

1. STUDY GOALS, SCOPE, AND OBJECTIVES

Airports, aviation and aviation-related industries have a profound and beneficial impact on the State of Vermont. Aviation and its supporting activities directly generate significant revenues and employ thousands of State residents. Proximity to airports increases business opportunities within Vermont by permitting efficient, cost-effective travel for executives and employees, while providing companies with access to the worldwide marketplace. Airports offer a gateway to out-of-state tourists and businesses as well. Besides these economic benefits, airports also facilitate an enhanced quality-of-life for residents of the Green Mountain State.

Goals

The primary goal of the *Economic Impact of Vermont's Public-Use Airports Technical Report* is to determine the quantitative and qualitative impacts of the State's seventeen public-use airports to Vermont's economy and to present the information in a manner that is useful to the potential consumers of such information, including decision makers, planners and communities. The two major categories of impact to be addressed are:

- **Quantitative Impacts** – Many of the impacts that Vermont's public-use airports provide are economically beneficial in nature. For example, airports directly and indirectly contribute income and employment to the communities they serve. These impacts can be measured and stated in numerical terms, for example, in dollars and employment.
- **Qualitative Impacts** – Other impacts, which are critical to the State's quality of life, cannot be measured in dollars. For example, Vermont's airports provide access to air ambulance service, preserve open spaces, support law enforcement and conservation activities, and work their way into the life and identity of their communities in countless other ways.

The information brought to light in this Study is relevant to a variety of different types of consumers directly and indirectly affected by aviation in Vermont. Thus, it is also a goal of the Vermont Agency of Transportation

(VTrans) to increase public understanding and awareness of the economic and quality-of-life contributions that Vermont's seventeen public-use airports make to the State.

In addition, this Study examines important current issues in the aviation industry, and how they have affected and will affect Vermont airports and the state economy as a whole. The events of September 11th, 2001 reverberated among all communities of interest within the aviation sector.

Even before September 11, general aviation nationwide had been facing a crisis as the insurance market suddenly became thinner with the exit or retrenchment of important providers. Policies had become more expensive, if available at all.

Finally, this Study examines the impacts of air transportation on the surface transportation system. The importance of the access and movement of airport workers/employees and freight and parcel service between the commercial service airports and the surface transportation network is important to understand and quantify.

Because aviation is in a state of flux, it is important for the State to analyze and understand the impact of these issues on the Vermont economy.

Study Scope

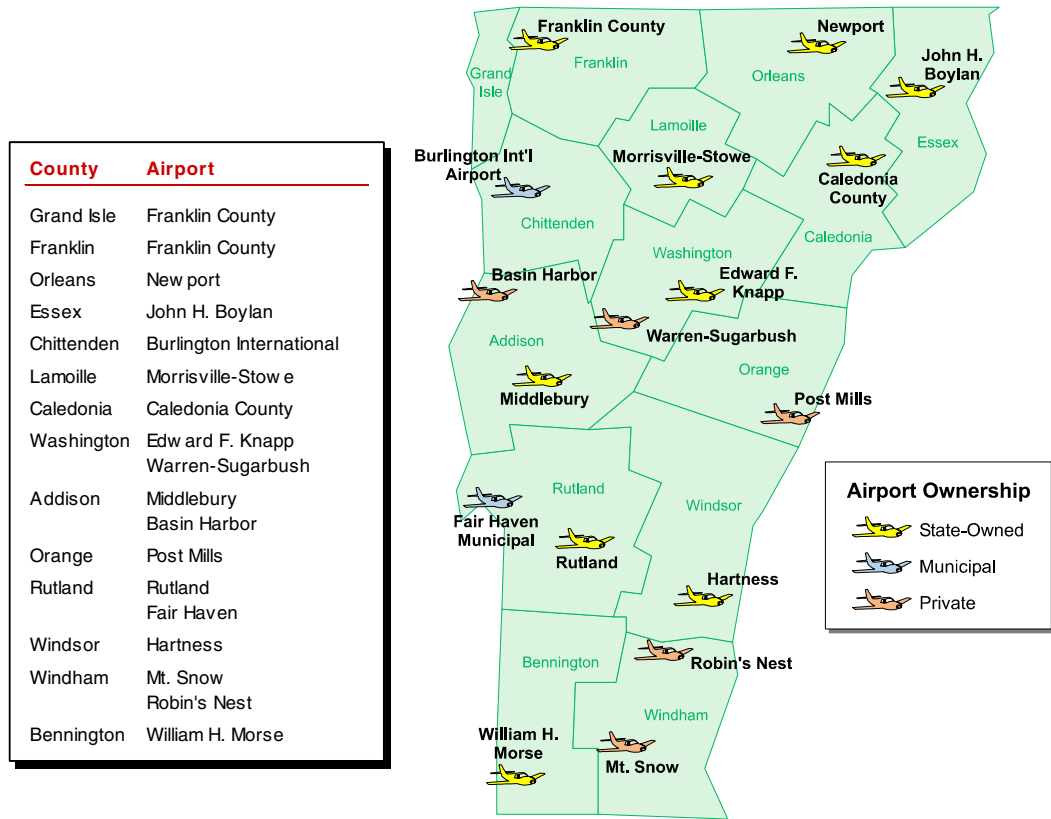
Seventeen public-use airports are spread throughout Vermont. Ten airports are State-owned, two are municipally-owned and five are privately-owned, though open to public use. General aviation activity occurs at all seventeen airports while two have commercial service operations – Burlington International Airport and Rutland State Airport (Exhibit 1).

Through the Vermont Agency of Transportation Maintenance & Aviation Division, the State is responsible for keeping Vermont State airports open, safe and aesthetically pleasing to transportation network users, while managing the system in a cost effective and environmentally sensitive manner. In addition, the Division promotes aviation-related activities and education programs and supports expanded travel opportunities at the seventeen public-use airports.

Fourteen of the State's public-use airports operate year-round while the remaining three airports are open seasonally – from spring (after the mud season) to fall (when the first snow falls). The three seasonal airports are Warren-Sugarbush, Robin's Nest-North Windham Airport and Basin Harbor. While Island Pond, Post Mills and Fairhaven are open year-round, they do not plow their runways, so only ski-equipped aircraft can utilize these facilities in the winter.

Exhibit 1

Seventeen Public-Use Airports Are Included in the VTrans Study



Every county in Vermont has at least one public-use airport located within its borders, with the exception of Grand Isle. The airports themselves are significant economic engines for their local and the statewide economy, while also providing critical connections for residents and businesses to New England and to the world.

As commissioned by VTrans, this study has a specifically defined scope. The *Economic Impact of Vermont's Public-Use Airports Technical Report* covers

the **seventeen public-use airports** in the state. Among these seventeen, there are facilities both publicly- and privately-owned; however, all fulfill the criterion of having designated themselves “open to the public.”

Beside the seventeen public-use airports included in this Study, there are other airports that have significant economic impacts. For example, Shelburne (in Shelburne) and Asspirin Acres (in Vergennes) are two Vermont airports with a great deal of recreational general aviation activity that certainly has a positive local economic impact. However, those facilities are designated private-use, technically requiring the permission of the owner to use, thus they do not fall within the scope of this Study.

The availability of scheduled service at commercial airports outside the state, such as Montreal-Dorval, Manchester NH, Lebanon NH, Albany NY, and Hartford CT, also benefits the Vermont economy. Because VTrans has no jurisdiction over or responsibility for these facilities, they also fall outside the scope of this Study.

This Study offers a point-in-time analysis. Vermont’s public-use airports are examined as they are today. The annual economic impact of the most recent fiscal year is represented. Future scenarios in which capital improvements such as runway extensions may be made are not considered in this Study. Instead, VTrans has an Airport Capital Facilities Program to examine the costs and benefits of investment projects. The Program was developed to identify and prioritize airport projects at publicly owned airports, other than Burlington.

Objectives

As mentioned above, among the goals of this study is to provide information about the comprehensive impact of Vermont’s public-use airports on the State. To achieve this, the study adopted the following objectives:

- **Quantify the economic impact** – This Study assessed the quantitative (dollars and cents) contribution of Vermont’s seventeen public-use airports to the State’s economy by measuring the economic activity directly related to the airports through a comprehensive survey process. This activity is known as the *primary impact*.

After the primary impact was totaled, a computer model was used to measure the *spin-off impact*, the respending of the primary impact within local economies. Detailed discussion of these terms, and of the specific methodology and results, are contained in the chapters that follow.

- **Describe the qualitative impacts** – The many contributions of public-use airports to Vermonters' quality-of-life often cannot be measured in dollar terms, but are real and must be recognized. This Study resolved to catalog and describe them as thoroughly as possible.

These positive qualitative impacts include emergency, safety, conservation and law enforcement aviation that public-use airports make possible. For example, many lives are saved each year through emergency medical evacuation by aircraft. These qualitative benefits are described in detail later in this Study.

- **Quantify the impact of important evolving aviation issues** – While the scope of the study encompasses the current economic impact of Vermont's airports, the analysis will engage in scenario modeling to quantify the time-to-date and likely future impact of the following issues:

September 11th – The study quantifies the impact of September 11th as it affected both commercial and general aviation in Vermont. Also examined is the length of time that these effects are likely to persist.

General Aviation Insurance Crisis – The effect of the increased price or non-availability of general aviation insurance has been measured.

Interaction of Air and Surface Transport Network – This Study examines the impacts of air transportation on the surface transportation system. The importance of the access and movement of airport workers/employees and freight and parcel service between the commercial service airports and the surface transportation network is important to understand and to quantify.

- **Tailor the message of the study for different target audiences –** This study was conducted with the knowledge that several different audiences are to be addressed. These audiences vary in terms of their interest in detail and in the time they can devote to consume the final study product. They are also likely to have different uses for the information. Among the audiences to be addressed:

State Policy-Makers – Vermont legislators are naturally interested in issues affecting the state economy and the continuing welfare of their constituents. This Study seeks to increase their appreciation of the role played by the State’s airports and aviation activities.

Local Communities and the General Public – It is the intent of this study that the public gain a better understanding of the extent to which their local economies and quality-of-life are enhanced by access to aviation through public-use airports. In this way, Vermonters can make judgments concerning support or opposition to aviation-related plans, programs, and public investment.

Transportation Planners – This study is intended to provide information to transportation planners as they work to communicate public awareness and understanding of the value of Vermont’s system of public-use airports.