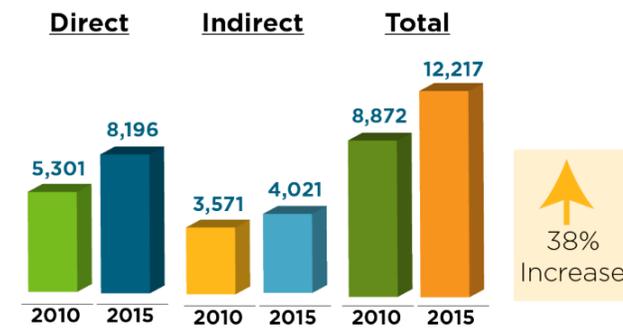


STATEWIDE IMPACTS

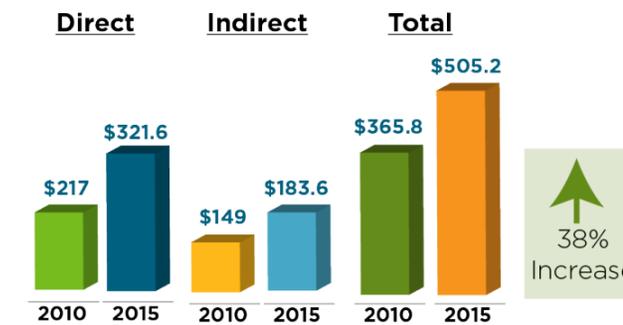
Economic Impacts from North Dakota Airports Have Greatly Increased

The economic impacts of the public-use airports were last measured in 2010. Since that time, economic impacts have increased. Growth in economic impacts estimated for all 89 airports in North Dakota have been driven by the state's energy related growth. Data contained in the 2015 economic impact study reflect conditions that characterized North Dakota airports between the fall of 2014 and the spring of 2015. Changes in statewide airport related economic impact between 2010 and 2015 are shown below.

Employment



Payroll (Millions)

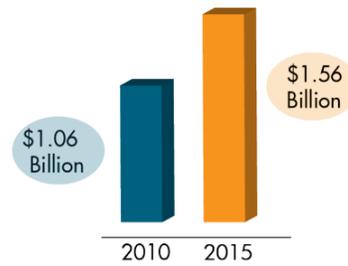


Output (Millions)



Total Annual Economic Impacts for North Dakota Airports

The statewide economic impact study focused on estimating the economic impact of the public-use airports in North Dakota. The study concluded that North Dakota airports and the activities they support contribute an estimated \$1.56 billion in positive economic benefit each year.



2015 Total Economic Impacts for North Dakota Airports



Other Important Airport Benefits

- » Airports in North Dakota and the activities they support contribute annually an estimated \$64 million to state and local tax revenues.
- » The 12,217 jobs that the airports help to support represent almost 3% of all jobs in North Dakota.
- » The \$1.56 billion in annual economic impact that the 89 public-use airports support represents an estimated 3.3% of North Dakota's 2014 Real Gross State Product.

Clearly, airports in North Dakota, including Watford City Municipal Airport, make a significant contribution to the communities they serve and to the state.

For More Information:

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Prepared by: **JVIATION**

The Economic Impact of Watford City Municipal Airport

Watford City, North Dakota



NORTH DAKOTA Statewide Economic Benefits from Airports

North Dakota has an extensive system of 8 commercial and 81 general aviation airports. The North Dakota Aeronautics Commission completed a study to measure the annual economic benefit provided by these airports in 2015. Economic benefits researched in this study come from one of five activity centers.

5 Sources of Economic Impacts

- On-Airport**
 - 1 Airport Management
 - 2 Aviation-Related Tenants / Businesses
 - 3 Investment for Capital Improvements
- Off-Airport**
 - 4 Visitors Arriving on Commercial Airlines
 - 5 Visitors Arriving on General Aviation Aircraft



Each of the five activity centers support **jobs**, the **payroll** associated with these jobs, and **output**. For the airport management and tenant categories, output is equal to the purchase of goods and services needed each year to run the airport or the tenant's business. For the capital investment category, output equals average annual spending from federal, state, local, and private sources for improving or expanding airport facilities. Output from visitors to North Dakota who arrive on scheduled commercial airline flights or on general aviation aircraft is equal to the amount the visitors annually spend on items such as lodging, food, shopping, ground transportation, or entertainment.

"Direct" employment, payroll, and output impacts for five activity centers were collected through on-site visits, surveys, interviews, and other study specific research. The IMPLAN input/output model was used to estimate how, once direct impacts enter North Dakota's economy, each direct impact continues to re-circulate creating additional positive economic impacts. IMPLAN was used to identify total annual economic impacts for each of the five centers of economic activity. By estimating **total annual economic impacts** with IMPLAN, it is possible to identify the portion of each airport's and the state's annual economic impact that is attributed to "indirect" impacts that result from a multiplier effect.



Watford City Municipal Airport

TOTAL ANNUAL ECONOMIC IMPACTS ON NORTH DAKOTA'S ECONOMY

Estimating the Airport's Annual Economic Impact

As part of the state study, Watford City Municipal Airport was investigated to estimate the airport's annual economic contribution to the state's economy. Specific impacts for Watford City Municipal are presented in the accompanying table. The investigation started by identifying direct impacts (employment, payroll, and output) for management and tenants. Less than full-time jobs were translated into full-time positions based on the number of hours worked to support the airport.

Various sources were reviewed to determine a three year average for investment that has been made to improve the airport; this information is shown as direct output in the capital investment category. The airport helped to determine if there are visitors who use the airport to travel to North Dakota, and study surveys helped to determine how much these visitors spend (shown as direct output for general aviation visitors) on their trip. The IMPLAN model determines if capital investment and visitor spending are sufficient to support direct employment and payroll.

The IMPLAN model also estimates indirect impacts; these indirect impacts show how direct impacts create additional economic benefits once they are introduced into the state's economy. If there are no direct impacts, there are no indirect impacts; and in some cases, direct impacts are not large enough to generate indirect impacts through a multiplier effect. Aside from the airport's annual economic impacts measured in the study, other benefits from Watford City Municipal Airport are summarized below.

Watford City Municipal Airport Facts

- » The airport, and activities it supports, contribute \$151,791 in annual state and local tax revenues.
- » General aviation aircraft bring approximately 8,060 visitors to Watford City each year.
- » General aviation visitors and/or transient aerial applicators who use the airport have direct annual estimated spending of \$725,400 for items that include lodging, food, ground transportation, retail shopping, or entertainment.
- » Three years of information show that average annual direct capital investment from all federal, state, local and private sources has been \$1,346,173.
- » The airport plays an important role in supporting North Dakota's vibrant agricultural industry by servicing aerial applicators that are based at the airport.
- » Based and visiting aircraft rely on 100LL and Jet A fuel service, available 24/7 with a credit card. Hangars and tie-downs are also available.

Annual Economic Impacts from Watford City Municipal Airport

The table below shows: direct, indirect, and total annual economic impacts for the airport. As they were identified in this study, impacts are reported for: employment, payroll, and output for one or more of the four categories of economic activity presented in the table.

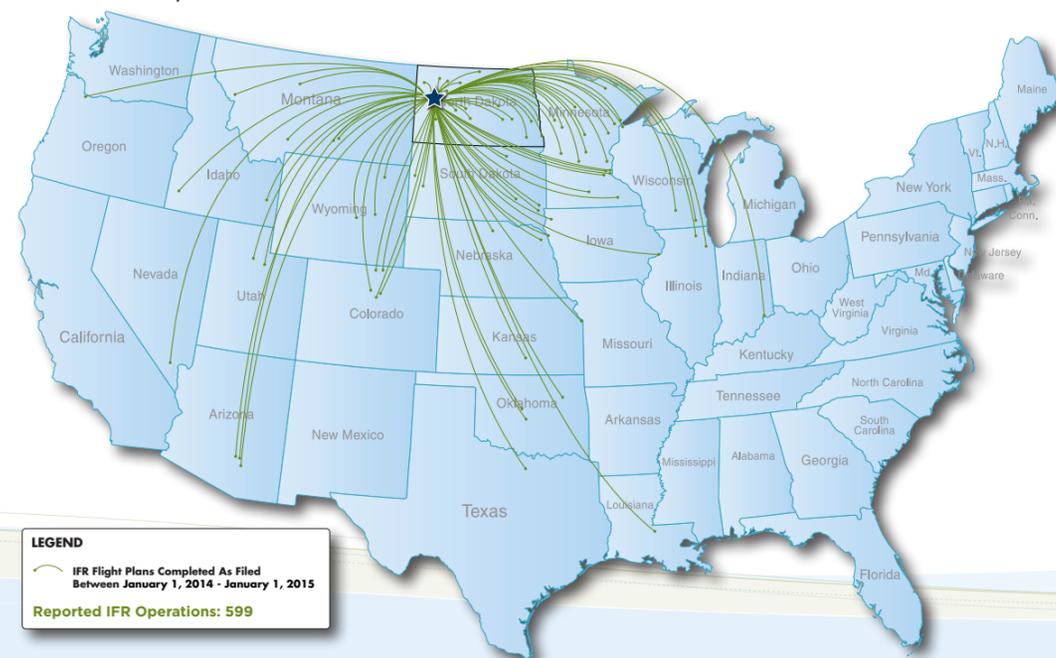
	EMPLOYMENT			PAYROLL			OUTPUT		
	Direct	Indirect	Total	Direct	Indirect	Total	Direct	Indirect	Total
Airport Management	1	0	1	\$46,800	\$11,700	\$58,500	\$67,660	\$33,830	\$101,490
Airport Tenants	9	3	12	\$341,730	\$170,865	\$512,595	\$980,127	\$588,076	\$1,568,203
Capital Investment	8	10	18	\$681,250	\$436,000	\$1,117,250	\$1,346,173	\$1,036,553	\$2,382,726
General Aviation Visitor Spending	10	3	13	\$229,884	\$144,827	\$374,711	\$725,400	\$427,986	\$1,153,386
Total Impacts	28	16	44	\$1,299,664	\$763,392	\$2,063,056	\$3,119,360	\$2,086,445	\$5,205,805

Watford City Municipal Airport Total Annual Economic Impact



Watford City Municipal Airport Supports Non-Stop Flights to Anywhere!

Flight data from the Federal Aviation Administration (FAA) helps to show how the Watford City Municipal Airport provides direct flights to various destinations in the U.S. Flights shown on this map are classified by the FAA as departures and arrivals. The airport's Instrument Flight Rule (IFR) map helps to demonstrate the important role that the airport plays in providing time saving connections for local and visiting businesses and residents. It is worth noting that the IFR activity depicted on this map represents approximately three percent of all flights that the airport accommodates each year.



Watford City Municipal Airport Provides More Than Just Economic Benefits



St Alexius Medical Center, located in Bismarck, North Dakota serves as a regional referral center for central and western North Dakota. Patients are frequently flown into the hospital from surrounding areas through the use of general aviation aircraft flying in and out of Watford City Municipal. St. Alexius also flies specialty physicians to neighboring clinics in Watford City. These direct connections are an important part of the healthcare delivery network in rural North Dakota. There are times when physicians need to be physically present to provide healthcare. The Watford City Municipal Airport helps to support important physician transport, contributing to improving local healthcare.

There are an estimated 30,300 farms in the state, and almost 40 million acres are devoted to agricultural activities. North Dakota is known not only for the crops that it produces but also for the cattle that it raises. Aerial applicators play an important role in increasing the productivity of farmers and ranchers. Annually, they treat an estimated 5 million acres in the state. Most often, treatments are provided to corn, wheat, barley, and soybeans, but aerial applicators also treat pasture and ranch lands, benefiting cattle production. The average farm size in North Dakota is 1,300 acres, and applying chemicals by ground can be time consuming and even prohibitive in wet conditions. Taylor Ag is an aerial applicator that is based at the airport. By supporting the activities of this based aerial applicator, the airport contributes directly to the economic well-being of area farmers and ranchers.

As part of the state study, the McKenzie County Healthcare Systems Hospital reported that the Watford City Municipal Airport is beneficial to the county healthcare system in several ways. They report that they have executives from various healthcare systems and/or businesses that fly into Watford City to conduct meetings with personnel of the McKenzie County Healthcare Systems. The local healthcare system does not have their own helipad, thus the Watford City Municipal Airport is used to fly injured patients out to tertiary hospitals either by helicopter or fixed-wing transport.

When businesses use the Watford City Municipal Airport to support their activities, they improve their efficiency. When businesses use general aviation, they cut travel time and sometimes save costs. Trips that can take days by car or by commercial airlines can be reduced to a single day of travel. Through the state study, it was also determined that area businesses rely on the airport for just-in-time shipping and receiving. Businesses that reportedly use the airport were identified in the state study as follows First International Bank & Trust, 4T Construction, Nuverra Environmental Solutions, KLJ Engineers, and Advanced Engineering and Environmental Services.

