

Follow-Up Analysis of 25 Underutilized State Aircraft Confirmed Inefficiency and Potential Cost Savings

A presentation to the Joint Legislative
Program Evaluation Oversight Committee

May 24, 2010

Catherine Moga Bryant



Evaluation Team

Catherine Moga Bryant, Evaluation Lead

Sean Hamel, Evaluator

Carol Ripple, Principal Evaluator

Pamela Taylor, Statistician

Larry Yates, Principal Evaluator



Overview

- Follow-up to Report 2010-04, *Selling 25 Underutilized Aircraft May Yield Up to \$8.1 Million and Save \$1.5 Million Annually*
 - Provide detailed information on the aircraft identified for elimination
 - Address specific concerns raised by the agencies in response to the report recommendation for eliminating aircraft



Background: Findings from Report 2010-04

- Eight aviation programs operated 72 aircraft at a cost of \$10.8 million in Fiscal Year 2008-09
- Most aircraft were underutilized or not used
- Three-phase analysis examined aircraft use and fleet demand
- Analysis revealed that 25 aircraft could be eliminated

Report p 2



Background: Findings from Report 2010-04

Program	Aircraft to Eliminate
Transportation	1
SBI	1
Marine Fisheries	3
Forest Resources	20
Total	25

Report p 3



Background: Findings from Report 2010-04

Program	Potential One-Time Proceeds from Sale	Annual Cost Savings
Transportation	\$4,649,000	\$307,434
SBI	\$650,000	\$12,000
Marine Fisheries	\$190,000	\$11,570
Forest Resources	\$2,628,500	\$1,191,905
Total	\$8,117,500	\$1,522,818

Report p 3

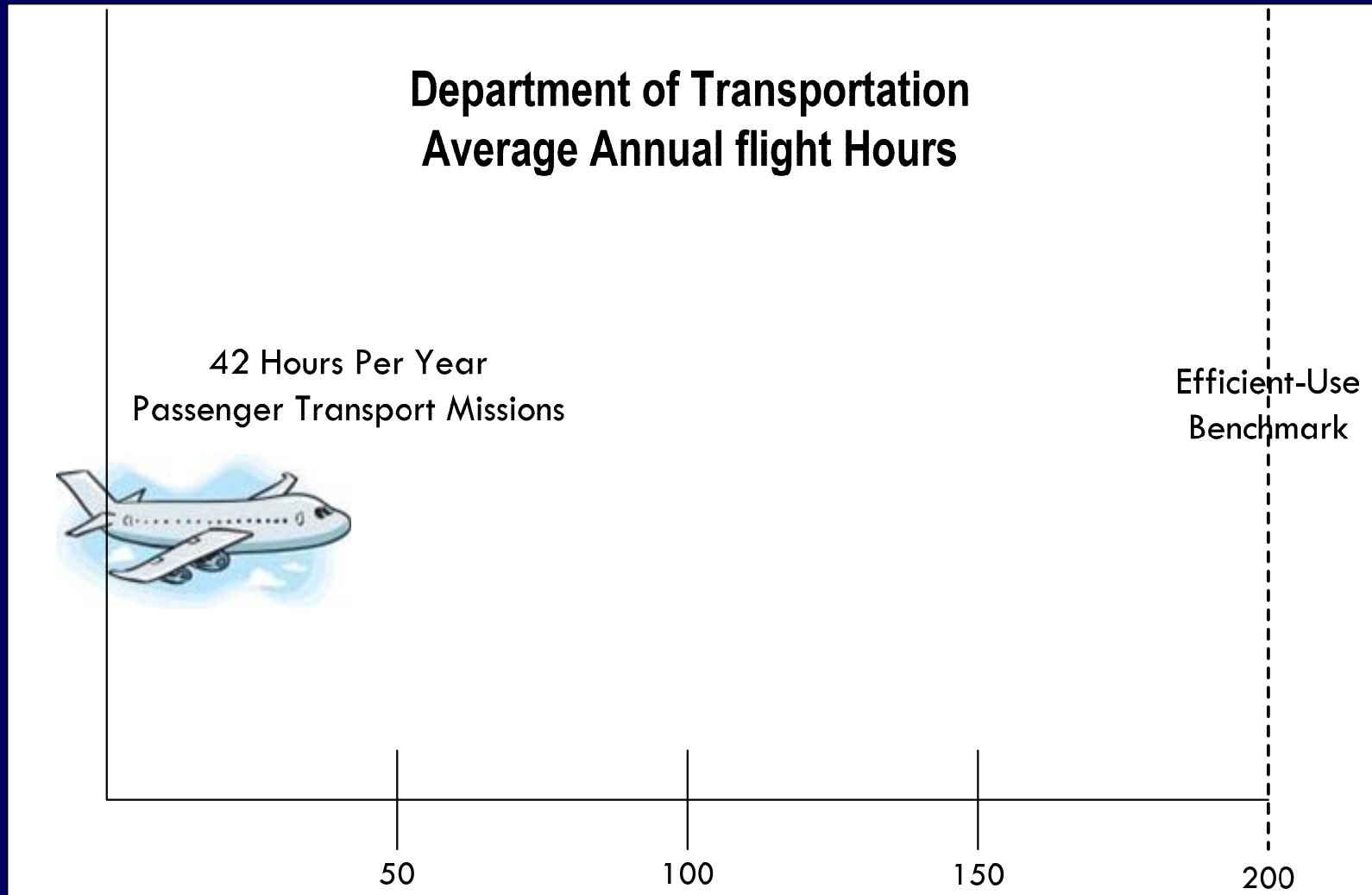


Department of Transportation

Aircraft Identified for Elimination	Potential Proceeds from Sale	Cost Savings
1 passenger transport	\$4.6 million	\$307,000



Department of Transportation



Report p 7



Department of Transportation

- Eliminate passenger transport airplane
- Alternatives
 - Department of Commerce and UNC Area Health Education Centers (AHEC) passenger transport programs



Report p 4



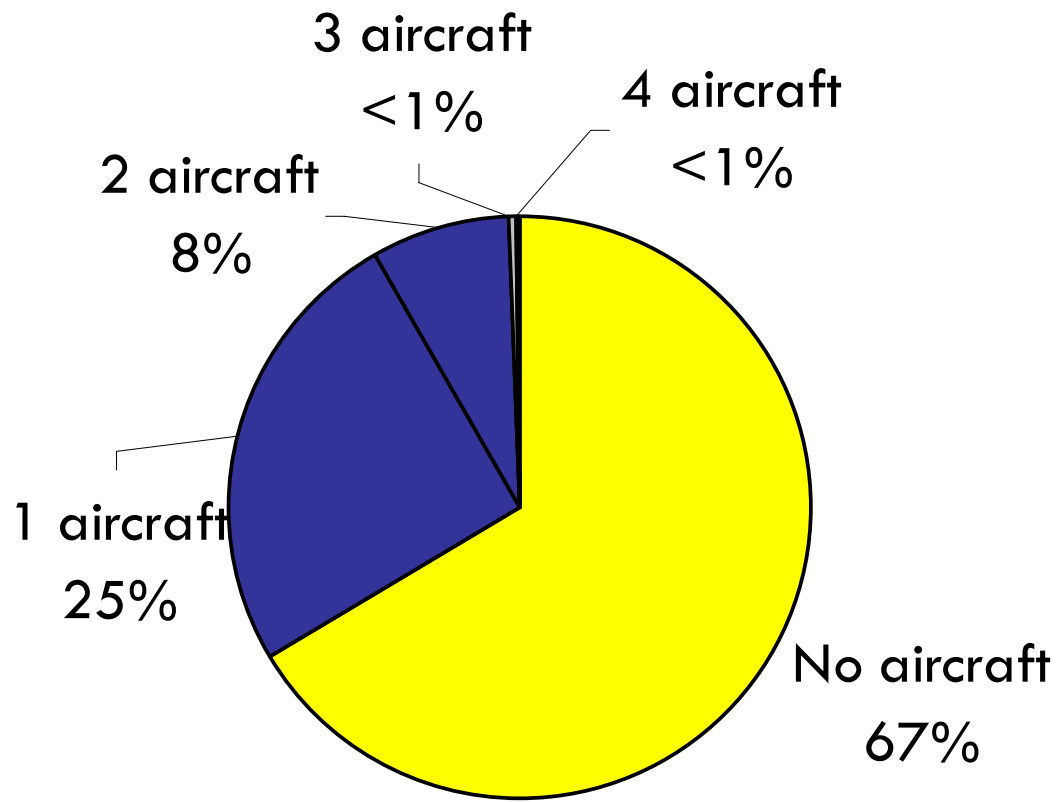
State Bureau of Investigation

Aircraft Identified for Elimination	Potential Proceeds from Sale	Cost Savings
1 twin engine	\$650,000	\$12,000



State Bureau of Investigation

Daily Fleet Demand



Report p 5



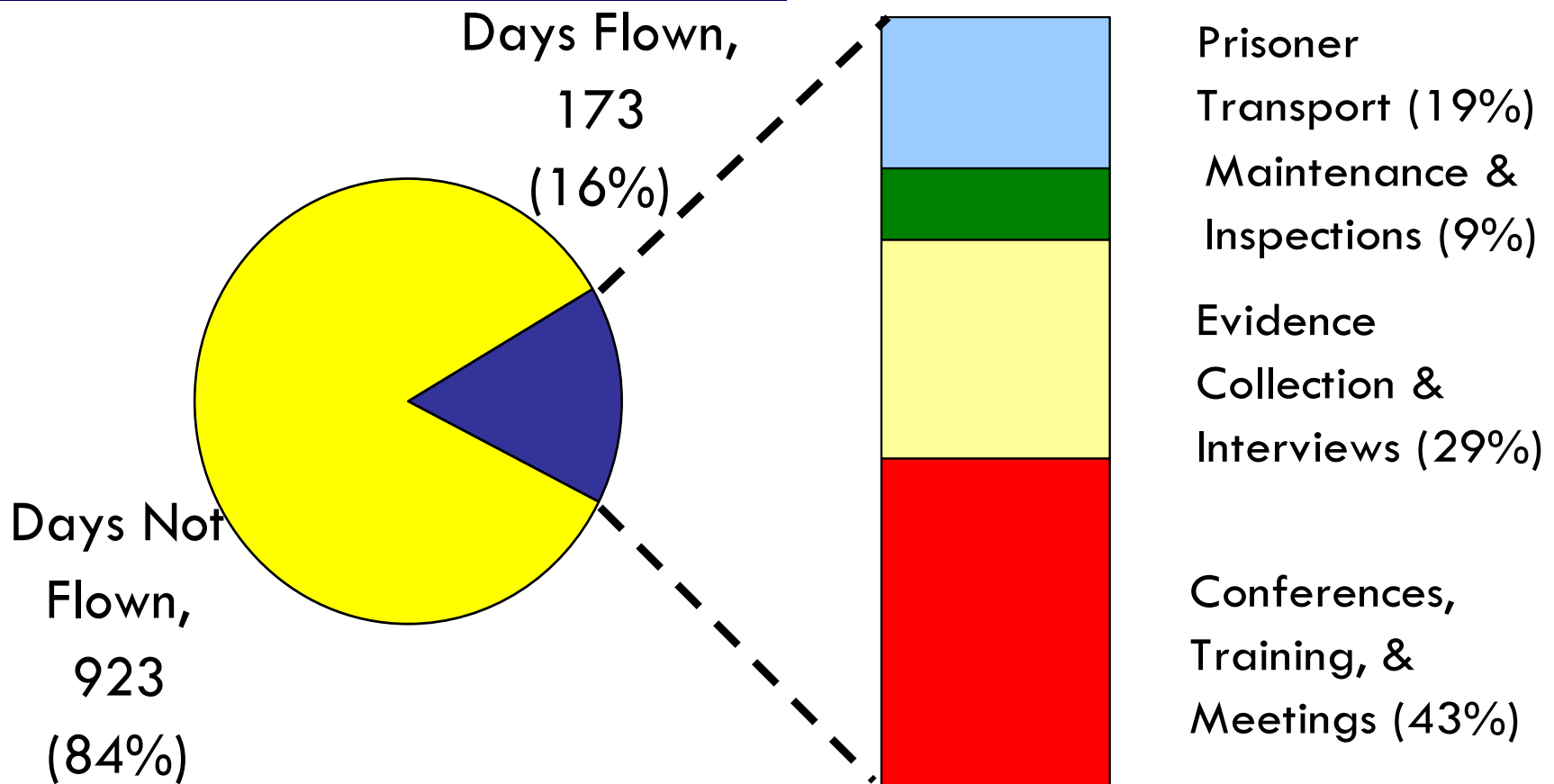
State Bureau of Investigation Concerns

SBI Concerns	Response
Twin engine transports bomb squad, Special Response Team (SRT)/SWAT, hostage negotiation teams	Flight records do not support this pattern of use
Twin engine is needed to deploy agents to crime scenes	The single engine airplanes can be used for this purpose
Twin engine is essential for prisoner transport	Private companies routinely provide prisoner transport

Report p 7



State Bureau of Investigation Days and Missions Flown



Report Appendix B



State Bureau of Investigation

- Eliminate twin engine airplane
- Alternatives:
 - Departments of Commerce and Transportation, AHEC
 - Ground transportation
 - SBI single engine airplanes
 - Prisoner transport businesses



Report p 6



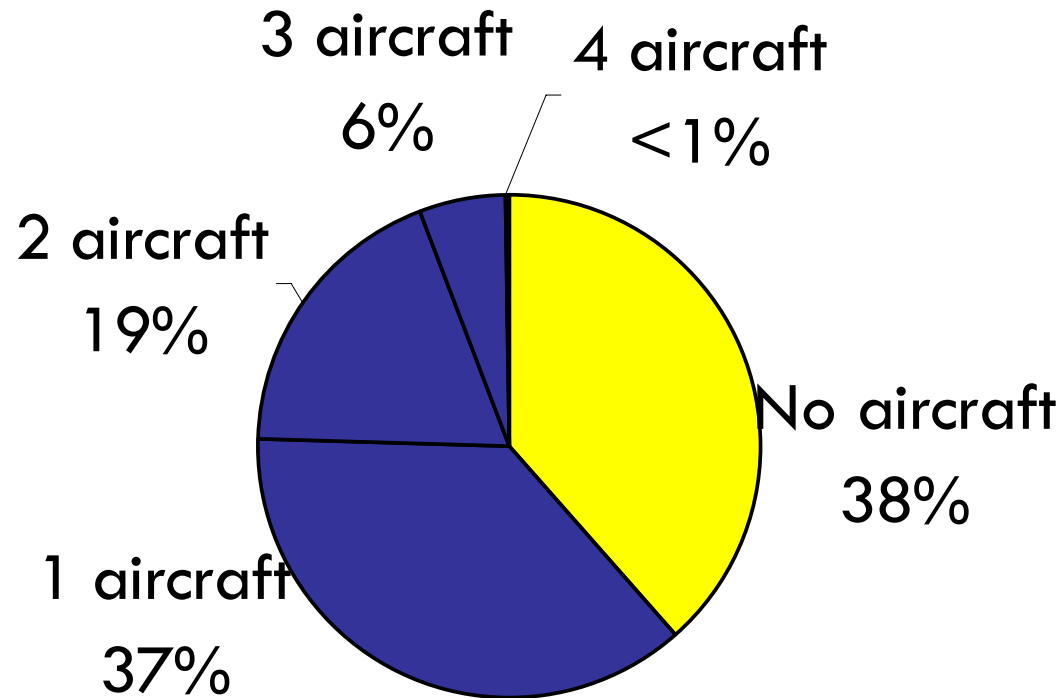
Division of Marine Fisheries

Aircraft Identified for Elimination	Potential Proceeds from Sale	Cost Savings
3 helicopters	\$190,000	\$11,570



Department of Marine Fisheries

Daily Fleet Demand



Report p 8



Department of Marine Fisheries

- Eliminate 3 helicopters
 - Helicopters grounded in August 2009
 - Mission requirements met with 3 airplanes
- Alternatives
 - None required



Report p 8

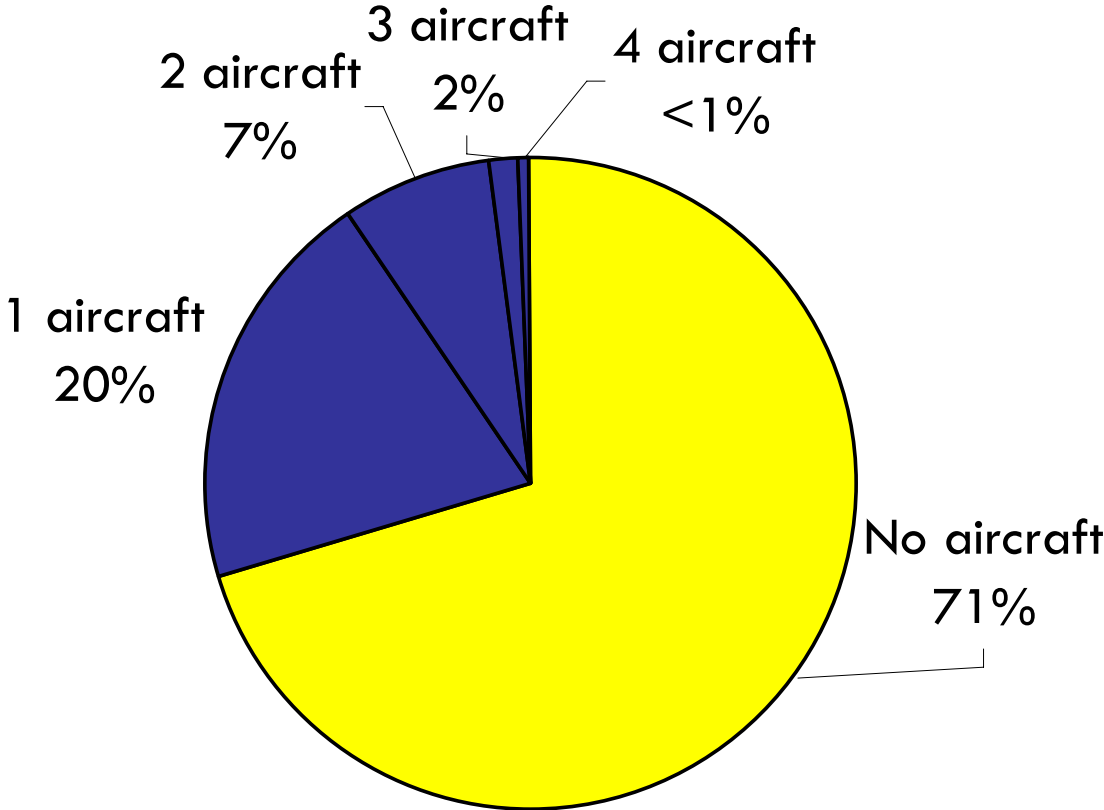
Division of Forest Resources

Aircraft Identified for Elimination	Potential Proceeds from Sale	Recurring Savings
2 fire control	\$0	\$1.2 million
11 fire patrol	\$678,500	
1 fire suppression	\$0	
1 fire suppression/ prescribed burn	\$1,950,000	
1 transport	\$0	
4 salvage	\$0	
20 aircraft	\$2.6 million	



Division of Forest Resources Fire Control

Daily Fleet Demand



Report p 9



Division of Forest Resources

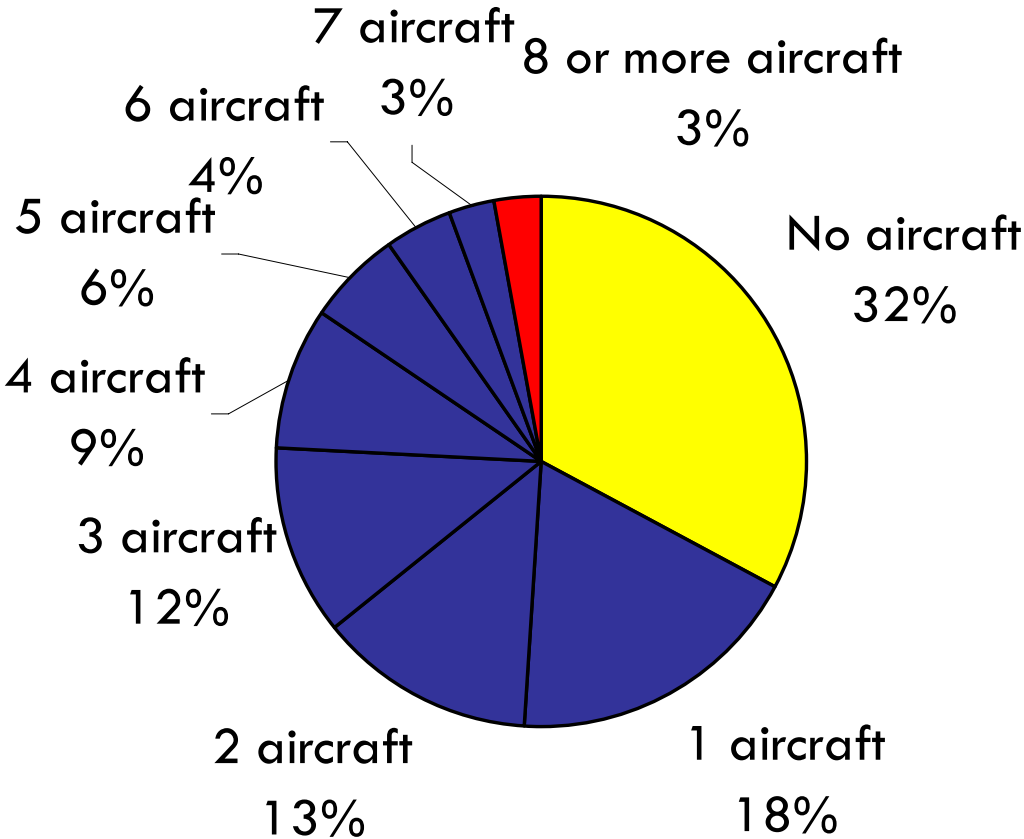
Fire Control

- Eliminate 2 fire control aircraft
 - All fire control missions have been met with 4 aircraft
- Alternatives
 - None required
- No sales proceeds
(Federally owned)



Division of Forest Resources Fire Patrol

Daily Fleet Demand



Report p 11



Division of Forest Resources

Fire Patrol

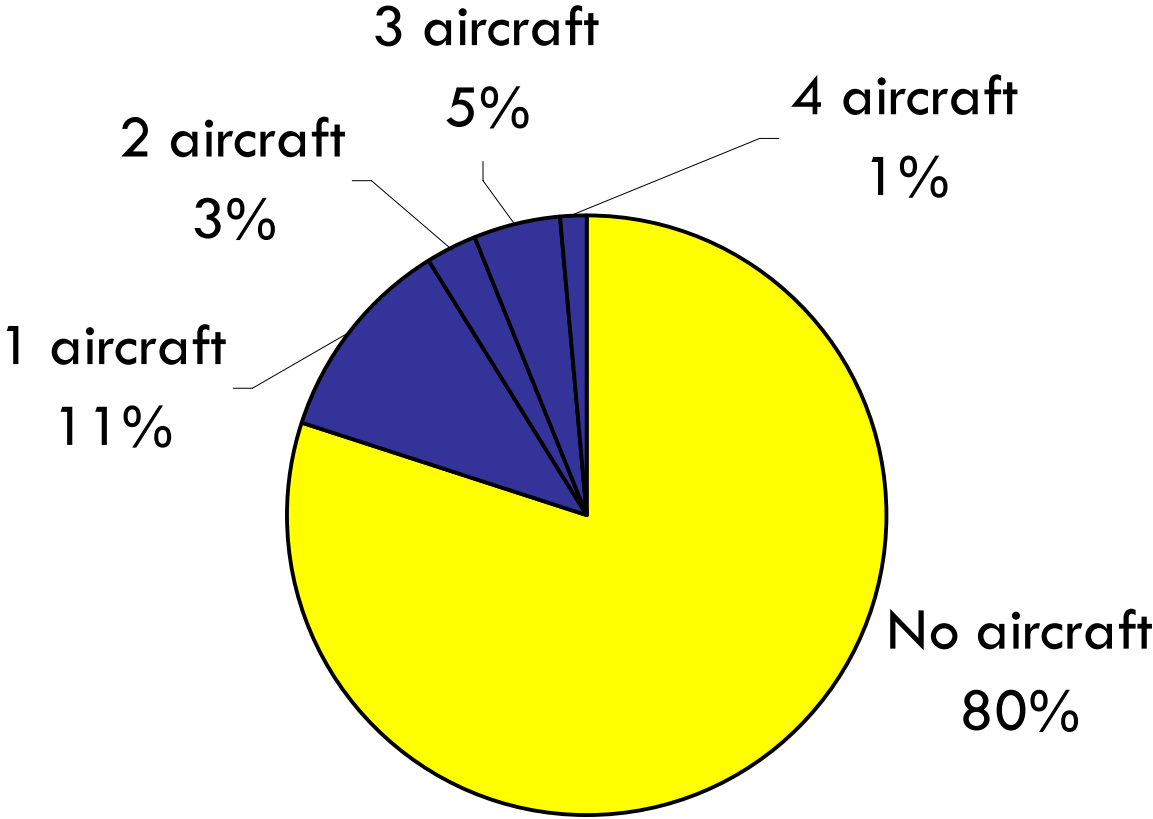
- Eliminate 11 fire patrol airplanes
- Alternatives
 - Remaining airplanes can fly more hours
 - Contract with private business or other states
 - \$51,000 Reserve Fund for contracting
 - Marine Fisheries, Wildlife Resources
- Sale Proceeds **up to \$678,500**



Report p 11

Division of Forest Resources Fire Suppression

Daily Fleet Demand



Report p 12



Division of Forest Resources

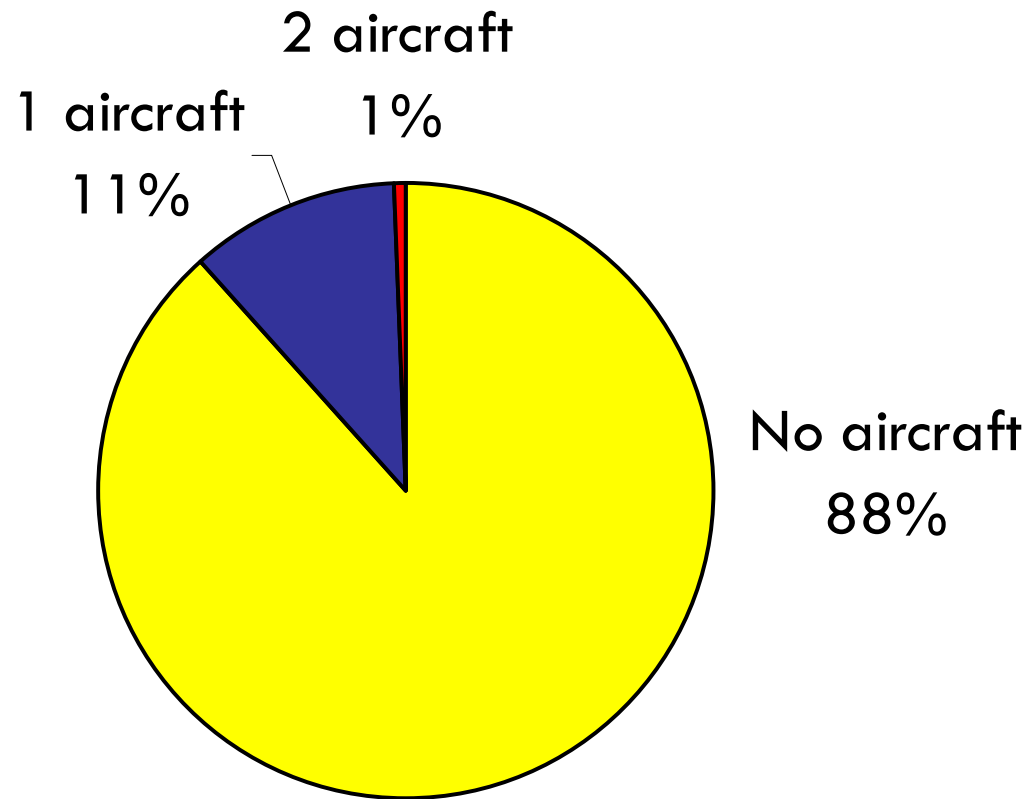
Fire Suppression

- Mission requirements met with 4 aircraft
- Eliminate one airplane – Canadair
- Alternatives
 - None required
- Sales proceeds
Possible sale as salvage



Division of Forest Resources Fire Suppression/Prescribed Burn

Daily Fleet Demand



Report p 14

Division of Forest Resources

Fire Suppression/Prescribed Burn

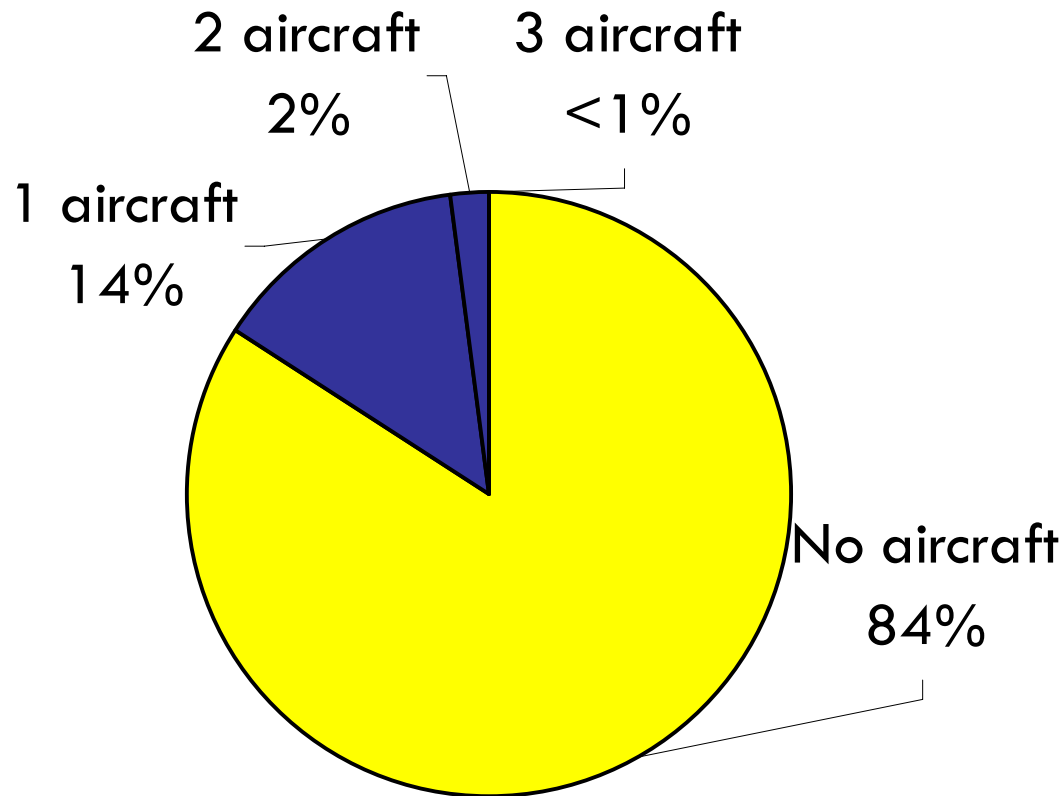
- Eliminate one helicopter
 - Helicopters were idle 88% of the time
- Alternatives
 - Other division aircraft
 - Private businesses
 - National Guard
- Sales proceeds **up to \$2 million**



Report p 14

Division of Forest Resources Transport

Daily Fleet Demand



Report p 15

Division of Forest Resources

Transport

- Eliminate twin engine airplane
 - Twin engine airplane flew a total of 12.4 hours in 3 years
- Alternatives
 - None required
- No sales proceeds
(Federally owned)



Division of Forest Resources

Salvage

- Eliminate all 4 salvage aircraft
 - 90% of parts are untraceable
- No sales proceeds
 - 3 federally owned
 - 1 state-owned with limited market value



Summary: Division of Forest Resources

Aircraft Identified for Elimination	Potential Proceeds from Sale	Cost Savings
20 aircraft	\$2.6 million	\$1.2 million



Summary: Overall

Estimated proceeds from sale of aircraft
up to \$8.1 million

Estimated recurring savings – aircraft operations
\$1.5 million



Legislation

- SB 1168 – Establish Aviation Management Division
- HB 1823 – Eliminate 25 aircraft and 5 facilities



Legislation

- SB 897 – Senate Appropriations Bill

Recurring reductions

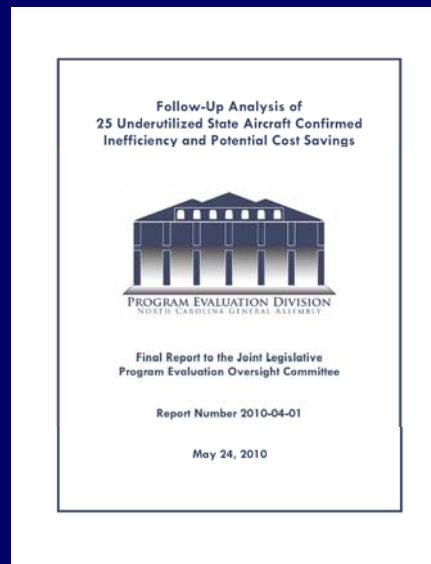
- \$941,178 DENR
- \$300,000 Commerce

Non-recurring reductions

- \$2.4 million DENR



**Report available online at
www.ncleg.net/PED/Reports/reports.html**



**Catherine Moga Bryant
Catherine.MogaBryant@ncleg.net**