

**NOTICE OF A REGULAR MEETING  
OF  
THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

***PLEASE TAKE NOTICE*** that a regular meeting of the Friedman Memorial Airport Authority shall be held Tuesday, April 14, 2015 at 5:30 p.m. at the old Blaine County Courthouse Meeting Room Hailey, Idaho. The proposed Agenda for the meeting is as follows:

**AGENDA  
April 14, 2015**

- I. APPROVE AGENDA**
- II. PUBLIC COMMENT (10 Minutes Allotted)**
- III. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
  - A. March 3, 2015 Regular Meeting – Attachment #1 ACTION
  - B. March 9, 2015 Special Meeting – Attachment #2 ACTION
  - C. March 23, 2015 Special Meeting – Attachment #3 ACTION
- IV. REPORTS**
  - A. Chairman Report DISCUSSION
  - B. Blaine County Report DISCUSSION
  - C. City of Hailey Report DISCUSSION
  - D. Airport Manager Report DISCUSSION
- V. AIRPORT STAFF BRIEF (5 Minutes Allotted)**
  - A. Noise Complaints
  - B. Parking Lot Update
  - C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data – Attachments #4 - #6
  - D. Review Correspondence – Attachment #7
  - E. Airport Commercial Flight Interruptions
- VI. UNFINISHED BUSINESS**
  - A. Airport Solutions
    - 1. Existing Site
      - a. Plan to Meet 2015 Congressional Safety Area Requirement
        - i. Project 3 Terminal Reconfiguration DISCUSS/DIRECT
        - ii. Project 4 Airport Operations Building DISCUSS/DIRECT
        - iii. Project 6 Relocate Taxiway B/Remove Taxiway A/  
North Apron DISCUSS/DIRECT
        - iv. Project 7 Demolish ARFF/SRE and Administration Buildings  
and Construct Central Bypass Taxiway – Attachment #8 DISCUSS/DIRECT/ACTION
        - v. Future Projects DISCUSS/DIRECT
      - b. Retain/Improve/Develop Air Service
        - i. Fly Sun Valley Alliance Update – Attachments #9, #10 DISCUSS/DIRECT
      - c. SUN Instrument Approach Improvements  
Phase 2 Update DISCUSS/DIRECT
    - B. Master Plan Update – Attachment #11 DISCUSS/DIRECT/ACTION
- VII. PUBLIC COMMENT**
- VIII. EXECUTIVE SESSION – I.C. §67- 2345**
- IX. ADJOURNMENT**

FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETINGS ARE OPEN TO ALL INTERESTED PARTIES. SHOULD YOU DESIRE TO ATTEND A BOARD MEETING AND NEED A REASONABLE ACCOMMODATION TO DO SO, PLEASE CONTACT THE AIRPORT MANAGER'S OFFICE AT LEAST ONE WEEK IN ADVANCE BY CALLING 788-4956 OR WRITING TO 1616 AIRPORT CIRCLE, HAILEY, IDAHO 83333.

### **III. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES**

#### **A. March 3, 2015 Regular Meeting – Attachment #1**

BOARD ACTION: 1. Action

#### **B. March 9, 2015 Special Meeting – Attachment #2**

BOARD ACTION: 1. Action

#### **C. March 23, 2015 Special Meeting – Attachment #3**

BOARD ACTION: 1. Action

### **IV. REPORTS**

#### **A. Chairman Report**

This item is on the agenda to permit a Chairman report if appropriate.

BOARD ACTION: 1. Discussion

#### **B. Blaine County Report**

This item is on the agenda to permit a County report if appropriate.

BOARD ACTION: 1. Discussion

#### **C. City of Hailey Report**

This item is on the agenda to permit a City report if appropriate.

BOARD ACTION: 1. Discussion

#### **D. Airport Manager Report**

This item is on the agenda to permit an Airport Manager report if appropriate.

BOARD ACTION: 1. Discussion

## V. AIRPORT STAFF BRIEF (5 Minutes Allotted)

### A. Noise Complaints:

| LOCATION    | DATE | TIME     | AIRCRAFT TYPE | INCIDENT DESCRIPTION                                  | ACTION TAKEN   |
|-------------|------|----------|---------------|---|--|
| Chanterelle | 2/28 | 11:38 pm | Jet           | Late arrival  | Aircraft ID'd. Airport Manager had a conversation with the owner, who vowed to never again operate after 11pm of before 6am. Owner declared his intention to be a good neighbor to FMA.  |
| Woodside    | 3/9  | 10:35 pm | Sgl. Eng      | Repetitive landing and takeoffs, circling the airport | This was a student pilot, conducting required training. Airport Manager made contact and suggested that students conduct this type of training at an earlier hour. Caller notified.  |
| Chanterelle | 3/13 | 10:37 am | Jet           | Low approach  | Research concluded that the approach was not inappropriate. The aircraft operated at a safe altitude. The aircraft did appear to have approached from a bit further west than might be considered normal, but from the east side of the valley, nevertheless. This was likely due to the fact that the aircraft was arriving from the west and there were no other aircraft on approach or departure at the time. Concerned party received a response. |
| Hailey      | 3/27 | 2:40 pm  | Twin Turbine  | Unusual approach from Northwest                       | There was nothing inappropriate about this arrival. However, Staff did contact the operator and suggest that in the future, a less abrupt approach would likely be a bit more appreciated. Airport Manager spoke with the caller.  |
| Woodside    | 4/9  | 7:00 am  | Jets          | Morning departures                                    | Caller thought aircraft were asked not to fly before 7:00 am and noted a regular 6:50 am departure. Ops Chief spoke with the caller and advised that aircraft are asked not to operate before 6:00 am.   |

### B. Parking Lot Update

#### The Car Park Gross/Net Revenues

| Month    | FY 2013 Gross | FY 2013 Net | FY 2014 Gross | FY 2014 Net | FY 2015 Gross | FY 2015 Net |
|----------|---------------|-------------|---------------|-------------|---------------|-------------|
| February | \$17,062.00   | \$7,514.58  | \$22,779.00   | \$12,020.10 | \$27,181.82   | \$15,363.04 |

**C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #4 - #6**

Attachment #4 is Friedman Memorial Airport Profit & Loss Budget vs. Actual. Attachment #5 is 2001 - 2015 ATCT Traffic Operations data comparison by month. Attachment #6 is 2014 Enplanement, Deplanement and Seat Occupancy data. The following revenue and expense analysis is provided for Board information and review:

| <b>January 2014/2015</b>               |                     |                 |
|--|---------------------|-----------------|
| Total Non-Federal Revenue              | January, 2015       | \$290,865.42    |
| Total Non-Federal Revenue              | January, 2014       | \$260,000.47    |
|  |                     |                 |
| Total Non-Federal Revenue              | FY '15 thru January | \$832,575.40    |
| Total Non-Federal Revenue              | FY '14 thru January | \$760,419.87    |
|  |                     |                 |
| Total Non-Federal Expenses             | January, 2015       | \$240,618.73    |
| Total Non-Federal Expenses             | January, 2014       | \$235,446.22    |
|  |                     |                 |
| Total Non-Federal Expenses             | FY '15 thru January | \$874,409.86    |
| Total Non-Federal Expenses             | FY '14 thru January | \$847,851.78    |
|  |                     |                 |
| Net Income to include Federal Programs | FY '15 thru January | \$-1,685,317.17 |
| Net Income to include Federal Programs | FY '14 thru January | \$-302,200.55   |

**D. Review Correspondence - Attachment #7**

Attachment #7 is information included for Board review.

**E. Airport Commercial Flight Interruptions (Feb 20 – Mar 20)**

| <u>Airline</u> | <u>Flight Cancellations</u> | <u>Flight Diversions</u> |
|----------------|-----------------------------|--------------------------|
| Horizon Air    | 0                           | 0                        |
| Delta          | 2                           | 4                        |
| United Express | 2                           | 2                        |

**VI. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

**a. Plan to Meet 2015 Congressional Safety Area Requirement**

**i. Project 3 Terminal Reconfiguration**

Excellent progress continues to be made on the terminal addition. "Dry in" of the building is nearly complete, along with framing. The interior concrete floor slab is nearly poured. Electrical and mechanical work is also ongoing. The

contractor continues with a major effort in preparation for the upcoming airport closure. A brief update will be provided at the meeting.

BOARD ACTION: 1. Discuss/Direct

ii. **Project 4 Airport Operations Building**

This project also continues to go well, with “dry in” nearly complete and the interior concrete slabs nearly poured. Siding, electrical, mechanical and other tasks are ongoing, as well. Consultants will attend the meeting to provide a progress update.

BOARD ACTION: 1. Discuss/Direct

iii. **Project 6 Relocate Taxiway B/Remove Taxiway A/North Apron**

Project 6 has been awarded and contracts have been executed. The pre-construction conference for this project was held on April 2, 2015. Work is scheduled to begin on April 13. Initial work will be focused on building demolition and preparatory tasks, away from the airfield. Major work will begin on April 26<sup>th</sup>, when the runway closes.

BOARD ACTION: 1. Discuss/Direct

iv. **Project 7 Demolish ARFF/SRE and Administration Buildings and Construct Central Bypass Taxiway – Attachment #8**

Project 7 will be the last project in the Runway Safety Area Improvement program. This project will include demolition of the ARFF/SRE and Airport Administration buildings, followed by construction of the relocated central bypass taxiway adjacent to that site. A draft Scope of Work for consultant services associated with this project is included at Attachment #8. If acceptable to the Board, Consultants and Staff will move forward with the fee negotiation process.

BOARD ACTION: 1. Discuss/Direct  
2. Approve Scope of Work and direct Staff to move forward with fee negotiations.

v. **Future Projects**

Work is progressing on several smaller projects, including the following:

- Snow Removal Equipment Acquisition: The equipment purchase is under contract, with delivery of the equipment scheduled for late 2015.
- Terminal Parking Lot Improvements: This project is out to bid, with bid opening scheduled for April 15. Construction is scheduled to occur during the airfield closure.
- Runway Rehabilitation: The runway rehabilitation is out to bid as a standalone project, with bid opening also scheduled for April 15, with construction scheduled during the airfield closure, as well.
- Terminal Tenant Finish out/Remodel: Design of this effort is underway.

BOARD ACTION: 1. Discuss/Direct

**b. Retain/Improve/Develop Air Service**

**i. Fly Sun Valley Alliance Update – Attachments #9, #10**

Attachment #9 is the January 15, 2015 Fly Sun Valley Alliance Meeting Minutes. Attachment #10 is the March 19, 2014 Fly Sun Valley Alliance Meeting Agenda.

This item is on the agenda to permit a Fly Sun Valley Alliance report if appropriate.

BOARD ACTION: 1. Discuss/Direct

**c. SUN Instrument Approach Improvements – Phase 2 Update**

Shortly after the last FMAA meeting, the Airport Manager and T-O were contacted by FAA Flight Procedures Office (FPO) and encouraged to submit formal requests to FPO for amendments to the RNP and RNAV-W procedures as soon as possible based on the DAC report. FPO advised timing was critical to ensure the procedures were added to the FPO production cycle. On March 16, 2015, Rick submitted the formal requests to the FAA.

As of this time, FPO has begun design of the revised procedures. FPO is utilizing the design completed by DAC for the revised RNAV-W approach. The Airport Manager and members of T-O spoke with the FPO designer while attending the FAA conference in Seattle. FPO representative Brandon Sutton advised current publication of the new procedures is scheduled for July of 2016. He also advised that due to new criteria with RNP approach development, “precipitous terrain” exists in the missed approach for the RNP. Approaches with vertical guidance, like the existing RNP, cannot have precipitous terrain in the design surfaces. Because of this, FAA may have to N/A the RNP procedure. The FPO has developed a new precipitous terrain modeling tool that is currently in testing phase. FPO is running the RNP procedure through this tool to see if the impacts can be reduced to keep the RNP active. At this time, it appears the revised RNAV-W approach ceiling minima will be close to the 400 foot improvement, as indicated in the DAC report.

If able, we would like to move the publication date forward from the July 2016 slot. Coordination with FPO will continue to see if this is feasible and, if the RNP procedure can be kept active.

BOARD ACTION: 1. Discuss/Direct

**B. Master Plan Update – Attachment #11**

**PROGRESS REPORT**

Mead & Hunt has submitted a revised Chapter B, *Forecasts of Aviation Activity*, for Board review and approval (Attachment #11). This version more clearly conveys the key numbers; clarifies definitions of terms; employs a new section structure and format to better orient the reader; provides more succinct explanations of the importance of each forecast; and condenses and simplifies narrative text and tables wherever possible. None of the chapter revisions affect the forecast numbers presented at either the December or March Board meetings – the purpose of the changes is to communicate the recommended forecasts as clearly as possible.

Detailed analysis of commercial service trends (presented at the December Board meeting) has been excised from the *Forecasts* chapter and will be included as a technical appendix to the Master Plan.

Mead & Hunt is in the process of making similar revisions to Chapter C, *Capacity Analysis & Facility Requirements*, and will submit a revised version for Board review and approval at the May meeting.

The Consultant Team respectfully requests that the Authority accept the forecast numbers as documented in the revised *Forecasts of Aviation Activity* chapter. Subsequent to Authority acceptance, the forecasts will be officially submitted to the FAA review and approval.

BOARD ACTION:        1. Action: Approve the Forecast chapter and direct Mead & Hunt to submit it to the FAA for review and approval.

**VII. PUBLIC COMMENT**

**VIII. EXECUTIVE SESSION - I.C. §67- 2345**

**IX. ADJOURNMENT**

**MINUTES OF A REGULAR MEETING ATTACHMENT #1  
OF THE  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**March 3, 2015  
5:30 P.M.**

- IN ATTENDANCE:**
- BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Don Keirn, Board – Lawrence Schoen, Fritz Haemmerle, Jacob Greenberg, Angenie McCleary, Pat Cooley (Via Conference Phone)
- FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer, Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie, Administrative Assistant/Alternate Security Coordinator – Roberta Christensen, Administrative Assistant – Cecilia Vega
- CONSULTANTS:** T-O Engineers – Dave Mitchell, Chris Pomeroy; R/L/B – Nicholas Latham, Mike Smith; Mead & Hunt – Evan Barrett, Jan Horsfall; McFarland Architects - Mark McFarland
- AIRPORT TENANTS/PUBLIC::** Bellevue City Council – James Stireman, Bob Leahy; Glass Cockpit Aviation – John Strauss; Evan Stelma, Donna Serrano, Diane Shay, Len Harlig, Felicity Roberts, City of Ketchum/FSVA - Baird Gourlay, Atlantic Aviation – Brian Blackburn, Carlton Green, SVBR – Bob Crosby
- AIRPORT LEGAL COUNSEL:** Lawson Laski Clark & Pogue, PLLC – Jim Laski
- PRESS:** Idaho Mountain Express – Greg Moore
- 
- CALL TO ORDER:** The meeting was called to order at 5:35 p.m. by Chairman Fairfax.
- 
- I. APPROVE AGENDA** The agenda was approved as presented.
- 
- II. PUBLIC COMMENT** No public comment was made.
- 
- III. ELECTION OF OFFICERS** Chairman Fairfax asked the Board to discuss the election of officers as they are required to do so in March of every odd-numbered year, as stated in the Amended and Restated By-Laws of the FMAA.
- Board Member Schoen commented that he would prefer to reappoint Independent Board Member Ron Fairfax as Chairman and elect a County representative for Vice-Chairman as a matter of simple rotation.
- Board Member Haemmerle suggested that the Board rotate the Chairmanship to Vice-Chairman Keirn and commented that the suggestion that the City of Hailey turn over the offices of Vice-Chairman and Chairman is unacceptable.
- Board Member McCleary commented that she would not object to the City of Hailey retaining the Vice-Chairman position.
- Board Member Cooley and Board Member McCleary briefly discussed the history of the rotation of chairmen between the City, County and Independent Board Member with Airport Manager Baird and former Board Member Len Harlig commenting.
- Len Harlig recommended that the Board be professional managers and choose the individual who is best qualified to serve as Chairman and not worry so much about what City or County they represent.



Board Member Schoen commented that most of the Board Members have the experience to serve as either Chairman or Vice-Chairman and his previous suggestion does not imply that he thinks a representative from the City or County should be Vice-Chairman or Chairman but rather that Chairman Fairfax is doing a good job and he does not see a reason to replace him at this time.

Chairman Fairfax commented that Board Member Schoen is an excellent Secretary for the Board and Board Member Greenberg is an excellent Treasurer for the Board.

Board Member McCleary commented that it is good to have balance and the City should be appointed as Vice-Chairman if the Secretary and Treasurer are to remain appointed to the County.

Board Member Haemmerle commented that the chairmanship should be held by an elected Board Member from either the County or the City.

**MOTION:**

***Made by Board Member Schoen to keep the current slate of officers. Seconded by Board Member Greenberg.***

**PASSED**

**BOARD MEMBER HAEMMERLE OPPOSED**

Board Member Haemmerle commented that, in his opinion, the chairmanship needs to be rotated as there are plenty of individuals on the Board that could do just as good a job as Chairman Fairfax.

Board Member Greenberg commented that the current slate of officers is well-balanced, all the appointed officers are doing what they should be doing, and the Board is progressing in a positive direction.

Board Member Cooley agreed that Board Members Schoen, Greenberg, and Keirn are well-suited to their positions; however, he agrees with Board Member Haemmerle that a Board Member that shares ownership of the Airport should be appointed as Chairman.

Chairman Fairfax commented that he has served on the Board for more than 15 years and although he was surprised to be appointed as Chairman, it has benefited his relationship with Staff and his understanding of Airport procedures. He also commented that he feels he is currently the best candidate for the chairmanship because continuity is mandatory to the progress of current Airport projects to be completed on schedule.

Board Member Haemmerle asked if Chairman Fairfax would be opposed to rotating the chairmanship once the current Airport projects are completed.

Chairman Fairfax answered that he would be in favor of rotating the chairmanship after completion of the Airport construction projects.

#### **IV. APPROVE FMAA MEETING MINUTES**

##### **A. February 5, 2015 Regular Meeting (See Brief)**

The February 5, 2015 Friedman Memorial Airport Authority Meeting Minutes were approved as presented.

**MOTION:**

***Made by Board Member McCleary to approve the February 5, 2015 Friedman Memorial Airport Authority Regular Meeting Minutes as presented. Seconded by Vice-Chairman Keirn.***

**PASSED UNANIMOUSLY**

**V. REPORTS**

**A. Chairman Report**

No report was given.

**B. Blaine County Report**

Board Member Schoen reported that he traveled to Washington D.C. to attend the National Association of Counties Conference at which FAA funding re-authorization was discussed. He gave Board Members a packet of information regarding stakeholder support of FAA reauthorization (Minutes Attachment #1). He said the contract tower program is not well known and needs to be promoted.

**C. City of Hailey Report**

Board Member Haemmerle reported that the City of Hailey has reviewed and discussed the Draft Master Plan and are not in a position to take any action on the document tonight as there are a lot of concerns about the document that need to be addressed first.

Board Member Haemmerle excused himself and ended the conference call.

**D. Airport Manager Report**

Airport Manager Baird reported on the following items:

- An Airport Tour with Lisa Horowitz and a meeting with the City of Hailey Arts Council.
- The current status of the Contract Tower Funding efforts going on in Washington D.C.

**VI. AIRPORT STAFF BRIEF**

**A. Noise Complaints (See Brief)**

**B. Parking Lot Update (See Brief)**

**C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)**

**D. Review Correspondence (See Brief)**

**E. Airport Commercial Flight Interruptions (See Brief)**

**VII. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

**a. Plan to Meet 2015 Congressional Safety Area Requirement (See Brief)**

**i. Project 3 Terminal Reconfiguration (See Brief)**

Engineer Mitchell updated the Board on the current status of Project 3 of the RSA Improvements Project.

ii. **Project 4 Airport Operations Building (See Brief)**

Engineer Mitchell and Architect Latham updated the Board on the current status of Project 4 of the RSA Improvements Project.

iii. **Project 6 Relocate Taxiway B/Remove Taxiway A/North Apron (See Brief)**

Engineer Mitchell updated the Board on the current status of Project 6 of the RSA Improvements Project.

The Board discussed technical aspects of Engineer Mitchell's presentation including where the companies that submitted bids are from and whether or not Schedules A, B or C could be awarded to the lowest bidder for each individual Schedule. He advised that the schedules should be considered together and that Knife River is the low bidder.

**MOTION:**        *Made by Board Member Schoen to approve the award of Contract 6 to Knife River Corporation Northwest in an amount not to exceed \$6,755,863, subject to final review by FAA, Staff, Engineer and Legal Counsel and authorize the Chair to execute the contract documents, following final review. Seconded by Board Member McCleary.*

**PASSED UNANIMOUSLY**

iv. **Terminal Finish Out/Remodel (See Brief)**

Engineer Mitchell and Airport Manager Baird updated the Board on the current status of the terminal tenant finish-out and remodel of the RSA Improvements Project.

Board Member Greenberg commented that the Finance Committee has reviewed the scope of work for the Terminal Finish Out/Remodel Project, visited the construction site and agreed that the revised fees are appropriate. He recommended that the Board approve the proposed fees for architectural, engineering, and professional services associated with this project.

Board Member Schoen asked if the FAA will be reviewing the fees for this project.

Airport Manager Baird answered that the FAA will not be reviewing the fees or scope of work for this project as it is not AIP-eligible; however, the GSA will be reviewing the scope of work and fees on behalf of the TSA.

**MOTION:**        *Made by Board Member Greenberg to approve the scope of work and fees associated with the architectural, engineering, and professional services for the design and construction of the Terminal Tenant finish-out/remodel not to exceed \$95,412 and authorize Chair execution of Work Order 15-01. Seconded by Board Member Cooley.*

**PASSED UNANIMOUSLY**

**v. Future Projects (See Brief)**

Engineer Mitchell updated the Board on the status of the upcoming snow removal equipment acquisition, parking lot improvements/landscaping, runway rehabilitation, and Project 7 of the RSA Improvements Project.

Board Member Schoen suggested that Engineer Mitchell research whether or not the Airport's vehicle entrance can be repositioned from its current location on the south end of the Airport to the north end of the Airport by the Car Park ticket booth.

Engineer Mitchell and Airport Manager Baird commented that they would look at the options for a parking lot entrance/exit reconfiguration.

Airport Manager Baird requested that the Finance and Design Review Committees prepare to meet sometime this week to go over more details of these projects.

**b. Retain/Improve/Develop Air Service**

**i. Fly Sun Valley Alliance Update (See Brief)**

Fly Sun Valley Alliance representative, Baird Gourlay, updated the Board that the FSVA has decided to meet only 7 times per year so there was not a meeting held in March, but Carol Waller should have an update for the Board in April.

**c. SUN Instrument Approach Improvements – Phase 2 Update (See Brief)**

T-O Engineers Planning Services Leader, Chris Pomeroy, updated the Board on the findings of Phase 2 of the Sun Instrument Approach Improvements Project.

The Board discussed technical aspects of Mr. Pomeroy's presentation including the type and amount of aircraft that will be able to operate at the new 400 ft. climb gradient and the difference between Decision Altitude and Minimum Descent Altitude.

**B. Master Plan Update**

McFarland Architect Mark McFarland, and Mead & Hunt Aviation Planner Evan Barrett briefed the Board on the development of the Master Plan Update.

The Board discussed technical aspects of the Master Plan Update presentation including the following:

- Whether or not the FAA dictates the master planning process.
- The criteria used to determine the Terminal Area Forecast and the purpose of such a forecast.
- Whether or not the consultants gathered information from Fly Sun Valley Alliance regarding the commercial enplanement data included in the document.
- How long commercial airlines intend to operate the CRJ 700 at the Airport.
- What the limit is for the size of aircraft that will be able to operate at the Airport.
- The projected future capacity of the Airport.

Airport Manager Baird commented that Staff will include an explanation of the purpose and criteria for the FAA's Terminal Area Forecast in the Master Plan Update.

The Board agreed to postpone the approval of the Master Plan Update Working

## **VIII. NEW BUSINESS**

### **A. April Board Meeting**

Airport Manager Baird requested that the Board reschedule the April Board Meeting in order to accommodate Staff's attendance at the FAA Northwest Mountain Region Airports Conference.

The Board agreed to reschedule the April Board Meeting to Tuesday, April 14, 2015.

## **IX. PUBLIC COMMENT**

Carlton Green suggested that the Airport consider providing a restroom for The Car Park employees as right now they are only provided with a portable toilet.

## **X. ADJOURNMENT**

The March 3, 2015 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 8:53 p.m.

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Lawrence Schoen, Secretary

*\* Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*



# NATIONAL ASSOCIATION OF COUNTIES POLICY BRIEF

MINUTES ATTACHMENT #1

# 2015

## SUPPORT FAA REAUTHORIZATION

**ACTION NEEDED:** Advocate for the passage of an FAA reauthorization bill that supports airport development and continues air service to large and small communities.

**BACKGROUND:** Counties play a critical role in the nation's transportation systems, including the nation's air transportation system. Counties own 34 percent of the nation's publically-owned airports and spend \$4.5 billion annually on air transportation, which supports nearly 12,000 employees across the country.

In February of 2012, Congress passed a four-year reauthorization of Federal Aviation Administration (FAA) programs known as the FAA Modernization and Reform Act of 2012. The bill was the first long-term authorization of federal civil aviation programs since 2007 and was finally enacted after 23 short-term extensions. The FAA reauthorization process allows Congress to address many aspects of FAA policy and funding, including a number of programs that benefit counties. The current authorization is set to expire at September 2015. By that time, Congress will have to either pass a reauthorization bill or an extension to avert a shutdown of agency operations.

**KEY ISSUES FOR COUNTIES IN FAA REAUTHORIZATION:** There are several policy questions Congress is likely to address in the next FAA bill that are important to counties, including airport development funding and subsidies for remote and rural air service.

- **Airport Improvement Program (AIP):** The AIP provides federal grants to airports for airport development and planning. AIP funding can support a wide range of airports, including many large commercial airports and small general aviation airports. However, commercial revenue-producing facilities are generally ineligible for AIP funding. The main advantage to the AIP program is that it provides funds for capital projects without the financial burden of debt financing, although airports are required to provide a local match (between 5 and 25 percent depending on the airport size and eligible costs). The FAA Modernization and Reform Act of 2012 authorized the AIP at \$3.35 billion for four years. In FY 2014, counties received \$927.7 million in AIP funding. **NACo supports continued funding for the AIP and increasing the federal share on airport development projects.**
- **Passenger Facility Charges (PFCs):** The PFC is a state, local or port authority fee, not a federally imposed tax. The money raised from PFCs are required to be spent on eligible airport-related projects, such as projects to enhance safety, security or capacity at airports; and projects that reduce noise or increase air carrier competition. Unlike AIP funds, PFC funds may be used to service debt incurred to carry out projects. Although PFCs are not imposed by the federal government, Congress does set a ceiling on PFCs. In 2000, legislation raised the PFC ceiling to \$4.50, with an \$18 limit on the total PFCs a passenger can be charged per round trip. **NACo supports the continued collection of PFCs and providing airport sponsors flexibility in determining how PFC funds may be spent.**

### QUICK FACTS

- Counties play a critical role in nation's air transportation system
- Counties own 34 percent of the nation's publically-owned airports
- Counties spend \$4.5 billion annually on air transportation, which supports nearly 12,000 employees across the country
- The current FAA authorization expires September 30, 2015



- **Essential Air Service (EAS) Program:** The EAS program was created to guarantee that small communities being served by certified airlines maintained commercial service following the deregulation of the airline industry. When Congress passed the Airline Deregulation Act of 1978, airlines were given almost complete freedom to determine areas of service and what airfares to charge, inherently putting less profitable markets at a disadvantage. Since its establishment, the EAS program has ensured continued commercial service to eligible communities by providing subsidies to carriers providing service between EAS communities and major hub airports. The EAS program was among the most contentious issues in the FAA Modernization and Reform Act of 2012, with a final compromise including reductions in discretionary spending for the program and limiting the program to only those communities participating in the program in FY 2011. For FY 2015, the program received \$155 million in discretionary funding and \$100 million in mandatory funding to subsidize air service to 160 communities. **NACo supports continuing EAS subsidies to carriers serving small communities and fully funding the program.**
- **Small Community Air Service Program (SCASDP):** The SCASDP is a grant program designed to help small communities address air service and airfare issues. Compared to the EAS program, SCASDP provides communities the opportunity to self-identify their air service needs and propose solutions. Participation in the program is limited to those communities where the airport is not larger than a primary small hub, the service is insufficient and the air fares to the community are unreasonably high. The FAA Modernization and Reform Act of 2012 authorized the program at \$6 million per year. **NACo supports continued, sufficient and guaranteed funding for the SCASDP.**

*For further information, contact: Jessica Monahan at 202.942.4217 or [jmonahan@naco.org](mailto:jmonahan@naco.org)*

## COMMITTEES OF JURISDICTION: FAA REAUTHORIZATION

| U.S. House Transportation and Infrastructure Committee   |  | U.S. Senate Commerce, Science and Transportation Committee   |  |
|--|--|--|--|
| <b>Majority:</b><br><b>Bill Shuster (R-Pa.) –</b><br><b>Chairman</b><br>Don Young (R-Alaska)<br>John J. Duncan Jr. (R-Tenn.)<br>John L. Mica (R-Fla.)<br>Frank A. LoBiondo (R-N.J.)<br>Gary G. Miller (R-Calif.)<br>Sam Graves (R-Mo.)<br>Candice S. Miller (R-Mich.)<br>Duncan Hunter (R-Calif.)<br>Rick Crawford (R-Ark.)<br>Lou Barletta (R-Pa.)<br>Blake Farenthold (R-Texas)<br>Bob Gibbs (R-Ohio)<br>Richard Hanna (R-N.Y.)<br>Daniel Webster (R-Fla.)<br>Jeff Denham (R-Calif.)<br>Reid Ribble (R-Wis.)<br>Thomas Massie (R-Ky.)<br>Tom Rice (R-S.C.)<br>Mark Meadows (R-N.C.)<br>Scott Perry (R-Pa.)<br>Rodney Davis (R-Ill.)<br>Mark Sanford (R-S.C.)<br>Rob Woodall (R-Ga.)<br>Todd Rokita (R-Ind.)<br>John Katko (R-N.Y.)<br>Brian Babin (R-Texas)<br>Crescent Hardy (R-Nev.)<br>Ryan Costello (R-Pa.)<br>Garret Graves (R-La.)<br>Mimi Walters (R-Calif.)<br>Barbara Comstock (R-Va.)<br>Carlos Curbelo (R-Fla.)<br>David Rouzer (R-N.C.)<br>Lee Zeldin (R-N.Y.) | <b>Minority:</b><br><b>Peter A. DeFazio (D-Ore.) –</b><br><b>Ranking Member</b><br>Eleanor Holmes Norton (D-D.C.)<br>Jerrold Nadler (D-N.Y.)<br>Corrine Brown (D-Fla.)<br>Eddie Bernice Johnson (D-Texas)<br>Elijah E. Cummings (D-Md.)<br>Rick Larsen (D-Wash.)<br>Michael E. Capuano (D-Mass.)<br>Grace F. Napolitano (D-Calif.)<br>Daniel Lipinski (D-Ill.)<br>Steve Cohen (D-Tenn.)<br>Albio Sires (D-N.J.)<br>Donna Edwards (D-Md.)<br>John Garamendi (D-Calif.)<br>André Carson (D-Ind.)<br>Janice Hahn (D-Calif.)<br>Rick Nolan (D-Minn.)<br>Ann Kirkpatrick (D-Ariz.)<br>Dina Titus (D-Nev.)<br>Sean Patrick Maloney (D-N.Y.)<br>Elizabeth Esty (D-Conn.)<br>Lois Frankel (D-Fla.)<br>Cheri Bustos (D-Ill.)<br>Jared Huffman (D-Calif.)<br>Julia Brownley (D-Calif.) | <b>Majority:</b><br><b>John Thune (R-S.D.) –</b><br><b>Chairman</b><br>Roger Wicker (R-Miss.)<br>Roy Blunt (R-Mo.)<br>Marco Rubio (R-Fla.)<br>Kelly Ayotte (R-N.H.)<br>Ted Cruz (R-Texas)<br>Deb Fischer (R-Neb.)<br>Jerry Moran (R-Kan.)<br>Dan Sullivan (R-Alaska)<br>Ron Johnson (R-Wis.)<br>Dean Heller (R-Nev.)<br>Cory Gardner (R-Colo.)<br>Steve Daines (R-Mont.) | <b>Minority:</b><br><b>Bill Nelson (D-Fla.) –</b><br><b>Ranking Member</b><br>Maria Cantwell (D-Wash.)<br>Claire McCaskill (D-Mo.)<br>Amy Klobuchar (D-Minn.)<br>Richard Blumenthal (D-Conn.)<br>Brian Schatz (D-Hawaii)<br>Edward J. Markey (D-Mass.)<br>Cory Booker (D-N.J.)<br>Tom Udall (D-N.M.)<br>Joe Manchin III (D-W.Va.)<br>Gary Peters (D-Mich.) |





## TRANSPORTATION STEERING COMMITTEE AIRPORTS SUBCOMMITTEE

NACo 2015 LEGISLATIVE CONFERENCE  
Marriott Wardman Park Hotel  
ROOM: Thurgood Marshall South/West  
SATURDAY, February 21, 2015  
1:00 pm – 2:00 pm

---

Chair: **Hon. Mike White**, Councilmember, Maui County, Hawaii  
Vice Chair: **Hon. Gary Moore**, County Judge/Executive, Boone County, Ky.

### MEETING AGENDA

#### Call to Order and Welcome

- **Hon. Mike White**, Council Member, Maui County, Hawaii

#### Presentation on the Role Counties Play in the National Air System

- **Emilia Istrate**, Research Director, NACo

#### Panel Discussion on FAA Reauthorization

*Counties play a critical role in the nation's transportation systems, including the nation's air transportation system. With the current Federal Aviation Administration (FAA) authorization set to expire September 31, 2015, Congress will soon be addressing many aspects of aviation policy and funding, including a number of programs that benefit counties. During this panel, the subcommittee will hear from industry experts representing the nation's airports and regional airlines regarding the path forward for FAA reauthorization and what may be at stake for county-owned airports and communities that depend on regional air service.*

- **Annie Russo**, Managing Director, Government and Political Affairs, Airports Council International-North America
- **Faye Malarkey Black**, Senior Vice President-Government Affairs, Regional Airline Association

#### Adjourn

NACo Committee Staff Liaison: **Jessica Monahan**, Associate Legislative Director, 202.942.4217 or  
[jmonahan@naco.org](mailto:jmonahan@naco.org)



## AMERICA'S AIRPORTS ARE MORE THAN GATEWAYS TO TRAVEL.

### THINKING BEYOND THE RUNWAY

Airports are gateways to economic opportunity. America's airports generate more than \$1.1 trillion dollars in economic activity and support more than 9.6 million jobs.

But we are at risk of falling behind. Our nation's airports need new infrastructure investments to modernize them for the 21<sup>st</sup> century and help them keep pace with international competition.

Building and operating a modern aviation system is no easy task. It takes countless industries from around the country to ensure airports keep us connected to a competitive world.

The Beyond the Runway Coalition is comprised of dynamic business and association leaders who see the value of America's airports as local job centers and national economic engines.



Learn more at [www.airportsunited.com](http://www.airportsunited.com).

Together, we are aligned in our support for modernizing airport infrastructure financing to ensure our nation's airports have the resources they need to remain thriving hubs of economic opportunity.





# AMERICA'S AIRPORTS: ENGINES OF GROWTH

As America's front doors, airports are essential to growing travel and tourism and contribute significantly to economic growth in communities nationwide. Airports are locally owned and operated, and are funded primarily from fees paid by users, including airlines, passengers and businesses operating at the airport. The future of America's airports depends on two vital policies: More local control over funding streams and stable increases in use of airport trust funds for major improvement projects.

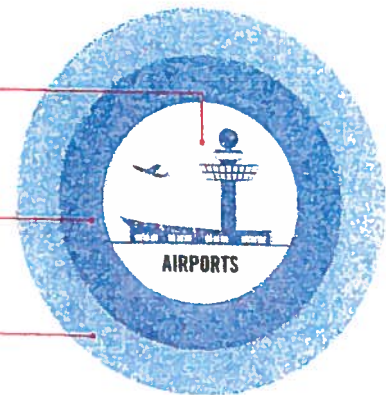
## AIRPORT ECONOMIC IMPACT

America's commercial airports generate billions of dollars in annual economic activity and support millions of good, stable jobs. According to a recent economic study, these airports:

**1.2 MILLION**  
people work at airports and airports support a total of 9.6 million jobs

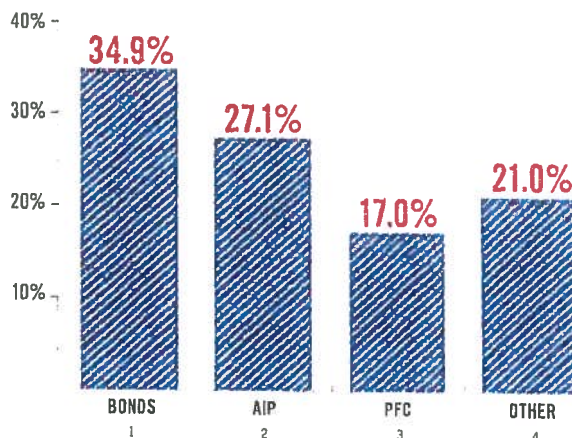
**\$358 BILLION**  
annual payroll created by airports

**\$1.1 TRILLION**  
total airport output is 7% of GDP



## AIRPORT IMPROVEMENTS FUNDING

Terminal, runway and other enhancements have the potential to create millions of jobs without placing a burden on taxpayers.

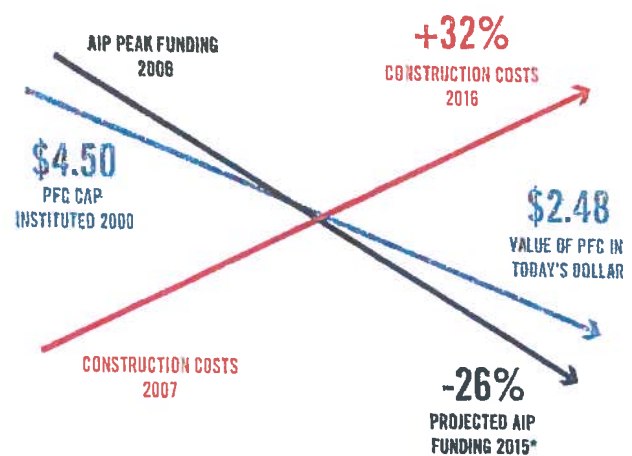


1. Excludes PFC-backed bonds
2. Airport Improvement Program grants
3. Passenger Facility Charges includes PFC-backed bonds and PFC Pay-as-you-go
4. Includes local airport revenue, customer facility charges (CFC), and state and local grants

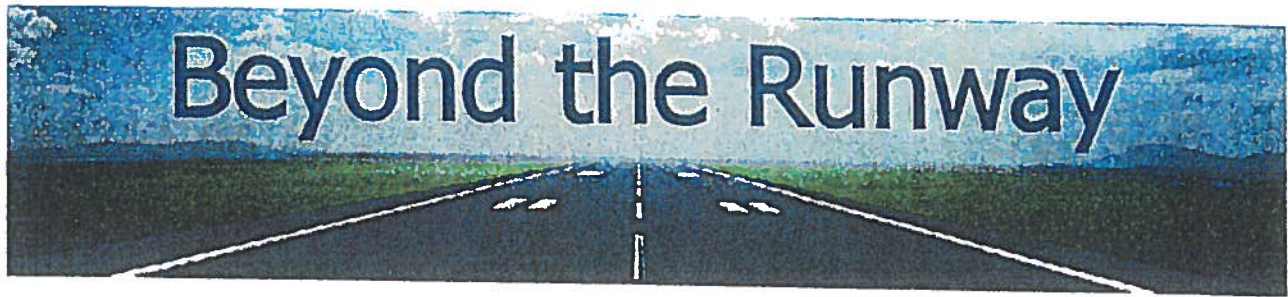
Source: ACI-NA 2013-17 Capital Needs Survey

## CHALLENGING FUNDING ENVIRONMENT

Despite an increasingly challenging funding environment, local airports continue to take a long-term approach to planning and implementing important improvement projects that will ensure their communities are able to grow.



Source: ACI-NA – March 2014 \* based on President's FY 2015 budget



January 8, 2015

The Honorable John Thune  
Chairman  
Commerce, Science & Transportation Committee  
U.S. Senate  
254 Russell Senate Office Building  
Washington, DC 20510

The Honorable Bill Nelson  
Ranking Member  
Commerce, Science & Transportation Committee  
U.S. Senate  
254 Russell Senate Office Building  
Washington, DC 20510

The Honorable Kelly Ayotte  
Chairman, Subcommittee  
Aviation Operations, Safety & Security  
U.S. Senate  
560 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Maria Cantwell  
Ranking Member, Subcommittee  
Aviation Operations, Safety & Security  
U.S. Senate  
427 Hart Senate Office Building  
Washington, DC 20510

Dear Chairmen Thune and Ayotte and Ranking Members Nelson and Cantwell:

As members of the Beyond the Runway Coalition, we are writing in strong support of efforts to modernize our nation's airports through legislation to reauthorize programs at the Federal Aviation Administration (FAA). As coalition partners – including contractors, vendors, retail establishments, restaurants, hotels, businesses, tourism groups, municipalities, and state officials – we all have a vested interest in ensuring that airports remain not only gateways to our country and the rest of the world but also strong economic engines and job centers for their local communities.

Our Beyond the Runway Coalition is a dynamic and diverse group of business and association leaders who see the value of America's airports as strong economic engines and job centers both locally and nationally. Together, we are aligned in our support for modernizing airport infrastructure financing to ensure our nation's airports have the resources they need to remain competitive and thriving hubs of economic opportunity.

We firmly believe that modernizing airport infrastructure is the best option for strengthening our nation's aviation system to meet the needs of today and the challenges of tomorrow. America's airports are powerful economic engines, generating more than \$1.1 trillion in annual activity and supporting more than 9.6 million jobs. However, airports require approximately \$15.14 billion annually in infrastructure improvements to update aging facilities, relieve delays and congestion, promote safety and security, enhance the passenger experience, as well as spur airline competition to provide consumers with more choices and affordable options. This is far more than the \$6.2 billion that airports received from both local user fees and federal grants in Fiscal Year 2014.

At a time when there is mounting pressure to reduce federal spending, modernizing the system that allows airports to set a locally-determined fee for use of their facilities – coupled with protecting the federal trust-fund program supported entirely by users of the aviation system – is the most free-market option to provide airports with the locally controlled self-help they need to finance critical infrastructure projects. These measures would give airports the tools they need to ensure the continued safety, security, and modernization of their facilities.

Thank you for your consideration of these requests. The Beyond the Runway Coalition – and our nation's airports through the collective efforts of Airports Council International – North America, the American Association of Airport Executives, and the U.S. Travel Association's Gateway Airports Council – stands ready to work with you to achieve a forward-looking FAA reauthorization bill that benefits passengers and strengthens our nation's aviation system.

Sincerely,







January 6, 2015

The Honorable John Thune  
Chairman  
Commerce, Science & Transportation Committee  
U.S. Senate  
254 Russell Senate Office Building  
Washington, DC 20510

The Honorable Kelly Ayotte  
Chairman, Subcommittee  
Aviation Operations, Safety & Security  
U.S. Senate  
560 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Bill Nelson  
Ranking Member  
Commerce, Science & Transportation Committee  
U.S. Senate  
254 Russell Senate Office Building  
Washington, DC 20510

The Honorable Maria Cantwell  
Ranking Member, Subcommittee  
Aviation Operations, Safety & Security  
U.S. Senate  
427 Hart Senate Office Building  
Washington, DC 20510

Dear Chairmen Thune and Ayotte and Ranking Members Nelson and Cantwell:

On behalf of Airports Council International – North America (ACI-NA), the American Association of Airport Executives (AAAE), and the U.S. Travel Association – along with a diverse group of industries and organizations that are part of our Beyond the Runway Coalition – we are writing in strong support of efforts to modernize our nation's aviation system this year through legislation reauthorizing the programs of the Federal Aviation Administration (FAA).

We firmly believe that both modernizing the Passenger Facility Charge (PFC) and maintaining the Airport Improvement Program (AIP) are the best options for strengthening our nation's aviation system to meet the needs of today and the challenges of tomorrow. America's airports are powerful economic engines, generating more than \$1.1 trillion in annual activity and supporting more than 9.6 million jobs. However, airports require approximately \$15.14 billion annually in infrastructure improvements to update aging facilities, relieve delays and congestion, promote safety and security, enhance the passenger experience, as well as spur airline competition to provide consumers with more choices and affordable options. This is far more than the \$6.2 billion that airports received from both PFCs and AIP in Fiscal Year 2014.

***We urge Congress to modernize the locally-established PFC user fee by setting the federal cap at \$8.50 and indexing it to inflation.*** At a time when there is mounting pressure to reduce federal spending, modernizing the PFC cap is the most free-market option to provide airports with the

locally controlled self-help they need to finance critical infrastructure projects. It is important to note that since this is a locally-determined fee collected at the point of sale, PFC user fees do not affect federal expenditures.

In 1990, Congress created the PFC to help airports of all sizes meet their capital needs directly and through the issuance of bonds. Unfortunately, the PFC cap has not kept pace with rising construction costs and inflation since it was last adjusted to \$4.50 in 2000, and its purchasing power has eroded by approximately 50 percent in the intervening 15 years. As a result, many airports – even those with sterling credit ratings – have reached their debt capacity under a \$4.50 PFC and either cannot finance new projects or have had to phase in their projects over a longer timeframe, increasing the costs and delaying the benefits for passengers.

Modernizing the PFC now by adjusting the cap to \$8.50 and indexing it for inflation would restore its purchasing power, providing airports with the ability to set their own levels based on locally-determined needs to ensure the continued safety, security, and modernization of their facilities.

*We also urge Congress to protect AIP, which finances crucial safety, security, and capacity projects at airports of all sizes.* Small airports, in particular, rely on AIP to fund important projects at their facilities, such as constructing and repairing runways, taxiways, and other airfield projects. Larger airports depend on AIP funding too – predominantly discretionary funds and money distributed through the Letter of Intent Program – to help pay for large, capacity-enhancing projects that benefit the national aviation system. Federal funding for airport-infrastructure projects through AIP is particularly important at a time when airports are artificially constrained from generating more local revenue from their PFC. It is also important to note that the program is supported entirely by users of the aviation system, so no general fund revenues are used for AIP grants.

The FAA estimates there will be \$33.5 billion in AIP-eligible projects ready for construction between 2015 and 2019 – approximately \$6.7 billion per year, which is twice the \$3.35 billion that Congress approved for AIP funds in Fiscal Year 2015. Since direct federal funding through AIP covers only a fraction of the total infrastructure projects required to upgrade and maintain our world-class aviation system, we firmly believe that our nation's airport-financing needs will only be met by both maintaining the AIP and modernizing the PFC.

Thank you for your consideration of these requests. Along with our coalition partners – including contractors, vendors, retail establishments, restaurants, hotels, businesses, tourism groups, municipalities, and state officials – the airport community stands ready and united to work with you to achieve a forward-looking FAA reauthorization bill that benefits passengers and strengthens our nation's aviation system. We all have a vested interest in ensuring that airports remain not only gateways to our country and the rest of the world but also strong economic engines and job centers for their local communities.

Sincerely,



Kevin M. Burke  
President and CEO  
ACI-NA



Todd Hauptli  
President and CEO  
AAAE



Roger Dow  
President and CEO  
U.S. Travel

## PASSENGER FACILITY CHARGES

January 2015

### >> WHAT ARE PFCs?

Passenger Facility Charges (PFCs) were first authorized by Congress in 1990 and are tied directly to local airport-related projects that 1) preserve or enhance safety, security and capacity of the national air transportation system, 2) reduce noise from an airport that is part of the system or 3) provide opportunities for enhanced competition between or among air carriers. Today, airports are using these funds for projects that benefit passengers, communities and airlines through renovating and expanding infrastructure to prevent delays and congestion, as well as projects that enhance the travel experience such as baggage systems, expansion of security check points and international arrival facilities.

### >> HOW PFCs WORK

When an airport proposes a PFC to improve airport infrastructure, it must follow a rigorous application process to ensure transparency and need. PFC projects are extensively reviewed by the FAA and the process includes mandatory consultation with the airlines and public comment. In the application the airport must demonstrate that the project is needed. In addition, PFCs cannot be used for revenue producing projects such as parking garages, rental car facilities, or terminal areas used for concessions or leased exclusively by a specific airline for more than five years. Ninety-five percent of all PFC applications are submitted to the FAA without opposition from the airlines or the public.

### >> A HISTORY OF SUCCESS

PFCs have been used and leveraged to make nearly \$90 billion in airport capital investments since their inception in 1990. The share of U.S. airport capital investment attributable to PFCs is currently estimated to be 30 percent or greater. PFC funds have supported airside projects, terminal area projects, interest costs on airport bonds, access projects such as airport roadways, people movers or transit projects, and noise mitigation projects. PFCs have been used to construct new runways and other airfield improvements to significantly reduce delays at some of the most congested airports. PFCs have also been essential in building additional gates for new and increased service, increasing airline competition and lowering fares. The PFC program has also funded projects to replace or modernize aging airport infrastructure. For more than 20 years, PFC investments have allowed airline and passenger services to continue their growth and provided airports with a vital source of funds for these projects.



## ALTERNATIVES TO THE PFC

January 2015

The need for airport capital improvements is clear, so the question is how do we best fund these critical airport projects? The PFC isn't the only option, but it is the most efficient, free market, and lowest cost to taxpayers and travelers, approach that is available. The alternatives:

### >> INCREASE AIP

The Airport Improvement Program (AIP) provides grants to public agencies — and, in some cases, to private owners and entities — for the planning and development of public-use airports.

The current AIP program was established by the Airport and Airway Improvement Act of 1982. Because airport capital needs vastly exceeds the current AIP funding, an increase of almost \$11 billion annually would be needed to fully fund the need through AIP. Funds obligated to AIP are drawn from the Airport and Airway Trust fund, which is supported by user fees, fuel taxes, and other similar revenue sources. Any increase in AIP funds would require an increase in the user fees and fuel taxes that fund this program.

### >> TAX INCREASES

Congress could close the vast funding gap that exists between the current need and current resources by enacting a new tax or user fee with the revenue from such a new tax or user fee dedicated towards airport construction.

### >> THE CANADIAN ALTERNATIVE

Many airports in Canada and around the world have implemented Airport Improvement Fees (AIFs) in order to fund needed airport construction and improvements. In some cases, airports collect these fees at the airport at time of departure; in others, the fees are collected at time of ticketing and are reflected in the additional charges portion of the passenger's fare. These AIFs, unlike the PFC, are uncapped and the result is that individual airports in Canada charge upwards of \$30 per ticket for each passenger.

### >> DO NOTHING

Doing nothing shouldn't be an option. American travelers should be confident that our airport system is safe, secure and efficient. Our airport system is critical to economic growth and prosperity, and it ought to be second to none in this global economy.

## THE PFC INCREASES COMPETITION

January 2015

### >> CASE STUDY: BURLINGTON, VT

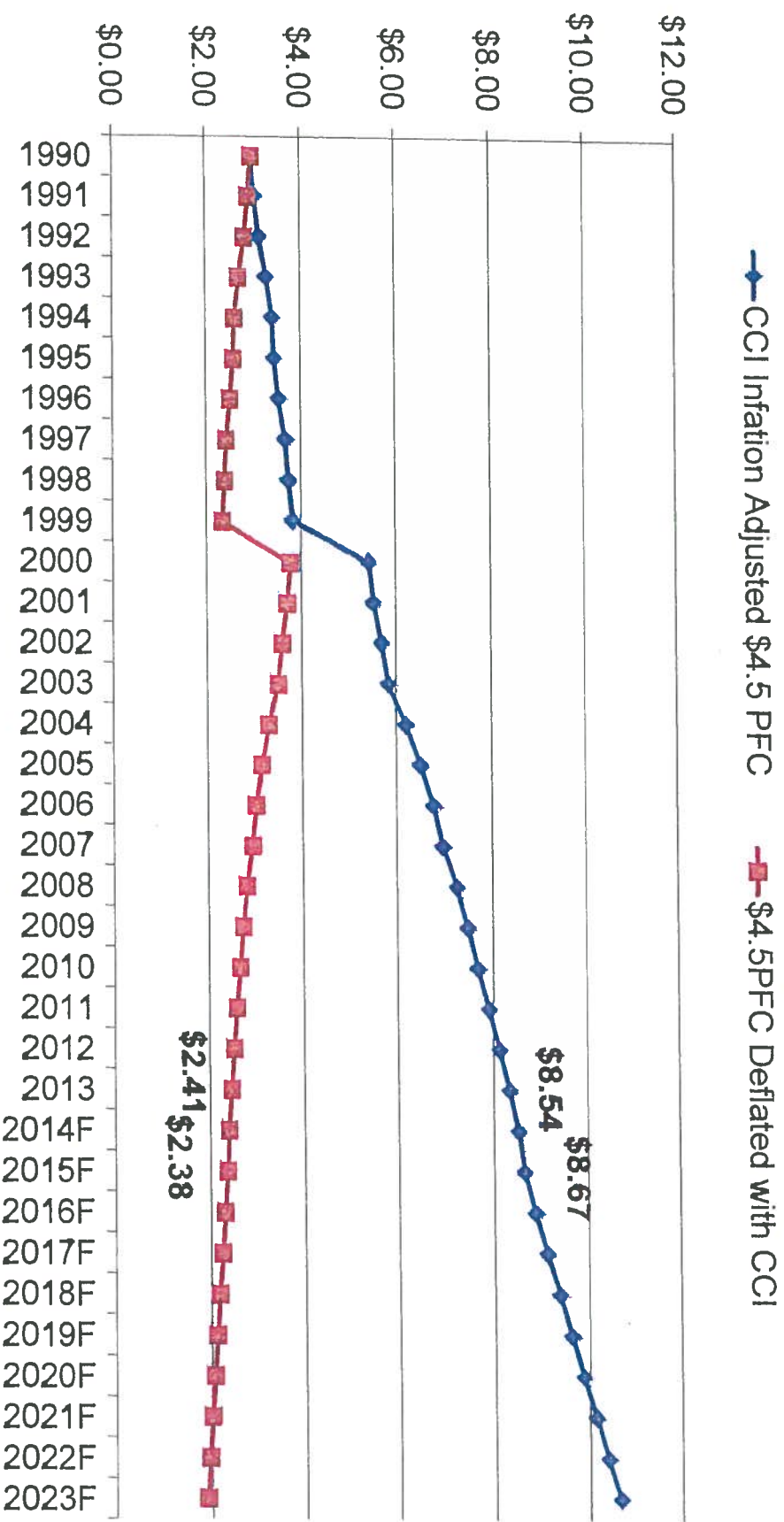
In 1999, the Burlington, Vermont airport (BTV) started design and construction of an expansion to the south end of the air carrier terminal that involved expanding the air carrier apron to provide more capacity for parking of aircraft along with construction of a south concourse with additional gate positions to accommodate projected aircraft operations. The cost of the apron and terminal projects was estimated at \$9.2 million to be totally funded with PFC backed airport revenue bonds.

As construction was about to start, an agreement was reached with JetBlue whereby they would start providing daily service from BTV to New York's JFK. The design of the south terminal concourse was adjusted to accommodate JetBlue's A-320 aircraft and construction of the terminal expansion was completed in late 2000.

JetBlue commenced service in September, 2000, and even before the start of service, fares started to decrease in anticipation of the low cost airline. Indeed, from 2000 to 2001, the average one-way fare between BTV and JFK dropped 48.2% from \$376 to \$183.

Not only did Burlington see a drop in fares as a result of JetBlue's new service, it also resulted in enplanements increasing for all airlines so that BTV was able to see an unprecedented period of growth. The ability of the airport to impose and use PFCs enabled the airport to construct the apron and terminal expansion necessary to accommodate the growth that occurred as a result of JetBlue and other service growth in the CY2000 and beyond period. Without the use of PFCs, it would have been nearly impossible to fund the airport infrastructure needs.

# \$4.50 PFC Should be \$8.50 with Construction Cost Indexing



## Note:

1. The \$3 PFC was enacted in 1990 and the PFC cap was lifted to \$4.50 in 2000.
2. Historical Engineering News Record construction cost index (CCI) was used to make inflation and deflation adjustments; forecast is based on IHS Global Insight.



## **Municipal Bond Market – A Critical Funding Source for Airport Capital Projects**

Airport capital needs are estimated to exceed \$71.3 billion for 2013 through 2017, or approximately \$14.3 billion per year, according to the 2012 Airport Capital Development Needs Survey conducted by ACI-NA. The Airport Improvement Program (AIP) administered by FAA currently distributes about \$3.35 billion entitlement and discretionary grants to airports, leaving a gap of about \$10.95 billion per year to be funded with local sources.

### **Airports' Use of Bonds**

Airports frequently turn to the capital markets to finance long-term construction projects. Bond proceeds are the largest sources of funds for airport capital needs, accounting for approximately 54% of the total funds historically. Total bond issuance including both new money bonds and refunding between 2006 and 2011 ranged from \$6.3 billion in 2006 to \$12.4 billion in 2010 with an average of \$8.8 billion. The ACI-NA survey shows that large hubs are anticipating financing 58% of their planned projects between 2013-17 through bonds, medium hubs at 23% and small hubs at 22%.

### **Airports in the Municipal Bond Market**

Airport operators are major and regular participants in the municipal bond markets and have utilized numerous types of municipal bonds to finance airport capital projects including:

- (a) general obligation bonds supported by the overall tax base of the issuing entity (the airport sponsor),
- (b) general airport revenue bonds secured by the revenues of the airport and other revenues as defined in the bond indenture,
- (c) bonds either backed solely by PFC revenues or by PFC revenues and airport revenues generated by rentals, fees and charges, and
- (d) special facility bonds backed solely by revenues from a facility constructed with proceeds of those bonds.

Depending on the nature of the projects being financed by the airport, most bonds are considered a special form of municipal bonds called private activity bonds (PABs). Often times, PABs are subject to the Alternative Minimum Tax, thereby raising the return demanded by the investor and the financing costs for the airport.

### **Airport Municipal Bonds: Lower Costs, Better Service**

Airports are carefully managing operating, financing and capital expenses to maintain their good credit rating which helps lower their borrowing costs. Airport operators constantly monitor the financial markets and respond to changes in market conditions accordingly. For example, bond issuance spiked in 2010 driven by low interest rates and the Alternative Minimum Tax holiday. Lower borrowing costs through municipal bonds allow airports to pass the savings to airlines through lower rates and charges, which help sustain existing and attract new air carrier service, ultimately benefiting passengers with more service choices. Air service also helps generate jobs and economic development in the community.

For more information contact Annie Russo (202-293-4544; [arusso@aci-na.org](mailto:arusso@aci-na.org)).

**Airports Council International - North America**

1615 L Street NW, Suite 300

Washington, DC 20036

Phone 202-293-8500 / Fax 202-331-1362

<http://www.aci-na.org>





## **Who We Are**

---

Airports Council International – North America (ACI-NA) represents over 200 local, regional, and state governing bodies that own and operate over 350 commercial airports in the United States and Canada.

ACI-NA's members enplane more than 95 percent of the domestic and virtually all the international airline passenger and cargo traffic in North America.

Our mission is to advocate for policies and provide services that strengthen the ability of commercial airports to serve their passengers, customers, and communities.

ACI-NA is the largest of the five worldwide regions of Airports Council International (ACI).

**Airports Council International - North America**

1615 L Street NW, Suite 300

Washington, DC 20036

Phone 202-293-8500 / Fax 202-331-1362

<http://www.aci-na.org>

**MINUTES OF A SPECIAL MEETING ATTACHMENT #2  
OF THE  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**March 9, 2015  
12:00 P.M.**

**IN ATTENDANCE:** **BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Don Keirn, Board – Lawrence Schoen, Fritz Haemmerle, via Teleconference: Angenie McCleary, Pat Cooley  
**FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer, Contracts/Finance Administrator – Lisa Emerick, Administrative Assistant/Alternate Security Coordinator – Roberta Christensen, Administrative Assistant – Cecilia Vega  
**CONSULTANTS:** T-O Engineers – Dave Mitchell; R/L/B – Mike Smith  
**AIRPORT TENANTS/PUBLIC:** Western Construction – Jack Snyder; Knife River – Steve Earl, Jim Lauteren, Jesse Rosin, Sean Marsley; Glass Cockpit Aviation – John Strauss; WS&G – Jim Walker; Atlantic Aviation – Mike Rasch  
**AIRPORT LEGAL COUNSEL:** Lawson Laski Clark & Pogue, PLLC – Jim Laski

**CALL TO ORDER:** The meeting was called to order at 12:07 p.m. by Chairman Fairfax.

**I. APPROVE AGENDA** The agenda was approved with the following changes:

**III. EXECUTIVE SESSION – I.C. §67-2345 (1)(f)**

**II. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

**a. Plan to Meet 2015 Congressional Safety Area Requirement**

- i. Project 6 Relocate Taxiway B/Remove Taxiway A/North Apron – In light of FAA failure to concur with prior award:**
  - reject all bids presented and re-bid the project or portions of the project, or
  - accept lowest responsive bidder for AIP eligible work only (Schedule A+B), or
  - otherwise address bidding for Project 6

Engineer Mitchell and Airport Attorney Laski updated the Board on the FAA's failure to concur with the prior award of Project 6 of the RSA Improvements Project.

Chairman Fairfax briefed the Board on the FAA's AIP process and requested comment from the contractors present.

Jim Lauteren of Knife River commented that the bid directions were very clear as to how the successful bidder is obtained and gave the Board Members a letter regarding Knife River's position on the matter (Minutes Attachment #1).

Jack Snyder of Western Construction commented that without FAA funding there is no project and suggested that the Board delete Schedule C from the bid and award the contract to Western Construction. He also commented that to simply re-bid the same work would not present a clear indication of the cost for this work and his bid has already been made public.

The Board took a few minutes to read the letter provided by Knife River.

Board Member Haemmerle suggested that the Board take a day to allow themselves and Attorney Laski a chance to review the material and develop an adequate response for the contractors.

Attorney Laski advised the Board to amend the agenda to include an executive session and enter executive session to discuss possible legal consequences.

**MOTION:** *Made by Board Member Haemmerle to amend the agenda to include an Executive Session – I.C. §67-2345 (1)(f) in good faith in order to review possible legal consequences of Knife River's letter. Seconded by Board Member Schoen.*

**PASSED UNANIMOUSLY**

**III. EXECUTIVE SESSION –  
I.C. §67-2345 (1)(f)**

**MOTION:** *Made by Board Member Haemmerle to enter into Executive Session under Idaho code I.C. §67-2345 (1)(f) to consider matters of potential litigation. Seconded by Board Member Schoen.*

**ROLL CALL VOTE:**

|                               |            |
|-------------------------------|------------|
| <i>Chairman Fairfax</i>       | <b>YES</b> |
| <i>Vice-Chairman Keirn</i>    | <b>YES</b> |
| <i>Secretary Schoen</i>       | <b>YES</b> |
| <i>Board Member Cooley</i>    | <b>YES</b> |
| <i>Board Member Haemmerle</i> | <b>YES</b> |
| <i>Board Member McCleary</i>  | <b>YES</b> |

**PASSED UNANIMOUSLY**

The Board opened the meeting to the public.

Board Member Haemmerle suggested that the Board re-bid Schedules A and B of Project 6 with the correct instructions.

**MOTION:** *Made by Board Member Haemmerle to reject all submitted bids and re-bid Schedules A and B for Project 6. Seconded by Vice-Chairman Keirn.*

Board Member Schoen commented that the bid instructions should be consistent and reflect the accurate criteria for FAA-eligible projects.

Chairman Fairfax asked if Bid Schedule C for Project 6 should be re-bid separately and commented that he is concerned with contractors submitting unbalanced bids.

Engineer Mitchell answered that the Board could either re-bid Schedule C as an add/alternate while making the instructions clear that the award will be based on Schedules A and B only, re-bid it as a stand-alone project, or separate it into several different projects.

**MOTION AMENDED:**                    ***Made by Board Member Haemmerle to reject all submitted bids and re-bid Schedules A and B together pursuant to the correct instructions and to re-bid Schedule C as an add/alternative for Project 6. Seconded by Vice-Chairman Keirn.***

Board Member Schoen commented that he does not favor the approach of re-bidding Schedule C as an add/alternate and would rather it be bid separately from Schedules A and B.

**MOTION AMENDED:**                    ***Made by Board Member Haemmerle to reject all submitted bids and re-bid Schedules A and B together pursuant to the correct bidding instructions for Project 6 as advised by the FAA. Seconded by Vice-Chairman Keirn.***

**PASSED UNANIMOUSLY**

The Board discussed the options for how to re-bid Schedule C for Project 6 and agreed that the decision should be made by Engineer Mitchell and Airport Manager Baird.

**IV. ~~III.~~ PUBLIC COMMENT**

Jack Snyder of Western Construction commented that his company's rights have been violated in that their bids for Schedules A and B have been released to the public already which makes bidding more difficult and competitive. He also commented that the Board has jeopardized the ability to complete this work in the timeliness required as they are only allowing a 25-day closure period and a sufficient amount of time is needed to obtain all the materials necessary to complete the project.

**V. ~~IV.~~ ADJOURNMENT**

The March 9, 2015 Special Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 1:10 p.m.

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Lawrence Schoen, Secretary

\* Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.





David T. Krueck  
dkrueck@greenerlaw.com

ALFA INTERNATIONAL®  
The Global Legal Network

March 9, 2015

Via Email

Dave Mitchell, P.E.  
T-O Engineers  
9777 Chinden Boulevard  
Boise, ID 83714  
Email: dmitchell@to-engineers.com

Re: Friedman Memorial Airport  
Runway Safety Area Improvements, Project 6  
**BID AWARD**

Dear Mr. Mitchell:

I write to you as the attorney for Knife River Corporation – Northwest (“Knife River”) regarding the award of the contract for the above-described project (“Project”). I am aware a Special Meeting has been scheduled by the Friedman Memorial Airport Authority (“FMAA”) for Monday, March 9, 2015, to consider alternatives for awarding the contract for the Project.

For the reasons set forth below, Knife River respectfully submits that the FMAA must either proceed with awarding the contract to Knife River as the successful bidder for the Project or, alternatively, reject all bids and rebid the Project.

1. Knife River is the Successful Bidder

On February 26, 2015, the FMAA publicly opened and considered bids for the Project. Knife River submitted the lowest responsive bid in the amount of \$6,755,863.00. Knife River, therefore, is entitled to be awarded the contract for the Project. Knife River’s bid complies with all material terms in the Bidding Instructions for the Project, and Knife River is a qualified, responsible bidder, capable of timely performing the work in accordance with the contract documents for the Project.

Dave Mitchell, P.E.

March 9, 2015

Page 2

Section 19.03(B) of the Bidding Instructions provides as follows:

For the determination of the apparent low Bidder when unit prices are submitted, Bids will be compared on the basis of the total of the products of the estimated quantity of each item and unit price Bid for that item together with any lump sum items.

Section 22.04(D) of the Bidding Instructions defines the “Successful Bidder” as follows:

The ‘Successful Bidder’ for the purpose of subsequent negotiations, if necessary, will be the responsive Bidder who submits the low bid for Schedules A and B and C for the work to be awarded; which is expected to be all items of Schedules A and B and C based on availability of funding. The Owner’s order of priority is Schedule A, Schedule B, and Schedule C in the order shown on the Bid Form.

Based on the plain language of the Bidding Instructions adopted by the FMAA for this Project, Knife River is the Successful Bidder because it submitted the lowest responsive bid for the completion of the work described for Schedules A, B and C. The Bidding Instructions do not describe the various Schedules of work as alternates or provide any different definition of how the FMAA is permitted to determine the low Successful Bidder for the Project. The clear process for determining which Bidder submitted the lowest bid is to add the amounts for Schedule A and Schedule B and Schedule C. When evaluating the bids under the mandatory formula set forth in the Bidding Instructions, Knife River is the Successful Bidder entitled to enter into negotiations with the FMAA to be awarded the contract for the Project.

Knife River is also the “Apparent Low Bidder,” pursuant to FAA Order 5300-38D, Airport Improvement Program Handbook (“AIP Handbook”). Subsection 6 of Table U-8 of the AIP Handbook provides the following definition for the Apparent Low Bidder when the procurement of the contract is through sealed competitive bids:

**Apparent Low Bidder.** The apparent low bidder is the bidder with the lowest dollar proposal, and does not reflect whether the sponsor has determined the bidder to be responsive or responsible.

Section U-13 of the AIP Handbook further provides that when procurement of the Project will be made through sealed bids, the contract must be awarded “to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction.”

Pursuant to the terms of the Bidding Instructions and AIP Handbook, Knife River is the low responsible and responsive bidder for this Project. As such, Knife River is the only bidder

Dave Mitchell, P.E.

March 9, 2015

Page 3

that has a property interest in the contract to be issued for the Project as a result of Idaho's competitive bidding statutes.

2. The FMAA Should Consider Whether Conditions Can Be Made in the Notice of Award of the Contract to Knife River to Maintain AIP Funding

Knife River recognizes Section 19.04(A) of the Bidding Instructions states "no award can be made until the FAA has reviewed and approved Owner's recommendation of award." On March 6, 2015, the Airports District Office ("ADO") sent an email to the Project Engineer referencing Table U-6 of the AIP Handbook as a basis to refuse concurrence with the recommendation to award the contract to Knife River. Based on the Bidding Instructions and Sections of the AIP Handbook cited above and applicable Idaho law, the FMAA cannot award the Project to the lowest bidder for only the AIP funded portion of the work (Schedules A and B).

Knife River believes the FMAA can, and should, consider including conditions in the Notice of Award to Knife River to satisfy the issues raised by the ADO. Section 19.04(D) allows the FMAA "to issue a Notice of Award with additional conditions identified as appropriate. Conditions shall be clearly stated on the Notice of Award. Conditions may include the deletion of items of a Schedule or an entire Schedule." The FMAA also has the right under Section 22.04(F) to delete all or a portion of individual Schedule(s) for "budget, weather, schedule or other circumstances." Knife River is prepared to proceed and will consider appropriate conditions in the Notice of Award to achieve the FMAA's goal of timely completing this Project while qualifying for AIP funds for Schedule A and Schedule B work.

Knife River respectfully submits that there must be alternatives for the FMAA and the ADO to consider to allow this Project to proceed with an award of the contract to Knife River. Table 3-27 of the AIP Handbook only allows for non-AIP funded work to be included with AIP funded work in the same project when "the sponsor provides a compelling reason documenting that it is in the federal government's best interest and the ADO has concurred with the sponsor's request in writing." Examples of situations that are in the federal government's best interest are set forth in Table 3-28 of the AIP Handbook, and include benefits to the FAA that result in the runway being closed for a significantly shorter period of time and when the inclusion of non-AIP work "will reduce the overall unit cost of the pavement, thus reducing the AIP project costs." There is no question the inclusion of the Schedule C work saves costs to the federal government for the Schedule A and Schedule B work. Indeed, the overall savings to both the federal government and the FMAA are best achieved by awarding the full contract to Knife River, with possible conditions in the Notice of Award to allow for ADO concurrence with the award.

The FMAA, however, is limited to negotiating with Knife River since Knife River is the Successful Bidder for the Project. As set forth above, the Successful Bidder is determined by the lowest total bid after adding the costs for Schedule A and Schedule B and Schedule C work (Section 22.04(C)), which is Knife River. The Bidding Instructions explicitly state that the FMAA can negotiate with the Successful Bidder (Knife River) to perform the work, but neither

Dave Mitchell, P.E.  
March 9, 2015  
Page 4

the Bidding Instructions, nor the applicable provisions in the AIP Handbook, allow the FMAA to negotiate with any other bidders to contract for the work after the bids have been opened and the Successful Bidder has been determined.

3. If the FMAA Chooses Not to Award the Project to Knife River, the FMAA Must Reject All Bids

In the event the FMAA does not proceed with issuing a Notice of Award to Knife River, the FMAA cannot award the contract to Western Construction, or any other bidder for that matter, without violating the Bidding Instructions, applicable federal regulations and Idaho's competitive bidding statutes.

Section 3-31 of the AIP Handbook provides that the FMAA as the Project sponsor is "responsible for meeting all procurement requirements ... including evaluation and award of contract, resolution of claims and disputes, and settlement of litigation issues." Pursuant to Section U-9 of the AIP Handbook, the FMAA must use its "own procurement procedures which reflect applicable State and local laws and regulations." If the FMAA attempts to award the contract for the Project to any bidders other than Knife River, the FMAA would be violating its own Bidding Instructions, the AIP Handbook and Idaho law. Failure to properly evaluate bids in conformance with the adopted Bidding Instructions could cause the FMAA to lose its right to the grant for the AIP funded portion of the work. The only proper and legal course of action the FMAA can take if it chooses not to award the contract to Knife River is to reject all bids.

Knife River reserves all rights in this matter, including the right to lodge a bid protest if the FMAA attempts to award the contract for this Project to any other bidders because Knife River submitted the lowest responsive bid. The FMAA, therefore, can only award the contract to Knife River or reject all bids.

If you have any questions or comments regarding the position taken by Knife River, please do not hesitate to contact me.

Sincerely,  
  
David T. Krueck

DTK:kdh

**MINUTES OF A SPECIAL MEETING ATTACHMENT #3  
OF THE  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**March 23, 2015  
5:00 P.M.**

**IN ATTENDANCE:**

**BOARD MEMBERS:** Vice-Chairman – Don Keirn, Board – Jacob Greenberg, Pat Cooley  
via Teleconference: Chairman Fairfax, Board Member McCleary  
**FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird,  
Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects  
Coordinator/Executive Assistant – Steve Guthrie, Administrative Assistant/Alternate  
Security Coordinator – Roberta Christensen, Administrative Assistant – Cecilia Vega  
**CONSULTANTS:** T-O Engineers – Nathan Cuvala; R/L/B – Mike Smith  
**AIRPORT TENANTS/PUBLIC:** Glass Cockpit Aviation – John Strauss; Ed Jenkins  
**AIRPORT LEGAL COUNSEL:** Lawson Laski Clark & Pogue, PLLC – Jim Laski

**CALL TO ORDER:**

The meeting was called to order at 5:02 p.m. by Chairman Fairfax.

**I. APPROVE AGENDA**

The agenda was approved as presented.

**II. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

**a. Plan to Meet 2015 Congressional Safety Area Requirement (See Brief)**

**i. Project 6 Relocate Taxiway B/Remove Taxiway A/North Apron**

- To receive the Engineer Recommendation for Award
- To select the lowest responsive bidder

T-O Engineer Nathan Cuvala briefed the Board on the re-bidding process for Schedules A and B of Project 6 and recommended that the Board award the bid to Knife River Corporation as the lowest responsive bidder.

The Board discussed technical aspects of Engineer Cuvala's presentation including whether or not Schedules A and B are both AIP-eligible and the \$140,000 decrease in the total re-bid amount compared to the original bid amount.

**MOTION:** *Made by Board Member Greenberg to authorize the Chair to execute contract documents with Knife River in the amount not-to-exceed \$6,382,168.50 following Staff, FAA, Engineer, and Legal Counsel review. Seconded by Vice-Chairman Keirn.*

**PASSED UNANIMOUSLY**

**ii. Friedman Memorial Airport Sanitary Sewer Construction**

- To receive the Engineer Recommendation for Award
- To select the lowest responsive bidder

Engineer Cuvala briefed the Board on the bid process for the Sanitary Sewer Construction project and recommended that the Board award the bid to T A Dibble Excavation as the lowest responsive bidder.

**MOTION:**      ***Made by Board Member Greenberg to award the Sanitary Sewer Construction Contract to T A Dibble Excavation in an amount not-to-exceed \$36,480 subject to final review by Staff, Engineer, and Legal Counsel and authorize the Chair to execute contract documents following final review. Seconded by Board Member Cooley.***

***PASSED UNANIMOUSLY***

**III. PUBLIC COMMENT**

No public comment was made.

**IV. ADJOURNMENT**

The March 23, 2015 Special Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 5:15 p.m.

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Lawrence Schoen, Secretary

\* *Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

| Ordinary Income/Expense                              | Oct '14 - Jan 15 | Budget     | \$ Over Budget | % of Budget |
|--|------------------|------------|----------------|-------------|
| <b>Income</b>  |                  |            |                |             |
| 4000-00 · AIRCARRIER                                 |                  |            |                |             |
| 4000-01 · Aircarrier - Lease Space                   | 28,173.48        | 84,600.00  | -56,426.52     | 33.3%       |
| 4000-02 · Aircarrier - Landing Fees                  | 35,132.80        | 120,101.00 | -84,968.20     | 29.3%       |
| 4000-03 · Aircarrier - Gate Fees                     | 400.00           | 1,200.00   | -800.00        | 33.3%       |
| 4000-04 · Aircarrier - Utility Fees                  | 4,245.86         | 7,600.00   | -3,354.14      | 55.9%       |
| 4010-06 · Aircarrier - '12 PFC App                   | 56,731.64        |            |                |             |
| 4010-07 · Aircarrier - '14 PFC App                   | 30,699.04        | 250,000.00 | -219,300.96    | 12.3%       |
| <b>Total 4000-00 · AIRCARRIER</b>                    | 155,382.82       | 463,501.00 | -308,118.18    | 33.5%       |
| 4020-00 · TERMINAL AUTO PARKING REVENUE              |                  |            |                |             |
| 4020-01 · Automobile Parking - Terminal              | 40,255.73        | 100,100.00 | -59,844.27     | 40.2%       |
| <b>Total 4020-00 · TERMINAL AUTO PARKING REVENUE</b> | 40,255.73        | 100,100.00 | -59,844.27     | 40.2%       |
| 4030-00 · AUTO RENTAL REVENUE                        |                  |            |                |             |
| 4030-01 · Automobile Rental - Commission             | 129,621.65       | 390,000.00 | -260,378.35    | 33.2%       |
| 4030-02 · Automobile Rental - Counter                | 4,250.40         | 12,800.00  | -8,549.60      | 33.2%       |
| 4030-03 · Automobile Rental - Auto Prkng             | 46,831.30        | 60,900.00  | -14,068.70     | 76.9%       |
| 4030-04 · Automobile Rental - Utilities              | 294.72           | 1,000.00   | -705.28        | 29.5%       |
| <b>Total 4030-00 · AUTO RENTAL REVENUE</b>           | 180,998.07       | 464,700.00 | -283,701.93    | 38.9%       |
| 4040-00 · TERMINAL CONCESSION REVENUE                |                  |            |                |             |
| 4040-01 · Terminal Shops - Commission                | 0.00             | 1,200.00   | -1,200.00      | 0.0%        |
| 4040-02 · Terminal Shops - Lease Space               | 881.36           | 6,120.00   | -5,238.64      | 14.4%       |
| 4040-03 · Terminal Shops - Utility Fees              | 53.99            | 600.00     | -546.01        | 9.0%        |
| 4040-10 · Advertising - Commission                   | 13,797.50        | 33,000.00  | -19,202.50     | 41.8%       |
| 4040-11 · Vending Machines - Commission              | 2,736.02         | 12,000.00  | -9,263.98      | 22.8%       |
| 4040-12 · Terminal ATM                               | 27.50            |            |                |             |
| <b>Total 4040-00 · TERMINAL CONCESSION REVENUE</b>   | 17,496.37        | 52,920.00  | -35,423.63     | 33.1%       |
| 4050-00 · FBO REVENUE                                |                  |            |                |             |
| 4050-01 · FBO - Lease Space                          | 72,259.14        | 231,500.00 | -159,240.86    | 31.2%       |
| 4050-02 · FBO - Tiedown Fees                         | 70,227.23        | 375,000.00 | -304,772.77    | 18.7%       |
| 4050-03 · FBO - Landing Fees - Trans.                | 77,429.90        | 345,000.00 | -267,570.10    | 22.4%       |
| 4050-04 · FBO - Commission                           | 6,162.85         | 20,000.00  | -13,837.15     | 30.8%       |
| <b>Total 4050-00 · FBO REVENUE</b>                   | 226,079.12       | 971,500.00 | -745,420.88    | 23.3%       |
| 4060-00 · FUEL FLOWAGE REVENUE                       |                  |            |                |             |
| 4060-01 · Fuel Flowage - FBO                         | 56,154.00        | 200,000.00 | -143,846.00    | 28.1%       |
| <b>Total 4060-00 · FUEL FLOWAGE REVENUE</b>          | 56,154.00        | 200,000.00 | -143,846.00    | 28.1%       |
| 4070-00 · TRANSIENT LANDING FEES REVENUE             |                  |            |                |             |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|  | Oct '14 - Jan 15 | Budget     | \$ Over Budget | % of Budget |
|--|------------------|------------|----------------|-------------|
| 4070-02 · Landing Fees - Non-Comm./Gov't               | 200.06           | 500.00     | -299.94        | 40.0%       |
| <b>Total 4070-00 · TRANSPORT LANDING FEES REVENUE</b>  | 200.06           | 500.00     | -299.94        | 40.0%       |
| <b>4080-00 · HANGARS REVENUE</b>                       |                  |            |                |             |
| 4080-01 · Land Lease - Hangar                          | 183,919.83       | 430,100.00 | -246,180.17    | 42.8%       |
| 4080-02 · Land Lease - Hangar/Trans. Fee               | 596.60           | 1,000.00   | -403.40        | 59.7%       |
| 4080-03 · Land Lease - Hangar/Utilities                | 574.63           | 1,400.00   | -825.37        | 41.0%       |
| 4080-20 · Land Lease - Government Revenue              | 1,176.53         | 7,150.00   | -5,973.47      | 16.5%       |
| <b>Total 4080-00 · HANGARS REVENUE</b>                 | 186,267.59       | 439,650.00 | -253,382.41    | 42.4%       |
| <b>4090-00 · TIEDOWN PERMIT FEES REVENUE</b>           |                  |            |                |             |
| 4090-01 · Tiedown Permit Fees (FMA)                    | 12,197.10        | 10,000.00  | 2,197.10       | 122.0%      |
| <b>Total 4090-00 · TIEDOWN PERMIT FEES REVENUE</b>     | 12,197.10        | 10,000.00  | 2,197.10       | 122.0%      |
| <b>4100-00 · POSTAL CARRIERS REVENUE</b>               |                  |            |                |             |
| 4100-01 · Postal Carriers - Landing Fees               | 3,562.08         | 12,000.00  | -8,437.92      | 29.7%       |
| 4100-02 · Postal Carriers - Tiedown                    | 2,970.00         |            |                |             |
| <b>Total 4100-00 · POSTAL CARRIERS REVENUE</b>         | 6,532.08         | 12,000.00  | -5,467.92      | 54.4%       |
| <b>4110-00 · MISCELLANEOUS REVENUE</b>                 |                  |            |                |             |
| 4110-01 · Misc. Revenue                                | 346.20           |            |                |             |
| 4110-06 · Misc. - Security-Prox. Cards                 | 21,850.00        | 27,000.00  | -5,150.00      | 80.9%       |
| 4110-09 · Miscellaneous Expense Reimburse              | 0.00             |            |                |             |
| <b>Total 4110-00 · MISCELLANEOUS REVENUE</b>           | 22,196.20        | 27,000.00  | -4,803.80      | 82.2%       |
| <b>4120-00 · GROUND TRANSP. PERMIT REVENUE</b>         |                  |            |                |             |
| 4120-01 · Ground Transportation Permit                 | 13,000.00        | 12,000.00  | 1,000.00       | 108.3%      |
| 4120-02 · GTSP - Trip Fee                              | 1,040.00         | 3,200.00   | -2,160.00      | 32.5%       |
| <b>Total 4120-00 · GROUND TRANSP. PERMIT REVENUE</b>   | 14,040.00        | 15,200.00  | -1,160.00      | 92.4%       |
| <b>4400-00 · TSA</b>                                   |                  |            |                |             |
| 4400-02 · Terminal Lease                               | 2,181.48         | 6,545.00   | -4,363.52      | 33.3%       |
| <b>Total 4400-00 · TSA</b>                             | 2,181.48         | 6,545.00   | -4,363.52      | 33.3%       |
| <b>4510-00 · DOT/Small Community Air Service</b>       |                  |            |                |             |
| 4510-01 · Small Community Air Service                  | 0.00             | 200,000.00 | -200,000.00    | 0.0%        |
| <b>Total 4510-00 · DOT/Small Community Air Service</b> | 0.00             | 200,000.00 | -200,000.00    | 0.0%        |
| <b>4520-00 · INTEREST INCOME</b>                       |                  |            |                |             |
| 4520-06 · Interest Income - '12 PFC                    | 17.94            |            |                |             |
| 4600-00 · Interest Income - General                    | 2,206.94         | 10,000.00  | -7,793.06      | 22.1%       |
| <b>Total 4520-00 · INTEREST INCOME</b>                 | 2,224.88         | 10,000.00  | -7,775.12      | 22.2%       |



3:58 PM

04/24/15

Accrual Basis

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|   | Oct '14 - Jan 15 | Budget        | \$ Over Budget | % of Budget |
|---|------------------|---------------|----------------|-------------|
| 4739-00 - AIP 39 - Safety Area Proj. Imp.         |                  |               |                |             |
| 4739-01 - AIP '39 Project I                       | 4,199.00         |               |                |             |
| Total 4739-00 - AIP 39 - Safety Area Proj. Imp.   | 4,199.00         |               |                |             |
| 4740-00 - AIP 40 - Safety Area Proj. Imp.         |                  |               |                |             |
| 4740-01 - AIP '40 Project II                      | -84,475.00       | 9,375,000.00  | -9,459,475.00  | -0.9%       |
| 4740-00 - AIP 40 - Safety Area Proj. Imp. - Other | 2,699,981.33     |               |                |             |
| Total 4740-00 - AIP 40 - Safety Area Proj. Imp.   | 2,615,506.33     | 9,375,000.00  | -6,759,493.67  | 27.9%       |
| 4741-00 - AIP 41 - Project TBD                    |                  |               |                |             |
| 4741-01 - AIP '41 Project TBD                     | 0.00             | 7,500,000.00  | -7,500,000.00  | 0.0%        |
| Total 4741-00 - AIP 41 - Project TBD              | 0.00             | 7,500,000.00  | -7,500,000.00  | 0.0%        |
| Total Income                                      | 3,541,910.83     | 19,848,616.00 | -16,306,705.17 | 17.8%       |
| Gross Profit                                      | 3,541,910.83     | 19,848,616.00 | -16,306,705.17 | 17.8%       |
| Expense   |                  |               |                |             |
| EXPENDITURES                                      |                  |               |                |             |
| "A" EXPENSES                                      |                  |               |                |             |
| 5000-01 - Salaries - Airport Manager              | 52,300.00        | 156,900.00    | -104,600.00    | 33.3%       |
| 5010-00 - Salaries -Contracts/Finance Adm         | 30,742.40        | 88,841.37     | -58,098.97     | 34.6%       |
| 5010-01 - Salaries - Office Assist.               | 59,160.87        | 176,404.04    | -117,243.17    | 33.5%       |
| 5020-00 - Salaries - ARFF/OPS Chief               | 30,742.40        | 88,841.37     | -58,098.97     | 34.6%       |
| 5030-00 - Salaries - ARFF/OPS Specialist          | 101,126.61       | 323,743.52    | -222,616.91    | 31.2%       |
| 5040-00 - Salaries-ASC/Sp.Prjct./Ex. Assi         | 22,162.73        | 63,740.68     | -41,577.95     | 34.8%       |
| 5050-00 - Salaries - Temp.                        | 15,366.88        | 20,000.00     | -4,633.12      | 76.8%       |
| 5050-02 - Salaries - Merit Increase               | 0.00             | 22,247.13     | -22,247.13     | 0.0%        |
| 5060-01 - Overtime - General                      | 0.00             | 2,000.00      | -2,000.00      | 0.0%        |
| 5060-02 - Overtime - Snow Removal                 | 10,539.98        | 15,000.00     | -4,460.02      | 70.3%       |
| 5060-04 - OT - Security                           | 0.00             | 2,500.00      | -2,500.00      | 0.0%        |
| 5100-00 - Retirement                              | 36,907.61        | 111,481.32    | -74,573.71     | 33.1%       |
| 5110-00 - Social Security/Medicare                | 23,630.76        | 73,456.68     | -49,825.92     | 32.2%       |
| 5120-00 - Life Insurance                          | 670.88           | 1,500.00      | -829.12        | 44.7%       |
| 5130-00 - Medical Insurance                       | 61,340.73        | 183,000.00    | -121,659.27    | 33.5%       |
| 5160-00 - Workman's Compensation                  | 13,602.00        | 15,000.00     | -1,398.00      | 90.7%       |
| Total "A" EXPENSES                                | 458,293.85       | 1,344,656.11  | -886,362.26    | 34.1%       |
| "B" EXPENDITURES                                  |                  |               |                |             |
| "B" EXPENSES - ADMINISTRATIVE                     |                  |               |                |             |
| 6000-00 - TRAVEL EXPENSE                          |                  |               |                |             |
| 6000-01 - Travel                                  | 1,584.08         | 15,000.00     | -13,415.92     | 10.6%       |
| Total 6000-00 - TRAVEL EXPENSE                    | 1,584.08         | 15,000.00     | -13,415.92     | 10.6%       |
| 6010-00 - SUPPLIES/EQUIPMENT EXPENSE              |                  |               |                |             |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|   | Oct '14 - Jan 15 | Budget            | \$ Over Budget    | % of Budget   |
|---|------------------|-------------------|-------------------|---------------|
| 6010-01 . Supplies - Office                       | 4,176.79         | 13,000.00         | -8,823.21         | 32.1%         |
| 6010-03 . Supplies - Computer                     | 1,789.47         |                   |                   |               |
| <b>Total 6010-00 . SUPPLIES/EQUIPMENT EXPENSE</b> | <b>5,966.26</b>  | <b>13,000.00</b>  | <b>-7,033.74</b>  | <b>45.9%</b>  |
| <b>6020-00 . INSURANCE</b>                        |                  |                   |                   |               |
| 6020-01 . Insurance - Liability                   | 9,700.00         | 11,237.60         | -1,537.60         | 86.3%         |
| 6020-02 . Insurance - Public Officials            | 4,867.72         | 4,489.10          | 378.62            | 108.4%        |
| 6020-03 . Insurance-Bldg/Unlic.Veh./Prop          | 46,329.00        | 33,962.50         | 12,366.50         | 136.4%        |
| 6020-04 . Insurance - Licensed Vehicles           | 6,276.00         | 6,659.40          | -383.40           | 94.2%         |
| <b>Total 6020-00 . INSURANCE</b>                  | <b>67,172.72</b> | <b>56,348.60</b>  | <b>10,824.12</b>  | <b>119.2%</b> |
| <b>6030-00 . UTILITIES</b>                        |                  |                   |                   |               |
| 6030-01 . Utilities - Gas/Terminal                | 2,068.98         | 13,000.00         | -10,931.02        | 15.9%         |
| 6030-02 . Utilities - Gas/Maintenance             | 917.09           | 9,500.00          | -8,582.91         | 9.7%          |
| 6030-03 . Utilities - Elect./Runway&PAPI          | 2,306.95         | 6,700.00          | -4,393.05         | 34.4%         |
| 6030-04 . Utilities - Elec./Office/Maint.         | 3,987.92         | 11,000.00         | -7,012.08         | 36.3%         |
| 6030-05 . Utilities - Electric/Terminal           | 10,463.92        | 30,000.00         | -19,536.08        | 34.9%         |
| 6030-06 . Utilities - Telephone                   | 5,381.45         | 12,000.00         | -6,618.55         | 44.8%         |
| 6030-07 . Utilities - Water                       | 324.12           | 1,200.00          | -875.88           | 27.0%         |
| 6030-08 . Utilities - Garbage Removal             | 3,437.71         | 8,500.00          | -5,062.29         | 40.4%         |
| 6030-09 . Utilities - Sewer                       | 1,069.60         | 2,500.00          | -1,430.40         | 42.8%         |
| 6030-10 . Utilities - Elec./Sewer                 | 8.25             | 750.00            | -741.75           | 1.1%          |
| 6030-11 . Utilities - Electric/Tower              | 1,863.41         | 6,000.00          | -4,136.59         | 31.1%         |
| 6030-12 . Utilities - Elec./Brdfrd.Hghl           | 170.68           |                   |                   |               |
| 6030-15 . Utilities - Elec/AWOS                   | 948.69           | 2,000.00          | -1,051.31         | 47.4%         |
| 6030-16 . Utilities - Elec/Wind Cone              | 36.38            | 210.00            | -173.62           | 17.3%         |
| 6030-17 . Utilities - Elec.- Hangar               | 1,056.62         |                   |                   |               |
| 6040-01 . Service Provider - Weather              | 0.00             | 2,000.00          | -2,000.00         | 0.0%          |
| 6040-02 . Service Provider - Term. Music          | 303.20           | 1,000.00          | -696.80           | 30.3%         |
| 6040-03 . Service Provider - Internet/ISP         | 1,864.96         | 6,500.00          | -4,635.04         | 28.7%         |
| 6040-05 . Service Provider - ISP/Terminal         | 600.00           | 2,000.00          | -1,400.00         | 30.0%         |
| 6040-06 . Service Provider - SSI Movement         | 9,850.00         | 12,000.00         | -2,150.00         | 82.1%         |
| 6040-07 . Serv. Provider - Arpt Ins. Soft         | 0.00             | 3,750.00          | -3,750.00         | 0.0%          |
| <b>Total 6030-00 . UTILITIES</b>                  | <b>46,659.93</b> | <b>130,610.00</b> | <b>-83,950.07</b> | <b>35.7%</b>  |
| <b>6050-00 . PROFESSIONAL SERVICES</b>            |                  |                   |                   |               |
| 6050-01 . Professional Services - Legal           | 10,564.50        | 35,000.00         | -24,435.50        | 30.2%         |
| 6050-02 . Professional Services - Audit           | 32,636.73        | 30,000.00         | 2,636.73          | 108.8%        |
| 6050-03 . Professional Services - Enginee         | 0.00             | 10,000.00         | -10,000.00        | 0.0%          |
| 6050-04 . Professional Services - ARFF            | 3,000.00         | 2,000.00          | 1,000.00          | 150.0%        |
| 6050-05 . Professional Services - Gen.            | 5,131.00         |                   |                   |               |
| 6050-07 . Professional Services - Archite         | 0.00             | 1,000.00          | -1,000.00         | 0.0%          |
| 6050-08 . Professional Services - Securit         | 0.00             | 4,000.00          | -4,000.00         | 0.0%          |
| 6050-10 . Prof. Svcs.-IT/Comp. Support            | 3,835.00         | 14,000.00         | -10,165.00        | 27.4%         |
| 6050-11 . Professional Services - Wildlif         | 0.00             | 1,000.00          | -1,000.00         | 0.0%          |
| 6050-12 . Prof. Serv.- Planning Air Serv.         | 805.00           | 15,000.00         | -14,195.00        | 5.4%          |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|   | Oct '14 - Jan 15 | Budget     | \$ Over Budget | % of Budget |
|---|------------------|------------|----------------|-------------|
| 6050-15 · Prof. Serv. - Public Outreach         | 3,828.35         | 20,000.00  | -16,171.65     | 19.1%       |
| Total 6050-00 · PROFESSIONAL SERVICES           | 59,800.58        | 132,000.00 | -72,199.42     | 45.3%       |
| 6060-00 · MAINTENANCE-OFFICE EQUIPMENT          |                  |            |                |             |
| 6060-01 · Maint.-Office Equip./Gen.             | 122.49           | 10,000.00  | -9,877.51      | 1.2%        |
| 6060-04 · Maintenance - Copier                  | 1,558.02         |            |                |             |
| 6060-05 · Maintenance - Phone                   | 1,393.20         |            |                |             |
| Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT    | 3,073.71         | 10,000.00  | -6,926.29      | 30.7%       |
| 6070-00 · RENT/LEASE OFFICE EQUIPMENT           |                  |            |                |             |
| 6070-01 · Rent/Lease - Office Equip./Gen        | 0.00             | 3,400.00   | -3,400.00      | 0.0%        |
| 6070-02 · Rent/Lease - Postage Meter            | 344.00           | 1,400.00   | -1,056.00      | 24.6%       |
| Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT     | 344.00           | 4,800.00   | -4,456.00      | 7.2%        |
| 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E       |                  |            |                |             |
| 6080-01 · Dues/Memberships/Publications         | 4,634.54         | 15,000.00  | -10,365.46     | 30.9%       |
| 6080-02 · Membership - Internet/Website         | 30.48            |            |                |             |
| 6080-04 · Airport Marketing                     | 2,539.37         | 25,000.00  | -22,460.63     | 10.2%       |
| 6080-06 · Marketing - SCASDP                    | 3,016.88         | 225,000.00 | -221,983.12    | 1.3%        |
| Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E | 10,221.27        | 265,000.00 | -254,778.73    | 3.9%        |
| 6090-00 · POSTAGE                               |                  |            |                |             |
| 6090-01 · Postage/Courier Service               | 707.01           | 1,500.00   | -792.99        | 47.1%       |
| Total 6090-00 · POSTAGE                         | 707.01           | 1,500.00   | -792.99        | 47.1%       |
| 6100-00 · EDUCATION/TRAINING                    |                  |            |                |             |
| 6100-01 · Education/Training - Admin.           | 1,173.00         | 25,000.00  | -23,827.00     | 4.7%        |
| 6100-02 · Education/Training - OPS              | 1,202.00         |            |                |             |
| 6100-03 · Education/Training - ARFF             | 1,044.92         |            |                |             |
| 6100-05 · Education - Neighborl Flight          | 794.00           |            |                |             |
| 6100-07 · Education - Public Outreach           | 2,017.81         |            |                |             |
| Total 6100-00 · EDUCATION/TRAINING              | 6,231.73         | 25,000.00  | -18,768.27     | 24.9%       |
| 6110-00 · CONTRACTS                             |                  |            |                |             |
| 6110-01 · Contracts - General                   | 8,606.00         |            |                |             |
| 6110-02 · Contracts - FMAA                      | 11,200.00        | 33,600.00  | -22,400.00     | 33.3%       |
| 6110-03 · Contracts - SVA/Fee Collection        | 19,600.00        | 58,900.00  | -39,300.00     | 33.3%       |
| 6110-04 · Contracts - COH LEO                   | 1,088.00         | 10,000.00  | -8,912.00      | 10.9%       |
| 6110-05 · Contracts - Janitorial                | 3,174.20         | 20,000.00  | -16,825.80     | 15.9%       |
| 6110-06 · Electronic Filing System              | 4,600.00         | 13,800.00  | -9,200.00      | 33.3%       |
| 6110-07 · Contracts - Snow Removal              | 0.00             | 15,000.00  | -15,000.00     | 0.0%        |
| 6110-08 · Contracts - Eccles Tree Lights        | 30,000.00        | 30,000.00  | 0.00           | 100.0%      |
| 6110-09 · Contracts - Website                   | 240.00           | 350.00     | -110.00        | 68.6%       |
| 6110-10 · Online Email Server Access            | 587.87           | 2,500.00   | -1,912.13      | 23.5%       |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|   | Oct '14 - Jan 15 | Budget     | \$ Over Budget | % of Budget |
|---|------------------|------------|----------------|-------------|
| 6110-11 · Contracts -Security CMS               | 14,200.00        | 50,000.00  | -35,800.00     | 28.4%       |
| Total 6110-00 · CONTRACTS                       | 93,296.07        | 234,150.00 | -140,853.93    | 39.8%       |
| 6120-00 · PERMITS                               |                  |            |                |             |
| 6120-01 · Permits - General                     | 23.00            | 100.00     | -77.00         | 23.0%       |
| Total 6120-00 · PERMITS                         | 23.00            | 100.00     | -77.00         | 23.0%       |
| 6130-00 · MISCELLANEOUS EXPENSES                |                  |            |                |             |
| 6130-01 · Misc. - General                       | 4,399.97         | 6,500.00   | -2,100.03      | 67.7%       |
| 6140-00 · Bank Fees                             | 168.20           | 1,000.00   | -831.80        | 16.8%       |
| Total 6130-00 · MISCELLANEOUS EXPENSES          | 4,568.17         | 7,500.00   | -2,931.83      | 60.9%       |
| Total "B" EXPENSES - ADMINISTRATIVE             | 299,648.53       | 895,008.60 | -595,360.07    | 33.5%       |
| "B" EXPENSES - OPERATIONAL                      |                  |            |                |             |
| 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI       |                  |            |                |             |
| 6500-01 · Supplies/Equipment - General          | 745.71           | 10,000.00  | -9,254.29      | 7.5%        |
| 6500-05 · Supplies/Equipment - Deice            | 25,691.75        | 15,000.00  | 10,691.75      | 171.3%      |
| 6500-06 · Supplies/Equipment - ARFF             | 2,400.00         | 5,000.00   | -2,600.00      | 48.0%       |
| Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI | 28,837.46        | 30,000.00  | -1,162.54      | 96.1%       |
| 6510-00 · FUEL/LUBRICANTS                       |                  |            |                |             |
| 6510-01 · Fuel/Lubricants - General             | 0.00             | 45,000.00  | -45,000.00     | 0.0%        |
| 6510-02 · Fuel                                  | 16,151.60        |            |                |             |
| 6510-00 · FUEL/LUBRICANTS - Other               | 33.73            |            |                |             |
| Total 6510-00 · FUEL/LUBRICANTS                 | 16,185.33        | 45,000.00  | -28,814.67     | 36.0%       |
| 6520-00 · VEHICLES/MAINTENANCE                  |                  |            |                |             |
| 6520-01 · R/M Equipment - General               | 2,368.85         |            |                |             |
| 6520-02 · R/M Equip. '93 Schmidt Snow           | 1,678.70         | 25,000.00  | -22,631.15     | 9.5%        |
| 6520-08 · R/M Equip. - '96 Tiger Tractor        | 515.91           |            |                |             |
| 6520-17 · R/M Equip. '01 Case 921 Ldr.          | 98.00            |            |                |             |
| 6520-19 · R/M Equip. '02 Ford F-150 PU          | 1,511.68         |            |                |             |
| 6520-20 · R/M Equip. - '02 Kodiak Blower        | 1,450.92         |            |                |             |
| 6520-24 · R/M Equip. - '01 Ford F-250           | 625.71           |            |                |             |
| 6520-25 · R/M Equip. - '04 Batts De-Ice         | 12.52            |            |                |             |
| 6520-29 · R/M Equip. - 2010 Wausau Plow         | 6,068.55         |            |                |             |
| 6520-30 · R/M Equip.-'05 Ford F-350             | 2,068.68         |            |                |             |
| Total 6520-00 · VEHICLES/MAINTENANCE            | 16,399.52        | 25,000.00  | -8,600.48      | 65.6%       |
| 6530-00 · ARFF MAINTENANCE                      |                  |            |                |             |
| 6530-01 · ARFF Maint. General                   | 450.33           | 7,000.00   | -6,549.67      | 6.4%        |
| 6530-04 · ARFF Maint. - Radios                  | 431.39           |            |                |             |
| 6530-05 · ARFF Maint. - '03 E-One               | 909.81           |            |                |             |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

October 2014 through January 2015

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|--|------------------|--------------|----------------|-------------|
| <b>Total 6530-00 · ARFF MAINTENANCE</b>                | 1,791.53         | 7,000.00     | -5,208.47      | 25.6%       |
| <b>6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>        |                  |              |                |             |
| 6540-01 · R/M Bldg. - General                          | 826.35           | 29,000.00    | -28,173.65     | 2.8%        |
| 6540-02 · R/M Bldg. - Terminal                         | 5,034.62         |              |                |             |
| 6540-03 · R/M Bldg. - Shop                             | 941.00           |              |                |             |
| 6540-04 · R/M Bldg. - Cold Storage                     | 230.00           |              |                |             |
| 6540-05 · R/M Bldg. - Manager's Bldg.                  | 210.00           |              |                |             |
| 6540-07 · R/M Bldg. - Tower                            | 427.90           |              |                |             |
| <b>Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>  | 7,669.87         | 29,000.00    | -21,330.13     | 26.4%       |
| <b>6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>         |                  |              |                |             |
| 6550-01 · R/M - General                                | 0.00             | 12,000.00    | -12,000.00     | 0.0%        |
| 6550-04 · R/M - Lights                                 | 2,322.21         |              |                |             |
| 6550-05 · R/M - Grounds                                | 380.00           |              |                |             |
| <b>Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>   | 2,702.21         | 12,000.00    | -9,297.79      | 22.5%       |
| <b>6560-00 · SECURITY EXPENSE</b>                      |                  |              |                |             |
| 6560-01 · Security                                     | 5,743.60         | 20,000.00    | -14,256.40     | 28.7%       |
| <b>Total 6560-00 · SECURITY EXPENSE</b>                | 5,743.60         | 20,000.00    | -14,256.40     | 28.7%       |
| <b>6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU</b>       |                  |              |                |             |
| 6570-01 · R/M Aeronautical Equip - NDB/DME             | 4,200.00         | 25,000.00    | -20,800.00     | 16.8%       |
| 6570-04 · R/M Aeron. Equip. - AWOS/ATIS                | 10,503.00        |              |                |             |
| <b>Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU</b> | 14,703.00        | 25,000.00    | -10,297.00     | 58.8%       |
| <b>Total "B" EXPENSES - OPERATIONAL</b>                | 94,032.52        | 193,000.00   | -98,967.48     | 48.7%       |
| <b>Total "B" EXPENDITURES</b>                          | 393,681.05       | 1,088,008.60 | -694,327.55    | 36.2%       |
| <b>"C" EXPENSES</b>                                    |                  |              |                |             |
| <b>7000-00 · MISC. CAPITAL EXPENDITURES</b>            |                  |              |                |             |
| 7000-01 · Contingency                                  | 0.00             | 20,000.00    | -20,000.00     | 0.0%        |
| 7000-05 · Computer Equipment/Software                  | 5,525.82         | 30,000.00    | -24,474.18     | 18.4%       |
| 7000-34 · Security Upgrades/Equipment                  | 0.00             | 16,000.00    | -16,000.00     | 0.0%        |
| 7000-41 · Terminal Air Service Support                 | 0.00             | 20,000.00    | -20,000.00     | 0.0%        |
| 7000-42 · Runway Improvements                          | 0.00             | 200,000.00   | -200,000.00    | 0.0%        |
| 7000-43 · Parking Lot Improvements                     | 0.00             | 500,000.00   | -500,000.00    | 0.0%        |
| 7000-44 · Materials for Bench Fabrication              | 0.00             | 2,000.00     | -2,000.00      | 0.0%        |
| 7000-45 · Heavy Duty Shelving                          | 0.00             | 2,500.00     | -2,500.00      | 0.0%        |
| 7000-46 · Tower Roof                                   | 0.00             | 4,000.00     | -4,000.00      | 0.0%        |
| 7000-47 · New Office Improvements                      | 0.00             | 40,000.00    | -40,000.00     | 0.0%        |
| 7000-48 · 139 Compliance Rep. Software                 | 0.00             | 3,500.00     | -3,500.00      | 0.0%        |
| 7000-49 · Heavy Duty Air Over Hydraulic J              | 0.00             | 4,000.00     | -4,000.00      | 0.0%        |
| 7000-50 · Welding Equipment                            | 0.00             | 4,500.00     | -4,500.00      | 0.0%        |

# Friedman Memorial Airport

## Profit & Loss Budget vs. Actual Combined

### October 2014 through January 2015

|   | Oct '14 - Jan 15 | Budget        | \$ Over Budget | % of Budget |
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| 7000-51 · Impact Compressor Gun                 | 0.00             | 3,500.00      | -3,500.00      | 0.0%        |
| Total 7000-00 · MISC. CAPITAL EXPENDITURES      | 5,525.82         | 850,000.00    | -844,474.18    | 0.7%        |
| 7539-00 · AIP '39 EXPENSE - Imp. ALP            |                  |               |                |             |
| 7539-01 · AIP '39 - Eligible                    | 2,541.80         |               |                |             |
| 7539-03 · AIP '39 -AIP/PFC                      | 6,708.99         |               |                |             |
| Total 7539-00 · AIP '39 EXPENSE - Imp. ALP      | 9,250.79         |               |                |             |
| 7540-00 · AIP '40/PFC EXPENSE - Safety Ar       |                  | 9,375,000.00  | -9,374,887.50  | 0.0%        |
| 7540-01 · AIP '40                               | 112.50           |               |                |             |
| 7540-02 · AIP '40 Non-Eligible                  | 59,107.10        |               |                |             |
| 7540-03 · AIP '40 AIP/PFC                       | 3,448,106.81     |               |                |             |
| 7540-04 · AIP '40 Non Eligible - Terminal       | 260.10           | 990,750.00    | -990,489.90    | 0.0%        |
| 7540-05 · AIP '40 AIP 40/PFC 14                 | 0.00             | 401,000.00    | -401,000.00    | 0.0%        |
| 7540-06 · AIP '40 Non-Eligible - OPS/Adm.       | 55,215.21        |               |                |             |
| 7540-07 · AIP '40 RETAINER                      | 40,081.68        |               |                |             |
| Total 7540-00 · AIP '40/PFC EXPENSE - Safety Ar | 3,602,883.40     | 10,766,750.00 | -7,163,866.60  | 33.5%       |
| 7541-00 · AIP 41 Expense - Runway/Term.         |                  | 7,500,000.00  | -7,157,482.35  | 4.6%        |
| 7541-01 · AIP '41                               | 342,517.65       |               |                |             |
| 7541-02 · AIP '41 - Non-Eligible                | 1,653.50         |               |                |             |
| Total 7541-00 · AIP 41 Expense - Runway/Term.   | 344,171.15       | 7,500,000.00  | -7,155,828.85  | 4.6%        |
| 9001-00 · PFC 14-09-C-00-SUN                    |                  |               |                |             |
| 9001-02 · PFC '14 Acquire SRE                   | 3,988.75         | 500,000.00    | -496,011.25    | 0.8%        |
| 9001-03 · PFC '14 Master Plan                   | 165,410.12       | 550,000.00    | -384,589.88    | 30.1%       |
| 9001-04 · PFC '14 Relocate SW Taxilane By       | 341.66           |               |                |             |
| 9001-05 · PFC '14 Relocate GA Apron             | 275.05           |               |                |             |
| 9001-06 · PFC '14 Perimeter Fence Relocat       | 154.85           |               |                |             |
| 9001-07 · PFC '14 RSA Grading                   | 7,568.28         |               |                |             |
| 9001-08 · PFC '14 Relocate Taxiway A & B        | 12,348.80        |               |                |             |
| 9001-09 · PFC '14 Relocate Power to PAPI        | 2,012.69         |               |                |             |
| 9001-10 · PFC '14 Relocate AWOS                 | 13.06            |               |                |             |
| 9001-11 · PFC '14 Relocate SRE/ARFF Bldg.       | 89,179.24        |               |                |             |
| 9001-12 · PFC '14 Relocate Terminal Apron       | 33,149.39        |               |                |             |
| 9001-13 · PFC '14 Relocate Cargo Apron          | 4,719.07         |               |                |             |
| 9001-14 · PFC '14 Relocate Hangars              | 4,461.52         |               |                |             |
| 9001-15 · PFC '14 Rehab Terminal Bldg.          | 98,094.57        |               |                |             |
| 9001-16 · PFC '14 Relocate N. Taxilane          | 740.17           |               |                |             |
| 9001-18 · PFC '14 Runway Rehabilitation         | 890.00           |               |                |             |
| 9001-20 · PFC '14 RETAINER                      | -9,686.38        |               |                |             |
| 9001-00 · PFC 14-09-C-00-SUN - Other            | 0.00             | 1,125,000.00  | -1,125,000.00  | 0.0%        |
| Total 9001-00 · PFC 14-09-C-00-SUN              | 413,660.84       | 2,175,000.00  | -1,761,339.16  | 19.0%       |

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Accrual Basis

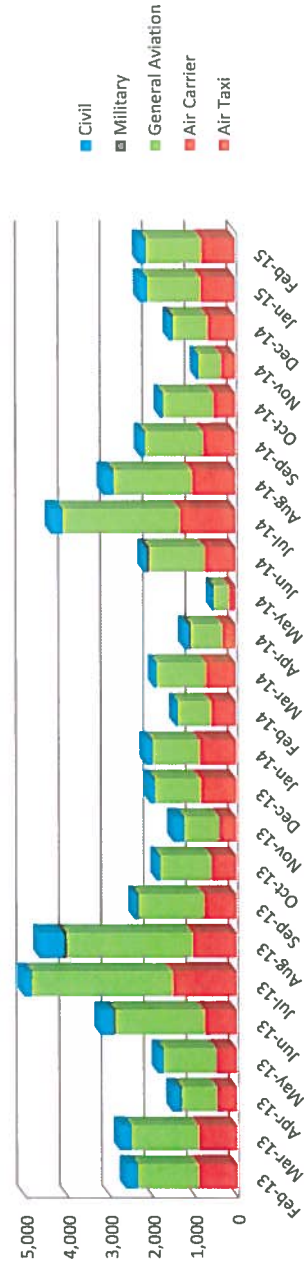
**Friedman Memorial Airport**  
**Profit & Loss Budget vs. Actual Combined**  
 October 2014 through January 2015

|                           | Oct '14 - Jan 15 | Budget        | \$ Over Budget | % of Budget |
|---------------------------|------------------|---------------|----------------|-------------|
| <b>Total "C" EXPENSES</b> | 4,375,492.00     | 21,291,750.00 | -16,916,258.00 | 20.6%       |
| <b>Total EXPENDITURES</b> |                  |               |                |             |
| Total Expense             | 5,227,466.90     | 23,724,414.71 | -18,496,947.81 | 22.0%       |
| Net Ordinary Income       | 5,227,466.90     | 23,724,414.71 | -18,496,947.81 | 22.0%       |
| Other Income/Expense      | -1,685,556.07    | -3,875,798.71 | 2,190,242.64   | 43.5%       |
| Other Income              |                  |               |                |             |
| Finance Charges           | 238.90           |               |                |             |
| Total Other Income        | 238.90           |               |                |             |
| Net Other Income          | 238.90           | 0.00          | 238.90         | 100.0%      |
| Net Income                | -1,685,317.17    | -3,875,798.71 | 2,190,481.54   | 43.5%       |

# ATCT Traffic Operations Record

| Month         | 2001          | 2002          | 2003          | 2004          | 2005          | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          | 2015         |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|--------------|
| January       | 3,622         | 3,893         | 3,912         | 2,600         | 3,028         | 2,787         | 4,547         | 2,520         | 2,070         | 2,379         | 2,408         | 2,098         | 2,454         | 2,128         | 2,249        |
| February      | 4,027         | 4,498         | 3,073         | 3,122         | 3,789         | 3,597         | 3,548         | 2,857         | 2,244         | 2,647         | 2,117         | 2,205         | 2,612         | 1,417         | 2,268        |
| March         | 4,952         | 5,126         | 3,086         | 4,097         | 3,618         | 2,918         | 4,677         | 3,097         | 2,145         | 2,709         | 1,813         | 1,921         | 2,753         | 1,924         | -            |
| April         | 2,494         | 3,649         | 2,213         | 2,840         | 2,462         | 2,047         | 2,581         | 2,113         | 1,724         | 1,735         | 1,604         | 1,513         | 1,509         | 1,210         | -            |
| May           | 3,905         | 4,184         | 2,654         | 3,282         | 2,729         | 2,134         | 1,579         | 2,293         | 2,280         | 1,891         | 1,533         | 1,693         | 1,852         | 555           | -            |
| June          | 4,787         | 5,039         | 4,737         | 4,438         | 3,674         | 3,656         | 5,181         | 3,334         | 2,503         | 3,019         | 2,898         | 2,761         | 3,203         | 2,164         | -            |
| July          | 6,359         | 8,796         | 6,117         | 5,910         | 5,424         | 5,931         | 7,398         | 4,704         | 4,551         | 5,005         | 5,004         | 4,810         | 5,345         | 4,345         | -            |
| August        | 6,479         | 6,917         | 5,513         | 5,707         | 5,722         | 6,087         | 8,196         | 4,570         | 4,488         | 4,705         | 4,326         | 3,823         | 4,644         | 3,114         | -            |
| September     | 3,871         | 4,636         | 4,162         | 4,124         | 4,609         | 3,760         | 4,311         | 2,696         | 3,376         | 3,128         | 3,359         | 2,396         | 2,403         | 2,237         | -            |
| October       | 3,879         | 3,656         | 3,426         | 2,936         | 3,570         | 3,339         | 3,103         | 2,134         | 2,145         | 2,012         | 1,886         | 1,658         | 1,874         | 1,760         | -            |
| November      | 3,082         | 2,698         | 2,599         | 2,749         | 2,260         | 2,912         | 2,892         | 1,670         | 1,901         | 1,309         | 1,114         | 1,325         | 1,475         | 908           | -            |
| December      | 3,401         | 2,805         | 3,247         | 3,227         | 2,722         | 3,834         | 2,699         | 1,848         | 2,272         | 1,811         | 2,493         | 2,066         | 2,016         | 1,545         | -            |
| <b>Totals</b> | <b>50,858</b> | <b>55,897</b> | <b>44,739</b> | <b>45,032</b> | <b>43,607</b> | <b>43,002</b> | <b>50,712</b> | <b>33,836</b> | <b>31,699</b> | <b>32,350</b> | <b>30,555</b> | <b>28,269</b> | <b>32,140</b> | <b>23,307</b> | <b>4,517</b> |

Operations  
2012-2015  
(Cumulative)



ATCT Operations Change  
(current month vs. same month last year)

|                  | 2015  | 2014  | % Change |
|------------------|-------|-------|----------|
| Air Taxi         | 528   | 347   | 52%      |
| Air Carrier      | 253   | 234   | 8%       |
| General Aviation | 1,314 | 798   | 65%      |
| Military         | 11    | 0     | #DIV/0!  |
| Civil            | 162   | 38    | 326%     |
| Total            | 2,268 | 1,417 | 60.06%   |



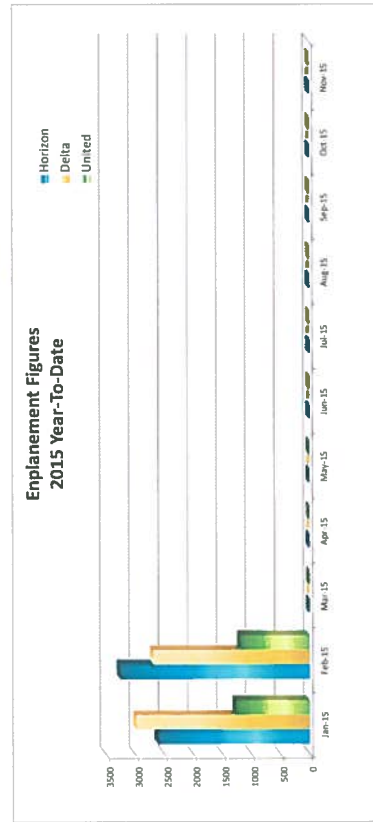
| Date   | 2015 Enplanements |             |       |                  |                |                |             |       |                  |                | Total Enp. | Prior Year Total Enp. | Total % Change |                 |             |        |                  |                |
|--------|-------------------|-------------|-------|------------------|----------------|----------------|-------------|-------|------------------|----------------|------------|-----------------------|----------------|-----------------|-------------|--------|------------------|----------------|
|        | Alaska Airlines   |             |       |                  |                | Delta Airlines |             |       |                  |                |            |                       |                | United Airlines |             |        |                  |                |
|        | Revenue           | Non-Revenue | Total | Prior Year Month | Total % Change | Revenue        | Non-Revenue | Total | Prior Year Month | Total % Change |            |                       |                | Revenue         | Non-Revenue | Total  | Prior Year Month | Total % Change |
| Jan-15 | 2,562             | 54          | 2,616 | 3,058            | -14%           | 2,945          | 51          | 2,996 | 2,585            | 16%            | 1,240      | 37                    | 1,277          | 992             | 29%         | 6,889  | 3.8%             |                |
| Feb-15 | 3,205             | 56          | 3,261 | 2,947            | 11%            | 2,616          | 87          | 2,703 | 2,311            | 17%            | 1,169      | 25                    | 1,194          | 854             | 40%         | 7,158  | 17.1%            |                |
| Totals | 5,767             | 110         | 5,877 | 6,005            | -2%            | 5,561          | 138         | 5,699 | 4,896            | 16%            | 2,409      | 62                    | 2,471          | 1,846           | 34%         | 14,047 | 10.2%            |                |

Legend for Chart:

Legend for Chart:

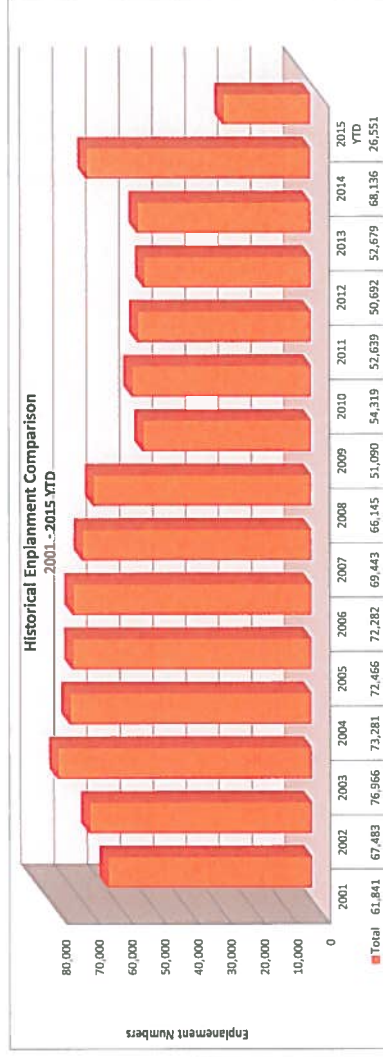
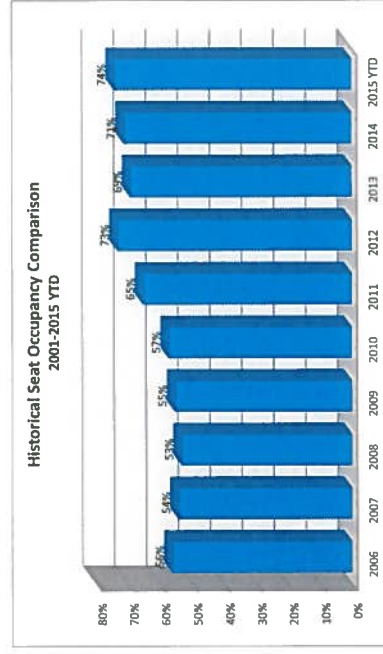
| Date              | 2015 Deplanements |             |       |                  |                |                |             |       |                  |                |                 |             |       |                  |                |            |                       |
|-------------------|-------------------|-------------|-------|------------------|----------------|----------------|-------------|-------|------------------|----------------|-----------------|-------------|-------|------------------|----------------|------------|-----------------------|
|                   | Alaska Airlines   |             |       |                  |                | Delta Airlines |             |       |                  |                | United Airlines |             |       |                  |                |            |                       |
|                   | Revenue           | Non-Revenue | Total | Prior Year Month | Total % Change | Revenue        | Non-Revenue | Total | Prior Year Month | Total % Change | Revenue         | Non-Revenue | Total | Prior Year Month | Total % Change | Total Dep. | Prior Year Total Dep. |
| Jan-15            | 2,113             | 55          | 2,168 | 2,432            | -11%           | 2,117          | 59          | 2,176 | 1,901            | 14%            | 690             | 32          | 722   | 719              | 0%             | 5,066      | 5,052                 |
| Feb-15            | 3,338             | 52          | 3,390 | 2,631            | 29%            | 2,654          | 75          | 2,729 | 2,386            | 14%            | 1,306           | 13          | 1,319 | 723              | 82%            | 7,438      | 5,740                 |
| Totals            | 5,451             | 107         | 5,558 | 5,063            | 10%            | 4,771          | 134         | 4,905 | 4,287            | 14%            | 1,996           | 45          | 2,041 | 1,442            | 42%            | 12,504     | 10,792                |
| Legend for Chart: |                   |             |       |                  |                |                |             |       |                  |                |                 |             |       |                  |                |            |                       |

Legend for Chart:



Friedman Memorial Airport  
February 2015

| 2015 Seat Occupancy  |                      |                    |                   |                     |                      |                    |                   |                     |                      |                    |                   |                     |                             |                            |                              |
|--|----------------------|--------------------|-------------------|---------------------|----------------------|--------------------|-------------------|---------------------|----------------------|--------------------|-------------------|---------------------|-----------------------------|----------------------------|------------------------------|
| Q<br>of<br>Yr  | Alaska Airlines      |                    |                   |                     | Delta Airlines       |                    |                   |                     | United Airlines      |                    |                   |                     | Seat Occupancy Totals       |                            |                              |
|  | Departure<br>Flights | Seats<br>Available | Seats<br>Occupied | Percent<br>Occupied | Departure<br>Flights | Seats<br>Available | Seats<br>Occupied | Percent<br>Occupied | Departure<br>Flights | Seats<br>Available | Seats<br>Occupied | Percent<br>Occupied | Total<br>Seats<br>Available | Total<br>Seats<br>Occupied | Total<br>Percent<br>Occupied |
| Jan-15   | 44                   | 3,344              | 2,616             | 78%                 | 56                   | 3,864              | 2,996             | 78%                 | 31                   | 2,046              | 1,277             | 62%                 | 9,254                       | 6,889                      | 74%                          |
| Feb-15   | 55                   | 4,180              | 3,261             | 78%                 | 51                   | 3,519              | 2,703             | 77%                 | 29                   | 1,914              | 1,194             | 62%                 | 9,613                       | 7,158                      | 74%                          |
| Totals   | 99                   | 7,524              | 5,877             | 78%                 | 107                  | 7,383              | 5,699             | 77%                 | 60                   | 3,960              | 2,471             | 62%                 | 18,867                      | 14,047                     | 74%                          |
| Note: Total of 68 Seats Available on aircraft for summer months<br>Total of 70 Seats Available on aircraft for winter months<br>*Seats are capped at 68 during some periods in the summer due to weight and balance requirements and other times of the year seats may be capped due to environmental conditions |                      |                    |                   |                     |                      |                    |                   |                     |                      |                    |                   |                     |                             |                            |                              |



**Congress of the United States**  
**House of Representatives**

Washington, DC 20515

February 27, 2015

The Honorable Bill Shuster  
Chairman  
House Transportation and Infrastructure  
Committee  
U.S. House of Representatives  
2268 RHOB  
Washington, D.C. 20515

The Honorable Frank A. LoBiondo  
Chairman  
House Aviation Subcommittee  
U.S. House of Representatives  
2427 RHOB  
Washington, D.C. 20515

The Honorable Peter A. DeFazio  
Ranking Member  
House Transportation and Infrastructure  
Committee  
U.S. House of Representatives  
2134 RHOB  
Washington, D.C. 20515

The Honorable Rick Larsen  
Ranking Member  
House Aviation Subcommittee  
U.S. House of Representatives  
2113 RHOB  
Washington, D.C. 20515

Dear Chairman Shuster, Chairman LoBiondo, Ranking Member DeFazio and Ranking Member Larsen:

As you begin drafting the next Federal Aviation Administration (FAA) reauthorization bill, we write to request that the Committee maintain strong support for the highly successful FAA Contract Tower Program. Contract air traffic control towers exist to direct aircraft and ensure the safety of our skies. The importance of these towers cannot be dismissed and any reforms made to the FAA Contract Tower Program ought to enhance the safety and air traffic services provided to the over 250 airports that participate in the program.

We understand that in a time of record deficits it is necessary that all federally funded programs be looked at for potential savings. We believe that all taxpayer dollars should be spent responsibly. Repeated studies by the Department of Transportation Inspector General have shown that the contract tower program increases safety and reduces costs to the FAA and taxpayers.

As you know, over the past several years, both industry leaders and Members of Congress have attempted to work responsibly with the FAA on funding for the Contract Tower Program. Thanks to bipartisan support in both the House and Senate, we have successfully maintained adequate funding for these towers despite threatened cuts by the FAA. At this time, we believe it is necessary to include legislative language in the FAA reauthorization bill to ensure that FAA recognizes the benefits of this program. Specifically, we should ensure that FAA does not change the requirements for participating in the Contract Tower Program in a way that would irresponsibly remove existing contract air traffic control towers from the program, force local communities to pay onerous portions of the required costs, or prevent necessary towers from newly entering the program.

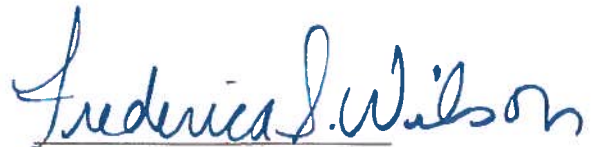
Your Committee has a history of strong support for the Contract Tower Program, and for that, we extend our thanks. As you consider reauthorizing the FAA programs, we hope that you will reaffirm that support by including provisions that: ensure contract towers are not put in jeopardy by needless repeated cost-benefit analyses, specify the costs that FAA may consider in such analyses, and assure communities an opportunity to respond if they are adversely affected by such analyses or new requirements. In this way, you would be ensuring the continuation of the very successful Contract Tower Program and the many safety and economic benefits it provides to the overall national air transportation system.

Thank you for your consideration of our requests. We look forward to working with you as the 114<sup>th</sup> Congress considers reauthorization of the Federal Aviation Administration.

Sincerely,



Bob Goodlatte  
Member of Congress




Frederica S. Wilson  
Member of Congress



Cathy McMorris Rodgers  
Member of Congress



G. K. Butterfield  
Member of Congress



Jeb Hensarling  
Member of Congress



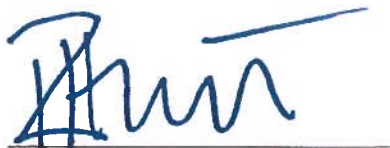
Corrine Brown  
Member of Congress



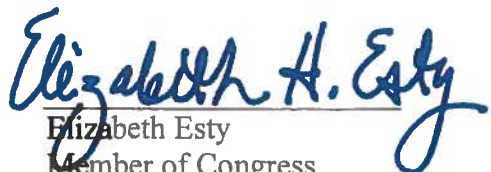
Lamar Smith  
Member of Congress



Eddie Bernice Johnson  
Member of Congress



Robert Hurt  
Member of Congress

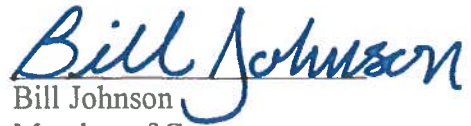


Elizabeth Esty  
Member of Congress





Rod Blum  
Member of Congress



Bill Johnson  
Member of Congress



Bennie G. Thompson  
Member of Congress



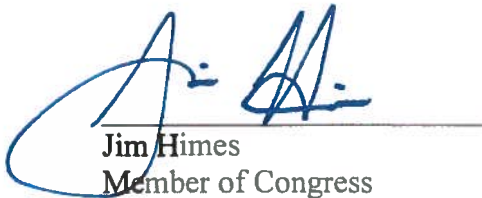
Rob Bishop  
Member of Congress



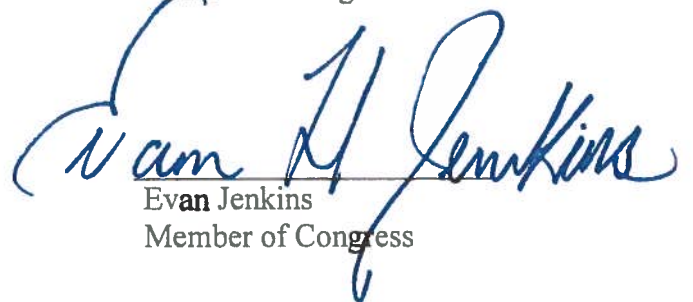
Ed Royce  
Member of Congress



Vicky Hartzler  
Member of Congress



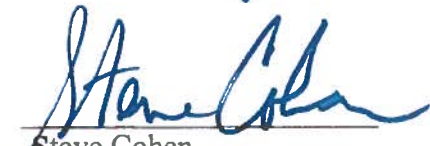
Jim Himes  
Member of Congress



Evan Jenkins  
Member of Congress



Mark Takano  
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Steve Cohen  
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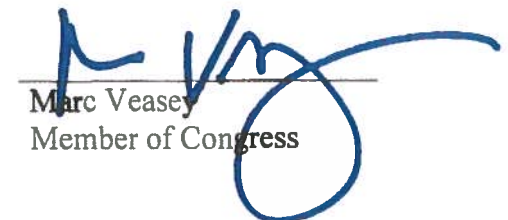
Kevin Yoder  
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Robert J. Wittman  
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Owen Graham  
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Marc Veasey  
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Blaine Luetkemeyer  
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William R. Keating  
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Richard Hudson  
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John Ratcliffe  
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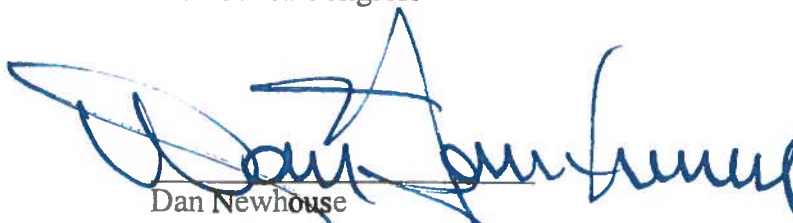
  
Ted Deutch  
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Pete Olson  
Member of Congress


  
Steve Stivers  
Member of Congress

  
Adrian Smith  
Member of Congress

  
Bruce Westerman  
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Dan Newhouse  
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Gregg Harper  
Member of Congress

  
Tom Cole  
Member of Congress

  
Scott DesJarlais, M.D.  
Member of Congress



Ed Whitfield  
Member of Congress



Glenn 'GT' Thompson  
Member of Congress



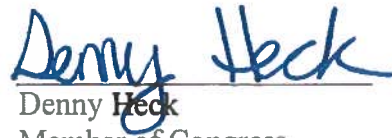
Dennis A. Ross  
Member of Congress




Andy Harris  
Member of Congress



Trent Franks  
Member of Congress



Denny Heck  
Member of Congress



Lynn Jenkins  
Member of Congress



Don Young  
Member of Congress



Stephen F. Lynch  
Member of Congress



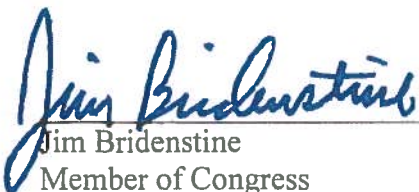
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Member of Congress



Greg Walden  
Member of Congress



Bill Posey  
Member of Congress



Jim Bridenstine  
Member of Congress



Sean Duffy  
Member of Congress





Jim Costa  
Member of Congress



Ben Ray Luján  
Member of Congress



David B. McKinley, PE.  
Member of Congress



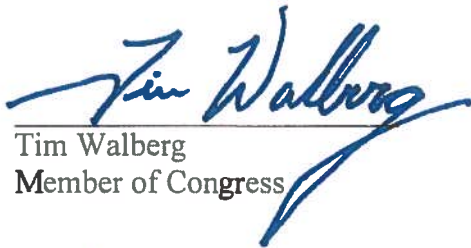
Mike Bost  
Member of Congress



Joe Courtney  
Member of Congress



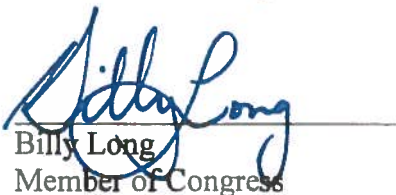
Lloyd Doggett  
Member of Congress



Tim Walberg  
Member of Congress



Brett Guthrie  
Member of Congress



Billy Long  
Member of Congress



Sam Johnson  
Member of Congress



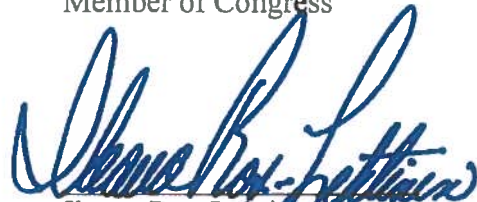
Tim Huelskamp  
Member of Congress



Aaron Schock  
Member of Congress



Tulsi Gabbard  
Member of Congress



Ileana Ros-Lehtinen  
Member of Congress



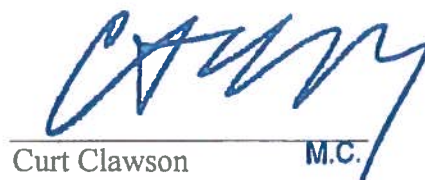
  
Sanford Bishop  
Member of Congress

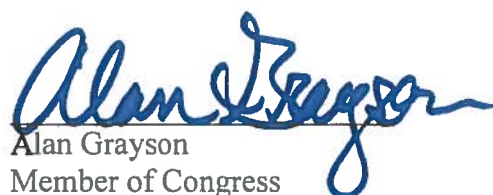
  
Lois Frankel  
Member of Congress

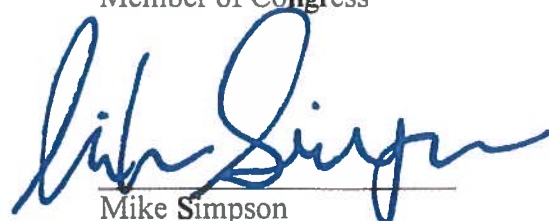
  
Blake Farenthold  
Member of Congress


  
Rubén Hinojosa  
Member of Congress

  
Walter B. Jones  
Member of Congress

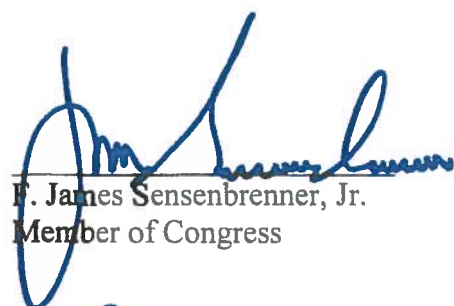
  
Curt Clawson M.C.  
Member of Congress

  
Alan Grayson  
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Mike Simpson  
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John K. Delaney  
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Julia Brownley  
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F. James Sensenbrenner, Jr.  
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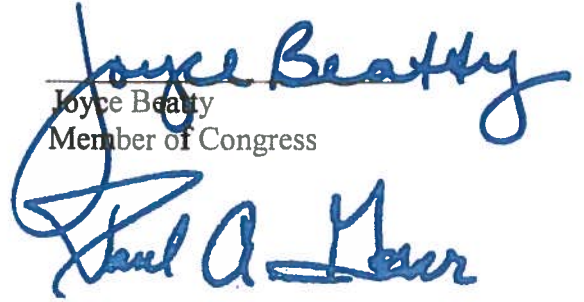
  
Ron Kind  
Member of Congress

  
Dan Benishek M.D.  
Member of Congress

  
Ryan Zinke  
Member of Congress



Joe Barton  
Member of Congress



Joyce Beatty  
Member of Congress



Sam Farr  
Member of Congress



Paul A. Gosar, D.D.S.  
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Tony Cárdenas  
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Mike Coffman  
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Steve Russell  
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Kurt Schrader  
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Tom Emmer  
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Filemon Vela  
Member of Congress



Kevin Brady  
Member of Congress



Louie Gohmert  
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Martha Roby  
Member of Congress



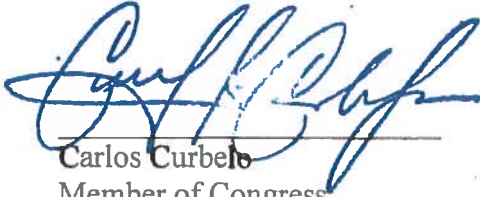
Bill Flores  
Member of Congress



Steve Pearce  
Member of Congress



Bob Dold  
Member of Congress



Carlos Curbelo  
Member of Congress



Patrick Murphy  
Member of Congress



Martha McSally  
Member of Congress



Raúl M. Grijalva  
Member of Congress



Collin C. Peterson  
Member of Congress



David P. Joyce  
Member of Congress

# United States Senate

WASHINGTON, DC 20510

March 13, 2015

The Honorable John Thune  
Chairman  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
Washington, DC 20510

The Honorable Bill Nelson  
Ranking Member  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
Washington, DC 20510

The Honorable Kelly Ayotte  
Chair  
Subcommittee on Aviation Operations,  
Safety, and Security  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
Washington, DC 20510

The Honorable Maria Cantwell  
Ranking Member  
Subcommittee on Aviation Operations,  
Safety, and Security  
Committee on Commerce, Science, &  
Transportation  
United States Senate  
Washington, DC 20510

Dear Chairman Thune, Ranking Member Nelson, Chair Ayotte, and Ranking Member Cantwell:

As you consider legislation to reauthorize the Federal Aviation Administration (FAA), we urge you to include a provision reforming the cost benefit analysis process used by the FAA to manage Federal contract towers to ensure the long-term sustainability of the Federal Contract Tower program.

The Federal contract tower program, in place for over 30 years, has exemplified how the private sector and the Federal government can form and implement a working partnership aimed at improving air safety. Currently, 252 airports and their surrounding communities across the nation benefit from Federal contract towers that buttress a unified national air traffic control system and play a vital role in connecting smaller airports and rural communities with the national air transportation system.

The Federal contract tower program is one of FAA's most cost-effective programs. Contract towers handle approximately 28 percent of the nation's air traffic control tower operations but account for only 14 percent of the FAA's total tower operations budget. Repeated studies by the United States Department of Transportation Inspector General have shown that the Federal contract tower program increases aviation safety while reducing costs to taxpayers and the FAA.

In order to ensure the long-term sustainability of the highly successful Federal contract tower program, we urge the inclusion of a provision reforming the cost benefit analysis process used by the FAA to manage Federal contract towers in three ways.

First, remove the burden of subjecting Federal contract towers to repeated and often unnecessary cost-benefit analyses conducted by FAA. For any airport seeking to enter the Federal contract tower program, FAA performs a rigorous cost-benefit analysis to ensure the safety benefits provided by a manned tower will outweigh the necessary economic costs. Congress should establish an air traffic threshold trigger for future cost-benefit analyses once a tower has been admitted into the program. As such, FAA would be able to better focus resources on operations



March 13, 2015

to ensure the safety of the national airspace, instead of continually conducting assessments on contract tower airports maintaining steady levels of air traffic.

Second, reform the costs FAA should be considering when conducting a cost-benefit analysis. We urge that FAA only consider costs that would disappear if the tower were to be closed. At this time, FAA is revising its methodology used for cost-benefit analysis that we believe unfairly increases the costs included in their analysis, discounting the safety benefits provided by contract towers. For example, including the indirect costs of operating a national air traffic control system should not be used in the cost-benefit analysis of an individual contract tower as those costs are inherent to the system itself.

Third, provide airports and community stakeholders the opportunity to maintain an open dialogue with FAA to fully participate in the cost-benefit analysis process, which would include the opportunity to respond to an unfavorable cost-benefit analysis before a final report is issued.

Congress has clearly demonstrated numerous times—in bipartisan and bicameral fashions—the merit and need for the federal contract tower program. We believe the inclusion of a provision reforming the cost benefit analysis process used by the FAA to manage Federal contract towers would ensure the long-term sustainability of the highly successful Federal contract tower program. Federal contract towers have played a central role for the past 30 years in efforts to manage the safety and efficiency of our nation's complex airspace. We look forward to working with you to ensure that the future success of the Federal contract tower program.

Sincerely,



James M. Inhofe  
United States Senator



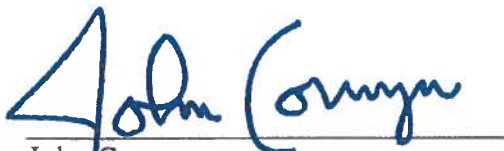
Joe Manchin III  
United States Senator



John Boozman  
United States Senator



Shelley Moore Capito  
United States Senator



John Cornyn  
United States Senator



Mike Crapo  
United States Senator



Mike Enzi  
United States Senator



Deb Fischer  
United States Senator



Jeff Flake  
United States Senator



Mazie K. Hirono  
United States Senator



Johnny Isakson  
United States Senator



Ron Johnson  
United States Senator



Mark Kirk  
United States Senator



James Lankford  
United States Senator



Jeff Merkley  
United States Senator



Jerry Moran  
United States Senator



Lisa Murkowski  
United States Senator



Rand Paul  
United States Senator



Rob Portman  
United States Senator



James E. Risch  
United States Senator

March 13, 2015



Pat Roberts  
United States Senator



M. Michael Rounds  
United States Senator



Brian Schatz  
United States Senator



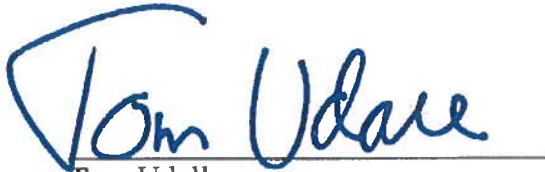
Jeanne Shaheen  
United States Senator



Debbie Stabenow  
United States Senator



Dan Sullivan  
United States Senator




Tom Udall  
United States Senator



David Vitter  
United States Senator



Elizabeth Warren  
United States Senator



Roger Wicker  
United States Senator



Ron Wyden  
United States Senator

**AGENDA**  
**BELLEVUE COMMON COUNCIL**  
**Monday, March 16, 2015**  
**Bellevue City Hall, 115 E. Pine Street**  
**6:00 p.m.**

**Pledge of Allegiance**

**Reminder to turn off cell phones**

- 1. Finding That Notice and Agenda Items are in Compliance with Idaho Code 67-2343**
- 2. Addition, Deletion or Other Changes to Posted Agenda**
- 3. Call for Conflict as outlined in Idaho Code 59-703 (f) – 704 With Any Agenda Item**
- 4. Public Comment for Items of Concern to Citizens**
- 5. Quarterly Up-Date, Friedman Memorial Airport, Rick Baird, Airport Manager**
- 6. Discussion/Decision: Friedman Memorial Airport Board Meeting of March 3, 2015**
- 7. Discussion/Decision: Snack Shack Use and Fees**
- 8. Request for Funds to Purchase Shop Computer**
- 9. Appointment of a Library Liaison**
- 10. Award of Bids for Park Maintenance, Portable Toilet Services and Trash Collection for 2015**
  - a. Resolution \_\_\_\_\_, Authorizing the Mayor to Enter Into a Contract With Clearwater Landscaping for Municipal Park Maintenance
  - b. Resolution \_\_\_\_\_, Authorizing the Mayor to Enter Into an Agreement with Clear Creek Disposal for Portable Toilet Services
  - c. Resolution \_\_\_\_\_, Authorizing the Mayor to Enter Into an Agreement with Clear Creek Disposal for Trash Collection
- 11. Proclamation Declaring April 7, 2015 as National Service Recognition Day**
- 12. Consent Agenda:**
  - a. Minutes of February 17, 2015
  - b. Claims of February 17 – March 16, 2015
  - c. Staff Reports
- 13. Discussion: Fifth Member, Planning and Zoning Commission**
- 14. Council Discussion for Items the Council Deems Necessary**
- 15. Executive Session to Discuss Personnel, Pending Litigation and/or Land Acquisition Pursuant to Idaho Code 67-2345**

**\*\*\*Any person needing special accommodations to participate in the above noticed meeting should contact Bellevue City Hall, 115 Pine St., Bellevue, ID 83313 or telephone 788-5351 at least twenty-four (24) hours prior to the meeting**



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## **Analyst amazed by Alaska Airlines's ability to fight off Delta, not 'just roll over and die'**

Mar 16, 2015, 2:31pm PDT Updated: Mar 18, 2015, 7:53am PDT

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### Steve Wilhelm

Staff Writer- *Puget Sound Business Journal*

[Email](#) | [Twitter](#)

[Alaska Airlines](#) is doing a remarkable job of standing up to pressure from competitor [Delta Air Lines](#), as Atlanta-based Goliath squeezes Seattle-based Alaska from all sides.

That's the view of Jay Sorensen, president of IdeaWorks Co., a Milwaukee-based consultancy with expertise in airlines.

Since the fall 2013, Delta (NYSE: DAL) [has been ratcheting up its presence in Seattle](#), first naming [Seattle-Tacoma International Airport](#) an international gateway, and later a hub.

The latter designation means Delta has broken away from years of partnerships with Alaska, in which Alaska fed regional passengers into Delta's international routes. Now, it appears the two companies are entering into something approaching an all-out war.

But so far Alaska has been able to continue winning passengers and awards, despite competing directly a rival eight-times larger in revenue. Last year [Alaska Air Group Inc.](#) generated \$5.4 billion in revenues, compared to \$40.3 billion for Delta Air Lines Inc.

"I don't think it's gone according to plan for Delta, because Alaska Airlines didn't just roll over and die," Sorensen said. "This intense competition seems to have made them (Alaska) into a better airline, and I would never have predicted that outcome."

He added that he is "astounded" by Alaska's ability to [effectively compete through the onslaught](#) of Delta.

In particular Alaska (NYSE: ALK) has been leveraging its reputation for quality and technology to keep passengers buying tickets.

For instance, in January Alaska [won the annual on-time award](#) given by FlightStats. Alaska has also won the "highest in customer satisfaction," award, given by [J.D. Powers](#) seven years in a row.

"I quite frankly think they're the best-managed airline in the world because they hit it on all marks," Sorensen said. "They have a wonderful product and

they make good money. And they're holding their own against Delta, which is by some measures, the world's largest airline."

Will Alaska be consumed by Delta? Sorenson said he believes Delta would like that, but Alaska executives have continued to say they have no interest in being acquired.

"I'm confident if the CEO of Alaska picked up phone and called CEO of Delta and said 'Let's talk about a merger,'" he said. "That's a meeting that would be happily held."

Given the two companies' current status, though, that call is unlikely to happen.

Steve Wilhelm covers manufacturing, aerospace and trade for the Puget Sound Business Journal.

## Industries:

### Travel, Logistics & Transportation

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Alaska Airlines: We don't want to pay for new Sea-Tac facility that helps Delta

#### From Around The Web



Best 9 Airline Credit Cards





March 25, 2015

The Honorable Bill Shuster  
Chairman  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
2268 Rayburn House Office Building  
Washington, DC 20515

The Honorable Peter DeFazio  
Ranking Member  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
2134 Rayburn House Office Building  
Washington, DC 20515

The Honorable Frank LoBiondo  
Chairman  
Subcommittee on Aviation  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
2427 Rayburn House Office Building  
Washington, DC 20515

The Honorable Rick Larsen  
Ranking Member  
Subcommittee on Aviation  
Committee on Transportation and Infrastructure  
U.S. House of Representatives  
2113 Rayburn House Office Building  
Washington, DC 20515

Dear Chairmen Shuster and LoBiondo and Ranking Members DeFazio and Larsen:

A group of airline executives recently wrote to you in opposition to the efforts by the airport community to gain approval of a necessary and long-overdue adjustment to the local airport user fee known as the Passenger Facility Charge (PFC). We are writing to set the record straight and renew our request that you act to modernize the outdated federal cap on the local PFC to give airports the self-help they need to build essential infrastructure and accommodate increasing passenger demand.

As public entities, airports are eager to address the needs of the communities we serve well into the future, and we recognize that the local PFC is the most free-market tool to meet the long-term needs of passengers given continued federal budget constraints. In contrast, airlines by their nature are more concerned about the next financial report and are content to say that we can get by with what we have now. For the long-term interest of the nation's aviation system and the country, we hope that you will act now to modernize the PFC so we can begin making vital investments to meet the needs of today and provide benefits tomorrow.

The airlines have gone to great lengths to tout their investments in airports. While many of us have worked with our airline partners over the years to build necessary infrastructure, it is misleading to point to a handful of completed projects at a select group of airports and say that our work is finished. Passenger traffic levels and airport capital needs are on the rise, and it is folly to suggest that the need to maintain runways, taxiways, and terminals, plus invest in crucial safety and capacity projects, have somehow been eliminated by the investments airlines already have either acquiesced to or made in their own self-interest.

According to ACI-NA's latest Capital Needs Survey, airports of all sizes need more than \$15 billion annually to modernize aging runways and terminals, relieve congestion and delays, and spur new airline

competition. That is up from ACI-NA's previous estimate, and it is far more than the \$6.2 billion that airports received from PFCs and the federal Airport Improvement Program last year. These are critical projects that exist in states and districts all across the country.

In this current budget climate, modernizing the PFC cap to \$8.50 and periodically adjusting it for inflation is the most fiscally-responsible way to ensure that airports have the local self-help they need to increase capacity, promote competition, and enhance safety – all of which accrue to the benefit of communities and the travelling public.

Congress last adjusted the federal cap on local PFCs in 2000 – 15 years ago. Since then, rising construction costs have severely eroded the purchasing power of the locally controlled fee. Modernizing the PFC cap to \$8.50 would restore the PFC's lost purchasing power and allow airports to adjust their own PFC user-fee level based on locally-determined needs to ensure the continued safety, security, and modernization of their facilities.

The airlines often suggest that airports either have plenty of available resources or should simply issue more bonds to finance necessary infrastructure. In their recent letter, the airlines cite inaccurate figures from 2013 to make the point that airports have steady income. What they conveniently ignore is the fact that the majority of those resources flow to ongoing operation and maintenance expenses at airport facilities and are not available for capital improvements.

In terms of additional borrowing, many airports are unable to issue new bonds because they have reached the limits of their debt capacity. Other small airports are unable to go to the bond market to finance infrastructure projects. In fact, FAA financial reports show that airports had \$84 billion in debt at the end of 2013.

As one of our colleagues pointed out in a recent response to airline claims:

"Bonding is a stop-gap fix for a lack of funding needed for immediate projects. It is a loan, plain and simple, and is not a revenue source. Any use of bonding is simply kicking the can down the road for future passengers to pay."

Modernizing the PFC cap is a more responsible alternative than bonding that would allow airports to take a more pay-as-you-go approach to infrastructure financing.

The airlines have claimed that a modest PFC adjustment will impact air travel demand. That argument rings hollow in an era where airlines routinely charge passengers \$25 to check a single bag, \$200 to change a ticket, \$99 to pick a seat, and a host of other fees. In fact, the airlines recently forecast that spring travel will increase to 134.8 million passengers, the highest number of travelers since 2007, and they reported that 2014 was the fifth consecutive year of airline-industry profits – growth that is occurring despite rising fares and airline ancillary fee collections.

By comparison, a \$4.00 adjustment in the PFC cap is a modest request, especially since PFC revenue stays local and goes toward building airport infrastructure projects that directly benefit the airlines and the travelling public. Revenue from bag fees and other ancillary charges, on the other hand, simply flows to airline coffers.

Moreover, the airlines' increasing reliance on bag fees and other ancillary charges is having an adverse impact on the Airport and Airway Trust Fund. Since bag fees are not subject to the same 7.5 percent excise tax as base tickets, the airlines are shortchanging the Trust Fund of revenue that would otherwise support

airport infrastructure, NextGen, and other aviation improvements. The lack of a tax on bag fees cost the Trust Fund approximately \$250 million in 2013 and approximately \$1.5 billion since 2009.

We recognize the difficult job you have in front of you with FAA reauthorization as you try to meet growing needs in an era of tight federal budget constraints. In the absence of additional federal support, airports are eager to step up to meet their needs locally, but we need your help in the form of a modernized PFC. We urge you to recognize the hollow nature of airline claims and take action to ensure that airports have the resources they need to meet the needs of today and the challenges of tomorrow.

Sincerely,

**Cody Roggatz, C.M.**  
Transportation Director  
City of Aberdeen

**Christopher H. White, A.A.E.**  
Airport Director  
Albert J. Ellis Airport

**Rick McQueen**  
President & CEO  
Akron-Canton Airport

**James D. Hinde, C.M.**  
Director  
Albuquerque International Sunport

**Lew Bleiweis, A.A.E.**  
Executive Director  
Greater Asheville Regional Airport Authority

**Miguel A. Southwell**  
Aviation General Manager  
Hartsfield-Jackson Atlanta International Airport

**James W. Smith**  
Executive Director  
Austin-Bergstrom International Airport

**R. W. (Bud) Breault, Jr.**  
Airport Manager  
Barnstable Municipal Airport

**Craig A. Williams, A.A.E.**  
Airport Director  
Bishop International Airport Authority

**Rebecca L. Hupp, A.A.E.**  
Airport Director  
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**William R. Vanecek**  
Director of Aviation  
Buffalo Niagara International Airport

**Robert F. Selig, AAE**  
President – CEO  
Capital Region Airport Authority

**Robert P. Olislagers, A.A.E.**  
Executive Director  
Centennial Airport

**Tony T. Yaron, C.M.**  
Airport Administrator  
Central Wisconsin Airport

**Judith W. Olmstead, A.A.E.**  
Director of Finance & Administration  
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**Terry L. Hart**  
President & CEO  
Chattanooga Metropolitan Airport Authority

**Kevin C. Klein, A.A.E.**  
Airport Director  
Cherry Capital Airport

**Candace S. McGraw**  
CEO  
Cincinnati/Northern Kentucky International Airport

**Thomas A. Braaten**  
Airport Director  
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**Elaine Roberts, A.A.E.**  
President & CEO  
Columbus Regional Airport Authority

**Richard C. Howell, A.A.E.**  
Airport Director  
Columbus Airport

**Kim Day**  
Manager of Aviation  
Denver International Airport

**Kevin J. Foley**  
Executive Director  
Des Moines International Airport

**Robert A. Grierson, A.A.E.**  
Manager  
Dubuque Regional Airport

**Marty P. Lenss**  
Airport Director  
The Eastern Iowa Airport

**Monica Lombraña, A.A.E.**  
Director of Aviation  
El Paso International Airport

**Ann B. Crook, A.A.E.**  
Director of Aviation  
Elmira Corning Regional Airport

**Christopher L. Rodgers**  
Executive Director  
Erie International Airport, Tom Ridge Field

**Timothy M. Doll, A.A.E.**  
Airport Director  
Eugene Airport

**Douglas P. Joest**  
Executive Director  
Evansville-Vanderburgh Airport Authority District

**Rhonda Chambers**  
Director of Aviation  
Fort Dodge Regional Airport

**Kent G. George, A.A.E.**  
Director of Aviation  
Fort Lauderdale-Hollywood International Airport

**Kevin R. Meikle**  
Director of Aviation  
Fresno Yosemite International Airport

**Richard R. Baird**  
Airport Manager  
Friedman Memorial Airport

**Brian D. Ryks, A.A.E.**  
Executive Director  
Gerald R. Ford International Airport

**Cindi H. Martin, C.M.**  
Airport Director  
Glacier Park International Airport

**Clay Williams**  
Executive Director  
Gulfport-Biloxi International Airport

**Patrick B. Dame, C.M.**  
Executive Director  
Grand Forks Regional Airport Authority

**Timothy J. Edwards, A.A.E.**  
Executive Director  
Harrisburg International Airport

**Ford Fuchigami**  
Director  
State of Hawaii Department of Transportation

**Shawn A. Dobberstein, A.A.E.**  
Executive Director  
Hector International Airport

**Mario C. Diaz**  
Director of Aviation  
Houston Airport System

**Rick Tucker**  
Executive Director  
Huntsville International Airport



**Mike Roe**  
President  
Iowa Public Airports Association

**Mary Beaird**  
Airport Director  
Southeast Iowa Regional Airport Authority

**Carl D. Newman, A.A.E.**  
CEO  
Jackson Municipal Airport Authority

**Steven J. Grossman**  
Executive Director/C.E.O.  
Jacksonville International Airport

**Mark D. VanLoh, A.A.E.**  
Director, Aviation Department  
Kansas City International Airport

**William F. Marrison, A.A.E.**  
President  
Metropolitan Knoxville Airport Authority

**Rhonda Hamm-Niebruegge**  
Airport Director  
Lambert-St. Louis International Airport

**Charles R. Everett Jr., CMC**  
Executive Director  
Lehigh Valley International Airport

**Bruce MacLachlan, A.A.E.**  
Airport Manager  
Lewiston-Nez Perce County Regional Airport

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Executive Director  
Lexington Blue Grass Airport

**David S. Haring, C.M.**  
Executive Director  
Lincoln Airport Authority

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Director  
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**Gina Marie Lindsey, C.M.**  
Executive Director  
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**Janet Gonzales**  
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**Mark P. Brewer, A.A.E.**  
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Manchester - Boston Regional Airport

**Peter VanKuren, C.M.**  
Airport Director  
Manhattan Regional Airport

**Pamela M. Osgood**  
Airport Manager  
Mason City Municipal Airport

**Tom Glynn**  
CEO  
Massachusetts Port Authority

**Edward Freni**  
Airport Director  
Boston-Logan International Airport  
Massachusetts Port Authority

**Scott A. Brockman, A.A.E.**  
President & Chief Executive Officer  
Memphis-Shelby County Airport Authority

**Jeff Hamiel**  
CEO/Executive Director  
Metropolitan Airports Commission

**Emilio Gonzalez**  
Director  
Miami International Airport

**Andy Solsvig, MBA, C.M.**  
Airport Director  
Minot International Airport

**Jeremy Keating C.M., C.A.E.**  
Airport Director  
Mohave County Airport Authority

**Ron Phillips**  
Airport Director  
Monroe Regional Airport

**Thomas E. Greer, A.A.E.**  
General Manager  
Monterey Regional Airport

**Phil B. Perry**  
Executive Director  
Montgomery Airport Authority

**Tom Rafter, A.A.E.**  
Airport Manager  
Nantucket Memorial Airport

**Iftikhar Ahmad, P.E.**  
Director of Aviation  
Louis Armstrong New Orleans International  
Airport

**Kenneth R. Spirito, A.A.E.**  
Executive Director  
Newport News/Williamsburg International Airport

**Kelly L. Johnson, A.A.E.**  
Airport Director  
Northwest Arkansas Regional Airport Authority

**Deborah Ale Flint**  
Director of Aviation  
Port of Oakland

**Sunil Harman, A.A.E., IAP**  
Airports Director  
Okaloosa County Airports

**Phillip N. Brown, A.A.E.**  
Executive Director  
Greater Orlando Aviation Authority

**Arif R. Ghouse, C.M.**  
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Paine Field/Snohomish County Airport

**Mark E. Gale, A.A.E.**  
C.E.O.  
Philadelphia International Airport

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Acting Aviation Director  
Phoenix Sky Harbor International Airport

**Kevin J. Baker, PE**  
Executive Director  
Piedmont Triad Airport Authority

**Christina A. Cassotis**  
CEO  
Allegheny County Airport Authority –  
Pittsburgh International Airport

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Director  
Aviation Department  
The Port Authority of New York and New Jersey

**Bill Wyatt**  
Executive Director  
Port of Portland

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Airport Director  
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**Bruce E. Carter, A.A.E.**  
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Executive Director  
Rochester International Airport

**Michael Giardino**  
Monroe County Director of Aviation  
Greater Rochester International Airport

**Kelly J. Fredericks, P.E., A.A.E.**  
President and CEO  
Rhode Island Airport Corporation

**Sara Freese, A.A.E.**  
Director of Aviation  
Rick Husband Amarillo International Airport

**John Wheat**  
Executive Director  
Sacramento County Airport System

**Luis Elguezabal, A.A.E.**  
Airport Director  
San Angelo Regional Airport

**Thella F. Bowens**  
President/CEO  
San Diego County Regional Airport Authority

**John L. Martin**  
Airport Director  
San Francisco International Airport

**Kimberly Becker Aguirre**  
Director of Aviation  
Norman Y. Mineta San Jose Int'l Airport

**Kevin Bumen, C.M., C.A.E.**  
Director of Airports  
San Luis Obispo County Regional Airport

**Hazel M. Johns, A.A.E.**  
Airport Director  
Santa Barbara Municipal Airport

**Maureen S. Riley**  
Executive Director  
Salt Lake City Department of Airports

**Fredrick J. Piccolo, A.A.E.**  
President, Chief Executive Officer  
Sarasota Bradenton International Airport

**Gregory B. Kelly, A.A.E.**  
Executive Director  
Savannah/Hilton Head International Airport

**Mark M. Reis**  
Aviation Director  
Seattle-Tacoma International Airport

**Bill Cooksey, C.M.**  
Interim Director of Airports  
Shreveport Airport Authority

**Dan Letellier**  
Executive Director  
Sioux Falls Regional Airport

**Curt Miller**  
Airport Director  
Sioux Gateway Airport

**Lawrence J. Krauter, A.A.E., AICP**  
Chief Executive Officer  
Spokane International Airport

**Robert M. Ball, A.A.E.**  
Executive Director  
Southwest Florida International Airport

**Gary L. Johnson, C.M.**  
Airport Director  
Stillwater Regional Airport

**Harry Mavrogenes**  
Airport Director  
Stockton Metropolitan Airport

**Chris Curry**  
Director of Aviation  
City of Tallahassee

**Joseph W. Lopano**  
Chief Executive Officer  
Tampa International Airport

**Ronald L. Foraker, C.M.**  
Director of Airports  
Tri-Cities Airport

**Jeffrey A. Mulder, A.A.E.**  
Airport Director  
Tulsa International Airport

**Kevin M. Burke**  
President & CEO  
ACI-NA

**Bonnie A. Allin, A.A.E.**  
President/C.E.O.  
Tucson Airport Authority

**Todd Hauptli**  
President & CEO  
AAAE

**Gregory S. Phillips, A.A.E.**  
Director of Aviation  
Vail/Eagle County Regional Airport

**Todd L McNamee, A.A.E.**  
Director of Airports  
Ventura County Department of Airports

**John E. Potter**  
President and CEO  
Metropolitan Washington Airports Authority

**Keith D. Kaspari, MPA, C.M.**  
Director of Aviation  
Waterloo Regional Airport

**Thomas Naughton**  
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Wayne County Airport Authority

**Gabriel E. Monzo, Sr.**  
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Westmoreland County Airport Authority

**Victor D. White, A.A.E.**  
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Wichita Airport Authority

**Mark D. Kranenburg, A.A.E.**  
Director of Airports  
Will Rogers World Airport

**Julie A. Wilsey, A.A.E.**  
Airport Director  
Wilmington International Airport

**Dan Dickten, A.A.E.**  
Director of Aviation  
Youngstown-Warren Regional Airport

## **WORK ORDER 15-02 EXHIBIT A – Scope of Work Friedman Memorial Airport (SUN) Hailey, Idaho**

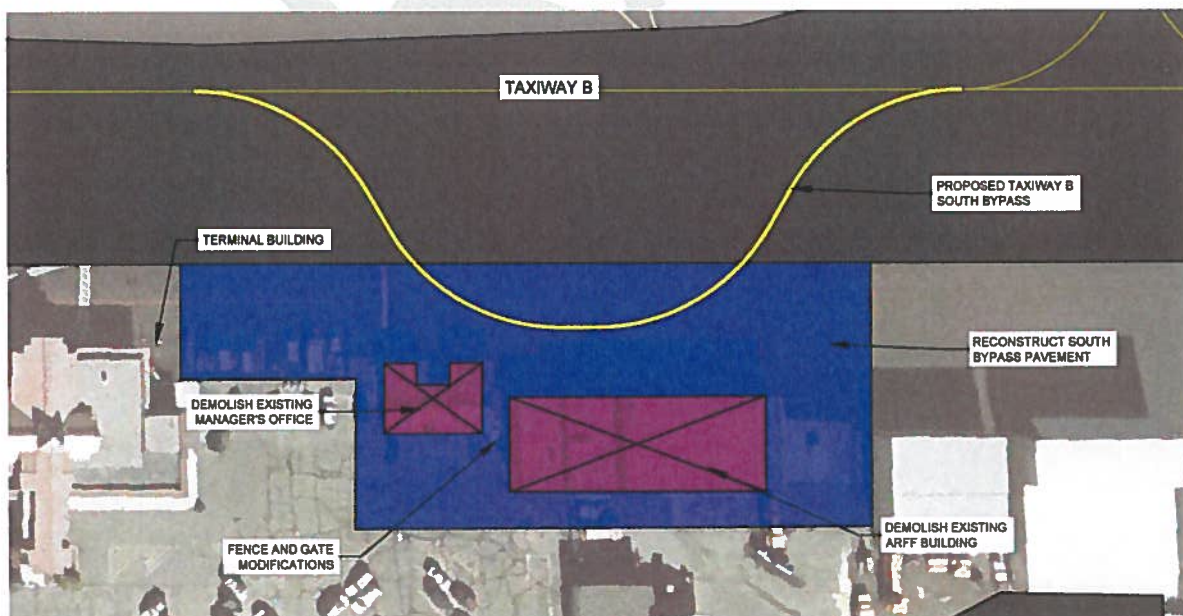
### **RSA Improvements – Project 7**

#### **Demolish Existing ARFF/SRE and Airport Administration Buildings and Construct Central Bypass Taxiway**

This Scope of Work describes professional services to be provided in support of the project identified above. Proposed project work is part of an ongoing effort to improve the Runway Safety Area at SUN. This project will include the following generally described physical improvements to Airport Facilities:

1. Demolish the airport's existing Aircraft Rescue and Firefighting/Snow Removal Equipment (ARFF/SRE) and Administration buildings. This will include removal of the structures, along with remediation of any asbestos or lead paint (if present) and other site cleanup.
2. Construct a new bypass taxiway for aircraft deconfliction on Taxiway B. With the relocation of Taxiways B and B-4, the existing bypass in this area of the airport must be relocated. This element will include reconstructing apron and taxiway pavement in this area, along with construction of new security fence and relocation of an existing gate.

The proposed improvements are illustrated in the following graphic:





## INTRODUCTION:

The Friedman Memorial Airport is located in Hailey, Idaho. This airport serves the Wood River Valley region of Idaho, including the Sun Valley resort area. The Airport is currently served by two commercial service air carriers (SkyWest and Horizon Air), with service by United scheduled to begin in December 2013. A large number of corporate jets and other general aviation aircraft also use the airfield for business, recreation and travel to and from the large number of second homes in the area. The Friedman Memorial Airport Authority (FMAA) governs and manages the airport under a joint powers agreement between the City of Hailey and Blaine County, who co-sponsor the airport.

Up until late 2013, the airport did not meet current FAA design standards in several critical areas. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Runway Design Code for the airport is C-III. Due to the geometry and spatial limitations of the existing site, the airport does not meet standards for many criteria, most critically the Runway Safety Area (RSA).

Until August of 2011, the planned solution was to relocate the airport to a new site south of the existing airport and away from the valley cities. The FAA was conducting an Environmental Impact Statement (EIS) study for a new location until the decision was made to suspend the study, due to financial and environmental concerns.

At the direction of the FAA, FMAA completed a Technical Analysis of available alternatives for improving the airport to meet standards where practical and to identify required Modifications of Standards, where standards cannot be met. This Analysis identified seven alternative airport configurations and the costs and possible environmental impacts associated with each. Upon review of the Analysis, the conclusion of the community and the FAA was that Alternative 6 would be pursued, with additional future planning to consider elements of Alternative 7 that are necessary to accommodate airport uses displaced by construction of Alternative 6. A graphic of Alternative 6 is attached.

Alternative 6 identifies projects within the existing perimeter fence at SUN that will accomplish the following:

1. Full compliance with C-III RSA dimensions.
2. Minimum runway to parallel taxiway separation of 320'.
3. All aircraft parking outside of the Runway OFA.

In order to accomplish this, a large amount of construction must be done, including relocation and extension of the primary parallel taxiway on the west side of Runway 13/31 (Taxiway B), removal of a secondary parallel taxiway on the east side of the runway (Taxiway A), relocation of multiple hangars and various other improvements. All of these improvements must be completed prior to December 31, 2015. By Congressional mandate, all commercial service airports must have compliant Runway Safety Areas by that date.

Following selection of this alternative, the airport proceeded with a Formulation Study to refine Alternative 6 and determine how the proposed projects would be completed. This study resulted in refinements of Alternative 6, as shown on the attached exhibit.

Extensive construction has been completed and is about to begin in 2014 that will complete large portions of the RSA improvements, including relocating the south half of Taxiway B, relocating the terminal apron,



reconfiguring the terminal and constructing a new ARFF/SRE building. This project is the last major step to completing the program, with one smaller project planned to follow this effort.

## **PROJECT APPROACH:**

The project will complete the proposed construction elements in a manner that minimizes the impact to the operation of the airport. Previous projects will have completed paving work to the edge of Taxiway B when this project begins, therefore this project will not have major impacts on airport operations.

However, demolition of the airport facilities may not begin until the new Airport Operations Building is completed. This facility, which will house airport administration and ARFF/SRE functions, is currently under construction. Expected completion is in early September 2015, after which the existing buildings can be demolished and work on the bypass may begin. In order to complete the paving work, an aggressive schedule will be necessary.

It is anticipated that AIP will fund 93.75% of eligible project costs. (Match for small hub and non-hub airports in Idaho is 93.75%.) Friedman Memorial Airport will provide all other required funds. The estimated total construction budget for the work items is approximately \$700,000.

Professional services shall be provided during all elements of the project, including design, bidding, construction, closeout and grant administration.

Design professional services to be provided shall include incidental planning, civil design, grant administration, preliminary design, final design, and the overall coordination of all phases of the project with the Owner and the FAA. Design Services and associated expenses (Tasks 1-4 below) will be provided on a lump sum basis. Basic planning for this design was completed under the Formulation Study mentioned above.

Services provided under this Work Order also will include bidding, construction inspection/administration, closeout and additional services necessary to complete the project. These services and associated expenses (Tasks 5-8 below) will be provided on a time and materials basis.

Professional services anticipated include services necessary to accomplish the following:

- Contract Administration
- Planning and Formulation
- Preliminary Design
- Final Design
- Project bidding assistance and administration
- Grant Administration
- Construction Inspection/Administration
- Closeout
- Coordination of all elements of the Project with the Owner and the FAA.

## **CONTRACTS AND BIDDING:**

The bidding and construction documents will be structured with one bid schedule and at least four construction phases, as described below:

1. RSA Grading/Taxiway B Relocation/Taxiway A Removal (airport completely closed)
2. Taxiway B Relocation (partial closure)
3. North Apron Construction (partial closure)
4. Final Markings/Seeding (partial closure)





After bids are opened, Engineer and Owner will discuss possible award options. If adequate funds are available from all sources, all work will be awarded. Award of all elements may not be possible. This Work Order does not include any services related to repackaging or re-bidding work elements at a later date. If such services are necessary, they will be added by amendment or considered an additional service to this agreement.

It is anticipated that the project will be completed during the spring and summer of 2015. The project will be funded primarily with discretionary funds. The planned airport closure is scheduled for April and May of 2015. Funding with discretionary and this planned closure both drive bidding early in 2015. Due to this early bidding period, a very aggressive design schedule will be necessary.

#### **ANTICIPATED STAFFING:**

Due to the importance of this project and aggressive schedule, the Owner expects the project to be staffed with experienced personnel in all leadership positions. The project will be led by a Principal, with one Project Manager leading various elements of the design and construction services. Additional production staff will include an experienced specifier/construction manager and multiple staff engineers/technicians to complete the design. During construction, one fulltime, experienced project representative will be required.

#### **AVAILABLE INFORMATION:**

- Previous Airport Layout Plan (ALP) drawings, most recently updated by T-O Engineers in 2010.
- Design, construction and as-constructed drawings, survey data and geotechnical information from AIP 3-16-0016-007 through '036 projects, prepared by Toothman-Orton Engineering Co. (now T-O Engineers).
- 2012 Technical Analysis, prepared by T-O Engineers.
- Analysis completed under a separate Project Formulation effort, including an abbreviated updated to the ALP to reflect the projects identified in Alternative 6.
- Geotechnical reports from previous projects, including Geotechnical report prepared by American Geotechnics in 2013.



## **SCOPE OF PROFESSIONAL SERVICES**

### **TASK 1 - ADMINISTRATION**

During the course of the Project the following general administrative services shall be provided.

- 1.1 Coordinate with Owner to evaluate scope, budget and approach to project. Travel to and meet with the Airport to discuss the project scope and approach.
- 1.2 Prepare a Work Order specifically addressing this project. The Work Order shall include a detailed Scope of Professional Services narrative. Review the Scope with Owner and FAA and modify as necessary, based on comments received. The Work Order shall also include a detailed cost proposal based on estimates of professional service man hours, hourly rates and lump sum costs required to accomplish the design development and construction administration of the work.
- 1.3 Provide Scope of Work and blank cost proposal spreadsheet to Owner for use in obtaining an Independent Fee Estimator for review. One teleconference is anticipated to describe and discuss the project scope.
- 1.4 Advise and coordinate with Owner and FAA through the Phase 1 tasks.
- 1.5 Project management and administration to include monthly cost accounting and budget analysis, invoicing and monitoring of project progress.

### **TASK 2 – PRELIMINARY (35%) DESIGN**

The following Consultant tasks are necessary to complete the initial design of the project. This design will incorporate project formulation and planning completed under previous planning and formulation efforts.

- 2.1 Prepare for and participate in a pre-design conference with FAA personnel and the Owner. This conference shall be conducted according to current guidance from the FAA Northwest Mountain Region. The conference will take place via conference call. After the meeting, prepare notes to document what was discussed.
- 2.2 Utilize topographic survey gathered in May of 2013, along with supplemental survey data gathered on several other occasions to design the project. Analyze the data in the areas of this project and prepare base drawings and digital terrain models for use in the analysis and design. Base drawings shall include all topographic information plus known underground utilities, structures, NAVAIDs, etc. It is anticipated that supplemental survey information will be necessary to design this project, as significant work in this area has been completed since the original topographic survey was collected. With the help of a qualified local surveying consultant, complete supplemental survey, to include building corners, curbs and gutters, fence, project limits, etc.
- 2.3 Review and summarize geotechnical information gathered in December 2013 for the areas applicable to this project. It is anticipated that collection of additional data will not be necessary for this project. However, analysis of the available data relative to pavement, grading and drainage design will be included in this task.



- 2.4 Refine the taxilane, apron and grading geometry prepared during the previous project formulation effort. This will consist of checking the proposed horizontal geometry, profiles and connections to existing taxiway, apron and other surrounding pavements. Note: FAA guidance for taxiway and taxilane design has changed since the formulation project was completed.
- 2.5 Complete project investigation and preliminary design for facility demolition project elements, to include the following:
- Assess and investigate existing structural systems, interior and exterior building materials, interior partition and construction assemblies, and the surrounding site conditions associated with the demolition and removal of both the existing airport administration and ARFF/SRE buildings.
  - Photograph and document the interior and exterior of the existing buildings and the surrounding site conditions.
  - Determine regulatory requirements related to the removal and disposal of asbestos.
  - Investigate potential costs associated with the disposal of demolition materials removed from the site.
  - Review applicable code requirements.
- 2.6 With the assistance of a qualified specialist, conduct testing and assessment for asbestos and lead paint in each of the existing buildings.
- 2.7 Evaluate floor drains, oil storage areas and other elements of the existing ARFF/SRE building in an attempt to determine the presence of any fuel or oil spills and other possible contamination. Develop remediation strategies, if contamination is discovered.
- 2.8 Develop a preliminary Construction Safety and Phasing Plan (CSPP). This CSPP shall clearly describe the different construction phases and aircraft operations during each phase. The preliminary CSPP shall be submitted to FAA for review and comment as early in the project development process as possible. Consider the possibility of utilizing a displaced threshold to allow aircraft operations during portions of the closure period. This will include analysis of the displaced threshold for cost, schedule and safety impacts.
- 2.9 Prepare preliminary design for fencing and gates. Fence shall be configured to maintain the security of the airfield. An existing automated gate will be relocated as part of the project, to provide access to the airfield for airfield operations and security personnel, along with bus access as needed. (Due to weather conditions, flights to and from the airport are often diverted and passengers are bussed between SUN and the diversion airport.)
- 2.10 Prepare a preliminary surface drainage design for disposal of storm drainage from the project areas and modifications to the existing storm drainage system. It is assumed the airfield side of the project will drain over the surface to the existing airfield storm drainage system. Drainage for the rest of the project may require installation of new storm drainage structures (drywells, etc.).
- 2.11 Based on aircraft traffic on the airport, design a recommended pavement section. This design is anticipated to be very similar to designs for other projects completed during the Runway Safety Area Improvements program. Design analysis shall be based on the current version of FAA AC 150/5320-6. Prepare a report for inclusion in the Engineer's Design Report. Utilize pavement



design prepared under a previous project for Taxiway B and north apron pavements. Prepare a separate pavement design for the north hangar taxilane, which will be designed for smaller aircraft only. This new pavement design shall include preparation of an FAA Form 5100-1 and design output from FAA's pavement design program, FAARFIELD.

- 2.12 Develop a draft table of contents for bid and contract documents and technical specifications, which will identify appropriate sections necessary for completion of the project.
- 2.13 Prepare preliminary drawings for the project, which will be limited to: Cover Sheet; Construction Layout Plan; Safety and Phasing Sheets, Plan and Profile Sheets, Grading and Drainage Sheets and Fencing Plan (estimated 6 sheets, total).
- 2.14 Prepare preliminary opinions of construction cost and construction time required to complete construction of the various elements of the project.
- 2.15 Meet with Owner in Hailey to discuss preliminary design, including review of preliminary plans. This meeting is anticipated to take place at the airport, with three members of the project team (Principal, Project Manager and Engineer in Training) in attendance.
- 2.16 Coordinate with the Owner and FAA during this phase of the project. This will include one meeting in Hailey with the Airport Staff and airport users (separate from the preliminary plan review above) to discuss the preliminary design and refine the project approach, schedule, phasing and budget. This meeting will be attended by Principal and Project Manager. This will also include one meeting at the Airports District Office in Helena, Montana, which will be attended by the project Principal.
- 2.17 Coordinate internally with T-O staff during this phase of the project as necessary.
- 2.18 Travel time required for Task 2.

### **TASK 3 – 65% DESIGN**

The 65% design services shall commence upon completion of Phase 2 tasks. Preliminary design phase services shall include:

- 3.1 Finalize grading design for the project area.
- 3.2 Finalize surface drainage design for disposal of storm drainage from the project areas. Prepare a report for inclusion in the Engineer's Design Report.
- 3.3 Develop an erosion and sediment control plan for the project, to be included in the bidding and construction drawings. This plan shall apply approved Best Management Practices for the State of Idaho.
- 3.4 Develop a pavement marking plan and submit to FAA for review.
- 3.5 Develop preliminary demolition design, to include the following:
  - Identify specific aspects of the project, such as: structural elements, asbestos or lead paint abatement, required environmental remediation, etc.
  - Identify salvageable items from both facilities.





- Coordinate with the Owner to develop a list of salvageable items to retain and store prior to demolition.
- 3.6 Prepare preliminary construction specifications and bid documents. Specifications shall be based on the current version of FAA AC 150/5370-10 and current regional notices. Bid documents shall include Notice Inviting Bids, Bid Schedules, Agreement, forms and other contract documents and "boiler plate" items necessary to solicit bids and execute contracts following award.
- 3.7 Prepare a preliminary design and construction plan set to a completion level of approximately 65%. The anticipated number of sheets in this submittal is 8 sheets. Submit two sets to Owner for review and comment. Meet with Owner in Hailey to review the plans and obtain additional direction for completion of the design and construction plans. This meeting will be held in Hailey with three members of the project team (Principal, Project Manager and Specifier) in attendance.
- 3.8 Revise preliminary cost estimates, based on preliminary design.
- 3.9 Coordinate internally with T-O staff during this phase of the project to discuss key aspects of the design.
- 3.10 Coordinate with the Owner and FAA during this phase of the project, including a separate visit to discuss the design revisions and progress.
- 3.11 Travel time required for Task 3.

#### **TASK 4 - FINAL DESIGN**

The Final Design task shall include the preparation of detailed construction plans and specifications, required design report, cost estimates, bid and contract documents suitable for obtaining competitive bids for construction of improvements. Final Design Services shall include the following work tasks:

- 4.1 Revise design to reflect comments from Owner at the 65% design review phase.
- 4.2 Prepare 95% design and construction plans. Total number of sheets is anticipated to be 10.
- 4.3 Prepare 95% construction specifications and bid documents based on the current version of FAA AC 150/5370-10 "Standards for Specifying Construction on Airports", including regional Notices published by the FAA Northwest Mountain Region.
- 4.4 Prepare a final engineer's opinion of probable construct cost, based on the final design.
- 4.5 Prepare a stand-alone Construction Safety and Project Phasing plan, including final versions of drawings submitted in Task 2.6, along with a narrative plan describing the project phasing implementation.
- 4.6 Prepare the Engineer's Design Report including plan review checklists in conformance with FAA guidelines and submit with plans and specifications for FAA review.
- 4.7 Submit 95% design drawings, specifications and design report to Owner and FAA for final review and comment. An on-site design review meeting with airport staff will be held at the airport in Hailey, with three members of the design team (Principal, Project Manager and Specifier) in attendance. Review comments from the FAA will be received by telephone or electronically.
- 4.8 Revise drawings and specifications based on final review comments and prepare 100% (bid set) documents. Submit up to three complete sets of final documents to Owner and one set of final documents to the FAA.
- 4.9 Prepare and submit demolition documents for permitting and other documentation required for



approval by the City of Hailey.

- 4.10 Coordinate internally with T-O staff during this phase of the project to discuss key aspects of the design.
- 4.11 Coordinate with the Owner and FAA during this phase of the project.
- 4.12 Travel time required for Task 4.

## **TASK 5 - BIDDING**

Assist the Owner in the competitive sealed bid and contractor selection process. The Owner completed a pre-qualification process for contractors interested in bidding on this project, and bidding for this project will be limited to contractors pre-qualified under that process. This Task also includes services to prepare and process contract award and construction agreement documents for the Owner. Bidding phase services shall include the following tasks:

- 5.1 Administer the public bid advertisement process including bid document reproduction and distribution of documents to plan rooms, contractors and suppliers. Prepare notice inviting bids and distribute to pre-qualified contractors. Maintain a "bidders list" and distribute plans as requested. Assist Owner in promoting subcontractor bidder interest in an appropriate geographic area for project work tasks.
- 5.2 Prepare a detailed Pre-Bid Conference agenda and conduct a Pre-Bid Conference to familiarize bidders and interested parties with the construction project scope and requirements. Prepare and issue minutes of the conference after the meeting. The meeting will be held at the Airport. It is assumed a Project Manager and two additional staff members will attend the Pre-Bid Conference.
- 5.3 Respond to questions that arise during the Contractors' bid preparation process. Issue addenda or other clarifications as required.
- 5.4 Assist the Owner in preparation for the project Bid Opening as required, including preparation of a Project Bid Summary form. It is anticipated that the Consultant (Project Manager) will attend and conduct the Bid Opening in Hailey. After opening bids, Consultant will take copies back to the Boise office, to evaluate the qualifications of bidders and responsiveness to bidding criteria, including compliance with Buy American requirements.
- 5.5 Prepare a detailed Bid Tabulation documenting bid results and submit to Owner and FAA.
- 5.6 Assist the Owner with review and analysis of bids received, in accordance with FAA requirements. Provide Engineer's recommendation of award letter to Owner.
- 5.7 Prepare and distribute Notice of Award, Construction Agreement and other contract documents. Review Construction Agreement, bonds and insurance documents submitted by Contractor, and assist Owner and Contractor in processing documents for the project.
- 5.8 Coordinate with FAA and Owner throughout the bid and award process. Submit bid documentation including copies of all executed contract documents as required by the FAA.
- 5.9 Travel time required for Task 5.





## TASK 6 - CONSTRUCTION

During construction, the Consultant shall administer all aspects of the construction contract over which the Consultant can be expected to have realistic control in order to assist the Owner in monitoring and documenting the construction process for design compliance, quality assurance, and cost control. Time for construction services assumes completion of the project in two phases: one phase for demolition tasks and a second for other items. During demolition, full-time construction inspection will not be necessary. During all other elements, full time construction observation will be provided. The total number of working days for this project is anticipated to be 50. Any construction time overruns beyond the assumptions stated here may require additional Consultant time and associated fees. These additional fees will be negotiated by addendum to this Work Order. Construction services shall more specifically include the following work tasks:

- 6.1 Coordinate with the Contractor and others prior to construction. Prepare a detailed Pre-Construction Conference agenda and displays; conduct a Pre-Construction Conference on behalf of the Owner in Hailey; and prepare and issue minutes of the Pre-Construction Conference; advise the FAA of Pre-Construction Conference dates and include FAA items in conference agenda. Complete FAA Pre-Construction conference checklist. It is anticipated the Principal, both project managers and three Resident Project Representatives will attend the pre-construction conference.
- 6.2 Prepare a construction management plan for the project, in accordance with FAA guidance.
- 6.3 Review, comment, and process Contractors' material submittals (including review of compliance with Buy American requirements), particularly Work Schedule, Operational Safety Plan, Quality Control Plan, mix designs for all materials and material and equipment materials. Assist Contractor as required, clarifying specification and documenting submittal requirements. Coordinate construction activity schedule with Owner.
- 6.4 During the demolition phase of the project, provide part time construction observation services. This will include visiting the site at intervals appropriate to the progress of the work to become generally familiar with the progress and quality of the portion of the Work completed, and to determine, in general, if the Work observed is being performed in a manner indicating that the Work, when fully completed, will be in accordance with the Contract Documents. This will include one visit per week, in addition to weekly meetings.
- 6.5 Provide one experienced Resident Project Representative at all times during construction of other project elements to monitor and document construction activities, conformance with schedules, plans and specifications; review and document construction quantities; document significant conversations, situations, events or changed conditions; document input or visits from local authorities and officials; prepare and submit routine inspection reports (FAA Form 5370-1); and maintain a project diary. During paving operations, an additional experienced staff member will also be onsite.



- 6.6 Organize and conduct one construction meeting per week with Owner, Contractor and others as appropriate. Contractor's schedule review and work progress will be discussed at all meetings. The Resident Project Representative will hold these meetings on or near the construction site at the airport. Project Manager will also attend all meetings. Anticipate 7 total meetings during the duration of the project.
- 6.7 Provide office administration support and assistance to the Resident Project Representatives with senior design, management or other personnel as field activities may require.
- 6.8 Review and approve monthly Contractor Pay Requests. Submit approved pay requests to the Owner for approval and payment.
- 6.9 Monitor and coordinate Contractor Quality Control Program pursuant to current FAA specifications for Quality Control and Quality Assurance. This will include all required Quality Assurance testing, to be performed by a qualified testing laboratory.
- 6.10 Conduct Substantial Completion and Final Completion Inspections with the Owner and Contractor. Advise and coordinate with FAA of inspection dates. Produce substantial and final completion inspection certificates and document "punch list" items. It is anticipated that senior design or management personnel will attend either the Substantial Completion or Final Inspection at the Airport. Prepare a letter requesting grant reimbursement up to 97.5% following substantial completion.
- 6.11 Assist Owner with review of Contractor Wage and EEO documentation review.
- 6.12 Prepare, negotiate and process Contract Change Orders/Supplemental Agreements, as required. Man-hour estimates and costs are to be based on normal construction events as experienced by the Consultant for projects of this type and size.
- 6.13 Coordinate with Owner and FAA throughout the construction process. Submit required construction documentation, including weekly activity report forms, mix designs, change orders, etc. Coordinate with Owner and FAA verbally concerning change orders, as required.
- 6.14 Travel time required for Task 6.

## **TASK 7 – CLOSEOUT/DOCUMENTATION**

Task 7 shall consist of project closeout and documentation services. Operational phase services shall include the following tasks:

- 7.1 Prepare As-Constructed Revisions to Design and Construction Drawings for project improvements. Provide Owner with copies of Record Drawings, including two electronic copies (PDF) – one for Owner and one to be submitted to the FAA.
- 7.2 Prepare an As-Constructed Airport Layout Plan (ALP) to document improvements.
- 7.3 Document the Project work and accomplishments in a Final Construction Report in accordance with FAA guidelines. This Final Report will include all aspects of this project, plus final accounting



and financial information for all projects included in the AIP '041 grant. This includes Project 7, plus Project 3 (Terminal Expansion and Remodel, Phase 2), Project 4 (Airport Operations Building, Phase 2) and Project 6 (North Taxiway B Relocation). Construction details of Projects 3, 4 and 6 will be summarized in separate closeout documentation for those projects – this report will include only financial summaries.

- 7.4 Conduct final as-constructed survey to meet the requirements of Airport Geographic Information Systems (AGIS). This survey will include ALL projects completed at the airport as part of this Runway Safety Area Improvements Program (Projects 1-7). Essentially, this will require an as-constructed survey of the entire airfield, with the exception of Runway 13-31.
- 7.5 Coordinate with Contractors on Owner's behalf to obtain lien releases from subcontractors and Prime Contractor in preparation to making final payment. Coordinate with Contractors, Owner and the Idaho State Tax Commission to obtain a tax release prior to releasing any retainage.
- 7.6 Assist Owner with overall budget status analysis and reports, closeout documentation review, and coordination with the FAA, as requested by the Owner. Assist in preparation of required project certifications.

## **TASK 8 – ADDITIONAL SERVICES**

Consultant shall provide the following services as "Additional Services":

- 8.1 Assist the Owner with Grant Administration tasks.
  - 8.1.1 Coordinate with FAA regarding status of grant applied for and received by the Airport Authority previously.
  - 8.1.2 Assist the Owner to prepare and process required certifications for submittal to the FAA.
  - 8.1.3 Provide periodic project budget updates to Owner during prosecution of the work.
- 8.2 Assist the Owner with Disadvantaged Business Enterprise (DBE) reporting. Development of DBE goals is not necessary for this project, as the airport completed three-year goals in 2013. DBE services to be provided shall include annual reporting for FY 2015 only.
- 8.3 Provide geotechnical services required for the project. These services are anticipated to be performed by a qualified subconsultant and will be limited to testing necessary for quality assurance testing during construction, specifically for P-401 and P-209. Consultant's services will include coordination with the subconsultant to ensure that appropriate testing is completed.
- 8.4 Environmental Coordination: Coordinate environmental clearance for the project with the FAA to ensure no further coordination is necessary. This project was included in an approved categorical exclusion checklist completed in Fall 2013.
- 8.5 Assist and coordinate with independent auditors to locate appropriate documents for performing A-133 annual audit. In addition to finding appropriate project files, answer questions concerning Contractors wage rates and interview forms as required.
- 8.6 Assist the Owner with preparation of a Notice of Intent to be filed for the project Storm Water Pollution Prevention Plan (SWPPP). The Contractor will be responsible to file a separate Notice



of Intent and comply with the SWPPP as shown in the plans. Consultant shall monitor the Contractor's performance of these tasks throughout construction.

- 8.7 Prepare for and participate in a Safety Risk Management panel to evaluate the safety of the proposed construction project. Preparation will include graphics (in PowerPoint and/or mounted on display boards) and a narrative description of the project. Participation will include travel to and from Hailey by Principal or Project Manager and participation in the panel as an observer.
- 8.8 Prepare and submit the following FAA forms related to the work included in this project:
- FAA Form 7460-1s for the construction project.
  - FAA Form 5010 (Airport Master Record) to reflect construction changes, including a graphic to be published in the Facilities Directory.



## **PROJECT SCHEDULE**

The following dates summarize the target completion of significant project tasks.

| ACTIVITY                                 | COMPLETION           |
|--|----------------------|
| Preliminary Scope of Work Approval       | April 14, 2015       |
| Complete Independent Fee Estimate Review | May 5, 2015          |
| Work Order Negotiation Complete          | May 5, 2015          |
| Initiate Design                          | May 5, 2015          |
| Preliminary Design Complete              | May 25, 2015         |
| 65% Design Complete                      | June 10, 2015        |
| 95% Design Complete                      | June 20, 2015        |
| Final Design Complete/Advertise for Bids | July 3, 2015         |
| Bid Opening                              | August 4, 2015       |
| Award Project                            | August 4, 2015       |
| Phase 1 (Demolition)                     | September 8-30, 2015 |
| Phase 2 (Apron)                          | October 1-15, 2015   |
| Construction Complete                    | October 15, 2015     |
| Closeout                                 | February 2016        |

Dates are subject to change, based on grant timing, weather and the needs of the Owner.





## FLY SUN VALLEY ALLIANCE BOARD MEETING MINUTES

Thursday, January 15, 2015

Board Members Present: Eric Seder, Dick Fenton, Jack Sibbach, Peter Scheurmier, Rick Baird, Tim Silva, Baird Gourlay, Michelle Griffith, Staff: Carol Waller.

Board Members Absent: Martha Burke, Arlene Schieven, Wally Huffman, Walt Denekas, Jacob Greenberg, Deb Fox, Patrick Buchanan, Maurice Charlat

### TOPIC DISCUSSED:

#### Consent Items:

- Nov Minutes: Jack moved to approve, Tim seconded VOTE: All in favor
- Dec FY15 YTD Financials & Payables: Ski for Air Service Day projected income was mistakenly not included, so Carol will send out revised financial report for board review. Resolution: Dick moved that "FSVA Board authorizes FSVA Executive Committee to review/approve monthly payables and full board will approve monthly financial reports with understanding that any board member may review monthly payables as requested." Peter seconded. VOTE: All in favor.
- 2015 Board & Officer Slate: Tim moved, Peter seconded. VOTE: All in favor.  
It was noted that there should be discussion at next board meeting regarding board expectations.
- BOD Conflict of Interest & Confidentiality Policy: Tim moved, Peter seconded. VOTE: All in favor

### Reports:

#### Funding

- **1% LOT/Air Service Board**
  - The latest FY15 report, showing Oct 2014 1% LOT collections and disbursements was reviewed.
  - Next ASB meeting schedule for Jan 29, 2pm, Hailey City Hall. All FSVA board members welcome to attend.
- **Fundraising –**
  - **Realtors for Air:** Additional commitments received, now \$37,700 for FY15 received to date from 7 offices.
  - **Air Support Business Ski Pass Program:** FY15 Ski Pass sales hit sales cap.
  - **Ski for Air Service Day:** Plans completed and promotion/sales are underway.

### Air Service Initiatives/Research/Promotions:

- **Air Service Reports:** Winter YTD AS and UA booking reports were provided and reviewed.
- **Summer 2015 Air Service contracts** – being finalized with Alaska and United, hope to present schedule by early Feb.
- **Enplanement & Seat Occupancy Reports:** 2014 year-end reports provided and reviewed. It was a very strong year, seats up 25%, enplanements up 29%, load factors up 2% - a direct result of air service development/marketing efforts.
- **Diversion Bussing:** The enhanced bussing program appears to be working well. People noticing newer equipment, far fewer complaints received than in years past. Carol working with SVE and airlines to address issues when they arise.
- **Research:** FSVA 2014r SUN Air Passenger Survey results have been publicly shared, winter surveys underway
- **Air Service Marketing**
  - **Local Air Service Marketing (FSVA/FMAA):** Joint campaign underway (print, digital, tv); FSVA also recently executed Alaska winter fare sale campaign.
  - **Community Outreach (FSVA):** will be making presentations in Jan to SVED members, Rotary, Hailey Chamber, etc
  - **External Air Service Marketing:** SVC and VSV joint winter marketing continuing.
- **SUN Airport Update:** Rick gave update on airport projects.
  - Holiday season was extremely busy at the airport, working on ways to make things smoother in future
  - Improvement projects still all on track, have broken ground on terminal and operations building projects
  - Working with FAA on reliability system improvements, expect some positive news soon with improvements likely for the 2015/16 winter season.

*Respectfully Submitted, Carol Waller, FSVA Director*





## **BOARD MEMBER EXPECTATIONS** **EX-OFFICIO NON-VOTING MEMBERS**

### **As an ex-officio member of the FSVA Board, I will...**

- Be an effective liaison between the organization I represent and the FSVA and keep myself well-informed and communicative on issues of importance to both.
- Participate actively in board meetings and commit to attending at least 80% of scheduled board meetings each year, or the equivalent of **7 out of 9** meetings. *(Board meetings are scheduled from 8am-10am on the third Thursday of each month; rotating between south & north valley locations. It is estimated that some months the board may elect to not meet, but is expected to meet at least 9 times during the year)*
- Respect the opinion of other board members and the opportunity to express their points of view. Respect and support the majority decisions of the board.
- Follow Robert's Rules of Order in board meetings, including addressing all comments to the meeting Chair, waiting to be called on by the meeting Chair to speak and not speaking more than once on a discussion item until all others have had an opportunity to comment.
- Be well-informed on all meeting agenda items – review board packets prior to the meeting.
- Contribute knowledge and express relevant points of view on the topics discussed at board meetings
- Declare any conflict of interest (any action of FSVA that will have a direct monetary impact on my business or person) to the FSVA board; avoid voting on issues regarding such conflict of interests.
- Understand the confidential and proprietary nature of certain information shared at board meetings, in board packet materials, and in organizational correspondence – electronic or other.

### **As a member of the FSVA Board I will not...**

- Be personally critical, in or outside of the board meeting, of other board members or their opinions.
- Use FSVA for my personal advantage or the advantage of my friends/relatives.
- Discuss the confidential proceedings of the board outside the board meeting. *(Meeting minutes will serve as official record of issue discussed and actions taken, which voting and ex-officio board members can share verbally with members, stakeholders and partners)*
- Interfere with duties of the staff or undermine their authority.



## **BOARD MEMBER EXPECTATIONS** **VOTING MEMBERS**

### **As a member of the non-profit FSVA Board, I will...**

- Consider myself a "trustee" of FSVA and do my best to ensure that FSVA is well-managed, financially secure, and always operating in the best interests of its stakeholders.
- Be a well-informed, positive champion of FSVA mission and activities and communicate regularly with other businesses and organizations, and if applicable, to the organization which I represent on the FSVA board.
- Participate actively in board meetings and commit to attending at least 80% of scheduled board meetings each year, or the equivalent of **7 out of 9** meetings. *(Board meetings are scheduled from 8am-10am on the third Thursday of each month; rotating between south & north valley locations. It is estimated that some months the board may elect to not meet, but is expected to meet at least 9 times during the year)*
- Respect the opinion of other board members and the opportunity to express their points of view. Respect and support the majority decisions of the board.
- Follow Robert's Rules of Order in board meetings, including addressing all comments to the meeting Chair, waiting to be called on by the meeting Chair to speak and not speaking more than once on a discussion item until all others have had an opportunity to comment.
- Be well-informed on all meeting agenda items – review board packets prior to the meeting.
- Contribute knowledge and express relevant points of view on the topics discussed at board meetings
- Actively participate in FSVA fund-raising efforts with private and public sector stakeholders, as requested.
- Declare any conflict of interest (any action of FSVA that will have a direct monetary impact on my business or person) to the FSVA board; avoid voting on issues regarding such conflict of interests.
- Understand the confidential and proprietary nature of certain information shared at board meetings, in board packet materials, and in organizational correspondence – electronic or other.

### **As a member of the FSVA Board I will not...**

- Be personally critical, in or outside of the board meeting, of other board members or their opinions.
- Use FSVA for my personal advantage or the advantage of my friends/relatives.
- Discuss the confidential proceedings of the board outside the board meeting. *(Meeting minutes will serve as official record of issue discussed and actions taken, which voting and ex-officio board members can share verbally with members, stakeholders and partners)*
- Interfere with duties of the staff or undermine their authority.



## Summer 2015 flights compared to summer 2014 as of February 22, 2015

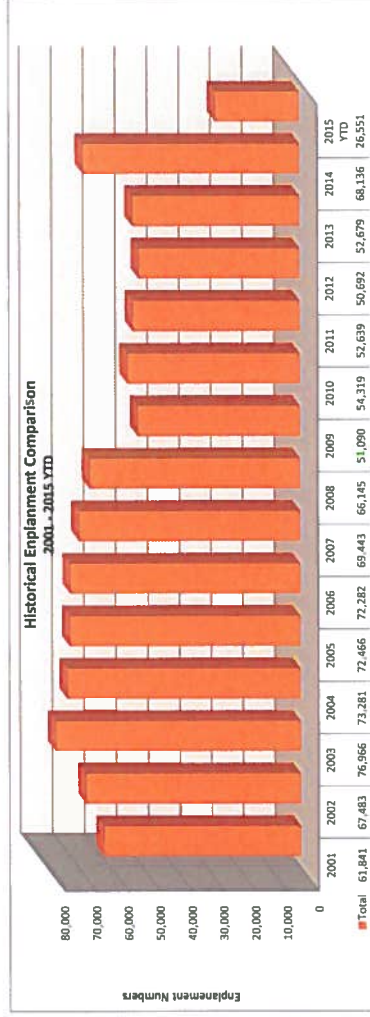
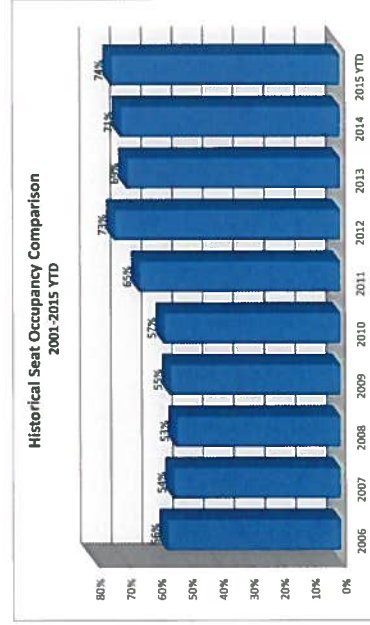
| Orig  | Jun-14  | Jul-14  | Aug-14  | Sep-14 | Summer  | Jun-15  | Jul-15   | Aug-15   | Sep-15   | Summer   | Var      | % chng |
|-------|---------|---------|---------|--------|---------|---------|----------|----------|----------|----------|----------|--------|
| JAC   | 41,835  | 60,312  | 60,944  | 39,912 | 203,003 | 42,128  | 56,556   | 52,376   | 34,070   | 185,130  | (17,873) | -9%    |
| ASE   | 26,508  | 32,336  | 29,000  | 18,411 | 106,255 | 25,254  | 25,676   | 21,882   | 16,310   | 89,122   | (17,133) | -16%   |
| SUN   | 8,066   | 14,492  | 14,427  | 11,846 | 48,831  | 7,813   | 13,537   | 13,452   | 6,728    | 41,530   | (7,301)  | -15%   |
| EGE   | 8,366   | 12,296  | 11,672  | 8,925  | 41,259  | 7,573   | 9,620    | 8,959    | 7,816    | 33,968   | (7,291)  | -18%   |
| MTJ   | 7,603   | 10,754  | 9,952   | 7,267  | 35,576  | 7,653   | 7,159    | 5,474    | 3,120    | 23,406   | (12,170) | -34%   |
| HDN   | 4,076   | 7,409   | 6,417   | 4,410  | 22,312  | 1,750   | 5,910    | 5,952    | 4,410    | 18,022   | (4,290)  | -19%   |
| MMH   | 2,280   | 2,356   | 2,356   | 1,900  | 8,892   | 2,280   | 2,356    | 2,356    | 1,824    | 8,816    | (76)     | -1%    |
| GUC   | 1,710   | 3,850   | 3,010   | 1,780  | 10,350  | 1,780   | 2,740    | 2,600    | 1,640    | 8,760    | (1,590)  | -15%   |
| TEX   | 646     | 741     | 703     | 380    | 2,470   |         |          |          |          | 0        | (2,470)  | -100%  |
| TOTAL | 101,090 | 144,546 | 138,481 | 94,831 | 478,948 | 96,231  | 123,554  | 113,051  | 75,918   | 408,754  | (70,194) | -15%   |
|       |         |         |         |        | Change  | (4,859) | (20,992) | (25,430) | (18,913) | (70,194) |          |        |
|       |         |         |         |        |         | -5%     | -15%     | -18%     | -20%     | -15%     |          |        |

| AI    | Jun-14  | Jul-14  | Aug-14  | Sep-14 | Summer  | Jun-15 | Jul-15  | Aug-15  | Sep-15 | Summer  | Var      | % chng |
|-------|---------|---------|---------|--------|---------|--------|---------|---------|--------|---------|----------|--------|
| UA    | 61,292  | 89,900  | 86,355  | 58,369 | 295,916 | 54,592 | 72,649  | 65,199  | 44,552 | 236,992 | (58,924) | -20%   |
| DL    | 18,208  | 24,045  | 24,289  | 18,448 | 84,990  | 19,327 | 24,229  | 23,896  | 14,214 | 81,666  | (3,324)  | -4%    |
| AA    | 11,788  | 18,514  | 15,788  | 10,892 | 56,982  | 17,144 | 19,608  | 16,888  | 13,200 | 66,840  | 9,858    | 17%    |
| AS    | 5,016   | 7,068   | 7,068   | 5,776  | 24,928  | 5,168  | 7,068   | 7,068   | 3,952  | 23,256  | (1,672)  | -7%    |
| F9    | 4,140   | 4,278   | 4,278   | 966    | 13,662  |        |         |         |        | 0       | (13,662) | -100%  |
| ZK    | 646     | 741     | 703     | 380    | 2,470   |        |         |         |        | 0       | (2,470)  | -100%  |
| TOTAL | 101,090 | 144,546 | 138,481 | 94,831 | 478,948 | 96,231 | 123,554 | 113,051 | 75,918 | 408,754 | (70,194) | -15%   |



Friedman Memorial Airport  
February 2015

| 2015 Seat Occupancy  |                   |                 |                |                  |                   |                 |                |                  |                   |                 |                |                  |                       |                      |                        |
|--|-------------------|-----------------|----------------|------------------|-------------------|-----------------|----------------|------------------|-------------------|-----------------|----------------|------------------|-----------------------|----------------------|------------------------|
| Q1<br>2015   | Alaska Airlines   |                 |                |                  | Delta Airlines    |                 |                |                  | United Airlines   |                 |                |                  | Seat Occupancy Totals |                      |                        |
|  | Departure Flights | Seats Available | Seats Occupied | Percent Occupied | Departure Flights | Seats Available | Seats Occupied | Percent Occupied | Departure Flights | Seats Available | Seats Occupied | Percent Occupied | Total Seats Available | Total Seats Occupied | Total Percent Occupied |
| Jan-15   | 44                | 3,344           | 2,616          | 78%              | 56                | 3,864           | 2,996          | 78%              | 31                | 2,046           | 1,277          | 62%              | 9,254                 | 6,889                | 74%                    |
| Feb-15   | 55                | 4,180           | 3,261          | 78%              | 51                | 3,519           | 2,703          | 77%              | 29                | 1,914           | 1,194          | 62%              | 9,613                 | 7,158                | 74%                    |
| Totals   | 99                | 7,524           | 5,877          | 78%              | 107               | 7,383           | 5,699          | 77%              | 60                | 3,960           | 2,471          | 62%              | 18,867                | 14,047               | 74%                    |
| Note: Total of 68 Seats Available on aircraft for summer months<br>Total of 76 Seats Available on aircraft for winter months<br>Total of 69 Seats Available on aircraft from Jan. - June<br>Total of 70 Seats starting in July<br>*Seats are capped at 68 during some periods in the summer due to weight and balance requirements and other times of the year seats may be capped due to environmental conditions |                   |                 |                |                  |                   |                 |                |                  |                   |                 |                |                  |                       |                      |                        |





## FLY SUN VALLEY ALLIANCE BOARD OF DIRECTORS MEETING

Thursday, March 19, 2014 8:00am – 10:00am

**SUN VALLEY INN – CAMAS ROOM**

### AGENDA:

#### 1. Consent Items:

- **January Meeting Minutes:** review/approve *(attached)*
- **February YTD financials:** review/approve *(attached)*
- **2015 Board List - Board Expectations/attendance:** discuss/review/approve *(attached)*  
*(Note: Deb Fox has resigned her board seat due to time constraints)*  
*(Note: Need signed Conflict of Interest forms from all voting board members – will bring forms to meeting)*

#### 2. Reports/Funding:

- **Air Service Board:**
  - YTD 1% LOT collections and distribution report *(attached)*
  - Next ASB meeting: April 9, 2pm, Ketchum City Hall
  - Communications - discussion
- **FSVA Fundraising/Private Sector Support:**
  - **Ski for Air Service Day:** Sunday, Jan 25, 2015; big success
  - **Realtors for Air:** \$37,700 commitments secured to date for FY15.
  - **Air Support Business Ski Pass Program:** hit sales cap for FY15
  - **TOTAL PRIVATE SECTOR FUNDS RAISED FY15: over \$200K**

#### 3. Air Service Development/Research/Promotion

- **Airline Booking Report/MRG projection:** winter YTD *(attached)*
- **Summer/fall 2015 air service contracts/schedule** – finalized
- **Summer/fall 2015 competitive set service schedule stats** *(attached)*
- **Airline meetings:** re-FY16 in spring; reviewing options
- **SUN 2015 Enplanement & Seat Occupancy Reports:** Feb YTD *(attached)*
- **Diversion Bussing:** update on process, communications, etc.
- **Research:** Winter air passenger surveys continuing through March; goal is 600
- **Local Air Marketing/Communications (FSVA/FMA):**
  - Winter marketing & communications outreach – joint campaign with FMA (print, digital, tv)
- **External Air Service Marketing (SVR, VSV):** update
- **FMAA Airport:** update- FSVA Board tour of airport
- **Other – FSVA Monthly Report**



## CHAPTER B Forecasts of Aviation Activity

### CHAPTER B

## Forecasts of Aviation Activity

### 1. Executive Summary

This chapter presents aviation activity forecasts for the Friedman Memorial Airport (SUN or “the Airport”). The purpose of preparing forecasts is to provide a basis for airport facility planning. Forecasts are intended to provide justification for future decisions, including analysis of alternatives to meet the long-term needs at the Airport while accomplishing other social, environmental, and economic goals. These forecasts estimate potential future activity levels through evaluation of historical data and the application of various projection methods. Existing conditions and potential future needs that are unique to SUN have been analyzed and accounted for in the forecasts presented in this chapter. Activity level thresholds that may indicate the need to reconfigure, expand, or relocate the Airport are identified in Chapter C, *Capacity Analysis & Facility Requirements*, based on facilities needed to accommodate these forecasts. A summary of the main points of the chapter is included below, and in **Table B1**.

- The preferred passenger enplanements forecast projects an increase from 66,409 enplanements in 2014 to 131,630 enplanements in 2034.
- The preferred peak passenger activity forecast projects an increase from 204 peak hour enplaning/deplaning passengers in 2014 to 384 peak hour enplaning/deplaning passengers in 2034.
- The preferred passenger air carrier operations forecast projects an increase from 2,840 operations in 2014 to 4,453 operations in 2034.
- The preferred based aircraft forecast projects an increase from 157 based aircraft in 2014 to 213 in 2034.
- Based aircraft fleet mix proportions are projected to remain relatively constant at 2014 levels, with 58.6% single-engine, 10.8% multi-engine, 29.9% jet, and 0.6% helicopter aircraft.
- General aviation operations are projected to increase from 20,310 in 2014 to 27,564 in 2034.
- Air taxi and commuter operations are projected to increase from 5,185 in 2014 to 5,450 in 2034.
- Military operations are projected to remain constant at the 2014 level throughout the planning period, at 145 annual operations.
- Peak month aircraft operations are projected to increase from 4,557 in 2014 to 6,018 in 2034; peak day operations are projected to increase from 319 in 2014 to 421 in 2034; and peak hour operations are projected to increase from 32 in 2014 to 42 in 2034.

Table B1 FORECASTS SUMMARY

| Activity Measure                 | 2014          | 20-Year Increase | 2034          | Primary Facility Considerations             |
|----------------------------------|---------------|------------------|---------------|---|
| Passenger Enplanements           | 66,409        | 98%              | 131,630       | Terminal Building and Associated Facilities |
| Based Aircraft                   | 157           | 37%              | 213           | Aircraft Storage and FBO Services           |
| <b>Aircraft Operations</b>       |               |                  |               |   |
| Air Carrier                      | 2,840         | 57%              | 4,453         | Airfield and Commercial Apron               |
| Air Taxi and Commuter            | 5,185         | 5%               | 5,450         | GA Aprons and FBO Services                  |
| General Aviation                 | 20,310        | 36%              | 27,564        | GA Aprons and FBO Services                  |
| Military                         | 145           | 0%               | 145           | N/A   |
| <b>Total Aircraft Operations</b> | <b>28,480</b> | <b>32%</b>       | <b>37,612</b> |   |

SOURCE: Mead & Hunt analysis.

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## CHAPTER B Forecasts of Aviation Activity

### Key Terms

Aviation forecasting is often technical in nature and uses terms that may not be commonly understood. Definitions for several key terms used in this chapter are provided below. **Appendix A, Glossary of Terms**, also provides definitions for technical terminology used in this Master Plan.

**Air Carrier Operation** – A takeoff or landing of commercial aircraft with seating capacity of more than 60 seats.

**Air Taxi Operation** – A takeoff or landing by aircraft with 60 or fewer seats conducted on non-scheduled or for-hire flights.

**Air Traffic Activity System (ATADS)** – An FAA database containing the official National Airspace System air traffic operations data available for public release.

**Aircraft Fleet Mix** – The combination of differing aircraft types operated at a particular airport.

**Aircraft Operation** – An aircraft arrival (landing) or departure (takeoff) each represent one aircraft operation.

**Airport Traffic Control Tower** – A central air traffic control facility using air to ground communications and/or radar, visual signaling, and other devices to provide for the safe and expeditious movement of air traffic.

**Based Aircraft** – Aircraft stored at an airport on a permanent basis.

**Business Jet** – A jet aircraft designed for transporting small groups of people.

**Commuter Operation** – A takeoff or landing by aircraft with 60 or fewer seats that transport regional passengers on scheduled commercial flights.

**Enhanced Traffic Management System Counts (ETMSC)** – An FAA database providing information on traffic counts by airport or by city pair for various data groupings such as aircraft type or by hour of the day. ETMSC data are created when pilots file flight plans and/or when flights are detected by the National Airspace System (NAS), usually via RADAR.

**General Aviation** – All civil aviation excluding commercial operations.

**Itinerant Operation** – All operations other than local operations (see local operation definition below).

**Leakage** – The loss of potential customers to other airports in the region, or to alternate modes of transportation.

**Local Operation** – An operation conducted by aircraft operating in the traffic pattern within sight of the air traffic control tower; aircraft departing or arriving from flight in local practice areas; or aircraft executing practice instrument operations at the airport.

**Passenger Enplanement** – A passenger on a scheduled commercial service or charter aircraft that departs an airport. Enplanements do not include the airline crew.

**Passenger Load Factor** – The ratio of passengers boarding an aircraft to the total number of seats on the aircraft. In other words, load factor is a measure of how full a flight is.

**Regional Jet** – A class of short to medium-range airliners typically serving small hub and non-hub airports.

**Terminal Area Forecast (TAF)** – The official FAA forecast of aviation activity for airports throughout the U.S. The TAF is prepared to support FAA budgeting and planning, and to provide information for use by state and local authorities, the aviation industry, and the public. Forecasts developed for airport master plans and/or under federal grant assistance must be compared to the TAF and approved by the FAA.

**Turboprop** – An aircraft powered by a turbine engine that drives an aircraft propeller.

### 2. Introduction

Friedman Memorial Airport provides commercial and general aviation services for the Wood River Valley and South Central Idaho, including the Sun Valley resort area. The economy of the Airport's service area is oriented towards tourism and outdoor recreation, and the Airport serves many tourists and those who have second homes in the area, as well as permanent residents. Therefore, the air service schedule is designed to accommodate seasonal travel in order to meet fluctuating demand throughout the year. It is important that the Airport continue to employ a reasonable balance of services and infrastructure during periods of peak and non-peak activity.

As discussed in Chapter A, *Inventory of Existing Conditions*, the primary constraints that may restrict the Airport's ability to meet long-term market demand and facility needs at its existing site include:

1. Modifications of FAA design standards for size of aircraft operating at SUN;
2. Surrounding mountainous terrain that limits aircraft approaches and departures, and often creates visibility issues necessitating aircraft diversions; and
3. A property footprint restricted by development in surrounding communities.

Forecasts of aviation activity serve as a guideline for demand based implementation of airport improvement programs. While forecasts are necessary for airport planning, it is important to recognize that forecasts are only approximations of future activity, based upon historical data, present conditions, and expected future trends. Forecasts are a particularly important element of the master planning process for SUN, as they provide the basis for the following:

1. Determining the future role of the Airport, with respect to the type of aircraft and operations to be accommodated, both for the existing airfield and for a future relocated airport.
2. Evaluating the capacity of existing Airport facilities and their ability to accommodate forecasted demand. Specifically, forecasts will be used to determine the level(s) of activity, or thresholds, which could reasonably indicate the practicality or necessity of reconfiguring, expanding, or relocating the Airport.
3. Estimating the extent of airside and landside improvements required in future years to accommodate projected demand at the current Airport site. If it is determined that certain improvements cannot be implemented at the existing site, they would lend support to the need to relocate the Airport.

Forecasts of short-, intermediate-, and long-term activity presented in this chapter are based on five-, ten-, and twenty-year milestones, using 2014 as the base year. Calendar year 2014 is the first year that exhibits the full effects of new regional jet operations at the Airport, which closely followed the 2012 FAA Finding of No Significant Impact (FONSI) allowing for the initiation of jet service at the Airport. The introduction of regional jet operations is anticipated to create an increasing trend in enplanements and result in new commercial operations trends at SUN during the coming years.

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## CHAPTER B Forecasts of Aviation Activity

The forecasts are documented in the following sections:

- **Summary of 2008 Forecasts**
- **Commercial Activity Forecasts**
  - Annual Passenger Enplanements Forecasts
  - Peak Passenger Activity Forecasts
  - Commercial Passenger Fleet Mix and Operations Forecasts
  - Air Taxi and Commuter Operations Forecast
- **General Aviation Forecasts**
  - Based Aircraft Forecasts
  - Based Aircraft Fleet Mix Forecast
  - General Aviation Operations Forecast
- **Other Forecasts**
  - Military Operations Forecast
  - Local and Itinerant Operations Forecast
  - Instrument Operations Forecast
- **Peak Period Operations Forecasts**
- **Summary**

### 3. Summary of 2008 Forecasts

In 2008, detailed forecasts were prepared for SUN by Landrum & Brown as part of the Replacement Airport Environmental Impact Statement (EIS). The EIS was prepared to identify a safe and efficient relocation site that could accommodate FAA design and safety standards commensurate with projected future use of the Airport. The 2008 effort included forecasts for commercial passenger enplanements, operations, and fleet mix, as well as general aviation, military, and air cargo activity. The following provides a summary of the methodology and key findings:

**Passenger Enplanements.** Two sequential sets of enplanement forecasts were developed, to reflect a continuous forecast for the existing Airport site from 2008 to 2015, and for the replacement Airport site after 2015. The first phase of the enplanements forecast was a “constrained” forecast, assuming that the Airport continued operating at its existing site within its then-existing limitations. This phase assumed no future increases in aircraft size and no change in air service at the existing airport site, and represented the years 2008 to 2015 as the replacement airport was expected to open in 2016 at that time. The second phase of the forecast was an “unconstrained” forecast representing the years after 2015 when the airport was to have been relocated, and market-driven demand would be the primary determinant of activity.

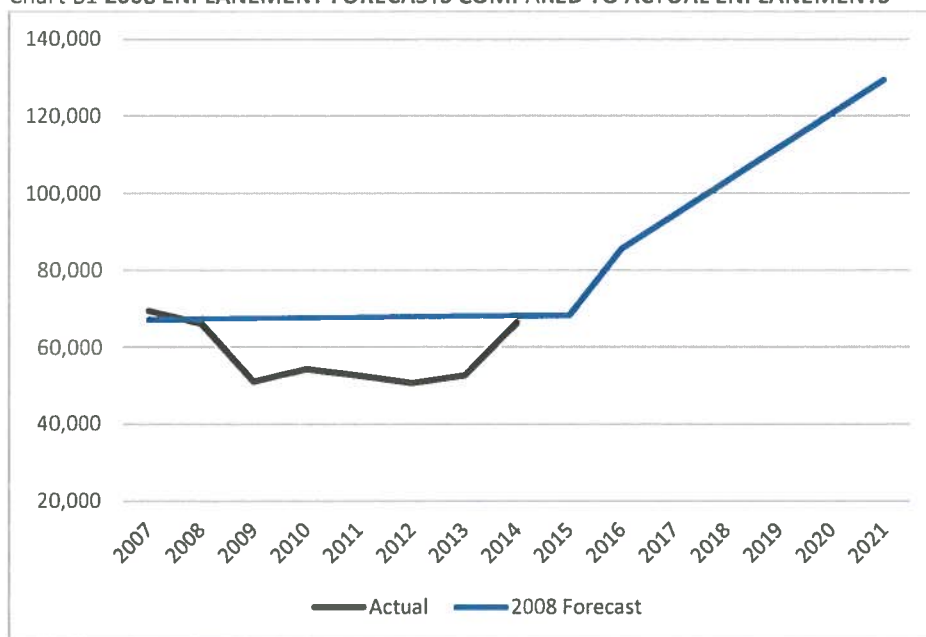
The preferred “unconstrained” forecast, Scenario A (Regional Approach), used a demand-based regional approach that assumed SUN would recapture leakage to Boise Airport-Gowen Field (BOI) and Twin Falls Airport (TWF). Enplanements were projected for the three airport region (SUN, TWF, and BOI) using passenger survey information about airport choice; estimates of additional passengers gained from competing airports who would be drawn away by improved service at a relocated airport; and historical airline yields and passenger traffic for SUN, TWF, and BOI. Enplanements were then allocated amongst the three airports based on the “constrained” forecast for SUN, a 2% capture rate for TWF, and the remainder allocated to BOI.

The 2008 enplanement forecast is illustrated and compared to actual enplanements through 2014 in **Chart B1**.



## CHAPTER B Forecasts of Aviation Activity

Chart B1 2008 ENPLANEMENT FORECASTS COMPARED TO ACTUAL ENPLANEMENTS



SOURCES: 2008 Forecast: *Friedman Memorial Replacement Airport EIS Aviation Activity Forecast*, prepared by Landrum & Brown, 2008. Actual enplanements: Airport management records, U.S. DOT T-100 Database, Mead & Hunt.

**Commercial Operations.** The commercial operations forecast assumed that airlines would upgrade their fleet to regional jets after the opening of the replacement airport. Seasonal service would also be added with 125-seat narrow-body aircraft. This increase in average air carrier size would cause a corresponding temporary decrease in operations, due to the increase in available seats, which would increase to previous levels by 2021. It would also cause a slight initial decrease in passenger load factor that would also later increase.

**General Aviation Operations.** Based on national trends and the FAA Terminal Area Forecast (TAF) in effect at that time, general aviation operations were projected to grow steadily at a rate of 1.3% annually, with a significant increase in the proportion of jet operations over time.

The forecasts included a detailed socioeconomic trends analysis that included tourism and housing profiles of the Wood River Valley, as well as analysis of regional income, population, employment, and Gross Domestic Product (GDP). The forecasts also included a thorough interviewing process of passengers departing from SUN and TWF; passengers on Sun Valley Express shuttles operating between BOI and SUN; U.S. domestic air carriers; general aviation pilots; and businesses in the Wood River Region.

The 2008 forecasts have little specific applicability for current and future conditions at SUN in light of several major changes that have taken place since 2008, all of which have important implications for future aircraft activity at SUN. Among those major changes since the publication of the 2008 forecasts are:

- The termination of the Replacement Airport EIS in March 2013;
- The 2012 FAA Finding of No Significant Impact (FONSI) that allowed for the initiation of regional jet service at the existing site;
- The approval of several Modifications of Standards (MOSs) in November 2013 stipulating required airfield improvements while imposing restrictions on aircraft types and operating procedures; and

- Recent passenger load factor increases, airline capacity reductions, and airline fleet mix changes, both in the airline industry in general and at SUN in particular.

All of these changes have important implications for aircraft activity at SUN that will be properly accounted for in these updated forecasts.

### 4. Commercial Activity Forecasts

The following sections describe commercial activity forecasts developed for the Master Plan. Commercial air service and associated peak passenger demand will be the primary determinant of the Airport's growth and future facility needs. These forecasts are based on detailed analysis of commercial passenger service trends at SUN conducted specifically for this Master Plan, which is described in **Appendix B**. It is important that these trends are understood and taken into account in development of new commercial passenger service activity forecasts. Trends discussed in Appendix B include those associated with commercial passenger operations (takeoffs and landings); commercial flight diversions and cancellations; annual and seasonal passenger enplanement trends; and commercial passenger aircraft size and load factor trends.

Commercial activity forecasts are presented in the following sections:

- Annual passenger enplanement forecasts;
- Peak passenger activity forecasts;
- Commercial service aircraft fleet mix and operations forecasts; and
- Air taxi and commuter operations forecasts.

#### 4.1. Annual Passenger Enplanements Forecasts

Passenger enplanements are a key way to measure activity levels at an airport because the number of passengers using an airport affects the design of many airport facilities, from the terminal building to vehicle parking and roadway access, as well as airfield capacity planning. Passenger enplanement data is provided to Airport management by commercial air carriers, who maintain data as they transport people to and from the facility. The FAA Terminal Area Forecast (TAF) presents annual data for the fiscal year, while Airport records are for the calendar year. Thus there is often a discrepancy between annual totals reported by the Airport and the FAA.

Deplanements are not specifically evaluated in this document, except for peak passenger deplanements. Because the Wood River Valley is primarily a destination market, it is assumed that an arriving passenger will eventually return to the originating location and use the same airport. This means that enplanements are assumed to equal the number of deplanements for the purpose of this analysis.



## CHAPTER B Forecasts of Aviation Activity

### Historical Enplanements

**Table B2** shows the historical calendar year enplanements at SUN from 2004 to 2014. The number of passenger enplanements at the Airport has fluctuated over the past 10 years, experiencing an overall downward trend from 2004 to 2012. Passenger enplanements at SUN declined sharply in 2009, largely due to the nationwide economic recession. Enplanements remained at approximately 2009 levels through 2013, and then rebounded strongly in 2014, aided by improved economic conditions, increase in commercial aircraft size, and new service to Denver and San Francisco.

Despite the overall downward trend in enplanements during the past ten years, enplanement increases in 2013 and 2014 are a major departure from the previous trend. Local officials expect to add more new routes in the future as conditions allow, as the Airport has made the expansion of air service a major priority in light of the introduction of regional jet service.

### FAA TAF Enplanements Forecast

The most recent FAA TAF for enplanements at SUN is shown in **Table B3**. The FAA predicts strong increases in passenger enplanements for the 20-year projection period; from 50,377 in 2014, to 59,770 in 2019, to 90,913 in 2024, and to 99,824 in 2034, a CAGR of 3.48%. However, the TAF does not reflect recent gains in enplanements during 2013 and 2014, which were significantly higher than estimated by FAA.

Table B2 HISTORICAL PASSENGER ENPLANEMENTS – CALENDAR YEAR

| Year                     | Enplanements  |
|--------------------------|---------------|
| 2004                     | 73,281        |
| 2005                     | 72,466        |
| 2006                     | 72,282        |
| 2007                     | 69,443        |
| 2008                     | 66,145        |
| 2009                     | 51,090        |
| 2010                     | 54,319        |
| 2011                     | 52,639        |
| 2012                     | 50,692        |
| 2013                     | 52,679        |
| <b>2014 (Base Year)*</b> | <b>66,409</b> |
| <b>CAGR 2004-2014</b>    | <b>-0.98%</b> |

SOURCE: Airport Management, U.S. DOT T-100 Database.

\* 2014 enplanements were adjusted to account for artificially reduced enplanements associated with Airport closure from April 29 to May 21, 2014. Actual enplanements were 65,376.

Table B3 ENPLANEMENTS FORECAST – FAA TERMINAL AREA FORECAST (TAF)

| Year                  | Enplanements  |
|-----------------------|---------------|
| <b>Historical</b>     |               |
| 2004                  | 71,128        |
| 2005                  | 69,604        |
| 2006                  | 69,003        |
| 2007                  | 67,863        |
| 2008                  | 66,564        |
| 2009                  | 50,540        |
| 2010                  | 52,861        |
| 2011                  | 51,033        |
| 2012                  | 47,882        |
| 2013*                 | 50,377        |
| <b>2014*</b>          | <b>52,130</b> |
| <b>CAGR 2004-2014</b> | <b>-3.06%</b> |
| <b>Projected</b>      |               |
| 2019                  | 59,770        |
| 2024                  | 70,913        |
| 2034                  | 99,824        |
| <b>CAGR 2014-2034</b> | <b>3.48%</b>  |

SOURCE: FAA Terminal Area Forecast (TAF) issued February 2014.

\* 2013 and 2014 figures are FAA-projected estimates using 2012 as a base year.

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## CHAPTER B **Forecasts of Aviation Activity**

### ***Master Plan Enplanement Forecasts***

Four different forecasting methods were applied for passenger enplanements to create forecast scenarios, including an adjusted FAA TAF, a 25-year trend forecast, a market share forecast, and two socioeconomic variable forecasts based upon gross regional product (GRP) and per capita income. From these forecast scenarios, a preferred enplanement forecast was then chosen.

- **Adjusted TAF Forecast** – This forecast adjusts the baseline 2014 enplanement figure to correspond with expected actual enplanements, but utilizes the same projected growth rate for enplanements as the most recent version of the TAF published in February 2014.
- **25-Year Trend Forecast** – This forecast uses a basic linear regression analysis based on historic enplanement data reported by the FAA TAF for 1990-2003 and data reported by Airport management for 2004-2014.
- **Market Share Forecast** – Market share, ratio, or top-down models compare local levels of activity with a larger dataset. Historical data was examined to determine the typical ratio of local airport traffic to total national traffic. This forecast assumes that the 2014 ratio of SUN enplanements to national enplanements will remain consistent throughout the planning period.
- **Socioeconomic Variable Forecasts** – Historic and projected socioeconomic data provided by the economic forecasting firm Woods & Poole, Inc., was used to create two additional enplanement forecast scenarios. Historic and projected compound annual growth rates (CAGR) for gross regional product (GRP) and per capita income in the Hailey Micropolitan Statistical Area were used to project passenger enplanements.

The passenger enplanement forecast scenarios are summarized in **Table B4** and **Chart B2**. For comparison purposes, the FAA's Terminal Area Forecast (TAF) has also been included. The Adjusted TAF is recommended as the preferred enplanement forecast, as 2014 enplanements are expected to be well above the TAF estimate, and future growth forecasted by the TAF is reasonable when considering recent enplanement growth, as well historic and projected economic variables such as GRP and per capita income. The other forecasts were ruled out for the following reasons:

- The current FAA TAF does not reach actual 2014 enplanements until the mid-2020s.
- The 25-year trend, market share and GRP variable forecasts do not adequately take into account underlying reasons for strong 2014 growth in enplanements at SUN, and the potential for additional routes to other large passenger markets.
- The income variable forecast is not appropriate to use for the SUN market, as a small segment of high-income earners skew the overall per capita income figures.

The preferred enplanement forecast has been reviewed by local Fly Sun Valley Alliance representatives and is within five percent of their own short-term projections. However they have noted that potential service to new destinations and additional service to existing destinations may result in stronger enplanement growth than this forecast reflects, which may lead to greater variance beyond the five year period. Other variables not accounted for by this forecast include:

- Possible future improvements to instrument approach procedures currently being studied by the Airport, which may reduce the frequency of flight cancellations/diversions;
- Planned future addition of hotels and other tourist accommodations in the Wood River Valley, which may increase demand for commercial aircraft seats; and
- Potential recapture of passenger leakage to Boise.

## CHAPTER B Forecasts of Aviation Activity

Table B4 PASSENGER ENPLANEMENTS FORECAST COMPARISON

| Year           | FAA Terminal Area Forecast <sup>1</sup> | Adjusted Terminal Area Forecast <sup>2</sup> | 25-Year Trend Forecast | Market Share Analysis | Gross Regional Product Variable 2.51% <sup>3</sup> | Per Capita Income Variable 3.73% <sup>4</sup> |
|----------------|---|--|------------------------|-----------------------|--|---|
| 2014*          | 52,130                                  | 66,409                                       | 66,409                 | 66,409                | 66,409   | 66,409  |
| 2019           | 61,847                                  | 78,797                                       | 66,705                 | 72,962                | 75,172   | 79,753  |
| 2024           | 73,378                                  | 93,496                                       | 68,480                 | 80,162                | 85,092   | 95,779  |
| 2029           | 87,063                                  | 110,936                                      | 70,255                 | 88,072                | 96,321   | 115,025                                       |
| 2034           | 103,297                                 | 131,630                                      | 72,031                 | 96,763                | 109,031  | 138,138                                       |
| CAGR 2014-2034 | 3.48%                                   | 3.48%  | 0.41%                  | 1.90%                 | 2.51%  | 3.73%   |

\* 2014 enplanements were adjusted to account for artificially reduced enplanements associated with Airport closure from April 29 to May 21, 2014. Actual enplanements were 65,376.

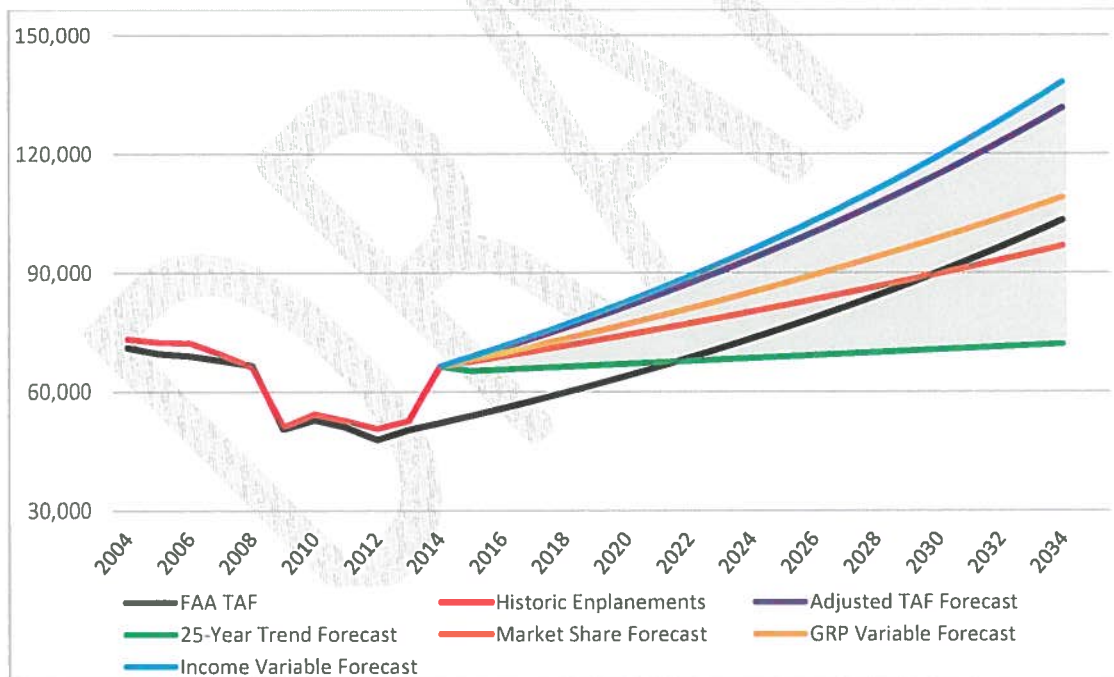
1. FAA Terminal Area Forecast (TAF), issued February 2014.

2. Adjusted TAF calculated using 2014 enplanements and 2013 TAF projected growth rate.

3. Gross Regional Product growth rate from Woods and Poole data for Hailey Micropolitan Statistical Area, 2014-2035.

4. Per Capita Income Variable growth rate from Woods and Poole data (in current dollars) for Hailey Micropolitan Statistical Area, 1995-2013.

Chart B2 PASSENGER ENPLANEMENTS FORECASTS



SOURCE: Mead & Hunt analysis.

### 4.2. Peak Passenger Activity Forecasts

Forecasts of annual passenger activity may not adequately describe the complex needs of airport facilities. Annual metrics are only useful when activity tends to be evenly distributed over the hours, days, and months of the year. However, with its seasonal schedule, SUN experiences peak periods during tourist seasons when activity far surpasses annual averages. For this reason, it is important to identify existing and forecast future peak period activity levels.

It should be noted that if planning is made contingent on the absolute busiest periods of activity, it can lead to overestimation, overspending, and inefficiencies. As a result, these peak activity forecasts focus on the average day during the peak months for passenger activity, rather than the peak day of the peak months. It is also important to note that future airline route schedules are unpredictable and change frequently, and that the number of peak hourly passengers are highly dependent on these schedules.

Monthly, daily, and hourly peak passenger activity forecasts were developed from the preferred enplanement forecast recommended in the previous section. Assumptions implicit in the peak passenger forecasts include the following:

- Peak month passengers in 2014 were 15.6% of total estimated annual passengers (August). This ratio is held constant throughout the 20-year forecast period to determine peak month passengers for each forecast year.
- Peak month average day passengers were derived by dividing peak month enplanements by 31 (days in the peak month).
- Peak hour average day passengers are estimated at 29.0% of total daily enplanements, based on August 2014 commercial service schedule.

The resulting peak passenger activity forecasts for SUN are presented in **Table B5**. These forecasts indicate strong future growth in peak hourly passengers, nearly doubling from 204 in 2014 to 384 in 2034. However, destinations and/or airlines added at SUN in the future will likely follow the traditional operational pattern for mountain resort communities, with departures packed into the morning hours. This may result in a more demanding peak hour than indicated by this peak passenger activity forecast.



## CHAPTER B Forecasts of Aviation Activity

Table B5 PEAK PASSENGER ACTIVITY FORECASTS

| Year | Peak Factor             | Enplanements | Deplanements | Total Passengers |
|------|-------------------------|--------------|--------------|------------------|
| 2014 | <i>Estimated</i>        |              |              |                  |
|      | Annual                  | 66,409       | 66,409       | 132,818          |
|      | Peak Month              | 10,928       | 10,928       | 21,856           |
|      | Peak Month Avg. Weekday | 353          | 353          | 705              |
|      | Peak Hour Avg. Weekday  | 102          | 102          | 204              |
| 2019 | <i>Projected</i>        |              |              |                  |
|      | Annual                  | 78,797       | 78,797       | 157,594          |
|      | Peak Month              | 12,292       | 12,292       | 24,585           |
|      | Peak Month Avg. Weekday | 397          | 397          | 793              |
|      | Peak Hour Avg. Weekday  | 115          | 115          | 230              |
| 2024 | <i>Projected</i>        |              |              |                  |
|      | Annual                  | 93,496       | 93,496       | 186,992          |
|      | Peak Month              | 14,585       | 14,585       | 29,171           |
|      | Peak Month Avg. Weekday | 470          | 470          | 941              |
|      | Peak Hour Avg. Weekday  | 136          | 136          | 272              |
| 2029 | <i>Projected</i>        |              |              |                  |
|      | Annual                  | 110,936      | 110,936      | 221,872          |
|      | Peak Month              | 17,306       | 17,306       | 34,612           |
|      | Peak Month Avg. Weekday | 558          | 558          | 1,117            |
|      | Peak Hour Avg. Weekday  | 162          | 162          | 324              |
| 2034 | <i>Projected</i>        |              |              |                  |
|      | Annual                  | 131,630      | 131,630      | 263,260          |
|      | Peak Month              | 20,534       | 20,534       | 41,069           |
|      | Peak Month Avg. Weekday | 662          | 662          | 1,325            |
|      | Peak Hour Avg. Weekday  | 192          | 192          | 384              |

SOURCE: US DOT T-100 Database, Mead & Hunt.

### 4.3. Commercial Passenger Fleet Mix and Operations Forecasts

Commercial operations and fleet mix are important to consider in facility planning, as commercial aircraft size, performance, and operational levels are the basis for the design of airside facilities such as runways, taxiways, and aprons. The nature of commercial operations also affects the passenger terminal, as it should be designed to efficiently serve the type of aircraft operating at the airport.

The “dual path” nature of this Master Plan requires that existing operational constraints are accounted for, while simultaneously planning for the potential relocation of the Airport in the future. To this end, two separate forecasts were developed for commercial passenger fleet mix and operations to identify planning needs for each possible scenario. As mentioned previously, the Replacement Airport EIS was terminated in 2013, and the FAA approved six Modifications of Standards (MOS’s) in November 2013 that stipulate specific airfield improvements at the existing site while imposing restrictions on aircraft types and operating procedures. Therefore, the constrained and unconstrained scenarios to be used in these forecasts will be based upon the continuation and the discontinuation of those MOS aircraft operating restrictions, respectively. The dual scenario analysis does not apply to passenger enplanements, as the enplanement forecasts simply reflect demand and have been assumed to be unaffected by aircraft type, size, operations, and flight schedules.

These commercial passenger fleet mix and operations forecasts are representative of the following two potential conditions:

- 1) A “**constrained**” forecast that represents the continuation of existing physical conditions and aircraft use restrictions should the Airport continue to operate at its current site throughout the 20-year planning period without changes to the current airfield layout.
- 2) A “**less constrained**” forecast that represents a future scenario in which the Airport could be reconfigured, expanded, or relocated to address current operational restrictions. This forecast presumes that a new site with more advantageous terrain and a larger footprint could better accommodate projected commercial aviation activity, up to a reasonable point of lowered restriction over the next 20 years.

Characteristics of potential future regional aircraft at SUN are compared to the current regional aircraft fleet in **Table B6**. This table also summarizes characteristics of larger narrow-body jet aircraft that serve similar tourist markets – however, these aircraft are shown for comparison purposes only and are not expected to be considered at the existing Airport site due to local constraints.

Commercial passenger service at SUN is currently provided with a combination of CRJ-700 regional jet aircraft and Q-400 turboprop aircraft. However, industry analysts expect that airlines will phase out the CRJ-700 over the next 10 years in favor of larger aircraft, such as the Embraer E-175 and the CRJ-900. Despite these expected fleet changes, it is likely that SUN will be one of the last destinations for the CRJ-700 such that operations by this aircraft will not be eliminated entirely from the SUN commercial fleet during the 20-year planning period. However, as passenger load factors continue to increase, airlines will either need to add more flights or transition to larger aircraft at SUN such as the CRJ-900, E-175, E-175-E2, and MRJ-90.



## CHAPTER B Forecasts of Aviation Activity

Table B6 EXISTING AND POTENTIAL FUTURE COMMERCIAL AIRCRAFT FLEET TECHNICAL SPECIFICATIONS

| Aircraft Type  | Wingspan | Maximum Takeoff Weight (lbs) | Typical Number of Seats | Meets Current Operational Restrictions? | Expected First Delivery |
|--|----------|------------------------------|-------------------------|---|-------------------------|
| <b>Current Commercial Aircraft at SUN</b>  |          |                              |                         |   |                         |
| Bombardier CRJ-700   | 76' 3"   | 72,750                       | 70                      | Yes                                     | Currently in Service    |
| Bombardier Q-400   | 93' 3"   | 64,500                       | 76                      | Yes                                     | Currently in Service    |
| <b>Potential Future Commercial Aircraft (Existing Airline Fleet)</b>   |          |                              |                         |   |                         |
| Bombardier CRJ-900   | 81' 7"   | 80,500                       | 88*                     | Yes                                     | Currently in Service    |
| Embraer E-170  | 85' 4"   | 79,340                       | 70                      | Yes                                     | Currently in Service    |
| Embraer E-175  | 85' 4"   | 82,700                       | 78                      | Yes                                     | Currently in Service    |
| Embraer E-190  | 94' 3"   | 105,360                      | 98                      | No                                      | Currently in Service    |
| Embraer E-195  | 94' 3"   | 107,560                      | 108                     | No                                      | Currently in Service    |
| * Although operationally capable of an 88-seat configuration, the CRJ-900 is not currently flown by regional airlines with a greater than 76-seat configuration due to pilot contract scope clauses.   |          |                              |                         |   |                         |
| <b>Potential Future Commercial Aircraft (Future Airline Fleet)</b>   |          |                              |                         |   |                         |
| Embraer E175-E2***   | 101' 8"  | 97,730                       | 88                      | TBD**                                   | 2020                    |
| Embraer E190-E2  | 110' 7"  | 125,400                      | 106                     | No                                      | 2018                    |
| Embraer E195-E2  | 110' 7"  | 131,000                      | 132                     | No                                      | 2019                    |
| Mitsubishi MRJ-70  | 95' 9"   | 81,240                       | 78                      | Yes                                     | 2017                    |
| Mitsubishi MRJ-90***   | 95' 9"   | 87,303                       | 92                      | Yes                                     | 2017                    |
| Bombardier CS100   | 115' 1"  | 130,000                      | 110                     | No                                      | 2015                    |
| Bombardier CS300   | 115' 1"  | 143,999                      | 135                     | No                                      | 2016                    |
| ** Currently published performance and dimensional specifications for the E175-E2 are slightly above current SUN operational restrictions; however, it is possible that future variants may meet restrictions. If future variants do not meet restrictions, there is potential that the E175-E2 may receive a manufacturer's operational certification, or "placard", for operations below 95,000 pounds at SUN, as well as a special control tower operational procedure to mitigate for the aircraft wingspan. However, an operational certification for the E175-E2 would require cooperation of both the airline and the aircraft manufacturer, while a special operational procedure would require approval from the FAA. |          |                              |                         |   |                         |
| *** SkyWest Airlines currently has 100 orders each of the E175-E2 and MRJ-90.  |          |                              |                         |   |                         |
| <b>Comparison Narrow-Body Jet Aircraft</b>   |          |                              |                         |   |                         |
| Airbus A319  | 111' 11" | 166,000                      | 134                     | No                                      | Currently in Service    |
| Airbus A320  | 111' 11" | 172,000                      | 164                     | No                                      | Currently in Service    |
| Boeing 737-800   | 117' 5"  | 174,200                      | 175                     | No                                      | Currently in Service    |
| Boeing 757-200   | 124' 10" | 250,000                      | 200                     | No                                      | Currently in Service    |

SOURCE: Aircraft Manufacturers, Mead & Hunt.

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## CHAPTER B Forecasts of Aviation Activity

Given current operational restrictions, airlines have an effective maximum capacity of 88 seats at SUN, as the CRJ-900 is largest aircraft currently in the regional airline fleet (in terms of seats) that meets SUN operational weight requirements of below 95,000 pounds. Furthermore, many new regional passenger aircraft expected to join the regional fleet within the next five to ten years – including the Embraer E190-E2, E-195-E2, and the Bombardier C-Series – will be unable to operate at the SUN under the current operational weight restrictions.

**It is important to note that the following fleet mix forecast scenarios assume that all potential future commercial aircraft identified in Table B6 can operate at the current site without increases in runway length, improvements in approach procedures, or expansions to commercial parking aprons; these assumptions may or may not be valid.** The only constraints considered in development of the fleet mix forecasts are current operating restrictions at SUN in terms of aircraft weight and wingspan.

The “constrained” fleet mix scenario for SUN (Scenario 1) assumes that the Airport will continue to be limited to aircraft with a capacity of 88 seats or less throughout the 20-year planning period. This scenario considers the potential of the 92-seat MRJ-90 entering SUN’s commercial fleet mix at some point in the future. This scenario further assumes that aircraft in the 78-88 seat range will grow in importance at SUN as the CRJ-700 is phased out by the airlines. Under Scenario 1, departing seats per flight would increase from 67.7 in 2014 to 75.8 in 2034, after which this figure would likely stabilize due to the effective maximum seat capacity imposed by the operational restrictions at SUN.

The “less constrained” fleet mix scenario (Scenario 2) assumes that the Airport will be reconfigured, expanded, or relocated at some point during the 20-year planning period when commercial passenger service trends dictate. **It is important to note that the likelihood of this scenario is dependent on future community consensus that service by aircraft with greater than 92 seats and/or longer range is necessary for the Airport to function successfully.** This scenario allows for future service by existing regional aircraft with a capacity of 92 seats or greater. This scenario considers the potential of the 106-seat E190-E2, the 132-seat E195-E2, and the 135-seat CS300 entering SUN’s commercial fleet at some point in the future – however it assumes that these aircraft will not play a major role at SUN within the 20-year planning due to uncertainties regarding their likely routes. This scenario further assumes that aircraft in the 78-88 seat and 92 seats or greater ranges will grow in importance at SUN as the CRJ-700 is phased out by the airlines; however, it also assumes that SUN will be one of the last destinations for the CRJ-700 such that operations by this aircraft will not be eliminated entirely from the SUN commercial fleet during the 20-year planning period. Under Scenario 2, departing seats per flight would track closely with Scenario 1 through the first five years, then diverge from Scenario 1 as operational restrictions at SUN are modified at some point beyond the five-year planning period, allowing for aircraft types with 92 seats or greater to join the fleet.

Because Scenario 1 involves continued service by smaller regional jet aircraft due to the effective maximum seat capacity imposed by current operating restrictions, passenger load factors are forecasted to rise faster for this scenario than for Scenario 2. The overall passenger load factor is expected to increase from an estimated 68.6% in 2014 to 78.0% in 2034 under Scenario 1, while the overall load factor is expected to increase to 74.0% under Scenario 2.

Forecasts of commercial passenger operations (takeoffs and landings) for both scenarios are presented in **Table B7**. These forecasts were calculated based on the preferred passenger enplanement forecast presented in Section 4.1, and the fleet mix scenarios, projected available seats, and projected load factors described above. Because all future scheduled passenger airline operations are expected to occur on aircraft with greater than 60 seats, all of these operations are considered “air carrier” operations per FAA definitions.

## CHAPTER B Forecasts of Aviation Activity

Table B7 PASSENGER AIRLINE OPERATIONS FORECASTS

| Year                       | Enplanements | Passenger Airline Departures | Average Seats per Departure | Passenger Load Factor | Passenger Airline Operations |
|----------------------------|--------------|------------------------------|-----------------------------|-----------------------|------------------------------|
| <b>Historical</b>          |              |                              |                             |                       |                              |
| 2008                       | 66,564       | 3,335                        | 38.5                        | 53.9%                 | 6,670                        |
| 2009                       | 50,540       | 2,634                        | 35.7                        | 57.0%                 | 5,268                        |
| 2010                       | 52,861       | 2,515                        | 38.3                        | 59.5%                 | 5,030                        |
| 2011                       | 51,033       | 2,214                        | 37.3                        | 61.3%                 | 4,428                        |
| 2012                       | 47,882       | 1,805                        | 38.5                        | 68.3%                 | 3,610                        |
| 2013                       | 50,377       | 1,959                        | 39.2                        | 65.8%                 | 3,918                        |
| 2014*                      | 66,409       | 1,420                        | 67.7                        | 68.6%                 | 2,840                        |
| <b>Scenario 1 Forecast</b> |              |                              |                             |                       |                              |
| 2019                       | 78,797       | 1,614                        | 68.8                        | 71.0%                 | 3,228                        |
| 2024                       | 93,496       | 1,804                        | 70.7                        | 73.3%                 | 3,608                        |
| 2029                       | 110,936      | 2,014                        | 72.8                        | 75.7%                 | 4,029                        |
| 2034                       | 131,630      | 2,226                        | 75.8                        | 78.0%                 | 4,453                        |
| CAGR (2014-2034)           | 3.48%        | 2.27%                        |                             |                       | 2.27%                        |
| <b>Scenario 2 Forecast</b> |              |                              |                             |                       |                              |
| 2019                       | 78,797       | 1,613                        | 68.8                        | 71.0%                 | 3,226                        |
| 2024                       | 93,496       | 1,774                        | 72.8                        | 72.4%                 | 3,548                        |
| 2029                       | 110,936      | 1,981                        | 76.0                        | 73.7%                 | 3,961                        |
| 2034                       | 131,630      | 2,110                        | 84.3                        | 74.0%                 | 4,220                        |
| CAGR (2014-2034)           | 3.48%        | 2.00%                        |                             |                       | 2.00%                        |

SOURCE: US DOT T-100 Database, Mead & Hunt.

\* 2014 enplanements, departures, and total operations were adjusted to account for artificially reduced enplanements associated with Airport closure from April 29 to May 21, 2014.

The Scenario 1 commercial operations forecast predicts steady growth in operations that accelerates over the planning period as airlines reach the effective allowable maximum seat capacity at SUN and must increase capacity by increasing flight frequencies to accommodate demand. The Scenario 2 commercial operations forecast predicts slower growth in commercial operations as airlines are free to transition to aircraft better suited to increasing passenger loads without increasing flight frequencies.

In accordance with the “dual path” approach, the Master Plan will not recommend one commercial passenger operations forecast as the preferred forecast. Rather, the Scenario 1 forecast will be used to determine facility needs in the event operational restrictions at the Airport remain the same, while the Scenario 2 forecast will determine facility needs in the event the decision is made to reconfigure, expand, or relocate the Airport in order to increase the size of the regional commercial fleet.

### 4.4. Air Taxi and Commuter Operations Forecast

Knowledge regarding air taxi and commuter operations is used primarily to ensure that proper apron space is available to accommodate parking of these aircraft during peak times. Air taxi and commuter operations have been forecasted separately from scheduled commercial passenger service operations to facilitate ease and accuracy of calculation and comparison to the TAF, and because the air taxi market represents a different user base with its own characteristics and trends. As shown in **Table B8**, air taxi/commuter operations declined significantly in 2014 due to Delta's transition from the EMB120 Brasilia to the CRJ700 in January 2014, which resulted in a decrease in commuter operations and an increase in air carrier operations over previous years. Air taxi and commuter operations were forecasted based on the growth in air taxi and commuter operations at airports with control towers forecasted in the *FAA Aerospace Forecast Fiscal Years 2014-2034*. Air taxi and commuter operations have been forecasted to grow 0.6% per year from 2014-2024 and fall 0.1% per year from 2024-2034 as regional jets with fewer than 50 seats exit the industry.

Table B8 AIR TAXI AND COMMUTER OPERATIONS FORECAST

| Year             | FAA TAF <sup>1</sup> | Air Taxi/Commuter Operations Forecast <sup>2</sup> |
|------------------|----------------------|--|
| 2004             | 13,276               | -  |
| 2005             | 14,025               | -  |
| 2006             | 14,224               | -  |
| 2007             | 13,162               | -  |
| 2008             | 12,119               | -  |
| 2009             | 10,120               | -  |
| 2010             | 10,138               | -  |
| 2011             | 9,489                | -  |
| 2012             | 8,760                | -  |
| 2013             | 8,349                | -  |
| 2014             | 8,507                | 5,185*   |
| <b>Projected</b> |                      |  |
| 2019             | 9,334                | 5,342  |
| 2024             | 10,242               | 5,505  |
| 2029             | 11,240               | 5,477  |
| 2034             | 12,336               | 5,450  |
| CAGR 2014-2034   | 1.88%                | 0.25%  |

SOURCE: Mead & Hunt analysis.

\* 2014 base year data compiled from 2014 FAA Terminal Area Forecast (TAF), subtracting 2013 Delta SLC operations obtained from U.S. Department of Transportation T-100 data to account for Delta's transition from the Embraer 120 Brasilia to the CRJ700 on its SLC routes.

1. FAA TAF data for the category of Air Taxi & Commuter. 2013 and 2014 figures are FAA-projected estimates using 2012 as a base year.

2. Projected air taxi/commuter operations were estimated by applying the *FAA Aerospace Forecast Fiscal Years 2014-2034*, Table 32, forecast growth in air taxi/commuter operations at airports with FAA and contract traffic control service of 0.60% for 2014-2024 and -0.10% for 2024-2034.



### 5. General Aviation Forecasts

General aviation (GA) is defined as all civil aircraft operations except commercial operations. The following sections describe the GA forecasts developed for the Master Plan, which include:

- Based aircraft forecasts;
- Based aircraft fleet mix forecasts; and
- General aviation operations forecasts.

#### 5.1. Based Aircraft Forecast

Facility planning for based aircraft revolves around providing adequate apron and hangar storage space, as well as FBO services, to meet the needs of operators who wish to base their aircraft at SUN. Although demand for hangar and apron space at SUN does not currently exceed the existing supply, there are nonetheless only a few available hangars at the present time and GA apron space is limited during peak events. Given the affluent community, high real estate values, and large amount of business jet traffic at the Airport, the demand for business jet hangar space is high at the Airport. However, physical features, availability of land, and community desires and expectations are likely to limit hangar development and therefore based aircraft. These based aircraft projections will help estimate future demand for based aircraft facilities, but do not necessarily represent the amount of based aircraft facilities that may be attainable or desirable on the part of the Airport and the community.

In 2014, there were 157 aircraft based at the Airport. This number was determined by Airport staff, in coordination with the Fixed Base Operator (FBO), Atlantic Aviation, based on the number of aircraft that are present at the Airport more than 90 days out of the year. This based aircraft definition was used because it represents peak demand for aircraft storage hangars and tie-downs at the Airport, which varies seasonally to a much greater extent than airports in non-resort markets.

These based aircraft forecasts were prepared using many of the same methods used to project passenger enplanements. A market share forecast, an adjusted FAA TAF forecast, and three socioeconomic variable forecasts (based on Gross Regional Product (GRP), Per Capita Income, and Population) have been compared with the TAF, and a preferred forecast was selected. The growth rate and linear trend methodologies were not used to forecast based aircraft because a) there is no reliable historical based aircraft records with which to project future growth, and b) the number of based aircraft at any given airport does not typically display a historical relationship with time. The based aircraft forecasts are shown in **Table B9** and **Chart B3**. The multipliers used for the forecasts are as follows:

- **Market Share Forecast** – This forecast assumes that the ratio of 2014 SUN based aircraft to the projected 2014 national total active general aviation fleet will remain consistent throughout the planning period.
- **Adjusted Terminal Area Forecast (TAF)** – Projects an annual growth rate of 1.54% in accordance with the FAA TAF projected based aircraft for 2014-2034.
- **Socioeconomic Variable Forecasts** – Growth rates for socioeconomic indicators in the Hailey Micropolitan Statistical Area were used to project the number of based aircraft at SUN as follows:
  - **Gross Regional Product (GRP) Variable Forecast** – projects an annual growth rate of 2.51% in accordance with projected GRP growth.
  - **Per Capita Income Variable Forecast** – projects an annual growth rate of 3.73% in accordance with historical per capita income growth.
  - **Population Variable Forecast** – projects an annual growth rate of 1.44% in accordance with historical population growth. It should be noted that a recent amendment to the Blaine County Comprehensive Plan projects a slower rate of population growth than is used in this forecast.



## CHAPTER B Forecasts of Aviation Activity

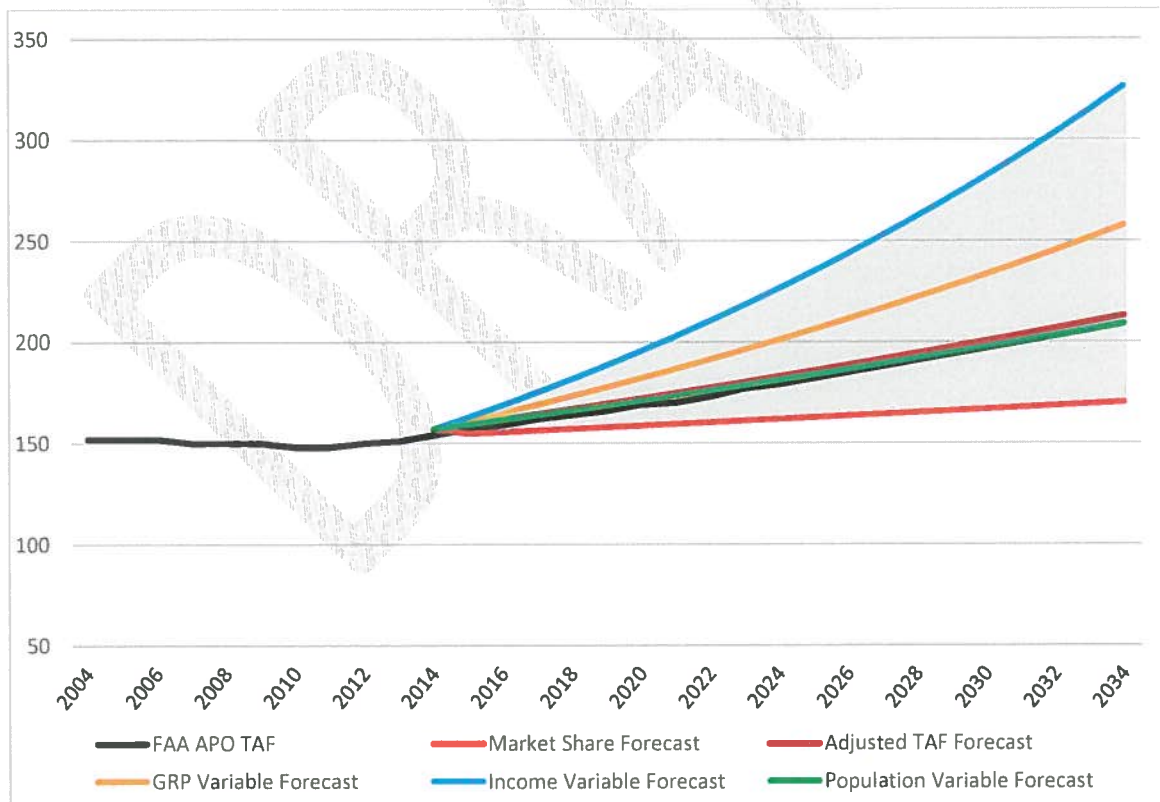
Table B9 BASED AIRCRAFT FORECASTS

| Year           | FAA Terminal Area Forecast (TAF) | Market Share Analysis <sup>1</sup> | Adjusted Terminal Area Forecast (TAF) 1.54% <sup>2</sup> | Gross Regional Product Variable 2.51% <sup>3</sup> | Per Capita Income Variable 3.73% <sup>4</sup> | Population Variable 1.44% <sup>5</sup> |
|----------------|----------------------------------|------------------------------------|--|--|---|--|
| 2014*          | 154                              | 157                                | 157  | 157  | 157   | 157                                    |
| 2019           | 166                              | 158                                | 169  | 178  | 189   | 169                                    |
| 2024           | 179                              | 162                                | 183  | 201  | 226   | 181                                    |
| 2029           | 194                              | 166                                | 197  | 228  | 272   | 195                                    |
| 2034           | 209                              | 170                                | 213  | 258  | 326   | 209                                    |
| CAGR 2014-2034 | 1.54%                            | 0.40%                              | 1.54%  | 2.51%  | 3.73%   | 1.44%                                  |

SOURCE: Mead & Hunt analysis.

1. Market Share growth rate calculated based on the 2014 ratio of SUN based aircraft to projected national active GA fleet throughout the planning period; national figures were obtained from the *FAA Aerospace Forecast*.
2. Adjusted TAF growth rate from the 2014-2034 Terminal Area Forecast (TAF) for based aircraft.
3. Gross Regional Product growth rate from Woods and Poole data for Hailey Micropolitan Statistical Area, 2014-2035.
4. Per Capita Income Variable growth rate from Woods and Poole data (in current dollars) for Hailey Micropolitan Statistical Area, 1995-2013.
5. Population Variable growth rate from Woods and Poole data for Hailey Micropolitan Statistical Area, 1995-2013.

Chart B3 BASED AIRCRAFT FORECASTS



SOURCE: Mead & Hunt analysis.

## CHAPTER B Forecasts of Aviation Activity

The preferred based aircraft forecast is the Adjusted TAF forecast. It was selected as the preferred forecast because it reflects the steady, conservative growth scenario presented by the TAF, which is in a mid-range when compared with the other scenarios presented above, but uses an accurate 2014 baseline aircraft count. The mid-range forecast offered by the Adjusted TAF forecast also supports the need to be conservative in translating anticipated based aircraft demand into estimated future hangar and apron space facility requirements with regards to the limited space for such expansion at the existing Airport site. The other forecasts were ruled out for the following reasons:

- The FAA TAF forecast was ruled out because the 2014 base year aircraft count not accurate.
- The Per Capita Income Variable forecast was ruled out because high-income earners skew the per capita figure on the high end.
- The Market Share forecast was ruled out because based aircraft demand is higher at SUN than at the average U.S. airport.
- The GRP Variable forecast predicts a lower growth rate than the Per Capita Income Variable Forecast, but is still representative of fairly aggressive growth in based aircraft that is unjustified based on foreseeable conditions.
- The Population Variable Forecast was ruled out because it is consistent with the Adjusted TAF forecast, which is the preferred forecast.

### 5.2. Based Aircraft Fleet Mix Forecast

Knowledge regarding the mix of based aircraft types at an airport plays an important role in assessing hangar and apron storage, because different aircraft have different space requirements for parking and taxiing. The FAA has reported that a strong market for business jets will drive GA activity in upcoming years. In the near-term, high fuel prices and economic concerns are dampening the GA industry, but the long-term outlook remains favorable as SUN continues to grow and the resort-based community economy remains stable throughout the planning period. Jet aircraft for general aviation purposes nation-wide are gaining ground compared with single- and multi-engine aircraft. However, single-engine aircraft are projected to remain a strong presence at SUN, due to their use to access the rugged natural areas in the Airport vicinity. Based on these factors, the relative percentages of based aircraft type are expected to remain constant throughout the planning period. A summary of the base year and projected based aircraft fleet mix is presented in Table B10.

Table B10 BASED AIRCRAFT FLEET MIX FORECAST

| Year                  | Single-Engine | %      | Multi-Engine | %      | Jet   | %      | Heli-copter | %     | Other | %     | Total |
|-----------------------|---------------|--------|--------------|--------|-------|--------|-------------|-------|-------|-------|-------|
| 2014*                 | 92            | 58.60% | 17           | 10.83% | 47    | 29.94% | 1           | 0.64% | 0     | 0.00% | 157   |
| 2019                  | 99            | 58.60% | 18           | 10.83% | 51    | 29.94% | 1           | 0.64% | 0     | 0.00% | 169   |
| 2024                  | 107           | 58.60% | 20           | 10.83% | 55    | 29.94% | 1           | 0.64% | 0     | 0.00% | 183   |
| 2029                  | 115           | 58.60% | 21           | 10.83% | 59    | 29.94% | 1           | 0.64% | 0     | 0.00% | 197   |
| 2034                  | 125           | 58.60% | 23           | 10.83% | 64    | 29.94% | 1           | 0.64% | 0     | 0.00% | 213   |
| CAGR<br>2014-<br>2034 | 1.54%         |        | 1.54%        |        | 1.54% |        | 0.00%       |       | 0.00% |       | 1.54% |

SOURCE: Mead & Hunt analysis.

\* 2014 base year data compiled from Airport Management records.

### 5.3. General Aviation Operations Forecast

GA operations represent a large portion of total aircraft operations at SUN, and are therefore important to consider when planning for peak activity needs. GA operations have generally declined at SUN in recent years, from 30,801 in 2004 to 20,310 in 2014, according to the FAA TAF. This decline reflects national travel behavior trends with respect to GA. The cost of operation and ownership of aircraft has increased, which has impacted operations and hours flown nationally, though GA operations at SUN are limited by airspace capacity given the surrounding terrain and resulting weather conditions, as well as limited available aircraft storage space.

The estimated 2014 TAF was used as the baseline, as it provides the best approximation reflecting a continuation of operational levels from 2008 to 2013 (in the 17,000 to 23,000 operations range). Although GA operations have declined historically, this forecast projects an increase of 1.54% in accordance with the preferred based aircraft growth rate identified in Section 5.1. This forecasting method was used because GA operations levels tend to be closely tied to based aircraft levels. Although the overall GA industry in the U.S. has been in decline for several years, the ratio of operations per based aircraft at SUN increased during 2013 and 2014, which may indicate a trend towards returning to pre-recession levels. Consequently, a GA operations forecast that maintains the 2014 ratio of operations per based aircraft is considered appropriate for future planning purposes. The forecast for GA operations is presented and compared to the TAF in **Table B11** and **Chart B4**.

Table B11 GENERAL AVIATION OPERATIONS FORECAST

| Year              | FAA TAF <sup>1</sup> | Operations per Based Aircraft Forecast <sup>2</sup> | Preferred Based Aircraft Forecast | Ratio of GA Operations to Based Aircraft <sup>3</sup> |
|-------------------|----------------------|---|-----------------------------------|---|
| <b>Historical</b> |                      |   |                                   |   |
| 2004              | 30,801               | -   | -                                 | -   |
| 2005              | 28,727               | -   | -                                 | -   |
| 2006              | 26,036               | -   | -                                 | -   |
| 2007              | 33,940               | -   | -                                 | -   |
| 2008              | 22,780               | -   | -                                 | -   |
| 2009              | 18,180               | -   | -                                 | -   |
| 2010              | 20,150               | -   | -                                 | -   |
| 2011              | 17,917               | -   | -                                 | -   |
| 2012              | 17,377               | -   | -                                 | -   |
| 2013              | 20,320               | -   | -                                 | -   |
| 2014              | 20,310               | 20,310  | 157                               | 129   |
| <b>Projected</b>  |                      |   |                                   |   |
| 2019              | 21,327               | 21,921  | 169                               | 129   |
| 2024              | 22,402               | 23,660  | 183                               | 129   |
| 2029              | 23,539               | 25,538  | 197                               | 129   |
| 2034              | 24,738               | 27,564  | 213                               | 129   |
| CAGR 2014-2034    | 0.99%                | 1.54%   | 1.54%                             | N/A   |

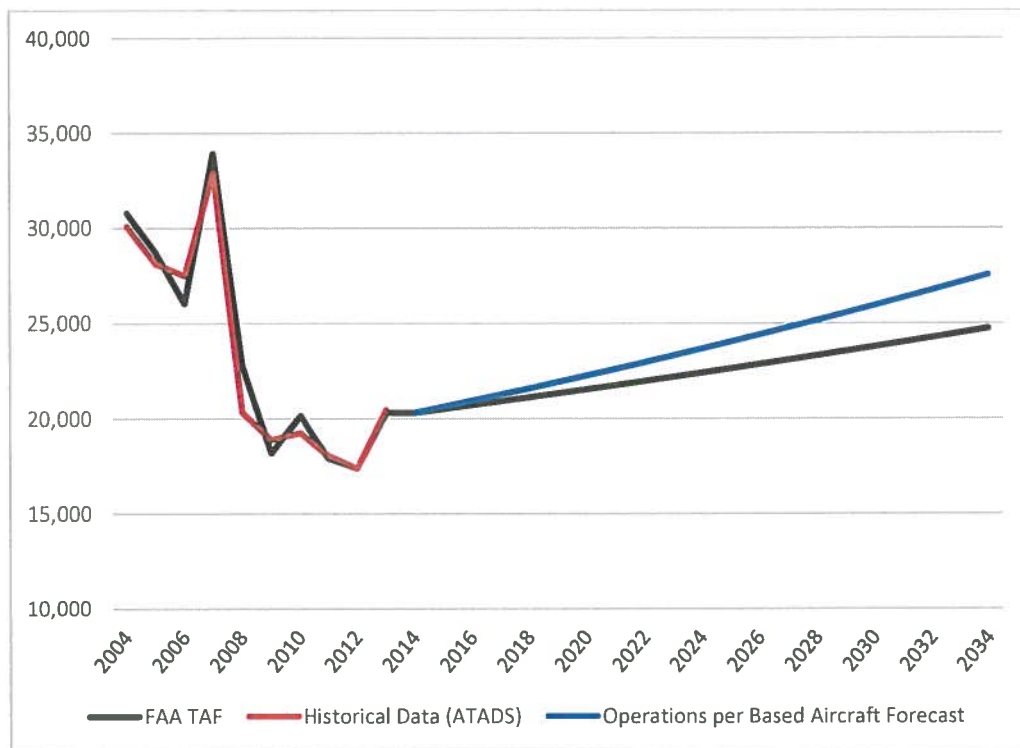
SOURCE: Mead & Hunt analysis.

1. Combined FAA TAF data for the categories of Itinerant GA and Local Civil operations.

2. Estimated based on continuation of 2014 baseline ratio of operations to based aircraft throughout the study period.

3. GA operations divided by preferred based aircraft forecast.

Chart B4 GENERAL AVIATION OPERATIONS FORECAST



SOURCE: Mead & Hunt Analysis.

## 6. Other Forecasts

### 6.1. Military Operations Forecast

Due to their infrequency, military operations are not a significant driver at facility needs at SUN; however, they do occur occasionally and therefore should be taken into account as part of facility planning. Local military operations consist mostly of training and reconnaissance flights, while itinerant military operations consist mostly of those required for special events and emergencies. Military operations are driven more by Federal policy decisions than by economic conditions. As a percentage of total annual aircraft operations, the number of military operations at SUN has historically fluctuated, and has been generally increasing over the past ten years, from 30 operations in 2004 to 145 operations in 2014, according to the FAA TAF. Given that the Department of Defense does not publicly share information about projected military operations, these operations are assumed to remain constant at the 2014 level of 145 operations throughout the planning period as projected by the FAA TAF.



## CHAPTER B Forecasts of Aviation Activity

### 6.2. Local and Itinerant General Aviation Operations Forecast

Local operations are conducted by aircraft operating in the traffic pattern within sight of the air traffic control tower; aircraft departing or arriving from flight in local practice areas; or aircraft executing practice instrument operations at the Airport. All operations other than local operations are defined as itinerant. Local operations are typically conducted by users based at the Airport, while itinerant operations are conducted by both based and transient users. As a result, the two types of operations have different implications for required airport facilities.

All air carrier, air taxi, and commuter operations are, by definition, itinerant. It is not possible to make predictions about the local/itinerant split for military operations, so these are assumed to remain at 2014 levels. GA operations are therefore the only category in which change in the local and itinerant proportions is significant to airport planning.

A summary of the GA operations forecast, broken down by local and itinerant operations, is shown in **Table B12**. The local-itinerant split for GA operations from 2004 to 2014 averaged 11.1% local and 88.9% itinerant. The local and itinerant GA operations forecast assumes these average percentages will remain the same throughout the planning period.

Table B12 LOCAL AND ITINERANT GENERAL AVIATION OPERATIONS FORECAST

| Year              | General Aviation Operations | % Local | Local Operations | % Itinerant | Itinerant Operations |
|-------------------|-----------------------------|---------|------------------|-------------|----------------------|
| <b>Historical</b> |                             |         |                  |             |                      |
| 2004              | 30,801                      | 15.5%   | 4,788            | 84.5%       | 26,013               |
| 2005              | 28,727                      | 12.2%   | 3,510            | 87.8%       | 25,217               |
| 2006              | 26,036                      | 12.9%   | 3,368            | 87.1%       | 22,668               |
| 2007              | 33,940                      | 19.0%   | 6,461            | 81.0%       | 27,479               |
| 2008              | 22,780                      | 7.6%    | 1,731            | 92.4%       | 21,049               |
| 2009              | 18,180                      | 7.8%    | 1,410            | 92.2%       | 16,770               |
| 2010              | 20,150                      | 8.7%    | 1,744            | 91.3%       | 18,406               |
| 2011              | 17,917                      | 5.7%    | 1,016            | 94.3%       | 16,901               |
| 2012              | 17,377                      | 7.7%    | 1,335            | 92.3%       | 16,042               |
| 2013              | 20,320                      | 13.8%   | 2,812            | 86.2%       | 17,508               |
| 2014*             | 20,310                      | 10.9%   | 2,205            | 89.1%       | 18,105               |
| Ave. % 2004-2014  | -                           | 11.1%   | -                | 88.9%       | -                    |
| <b>Projected</b>  |                             |         |                  |             |                      |
| 2019              | 21,921                      | 11.1%   | 2,433            | 88.9%       | 19,488               |
| 2024              | 23,660                      | 11.1%   | 2,626            | 88.9%       | 21,034               |
| 2029              | 25,538                      | 11.1%   | 2,835            | 88.9%       | 22,703               |
| 2034              | 27,564                      | 11.1%   | 3,060            | 88.9%       | 24,504               |
| CAGR 2014-2034    | 1.54%                       | -       | 1.54%            | -           | 1.54%                |

SOURCE: Mead & Hunt analysis; historical data compiled from FAA Terminal Area Forecast (TAF).

\* Estimated.



## CHAPTER B Forecasts of Aviation Activity

### 6.3. Instrument Operations Forecast

Forecasting instrument operations will help the Airport ensure that future airport facilities accommodate equipment needs and standards associated with instrument approach and departure procedures. Instrument operations are those conducted under an Instrument Flight Rules (IFR) flight plan. IFR conditions apply in the airspace surrounding the Airport when visibility is less than 3 miles and/or the cloud ceiling is less than 1,000 feet. Pilots operating during IFR conditions must have an instrument rating and file an IFR flight plan. Instrument operations can be conducted in any type of aircraft equipped with appropriate instruments, whether commercial, general aviation, or military. Commercial operators typically require that flight crews file IFR flight plans for operations in all weather conditions, including Visual Flight Rules (VFR) conditions.

The instrument operations forecast was developed by multiplying the average percentage of instrument operations from 2004 through 2014 by the aggregate projected operations presented in this chapter. Historical and forecasted instrument operations are presented in **Table B13**.

Table B13 INSTRUMENT OPERATIONS FORECAST

| Year  | All Operations <sup>1</sup> | % IFR  | IFR Operations | % VFR  | VFR Operations |
|---|-----------------------------|--------|----------------|--------|----------------|
| <b>Historical</b>   |                             |        |                |        |                |
| 2004  | 44,950                      | 47.16% | 21,197         | 52.84% | 23,753         |
| 2005  | 43,618                      | 52.06% | 22,706         | 47.94% | 20,912         |
| 2006  | 42,975                      | 51.34% | 22,065         | 48.66% | 20,910         |
| 2007  | 46,809                      | 43.13% | 20,191         | 56.87% | 26,618         |
| 2008  | 32,960                      | 61.46% | 20,257         | 38.54% | 12,703         |
| 2009  | 29,966                      | 60.77% | 19,426         | 39.23% | 12,540         |
| 2010  | 30,247                      | 56.06% | 16,957         | 43.94% | 13,290         |
| 2011  | 28,513                      | 57.29% | 16,334         | 42.71% | 12,179         |
| 2012  | 26,683                      | 56.48% | 15,070         | 43.52% | 11,613         |
| 2013  | 29,809                      | 50.39% | 15,022         | 49.61% | 14,787         |
| 2014  | 28,480                      | 60.29% | 17,170         | 39.71% | 11,310         |
| Ave. % 2004-2014  | -                           | 54.22% | -              | 45.78% | -              |
| <b>Projected - using Scenario 1 Passenger Airline Operations Forecast</b> |                             |        |                |        |                |
| 2019  | 30,636                      | 54.22% | 16,611         | 45.78% | 14,025         |
| 2024  | 32,918                      | 54.22% | 17,848         | 45.78% | 15,070         |
| 2029  | 35,189                      | 54.22% | 19,080         | 45.78% | 16,109         |
| 2034  | 37,612                      | 54.22% | 20,394         | 45.78% | 17,218         |
| CAGR 2014-2034  | 1.40%                       | -      | 0.86%          | -      | 2.12%          |
| <b>Projected - using Scenario 2 Passenger Airline Operations Forecast</b> |                             |        |                |        |                |
| 2019  | 30,634                      | 54.22% | 16,610         | 45.78% | 14,024         |
| 2024  | 32,858                      | 54.22% | 17,816         | 45.78% | 15,042         |
| 2029  | 35,121                      | 54.22% | 19,043         | 45.78% | 16,078         |
| 2034  | 37,379                      | 54.22% | 20,267         | 45.78% | 17,112         |
| CAGR 2014-2034  | 1.37%                       | -      | 0.83%          | -      | 2.09%          |

SOURCE: Mead & Hunt analysis; historical data compiled from FAA Air Traffic Activity System (ATADS).

1. Compiled from preferred forecasts for military, GA, air taxi/commuter, and air carrier operations identified in previous sections.

### 7. Peak Period Operations Forecasts

It is important to assess airport demand during peak periods. The peak period at SUN for airport activity overall, as well as for GA and air taxi activity specifically, is the annual Allen & Company conference, which is held in Sun Valley during the second week of July. During this peak event, a large number of GA and air taxi aircraft must be accommodated at SUN. The aircraft must be parked on the aprons on the south end of the Airport, which typically overflow and create congestion during this event. Other periods during the year that tend to have high levels of activity are generally during the other summer months of the summer, and to a lesser degree during the winter months. These other peak periods correspond to high activity levels during both holidays and tourist events in the area.

Assumptions for the peak period operations forecast were drawn from daily 2014 operations data reported by the airport traffic control tower. According to this data, 16 percent of annual operations occurred in the peak month (July); peak day operations accounted for seven percent of peak month operations; and peak hour operations accounted for approximately ten percent of the peak day operations. The peak period operational forecast is illustrated in **Table B14**.

Table B14 PEAK PERIOD AIRCRAFT OPERATIONS FORECAST

| Year | Total Annual Operations <sup>1</sup> | Peak Month Operations | Peak Day of Peak Month Operations | Peak Hour/Peak Day Ratio | Peak Hour Operations |
|------|--------------------------------------|-----------------------|-----------------------------------|--------------------------|----------------------|
| 2014 | 28,480                               | 4,557                 | 319                               | 10%                      | 32                   |
| 2019 | 30,636                               | 4,902                 | 343                               | 10%                      | 34                   |
| 2024 | 32,918                               | 5,267                 | 369                               | 10%                      | 37                   |
| 2029 | 35,189                               | 5,630                 | 394                               | 10%                      | 39                   |
| 2034 | 37,612                               | 6,018                 | 421                               | 10%                      | 42                   |

SOURCE: Mead & Hunt.

1. Compiled from preferred forecasts for military, GA, air taxi/commuter, and air carrier operations identified in previous sections.

Forecasts were also developed for GA and air taxi fleet mix during the peak event. The identification of fleet mix for peak GA and air taxi operations will assist in determining future airport facility needs in general, as well as during peak events.

The peak GA and air taxi fleet mix forecast presented in **Table B15** were created by applying approximate fleet mix percentages to the peak period operations forecast presented above. The generalized fleet mix percentages were compiled based on discussion with Airport management and control tower staff. The Airport has historically observed that jet operations represent nearly 90% of total GA and air taxi operations during the peak day and hour in particular (i.e., during the annual peak event), as compared to the peak month overall.

## CHAPTER B Forecasts of Aviation Activity

Table B15 GA AND AIR TAXI PEAK PERIOD OPERATIONS FLEET MIX FORECASTS

| Year                      | Total Operations | Jet | Multi-Engine | Single-Engine | Helicopter | Other |
|---------------------------|------------------|-----|--------------|---------------|------------|-------|
| <b>Peak Day Forecast</b>  |                  |     |              |               |            |       |
| <b>2014</b>               |                  |     |              |               |            |       |
| GA                        | 227              | 203 | 11           | 11            | 1          | 1     |
| Air Taxi                  | 58               | 20  | 38           | 0             | 0          | 0     |
| TOTAL                     | 285              | 223 | 49           | 11            | 1          | 1     |
| <b>2019</b>               |                  |     |              |               |            |       |
| GA                        | 245              | 221 | 11           | 11            | 1          | 1     |
| Air Taxi                  | 62               | 21  | 41           | 0             | 0          | 0     |
| TOTAL                     | 307              | 242 | 52           | 11            | 1          | 1     |
| <b>2024</b>               |                  |     |              |               |            |       |
| GA                        | 263              | 236 | 12           | 12            | 1          | 1     |
| Air Taxi                  | 67               | 23  | 45           | 0             | 0          | 0     |
| TOTAL                     | 330              | 259 | 57           | 12            | 1          | 1     |
| <b>2029</b>               |                  |     |              |               |            |       |
| GA                        | 281              | 253 | 13           | 13            | 1          | 1     |
| Air Taxi                  | 72               | 24  | 48           | 0             | 0          | 0     |
| TOTAL                     | 353              | 277 | 61           | 13            | 1          | 1     |
| <b>2034</b>               |                  |     |              |               |            |       |
| GA                        | 300              | 270 | 14           | 14            | 1          | 1     |
| Air Taxi                  | 77               | 26  | 51           | 0             | 0          | 0     |
| TOTAL                     | 377              | 296 | 65           | 14            | 1          | 1     |
| <b>Peak Hour Forecast</b> |                  |     |              |               |            |       |
| <b>2014</b>               |                  |     |              |               |            |       |
| GA                        | 23               | 21  | 1            | 1             | 0          | 0     |
| Air Taxi                  | 6                | 2   | 4            | 0             | 0          | 0     |
| TOTAL                     | 29               | 23  | 5            | 1             | 0          | 0     |
| <b>2019</b>               |                  |     |              |               |            |       |
| GA                        | 24               | 22  | 1            | 1             | 0          | 0     |
| Air Taxi                  | 6                | 2   | 4            | 0             | 0          | 0     |
| TOTAL                     | 30               | 24  | 5            | 1             | 0          | 0     |
| <b>2024</b>               |                  |     |              |               |            |       |
| GA                        | 26               | 23  | 1            | 1             | 0          | 0     |
| Air Taxi                  | 7                | 2   | 5            | 0             | 0          | 0     |
| TOTAL                     | 33               | 25  | 6            | 1             | 0          | 0     |
| <b>2029</b>               |                  |     |              |               |            |       |
| GA                        | 28               | 25  | 1            | 1             | 0          | 0     |
| Air Taxi                  | 7                | 2   | 5            | 0             | 0          | 0     |
| TOTAL                     | 35               | 27  | 6            | 1             | 0          | 0     |
| <b>2034</b>               |                  |     |              |               |            |       |
| GA                        | 30               | 27  | 1            | 1             | 0          | 0     |
| Air Taxi                  | 8                | 3   | 5            | 0             | 0          | 0     |
| TOTAL                     | 38               | 30  | 6            | 1             | 0          | 0     |

SOURCE: Mead & Hunt, SUN Airport Management, SUN Airport Traffic Control Tower.

## CHAPTER B Forecasts of Aviation Activity

### 8. Summary

Based upon the analysis for each type of aviation activity described in this chapter, this Master Plan recommends that the following forecasts be used as the preferred forecasts. This information will be used in the next chapter to document and analyze both airside and landside facility requirements. Therefore, the forecasts of aviation activity are an important part of the information base that will be used to develop plans for the Airport and formulate implementation decisions relating to airport development.

Table B16 SUMMARY OF PREFERRED MASTER PLAN FORECASTS

| Activity Measure                 | 2014<br>(Actual/Estimated) | 2019<br>(Projected) | 2024<br>(Projected) | 2034<br>(Projected) |
|----------------------------------|----------------------------|---------------------|---------------------|---------------------|
| Passenger Enplanements           | 66,409                     | 78,797              | 93,496              | 131,630             |
| Based Aircraft                   | 157                        | 169                 | 183                 | 213                 |
| <b>Aircraft Operations</b>       |                            |                     |                     |                     |
| Air Carrier                      | 2,840                      | 3,228               | 3,608               | 4,453               |
| Air Taxi and Commuter            | 5,185                      | 5,342               | 5,505               | 5,450               |
| General Aviation                 | 20,310                     | 21,921              | 23,660              | 27,564              |
| Military                         | 145                        | 145                 | 145                 | 145                 |
| <b>Total Aircraft Operations</b> | <b>28,480</b>              | <b>30,636</b>       | <b>32,918</b>       | <b>37,612</b>       |

The forecasts presented in this chapter are compared with the FAA TAF limits in Table B17. According to FAA's June 2008 guidance, Review and Approval of Aviation Forecasts, "For all classes of airports, forecasts for total enplanements and total operations are considered consistent with the FAA's TAF" if the forecasts are within 10 percent of the TAF figures during the first five years and within 15 percent during the first ten years. "If the forecast is not consistent with the TAF, differences must be resolved if the forecast is to be used in FAA decision-making. This may involve revisions to the airport sponsor's submitted forecasts, adjustments to the TAF, or both."

Note: For purposes of comparison with the TAF, passenger airline operations forecast Scenario 1 was used because it represents the more conservative future growth scenario.



## CHAPTER B Forecasts of Aviation Activity

Table B17 COMPARISON OF AVIATION ACTIVITY FORECASTS AND TAF FORECASTS, 2014-2029 (FAA FORMAT)

| Year                          | Airport Forecasts | TAF    | AF/TAF % Difference |
|-------------------------------|-------------------|--------|---------------------|
| <b>PASSENGER ENPLANEMENTS</b> |                   |        |                     |
| Base Year (2014)              | 66,409            | 52,130 | 27.4%               |
| 2019                          | 78,797            | 61,847 | 27.4%               |
| 2024                          | 93,496            | 73,378 | 27.4%               |
| 2029                          | 110,936           | 87,063 | 27.4%               |
| 2034                          | 131,630           | 99,824 | 31.9%               |
| <b>COMMERCIAL OPERATIONS</b>  |                   |        |                     |
| Base Year (2014)              | 8,025             | 9,283  | -13.6%              |
| 2019                          | 8,570             | 10,110 | -15.2%              |
| 2024                          | 9,113             | 11,018 | -17.3%              |
| 2029                          | 9,506             | 12,016 | -20.9%              |
| 2034                          | 9,903             | 13,112 | -24.5%              |
| <b>TOTAL OPERATIONS</b>       |                   |        |                     |
| Base Year (2014)              | 28,480            | 29,738 | -4.2%               |
| 2019                          | 30,636            | 31,582 | -3.0%               |
| 2024                          | 32,918            | 33,565 | -1.9%               |
| 2029                          | 35,189            | 35,700 | -1.4%               |
| 2034                          | 37,612            | 37,995 | -1.0%               |

SOURCE: Mead & Hunt analysis.

As shown in the table, the total operations forecast is within the TAF limits. However, the commercial operations and passenger enplanements forecasts are outside of the TAF limits throughout the 20-year forecast period.

Although the passenger enplanements forecast is outside of the TAF limits, the preferred Master Plan forecast uses an adjusted baseline figure to reflect actual enplanements for 2014, which is a higher and more accurate baseline number than that shown in the TAF. The preferred passenger enplanements forecast uses the same growth rate projected in the TAF, but with an adjusted baseline figure.

The commercial operations forecast presented above is also outside of the TAF limits. The projected commercial operations levels can be justified, however, because average commercial service aircraft size increased in 2014 as Delta Airlines transitioned from the 34-seat Embraer Brasilia 120 to the 65-seat CRJ-700 and reduced the frequency of their operations at SUN. The average commercial service aircraft size is expected to continue to grow throughout the 20-year forecast period. This increase in average aircraft size at SUN is causing a corresponding temporary decrease in commercial operations, due to the increase in available seats. For that reason, commercial operations are projected to be below the TAF limits throughout the forecast period.