



OKLAHOMA
Aerospace &
Aeronautics

Oklahoma Department of Aerospace & Aeronautics

FY 2026 Budget Hearing Presentation

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Executive Director



The **Oklahoma Department of Aerospace and Aeronautics** serves as the lead government agency to support, promote, and advocate for the state's second largest industry, aviation and aerospace. This includes providing funding, planning, programming and engineering expertise for Oklahoma's airports and aviation infrastructure as well as ensuring the viability of the aerospace industry. The agency is responsible for the administration and/or coordination of a statewide system of airports, cooperating with and assisting local, state, and federal authorities in the development of aviation infrastructure and facilities, acting as the central resource point in state government for the up-and-coming Unmanned and Advanced Air Mobility sector, and fostering the success of the state's overall aerospace industry. The Department administers a robust aerospace and aviation education grant program to help the aviation and aerospace industry with their workforce challenges by introducing Oklahoman students to the available STEM careers that the industry has to offer. The Department also partners with Oklahoma's Department of Commerce in the delivery of the ACES program which seeks to grow and develop the aviation and aerospace industry.

Founded originally in 1946 as the Aviation Commission, reorganized as the Aeronautics Commission in 1963, and renamed the Oklahoma Department of Aerospace and Aeronautics in 2023, this agency now encompasses the following divisions: **Administration/Operations, Airport Development, Aerospace & Aviation Education, UAS/AAM.**

Agency Vision, Mission and Core Values

Vision: To be an efficient, innovative, customer-driven organization working collaboratively to provide safe, modernized, integrated and sustainable transportation options throughout Oklahoma.

Mission: The mission of the ODAA is to promote aviation and aerospace, which includes ensuring that the needs of commerce and communities across the state are met by the state's 108 public airports that comprise the Oklahoma Airport System, to foster the growth of the aerospace industry, and to help ensure the workforce needs of the aerospace industry are addressed by educating and making Oklahomans aware of the job opportunities that are available.

Core Values: We value our people for individual and team contributions, empowering them to make decisions through productive partnerships. We are accountable for meeting the transportation needs of citizens, business and industry in the safest, most proficient manner possible.



Accomplishments

Top accomplishments for FY 2024 – FY 2025

- 1) Advocated for and successfully passed legislation that creates the Oklahoma Aircraft Engine Testing Development Program and Oklahoma Aerospace Foundation.
- 2) Retained the state's #1 ranking as far as the number of schools teaching the AOPA high school curriculum with 117.
- 3) Awarded \$731,128 of aerospace and aviation education grants to 98 different entities in FY25 to encourage, foster and grow a healthy workforce for the aerospace industry, the largest number of grants awarded in the history of the program.
- 4) Completed several notable construction projects: Pauls Valley hangar, Enid Woodring hangar, Broken Bow fuel system, McCurtain County (Idabel) runway rehabilitation, Tulsa Riverside taxiway safety and realignment project, Grove runway rehabilitation, Clinton runway rehabilitation, Enid Woodring crosswind runway reconstruction.
- 5) Broke ground on the following projects: Tulsa International Air Traffic Control Tower and TRACON building, Woodward Terminal, Hangar, and 40-acre development area project, terminals at Elk City, Miami, Mid-America (Pryor), hangars at OKC Will Rogers International, Elk City, Max Westheimer (Norman), among many others.



Analysis of Agency Challenges

| | Challenge | Current Actions (Briefly describe how the agency is currently addressing the challenge.) | Planned Actions (Briefly describe how the agency plans to address the challenge going forward.) |
|----------|---|--|--|
| 1 | General knowledge of the aerospace and defense industry. | Host major events throughout the year highlighting the aviation and aerospace industry. Support airports with fly-ins and other activities that allow the community to interact with local aviators. | Continue to host and support events that highlight the industry and increase the number of community participants in the various airport activities that occur throughout the state. |
| 2 | Sustainable long-term funding for airport and UAS/AAM infrastructure. | Use the appropriations that the agency has received the past three years on airport growth projects. Award the first project to begin building radar infrastructure for UAS testing. | Continue to advocate for additional appropriated funding to put towards airport and UAS/AAM infrastructure. |
| 3 | Workforce development and aero education recruitment efforts | STEM Aerospace Education programming is continuing to increase all across the state, however we must turn our attention to ensuring students are aware of those new programs so they can enroll in them as well as maintaining the success of the programs that are already ongoing. | Continue to visit with school leaders, community members, and aerospace industry partners to find new and innovative ways to tie these three groups of people together. |
| 4 | | | |

Savings & Efficiencies (Current or Planned)

| Savings or Efficiency Name | Brief description of how savings were achieved | Savings in Unit of Measurement | FY 2024 (Actual \$ Savings) | FY 2025 (Projected \$ Savings) | FY 2026 (Projected \$ Savings) |
|-----------------------------------|---|---|-----------------------------|--------------------------------|--------------------------------|
| In-house project design | Engineering staff are undertaking design of two runway rehabilitation projects (crack seal and seal coat) | Reduced engineering fees and reduced local matches for these two communities | \$125,000 | \$50,000 | \$50,000 |
| In-house UAS surveying activities | UAS Program Manager will fly drone-grade surveys for runway safety areas and approaches thereby identifying the need for which airports need an engineering survey. | Having a UAS grade survey will dictate which airport's need engineering level surveys thereby reducing overall survey costs | NA | \$25,000 | \$50,000 |
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Note: When reporting savings and efficiencies, agencies should include savings associated with statewide initiatives related to fleet reduction, use of Artificial Intelligence (AI), and cell phones. Examples of units of measurement include square footage, headcount (employees or contractors), overtime hours reduced, processing time in hours, days, etc. For example, "42 minutes per transaction," "20,000 square feet in office space," or "580 overtime hours reduced in the first year."

Agency Goals and Key Performance Metrics

| Goal | | Metric | FY 24 Target* | FY 24 Actuals | FY 25 Target | FY 29 Target |
|------|---|--|---------------|---------------|--------------|--------------|
| 1 | Development of a statewide airport system. | During each fiscal year, grant at least 85% of the programmed funds for airport construction identified in the current state and federal fiscal years. | 85% | 85% | 85% | 85% |
| 2 | Increase the overall workforce for the aviation and aerospace industry. | Become a top 5 state insofar as aviation curriculum being taught in classrooms across Oklahoma. Increase the number of participants applying for the Aerospace & Aviation Education Grant Program. | 65 | 71 | 100 | 125 |
| 3 | Ensure each airport is operating in a safe, efficient, and business friendly manner while meeting FAA and Commission standards. | Conduct airport safety and standards inspection on a three-year cycle on the State's 135 public-use airports. | 45 | 45 | 45 | 45 |
| 4 | Sustain existing airport pavement infrastructure while strategically investing in new pavement and increasing the overall pavement condition on a systemwide basis. | Conduct airport pavement inspections on a three-year cycle for the 95 airports in the pavement inspection program and ensure a pavement condition index of at least 70 for primary runways. | 32/72 | 32/72 | 32/74 | 32/74 |
| 5 | Identify and invest in new airport infrastructure to support additional aviation business potential and based aircraft activity within the state's airport system. | Number of hangar or other vertical infrastructure projects granted through the Commission's 5-year Airport Construction Program | 8 | 10 | 12 | 15 |
| 6 | Increase awareness with the general public of the benefits and opportunities afforded to the state's economic health due to the aviation and aerospace industry | Hosting major events throughout the year highlighting the aviation and aerospace industry. Supporting airports with fly-ins and other activities that allow the community to interact with local aviators. | 4/6 | 9/10 | 4/8 | 4/8 |
| 7 | Assist local communities/businesses with adopting and utilizing UAS/AAM technology while investing in necessary radar and detection infrastructure to assist with integration responsibilities. | Number of entities State Manager for Advanced Air Mobility meets with each year. | 50 | 65 | 40 | 30 |

Projects for FY 2025

- 1) Begin work on a new aerospace industry economic impact study.
- 2) Implement UAS infrastructure funding statewide.
- 3) Continue work on PREP-funded mega projects at Ardmore Municipal, Woodward, Tulsa International and OKC Will Rogers International Airport.
- 4) Ongoing/upcoming airport construction projects not associated with PREP funds: Terminal buildings at El Reno, Elk City, McAlester, Miami, Mid-America (Pryor), Okmulgee, Shawnee, South Grand Lake Regional, Stillwater, and Watonga. Fuel Systems at Alva, David Jay Perry (Goldsby), Hooker, and William R Pogue (Sand Springs). Construct hangars at a multitude of locations to include Carnegie, El Reno, Frederick, Lawton-Fort Sill, Max Westheimer (Norman), OKC Will Rogers International, Okemah, Prague, Shawnee, Stillwater, Tahlequah, Weatherford, and Woodward. Other major projects include Max Westheimer (Norman) Tower, Tulsa International Tower and TRACON, Fairview parallel taxiway construction, Robert S Kerr (Poteau) runway rehabilitation, Alva parallel taxiway rehabilitation, Ardmore Air Cargo apron, entrance road, and utilities, Guthrie/Edmond parallel taxiway realignment.



Projects for FY 2026

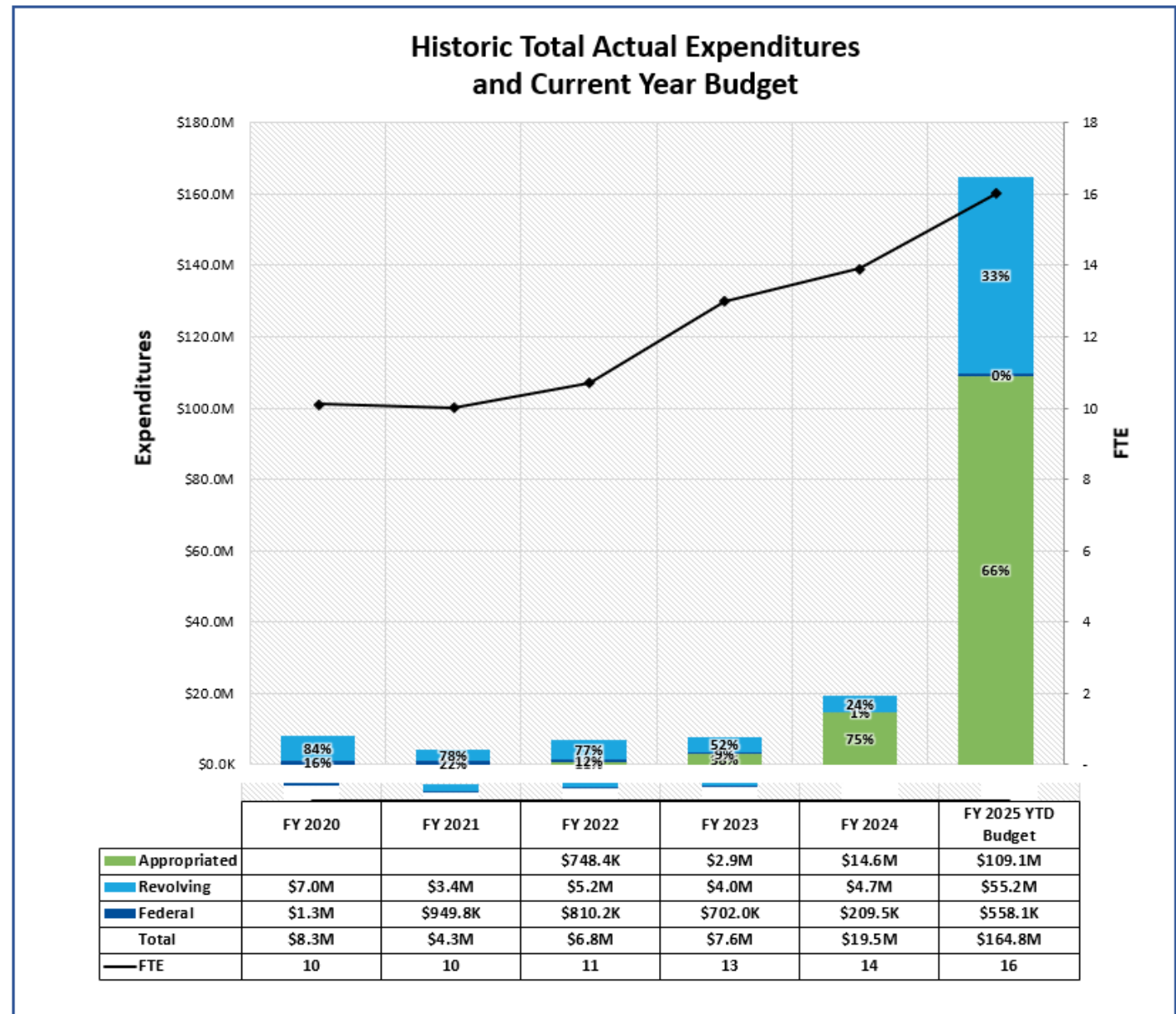
- 1) Finish the new aerospace economic impact study and conduct a statewide publicity campaign to share the results and highlight the success and importance of the industry.
- 2) Implement and test the agency's first UAS infrastructure investment with the radar/detection system installation at Burns Flat. This has been an ongoing RFP with OMES since late 2023 and a contract award was made in October 2024.
- 3) Develop new Aero Education outreach activities through investment in STEM aviation competitions and other hands-on activities, expanding the aerospace classroom lab improvement program, and investing in aviation curriculum to support education at a level earlier than high school.
- 4) Continue to implement the pro-growth infrastructure recommendations from the 2022 Oklahoma Airport System Plan. This includes identifying special projects that need funding consideration from the Legislature as well as projects that would compete for regular pro-growth funding such as terminals, hangars, taxiway development areas, utilities, and other projects that enable growth activities.



Total Historic Actual Expenditures (FY 2020-24) and Current Year Budget (FY 2025)

Explanation of Changes and Trends

The agency's general appropriation increased from \$4M to \$11M between fiscal years 2023-2024 which, along with PREP funds, is the reason for the increase in expenses in FY24. The FY25 budget includes the remaining PREP funds the agency was appropriated plus the additional \$16M appropriation the agency received for the aircraft engine test cell development program and \$41M for specific airport growth infrastructure projects.



**Appropriation amounts include PREP funds.*

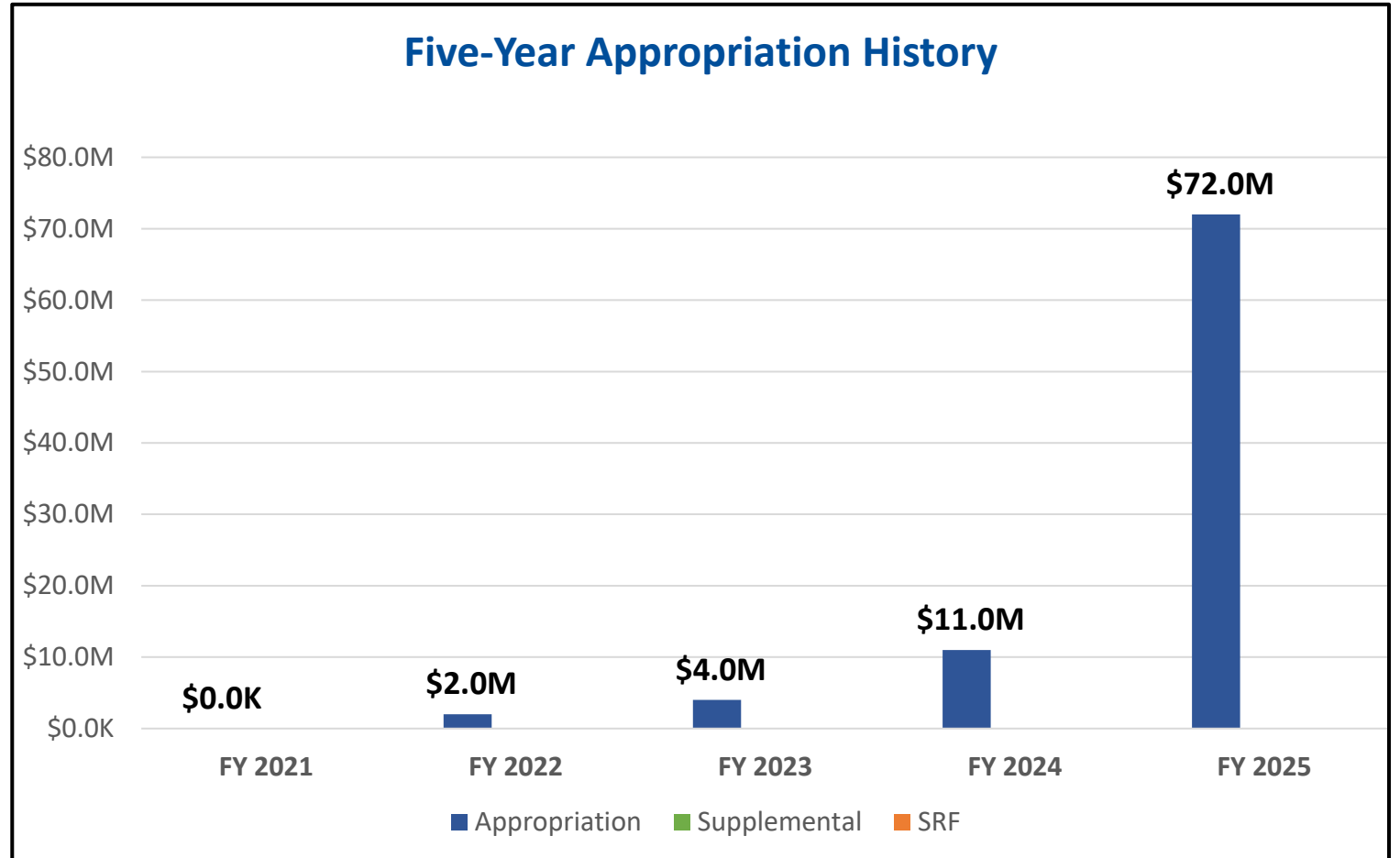


FY 2025 Budgeted Full Time Equivalents (FTE)

| | FY 2025 Budgeted FTE |
|---|----------------------|
| Total FTE | 17 |
| Supervisor FTE | 4 |
| Supervisors to Total FTE Ratio (%) | 23% |
| Current Budgeted but Unfilled FTE | 2 |

Appropriation History

| Fiscal Year | Legislated Appropriation (\$) <i>(Includes supplementals and SRF/ARPA if applicable.)</i> |
|-------------|--|
| FY 2021 | \$0 |
| FY 2022 | \$2,000,000 |
| FY 2023 | \$4,000,000 |
| FY 2024 | \$11,000,000 |
| FY 2025 | \$72,000,000 |



Financial Resource Analysis

| Carryover | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|---|---------|---------|-------------|-------------|
| Total appropriated carryover amount expended (\$) | \$ | \$ | \$1,038,709 | \$2,530,771 |

| Historical Cash Balances | FY 2021 | FY 2022 | FY 2023 | FY 2024 |
|--|-------------|-------------|--------------|--------------|
| Year End Revolving Fund Cash Balances <i>(All Revolving Funds)</i> | \$5,784,327 | \$6,718,347 | \$11,781,542 | \$15,891,897 |

| Revolving Class Fund # <i>(Unrestricted only)</i> | Revolving Class Fund Name <i>(Unrestricted only)</i> | Current cash balance (\$) | Projected FY 2025 year-end cash balance (\$) |
|---|---|---------------------------|--|
| 20000 | Department of Aerospace & Aeronautics Revolving Fund | \$14,740,169 | \$9,000,000 |
| 21500 | Long-Term Aerospace & Aeronautics Infrastructure Sustainability | \$3,263,313 | \$7,000,000 |
| 22000 | Engine Test Cell Development Program | \$16,000,000 | \$15,000,000 |
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FY 2023 – 2024 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i> | <i>Amount FY 2023</i> | <i>Amount FY 2024</i> | <i>Total amount received FY 2023 - 24</i> | <i>Total amount expended by 11/1/2024</i> | <i>Included in FY 2025 approp? (Yes/No)</i> | <i>If not expended fully, please explain.</i> |
|--|-----------------------|-----------------------|---|---|---|---|
| Airport growth infrastructure projects | \$2,000,000 | \$ | \$2,000,000 | \$2,000,000 | Yes | |
| PREP airport infrastructure projects | \$100,950,000 | \$ | \$100,950,000 | \$10,217,088 | No | A large portion of these funds are going towards 4 mega projects that will take several years to complete given the size and scope of the projects. All are currently under construction and a considerable amount of funds will be paid out in FY2025. |
| Airport growth infrastructure projects, UAS infrastructure | \$ | \$7,000,000 | \$7,000,000 | \$4,360,384 | Yes | Airport infrastructure projects typically take 18-24 months to be designed and completed. UAS funds will be spent in FY25 now that the statewide contract has been awarded. |
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| Totals | \$102,950,000 | \$7,000,000 | \$109,950,000 | \$16,577,472 | | |



**Do not include SRF / ARPA appropriation increases.*

FY 2025 Appropriation Change Review

| <i>Purpose of appropriation increase or decrease</i> | <i>Amount of increase or decrease (\$)</i> | <i>Does this need to be included in your FY 2026 appropriation? (Yes/No)</i> | <i>If yes, included in appropriation for same purpose? (Yes/No)</i> | <i>If not included for same purpose, please explain.</i> |
|--|--|--|---|--|
| Aerospace and aviation education investment | \$1,000,000 | Yes | Yes | |
| Airport economic development projects | \$41,000,000 | No | | |
| Airport growth infrastructure investment | \$3,000,000 | Yes | Yes | |
| Engine test cell development program | \$16,000,000 | No | | |
| | \$ | | | |
| | \$ | | | |
| | \$ | | | |
| | \$ | | | |
| Total adjustment | \$72,000,000 | | | |



**Do not include SRF / ARPA appropriation increases.*

Budget & Supplemental Incremental Request Summary

| | Request Name | FY 2026 Incremental Appropriation Request Amount (\$) <i>{or FY 2025 for Supplementals}</i> | Type of Request: Recurring, One-time, or Supplemental |
|---|--|--|---|
| 1 | Airport Growth Infrastructure Investment | \$1,000,000 | Recurring |
| 2 | Unmanned Aircraft Systems & Advanced Air Mobility Infrastructure | \$1,000,000 | Recurring |
| 3 | | | |
| 4 | | | |
| 5 | | | |



(1) Incremental Budget Request

| | |
|--|--|
| Name of Request: Airport Growth Infrastructure Investment | |
| Type: Recurring | \$ Incremental Amount Requested for FY 2026: \$1,000,000 |
| <p>Describe why these funds are needed.</p> <p>Appropriated funding is requested to continue investing in pro-growth infrastructure at Oklahoma's public airports to enhance their economic opportunities for the local communities they serve. Investing in hangars, terminal buildings, fuel systems, pavement strengthening and utility improvements will allow airports to attract new businesses and based aircraft to their communities. This will further strengthen our airports as hubs of economic activity and support the increased aviation business potential of the overall system.</p> | |



(2) Incremental Budget Request

| | |
|---|--|
| Name of Request: Unmanned Aircraft Systems & Advanced Air Mobility Infrastructure | |
| Type: Recurring | \$ Incremental Amount Requested for FY 2026: \$1,000,000 |
| Describe why these funds are needed. Appropriated funding is requested to continue investing in UAS and AAM infrastructure to support this developing segment of the aviation and aerospace industry. With the completion of the state's Advanced Air Mobility Strategic Plan, the agency is moving forward with building out radar and airspace management systems at strategic locations across the state to support the testing and integration of UAS and AAM. | |



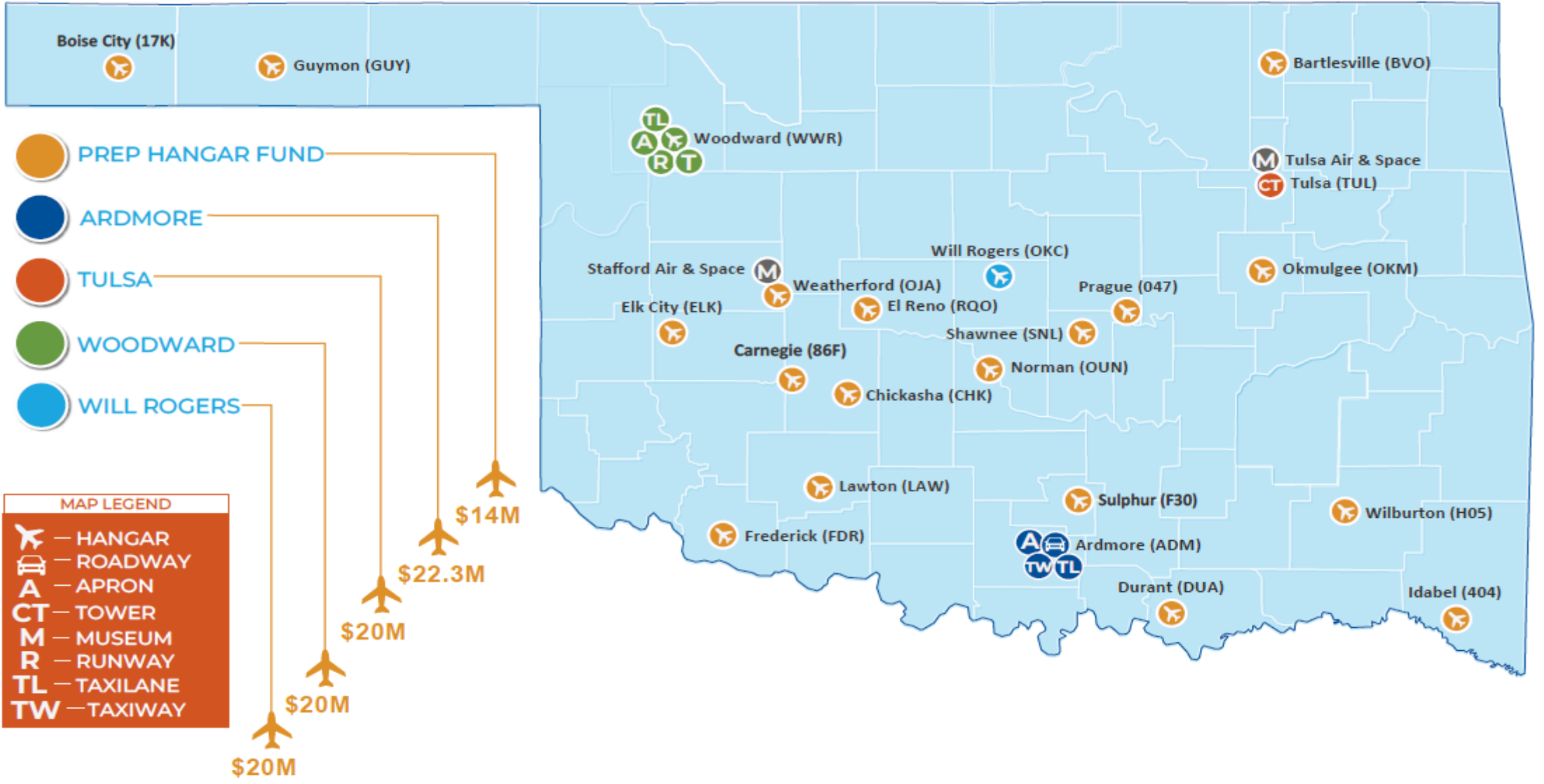


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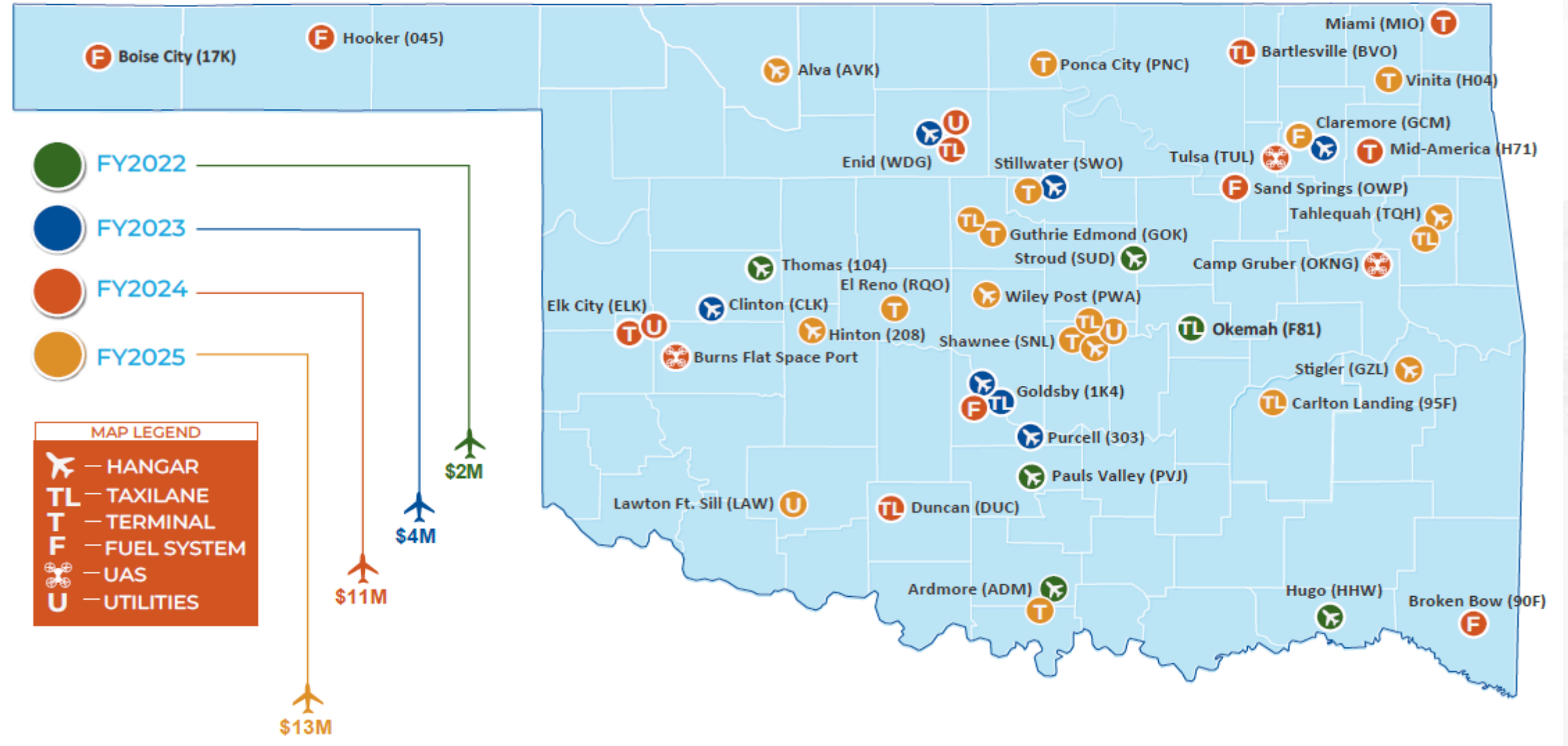
Appendix

ARPA/PREP INFRASTRUCTURE FUNDING



PRO-GROWTH INFRASTRUCTURE

PROJECTS ENABLED BY APPROPRIATIONS SINCE FY2022:



FY2025 INFRASTRUCTURE FUNDING

