

**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, May 7, 2013 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  
May 7, 2013**

- I. APPROVE AGENDA**
- II. PUBLIC COMMENT (10 Minutes Allotted)**
- III. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
  - A. April 9, 2013 Regular Meeting – Attachment #1 ACTION
- IV. REPORTS**
  - A. Chairman Report DISCUSSION
  - B. Blaine County Report DISCUSSION
  - C. City of Hailey Report DISCUSSION
  - D. Airport Manager Report DISCUSSION
  - E. Communication Director Report DISCUSSION
    - 1. Coffee Talk DISCUSSION
    - 2. Airport Tour 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 #2 - #4
  - D. Review Correspondence – Attachment #5
  - E. Fly Sun Valley Alliance Update – Attachments #6, #7
  - F. Airport Weather Interruptions
  - G. Administrative Brief
    - 1. AIP Project Status
    - 2. PFC Project Status
      - a. PFC 11-07-C-00-SUN
      - b. PFC 12-08-C-00-SUN
      - c. New PFC Application
  - H. Security Brief
    - 1. Credential Management System Update
- VI. UNFINISHED BUSINESS**
  - A. Airport Solutions
    - 1. Existing Site
      - a. Plan to Meet 2015 Congressional Safety Area Requirement – Attachments #8 - #10 DISCUSS/DIRECT/ACTION
      - b. Instrument Procedures Feasibility Study – Attachment #11 DISCUSS/DIRECT/ACTION
      - c. Retain/Improve/Develop Air Service
        - 1. Fly Sun Valley Alliance Report DISCUSS/DIRECT
    - 2. Airport Relocation
      - a. EIS Termination – Attachment #12 DISCUSS/DIRECT
  - B. Hailey Tower Closure – Attachment #13 - #16 DISCUSS/DIRECT/ACTION
  - C. Auto Rental Concession Lease DISCUSS/DIRECT
- VII. PUBLIC COMMENT**
- VIII. EXECUTIVE SESSION – I.C. §67- 2345 (1)(f)**
- IX. ADJOURNMENT**

**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

**E. Communications Director Report**

**1. Coffee Talk**

BOARD ACTION: 1. Discussion

**2. Airport Tour**

BOARD ACTION: 1. Discussion

**V. AIRPORT STAFF BRIEF**

**A. Noise Complaints:**

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT DESCRIPTION	ACTION TAKEN
Lwr Brdfrd	4/17	11:45 a	Twin Turbine	Low approach	Ops Chief spoke with the pilot, who acknowledged the low approach, due to wx conditions at the time. The pilot is well aware of noise sensitivity in the community, apologized and made it clear that this was an irregular circumstance. Ops Chief rptd to the caller.

**B. Parking Lot Update**

**The Car Park Gross/Net Revenues**

Month	FY 2011 Gross	FY 2011 Net	FY 2012 Gross	FY 2012 Net	FY 2013 Gross	FY 2013 Net
March	\$18,546.42	\$8,987.14	\$16,330.00	\$6,889.26	\$19,944.00	\$9,773.37

**C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #2 - #4**

Attachment #2 is Friedman Memorial Airport Profit & Loss Budget vs. Actual.  
Attachment #3 is 2001 - 2012 ATCT Traffic Operations data comparison by month.  
Attachment #4 is 2012 Enplanement, Deplanement and Seat Occupancy data. The following revenue and expense analysis is provided for Board information and review:

**February 2012/2013**

Total Non-Federal Revenue	February, 2013	\$162,974.93
Total Non-Federal Revenue	February, 2012	\$140,129.93
Total Non-Federal Revenue	FY '13 thru February	\$903,208.09
Total Non-Federal Revenue	FY '12 thru February	\$803,050.39
Total Non-Federal Expenses	February, 2013	\$139,915.53
Total Non-Federal Expenses	February, 2012	\$142,510.79
Total Non-Federal Expenses	FY '13 thru February	\$869,918.51
Total Non-Federal Expenses	FY '12 thru February	\$884,398.04
Net Income to include Federal Programs	FY '13 thru February	\$-227,633.74
Net Income to include Federal Programs	FY '12 thru February	\$-208,157.29

**D. Review Correspondence - Attachment #5**

Attachment #5 is information included for Board review.

**E. Fly Sun Valley Alliance Update – Attachments #6, #7**

Attachment #6 is the March 21, 2013 Fly Sun Valley Alliance Meeting Minutes.  
Attachment #7 is the April 18, 2013 Fly Sun Valley Alliance Meeting Agenda.

**F. Airport Weather Interruptions**

April, 2013		
<u>Airline</u>	<u>Flight Cancellations</u>	<u>Flight Diversions</u>
Horizon Air	N/A	N/A
SkyWest	0	0

**G. Administrative Brief**

**1. AIP Project Status**

	Project Description	Grant Amount	Expenditures to Date	95% of Eligible Expenses	93.75% of Eligible Expenses	Grant Amount Remaining	Grant/ Project Status
<b>Existing Airport</b>							
37	Conduct 90-Day Airport Safety Area Standards Study	\$237,230.00	97,160.00	N/A	\$91,087.00	\$146,142.50	ACTIVE
38	RSA Project Formulation to bring airport into compliance with C-III standards.	\$710,000	.00	N/A	665,625.00 See Note	See Note	PENDING
<b>NOTE:</b> After the AIP '38 Application for funding was submitted, the project scope and costs have increased. The current project total is \$733,542.00 and is anticipated to be adjusted again prior to the FAA issuing the Grant Offer. Airport Staff and Engineer expect the AIP '38 Grant to reflect the revised project scope and total rather than the amount initially submitted.							
<b>Replacement Airport</b>							
03	Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 3)	\$453,818.00	\$429,914.00	\$408,418.00	N/A	\$45,400.00	CLOSED
04	Conduct environmental study for replacement airport for Friedman Memorial Airport, Hailey, Idaho (Phase 4)	\$2,500,000.00	\$1,543,246.77	\$1,466,084.00	N/A	\$1,033,916.00	ACTIVE

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## 2. PFC Project Update

### a. PFC 11-07-C-00-SUN

Project No.	Project Description	PFC		Over/Under Contract	Project Status
		Approved Amount	PFC Actual Expense		
001	Modify SRE Building	\$18,841.00	\$18,841.00	.00	Complete
002	Acquire SRE Broom Truck	\$31,717.00	\$31,717.00	.00	Complete
003	Airfield Pavement Rehab	\$13,688.00	\$13,010.00	(\$678.00)	Complete
004	Acquire Rotary Plow	\$27,640.00	\$27,640.00	.00	Complete
005	Draft EIS Phase II	\$218,092.00	\$34,828.00	(\$183,264.00)	Complete
006	Communication Switch	\$153,000.00	\$142,000.00	(\$11,000.00)	Complete
007	PFC Admin 11-07-C-00-SUN/Application Preparation	\$18,500.00	\$18,299.00	(\$201.00)	Complete
008	Relocate Power Line – SRE Building	\$24,440.00	\$24,440.00	\$0.00	Complete
<b>Total</b>		<b>\$505,918.00</b>	<b>\$310,775.00</b>	<b>(\$195,143.00)</b>	

Collections including PFC 07-06-C-02-SUN overage (as of 03-31-13) \$504,031.24  
Expenditures (as of 03-31-13) \$310,775.00.

Staff is completing the closeout process for PFC 11-07-C-00-SUN to include the following:

- Request to amend PFC Application to balance actual collections to disbursements
- Complete and submit FAA required:
  - PFC Application Closeout Report
  - PFC Project Physical Completion Certificate
  - PFC Project Financial Status Report
- Obtain FAA Closeout Acknowledgement of final project completion and authorization to transfer the PFC 11-07-C-00-SUN fund overage to the PFC 12-08-C-00-SUN project.
- Close the PFC 11 Mountain West Bank Savings Account

### b. PFC 12-08-C-00-SUN

Project No.	Project Description	PFC		Over/Under Contract	PFC Eligible Expense	Project Status
		Approved Amount	PFC Actual Expense			
001	Purchase Snow Removal Equipment	\$300,000.00	\$326,773.00	\$26,773.00	\$300,000.00	Complete
002	Security Improvements	\$209,000.00	.00	(\$209,000.00)	.00	Active
003	Implementation & Admin Costs	\$18,500.00	\$17,722.00	(\$778.00)	\$17,722.00	Complete
<b>Total</b>		<b>\$527,500.00</b>	<b>\$344,495.00</b>	<b>(\$183,005.00)</b>	<b>\$317,722.00</b>	

Staff will request and implement the following to be able to begin impose and use PFC 12-08-C-00-SUN:

- Submit a 43C Notice to the FAA to change the proposed collection effective date
- After receiving FAA approval, transfer funds from PFC 11 Mountain West Bank Savings account to the PFC 12 Mountain West Bank Savings account
- Reimburse approved expenditures that have accrued (\$317,722.00 as of 3-31-13)

**PFC '12 Collection Summary as of 3-13-31**

PFC 12-08-C-00-SUN Accrued Expenditures as of 3-31-13			
SRE Equipment	\$300,000.00		
Implementation and Admin.	\$17,722.00		
Security Equipment	\$209,000.00		\$526,722.00
Less: PFC '11 Collections anticipated to be transferred to PFC '12 as of 3-31-13			<u>-\$193,256.24</u>
Total Remaining to Collect:			\$333,465.75

**c. New PFC Application**

Staff estimates the collections for PFC 12-08-C-00-SUN to be completed in approximately 18 months. Staff will be requesting a proposal from T-O Engineers to assist with developing a scope, budget and completing an application for PFC collections. The Board can anticipate receiving the proposed scope and T-O contract proposal in the June Board meeting.

**H. Security Brief**

**1. Credential Management System Update**

Staff would like to announce that the Credential Management System (CMS) implementation approved by the Board has successfully met the expected "Go Live" date of March 18, 2013. Friedman Memorial Airport (FMA) has been recognized as the first airport in the country to implement Quantum Securer's new SAFE for Aviation v4.5 software suite, followed by Elmira Corning Regional Airport (ELM), Phoenix Sky Harbor International Airport (PHX) and Sea-Tac International Airport (SEA). Airport Identification Badge (AIB) processing previously required up to 1.5 hours to process, to include significant amounts of paper. AIB issuance has now been reduced to fifteen minutes and paper production has been cut by nearly 75%. The reduction in processing time is due to the system's ability to push data and relevant information flows to all applicable systems and business processes. These business processes, include automated workflows which integrate to the Transportation Security Clearing House (TSC), SSI computer based training, biometric fingerprinting (FBI) and include automated E-mail notifications to the FMA "Authorized Signatories" and Badging Office. The success of this implementation was due to the coordinated effort by several organizations, Staff would like to acknowledge all of the strategic partners that participated in the process, to

include the following: Quantum Secure (Saurabh Pethe, Project Manager), Telford Consulting (Todd Telford), Apex Integrated Security Solutions, Inc., Transportation Security Administration (TSA), Transportation Security Clearinghouse (TSC), SSI, Computer Based Training, Safran Morpho Trust Biometric Fingerprint Platform, Marketing by Design (Kristi Simmons), American Association of Airport Executives (AAAE) and Airport Tenants. As previously referenced, CMS has provided significant benefits, AIB processing time, reduction in paper usage, as well as improved customer experience and compliance management. As with any software implementation, Staff will require continued training and possible adjustments to software in order to take advantage of all system capabilities.

In summary, the Credential Management System will eliminate much of the redundant work and will reduce the time required by our customers to apply for, and renew Airport Identification Badges. Our appointed "Authorized Signatory Authorities" will have access to data that will assist in regards to AIB accountability and management. A special thanks to our tenants for their cooperation.

## **VI. UNFINISHED BUSINESS**

### **A. Airport Solutions**

#### **1. Existing Site**

##### **a. Plan to Meet 2015 Congressional Safety Area Requirement – Attachment #8 - #10**

###### FAA Meeting Report

The Airport Manager and Dave Mitchell of T-O traveled to Helena, Montana April 16-17 to meet with the FAA. The purpose of this meeting was to discuss the RSA Improvements Formulation project, specifically the Modifications of Standards process, Safety Risk Management requirements and initial projects that should be pursued as part of this effort. The meeting was very productive and a positive step in building our relationship with the personnel at the Helena Airports District Office. A summary of the meeting is included as Attachment #8, and Dave Mitchell will provide a brief report at the Board meeting.

###### Modifications of Standards

There has been no change in the status of the Modifications of Standards (MOS) requests – FAA Headquarters is still requesting operational restrictions as a condition for approval of the runway to parallel taxiway separation request. After further discussions with FAA personnel at the Helena ADO, modifications to the draft white paper were made and the revised document is included as Attachment #9 for Board review.

We also learned shortly after the April Board meeting that the FAA will require two Safety Risk Management panels to consider the safety aspects of all of the MOS requests. The first panel will consider the safety implications of the MOS's with the operational limitations/restrictions mandated by FAA Headquarters and the second will consider the operational impacts of the requests. The Airport will be responsible to facilitate the first panel and FAA will facilitate the second.

According to FAA guidance, Safety Risk Management (SRM) panels must be facilitated by an independent, formally trained facilitator. At the FAA's direction, Staff and T-O have been working to amend T-O's agreement to include services related to the SRM process. Three qualified candidates were identified and interviewed and Mr. Ken Ibold of Reynolds, Smith and Hills was selected. Ken has extensive experience with Safety Management Systems related to airports, has facilitated several SRM panels and based on our interview, is an excellent fit for this process. A copy of T-O's proposed amendment to their work order for the RSA Improvements Formulation to assist with the SRM process, including RS&H's facilitation services is included at Attachment #10. Dave Mitchell will provide a briefing on the MOS/SRM process and will be available to discuss the amendment.

#### Formulation Progress

The T-O team has begun work on the formulation tasks included in their scope of work. Initial efforts focused on the T-Hangar and GA Parking areas, with some consideration for other apron areas, as well. Several options have been developed for aircraft parking and access, looking toward a project in the T-Hangar area this fall. Analysis of the terminal apron and north end of the airport is also underway.

Consideration of hangar and building relocations has also been part of the initial effort, as this is a complicated aspect of the overall effort that impacts other planned improvements.

Finally, several elements of the topographic survey have been completed, with additional work continuing.

A brief progress update will be provided by Dave Mitchell at the Board meeting.

**BOARD ACTION:            DISCUSS/DIRECT/ACTION**

**b. Instrument Procedures Feasibility Study – Attachment #11**

As was reported during the April meeting, the Instrument Procedures Feasibility Study completed by Spohnheimer Consulting indicates improvements to approach procedures can be made at the airport. Improvements may be realized by making modifications to existing approaches, including GPS-based approaches and the installation of conventional, ground-based NAVAID equipment providing for a new offset ILS/LDA approach.

Based on the findings of the study and in keeping with our efforts to improve approach procedures at the airport, Staff has drafted a letter to the FAA. The letter requests that FAA modify existing approaches/missed approaches and consider the development and installation of a new ground-based ILS/LDA procedure. Attachment #11 is a letter forwarded to the FAA. Expected outcomes of the letter include an exchange of information between FMAA and the FAA including: What is the FAA willing and able to do? What work efforts and/or equipment are eligible for federal funds? Time frames? In general, what can FMAA do to assist FAA to help make this effort successful?

We believe this is a first step in addressing solutions to a difficult issue at the Airport. As discussions progress with the FAA, we will make it clear that FMAA intends to work together with the FAA to find mutually agreeable solutions. Staff will advise you on any communication with the FAA resulting from the letter.

BOARD ACTION: DISCUSS/DIRECT/ACTION

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

**1. Fly Sun Valley Alliance Report**

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

BOARD ACTION: 1. DISCUSS/DIRECT

**2. Airport Relocation**

**a. EIS Termination – Attachment #12**

The Helena ADO has forwarded appropriate EIS termination language to FAA HQ. It is anticipated that the termination notice will soon be published in the National Register.

Staff has been presented with a plan to preserve as much of the material developed during the project as possible. That plan is included as Attachment #12.

BOARD ACTION: DISCUSS/DIRECT

## **B. Hailey Tower Closure – Attachments #13 - #16**

Airport Staff again would like to thank all who are working to save Hailey Tower, other towers in the State of Idaho and federal contract towers nationwide.

Last month, the Board approved the funding of the Friedman Memorial Airport Air Traffic Control Tower for an additional 30 days after June 15th. The following paragraphs are included as an update since last month's funding approval.

### Litigation Activity During April:

#### **April 5**

Just days before the first towers were expected to close, FAA proposed to keep all the contract towers open until June 15, in exchange for the petitioners' withdrawal of the Motion for Stay filed on behalf of Ormond Beach, Florida and AAAE and in exchange for an agreement to work on an expedited briefing schedule for the entire case.

#### **Week of April 8**

The week began with negotiations with Department of Justice over expedited briefing schedule and negotiations with other airports about the acceptable terms for a consolidated brief. The parties agreed on a proposed briefing and argument schedule on April 15 and the proposal was filed with the court the next day.

Initial work began on a consolidated motion to stay. This new motion was designed to encourage the court to issue a decision on the merits of the case by June 15 but if the court does not so rule, to request that the court stay the FAA order shortly before June 15. Unlike the prior airport-specific motion, this motion stresses the impact of the closure on all of the petitioners' airports.

All of the cases were consolidated into a single case in the U.S. Court of Appeals for the Ninth Circuit in California. We continue to brief and negotiate with the Clerk's office over procedural matters to optimize the likelihood that the Court will hear the case on an expedited basis.

#### **Week of April 15**

Motion for Stay was filed on behalf of all airport petitioners (approximately 40 at that time – there are now 43 parties representing 41 airports plus AAAE-U.S. Contract Tower Association).

Substantial work continued on the brief and on coordination of arguments with other parties.

Congressional activity accelerated as it became apparent that Congress would consider special legislation to keep the towers open. The increased attention on the towers issue was somewhat overshadowed by the considerable press attention to the FAA's announcement of the initial furloughs of FAA's own air traffic personnel. We continued to work with AAAE staff to get key facts on impacts to members of Congress.

### **Week of April 22**

FAA filed its official Administrative Record on April 24. The Record contains only sparse information – the various comment letters and FAA responses but little more. The Record supposedly also contains safety analysis and related documentation that was prepared *after* the agency had made its decision. We began work on a motion to strike from the record all of the documents that post-date the FAA's March 22 decision.

Congress passed legislation to provide additional funds to the FAA, but omits language from the bill to specifically designate the funds to restore the contract towers and to stop furloughs. The FAA announced on Saturday (4/27) that it intended to stop all furloughs but remained silent on the status of contract towers. We continued work with AAAE to convince senior FAA and DOT officials to use their new discretion to fund the towers.

Substantial work continues on drafting the principal brief – now that the FAA has released its Administrative Record; the legal arguments are married to the facts in the Record.

### **Week of April 29**

Still no word from the FAA as to whether it will use the newly-appropriated funds to rescind the tower closure decision.

Work continued on the brief and also on a Motion to Strike extraneous documents from the FAA Record.

Lobbying efforts resumed in Congress to secure a letter from members of Congress that they intend for the FAA to use the newly-appropriated funds to rescind the tower closures. We also continued to work with AAAE and its lobbyists to coordinate lobbying and litigation efforts, to ensure that members of Congress are aware of the vulnerabilities of the FAA's decision and the strength of the coalition of airports who are fighting the proposed tower closures.

The Court of Appeals entered an order mostly consistent with the parties' request to expedite briefing. It also scheduled a hearing on the case on June 5 in Pasadena, California. The scheduling of a hearing only a few days after the final brief is filed is extraordinary and is a good sign that the Court appreciates the need for a decision before June 15.

### **Legislation:**

Significant legislative action took place during the month in an attempt to keep 149 Federal Contract Towers (FCT) funded nationwide. Legislation was introduced in the Senate to prevent air traffic controller furloughs and insure funding for FCTs. Senator Crapo and Senator Risch co-sponsored this effort along with a large bi-partisan group of Senators.

Similar legislation was introduced in the House and Congressman Simpson and Congressman Labrador supported the House effort with a large group of bi-partisan Representatives.

Initially the Senate version of the legislation, (Reducing Flight Delays Act of 2013) contained language that indicated Congress was providing additional funds to the FAA to stop furloughs and to restore funding to the 149 contract towers. Senate leadership omitted language from the bill to specifically designate the funds to restore the contract towers and to stop furloughs. The legislation passed late evening April 25 and a short time later the Senate recessed. The unobligated funds of the Airport Improvement Program should be used to prevent the closure of the 149 contract air traffic control towers, as well as halt the furloughs of air traffic controllers.

The House passed the exact version of the legislation discussed above on April 26. Reportedly, there was no opportunity to amend the language presented because the Senate had already recessed. The bottom line is that the Reducing Flight Delays Act of 2013 traveled to the President for signature, with specific language directing that unobligated funds of the Airport Improvement Program be used to prevent the closure of the 149 contract air traffic control towers, as well as halting the furloughs of air traffic controllers, omitted.

On April 27<sup>th</sup> the FAA announced that it intended to stop all furloughs of FAA personnel but remained silent on the contract towers.

On April 29<sup>th</sup> Senators Moran and Blumenthal circulated a draft letter in hopes of getting FAA to commit now to keeping contract Towers open beyond June 15<sup>th</sup>. Senators Crapo and Risch then co-signed the letter with a very large bipartisan group of fellow Senators. The letter is included as Attachment #13

On April 29 Congressman Goodlatte and Congresswoman Wilson circulate a letter in hopes of getting FAA to commit now to keeping contract towers open beyond June 15. Congressman Simpson and Congressman Labrador co-signed the letter along with many other Congressmen. The letter is included as Attachment #14

As this Board material is being assembled, there is still no word from the FAA as to whether it will use the newly-appropriated funds to rescind the tower closure decision.

#### Changing requirements:

The FAA is now working with Airport Staff to determine if a sterile taxiway environment can be maintained for "certain aircraft" operations at FMA, if the tower closes. The list of "certain aircraft" has grown as this discussion has taken place. Today, the tower, on behalf of the Airport, keeps a sterile taxiway environment for

Approach Category C, scheduled commercial operations. The FAA is now asking that the above-referenced determination, which will lead to another Modification of Standard, include all scheduled commercial aircraft operations above B-1 FAA design standard. That means that FMAA must find a way to guarantee a sterile taxiway environment for the SkyWest Brasilia as well, if the tower closes. Three actions have come out of sterile taxiway discussions. First, Staff was asked to develop another letter discussing the safety reasons why Hailey Tower should not close. The safety letter is included for Board information and review as Attachment #15. Second, Staff will be developing a letter outlining a plan to list and demonstrate what actions might be available to ensure a sterile taxiway environment for all scheduled commercial airline operations at FMA if the tower closes. The plan is due mid-week May 6. If FAA review of that letter demonstrates that a Modification of Standard (MOS) request might receive favorable consideration, an MOS will be developed and forwarded through appropriate channels to FAA HQ. This new MOS, the third task, would be part of the already scheduled Safety Risk Management Panel June 4<sup>th</sup>, and 5<sup>th</sup>. Finding an acceptable way to successfully provide a sterile taxiway environment without the tower will be extremely challenging and may not be possible.

#### Board Direction/Guidance

As stated above, the Board authorized funding of the tower for a 30 day period after June 15. The Board goal was to accept the FAA's offer to keep Hailey Tower in the Federal Contract Tower (FTC) program for an additional 30 days while details of a longer arrangement might be investigated and negotiated. Staff thus far has not been able to complete negotiation on a "Tripartite Agreement" accepting the FAA's offer to remain in the Federal Contract Tower program for an additional 30 days while the Board investigates a longer term arrangement as a Non Federal Contract Tower (NFCT). At this point, too many obstacles remain for Staff to recommend an arrangement to the Board. The FAA seems overwhelmed by the technical aspects of their offer. Staff will keep working towards implementation of the guidance received from the Board.

#### Serco proposal:

Staff has received a proposal from Serco to preserve tower operations as a NFCT from June 15- September 30<sup>th</sup>. Cost of the service will be approximately \$169,956. The proposal and draft purchase order type agreement are include as Attachment #16. Staff and Legal Counsel are reviewing the proposed agreement. Staff recommends that the Board authorize funding Hailey Tower if necessary until the end of September. If it can be arranged, Staff will still try to accept the FAA's offer to stay in the FCT for 30 days but even if transition to the NFCT program is necessary, it is essential that the tower remain open while all litigation and legislative solutions are explored. Since the details and specifics of an arrangement are still evolving, Staff believes it is appropriate to authorize Chair execution of an appropriate agreement/agreements after Staff and Legal Counsel review. It may also be appropriate to consider a not-to-exceed amount since it is likely that an agreement will necessarily be in place prior to the June Board meeting.

As reported last month, Staff believes that tower funding through September might be accomplished without amending the FY13 publicly-noticed and approved budget.

The Board should also anticipate that all of the cost of operating the Tower will be funded out of operational reserves.

BOARD ACTION: DIRECT/DISCUSS/ACTION

**C. Auto Rental Concession Lease**

Staff has received signed lease amendments from the two existing auto rental agencies. These amendments extend the current leases to September 30, 2013.

Staff met with the Financial Committee/Lease Committee Chair on April 29<sup>th</sup> and discussed the current leases, possible RFP options and revisions that may need to be made to the existing lease template and auto rental physical locations. Staff anticipates meeting with the entire Lease Committee in June, development an RFP package/schedule to be presented to the Board in July and completing an Auto Rental Concession RFP process prior to the September 30<sup>th</sup> lease expiration date.

BOARD ACTION: DISCUSS/DIRECT

**VII. PUBLIC COMMENT**

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

**IX. ADJOURNMENT**

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

**April 9, 2013  
5:30 P.M.**

**IN ATTENDANCE:**                   **BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Susan McBryant, Board – Lawrence Schoen, Angenie McCleary, Ron Fairfax, Fritz Haemmerle, Don Keirn  
**FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird, Emergency/Operations Chief – Peter Kramer, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie, Administrative Assistant/Alternate Airport Security Coordinator – Roberta Christensen, Administrative Assistant/IT Systems Maintenance Coordinator - April Dieter, Administrative Assistant – Cecilia Vega  
**AIRPORT LEGAL COUNSEL:** Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;  
**CONSULTANTS:** T-O Engineers – Dave Mitchell, Todd Combs, Chris Pomeroy;  
ANTICIPATE – Candice Pate  
**AIRPORT TENANTS/PUBLIC:** ATCT – George White; Atlantic Aviation – Mike Rasch; Hertz – Andy Miles; BCPA – Jim Perkins; Donna Serrano, Evan Stelma, Charles Matthiesen, SVRB - Bob Crosby; FSVA - Dick Fenton; Ed Jenkins; A-1 Taxi – Jim Evanhoe; Baird Gourlay, NSGPS - Gordon Williams; Horizon/Alaska Airlines – Cheryl McKnight; Marketron – Walt Denelcas; Tom Ziegler, Sun Valley Mayor – Dewayne Briscoe; Sustain Blaine – Harry Griffith; Julie Lawson, Glass Cockpit Aviation – John Strauss; Enterprise – Justin Maddux; Jay Coleman  
**PRESS:** KMVT – Jay Michaels; KECH 95 Dayle Ohiau

**CALL TO ORDER:**                   The meeting was called to order at 5:32 p.m. by Chairman Fairfax.

**I. APPROVE AGENDA**                   The agenda was approved as presented

**II. PUBLIC COMMENT**                   Jay Coleman commented that a new airport will create a more outgoing attitude within the community however it is hard to sincerely believe that the FAA would reconsider sites that were already rejected in the past. He commented that he does not understand why the Board is reconsidering sites that present a real possibility of human conflict with the established residences and lifestyles of Hailey and Bellevue.

Ed Jenkins commented that the Board needs to take into consideration the safety of individuals residing in Hailey and Bellevue and find a way to move the Airport to a new location.

**III. APPROVE FMAA  
MEETING MINUTES**

**A. March 12, 2013 Regular Meeting (See Brief)**

The March 12, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved with the following changes:

**III. AIRPORT STAFF BRIEF**

**A. Employee of the Quarter (See Brief)**

Ms. Dieter thanked the Board and Airport Staff for their continuous support and encouragement **of her** as the Administrative Assistant/IT Systems Maintenance Coordinator for the Airport and thanked them ~~both~~ for allowing her to **be** a part of the FMA team.

**IV. UNFINISHED BUSINESS**

**A. Airport Solutions**

**2. Blaine County Report**

Board Member Schoen reported that the County is in the process of

drafting a letter to Idaho's Congressional representatives requesting their assistance as well as a draft joint memorial for the Idaho legislature to consider in regarding the support of keeping the Airport Tower funded which will be brought before the Idaho Legislature as well as Congressional representatives to be passed jointly by the House and Senate by the FAA.

## 7. Existing Site

### a. Site Selection

Board Member Haemmerle answered that the City understands that the project formulation of Alternative 6 needs to be completed first and the estimate of completing site selection by October 1 is more of a placeholder to begin discussion of site selection after completion of the project formulation. He suggested that if the project formulation is not completed within the estimated six months, the Board should discuss a new date for initiation completion of the site selection study.

### b. EIS Termination

Board Member McBryant asked Attorney Lubovski to brief the Board on his recommendation research findings regarding voting privileges for EIS termination.

Board Member Haemmerle commented that City views the EIS as the best opportunity for relocating the Airport, however the City understands that the Board must now move forward with site selection and existing site improvement due to the FAA's decision to not to move forward with the EIS, as well as their suggestion that they will not allow the Board to move forward with existing site improvement until the EIS is terminated.

#### **MOTION:**

***Made by Board Member McCleary to approved the March 12, 2013 Friedman Memorial Airport Authority Regular Meeting Minutes as amended. Seconded by Board Member Schoen.***

**PASSED UNANIMOUSLY**

#### **A. March 21, 2013 Special Meeting (See Brief)**

The March 21, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved with the following changes:

### **III. UNFINISHED BUSINESS**

#### **A. Likelihood of Immediate financial loss of FAA funding for the operation of the Air Traffic Control Tower**

The Board discussed the options suggested by Airport Manager Baird and agreed to pursue investigation of funding the tower independently on a month-to-month basis, including where those funds would come from. The Board also agreed and to not to pursue legal litigation against the FAA at this time.

### **IV. PUBLIC COMMENT**

Blaine County Pilots Association representative, Jim Perkins strongly recommended that the Board pursue investigate investigation of funding the tower as soon as possible.

#### **MOTION:**

***Made by Board Member McCleary to approved the***

**PASSED UNANIMOUSLY**

**A. March 27, 2013 Special Meeting (See Brief)**

The March 27, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved with the following changes:

**IN ATTENDANCE: BOARD MEMBERS:** Vice-Chairman – Susan McBryant, Board Member Keirn; **Via** Conference – Board Member Haemmerle, Chairman Fairfax, Board Member Greenberg, Board Member Schoen

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

**MOTION:** ~~Made by Haemmerle to end Executive Session. Seconded by Board Member Keirn.~~

**PASSED UNANIMOUSLY**

**MOTION:** *Made by Board Member McCleary to approved the March 27, 2013 Friedman Memorial Airport Authority Special Meeting Minutes as amended. Seconded by Board Member Schoen.*

**PASSED UNANIMOUSLY**

**IV. REPORTS**

**A. Chairman Report**

Chairman Fairfax reported that within a year construction for runway safety projects, which may improve reliability and air service, will begin at the Airport and despite the current issues regarding the tower, the Board is continuing to maintain the mantra of relentless forward progress.

**B. Blaine County Report**

Board Member Schoen reported that the Board of Blaine County Commissioners approved a letter to be sent to the Idaho Legislature, Governor Otter and State representatives requesting their support of anticipated legislation which could be a near medium or permanent fix to the federal contract tower program issue that the Airport now faces.

**C. City of Hailey Report**

Board Member Haemmerle reported that the City of Hailey discussed the Airport lawsuit against the FAA and await the outcome of the lawsuit.

**D. Airport Manager Report**

Airport Manager Baird reported that U.S. Senators Jerry Moran of Kansas and Richard Blumenthal of Connecticut have introduced bipartisan legislation which will prohibit the closure of towers in order to comply with sequestration cuts. The legislation has been co-signed by nine Republican Senators and nine Democratic Senators, as of today.

**E. Communications Director Report**

Communications Director Candice Pate reported that one individual attended the March Coffee Talk in Hailey and no one signed up for the March Airport Tour. She

announced that the next Coffee Talk is scheduled for April 23rd and the Airport Tour will be held on the 24<sup>th</sup>.

Communications Director Pate also reported that she is continuing to coordinate meetings with large businesses and employers around the Wood River Valley and has scheduled a meeting with Power Engineers on April 22<sup>nd</sup>. She also reported that the Airport Solutions email blast subscriptions have increased this month most likely due to the community's interest in the potential tower closure.

## **V. 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. Fly Sun Valley Alliance Update (See Brief)**
- F. Airport Weather Interruptions (See Brief)**
- G. Operations Brief (See Brief)**

## **VI. UNFINISHED BUSINESS**

### **A. Airport Solutions**

#### **1. Existing Site**

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

Engineer Mitchell briefed the Board on the current status of the RSA Improvements Formulation Project and the Modifications of Standards process.

The Board discussed Engineer Mitchell's presentation pertaining to the FAA's feedback on the Modifications of Standards document including the FAA's restrictions to runway operations to be included in the document before approval is granted.

Chairman Fairfax commented that the operational restrictions the FAA is proposing are greater than the restrictions currently in place and it does not seem as though the FAA conducted an environmental or approach evaluation of the Airport.

Engineer Mitchell commented that the regional FAA offices understand the Airport's limitations and history and Airport Staff is now trying to educate FAA headquarters on the Airport's unique situation.

Board Member Greenberg asked how much the Modifications of Standards is dependent on tower operations if the FAA's recommended restrictions are put in place and how would the runways be sterilized without a tower.

Airport Manager Baird answered that there are ways to provide a sterile taxiway without a tower, however, in order to do so Airport operations would be slowed down to an unacceptable level.

Board Member Schoen commented that the FAA's response is surprising as

the Board understood earlier in the process that the FAA indicated the proposed Modifications of Standards for Alternative 6 would be acceptable. He commented that this could potentially be a serious issue.

Airport Manager Baird commented that Staff will continue to work with the FAA on this issue and will be meeting with the FAA in Helena on April 16 to discuss in depth the Modifications of Standards document and RSA Project Formulation process.

**b. Instrument Procedures Feasibility Study (See Brief)**

T-O Engineer Chris Pomeroy updated the Board on the current status of the Instrument Procedures Feasibility Study.

The Board discussed technical aspects of Engineer Pomeroy's presentation including the use of the different approaches currently available at the Airport and the need for statistical information showing the benefit of pursuing different instrument procedures.

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

**1. Fly Sun Valley Alliance Report (FSVA)**

FSVA representative, Dick Fenton, reported that beginning June 1 SkyWest Airlines will be increasing daily flights to and from Sun Valley and Alaska Airlines will be extending their summer flights for an additional week in September.

**2. Airport Relocation**

**a. EIS Termination (See Brief)**

**B. Hailey Tower Closure**

Airport Manager Baird asked the Board to consider whether Staff should begin preparing to fund tower operations and accept the FAA's offer to extend participation in the Federal Contract Tower Program for an additional 30 days beyond June 15, whether Staff should begin preparing to transition to a Non-Federal Contract Tower through the busy summer months or whether Staff should begin preparing for a non-towered airport operation beginning June 15.

The Board discussed Airport Manager Baird's requests and after discussing the financial obligations and effects funding the tower would have on the Airport budget, the Board agreed to temporarily fund the tower for an additional 30 days after June 15.

**MOTION:**

***Made by Board Member Haemmerle to approve the funding the Friedman Memorial Airport Air Traffic Control Tower for an additional 30 days after June 15 unless a stay is granted during litigation. Seconded by Board Member Keirn.***

**WITHDRAWN**

Board Member McBryant commented that she is distressed that representatives from Sun Valley Co., Allen event organizers, NetJets representatives, Ketchum and Sun Valley representatives, and representatives from major businesses in the Wood River Valley are not present to support the Board's attempt to keep the tower open.

Board Member Schoen commented that Airport Manager is looking for direction on how to proceed so a motion for spending is not needed at this time.

Board Member Greenberg commented that the Board of Blaine County Commissioners make a lot of decisions without stakeholders present, but they still represent the citizens of the County that will be benefiting from those decisions. He commented that he fully supports funding the tower for an additional 30 days as the entire Wood River Valley would be affected economically.

Board Member Greenberg suggested that the Board include the feasibility of funding the tower on a long-term basis in the RSA project formulation.

The Board directed Staff to begin preparations for accepting the FAA's offer to extend participation in the Federal Contract Tower Program for an additional 30 days beyond June 15 and begin preparations to transition to a Non-Federal Contract Tower if other remedies currently being sought are unsuccessful.

**C. Auto Rental Concession Lease (See Brief)**

**VII. NEW BUSINESS**

**A. Maximum Takeoff Weight (See Brief)**

**VIII. PUBLIC COMMENT**

Sustain Blaine Executive Director, Harry Griffith, suggested that it would be helpful to see a forecast that estimated the possible economic impact of a significant decrease in enplanements if the tower were shut down and offered to help Staff develop such a forecast.

Atlantic Aviation General Manager, Mike Rasch, commented that several members of the general aviation community are expressing concern regarding the possible tower closures and he has responded to them that it is his belief that the Board will fund the tower as the Board understands the value of the tower to this community.

Glass Cockpit Aviation owner, John Strauss, commented that the Board has the complete support of the aviation community regarding maintaining an operational tower.

Marketron CEO, Walt Denelcas, commented that the Airport and tower are extremely important to the business community and Marketron supports the Board's efforts to maintain an operational tower. He commented that he has offered to Airport Manager Baird, the willingness to champion a fundraising event within the business community to raise money for temporarily funding the tower until a solution is found.

**IX. ADJOURNMENT**

The April 9, 2013 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 8:00 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.*

## Profit &amp; Loss Budget vs. Actual (Combined)

October 2012 through February 2013

Ordinary Income/Expense Income	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>4000-00 · AIRCARRIER</b>				
4000-01 · Aircarrier - Lease Space	35,216.85	84,600.00	-49,383.15	41.6%
4000-02 · Aircarrier - Landing Fees	27,622.54	92,000.00	-64,377.46	30.0%
4000-03 · Aircarrier - Gate Fees	500.00	1,200.00	-700.00	41.7%
4000-04 · Aircarrier - Utility Fees	1,839.12	7,600.00	-5,760.88	24.2%
4010-05 · Aircarrier -'11 PFC Application	81,074.80	213,000.00	-131,925.20	38.1%
<b>Total 4000-00 · AIRCARRIER</b>	146,253.31	398,400.00	-252,146.69	36.7%
<b>4020-00 · TERMINAL AUTO PARKING REVENUE</b>				
4020-01 · Automobile Parking - Terminal	28,121.30	70,000.00	-41,878.70	40.2%
<b>Total 4020-00 · TERMINAL AUTO PARKING REVENUE</b>	28,121.30	70,000.00	-41,878.70	40.2%
<b>4030-00 · AUTO RENTAL REVENUE</b>				
4030-01 · Automobile Rental - Commission	126,107.41	325,000.00	-198,892.59	38.8%
4030-02 · Automobile Rental - Counter	3,356.80	7,300.00	-3,943.20	46.0%
4030-03 · Automobile Rental - Auto Prkng	17,950.00	29,000.00	-11,050.00	61.9%
4030-04 · Automobile Rental - Utilities	80.44	500.00	-419.56	16.1%
4030-05 · Automobile Rental - Off. Airt. .	6,938.51	40,000.00	-33,061.49	17.3%
<b>Total 4030-00 · AUTO RENTAL REVENUE</b>	154,433.16	401,800.00	-247,366.84	38.4%
<b>4040-00 · TERMINAL CONCESSION REVENUE</b>				
4040-01 · Terminal Shops - Commission	0.00	3,500.00	-3,500.00	0.0%
4040-02 · Terminal Shops - Lease Space	3,632.15	8,500.00	-4,867.85	42.7%
4040-03 · Terminal Shops - Utility Fees	130.41	600.00	-469.59	21.7%
4040-10 · Advertising - Commission	14,713.73	33,000.00	-18,286.27	44.6%
4040-12 · Terminal ATM	31.70			
<b>Total 4040-00 · TERMINAL CONCESSION REVENUE</b>	18,507.99	45,600.00	-27,092.01	40.6%
<b>4050-00 · FBO REVENUE</b>				
4050-01 · FBO - Lease Space	86,120.96	229,466.00	-143,345.04	37.5%
4050-02 · FBO - Tiedown Fees	56,692.80	230,000.00	-173,307.20	24.6%
4050-03 · FBO - Landing Fees - Trans.	79,852.53	215,000.00	-135,147.47	37.1%
4050-04 · FBO - Commission	8,284.06	20,000.00	-11,715.94	41.4%
<b>Total 4050-00 · FBO REVENUE</b>	230,950.35	694,466.00	-463,515.65	33.3%
<b>4060-00 · FUEL FLOWAGE REVENUE</b>				
4060-01 · Fuel Flowage - FBO	69,990.12	172,000.00	-102,009.88	40.7%
<b>Total 4060-00 · FUEL FLOWAGE REVENUE</b>	69,990.12	172,000.00	-102,009.88	40.7%

**Profit & Loss Budget vs. Actual (Combined)**

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>4070-00 · TRANSIENT LANDING FEES REVENUE</b>				
4070-02 · Landing Fees - Non-Comm./Gov't	278.64	500.00	-221.36	55.7%
<b>Total 4070-00 · TRANSIENT LANDING FEES REVENUE</b>	278.64	500.00	-221.36	55.7%
<b>4080-00 · HANGARS REVENUE</b>				
4080-01 · Land Lease - Hangar	206,614.15	493,707.00	-287,092.85	41.8%
4080-02 · Land Lease - Hangar/Trans. Fee	336.00			
4080-03 · Land Lease - Hangar/Utilities	476.52	1,400.00	-923.48	34.0%
4080-20 · Land Lease - Government Revenue	3,422.26			
<b>Total 4080-00 · HANGARS REVENUE</b>	210,848.93	495,107.00	-284,258.07	42.6%
<b>4090-00 · TIEDOWN PERMIT FEES REVENUE</b>				
4090-01 · Tiedown Permit Fees (FMA)	14,297.62	17,000.00	-2,702.38	84.1%
<b>Total 4090-00 · TIEDOWN PERMIT FEES REVENUE</b>	14,297.62	17,000.00	-2,702.38	84.1%
<b>4100-00 · POSTAL CARRIERS REVENUE</b>				
4100-01 · Postal Carriers - Landing Fees	3,618.03	8,500.00	-4,881.97	42.6%
4100-02 · Postal Carriers - Tiedown	2,970.00			
<b>Total 4100-00 · POSTAL CARRIERS REVENUE</b>	6,588.03	8,500.00	-1,911.97	77.5%
<b>4110-00 · MISCELLANEOUS REVENUE</b>				
4110-01 · Misc. Revenue	35,225.04			
4110-06 · Misc. - Security-Prox. Cards	20,460.00	27,000.00	-6,540.00	75.8%
4110-09 · Miscellaneous Expense Reimburse	29,844.20			
<b>Total 4110-00 · MISCELLANEOUS REVENUE</b>	85,529.24	27,000.00	58,529.24	316.8%
<b>4120-00 · GROUND TRANSP. PERMIT REVENUE</b>				
4120-01 · Ground Transportation Permit	12,900.00	16,000.00	-3,100.00	80.6%
4120-02 · GTSP - Trip Fee	1,260.00			
<b>Total 4120-00 · GROUND TRANSP. PERMIT REVENUE</b>	14,160.00	16,000.00	-1,840.00	88.5%
<b>4400-00 · TSA</b>				
4400-02 · Terminal Lease	3,772.35			
<b>Total 4400-00 · TSA</b>	3,772.35			
<b>4500-00 · IDAHO STATE GRANT PROGRAM REV.</b>				
4500-11 · SUN-11	0.00	0.00	0.00	0.0%
4500-13 · SUN-13	0.00	20,000.00	-20,000.00	0.0%
<b>Total 4500-00 · IDAHO STATE GRANT PROGRAM REV.</b>	0.00	20,000.00	-20,000.00	0.0%

**Profit & Loss Budget vs. Actual (Combined)**

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>4520-00 · INTEREST INCOME</b>				
4520-05 · Interest Income - '11 PFC	106.23			
4600-00 · Interest Income - General	4,324.20	14,000.00	-9,675.80	30.9%
<b>Total 4520-00 · INTEREST INCOME</b>	4,430.43	14,000.00	-9,569.57	31.6%
<b>4702-00 · AIP 02 New Airpt. EIS Phs. II</b>				
4702-01 · AIP 02	0.00	100,000.00	-100,000.00	0.0%
<b>Total 4702-00 · AIP 02 New Airpt. EIS Phs. II</b>	0.00	100,000.00	-100,000.00	0.0%
<b>4703-00 · AIP 03 FMA/FAA</b>				
4703-01 · AIP 03	0.00	40,000.00	-40,000.00	0.0%
<b>Total 4703-00 · AIP 03 FMA/FAA</b>	0.00	40,000.00	-40,000.00	0.0%
<b>4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV</b>				
4704-01 · AIP '04 - FAA	0.00	1,000,000.00	-1,000,000.00	0.0%
<b>Total 4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV</b>	0.00	1,000,000.00	-1,000,000.00	0.0%
<b>4705-00 · AIP 05-New Arpt. EIS-Phs.</b>				
4705-01 · AIP '05 - FAA	0.00	500,000.00	-500,000.00	0.0%
<b>Total 4705-00 · AIP 05-New Arpt. EIS-Phs.</b>	0.00	500,000.00	-500,000.00	0.0%
<b>4737-00 · AIP 37</b>				
4737-01 · AIP '37 - FMA Altern. Analysis	32,772.00	525,000.00	-492,228.00	6.2%
<b>Total 4737-00 · AIP 37</b>	32,772.00	525,000.00	-492,228.00	6.2%
<b>4738-00 · Existing Site Improvement</b>				
4738-01 · AIP '38	0.00	750,000.00	-750,000.00	0.0%
<b>Total 4738-00 · Existing Site Improvement</b>	0.00	750,000.00	-750,000.00	0.0%
<b>4739-00 · AIP 39 - Implement ALP</b>				
4739-01 · AIP 39	0.00	1,725,000.00	-1,725,000.00	0.0%
<b>Total 4739-00 · AIP 39 - Implement ALP</b>	0.00	1,725,000.00	-1,725,000.00	0.0%
<b>Total Income</b>	1,020,933.47	7,020,373.00	-5,999,439.53	14.5%
<b>Gross Profit</b>	1,020,933.47	7,020,373.00	-5,999,439.53	14.5%

**Profit & Loss Budget vs. Actual (Combined)**

October 2012 through February 2013

Expense	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>EXPENDITURES</b>				
<b>"A" EXPENSES</b>				
5000-01 · Salaries - Airport Manager	53,084.49	127,403.00	-74,318.51	41.7%
5010-00 · Salaries -Contracts/Finance Adm	35,581.18	82,500.00	-46,918.82	43.1%
5010-01 · Salaries - Office Assist.	70,651.06	163,812.58	-93,161.52	43.1%
5020-00 · Salaries - ARFF/OPS Chief	36,251.99	82,500.00	-46,248.01	43.9%
5030-00 · Salaries - ARFF/OPS Specialist	128,659.19	302,723.84	-174,064.65	42.5%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Assi	26,077.54	59,190.96	-33,113.42	44.1%
5050-00 · Salaries - Temp.	7,555.25	15,000.00	-7,444.75	50.4%
5050-02 · Salaries - Merit Increase	0.00	20,721.82	-20,721.82	0.0%
5060-01 · Overtime - General	0.00	2,000.00	-2,000.00	0.0%
5060-02 · Overtime - Snow Removal	4,707.83	10,000.00	-5,292.17	47.1%
5060-04 · OT - Security	0.00	2,500.00	-2,500.00	0.0%
5100-00 · Retirement	41,882.08	100,815.67	-58,933.59	41.5%
5110-00 · Social Security/Medicare	26,099.06	66,428.93	-40,329.87	39.3%
5120-00 · Life Insurance	831.30	2,000.00	-1,168.70	41.6%
5130-00 · Medical Insurance	63,229.05	155,000.00	-91,770.95	40.8%
5160-00 · Workman's Compensation	13,250.00	15,000.00	-1,750.00	88.3%
<b>Total "A" EXPENSES</b>	<b>507,860.02</b>	<b>1,207,596.80</b>	<b>-699,736.78</b>	<b>42.1%</b>
<b>"B" EXPENDITURES</b>				
<b>"B" EXPENSES - ADMINISTRATIVE</b>				
6000-00 · TRAVEL EXPENSE				
6000-01 · Travel	5,841.00	15,000.00	-15,000.00	0.0%
6000-00 · TRAVEL EXPENSE - Other	0.00	15,000.00	-15,000.00	0.0%
<b>Total 6000-00 · TRAVEL EXPENSE</b>	<b>5,841.00</b>	<b>15,000.00</b>	<b>-9,159.00</b>	<b>38.9%</b>
6010-00 · SUPPLIES/EQUIPMENT EXPENSE				
6010-01 · Supplies - Office	4,029.81	13,500.00	-9,470.19	29.9%
6010-03 · Supplies - Computer	1,152.99			
<b>Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE</b>	<b>5,182.80</b>	<b>13,500.00</b>	<b>-8,317.20</b>	<b>38.4%</b>
6020-00 · INSURANCE				
6020-01 · Insurance - Liability	16,500.00	18,500.00	-2,000.00	89.2%
6020-02 · Insurance - Public Officials	13,925.00	13,600.00	325.00	102.4%
6020-03 · Insurance-Bldg/Unlic.Veh./Prop	30,393.00	29,600.00	793.00	102.7%
6020-04 · Insurance - Licensed Vehicles	5,353.00	5,900.00	-547.00	90.7%
6020-05 · Insurance - Crime	625.00	550.00	75.00	113.6%
<b>Total 6020-00 · INSURANCE</b>	<b>66,796.00</b>	<b>68,150.00</b>	<b>-1,354.00</b>	<b>98.0%</b>

**Profit & Loss Budget vs. Actual (Combined)**

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>6030-00 · UTILITIES</b>				
6030-01 · Utilities - Gas/Terminal	4,267.12	13,000.00	-8,732.88	32.8%
6030-02 · Utilities - Gas/Maintenance	3,627.81	8,500.00	-4,872.19	42.7%
6030-03 · Utilities - Elect./Runway&PAPI	2,889.10	6,000.00	-3,110.90	48.2%
6030-04 · Utilities - Elec./Office/Maint.	6,072.42	9,000.00	-2,927.58	67.5%
6030-05 · Utilities - Electric/Terminal	3,621.02	7,500.00	-3,878.98	48.3%
6030-06 · Utilities - Telephone	4,551.07	17,000.00	-12,448.93	26.8%
6030-07 · Utilities - Water	275.15	1,200.00	-924.85	22.9%
6030-08 · Utilities - Garbage Removal	3,316.29	6,000.00	-2,683.71	55.3%
6030-09 · Utilities - Sewer	714.00	1,500.00	-786.00	47.6%
6030-10 · Utilities - Elec./Sewer	118.02	500.00	-381.98	23.6%
6030-11 · Utilities - Electric/Tower	2,292.01	4,000.00	-1,707.99	57.3%
6030-12 · Utilities - Elec./Brdfrd.Hghi	185.78			
6030-15 · Utilities - Elec/AWOS	273.39	900.00	-626.61	30.4%
6030-16 · Utilities - Elec. Wind Cone	58.87	210.00	-151.13	28.0%
6030-17 · Utilities - Elec.- Rosenberg	26.52			
6040-01 · Service Provider - Weather	5,772.00	3,700.00	2,072.00	156.0%
6040-02 · Service Provider - Term. Music	351.90	1,000.00	-648.10	35.2%
6040-03 · Service Provider - Internet/ISP	2,250.00	7,500.00	-5,250.00	30.0%
6040-04 · Service Provider - AWOS NADN	0.00	2,000.00	-2,000.00	0.0%
6040-05 · Service Provider - ISP/Terminal	750.00	2,000.00	-1,250.00	37.5%
6040-06 · Service Provider - SSI Movement	0.00	8,035.00	-8,035.00	0.0%
<b>Total 6030-00 · UTILITIES</b>	<b>41,412.47</b>	<b>99,545.00</b>	<b>-58,132.53</b>	<b>41.6%</b>
<b>6050-00 · PROFESSIONAL SERVICES</b>				
6050-01 · Professional Services - Legal	7,560.15	27,500.00	-19,939.85	27.5%
6050-02 · Professional Services - Audit	24,924.43	25,000.00	-75.57	99.7%
6050-03 · Professional Services - Engineer	1,264.89	27,000.00	-25,735.11	4.7%
6050-04 · Professional Services - ARFF	0.00	2,000.00	-2,000.00	0.0%
6050-05 · Professional Services - Gen.	11,537.08			
6050-07 · Professional Services - Archite	53.00	1,000.00	-947.00	5.3%
6050-08 · Professional Services - Securit	300.00	4,000.00	-3,700.00	7.5%
6050-10 · Prof. Svcs.-IT/Comp. Support	7,097.00	12,000.00	-4,903.00	59.1%
6050-11 · Professional Services - Wildlif	0.00	2,000.00	-2,000.00	0.0%
6050-12 · Prof. Serv.- Planning Air Serv.	3,650.00	32,000.00	-28,350.00	11.4%
6050-13 · Prof. Serv.-Website Des.& Maint	0.00	6,500.00	-6,500.00	0.0%
6050-14 · Professional Services - EA	8,093.61			
<b>6050-00 · PROFESSIONAL SERVICES - Other</b>				
<b>Total 6050-00 · PROFESSIONAL SERVICES</b>	<b>64,390.16</b>	<b>139,000.00</b>	<b>-74,609.84</b>	<b>46.3%</b>

## Profit &amp; Loss Budget vs. Actual (Combined)

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>6060-00 · MAINTENANCE-OFFICE EQUIPMENT</b>				
6060-01 · Maint.-Office Equip./Gen.	0.00	10,000.00	-10,000.00	0.0%
6060-02 · Maintenance - Computer	709.00			
6060-04 · Maintenance - Copier	8,282.00			
6060-05 · Maintenance - Phone	1,062.00			
<b>Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT</b>	<b>10,053.00</b>	<b>10,000.00</b>	<b>53.00</b>	<b>100.5%</b>
<b>6070-00 · RENT/LEASE OFFICE EQUIPMENT</b>				
6070-01 · Rent/Lease - Office Equip./Gen	0.00	1,500.00	-1,500.00	0.0%
6070-02 · Rent/Lease - Postage Meter	342.00			
6070-03 · Rent/Lease - Copier	996.22	4,000.00	-3,003.78	24.9%
<b>Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT</b>	<b>1,338.22</b>	<b>5,500.00</b>	<b>-4,161.78</b>	<b>24.3%</b>
<b>6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E</b>				
6080-01 · Dues/Memberships/Publications	10,990.11	15,000.00	-4,009.89	73.3%
6080-02 · Membership - Internet/Website	810.50			
6080-04 · Airport Marketing	150.98	15,000.00	-14,849.02	1.0%
<b>Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS...</b>	<b>11,951.59</b>	<b>30,000.00</b>	<b>-18,048.41</b>	<b>39.8%</b>
<b>6090-00 · POSTAGE</b>				
6090-01 · Postage/Courier Service	532.32	2,700.00	-2,167.68	19.7%
<b>Total 6090-00 · POSTAGE</b>	<b>532.32</b>	<b>2,700.00</b>	<b>-2,167.68</b>	<b>19.7%</b>
<b>6100-00 · EDUCATION/TRAINING</b>				
6100-01 · Education/Training - Admin.	2,116.00	30,000.00	-27,884.00	7.1%
6100-02 · Education/Training - OPS	844.00			
6100-03 · Education/Training - ARFF	815.03			
6100-05 · Education - Neighborl Flight	195.00			
<b>Total 6100-00 · EDUCATION/TRAINING</b>	<b>3,970.03</b>	<b>30,000.00</b>	<b>-26,029.97</b>	<b>13.2%</b>
<b>6110-00 · CONTRACTS</b>				
6110-01 · Contracts - General	30,240.00	33,600.00	-19,600.00	41.7%
6110-02 · Contracts - FMAA	14,000.00			
6110-03 · Contracts - SVA/Fee Collection	24,500.00	58,860.00	-34,360.00	41.6%
6110-04 · Contracts - COH LEO	1,020.00	15,000.00	-13,980.00	6.8%
6110-05 · Contracts - Janitorial	0.00	10,000.00	-10,000.00	0.0%
6110-06 · Electronic Filing System	5,750.00	13,800.00	-8,050.00	41.7%
6110-08 · Contracts - Eccles Tree Lights	0.00	30,000.00	-30,000.00	0.0%
6110-09 · Contracts - Website	0.00	350.00	-350.00	0.0%

**Profit & Loss Budget vs. Actual (Combined)**

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
6110-10 · Online Email Server Access	18.78	2,000.00	-1,981.22	0.9%
6110-11 · Contracts -Security CMS	8,907.97	42,500.00	-33,592.03	21.0%
<b>Total 6110-00 · CONTRACTS</b>	<b>84,436.75</b>	<b>206,110.00</b>	<b>-121,673.25</b>	<b>41.0%</b>
<b>6120-00 · PERMITS</b>				
6120-01 · Permits - General	23.00	100.00	-77.00	23.0%
<b>Total 6120-00 · PERMITS</b>	<b>23.00</b>	<b>100.00</b>	<b>-77.00</b>	<b>23.0%</b>
<b>6130-00 · MISCELLANEOUS EXPENSES</b>				
6130-01 · Misc. - General	4,173.81	6,500.00	-2,326.19	64.2%
6140-00 · Bank Fees	641.33	1,000.00	-358.67	64.1%
<b>Total 6130-00 · MISCELLANEOUS EXPENSES</b>	<b>4,815.14</b>	<b>7,500.00</b>	<b>-2,684.86</b>	<b>64.2%</b>
<b>Total "B" EXPENSES - ADMINISTRATIVE</b>	<b>300,742.48</b>	<b>627,105.00</b>	<b>-326,362.52</b>	<b>48.0%</b>
<b>"B" EXPENSES - OPERATIONAL</b>				
<b>6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>				
6500-01 · Supplies/Equipment - General	377.15	10,000.00	-9,622.85	3.8%
6500-02 · Supplies/Equipment - Tools	1,087.55			
6500-03 · Supplies/Equipment - Clothing	225.92			
6500-04 · Supplies/Equipment - Janitorial	4,671.85			
6500-05 · Supplies/Equipment - Deice	0.00	15,000.00	-15,000.00	0.0%
6500-06 · Supplies/Equipment - ARFF	0.00	5,000.00	-5,000.00	0.0%
<b>Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>	<b>6,362.47</b>	<b>30,000.00</b>	<b>-23,637.53</b>	<b>21.2%</b>
<b>6510-00 · FUEL/LUBRICANTS</b>				
6510-02 · Fuel	15,514.99	50,000.00	-34,485.01	31.0%
<b>Total 6510-00 · FUEL/LUBRICANTS</b>	<b>15,514.99</b>	<b>50,000.00</b>	<b>-34,485.01</b>	<b>31.0%</b>
<b>6520-00 · VEHICLES/MAINTENANCE</b>				
6520-01 · R/M Equipment - General	2,401.05	27,000.00	-24,598.95	8.9%
6520-02 · R/M Equip. '93 Schmidt Snow	681.50			
6520-04 · R/M Equip. '84 Chevy Plow Truck	224.98			
6520-08 · R/M Equip. - '96 Tiger Tractor	1,473.42			
6520-17 · R/M Equip. '01 Case 921 Ldr.	23.16			
6520-19 · R/M Equip. '02 Ford F-150 PU	372.76			
6520-23 · R/M Equip. - '97 Ford Exped.	-6.66			
6520-24 · R/M Equip. - '01 Ford F-250	162.96			
6520-28 · R/M Equip.-Case 621 Loader	217.02			
<b>Total 6520-00 · VEHICLES/MAINTENANCE</b>	<b>5,550.19</b>	<b>27,000.00</b>	<b>-21,449.81</b>	<b>20.6%</b>

## Profit &amp; Loss Budget vs. Actual (Combined)

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>6530-00 · ARFF MAINTENANCE</b>				
6530-01 · ARFF Maint. General	0.00	5,000.00	-5,000.00	0.0%
6530-04 · ARFF Maint. - Radios	2,028.29			
<b>Total 6530-00 · ARFF MAINTENANCE</b>	2,028.29	5,000.00	-2,971.71	40.6%
<b>6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>				
6540-01 · R/M Bldg. - General	1,126.71	29,000.00	-27,873.29	3.9%
6540-02 · R/M Bldg. - Terminal	7,656.87			
6540-03 · R/M Bldg. - Shop	1,032.13			
6540-04 · R/M Bldg. - Cold Storage	298.80			
6540-05 · R/M Bldg. - Manager's Bldg.	245.41			
6540-07 · R/M Bldg. - Tower	4,893.65			
6540-08 · R/M Bldg. - Parking Booth	90.00			
<b>Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>	15,343.57	29,000.00	-13,656.43	52.9%
<b>6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>				
6550-01 · R/M - General	0.00	15,000.00	-15,000.00	0.0%
6550-02 · R/M - Airfield	179.69			
6550-04 · R/M - Lights	1,084.73			
6550-05 · R/M - Grounds	475.00			
<b>Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>	1,739.42	15,000.00	-13,260.58	11.6%
<b>6560-00 · SECURITY EXPENSE</b>				
6560-01 · Security	3,875.80	20,000.00	-16,124.20	19.4%
<b>Total 6560-00 · SECURITY EXPENSE</b>	3,875.80	20,000.00	-16,124.20	19.4%
<b>6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU</b>				
6570-01 · R/M Aeronautical Equip - NDB/DME	2,436.99	22,000.00	-19,563.01	11.1%
6570-04 · R/M Aeron. Equip. - AWOS/ATIS	2,850.00			
6570-05 · R/M Aero.Equip. Flying Hat Lgts	375.00			
<b>Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU</b>	5,661.99	22,000.00	-16,338.01	25.7%
<b>Total "B" EXPENSES - OPERATIONAL</b>	56,076.72	198,000.00	-141,923.28	28.3%
<b>Total "B" EXPENDITURES</b>	356,819.20	825,105.00	-468,285.80	43.2%

## Profit &amp; Loss Budget vs. Actual (Combined)

October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
<b>"C" EXPENSES</b>				
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	175.00	50,000.00	-49,825.00	0.4%
7000-05 · Computer Equipment/Software	5,064.29	25,600.00	-20,535.71	19.8%
7000-06 · Asphalt Repair	0.00	12,700.00	-12,700.00	0.0%
7000-08 · ATC Equipment	0.00	6,600.00	-6,600.00	0.0%
7000-26 · Acquisition - Licensed Vehicles	0.00	43,000.00	-43,000.00	0.0%
7000-30 · Tires	0.00	13,500.00	-13,500.00	0.0%
7000-36 · Drivers Training Software	7,125.00			
<b>Total 7000-00 · MISC. CAPITAL EXPENDITURES</b>	<b>12,364.29</b>	<b>151,400.00</b>	<b>-139,035.71</b>	<b>8.2%</b>
7500-00 · IDAHO STATE GRANT PROGRAM				
7500-13 · ITD (SUN-13 ITD/FMA)	0.00	40,000.00	-40,000.00	0.0%
<b>Total 7500-00 · IDAHO STATE GRANT PROGRAM</b>	<b>0.00</b>	<b>40,000.00</b>	<b>-40,000.00</b>	<b>0.0%</b>
7502-00 · AIP 02 EXPENSE				
7502-01 · AIP '02 - New Arpt. EIS-Ph. II	0.00	105,264.00	-105,264.00	0.0%
<b>Total 7502-00 · AIP 02 EXPENSE</b>	<b>0.00</b>	<b>105,264.00</b>	<b>-105,264.00</b>	<b>0.0%</b>
7503-00 · AIP 03 EXPENSE				
7503-01 · AIP '03 - New Arpt. EIS-Ph. III	0.00	42,106.00	-42,106.00	0.0%
<b>Total 7503-00 · AIP 03 EXPENSE</b>	<b>0.00</b>	<b>42,106.00</b>	<b>-42,106.00</b>	<b>0.0%</b>
7504-00 · AIP 04 EXPENSE				
7504-01 · AIP '04-New Arpt.EIS-Phs.III/IV	0.00	1,052,632.00	-1,052,632.00	0.0%
<b>Total 7504-00 · AIP 04 EXPENSE</b>	<b>0.00</b>	<b>1,052,632.00</b>	<b>-1,052,632.00</b>	<b>0.0%</b>
7505-00 · AIP '05 EXPENSE				
7505-01 · AIP '05-New Arpt. EIS-Phs.	0.00	526,316.00	-526,316.00	0.0%
<b>Total 7505-00 · AIP '05 EXPENSE</b>	<b>0.00</b>	<b>526,316.00</b>	<b>-526,316.00</b>	<b>0.0%</b>
7537-00 · AIP '37 EXPENSE				
7537-01 · AIP '37 - FMA Altern. Analysis	36,362.00	552,632.00	-516,270.00	6.6%
7537-02 · AIP '37 - Non-Eligible	2,025.35			
<b>Total 7537-00 · AIP '37 EXPENSE</b>	<b>38,387.35</b>	<b>552,632.00</b>	<b>-514,244.65</b>	<b>6.9%</b>
7538-00 · Improvements to Existing Site				
7538-01 · AIP '38	0.00	789,474.00	-789,474.00	0.0%
<b>Total 7538-00 · Improvements to Existing Site</b>	<b>0.00</b>	<b>789,474.00</b>	<b>-789,474.00</b>	<b>0.0%</b>

## Profit &amp; Loss Budget vs. Actual (Combined)

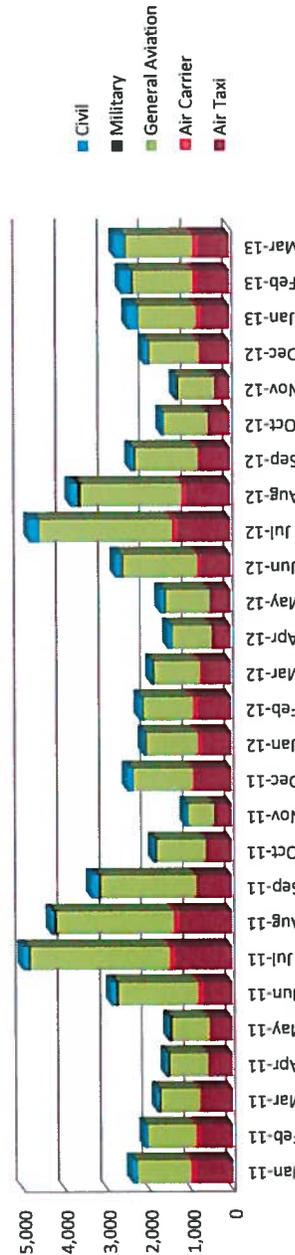
October 2012 through February 2013

	Oct '12 - Feb 13	Budget	\$ Over Budget	% of Budget
7539-00 · AIP '39 EXPENSE - Imp. ALP				
7539-01 · AIP '39 - Eligible	0.00	1,818,947.00	-1,818,947.00	0.0%
<b>Total 7539-00 · AIP '39 EXPENSE - Imp. ALP</b>	<b>0.00</b>	<b>1,818,947.00</b>	<b>-1,818,947.00</b>	<b>0.0%</b>
8000-00 · Replacement Airport				
8000-02 · Project Manager	0.00	10,000.00	-10,000.00	0.0%
8000-03 · Financial	0.00	10,000.00	-10,000.00	0.0%
8000-04 · Public Outreach	15,537.30	60,000.00	-44,462.70	25.9%
8000-05 · Current Site Master Plan	0.00	10,000.00	-10,000.00	0.0%
8000-06 · Legal	2,430.00			
8000-07 · General	313.60	50,000.00	-49,686.40	0.6%
<b>Total 8000-00 · Replacement Airport</b>	<b>18,280.90</b>	<b>140,000.00</b>	<b>-121,719.10</b>	<b>13.1%</b>
9000-00 · PFC EXPENSE				
9000-03 · PFC '12 - SRE Equipm./Sec. Impr	314,855.45	209,000.00	105,855.45	150.6%
<b>Total 9000-00 · PFC EXPENSE</b>	<b>314,855.45</b>	<b>209,000.00</b>	<b>105,855.45</b>	<b>150.6%</b>
<b>Total "C" EXPENSES</b>	<b>383,887.99</b>	<b>5,427,771.00</b>	<b>-5,043,883.01</b>	<b>7.1%</b>
<b>Total EXPENDITURES</b>	<b>1,248,567.21</b>	<b>7,460,472.80</b>	<b>-6,211,905.59</b>	<b>16.7%</b>
<b>Total Expense</b>	<b>1,248,567.21</b>	<b>7,460,472.80</b>	<b>-6,211,905.59</b>	<b>16.7%</b>
<b>Net Ordinary Income</b>	<b>-227,633.74</b>	<b>-440,099.80</b>	<b>212,466.06</b>	<b>51.7%</b>
<b>Net Income</b>	<b>-227,633.74</b>	<b>-440,099.80</b>	<b>212,466.06</b>	<b>51.7%</b>

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		
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		
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		
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	0		
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	0		
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	0		
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	0		
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	0		
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	0		
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	0		
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	0		
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	0		
<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>7,819</b>		

Operations  
2011-2013 YTD  
(Cumulative)



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

	2013	2012	% Change
Air Taxi	771	684	13%
Air Carrier	116	72	61%
General Aviation	1,598	1,105	45%
Military	2	14	-86%
Civil	266	46	478%
Total	2753	1921	43%

# Friedman Memorial Airport

March 2013

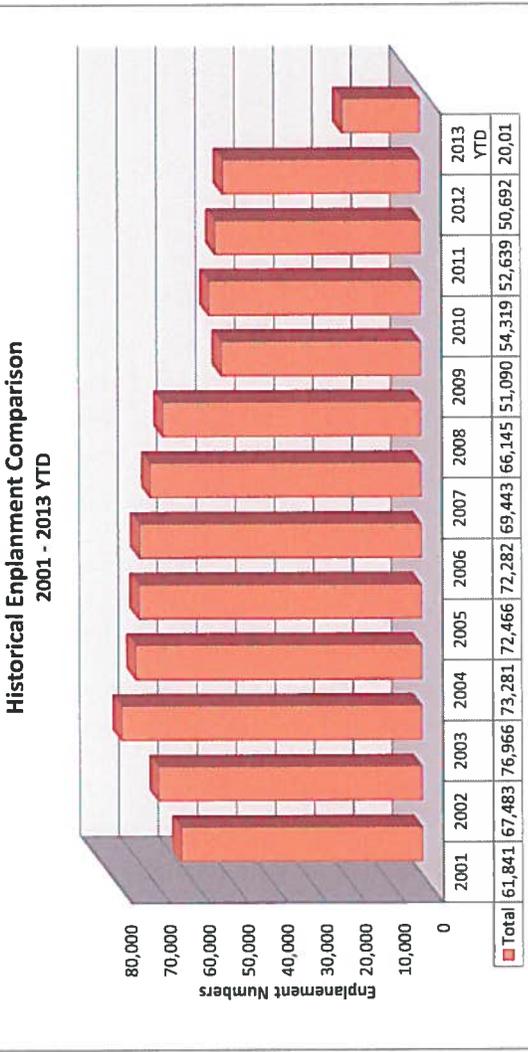
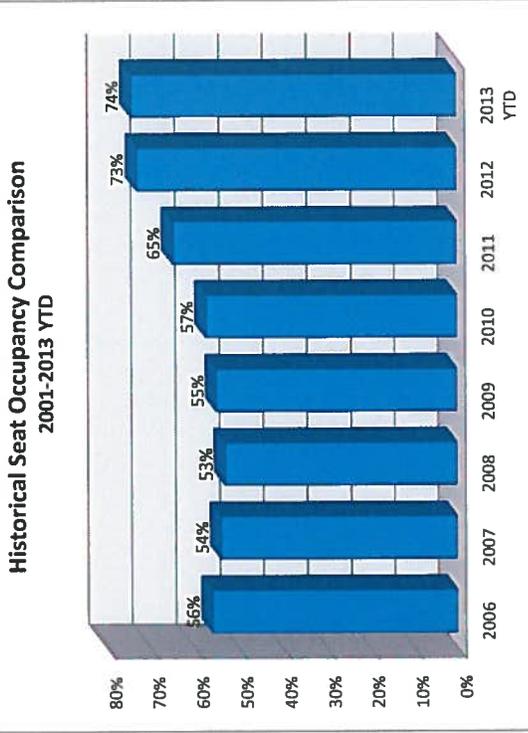
## 2013 Seat Occupancy

Qtr	Alaska Airlines				SkyWest Airlines				Annual Seat Occupancy Percentages Year-to-Year Comparison					
	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Departure Flights	Seats Available	Seats Occupied	Percent Occupied	Total Seats Occupied Y-T-D	Total Seats Occupied Prior Y-T-D	Y-T-Y % Change	Current Y-T-D % Occupied	Prior Y-T-D % Occupied	Y-T-Y % Change
Jan-13	59	4,484	3,150	70%	107	3,210	2,113	66%	5,263	5,327	-1%	68.40%	70.07%	-2%
Feb-13	55	4,180	3,374	81%	116	3,480	2,366	68%	11,003	10,431	5%	71.66%	71.95%	0%
Mar-13	59	4,484	3,717	83%	140	4,200	3,185	76%	17,905	15,944	12%	74.49%	73.12%	2%
<b>Totals</b>	<b>173</b>	<b>13,148</b>	<b>10,241</b>	<b>78%</b>	<b>363</b>	<b>10,890</b>	<b>7,664</b>	<b>70%</b>						

Note: Total of 68 Seats Available on aircraft for summer months  
 Total of 76 Seats Available on aircraft for winter months

Total of 30 Seats Available on aircraft

Legend: Y-T-D = Year-to-Date Y-T-Y = Year-To-Year  
 \*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

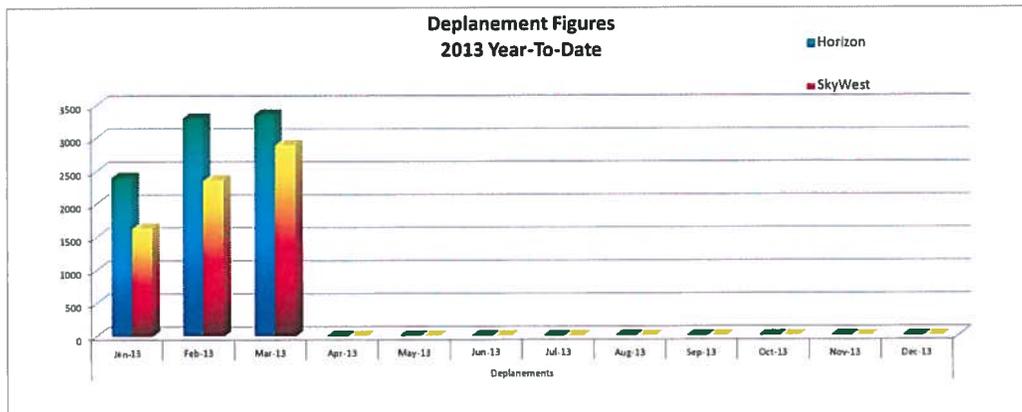
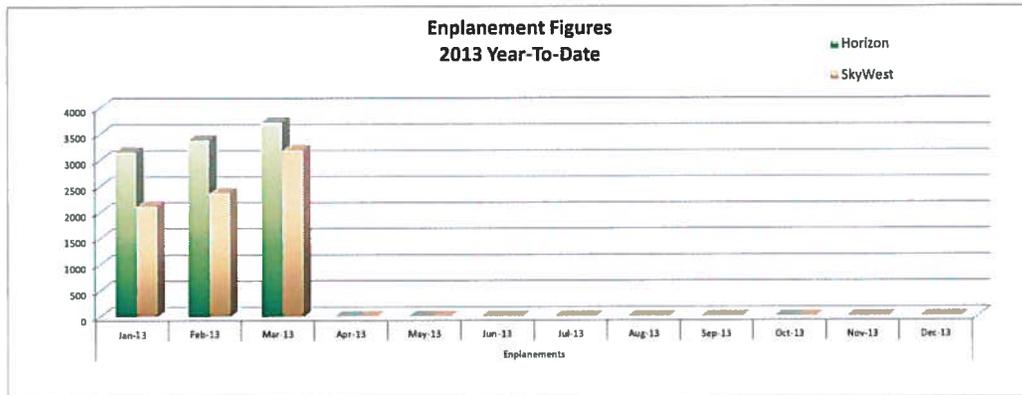


2013 Enplanements													
Date	Alaska Airlines					SkyWest					Current Y-T-D	Prior Y-T-D	Y-T-Y % Change
	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change			
Jan-13	3,079	71	3,150	2,932	7%	2,047	66	2,113	2,395	-12%	5,263	5,327	-1.2%
Feb-13	3,307	67	3,374	2,839	19%	2,307	59	2,366	2,265	4%	11,003	10,431	5.5%
Mar-13	3,630	87	3,717	2,686	38%	3,114	71	3,185	2,827	13%	17,905	15,944	12.3%
<b>Totals</b>	<b>10,016</b>	<b>225</b>	<b>10,241</b>	<b>8,457</b>	<b>21%</b>	<b>7,468</b>	<b>196</b>	<b>7,664</b>	<b>7,487</b>	<b>2%</b>			

Legend for Chart: Y-T-D = Year-To-Date Y-T-Y = Year-To-Year

2013 Deplanements													
Date	Alaska Airlines					SkyWest					Current Y-T-D	Prior Y-T-D	Y-T-Y % Change
	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change	Revenue	Non-Revenue	Total	Prior Year Month	M-T-M % Change			
Jan-13	2,320	78	2,398	2,259	6%	1,575	57	1,632	1,679	-3%	4,030	3,938	2.3%
Feb-13	3,226	68	3,294	3,061	8%	2,300	60	2,360	2,260	4%	9,684	9,259	4.6%
Mar-13	3,268	87	3,355	2,506	34%	2,807	84	2,891	2,404	20%	15,930	14,169	12.4%
<b>Totals</b>	<b>8,814</b>	<b>233</b>	<b>9,047</b>	<b>7,826</b>	<b>16%</b>	<b>6,682</b>	<b>201</b>	<b>6,883</b>	<b>6,343</b>	<b>9%</b>			

Legend for Chart: Y-T-D = Year-To-Date Y-T-Y = Year-To-Year





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## State Transportation Commission approves funding to keep contract towers open



By Terry Maxon  
 tmaxon@dallasnews.com  
 10:41 am on April 4, 2013 | [Permalink](#)

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The Texas Transportation Commission agreed Thursday to fund 14 contract towers that faced closing in coming weeks, including facilities at airports in Dallas, McKinney and Tyler.

The action authorizes the Texas Department of Transportation to spend up to \$750,000 a month for 90 days to keep the towers open.

The facilities included the air traffic control towers at Brownsville; Collin County Regional, McKinney; Dallas Executive; Easterwood Field, College Station; Georgetown Municipal; Lone Star Executive, Conroe; New Braunfels; San Marcos Municipal; Stinson Municipal, San Antonio; Sugarland Regional; Texarkana; TSTC Waco; Tyler Pounds Regional; and Victoria Regional.

Before the vote, the commissioners heard from a long line of aviation professionals urging them to approve the temporary funding, to replace money that the Federal Aviation Administration is cutting off.

They said the closing of the towers would impair safety and hurt the ability of those communities to promote economic development.

"To have the tower disappear from our community would be simply devastating," Victoria County Judge Donald R. Pozzi said.

Kenneth F. Wiegand, executive director at the McKinney airport, said the airport will have about a \$600,000 budget shortfall before picking up the costs of funding the control tower. It'll cost the airport another \$650,000 to fund the tower, he said.

With Texas DOT providing funding to keep the tower open through Sept. 30, it'll be a great relief, Wiegand told the commissioners.

"I look at you kind of like the Salvation Army or the Red Cross," Wiegand said. "You're really helping us out."

The FAA is ending its funding of contract control towers at 149 towers, citing the sequestration in which \$85 billion is being from the federal budget.

The Dallas, Conroe and San Antonio towers were to close on Sunday. On April 21, the FAA was cutting funding to towers in New Braunfels, WSTC Waco, San Marcos, McKinney and Victoria. The remaining towers were to close May 5.

The tower at Texarkana Regional Airport, located on the Arkansas side of the state line, was not on the original list of towers to be funded by the state of Texas. But the commissioners agreed to fund that tower as well under a cost-sharing agreement with Arkansas, based on the percentage of the Texarkana population in each state.

"We've talked to Gov. Beebe in Arkansas and he's agreed that Arkansas will come up with their 45 percent," former Bowie County Judge James Carlo told the commission. "We're asking you today for Texas to come up with 55 percent to keep our control tower in operation at least temporarily until we can get this federal issue straightened out."

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**Battle over frozen pipes heats up in central Idaho**

## Idaho officials want to stop airport tower closures

Published: April 4, 2013 Updated 2 hours ago

Three airports on a list are trying to find ways to keep traffic control functions open.

LEWISTON TRIBUNE

The Lewiston-Nez Perce County Regional Airport and the Idaho Falls Regional Airport are among the facilities on a list of 149 slated for closure around the country.

Both are scheduled to lose federal funding on May 5. Officials involved with those airports met earlier this week to consider options.

The other Idaho airports on the Federal Aviation Administration list are the Pocatello Regional Airport and Friedman Memorial Airport in Hailey. Officials with the Friedman airport said last week they would seek an injunction to prevent the federal government from shutting down the tower, but no date for legal action was set.

Craig Davis, airport director at the Idaho Falls airport, said the facility will shift money from maintenance and other areas to keep the tower operating through Oct. 1.

"We might be able to put off fixing a cracked ceiling or a ramp for six months to shift (money) over and pay for the tower operations through the end of the fiscal year," Davis said. "After, we'll look to revise the (entire city) budget to include the tower."

He said the city is committed to paying for tower operations starting Oct. 1. However, Councilwoman Sharon Parry said the council hasn't had that discussion yet, though she supports funding the tower.

Davis said it costs about \$425,000 annually to run the tower, paid for currently by the FAA. He said the city is looking at spending about \$300,000 annually, which would mean cutting the hours of the tower.

"We need to come to understand what measure of safety we are buying for potentially \$300,000," Parry said. "Those questions will need to be asked and answered as we move forward. I don't have an inkling where the council will land on it."

Davis said he'll push for finding a way for local money to keep the tower operating.

"We are bound to provide safety," Davis said. "That's why we are choosing to self-fund the tower."

In northern Idaho at the Lewiston airport, airport manager Robin Turner estimated it would cost \$750,000 annually for local entities to take over tower operations.

At a meeting Tuesday, officials considered ways to keep the tower open. An FAA spokesman during a teleconference call said the agency would enter into an agreement to maintain all the electronic systems, but local entities would have to pay the bill.

Local officials agreed to send a letter to the FAA complaining about the closure.

The FAA is under orders to trim hundreds of millions of dollars from its budget. Last month, it released the list of control towers that would be closed.

The closures will not force any of the airports to shut down, but pilots will have to coordinate takeoffs and landings over a shared radio frequency with no help from ground controllers.

Airlines serving rural Idaho said they were accustomed to flying into airports without control towers and would continue their services.

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# Bloomberg

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## Air Towers Slated for Closing to Remain Open Until June

By Alan Levin - Apr 5, 2013

The 149 U.S. airport control towers slated for closing as soon as April 7 under mandatory budget cuts will remain open until June 15, the [Federal Aviation Administration](#) said.

The agency extended the deadline for shuttering the towers because it needs additional time to resolve legal challenges, the agency said in a statement today. It will also give the agency more time to adjust flight routes and procedures, according to the statement.

“This has been a complex process and we need to get this right,” U.S. Transportation Secretary Ray LaHood said in the statement. “We will use this additional time to make sure communities and pilots understand the changes at their local airports.”

The FAA must cut \$637 million under automatic cuts known as sequestration by Sept. 30, according to the statement. The agency had planned to stop funding more than half of the 251 towers operated for the FAA by contractors. The towers are located at smaller airports that cater to private flights.

Delaying the closings may force the agency to make additional cuts elsewhere in its \$16 billion budget. The shutdowns had been expected to yield \$30 million to \$40 million in savings by Sept. 30. The agency statement didn't address other cuts.

The agency's decision came after the town of Ormond Beach, [Florida](#), sought a court order blocking the closing of the local airport's control tower.

Ormond Beach is among at least seven cities or airport authorities across the U.S. that have sued the FAA over plans to shut control towers.

### ‘Way Forward’

The FAA delay “is not a solution,” Senator Jerry Moran, a [Kansas](#) Republican, said in a [statement](#) posted on his website.

Moran and Democrat [Richard Blumenthal](#) of [Connecticut](#) plan to introduce legislation next week that will prohibit the U.S. from closing any air-traffic control towers, including those operated by the FAA.

“Closing control towers is equivalent to removing stop lights and stop signs from our roads,” Moran said in the statement.

The [Contract Tower Association](#), an Alexandria, Virginia-based trade group representing the towers, applauded the decision in an e-mailed statement.

“Today’s decision is a welcome development, and we remain hopeful that DOT and FAA will find a way forward to deal with budget realities in a way that doesn’t disproportionately target contract towers,” Spencer Dickerson, executive director of the group, said in the statement.

## **Airport Funding**

The FAA had a conference call April 2 with airports and the companies that run the towers and was unable to answer many questions about the shutdown, Dickerson said in an April 3 interview.

“The level of frustration in getting information and dealing with the FAA is extremely high,” he said.

The FAA should use the additional time before the closings to conduct an additional review of the impacts of the tower closings, Craig Fuller, president of the Frederick, Maryland-based Aircraft Owners and Pilots Association, said in an e-mailed statement.

About 50 airport authorities have told the FAA that they would pay for tower operations themselves if the agency stopped its funding, according to the agency’s statement. The delay will allow the agency to set up the transition in funding, it said in the release.

## **Towerless Airports**

Most of the 5,000 U.S. airports operate without towers. Pilots are responsible for avoiding other planes and notifying others of their intentions with radio calls.

The FAA had said it would stop funding for 24 towers on April 7, including Ormond Beach Municipal. The first group included towers in Fayetteville, [Arkansas](#); Olathe, Kansas, and Kinston, [North Carolina](#).

The towers to be shuttered were split into three groups. A second tranche was to have closed April 21 and the third May 5.

That phased approach was abandoned today, the FAA said in its statement. All 149 towers will close June 15 unless local airports and other government agencies decide to pay for them, according to the statement.

The contract tower program began in the early 1980s as the FAA struggled to staff its air-traffic control system after President [Ronald Reagan](#) fired 11,000 striking controllers in 1981, according to a March 26 report by the non-partisan [Congressional Research Service](#).

## Safety Debated

They are located at small- and mid-sized airports that typically cater to private flights, with smaller numbers of charter and military flights. Of those scheduled to close, 13 averaged at least one scheduled airline arrival and departure per day in 2011, according to FAA data.

While the funding for contract towers has been justified since 1990 on anticipated safety benefits, a more recent study by the FAA found no such link.

The study of more than 200 of the airports with contract towers found almost identical accident totals in the five years before towers were opened compared with the five-year span afterward.

The March 26 CRS report concluded there would be a “relatively small” reduction in safety if towers closed, based on the 1990 FAA study. Because crash rates have declined since then, the 1990 report may overstate the risks, the CRS study said.

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# Fear of flying rises with flight tower closures on radar

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Thomas Frank, USA TODAY 3:09 p.m. EDT April 5, 2013

*Starting Sunday, tens of thousands of pilots will have to rely more on "see-and-avoid" as the FAA begins closing nearly a third of its air-traffic control towers to cut costs.*



(Photo: Doug Kapustin for USA TODAY)

Nobody in the medical helicopter saw the little Cessna airplane as the two aircraft approached Shenandoah Valley Regional Airport in Virginia.

Skies were clear and visibility excellent the afternoon of Dec. 31, 2010. The airport had no air-traffic controllers, forcing incoming pilots to avoid each other using crude technology: their eyes.

At 2:26 p.m., a nurse sitting in the helicopter felt a sudden bump. On the ground, witnesses saw the helicopter barely touch the four-seat Cessna. But the collision severed the Cessna's right wing, sending the plane plunging 500 feet to the ground. The pilot and passenger were killed instantly, marking the 20th collision of that year in the United States.

**STORY:** [Customs lines delayed by hours at some big airports \(http://www.usatoday.com/story/travel/flights/2013/04/04/airport-lines/2052727/\)](http://www.usatoday.com/story/travel/flights/2013/04/04/airport-lines/2052727/)

**UPDATE:** [FAA delays closure of air traffic control towers \(http://www.usatoday.com/story/news/nation/2013/04/05/pilots-faa-towers-budget-safety/2057145/\)](http://www.usatoday.com/story/news/nation/2013/04/05/pilots-faa-towers-budget-safety/2057145/)

After a probe of the crash, federal investigators blamed a familiar culprit: the "inherent limitation" of pilot observation, "which made it difficult for the helicopter pilot to see the airplane before the collision."

Starting Sunday, tens of thousands of pilots flying each day will have to rely increasingly on "see-and-avoid" as the Federal Aviation Administration

begins to close nearly a third of its air-traffic control towers to cut costs. The 149 affected airports — small facilities in 38 states catering to private and commuter flights — will remain open but without controllers to keep airplanes a safe distance apart and to warn pilots about runway hazards they may not see.



Under supervision of air-traffic controllers, a Cirrus SR20 lands at the Easton, Md., airport, on Tuesday. (Photo: Doug Kapustin for USA TODAY)

The tower closures are among thousands of steps federal officials are taking to cut \$85 billion in spending this year as a 2011 law requires. But unlike furloughs, removing 871 controllers who guide 8 million planes a year around airports raises fears that pilots, passengers and bystanders will be killed.

"You're putting people's lives at risk," said Sen. Jerry Moran, R-Kan., who is trying to restore funding for the control towers, including five in his state. "It's like taking down the stop signs in your town."

A few communities are suing to stop the tower closures, saying the FAA has not done a safety analysis.

U.S. airplane collisions have killed an average of 30 people a year since 1982 — a total of 910 deaths, according to a USA TODAY review of federal records. Another 167 people have been seriously injured, and 729 airplanes have been destroyed or substantially damaged in the collisions, the records show.

Pilots flying around airports without towers are at greater risk, the FAA said in a 1990 paper. At airports with towers, "midair collisions are less frequent, and fewer aircraft are damaged in landing accidents," the FAA wrote in the paper that it used as recently as 2005 to determine which airports need control towers.

The paper says the risk of a midair collision is three times higher around an airport without a control tower than at an airport with a tower. Runway collisions are six times more likely at the "non-towered" airports.

"We wouldn't have built these towers if we didn't believe they provided safety," Moran said.

Transportation Department spokeswoman Sasha Johnson said the FAA paper is no longer used to assess risk and does not reflect safety improvements in the past 25 years.

In its analysis, USA TODAY found that nearly half of the collisions since 1982 occurred at or near non-towered airports. About a quarter occurred around airports with towers, and a quarter occurred far from any airport, in spots where pilots often have no contact with controllers.

Roughly 90% of the nation's 4,880 public airports do not have towers. Typically rural fields with no passenger flights, each has a small fraction of the traffic at major commercial airports with towers.



The air traffic control tower at an airport in Easton, MD, is closing down due to the government shutdown and budget cuts. What does that mean for the pilots?



Transportation Secretary Ray LaHood said in a statement Thursday that the FAA will monitor safety at airports losing controllers and "is committed to maintaining this nation's extremely safe aviation system."

The FAA says it had to close towers to reach the savings required of almost every federal agency under automatic budget-cutting, called sequestration. The 149 towers are all operated under contracts that the FAA can break on short notice, providing \$33 million of the \$637 million the agency must cut by Sept. 30. The FAA also plans to furlough 47,000 employees for up to 11 days over the next six months.

Other contracts could not be cut because they help run the entire air-traffic-control system, the FAA said. An FAA program that gives airports \$3 billion a year in grants for capital projects is protected by a 1985 sequestration law, the Congressional Research Service (CRS) said.

The tower closures will have "relatively small but measurable impacts on safety and efficiency," CRS said.

"Our overall principle has been, How can we protect the maximum number of travelers?" FAA Administrator Michael Huerta told a Capitol Hill hearing in February.

The FAA is closing towers only at airports with fewer than 10,000 commercial flights a year — about 27 per day — and fewer than 150,000 annual arrivals and departures. The closures will not touch the hub and regional airports that handle most commercial traffic, mostly affecting people who fly private planes for business or recreation.

Towers will go dark at 36 airports where small planes operate next to scheduled passenger flights, in cities such as Winston-Salem, N.C., La Crosse, Wis., and Branson, Mo. About 3 million passengers used those airports in 2011. Mixing high-speed jets with propeller planes worries Mark Courtney, manager of Lynchburg Regional Airport in Virginia.

"The safety margin begins to narrow," Courtney said. US Airways runs six flights a day between Lynchburg and Charlotte on 50-seat airplanes. The Lynchburg tower is to close May 5, but Courtney is working to find local funding to keep it open.

Although nearly 400 airplanes have collided around non-towered airports since 1982, killing 223 people and seriously injuring 80, safety investigators rarely blame the absence of air-traffic controllers. It's almost impossible to prove that a controller would have kept two airplanes apart — a point highlighted by the 241 collisions at towered airports.

National Transportation Safety Board (NTSB) investigations often cite the failure of two pilots to see each other when airplanes collide in daylight near non-towered airports.

In January 2008, two Cessnas collided on a perpendicular angle near Corona Municipal Airport in Southern California as one airplane was descending to land while the other was ascending after takeoff. The collision killed all four people in the planes and a fifth person on the ground, hit by falling airplane debris.

A similar perpendicular collision occurred in February 2010 over Boulder, Colo., killing the pilot and a passenger in a Cirrus airplane that smashed into a Piper, whose pilot also was killed. The NTSB said the pilots would have had trouble seeing the other airplanes because the white Cirrus blended into the overcast sky. The Piper was set against terrain and Boulder's cityscape.

In July 2012, a 73-year-old pilot landing in Valentine, Neb., accidentally hit the airplane of his friend and flying companion who had landed moments earlier and was on the runway. The friend, Joseph Andrews Jr. of Puyallup, Wash., died from the crash injuries three weeks later. Surviving pilot Harold Smith said he hadn't seen Andrews steer his airplane to the side of the runway.

"This accident leaves me with a very heavy heart which will be with me for many years," Smith wrote in a statement to the NTSB.

Pilots flying in and out of non-towered airports are supposed to fly within established traffic lanes, announce their position using an airport radio channel, and avoid flying in poor visibility unless they are qualified to fly using navigation instruments and have FAA clearance.

Those guidelines are often broken, particularly at non-towered airports, said Gene Benson, an aviation-safety consultant in Hilton, N.Y.

"These airports are magnets for aircraft flying without operating radios," Benson said, noting that the practice is usually legal. Some pilots fly outside traffic patterns, or in bad visibility when they shouldn't. "Not everybody does what they're trained to do in flight school," Benson said.

Airport controllers can enforce rules and can notify arriving pilots of runway hazards such as wildlife or a slippery surface. "I've been coming in many times and the controller will say, I see three deer or a flock of geese," Benson said.

On Thursday, the Texas Department of Transportation agreed to pay \$2 million to keep open 13 airport towers in the state and a tower in Texarkana, Ark., for 90 days while officials seek a long-term funding source. The airports handle 1,100 flights a week on average.

"The FAA made a determination that we should have the control towers here for the past decade or longer," DOT executive director Phil Wilson said. "We're trying to maintain that level of safety and integrity."

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There have been 879 reports of airplanes colliding since 1982, some minor scrapes and others deadly impacts. A breakdown of where during a flight the collisions occurred:

U

Source: USA TODAY research; Note Unknown, circling and other totaled 39  
Thomas Frank and Frank Pompa, USA TODAY



## Lawmakers push FAA to avoid closures of air traffic control towers

By Pete Kasperowicz - 04/08/13 10:42 AM ET

Lawmakers from several states are pushing the Federal Aviation Administration (FAA) to go beyond its two-month delay in closing 149 air traffic control towers, and to use the delay to find ways to avoid these closures altogether.

On Monday, Connecticut's entire congressional delegation welcomed the FAA's Friday announcement of the delay, but said a two-month delay should not be seen as a final answer.

"The decision to close air traffic control towers was misguided and unnecessary and we will continue to push for every opportunity to reverse this harmful action," the entirely Democratic delegation wrote.

"These closures will put at risk not only public safety, but also our local economies that rely on these airports for jobs and tax revenue. We hope this delay will allow the FAA time to reconsider its decision, and we'll continue to work to make sure they do."

Members from Texas — where the FAA has proposed closing 13 air traffic control towers to deal with the sequester — had similar reactions to the FAA's announcement last week.

"I hope that the FAA's decision to delay the tower closures indicates they are ready to work with our local leaders," Rep. Kevin Brady (R-Texas) said over the weekend. "The FAA needs to wisely use the time until June 15 to prioritize cutting true wasteful spending rather than playing politics with a program that has a proven safety record and created real economic growth for our communities."

Republicans in particular have criticized the FAA's plans to close 149 towers as an attempt to make the sequester as painful as possible, as part of the Obama administration's plan to put pressure on the GOP to agree to scrap the cuts altogether, or replace some of the cuts with new taxes.

Late last week, more than 40 members of the House from several states called on the FAA to find new ways to cut \$600 million from its budget without closing down air traffic control towers.

"[W]e request for FAA to consider all possible alternatives that would maintain some level of service for all contract air towers and ensure air safety," they [wrote in a letter](#). "These possible alternatives include other ways of reducing spending within the ATO account that would share the burden fairly across all programs, projects, and activities, as well as formally requesting a reprogramming of funds

from Congressional appropriators."

That letter was signed by members from Florida and Texas, which would be affected the most by the FAA closures, as well as several other states, including California; Georgia; Illinois; Massachusetts; Minnesota; New York; North Carolina; Oklahoma; Oregon; Utah; Virginia and Wisconsin.

Despite this growing pressure, it's unclear whether the FAA will take this advice. The FAA's Friday announcement that it would delay the closures until June 15 indicated that part of the reason for the delay was to resolve various legal challenges related to the decision.

Several airports have [sued the FAA](#) over the closures and, last week, the American Association of Airport Executives (AAAE) sued the FAA.

The FAA also said it would use the time to deal with issues such as risk mitigation related to the closures. Transportation Secretary Ray LaHood said the delay would help the government "make sure communities and pilots understand the changes at their local airports."

The FAA did, however, indicate that the time might also be used to give local authorities more time to fund tower operations themselves.

Source:

<http://thehill.com/blogs/floor-action/house/292311-lawmakers-push-faa-to-avoid-closures-of-air-traffic-control-towers>

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# Business travel bounces back, 5% growth expected in 2013

Nancy Trejos, USATODAY 9:48a.m. EDT April 9, 2013



(Photo: H. Darr Beiser USAT)

Companies will send their employees out on the road a lot more this year, even to conventions and meetings they avoided spending money on during the economic downturn, according to a new report out today.

U.S. business travel spending is expected to rise 5.1% this year to \$268.5 billion, a substantial increase from 1.8% growth in 2012, according to the Global Business Travel Association, the trade group for business travel managers.

That's an upgrade from the group's previous prediction for a 4.6% boost in 2013.

The group says a brighter economic outlook, greater consumer confidence, and stronger corporate profits are fueling the boost, despite recent federal government budget cuts. Additionally, industries that typically require more business travel such as business services, finance and utilities are starting to recover.

"What we're seeing is a lot of the fundamentals in the economy are improving," says Joe Bates, vice president of research for the association. "So despite the fact that the U.S. government is still dealing with and trying to figure out the broader situation, many other things are going on in the meanwhile, such as housing improving, car sales doing well, and business sentiment doing well."

Business travel spending has been slowly crawling back after an extended slump during the recession, as companies saw profits drop. It reached bottom in 2009 and slowly started picking up, but experienced another decline in the fourth quarter of 2012 because of uncertainty over the U.S. presidential election and turmoil in Europe.

Now, companies are not only planning trips to visit clients and do other revenue-generating work but also to attend conventions and meetings.

Group spending is expected to increase 6% this year to \$115.9 billion. Previously, the group had expected 5.2% growth.

"It's another sign of an improving economy overall," Bates says. "Typically when you have more concerns about what's going to happen with the economy, the first thing people cut are those meetings and events."

Eric Eden, vice president of marketing for Cvent, a meeting and event management technology company, says that when the economic downturn hit, event planners went from booking meeting spaces years in advance to almost at the last minute. They also moved away from large national meetings to smaller, regional ones with fewer frills.

That's starting to change, he says.

"We're seeing meetings with higher numbers of attendees per event, and we're also seeing that events are being planned further in advance, which is generally a sign that people are more optimistic," he says.

Hotels are more fully booked for meetings and are starting to charge higher rates for meeting attendees, he says.

"There's a certain point where it goes from being a buyers' market to a sellers' market and I think it's getting ready to cross that threshold where the buyers can no longer count on as good a deal because the hotels are filling up," he says.

While spending will be up, the number of trips taken will decline 1.1% to 431.7 million trips this year.

Bates says that's not surprising given that companies want their employees to accomplish more during each trip. A two-day trip could be extended to a three-day trip if the employee can take in more meetings or accomplish other tasks, he says. "We're seeing the productivity of business travel improve over time," he says.

Bates says there is a strong correlation between stock prices and business travel spending. With the stock market hitting record highs in the first quarter of this year, business travel should continue to pick up momentum in the second half of this year.

"We feel like we're finally into a very solid part of the recovery and we suspect it will continue in the next two years," Bates says.

---

Ellen Davis, who works at a marketing firm in Peachtree, Ga., says business travel has been healthy for her firm. But employees are being asked to be smarter about their expenses.

"There continues to be scrutiny over weekly expenses with a lot of encouragement to use discount booking services for hotels," she says. "I personally avoid that as much as possible and work with my regular hotels on corporate deals."

# LaHood: No money to keep air traffic control towers open

Bart Jansen 10:16 a.m. EDT April 17, 2013



(Photo: Doug Kapustin for USA TODAY)

WASHINGTON — The Federal Aviation Administration is moving ahead with plans to close 149 small air-traffic-control towers across the nation as part of mandated spending cuts.

"We don't have the money to keep them open," Transportation Secretary Ray LaHood told the House Appropriations subcommittee on transportation Tuesday. "It's a big headache for us."

The FAA on April 5 postponed the closures until June 15. LaHood said the delay was mostly so lawyers could

President Obama's proposed budget for the year starting Oct. 1 would restore funding for the towers, but

Congress would have to agree.

"I know the difficulty in announcing that an airport (tower) is going to close, particularly in rural America," LaHood said.

FAA Administrator Michael Huerta told the Senate transportation committee that about 50 communities have offered to pay to keep their towers operating.

The FAA decided to close towers at the smallest airports to save \$33 million toward the \$637 million it must cut by Sept. 30. The first step was to close towers at airports that average fewer than 27 commercial takeoffs and landings a day.

The FAA also is still planning up to 11 days of furloughs for its 47,000 workers. Those affected will lose one day per two-week pay period from April 21 to Sept. 30.

The agency also plans to eliminate midnight shifts at 60 towers starting this summer. But LaHood said "safety will not be compromised."

A USA TODAY analysis April 5 reported that aircraft collisions have killed an average of 30 people per year since 1982. The 871 controllers losing federal funding directed 8 million planes per year.

Huerta said the FAA has reduced travel, training and technology services. He said about 10% of controllers will be cut, which could result in 90-minute delays during the busiest times at the busiest airports.

"These are a series of bad choices," Huerta said.

After a handful of cities sued to block the closures, a trade group called the Contract Tower Association filed a federal lawsuit April 4.

Sen. Kelly Ayotte, R-N.H., asked for written justification why a tower in Nashua would close while another in Lebanon would stay open. Sen. Maria Cantwell, D-Wash., said FAA cuts seemed harsher than in other departments.

"You've been dealing with this in a very blunt way," Cantwell said.

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# FAA expects less in savings from closing control towers

Bart Jansen, USA TODAY 1:15 p.m. EDT April 18, 2013

*Fewer towers will be closed for a shorter time.*

WASHINGTON — The Federal Aviation Administration is scaling back the amount of savings it expects from closing 149 towers at small airports around the country.

FAA Administrator Michael Huerta told the Senate Appropriations subcommittee for transportation Thursday that the agency expects to save \$25 million from closing the towers starting June 15 until at least Sept. 30.

Earlier estimates anticipated savings of \$33 million to \$50 million from closing as many as 173 towers for a longer time because they won't be staffed with air-traffic controllers.

But the FAA selected 149 towers to close and delayed the closings from starting April 7 until June 15 to resolve legal questions and meet with local officials who want to pay to keep the towers open the rest of the federal budget year.

To meet the \$637 million savings target under federal spending cuts that took effect last month, Huerta said, the FAA is furloughing workers to save \$200 million. It also is reducing travel, training and spending on information technology, he said.

Huerta called federal spending cuts "a very dramatic and a very blunt instrument."

Closing the control towers sparked the greatest outcry so far. A handful of cities filed lawsuits to block them. A trade group called the Contract Tower Association filed its challenge April 4 at the D.C. Circuit Court of Appeals.

Huerta said about 50 communities are considering paying for controllers to staff their towers. President Obama's budget blueprint proposes to restore tower funding Oct. 1, but Congress must debate spending priorities for months.

Sen. Patty Murray, D-Wash., questioned the costs of reopening towers, if funding is provided in the next budget year.

Huerta said if local communities don't take over the costs, new controllers will have to be hired, trained and certified if funding is provided to reopen closed towers. "We're looking at a series of bad options," he said.

As a report in USA TODAY outlined April 5, aircraft collisions have killed an average of 30 people per year since 1982. The 871 controllers losing federal funding directed 8 million planes per year.

Sen. Jerry Moran, R-Kan., who has proposed legislation to shift funding to keep the small towers open, asked whether airports will be less safe with closed towers.

Huerta said airports with closed towers will be less efficient, as planes must remain farther apart and pilots must talk to avoid each other. But, he said, they will still be safe.

"We are not doing anything that is not safe," Huerta said.

# AOPA

## Congress continues to question contract tower closings

By Benét J. Wilson

It was a bipartisan affair as transportation leaders in the House and Senate continued to express disappointment with the FAA's decision to close 149 air traffic control towers under automatic budget cuts required by sequestration.

In an April 11 letter, leaders of the House Committee on Transportation and Infrastructure and the Senate Committee on Commerce, Science, and Transportation expressed concern that the FAA has still not addressed the impact that its decision to close towers may have on aviation system safety or efficiency. The agency on April 5 announced it [would delay closing 149 contract air traffic control towers](#) until June 15, while it works to resolve state and local concerns about the shutdowns, as well as resolve legal challenges to the closures.

In their letter to Transportation Secretary Ray LaHood and FAA Administrator Michael Huerta, the group said, "We are profoundly disappointed with the decision of the FAA to target 149 FAA contract control towers for closure on June 15. We ask that you identify lower priority spending elsewhere in the FAA's budget for reduction. ... It is deeply troubling that the agency seems intent on proceeding with the closure of key air traffic control assets absent adequate safety data and study."

They also said they were deeply concerned that the FAA has been premature in its decision because it had not addressed the impact the tower closings may have on aviation system safety or efficiency, despite the serious concerns expressed by elected representatives in the House and Senate on a bipartisan basis. In addition, they pointed out that local officials, business leaders, airports, air traffic controllers, general aviation operators and businesses, state aviation officials, and other concerned citizens had weighed in with the FAA on a need for adequate data and study of safety concerns.

Those signing the letter were Senate Commerce Committee Chairman Jay Rockefeller IV (D-W.Va.) and Ranking Member John Thune (R-S.D.), House Transportation and Infrastructure Committee Chairman Bill Shuster (R-Pa.) and Ranking Member Nick J. Rahall, II (D-W.Va.), and Senate aviation subcommittee Chairwoman Maria Cantwell (D-Wash.) and Ranking

Member Kelly Ayotte (R-N.H.), and House aviation subcommittee Chairman Frank LoBiondo (R-N.J.).

Shuster, Rahall, and LoBiondo in a separate statement said, “Right now we have more questions than answers, and we remain concerned about the safety of the aviation system and the general public. We still don’t know what impacts closing these air traffic control towers will have, and to ensure that safety remains the top priority, the agency needs to focus intently on finding savings in other areas of its budget.”

“We appreciate the efforts and leadership among these members of Congress,” said Lorraine Howerton, AOPA vice president of legislative affairs. “This group has a profound impact on the aviation industry, as all matters that concern aviation are brought under the jurisdiction of their respective committees.”

April 18, 2013

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## **THE WALL STREET JOURNAL.**

[WSJ.com](http://WSJ.com)

REVIEW & OUTLOOK | April 24, 2013, 6:59 p.m. ET

# The FAA Strikes Again, the FAA Brags

*The bureaucracy revels in its own failures.*

The Federal Aviation Administration claims the sequester spending cuts are forcing it to delay some 6,700 flights a day, but rarely has a bureaucracy taken such joy in inconveniencing the public.

Though the FAA says it is strapped for cash, the air traffic control agency managed to find the dollars to update its interactive "command center" tool on its website so passengers can check if their airports are behind schedule due to what it calls sequester-related "staffing" problems. Oklahoma Senator Tom Coburn noticed this rare case of FAA technological entrepreneurship and fired off a letter Wednesday protesting what he called the agency's "full blown media rollout" to hype the flight delays.

### Related Video



Editorial board member Joe Rago on how President Obama is making the Federal Aviation Administration more dysfunctional. Photos: Getty Images

That had zero impact on FAA bosses, who were on Capitol Hill rationalizing their dereliction. But after Mr. Coburn published his letter on his website, FAA regional employees wrote to blow the whistle on their bosses. As one email put it, "the FAA management has stated in meetings that they need to make the furloughs as hard as possible for the public so that they understand how serious it is."

Strategies include encouraging union workers to take the same furlough day to increase congestion. "I am disgusted with everything that I see since the sequester took place," another FAA employee wrote. "Whether in HQ or at the field level it is clear that our management

has no intention of managing anything. The only effort that I see is geared towards generating fear and demonstrating failure." Just so.

*A version of this article appeared April 25, 2013, on page A14 in the U.S. edition of The Wall Street Journal, with the headline: The FAA Strikes Again, the FAA Brags.*

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**John Goglia**, Contributor

I write about the airline industry and aviation safety.

LOGISTICS & TRANSPORTATION | 4/27/2013 @ 6:45AM | 770 views

## For the Record: Aviation Trust Fund Not General Revenues Used to Eliminate Air Controller Furloughs and Tower Closures

After a week of mounting pressure from airline lobbying groups and air travelers outraged at flight delays caused by across-the-board Government spending cuts, Congress fixed the problem by preparing legislation (which the President said he would sign) to allow the transfer of revenue from the FAA's Airport and Airway Trust Fund to cover air traffic controller salaries and prevent the closure of control towers. Contrary to what many commenters have said, this action was not a rescue of the aviation elite at the expense of social welfare programs. And no money will be diverted from DOT's budget for other programs, such as highway improvement or bridge safety. The Airport and Airway Trust Fund is never used for these other programs and it's misleading for commenters to imply that there will be a negative impact on these other programs by this transfer of funds.

### No General Tax Revenues in Aviation Trust Fund

The aviation trust fund is made up exclusively of aviation user fees that are required to be used for the improvement of the safety and efficiency of the aviation system. For example, ticket taxes paid by airline passengers or fuel taxes paid by aviation operators are included in the Trust Fund. No general tax revenues are part of the aviation trust fund. The purpose of the fund is to improve airport operations and grants-in-aid from the fund help improve the safety, efficiency and noise compatibility of a wide-range of airports, from the largest airports in the country to certain privately-owned reliever airports.

So while the sequestration has had dismaying impacts on many social programs, Congress's action to rescue the aviation system from the chaos of controller furloughs and tower closures seems like a common sense use of funds generated by aviation system users for the benefit of the aviation system. So while I have some long-term concerns about the impact of the use of Trust Fund money to support FAA operations – because it would reduce the money available for airport improvement projects, I think the decision was necessary in the short-term.

# Aviation Daily

The business daily of the airline industry since 1939

## Furloughs End, But Tower And Maintenance Uncertainty Remain

### REGULATORY/LEGISLATIVE

FAA is dropping its furlough plans for all 47,000 workers in its employee base after Congress last week passed a bill permitting the agency to shift up to \$253 million in funds to prevent "reduced operations and staffing."

But the agency still has not outlined plans on whether it also will

continue to fund the contract air traffic control tower program or whether it will move forward with anticipated cuts. And other services, such as most preventative maintenance of navigational aids, are still going to be curtailed.

The Reducing Flight Delays Act, enacted just days after the first

**FURLOUGHs**, p. 2

## Absent Open Skies, MAS Could Consider Overseas Ventures

### ASIA-PACIFIC

If a true regional open-skies deal brokered by the Association of Southeast Asian Nations (Asean) fails to materialize in 2015 as planned, flag carrier Malaysian Airlines' (MAS) "Plan B" response will be expanding a joint-venture network to go beyond just its Oneworld partners or even, at a stretch, to invest, says MAS se-

nior marketing VP Dean Dacko.

"We are looking to expand through joint ventures with partners who have a similar product and approach to the market as us," Dacko says. "The other view [in the company] is to look at a pan-Asian strategy and invest in markets, like in the way that our friends at AirAsia do."

**MAS**, p. 2

### INSIDE

Tuesday, April 30, 2013

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### DATA WATCH

## Top Carriers: Bogota - Cali

April 15-21, 2013, Ranked By Scheduled Seats

Daily Each Way	Departures	Share	ASKs (000)	Share	Seats /Dept.
AVIANCA	22	65.2%	840	63.0%	136
Lan Chile	7	20.0%	307	23.0%	162
VivaColombia	2	5.9%	101	7.6%	180
Copa	3	8.9%	87	6.5%	103
Total	34		1,335		141

Source: Oliver Wyman PlaneStats.com

**FURLOUGHS**, from p. 1  
wave of FAA furloughs kicked in causing thousands of airline delays, is heading to the White House for President Obama's signature. The White House called it a "Band-Aid" but also welcomed the bill, indicating that it will be signed.

The bill has been touted on Capitol Hill as a measure to end airline delays by putting controllers back to work and one that could avert planned closures of up to 149 contract air traffic control towers. The moves to furlough controllers and eliminate funding for 60% of the contract tower program are part of FAA's effort to shave more than \$600 million from its budget through the end of fiscal 2013 as required by sequestration.

### More Than ATC

Sequestration rules mandate that FAA implement cuts mostly from its operations account, but the bill lets the agency shift funds from the Airport Improvement Program to help ease pressure on the operations account. The bill, however, is only for fiscal 2013, which means future action will be required if sequestration continues into fiscal 2014. It also doesn't stipulate how FAA should shift or direct the \$253 million.

In a letter to employees April 27, Transportation

Secretary Ray LaHood and FAA Administrator Michael Huerta say the legislation "will allow us to suspend the furloughs and return to a normal schedule." An FAA statement released later on April 27 adds that the normal operations would be resumed within 24 hr. This was welcome news for Airlines For America (A4A), which had filed a suit to halt the controller delays. A4A says it now is dropping its lawsuit.

While the focus has been on air traffic controllers, the funding shifts mean FAA can end furloughs for all workers, including safety and certification inspectors, system specialists, FAA management and others. FAA had outlined a plan to curtail and slow services at its Flight Standards District Offices—including intermittent furlough day closures at some facilities—along with its Certification Service and in the Office of Aerospace Medicine. Those plans now will be set aside and operations will continue without interruption.

But though the bill permits FAA to shift funds to cover \$258 million, it does not end the sequestration cuts. The agency notes it still needs to implement \$380 million in savings. "To address this shortfall, the FAA will continue the cost-reduction efforts such as the hiring freeze and contract-reduction efforts that are now un-

**FURLOUGHS**, p. 03

**MAS**, from p. 1

After a series of government bailouts, for the moment MAS is focused on trying to stay profitable. Even so, the airline is eager to foster relationships with more overseas carriers and is contemplating the ambitious possibility that, one day, it may even need to invest in other airlines.

"We need to expand our network, leverage partnerships and strike more partnerships in the region and in terms of global participation," Dacko says, adding that MAS wants to do more codeshares with foreign carriers.

MAS formally joined the Oneworld alliance earlier this year, but only a few Oneworld carriers have tapped MAS's Southeast Asia network. Only four fly to Kuala Lumpur today: SriLankan Airlines, Japan Airlines, Cathay Pacific Airways and Royal Jordanian Airlines.

The Malaysians are still hoping British Airways will fly to Malaysia, but have largely given up on trying to woo Qantas Airways. The Australian carrier sponsored MAS's entry into Oneworld and the original plan was for Qantas to link up its network with MAS's, and use MAS's network in Southeast Asia. But the tie-up between Qantas and Emirates put an end to that earlier plan. Rather than fly to Kuala Lumpur, Qantas is code-sharing on Emirates' fifth-freedom flights between Australia and Malaysia.

Overseas partnerships will take on even more urgency if the Asean fails to create a single aviation market and implement open skies.

Among several stumbling blocks are the need for more investment in airports and other infrastructure.

Dacko points to the expected opening of the new terminal and runway at Kuala Lumpur International Airport on June 28 as evidence that his own nation is "on track" to meet the 2015 open-skies deadline, "but some other countries are falling short." It's one thing to make air traffic rights available, he adds, but if there are no slots available, those flights are constrained.

Dacko also says that to make overseas partnerships stick and be more meaningful, MAS may need to be a shareholder in some of its overseas partner airlines. But he also says "some countries do not allow us to buy more than 20%," and adds "we need a level playing field with regards to investment." AirAsia, for example, owns 49% of Thai AirAsia and Indonesia AirAsia.

### Ambitious?

The notion that MAS may one day invest money in a foreign carrier is ambitious for an airline that has reported massive losses in recent years and has depended on government bailouts to survive. Dacko notes that MAS's top priority is to report quarterly profits consistently and do it in a way that is sustainable. MAS is, for example, looking to expand short-haul frequencies, "so we have at least seven flights a week to each destination," he says, but the leadership is being careful to make sure expansion can happen profitably.

Fleet composition and brand marketing also are important in the near term.

Today MAS flies Airbus A300-200s, A330-300s and A380s, plus Boeing 737-400s and -800s and 777-200ERs.

**MAS**, p. 03

**FURLOUGHS**, from p. 2  
derway," LaHood and Huerta told employees.

This means that travel will remain clamped down, which could continue to slow efforts to get FAA approvals for certification work. The FAA also still will not be taking proactive maintenance measures to prevent equipment failures, the National Air Traffic Controllers Association (NATCA) says. A spokesman for the union describes the practice as "akin to not changing the oil on your car until the engine seizes up."

### Equipment Risks

NATCA is rounding up examples of equipment failures and equipment on the verge of failing to make its case that this is another sequestration-related problem that needs to be addressed.

The continuation of the agency's hiring freeze, which will mean a net loss of staffing, also continues to cause concern at NATCA, especially with about 3,000 controllers eligible for retirement. "Sequestration is not a good thing for the aviation system," the spokesman says.

The Air Line Pilots Association (ALPA) shares NATCA's equipment concerns, and adds that the sequester cuts at FAA—the total amount of which remains the same—will slow progress on the NextGen air traffic control system, too.

"We've kind of taken care of one half of the problem: keeping front line operations at their stations," says Sean Cassidy, the union's first vice president. ALPA is pleased Congress helped stop the furloughs, but Cassidy says the cuts that remain "are going to have an immediate impact on the ability to maintain the current equipment and a downrange impact on the ability

**MAS**, from p. 2  
MAS is replacing the -400s with -800s, still awaiting delivery, and the airline also has some A330s on order.

"We're going to place large orders and we're going to minimize the number of types in our fleet," Dacko says, a move many carriers have made in the quest for simplicity and lower costs. Proving MAS can be consistently profitable is important if it wants financing at reasonable rates. Securing "long-term financing structures" at competitive rates should allow MAS to move away from government-tied financing, he says.

## United RJ Order Leaves Some Questions Unanswered

### AIRFRAMERS/SUPPLIERS

United Airlines reached an agreement to add 30 Embraer 175 regional jets to its United Express fleet, with 40 more on option, but did not say which partner will operate them or how many of the 50-seat jets they will replace.

United says only that it will remove "some" of the 50-seaters as the 30 76-seat Embraer 175s are brought

to improve our systems, and that's not good no matter how you cut it."

The agency also has not yet clarified the "contract-reduction efforts" and whether that includes the contract tower program. Sen. Jerry Moran (R-Kan.), who has led a charge on Capitol Hill to preserve the contract tower program, last week is believed to have been assured by Senate leadership that the \$258 million was enough to cover the towers along with FAA furloughs.

Moran and Sen. Richard Blumenthal (D-Conn.), who have co-authored a bill to prohibit closures of federal and contract towers through fiscal 2014, are expected to write a letter of congressional intent to accompany the bill to stipulate the reprogramming authority should also include the towers. Moran and other tower backers also have indicated that the plan is to keep the pressure on the administration to try to preserve the program.

Aviation groups still await word from FAA on the fate of the towers, says Heidi Williams, vice president of air traffic services and modernization for the Aircraft Owners and Pilots Association. Williams notes that while lawmakers support use of the reprogrammed funding to preserve the tower program, nothing in the bill actually mandates it. "There's still many questions remaining," she says.

But other contract cuts still are in place, including certified contact weather observers, who provided more detailed weather information over those given from the automated weather observation stations, Williams says, another AOPA concern.

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Kerry Lynch [kerry\\_lynch@aviationweek.com](mailto:kerry_lynch@aviationweek.com)

As for branding, Dacko says building its brand is important to MAS "so it can protect itself on its home turf." While he believes MAS is clearly differentiated against its biggest rival—low-cost AirAsia—the airline faces tougher competition from Malaysian start-up Malindo Air, which operates Boeing 737-900ERs in a two-class configuration and offers free in-flight frills.

Dacko joined MAS last September and was previously VP of travel solutions at Aimia Loyalty Marketing Services in Canada.

Leithen Francis [leithen\\_francis@aviationweek.com](mailto:leithen_francis@aviationweek.com)

into the fleet in 2014 and 2015, configured for 12 first class, 16 premium economy and 48 economy seats.

The 50-seaters operated by United Express carriers include both Embraer ERJ-145 and Bombardier CRJ200 aircraft, entailing 270 of the former and 75 of the latter as of Dec. 31, 2012, according to a Securities and Exchange Commission filing.

United owns and leases out 16 of the ERJ-145s, with an average age of about 13 years, according to the Aviation Week Intelligence Network fleets database.

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## FLY SUN VALLEY ALLIANCE BOARD MEETING MINUTES

Thursday, March 21, 2013 8:00am, Sun Valley Inn

Board Members Present: Eric Seder, Dick Fenton, Peter Scheurmier, Jack Sibbach, Tim Silva, Maurice Charlat, Arlene Schieven, Rick Baird, Deb Fox, Lisa Horowitz, Michelle Griffith, Jacob Greenberg, Patrick Buchanan. Staff: Carol Waller.

Board Members Absent: , Wally Huffman, Martha Burke

### TOPIC DISCUSSED:

#### Consent Items:

- February Minutes: Deb moved to approve, Tim seconded VOTE: All in favor
- Feb FY13 YTD Financials & Payables: Peter moved to approve, Dick seconded VOTE: All in favor
- FY14 Draft Budget: Executive Committee will meet to prepare and will present to board at April meeting

### Committee Reports:

#### Funding

- Long-Term Funding/1% for Air Initiative: Next steps were discussed.

#### Programs/Fundraising

- Realtors for Air: FSVA made presentation to SVBR general membership spring meeting in March to provide update on Realtors for Air program and FSVA initiatives which was very well received.

### Air Service Initiatives/Research/Promotions:

#### Alaska Airlines MRG performance update:

- Waiting to receive latest report and MRG projection from Mead&Hunt
- Diversion bussing task force – Lisa will organize a meeting

New Service Update: Discussions are progressing

Network USA: Rick and Carol attended, along with air consultant Ron McNeil, and thought it was extremely valuable and productive. They met with key decision makers at both current carriers serving SUN and potential new carriers who could serve SUN in the future. FMAA was thanked for helping cover cost of Carol's participation – Rick said it was very important for FSVA to be involved and he would recommend attending every year.

Air Service Marketing Update: SVMA & SVR continuing their winter marketing campaigns, planning for summer.

#### Airport Update: (Rick Baird)

- FMAA has new Leadership -Ron Fairfax is the new board chair.
  - FMAA approved Termination of EIS on New airport project and approved Scope of Work for Airport Layout Plan. to bring it closer into compliance with FAA standards for C-III aircraft. Expect 60-90 day accelerated planning effort.
  - FMAA is pursuing a study for reliability enhancement options; 1000 ft minimum would reduce diversions by 50% Expect to have Reliability Improvement Report in March.
- Airport Tower Closure – FMA is on list of 149 contract towers to lose FAA funding due to sequester budget cuts. FMAA has made a formal appeal to FAA to keep funding Friedman tower and is also working with Idaho congressional delegation and others to find a legislative solution. All FSVA members encouraged to contact congressman with support.

#### Research:

- Winter SUN air passenger research project is continuing, lost surveyor due to illness, so Carol is completing.

Rocky Mountain Air Service News: (compilations of articles related to air service in competitive set) provided.

Monthly Directors Report: Provided for review.

*Respectfully Submitted, Carol Waller, FSVA Director*

## FSVA BUDGET (for cities/county)

FSVA INCOME	FY14	FY14 Alternative (w/6 MONTHS PUBLIC FUNDING)
<b>PRIVATE FUNDING</b>		
<b>Business Support</b>		
Air Support Ski Pass Sales	\$140,000	\$140,000
Realtors for Air	\$70,000	\$70,000
Other Business Support	\$20,000	\$20,000
<b>Total Business Support</b>	<b>\$230,000</b>	<b>\$230,000</b>
<b>Events</b>		
Ski for Air Service Day (tx & raffle)	\$45,000	\$45,000
<b>Other Support</b>		
Friedman Memorial Airport (% air pax survey)	\$12,000	\$12,000
Misc Income	\$500	\$500
<b>Total Private Funding</b>	<b>\$287,500</b>	<b>\$287,500</b>
<b>Public Funds</b>		
City of Sun Valley*	\$62,000	31,000 6 months
City of Ketchum*	\$90,000	\$ 45,000 6 months
City of Hailey*	\$16,000	\$ 9,000 6 months
Blaine County	\$20,000	\$10,000 6 months
<b>Total Public Funds</b>	<b>\$188,000</b>	<b>\$95,000</b>
<b>TOTAL INCOME</b>	<b>\$475,500</b>	<b>\$382,500</b>
<i>*Contract for Services = 5% of LOT</i>		
<b>FSVA EXPENSE</b>		
Diversion Bussing Expense (50%)	\$60,000	\$60,000
Air Service Consulting Fees/Travel & Meetings	\$35,000	\$35,000
Research (air passenger surveys, other)	\$18,000	\$18,000
Fundraising Expense (Air Support Ski Passes/SkiforAir Service Day)	\$7,500	\$7,500
Program Mgmt/Office/Legal/Insurance/Acctg/Misc	\$78,000	\$78,000
<b>TOTAL EXPENSE (EXCLUDING MRG)</b>	<b>\$198,500</b>	<b>\$198,500</b>
<b>NET TO PAY MRGs</b>	<b>\$277,000</b>	<b>\$184,000</b>

## SkyWest SLC-SUN Scheduled Flights/Capacity by month

Month	2012		2013		2013 vs 2012		2014		2014 vs 2013			
	Flights	Seats	Flights	Seats	Flights	Seats	% change in seats	Flights	Seats	Flights	Seats	% change
JAN	134	4,020	130	3,900	(4)	(120)	(3)	160	4,800	30	900	23
FEB	151	4,530	127	3,810	(24)	(720)	(16)	140	4,200	13	390	10
MAR	156	4,680	155	4,650	(1)	(30)	(1)	155	4,650	0	0	0
APR	90	2,700	104	3,120	14	420	16					
MAY	93	2,790	93	2,790	0	0	0					
JUN	135	4,050	168	5,040	33	990	24					
JUL	186	5,580	213	6,390	27	810	15					
AUG	186	5,580	217	6,510	31	930	17					
SEP	154	4,620	162	4,860	8	240	5					
OCT	124	3,720	124	3,720	0	0	0					
NOV	91	2,730	93	2,790	2	60	2					
DEC	129	3,870	142	4,260	13	390	10					
<b>Total June-Dec</b>	<b>1,005</b>	<b>30,150</b>	<b>1,119</b>	<b>33,570</b>	<b>114</b>	<b>3,420</b>	<b>11</b>					
<b>Total for Year</b>	<b>1,629</b>	<b>48,870</b>	<b>1,728</b>	<b>51,840</b>	<b>99</b>	<b>2,970</b>	<b>6</b>					

SUMMER SEASON	2012		2013		2013 vs 2012	
	Flights	Seats	Flights	Seats	Flights	Seats
JUN	135	4,050	168	5,040	33	990
JUL	186	5,580	213	6,390	27	810
AUG	186	5,580	217	6,510	31	930
SEP	154	4,620	162	4,860	8	240
<b>Total</b>	<b>661</b>	<b>19,830</b>	<b>760</b>	<b>22,800</b>	<b>99</b>	<b>2,970</b>

WINTER SEASON	2012/13		2013/14		2013 vs 2012	
	Flights	Seats	Flights	Seats	Flights	Seats
DEC	129	3,870	142	4,260	13	390
JAN	130	3,900	160	4,800	30	900
FEB	127	3,810	140	4,200	13	390
MAR	155	4,650	155	4,650	0	0
<b>Total</b>	<b>541</b>	<b>16,230</b>	<b>597</b>	<b>17,910</b>	<b>56</b>	<b>1,680</b>



## Monthly Report March, 2013

### 1. AIR SERVICE

#### AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Received/reviewed Alaska Airlines booking/MRG advance bookings & projections for winter.
- Completed negotiations with AS for summer 2013 service; successfully negotiated for better schedule and MRG contract terms. Promoted announcement of extended schedule through press, enews, social media, etc.
- Met with Alaska Airlines officials during their March visit to Sun Valley to discuss future strategic planning
- Ongoing communication/work with airlines, M&H consultant, FMA re: booking & enplanement reports, analysis, airfare monitoring reports, leakage data, etc.
- Attended Network USA air service conference with FMA and M&H; met with officials with current and potential future carriers to discuss enhanced service opportunities. Followed up as appropriate.
- Attended various meetings re: air service with local officials, FMAA, etc.
- Presentation to Realtors for Air general membership meetings; upcoming reports to cities
- Provided information via monthly FSVA Enews and ongoing social media postings; updated website as needed
- Assisted with airline sponsorship/promo opportunities for community events (ie., SV Film Festival)
- Communicated with air carriers on diversion bussing program

### 2. FUNDING

**AIR SUPPORT TRANSFERABLE SKI PASS PROGRAM (2012-13):** Coordinated company ski days for company.

**Results:** Sold 58 passes to 42 businesses/orgs = \$137,900. A \$5,500 increase

**REALTORS FOR AIR PROGRAM:** Continued to promote, track & coordinate benefits for offices; provided air service update, tracked payments. **Results YTD: \$65,000+ received in pledges from 187 realtors in 16 offices.**

**FSVA COMMUNITY SKI DAY:** **Results: Over \$36,000 net income through raffle & lift ticket sales.**

### 3. BOARD/ADMIN BUSINESS

- Developed/compiled/distributed all materials for monthly Board Packets; prepared minutes from meeting(s). Prepared Monthly Report. Reviewed Financials, approved invoices/signed & processed checks, reviewed payables list, presented to Board for review/approval. Made deposits as needed.

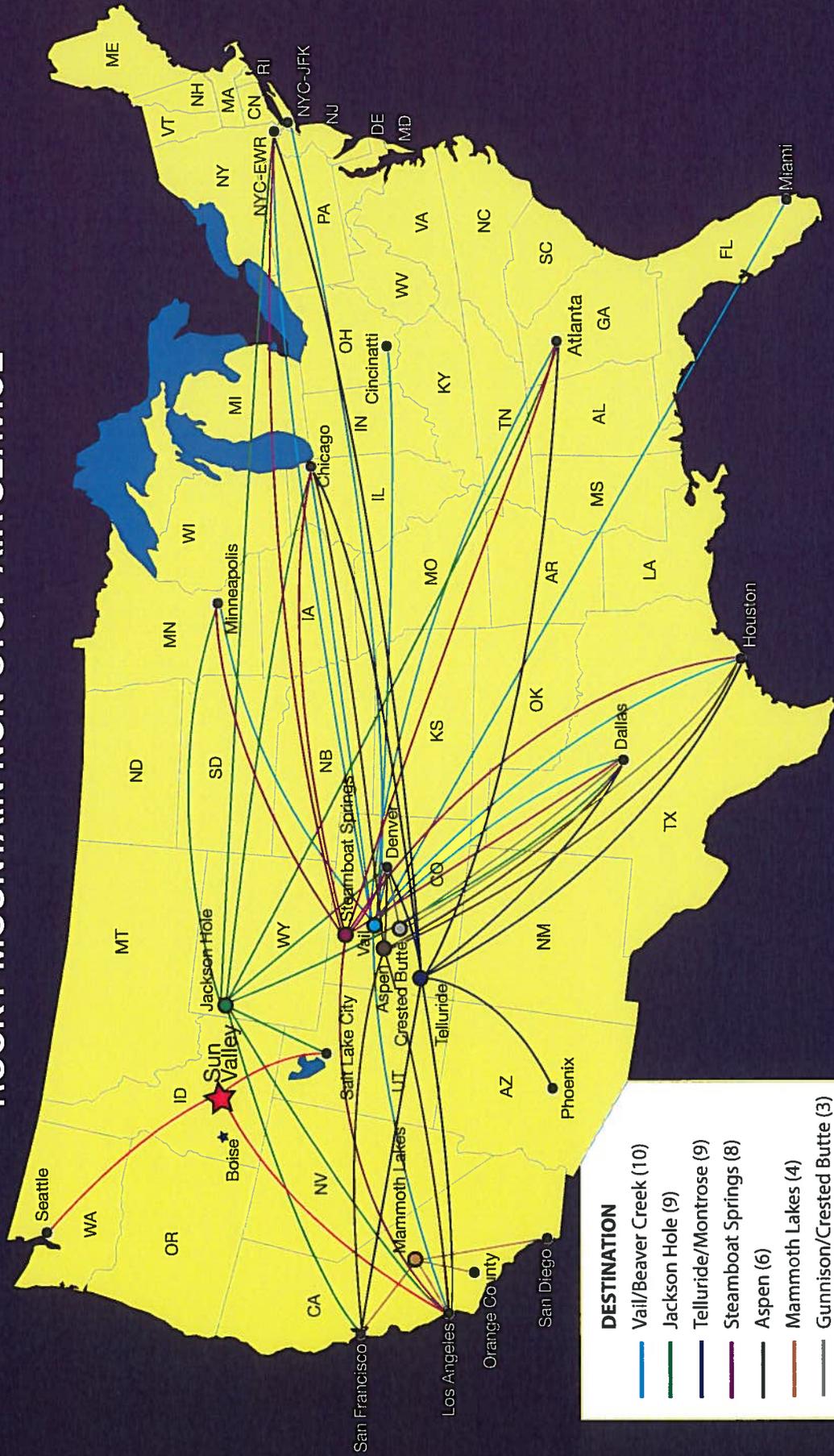
### 4. RESEARCH/OTHER

- Continued implementation of 2012/13 winter air passenger survey, assisted contract surveyor with data collection.
- Continued work on compiling/tracking relevant comparative data and information of air service

#### KEY PERFORMANCE METRICS PROGRESS

1. Retain 24,000 current seats on non-stop service from SEA and LAX in winter 2012/13 and summer 2013.  
Winter 2012/13 contract successfully negotiated and completed – extended service to March 31.  
Summer 2013 negotiations completed – expanded schedule to September 22.
2. Reduce 2012-13 winter & summer MRG payout for contracted service by 20%, (\$150,000) through combination of negotiated MRG cap, modification of schedule, and yield pricing mgmt, assuming the cost per trip identified by airline remains constant with prior year.  
Reduced summer 2012 mrg payout by 75%; Negotiated lower mrg cap for winter 2012-13 contract; Negotiated better schedule and contract terms for summer 2013 MRG contract.
3. Conduct 1500 air passenger surveys in 2012-13 at SUN (in conjunction with professional research firm) and work with FMA and consultants on other research to utilize in decision-making to improve air service and enplanements.  
In progress
4. Raise at least \$150,000 in private sector funds for air service support program by 9/30/13.  
Raised/recieved \$220,000 net private sector funds ytd thru 3/31/13.

# ROCKY MOUNTAIN NON-STOP AIR SERVICE



DESTINATION	Count
Vail/Beaver Creek	10
Jackson Hole	9
Telluride/Montrose	9
Steamboat Springs	8
Aspen	6
Mammoth Lakes	4
Gunnison/Crested Butte	3
Sun Valley	3

**VAIL/BEAVER CREEK:** Atlanta, Chicago, Dallas, Denver, Houston, Los Angeles, Miami, Minneapolis, Newark, New York City/JFK  
**JACKSON HOLE:** Atlanta, Chicago, Dallas, Denver, Los Angeles, Minneapolis, Newark, Salt Lake City, San Francisco  
**TELLURIDE/MONTROSE:** Atlanta, Chicago, Dallas, Denver, Houston, Los Angeles, Newark, Phoenix, Oakland  
**STEAMBOAT:** Atlanta, Chicago, Dallas, Denver, Houston, Los Angeles, Minneapolis, Newark  
**ASPEN:** Chicago, Dallas, Denver, Houston, Los Angeles, San Francisco  
**MAMMOTH LAKES:** Los Angeles, Orange County, San Diego, San Francisco  
**GUNNISON/CRESTED BUTTE:** Dallas, Denver, Houston  
**SUN VALLEY:** Los Angeles, Seattle, Salt Lake City

MARCH 2013



**FLY SUN VALLEY ALLIANCE BOARD OF DIRECTORS MEETING**  
**Thursday, April 18, 8:00am – 10:00am – FRIEDMAN MEMORIAL AIRPORT**

**AGENDA:**

**1. Consent Items:**

- Approval of March Meeting Minutes (*attached*)
- Approval of March YTD financials & payables (*attached*)
- FY14 Budget – Drafts provided for board review (*attached*)
- Board Bios & photos - some still needed! (*Jack, Tim, Peter, Martha, Michelle, Rick*)

**2. Program Reports:**

**Funding**

- FSVA City updates: April 4 in Sun Valley (4pm), May 6 in Ketchum (5:30pm)
- FY 14 Budget Presentations:
  - May 1, 10:20 am – Blaine County
  - May 14; 10:00 am – City of SV
  - Ketchum, Hailey TBD
- Update on 1% LOT for Air campaign

**3. Air Service Initiatives/Research/Promotion**

- Winter 2012-13 Final AS YTD Booking & MRG report (*not yet available*)
- SkyWest – expanded flights (*attached*)
- Summer 2013 AS YTD Booking report (*attached*)
- Potential new service update
- Airport update – Rick
- Air Service Marketing Update – Jack & Arlene
- Research: SUN Air Pax surveys – *winter surveys completed April 15; results due end of May*
- Other: SCASDP Grant for FY14

**Other reports:**

- FSVA March Report
- New Comparative Route Map
- 2012/13 SUN Winter Season Enplanement Report

**Winter 2012/13 Dec-March**

- \* SkyWest enplanements: -2% ( 9,200)
- \* Alaska enplanements: +20% (11,511)

Note: Alaska season expanded, ran flights 1 week longer through Easter.

14 additional flights = 1064 additional seats

**Total Winter 2012/13 Enplanements: +12% (20,711)**

# MEETING SUMMARY

**FRIEDMAN MEMORIAL AIRPORT (SUN)  
RSA IMPROVEMENTS FORMULATION**

**HELENA AIRPORTS DISTRICT OFFICE**

**April 16-17, 2013**



Rick Baird, Airport Manager and Dave Mitchell of T-O Engineers traveled to Helena to meet with Dave Stelling and Steve Engebrecht of the FAA, Helena ADO. The purpose of this meeting was to discuss the RSA Improvements Formulation project, specifically the Modifications of Standards process, Safety Risk Management requirements and initial projects that should be pursued as part of this effort. Following is a summary of the key discussion points from this meeting.

## Modifications of Standards

- There are no changes to the status of the MOS's. That is, MOS 1 is still being considered with the operational limitations described by FAA Headquarters Airports Division (HQ ARP). No objections have been stated to the other MOS requests, at this time. Final decisions on the MOS's will be made after the Safety Risk Management panels discussed below.
- The position of FAA HQ is that what has been done in the past at other airports is not relevant to this argument – they will be considering these requests relative to the standards and related guidance.
- The white paper in support of MOS 1 was reviewed, with the following suggested improvements/modifications:
  - Develop a graphic that shows the relative sizes of aircraft in Design Groups II, III and IV and their relative positions from the runway.
  - Include a question section at the end of the document, to identify areas of the standards where we feel that we need additional information.
  - Include a more detailed discussion of the operational impacts of proposed restrictions, specifically how they would impact the National Airspace System, beyond the immediate vicinity of SUN.
  - The white paper will be modified and then submitted again for review, before a decision is made regarding sending it up to HQ.
- MOS 1 should not be edited, at this time. Any required changes will likely be an outcome of the SRM process.

## Safety Risk Management (SRM)

- There will be two separate panels, both held at SUN:
  - The first will consider all of the proposed MOS's, sponsored by Airports Division. This panel will be facilitated by a consultant retained by T-O.

- The second will be sponsored by FAA Air Traffic Division and will consider air traffic impacts. This panel will likely consider only MOS 1, as that is the only MOS with operational/air traffic impacts. This panel will be facilitated by FAA Air Traffic.
- The Airports SRM will be the first to consider an MOS in the FAA.
- Schedule:
  - Panel 1:
    - Panel in late May/early June.
    - Goal is to have SRMD by mid- to late-June (earlier if at all possible).
  - Panel 2:
    - Panel in early July.
    - SRMD by early August.
  - Drivers of schedule:
    - Availability of facilitator.
    - Availability of panel members, especially from FAA.
- A Change Proposal will be needed for Panel 1, as soon as possible. It may be helpful to include an executive summary to cover the important details, if the Proposal is lengthy.
- The change proposal will note that a 2<sup>nd</sup> panel, facilitated by Air Traffic, to consider operational/air traffic impacts, is anticipated.
- Participants probably should include airline representatives. Need to have the same representation on the 1<sup>st</sup> panel and 2<sup>nd</sup> panel (FAA LOBs, airport, airlines, etc) to provide continuity between the two panels.
- Unless resolved ahead of time, the panels will consider both ATCT open and ATCT closed conditions.
- The immediate priority is to hire a facilitator, who will then help with the process to prepare for Panel 1.

### **Initial Project(s)**

- The T-Hangar area is the best place to start, along with utility relocations at the north end. The goal is to accomplish work that will enable a 'fast start' to 2014 construction.
- The goal will be to bid this project by early August, as grants must be issued before the end of that month.
- This project will be titled, "RSA, Phase 1" or similar. Following projects will use the same naming convention.
- FAA will need to review the eligibility rules for hangar relocations, as the regulations on that subject have recently changed.
- A Categorical Exclusion form will need to be filled out for this year's project.
- A separate grant application will be made for 2013 improvements and a separate grant issued for construction.
- T-O will prepare and submit an FAA Form 7460-1 for the proposed project, so that the improvements can be routed to other lines of business. As the improvements are not currently shown on the ALP, they will be added to the existing approved ALP with pen and ink, after the 7460 process is complete. The formulation project includes an update to the ALP to show future improvements.

## EIS

- FAA has started the termination process, including notification to BLM. Letter was sent April 15, 2013.
- Next step is a notice in the federal register.
- FAA is still working on the disposition of files pursuant to the MOU between FMAA and FAA.
- It may be possible for FMAA to use PFC funds to have Landrum and Brown prepare a site selection document, based on research completed for the EIS. This will be considered further at a later date.

## Miscellaneous

- Approach: FAA will research what elements of approach improvements may be AIP eligible.
- Approach: The approved RSA Improvements - Project Formulation Scope of Work for FY 2013 includes an Instrument Approach Feasibility Study. The intent of this report is an overview of potential improvements to approach minimums for additional future consideration, not to develop or recommend a specific solution. Once the RSA improvements are completed, the information from the feasibility study will be revisited to identify and pursue specific alternatives to provide improved IAP minimums, including potential approaches to Runway 13.
- Future Planning: Following completion of the RSA improvements formulation, FMAA and FAA will consider a Master Plan Update for the existing airport site to determine any necessary improvements, considering the dual path plan of improving the existing airport while continuing towards an eventual replacement airport. Timing of this study relative to ongoing construction efforts will be discussed at a later date.
- Engineering Selection:
  - A new engineering selection will be necessary, as the Request for Qualifications for the last selection did not include the specific efforts that are underway and will continue in the coming years.
  - Current work is acceptable under the previous selection.
  - A new selection should take place in the late summer/early fall.

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## **Friedman Memorial Airport Authority Summary of Concerns Modification to Design Standards Request**

### **Runway to Taxiway Separation Standard and FAA Proposed Operational Restrictions**

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*The Friedman Memorial Airport Authority has submitted a request for a Modification of Design Standards for the Runway to Taxiway Separation Standard at the Friedman Memorial Airport to the FAA. This White Paper summarizes the concerns of the Authority as they pertain to operational restrictions proposed by the FAA based on the requested Modification and provides additional justification for the Modification of Design Standards as submitted.*

**May 2, 2013**

**Additions to previous version are highlighted in yellow.**



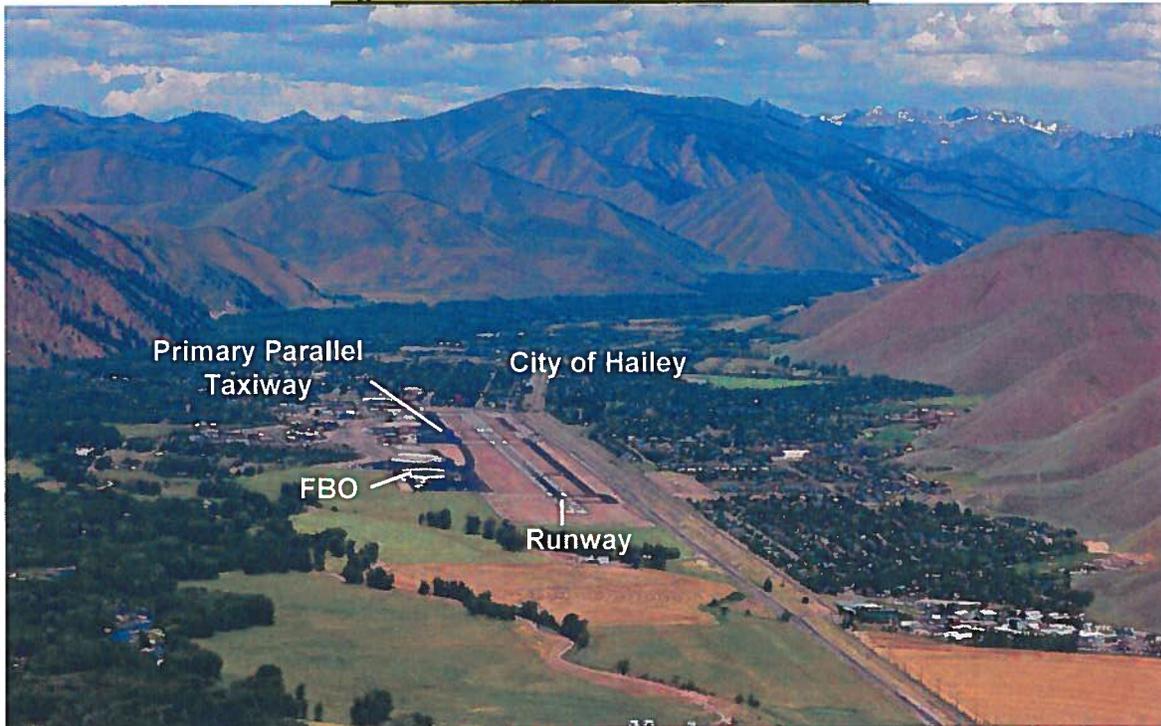
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## Introduction

The Friedman Memorial Airport (SUN) is located in Hailey, Idaho. The airport serves the Wood River Valley and the entire central region of Idaho, including the Sun Valley resort area. The airport is located in a mountain valley with severe terrain on three sides. This terrain, along with the en-route instrument infrastructure south of the airfield requires that over 95% of aircraft operations at the airport take place “head-to-head”, landing to the north and taking off to the south. Additionally, the Airport’s Fixed Base Operator is located at the south end of the airport, which means that taxi operations are also head-to-head. This unique operational environment creates a number of challenges to the efficient movement of aircraft traffic. Figure 1 below shows the Airport and its immediate environment.

**Figure 1 – View of Airport Looking North**



The airport does not meet current Federal Aviation Administration (FAA) standards based on the current critical aircraft that utilize the airport. Current aircraft traffic dictates that the Runway Design Code (RDC) (formerly Airport Reference Code (ARC)) for the airport is C-III. The existing site is constrained and does not meet object clearance and separation standards for many C-III standards, most critically the Runway Safety Area. Operational restrictions currently allow operations by Category C commercial aircraft at the airport by sterilizing the parallel taxiways during such operations. These operational restrictions were instituted when operations by the Q400 began at the airport in the early 2000s. At that time, the Airport began a series of planning efforts to find a permanent solution to meeting C-III standards.

This began with a Master Plan Update, which was completed in 2004. This Master Plan determined that the ultimate solution was the construction of a new airport, due to the constrained environment at the existing site. A Site Selection Feasibility Study was immediately

initiated, which identified a preferred site. In 2007, FAA began the Environmental Impact Statement (EIS) for a new airport. This process continued until August of 2011, when the FAA Northwest Mountain Region (ANM) indefinitely suspended the EIS, due to concerns associated with wildlife and initial cost estimates of the primary sites under consideration.

After suspension of the EIS, the FAA requested that the Friedman Memorial Airport Authority (FMAA), sponsor of the airport, work with the community to determine what viable options are available and what the path forward for the airport should be. Through a series of extensive public meetings and close coordination with the FAA, the community determined that a new airport is still the ultimate solution. Due to the environmental and financial challenges, however, it was recognized that construction of a new airport will take several years to complete, and improvements to the existing airport are necessary, in order to improve the safety and viability of the airport.

Also facing the Airport was a law passed by the United States Congress in 2005 mandating all airports certificated under 49 U.S.C. 44706 comply with FAA design standards for Runway Safety Area (RSA) as required by 14 CFR 139 no later than December 31, 2015. As currently configured, the airport does not meet RSA standards for RDC C-III.

During the fall of 2012, the FMAA, in cooperation with the FAA, undertook a Technical Analysis, which was submitted in January 2013 to the FAA. The purpose of the Analysis was to investigate alternatives and provide technical information to the FAA in order to assist the agency in making a decision as to the best alternative(s) that will achieve compliance with RSA standards and result in an increased level of safety at the airport for the type and size of aircraft that use the facility today, before the 2015 deadline.

As a result of the Technical Analysis, a preferred alternative (referred to as 'Alternative 6' in the Technical Analysis) to improve the existing site was selected by the FAA and supported by FMAA. Further, and of utmost importance to FMAA and the community, FMAA and the FAA (Northwest Mountain Region Airports Division, 'ANM') have agreed that the "dual path forward" was the correct approach. FMAA and the FAA agreed to continue with coordinated efforts to improve the existing site while continuing the planning process to find a new site and eventually move the airport in the future. At this point, the FAA and FMAA began work to implement an aggressive plan of projects to construct the elements of the preferred alternative.

Due to existing site constraints and estimated costs determined during the Analysis, the full implementation of the preferred alternative requires the use of Modification of Design Standards (MOS). Five proposed MOS were developed in support of the preferred alternative and subsequently submitted to the FAA for review and approval on February 15, 2013. These MOS and their necessity in order to achieve RSA within a reasonable budget and before the congressional deadline were discussed with FAA personnel in detail before the report was finalized. The MOS include:

- MOS 1 - Runway to Parallel Taxiway Separation
- MOS 2 - Parallel Taxiway Object Free Area
- MOS 3 - Runway Object Free Area (OFA) Width
- MOS 4 - Runway Safety Area (RSA) Grading
- MOS 5 - Runway to Aircraft Parking Separation

Methodologies used to develop these MOS included the Transportation Research Board (TRB) - Airport Cooperative Research Program (ACRP) Report #51 – Risk Assessment Method to Support Modifications of Airfield Separation Standards. Engineering Brief No. 78 – Linear Equations for Evaluating the Separation of Airplane Design Groups on Parallel Taxiways and Taxiways to Fixed/Movable Objects was also used, primarily for MOS 2.

ACRP Report #51, sponsored by the Federal Aviation Administration, provides a risk-based methodology for assessing the risk associated with non-standard separations at existing airports where separation standards cannot be practicably met. The methodology is based on the probability of lateral and vertical deviations from the intended path during landing, takeoff, and taxiing operations. The intent of ACRP Report #51 is to provide a quantitative basis to support MOS requests for airfield separations that do not meet FAA standards. Meeting separation standards is not considered practical at SUN due to existing physical barriers, environmentally sensitive areas, and adjacent development and terrain.

As stated previously, the airport does not currently meet RSA standards. The Congressional RSA mandate cannot be met without constructing a new parallel taxiway. It is not cost effective to meet full runway to taxiway separation standards at SUN based on the constrained environment. Estimated construction and land acquisition costs to meet full separation, beyond the estimated cost of the selected alternative, exceed \$70 million.

The methodologies and rationale are addressed in detail in the MOS documentation and associated Technical Memorandum; further discussion is not included in this White Paper.

### **Problem Statement**

On March 18, 2013, FMAA received feedback from FAA Airports Headquarters (ARP HQ) regarding the proposed MOS. All MOS were preliminarily approved by ARP HQ; some with various conditions/restrictions. Final approval is contingent on the outcome of a Safety Risk Management (SRM) assessment(s).

Upon review of the MOS approvals and proposed restrictions, MOS 2 thru 5 were preliminarily deemed acceptable to FAA, with minimal restrictions. However, MOS 1, runway to parallel taxiway separation, was preliminarily approved with what FMAA considers to be significant operational restrictions. **Appendix A** includes a summary of the proposed restrictions as submitted by ARP HQ. Using the methodology noted above, FMAA determined that the 320' runway centerline to taxiway centerline separation requested for approval under MOS 1, provides an acceptable level of safety for aircraft expecting to operate at SUN for the foreseeable future.

The proposed restrictions essentially require SUN to meet the separation standards and are deemed unacceptable by FMAA, due to the adverse impact they would have to the airport. These impacts include a major impact to operational efficiency, due primarily to the time required to taxi to and from the FBO to the north end of the runway. These operational procedures will also greatly increase the workload for Air Traffic Control Tower personnel, as well as FBO and Airport staff. Finally, complicated procedures like this will introduce significant potential for human error, increasing the risk of incidents and accidents. One of the secondary goals of these improvements was to remove all operational procedures, due to concerns raised in previous analyses, including a Safety Risk Management assessment, which indicate that operational procedures of this type create risk in the system.

This White Paper summarizes the concerns of FMAA regarding the proposed restrictions of MOS 1 - Runway to Taxiway separation, while presenting other relevant information and a proposed alternative restriction.

## Existing Aircraft Traffic

In order to better understand the situation at SUN, some discussion of the aircraft that currently use the airport is helpful.

The airport has a published pavement capacity of 95,000 lbs for dual-wheeled gear aircraft. Based on the current fleet of all available aircraft, this limitation limits the wingspans of aircraft that are able to use the airfield to less than 100 feet. In other words, there are no aircraft in the current fleet with maximum takeoff weights less than 95,000 lbs and wingspans greater than 100 feet. The following table presents some of the typical larger aircraft that are common at the airport. For comparison purposes only, two of the largest C-III aircraft are included at the bottom of the table. *These aircraft do not operate at SUN.*

Aircraft	MTOW lbs	Approach Category	Wingspan	WDG <sup>2</sup>	Tail Height	THDG <sup>3</sup>
Embraer 120	23,353	B	64' 11"	II	20' 10"	II
Bombardier Q400	62,500	C	93' 3"	III	27' 2"	II
Canadair CRJ700 <sup>4</sup>	67,000	C	76' 3"	II	24' 10"	II
Gulfstream G-IV/450	73,200	D	77' 10"	II	24' 10"	II
Gulfstream G-V/550	89,000	C	98' 6"	III	25' 10"	II
Bombardier Global 5000	92,500	C	94' 0"	III	25' 6"	II
Gulfstream G-650 <sup>5</sup>	99,600	C	99' 8"	III	25' 8"	II
Boeing 737-800W <sup>6</sup>	174,200	C	117' 6"	III	41' 2"	III
Airbus A-321 Sharklet <sup>6</sup>	206,132	C	117' 6"	III	39' 8"	III

<sup>1</sup> MTOW = Maximum Takeoff Weight  
<sup>2</sup> WDG = Airplane Design Group, based on wingspan.  
<sup>3</sup> THDG = Airplane Design Group, based on tail height.  
<sup>4</sup> The CRJ700 does not currently operate at SUN, but is anticipated in the near future.  
<sup>5</sup> SUN permits operations by aircraft exceeding the weight limitation with prior permission, IF the aircraft is placarded with a maximum takeoff weight for SUN of less than 95,000 lbs.  
<sup>6</sup> Boeing 737-800W and Airbus A-321 Sharklet are provided for comparison purposes only. **These aircraft do not operate at SUN.**

Table 1-2 in Advisory Circular 150/5300-13A, provides the criteria used to determine Airplane Design Group, as summarized below:

Group #	Tail Height	Wingspan
II	20' - <30'	49' - <79'
III	30' - <45'	70' - <118'

Using the two tables above, several observations about the existing traffic at SUN can be made:

- Considering tail height, all of the aircraft are classified in ADG II.
- For wingspan, none of the aircraft that use SUN are near the upper limit of ADG III.
- The aircraft traffic at SUN is much smaller and lighter than the largest aircraft in RDC C-III.

## Purpose of the MOS Process

The FAA defines Modification of Airport Design Standards as follows<sup>1</sup>:

“Modification to standards” means any change to FAA design standards other than dimensional standards for Runway Safety Areas. Unique local conditions may require Modification of Airport Design Standards for a specific airport. A modification to an airport design standard related to new construction, reconstruction, expansion, or upgrade on an airport which received Federal aid requires FAA approval. The request for modification should show that the modification will provide an acceptable level of safety, economy, durability, and workmanship... Rationale may be used to show that the modification will provide an acceptable level of safety for the specified conditions, including the type of aircraft.”

Clearly, unique local conditions, in particular a constrained environment, exist at SUN that impact the ability of the airport to meet full runway to taxiway separation standards.

In quantifiable terms, the analysis completed in the Technical Analysis and associated Memorandum per the methodologies derived from ACRP Report #51 and Engineering Brief No. 78, found the Level of Risk to be “Acceptable” for all proposed MOS, including MOS 1.

We understand that ARP HQ does not consider use of ACRP Report #51 an acceptable method of evaluating runway centerline to taxiway centerline separation, even though that is the stated goal of the FAA sponsored report. We do not understand FAA’s reasoning behind this decision.

## MOS 1 Support from the Regional and ADO Level

Both the Northwest Mountain Region (ANM) Airports Division and the Seattle and Helena ADO’s support MOS 1. Planning and implementation of projects at SUN over the past 15 years has been done in close coordination and in partnership with Seattle and Helena ADO and regional staff. Alternatives to address non-standards conditions have been a large part of the coordination efforts.

An additional review by ARP HQ relating to the current operational considerations and instrument procedures at the airport is requested. Many of the proposed restrictions apply to instrument procedures minima that are unachievable at SUN due to surrounding terrain.

## MOS 1 Increases the Existing Level of Safety at SUN

For the past 25 years, the airport has been operating in its current configuration with a non-standard runway to taxiway separation. To date, the airport continues to have a safe operational record with no accidents attributed to the current non-standard runway to taxiway separation. Appendix D of ACRP Report 51 lists all veer-off incidents that have occurred since 1978 and for which reports are available. This list includes only one incident at SUN, which occurred in March of 1997. According to the NTSB database, a North American NA-265-40 suffered a mechanical malfunction on landing, veered off the runway, and came to rest well within the Runway Safety Area. The current location of the parallel taxiway had no adverse

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<sup>1</sup> Per FAA AC150/5300-13 and FAA Order 5300.1

impact on the outcome of this incident, and the proposed project represents a significant improvement over the existing separation.

In the past, FMAA has developed plans to meet standards at the existing site wherever possible and provide an equivalent level of safety where standards can't be met. The current site is simply not conducive to providing the configuration necessary to meet full design standards in a cost effective manner. All proposed MOS as submitted to the FAA are seen as an interim solution while FMAA and the FAA continue the process of locating a site for the future airport.

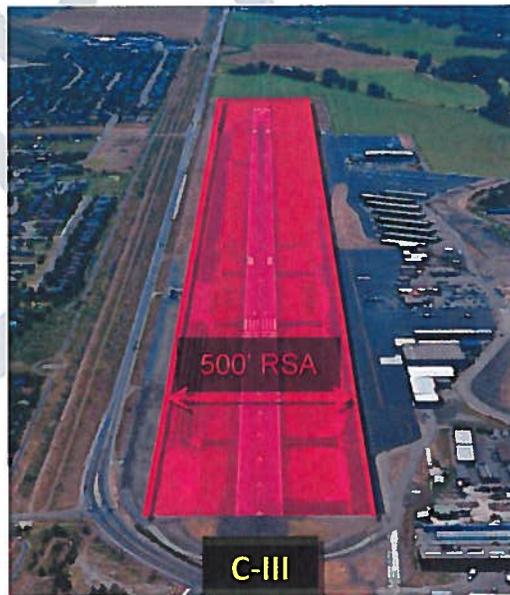
An increase in the Runway/Taxiway Separation by an additional 70 feet from 250 feet to 320 feet represents a significant increase in separation and will result in increased operational safety at the airport. Additional benefits include a full length parallel taxiway (eliminates back taxiing on the runway), standard hold line locations, removal of four (4) runway crossing points, a compliant RSA, and a clear Part 77 primary surface.

As previously mentioned, the analysis completed in the Technical Analysis and associated Memorandum, per the quantitative process outlined in ACRP Report #51 found the Level of Risk to be "Acceptable" for all proposed MOS including MOS 1.

Lastly, the proposed operational limitations are much more restrictive than procedures in place today, and essentially require SUN to meet the required runway centerline to taxiway centerline standard. We do not understand why additional restrictions are being imposed when significant overall safety improvements will be realized.

Figure 2 below demonstrates the current RSA/Taxiway configuration at SUN.

**Figure 2 - Current RSA/Taxiway Configuration at SUN**



## Runway to Taxiway Separation Standard Rationale

Based on our research, it is not clear what rationale forms the basis of the runway to parallel taxiway separation standard. If documentation of the basis for this standard exists, we are not aware of it. According to FAA documents<sup>2</sup> and statements, the runway to taxiway separation standard is not based on aircraft wingspan. Rather, the runway to taxiway separation standard is designed to protect various airport imaginary surfaces and instrument approach operations. When considering runway to taxiway separation, it appears that the Runway Obstacle Free Zone (ROFZ) and aircraft tail height are primary considerations.

### ROFZ

Based on existing and foreseeable instrument approach minima at SUN, the applicable ROFZ will not be penetrated by any part of an aircraft located on the taxiway with a separation distance of 320 feet. The Inner approach OFZ, inner-transitional OFZ and Precision Obstacle Free Zone (POFZ) do not apply at SUN

### Aircraft Tail Height

While specific to the Boeing 747, FAA Engineering Brief No. 81 (EB 81) allows for separation standards to be adjusted by accounting for only aircraft tail height and not wingspan. Obviously, the B747 does not nor will not operate at SUN. However, we would like to point out the FAA's flexibility in considering non-standard runway to taxiway separation based on tail height. Based on the clear ROFZ and no tail height penetrations to this and other applicable imaginary surfaces or instrument approach procedures at SUN, there appears to be no logical reason why a less than standard runway to taxiway separation cannot be considered at SUN.

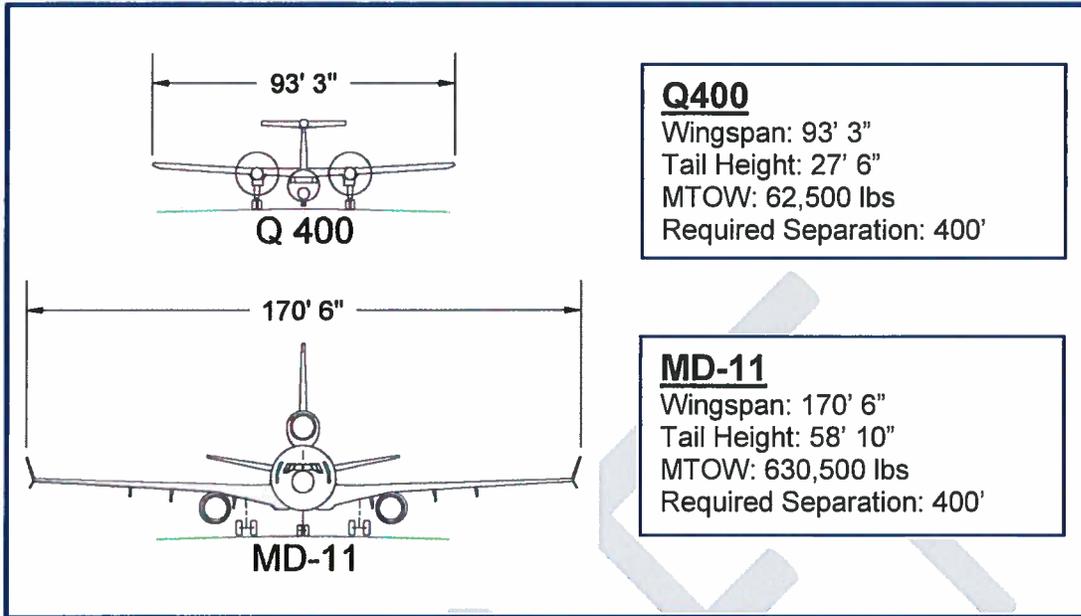
Furthermore, EB 81 specifically states that separation standards for ADGs V and VI were developed based on the tail height of the design aircraft. As stated above, the basis of the separation standard for ADG's I-IV is not clear from our research. Of the Airplane Design Group (ADG) III aircraft fleet currently using the airport, none of these aircraft have a tail height greater than 27.5 feet. If tail height is the basis for the separation standard for ADG's I-IV, the most demanding aircraft using the field are all in ADG II (Tail Height 20 feet - < 30 feet). Based on the current traffic and the standard for ADG II Tail Height, a separation of 300 feet would be acceptable at SUN.

On a related note, it is clear that EB 81 used a scientific procedure to determine the required separation for ADG's V and VI. ACRP Report 51 also used scientific analysis to develop the charts and procedures outlined in that report. Based on available information, it seems that the runway to parallel taxiway separation standard for RDC C-III is arbitrary. This is especially true since the separation is 400' for ADG IV and, below an elevation of 1,345 feet, even ADG V. This means that the separation required for a Q400 is the same as for an MD-11, as illustrated below.

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<sup>2</sup> FAA Airport Obstructions Standards Committee – Decision Document #04 Summary – Runway/Parallel Taxiway Separation Standards; Approved March 21, 2005.  
FAA Engineering Brief No. 81, Use of Guidance for Runway Centerline to Parallel Taxiway/Taxilane Centerline Separation for Boeing 747-800.

**Figure 3 – Q400 vs. MD-11 Comparison**



### **Current Airport Weight Restriction**

Further supporting the case for MOS 1 at SUN is the current pavement strength limit of Runway 13/31. Current pavement strength limits aircraft to 95,000 lbs. dual wheel. By default, the current pavement strength limitation excludes any ADG III aircraft with a tail height exceeding 29 feet or a wingspan greater than 100 feet.

### **AC 150/5300-13 and past FAA Design Program**

The past FAA Airport Design Program allowed users to calculate airport design standards for a particular airport based on a specific design airplane and airport data. When this design program is run for SUN, allowable runway to taxiway separation based on ADG III aircraft is 300 feet. A design output from this program for SUN, using a design wingspan of 100 feet is attached at Appendix B.

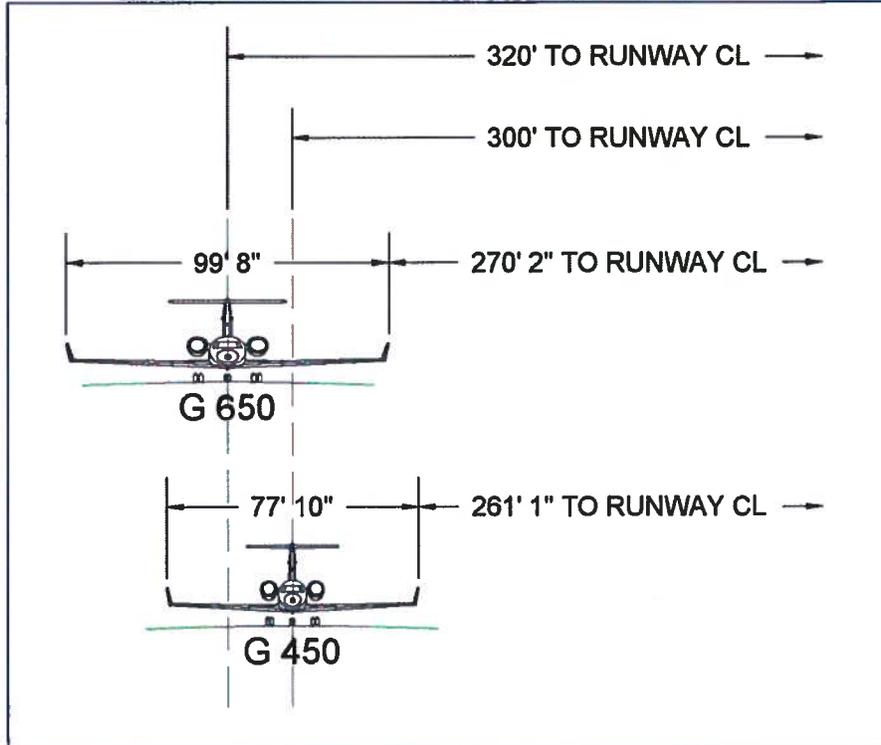
We understand that in the past this design program and the clearance standard dimensions that were calculated have been used to justify previous MOS requests at other airports.

### **Proposed Separation Geometry**

As described above, the aircraft traffic at the airport is limited by the capacity of the airport's pavement, which is published as 95,000 lbs. This limit also effectively limits wingspan to less than 100 feet. The larger traffic that currently uses the airport is all well lower than the upper limits of RDC C-III in terms of wingspan and is under the upper limit for ADG II, considering wingspan. For these reasons, we feel it is appropriate to compare the proposed separation with the C-II standard.

For C-II, the Runway – Parallel Taxiway Separation is 300 feet. The following illustrates a typical ADG II aircraft, the Gulfstream G450, compared with the proposed separation of 320' for a Gulfstream G650.

**Figure 4 – Separation Comparison, G650 vs. G450**



As can be seen, the difference in separation between the wingtip and centerline for the G650 is actually less than that of the G450. It should be noted that the G650 is an extreme example. This aircraft is at the upper limit of wingspans anticipated at the airport, and, since this aircraft is very new to the fleet, the number of operations by it is very low. The Q400 and G550 are much more representative of typical traffic at the airport, and the wingspans for these aircraft result in even greater separation between wingtips and runway centerline.

## Approach Procedure Impacts/TERPS

As previously discussed, current published approach procedures in effect at SUN have high minimums due to surrounding terrain.

### Visibility Minimums

The lowest visibility minimums of all approach procedures and aircraft categories is 1 ¼ mile; this is for Category A aircraft. As such, the proposed restrictions related to arrival operations for any size aircraft in Categories A-E with visibility minimums lower than ¾ mile are not applicable at SUN.

### Missed Approaches

Minimum Decent Altitude (MDA) and Decision Altitude (DA) for existing approaches are high at the respective Missed Approach Points.

For the existing NDB/DME or GPS-A and RNAV RNP approaches, not only are the MDA and DA high (2,687 feet and 974 feet AGL respectively), the Missed Approach Points are at least two miles from the Runway 31 end. While the current RNAV GPS W Runway 31 approach has a Missed Approach Point at the end of Runway 31, the MDA when the Missed is executed is 1,790 feet AGL.

The high altitude of aircraft executing approaches and/or the Missed Approach Points associated with the approaches significantly reduces the likelihood of an on-airport accident induced by veer off during the approach. AOSC Decision Document #04 mentions that separation standards are dependent upon approach visibility minimums and missed approach criteria, as well as aircraft design groups (including tail heights). EB 81 mentions that runway centerline to parallel taxiway centerline separation is determined by the landing and takeoff flight path profiles and the physical characteristics of airplanes. If the separation standards are dependent on these items, it is not clear why the separation standard of 400 feet is required for visual approaches as well as approaches with lower than  $\frac{3}{4}$  mile visibility. Since the approaches at SUN all have visibility requirements much greater than  $\frac{3}{4}$  mile, consideration of a smaller runway-taxiway separation is appropriate.

## **TERPS**

Based on all current published approach procedures in effect at SUN, minimums are too high to be affected by reducing the runway/taxiway separation to 320 feet from the standard 400 feet. Therefore, all TERPS Obstacle Clearance Surfaces will be clear and protected. Further, any future approach improvements require a review of the TERPS surfaces.

## **Negative Air Traffic Impacts**

The restrictions proposed by ARP HQ as a condition of approval of MOS 1 will result in unacceptable air traffic impacts at the airport.

### **Head to Head Operations and Use of Existing Taxiways**

Due to surrounding terrain in the valley and the single runway orientation, approximately 90% of operations at the airport occur on a one way in/one way out basis; that is, most arriving aircraft land from the south (Runway 31) and most departing aircraft depart to the south (Runway 13). This percentage is higher for air carrier and corporate jet activity at the airport.

As a result of the head to head operations at the airport and the location of the FBO on the south end of the field, transient general aviation aircraft are on the taxiways longer as they taxi to or from the north end of the runway. The proposed restrictions would introduce significant and unacceptable delays and reduced capacity at the airport. This is particularly true during periods of high traffic. Further, due to Sequestration, the SUN ATCT is currently scheduled to close on June 15, 2013. Lack of Air Traffic Control and likely impacts from void times and other air traffic delays will further impact capacity at the airport.

Like other airports serving resort communities, periods of high traffic volume occur regularly throughout the year. These include all federal holidays, plus key events held in the area every summer. Figure 2 below illustrates traffic during one such event. At any one time during this annual event, the number of ADG II and III aircraft at the airport could be 60. According to Airport Staff and Air Traffic Control Tower personnel at the airport, the airport is currently able to

accommodate 20-30 IFR operations per hour during peak events. With the proposed restrictions, Airport Staff estimates the number would drop to eight or less.

These procedures impact not only operations at SUN, but operations elsewhere in the National Airspace System. In order to accommodate these peak events, Salt Lake Center has instituted several procedures to handle the intensive amount of traffic trying to get into and out of the airport. This includes holding aircraft at their point of departure or in the air in other locations. As delays build and aircraft hold waiting to get into SUN, those delays are felt farther into the system.

**Figure 2 - High Traffic Example at SUN**



## **Enforcement and Liability Issues**

Due to the current runway to taxiway separation, with approval from the FAA, FMAA and Air Traffic Control Tower (ATCT) management have entered into an operational agreement (Letter of Agreement) whereby ATCT personnel sterilize Taxiways A and B from aircraft and vehicles when Category C *air carrier aircraft* are operating. This procedure has provided an increased level of safety for Category C *air carrier aircraft* operating into and out of SUN. It is important to point out that this procedure is *not* implemented for general aviation aircraft operations. The proposed restrictions would require additional operational restrictions for general aviation operations.

In April, 2012, a Safety Risk Management (SRM) panel as part of the FAA's Safety Management System (SMS) was held at the airport to consider the operation of the Regional Jet at the airport. At that SRM, ATCT management stated their opposition to additional responsibilities associated with sterilizing the taxiways for general aviation aircraft. It is not the responsibility of ATCT personnel to know the approach speed and associated aircraft approach category, or wingspan or tail height and associated airplane design group of all general aviation aircraft operating at the airport. The current operational agreement is only possible due to the relatively low number of scheduled air carrier operations compared to general aviation operations. Introducing the proposed restrictions and additional work load upon ATCT personnel is not supported by ATCT management nor is ATCT management willing or able to take on the additional liability associated with implementing and enforcing the proposed restrictions.

If the ATCT were to close, all responsibility for taxiway sterilization will fall upon individual aircrews. As with ATCT personnel, it is not the responsibility of the aircrews to know the approach speed and associated aircraft approach category, or wingspan or tail height and associated airplane design group of any aircraft other than their own. The level of coordination between pilots via CTAF or UNICOM, especially during high volume traffic periods, is not likely realistic or reasonable.

By introducing this potential Human Factors risk, it is logical to assume a *decrease* in the level of safety at the airport is possible due to the number of opportunities for human error to lead to an accident. It is also assumed responsibility for placing implementation of these restrictions upon aircraft operators will not be supported by NBAA and AOPA as aircrews should not be held responsible for additional liability associated with implementing and enforcing the proposed restrictions.

Lastly, enforcement of the proposed restrictions does not fall under the purview of FMAA as the airport operator. This is a Flight Standards and Air Traffic issue. For liability reasons, airport staff cannot and will not enforce the restriction.

## Summary

In summary, FMAA believes that the restrictions proposed by FAA ARP HQ are unnecessary and will be very difficult to safely implement. MOS 1, as submitted to the FAA, represents a safe, logical and cost effective approach to addressing current standards deficiencies at the airport. This MOS will significantly improve the safety at the airport. Further and as previously discussed, all proposed MOS are seen as an interim solution while FMAA and the FAA continue the process of locating a site for the future airport.

As proposed, MOS 1 provides an acceptable level of safety by increasing runway to taxiway separation over current separations. Based on the information included in this White Paper, FMAA believes it prudent for FAA ARP HQ to reconsider the approval of MOS 1 with more reasonable restrictions. We therefore propose the following:

- The weight limitation will remain in place, thus effectively limiting wingspans to less than 100 feet, given the current fleet.
- For aircraft with wingspans less than 100 feet and tail heights less than 30', Taxiway B will be available for use without restrictions.
- The airport will develop a procedure for sterilizing Taxiway B for aircraft with wingspans greater than 100 feet OR tail heights greater than 30'. Exact details of this procedure will be developed at a later date, but it will include the following main points:
  - Prior permission will be required for operations by all such aircraft.
  - Taxiway B will be sterilized when the large aircraft is landing or taking off.
  - When the large aircraft is taxiing on Taxiway B, no other aircraft may land or take off.

We believe this proposal meets the intent of the standard and will provide a safe operating environment for all aircraft at SUN.

**Appendix A**  
**MOS 1 – FAA Proposed Operational Restrictions**

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**Subject:**

FW: Hailey modification to standards for MOS#1 Runway to Taxiway Separation

From: Robert Bonanni/AWA/FAA

AAS-100, Airport Engineering Division

To: Bill Watson/ANM/FAA@FAA, Paul Johnson/ANM/FAA@FAA,

Cc: John Dermody/AWA/FAA@FAA, George Legarreta/AWA/FAA@FAA, Ron Singletary/AWA/FAA@FAA, Pat Zelechowski/AWA/FAA@FAA, Thomas J Nichols/AMC/FAA@FAA

Date: 03/18/2013 05:52 AM

Subject: Hailey modification to standards for MOS#1 Runway to Taxiway Separation

MOS #1 as submitted for Friedman Memorial Airport (SUN) Hailey Idaho can be approved with the following conditions:

Approach Categories A&B:

- During arrival operations of any size aircraft in VMC conditions, or with visibility not lower than 3/4 mile.
- Taxiing (ADG) IV aircraft are prohibited on the parallel taxiway.
  
- During arrival operations of any size aircraft with visibility lower than 3/4 mile but not lower than 1/2 mile.
- Taxiing (ADG) III and IV aircraft are prohibited on the parallel taxiway.
  
- During arrival operations of any size aircraft with visibility lower than 1/2 mile.
- All Taxiing aircraft are prohibited on the parallel taxiway.

Departure Operations:

- Parallel taxiway must be clear of all aircraft during departures ADG IV and larger aircraft.

Reference table 3-6 in AC150/5300-13A

Approach Categories C,D, and E:

:

- During arrival operations of any size aircraft in VMC conditions, or visibility not lower than 3/4 mile.
- Taxiing (ADG) III aircraft are prohibited on the parallel taxiway.
- During arrival operations of any size aircraft with visibility lower than 3/4 mile but not lower than 1/2 mile.
- All Taxiing aircraft are prohibited on the parallel taxiway.
- During arrival operations of any size aircraft with visibility lower than 1/2 mile.
- All Taxiing aircraft are prohibited on the parallel taxiway.

Departure Operations:

- Parallel taxiway must be clear of all aircraft during departures ADG III and larger aircraft.

Reference table 3-7 in AC150/5300-13A

General Conditions:

An Air Traffic SOP describing operations in accordance with the above conditions must be attached to this MOS to be valid  
 The sponsor must ensure the above conditions are met when the tower is not in operation through remarks in the AFD.  
 The MOS becomes void after June 31, 2018 and must be reviewed and renewed against the current operations at that time.

Robert Bonanni P.E.  
 National Resource Engineer  
 Office (202)267-8761  
 Cell (202)360-2139

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\*\*\*\*\*NOTICE\*\*\*\*\*

**Appendix B**  
**Airport Design Program Output**

SUN4  
AIRPORT DESIGN AIRPLANE AND AIRPORT DATA

Aircraft Approach Category C  
Airplane Design Group III

Airplane wingspan . . . . .	100.00 feet
Primary runway end approach visibility minimums are lower than CAT I	
Other runway end approach visibility minimums are lower than CAT I	
Airplane maximum certificated takeoff weight is 150,000 lbs or less	
Airplane wheelbase is less than 60 feet	
Airplane undercarriage width (1.15 x main gear track) . . .	41.01 feet
Airport elevation . . . . .	551 feet
Airplane tail height . . . . .	44.00 feet

RUNWAY AND TAXIWAY WIDTH AND CLEARANCE STANDARD DIMENSIONS

Airplane Group/ARC

Runway centerline to parallel runway centerline simultaneous operations  
when wake turbulence is not treated as a factor:

VFR operations with no intervening taxiway . . . . .	700 feet
VFR operations with one intervening taxiway . . . . .	800 feet
VFR operations with two intervening taxiways . . . . .	952 feet
IFR approach and departure with approach to near threshold	2500 feet less
100 ft for each 500 ft of threshold stagger to a minimum of 1000 feet.	

Runway centerline to parallel runway centerline simultaneous operations  
when wake turbulence is treated as a factor:

VFR operations . . . . .	2500 feet
IFR departures . . . . .	2500 feet
IFR approach and departure with approach to near threshold . . .	2500 feet
IFR approach and departure with approach to far threshold	2500 feet plus
100 feet for each 500 feet of threshold stagger.	
IFR approaches . . . . .	3400 feet

Runway centerline to parallel taxiway/taxilane centerline . 300.0	400 feet
Runway centerline to edge of aircraft parking . . . . . 400.0	500 feet
Runway width . . . . .	100 feet
Runway shoulder width . . . . .	20 feet
Runway blast pad width . . . . .	140 feet
Runway blast pad length . . . . .	200 feet
Runway safety area width . . . . .	500 feet
Runway safety area length beyond each runway end or stopway end, whichever is greater . . . . .	1000 feet
Runway object free area width . . . . .	800 feet
Runway object free area length beyond each runway end or stopway end, whichever is greater . . . . .	1000 feet
Clearway width . . . . .	500 feet
Stopway width . . . . .	100 feet

Obstacle free zone (OFZ):

Runway OFZ width . . . . .	400 feet
Runway OFZ length beyond each runway end . . . . .	200 feet
Inner-approach OFZ width . . . . .	400 feet
Inner-approach OFZ length beyond approach light system . . . .	200 feet
Inner-approach OFZ slope from 200 feet beyond threshold . . . .	50:1
Inner-transitional OFZ height H . . . . . 38.8	36.4 feet
Inner-transitional OFZ slope out to distance Y . . . . .	5:1
Inner-transitional OFZ distance Y from runway centerline 535.0	554 feet
Inner-transitional OFZ slope beyond distance Y . . . . .	6:1

Runway protection zone at the primary runway end:



# Exhibit C

## Friedman Memorial Airport (SUN)

### Hailey, Idaho

#### RSA Improvements – Project Formulation

#### Amendment #1 to Work Order 13-04: Safety Risk Management Assistance

May 6, 2013

Sponsor: Friedman Memorial Airport Authority (FMAA)

Consultant: T-O Engineers, Inc.

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## Introduction

This Amendment is attached to and incorporated into Work Order 13-04 for services related to RSA Improvements Formulation at Friedman Memorial Airport. Services included in this Amendment are primarily related to assistance with Safety Risk Management evaluation of Modifications of Standards prepared in previous phases. The following Task 11 and associated subtasks are hereby incorporated into this Work Order.

[This amendment also adds services necessary to assist the airport to develop one additional Modification of Standards \(MOS\) document, in addition to those discussed in the original Scope of Work. The FAA has requested that the airport develop an MOS to replace the existing Letter of Agreement that permits operations by Category C commercial aircraft. These services are described below as Task 7.3.](#)

### [7.3 Prepare MOS Documentation](#)

[The airport, Air Traffic Control Tower and FAA have an existing Letter of Agreement \(LOA\) for current operations at the airport by Category C commercial aircraft. This LOA outlines a procedure under which the parallel taxiway is sterilized during operations by these aircraft, in order to meet Runway Safety Area requirements. Under sequestration cuts, the future of SUN's air traffic control tower is uncertain, and the FAA is requiring that the LOA procedure be formalized in a Modification of Standard. This Modification will outline the procedure for two situations: with an active tower and without. Professional services for this task include coordination and preparation of the MOS documents for Airport Staff's use. Specific tasks are anticipated to include:](#)

- [Participate in up to three teleconferences with Airport Staff and FAA to discuss the required MOS.](#)
- [Review the existing procedures and discuss with Airport Staff to determine what operational limitations are feasible, especially in the case that the tower is closed.](#)
- [Prepare MOS documentation, consisting of the FAA MOS form, plus two graphical depictions of the airport and the proposed procedure, to be included as attachments.](#)



- [Coordinate with Staff and FAA during and after preparation of the documents.](#)
- [Coordinate with the Safety Risk Management facilitator to include evaluation of this MOS in the Safety Risk Management process described in Task 11.](#)

**Deliverables:**

- [MOS documentation, with graphics.](#)

**Cost Assumptions:**

- [Documentation will be provided in electronic and paper form \(2 copies\).](#)

## **11 Safety Risk Management**

This task will include assistance with and participation in a Safety Risk Management (SRM) Panel regarding the proposed projects. The anticipated role of the consultant in this process will be to support the Airport Staff and FAA to prepare for and complete the SRM process.

It is anticipated that the SRM process will consist of two separate SRM panels, one to evaluate the standards issues associated with the MOS requests and the second to consider the operational impacts. The first SRM panel will be sponsored and hosted by the airport, and the second by the FAA. The first panel will be facilitated by a subconsultant under this Amendment. This subconsultant will be independent of work completed to this point in the process and will be specially qualified for SRM facilitation according to FAA Airports Division guidance.

### **11.1 Preparation – Panel 1**

Consultant and subconsultant will assist Airport Staff to prepare for the first panel. Specific tasks include the following:

- Organize and participate in a kick-off teleconference with Airport Staff and FAA representative(s). The purpose of this meeting will be review the goals and requirements of this effort, establish a schedule and identify necessary participants in the panel.
- Prepare a Change Proposal document with input from Airport Staff. This document will present background information, the proposed changes, and will discuss the reasoning behind and need for the proposed Modifications of Standards.
- Prepare for the SRM Panel by reviewing background information and preparing introductory information for panel participants, as well as panel presentation materials. This task will also include one site visit by the panel facilitation subconsultant and T-O representative to view the airport operations and constraints and discuss with Airport Staff.
- Conduct a Preliminary Hazard Assessment teleconference with key stakeholders. The purpose of this effort will be to obtain initial impressions of potential hazards, which will help frame the discussion during the actual panel.
- Develop invitation materials and background packets for distribution by the Airport.
- Coordinate with Airport Staff and FAA during the panel preparation process. This will include services necessary to contact and interview three potential facilitators and coordinate with Airport Staff to determine which subconsultant is appropriate for this effort. Also included are up to three teleconferences, plus regular telephone and email communication during the preparation stage.



### **Deliverables:**

- Graphics.
- “Save the Date” invitation letter, for Airport Staff for distribution to panel members.
- Invitation packets and background materials, for Airport Staff distribution to panel members.

### **Cost Assumptions:**

- Graphics will be provided in electronic and paper form.
- All other documents will be provided in electronic (PDF or similar) form.
- Facilitator will travel from Jacksonville, FL to Hailey for the site visit.
- T-O representative will travel from Boise to Hailey for the site visit.

## **11.2 Facilitation - Panel 1**

Facilitate the SRM Panel in accordance with the FAA Office of Airports Safety Management System Desk Reference, Version 1.0, dated June 1, 2012, as well as FAA Order 5200.11. This task will be completed entirely by the facilitation subconsultant, who will supply one facilitator experienced in accordance with Appendix F of the Desk Reference, and one assistant.

### **Deliverables:**

- None.

### **Cost Assumptions:**

- Travel for facilitator and assistant from Jacksonville, FL to Hailey.
- The panel will last two days, with travel the days before and after.

## **11.3 Panel Attendance and Technical Support – Panel 1**

One T-O representative will attend the panel and participate as technical support for the Airport participant(s) on the panel. Tasks include:

- Participate in the panel in a support role. Provide answers to technical questions and comment on issues, as required.
- Take notes and support the facilitator as necessary during the course of the meeting.
- Prepare a PowerPoint presentation following the panel to update FMAA board at the regular meeting following the panel.

### **Deliverables:**

- None.

### **Cost Assumptions:**

- Travel and related expenses to Hailey from Boise for the panel.
- The panel will last two days, with arrival the day before to assist with final preparations.
- Travel associated with presenting the panel report to FMAA is included in other tasks in the Formulation effort.



## 11.4 Documentation – Panel 1

Document the results of the SRM Panel and prepare an SRM report to document the findings of the panel. This task will be completed primarily by the facilitation subconsultant, with some assistance by T-O for review and coordination. Specific tasks include:

- Compile results of the SRM Panel, including the Preliminary Hazard Assessment, Hazard Analysis, mitigations, responsible party, residual risk, and other actions required. This draft report will be provided to SRM Panel participants for review and comments.
- RS&H will prepare a final report for submission to the Owner, Client and FAA Airports District Office (ADO). The ADO shall be responsible for submission to the appropriate FAA divisions for approval and signatures. In the event that a Form SAS-2 is required, RS&H shall provide the completed form in hard copy for entry into the FAA's software system by FAA personnel.

### Deliverables:

- Draft report.
- Final report.
- Form SAS-2, if required.

### Cost Assumptions:

- Documents will be presented in electronic and written form.

## 11.5 Preparation – Panel 2

As Panel 2 will be the responsibility of the FAA, services associated with preparation for this panel will be more limited. Specific anticipated tasks include:

- Modify the Change Proposal from Panel 1 to reflect the findings of that panel. Provide this document to the FAA for their use.
- Modify the graphics and presentation materials from Panel 1 to reflect the findings of that panel. Provide these materials to the panel facilitator designated by the FAA.
- Answer questions and provide additional documentation, as required.

### Deliverables:

- Change Proposal document.
- Revised graphics.
- Revised presentation materials.

### Cost Assumptions:

- Deliverables will be presented in electronic and written form.

## 11.6 Panel Attendance and Technical Support – Panel 2

One T-O representative will attend the panel and participate as technical support for the Airport participant(s) on the panel. Tasks include:

- Participate in the panel in a support role. Provide answers to technical questions and comment on issues, as required.



- Take notes during the course of the meeting.
- Prepare a PowerPoint presentation following the panel to update FMAA board at their next regular meeting.
- Review draft documentation prepared by FAA and provide comments to Airport.

#### Deliverables:

- None.

#### Cost Assumptions:

- Travel and related expenses to Hailey from Boise for the panel.
- The panel will last two days, with arrival the day before to assist with final preparations.
- Travel associated with presenting the panel report to FMAA is included in other tasks in the Formulation effort.

## Schedule

Following is the anticipated schedule for these services. This schedule assumes that all required participants for each panel will be available on the dates noted, and that FAA and others will provide input regarding documentation in a timely fashion.

<a href="#">SRM Kickoff Meeting</a>	April 24, 2013
<a href="#">SRM Site Visit</a>	May 15, 2013
<a href="#">Complete MOS Documents</a>	May 24, 2013
Panel 1	June 4-5, 2013
Draft SRM Report	June 28, 2013
Final SRM Report	July 12, 2013
Panel 2	August 2013

## Fees

Fees for services provided under this Amendment will be determined under the Lump Sum method as defined in the agreement. Fees have been calculated using Consultant's current Fee Schedule. A detailed Fee Proposal, dated April 29, 2013, is attached.

The lump sum fee for the described services under this amendment is: **\$61,410,567.00**.

The revised total lump sum fee for the Work Order is: **\$727,985,003,542.00**.



IN WITNESS WHEREOF, Client and Consultant have made and executed this AMENDMENT #1 to WORK ORDER 13-04 to the AGREEMENT the day and year first above written.

FOR: FRIEDMAN MEMORIAL AIRPORT AUTHORITY

\_\_\_\_\_  
By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

FOR: T-O ENGINEERS, INC.

\_\_\_\_\_  
By: David A. Mitchell, P.E.  
Title: Vice President  
Date: \_\_\_\_\_

Exhibit C

**Friedman Memorial Airport (SUN)**  
**RSA Improvements - Project Formulation**  
**Work Order 13-04 Amendment #1: Safety Risk Management Assistance**  
**Exhibit C - Fee Proposal**

**DRAFT**  
**May 6, 2013**

Task	Description	Personnel Hours									Labor Fee	Expenses		LABOR + EXPENSES	Sub-consultant	TOTAL FEE
		Project Principal	Project Manager	Project Planner	Project Engineer	Estimator	Engineer In Training	CADD Technician	Admin. Assistant	Total Hours		Travel	Repro.		RS&H	
		\$165	\$130	\$140	\$110	\$115	\$75	\$70	\$50							
<b>Task 7 - Modifications of Standards</b>																
7.3	Prepare MOS Documentation															
	Teleconferences	4									\$660			\$660	\$0	\$660
	Review Information/Staff Coord.	3		3							\$915			\$915	\$0	\$915
	Prepare Documentation	2		8			6				\$1,900	\$20		\$1,920	\$0	\$1,920
	FAA/Staff Coordination	2									\$330			\$330	\$0	\$330
	SRM Coordination	1									\$165			\$165	\$453	\$618
	Subtotal, 7.3	12	0	11	0	0	6	0	0	0	\$3,970	\$0	\$20	\$3,990	\$453	\$4,443
<b>Task 11 - Safety Risk Management</b>																
11.1	Preparation - Panel 1															
	Kick-Off Teleconference	3								3	\$495			\$495	\$529	\$1,024
	Change Proposal	4		12			4			20	\$2,640		\$10	\$2,650	\$302	\$2,952
	Review Information/Site Visit	10								10	\$1,650	\$200		\$1,850	\$7,062	\$8,912
	Preliminary Hazard Assessment	2								2	\$330			\$330	\$3,838	\$4,168
	Invitation Materials	4					8			12	\$1,260			\$1,260	\$1,663	\$2,923
	Airport/FAA Coordination	12								12	\$1,980			\$1,980		\$1,980
	Subtotal, 11.1	35	0	12	0	0	12	0	0	59	\$8,355	\$200	\$10	\$8,565	\$13,394	\$21,959
11.2	Facilitation - Panel 1									0	\$0			\$0	\$11,782	\$11,782
11.3	Attendance/Support - Panel 1															
	Attendance/Technical Support	26								26	\$4,290	\$500	\$50	\$4,840		\$4,840
	FMAA Presentation	4								4	\$660			\$660		\$660
	Subtotal, 11.3	30	0	0	0	0	0	0	0	30	\$4,950	\$500	\$50	\$5,500	\$0	\$5,500
11.4	Documentation - Panel 1															
	Draft Report	2								2	\$330			\$330	\$2,778	\$3,108
	Final Report	2								2	\$330			\$330	\$5,958	\$6,288
	Subtotal, 11.4	4	0	0	0	0	0	0	0	4	\$660	\$0	\$0	\$660	\$8,736	\$9,396
11.5	Preparation - Panel 2															
	Change Proposal	1		4			2			7	\$875		\$10	\$885		\$885
	Revised Graphics/Presentation	4					6			10	\$1,110		\$50	\$1,160		\$1,160
	Questions/Additional Documents	3								3	\$495		\$10	\$505		\$505
	Subtotal, 11.5	8	0	4	0	0	8	0	0	20	\$2,480	\$0	\$70	\$2,550	\$0	\$2,550

Exhibit C

Friedman Memorial Airport (SUN)													DRAFT			
RSA Improvements - Project Formulation																
Work Order 13-04 Amendment #1: Safety Risk Management Assistance																
Exhibit C - Fee Proposal													May 6, 2013			
Task	Description	Personnel Hours									Labor Fee	Expenses		LABOR + EXPENSES	Sub-consultant	TOTAL FEE
		Project Principal	Project Manager	Project Planner	Project Engineer	Estimator	Engineer In Training	CADD Technician	Admin. Assistant	Total Hours		Travel	Repro.		RS&H	
		\$165	\$130	\$140	\$110	\$115	\$75	\$70	\$50							
11.6	Attendance/Support - Panel 2															
	Attendance/Technical Support	24								24	\$3,960	\$500		\$4,460		\$4,460
	FMAA Presentation	4								4	\$660			\$660		\$660
	Review Draft Documentation	4								4	\$660			\$660		\$660
	Subtotal, 11.6	32	0	0	0	0	0	0	0	32	\$5,280	\$500	\$0	\$5,780	\$0	\$5,780
	<b>Totals, Amendment #1</b>	<b>121</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>0</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>145</b>	<b>\$25,695</b>	<b>\$1,200</b>	<b>\$150</b>	<b>\$27,045</b>	<b>\$34,365</b>	<b>\$61,410</b>



May 1, 2013

Dave Stelling  
 Manager  
 FAA Helena Airports District Office  
 FAA Building  
 2725 Skyway Drive, Suite 2  
 Helena, MT 59602-1213

Re: Instrument Approach Improvements at the Friedman Memorial Airport

Dear Mr. Stelling,

The Friedman Memorial Airport Authority (FMAA) recently commissioned Spohnheimer Consulting to conduct an analysis of potential instrument approach procedure (IAP) improvement options at the Friedman Memorial Airport (SUN). The study team analyzed potential solutions using both conventional (e.g. ILS or Localizer Directional Aid) and NEXTGEN (e.g. GPS/PBN based) navigational aids (NAVAIDS).

**Table 1** below provides details of existing approaches. Three out of the five existing approaches at SUN are published approaches (highlighted in blue). The RNAV (RNP) Y approach is an Authorization Required (AR)/Special approach due to an increased climb gradient requirement. The RNAV (GPS) X and Z approaches are used by private operators only and are not available to the public.

**Table 1 – SUN Existing IAPs**

IAP Name	Decision Altitude/Height (DA/H) feet	Visibility, NM	Type	Climb Gradient Required, ft/NM
RNAV (RNP) Y RWY 31 RNP 0.3	974 (1000) (Straight-in 31)	Cat A-C: 3	Special	330 to 14,000' MSL
RNAV (GPS) W RWY 31 LNAV MDA	1790 (1800) (Straight-in 31)	Cat A: 1 ¼ Cat B: 1 ½ Cat C: 3	Public	200
RNAV (GPS) X RWY 31	1610 (1700) (Straight-in 31)	Cat A: 1 ¼ Cat B: 1 ½ Cat C: 3	Special	414 to 7500' MSL
RNAV Z (GPS) RWY 31 (G4 and G5 only)	910 (1000) (Straight-in 31)	Cat C: 2	Special	385 to 10,000' MSL
NDB/DME OR GPS-A	2687 (2700) (Circling only)	Cat A-C: 5	Public	200

Source: FMAA/Spohnheimer Consulting

A basic premise of the analysis was to, "find a general solution(s) for, improved approaches based on public approach procedure meeting obstacle clearance criteria with better-than-existing NDB minima, and for which most operators are already equipped." Basic operational assumptions used to meet the public procedure criteria included a maximum decent angle of 3.60 degrees and a maximum climb gradient of 350 feet per nautical mile (ft/NM). Based on

**FRIEDMAN MEMORIAL AIRPORT**

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the analysis, Spohnheimer Consulting believes improvements to minima can be made with modifications to existing approaches and the installation of new conventional, ground based NAVAID equipment providing for a new offset ILS/LDA approach.

At this time, FMAA is requesting your assistance in advancing the recommendations of the study for action within the FAA. Specific requests include:

**MODIFICATION TO EXISTING APPROACHES**

FMAA is requesting FAA make the following modifications to existing approach procedures:

**Climb Gradients**

It is our understanding current approach development criteria allow the use of increased climb gradients. For years, a public approach assumed a standard climb gradient (one-engine out for multi-engine commercial aircraft) of 200 ft/NM. In recent years, the FAA has allowed procedures requiring higher climb gradients (up to 350 ft/NM) to be considered standard procedures.

- Modify the existing RNAV GPS-W procedure, which is a public approach using a 200 ft/NM climb gradient, to require a more aggressive climb gradient. This should allow descending to slightly better minima. This incremental improvement would benefit those operators already flying the existing GPS-W approach. Variations may include an option to designate the RNAV (GPS) X RWY 31 procedure a standard procedure with the 414 ft/NM gradient, and modifying the missed approach (e.g., turn point and heading).
- Analysis indicates modification to the existing NDB/DME procedure may also be feasible. Presently, the 2700-5 minima are for public use with a standard 200 ft/NM gradient. If the climb gradient were increased, an improvement to either the 2700' or the 5 NM figure might be feasible at the expense of requiring a climb gradient exceeding 240 ft/NM. This would benefit those operators already using the NDB/DME approach who are capable of the climb gradient – e.g., any air carriers flying the NDB. Further, the night restriction could be investigated for potential mitigations.

At this time, FMAA is unsure of the work effort that would be required by the FAA or the benefit versus cost to modify this conventional NDB/DME procedure. FAA's guidance in answering this question would be helpful before moving forward with any modification to this procedure.

**Table 2** below summarizes potential improvements to the RNAV (GPS) W and NDB/DME approaches as a result of increased climb gradients.

**Table 2 - Modification of Existing IAPs - Climb Gradients**

Approach	Potential Minima (very approximate)	Climb Gradient Required, ft/NM	Usage
RNAV (GPS) W (modified)	1600-3	>250	Special
NDB/DME	2700' or 3 NM reduced?	≤240 >250	Public

Source: FMAA/Spohnheimer Consulting

### **Modify Missed Approaches (MAP)**

The current RNAV (RNP) Y approach represents one of the most advanced NEXTGEN based approaches in use today. However, based on contacts made with users during the analysis including air carriers Horizon and Skywest, properly equipped operators rarely use the RNAV (RNP) Y due to the 81 NM missed approach segment. Amending the missed approach segment would likely make the procedure more viable and increase use by operators. It is believed that installing an NDB or other NAVAID east or west of Hailey to support misses to the west could improve some missed approaches by allowing secondary obstacle clearance reduction earlier on the flight path, or possibly throughout the missed approach. This could eliminate some of the missed approach obstacles and result in lower minimums, lower climb gradient, or both.

In general, FMAA requests a review of all missed approach procedures associated with existing approaches to verify if new missed approach procedures could result in improvements over current missed approach designs.

### **NEW APPROACHES**

In addition to the above, the analysis identified potential new procedure options at SUN including the installation of an ILS/Localizer Directional Aid (LDA) and development of a new LPV approach.

#### **ILS/LDA**

Regarding the option of ILS/LDA installation, FMAA is aware of FAA's transition to NEXTGEN based solutions for future approach procedure development. However, we do not believe this option was seriously considered as a viable option at SUN in the past for various reasons. The ILS/LDA would meet study goals of providing a public approach option for which most operators are already equipped resulting in increased access and reliability of the airport during inclement weather.

With this in mind, FMAA is requesting FAA's assessment of an ILS/LDA procedure at SUN. Specifically, does the FAA support such a procedure as an FAA developed procedure and, what is the likelihood of federal funds to support development and installation of the facility? As you consider your response to these questions, we ask you consider our very constrained operating environment and the limited options available to us to improve instrument procedures. Further, now that FAA and FMAA have made the joint decision to improve the existing site knowing a replacement airport is several years away, new, modest publically accessible improvements such as those that may be attainable with an ILS/LDA represent significant improvements.

ILS/LDA options involve a full or partial ILS installation, and vary in detail based on characteristics such as climb gradient or Final Approach Course (FAC). They are based in part on the observation that if a GPS approach (RNAV GPS W) can provide 1800-3 with a standard climb gradient, and its missed approach is controlled by terrain, then an ILS approach along the same ground track may be able to provide similar minima. (Both the ILS and the larger final approach obstacle clearance trapezoids are narrower than an RNP .3 Containment Area., and might eliminate some obstacles in the final approach area. A narrower final approach surface would result in a narrower missed approach trapezoid, which in turn could eliminate some obstacles in the missed approach segment as well.)

Table 3 below summarizes potential ILS/LDA options as analyzed during the study.

**Table 3 - Potential new ILS/LDA IAPs**

	Approach	Potential Minima (very approximate)	Climb Gradient Required, ft/NM	Usage
1	Offset ILS/LDA similar to GPS-W	1800-3	200	Public
2	Offset ILS/LDA similar to GPS-W	1600-3	≤240	Public
3	Offset ILS/LDA similar to GPS-W	1400-3	≤300	Public
4	Offset ILS/LDA similar to TLS & RNAV-Y	1000-3	400-450	Special

Source: FMAA/Spohnheimer Consulting

### New LPV Approach

Develop a Localizer Performance with Vertical guidance (LPV) satellite-based approach. The procedures development criteria for LPV are similar to those for ILS. Minima would likely be similar to the ILS/LDA and would require appropriate avionics equipment. An LPV procedure with an approach angle up to 3.60 degrees would be acceptable.

### Final Approach Course

Seven approaches developed for SUN over the past two decades use five different FAC offset angles. Five of these seven approaches are still active. Discounting the NDB procedure, four have offset angles between 5 and 14 degrees. Some of the differences may be attributed to the different types of approaches, or they may vary at the discretion of the installers and/or developers. However, a more in-depth review might define an optimum offset angle that would be suitable for all the approaches.

### SUMMARY

Based on the analysis performed by Spohnheimer Consulting, it appears options exist to improve approach capabilities at SUN. With a replacement airport now expected to be delayed, improving reliability at the existing site is of utmost importance. We respectfully request the FAA begin review of existing approaches to consider the changes requested above.

FMAA would like to make it clear to FAA that we realize there is no easy solution to this issue. FMAA fully expects to work together with you to address solutions that are acceptable to you and us. As you consider our requests, we expect an exchange of ideas and information. For instance, what is the FAA willing and able to do? What work efforts and/or equipment are eligible for federal funds? Timeframes? In general, what can FMAA do to assist FAA to help make this effort successful?

Your attention to this matter is appreciated. We are happy to help answer any questions you might have and we look forward to our continued partnership with the FAA to maintain and improve SUN.

Sincerely,



Richard R. Baird  
Airport Manager



U. S. Department  
of Transportation

**Federal Aviation  
Administration**

**Helena Airports District Office**  
2725 Skyway Drive, Suite 2  
Helena, Montana 59602

May 1, 2013

Mr. Rick Baird, Manager  
Friedman Memorial Airport  
P.O. Box 929  
Hailey, ID 8333-0929

**Subject: Friedman Memorial Airport Replacement Airport Environmental Impact Statement  
(EIS) Termination**

Dear Mr. Baird:

As you are aware, the Federal Aviation Administration (FAA) has initiated the steps to terminate the EIS preparation for the Friedman Memorial Replacement Airport. We have notified the Bureau of Land Management (BLM) of our decision to terminate and have prepared the Federal Register notice for publication. I received your comment on the draft Federal Register notice. We were unable to mention the replacement airport; however, we did change the City of Hailey to Friedman Memorial Airport Authority (FMMA).

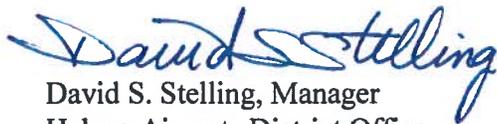
We reviewed the Memorandum of Understanding between the FAA and City of Hailey, Idaho and Blaine County, Idaho executed in December 2006 (attached). Item G. 1) specifically states that "The EIS and all related documentation are federal records of the FAA." Therefore, we will be coordinating with the consultant, Landrum & Brown, on the method of delivery of the documents to FAA.

Upon receipt, FAA and BLM will review the administrative record and referenced documents/records to determine which documents are subject to public access and disclosure pursuant to public law and which documents will be preserved by FAA to the extent permitted by and consistent with federal law. Although the documentation is the property of FAA, we appreciate the interest the FMMA has in wanting to retain some of the data. Therefore, we will review the documentation and make a determination regarding what documentation, if any, is appropriate for us to transmit to FMMA.

Once FAA has made a determination, the consultant will be directed to prepare the appropriate files for transmittal to the airport. The consultant may be compensated for their reasonable time and effort for this tasks regardless of where FAA is in the EIS termination process. Once the final disposition of the files are determined and distributed, the grant shall be closed.

If you have any questions, please contact Ms. Cayla Morgan in the Seattle Airports District Office (ADO) at (425) 227-2653 or me at (406) 449-5257.

Sincerely,

A handwritten signature in blue ink that reads "David S. Stelling". The signature is written in a cursive style with a large, sweeping "S" for the last name.

David S. Stelling, Manager  
Helena Airports District Office

Enclosure

cc: SEA ADO  
ANM-610

HAILEY, BLAINE, IDAHO  
2006-12-13 10:18:36 No. of Pages: 7  
Recorded for: BLAINE COUNTY COMMISSIONERS  
MARSHA RIEMANN Fee: 0.00  
Ex-Officio Recorder Deputy  
Index to: ADDENDUM MEMORANDUM AGREEMENT



**MEMORANDUM OF UNDERSTANDING  
BETWEEN THE  
FEDERAL AVIATION ADMINISTRATION AND  
CITY OF HAILEY, IDAHO AND  
BLAINE COUNTY, IDAHO**

**I INTRODUCTION AND PURPOSE**

- A. This Memorandum of Understanding (MOU) provides a framework under which the Federal Aviation Administration (FAA) will prepare an Environmental Impact Statement (EIS) for a replacement commercial service airport proposed by the City of Hailey, Idaho and Blaine County, Idaho, acting jointly through the Friedman Memorial Airport Authority (Airport Authority or Sponsor). The existing airport, the Friedman Memorial Airport (FMA), which serves the Wood River Region of South Central Idaho does not comply with critical FAA safety standards and is severely space constrained. Many studies have been undertaken to evaluate the limitations and alternatives to the location of the existing airport. The EIS process will begin where the most recent study, the "Wood River Region Airport Site Selection and Feasibility Study" (August 2006) concluded. The key elements of the proposed development include: land acquisition, site preparation, runway, taxiway, runway safety area, and other airfield construction, terminal and related landside development, navigational and landing aids, and environmental mitigation. Collectively, the FAA and the City of Hailey and Blaine County are referred to herein as the "Parties." The MOU describes the relationship of the above named parties in preparing the EIS. Subject to completion of the EIS, the FAA will determine whether to approve the proposed replacement airport project. The FAA determination will be set forth in a Record of Decision.
- B. As lead agency, the FAA will select an independent contractor ("Contractor") to prepare the EIS. The City of Hailey, Idaho and Blaine County, Idaho, acting collectively through the Airport Authority, shall be the party responsible for engaging and retaining the Contractor with funds provided by the Sponsor.
- C. The EIS and any related documents shall comply with the provisions of the National Environmental Policy Act of 1969 (NEPA) and appropriate Council on Environmental Quality (CEQ), United States Department of Transportation (DOT), and FAA environmental regulations and guidance, as well as all applicable local, state, and federal laws, as appropriate.
- D. It is the purpose of this MOU to establish an understanding between the Sponsor and the FAA regarding the responsibilities of the Parties and the conditions and procedures to be followed in the development and preparation of the EIS.
- E. The Parties hereto intend that development and preparation of the EIS as provided in this MOU will satisfy the pertinent environmental requirements of the FAA.
- F. The Parties recognize that the NEPA process is intended, in part, to permit the development and preparation of an appropriate and legally adequate EIS to analyze and disclose to the public and Federal decision-makers the pertinent environmental consequences of the proposed actions and reasonable alternatives to satisfy the identified purpose and need of the proposed action. Federal law and FAA regulations require that the EIS be prepared in a manner that is independent of the Sponsor. It is understood and agreed that the privileges and confidences protecting the disclosure of pre-decisional and draft materials during the NEPA process are important components of the FAA's document preparation, communication and coordination. The premature disclosure of pre-decisional information and documents related to the preparation of the EIS may compromise the processes and the trust and confidences in the relationships

ORIGINAL IN RE...

between both the FAA (Northwest Mountain Airports Division Regional Office [RO] and the Seattle Airports District Office [SEAADO] and the Sponsor, and the FAA and the Contractor it selected. This MOU contains procedures and processes to ensure that full and proper protection of confidential and privileged qualities of FAA's pre-decisional matters are preserved to the maximum extent permitted by and consistent with federal law.

## II GENERAL PROVISIONS

- A. As the lead agency, the FAA will be responsible for assuring compliance with all of the requirements of the National Environmental Policy Act (42 U.S.C. § 4321 et seq.), CEQ Regulations (40 C.F.R. Parts 1500-1508), and appropriate DOT and FAA environmental orders. The FAA shall assure that all pertinent environmental issues and impacts, and reasonable alternatives and their impacts are addressed in the EIS, and shall be responsible for the scope and content of the EIS.
- B. The Sponsor will engage and retain the Contractor, selected by the FAA, for the preparation of the EIS. The Contractor, with the approval of the FAA and Sponsor, may employ such other contractors and experts (collectively referred to as "Subcontractors"), as are required for the adequate development and preparation of the EIS. The costs associated with the preparation of the EIS are grant-eligible under the Airport Improvement Program. All Parties will follow the consultant selection procedures for EIS preparation contained in FAA Advisory Circular entitled "Architectural, Engineering, and Planning Consultant Services For Airport Grant Projects," FAA AC 150/5100-14D (2005).
- C. The Contractor will provide, through its staff or by Subcontractor, the expertise, staffing, and technical capabilities required for the preparation of the EIS. The FAA will direct the scope of the EIS and will independently evaluate all information, environmental data and analyses submitted by the Contractor, or others, and revise or cause additional study and analyses to be performed as necessary.
- D. The Contracts between the Sponsor and Contractor and between the Contractor and Subcontractors (collectively the "Contracts") shall be consistent with the provisions of this MOU and shall specifically incorporate those provisions herein which address the conduct of the Contractor. The Contracts shall provide, and the Sponsor hereby represents, consistent with FAA Orders 1050.1E and 5050.4B, that the Contractor and any Subcontractors have not entered into and, during the lifetime of the EIS preparation, will not enter into any agreement affording the Contractor and any Subcontractors with any direct or indirect financial interest in the planning, design, construction or operation of the project except with regard to the preparation of the EIS. Further, the Sponsor shall ensure that the Contracts shall specifically limit any remedies available to the Contractor and any Subcontractors, so as to affirmatively relieve the United States of America, the FAA, and any officer, agent or employee of same, from any liability arising out of the performance or termination of the contract for preparation of the EIS, or out of this MOU.
- E. Prior to beginning work on the EIS, the Contractor and any Subcontractors shall sign a "Disclosure Statement" provided by the FAA per the requirements of FAA Order 5050.4B, specifying they have no financial or other interest in the outcome of the project. The FAA shall evaluate the Disclosure Statement prior to its approval.
- F. The Sponsor shall facilitate the coordination of effort and the exchange of information related to the planning, design, and construction of the replacement airport project, as these activities relate to the preparation of the EIS among and between the Contractor and its Subcontractors and the FAA. The Sponsor shall make all reasonable efforts to assure the satisfactory and timely performance of the duties of Contractor as specified in this MOU.
- G. The Parties to the MOU shall make all reasonable efforts to assure the satisfactory and timely completion of the EIS, including performance of the duties of the Contractor as specified in this Memorandum.

- 1) The EIS and all related documentation are Federal records of the FAA. NEPA processes and Federal environmental law provide the basis and timing of their required public disclosures through their publication and being placed in the public domain. Otherwise, public access to and disclosure of these records is governed by the Federal Freedom of Information Act (5 U.S.C. 552(a)(1)).
- 2) Documents prepared by, or in the possession of, the Sponsor are subject to public access and disclosure in accordance with applicable Idaho public records law, Idaho Code § 9-337 et seq. The Sponsor shall exercise its authority to exempt documents from disclosure pursuant to Idaho Code § 9-340A to the extent allowed by law.
- 3) The Sponsor has no right to hold or obtain from the FAA, the Contractor or its Subcontractors any documents, communications or other information (or copies of them) relating to the development and preparation of the EIS without authorization of the FAA (RO and SEAADO) through its project manager. FAA (RO and SEAADO) authorization for such releases to the Sponsor is appropriate solely for purposes of coordinating FAA (RO and SEAADO) approved work product for review and comment in conjunction with, preparation for, or as part of public disclosure activities under the NEPA process.
- 4) The Parties shall immediately notify each other's project manager of any request, demand, discovery effort, or judicial proceedings regarding documents, communications, or information relating to the development and preparation of the EIS and agree to take whatever measures necessary, including defensive and affirmative litigation at each Party's own expense, to assert the privileges and confidences against disclosure and to deny and resist any attempt by any person or entity (other than the FAA and its designees) to obtain documents, communications, and information available to the Sponsor that are not properly in the public domain.

H. The Sponsor and the FAA shall:

- 1) Appoint such representatives as necessary to accomplish the coordination necessary for the satisfactory preparation of the EIS. Notice to any such representative shall constitute notice to that party. The FAA Project Manager for this EIS shall be Cayla Morgan, Seattle Airports District Office, or others as assigned.
  - 2) Review substantive phases of preparation of the EIS, as each deems necessary.
  - 3) Have their respective representatives attend meetings with other Federal, state, regional, and local agencies for the purpose of increasing communications and receiving comments, as the same may be necessary, desirable, or required by law in preparation of the EIS.
- I. All costs incurred in connection with the employment of the Contractor and any and all Subcontractors, or other persons the Sponsor retains or employs, shall be the sole responsibility of the Sponsor and the Sponsor agrees to hold harmless and indemnify the FAA, its officers, agents, and employees, with respect to any and all judgments or settlements arising from claims, demands, causes of action, and the like in connection with the Sponsor's employment of the Contractor and any and all Subcontractors which may arise from the termination or performance of the Contract or other services, or purchase of materials utilized to develop or prepare the EIS, or from terminating this MOU. This indemnification by the Sponsor does not extend to administrative or legal costs of the FAA, including suits by third parties (other than the Contractor or Subcontractor(s)) against the FAA, involving the legality or adequacy of the FAA's compliance with NEPA and other laws and regulations, to the extent of the FAA's liabilities on these issues. The Sponsor shall cooperate and shall ensure that the Contractor and any and all Subcontractors cooperate in defense of any such suit.

### III PROCEDURES

- A. Under the direction of the FAA, the Contractor shall develop and submit a Plan of Study to the FAA for approval. The Plan of Study shall include detailed descriptions of all work to be performed, the methodologies proposed to perform the work, the name and qualifications of the person performing each aspect of the work, estimated person-hours required for completion of each aspect, the schedule for performing each aspect, and a description of the internal and external review procedures to assure quality control. The Plan of Study shall include a provision for a thorough literature search and bibliography of references and methodologies to be used in the acquisition of the environmental data and analyses and the development and preparation of the EIS.
- B. Sponsor will make available its consultants, including, but not limited to, Toothman Orton Engineering Co. and Mead & Hunt, to provide technical information to assist in the initial phase of the EIS but Sponsor will not direct or otherwise control the content of any work product prepared by the Contractor.
- C. The FAA will forward the Plan of Study to the Sponsor for review and comment. After receiving comments from the Sponsor, and the scoping process conducted pursuant to 40 C.F.R. § 1501.7 is completed, the FAA will finalize and approve the Plan of Study. The Plan of Study and this MOU shall establish the scope of work required of the Contractor in the development and preparation of the EIS.
- D. The FAA will prepare the Notice of Intent to Prepare an EIS for the project for publication in the Federal Register. It is contemplated that the Notice of Intent will be published shortly after the Contractor has been given a Notice to Proceed by the Sponsor.
- E. The Plan of Study may be amended from time to time as the work of the Contractor or its Subcontractors proceeds, but any amendments or changes to the Plan of Study which require the expenditure of additional funds by the Sponsor must be agreed to by the Sponsor. The Sponsor will be notified and consulted prior to any significant amendments or modifications to the Plan of Study. The Contractor and its Subcontractors shall not undertake any work or incur any expenses associated with the amendment or modification until a formal Notice-to-Proceed has been issued by the Sponsor.
- F. Unless otherwise directed by the FAA, any and all work performed by the Contractor and its Subcontractors in preparation of the EIS shall be submitted directly to the FAA and, upon request of the FAA, copied to the Sponsor. The Sponsor may communicate with the Contractor and its Subcontractors during the development of the EIS, but no prior review or discussion of data or analysis developed by the Contractor or its Subcontractors as related to the EIS shall be afforded the Sponsor. In no case will the Sponsor discuss, review, modify, or edit the Contractor's work or the work of its Subcontractors prior to submission to the FAA, or be provided the opportunity to do so. All suggestions for modifications or changes to such sections recommended by the Sponsor shall only be made to the FAA.
- G. The FAA reserves the right to review periodically and modify the work of the Contractor to ensure requirements under NEPA and other applicable laws and regulations are satisfied. The Contractor shall submit monthly written reports on the progress of its work to the FAA, with concurrent copies to the Sponsor. This report shall describe the present status of each aspect of the work, any problems encountered, and recommendations for modifications to the Plan of Study and any changes in personnel, methodology or schedules for completion. If modifications to the personnel, methodology or Plan of Study affect the budget, changes will not be made without the express approval of the Sponsor through appropriate Change Order to the contract.
- H. As each portion of any draft or final document is completed, the FAA shall review each portion and those tasks completed thereunder and shall approve, modify, comment thereon and/or direct further work with regard to such portion or tasks as necessary. Said directions and/or comments shall be made by the FAA in a timely manner, and the Contractor shall ensure incorporation of

- such comments into any editorial changes to the satisfaction of the FAA. No draft document or portion of a document may be provided or coordinated with persons or entities outside of the FAA without prior FAA (RO and SEAADO) approval of the form and contents of that document. Final drafts of any documents will require approval by the FAA. Prior to approval, the FAA will forward to the Sponsor for their review and comment only those portions of the FAA draft materials as may be necessary to ensure the accuracy of the materials attributed to the Sponsor or its commitments to the actions described. Comments from the Sponsor shall be sent to the FAA. The Contractor will only make modifications as the FAA directs.
- I. If requested, the Contractor will provide the FAA access to, and review of, all procedures and underlying data used by the Contractor in developing submitted sections of the EIS, including, but not limited to, field reports, Subcontractor reports, and interviews with concerned private and public parties, whether or not such information may be contained in a draft or final EIS. After the DEIS or FEIS has been approved by the FAA (RO and SEAADO), the Contractor or its Subcontractors will provide the FAA with an electronic copy of the text, tables, and exhibits or figures prepared by the Contractors or its Subcontractors for the DEIS and FEIS.
- J. To facilitate the development and preparation of the EIS, joint meetings among the FAA, the Sponsor, and the Contractor shall be held. However, the FAA reserves the right to work directly with the Contractor for purposes of assuring objectivity in preparing reports, preserving privileges against unwarranted or compelled disclosure, and/or for assuring expeditious communications. The Contractor will notify the FAA and Sponsor of any substantive meetings that are scheduled and of their purpose and will provide an opportunity for all Parties to attend if desired. No meetings will be held between the Contractor and Sponsor without prior notification to and approval of the FAA. A summary of all matters relating to the EIS discussions in any meetings or communications between the Contractor and a party without the participation of the other party will be included in each formal monthly report submitted by the Contractor to the FAA and Sponsor. The FAA reserves the right to consult directly with other Federal, state, and local officials and agencies during the preparation of the EIS to assure compliance with NEPA and other applicable laws and regulations.
- K. The Sponsor shall assure the full cooperation of the Contractor and its Subcontractors with respect to participating in any public workshops, hearings, or meetings as required by the FAA to foster public familiarity and participation with respect to the assessment of impacts related to the project.
- L. The Contractor shall be responsible for the costs associated with the printing and publication of the draft and final copies of the EIS. The Contractor shall be responsible for all costs associated with the publication of notices announcing public workshops, meetings, hearings, and the like. The Contractor shall also be responsible for costs of stenographic and clerical services, preparation of graphics and visual aids associated with any public workshops, meetings, and hearings.
- M. At such time as the FAA has approved the draft EIS developed and prepared by the Contractor and its Subcontractors, the Contractor shall print the contracted number of copies of the draft EIS. Twenty-five copies of the draft EIS will be submitted to the FAA. The Contractor will distribute the draft EIS except for five copies (from the above 25 copies) which the FAA will send to the Environmental Protection Agency for official filing. The FAA will prepare public notices related to the availability of the draft EIS. The FAA will have published in the Federal Register a Notice of Availability. The Contractor will have published in the local press the Notice of Availability prepared by the FAA. Costs associated with distribution of the draft EIS and publication notices (except the Federal Register) will be the responsibility of the Sponsor.
- N. In all instances involving questions as to the content or relevance of the environmental data and analyses, and evaluations and wording prepared by the Contractor, the FAA will make the final determination on the inclusion, deletion or modification of the same in the Draft or Final EIS.

- O. Upon distribution of the Draft EIS, the FAA with the Contractor's assistance shall be responsible for organizing and conducting any public hearings. Costs associated with the public hearing and publication of public notices will be the responsibility of the Sponsor.
- P. The FAA (and/or the Contractor, if so designated by the FAA) will receive all comments during the Draft EIS review and comment period. This period (at least 45 days) will be initiated when the Environmental Protection Agency publishes the "Draft EIS Notice of Availability" in the Federal Register.
- Q. At the close of the Draft EIS review and comment period, the FAA shall furnish the Sponsor with copies of all comments received. The FAA shall identify the issues and comments submitted which will require response in the Final EIS. The FAA will direct those comments to the Contractor for preparation of proposed responses. The Contractor will furnish proposed responses to the FAA and the Sponsor for review and comment. The FAA shall modify the proposed responses, as it deems necessary.
- R. After receipt of comments and preparation of responses, the FAA may direct the Contractor to make changes to the text of the Draft EIS as necessary.
- S. At such time as the FAA has approved the Final EIS, the Contractor shall print the contracted quantity of the Final EIS. Twenty-five copies of the Final EIS will be submitted to the FAA. The Contractor will distribute the final EIS, except for five copies (from the above 25 copies) which the FAA will send to the Environmental Protection Agency for official filing. The FAA will prepare public notices related to the availability of the Final EIS. The FAA will have published in the Federal Register a Notice of Availability. The Contractor will have published in the local press the Notice of Availability prepared by the FAA. Costs associated with distribution of the Final EIS and publication notices (except the Federal Register) will be the responsibility of the Sponsor.
- T. The FAA (and/or the Contractor, if designated by the FAA) will receive all comments on the Final EIS during the mandatory "hold period". This period (at least 30 days) will be initiated when the EPA publishes the "Final EIS Notice of Availability" in the Federal Register.
- U. The FAA, with the assistance of the Contractor, will prepare and issue the FAA Record of Decision.
- V. The FAA will maintain the confidentiality of, and will not release or allow access to, any information, documents or materials which in its opinion are validly designated as confidential by the Sponsor or Contractor and which contain trade secrets, proprietary data, or commercial or financial information. Information developed under this MOU is disclosable to the public to the extent required by law. In any instance in which the FAA proposes to release to the public or allow access to any information, documents or materials which the Sponsor or Contractor has designated as confidential, it shall notify the Sponsor or Contractor of its intention to do so and shall provide the Sponsor or Contractor the opportunity to appeal the decision in accordance with applicable regulations on such release or access prior to any such release or access.

#### IV CESSATION AND TERMINATION

- A. Any of the Parties to this MOU may withdraw from the terms of this MOU for good cause upon 30 days written notice to the other Parties. During this period, the Parties will actively attempt to resolve any disagreement.
- B. In the event of a termination of this MOU, and if the preparation of an EIS is still required by the FAA, it is agreed as follows:
- (1) The FAA shall have access to all documentation, reports, analyses and data by the Contractor and its Subcontractors with confidentiality governed by paragraph III.V.

(2) The FAA shall assume the responsibility for preparing the EIS. The Sponsor shall no longer be responsible for the payment of costs associated with preparation of the EIS under the terminated MOU, apart from costs already incurred under the Sponsor's contract with the Contractor.

(3) Liability for termination shall be in accordance with paragraph II.I hereof.

**V NO RIGHTS FOR NON-PARTIES**

No rights or privileges are created or intended to be created by this MOU in anyone not a signatory of this MOU.

**VI MODIFICATION**

This MOU represents the entire agreement and may be modified by the Parties hereto only by written agreement by all the Parties.

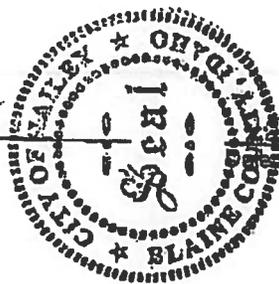
**United States Federal Aviation Administration**

William L. Watson  
William L. Watson, Acting Manager  
Seattle Airports District Office  
Northwest Mountain Region

12/7/06  
Date

**City of Hailey, Idaho**

Susan McBryant  
Susan McBryant, Mayor



11/2006

**Blaine County, Idaho**

Sarah Michael  
Sarah Michael, Chair  
Blaine County Commissioners

12/12/2006  
Date

**United States Senate**  
WASHINGTON, DC 20510

May 2, 2013

The Honorable Ray LaHood  
Secretary  
U.S. Department of Transportation  
1200 New Jersey Ave, SE  
Washington, DC 20590

The Honorable Michael Huerta  
Administrator  
Federal Aviation Administration  
U.S. Department of Transportation  
800 Independence Avenue, SW  
Washington, DC 20591

Dear Secretary LaHood and Administrator Huerta:

As you know, Congress recently passed legislation giving the Secretary of Transportation the flexibility needed to avert air traffic controller furloughs and contract tower closures. We urge you to ensure that in addition to ending furloughs for 47,000 FAA employees, the agency also end the planned closure of 149 contract towers. This legislation gives FAA the flexibility and funding it needs to do both. Anything short of ending both the furloughs and contract tower closures would ignore the flexibility outlined in Section 2 (c). Our support of this legislation was based on the understanding that the contract towers could be fully funded.

While ending furloughs for tens of thousands of FAA personnel is a common sense decision due to the impact that flight delays had on the traveling public, we are equally concerned about the status of the contract tower program. The contract tower program is a vital public safety and economic development asset for dozens of communities – many of them rural – in every corner of the country. These municipalities depend on the contract tower program to provide commercial and general aviation services, jobs, and in many cases, support for a variety of air ambulance facilities. The disruption that the combined closure of 149 contract towers would have starting June 15th would certainly go against the recently enacted legislation, which allows the U.S. Department of Transportation to “prevent reduced operations and staffing of the FAA during FY 2013 to ensure a safe and efficient air transportation system.”

By providing up to \$253 million in funding authority – far above the amount required to prevent furloughs – Congressional intent is clear: the FAA should prevent the slated closure of 149 contract towers by fully funding the contract tower program.

Sincerely,



RICHARD BLUMENTHAL  
United States Senate



JERRY MORAN  
United States Senate

*Kelly A. Ayotte*

KELLY AYOTTE  
United States Senate

*Max Baucus*

MAX BAUCUS  
United States Senate

*Roy Blunt*

ROY BLUNT  
United States Senate

*John Boozman*

JOHN BOOZMAN  
United States Senate

*Richard Burr*

RICHARD BURR  
United States Senate

*Maria Cantwell*

MARIA E. CANTWELL  
United States Senate

*Saxby Chambliss*

SAXBY CHAMBLISS  
United States Senate

*Tom Coburn*

TOM A. COBURN  
United States Senate

*Mike Crapo*

MIKE CRAPO  
United States Senate

*Al Franken*

AL FRANKEN  
United States Senate

*Charles E. Grassley*

CHARLES E. GRASSLEY  
United States Senate

*Kay R. Hagan*

KAY R. HAGAN  
United States Senate

*James Inhofe*

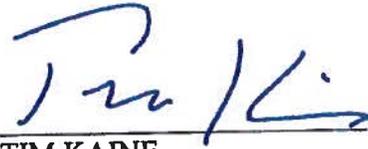
JAMES INHOFE  
United States Senate

*Johnny Isakson*

JOHNNY ISAKSON  
United States Senate



RON JOHNSON  
United States Senate



TIM KAINE  
United States Senate



MARK KIRK  
United States Senate



AMY KLOBUCHAR  
United States Senate



MARY L. LANDRIEU  
United States Senate



JOE MANCHIN III  
United States Senate



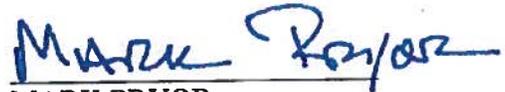
CHRISTOPHER S. MURPHY  
United States Senate



BILL NELSON  
United States Senate



ROB PORTMAN  
United States Senate



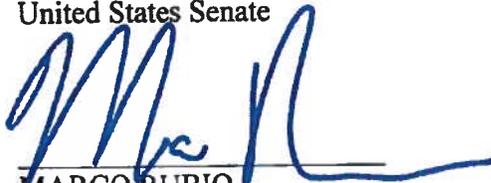
MARK PRYOR  
United States Senate



JAMES E. RISCH  
United States Senate



PAT ROBERTS  
United States Senate



MARCO RUBIO  
United States Senate



CHARLES E. SCHUMER  
United States Senate



TIM SCOTT  
United States Senate



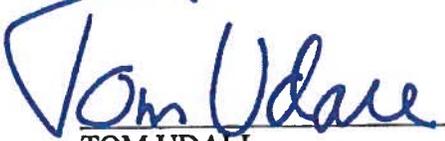
JEANNE SHAHEEN  
United States Senate



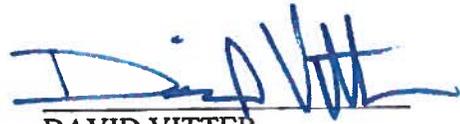
JOHN THUNE  
United States Senate



PATRICK J. TOOMEY  
United States Senate



TOM UDALL  
United States Senate



DAVID VITTER  
United States Senate



MARK R. WARNER  
United States Senate



ROGER F. WICKER  
United States Senate



FRANK R. LAUTENBERG  
United States Senate



ROBERT P. CASEY JR.  
United States Senate



ROBERT MENENDEZ  
United States Senate

**Congress of the United States**  
**Washington, DC 20515**

May 2, 2013

The Honorable Ray H. LaHood  
Secretary of Transportation  
U.S. Department of Transportation  
1200 New Jersey Ave, SE  
Washington, D.C. 20590

Dear Secretary LaHood:

In light of the President's recent signing of the Reducing Flight Delays Act of 2013, we write to urge you to utilize the authority in the Act to ensure the safety of our nation's air transportation system by preventing the closure of 149 contract air traffic control towers.

This legislation gives the Federal Aviation Administration and the Department of Transportation flexibility to use unobligated funds to ensure the safety of our nation's air transportation system. The unobligated funds of the Airport Improvement Program account made available to the FAA through this legislation should be used to prevent the closure of the 149 contract air traffic control towers as well as halt the furloughs of our air traffic controllers.

Our nation's air transportation system is a comprehensive network of intertwined facilities, with air traffic control towers serving in the important role of helping pilots and their crews safely guide their aircraft between airports. Maintaining service at all contract air towers is intrinsic to the authority granted in this law to ensure a safe and efficient air transportation system.

Many Members of Congress expressed concerns regarding FAA's decision to close 149 contract air traffic control towers. To ensure responsible action by FAA and DOT, and to ensure the safety and efficiency of our skies, the Congress has directed this reprogramming of funds by law. We expect to hear very soon how the FAA and DOT will take immediate steps to fund the 149 contract air traffic control towers.

Sincerely,



Bob Goodlatte  
Member of Congress



Tom Cotton  
Member of Congress



Frederica Wilson  
Member of Congress



Robert Hurt  
Member of Congress



Rubén Hinojosa  
Member of Congress



Richard Hanna  
Member of Congress



Walter B. Jones  
Member of Congress



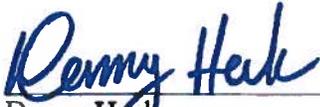
Sam Johnson  
Member of Congress



Michele Bachmann  
Member of Congress



Sanford D. Bishop, Jr.  
Member of Congress



Denny Heck  
Member of Congress



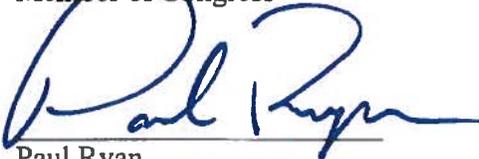
Raul M. Grijalva  
Member of Congress



Steve Pearce  
Member of Congress



Rodney Davis  
Member of Congress



Paul Ryan  
Member of Congress



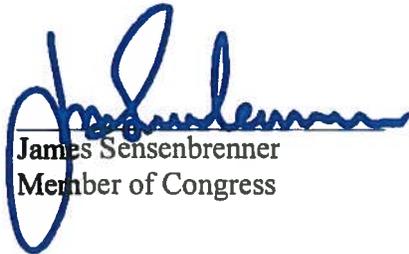
Martha Roby  
Member of Congress



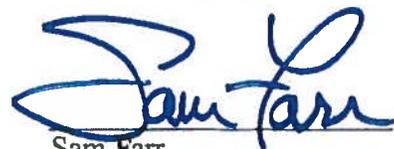
Paul A. Gosar  
Member of Congress



Richard Hudson  
Member of Congress



James Sensenbrenner  
Member of Congress



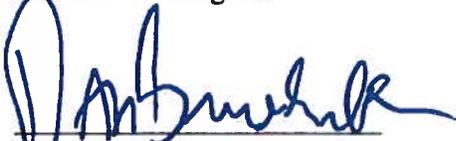
Sam Farr  
Member of Congress



Tom Reed  
Member of Congress



Lois Frankel  
Member of Congress



Dan Benishak M.D.  
Member of Congress



Steve Stivers  
Member of Congress



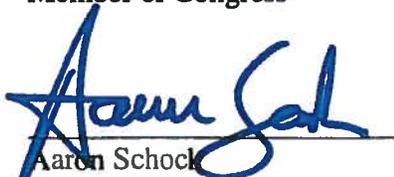
Ron Kind  
Member of Congress



Tom Cole  
Member of Congress



Filemon Vela  
Member of Congress



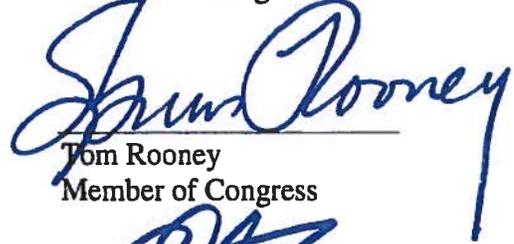
Aaron Schock  
Member of Congress



William Enyart  
Member of Congress



Dennis Ross  
Member of Congress



Tom Rooney  
Member of Congress



Peter DeFazio  
Member of Congress



Blake Farenthold  
Member of Congress



Ed Royce  
Member of Congress



Ed Whitfield  
Member of Congress



Tony Cardenas  
Member of Congress

*David B. McKinley*

David McKinley  
Member of Congress

*Mike Simpson*

Mike Simpson  
Member of Congress

*Bruce Braley*

Bruce Braley  
Member of Congress

*David P. Joyce*

David P. Joyce  
Member of Congress

*Brad Schneider*

Brad Schneider  
Member of Congress

*C.W. Bill Young*

C.W. Bill Young  
Member of Congress

*Marcia L. Fudge*

Marcia L. Fudge  
Member of Congress

*Ralph M. Hall*

Ralph M. Hall  
Member of Congress

*Trent Franks*

Trent Franks  
Member of Congress

*Kevin Yoder*

Kevin Yoder  
Member of Congress

*Louie Gohmert*

Louie Gohmert  
Member of Congress

*Gary Peters*

Gary Peters  
Member of Congress

*Bill Posey*

Bill Posey  
Member of Congress

*Bill Flores*

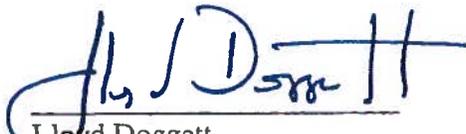
Bill Flores  
Member of Congress

*Billy Long*

Billy Long  
Member of Congress

*Julia Brownley*

Julia Brownley  
Member of Congress



Lloyd Doggett  
Member of Congress



Trey Radel  
Member of Congress



Bennie G. Thompson  
Member of Congress



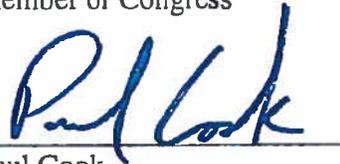
Andy Harris  
Member of Congress



Joe Pitts  
Member of Congress



Raúl R. Labrador  
Member of Congress



Paul Cook  
Member of Congress



Vicky Hartzler  
Member of Congress



Frank D. Lucas  
Member of Congress



Marcy Kaptur  
Member of Congress



Thomas Petri  
Member of Congress



Steve Cohen  
Member of Congress



Rob Bishop  
Member of Congress



Jim Renacci  
Member of Congress



Pete Olson  
Member of Congress



Steve Womack  
Member of Congress



Adam Smith  
Member of Congress



Tom Rice  
Member of Congress



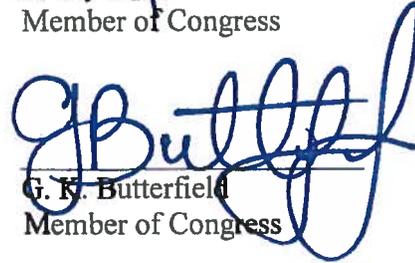
James Lankford  
Member of Congress



Henry Cuellar  
Member of Congress



Kevin Brady  
Member of Congress



G. K. Butterfield  
Member of Congress



Sean P. Duffy  
Member of Congress



Lamar Smith  
Member of Congress



Ann M. Kuster  
Member of Congress



Ted Deutch  
Member of Congress



Cathy McMorris Rodgers  
Member of Congress



Doc Hastings  
Member of Congress



Lou Barletta  
Member of Congress



Lynn Jenkins  
Member of Congress



Sam Graves  
Member of Congress



April 26, 2013

Mr. John Dermody  
Federal Aviation Administration  
AAS-100  
800 Independence Ave. SW  
Washington D.C. 20591-0004

Re: Friedman Memorial Airport (SUN) FCT

Dear Mr. Dermody:

I assumed the duties of Airport Manager at Friedman Memorial Airport (SUN) in 1993. Prior to accepting this position, I served as the Airport Operations Chief and prior to that, I was the first Chief Air Traffic Controller at SUN. I accepted these positions after a successful, 20 year career in the U.S. Army as an air traffic controller. I have thorough comprehension and expertise regarding both air traffic control and the aviation conditions specific to operations at this airfield.

Based on the conference call held on April 25, 2013 and participated in by Friedman Airport, FAA NWMTN Region, Helena ADO and FAA HDQTRS, Friedman Memorial Airport was asked to provide a response delineating the numerous safety considerations that support retention of its tower in the Federal Contract Tower Program.

FAA has informed the Airport that the control tower it funds under the federal contract tower program will be closed June 15, 2013. FAA's announcement of its decision to close the Friedman tower contained no analysis of the safety effects of its decision and did not reference or address the specific safety hazards that would be caused by the closure of the Friedman tower. The purpose of this letter is to identify the unique and grave safety risks that closure of the Friedman tower will cause for the Airport and the flying public.

Friedman Memorial Airport is designated by the FAA as a primary commercial service airport. It serves as the primary airport for the Wood River Valley of Idaho, including the communities of Hailey, Ketchum, Sun Valley, Bellevue and Carey. It also provides significant service for all of Central Idaho and is one of the busiest commercial service airports in the entire state of Idaho. An average of 127,000 passengers arrive and depart Friedman annually on commercial air carriers, while even more utilize this facility on general aviation aircraft. Friedman also has 150 based aircraft and hosts an extraordinary amount of non-based general aviation flights annually. Friedman has over 30,000 aircraft operations per year, 10,000 of which are commercial operations.

Safety at Friedman is not an unknown issue for the FAA. FAA has frequently acknowledged formally that SUN faces many unique and challenging operational safety issues. FAA staff and consultants have spent untold hours addressing safety at this facility and have repeatedly concluded that an operational air traffic control tower is critical to our safe operation. In light of

FRIEDMAN MEMORIAL AIRPORT

TEL 208.788.4956 / 208.788.9003 • FAX 208.788.9852 • WEB [www.flyfma.com](http://www.flyfma.com)

MAIL P.O. Box 929 • STREET 1616 Airport Way • Hailey, ID 83333

John Dermody, FAA

April 25, 2013

Page 2

FAA's familiarity with the safety challenges faced at the Airport, we expected at the very least, to have an opportunity for a discussion with FAA regarding the consequences of closure of the contract tower at Friedman prior to its announcement in March of its intention to close the tower. Instead, not only were we given no opportunity for discussion, but we were informed that the only criteria by which we could challenge closure of the tower had nothing to do with safety and were largely irrelevant to the unique, site specific and complex operational issues at Friedman. It appears that the FAA has dismissed years of superb technical work by its own staff, contractors and consultants that without exception, have concluded that a tower is necessary to maintain an appropriate margin of safety of operations at Friedman.

Friedman has had an air traffic control tower since 1989 because of its commercial service and unique safety and operational challenges associated with its location in difficult, mountainous terrain. FAA began funding this tower in 1997 as part of the federal contract tower program, because the airport's safety requirements outweighed the cost of providing the service.

Friedman is located within a narrow mountain pass in Central Idaho's mountains and operates with a single runway running roughly north-south. This setting creates unique safety challenges requiring the assistance of a tower. Friedman's location in its narrow mountain canyon and the location of primary navigation aids to the south of the airport necessitate opposite direction arrivals and departures (head-to-head operations) 95% of the time. Normally, airports seek to operate with arrivals and departures heading in the same direction (for example, arrivals and departures to the north) to reduce the risks associated with aircraft converging from opposite directions at high speed. However the mountains and narrowed canyon to the north of the Friedman runway make it infeasible for most aircraft to arrive from or depart to the north. As a result, the airport and FAA have placed the primary navigation aids for arrivals to the south. Thus the standard departures fly to the south and the standard arrivals fly to the north. The challenging terrain has meant that the airport recommends in pilot notices against use of the airport at night or in marginal weather conditions by pilots unfamiliar with the airport. This recommendation is especially critical because, contrary to statements by senior FAA officials in Congressional testimony, we do not recommend that pilots unfamiliar with the airport use the airport when the tower is not operational because of concerns about their ability to maintain an appropriate margin of safety.

The tower at Friedman provides critical notices and directions to pilots to let them know when they are clear to land and take off, as well as the location of other aircraft on the ground or in the airspace. Without these vital notices, the risk of runway incursions, mid-air collisions and other serious incidents will increase dramatically. FAA's decision to close the tower and the primary tool for preventing runway incursions is particularly puzzling, because it identified the reduction in runway incursions as the primary safety goal for the air traffic system in its 2012 Performance and Accountability Report. There is also limited radar coverage in the area, so Salt Lake Center (the default air traffic control center if the Friedman tower is closed) will not have radar coverage to provide meaningful guidance to aircraft below 14,000 feet, including all of the aircraft taking off and landing at Friedman. This will leave pilots without warnings of potential conflicts or incidents and only poor guidance in case of difficulty.

Friedman Memorial Airport experiences, at numerous times over the course of a year, dramatic spikes in general aviation (primarily corporate jet) traffic, associated with a variety of both national and international events. Not surprisingly, these events and traffic spikes occur at times during which commercial air service is also operating with high frequency. During most of these events, air traffic is under the control of Salt Lake City Center (SLCC), who utilizes various flow management techniques. The Friedman tower serves in a crucial role to assist SLCC in the capacity as the on-airfield "eyes", reporting to SLCC as adjustments in flow are warranted. A closed tower at Friedman will result in flow that is dramatically diminished in efficiency and will promulgate longer and more frequent delays both on the ground and airborne, with the entire national airspace system feeling the adverse effect of those circumstances.

The opposite direction arrivals and departures, coupled with the lack of radar coverage around the airport make air traffic control services at SUN the only way to ensure safe operation of aircraft. In addition, without advisory notices from the tower, pilots unfamiliar with the Airport may accidentally taxi onto the active runway while another aircraft is landing at the Airport.

In addition to our airspace, the taxiway system at the Airport is also head-to-head due to the very limited space available to place airfield infrastructure. Most large aircraft landing from the south get off of the runway at the north end of the airfield. Air Carrier and all large aircraft park midfield and at the south end of the airfield, respectively. Those same aircraft then need to head north on the same taxiway to reach the runway when they depart from the Airport. That means 95% of our taxiing is completed head-to-head. We have taxi lanes in two places to avoid conflicts between taxiing aircraft. This configuration is very unusual for airports nationally and only works because we have a tower. We have one place on the airfield where, if two aircraft actually got nose to nose, the only way to de-conflict them would be to shut them down and use a tug to move them out of the way. Room does not exist to turn off or turn around. Since the late 1990s, we have been able to utilize this system seamlessly; only because of the tower. FAA reviews and approves all airfield configurations at the Airport and it specifically approved this configuration. FAA specifically approved a configuration that can only efficiently and effectively work with a tower in place. In fact, the taxi lanes were developed to help the tower mitigate taxiing traffic.

Further, many gulches and canyons surround the Airport that local general aviation pilots use on a daily basis. Several of these gulches and canyons will put the general aviation aircraft turning onto the 2 or 3 mile final approach for the runway when exiting the canyons, resulting in cutting off an aircraft already established on final for that runway. Sometimes, these will be larger jet aircraft moving at a much higher speed than a single engine propeller aircraft. Additionally, radio coverage in these gulches and canyons is often limited, resulting in no heard transmissions on the common pilot's radio frequency for the area. Thus, without the tower, the risk of mid-air collision will increase substantially.

It should also be noted that in circumstances where aircraft accidents have occurred in the terrain surrounding the Airport, the tower was the only resource who could notify emergency responders that an accident had occurred and provide them guidance to the accident site. There have been circumstances in the recent past where the tower, in this capacity, likely saved the lives of aircraft

accident victims, due to its ability to effectively direct first responders to the accident scene in a timely, life-saving fashion.

The tower also plays a critical role in rescue and emergency response on the airfield. The air traffic control tower is and has always been the mechanism of initial alert for enroute emergencies and on field accidents and emergencies. Loss of the ability to have a tower to direct immediate response by emergency personnel would have serious and potentially life-threatening consequences for the airport and its users. Response will be delayed and emergency personnel would lack the vantage and communications from the tower that enhance the speed, safety and effectiveness of emergency response (including information about precise locations and aircraft involved). Pilots, passengers, first responders and the general public will be exposed to significantly higher risk. If an accident occurs on the airfield during a busy traffic period (as has happened in the past) we are staffed with emergency response personnel to immediately respond to the scene and initiate emergency mitigation measures. We rely on the tower to immediately close the airfield at our direction, so that the safety of emergency personnel and equipment, both on field and incoming from mutual aid agencies, as well as the aircraft and individuals involved in the accident are not further compromised or place at risk by unknowing, incoming traffic. With no tower, we will at the very least, have to delay response and "hope for the best" while we take the time to issue an airport closure Notice To Airmen (NOTAM), securing the airfield. Lack of a tower will initially prohibit and delay communication and interface between Friedman staff, FAA lines of business and NTSB, who also respond to accidents.

Neither I nor any member of the Airport's staff was contacted by any FAA personnel to discuss the safety implication of closure of the tower prior to the FAA's announcements. To the best of my knowledge, FAA has not conducted a safety risk assessment associated with closing the tower at the Airport as it is required to do under its Safety Management System and Safety Risk Management requirements. FAA certainly has not done so in a way that complies with its own requirement that safety risk management analyses include consultation with critical stakeholders, including Airport management.

The closure of the tower at Friedman Memorial Airport will, in my professional judgment, unacceptably compromise the margin of safety that is essential for operations at this airport.

In the April 25, 2013 conference call, Friedman Memorial Airport was also asked to provide, no later than May 3, 2013, a proposed modification to standard that reflects the LOA currently in place between the Airport, FCT Provider and FAA Salt Lake District Manager that insures provision, in the absence of a tower, a standard runway safety area (RSA) at SUN for all scheduled commercial approach category C aircraft operations. While we believe that the burden for preparing this highly technical document properly should be on the FAA; nevertheless, Friedman has agreed to accept this task. The task would however, be made more efficient and successful if the FAA would participate in its formulation. The task requires FAA input with regard to feasible criteria that could be applied. Airport staff strongly requests FAA participation and guidance in this matter. We recommend that we convene a conference call first thing Monday morning to discuss the staffing and technical steps needed to accomplish this task and divide responsibility among the agency, contractor and sponsor based upon expertise. We then propose that we establish an informal working group for the purpose of preparing the MOS with the goal

John Dermody, FAA

April 25, 2013

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to have an initial draft of an MOS for agency, contractor, industry and local review within 48-72 hours. We will then proceed with iterative draft from the initial draft as necessary. While it should be clear, we request that the agency designate a single Point of Contact for this undertaking who has both the technical expertise and official authority to provide immediate agency feedback as we prepare a new MOS. We believe that, with proper coordination and the full participation of all FAA lines-of business, we should be able to complete your requested task in an expeditious fashion, though we want you to know that we are doubtful that it can be completed by next Friday as requested. Just to be clear, we do not have a large enough Airport staff (nor do we believe that it is an appropriate use of our resources) for us to prepare a proposed MOS without thorough consultation with appropriate agency staff. We trust that you agree.

Sincerely



Richard R. Baird

Airport Manager

Friedman Memorial Airport Authority

Bringing service to life



0771-2013

May 2, 2013

Via Email to: rick@flyfma.com

Serco Management Services, Inc.  
T (703) 939-6000  
F (703) 939-6001  
[www.serco-na.com](http://www.serco-na.com)

Steve Baird  
Friedman Memorial Airport  
Authority  
P O Box 929  
Hailey, ID 83333

Subject: Hailey Tower SUN

Reference: Email request for proposal

Dear Mr. Baird:

Serco Management Services, Inc. (Serco) is pleased to submit our proposal in response to your request in the referenced email. For your convenience we have provided the summary information below:

- Proposed daily hours of operation for the SUN ATCT are 7:00 AM until 11:00 PM.
- Proposed staffing levels are the same as the current staffing under that FAA contract.
- Proposed length of agreement term is June 16, 2013 to September 30, 2013.
- Proposed payment terms are located in Section E.1 of the attached Purchase Order (PO).
- Proposed total costs and are located in Section E.2 of the attached PO.
- PO Terms and Conditions are attached.

The attached proposal is valid through May 31, 2013. Should the FAA make provisions to or extend the June 15, 2013 tower closure date or should the award decision based upon this proposal be made after May 31, 2013 by Friedman Memorial Airport Authority Serco reserves the right to submit revised pricing.

We understand the urgency of your request and stand ready to discuss our proposal and terms and conditions at your convenience. In order to streamline the process we have included our terms and conditions which spell out the party's rights and obligations. Serco submits this proposal for ATC services with the assumption that the Friedman Memorial Airport Authority will ensure adequate ATC equipment and maintenance thereof, is available for use in the provision of the services describe in the attached agreement.

Should you have any questions or need to contact Serco in reference to this submission, please direct communications to David Cornell at:

David Cornell, Director, Contracts  
Telephone number (703) 939-6671  
Fax number (703) 939-6001  
E-mail [david.cornell@serco-na.com](mailto:david.cornell@serco-na.com).

Sincerely,

*Christy A. Ventura*

Christy Ventura  
Contract Administrator

**PURCHASE ORDER COVER PAGE**

<b>ISSUED BY: (Airport)</b> Friedman Memorial Airport 1616 Airport Way Hailey, ID 83333		<b>ISSUED TO: (Contractor)</b> Serco Management Services, Inc. 1818 Library Street, Suite 1000 Reston, VA 20190	
<b>Contract Administrator:</b>		<b>Contract Administrator:</b>	
<b>Telephone:</b> (208) 788-4956 <b>Facsimile:</b> () <b>E-Mail:</b>		<b>Telephone:</b> (703) 939-6000 <b>Facsimile:</b> (703) 939-6001 <b>E-Mail:</b> david.cornell@serco-na.com	
<b>Type Purchase Order:</b> Fixed Price Labor Hour		<b>Purchase Order Value:</b>	<b>Effective Date:</b> 7 April 2013
<b>Purchase Order No:</b>			

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- Section A Cover Page/Definitions/Precedence/Interpretation
- Section B Statement of Work/Specifications
- Section C Inspection and Acceptance
- Section D Performance Period
- Section E Special Purchase Order Requirements
- Section F General Purchase Order Requirements

This Purchase Order is made by and between Friedman Memorial Airport, an Idaho (hereinafter, the "Airport"), and Serco Management Services, Inc., a Tennessee corporation (hereinafter, the "Contractor"). This Purchase Order is comprised of the sections identified above and included herewith. The terms, conditions, and covenants contained in this Purchase Order shall be interpreted consistently with each other whenever possible. In the event there are terms that cannot be interpreted consistently, any conflict between such terms shall be resolved in accordance with Section A.4. The individuals that sign this Purchase Order in the signature blocks below certify that they have been given the authority by their respective organizations to bind such organization to the terms, conditions and covenants of this Purchase Order.

**IN WITNESS THEREOF, THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT AS OF THE DATES SET FORTH BELOW AND TO BE EFFECTIVE ON THE DATE INDICATED ABOVE ONLY UPON EXECUTION BY THE AIRPORT REPRESENTATIVE**

<b>Friedman Memorial Airport</b>	<b>Serco Management Services, Inc.</b>
<b>Signature</b> <b>Date Signed</b>	<b>Signature</b> <b>Date Signed</b>
<b>Name and Title of Signer</b>	<b>Typed Name and Title of Signer</b>

## SCOPE OF CONTRACTOR SERVICES

Serco Management Services, Inc. (the "CONTRACTOR") shall provide Air Traffic Control ("ATC") services in accordance with the terms and conditions stated herein ("Scope of Contractor Services"). The Scope of Contractor Services shall include the following:

### A. Cover Page/Definitions/Precedence

1. Authority: No inducements, representations, statements, warranties or other agreements other than those set forth in this Purchase Order have been made between the parties. This Purchase Order is the entire agreement between the parties and supersedes any and all prior oral and written agreements, commitments, understandings or communications with respect to the subject matter of this Purchase Order.
2. Type of Contract: This is a Fixed-Price Labor-Hour Purchase Order.
3. Definitions
  - a. "Agreement" and "Purchase Order" mean this executed document between the Airport and the Contractor, including all exhibits, attachments and references forming a part of this document.
  - b. "Contracting Officer" means, except as otherwise provided herein, the person having cognizance on behalf of the Airport. The term includes any authorized representative of the Airport acting within the limits of such authority. The reference "CO" shall also be deemed as a reference to the Contracting Officer.
  - c. "Customer Site" work, the Contractor shall be required to furnish only the worker; the Airport will furnish office space and associated furniture, equipment, etc. as specified herein.
  - d. "Party" and "Parties", respectively, mean the Airport and Contractor individually and jointly, respectively.
  - e. "Airport" means the entity identified as "Airport" on the Purchase Order Cover Page.
  - f. "Contractor" means the entity identified as "Contractor" on the Purchase Order Cover Page.
  - g. "Contract Administrator", "mean the individual who is authorized by the Airport to formally give official direction to Contractor under this Purchase Order.
4. Order of Precedence

In the event of ambiguity, inconsistency, or conflict between or among the provisions of this Purchase Order, the inconsistency, ambiguity or conflict shall be resolved by giving precedence in the following order:

- a. Purchase Order Clauses
- b. Documents, Exhibits and Attachments

### B. Statement of Work/Specifications

1. Operate a Visual Flight Rules ("VFR") Air Traffic Control Tower ("ATCT") at the Friedman Memorial Airport (the "Airport") and provide ATC services in accordance with the procedures specified in Federal Aviation Regulations, Part 65, Subpart B (excluding paragraph 65.46), and in accordance with the documents, directives, and regulations listed below in Section F.
2. Provide staff, materials, supplies, policies, operational procedures, letters of agreement or memorandums of understanding and all other management support necessary in order to provide ATC services pursuant to the operation of

a VFR ATCT within the limits of the Class D Airspace. Provide the Contractor's staff with computer access and email accounts to ensure that the Airport is able to communicate critical and/or timely information with the Air Traffic Manager (ATM) and/or the Controller-in-Charge (CIC) of each shift. Additionally, the Contractor shall provide for the installation of and payment of all initial set-up, installation and on-going service charges associated with the operation of an office phone and fax line.

3. The operating hours for the ATCT (defined as those daily hours of operation that the Contractor will be providing air traffic control services to aircraft within the Class D Airspace) are to be for a period of Sixteen (16) continuous hours per day, from 7:00 A.M. until 11:00 P.M., seven (7) days a week.
4. Provide Supplementary Aviation Weather Reporting Station ("SAWRS") services using the Airport Automated Weather Observing System ("AWOS") as the primary source of weather data augmented as required by the National Weather Service and/or the Federal Aviation Administration. In the event of an AWOS outage, provide manual weather observation services. All air traffic control personnel shall be SAWRS certified.
5. Notify the Airport point of contact, from the Purchase Order Cover Page, when it becomes known to the Contractor personnel that a Notice to Airmen (NOTAM) should be issued or canceled.
6. In addition to notifying the FAA, notify the Airport point of contact as stated above, and/or his/her designee, of movement area incursions or the occurrence of aircraft incidents/accidents on the airport or in the surrounding community.
7. Maintain and provide to the Airport point of contact as stated above, and/or his/her designee, airport operations hourly/daily/monthly traffic count data. Compile data in monthly and annual reports and deliver to the Airport on a monthly basis.
8. Provide to the Airport point of contact as stated above, and/or his/her designee, a copy of the monthly shift schedule at the beginning of each month.
9. Advise and assist the Airport point of contact as stated above, and/or his/her designee with information to address community concerns generated from the airport such as aircraft noise/nuisance complaints.
10. With at least seventy-two (72) hours advance notification, attend periodic meetings outside of established operating hours with airport constituent groups as deemed necessary by the Airport. Meetings shall not exceed two (2) during this period of performance without prior mutual agreement.
11. Develop and maintain a current operational contingency plan and implement the Airport's Emergency Plan.

C. Inspection and Acceptance

Inspection and acceptance of all work performed, reports and other deliverables under this Purchase Order shall be performed at the place of delivery, unless otherwise specified.

D. Performance Period

1. The period of performance of this Purchase Order shall be from June 16, 2013 through September 30, 2013.

E. Special Purchase Order Requirements

1. Invoice Instructions and Payment Information

The Airport agrees to pay the Contractor a Total Purchase Order Price, based on the daily number of hours of Air Traffic Control services, for services as set forth in this

Purchase Order. Compensation for such Air Traffic Control services shall be as follows:

- a. For the provision of Air Traffic Control services Sixteen (16) hours per day, from 7:00 A.M. until 11:00 P.M. seven (7) days per week, the Contractor shall be paid an installment amount of Forty-Two Thousand, Four Hundred Eighty-Nine Dollars \$42,489 for four installments with the first installment invoiced on July 1, 2013.
- b. Invoices must be submitted as follows and shall include Purchase Order Number, Purchase Order Task Order Number, the remittance name and address, and the Contractor's Taxpayer Identification Number (TIN):

<b>Original + 1 Copy To:</b>
Friedman Memorial Airport
1616 Airport Way Hailey, ID 83333
Attention: Accounts Payable

- c. Payments will be made by wire transfer as follows:  
Payee: Serco Inc.  
Account No. 621017-417-9- Depository Acct.  
ABA Routing No. 036076150  
Bank: Citizens Bank
- d. Any and/or all payments made under this Agreement if paid by check shall be made to payable to the order of the Contractor and be mailed or delivered to Contractor at:

Serco Management Services, Inc.  
Attention: Accounts Receivable  
1818 Library Street  
Reston, VA 20190

- e. Contractor may designate replacement payment information at any time upon notice to Customer.
- f. Invoice for all services rendered by the Contractor pursuant to this Agreement shall be submitted monthly by the Contractor. Invoices received by the Airport on or before the twenty-fifth (25th) day of the preceding month will be paid by the Airport no later than the tenth (10th) day of the following month for the duration of the Term of this Agreement.

2. Purchase Order Price

- a. The Airport agrees to pay the Contractor a Total Purchase Order Price, based on the daily number of hours of Air Traffic Control services, for services as set forth in THE "Scope of Contractor Services". Compensation for such Air Traffic Control services shall be as follows:
- b. The Total Purchase Order Price shall include all of the Airport's compensation to the Contractor, including reimbursement for all expenses incurred by the Contractor in the performance of this Agreement, unless amended as provided for herein.
- c. In no event shall the services set forth in the "Scope of Contractor Services" to be provided hereunder exceed a Total Purchase Order

Price of One Hundred Sixty-Nine Thousand, Nine Hundred Fifty-Six Dollars \$169,956, during the Term of this Agreement, without a mutually acceptable, written amendment to this Agreement approved by the governing Commission of the Airport.

F. General Purchase Order Requirements

The Contractor shall ensure that its staff is available to attend any federally mandated training and/or certification required to gain access to the ATCT building.

1. The Contractor shall establish and maintain a drug free workplace and drug testing program in accordance with policies and directives stated in 14 CFR Part 120.
2. The Contractor shall establish and maintain an Alcohol Misuse Prevention Program in accordance with 14 CFR Part 120.
3. The Contractor shall comply with all procedures outlined in the documents, directives, and regulations listed below to ensure the safe, orderly and expeditious movement of air traffic:
  - a. Federal Aviation Regulations, Parts 01, 65 (excluding Subpart B, paragraph 65.46), 67, 91, and 93 (14 CFR Parts 01, 65, 67, 91, 93, and 120; 49 CFR 830.2; and 49 CFR Part 40)
  - b. Aeronautical Information Manual ("AIM")
  - c. FAA JO 1030.3, Initial Event Responses
  - d. FAA Order 3120.4, Air Traffic Technical Training
  - e. FAA Order 7050.1, National Runway Safety Program
  - f. FAA Order 7110.65, Air Traffic Control
  - g. FAA Order 7110.67, Special Aircraft Operations by Law Enforcement/Military Organizations
  - h. FAA Order 7210.3, Facility Operation and Administration
  - i. FAA JO 7210.632, Air Traffic Organization Occurrence Reporting
  - j. FAA JO 7210.633, Air Traffic Organization Quality Assurance Program
  - k. FAA JO 7210.634, Air Traffic Organization Quality Control
  - l. FAA Order 7340.1, Contractions
  - m. FAA Order 7350.6, Location Identifiers
  - n. FAA Order 7400.2 Procedures for Handling Airspace Matters
  - o. FAA Order 7610.4, Special Operations
  - p. FAA Order 7930.2, Notices to Airmen
  - q. FAA Order 8020.16, Air Traffic Organization Aircraft Accident and Incident Notification, Investigation and Reporting
4. Proprietary Data: Each Party agrees, that it shall not (and its employees, consultants, and Contractor personnel shall not) use or disclose drawings, data, specifications, technical information, and other information or materials furnished or made available by one party, except those materials to be produced hereunder and then solely for purposes of meeting the prime contract requirements. Each party further agrees that disclosures to employees, consultants, and other personnel shall be on a "need to know" basis and solely in direct support of the performance hereunder. Each party will use at least the same efforts to prevent the disclosure of Confidential Information received hereunder as is used to protect its own Confidential Information. In no event, however, will less than a reasonable degree of care be used.
5. Publicity: Each Party will endeavor to coordinate communications concerning the work to be performed under the Purchase Order. Contractor may issue a news release, public announcement, advertisement or any other form of public statement regarding its participation in the program.
6. Assignment: Neither this Purchase Order nor any right or duty under it, except the right to receive payment, may be assigned by either party, without prior

written consent of the other party, which consent may not be unreasonably withheld, delayed or conditioned. Contractor shall be permitted to assign this Purchase Order to affiliate.

7. **Laws:** The laws of the Commonwealth of Virginia shall apply, exclusive of that body of laws known as conflicts of law. Each party hereby irrevocably and unconditionally consents to submit to the jurisdiction of the state and federal courts located in Fairfax County, Virginia for any actions, suits, or proceedings arising out of or relating to this Agreement, and further agrees that service of any process, summons, notice or document by U.S. registered or certified mail to each party's address set forth on the Purchase Order Cover Page shall be effective service of process for any action, suit, or proceeding against the other party. The rights and remedies provided herein shall be cumulative and in addition to any other rights and remedies provided by existing law or equity.
8. **Indemnification:** The Airport agrees to indemnify and save harmless the Contractor, from and against any and all third party claims and liability, loss, expenses, suits, damages, judgments, demands, and costs (including reasonable legal and professional fees and expenses) arising directly out of and solely to the extent of the following:
  - a. the negligent acts or omissions of the indemnifying party or its employees, officers, directors, agents or its subcontractors;
  - b. the infringement or violation of any U.S. patent, copyright, trademark, service mark, or trade secret, or of any third party resulting from the indemnified party's use, distribution, sale, sublicensing, or possession of the goods (including software and all forms of written materials) or services purchased or provided, as authorized hereunder, or from the use or possession of said goods or services by Client, as authorized hereunder; or
  - c. as to Contractor alone, false claims submitted by Contractor or its subcontractors under this Agreement or as a result of a Contractor misrepresentation of fact or fraud by Contractor.
  - d. Notwithstanding anything to the contrary herein, the foregoing indemnity obligations shall not apply to any infringement claim to the extent that the infringement is caused by:
    1. modifications to the indemnifying party's products or other deliverables other than by the indemnifying party;
    2. the use of such products or deliverables in combination with apparatus or devices the use of which the indemnifying party has not approved; or
    3. the use of such products or deliverables in a manner for which they were not intended.

9. **LIMITATION OF LIABILITY**

NOTWITHSTANDING ANY OTHER PROVISION TO THE CONTRARY HEREIN AND EXCEPT WITH RESPECT TO AIRPORT'S OBLIGATION TO PAY AMOUNTS WHEN DUE HEREUNDER AND TO AWARD WORK TO CONTRACTOR IN ACCORDANCE WITH THE STATEMENT OF WORK, NEITHER PARTY, NOR ANY OF ITS OFFICERS, DIRECTORS, EMPLOYEES, OR OTHER REPRESENTATIVES, SHALL IN ANY EVENT BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES SUFFERED BY THE OTHER PARTY OR OTHERS AS A RESULT OF PERFORMANCE OR NON-PERFORMANCE UNDER THIS AGREEMENT (INCLUDING TASK ORDERS), WHETHER OR NOT THE POSSIBILITY OF SUCH DAMAGES WAS DISCLOSED OR COULD HAVE BEEN REASONABLY FORESEEN. CONTRACTOR'S LIABILITY FOR DAMAGES ARISING OUT OF

OR RELATING IN ANY WAY TO THIS AGREEMENT (INCLUDING ANY TASK ORDER) SHALL BE STRICTLY LIMITED TO DIRECT DAMAGES AND SHALL IN NO EVENT EXCEED THE AMOUNT WHICH HAS BEEN PAID TO CONTRACTOR BY AIRPORT FOR CONTRACTOR'S PERFORMANCE. THIS LIMITATION OF LIABILITY APPLIES REGARDLESS OF WHETHER LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES, INFRINGEMENT OF INTELLECTUAL PROPERTY, FAILURE OF ESSENTIAL PURPOSE OR OTHERWISE.

10. Insurance

The Contractor shall maintain insurance coverage as set forth in this section throughout the term of this Agreement. The Contractor shall maintain insurance policies issued by an insurance company or companies authorized or approved to do business in the State of Idaho \_\_\_\_\_ and that maintain during the term of the policy a "General Policyholder's Rating" of at least A(v), as set forth in the then most current edition of "Best's Insurance Guide," as follows:

- a. Worker's Compensation Insurance. The Contractor, and each of its subcontractors, shall maintain worker's compensation coverage in accordance with Enter State workers' compensation laws for all workers under the Contractor's and/or subcontractor's employment performing work under this Agreement, with limit coverage of at least two-hundred fifty thousand dollars (\$250,000).
- b. Automobile Liability Insurance. The Contractor shall maintain automobile liability insurance coverage for owned, hired and non-owned vehicles. The policy shall have combined single limits for bodily injury and property damage of not less than one million dollars (\$1,000,000).
- c. Aviation Liability Coverage. The Contractor shall maintain Aviation Liability Insurance with a minimum of one hundred million dollars (\$100,000,000) coverage which will protect the Contractor and the Airport against liability for any and all losses arising out of the Contractor's operation or occupancy of the control tower.
- d. General Liability Insurance. The Contractor shall maintain liability insurance written on an "occurrence" policy form, covering personal and bodily injury, death and property damage, arising out of or relating to services provided by the Contractor under this Agreement, with single limit coverage of at least one million dollars (\$1,000,000) per occurrence with an aggregate limit of at least two million dollars (\$2,000,000). Such policy of liability insurance shall name the Airport its officers, officials, employees and agents as additional insureds and such liability insurance policy shall not contain any intra-insured exclusions as between insured persons or organizations. The liability coverage shall include all coverage typically provided by a Broad Form Comprehensive General Liability Endorsement and shall further include contractual liability coverage.
- e. Excess/Umbrella Liability Insurance. The Contractor shall maintain an excess/umbrella liability insurance policy with coverage in the amount of twenty-five million dollars (\$25,000,000) for each occurrence and an aggregate total.
- f. Concurrent with the execution of this Agreement and prior to the commencement of any work by the Contractor, the Contractor shall deliver to the Airport certificates evidencing the existence of the insurance coverage required by this Agreement, which coverage shall remain in full force and effect continuously throughout the term of this Agreement. Each policy of insurance, except workers compensation

insurance and errors and omissions insurance, that the Contractor purchases in satisfaction of the insurance requirements of this Agreement, shall name the Airport as an additional insured. Additionally, each policy of insurance that the Contractor purchases in satisfaction of the insurance requirements of this Agreement shall provide that the policy may not be cancelled, terminated or modified in scope of coverage as it applies to the services to be provided by the Contractor under this Agreement, except upon thirty (30) days prior written notice to the Airport.

- g. The Contractor shall be the first or primary named insured under each insurance policy.
- h. The Contractor's liability insurance policy or policies shall be endorsed as needed to provide cross-liability coverage for the Contractor and the Airport and to provide severability of interests.
- i. The Contractor's liability policy or policies shall be endorsed as needed to provide that the insurance afforded by those policies to the additional insured is primary and that all insurance carried by the Airport is strictly excess and secondary and shall not contribute with the Contractor's liability insurance.
- j. The coverage afforded to the Airport as an additional insured under Contractor's liability insurance policy or policies must be at least as broad as that afforded to the Contractor and may not contain any terms, conditions, exclusions, or limitations applicable to Airport that do not apply to the Contractor.
- k. The Contractor's liability insurance coverage may be provided by a combination of primary, excess and umbrella policies, but those policies must be absolutely concurrent in all respects regarding the coverage afforded by the policies. The coverage of any excess or umbrella policy must be at least as broad as the coverage of the primary policy.
- l. The insurance requirements set forth above are independent of the Contractor's exculpation, indemnification and other obligations under this Agreement and shall not be construed or interpreted in any way to restrict, limit or modify those exculpation, indemnification or other obligations or to limit the Contractor's liability under this Agreement.
- m. Except for Professional Liability Insurance for Errors and Omissions Coverage, the Contractor agrees to cause the insurance companies issuing their respective insurance to waive any subrogation rights that those companies may have against Airport (their additional insured). If the waivers of subrogation are not contained in the insurance policies, the Contractor waives any right it may have against the Airport on account of any loss or damage to the extent that the loss or damage is insured under their respective insurance policies.

11. Termination: Either party may terminate this PO, in whole or in part, upon the occurrence of one or more of the following:

- a. A Party fails to perform a material obligation under this Contract, substantially within the specifications, requirements, or time specified herein and fails to cure the default within a reasonable period of time after receiving a written notice specifying the nature of the default.
- b. The entering into or filing by or against a Party of a petition, arrangement, or proceeding seeking an order for relief under the bankruptcy laws of the United States, a receivership for any of the assets of such party, an assignment for the benefit of its creditors, or the dissolution, liquidation, or insolvency of Contractor.

- c. Contractor may terminate this Purchase Order in the event Airport fails to make payments of undisputed amounts when due and fails to cure such default within a reasonable period of time from Contractor's notice to Airport.
  - d. The FAA reinstates funding under the Contractor's existing contract with the FAA relating to the Airport or the FAA otherwise enters into a new contract with the Contractor to provide all or part of the Statement of Work/Specifications for the Airport.
- 12. Non-Solicitation of Employees: Neither Party, nor its representatives, shall directly solicit or hire employees of the other party to undertake employment with it, during the performance of this Purchase Order and for a period of one year thereafter. This prohibition does not include nor restrict hiring when based upon an advertisement in the general media or job fairs, except to the extent that an individual was otherwise personally or directly solicited by the party or its representatives.
- 13. Notices: All notices, requests, consents, and waivers required hereunder shall be in writing and shall be deemed to have been duly given (a) if personally delivered, upon delivery or refusal of delivery; (b) if mailed by registered or certified United States mail, return receipt requested, postage prepaid, upon delivery or refusal of delivery; or (c) if sent by a nationally recognized overnight delivery service, upon delivery or refusal of delivery. All notices, consents, waivers, or other communications required or permitted to be given hereunder shall be addressed to the respective individuals as identified and to the address as indicated on the face page of this Purchase Order, or at such other address(es) or addressee(s) as either Party may from time to time designate in writing to the other party.
- 14. Severability: Each section, subsection and lesser provision of this Purchase Order constitutes a separate and distinct undertaking, covenant and/or provision hereof. In the event that any provision of this Purchase Order shall finally be determined to be unlawful by a court of competent jurisdiction, such provision shall be deemed severed from this Purchase Order, but every other provision of this Purchase Order shall remain in full force and effect. If the scope of any of the provisions of the Purchase Order is too broad in any respect to permit enforcement to its full extent, then the parties agree that such provision shall be enforced to the maximum extent permitted by law and that such provision shall be deemed to be varied accordingly.
- 15. Modification: A modification of this Purchase Order must be in writing and signed by each party's authorized representative.
- 16. Survival: Any provision of this Purchase Order that imposes an obligation following the termination or expiration of this Purchase Order will survive the termination or expiration of this Purchase Order and will continue to be binding upon the parties to this Purchase Order.