKEN FOR A DO PASS AS AMENDED ON HB 1006. YEA: 13; NAY: 0; ABSENT: 0. Senator Krebsbach will carry the bill.

The hearing was closed on HB 1006.

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1006

Page 1, replace line 14 with:

"Capital assets 400,000 380,000 780,000"

Page 1, replace lines 16 and 17 with:

"Total all funds \$12,918,666 \$165,022 \$13,083,688
 Less estimated income 12,368,666 165,022 12,533,688"

Page 1, after line 19, insert:

"SECTION 2. LIMITED DEPLOYMENT-COOPERATIVE AIRSPACE PROJECT.
 The aeronautics commission may use federal or special funds appropriated in section 1 of this Act to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Aeronautics Commission - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639
Operating expenses	2,258,049	2,258,049		2,258,049
Capital assets	330,000	330,000	450,000	780,000
Grants	<u>9,040,000</u>	<u>9,040,000</u>		<u>9,040,000</u>
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688
Less estimated income	<u>12,083,688</u>	<u>12,083,688</u>	450,000	<u>12,533,688</u>
General fund	\$550,000	\$550,000	\$0	\$550,000
FTE	6.00	6.00	0.00	6.00

Department No. 412 - Aeronautics Commission - Detail of Senate Changes

	Adds Funding for Purchase of Replacement Aircraft ¹	Total Senate Changes
Salaries and wages		
Operating expenses		
Capital assets	450,000	450,000
Grants		
Total all funds	\$450,000	\$450,000
Less estimated income	<u>450,000</u>	<u>450,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000.

A section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment.

Date: 4-4-11

Roll Call Vote # 1

2011 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1006

Senate APPROPRIATIONS Committee

Check here for Conference Committee

Legislative Council Amendment Number 11.8127.01005

Action Taken: Do Pass Do Not Pass Amended Adopt Amendment
 Rerefer to Appropriations Reconsider

Motion Made By Krebsbach Seconded By Grindberg

Senators	Yes	No	Senators	Yes	No
Chairman Holmberg	✓		Senator Warner	✓	
Senator Bowman	✓		Senator O'Connell	✓	
Senator Grindberg	✓		Senator Robinson	✓	
Senator Christmann	✓				
Senator Wardner	✓				
Senator Kilzer	✓				
Senator Fischer	✓				
Senator Krebsbach	✓				
Senator Erbele	✓				
Senator Wanzek	✓				

Total (Yes) 13 No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1006: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1006 was placed on the Sixth order on the calendar.

Page 1, replace line 14 with:

"Capital assets	400,000	380,000	780,000"
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Page 1, replace lines 16 and 17 with:

"Total all funds	\$12,918,666	\$165,022	\$13,083,688
Less estimated income	<u>12,368,666</u>	<u>165,022</u>	<u>12,533,688"</u>

Page 1, after line 19, insert:

"SECTION 2. LIMITED DEPLOYMENT-COOPERATIVE AIRSPACE PROJECT. The aeronautics commission may use federal or special funds appropriated in section 1 of this Act to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Aeronautics Commission - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639
Operating expenses	2,258,049	2,258,049		2,258,049
Capital assets	330,000	330,000	450,000	780,000
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Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688
Less estimated income	<u>12,083,688</u>	<u>12,083,688</u>	<u>450,000</u>	<u>12,533,688</u>
General fund	\$550,000	\$550,000	\$0	\$550,000
FTE	6.00	6.00	0.00	6.00

Department No. 412 - Aeronautics Commission - Detail of Senate Changes

	Adds Funding for Purchase of Replacement Aircraft ¹	Total Senate Changes
Salaries and wages		
Operating expenses		
Capital assets	450,000	450,000
Grants		
Total all funds	\$450,000	\$450,000
Less estimated income	<u>450,000</u>	<u>450,000</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000.

A section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment.

2011 HOUSE APPROPRIATIONS

CONFERENCE COMMITTEE

HB 1006

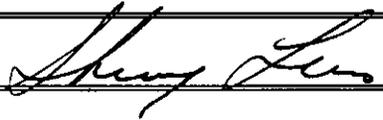
2011 HOUSE STANDING COMMITTEE MINUTES

House Appropriations Government Operations Division
Medora Room, State Capitol

HB1006
April 13, 2011
Recorder Job# 16535

Conference Committee

Committee Clerk Signature



Explanation or reason for introduction of bill/resolution:

A Bill for and Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission.

Minutes:

Chairman Kempenich: Opened the conference committee on HB1006.

Senator Krebsbach: The funding was added for the replace of an aircraft. Their plane is very old, it's difficult to get parts, their maintenance cost is high and it's a safety factor as well. The purchase price that they are looking at is \$550,000.00, less their trade allowance of \$100,000.00. Therefore, we added \$450,000.00 to the budget.

Senator Grindberg: It provides permissive language to the commission to use anticipated funds that are presently being finalized in Washington with the FAA budget. As you may know as a pilot, the next generation airspace in North Dakota has been chosen as one of the test sites for the ADSB technology and the leader is UND Aerospace Program. This ties into partnership with the commission and anticipated funds they will receive from the FAA, UND, and the Adjutant General.

Chairman Kempenich: I've had some calls from one of the commissioners on the intent language. The way this amendment is, is it more centralized in the northeastern part of the state or is it a statewide initiative? Is it to add to individual aircraft or is it more to get a base across the state?

Senator Grindberg: The test site would be in a geographic area up around the Devil's Lake area. I think the effort is to implement and test statewide. It's part of the demonstration project to prove that this will work and meet that 2020 deadline. This is an effort on a project that started last November with discussion with various agencies to put North Dakota as the leader in this.

Chairman Kempenich: What was explained to me by one of the commissioners was that there was direct financing coming out of the aeronautics commission budget; and I don't think that's the case with this intent language.

Larry Taborsky, Director, North Dakota Aeronautics Commission: The original intent was to have the \$600,000.00 that's in the budget; in case we got funding from the FAA for this ADSB research. In conjunction with what Senator Grindberg's talking about, if we are to get these new test and development projects from the FAA, we would use the area around Devil's Lake; install new ADSB antennas in that area.

Chairman Kempenich: This is anticipated funds, this isn't funds that you currently have?

Larry Taborsky: That's correct. A lot of our budget is contingent on getting funds from the FAA and having the authority to spend them at that point. This is for the antennas for ground based units which would benefit all the aircraft in North Dakota.

Representative Dahl: I make a motion that the house accede to the senate amendments.

Representative Glassheim: Seconded the motion.

Chairman Kempenich: The only thing else was on those towers. Where are we at with those midrange towers? Has that gotten settled?

Larry Taborsky: That was SB2206. The ending resolution was \$4,500.00 from the general fund to be put on the aeronautics account to establish a database for those towers.

Senator O'Connell: Is the emergency clause something you should have upfront?

Larry Taborsky: Either way would work. The emergency clause would reduce the amount of maintenance we'd have to do on the SkyMaster before it's sold. That would be preferred if possible.

Senator O'Connell: I move to further amend.

A roll call vote was made for the "House to Accede to the Senate Amendments and Further Amend" with an emergency clause. 6 Yea's 0 Nay's 0 Absent.

Chairman Kempenich: Closed the conference committee.

VR
 4/13/11
 102

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1006

That the Senate recede from its amendments as printed on pages 1413 and 1414 of the House Journal and pages 1168 and 1169 of the Senate Journal and that House Bill No. 1006 be amended as follows:

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace line 14 with:

"Capital assets 400,000 380,000 780,000"

Page 1, replace lines 16 and 17 with:

"Total all funds \$12,918,666 \$165,022 \$13,083,688
 Less estimated income 12,368,666 165,022 12,533,688"

Page 1, after line 19, insert:

"SECTION 2. LIMITED DEPLOYMENT-COOPERATIVE AIRSPACE PROJECT.

The aeronautics commission may use federal or special funds appropriated in section 1 of this Act to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment.

SECTION 3. EMERGENCY. The sum of \$450,000 from special funds for aircraft replacement included in the capital assets line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Aeronautics Commission - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639	\$1,005,639	
Operating expenses	2,258,049	2,258,049		2,258,049	2,258,049	
Capital assets	330,000	330,000	450,000	780,000	780,000	
Grants	9,040,000	9,040,000		9,040,000	9,040,000	
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688	\$13,083,688	\$0
Less estimated income	12,083,688	12,083,688	450,000	12,533,688	12,533,688	0
General fund	\$550,000	\$550,000	\$0	\$550,000	\$550,000	\$0
FTE	6.00	6.00	0.00	6.00	6.00	0.00

Department No. 412 - Aeronautics Commission - Detail of Conference Committee Changes

	Adds Funding for Purchase of Replacement Aircraft ¹	Total Conference Committee Changes
Salaries and wages		

2 of 2

Operating expenses		
Capital assets	450,000	450,000
Grants		
Total all funds	\$450,000	\$450,000
Less estimated income	450,000	450,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000. This funding was also added by the Senate. The conference committee added an emergency clause to the bill relating to this funding.

A section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment. This section was also added by the Senate.

2011 HOUSE CONFERENCE COMMITTEE ROLL CALL VOTES

Committee: Port Operations - Appropriations

Bill/Resolution No. HB 1006 as (re) engrossed

Date: 4-13-11

Roll Call Vote #: 1

- Action Taken**
- HOUSE accede to Senate amendments
 - HOUSE accede to Senate amendments and further amend
 - SENATE recede from Senate amendments
 - SENATE recede from Senate amendments and amend as follows

House/Senate Amendments on (H)/SJ page(s) 1413 - 1414

- Unable to agree, recommends that the committee be discharged and a new committee be appointed

((Re)Engrossed) HB 1006 was placed on the Seventh order of business on the calendar

Motion Made by: Rep Dahl Seconded by: Rep Glassheim

Representatives	4/13		Yes	No		Senators	4/13		Yes	No
<u>Keith Kemperich</u>	✓		✓			<u>Laura Krebsbach</u>	✓			
<u>Stacy Dahl</u>	✓		✓			<u>Tom Brindberg</u>	✓			
<u>Clint Glassheim</u>	✓		✓			<u>Daniel O'Connell</u>	✓			

Vote Count Yes: 6 No: 0 Absent: 0

House Carrier Rep Kemperich Senate Carrier Senator O'Connell

LC Number 11.8127.01006 of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment additional funding for replacement aircraft & to declare an emergency

REPORT OF CONFERENCE COMMITTEE

HB 1006: Your conference committee (Sens. Krebsbach, Grindberg, O'Connell and Reps. Kempenich, Dahl, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1413-1414, adopt amendments as follows, and place HB 1006 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1413 and 1414 of the House Journal and pages 1168 and 1169 of the Senate Journal and that House Bill No. 1006 be amended as follows:

Page 1, line 2, after "commission" insert "; and to declare an emergency"

Page 1, replace line 14 with:

"Capital assets 400,000 380,000 780,000"

Page 1, replace lines 16 and 17 with:

"Total all funds \$12,918,666 \$165,022 \$13,083,688
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Page 1, after line 19, insert:

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SECTION 3. EMERGENCY. The sum of \$450,000 from special funds for aircraft replacement included in the capital assets line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Aeronautics Commission - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639	\$1,005,639	
Operating expenses	2,258,049	2,258,049		2,258,049	2,258,049	
Capital assets	330,000	330,000	450,000	780,000	780,000	
Grants	9,040,000	9,040,000		9,040,000	9,040,000	
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688	\$13,083,688	\$0
Less estimated income	12,083,688	12,083,688	450,000	12,533,688	12,533,688	0
General fund	\$550,000	\$550,000	\$0	\$550,000	\$550,000	\$0
FTE	6.00	6.00	0.00	6.00	6.00	0.00

Department No. 412 - Aeronautics Commission - Detail of Conference Committee Changes

	Adds Funding for Purchase of Replacement Aircraft ¹	Total Conference Committee Changes
Salaries and wages		
Operating expenses		
Capital assets	450,000	450,000
Grants		
	<u>\$450,000</u>	<u>\$450,000</u>

Total all funds		
Less estimated income	450,000	450,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000. This funding was also added by the Senate. The conference committee added an emergency clause to the bill relating to this funding.

A section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment. This section was also added by the Senate.

HB 1006 was placed on the Seventh order of business on the calendar.

2011 TESTIMONY

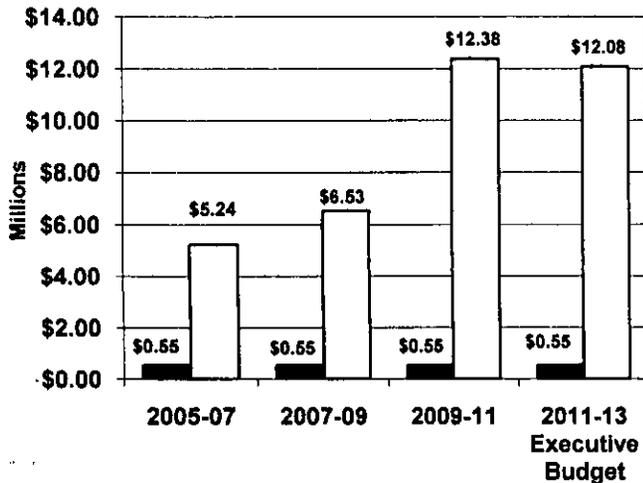
HB 1006

Department 412 - Aeronautics Commission
 House Bill No. 1006

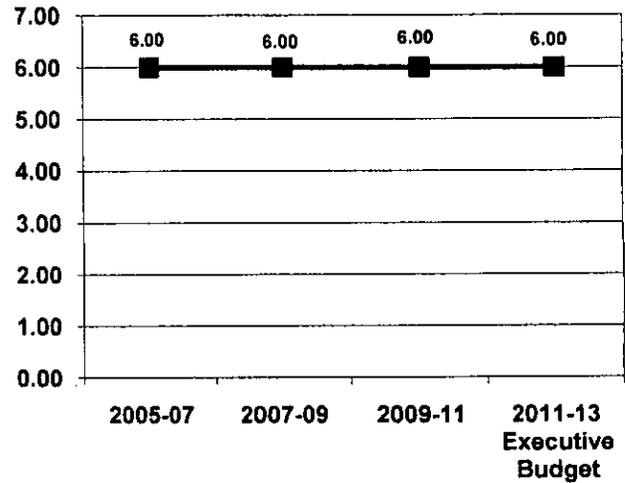
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	6.00	\$550,000	\$12,083,688	\$12,633,688
2009-11 Legislative Appropriations	6.00	550,000	12,382,666	12,932,666 ¹
Increase (Decrease)	0.00	\$0	(\$298,978)	(\$298,978)

¹The 2009-11 appropriation amounts include \$14,000 of other funds for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$550,000	\$0	\$550,000
2009-11 Legislative Appropriations	550,000	0	550,000
Increase (Decrease)	\$0	\$0	\$0

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Adjusts funding for operating expenses as follows:			
Travel		\$44,500	\$44,500
Buildings, grounds, and maintenance		205,000	205,000
Printing		8,000	8,000
Insurance		(9,000)	(9,000)
Rental/leases of buildings and land		45,138	45,138
Repairs		(27,526)	(27,526)
Fees - Professional services		140,000	140,000
Other		10,505	10,505
Total		\$416,617	\$416,617
2. Decreases funding for the air carrier airport grant program from \$3,300,000, of which \$550,000 is from the general fund, to \$3,200,000, of which \$550,000 is from the general fund		(\$100,000)	(\$100,000)
3. Decreases funding for the general aviation airport grant program from \$2,530,000 to \$2,430,000		(\$100,000)	(\$100,000)
4. Decreases funding for grants to airports for installation of ADS-B navigational systems from \$900,000 to \$600,000		(\$300,000)	(\$300,000)

5. Decreases funding for grants to airports for automated weather observing systems and master plans from \$2,960,000 to \$2,610,000	(\$350,000)	(\$350,000)
6. Increases funding for aviation education grants from \$100,000 to \$200,000	\$100,000	\$100,000
7. Removes capital assets funding for the 2009-11 biennium	(\$400,000)	(\$400,000)
8. Provides funding for extraordinary repairs (\$100,000) and construction of a terminal and installation of wildlife fencing (\$230,000) at the airport at the International Peace Garden	\$330,000	\$330,000

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

Special funds - House Bill No. 1132 amends the powers and duties of the Aeronautics Commission and provisions relating to the use of special funds received by the Aeronautics Commission.



HB 1006
Budget No. 412
January 10, 2011

Larry Taborsky, Director

Mr chairman, committee members, thank you for giving me the time to talk about the aeronautics commission today.

I Love to Fly!



I have a great job, working with aviation people, who are typically positive and proactive people. And it feels good knowing that what we do provides a service to everyone in the state. Most of our budget is derived from aviation activities, goes into our special fund, and is going to go right back into aviation to do more good.

Financial Audit Findings

- **Finding 09-1:** Fraud Risk Assessment activities

Office Action:

-new computer system



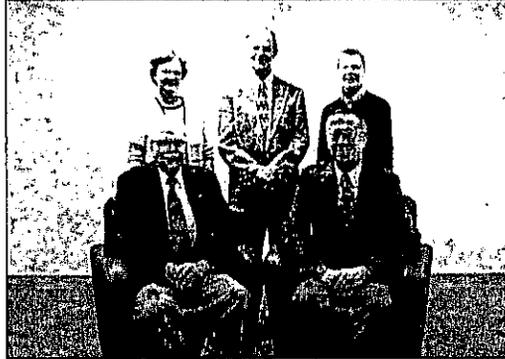
I was directed to start with the audit findings.

The Aeronautics Commission received one finding, stating that we need a system to identify control weaknesses and fraud activities.

On January 25, the office will be installing a new computer program, which tracks all areas of our income and provides additional fraud controls.

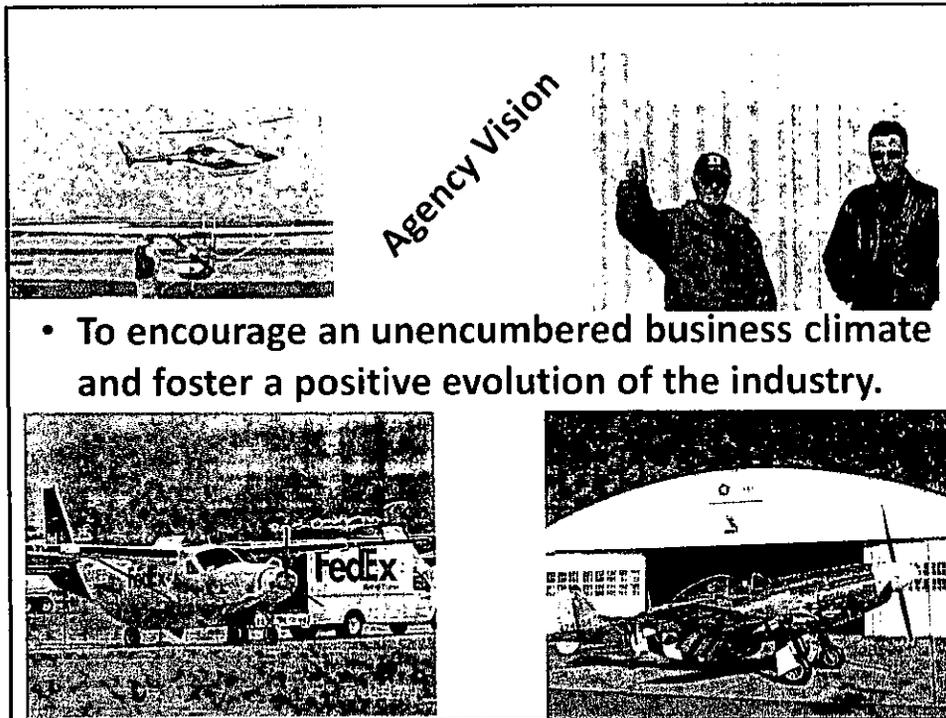
Now an short review of the North Dakota Aeronautics Commission...

Aeronautics Commission Board



Robert J. Miller, Casselton – Chairman
Jay B. Lindquist, Hettinger – Vice Chairman
Cindy K. Schreiber-Beck, Wahpeton – Secretary
Dianne L. Herr, Turtle Lake – Member
Maurice E. Cook, Bismarck – Member

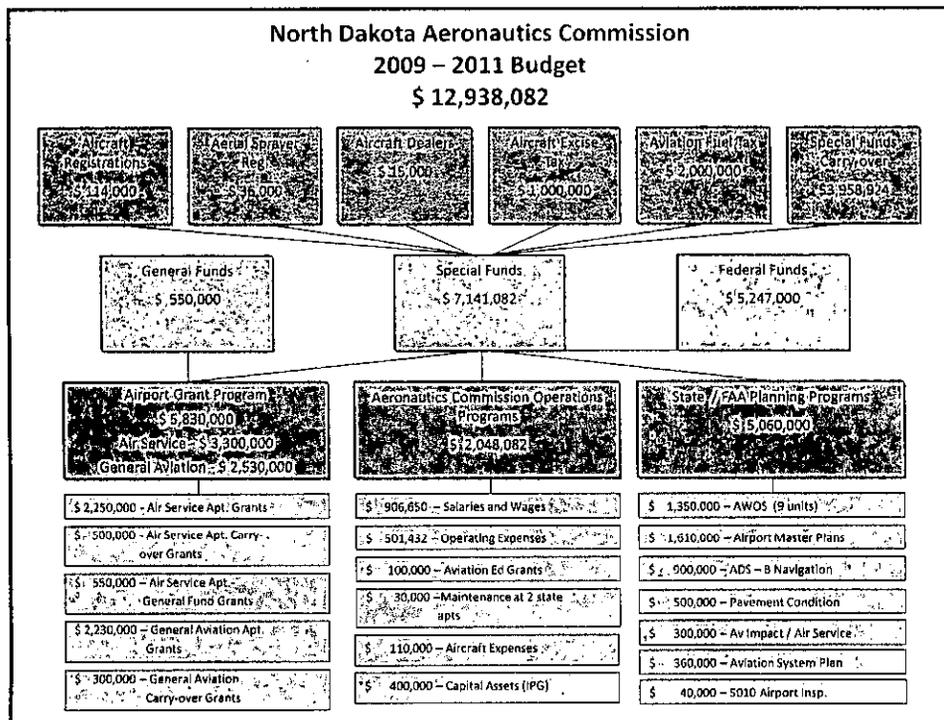
It was established in 1947 by the State Legislature, assigning responsibility for the state aviation functions. The Governor appoints the five members of the Aeronautics Commission to the board for 5-year terms, they provide guidance on policy. (Notice the halo's around Dianne Herr and Cindy Schreiber-Beck...)



Agency Vision

- **To encourage an unencumbered business climate and foster a positive evolution of the industry.**

We are tasked to support all of aviation in the state. It is a challenge to balance all those different needs at times, and I'll be discussing the priorities shortly.

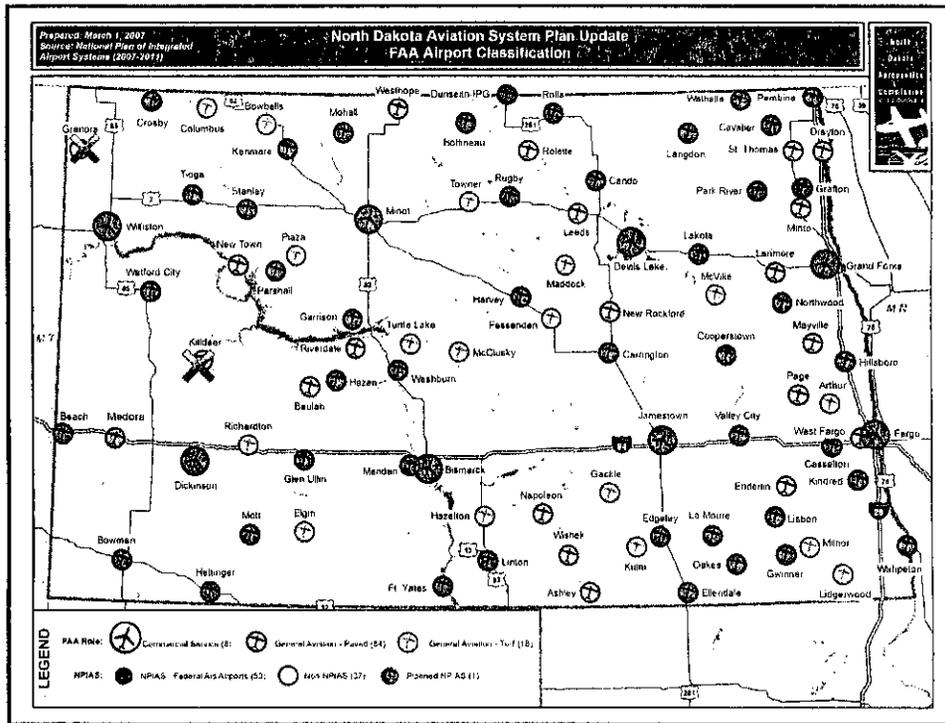


This is our present budget. Actual spending varied from the planned expenditures on the following:

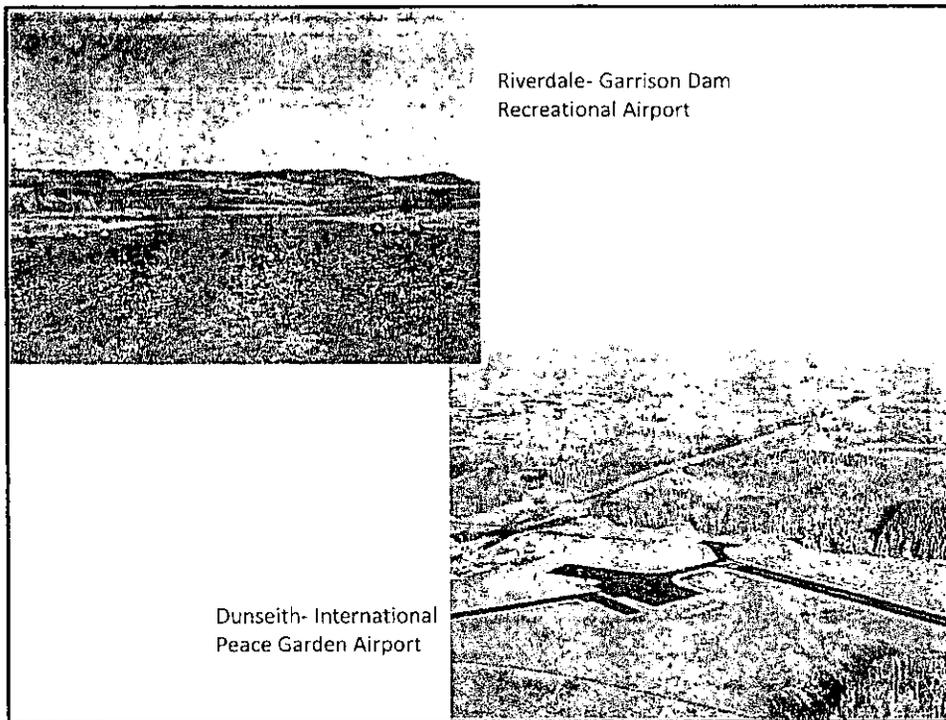
The aircraft expenses were above \$80,000, not including the \$110,000 engine replacement.

AWOS costs were significantly lower due to technology and competition, and the ADS-B program for air traffic control is still being developed by the FAA.

The requirements for airport master plans are being revised by the FAA, and we anticipate producing the plans this biennium.



This map shows the 88 airports in the state, and the blue shaded circles are receive federal support. The rest are run by state and local funding. From a state perspective, the federal aviation system plan is a great deal. For every 5 cents we contribute locally to an airport improvement project as a state, the FAA contributes 95 cents. Our budget goes a long way. In addition, each federal airport receives \$150,000 per year from the FAA. One more important point: with the exception of the airline airports, most of the staffing at these airports is by volunteers. The system wouldn't run without them.



The Aeronautics Commission manages two airports

Garrison Dam Recreational Airport, non-federal

South of the dam, in the city of Riverdale, it supports fishing and other recreational activities. Considered a primitive airport dirt/gravel runway. Low maintenance and US Corp lease for 20 years. It is due for some seeding this spring to try and stabilize the mud and clay soil.

International Peace Garden Airport , federal

An official international border crossing airport for both Canada and USA since 1967-over 40 years.

It also supports the Peace Garden Park activities year around. We have an annual get-together with the Canadian Owners and Pilots Association each Labor Day, so come on up and help protect our border!

Eight Air Carrier Airports in North Dakota



Primary

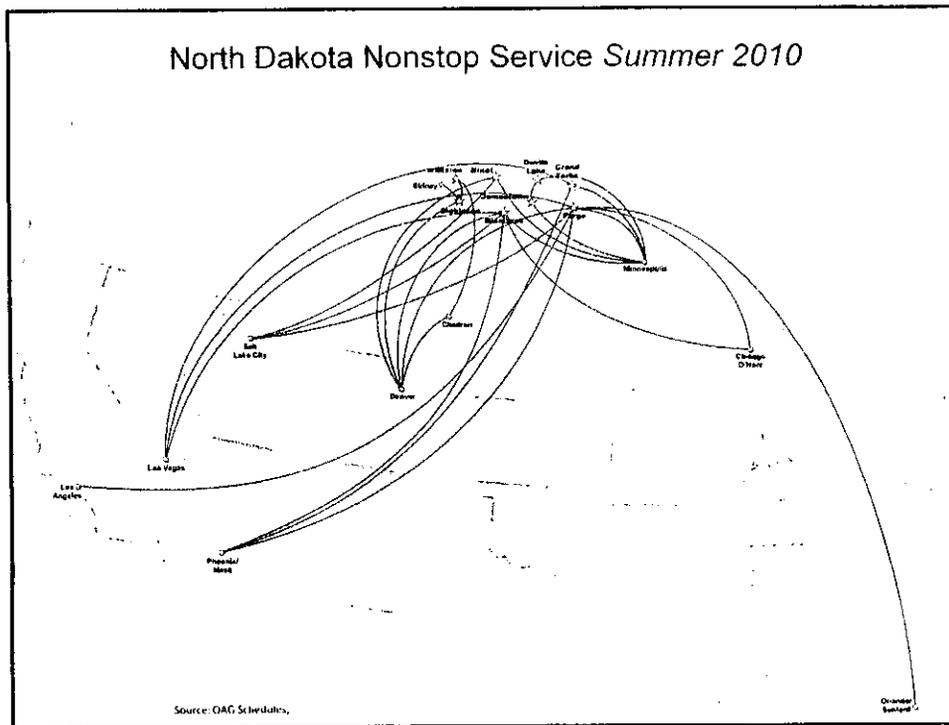
**Fargo (FAR)
Grand Forks (GFK)
Minot (MOT)
Bismarck (BIS)**

Regional

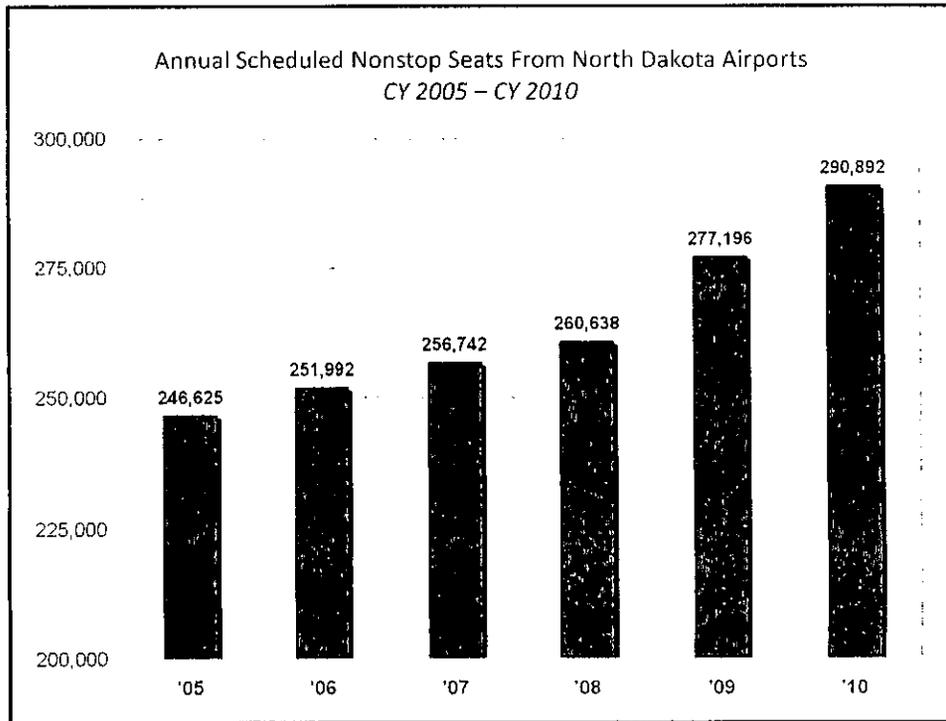
**Devils Lake (DVL)
Jamestown (JMS)
Williston (ISN)
Dickinson (DIK)**

While the smaller federal airports receive \$150,000 each, those air carrier airports which board at least 10,000 passengers per year receive \$1 million of FAA funds. In our state, those airports are FAR, GFK, MOT, BIS, ISN, (soon DIK)

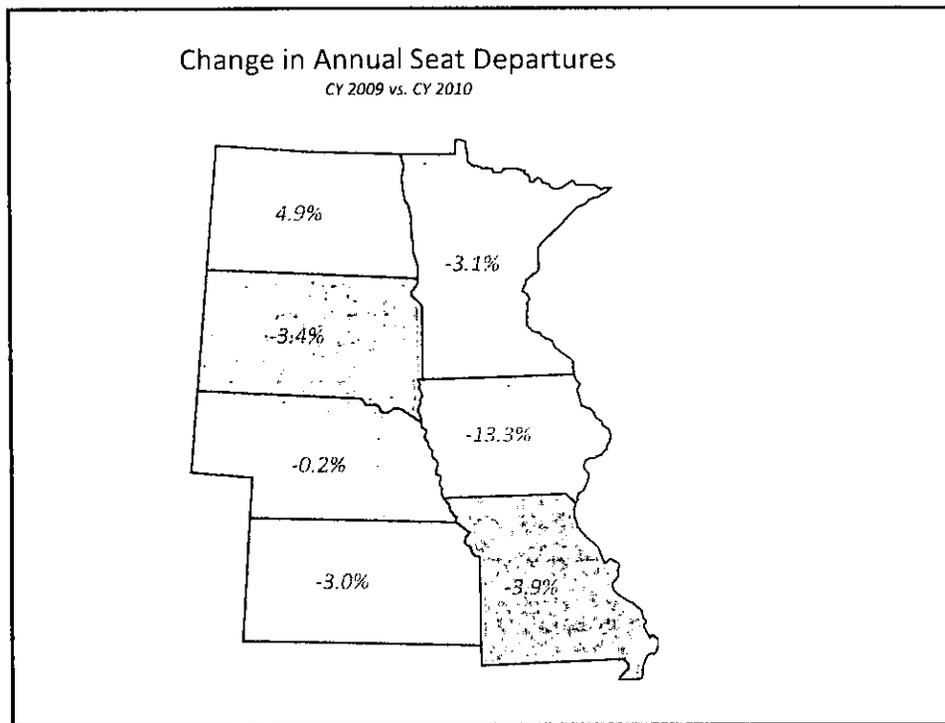
The Aeronautics Commission's proposed budget requests \$550,000 from the general fund, which is designated for the airports serving the airlines, using the premise that everyone in the state benefits from this service. It amounts to about 34 cents per passenger.



....To a Summer 2010 Level of 67 Daily Departures to 25 Nonstop Destinations – a *Departure Increase of Over 50% From 2005*



North Dakota Airports Have Experienced Consistent Capacity Growth, Increasing 18% Since 2005



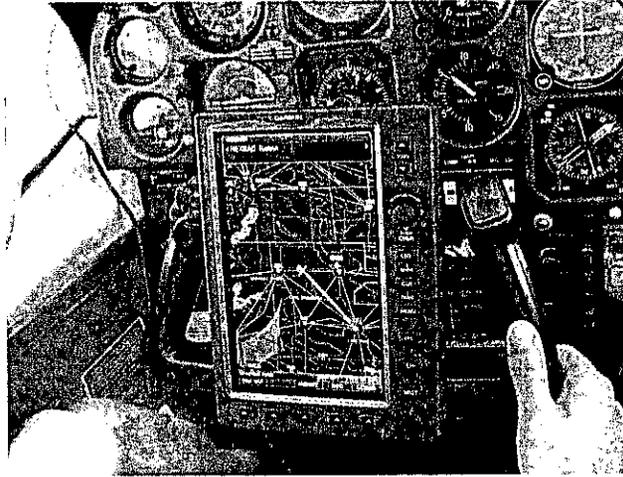
North Dakota is the Only State in the Central Region that Experienced Capacity Growth in 2010.
(The Industry Declined 0.2% during the Same Period)

**Aeronautics Commission Airport Grant Program
Last Biennium awarded \$5 million to 254 projects**

	Grants Amounts Awarded	No. of Projects
2009 – Air Carrier	\$ 1,393,281	49
2010 – Air Carrier	\$ 1,401,022	40
Total Air Carrier	\$ 2,794,303	89
2009 – General Aviation	\$ 1,164,225	78
2010 – General Aviation	\$ 1,046,912	87
Total General Aviation	\$ 2,211,137	165
Total Air Carrier & GA	\$ 5,005,440	254

Here is a summary of what was awarded to our airports in this budget cycle. This in spite of some challenging weather, and even more challenging Federal transportation budget authorizations, usually coming in 3-month increments of continuing resolutions.

What's new in North Dakota Aviation



The following slides are intended to show you a sampling of what's going on around the state that may be of interest to you. Aviation-wide, GPS technology is becoming commonplace in cockpits. It's amazing that now we can receive the weather from our airport weather sensors in the cockpit, as well as NEXRAD weather radar, winds at altitude, and airspace restrictions on a moving map display.

Airport Planner



Brad Fields

Mark Holzer

Much of our time involves making airports safe and efficient, and the Airport Planner does the lion's share of that work. We gave Mark Holzer a great retirement party after 30 years in that position, and we now work with him in his new role as FAA airports planner. Brad Fields is our new Airport Planner, and he benefitted from a year of working with Mark. His background includes flying for the airlines and commercial operations.

Aviation Education Coordinator



Kelby Hovey

We need to make aviation fun again! Nation-wide, pilot training is decreasing. The average aviation professional is heading towards retirement age. To help reverse that trend, Kelby Hovey has been hired as our Aviation Education Coordinator. She is working with the North Dakota Aviation Council to ensure that aviation stays strong across our state. This job was previously filled by the Deputy Director, Roger Pfeiffer, and had been vacant since his retirement. Kelby has a lot of ideas and energy, and I hope that we can grow aviation across the state again.

Aviation Education Grant Funding



There are numerous programs to help develop our future aviators:

We work closely with the ND Aviation Council to make sure that general aviation prospers here.

We're working with the air museums in Minot and Fargo to help them to continue to grow.

Airports without an instructor can get travel allowances to bring one in.

There is a teacher kit to use aviation examples to teach their normal subjects.

We are develop future airport managers with our intern program.

Real World Design Challenge- promotes STEM education in the high schools.

There is an Aviation Art Contest and a 5th graders aviation Career Day.

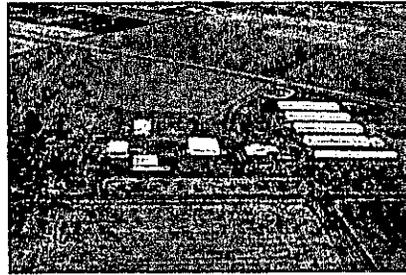
Economic Impact of Aviation in North Dakota is \$1.6 Billion

- Aviation jobs in North Dakota totaled 15,582
- Aviation manufacturing provides 4,434 direct jobs.
- Air travel tourism provides \$ 478 million impact.

Commercial airports in 8 communities provide \$937 million impact and 8,974 jobs.

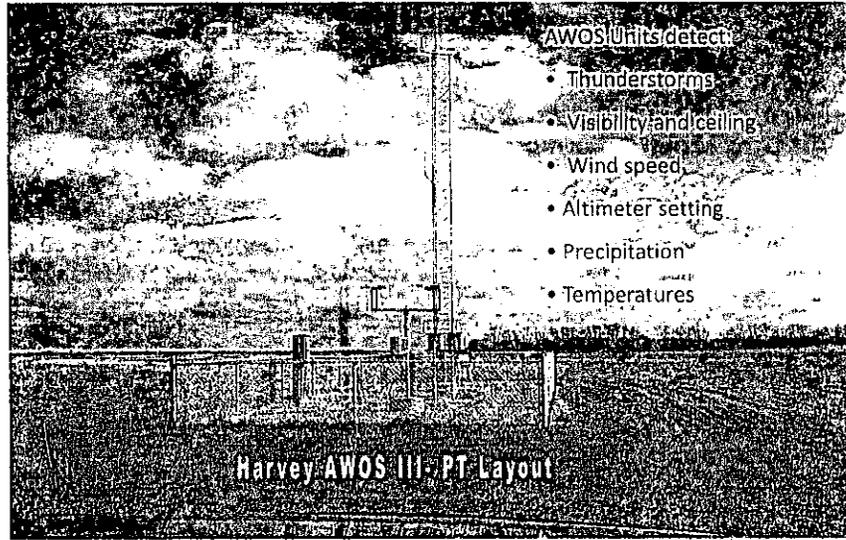


General aviation airports located in 80 communities provide \$131 million impact.

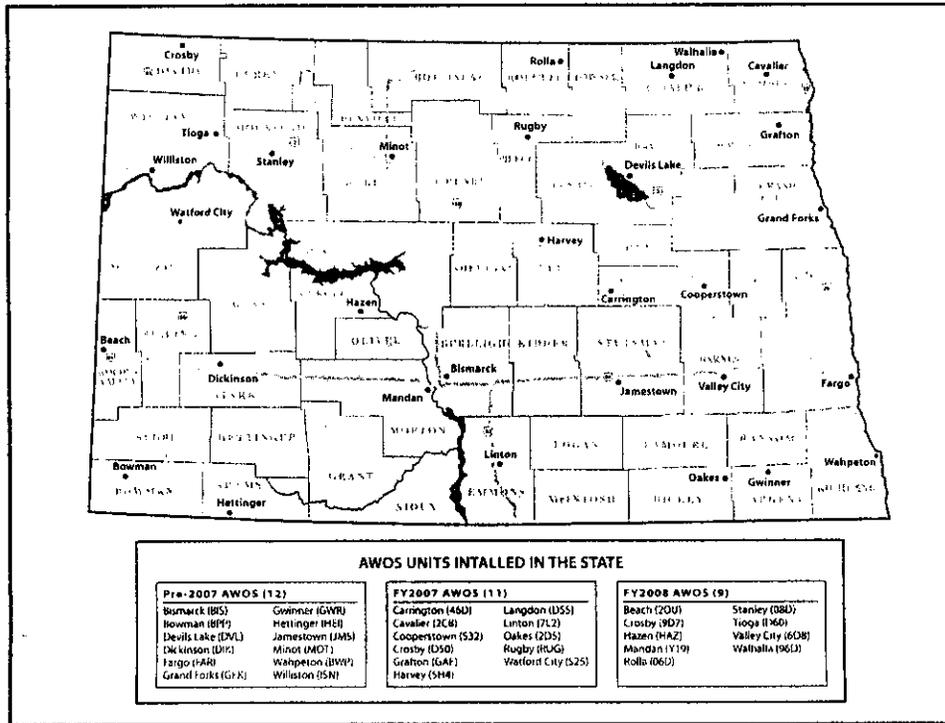


We're just finishing the state's aviation economic impact study, and things are looking good. While we're getting less newcomers to aviation, the established pilots are becoming more successful, buying larger and more capable equipment to support their businesses. Jobs and tourism are doing well in North Dakota.

**AUTOMATED WEATHER OBSERVATION SYSTEM
(AWOS)**



The state's AWOS systems are becoming more useful each year.



We now have 32 AWOS reporting stations across the state, giving weather to pilots in most regions. The 8 airline airports are federal, Wahpeton and Mandan had them installed on their own. We are completing the connections to the internet, so that a pilot can access the airports weather from anywhere. Air Ambulance flights are authorized to use the airport. Air taxi operators are allowed to fly instrument approaches there. And The local community access television can have the airport's weather. These improvements have made the airports that much more valuable.

Changes in Airports

- Grenora- closed
- Kildeer- closed



A moment of silence for our departed airports. Grenora lost local interest and shut down. Kildeer has some enthusiastic supporters, but the pavement is too bad to continue using at this time. They are hoping for county support to bring the airport back on line.

Kulm Airport



On a more positive note, Kulm found better property, sold their old strip, seeded the land, built a hangar, installed lights, and has a group of active pilots.

Possible New Airports

- Bowman- land acquisition
- Mayville- land acquisition
- New Town- under research



These three cities are looking to increase access to their communities with new runways. Bowman, a federal airport, and Mayville, which will hopefully soon be a federal airport, are in progress. New Town will require community participation to get the process started.

FLY NORTH DAKOTA			AIRPORTS!		
3H4 Hillsboro Trail County Museum Complex Terminal	JMS Jamestown Frontier College First Class Aviation-FBO	7K5 Kenmare Danish Mill Terminal	2L1 Larimore Larimore Community Museum Post by FBO Terminal	D31 Leeds City Park Camping Post by East Hangar	4N4 Lidgerwood Lidgerwood Community Museum Post by Wind-Sock
9Y1 Killdeer Four Bears Scenic Byway Terminal	K74 Kindred Odegaard Aviation Military Restoration Post by Fuel Pumps			6L3 Lisbon Opera House Terminal	7G2 McClusky McClusky Canal Terminal
5L0 Lakota Tollhagen Library and Museum Terminal	4F9 LaMoure Toy Farmer Museum Post by Old Terminal	6D3 Maddock Summers Manufacturing Post South Side West Hangar	Y19 Mandan Pt. Abraham Lincoln Five Nations Terminal - Access Code 531		

And just for fun, I'd like to show you the passport program, done in partnership with Tourism, the airport association, the mechanics association, and the pilots association.

The cover is shown centered, and behind that is a sample page where you can get a stamp at each airport you visit, earning prizes. This has generated a lot of enthusiasm to get out and see our state!

AIRLINE TERMINALS SCHEDULED TO BE COMPLETED

-JAMESTOWN

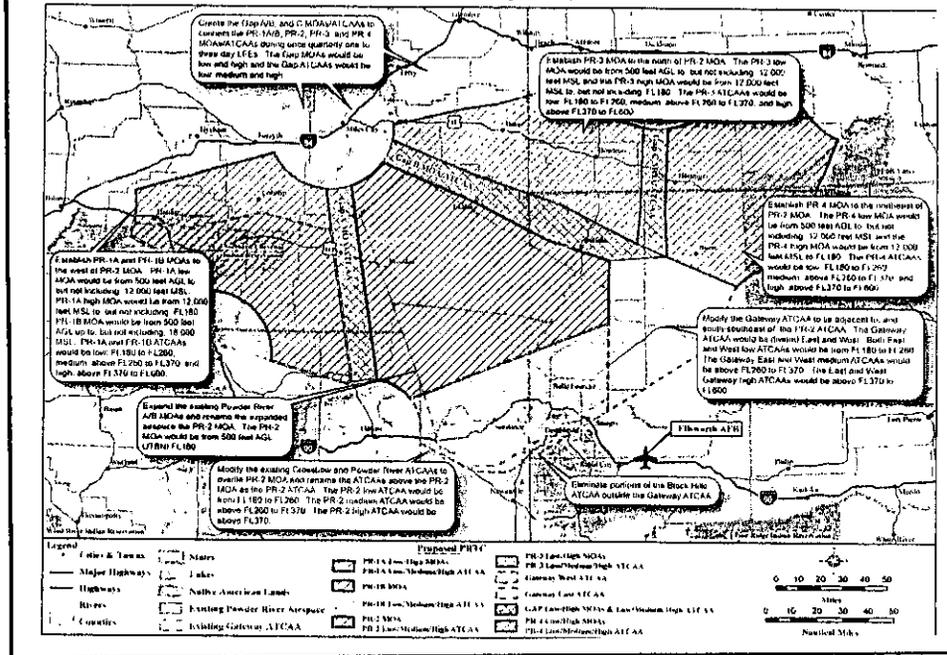
-DICKINSON

-GRAND FORKS



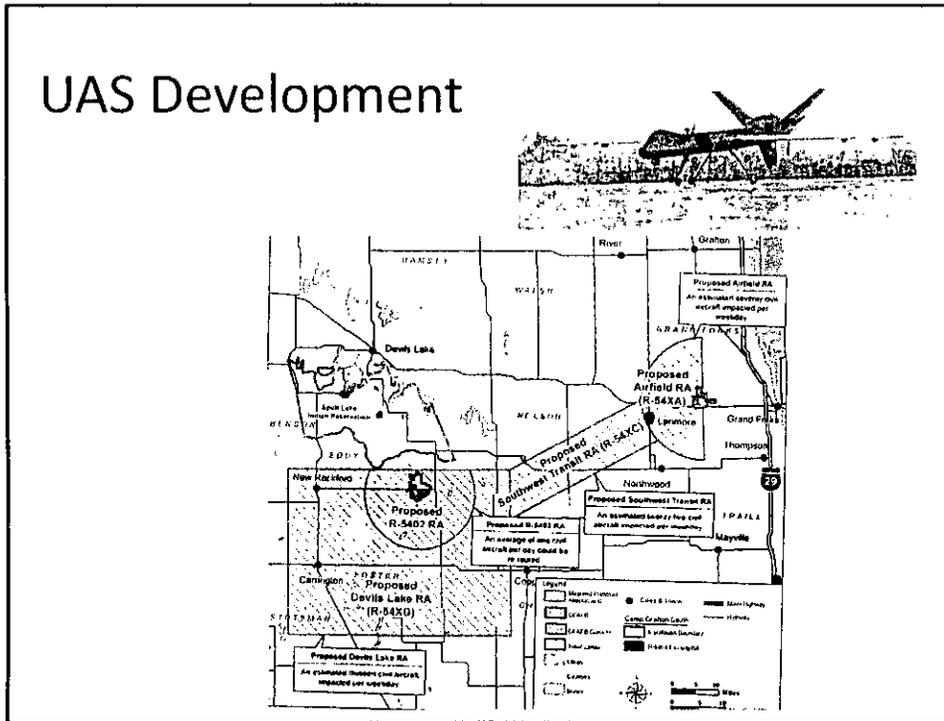
These projects will make all of our airline terminals updated to accommodate the TSA requirements, improved passenger facilities, and make a great first impression of our state to travelers.

Powder River Military Operations Area

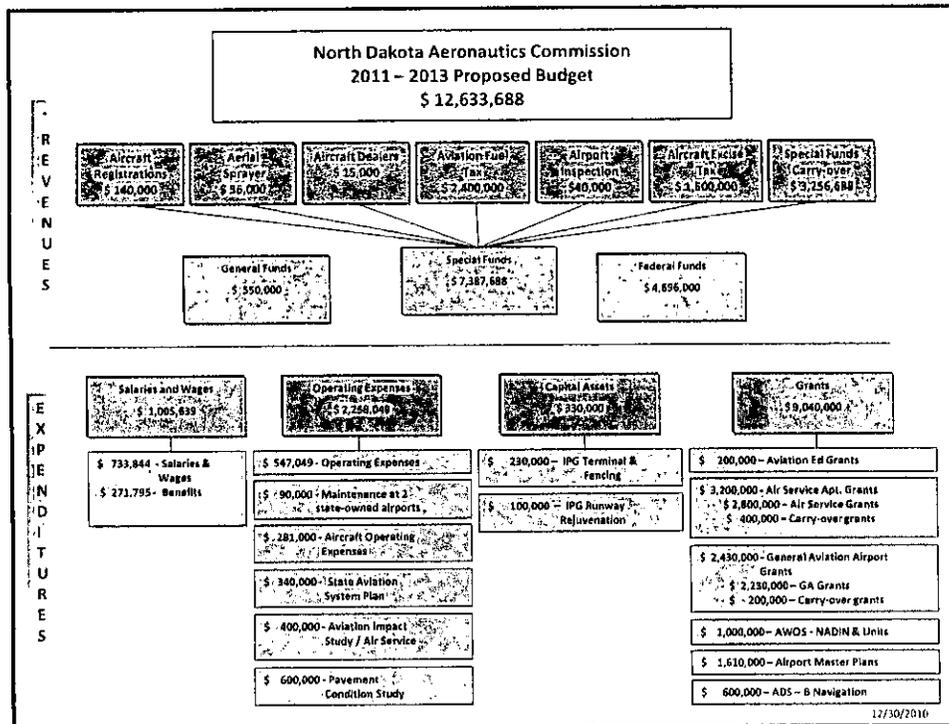


The Air Force is currently reviewing the inputs from a round of environmental hearings, proposing that military operations area be expanded, and allow flares, chaff, and supersonic operations. We will be working closely with the military and civil aviation to find a right fit for North Dakota.

UAS Development



Pictured here is the Air Force's proposed restricted area from Grand Forks to Devils Lake, allowing Unmanned Aerial Systems flights. As an alternative, the Aeronautics Commission is actively involved in the development of a procedure to allow UAS to fly with civil aircraft, rather than blocking the airspace from civil use.



This is the funding requested to accomplish all of our plans for the next biennium. Anticipated income increase: We're seeing slightly more income from registrations, plus larger aircraft purchases are bringing in slightly higher excise taxes. Increased airline activity helps increase income from fuel tax. The FAA pays the state \$650 for each airport safety inspection, bringing in between \$35-40,000 this biennium.

Operating expenses have increased on our 32 year-old aircraft, primarily due to increases in maintenance costs. The budget reflects the increased use by the Dept of Transportation, Dept of Commerce, Emergency Management as well as our anticipated needs associated with the UAS development in the northeast and the increased airport activity in the northwest.

Also under operating expenses,

The state Aviation System plan is our road map for effectiveness. This documented needs provides justification for federal funding at our airports.

The Aviation impact study highlights the benefits of each airport to their local communities.

The air service study helps us to make informed decisions on airline service.

The pavement condition study is done simultaneously state-wide, to allow an equal comparison of airports, helping to prioritize grant requests.

For Capital Assets:

-IPG Terminal and Fencing- the International Peace Garden may be due for wildlife fencing to keep deer off the runway. We are investigating small shelters for transient pilots to get out of bad weather while waiting for customs inspectors or transportation. The runway rejuvenation has been planned, because the past PCI was a 37 out of 100, considered poor. In the Grants section;

-Aviation education grants have increased to reflect the increased emphasis on educating the public and bringing more technical skills to our youth.

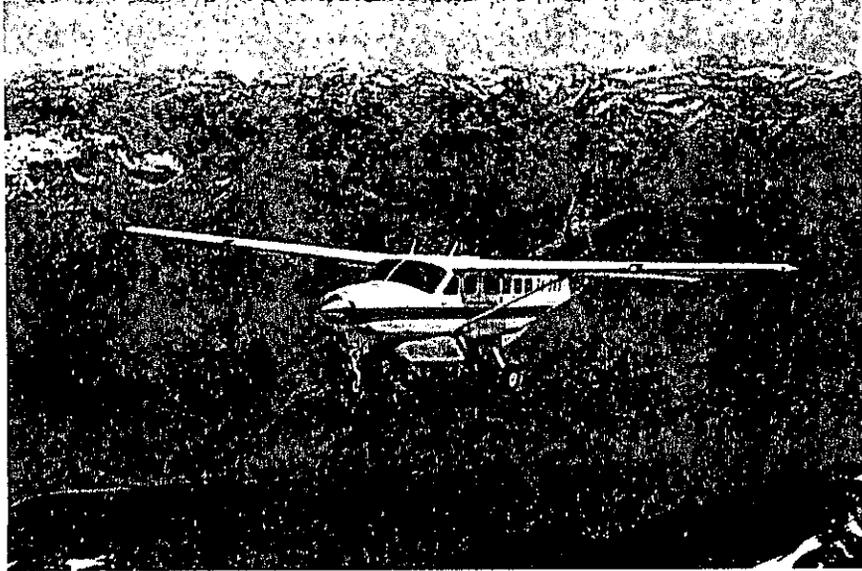
-Both airport grant sections are similar to last time. We anticipate similar needs and similar FAA funding to last biennium.

-AWOS and ADS-B navigation are in anticipation of increased use of the airspace by the military to the southwest and the UAS activity in the northeast.



The North Dakota Aeronautics Commission has a solid reputation among other states. We have a small staff compared to others, but we make the most of our resources and involve the public as much as possible. Thank you for giving us the resources to make things happen in North Dakota aviation.

QUESTIONS?



That concludes my presentation. Thank you for listening, and for your service to the state this session.

NORTH DAKOTA

ECONOMIC IMPACT OF AVIATION



EXECUTIVE SUMMARY

OVERVIEW OF AVIATION'S IMPACT IN NORTH DAKOTA

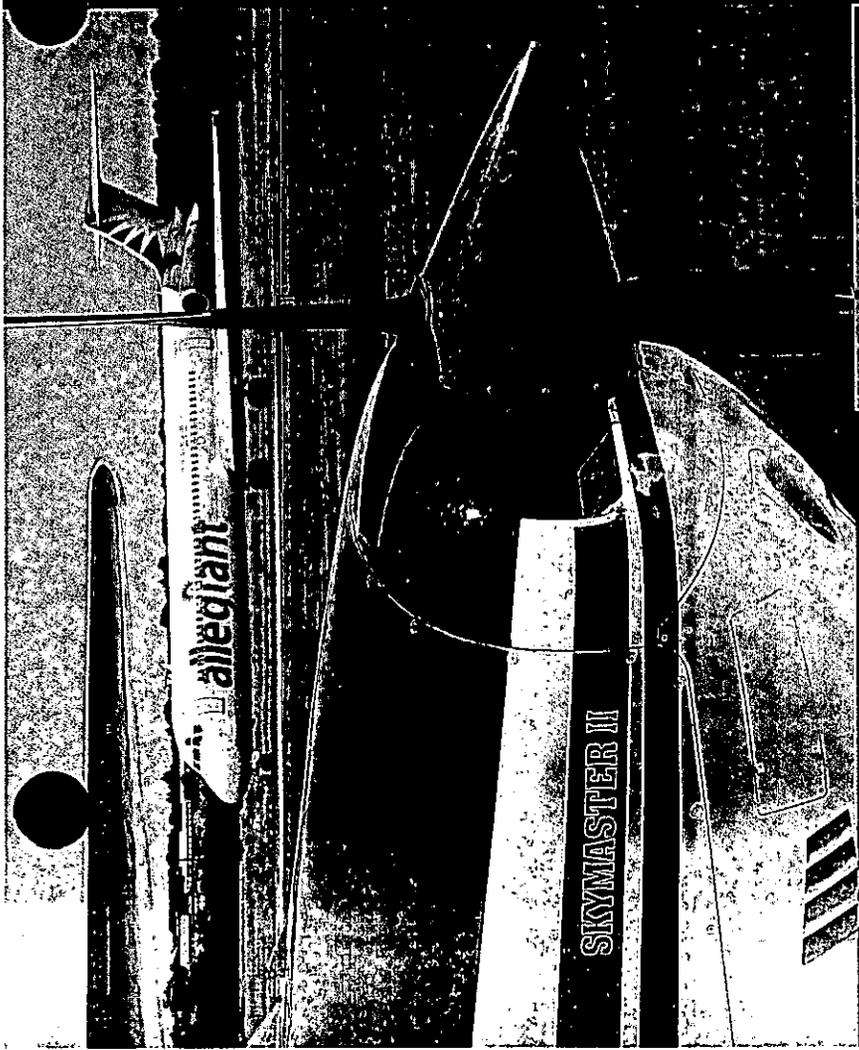
Aviation is a significant economic catalyst in North Dakota. From the commercial airlines that serve eight North Dakota markets to the variety of general aviation services found throughout the state, the aviation industry provides thousands of jobs and creates more than \$1 billion in economic activity. Commercial airlines in North Dakota boarded an estimated 781,000 passengers in 2010 while general aviation aircraft conducted an estimated 673,000 operations.

When all of the impacts of North Dakota's 89 airports are added together, 9,894 total jobs can be traced to the aviation industry. These employees receive \$368 million in total payroll, and generate \$1.1 billion in total economic activity.

Additional economic benefits result from aviation activity that takes place away from the 89 airports studied. Off-airport aerospace manufacturing supports 4,434 jobs and produces \$487 million in economic output. A number of aerial applicators operate from private airstrips. These businesses create an additional 65 jobs and result in \$19 million in additional economic activity. Travel agencies depend heavily on the sale of airline tickets and add 1,189 jobs and \$54 million in economic output to North Dakota's economy.

When all these aspects of aviation are totaled, it is clear that North Dakota's aviation industry makes a considerable contribution to the state's vibrant economy. On and off-airport aviation-related activity creates nearly 15,600 jobs and produces \$1.6 billion in economic activity (output).

On top of these economic benefits, airports in North Dakota provide a number of health, welfare, and safety benefits; the impacts of which defy conventional measurement. Such services include medical transport and evacuation, flight training, law enforcement flights, wildlife management, military exercises, and search and rescue operations.



Aviation in North Dakota creates:

Total Jobs – 15,582

Total Payroll – \$592 million

Total Output – \$1.6 billion

of the Governor!

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Mark Dalrymple

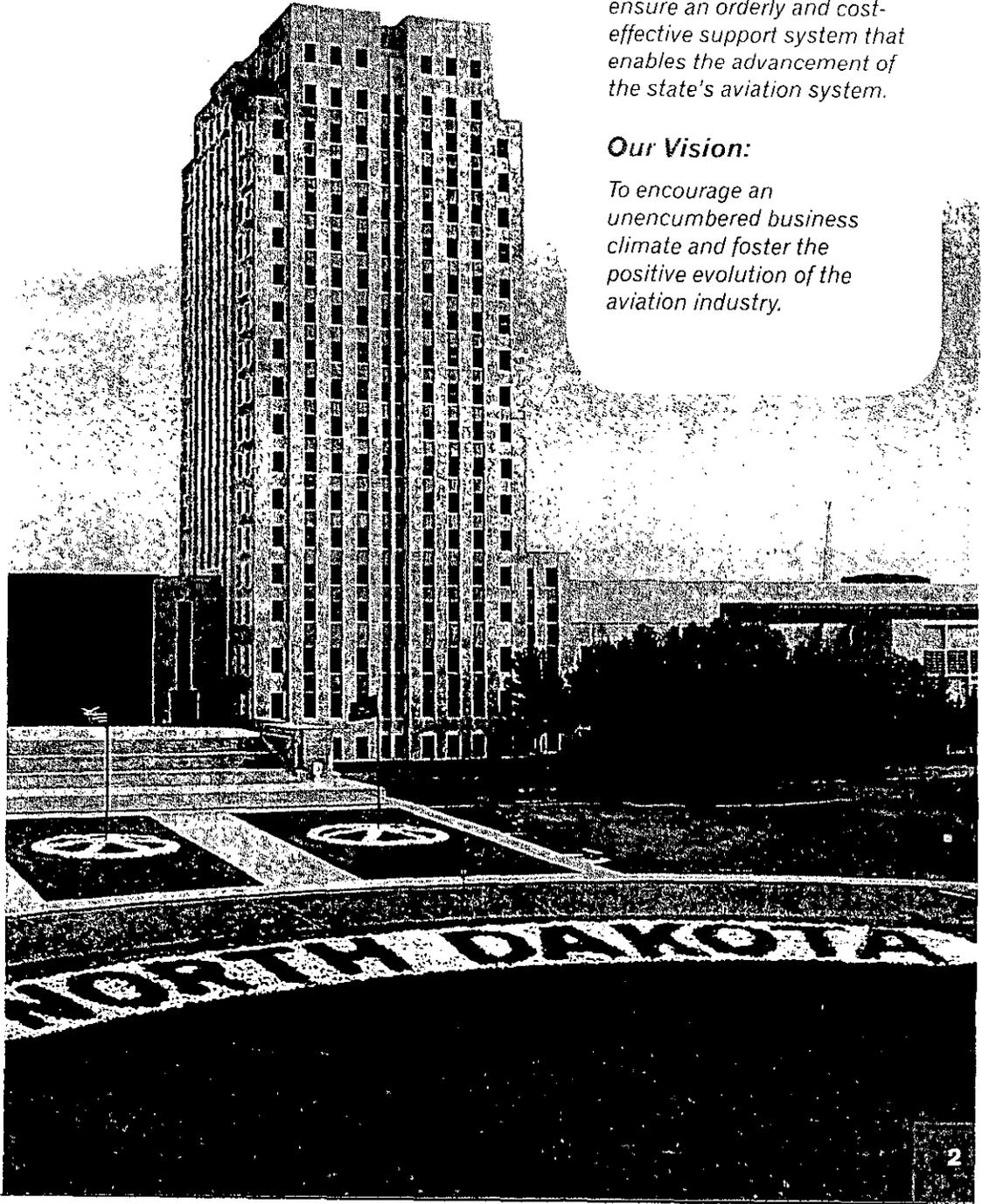
ck Dalrymple
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Our Mission:

To provide, at the highest
priority, economic and
technical assistance to
ensure an orderly and cost-
effective support system that
enables the advancement of
the state's aviation system.

Our Vision:

To encourage an
unencumbered business
climate and foster the
positive evolution of the
aviation industry.



**North Dakota
is home to
more than
2,400 pilots and
contains 2,377
registered
aircraft.**

HOW AVIATION'S BENEFITS ARE QUANTIFIED

Types of Impacts

First-Round Impacts include both on-airport and visitor impacts. On-airport impacts are those benefits associated with on-airport businesses and government tenants. Visitor impacts generally take place off-airport and are attributable to visitor spending.

Secondary Impacts consist of induced impacts, which are those benefits that result from the re-circulation and re-spending of on-airport and visitor impacts within the economy. This re-circulation is commonly referred to as the "multiplier effect."

Total Impacts are the combination of all first-round and secondary impacts.

Impact Measures

Employment measures the number of full-time equivalent (FTE) jobs related to airport activity including on-airport construction. A part-time employee counts as one half a full-time employee.

Payroll measures the total annual wages, salary, and benefits paid to all workers whose employment is directly attributable to airport activity.

Economic Activity (Output) measures the value of goods and services related to airports in North Dakota. The output of on-airport businesses is typically assumed to be the sum of annual gross sales and average annual capital expenditures.



Airport-Related Impacts

FIRST-ROUND

On-Airport
Output
\$514.0 million

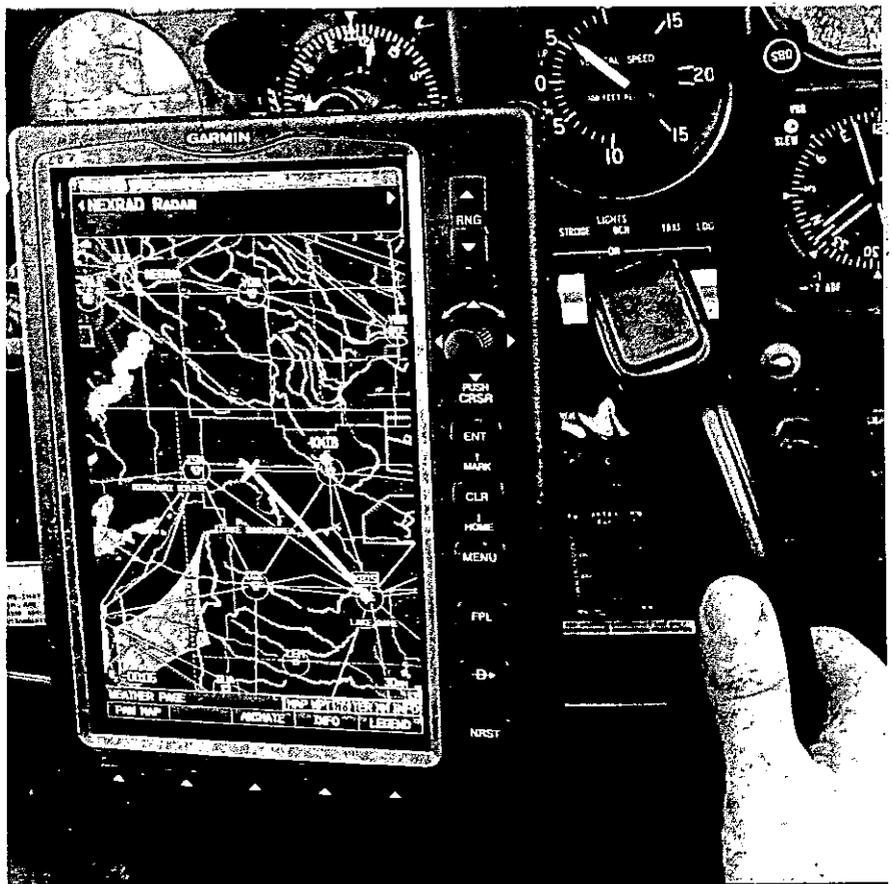
Visitor
Output
\$125.8 million

SECONDARY

RE-SPENDING OF FIRST-ROUND
ECONOMIC ACTIVITY
RE-SPENDING OF INDUCED IMPACTS
Multiplier
Output
\$429.4 million

TOTAL

Employment
9,494
Payroll
\$682.4 million
Output
\$1.1 billion



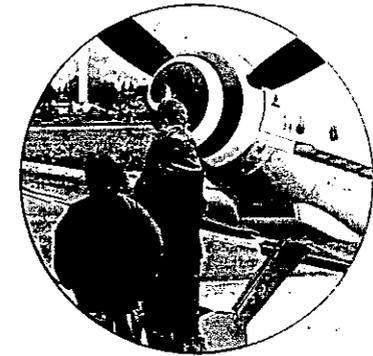
METHODOLOGY

The economic benefits associated with aviation in North Dakota were estimated using a standard econometric modeling process that has been approved by the FAA. This economic input-output model estimates economic benefits in terms of jobs, payroll and economic output. This methodology has been used to successfully quantify the value of airports and airport systems throughout the United States.

The input for this model came from numerous data gathering efforts for each North Dakota airport. Airport managers and aviation-related organizations were surveyed to collect the data necessary to estimate the on-airport employment, payroll, and output each airport supports. Visitors to North Dakota using commercial airlines and general aviation aircraft were surveyed to calculate the benefits their expenditures support.

The induced impacts of these airport activities were calculated using multipliers that are specific to North Dakota. For example, when an airport employee purchases local goods and services, that spending circulates through the local economy by supporting the jobs and payroll of other businesses and thereby generates additional economic activity in the region. The total economic impact is the sum of all on-airport, visitor, and multiplier impacts.

Estimates for other off-airport aviation impacts such as aerospace manufacturing and travel agencies, were determined using similar methods.



The University of North Dakota's John D. Odegard School of Aerospace Sciences has more than 1,800 students enrolled and employs more than 230 flight instructors and 120 faculty. The school is an \$83 million facility spanning 400,000 square feet.

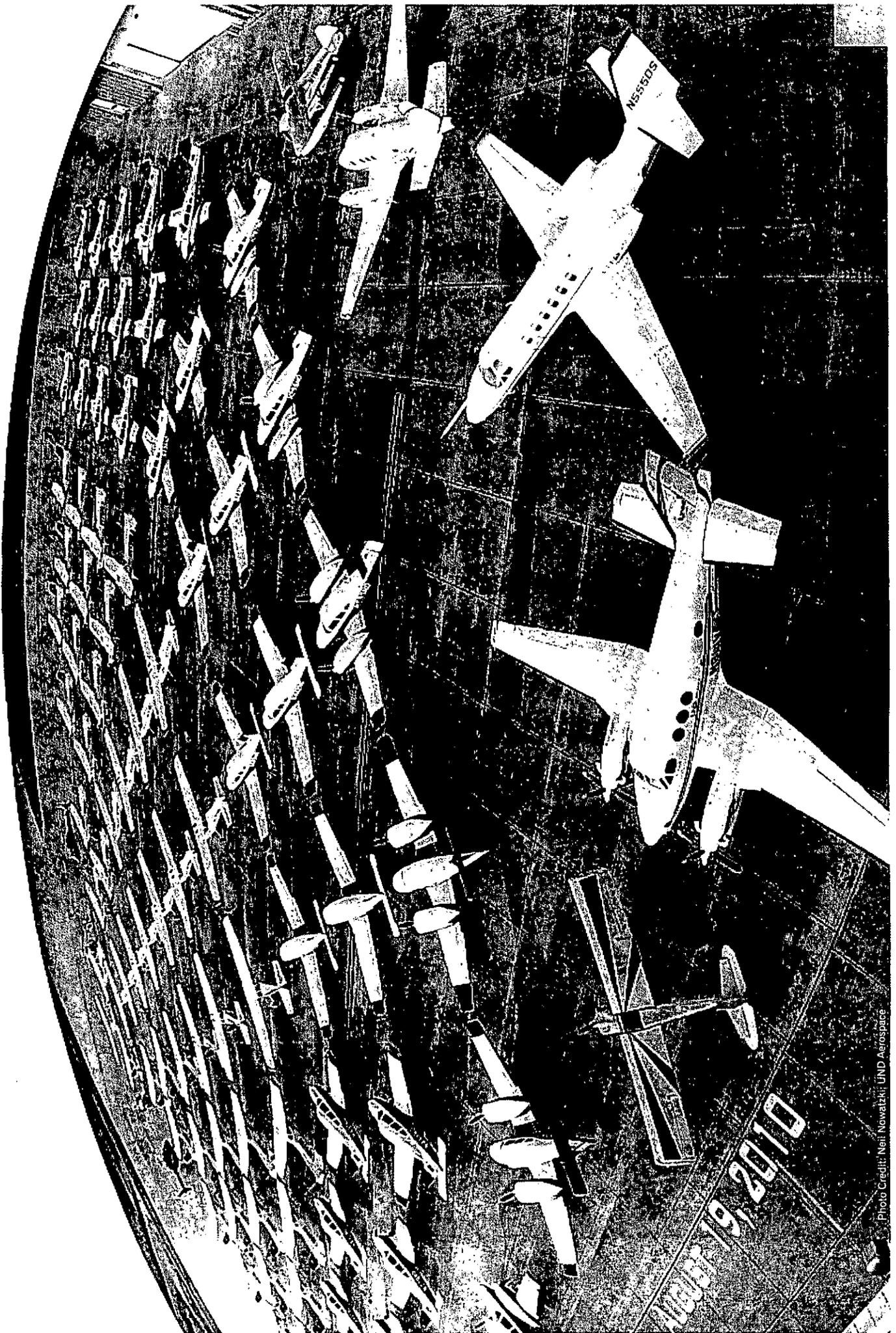
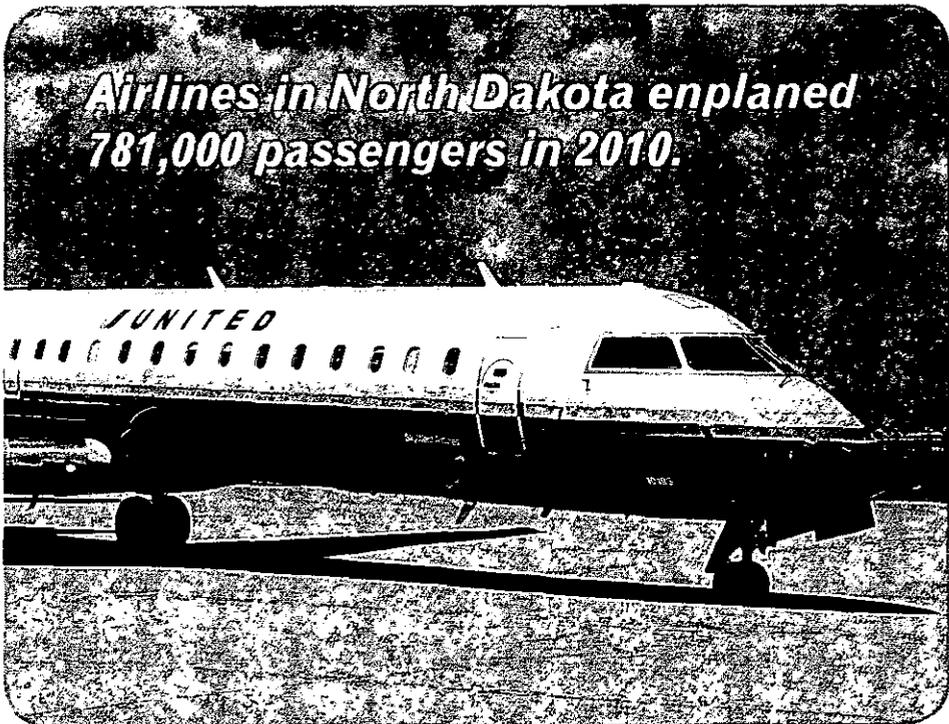


Photo Credit: Neil Nowatzki; JND Aerospace

SUMMARY OF TOTAL IMPACTS BY AIRPORT

COMMERCIAL SERVICE AIRPORTS

Associated City	Airport Name	Total* Employment	Total* Payroll	Total* Output
Bismarck	Bismarck	1,572	\$58,286,900	\$161,326,100
Devils Lake	Devils Lake Regional	118	\$3,628,100	\$10,838,200
Dickinson	Dickinson-Theodore Roosevelt Regional	137	\$4,187,400	\$12,957,800
Fargo	Hector International	4,001	\$170,003,100	\$425,131,500
Grand Forks	Grand Forks International	1,888	\$68,870,800	\$207,265,400
Jamestown	Jamestown Regional	152	\$4,449,300	\$15,064,900
Minot	Minot International	380	\$13,920,100	\$48,535,700
Williston	Sioulin Field International	726	\$19,628,000	\$56,364,300
Commercial Service Airports Total		8,974	\$342,973,700	\$937,483,900



GENERAL AVIATION AIRPORTS

Associated City	Airport Name	Total* Employment	Total* Payroll	Total* Output
Arthur	Arthur	Less than 1	\$5,200	\$27,100
Ashley	Ashley Municipal	10	\$272,300	\$1,168,400
Beach	Beach	1	\$43,600	\$122,500
Beulah	Beulah	32	\$981,300	\$4,544,000
Bottineau	Bottineau Municipal	13	\$366,100	\$2,193,600
Bowbells	Bowbells Municipal	Less than 1	\$5,200	\$27,000
Bowman	Bowman Municipal	16	\$261,000	\$1,027,500
Cando	Cando Municipal	6	\$145,900	\$858,500
Carrington	Carrington Municipal	11	\$281,500	\$1,746,900
Casselton	Casselton Robert Miller Regional	47	\$1,337,300	\$6,457,600
Cavalier	Cavalier Municipal	16	\$398,800	\$3,306,700
Columbus	Columbus Municipal	Less than 1	\$5,400	\$27,400
Cooperstown	Cooperstown Municipal	6	\$158,000	\$811,400
Crosby	Crosby Municipal	12	\$369,700	\$2,379,700
Drayton	Drayton Municipal	7	\$194,400	\$1,189,300
Edgeley	Edgeley Municipal	6	\$136,300	\$775,200
Elgin	Elgin Municipal	Less than 1	\$5,300	\$27,200
Ellendale	Ellendale Municipal	3	\$83,800	\$246,300
Enderlin	Sky Haven	2	\$73,000	\$271,900
Fessenden	Fessenden Municipal	14	\$414,600	\$2,784,700
Fort Yates	Standing Rock	10	\$290,700	\$1,099,500
Gackle	Gackle Municipal	Less than 1	\$5,200	\$27,000
Garrison	Garrison Municipal	6	\$235,900	\$1,114,400
Garrison Dam	Garrison Dam Recreational Airpark	1	\$2,000	\$3,900
Glen Ullin	Glen Ullin Regional	Less than 1	\$23,800	\$88,200
Grafton	Hutson Field	36	\$997,000	\$3,740,900
Gwinner	Gwinner-Roger Melroe Field	19	\$289,000	\$970,000
Harvey	Harvey Municipal	26	\$797,600	\$5,202,200
Hazleton	Hazleton Municipal	12	\$342,500	\$2,283,000
Hazen	Mercer County Regional	8	\$150,200	\$807,000

GENERAL AVIATION AIRPORTS

Associated City	Airport Name	Total* Employment	Total* Payroll	Total* Output
Hettinger	Hettinger Municipal	21	\$597,800	\$2,258,300
Hillsboro	Hillsboro Municipal	30	\$713,900	\$4,001,900
Intl. Peace Garden	International Peace Garden	2	\$27,300	\$88,900
Kenmare	Kenmare Municipal	7	\$191,700	\$1,032,000
Killdeer	Weydahl Field	Less than 1	\$6,200	\$30,700
Kindred	Hamry Field	35	\$1,208,700	\$4,370,800
Kulm	Kulm Municipal	Less than 1	\$7,800	\$36,600
Lakota	Lakota Municipal	4	\$105,900	\$402,000
LaMoure	LaMoure Rott Municipal	11	\$354,200	\$2,174,500
Langdon	Robertson Field	14	\$404,700	\$2,642,600
Larimore	Larimore Municipal	26	\$783,700	\$5,140,500
Leeds	Leeds Municipal	Less than 1	\$5,600	\$28,500
Lidgerwood	Lidgerwood Municipal	Less than 1	\$2,400	\$9,500
Linton	Linton Municipal	8	\$229,600	\$1,286,100
Lisbon	Lisbon Municipal	12	\$396,200	\$2,018,300
Maddock	Maddock Municipal	11	\$367,700	\$2,038,500
Mandan	Mandan Municipal	31	\$1,003,600	\$4,390,900
Mayville	Mayville Municipal	16	\$429,600	\$1,749,000
McClusky	McClusky Municipal	1	\$15,600	\$16,200
McVie	McVie Municipal	Less than 1	\$1,700	\$7,900
Milnor	Milnor Municipal	Less than 1	\$6,500	\$32,000
Minto	Minto Municipal	Less than 1	\$8,000	\$34,200
Mohall	Mohall Municipal	22	\$665,200	\$3,849,800
Mott	Mott Municipal	17	\$432,800	\$1,373,400
Napoleon	Napoleon Municipal	6	\$177,100	\$872,900
New Rockford	Tomlinson Field	8	\$233,100	\$1,561,900
New Town	New Town Municipal	1	\$41,400	\$217,600
Northwood	Northwood Municipal-Vince Field	7	\$193,800	\$1,045,000
Oakes	Oakes Municipal	7	\$201,600	\$1,348,600
Page	Page Regional	17	\$501,100	\$4,141,000

GENERAL AVIATION AIRPORTS

Associated City	Airport Name	Total* Employment	Total* Payroll	Total* Output
Park River	Park River-W C Skjerven Field	24	\$681,500	\$1,978,000
Parshall	Parshall-Hankins	4	\$97,600	\$475,100
Pembina	Pembina Municipal	6	\$161,700	\$596,600
Plaza	Trulson Field	Less than 1	\$5,400	\$27,400
Richardton	Richardton	0	\$0	\$3,400
Rolette	Rolette	Less than 1	\$4,100	\$13,600
Rolla	Rolla Municipal	16	\$620,200	\$2,515,800
Rugby	Rugby Municipal	16	\$351,400	\$2,846,600
St. Thomas	St. Thomas Municipal	6	\$171,700	\$1,096,600
Stanley	Stanley Municipal	5	\$133,900	\$714,300
Tioga	Tioga Municipal	17	\$463,300	\$1,923,400
Towner	Towner Municipal	3	\$113,500	\$760,500
Turtle Lake	Turtle Lake Municipal	Less than 1	\$2,600	\$8,800
Valley City	Barnes County Municipal	31	\$636,700	\$4,274,000
Wahpeton	Harry Stern	94	\$2,615,700	\$11,585,200
Walhalla	Walhalla Municipal	13	\$298,500	\$3,709,400
Washburn	Washburn Municipal	6	\$145,200	\$655,600
Watford City	Watford City Municipal	21	\$511,600	\$3,003,600
West Fargo	West Fargo Municipal	24	\$457,600	\$2,004,100
Westhope	Westhope Municipal	Less than 1	\$2,200	\$8,500
Wishek	Wishek Municipal	Less than 1	\$11,800	\$43,000
General Aviation Airports Total		920	\$25,473,300	\$131,772,600

ALL AIRPORTS TOTAL

Total Employment	9,894
Total Payroll	\$368,447,000
Total Output	\$1,069,256,500

* Includes all first-round and secondary impacts
 Note: Airports with less than 1 employee represent part-time work by 1 or more people.

MARKET SEGMENTATION

The economic impacts found at each of North Dakota's airports come from a variety of sectors in the aviation industry. For purposes of analysis, these segments were split into two major groups – on-airport impacts and off-airport impacts. The on-airport impacts are those benefits that can be tied to activity that takes place on airports in North Dakota, and match the total benefits assigned to the individual airports (summarized on previous pages). These total impacts include first-round and multiplier impacts. The off-airport impacts are benefits related to aviation activity that is not specific to a single North Dakota airport.

ON-AIRPORT IMPACTS

Aerial Applicators – North Dakota's farming industry benefits from the services provided by the state's aerial applicators located on system airports. Every year, aerial applicators spray crops in North Dakota with pesticides to thwart crop-damaging diseases, insects, and weeds. In 2010, an estimated 2.8 million acres of crops had some type of aerial application. This category also includes the economic benefits associated with cloud seeding operations, such as Weather Modification, Inc., that help to mitigate damage from hail and increase rainfall.

Total Jobs	Total Payroll	Total Output
552	\$24.5 million	\$142.5 million

Air Ambulance – In purely economic terms, the impacts from air ambulance services are relatively small when compared to other segments of the aviation industry in North Dakota; but the benefits provided by these medical and aviation professionals go well beyond the jobs and economic output generated. These services save lives and make medical facilities available to patients that otherwise would be unable to make use of them. Nearly 50 percent of hospitals in North Dakota use aircraft to transfer patients, and 30 percent provide helipads for helicopter use.

Total Jobs	Total Payroll	Total Output
57	\$2.5 million	\$10.4 million

Air Cargo – In today's global economy, the movement of raw materials, goods, and finished products is a critical component of a region's economy. Air cargo provides a vital link in this logistics chain. For example, businesses use air cargo to ship highly perishable consumer goods to outlying markets and factories rely on air cargo to rapidly bring in replacement parts needed to keep production lines operating. FedEx and UPS are the primary air cargo operators in North Dakota. They supplement their operations through third party contractors, such as Corporate Air and Integrated Airline Services, both of which operate out of Grand Forks International.

Total Jobs	Total Payroll	Total Output
339	\$13.3 million	\$52.9 million

Aircraft Maintenance – Aircraft are magnificently engineered machines and need unique care and maintenance. Aircraft maintenance shops located at airports throughout North Dakota provide a variety of powerplant and airframe services. This category also includes other businesses related to the upkeep of aircraft, including operations that sell, maintain, and repair aircraft and avionics, and aircraft parts suppliers. Aircraft dealers are also included in this category.

Total Jobs	Total Payroll	Total Output
144	\$5.4 million	\$19.4 million



Airlines – To the general public, commercial airlines are aviation. In 2010, approximately 781,000 airline passengers flew from airports in North Dakota. In addition to providing North Dakota's citizens access to the national air transportation system through eight airports with scheduled service, these airlines also move air cargo. This category also includes impacts from those companies that provide dedicated airline services, such as airline catering or ground handling businesses.

Total Jobs	Total Payroll	Total Output
429	\$19.8 million	\$60.3 million

Airport Management – Whether it is a major international airport or a quiet grass strip, there is someone running the facility. This category captures the impacts of those dedicated staff, from the grass mowing and runway marking upkeep at smaller airports, to the accounting and contracting for the service providers that maintain the larger airports. Impacts from airport capital improvement projects are also included in this category and typically account for a large portion of the impacts.

Total Jobs	Total Payroll	Total Output
803	\$25.7 million	\$90.8 million

Concessions – This category encompasses all of the amenities found at North Dakota's airports. The airport restaurant, the gift shop, and the news stand, as well as the airport parking service and rental car companies all fall under this category.

Total Jobs	Total Payroll	Total Output
228	\$7.7 million	\$47.0 million



Corporate Flight Departments – Businesses that have a need for the advantages that general aviation provides over commercial air travel can either obtain these services by chartering an aircraft or establishing their own flight department, depending upon the frequency and flexibility of their travel needs. Those companies that do maintain a corporate flight department can range from a small operation with a single piston-powered aircraft to a large department with several jet aircraft and a maintenance crew. In addition to private companies, the flight departments of government agencies, such as the North Dakota Highway Patrol, are also included in this category.

Total Jobs	Total Payroll	Total Output
160	\$7.4 million	\$24.5 million

FBOs – Fixed Base Operators provide the fuel and other aviation services used by pilots and their aircraft at airports. These operations often serve as the community's "air gateway" and can provide the first impression of the airport and community to visitors arriving by aircraft. At the smaller airports, it is not unusual to have the FBO run the entire airport, making them responsible for the day-to-day management of the airport, providing services such as equipment and building maintenance, snow removal, and grounds upkeep. Also included in this category are charter operators and air taxi companies.

Total Jobs	Total Payroll	Total Output
673	\$20.8 million	\$109.3 million

ON-AIRPORT IMPACTS CONTINUED

Total On-Airport Impact

Total Jobs – 9,894

Total Payroll – \$368.4 million

Total Output – \$1.1 billion

Flight Instruction – Flight schools are the entry point for future pilots, so they are essential for ensuring the growth of the aviation industry. Most flight schools are smaller businesses, often with part-time instructors providing lessons on the weekend or evenings. The clear exception is the University of North Dakota's John D. Odegard School of Aerospace Sciences. The school offers four-year programs of study in air traffic control, aviation management, commercial aviation, and unmanned aerial systems. With a large aircraft fleet based at Grand Forks International, flight instruction is a major part of the curriculum, making UND's John D. Odegard School of Aerospace Sciences the major contributor in the flight instruction category.

Total Jobs	Total Payroll	Total Output
711	\$22.2 million	\$77.5 million

Government – Aviation is a highly regulated industry, so it is no surprise that numerous government organizations are found on airports. This category encompasses all of these government bodies, from local to state to federal. All FAA units, including air traffic control, are part of this category, along with Customs, Border Patrol and TSA. Any firefighting services that are not an inherent part of the airport management structure are part of this category. Certain private companies are also included, such as private air traffic control services and private security firms, since they provide required government services.

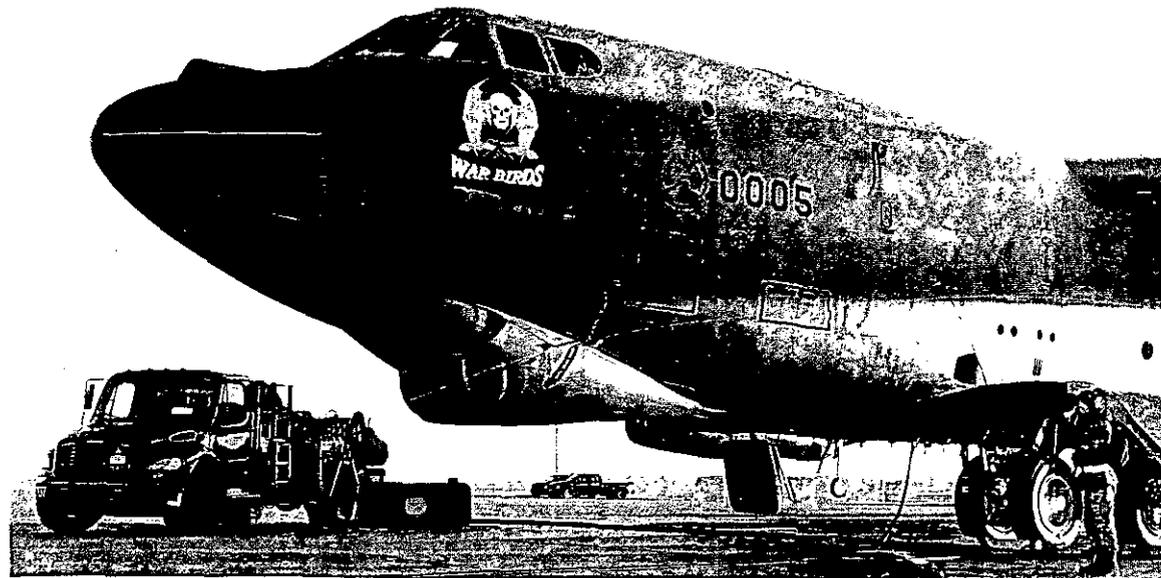
Total Jobs	Total Payroll	Total Output
859	\$48.5 million	\$84.5 million

Military – Beyond commercial airlines and general aviation, another major user of airports is the U.S. military. This study included the impacts from military units based at civilian airports, but not military airports (such as Minot Air Force Base). North Dakota has three aviation-related National Guard units based at civilian airports. These units are based at the airports in Bismarck, Fargo, and Minot. By far the largest is the North Dakota Air National Guard unit at Fargo, with more than 350 airmen and officers on full-time duty, and another 730 meeting part-time obligations.

Total Jobs	Total Payroll	Total Output
1,627	\$86.7 million	\$145.5 million

Visitors – Both commercial airlines and general aviation bring thousands of visitors to North Dakota every year. These visitors spend money on food, beverages, lodging, rental cars, entertainment, and recreational products and services. These expenditures support thousands of jobs and millions in payroll.

Total Jobs	Total Payroll	Total Output
3,312	\$83.9 million	\$204.7 million



OFF-AIRPORT IMPACTS



Total Off-Airport Impact

Total Jobs – 5,688

Total Payroll – \$223.6 million

Total Output – \$560.2 million

In addition to the benefits provided by activity taking place at public airports, aviation contributes significantly to the North Dakota economy through a number of off-airport activities that cannot be tied to one airport.

Aerial Applicators – Most aerial applicators operate from public airports, but a significant number conduct operations from private airfields that are not part of the state system. Like their on-airport counterparts, these aerial applicators provide rapid and timely pesticide applications to crops, resulting in enhanced yields.

Total Jobs	Total Payroll	Total Output
65	\$2.4 million	\$19.3 million

Travel Agencies – Travel agencies depend heavily upon airline bookings for their business. These companies range from small home-based businesses to large corporations with dedicated call centers employing hundreds of agents. Two of the largest travel agent centers are Upstream in Fargo and MLT Vacations in Minot.

Total Jobs	Total Payroll	Total Output
1,189	\$34.2 million	\$54.3 million

Aerospace Manufacturing – The largest aviation impacts that take place off-airport involve aircraft manufacturing and parts. Companies such as Cirrus Design and Goodrich Cargo Systems operate large facilities in North Dakota with hundreds of employees. North Dakota is also home to a rapidly growing unmanned aerial system (UAS) industry. The impacts of research and development of UAS at places like the UND Center for UAS Research, Education, and Training, and are included in this category.

Total Jobs	Total Payroll	Total Output
4,434	\$187.1 million	\$486.6 million

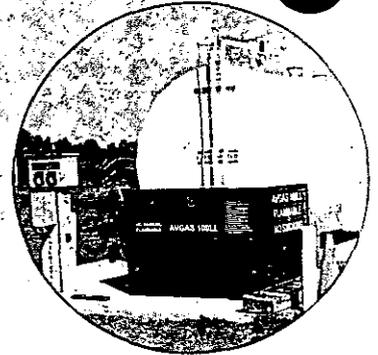


TAX IMPACTS

Aviation contributes to local and state tax revenues through a variety of means. In general, sales generated from aviation, whether it is an aeronautical chart to a local pilot, or a bracelet purchased by a visitor that flew in from out of state, are subject to a 5 percent state sales tax. Some municipalities have imposed an additional sales tax on top of the state sales tax. Also, some locales impose additional taxes on lodging, restaurants, and rental vehicles.

Aviation fuel taxes are used to support the operations of the North Dakota Aeronautics Commission. Aviation fuel (both jet fuel and aviation gasoline) is subject to an 8 cents per gallon tax. Certain organizations are exempt from this per gallon tax, but are then subject to a 4 percent excise tax on the sale of the fuel. Aviation fuel taxes provide approximately \$1.2 million of NDAC's budget, which funds airport development.

Sales taxes paid by aviation businesses, their employees, and aviation visitors, were estimated at \$28.9 million in North Dakota. Without aviation, North Dakota and numerous municipalities in the state would face severe revenue shortfalls.

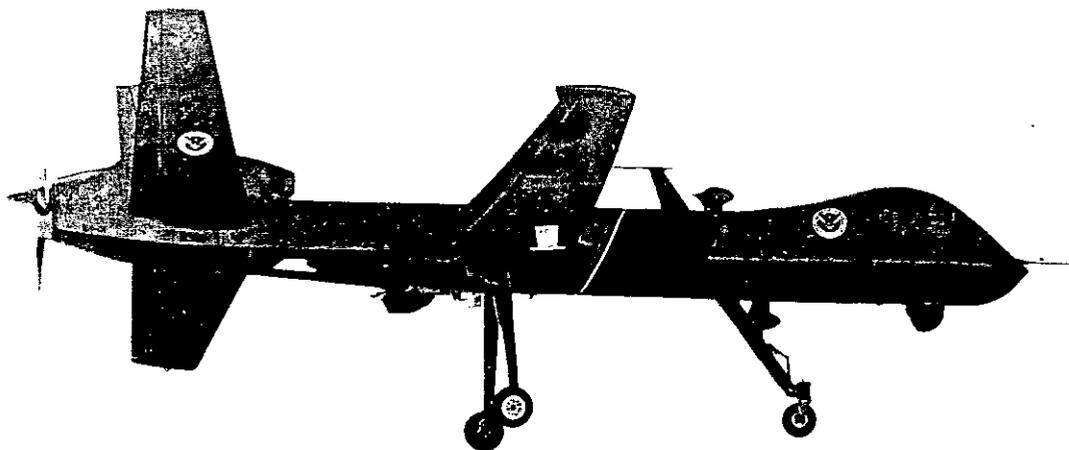


UNMANNED AERIAL SYSTEMS IMPACTS

Over the past decade, North Dakota has emerged as a burgeoning center for unmanned aerial systems (UAS) research, development, and operation. In the Grand Forks area, UAS development has been spurred on by the Grand Forks Air Force Base and the University of North Dakota's John D. Odegard School of Aerospace Sciences. The base supports operations by MQ-1 Predator UAVs, conducted by the 178th Reconnaissance Squadron of the North Dakota Air National Guard and U.S. Customs and Border Protection. The School of Aerospace Sciences, with its long history of aviation education, was designated in 2006 by the Department of Defense as a Center of Excellence for UAS Education. The school works closely with major UAS developers to improve the use of UAS. Lockheed Martin provides the school with access to an unmanned aerial vehicle as part of a \$1 million in-kind support for UAS studies.

The Red River Research Corridor, located in the Red River Valley region of North Dakota and Minnesota, was established in 2002. It aims to increase the economic competitiveness of the region through innovations in science and technology, including research in the area of UAS. Since 2002, the number of jobs in the UAS and related fields has grown considerably. The Red River Research Corridor has helped foster the growth of UAS companies, as well as bring to the region major producers of UAVs.

The total impact from these UAS businesses is estimated at approximately \$27.1 million. The UAS industry supports 231 jobs with a total payroll of \$8.3 million.



NDAC COMMISSION

The North Dakota Aeronautics Commission consists of five members appointed by the governor for five-year terms. It was formed in 1947 by an act of the North Dakota legislature. The Commission works to support all aeronautical activities, including the 89 public airports in the state, and grow aviation in the state through enhancement of the aviation system.



Commissioners:

Front row: Maurice Cook, Member, Bismarck;
Jay Lindquist, Vice Chairman, Hettinger.

Back row: Dianne Herr, Member, Turtle Lake; Robert Miller,
Chairman, Casselton; Cindy Schreiber-Beck, Secretary, Wahpeton.

NORTH DAKOTA AVIATION FACTS

- *Enplaned 781,000 airline passengers*
- *2,377 registered aircraft*
- *Aerial applicators sprayed 3 million acres of crops*
- *General aviation aircraft conducted 673,000 operations*
- *Approximately 50 North Dakota hospitals operate helipads*

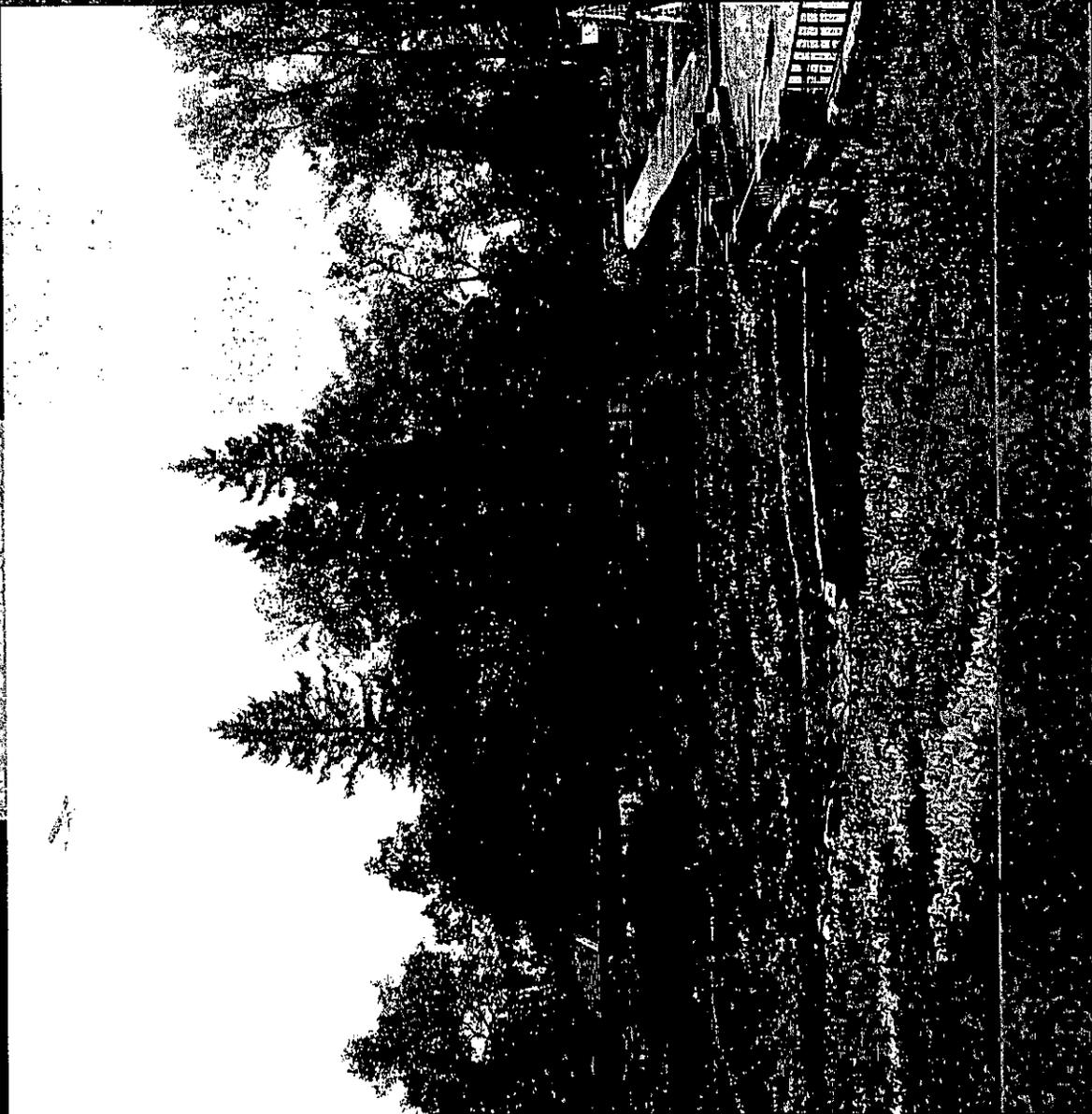


North Dakota Aeronautics Commission
P.O. Box 5020
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701-328-9650
ndaero@nd.gov
www.nd.gov/ndaero/

prepared in 2010 by:

WilburSmith
ASSOCIATES

**Kadmas
Lee &
Jackson**
Engineers Surveyors
Planners



WILBUR SMITH ASSOCIATES

Replacing two (or more) existing state aircraft with one reliable one

Present aircraft is 30 years old. Landing gear that failed to extend 5 times. The rear cowl flaps have cracks that keep appearing after being fixed. Attitude gyro and directional gyro's keep failing.

The crash caused by wing failure on a Cessna 337 is leading to costly inspections of the fleet.

Airport Access- 25 of our 89 airports are not accessible with the King Air or Cheyenne, and the Skymaster is not capable of landing at all of them due to the short field length or rough surface. Cannot operate in all weather conditions.

9 other states have become Caravan operators, and none are getting rid of them!

Emergency Response-In the case of flood, tornado, train wreck, or other emergency.

Maintenance-The simplicity of the systems make it rugged and dependable, reducing maintenance costs.

A person today would be able to sell their 10-year-old Caravan for about the same price that they paid for it.

No general fund money involved. It can be paid for with existing Aeronautics Special Funds, collected by aviation activity and designated for aviation.

Attorney General's office may be interested in partnering with Aeronautics and trading in their aging aircraft.

Budget requests \$281,000 to maintain our old plane. Can lease a new Caravan for \$200,000 per year, and the state would own it in 15 years.

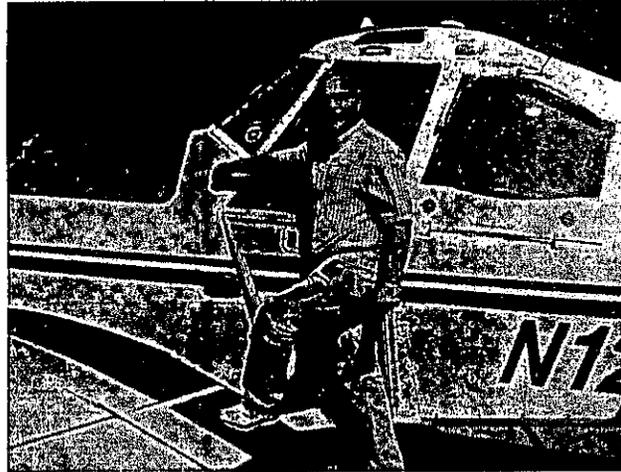


HB 1006
Budget No. 412
March 2, 2011

Larry Taborsky, Director

Mr chairman, committee members, thank you for giving me the time to talk about the aeronautics commission today.

I Love to Fly!



I have a great job, working with aviation people, who are positive and pro-active people. It feels good knowing that what we do provides a service to everyone in the state. Most of our budget is derived from aviation activities, goes into our special fund, and is going to go right back into aviation to do more good.

Financial Audit Findings

- **Finding 09-1:** Fraud Risk Assessment activities

Office Action:

-updated computer system



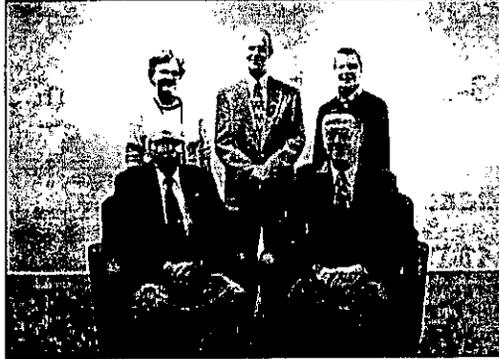
I was directed to start with the audit findings.

The Aeronautics Commission received one finding, stating that we need a system to identify control weaknesses and fraud activities.

In the coming months, the office will be installing a new computer program, which tracks all areas of our income and provides additional fraud controls.

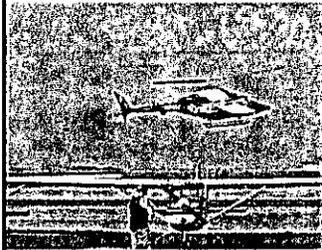
Now an short review of the North Dakota Aeronautics Commission...

Aeronautics Commission Board



Robert J. Miller, Casselton – Chairman
Jay B. Lindquist, Hettinger – Vice Chairman
Cindy K. Schreiber-Beck, Wahpeton – Secretary
Dianne L. Herr, Turtle Lake – Member
Maurice E. Cook, Bismarck – Member

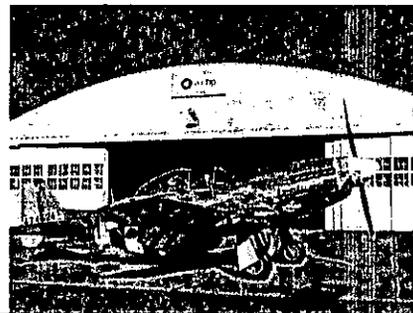
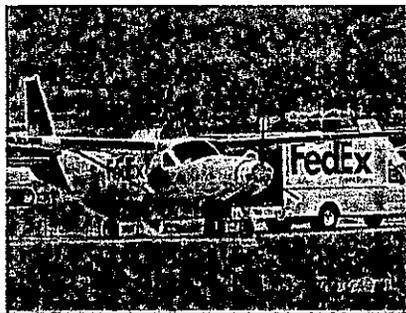
It was established in 1947 by the State Legislature, assigning responsibility for the state aviation functions. The Governor appoints the five members of the Aeronautics Commission to the board for 5-year terms, they provide guidance on policy.



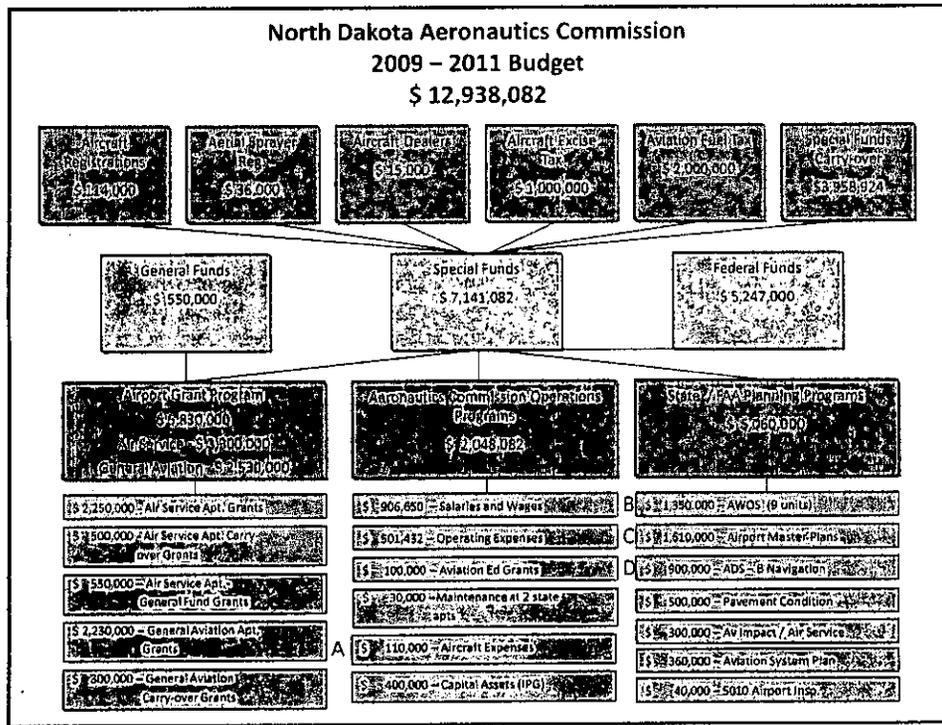
Agency Vision



- **To encourage an unencumbered business climate and foster a positive evolution of the industry.**



We are tasked to support all of aviation in the state. It is a challenge to balance all those different needs at times, and I'll be discussing the priorities shortly.



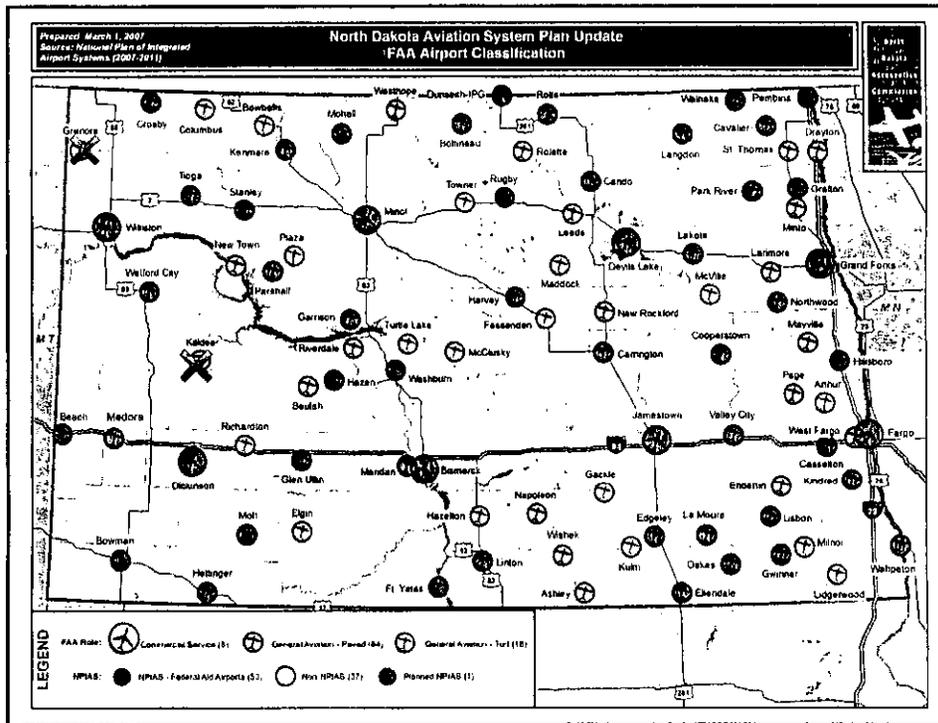
This is our present budget. Actual spending varied from the planned expenditures on the following:

The aircraft expenses (A) were above \$100,000, not including the \$110,000 engine replacement. I'd like to discuss this in more detail at the end.

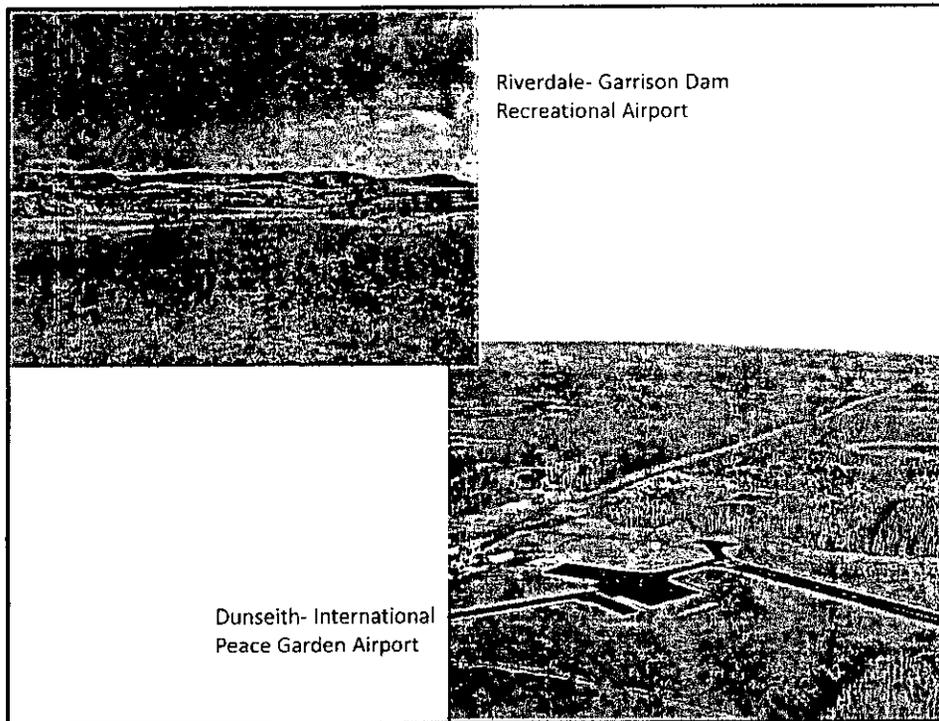
AWOS (automated weather observation system) (B) costs were lower due to production delays, technology and competition.

The requirements for airport master plans (C) are being revised by the FAA, and we anticipate producing the plans this biennium.

the ADS-B (autonomous dependent simultaneous- broadcast) program (D) for air traffic control is still being developed by the FAA. This is linked to the state's unmanned aircraft initiatives, and should come into play this biennium.



This map shows the 88 airports in the state, and the blue shaded circles are receive federal support. The rest are run by state and local funding. From a state perspective, the federal aviation system plan is a great deal. For every 5 cents we contribute locally to an airport improvement project as a state, the FAA contributes 95 cents. Our budget goes a long way. In addition, each federal airport receives \$150,000 per year from the FAA. One more important point: with the exception of the airline airports, most of the staffing at these airports is by volunteers. The system wouldn't run without them.



The Aeronautics Commission manages two airports

Garrison Dam Recreational Airport, non-federal

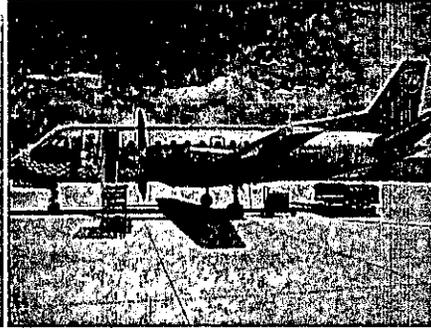
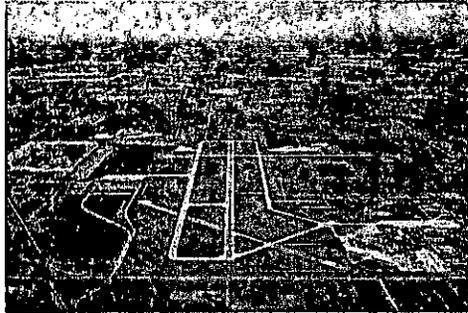
South of the dam, in the city of Riverdale, it supports fishing and other recreational activities. Considered a primitive airport dirt/gravel runway. Low maintenance and US Corp lease for 20 years. It is due for some seeding this spring to try and stabilize the mud and clay soil.

International Peace Garden Airport, federal

An official international border crossing airport for both Canada and USA since 1967-over 40 years.

It also supports the Peace Garden Park activities year around. We have an annual get-together with the Canadian Owners and Pilots Association each Labor Day, so come on up and help protect our border!

Eight Air Carrier Airports in North Dakota



Primary

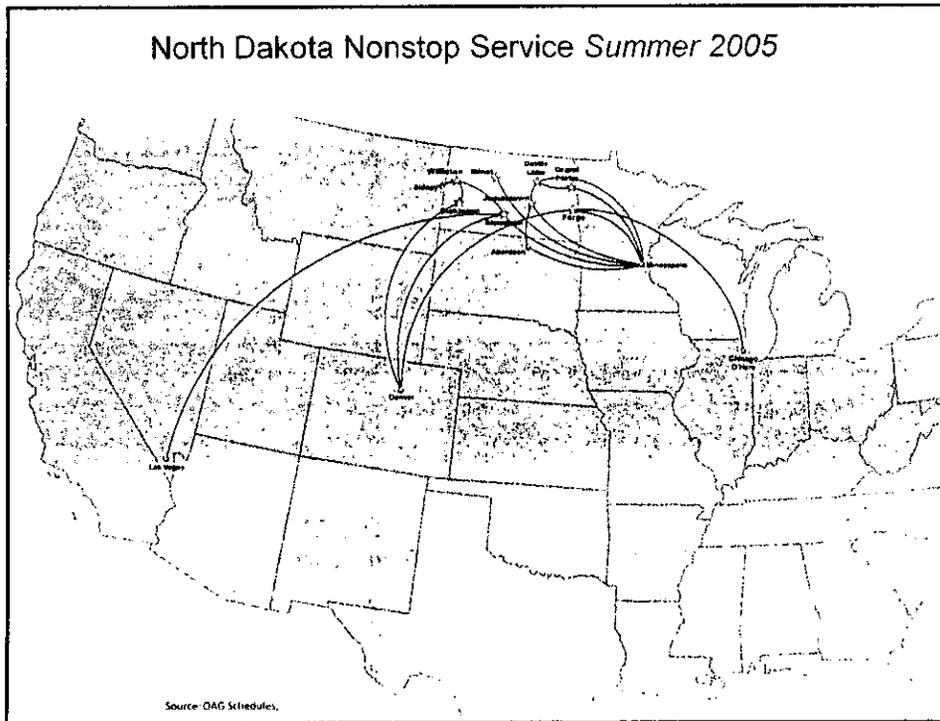
Fargo (FAR)
Grand Forks (GFK)
Minot (MOT)
Bismarck (BIS)

Regional

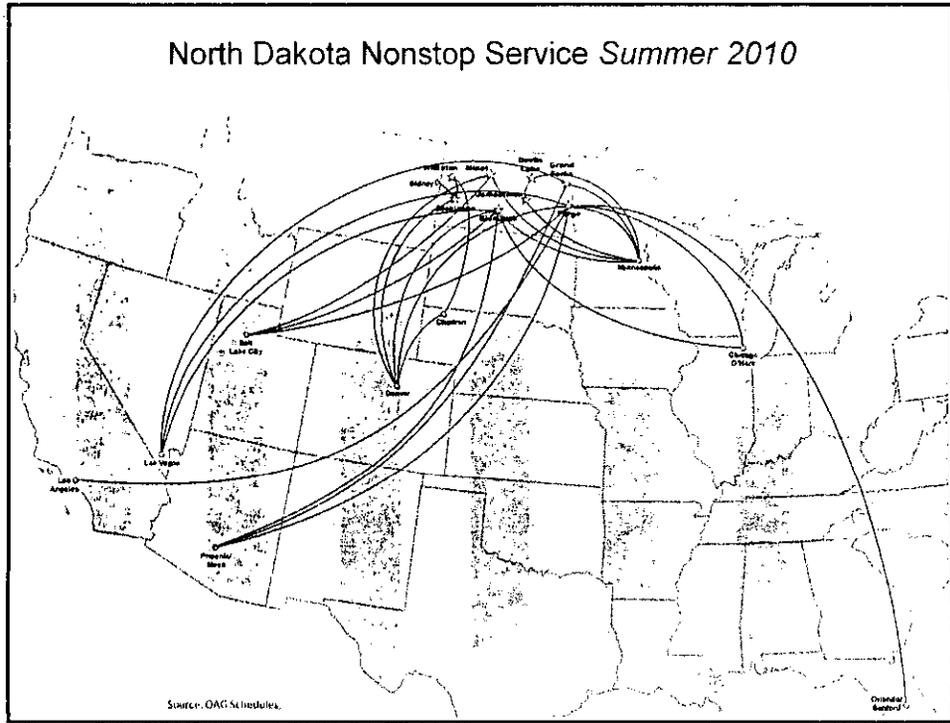
Devils Lake (DVL)
Jamestown (JMS)
Williston (ISN)
Dickinson (DIK)

While the smaller federal airports receive \$150,000 each, those air carrier airports which board at least 10,000 passengers per year receive \$1 million of FAA funds. In our state, those airports are FAR, GFK, MOT, BIS, ISN, (soon DIK)

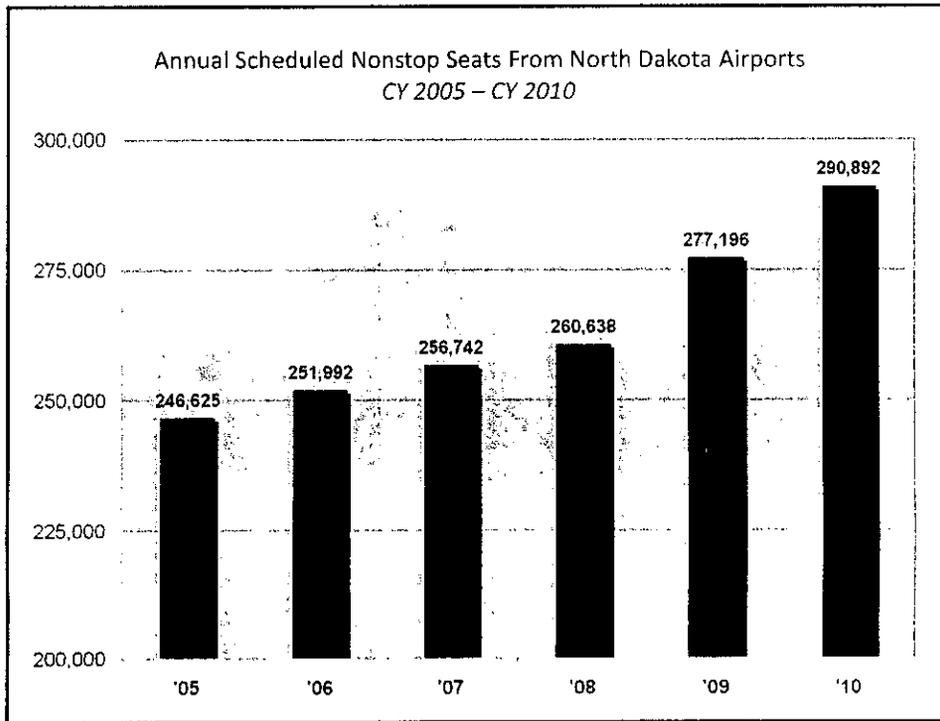
The Aeronautics Commission's proposed budget requests \$550,000 from the general fund, which is designated for the airports serving the airlines, using the premise that everyone in the state benefits from this service. It amounts to about 34 cents per passenger.



In a Short Five Year Period, North Dakota's Service Pattern has Grown from 44 Daily Departures to 19 Nonstop Destinations...

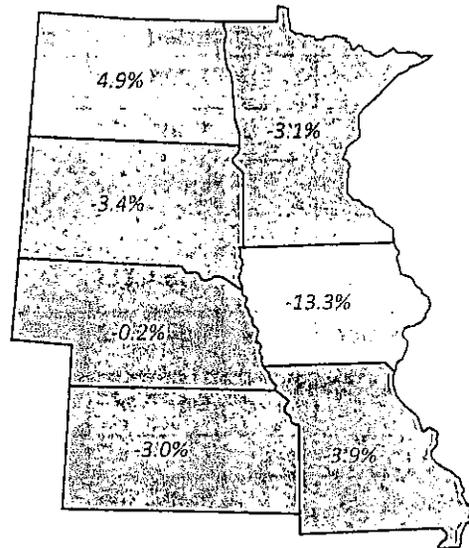


...To a Summer 2010 Level of 67 Daily Departures to 25 Nonstop Destinations – a Departure Increase of Over 50% From 2005



North Dakota Airports Have Experienced Consistent Capacity Growth, Increasing 18% Since 2005

Change in Annual Seat Departures
CY 2009 vs. CY 2010



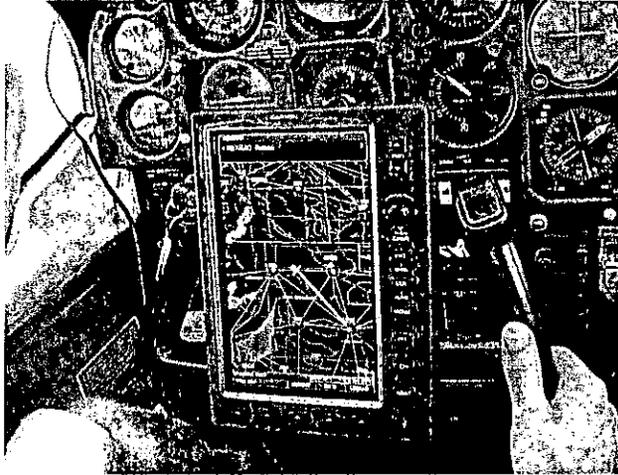
North Dakota is the Only State in the Central Region that Experienced Capacity Growth in 2010.
(The Industry Declined 0.2% during the Same Period)

**Aeronautics Commission Airport Grant Program
Last Biennium awarded \$5 million to 254 projects**

	Grants Amounts Awarded	No. of Projects
2009 – Air Carrier	\$ 1,393,281	49
2010 – Air Carrier	\$ 1,401,022	40
Total Air Carrier	\$ 2,794,303	89
2009 – General Aviation	\$ 1,164,225	78
2010 – General Aviation	\$ 1,046,912	87
Total General Aviation	\$ 2,211,137	165
Total Air Carrier & GA	\$ 5,005,440	254

Here is a summary of what was awarded to our airports in this budget cycle. This in spite of some challenging weather, and even more challenging Federal transportation budget authorizations, usually coming in 3-month increments of continuing resolutions.

What's new in North Dakota Aviation



The following slides are intended to show you a sampling of what's going on around the state that may be of interest to you. Aviation-wide, GPS technology is becoming commonplace in cockpits. It's amazing that now we can receive the weather from our airport weather sensors in the cockpit, as well as NEXRAD weather radar, winds at altitude, and airspace restrictions on a moving map display.

Airport Planner



Brad Fields

Mark Holzer

Much of our time involves making airports safe and efficient, and the Airport Planner does the lion's share of that work. We gave Mark Holzer a great retirement party after 30 years in that position, and we now work with him in his new role as FAA airports planner. Brad Fields was our new Airport Planner, and he benefitted from a year of working with Mark. His background includes flying for the airlines and commercial operations. He has now accepted the chief pilot position for the DOT, so we're back to hiring again.

Aviation Education Coordinator



Kelby Hovey

We need to make aviation fun again! Nation-wide, pilot training is decreasing. The average aviation professional is heading towards retirement age. To help reverse that trend, Kelby Hovey has been hired as our Aviation Education Coordinator. She is working with the North Dakota Aviation Council to ensure that aviation stays strong across our state. This job was previously filled by the Deputy Director, Roger Pfeiffer, and had been vacant since his retirement. Kelby has a lot of ideas and energy, and I hope that we can grow aviation across the state again.

Aviation Education Grant Funding



There are numerous programs to help develop our future aviators:

We work closely with the ND Aviation Council to make sure that general aviation prospers here.

We're working with the air museums in Minot and Fargo to help them to continue to grow.

Airports without an instructor can get travel allowances to bring one in.

There is a teacher kit to use aviation examples to teach their normal subjects.

We are develop future airport managers with our intern program.

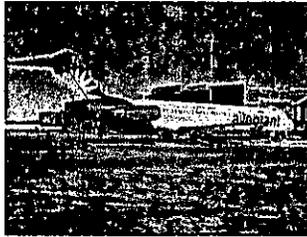
Real World Design Challenge- promotes STEM education in the high schools.

There is an Aviation Art Contest and a 5th graders aviation Career Day.

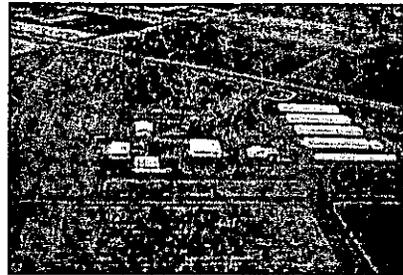
Economic Impact of Aviation in North Dakota is \$1.6 Billion

- Aviation jobs in North Dakota totaled 15,582
- Aviation manufacturing provides 4,434 direct jobs.
- Air travel tourism provides \$ 478 million impact.

Commercial airports in 8 communities provide \$937 million impact and 8,974 jobs.

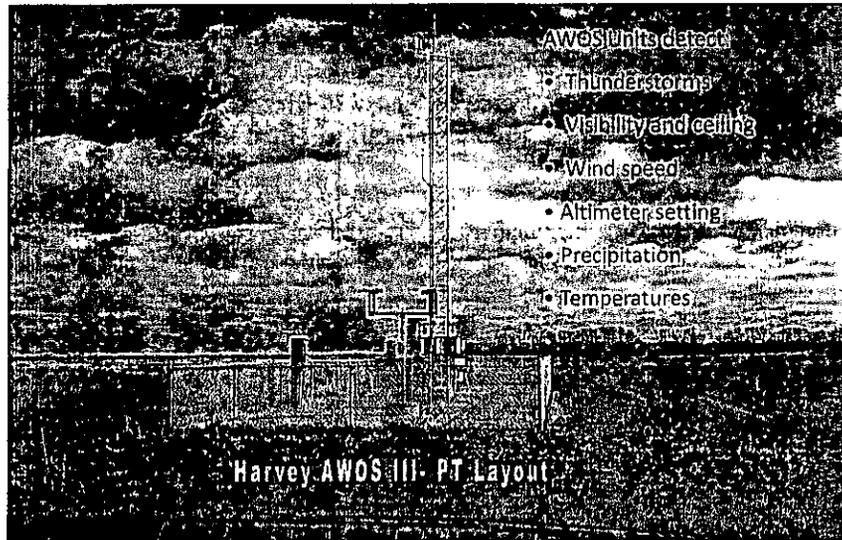


General aviation airports located in 80 communities provide \$131 million impact.



We're just finishing the state's aviation economic impact study, and things are looking good. While we're getting less newcomers to aviation, the established pilots are becoming more successful, buying larger and more capable equipment to support their businesses. Jobs and tourism are doing well in North Dakota.

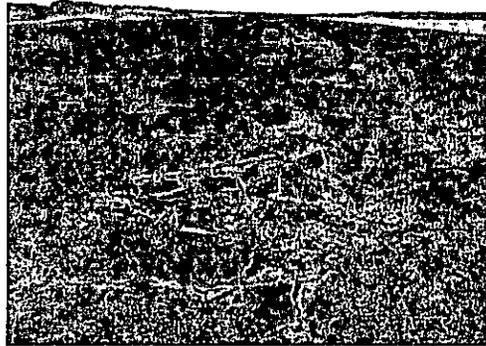
AUTOMATED WEATHER OBSERVATION SYSTEM (AWOS)



The state now has 32 AWOS reporting stations across the state, giving weather to pilots in most regions. We are completing the connections to the internet, so that a pilot can access the airports weather from anywhere. Air Ambulance flights are authorized to use the airport. Air taxi operators are allowed to fly instrument approaches there. And The local community access television can have the airport's weather. These improvements have made the airports that much more valuable.

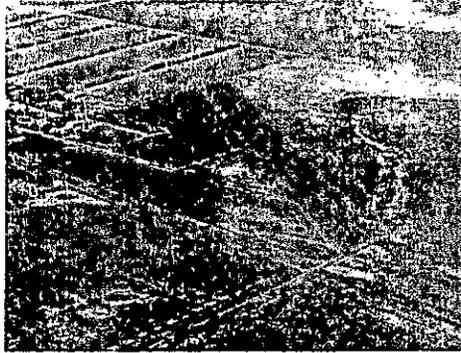
Changes in Airports

- Grenora- closed
- Kildeer- closed



A moment of silence for our departed airports. Grenora lost local interest and shut down. Kildeer has some enthusiastic supporters, but the pavement is too bad to continue using at this time. They are hoping for county support to bring the airport back on line.

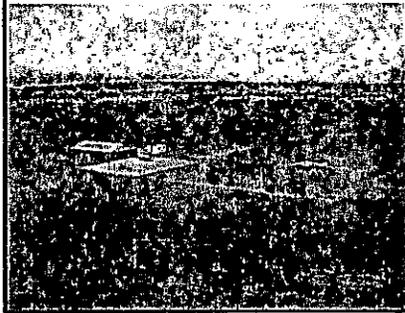
Kulm Airport



On a more positive note, Kulm found better property, sold their old strip, seeded the land, built a hangar, installed lights, and has a group of active pilots.

Possible New Airports

- Bowman- land acquisition
- Mayville- land acquisition
- New Town- under research



These three cities are looking to increase access to their communities with new runways. Bowman, a federal airport, and Mayville, which will hopefully soon be a federal airport, are in progress. New Town will require community participation to get the process started.

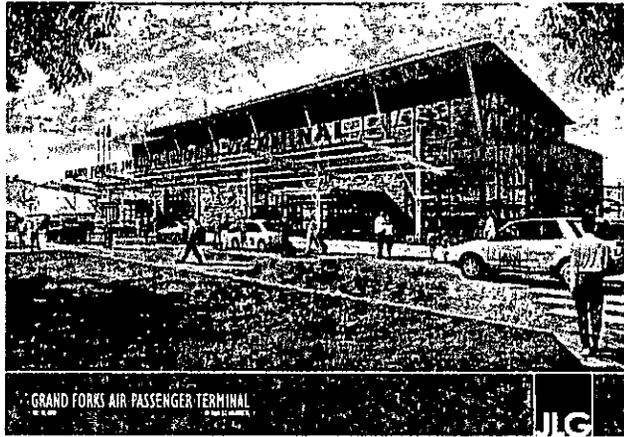
FLY NORTH DAKOTA			AIRPORTS!		
3H4 Hillsboro Trail City Museum Complex Terminal	JMS Jamestown Frontier First Class Aviation-FBO	7K5 Kenmare Danish Mill Terminal	2L1 Larimore Larimore Community Museum Post by FBO Terminal	D31 Leeds City Park Camping Post by East Hangar	4N4 Lidgerwood Lidgerwood Community Museum Post by Wind-Sock
9Y1 Killdeer Four Bears Scenic Byway Terminal	K74 Kindred Odegaard Aviation Military Restoration Post by Fuel Pumps			6L3 Lisbon Opera House Terminal	7G2 McClusky McClusky Canal Terminal
5L0 Lakota Tofthagen Library and Museum Terminal	4F9 LaMoure Troy Farmer Museum Post by Old Terminal			6D3 Maddock Summers Manufacturing Post South Side West Hangar	Y19 Mandan Ft. Abraham Lincoln Five Nations Terminal - Access Code 531

And just for fun, I'd like to show you the passport program, done in partnership with Tourism, the airport association, the mechanics association, and the pilots association.

The cover is shown centered, and behind that is a sample page where you can get a stamp at each airport you visit, earning prizes. This has generated a lot of enthusiasm to get out and see our state!

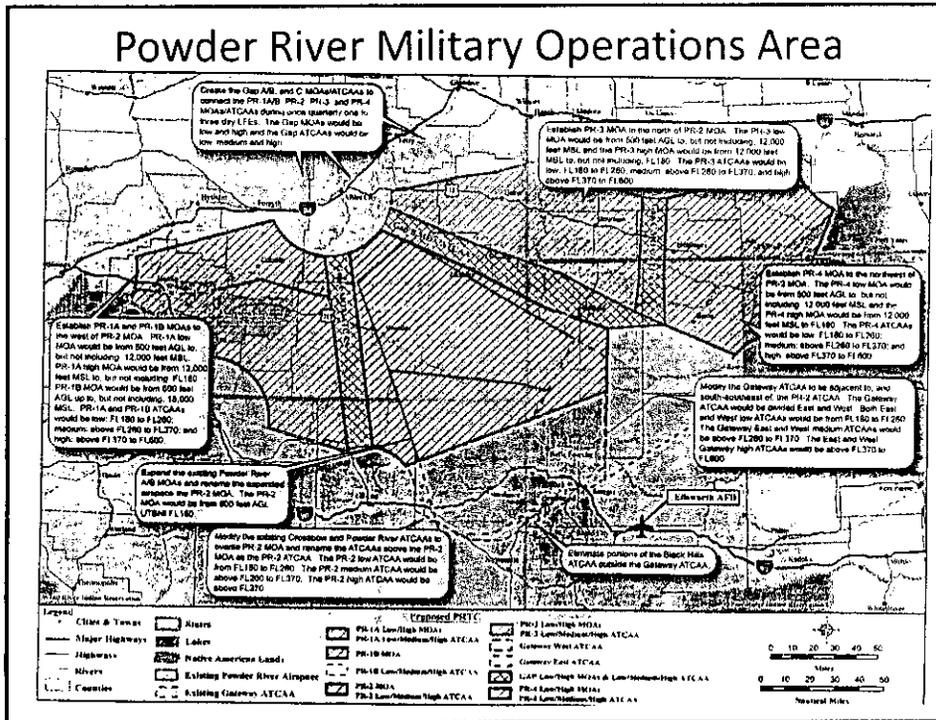
AIRLINE TERMINALS SCHEDULED TO BE COMPLETED

- JAMESTOWN
- DICKINSON
- GRAND FORKS



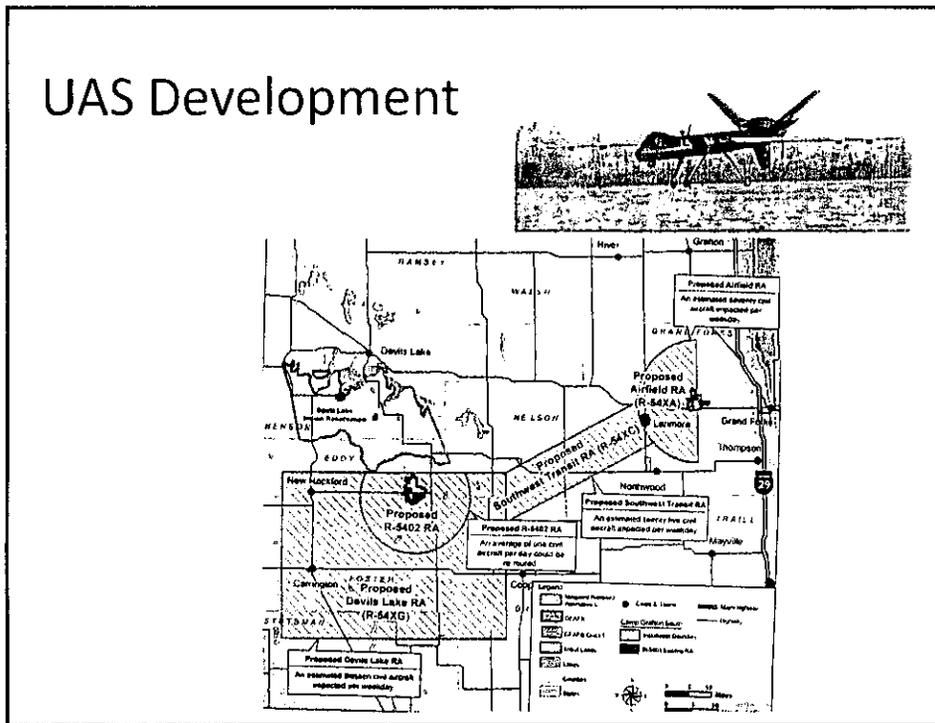
These projects will make all of our airline terminals updated to accommodate the TSA requirements, improved passenger facilities, and make a great first impression of our state to travelers.

Powder River Military Operations Area

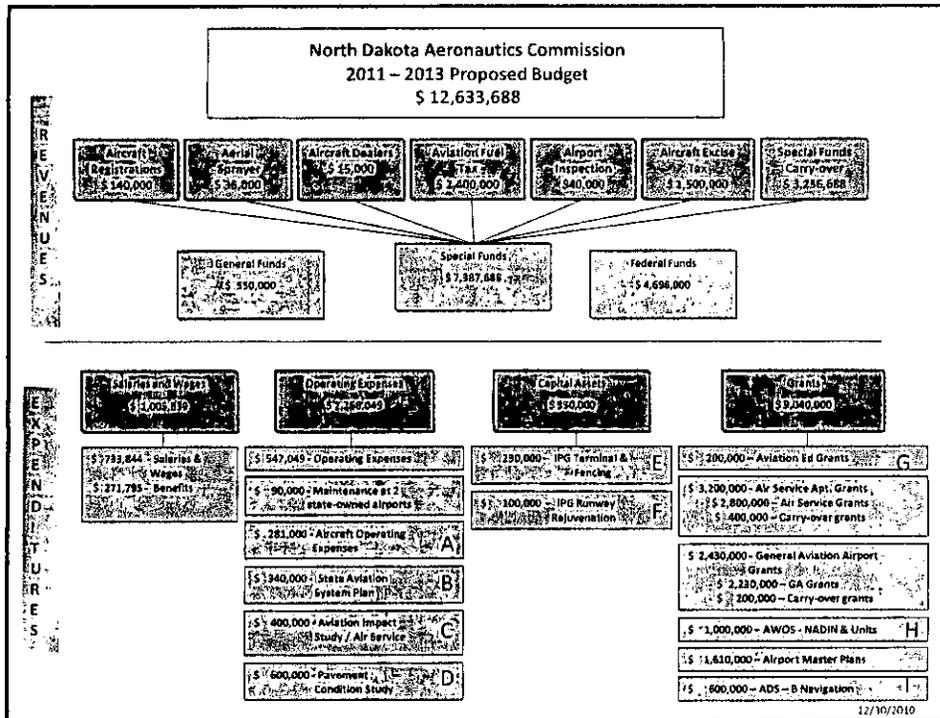


The Air Force is currently reviewing the inputs from a round of environmental hearings, proposing that military operations area be expanded, and allow flares, chaff, and supersonic operations. We will be working closely with the military and civil aviation to find a right fit for North Dakota.

UAS Development



Pictured here is the Air Force's proposed restricted area from Grand Forks to Devils Lake, allowing Unmanned Aerial Systems flights. As an alternative, the Aeronautics Commission is actively involved in the development of a procedure to allow UAS to fly with civil aircraft, rather than blocking the airspace from civil use.



This is the funding requested by the executive office to accomplish all of our plans for the next biennium.

Anticipated income increase: We're seeing slightly more income from registrations, plus larger aircraft purchases are bringing in slightly higher excise taxes. Increased airline activity helps increase income from fuel tax. The FAA pays the state \$650 for each airport safety inspection, bringing in between \$35-40,000 this biennium.

Operating expenses (A) have increased on our 32 year-old aircraft, primarily due to increases in maintenance costs. I'll address this topic further in the next slide.

The state Aviation System plan (B) is our road map for effectiveness. This documented needs provides justification for federal funding at our airports.

The Aviation impact study (C) highlights the benefits of each airport to their local communities. The air service study helps us to make informed decisions on airline service.

The pavement condition study (D) is done simultaneously state-wide, to allow an equal comparison of airports, helping to prioritize grant requests.

For Capital Assets:

-IPG Terminal and Fencing (E) - the International Peace Garden (F) may be due for wildlife fencing to keep deer off the runway. We are investigating small shelters for transient pilots to get out of bad weather while waiting for customs inspectors or transportation. The runway rejuvenation has been planned, because the past PCI was a 37 out of 100, considered poor.

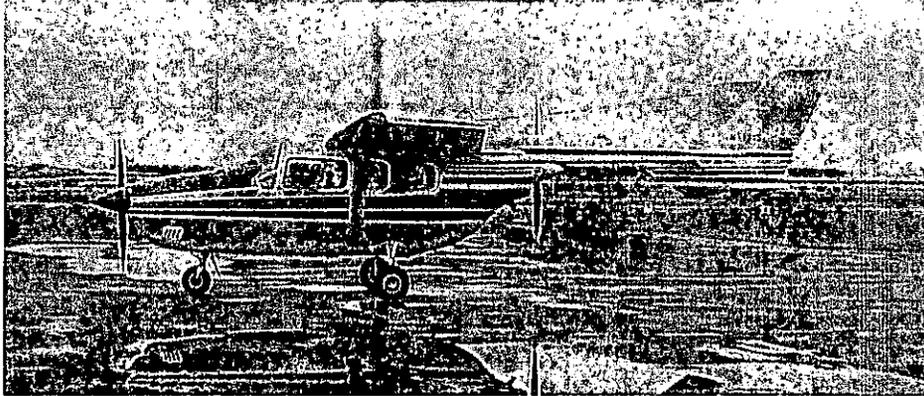
In the Grants section;

-Aviation education grants (G) have increased to reflect the increased emphasis on educating the public and bringing more technical skills to our youth.

-Both airport grant sections are similar to last time. We anticipate similar needs and similar FAA funding to last biennium.

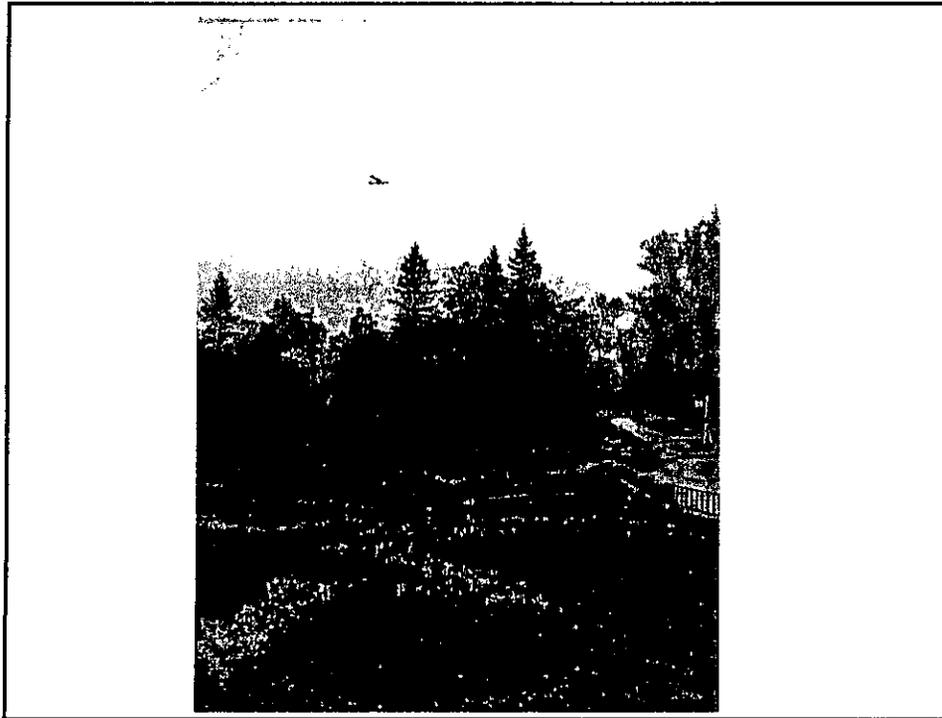
-AWOS (Automated Weather Observations System) (H) and ADS-B (Autonomous Dependent Surveillance Broadcast) (I) navigation are in anticipation of increased use of the airspace by the military to the southwest and the UAS activity in the northeast.

Aging Aircraft



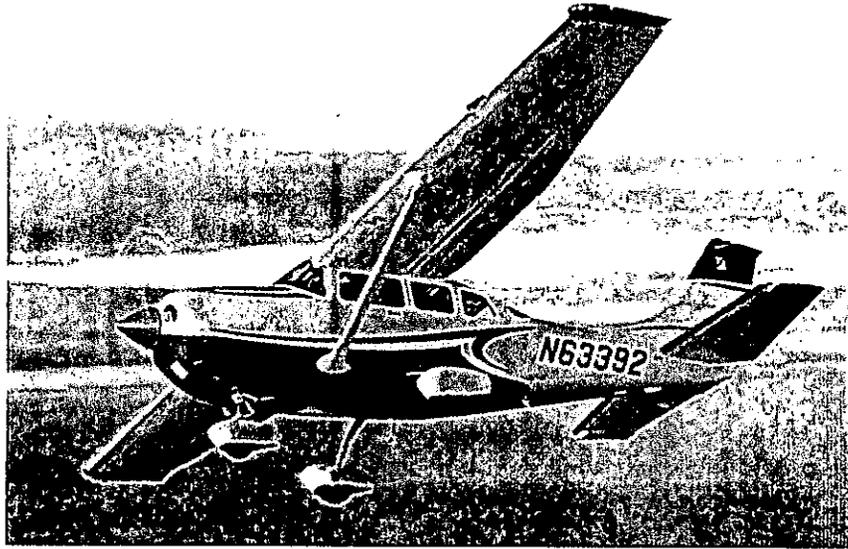
Our 31-year old Skymaster is incredibly valuable for our mission. We are required to inspect airports and monitor federal contracts, keep apprised of the safety aspects of our 88 airports, meet with the airport authorities, and promoting aviation for North Dakota. This plane allows the commission to meet its objectives.

Unfortunately, it is getting costly to maintain. Since last biennium, the landing gear has failed to come down for 5 pilots, there has been 24 electronics repairs, and the inflatable deice boots on the wings have deployed uncontrollably twice. The yearly cost of operation is about the same as the blue book value of the aircraft.



The North Dakota Aeronautics Commission has a solid reputation among other states. We have a small staff compared to others, but we make the most of our resources and involve the public as much as possible. Thank you for giving us the resources to make things happen in North Dakota aviation.

QUESTIONS?



That concludes my presentation. Thank you for listening, and for your service to the state this session.

Krebsbach, Karen K.

subcom 1006

From: Taborsky, Lawrence E.
Sent: Thursday, March 03, 2011 3:08 PM
To: Krebsbach, Karen K.; Grindberg, Tony S.; O'Connell, David P.
Cc: Hovey, Kelby J.; Kempenich, Keith A.; Trenbeath, Thomas L.
Subject: Aeronautics aircraft maintenance
Attachments: Skymaster Maintenance Tracking 2010.xlsx

Hello, Subcommittee members,
Attached is the tracking for approximately two years of maintenance and other expenses for the Aeronautics Commission's Cessna 337 Skymaster. Please note that the right column is the fuel bills as they came in, which hopefully gives you the overall picture of the expenses for that aircraft. For comparison, the costs per hour are:

for the present Skymaster is \$387 + \$73/hr for engine replacements over the life of the engine= \$460
the \$2 million Caravan, a larger and more capable aircraft than what we operate, is \$406
the \$550,000 Cessna 206, a simpler but reasonable replacement, is \$191

The cost per hour includes fuel, maintenance parts and labor, and a reserve for engines and props.

I will be attending the state's annual aviation symposium in Minot from Sunday thru Wednesday, but will be monitoring e-mail and cell phone, and can be available in two hours if needed.

Thank you for your effort. It is needed and appreciated.

Larry



Larry Taborsky, Director
North Dakota Aeronautics Commission
w (701) 328-9655
c (701) 425-3165

*#1
(3-15-11)*

HB 1006 subcomm

	A	B	C	D	E	F	G	H
1	Maintenance						Fuel	
2	<u>date</u>	<u>hobbs</u>	<u>amount</u>	<u>description</u>	<u>wo #</u>		<u>date</u>	<u>amount</u>
3	2/24/2010		104,194.68	engines				
4	4/17/2009	2893.5	121.68	glideslope				
5	7/24/2009		11,062.00	annual			8/21/2009	1523.77
6	9/1/2009		760.45	engine				
7	9/1/2009		12,319.00	airframe cracks				
8	9/1/2009		2,181.91	autopilot				
9	9/1/2009		263.64	engine				
10	9/1/2009		327.68	tire				
11	9/1/2009		2,032.96	alternator				
12	9/1/2009		37.62	engine				
13	9/25/2009	2996.5	798.68	engine			9/25/2009	1640.68
14	9/25/2009		382.70	strobes			10/15/2009	842.17
15	10/22/2009		920.62	alternator				
16	12/16/2009		80.80	alternator			12/16/2009	872.35
17	12/17/2009		41.03	engine			1/27/2010	339.5
18	3/26/2010		3,780.99	instruments			2/18/2010	1602.69
19	4/9/2010	3047.5	947.24	rmi	5797		3/16/2010	388
20	4/13/2010	3047.7	602.80	brakes	5781			
21	4/13/2010	3047.7	144.46	rmi	5805		4/19/2010	1415.8
22	4/29/2010	3054.0	547.56	autopilot	5833			
23	4/29/2010	3059.6	438.57	prop synch	5839			
24	5/4/2010	3062.1	826.48	nose gear doors	5849		5/10/2010	787.65
25	5/25/2010	3071.4	1,153.85	prop synch	5896		5/31/2010	1189.45
26	6/3/2010	3073.5	2,287.58	prop synch	5921			
27	6/10/2010	3074.9	673.92	inverter failure	5912			
28	6/28/2010	3083.3	1,928.43	GPS	5972			
29	6/30/2010		4,730.00	hangar rent-year				
30	7/9/2010	3095.5	445.23	prop synch	338			
31	7/13/2010	3102.2	1,063.78	100-hour	6014		7/20/2010	627.58
32	7/23/2010		569.16	oxygen masks	6059			
33	8/2/2010		4.75	chart	9177		8/9/2010	1618.78
34	8/12/2010		45.34	first aid kit	356			
35	8/16/2010		9.50	chart	9402			
36	8/16/2010	3110.3	109.04	rmi	6130			
37	8/16/2010	3110.3	319.28	IFR certification	1952			
38	8/24/2010	3110.8	63.18	visor	6153			
39	8/25/2010		19.00	chart	9563			
40	8/30/2010	3111.1	243.56	gear	6177			
41	9/1/2010		5,905.00	insurance-year				
42	9/10/2010	3123.5	168.26	window release	6206			
43	9/14/2010	3112.0	2,202.79	intercomm	6187			
44	9/28/2010	3143.8	904.11	gyro replacement	6267		10/1/2010	129.43
45	10/14/2010	3180.9	1,408.44	100 hour	22900		10/4/2010	450.45

#2
(3-15-11)

	A	B	C	D	E	F	G	H
1	Maintenance						Fuel	
2	<u>date</u>	<u>hobbs</u>	<u>amount</u>	<u>description</u>	<u>wo #</u>		<u>date</u>	<u>amount</u>
46	10/14/2010	3180.9	280.00	autopilot	10251			
47	10/13/2010	3182.5	383.47	tires	6297			
48	10/21/2010	3218.8	1,789.24	vacuum pumps	6319			
49	10/26/2010	3221.5	7,888.31	deice system	6311		10/12/2010	152.79
50	11/4/2010	3224.5	92.91	deice system	6344		11/5/2010	9929.18
51	10/28/2010	3230.0	474.03	prop synch, cowl flap	6330		11/9/2010	7994.73
52	11/8/2010	3232.2	584.16	oil change, fuel strair	6349		10/15/2010	305.77
53	11/19/2010	3234.6	84.24	tanis heater	6376		11/20/2010	711.97
54	11/23/2010	3234.6	609.47	prop synch	6381		11/30/2010	525.59
55	11/24/2010		4.75	chart			12/31/2010	791.44
56	12/7/2010	3237.1	964.00	prop deice	22946		12/31/2010	560
57	12/9/2010	3237.1	3,258.10	H.S.I.	10282			
58	1/12/2011	3237.1	1,372.50	H.S.I.	10282			
59	1/1/2011		5.35	chart				
60	1/6/2011	3242.3	6,486.35	annual	6459			
61	1/24/2011		10.10	charts	11657		31-Jan	210
62	1/26/2011	3245.5	488.38	alternator	6491			
63	2/16/2011	3247.4	15,283.43	prop repair	6534			
64	2/28/2011		10.10	chart	11657			
65	3/4/2011		207.29	prop shipping	442			
66								
67	maint total		103,149.25				fuel total	34609.77
68								
69								
70								
71	flight hours:	353.9		total costs	137,759.02			
72								
73				cost per flight hour	389			
74				including engines	584			

#2
(3-15-11)

Total Hourly Operating Cost	\$156.43	\$184.32
Total Operating Cost per <u>Nautical</u> Mile	\$1.12	\$1.17

= 1.15 statute miles

Notes:

Source: Conklin and deDecker's "The Aircraft Cost Evaluator" (2010 Vol II).

Block speed and block fuel flow are based on a 200 nm trip for piston models, a 300 nm trip for turboprop models, and a 600 nm trip for jet models.

Warranty Coverage

	Cessna Stationair	Cessna Turbo Stationair
Major Airframe	2 Years	2 Years
Parts - Made by Manufacturer	2 Years	2 Years
Parts - Made by Vendor	2 Years	2 Years
Standard Avionics	2 Years	2 Years
Engines	2 Years	2 Years
Propeller	3 Years	3 Years
Paint and Interior	1 Year	1 Year
APU	Not Applicable	Not Applicable

Cessna Stationair

Cessna Turbo Stationair



Note: Drawings may not be to scale

Cessna Stationair

Cessna Turbo Stationair



Note: Drawings may not be to scale



Cessna Stationair



Cessna Turbo Stationair

Note: Drawings may not be to scale



Cessna Stationair

3
(3-15-11)



Cessna Turbo Stationair

Note: Drawings may not be to scale

Cessna Stationair

Fuel System

Fuel system consists of two vented integral fuel tanks (one in each wing), two reservoir tanks (underneath cockpit floor), four-position selector valve, an electrically driven auxiliary fuel pump, and a fuel strainer. The engine mounted portion of the system consists of the engine driven fuel pump, a fuel/air control unit, fuel flow transducer, a fuel distribution valve and fuel injection nozzles.

Fuel Tanks: 2
 Total Fuel Quantity: 92.0 US Gallons
 Total Unusable Fuel: 5.0 US Gallons
 Total Usable Fuel: 87.0 US Gallons

Hydraulic System

No engine-driven hydraulic system.

Flight Control System

Conventional aileron, rudder, and elevator control surfaces manually operated through mechanical linkage using a control wheel for the ailerons and elevator, and rudder/brake pedals for the rudder. Elevator control system is equipped with downsprings which provide improved stability in flight.

Manually operated rudder and elevator trim can be adjusted with trim control wheels. Electric aileron and elevator trim can also be adjusted via the trim switch on the control yoke.

Single slot wing flaps are electronically controlled by a three-position flap switch (UP - 0°; 10°; 20°).

Environmental System

Cabin ventilation and heat are provided by a muffler shroud and controlled by CABIN AIR, CABIN HEAT, and AUX CABIN AIR knobs.

Cessna Turbo Stationair

Fuel System

Fuel system consists of two vented integral fuel tanks (one in each wing), two reservoir tanks (underneath cockpit floor), four-position selector valve, an electrically driven auxiliary fuel pump, and a fuel strainer. The engine mounted portion of the system consists of the engine driven fuel pump, a fuel/air control unit, fuel flow transducer, a fuel distribution valve and fuel injection nozzles.

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Environmental System

Cabin ventilation and heat are provided by a muffler shroud and controlled by CABIN AIR, CABIN HEAT, and AUX CABIN AIR knobs.

Ventilation and heat to the front passengers are provided through outlet holes just forward of the pilot's and front passenger's feet. Rear cabin ventilation and heat is supplied by one outlet at each front doorpost area at floor level and one outlet in the floor behind the pilot and front passengers seats. A control knob labeled DEFROST controls the volume of air to the windshield. Additional ventilation is provided by ram air flow directed through adjustable ventilators.

Optional:
Keith Air Conditioning
- 16,000 BTU
- Engine Driven

Electrical System

A single 95 amp, belt-driven alternator powers the 28-volt system. A 24-volt main battery is located forward of the firewall. The alternator and main battery are controlled through the MASTER switch on the instrument panel. A standby battery is located between the firewall and instrument panel and will provide power to the essential bus in the event of an alternator and main battery failure.

28-volt DC ground power plug located on the left side of the cowl near the firewall.

Two 12-volt DC auxillary power outlets provide up to 10 amps of power; the first is located on the center pedestal and the second is located in the left sidewall adjacent to the center passenger seat.

Ice and Rain System

Optional:
Electric propeller heat system can be switched on via the PROP HEAT switch and provides a measure of protection against unexpected icing conditions by cycling electric current in 90-second intervals.

PowerPlants

Engine:
Horizontally opposed, six cylinder, fuel injected, air-cooled, wet-sump oil system

Ventilation and heat to the front passengers are provided through outlet holes just forward of the pilot's and front passenger's feet. Rear cabin ventilation and heat is supplied by one outlet at each front doorpost area at floor level and one outlet in the floor behind the pilot and front passengers seats. A control knob labeled DEFROST controls the volume of air to the windshield. Additional ventilation is provided by ram air flow directed through adjustable ventilators.

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Ice and Rain System

Electric propeller heat system can be switched on via the PROP HEAT switch and provides a measure of protection against unexpected icing conditions by cycling electric current in 90-second intervals.

PowerPlants

Engine:
Horizontally opposed, six cylinder, fuel injected, air-cooled, wet-sump oil system, turbocharged

Propeller governor, starter, and belt driven alternator mounted at front of engine

Dual magnetos, vacuum pump, engine driven fuel pump, and full flow oil filter mounted on the rear of engine

Cockpit engine controls include throttle, propeller, and mixture levers

Propeller:

Three bladed, constant speed, governor regulated, all metal

Landing Gear and Brakes

Fixed, tricycle landing gear. Leaf spring steel main gear struts provide shock absorption along with the air/oil nose gear strut.

Main wheel tires: 6.00-6; 42.0 PSI
Nose wheel tire: 5.00-5; 49.0 PSI

Hydraulically-actuated disc brakes on each main wheel. Both brakes can be set by utilizing the parking brake which is operated by a handle under the left side of the instrument panel.

Rudder pedals provide control while taxiing by turning the nose wheel.

Avionics and Cockpit

G1000 integrated cockpit system is standard.

System consists of the following:
GDU 1044B PFD and MFD
GIA 63W NAV/COM/GPS/WAAS w/GS (2)
GDL 69A Data Link Receiver
GEA 71A Engine/Airframe Unit
GDC 74A Air Data Computer
GRS 77 AHRS
GMU 44 Magnetometer
GMA 1347 Audio System with Integrated
Marker Beacon Receiver
GTX 33 Mode S Transponder
GFC700 Auto Pilot

Propeller governor, starter, and belt driven alternator mounted at front of engine

Dual magnetos, vacuum pump, engine driven fuel pump, and full flow oil filter mounted on the rear of engine

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GDL 69A Data Link Receiver
GEA 71A Engine/Airframe Unit
GDC 74A Air Data Computer
GRS 77 AHRS
GMU 44 Magnetometer
GMA 1347 Audio System with Integrated
Marker Beacon Receiver
GTX 33 Mode S Transponder
GFC700 Auto Pilot

Garmin SafeTaxi & FliteCharts
WX-500 Stormscope

Standby instruments are positioned at the bottom-center of the instrument panel and include an Airspeed Indicator, Attitude Indicator, and altimeter.

Cabin and Baggage

Two vertically adjusting crew seats for the pilot and front passenger, two fore and aft adjustable seats for the center passengers, and a three position aft bench seat for rear seat passengers. Seats 1-4 are equipped with integrated Amsafe inflatable seat belt/shoulder harness assemblies.

Two doors provide cabin access, one on the left side of the cabin at the pilot's seat positions and a double cargo door on the right side of the cabin at the center and rear seat passenger positions. The left entry door incorporates an openable window. Baggage compartment access is gained through the cargo door on the right side of the airplane.

Optional:
Rear seat Amsafe inflatable harnesses.

Airframe

All metal, high wing airframe with semimonocoque fuselage. Wings are constructed with a front and rear spar, and are equipped with an external brace.

Airframe Life Limit: none

Notes

Garmin SafeTaxi & FliteCharts
WX-500 Stormscope

Standby instruments are positioned at the bottom-center of the instrument panel and include an Airspeed Indicator, Attitude Indicator, and altimeter.

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Airframe Life Limit: none

Notes



Operating Costs

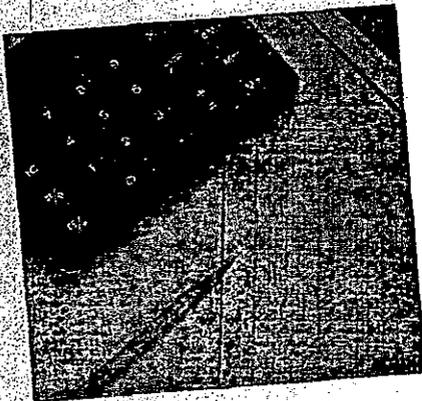
Estimated Operating Cost ¹

For a Typical 200 Nautical Mile Mission

	Stationair	Turbo Stationair
Average Speed	122 k	141 k
Average Fuel Flow ²	16 gal/hr	20.1 gal/hr
Labor Hours	0.49 hr	0.51 hr
Operating Cost per Flight Hour		
Fuel (\$4.75 per gallon)	\$76.00	\$95.48
Oil	\$1.32	\$1.32
Labor (\$85.00 per hour)	\$41.65	\$43.35
Parts	\$13.45	\$13.47
Engine Reserve ⁵	\$23.59	\$35.91
Propeller Reserve ⁶	\$1.10	\$1.10
Total Variable Cost per Hour	\$157.11	\$190.63
Cost per Nautical Mile	\$1.29	\$1.35

1. This operating cost analysis is only an estimate. Actual operating cost will be dependent on individual operating and maintenance practices, utilization, environmental conditions, equipment installed, and will vary by geographical region.
2. Developed from Cessna's Pilot Operating Handbook for the stage length shown. Average Speed and Average Fuel Burn includes the climb, cruise, and descent portions of the trip.
3. Labor hours represent estimates for scheduled and unscheduled maintenance requirements for the airframe, avionics, and routine engine maintenance. Labor hours will be less during the warranty period.
4. Parts costs represent estimates for both normal wear items as well as repairs. Parts costs will be less during the warranty period.
5. Engine Reserve is an allowance to cover the cost of overhauling or replacing the engine at the required inspection interval. This allowance is based on the cost of a factory overhauled engine from the engine manufacturer.
6. Propeller Reserve is an allowance to cover the cost of overhauling or replacing the propeller at the required inspection interval.

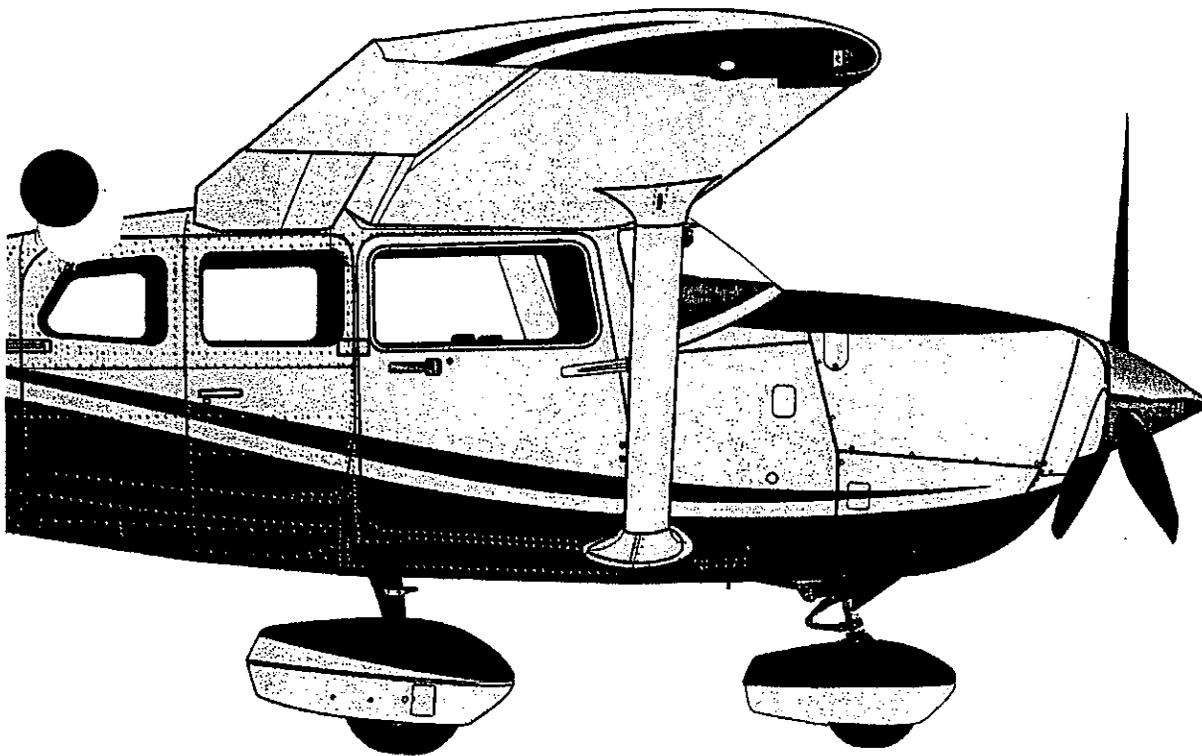
December, 2010





STATIONAIR TC

MODEL T206H



Specification & Description

Initial _____

January 2011
Beginning With Serial # T20608998

Exhibit "A"



STATION
TC

SPECIFICATION AND DESCRIPTION

EXHIBIT "A"

JANUARY 2011

BEGINNING WITH SERIAL # T20608998

January 2011

INTRODUCTION

This document is published for the purpose of providing general information for the evaluation of design, performance and equipment of the Cessna Turbo Stationair. Should more information be required, please contact:

Cessna Aircraft Company
Single Engine Piston Aircraft
2625 S. Hoover Rd.
Wichita, Kansas 67215
1-800-4-CESSNA
www.se.cessna.com

This document supersedes all previous Specification and Description documents and describes only the Turbo Stationair Model T206H, its powerplant and equipment. Also included are the warranties applicable to the Turbo Stationair Model T206H aircraft, the Textron Lycoming TIO-540-AJ1A engine, the McCauley propeller and the OEM installed Bendix/King and Garmin avionics. In the event of any conflict or discrepancy between this document and the basic purchase agreement, the basic

purchase agreement language shall govern. Due to the time span between the date of this Specification and Description and the scheduled delivery date of the aircraft, Cessna reserves the right to revise the "Specification" whenever occasioned by product improvements, government regulations or other good cause.

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1. GENERAL DESCRIPTION

All information herein applies to the Turbo Stationair (Model T206H). The Turbo Stationair is an all-metal, six-place, high-wing, fixed gear, single-engine piston aircraft designed for general utility purposes.

1.1 Certification

The Model T206H is certified to the requirements of U.S. FAA Federal Aviation Regulation Part 23 through amendment 23-6, including day, night, VFR and IFR.

1.2 Approximate Dimensions

Overall Height	9 ft 3.5 in (2.83m)
Overall Length	28 ft 3 in (8.61m)

Wing

Span (overall)	36 ft (10.97m)
Area	174 sq ft (16.2sqm)

Cabin

Height (max)	49.5 in (1.26m)
Width (trim to trim)	44 in (1.12m)
Length (firewall to aft baggage bulkhead)	145 in (3.68m)

Cabin Door

Height (front)	41 in (1.04m)
Height (rear)	39 in (1.00m)
Width (top)	32.5 in (.83m)
Width (bottom)	37 in (.94m)

Cargo Doors

Height (front)	39.25 in (1.00m)
Height (rear)	37.5 in (.95m)
Width (top)	43 in (1.09m)
Width (bottom)	40 in (1.02m)

1. GENERAL DESCRIPTION (Continued)

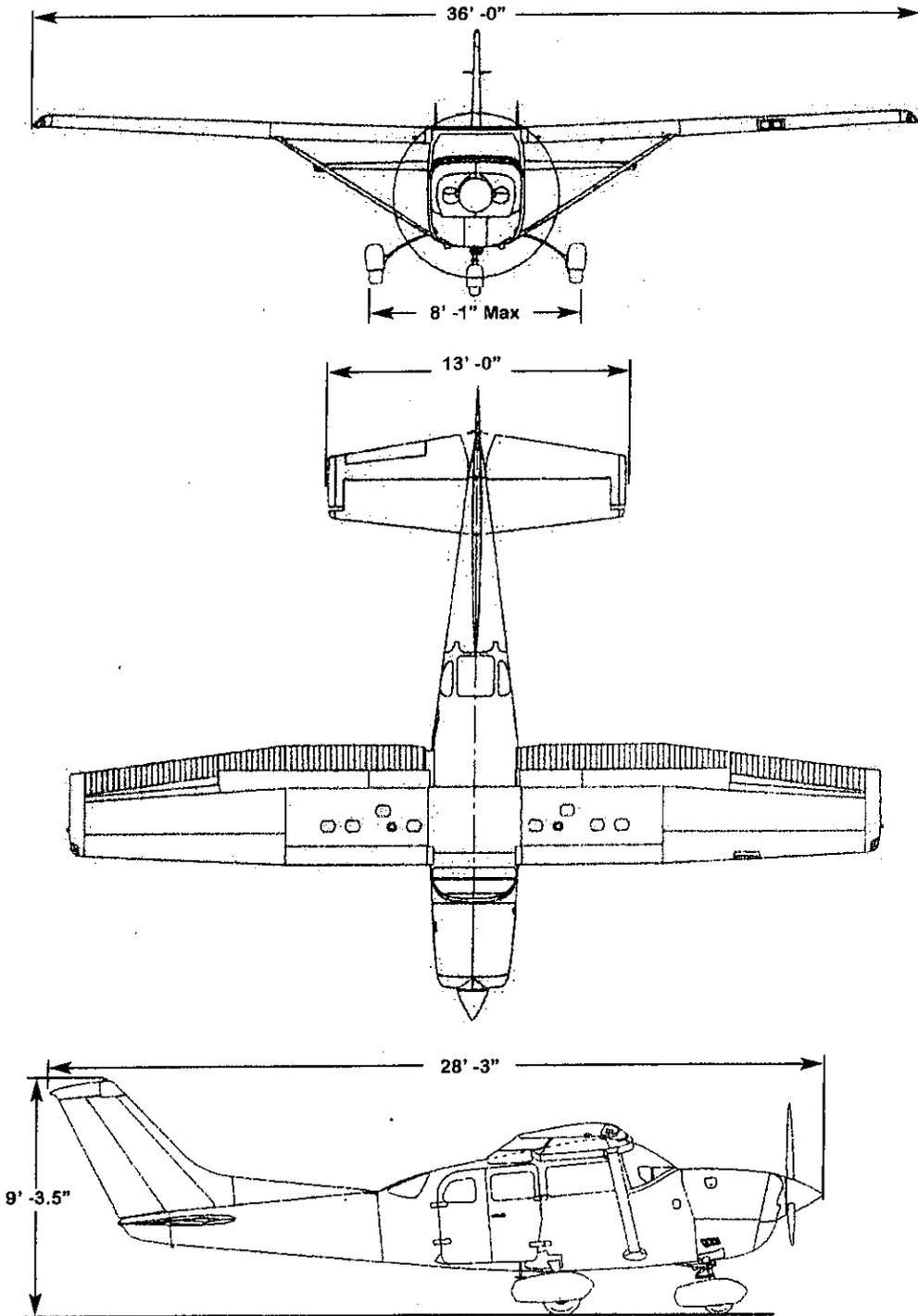
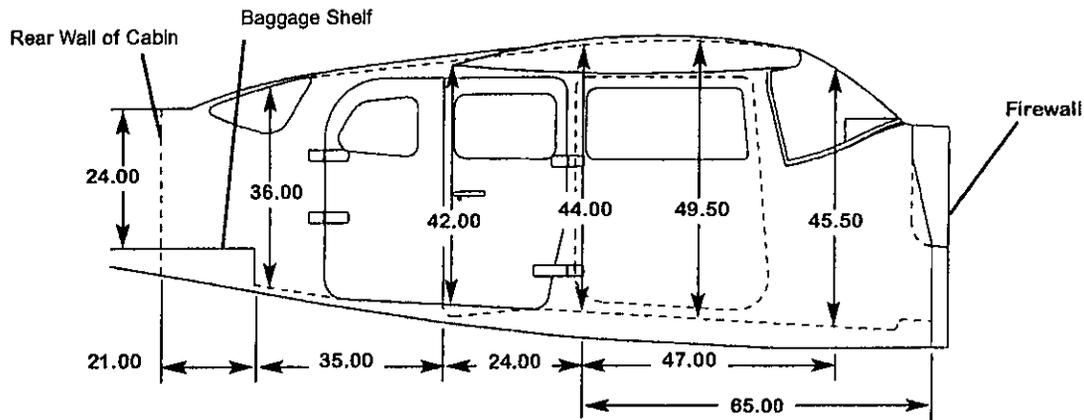


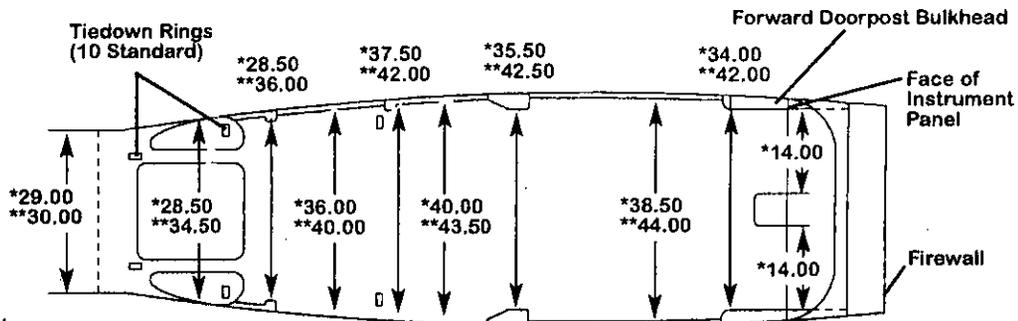
FIGURE I — STATIONAIR EXTERIOR DIMENSIONS

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1. GENERAL DESCRIPTION (Continued)



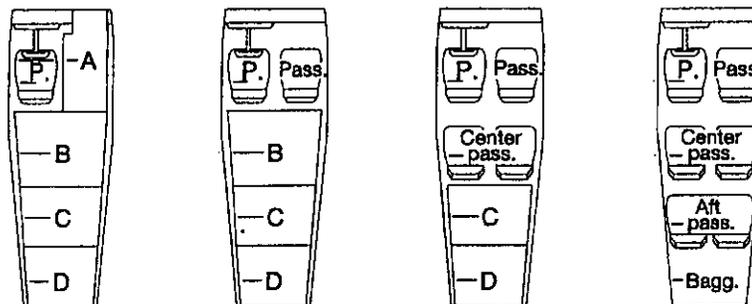
Cabin Height Dimensions



Code

- * Cabin Floor
- ** Lower Window Line

Cabin Width Dimensions



Cabin Floorplan Layout

FIGURE II — STATIONAIR INTERIOR DIMENSIONS

1. GENERAL DESCRIPTION (Continued)

1.3 Design Weight and Capacities

Maximum Ramp Weight	3,617 lbs (1,641 kg)
Maximum Takeoff Weight	3,600 lbs (1,633 kg)
Maximum Landing Weight	3,600 lbs (1,633 kg)
Standard Empty Weight	2,362 lbs (1071 kg)
Maximum Useful Load	1,255 lbs (570 kg)
Baggage Allowance	180 lbs (82 kg)

Fuel Capacity

Total Capacity92 gal (348.2 L)
Total Useable87 gal (329.3 L)
Total Capacity each Tank46 gal (174.1 L)
Total Useable Capacity each Tank43.5 gal (164.6 L)

Oil Capacity

Sump8 qts (7.5 L)
Total Capacity9 qts (8.5 L)

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2. PERFORMANCE

All estimated performance data are based on airplane weights at 3,600 pounds; standard atmospheric conditions; level, hard surface, dry runways; and no wind. They are calculated values derived from flight tests con-

ducted by Cessna Aircraft Company under carefully documented conditions and will vary with individual airplanes, pilots, and numerous other factors affecting flight performance.

Service Ceiling	27,000 ft.
Takeoff Distance S.L. (Ground Roll)	910 ft.
Takeoff Distance S.L. (To Clear 50ft. Obstacle)	1740 ft.
Max Climb Rate S.L.	1,050 fpm
Max Speed (17,000 ft)	178 kts / 205 mph
Max Range and Endurance	703 nm / 6.3 hrs
Cruise Speed (75% pwr at 20,000 ft)	164 kts / 189 mph
Cruise Range and Endurance (75% pwr at 20,000 ft)	559 nm / 3.6 hrs
Landing Distance (Ground Roll)	735 ft.
Landing Distance (To Clear 50 ft Obstacle)	1395 ft.

3. POWERPLANT & ACCESSORIES

- Lycoming TIO-540-AJ1A Engine
- 310 HP @2500 RPM
- Certified for 100LL & 100 Fuel
- Turbocharging System (Fully Automatic)
- Fuel Injection System
- Tubular Steel Engine Mount
- Bed Dynafocal Engine Mounting System
- Engine Driven Backup Vacuum Pump
- Automatic Alternate Engine Air
- Oil Cooler
- Rigid - Mounted Cowling
- Manual Cowl Flaps
- Induction Air Filter
- Full Flow Oil Filter
- Throttle Control
- Vernier Mixture Control
- Vernier Propeller Control
- Dual Ignition System, Shielded Magneto
- Engine Exhaust Muffler
- McCauley Constant Speed, 3 Blade Metal Propeller with De-ice Boots
- Propeller Governor
- Propeller Spinner, Polished
- Electric Starter

4. STATIONAIR EQUIPMENT LIST

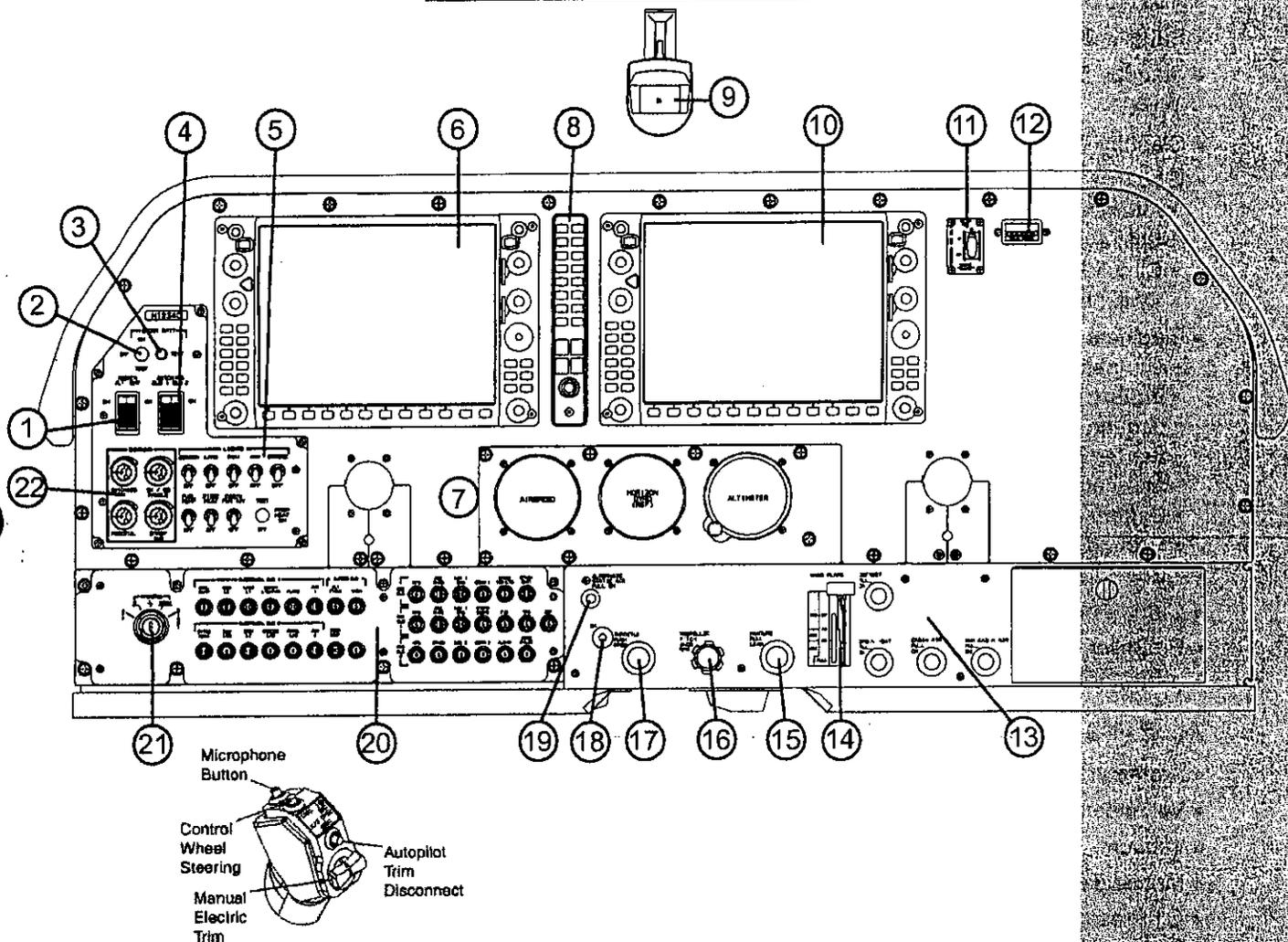
The following list of equipment is included on the standard aircraft and it does not reflect optional equipment.

NAV/III/Avionics Package

- GMA-1347 Digital Audio Panel with Marker Beacon/Intercom
- GTX-33 Transponder-Mode S w-TIS
- GIA-63W NAV/COM/GPS/WAAS with GS #1
- GIA-63W NAV/COM/GPS/WAAS with GS #2
- GDU-1044B Primary Flight Display (PFD)
- GDU-1044B Multi-Function Display (MFD)
- GEA-71 Engine/Airframe Computer
- GRS-77 AHRS
- GDC-74A Air Data Computer with OAT Probe
- GMU-44 Magnetometer
- Garmin Safe Taxi & FliteCharts
- GFC-700 Autopilot
 - Go-Around Switch
 - Electric Trim
 - AP Disconnect
 - Control Wheel Steering Button
- GDL-69A Flight Information System (FIS) with XM Radio
- WX-500 Stormscope
- Electronic Checklists
- ME406 Two Frequency Emergency Locator Transmitter
- Emergency Locator Transmitter Remote Mounted Switch
- Backup Attitude Gyro, Altimeter and Airspeed Indicator
- Control Wheel Push-To-Talk Switch-Pilot/Copilot
- Mic & Phone Jacks-Pilot/Copilot/Passengers
- Auxiliary Stereo Input Jack
- Antennas
 - Marker Beacon Antenna
 - Transponder Antenna
 - VHF/GPS Antenna (2)
 - XM Antenna
 - NAV Antenna
 - Emergency Locator Transmitter External Antenna
 - Stormscope Antenna
- Pitot System - Heated
- Static System
- Hand Held Microphone
- Alternate Static Source
- Compass

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5. INSTRUMENT PANEL



- | | |
|---|---|
| 1. MASTER Switch (ALT and BAT) | 12. Flight Hour Recorder (Hobbs Meter) |
| 2. STBY BATT Switch | 13. Cabin Air Control |
| 3. STBY BATT Test Annunciator | 14. Wing Flap Switch Lever And Position Indicator |
| 4. AVIONICS Switch (BUS 1 and BUS 2) | 15. Mixture Control |
| 5. Electrical Switches | 16. Propeller Control Knob |
| 6. GDU-1044B Primary Flight Display | 17. Throttle (With Friction Lock) |
| 7. Backup Attitude Gyro, Airspeed & Altimeter Indicator | 18. Go-Around Switch |
| 8. GMA-1347 Audio Panel | 19. ALT Static Air Valve Control |
| 9. Backup Compass | 20. Electrical and Avionics Circuit Breakers |
| 10. GDU-1044B Multi-Function Display | 21. Magnetos/Start Switch, Key Operated |
| 11. ELT Remote Switch/Annunciator | 22. Dimming Panel |

FIGURE III — STATIONAIR INSTRUMENT PANEL

6. ELECTRICAL POWER

- Alternator, 28 Volt, 95 Amp
- Battery, 24 Volt, 10.0 AH (1 hr rate), Manifold Type
- Standby Battery, 24 volt, 6.2 AH (1 hr rate), Sealed Type
- Standby Battery Controller
- Electrical Circuit Panel
 - Alternator/Battery Master Switch
 - Split Avionics Master Switch
 - Circuit Breakers, Electrical
 - Switches, Electrical
- Electrical J-Box
 - Alternator Control Unit
 - Battery Current Sensor
 - Ground Service Receptacle
 - Starter Relay
 - Alternator Relay
 - Battery Relay
 - Ground Power Relay
 - Bus Circuit Protection
- Cabin Power Jack -12 Volt (fore & aft)
- Propeller De-Ice Timer
 - Propeller Heat

7. ENGINE INDICATING SYSTEM (ELECTRONIC)

- Ammeters
- Voltmeters
- Vacuum
- Manifold Pressure
- Oil Pressure and Temperature
- Tachometer - Hour Recorder
- Fuel Flow (GPH)
- LH/RH Fuel Quantity
- CHT - Cylinder Head Temperature
- EGT - Exhaust Gas Temperature
- TIT - Turbine Inlet Temperature
- Single Engine Driven Vacuum Pump System
- Annunciation - Caution and Warning Alerts (PFD)

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8. ENVIRONMENTAL

- Windshield Defroster, Pilot
- Ventilator, Adjustable (6 places)
- Heating System, Shrouded Muffler with Firewall Valve
- Insulation / Soundproofing
- Carbon Monoxide Detection System
- Precise Flight Oxygen System - Consists of a microphone mask and A5 flowmeter and oxymer cannula for the pilot, and standard mask, A5 flowmeter, and oxymer cannulas for each passenger position.
- 6 place oxygen equipment bag

9. EXTERIOR

- Epoxy Corrosion Proofing, All Structure
- LH Door, Pilot with Hinged Window, Lock and Key
- RH Cargo Door, with Lock and Key
- Openable Window – RH (Copilot)
- Rear Window
- All Windows Tinted
- Fixed Landing Gear
- White Polyurethane Exterior Paint
- Refueling Steps and Handles, Wing Struts and Fuselage
- Fixed Cabin Entrance Steps
- Tie Down Rings, LH/RH Wing & Tail
- Tube Type Tires
 - Nose – 5.00 X 5
 - Mains - 6.00 X 6
- Conical Camber Wing Tip
- Strut Braced, Camber Lift Wings
- Static Wicks

10. EXTERIOR LIGHTS

- LED Ground Recognition Beacon - Vertical Tail
- LED Navigation, LH/RH Wing Tip & Tail
- Navigation Light Detectors, LH/RH
- Wing Tip Strobe, LH/RH
- High Intensity Discharge (HID) Landing and Taxi Lights, LH Wing
 - HID Electronic Ballasts
- Underwing Courtesy, LH and RH

11. FLIGHT CONTROLS

- Hydraulic Brakes, Toe-Operated
- Parking Brake
- Stainless Steel Control Cables
- Dual Flight Controls - Aileron/Elevator/Rudder
- Leather Wrap Control Wheels, All Purpose Pilot/Copilot
- Pilot Control Wheel Switches
 - Pitch Trim
 - AP Disconnect
 - Control Wheel Steering Button
- Go-Around Switch
- Elevator Trim - Manual/Electric
- Rudder Trim - Manual
- Electrical Preselect - Flaps
- Steerable Nose Wheel
- Aileron and Elevator Control Lock

12. FUEL SYSTEM

- Electric Auxiliary Fuel Pump
- Engine Driven Fuel Pump
- Integral Wet Wing Fuel Tanks, 87 Gal. Usable
- Fuel Selector Valve, Left/Both/Right/Off
- Fuel Strainer, Incorporated with Fuselage Quick Drain
- Fuel Tank Quick Drain, 5 per wing
- Fuel Sampler Cup
- Fuel Vapor Return System

1.3 INTERIOR

- High Contrast Sport Interior Theme - Light Taupe and Black
- Light Taupe Leather Seating Surface with Black Perforated (Embossed) Leather Inserts on Seat Cushion and Seat Back
- Door Panel, Upper Sidewall Accent - Black Perforated (Embossed) Leather
- Door, Lower Sidewall, Kick Panel - Black Kydex
- Vinyl Grip Flooring in Crew Area
- Carpeting in Passenger Area
- Passenger Cup Holders
- Jepp Map Storage Console with Cup Holders
- Approach Plate Holder, Pilot Control Wheel
- Armrests - Pilot & Copilot Doors/Passenger Side Panels
- Amsafe Inflatable Seat Belts & Shoulder Harness
SITC Inertia Reel, Pilot, Copilot, Passenger 3 & 4 Seats
- Pilot and Copilot Seats
 - Adjustable Fore and Aft
 - Reclining Backs
 - Vertical Adjustment
- Rear, Passenger 3 & 4 Seats (Removable)
 - Adjustable Fore and Aft
 - Reclining Backs
- Rear, Passenger 5 & 6 Bench Seat (Removable)
 - Flat Folding
- Pilot's Check List
- Pilot's Operating Handbook
- Fire Extinguisher, Hand Held
- Instrument Panel Glareshield
- Clothes Hanger Bar
- Metal Instrument Panel, with Removable Stby Instr. Subpanel
- Map/Glove Compartment
- Baggage Net
- Radio Call Plate
- Map & Storage Pockets
- Cabin Door Scuff Plates
- Rosen Sun Visors, Pilot & Copilot
- Tow Bar

1.4 INTERIOR LIGHTING

- LED Pilot/Copilot Cabin Overhead LED Lights
- LED Passenger Overhead Lights
- Interior Lights Dimming Controls
- Map Light, Pilot Control Wheel
- Sub-Panel Lighting (LED Backlighting)
 - Flaps
 - Throttle
 - Mixture
 - Propeller
 - Environmental Controls (Air and Heat)
- Switch Panel Lighting (LED Backlighting)
 - Avionics and Master Switches
 - Dimming Rheostats
 - Landing, Taxi and Nav Switches
 - Beacon, Strobe, Fuel Pump, Pitot Heat
 - 12 Volt Cabin Power
 - Standby Battery Switch
 - Circuit Breakers
 - Ignition / Start Switch
- LCD Lighted Glass Panel Displays:
 - Electronic Flight Instruments
 - Electronic Avionics Instruments
 - Electronic Engine Instruments
- Audio Panel Bezel (Backlighting)
- Radio Call Plate (Backlighting)
- Compass Internally Lighted
- Standby Attitude, Altimeter, Airspeed Internally Lighted

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15. OPTIONAL EQUIPMENT

- ➔ Air Conditioning -Keith Products (STC -16,000 btuh / Engine Driven)
- TAWS-B Terrain (Garmin) NAV III Avionics
- ChartView powered by Jeppesen*
- TAS Traffic (Bendix King KTA 870) – NAV III Avionics
- ADF KR87 – NAV III Avionics – Separate control head - displayed on PFD (International only)
- DME KN63 – NAV III Avionics – Integrated control - displayed on PFD (International only)
- Floatplane Provision Kit (Exchange Items: Hoisting Rings, Windshield V-brace)
- Oversized Tires and Wheel Fairings (Exchange: Main 8.00 x 6. Nose 6.00 x 5)
- Cargo Pod (16.0 Cu. Ft. of Additional Cargo Space With Loading Up to 300 lbs)
- Abrasion Boots (Horizontal Stabilizer)
- C406N Three Frequency Emergency Locator Transmitter with GPS Interface

16. EXTERIOR STRIPING OPTIONS

- 523I: Matterhorn White and Carbon Black Metallic overall with Blue Effect painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl
- 523J: Matterhorn White and Blue Effect overall with Carbon Black Metallic painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl
- 523K: Matterhorn White and Platinum overall with Gloss Black painted stripes; Cessna logo, Stationair logo and registration number: Gloss Black vinyl
- 523L: Matterhorn White and Gloss Black overall with Platinum painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl
- 523M: Matterhorn White and Maroon Shadow overall with Antique Silver painted stripes; Cessna logo: Dark

17. INTERIOR OPTIONS

- Fabric Seat Surfaces
- Utility Interior Kit

- Synthetic Vision Technologies (SVT) – Garmin – Synthetic Vision utilizes GPS-based graphic technology providing virtual depiction of terrain and water features, complete with obstacles and, in the case of aircraft equipped with Traffic Alert and Collision Avoidance (TCAS) systems, airborne traffic in 3-D perspective that allows pilots enhanced visual cues and improved situational awareness regardless of meteorological or lighting conditions

**This option provides enablement only and does not include a Jeppesen subscription. Subscriptions are available from Jeppesen at www.jeppesen.com*

**Either Jeppesen ChartView or Garmin FliteCharts may be configured on your system, but not both. By selecting the ChartView option you are electing to disable Garmin FliteCharts.*

- Tundra Metallic vinyl, Stationair logo and registration number: White vinyl
- 523N: Matterhorn White and Antique Silver overall with Maroon Shadow painted stripes; Cessna logo: Stationair logo and registration number: Dark Tundra Metallic vinyl
- 523O: Matterhorn White and Antique Silver overall with Dark Red Effect painted stripes; Cessna logo: Stationair logo and registration number: Burgundy Metallic vinyl
- 523P: Matterhorn White and Dark Red Effect overall with Antique Silver painted stripes; Cessna logo: Burgundy Metallic, Stationair logo and registration number: White vinyl

- Vinyl Grip Flooring
- Kydex Door Sidepanel - Vinyl Inserts

8. TRAINING

- Cessna will offer one G1000 training course at no additional charge and one G1000 ground school course for a second person at no additional charge, with pur-

chase of a new aircraft. This offer is valid for 12 months after aircraft delivery.

1.9. LIMITED WARRANTY

19.1 CESSNA'S LIMITED WARRANTY - SINGLE ENGINE PISTON AIRCRAFT

Cessna warrants the aircraft and all parts included therein to be free from defects in material and workmanship under normal use and service for a period of twenty-four (24) months after the Warranty Start Date, except as hereafter noted. Engines, engine part accessories, avionics, batteries, propellers and governors are specifically excluded from this warranty. Paint and graphics warranties are addressed separately.

Spare parts sold by Cessna, excluding engines, engine part accessories, avionics, batteries, propellers and governors are warranted for six (6) months after installation, except as hereafter noted.

Cessna's obligation under this warranty is limited to repairing or replacing, at its option, with exchange, overhauled or new parts, items found defective by Cessna's examination which are returned at the owner's expense within the applicable twenty-four (24) or six (6) month period to any Cessna Service Station.

A new warranty period is not established for replacement parts. Replacement parts are warranted only for the remainder of the applicable twenty-four (24) or six (6) month original warranty period.

The repair or replacement of defective parts under this warranty will be made without charge to the owner for parts and labor for removal, installation and/or actual repair except that the owner shall pay all import duties and sales and use taxes on replacements and repairs.

This limited warranty does not apply to parts subjected to misuse, negligence, improper installation, accident, alteration, repairs not authorized by Cessna; normal maintenance services (cleaning, control rigging, brake and other mechanical adjustments, maintenance inspections, etc.); replacement of service items (light bulbs, brake linings, filters, hoses, tires, cowl mounts, etc.); or to normal deterioration of soft trim or appearance items (paint, upholstery, rubber-like items, etc.) due to corrosion, wear and exposure.

WITH THE EXCEPTION OF THE WARRANTY OF TITLE, TO THE EXTENT ALLOWED BY APPLICABLE LAW, THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT AS ABOVE SET FORTH ARE THE ONLY REMEDIES UNDER THIS WARRANTY. CESSNA DISCLAIMS ANY OBLIGATION OR LIABILITY WHETHER IN CONTRACT OR IN TORT (AND WHETHER FOR NEGLIGENCE, STRICT LIABILITY, PRODUCT LIABILITY OR OTHERWISE), INCLUDING LOSS OF USE OF THE PRODUCT, WARRANTED, LOSS OF TIME, INCONVENIENCE, COMMERCIAL LOSS OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL OR INCIDENT-

TAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OTHER OBLIGATION OR LIABILITY OF CESSNA OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE OR LEASE OF SUCH AIRCRAFT PRODUCTS AND CESSNA NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH SUCH AIRCRAFT PRODUCTS. COMPLIANCE WITH THIS LIMITED WARRANTY MAY BE AFFECTED IF EXPORT LICENSES ARE REQUIRED TO BE REQUESTED AND APPROVED BEFORE SPARE PARTS CAN BE SHIPPED TO CERTAIN FOREIGN COUNTRIES.

19.2 AIRCRAFT PAINT AND GRAPHICS- SINGLE ENGINE PISTON AIRCRAFT

Cessna endeavors to select and use high quality polyurethane paints from the leading manufacturers. Polyurethane paints and graphics are used because of their high gloss characteristics and ability to withstand dramatic temperature and pressure changes. The paint on your new aircraft will maintain its high gloss characteristics for an extended period of time provided it is cared for properly.

The painted exterior surfaces require an initial curing period which may be as long as ninety (90) days after the finish is applied. During this curing period, some precautions should be taken to avoid damaging the finish or interfering with the curing process. The finish should be cleaned only by washing with clean water and mild soap, followed by a water rinse and drying with a cloth or chamois. Do not use polish or wax, which would exclude air from the surface, during this ninety (90) day curing period. Once the finish has cured completely, it may be waxed with a good automotive wax, but power buffing should be avoided to prevent damage to the paint surface.

Normal paint maintenance will include but is not limited to; touchup of abrasion and wear of the paint on screws heads, around access panels, the radome, wing leading edges, vertical and horizontal stabilizer leading edges, windshield retainers and other leading edge surfaces including parts on the landing gear subject to damage or erosion from airborne particles. Proper maintenance includes keeping surfaces clean, polished, and touching up chipped or eroded areas to prevent further damage and corrosion.

Paint and graphics warranty applies only to defects in material and workmanship for a period of one (1) year from the Warranty Start Date. Deterioration of paint and graphics due to normal wear, exposure, or improper care is not covered by the warranty. If proper paint maintenance procedures have been followed and paint peeling, blistering or cracking is evident in areas other than immediate leading edge surfaces, warranty consideration may be requested through a Cessna Service Station.

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19. LIMITED WARRANTY (Continued)

Generally speaking, warranty repair of paint is confined to a limited surface area. Workmanship or material defects can usually be identified to localized surface areas that were improperly prepared prior to paint application, or to areas where the paint or subsurface primer has been improperly applied.

Complete strip and repaint of an entire airplane can ONLY be authorized if there is evidence of paint defects on several major surface areas of the aircraft. Contact your Cessna Field Service Engineer concerning paint defects on any major surface of an aircraft.

19.3. Textron Lycoming Warranty (Limited) New Reciprocating Aircraft Engine**What Textron Lycoming Promises You**

Engine Model Aircraft Model
IO-360-L2A Cessna-172R, 172S
IO-540-AB1A5 Cessna-182T
IO-540-AC1A5 Cessna-206H
TIO-540-AK1A Cessna-T182T
TIO-540-AJ1A Cessna-T206H

Textron Lycoming warrants the above listed new reciprocating engine models sold by it to be free from defects in material and workmanship for a period of twenty-four (24) months after aircraft delivery to the original retail purchaser or first user. The date of first operation must not exceed two (2) years from the date of shipment from Textron Lycoming.

Textron Lycoming's obligation under this warranty shall be limited to its choice of repair or replacement, on an exchange basis, of the engine or any part of the engine, when Textron Lycoming has determined that the engine is defective in material or workmanship. Such repair or replacement will be made by Textron Lycoming at no charge to you. Textron Lycoming will also bear the cost for labor in connection with the repair or replacement as provided in Textron Lycoming's then current Removal and Installation Labor Allowance Guidebook.

Any engine or part so repaired or replaced will be entitled to warranty for the remainder of the original warranty period.

YOUR OBLIGATIONS

The engine must have received normal use and service. You must apply for warranty with an authorized Textron Lycoming distributor within 30 days of the appearance of the defect in material or workmanship.

Textron Lycoming's warranty does not cover normal maintenance expenses or consumable items, the obligations on the part of Textron Lycoming set forth above are your exclusive remedy and the exclusive liability of Textron Lycoming. This warranty allocates the risk of product failure between you and Textron Lycoming, as permitted by applicable law.

Textron Lycoming reserves the right to deny any warranty claim if it reasonably determines that the engine or part has been subject to accident or used, adjusted, altered, handled, maintained, or stored other than as directed in your operator's manual, or if non-genuine Textron Lycoming parts are installed in or on the engine and are determined to be a possible cause of the incident for which the warranty application is filed.

Textron Lycoming may change the construction of engines at any time without incurring any obligation to incorporate such alterations in engines or parts previously sold.

THIS LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES AND REPRESENTATIONS, EXPRESS OR IMPLIED OR STATUTORY, WHETHER WRITTEN OR ORAL, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, AND ANY IMPLIED WARRANTY ARISING FROM ANY COURSE OF PERFORMANCE OR DEALING OR TRADE USAGE. THIS WARRANTY IS ALSO IN LIEU OF ANY OTHER OBLIGATION, LIABILITY, RIGHT, OR CLAIM, WHETHER IN CONTRACT OR IN TORT, INCLUDING ANY RIGHT IN STRICT LIABILITY IN TORT OR ANY RIGHT ARISING FROM NEGLIGENCE ON THE PART OF TEXTRON LYCOMING, AND TEXTRON LYCOMING'S LIABILITY ON SUCH CLAIM SHALL IN NO CASE EXCEED THE PRICE ALLOCABLE TO THE ENGINE OR PART WHICH GIVES RISE TO THE CLAIM.

LIMITATION OF LIABILITY IN NO EVENT, WHETHER AS A RESULT OF A BREACH OF WARRANTY, CONTRACT, OR ALLEGED NEGLIGENCE, SHALL TEXTRON LYCOMING BE LIABLE FOR SPECIAL OR CONSEQUENTIAL OR ANY OTHER DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF PROFITS OR REVENUES, LOSS OF USE OF THE ENGINE, OR COST OF A REPLACEMENT.

No agreement varying this warranty or Textron Lycoming's obligations under it will be binding upon Textron Lycoming unless in writing signed by a duly authorized representative of Textron Lycoming.

Cessna Model Aircraft Only
Textron Lycoming Engines
652 Oliver Street
Williamsport, Pennsylvania 17701
(570) 323-6181
www.lycoming.textron.com
Original Engine Installation Only
Effective 2000

19. LIMITED WARRANTY (Continued)**19.4 McCauley Propeller Systems Standard Limited Warranty**

McCauley Propeller Systems, a Division of Cessna Aircraft Company, Wichita, Kansas, U.S.A., expressly warrants new and remanufactured products produced and sold by McCauley to be free from defects in material and workmanship under normal use and service for a period of thirty-six (36) months after delivery to the original retail purchaser or until the expiration of the maximum hours of use or calendar limits for overhaul published by McCauley for the subject product, whichever occurs first.

McCauley's obligation under this limited warranty is limited to repairing or replacing, at its sole option, any propeller, propeller parts, governor or governor parts determined by McCauley to have been defective and which are properly returned by the owner, with a written statement describing the alleged defect, to any McCauley Authorized Service Center authorized to service the individual McCauley product. The repair or replacement of defective parts will be made without charge to the owner for parts or labor for removal and installation, except for export/import duties, and/or sales or use taxes, if any which are solely the owner's responsibility. McCauley will warrant a part replaced pursuant to this limited warranty under the same terms as the original part for the remainder of the applicable warranty period of the original part. This limited warranty is not intended to and does not cover the costs of normal maintenance of overhaul.

In addition, McCauley will repair or replace, at its option, any propeller, propeller parts, governor, or governor parts requiring replacement due to manufacturing defect if found at or before the first recommended overhaul interval as described in McCauley published service information. This first overhaul coverage does not include labor, standard overhaul replacement parts, parts repairable via published service information (re-plating, painting, etc.), other costs associated with the propeller or governor overhaul, or export/import duties, and/or sales or use taxes, nor does it apply to defects found after McCauley published overhaul hour or calendar limits. The provisions of this limited warranty do not apply to any McCauley parts which have been subject to misuse, negligence or accident or which have been repaired or altered in any way that, in the sole judgment of McCauley, adversely affects their performance, stability or reliability; to normal maintenance services (such as cleaning, mechanical adjustments and maintenance inspections); to the replacement of service items made in connection with normal maintenance; to normal deterioration of soft trim and appearance items (such as paint and rubber-like items) due to wear and exposure; to propellers, governors or parts found defective beyond the McCauley recommended overhaul period; or to parts

which have been improperly installed by entities other than McCauley and/or McCauley Authorized Service Centers.

The McCauley limited warranty is void on any new or remanufactured product installed, without McCauley's prior written approval, on a non-type certificated engine, or on any engine which has received an overhaul or modification which is not approved by the engine manufacturer and that results in a change to the vibratory environment of the engine such as, but not limited to, an alteration of horsepower, operating RPM, crankshaft damper configuration, compression ratio, magneto timing, camshaft design, or any other overhaul or modification not expressly approved by the original engine manufacturer. The McCauley limited warranty is also void on any McCauley product shipped new from the factory or distributor in disassembled state, then later re-assembled by an unauthorized party. Parties authorized to re-assemble factory-new product must have specific written permission from McCauley to do so, otherwise all McCauley warranty on the affected unit is void. No McCauley warranty coverage is offered for leakage on product assembled outside McCauley, regardless of the assembling party.

To the extent allowed by applicable law, **THIS WARRANTY IS EXPRESSLY IN LIEU OF ANY OTHER WARRANTIES, EXPRESSED OR IMPLIED IN FACT OR BY LAW, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THE REMEDIES OF REPAIR OR REPLACEMENT SET FORTH HEREIN ARE THE ONLY REMEDIES UNDER THIS LIMITED WARRANTY. McCAULEY DISCLAIMS ANY OBLIGATION OR LIABILITY, WHETHER IN CONTRACT OR IN TORT, INCLUDING LOSS OF USE OF THE PRODUCT WARRANTED, LOSS OF TIME, INCONVENIENCE, LOSS OF PROFITS, COMMERCIAL LOSS, OR ANY OTHER DIRECT, CONSEQUENTIAL, SPECIAL, OR INCIDENTAL DAMAGES. THIS WARRANTY IS IN LIEU OF ANY OBLIGATION OR LIABILITY ON THE PART OF McCAULEY TO ANYONE OF ANY NATURE WHATSOEVER BY REASON OF THE MANUFACTURE, SALE, LEASE, OR USE OF THE WARRANTED PRODUCTS AND McCAULEY NEITHER ASSUMES NOR AUTHORIZES ANYONE TO ASSUME FOR IT ANY OTHER OBLIGATION OR LIABILITY IN CONNECTION WITH SUCH WARRANTED PRODUCTS. THE UNITED NATIONS CONVENTION ON CONTRACTS FOR THE INTERNATIONAL SALE OF GOODS, 1980, AND ANY SUCCESSOR THERETO, IS EXPRESSLY EXCLUDED FROM THIS WARRANTY.**

Issued 9/1/2003

January 2011

19. LIMITED WARRANTY (Continued)**19.5 Bendix/King Equipment Retail Warranty Statement For Cessna Aircraft Company Single Engine Program**

A. General Aviation Avionics products manufactured by Honeywell under the brand name Bendix/King (collectively referred to herein as "Honeywell") are warranted against defects in design, material, or workmanship caused by Honeywell or its authorized agent(s) for the warranty period as defined in Paragraph (B) of this statement, which occur under normal and intended use and service, subject to all of the qualifications and conditions hereinafter stated.

B. The warranty term for new product(s) installed on new aircraft shall be twenty-four (24) months from delivery to the original retail purchaser or first user. Cessna to provide warranty start date information. C. Any product Honeywell finds to be in violation of the warranty as set out in Paragraph (A) hereof, at the option of Honeywell, shall be repaired, replaced, or exchanged in accordance with the following procedures:

1. Products shall be returned to any authorized Honeywell Service Center or Honeywell Regional Product Support Repair/Overhaul Facility, with transport charges prepaid.
2. After correction, the products shall be returned to the purchaser with surface transportation charges prepaid.
3. The risk of loss or damage to all products in transit shall be borne by the party initiating the transportation of such products unless the purchaser makes a request for specific mode of transportation. In such case, the risk of loss and the cost of shipment shall be borne by the purchaser. All items repaired or replaced hereunder shall be warranted for the unexpired portion of the original warranty period.

D. This warranty specifically excludes defects that Honeywell determines to be the result of any or all of the following:

1. Abuse, accident, or misuse;
2. Contamination, negligence, tampering, or improper storage or maintenance;
3. Repair or attempted repair by unauthorized persons or use of non-Honeywell or unauthorized repair or replacement parts;
4. Products not installed by an authorized Honeywell Installation Facility in accordance with the appropriate installation manual.

The warranty as set out in Paragraph (A) is the only warranty for Honeywell products and is in lieu of all other

warranties expressed or implied, including the implied warranties of merchantability and fitness for a particular purpose that are herewith expressly excluded and disclaimed.

F. The remedies as set out in Paragraph (C) hereof state the entire liability of Honeywell and constitute the sole and exclusive remedy of the purchaser. Honeywell shall not be liable for any other claim, loss, or damage, including, but not limited to, incidental, consequential, or other kinds of damages whether based on contract, tort, negligence, or other theory of product liability.

G. Honeywell reserves the right to make design changes, additions to, and improvements in its products without the obligation to install same in products previously manufactured.

THIS IS A LIMITED WARRANTY

Honeywell

23500 W. 105th Street

Olathe, Kansas 66061

19.6 Garmin Avionics Installed in Single Engine Aircraft**Aircraft OEM-Installed Avionics 2-Year Limited Warranty Policy**

This GARMIN Product is warranted to be free from defects in materials or workmanship for two years from the date of warranty activation. Within this period, GARMIN International, Inc. will at its sole option repair or replace any components which fail in normal use. Such repairs or replacement will be made at no charge to the customer for parts or labor, provided that the customer shall be responsible for any transportation cost. This warranty does not cover failures due to abuse, misuse, accident or unauthorized alteration or repairs.

THE WARRANTIES AND REMEDIES CONTAINED HEREIN ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED OR STATUTORY, INCLUDING ANY LIABILITY ARISING UNDER ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, STATUTORY OR OTHERWISE. THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, WHICH MAY VARY FROM STATE TO STATE.

IN NO EVENT SHALL GARMIN BE LIABLE FOR ANY INCIDENTAL, SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, WHETHER RESULTING FROM THE USE, MISUSE OR INABILITY TO USE THIS PRODUCT OR FROM DEFECTS IN THE PRODUCT. Some states do not allow the exclusion of incident-

19. LIMITED WARRANTY (Continued)

tal or consequential damages, so the above limitations may not apply to you.

GARMIN retains the exclusive right to repair or replace the product or offer a full refund of the purchase price at its sole discretion. **SUCH REMEDY SHALL BE YOUR SOLE AND EXCLUSIVE REMEDY FOR ANY BREACH OF WARRANTY.**

To obtain warranty service, contact your local GARMIN authorized Service Center. For assistance in locating a Service Center near you, call GARMIN Customer Service at one of the numbers shown below.

GARMIN International
1200 East 151st Street
Olathe, Kansas 66062, U.S.A.
Toll free: 1-800-800-1020
Phone: 1-913-397-8200
FAX: 1-913-397-0836

GARMIN (Europe) Ltd.
Unit 5, The Quadrangle
Abbey Park Industrial Estate
Romsey, SO51 9AQ, U.K.
Phone: 44-1794-519944
FAX: 44-1794-519222
Visit our web site at: www.garmin.com



22 September 2011 - Beginning with Serial Number T20608998

2011 T206H STATIONAIR PRICE LIST

Price
(USD)

Avionics

NAV III - Garmin G1000 Equipped Stationair T206H \$585,500

Fully Integrated EFIS System consisting of:

- Two 10.4" high resolution XGA displays (PFD/MFD)
- Attitude Heading Reference System (AHRS)
- Solid State Air Data Computer (ADC)
- Solid State 3-Axis Magnetometer
- Dual IFR Enroute/Approach and WAAS Certified GPS
- XM Satellite Weather and Radio (subscription required)
- Garmin GFC700 Fully Integrated Two-axis Autopilot
- Electronic Engine Indication System (EIS)
- Dual Nav/Comm (16 Watt)
- Mode S Transponder
- Digital Audio Panel with Audio Playback
- Traffic Information System (TIS)
- Terrain and Obstacle Mapping
- Stormscope System – WX500
- Backup Airspeed, Attitude, and Altimeter
- Garmin SafeTaxi & FliteCharts
- FliteCharts do not provide Geosynchronous positioning*

Optional Equipment

- Air Conditioning (Keith / 16,000 btuh / Engine Driven) \$38,750
- Pedal Extensions \$980
- TAWS-B Terrain (Garmin) NAV III Avionics \$9,120
- TAS Traffic (Bendix King KTA870) – NAV III Avionics \$21,110
- ADF KR87 – NAV III – Separate Control Head – Displayed on PFD* \$6,420
- DME KN63 – NAV III – Integrated Control – Displayed on PFD* \$7,940
- ELT Artex C406N 3-frequency* \$8,080
- Synthetic Vision Technologies (Garmin). \$9,590
- Cargo Pod (16 cu. Ft./holds up to 300 lbs) \$12,130
- Float Plane Provision Kit (Exchange Items) \$4,510
- Oversized Tires and Wheel Fairings (Exchange Items) \$3,770
- Oversized Tires w/o Wheel Fairings \$1,950
- Propeller Anti-ice System \$6,560
- Amsafe Restraints – Rear Bench (Standard on seats 1-4) \$1,830
- Stabilizer Abrasion Boots \$330
- Chartview powered by Jeppesen \$3,310

- This option provides enablement only and does not include a Jeppesen subscription. Subscriptions are available from Jeppesen at www.jeppesen.com

- Either Jeppesen ChartView or Garmin FliteCharts may be configured on your system, but not both. By selecting the ChartView option you are electing to disable Garmin FliteCharts.

Interior

High Contrast Light Taupe and Black Sport Interior Theme

- Leather Seat Surfaces N/C
- Fabric Seat Surfaces N/C

* International Only

Prices subject to change without notice

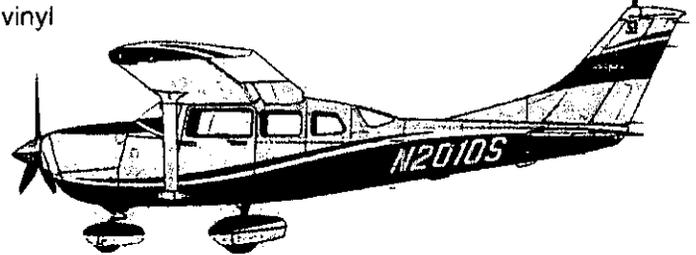
Call 1-800 4 CESSNA in the U.S. or +1-316-517-6056 outside the U.S. today for details on purchasing your new Stationair.

2011 T206H STATIONAIR EXTERIOR STRIPING OPTIONS

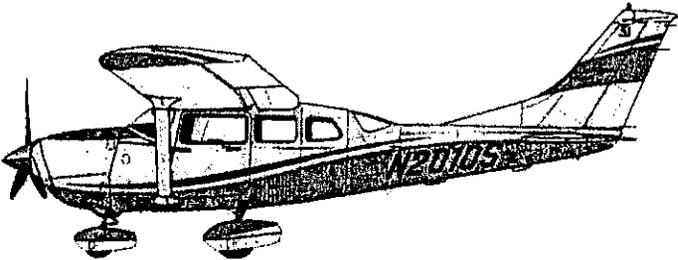
523H: Matterhorn White and Carbon Black Metallic overall with Blue Effect painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl



523I: Matterhorn White and Blue Effect overall with Carbon Black Metallic painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl



523J: Matterhorn White and Platinum overall with Gloss Black painted stripes; Cessna logo, Stationair logo and registration number: Gloss Black vinyl



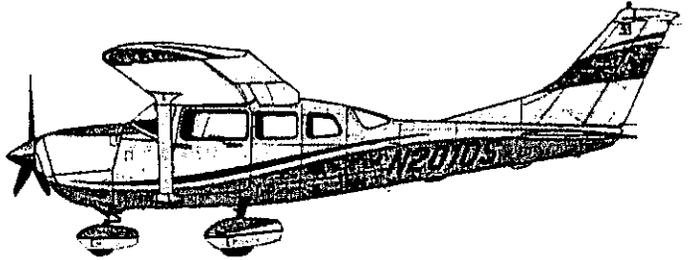
523K: Matterhorn White and Gloss Black overall with Platinum painted stripes; Cessna logo: Gloss Black vinyl, Stationair logo and registration number: White vinyl



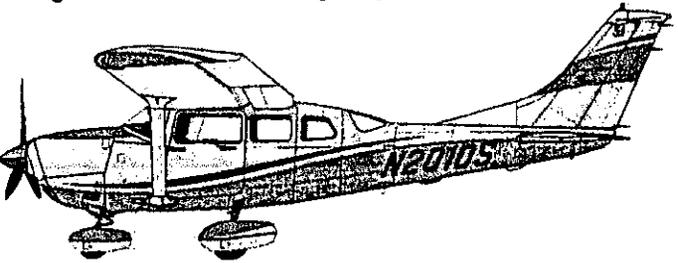
523L: Matterhorn White and Maroon Shadow overall with Antique Silver painted stripes; Cessna logo: Dark Tundra Metallic vinyl, Stationair logo and registration number: White vinyl



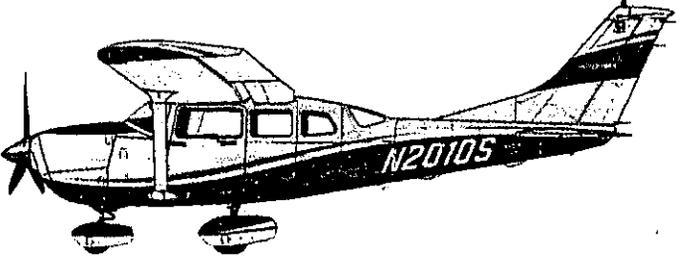
523M: Matterhorn White and Antique Silver overall with Maroon Shadow painted stripes; Cessna logo, Stationair logo and registration number: Dark Tundra Metallic vinyl



523N: Matterhorn White and Antique Silver overall with Dark Red Effect painted stripes; Cessna logo, Stationair logo and registration number: Burgundy Metallic vinyl



523O: Matterhorn White and Dark Red Effect overall with Antique Silver painted stripes; Cessna logo: Burgundy Metallic, Stationair logo and registration number: White vinyl



Prices subject to change without notice

Call 1-800 4 CESSNA in the U.S. or +1-316-517-6056 outside the U.S. today for details on purchasing your new Stationair.



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Home > Single Engine Prop > Cessna 205 / 206 / 207 > Model Filter

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Manage My Aircraft Search

Refine Search Results

8 Aircraft Meet Your Criteria (Showing 1 to 8)

Page 1 of 1

Global Ad Filters [+]

Make & Model Groups

Deselect All

Single Engine Prop

Cessna 205 / 206 ... (33)

Models

Deselect All

- 205 (5)
- 206 (5)
- 207 (1)
- 207A (1)
- P206D (2)
- P206E (1)
- T-207A (1)
- T206H (8)
- TU206 (1)
- U206 (3)
- U206B (1)
- U206G (4)

< less [-]

8 Aircraft Meet Your Criteria (Showing 1 to 8)

Page 1 of 1

Tag	Type	Year	Description	Price	TTAF	Loc	Reg #	Serial #
		1999	Cessna T206H	\$235,000	1233	OR	N25AK	T20608010
		2000	Cessna T206H Turbo	\$405,000	900	MI	N678AZ	T20608230
		2001	Cessna T206H Nav II, Float Kit, TAS, TAWS-B	\$299,500	629	TX	N7276B	T20608300
		2007	Cessna T206H	Inquire	25			T20608774
		2008	Cessna T206H Stationair	\$476,900	252	PA	N2829J	T20608801
		2009	Cessna T206H G1000, GFC700, Air, WAAS	\$529,500	285	TX	N5174Y	T20608935
		2011	Cessna T206H Stationair	Inquire	0	IL	TBD	TBD
		2011	Cessna T206H Nav III (G1000), GFC700 & WAAS	\$585,500	0	TX	TBD	TBD

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Funding Summary

	Executive Budget	House Version	Senate Changes	Senate Version
Aeronautics Commission				
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639
Operating expenses	2,258,049	2,258,049		2,258,049
Capital assets	330,000	330,000	450,000	780,000
Grants	9,040,000	9,040,000		9,040,000
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688
Less estimated income	12,083,688	12,083,688	450,000	12,533,688
General fund	\$550,000	\$550,000	\$0	\$550,000
FTE	6.00	6.00	0.00	6.00
Bill Total				
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688
Less estimated income	12,083,688	12,083,688	450,000	12,533,688
General fund	\$550,000	\$550,000	\$0	\$550,000
FTE	6.00	6.00	0.00	6.00

House Bill No. 1006 - Aeronautics Commission - House Action

The House did not change the executive recommendation for the Aeronautics Commission.

House Bill No. 1006 - Aeronautics Commission - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639
Operating expenses	2,258,049	2,258,049		2,258,049
Capital assets	330,000	330,000	450,000	780,000
Grants	9,040,000	9,040,000		9,040,000
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688
Less estimated income	12,083,688	12,083,688	450,000	12,533,688
General fund	\$550,000	\$550,000	\$0	\$550,000
FTE	6.00	6.00	0.00	6.00

Department 412 - Aeronautics Commission - Detail of Senate Changes

	Adds Funding for Purchase of Replacement Aircraft	Total Senate Changes
Salaries and wages		
Operating expenses		
Capital assets	450,000	450,000
Grants		
Total all funds	\$450,000	\$450,000
Less estimated income	450,000	450,000
General fund	\$0	\$0
FTE	0.00	0.00

Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000.

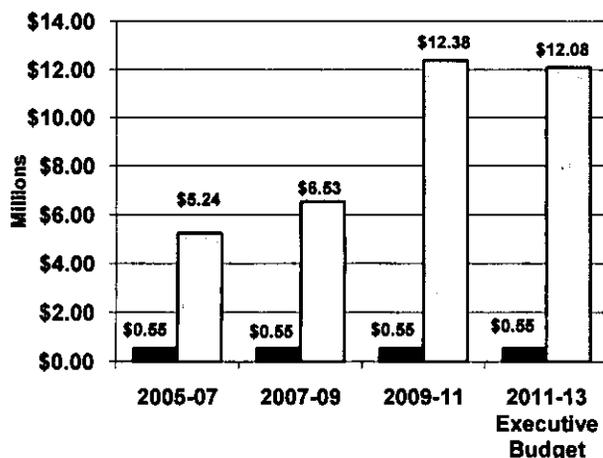
section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment.

Department 412 - Aeronautics Commission
House Bill No. 1006

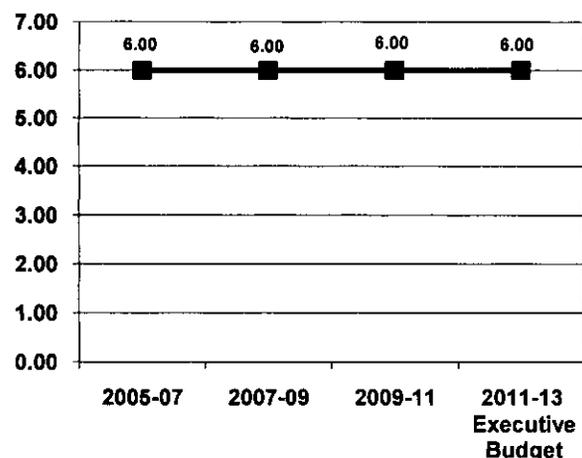
	FTE Positions	General Fund	Other Funds	Total
2011-13 Executive Budget	6.00	\$550,000	\$12,083,688	\$12,633,688
2009-11 Legislative Appropriations	6.00	550,000	12,382,666	12,932,666 ¹
Increase (Decrease)	0.00	\$0	(\$298,978)	(\$298,978)

¹The 2009-11 appropriation amounts include \$14,000 of other funds for the agency's share of the \$16 million funding pool appropriated to the Office of Management and Budget for special market equity adjustments for executive branch employees.

Agency Funding



FTE Positions



■ General Fund □ Other Funds

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2011-13 Executive Budget	\$550,000	\$0	\$550,000
2009-11 Legislative Appropriations	550,000	0	550,000
Increase (Decrease)	\$0	\$0	\$0

First House Action

Attached is a summary of first house changes.

Executive Budget Highlights
(With First House Changes in Bold)

	General Fund	Other Funds	Total
1. Adjusts funding for operating expenses as follows:			
Travel		\$44,500	\$44,500
Buildings, grounds, and maintenance		205,000	205,000
Printing		8,000	8,000
Insurance		(9,000)	(9,000)
Rental/leases of buildings and land		45,138	45,138
Repairs		(27,526)	(27,526)
Fees - Professional services		140,000	140,000
Other		10,505	10,505
Total		\$416,617	\$416,617
2. Decreases funding for the air carrier airport grant program from \$3,300,000, of which \$550,000 is from the general fund, to \$3,200,000, of which \$550,000 is from the general fund		(\$100,000)	(\$100,000)
3. Decreases funding for the general aviation airport grant program from \$2,530,000 to \$2,430,000		(\$100,000)	(\$100,000)

4. Decreases funding for grants to airports for installation of ADS-B navigational systems from \$900,000 to \$600,000	(\$300,000)	(\$300,000)
5. Decreases funding for grants to airports for automated weather observing systems and master plans from \$2,960,000 to \$2,610,000	(\$350,000)	(\$350,000)
6. Increases funding for aviation education grants from \$100,000 to \$200,000	\$100,000	\$100,000
7. Removes capital assets funding for the 2009-11 biennium	(\$400,000)	(\$400,000)
8. Provides funding for extraordinary repairs (\$100,000) and construction of a terminal and installation of wildlife fencing (\$230,000) at the airport at the International Peace Garden	\$330,000	\$330,000

Continuing Appropriations

There are no continuing appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

Special funds - House Bill No. 1132 amends the powers and duties of the Aeronautics Commission and provisions relating to the use of special funds received by the Aeronautics Commission.

Aircraft excise tax - House Bill No. 1157 creates an exemption from aircraft excise tax for donations of aircraft to aviation museums.

ATTACH:1