

**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, October 1, 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  
October 1, 2013**

- I. APPROVE AGENDA**
  - II. PUBLIC COMMENT (10 Minutes Allotted)**
  - III. APPROVE FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
    - A. September 3, 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
      - 1. Coffee Talk DISCUSSION
      - 2. Airport Tour DISCUSSION
      - 3. Check SUN Fares First Campaign DISCUSSION
  - V. AIRPORT STAFF BRIEF (cont.) (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. Operations Brief
    - H. Administrative Brief
      - 1. FAA AIP Grants
        - a. AIP '38 – Attachment #8
        - b. AIP '39 – Attachment #9
      - 2. FAA PFC Notice of Intent to Impose and Use – Attachment #10
      - 3. Annual Independent Audit & Preparation of FY '13 Financial Reports
      - 4. Enterprise Holdings - Independent Lease Record Review
    - I. Auto Rental Concession Lease
  - VI. UNFINISHED BUSINESS**
    - A. Airport Solutions
      - 1. Existing Site
        - a. Plan to Meet 2015 Congressional Safety Area Requirement DISCUSS/DIRECT/ACTION
        - i. Modifications of Standards – Attachment #11
        - ii. Formulation – Attachment #12
        - iii. Phase 1 Construction Project
      - b. RFQ – Engineer and Architect Services DISCUSS/DIRECT/ACTION
      - c. RFQ – On-call Planning Services DISCUSS/DIRECT/ACTION
      - d. Retain/Improve/Develop Air Service
        - i. Fly Sun Valley Alliance Report DISCUSS/DIRECT
        - ii. Small Community Air Service Development Program Grant DISCUSS/DIRECT
    - 2. Airport Relocation
      - a. EIS Termination DISCUSS/DIRECT
    - 3. Site Selection/Master Plan DISCUSS/DIRECT
  - B. Hailey ATCT Funding Update – Attachment #13 DISCUSS/DIRECT
- VII. NEW BUSINESS**
  - A. Request for Information – Legal Services – Attachment #14 DISCUSS/DIRECT/ACTION
- VIII. PUBLIC COMMENT**
- IX. EXECUTIVE SESSION – I.C. §67- 2345 (1)(f)**
- X. ADJOURNMENT**

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

#### **A. September 3, 2013 Regular Meeting – Attachment #1**

BOARD ACTION: 1. Action

### **IV. REPORTS**

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

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

BOARD ACTION: 1. Discussion

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

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

BOARD ACTION: 1. Discussion

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

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

BOARD ACTION: 1. Discussion

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

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

BOARD ACTION: 1. Discussion

#### **E. Communications Director Report**

##### **1. Coffee Talk**

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

BOARD ACTION: 1. Discussion

##### **2. Airport Tour**

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

BOARD ACTION: 1. Discussion

### 3. Check SUN Fares First Campaign

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

BOARD ACTION: 1. Discussion

## V. AIRPORT STAFF BRIEF

### A. Noise Complaints:

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT DESCRIPTION	ACTION TAKEN
Hailey	9/2	1:45 p	Misc	Aircraft landing from North, Low	Ops Chief left msg for caller. Research demonstrated that there was nothing unusual about these approaches, which were due to wind conditions.
Chantrelle	9/2	3:10 p	Stage II Jet	Low/Loud	Ops Chief spoke with caller. Research demonstrated the aircraft approached the airport appropriately. It was a Stage II aircraft, so was louder than most.
Chantrelle	9/4	10:55 p	Twin Turbo Prop	Low/Loud	Caller stated that "no one seems to comply with the restrictions for operating at the airport..." Ops Chief spoke with caller. Research demonstrated a normal, appropriate approach to the airport.
Chantrelle	9/8	12:32 p	Jet	Low approach	Caller's observation was that the approach was "...feet above (her) pine trees...the lowest of the low..." Caller felt that the operator needed "...more than a reprimand..." Research demonstrated that the aircraft, a large private jet, in fact operated on approach at an appropriate rate of descent. Ops Chief communicated with the caller via e-mail.
Hailey	9/14	9:17 am	Sgl Eng	Caller thought that one aircraft was continuously circling over Hailey.	In fact, six aircraft took off to the north, consecutively. Ops Chief left a msg for the caller.

Misc Numerous	9/11	1:10 pm	F-15 Jet	Two US Military F-15s conducted a low pass over FMA, south to north. Low and loud.	Airport Staff was unable to determine the purpose of this flight. Best speculation is that it was conducted in commemoration of 9/11. All callers were responded to by the Ops Chief.
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## 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
August	\$19,561.73	\$9,799.38	\$15,813.00	\$6,530.90	\$17,319.00	\$7,566.90

## 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:

### July 2012/2013

Total Non-Federal Revenue	July, 2013	\$383,624.49
Total Non-Federal Revenue	July, 2012	\$360,740.21
Total Non-Federal Revenue	FY '13 thru July	\$1,844,880.44
Total Non-Federal Revenue	FY '12 thru July	\$1,712,735.82
Total Non-Federal Expenses	July, 2013	\$141,896.83
Total Non-Federal Expenses	July, 2012	\$126,787.06
Total Non-Federal Expenses	FY '13 thru July	\$1,623,846.85
Total Non-Federal Expenses	FY '12 thru July	\$1,564,318.89
Net Income to include Federal Programs	FY '13 thru July	\$-145,802.06
Net Income to include Federal Programs	FY '12 thru July	\$-315,377.71

## 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 August 15, 2013 Fly Sun Valley Alliance Meeting Minutes.  
Attachment #7 is the September 19, 2013 Fly Sun Valley Alliance Meeting Agenda.

## **F. Airport Weather Interruptions**

<b>September, 2013</b>		
<b><u>Airline</u></b>	<b><u>Flight Cancellations</u></b>	<b><u>Flight Diversions</u></b>
Horizon Air	Not Available	Not Available
SkyWest	Not Available	Not Available

## **G. Operations Brief**

The ARFF/Ops Staff is quickly finding itself fully employed in a number of endeavors on the Airport. Implementation of Phase 1 of the Runway Safety Area Project, preparation for SFO-SUN air service by United Express/SkyWest, preparation for the re-introduction of a third rental car agency tenant and termination of service by Runway Café are but a few of our projects. Fortunately, our new ARFF/Ops/Fleet Maintenance Officer, Robert Perry, is now trained and assuming a regular staff role on the Ops schedule, which will help greatly. Robert, however, is also already fully engaged in inspecting and servicing all Airport snow removal equipment, in anticipation of winter operations – just around the corner...!

## **H. Administrative Brief**

### **1. FAA AIP Grants**

#### **a. AIP '38 – Construct R/W 13/31 Safety Area (Phase 1 – Preliminary Engineering) – Attachment #8**

The AIP '38 Grant was received on September 9<sup>th</sup> and returned to the FAA on September 16<sup>th</sup>. The grant total was \$691,860.00. Staff was able to request reimbursement of \$474,606.00 on September 24<sup>th</sup>.

#### **b. AIP '39 – Attachment #9**

The AIP '39 Grant Agreement landed on September 16<sup>th</sup> and was signed by the City and the County that same day. Staff was able to request reimbursement of \$134,770.00 on September 24<sup>th</sup>.

AIP '39 is a \$2,234,754 grant that fund the eligible portion of Runway Safety Area project phase I. This Phase I project is the first in a series of projects that will lead to a safety area at Friedman Memorial that meets FAA design standards. It is the beginning of implementation of "Alternative 6". The estimated cost of the entire project is \$35,000,000. Chairman Fairfax has concluded that the beginning of this project should not pass without a celebration marking implementation of a project that the Board has been working on you years. Please mark your calendar for October 10<sup>th</sup> at 5:00 to attend a "Prepared for Takeoff" ground breaking ceremony at the Airport.

Staff would also like to express our gratitude to the City and County staff with obtaining the appropriate signatures on the Grant Agreements with very limited time. It's always nice to have such competent support. Processing the grants and being able to request the fund reimbursements prior to the fiscal year end is notable and appreciated. Thank you.

## **2. FAA PFC Notice of Intent to Impose and Use – Attachment #10**

Attachment #10 is the Airline Consultation Meeting Notice prepared by T-O Engineers and Staff that was sent to air carriers on September 6, 2013. Mr. John Anderson, T-O Engineers will direct the meeting with air carriers, to discuss the proposed application on October 9, 2013 at 2:00 p.m. at the Airport Administration Office.

## **3. Annual Independent Audit & Preparation of FY '13 Financial Reports**

During the week of November 11<sup>th</sup> – 14<sup>th</sup> representatives from Simmons and Clubb CPAs will be conducting the annual independent audit of the Airport's financial procedures and records. Staff will be completing the year-end reporting requirements in late November and the Board can anticipate receiving the auditor's report in the January meeting.

## **4. Enterprise Holdings - Independent Lease Record Review**

Simmons and Clubb CPA's conducted a record review of Enterprise Holdings. The review was based on a sample of months and whether or not Enterprise complied with their financial obligations of the Off-Airport Operating Permit. The review has been completed and Staff will be distributing the final report to the Lease/Finance Committee to discuss any findings or record keeping policies that need to be made.

### **I. Auto Rental Concession Lease**

All three rental agencies have entered into Auto Rental Concession Agreements with the FMAA. Staff is currently working with each agency to coordinate the relocation of auto parking and terminal counter space. The new leases will be effective November 1<sup>st</sup>.

## **VI. UNFINISHED BUSINESS**

### **A. Airport Solutions**

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

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

**i. Modifications of Standards – Attachment #11**

As of September 24<sup>th</sup>, MOS's 1-5 and 8 were still at FAA Headquarters, awaiting final signatures. The signatures were anticipated no later than Friday, September 27. Staff will have an update on status at the meeting. With the MOS's in final form, the Safety Risk Management Document summarizing the findings of the SRM panel in June can now be completed. The final draft of this document is included at Attachment #11. This document, with associated forms, will now be sent to all participants from that panel and the SRM process will be formally completed.

**ii. Formulation – Attachment #12**

With the development of the funding plan last month, work this month focused on that plan. A copy of the draft funding plan is included at Attachment #12 for Board review. This draft plan depicts the overall costs, broken out by project. The final version of the plan will show the funding needs by year and anticipated sources of that funding. Dave Mitchell of T-O will provide a detailed presentation of the funding plan at the meeting, for Board consideration. Based on direction received from the Board regarding the funding plan, it will be finalized and coordinated with the FAA. Staff and T-O are working on coordinating a meeting with FAA before the November meeting, to discuss the overall phasing and funding plans and get FAA concurrence.

The other main task completed this month was development of concepts for the relocated ARFF/SRE building. Several of these concepts will be presented to the Board during the meeting.

Additional work underway includes further investigation into hangar acquisitions, updating the Airport Layout Plan and finalizing the other phases of the formulation project. Draft environmental documentation has been submitted to FAA for review.

**iii. Phase 1 Construction Project**

The AIP '039 grant for the Phase 1 construction project has been accepted and the Agreement with Knife River is in place. The pre-construction conference is scheduled for Thursday, September 26<sup>th</sup> and work is scheduled to begin on Monday, September 30<sup>th</sup>. Weather permitting, the contractor plans to begin paving the apron overlay portion of the project the week of October 7<sup>th</sup>.

BOARD ACTION: 1. Discuss/Direct/Action

**b. RFQ – Engineer and Architect Services**

As you know, Statements of Qualifications (SOQs) related to the Engineer and Architect Services selection process that began last month are due September 26<sup>th</sup>. The SOQ evaluation Committee selected by the Board may have a report available at the Board meeting.

BOARD ACTION: 1. Discuss/Direct/Action

**c. RFQ – On-call Planning Services**

As you know, SOQs related to the On-Call Planning Services selection process that began last month are due September 26<sup>th</sup>. The SOQ evaluation Committee selected by the Board may have a report available at the Board meeting.

BOARD ACTION: 1. Discuss/Direct/Action

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

**i. Fly Sun Valley Alliance Report**

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

BOARD ACTION: 1. Discuss/Direct

**ii. Small Community Air Service Development Program Grant**

The community is now simply waiting for Department of Transportation to complete their process and announce which communities were successful in their effort to secure grant money for their air service project. This item is on the agenda in case an announcement is made before the Board meeting.

BOARD ACTION: 1. Discuss/Direct

**2. Airport Relocation**

**a. EIS Termination**

As you know, Staff is waiting for FAA determination regarding documentation, if any, which is appropriate for transmittal to FMAA. Airport Staff has been told that Helena Environmental Staff is in Seattle meeting with Region Environmental personnel the week of September 23rd to develop a plan which will move this item towards completion.

BOARD ACTION: 1. Discuss/Direct



### **3. Site Selection/Master Plan**

During the March Board meeting, the Board concluded that following completion of project formulation for Alternative 6, or by October 1, 2013, it would be appropriate to commence formal discussion regarding a site selection process.

The 2004 Master Plan Update completed in June of 2004 was the last Master Planning process completed by FMAA.

The Airport Alternatives Technical Analysis completed in January of 2013 set FMAA on a path to meet the December 31, 2015 runway safety area deadline created by the Lautenberg Runway Safety Law.

The Board authorized Staff to process a PFC application that includes \$550,000 to Master Plan. As you know, the PFC program is a reimbursement program.

Statements of Qualification for On-call Planning Services will be received until September 26<sup>th</sup>.

It would appear that Master Planning to look at short, medium and long term goals for Friedman Airport is appropriate. The plan should look at the short, medium and long term future at the existing site, beginning with the implementation of Alternative 6. The Board may also consider how to study a future site for the airport within the context of this Master Plan.

The Board could include in a Master Plan chapter, a review of all scientific information that has been gathered during first, the Board's Airport Site Selection and Feasibility Study and second, during the EIS Purpose and Need/Alternatives working paper report.

BOARD ACTION: 1. Discuss/Direct

### **B. Hailey ATCT Funding Update – Attachment #13**

Attachment #13 is a Bloomberg News story that gives a discouraging, but reportedly accurate, report on the state of play on FAA funding issues, including contract towers and controllers, post-September 30, 2013.

AAAE reports, that during recent meetings and conversations AAAE staff has had with key congressional staff on contract tower funding, it is abundantly clear that there are many more questions than answers about how the continuing resolution (CR) will be crafted to keep the government running after the end of the fiscal year on September 30. All indications are that the CR will be short term (two to three months in length) and is unclear at this point how, or even if, contract tower funding will be addressed.

At the time that this material is being developed, the future of funding for Hailey Tower is still uncertain. What we do know is that it does not appear that a 30 day notice of contract termination has been transmitted to the National Air Traffic Control providers. It seems, at least for now, all we can do is monitor the national budget

debate. This item remains on the agenda as a possible action item since Staff cannot predict what might happen before Tuesday.

BOARD ACTION: 1. Discuss/Direct

## **VII. NEW BUSINESS**

### **A. Request for Information – Legal Services – Attachment #14**

As reported by the Airport Manager in the September meeting, Barry Luboviski will be retiring from his position as the Authority's legal counsel in December, 2013. In preparation for Mr. Luboviski's departure, Staff has prepared a Request for Information to solicit qualifications from legal firms. The Request was distributed to over eighty legal firms with a qualification statement submittal date of October 21<sup>st</sup>. It is appropriate now for the Board to establish a selection/evaluation process. In the past, the Board has established a committee to evaluate the qualification statements and make a recommendation to the entire Board. Committee evaluation and recommendation in the past has steered the Board toward an interview process. Committee recommendation has also led to actual selection.

BOARD ACTION: 1. Discuss/Direct/Action  
(Establish an appropriate selection process)

## **VIII. PUBLIC COMMENT**

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

## **X. ADJOURNMENT**

ATTACHMENT #1

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

**September 3, 2013  
5:30 P.M.**

**IN ATTENDANCE:**

**BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Susan McBryant, Board – Lawrence Schoen, Angenie McCleary, Fritz Haemmerle, Jacob Greenberg, 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 – Cecilia Vega  
**AIRPORT LEGAL COUNSEL:** Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;  
**CONSULTANTS:** T-O Engineers – Dave Mitchell; ANTICIPATE – Candice Pate  
**AIRPORT TENANTS/PUBLIC:** Donna Serrano, Ed & Pam Jenkins, Marc Reinemann, Evan Stelma, FSVA – Carol Waller; Atlantic Aviation – Mike Rasch; Richard Niedrich, Glass Cockpit Aviation – John Strauss, SkyWest Airlines – Stephanie Dwyer, Karen Brown; Ileene Wendland

**CALL TO ORDER:**

The meeting was called to order at 5:33 p.m. by Chairman Fairfax.

**I. APPROVE AGENDA**

The agenda was approved with the following changes:

**III. UNFINISHED BUSINESS**

**A. Airport Solutions**

**1. Existing Site**

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

**1. Fly Sun Valley Alliance Report (See Brief)**

**VIII. VII. UNFINISHED BUSINESS (cont.)**

**A. Airport Solutions (cont.)**

**1. Existing Site (cont.)**

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

**c. b. RFQ – Engineer and Architect Services (See Brief)**

**d. e. RFQ – On-call Planning Services (See Brief)**

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

**1. Fly Sun Valley Alliance Report (See Brief)**

**MOTION**

**Made by Vice-Chairman McBryant to move the Fly Sun Valley Alliance Report after agenda item II. Public Comment. Seconded by Board Member Greenberg.**

**PASSED UNANIMOUSLY**

**II. PUBLIC COMMENT**

Ed Jenkins commented that he was disturbed by some of the Board's questions and comments from last month's meeting including how future terminal expansions correlate to a dual path forward, the improved operation of the Board after new leadership, and inappropriate responses to public comment. He commented that there is no representative on the Board for South Blaine County residents, who feel it is time to move the airport to a different location, as there are safety concerns that will not be met with a reconfiguration of the Airport. Mr. Jenkins invited the Board to attend a block party in Chantrelle on September 21 at 1:00 p.m. to discuss safety concerns.

### III. UNFINISHED BUSINESS

#### A. Airport Solutions

##### 1. Existing Site

###### a. Retain/Improve/Develop Air Service

###### 1. Fly Sun Valley Alliance Report (See Brief)

Fly Sun Valley Alliance representative, Carol Waller thanked the Board for partnering with FSVA in the effort to improve air service and announced that United Airlines will be starting a new direct flight to Friedman Airport from San Francisco on December 12, 2013.

### IV. AIRPORT STAFF BRIEF

#### A. Employee of the 2<sup>nd</sup> Quarter, 2013 (See Brief)

Airport Manager Baird announced that Ms. Karen Brown of SkyWest Airlines was selected as the Employee of the 2<sup>nd</sup> Quarter for Calendar Year 2013. He congratulated Ms. Brown and thanked her for her efforts and service to Friedman Memorial Airport.

Ms. Brown thanked the Board and commented that she is honored and privileged to be the recipient of this award.

### V. APPROVE FMAA MEETING MINUTES

#### A. August 6, 2013 Regular Meeting (See Brief)

The August 6, 2013 Friedman Memorial Airport Authority Meeting Minutes were approved with the following changes:

#### IN ATTENDANCE:

**BOARD MEMBERS:** Chairman – Ron Fairfax, Vice-Chairman – Susan McBryant, Board – Lawrence Schoen, Angenie McCleary, Ron Fairfax, Fritz Haemmerle, Don Keirn, Jacob Greenberg

### VIII. UNFINISHED BUSINESS

#### A. Airport Solutions

##### 1. Existing Site

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

Board Member Schoen commented that there has been a tremendous amount of work put continuously going into this and other projects, which has allowed the Board and Staff to move forward on several different projects simultaneously.

#### MOTION:

*Made by Vice-Chairman McBryant to approve the August 6, 2013 Friedman Memorial Airport Authority Regular Meeting Minutes as amended. Seconded by Board Member Keirn.*

**PASSED UNANIMOUSLY**

## **VI. V. REPORTS**

### **A. Chairman Report**

Chairman Fairfax thanked all the firefighters and support teams for all their efforts in saving the Wood River Valley from the Beaver Creek Fire.

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

Board Member Schoen reported that the Blaine County Commissioners met with Airport Manager Baird this morning and were briefed on what would be discussed at tonight's meeting. He also extended his congratulations on behalf of Blaine County to the Airport Staff who responded to the Beaver Creek Fire with professionalism and flexibility.

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

No report was made.

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

Airport Manager Baird reported that before the month of October a Request for Qualifications for Legal Counsel will be noticed in order to begin the process of selecting new counsel, as Attorney Luboviski will be retiring in December. He also reported that the Board can anticipate reviewing a new air service/air carrier incentive program in October.

### **E. Communications Director Report**

Communications Director Pate reported that the August Coffee Talk and Airport Tour were both successful and the "Check SUN Fares First" campaign has been launched.

## **VII. VI. AIRPORT STAFF BRIEF (cont.)**

### **B. Noise Complaints (See Brief)**

### **C. Parking Lot Update (See Brief)**

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

### **E. Review Correspondence (See Brief)**

### **F. Fly Sun Valley Alliance Update (See Brief)**

### **G. Airport Weather Interruptions (See Brief)**

### **H. Operations Brief (See Brief)**

### **I. Administrative Brief (See Brief)**

## **VIII. VII. UNFINISHED**

## BUSINESS (cont.)

### A. Airport Solutions (cont.)

#### 1. Existing Site (cont.)

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

T-O Engineer Dave Mitchell updated the Board on the current status of the Modifications to Standards (MOS) process, the RSA Improvements Formulation Project and Phase I of the RSA Improvements Construction Project.

The Board discussed technical aspects of Engineer Mitchell's presentation including upcoming airport closures, the effects these closures will have on the community and how best to reach out and educate the business community about the construction project and closures they require.

**MOTION:** *Made by Board Member Schoen to approve the proposed RSA phasing plan to meet the 2015 Congressional Safety Area Requirements and authorize Airport Staff and T-O Engineers to proceed with Phase II of the RSA Improvements Construction Project. Seconded by Board Member Haemmerle.*

**PASSED UNANIMOUSLY**

Engineer Mitchell briefed the Board that bids for Phase I Construction Projects had been received and announced Knife River as the low bidder.

The Board discussed the bid results and after legal review, concluded that even though they are concerned that Knife River has performed questionably within the Wood River Valley, in order to stay on schedule and meet the 2015 deadline, the options to re-bid or eliminate an entire portion of the schedule are not in the Airport's best interest.

**MOTION:** *Made by Board Member Greenberg to accept Knife River as the lowest responsive bidder not to exceed the amount of \$2,270,694.00. Seconded by Board Member Keirn.*

**PASSED UNANIMOUSLY**

Board Member Schoen commented that Staff and Engineer Mitchell will need to bring the project within budget by eliminating portion(s) of the schedule(s) or seeking a greater grant amount from the FAA.

Board Member Haemmerle commented that at this point the Board must accept the lower bidder and rely on the hope that we have a good contract in place, a good Airport Staff and a good engineer that can supervise this group so that Knife River can provide a successful project for the Airport.

Board Member McBryant commented that this discussion was important and candid and hopes that Knife River would be interested in it.

**c. ~~b.~~ RFQ – Engineer and Architect Services (See Brief)**

Airport Manager Baird briefed the Board that a Request for Qualifications (RFQ) for Engineering and Architectural Services has been noticed and asked the Board to develop a Committee to evaluate the RFQs.

The Board directed Board Member Keirn, Board Member Greenberg and Chairman Fairfax to serve on the Committee to evaluate the RFQs and SOQs once they are received and develop a recommendation for the Board's review for the next Board meeting.

**d. ~~c.~~ RFQ – On-call Planning Services (See Brief)**

Airport Manager Baird briefed the Board that a Request for Qualifications (RFQ) for On-call Planning Services has been noticed and asked the Board to develop a Committee to evaluate the RFQs.

The Board directed Board Member Keirn, Board Member Greenberg and Chairman Fairfax to serve on the Committee to evaluate the RFQs and SOQs once they are received and develop a recommendation for the Board's review at the appropriate time.

**~~d. Retain/Improve/Develop Air Service~~**

**~~1. Fly Sun Valley Alliance Report (See Brief)~~**

**2. Airport Relocation**

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

Board Member Haemmerle requested that a discussion on the dual path forward be added to the agenda for next month's meeting.

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

**C. Hailey ATCT Funding Update**

Airport Manager Baird briefed the Board on the Hailey ATCT Funding process for FY '14.

Chairman Fairfax asked if the Board should implement a contingency funding plan for the Hailey ATCT.

Airport Manager Baird answered that the Board should keep in touch with Idaho's elected delegation and not take action on the possibility of a future problem prematurely.

Board Member McCleary commented that the Hailey ATCT was an important tool in fighting the Beaver Creek Fire and this should be conveyed to the elected delegation.

**D. Small Community Air Service Development Program Grant (See Brief)**

**IX. ~~VIII.~~ NEW BUSINESS**

**A. Beaver Creek Fire Impact (See Brief)**

**X. IX. PUBLIC COMMENT**

Glass Cockpit Aviation owner, John Strauss commented that the Hailey ATCT was very instrumental in the success of defeating the Beaver Creek fire. He commented that the Temporary Fire Restriction (TFR) was intentionally shaped to try and minimize its impact on Hailey, however it blocked the instrument departure on the west side of Hailey which made it more difficult for Tower personnel to direct traffic on the east side. He thanked the Hailey ATCT for their excellence and hard work during such a catastrophic and high intensity event.

**XI. X. ADJOURNMENT**

The September 3, 2013 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 7:51 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.*



11:19 AM

09/18/13

Accrual Basis

# Friedman Memorial Airport Profit & Loss Budget vs. Actual (Combined)

October 2012 through July 2013

Ordinary Income/Expense	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
<b>Income</b>				
4000-00 · AIRCARRIER				
4000-01 · Aircarrier - Lease Space	70,433.70	84,600.00	-14,166.30	83.3%
4000-02 · Aircarrier - Landing Fees	63,008.75	92,000.00	-28,991.25	68.5%
4000-03 · Aircarrier - Gate Fees	1,000.00	1,200.00	-200.00	83.3%
4000-04 · Aircarrier - Utility Fees	5,954.78	7,600.00	-1,645.22	78.4%
4010-05 · Aircarrier -'11 PFC Application	129,730.32	213,000.00	-83,269.68	60.9%
<b>Total 4000-00 · AIRCARRIER</b>	<b>270,127.55</b>	<b>398,400.00</b>	<b>-128,272.45</b>	<b>67.8%</b>
4020-00 · TERMINAL AUTO PARKING REVENUE				
4020-01 · Automobile Parking - Terminal	66,426.42	70,000.00	-3,573.58	94.9%
<b>Total 4020-00 · TERMINAL AUTO PARKING REVENUE</b>	<b>66,426.42</b>	<b>70,000.00</b>	<b>-3,573.58</b>	<b>94.9%</b>
4030-00 · AUTO RENTAL REVENUE				
4030-01 · Automobile Rental - Commission	268,112.59	325,000.00	-56,887.41	82.5%
4030-02 · Automobile Rental - Counter	6,801.80	7,300.00	-498.20	93.2%
4030-03 · Automobile Rental - Auto Prkng	25,900.00	29,000.00	-3,100.00	89.3%
4030-04 · Automobile Rental - Utilities	269.28	500.00	-230.72	53.9%
4030-05 · Automobile Rental - Off. Airpt.	14,293.69	40,000.00	-25,706.31	35.7%
4030-00 · AUTO RENTAL REVENUE - Other	570.00			
<b>Total 4030-00 · AUTO RENTAL REVENUE</b>	<b>315,947.36</b>	<b>401,800.00</b>	<b>-85,852.64</b>	<b>78.6%</b>
4040-00 · TERMINAL CONCESSION REVENUE				
4040-01 · Terminal Shops - Commission	427.16	3,500.00	-3,072.84	12.2%
4040-02 · Terminal Shops - Lease Space	5,227.76	8,500.00	-3,272.24	61.5%
4040-03 · Terminal Shops - Utility Fees	433.43	600.00	-166.57	72.2%
4040-10 · Advertising - Commission	26,942.48	33,000.00	-6,057.52	81.6%
4040-12 · Terminal ATM	58.70			
<b>Total 4040-00 · TERMINAL CONCESSION REVENUE</b>	<b>33,089.53</b>	<b>45,600.00</b>	<b>-12,510.47</b>	<b>72.6%</b>
4050-00 · FBO REVENUE				
4050-01 · FBO - Lease Space	191,519.36	229,466.00	-37,946.64	83.5%
4050-02 · FBO - Tiedown Fees	190,314.23	230,000.00	-39,685.77	82.7%
4050-03 · FBO - Landing Fees - Trans.	174,517.26	215,000.00	-40,482.74	81.2%
4050-04 · FBO - Commission	15,458.58	20,000.00	-4,541.42	77.3%
<b>Total 4050-00 · FBO REVENUE</b>	<b>571,809.43</b>	<b>694,466.00</b>	<b>-122,656.57</b>	<b>82.7%</b>
4060-00 · FUEL FLOWAGE REVENUE				
4060-01 · Fuel Flowage - FBO	156,515.92	172,000.00	-15,484.08	91.0%
<b>Total 4060-00 · FUEL FLOWAGE REVENUE</b>	<b>156,515.92</b>	<b>172,000.00</b>	<b>-15,484.08</b>	<b>91.0%</b>
4070-00 · TRANSIENT LANDING FEES REVENUE				
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>	<b>278.64</b>	<b>500.00</b>	<b>-221.36</b>	<b>55.7%</b>

ATTACHMENT #2

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# Friedman Memorial Airport

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

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
<b>4080-00 · HANGARS REVENUE</b>				
4080-01 · Land Lease - Hangar	444,207.21	493,707.00	-49,499.79	90.0%
4080-02 · Land Lease - Hangar/Trans. Fee	804.00			
4080-03 · Land Lease - Hangar/Utilities	953.04	1,400.00	-446.96	68.1%
4080-20 · Land Lease - Government Revenue	6,844.52	0.00	6,844.52	100.0%
<b>Total 4080-00 · HANGARS REVENUE</b>	<b>452,808.77</b>	<b>495,107.00</b>	<b>-42,298.23</b>	<b>91.5%</b>
<b>4090-00 · TIEDOWN PERMIT FEES REVENUE</b>				
4090-01 · Tiedown Permit Fees (FMA)	13,513.80	17,000.00	-3,486.20	79.5%
<b>Total 4090-00 · TIEDOWN PERMIT FEES REVENUE</b>	<b>13,513.80</b>	<b>17,000.00</b>	<b>-3,486.20</b>	<b>79.5%</b>
<b>4100-00 · POSTAL CARRIERS REVENUE</b>				
4100-01 · Postal Carriers - Landing Fees	7,318.36	8,500.00	-1,181.64	86.1%
4100-02 · Postal Carriers - Tiedown	2,970.00			
<b>Total 4100-00 · POSTAL CARRIERS REVENUE</b>	<b>10,288.36</b>	<b>8,500.00</b>	<b>1,788.36</b>	<b>121.0%</b>
<b>4110-00 · MISCELLANEOUS REVENUE</b>				
4110-01 · Misc. Revenue	35,501.04			
4110-06 · Misc. - Security-Prox. Cards	26,855.00	27,000.00	-145.00	99.5%
4110-09 · Miscellaneous Expense Reimburse	-2,201.21			
<b>Total 4110-00 · MISCELLANEOUS REVENUE</b>	<b>60,154.83</b>	<b>27,000.00</b>	<b>33,154.83</b>	<b>222.8%</b>
<b>4120-00 · GROUND TRANSP. PERMIT REVENUE</b>				
4120-01 · Ground Transportation Permit	13,000.00	16,000.00	-3,000.00	81.3%
4120-02 · GTSP - Trip Fee	2,600.00	0.00	2,600.00	100.0%
<b>Total 4120-00 · GROUND TRANSP. PERMIT REVENUE</b>	<b>15,600.00</b>	<b>16,000.00</b>	<b>-400.00</b>	<b>97.5%</b>
<b>4400-00 · TSA</b>				
4400-02 · Terminal Lease	7,544.70	0.00	7,544.70	100.0%
<b>Total 4400-00 · TSA</b>	<b>7,544.70</b>	<b>0.00</b>	<b>7,544.70</b>	<b>100.0%</b>
<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>	<b>0.00</b>	<b>20,000.00</b>	<b>-20,000.00</b>	<b>0.0%</b>
<b>4520-00 · INTEREST INCOME</b>				
4520-05 · Interest Income - '11 PFC	201.67			
4600-00 · Interest Income - General	8,050.15	14,000.00	-5,949.85	57.5%
<b>Total 4520-00 · INTEREST INCOME</b>	<b>8,251.82</b>	<b>14,000.00</b>	<b>-5,748.18</b>	<b>58.9%</b>
<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>	<b>0.00</b>	<b>100,000.00</b>	<b>-100,000.00</b>	<b>0.0%</b>

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Accrual Basis

# Friedman Memorial Airport Profit & Loss Budget vs. Actual (Combined)

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
4703-00 · AIP 03 FMA/FAA				
4703-01 · AIP 03	0.00	40,000.00	-40,000.00	0.0%
Total 4703-00 · AIP 03 FMA/FAA	0.00	40,000.00	-40,000.00	0.0%
4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV				
4704-01 · AIP '04 - FAA	0.00	1,000,000.00	-1,000,000.00	0.0%
Total 4704-00 · AIP 04-New Arpt. EIS-Phs.III/IV	0.00	1,000,000.00	-1,000,000.00	0.0%
4705-00 · AIP 05-New Arpt. EIS-Phs.				
4705-01 · AIP '05 - FAA	0.00	500,000.00	-500,000.00	0.0%
Total 4705-00 · AIP 05-New Arpt. EIS-Phs.	0.00	500,000.00	-500,000.00	0.0%
4737-00 · AIP 37				
4737-01 · AIP '37 - FMA Altern. Analysis	32,772.00	525,000.00	-492,228.00	6.2%
Total 4737-00 · AIP 37	32,772.00	525,000.00	-492,228.00	6.2%
4738-00 · Existing Site Improvement				
4738-01 · AIP '38	0.00	750,000.00	-750,000.00	0.0%
4738-00 · Existing Site Improvement - Other	398,901.00	750,000.00	-351,099.00	53.2%
Total 4738-00 · Existing Site Improvement	398,901.00	750,000.00	-351,099.00	53.2%
4739-00 · AIP 39 - Safety Area Proj. Imp.				
4739-01 · AIP '39 Project I	0.00	1,725,000.00	-1,725,000.00	0.0%
Total 4739-00 · AIP 39 - Safety Area Proj. Imp.	0.00	1,725,000.00	-1,725,000.00	0.0%
Total Income	2,414,030.13	7,020,373.00	-4,606,342.87	34.4%
Gross Profit	2,414,030.13	7,020,373.00	-4,606,342.87	34.4%
Expense				
EXPENDITURES				
"A" EXPENSES				
5000-01 · Salaries - Airport Manager	106,168.99	127,403.00	-21,234.01	83.3%
5010-00 · Salaries - Contracts/Finance Adm	70,781.68	82,500.00	-11,718.32	85.8%
5010-01 · Salaries - Office Assist.	140,946.42	163,812.58	-22,866.16	86.0%
5020-00 · Salaries - ARFF/OPS Chief	72,065.29	82,500.00	-10,434.71	87.4%
5030-00 · Salaries - ARFF/OPS Specialist	251,963.50	302,723.84	-50,760.34	83.2%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Assi	53,282.33	59,190.96	-5,908.63	90.0%
5050-00 · Salaries - Temp.	8,483.25	15,000.00	-6,516.75	56.6%
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	5,648.88	10,000.00	-4,351.12	56.5%
5060-04 · OT - Security	0.00	2,500.00	-2,500.00	0.0%
5100-00 · Retirement	82,142.49	100,815.67	-18,673.18	81.5%
5110-00 · Social Security/Medicare	52,045.64	66,428.93	-14,383.29	78.3%
5120-00 · Life Insurance	1,662.60	2,000.00	-337.40	83.1%

# Friedman Memorial Airport

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

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
5130-00 - Medical Insurance	121,669.68	155,000.00	-33,330.32	78.5%
5160-00 - Workman's Compensation	13,250.00	15,000.00	-1,750.00	88.3%
<b>Total "A" EXPENSES</b>	<b>980,110.75</b>	<b>1,207,596.80</b>	<b>-227,486.05</b>	<b>81.2%</b>
<b>"B" EXPENDITURES</b>				
<b>"B" EXPENSES - ADMINISTRATIVE</b>				
6000-00 - TRAVEL EXPENSE				
6000-01 - Travel	11,367.60	0.00	11,367.60	100.0%
6000-00 - TRAVEL EXPENSE - Other	0.00	15,000.00	-15,000.00	0.0%
<b>Total 6000-00 - TRAVEL EXPENSE</b>	<b>11,367.60</b>	<b>15,000.00</b>	<b>-3,632.40</b>	<b>75.8%</b>
6010-00 - SUPPLIES/EQUIPMENT EXPENSE				
6010-01 - Supplies - Office	7,434.10	13,500.00	-6,065.90	55.1%
6010-03 - Supplies - Computer	2,673.87			
<b>Total 6010-00 - SUPPLIES/EQUIPMENT EXPENSE</b>	<b>10,107.97</b>	<b>13,500.00</b>	<b>-3,392.03</b>	<b>74.9%</b>
6020-00 - INSURANCE				
6020-01 - Insurance - Liability	16,610.00	18,500.00	-1,890.00	89.8%
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	5,700.00	5,900.00	-200.00	96.6%
6020-05 - Insurance - Crime	625.00	550.00	75.00	113.6%
<b>Total 6020-00 - INSURANCE</b>	<b>67,253.00</b>	<b>68,150.00</b>	<b>-897.00</b>	<b>98.7%</b>
6030-00 - UTILITIES				
6030-01 - Utilities - Gas/Terminal	5,605.09	13,000.00	-7,394.91	43.1%
6030-02 - Utilities - Gas/Maintenance	4,412.77	8,500.00	-4,087.23	51.9%
6030-03 - Utilities - Elect./Runway&PAPI	5,103.45	6,000.00	-896.55	85.1%
6030-04 - Utilities - Elec./Office/Maint.	10,664.75	9,000.00	1,664.75	118.5%
6030-05 - Utilities - Electric/Terminal	7,463.38	7,500.00	-36.62	99.5%
6030-06 - Utilities - Telephone	10,096.67	17,000.00	-6,903.33	59.4%
6030-07 - Utilities - Water	560.55	1,200.00	-639.45	46.7%
6030-08 - Utilities - Garbage Removal	6,136.01	6,000.00	136.01	102.3%
6030-09 - Utilities - Sewer	1,520.11	1,500.00	20.11	101.3%
6030-10 - Utilities - Elec./Sewer	290.77	500.00	-209.23	58.2%
6030-11 - Utilities - Electric/Tower	4,153.65	4,000.00	153.65	103.8%
6030-12 - Utilities - Elec./Brdfrrd.Hghl	366.58			
6030-15 - Utilities - Elec/AWOS	528.31	900.00	-371.69	58.7%
6030-16 - Utilities - Elec. Wind Cone	109.05	210.00	-100.95	51.9%
6030-17 - Utilities - Elec.- Rosenberg	53.18			
6040-01 - Service Provider - Weather	5,772.00	3,700.00	2,072.00	156.0%
6040-02 - Service Provider - Term. Music	716.30	1,000.00	-283.70	71.6%
6040-03 - Service Provider - Internet/ISP	4,500.00	7,500.00	-3,000.00	60.0%
6040-04 - Service Provider - AWOS NADN	0.00	2,000.00	-2,000.00	0.0%

# Friedman Memorial Airport

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

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
6040-05 · Service Provider - ISP/Terminal	1,500.00	2,000.00	-500.00	75.0%
6040-06 · Service Provider - SSI Movement	0.00	8,035.00	-8,035.00	0.0%
<b>Total 6030-00 · UTILITIES</b>	<b>69,552.62</b>	<b>99,545.00</b>	<b>-29,992.38</b>	<b>69.9%</b>
<b>6050-00 · PROFESSIONAL SERVICES</b>				
6050-01 · Professional Services - Legal	17,178.30	27,500.00	-10,321.70	62.5%
6050-02 · Professional Services - Audit	24,924.43	25,000.00	-75.57	99.7%
6050-03 · Professional Services - Engineer	4,945.89	27,000.00	-22,054.11	18.3%
6050-04 · Professional Services - ARFF	0.00	2,000.00	-2,000.00	0.0%
6050-05 · Professional Services - Gen.	13,537.08			
6050-06 · Professional Services - Litigat	46,311.73			
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	10,017.00	12,000.00	-1,983.00	83.5%
6050-11 · Professional Services - Wildlif	0.00	2,000.00	-2,000.00	0.0%
6050-12 · Prof. Serv.- Planning Air Serv.	22,133.80	32,000.00	-9,866.20	69.2%
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			
6050-00 · PROFESSIONAL SERVICES - Other	-90.00			
<b>Total 6050-00 · PROFESSIONAL SERVICES</b>	<b>147,404.84</b>	<b>139,000.00</b>	<b>8,404.84</b>	<b>106.0%</b>
<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	1,504.00			
6060-04 · Maintenance - Copier	3,958.80			
6060-05 · Maintenance - Phone	1,211.10			
<b>Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT</b>	<b>6,673.90</b>	<b>10,000.00</b>	<b>-3,326.10</b>	<b>66.7%</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	947.28	0.00	947.28	100.0%
6070-03 · Rent/Lease - Copier	0.00	4,000.00	-4,000.00	0.0%
<b>Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT</b>	<b>947.28</b>	<b>5,500.00</b>	<b>-4,552.72</b>	<b>17.2%</b>
<b>6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E</b>				
6080-01 · Dues/Memberships/Publications	13,594.26	15,000.00	-1,405.74	90.6%
6080-02 · Membership - Internet/Website	864.48			
6080-04 · Airport Marketing	1,299.76	15,000.00	-13,700.24	8.7%
<b>Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E</b>	<b>15,758.50</b>	<b>30,000.00</b>	<b>-14,241.50</b>	<b>52.5%</b>
<b>6090-00 · POSTAGE</b>				
6090-01 · Postage/Courier Service	1,058.95	2,700.00	-1,641.05	39.2%
<b>Total 6090-00 · POSTAGE</b>	<b>1,058.95</b>	<b>2,700.00</b>	<b>-1,641.05</b>	<b>39.2%</b>

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Accrual Basis

# Friedman Memorial Airport Profit & Loss Budget vs. Actual (Combined)

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
<b>6100-00 · EDUCATION/TRAINING</b>				
6100-01 · Education/Training - Admin.	4,206.00	30,000.00	-25,794.00	14.0%
6100-02 · Education/Training - OPS	844.00			
6100-03 · Education/Training - ARFF	7,425.89			
6100-05 · Education - Neighborl Flight	4,285.16			
<b>Total 6100-00 · EDUCATION/TRAINING</b>	<b>16,761.05</b>	<b>30,000.00</b>	<b>-13,238.95</b>	<b>55.9%</b>
<b>6110-00 · CONTRACTS</b>				
6110-01 · Contracts - General	1,165.00			
6110-02 · Contracts - FMAA	28,000.00	33,600.00	-5,600.00	83.3%
6110-03 · Contracts - SVA/Fee Collection	49,000.00	58,860.00	-9,860.00	83.2%
6110-04 · Contracts - COH LEO	3,060.00	15,000.00	-11,940.00	20.4%
6110-05 · Contracts - Janitorial	0.00	10,000.00	-10,000.00	0.0%
6110-06 · Electronic Filing System	11,500.00	13,800.00	-2,300.00	83.3%
6110-08 · Contracts - Eccles Tree Lights	30,000.00	30,000.00	0.00	100.0%
6110-09 · Contracts - Website	0.00	350.00	-350.00	0.0%
6110-10 · Online Email Server Access	678.74	2,000.00	-1,321.26	33.9%
6110-11 · Contracts -Security CMS	13,452.97	42,500.00	-29,047.03	31.7%
<b>Total 6110-00 · CONTRACTS</b>	<b>136,856.71</b>	<b>206,110.00</b>	<b>-69,253.29</b>	<b>66.4%</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	6,572.90	6,500.00	72.90	101.1%
6140-00 · Bank Fees	895.68	1,000.00	-104.32	89.6%
<b>Total 6130-00 · MISCELLANEOUS EXPENSES</b>	<b>7,468.58</b>	<b>7,500.00</b>	<b>-31.42</b>	<b>99.6%</b>
<b>Total "B" EXPENSES - ADMINISTRATIVE</b>	<b>491,234.00</b>	<b>627,105.00</b>	<b>-135,871.00</b>	<b>78.3%</b>
<b>"B" EXPENSES - OPERATIONAL</b>				
<b>6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>				
6500-01 · Supplies/Equipment - General	537.26	10,000.00	-9,462.74	5.4%
6500-02 · Supplies/Equipment - Tools	1,623.57			
6500-03 · Supplies/Equipment - Clothing	472.90			
6500-04 · Supplies/Equipment - Janitorial	10,042.71	15,000.00	-15,000.00	0.0%
6500-05 · Supplies/Equipment - Deice	0.00	5,000.00	-3,211.18	35.8%
6500-06 · Supplies/Equipment - ARFF	1,788.82			
<b>Total 6500-00 · SUPPLIES/EQUIPMENT-ARFF/OPERATI</b>	<b>14,465.26</b>	<b>30,000.00</b>	<b>-15,534.74</b>	<b>48.2%</b>
<b>6510-00 · FUEL/LUBRICANTS</b>				
6510-01 · Fuel/Lubricants - General	0.00	0.00	0.00	0.0%
6510-02 · Fuel	20,852.67	50,000.00	-29,147.33	41.7%
<b>Total 6510-00 · FUEL/LUBRICANTS</b>	<b>20,852.67</b>	<b>50,000.00</b>	<b>-29,147.33</b>	<b>41.7%</b>

Done

11:19 AM

09/18/13

Accrual Basis

## Friedman Memorial Airport

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

October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
<b>6520-00 · VEHICLES/MAINTENANCE</b>				
6520-01 · R/M Equipment - General	2,977.47	27,000.00	-24,022.53	11.0%
6520-02 · R/M Equip. '93 Schmidt Snow	681.50			
6520-04 · R/M Equip. '84 Chevy Plow Truck	392.90			
6520-08 · R/M Equip. - '96 Tiger Tractor	2,496.58			
6520-17 · R/M Equip. '01 Case 921 Ldr.	23.16			
6520-19 · R/M Equip. '02 Ford F-150 PU	2,436.89			
6520-23 · R/M Equip. - '97 Ford Exped.	12.03			
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>9,400.51</b>	<b>27,000.00</b>	<b>-17,599.49</b>	<b>34.8%</b>
<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	2,670.79			
6530-05 · ARFF MAInt. - '03 E-One	576.87			
<b>Total 6530-00 · ARFF MAINTENANCE</b>	<b>3,247.66</b>	<b>5,000.00</b>	<b>-1,752.34</b>	<b>65.0%</b>
<b>6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>				
6540-01 · R/M Bldg. - General	2,008.70	29,000.00	-26,991.30	6.9%
6540-02 · R/M Bldg. - Terminal	14,435.84			
6540-03 · R/M Bldg. - Shop	1,633.15			
6540-04 · R/M Bldg. - Cold Storage	298.80			
6540-05 · R/M Bldg. - Manager's Bldg.	550.69			
6540-07 · R/M Bldg. - Tower	5,598.80			
6540-08 · R/M Bldg. - Parking Booth	215.97			
<b>Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING</b>	<b>24,741.95</b>	<b>29,000.00</b>	<b>-4,258.05</b>	<b>85.3%</b>
<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	3,280.99			
6550-04 · R/M - Lights	2,222.85			
6550-05 · R/M - Grounds	1,178.00			
<b>Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE</b>	<b>6,681.84</b>	<b>15,000.00</b>	<b>-8,318.16</b>	<b>44.5%</b>
<b>6560-00 · SECURITY EXPENSE</b>				
6560-01 · Security	7,085.02	20,000.00	-12,914.98	35.4%
<b>Total 6560-00 · SECURITY EXPENSE</b>	<b>7,085.02</b>	<b>20,000.00</b>	<b>-12,914.98</b>	<b>35.4%</b>

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09/18/13

Accrual Basis

## Friedman Memorial Airport

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

October 2012 through July 2013

	Oct '12 - Jul '13	Budget	\$ Over Budget	% of Budget
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equip - NDB/DME	8,736.99	22,000.00	-13,263.01	39.7%
6570-02 · R/M Aeronautical Equip. - Tower	1,399.91			
6570-03 · R/M Aeronautical Equip.-Swt. Sys	2,400.00			
6570-04 · R/M Aeron. Equip. - AWOS/ATIS	11,400.00			
6570-05 · R/M Aero.Equip. Flying Hat Lgts	375.00			
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	24,311.90	22,000.00	2,311.90	110.5%
Total "B" EXPENSES - OPERATIONAL	110,786.81	198,000.00	-87,213.19	56.0%
Total "B" EXPENDITURES	602,020.81	825,105.00	-223,084.19	73.0%
"C" EXPENSES				
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	175.00	50,000.00	-49,825.00	0.4%
7000-04 · Office Equip.-Telephone	7,807.00			
7000-05 · Computer Equipment/Software	7,443.29	25,600.00	-18,156.71	29.1%
7000-06 · Asphalt Repair	12,640.00	12,700.00	-60.00	99.5%
7000-08 · ATC Equipment	0.00	6,600.00	-6,600.00	0.0%
7000-26 · Acquisition - Licensed Vehicles	13,650.00	43,000.00	-29,350.00	31.7%
7000-30 · Tires	0.00	13,500.00	-13,500.00	0.0%
7000-36 · Drivers Training Software	7,125.00			
Total 7000-00 · MISC. CAPITAL EXPENDITURES	48,840.29	151,400.00	-102,559.71	32.3%
7500-00 · IDAHO STATE GRANT PROGRAM				
7500-13 · ITD (SUN-13 ITD/FMA)	0.00	40,000.00	-40,000.00	0.0%
Total 7500-00 · IDAHO STATE GRANT PROGRAM	0.00	40,000.00	-40,000.00	0.0%
7502-00 · AIP 02 EXPENSE				
7502-01 · AIP '02 - New Arpt. EIS-Ph.II	0.00	105,264.00	-105,264.00	0.0%
Total 7502-00 · AIP 02 EXPENSE	0.00	105,264.00	-105,264.00	0.0%
7503-00 · AIP 03 EXPENSE				
7503-01 · AIP '03 - New Arpt. EIS-Ph. III	0.00	42,106.00	-42,106.00	0.0%
Total 7503-00 · AIP 03 EXPENSE	0.00	42,106.00	-42,106.00	0.0%
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%
Total 7504-00 · AIP 04 EXPENSE	0.00	1,052,632.00	-1,052,632.00	0.0%
7505-00 · AIP '05 EXPENSE				
7505-01 · AIP '05-New Arpt. EIS-Phs.	0.00	526,316.00	-526,316.00	0.0%
Total 7505-00 · AIP '05 EXPENSE	0.00	526,316.00	-526,316.00	0.0%



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

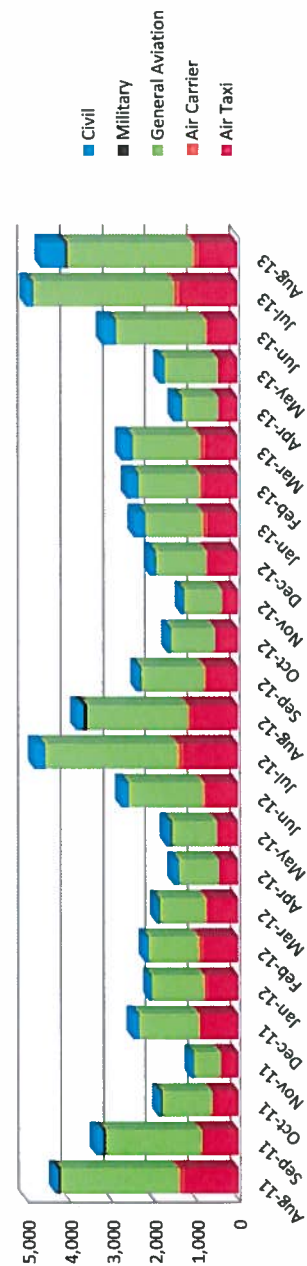
October 2012 through July 2013

	Oct '12 - Jul 13	Budget	\$ Over Budget	% of Budget
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			
Total 7537-00 · AIP '37 EXPENSE	38,387.35	552,632.00	-514,244.65	6.9%
7538-00 · Improvements to Existing Site				
7538-01 · AIP '38	425,494.30	789,474.00	-363,979.70	53.9%
Total 7538-00 · Improvements to Existing Site	425,494.30	789,474.00	-363,979.70	53.9%
7539-00 · AIP '39 EXPENSE - Imp. ALP				
7539-01 · AIP '39 - Eligible	118,467.62	1,818,947.00	-1,700,479.38	6.5%
Total 7539-00 · AIP '39 EXPENSE - Imp. ALP	118,467.62	1,818,947.00	-1,700,479.38	6.5%
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	23,462.02	60,000.00	-36,537.98	39.1%
8000-05 · Current Site Master Plan	0.00	10,000.00	-10,000.00	0.0%
8000-06 · Legal	6,440.00			
8000-07 · General	1,753.60	50,000.00	-48,246.40	3.5%
Total 8000-00 · Replacement Airport	31,655.62	140,000.00	-108,344.38	22.6%
9000-00 · PFC EXPENSE				
9000-03 · PFC '12	314,855.45	209,000.00	105,855.45	150.6%
Total 9000-00 · PFC EXPENSE	314,855.45	209,000.00	105,855.45	150.6%
Total "C" EXPENSES	977,700.63	5,427,771.00	-4,450,070.37	18.0%
Total EXPENDITURES				
Total Expense	2,559,832.19	7,460,472.80	-4,900,640.61	34.3%
Net Ordinary Income	2,559,832.19	7,460,472.80	-4,900,640.61	34.3%
	-145,802.06	-440,099.80	294,297.74	33.1%
Net Income	-145,802.06	-440,099.80	294,297.74	33.1%

# 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	1,509		
May	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293	2,280	1,891	1,533	1,693	1,852		
June	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334	2,503	3,019	2,898	2,761	3,203		
July	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704	4,551	5,005	5,004	4,810	5,345		
August	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570	4,488	4,705	4,326	3,823	4,644		
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>24,372</b>		

Operations  
2011-2013 YTD  
(Cumulative)



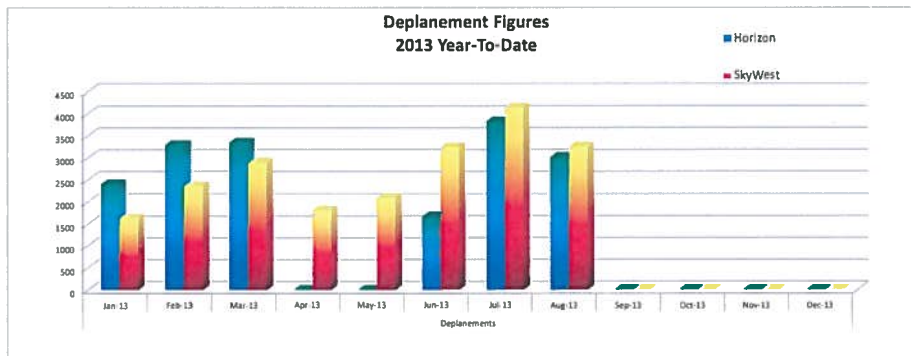
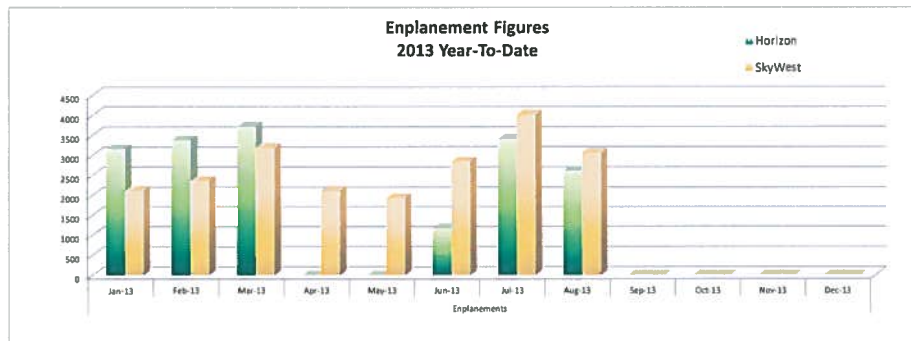
ATCT Operations Change (current month vs. same month last year)				
	2013	2012	% Change	
Air Taxi	912	1,070	-15%	
Air Carrier	114	108	6%	
General Aviation	2,994	2,398	25%	
Military	30	77	-61%	
Civil	594	170	249%	
Total	4644	3823	21%	

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%
Apr-13	0	0	0	0	0%	2,018	96	2,114	2,151	-2%	20,019	18,095	10.6%
May-13	0	0	0	0	0%	1,835	90	1,925	1,974	-2%	21,944	20,069	9.3%
Jun-13	1,132	41	1,173	1,426	-18%	2,742	105	2,847	2,558	11%	25,964	24,053	7.9%
Jul-13	3,331	74	3,405	3,563	-4%	3,893	121	4,014	3,662	10%	33,383	31,278	6.7%
Aug-13	2,545	63	2,608	3,348	-22%	2,968	94	3,062	3,984	-23%	39,053	38,610	1.1%
<b>Totals</b>	<b>17,024</b>	<b>403</b>	<b>17,427</b>	<b>16,794</b>	<b>4%</b>	<b>20,924</b>	<b>702</b>	<b>21,626</b>	<b>21,816</b>	<b>-1%</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%
Apr-13	0	0	0	0	0%	1,739	67	1,806	1,891	-4%	17,736	16,060	10.4%
May-13	0	0	0	0	0%	2,005	81	2,086	2,057	1%	19,822	18,117	9.4%
Jun-13	1,608	54	1,662	1,854	-10%	3,129	113	3,242	2,739	18%	24,726	22,710	8.9%
Jul-13	3,735	84	3,819	3,911	-2%	3,994	143	4,137	3,819	8%	32,682	30,440	7.4%
Aug-13	2,941	72	3,013	3,700	-19%	3,154	96	3,250	3,550	-8%	38,945	37,690	3.3%
<b>Totals</b>	<b>17,098</b>	<b>443</b>	<b>17,541</b>	<b>17,291</b>	<b>1%</b>	<b>20,703</b>	<b>701</b>	<b>21,404</b>	<b>20,399</b>	<b>5%</b>			

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





# Friedman Memorial Airport

August 2013

## 2013 Seat Occupancy

Month	Alaska Airlines				SkyWest Airlines				Annual Seat Occupancy Totals Year-to-Year Comparison				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%		
Apr-13	0	0	0	0%	98	2,940	2,114	72%	20,019	18,095	11%	74.20%	73.84%	0%		
May-13	0	0	0	0%	92	2,742	1,925	70%	21,944	20,069	9.3%	73.84%	73.69%	0%		
Jun-13	27	1,836	1,173	64%	167	5,010	2,847	57%	25,964	24,053	7.9%	71.01%	71.43%	-1%		
Jul-13	61	4,148	3,405	82%	211	6,330	4,014	63%	33,383	31,278	7%	70.96%	72.05%	-2%		
Aug-13	56	3,808	2,608	68%	185	5,550	3,062	55%	39,053	38,610	1%	69.24%	73.47%	-6%		
Totals	317	22,940	17,427	76%	1,116	33,462	21,626	65%								

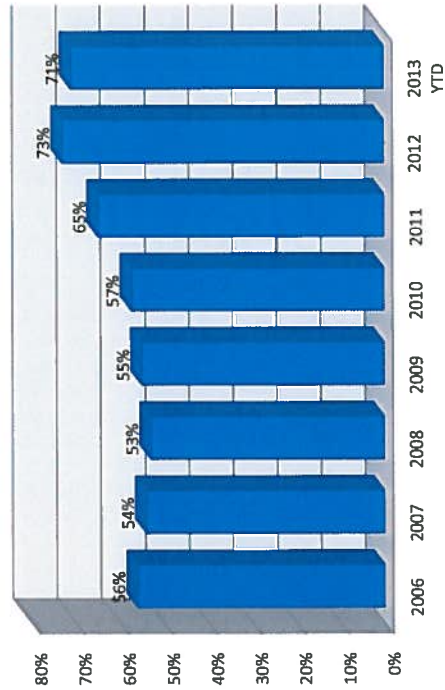
Total of 68 Seats Available on aircraft for summer months  
Total of 76 Seats Available on aircraft for winter months

Total of 30 Seats Available on aircraft

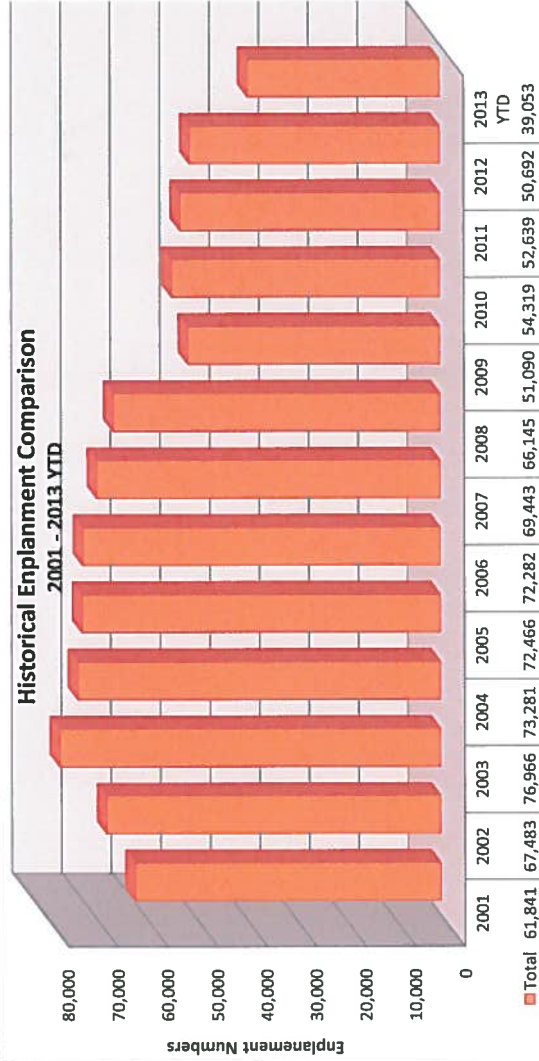
Legend: Y-T-D = Year-to-Date  
Y-T-Y = Year-To-Year

\*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

Historical Seat Occupancy Comparison  
2001-2013 YTD



Historical Enplanment Comparison  
2001 - 2013 YTD



## Enplanements vs. Seat Availability Comparison



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### Lawmakers look to spend more on airline aid

Posted: Sep 08, 2013 9:25 AM MDT

Updated: Sep 08, 2013 9:25 AM MDT

CHEYENNE, Wyo. (AP) - A panel of state lawmakers has recommended more than doubling the funding for a state program that subsidizes air service to Wyoming communities.

The Legislature's Air Transportation Liaison Committee voted recently to recommend the state increase its funding for the Airline Service Enhancement fund from \$1.5 million to \$4 million a year.

The program provides revenue guarantees and other assistance to airlines. The state has given out about \$21 million in grants through the program since 2004.

Airlines flying out of Jackson, Gillette, Rock Springs and Cody are currently covered by the program.

Lawmakers and others tell the Wyoming Tribune Eagle (<http://bit.ly/1adBek1>) that more state funding is needed to sustain the program over the long term and to expand it to new communities.

Information from: Wyoming Tribune Eagle, <http://www.wyomingnews.com>

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News

Last Updated

## State cracks down on Honolulu hangar tenants

By Lisa Kubota

HONOLULU  
(HawaiiNewsNow)  
- The state is cracking down on tenants at the Honolulu International



Airport. Several small businesses renting T-hangars are frustrated by the state's crackdown after years of lax enforcement.

The state checked hangars and handed out citations on Friday. The Department of Transportation put up notices about the inspections two weeks ago. Roughly 80 of the small hangars are rented out.

"There are numerous businesses that have been operated down here for a period of 20 or more years. Lots and lots of people have their livelihood down here, either in maintenance or in flight instruction, tours," explained Brant Swigart, owner of Rainbow Pacific Helicopters.

Violations include unauthorized storage of non-aeronautical items like golf clubs and carts. Other offenses relate to electrical issues. Each tenant signs off on the state's rules to obtain a revocable permit.

"But they never really adhere to it, well now they want to adhere to it, but compliance with those rules and the permit might make it difficult or impossible for us to continue to

operate," said Swigart.

A DOT spokesperson admitted that the agency hasn't been strict about enforcement, and said an FAA audit is prompting the push to make sure tenants follow the regulations. Failure to comply could cost the state millions in federal airport funds, according to the DOT.

"We have been going around and talking to different permit holders and letting them know about violations. After several verbal warnings, some citations were issued. There will be follow-ups to make sure that people are complying," said DOT spokesperson Caroline Sluyter.

"I don't think that's with the intent of bringing everybody into compliance, but more to intimidate and harass and create an atmosphere where it's either too inconvenient or uncomfortable to continue to run our businesses," said Swigart.

Follow Lisa Kubota:

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## FAA, Industry Continue Push to Eliminate Sequester

FAA Administrator Michael Huerta voiced his concerns about the sequestration government spending cuts during a speech at an aviation conference in New Jersey Monday.

In March, the sequester reduced FAA's 2013 \$16 billion operating budget by \$637 million, forcing the agency to furlough its air traffic controllers, leading to flight delays prior to a legislative fix that transferred funds from the Airport Improvement Program (AIP) to restore funding and remove the furloughs for the controllers. The House Appropriations Committee's proposed 2014 budget would reduce the agency's spending by \$756 million for the upcoming fiscal year.

During his speech before the New Jersey Alliance for Action, Huerta highlighted progress that the agency has made in shifting from a radar-based air traffic control system to a satellite-based system, but also stated future funding unpredictability threatens NextGen infrastructure investments.

"This fiscal uncertainty challenges our ability to make the investments that we need to support modernization. This is not a sustainable course of action. It's no way to run a business ... and it's no way to run a government," said Huerta.

Huerta said he is supportive of the 2014 budget proposed by President Barack Obama, which would replace the sequester cuts with more immediate investment and deficit reduction spread out in a more balanced method than the current sequestration cuts allow for. Obama's budget also includes \$1 billion reserved for NextGen investments.

During testimony at a House aviation subcommittee hearing in July, Huerta told lawmakers that the House's proposed 2014 budget would force the agency to delay NextGen funding in order to keep the current air traffic system operating safely and efficiently.

The FAA chief's support to replace the sequester was recently echoed by Aerospace Industries Association (AIA) President Marion Blakey, who told the Reuters Aerospace and Defense Summit last week that "chances are excellent that the investment accounts will be hit the hardest." Blakey, who served as FAA administrator between 2002 and 2007, supports repealing the sequester cuts altogether.

In a statement Wednesday, Rockwell Collins Director of Strategic Initiatives for Commercial Systems, Rick Heinrich said "a fragile U.S. economy, including sequestration, makes it even more difficult" to accelerate the operational benefits associated with NextGen for airspace users.

The most visible effects of sequestration were the furloughs of air traffic controllers, an effect that the National Air Traffic Controllers Association (NATCA) is strongly against repeating.

"NATCA is communicating a very simple message to Congress and the Administration – don't let furloughs happen again," a spokesperson for NATCA told *Avionics Magazine* in an emailed statement. "NATCA is also urging policymakers to find a long-term solution to replace the sequester so that critical projects like NextGen are not negatively impacted. Until there is a clearer picture of how funding will be provided and what flexibility agencies will have, NATCA will not speculate on how specific programs will be affected."

Congress has not yet approved a 2014 budget, so its unclear how the sequester cuts will impact NextGen investments, though unless lawmakers approve a new plan, another \$109.3 billion--an increase from the \$85 billion implemented for 2013--in across-the-board spending cuts will be implemented beginning in October.

**Related:** [The Road to NextGen](#)

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## Government Executive

# Sequester and Budget Stalemate Worry Backers of Air Traffic Modernization

By Charles S. Clark

September 13, 2013

Transportation Department leaders are gearing up for a long-predicted autumn budget battle that poses a threat to NextGen, the decade-old \$40 billion-and-rising program for modernizing air traffic control technology systems.

On Sept. 19, an industry-government advisory committee created by Federal Aviation Administrator Michael Huerta will meet to set priorities for the FAA under varying budget scenarios. "The [Obama] administration continues to urge Congress to act to replace the damaging cuts imposed by the sequester with a balanced approach that reduces the deficit while protecting critical priorities," the FAA said in a statement to *Government Executive*.

Any final transportation appropriation, continuing resolution or grand budget bargain this month or next will have to reconcile a funding level for the modernization program envisioned by President Obama and appropriators in the Democratic-controlled Senate, with a less-expansive House Republican-led plan.

As approved by a committee in July, the House would allocate \$439 million below sequestered 2013 levels for FAA facilities and equipment that is vital to NextGen, a 22 percent cut that is \$623 million below the administration's request for 2014.

"Under the sequester and the current climate of fiscal uncertainty, the FAA needs to make sizeable budget cuts that affect our operations, NextGen and our future," Huerta said at a July 17 House Transportation and Infrastructure Committee hearing, in which he asked Congress to cancel the sequester. The across-the-board budget cuts have cost the FAA \$637 million since March.

"This uncertainty undermines the roadmap that the FAA and Congress laid out for NextGen," Huerta said. "It was only last year that we all agreed that these goals were extremely important to protect the great contribution that civil aviation makes to our economy."

The Office of Management and Budget also objects, saying that funding level--roughly equal to that of fiscal 2000 -- would significantly slow down, if not terminate, several aspects of FAA's maintenance of current facilities and equipment, and the modernization of the nation's air traffic control system. OMB further warned that the committee's approach would cut "critical infrastructure programs, such as back-up electrical power systems, which are essential for maintaining reliable and safe control of airspace during commercial power outages."

Equally alarmed, according to *Government Executive* interviews, are representatives of air traffic controllers, the airports and the travel industry.

Republicans budgeters -- as part of their larger-picture goal of shrinking the government -- say NextGen's future funding and success depends on addressing some FAA management shortcomings, a reason for the agency to do more with less. In the committee print accompanying its bill, the House Appropriations Subcommittee on Transportation, Housing and Urban Development, singled out delays in NextGen's En Route Automation Modernization system, which is replacing a 40-year-old high-altitude radar tracking system. FAA has spent 65 percent of that budget, but major city airports remain without the new system.

"Going forward, there are important lessons learned from [the en route modernization] that FAA needs to address to better manage its NextGen portfolio and reduce risks when deploying software intensive systems," the Republican appropriators wrote. "These include better expectation setting for the controller workforce, addressing shortcomings in testing at the FAA Technical Center, bolstering government acceptance, and more effectively using contract incentives for both development and implementation."

Rep. Frank LoBiondo, R-N.J., chairman of the Transportation Aviation Subcommittee, raised concerns about the FAA's "ability to effectively and efficiently implement NextGen. I've heard that some 'transformational' NextGen programs aren't truly transformational, that the FAA will never make the tough decisions required to advance NextGen, and that nobody can really agree what NextGen is today or what it should be in 2025."

Republicans point to Transportation Department Inspector General Calvin Scovel III's testimony from July 17, stating, "FAA's difficulties with advancing NextGen stem from a number of underlying causes, including the lack of an executable plan, unresolved critical design decisions, undefined requirements and stakeholder skepticism."

Scovel cited a need to obtain user support in integrating performance-based navigation routes and procedures to save fuel, and said FAA faces "cost and schedule risks with its efforts to modernize automation systems that controllers use to manage traffic at both terminal and en route air traffic facilities."

But industry remains concerned about long-term shortfalls, especially since Congress in May passed a bill to head off sequester-related furloughs of air traffic controllers largely by moving \$250 million out of the Airport Improvement Program. "That onetime use, if it were guaranteed as an absolute onetime use, would be one thing," said Chris Oswald, vice president of safety and regulatory affairs for Airports Council International -- North America. "Our big concern is that it's an attractive expedient to solve an immediate crisis."

He added: "The indications right now from [Capitol] Hill and FAA are positive -- they don't want to go back to the well for the Airport Improvement Program. But when another operational crisis hits, probably about the same time as last year, I'm not sure how much those assurances may be worth."

Paul Rinaldi, president of the National Air Traffic Controllers Association, said short-term exercises in reallocating funds away from airport improvements "are really taking up a tremendous amount of time and are an incredible waste of resources. We're not even focusing on the real picture of modernizing air traffic," he said, "which is a moving target we don't know how to hit."

Rinaldi said he considers sequestration "kryptonite to NextGen." While some people think the country simply spends billions and " 'Poof! It's going to be,' in fact, a lot of human resources are going into developing,

maintaining and implementing NextGen technology slowly and methodically while continuing to run the existing system at full speed,” he said. Even the FAA, when it lets contracts, he added, “doesn’t take into account design, implementation, testing and training, and that a [piece of] equipment may cost three times as much” as planned.

Anytime FAA monies involving facilities and equipment are “shifted, you’re digging yourself more into a hole,” said Ali Bahrami, vice president for civil aviation at the Aerospace Industries Association. If Congress enacts another \$700 million cut in FAA, he said, “that means do whatever you can to get daily operations going. So you eliminate travel, overtime and get rid of some contracts and have a hiring freeze on controllers so there’s no new blood in system.” He noted that NextGen is a collaborative effort, and “anytime you delay implementation, you will have a negative impact on the future.”

Airlines for America, the main carriers’ group, appeared less alarmed. “We expect Congress and the White House will ensure that the traveling and shipping public are not impacted by sequester, as they were in April, and believe that air traffic controllers, who are front-line safety professionals, should not face furloughs,” the group said. The airlines added that slow progress on NextGen predates the sequester, and “the airlines have said all along that we need to realize benefits from existing NextGen-equipped aircraft and that FAA needs to implement policy and procedural changes necessary to facilitate the transition to NextGen.”

By Charles S. Clark

September 13, 2013

<http://www.govexec.com/management/2013/09/sequester-and-budget-stalemate-worry-backers-air-traffic-modernization/70296/>

## Delta Plans Larger Regional Planes for Montana

CHARLES S. JOHNSON  
SOURCE: THE MONTANA STANDARD, BUTTE  
CREATED: SEPTEMBER 17, 2013

*Delta Airlines larger regional planes will serve Montana and other areas*

Sept. 16--BUTTE -- Delta Airlines plans to bring larger regional planes to serve Montana and other areas and will start a nonstop flight between Billings and Atlanta next summer, top company officials said at the Economic Development Summit on Monday.

"We see a lot of opportunities for the Bakken," said Eric Phillips, Delta's vice president of pricing and revenue management for the Americas, who is originally from Lewistown. He was referring to the need for consultants and other business people to get to the oil fields in Eastern Montana and western North Dakota.

Delta CEO Richard Anderson said the company at some point will add larger planes to serve Montana, switching to 100-passenger regional planes from the current 50-passenger planes. He called the 50-seat regional planes uneconomical. He did not specify when the larger regional planes would be put in service.

Phillips said Delta originally started nonstop flights between Atlanta and Bozeman during summer and winter and now is doing it year round. In addition, Phillips said Delta last year added nonstop plane service during the summer between Atlanta and Missoula.

Delta also is considering adding a nonstop flight between John F. Kennedy International Airport in New York and Bozeman, he said.

Anticipating criticism about the lack of Delta flights into Montana, Anderson said Montana needs to increase more business travel to attract more flights. About 85 percent of the flights into Montana are tourism-related, while 15 percent are for business, he said.

Phillips said Delta's air traffic in Montana is up 9 percent this fall over last fall.

In response to a question about high air fares, the two Delta executives said pricing is related to the cost of fuel. Jet fuel prices have quadrupled since 2000, they said.

Anderson said that when adjusted for inflation, even including baggage fees, airfares are less than they were in 2000.

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## United to add seats on Aspen-bound planes

by Curtis Wackerle, Aspen Daily News Staff Writer  
Friday, September 20, 2013

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*Reconfigured cabins will cut back on 'economy plus' accommodations*

United Airlines is planning to add an extra row of seats to its planes that serve Aspen, a move that increases capacity into Sardy Field by more than 10,000 this winter.

An extra row of seats on the CRJ-700 aircraft — accomplished by cutting back on the number of additional-leg-room "economy plus" seats — means four additional people could board a full flight, bringing the plane's capacity up from 66 to 70.

Although the schedule is subject to change, United as of early September was planning 2,661 flights into Aspen between mid-December and March 31, according to Bill Tomcich, president of Stay Aspen Snowmass, who also is the local liaison to the airline industry.

"We're changing the ratio of economy plus to United economy seats," United spokesperson Karen May confirmed in an email. "Doing so will provide space for an additional row of seats, without reducing the pitch for customers in either section."

Aspen Skiing Co. executives spilled the beans about United's seat reconfiguration plans at a meeting this week with Aspen City Council. SkiCo vice president David Perry noted that between the flights United plans to add on existing routes from Houston, San Francisco and Los Angeles, the addition of Delta Airlines to the market and the increased capacity on United planes, Aspen is poised to regain about 75 percent of the capacity it lost when Frontier Airlines left town in the spring of 2012.

American Airlines also serves the Aspen market during the high season with daily flights from Los Angeles and Dallas.

Commercial air service into Aspen's airport is an economic lifeline to the resort from the outside world, and tourism officials from SkiCo and elsewhere see adding destinations, routes and capacity as a top priority.

According to a note posted earlier this month on frequent flyer blogs by United Airlines customer experience manager Aaron Goldberg, the airline is getting the space for an additional row by cutting the number of "economy plus" seats on the CRJ-700 from 32 to 16, and increasing the number of economy seats from 28 to 48. There will still be six first-class seats. The changes will begin taking effect Sept. 25, according to Goldberg's note, posted on flyertalk.com.

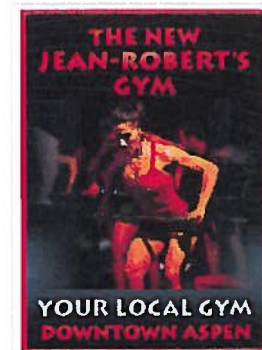
Travelers can upgrade to economy plus seats for an additional fee, or they


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## Calendar

« September 2013

S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					



are available for frequent flyers. The seats are advertised as being closer to the front of the plane and more comfortable than their economy counterparts.

Tomcich said the additional capacity will be a good boost for Aspen's air service. Besides providing more seats into the airport, it will offer more travelers the chance to pick their assigned seats when booking, he noted.

Last year, there were about 172,000 seats available on all commercial flights into Aspen from mid-December through the end of March. With Delta — which will fly daily beginning Dec. 21 from Atlanta and once a week from Minneapolis — and the added United routes, that number jumps to 196,800. If those schedules remain in place, the extra seats on the United planes would push Aspen's commercial air capacity past 207,000, or 20 percent higher than last winter.


Last winter, planes flying into Aspen were, on average, 72.8 percent full, Tomcich said.

[curtis@aspendailynews.com](mailto:curtis@aspendailynews.com)



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## Rick Baird

**From:** Barbara Cook <barbara.cook@aaae.org>  
**Sent:** Friday, September 20, 2013 9:30 PM  
**To:** Rick Baird  
**Subject:** Airport Report Today, September 23, 2013



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AMERICAN ASSOCIATION OF AIRPORT EXECUTIVES  
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SEPTEMBER 23,

### TOP STORIES IN THIS ISSUE

VOL. IV, NUMBER 75

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<a href="#">Republic Extends Negotiations For Sale Of Frontier</a>	<a href="#">AAAE Training Department Honored By ARFF Working Group</a>
<a href="#">AAAE Presses For Added CBP Resources</a>	<a href="#">Kevin Meikle Named Fresno Aviation Director</a>
<a href="#">Orlando Bond Rating Affirmed, Airport Sets New Budget</a>	<a href="#">AAAE Offers ACE – Airfield Operations Course In Orlando</a>
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### House Approves Controversial C.R.

The House of Representatives on a largely party-line vote of 230 to 189 Friday approved a short-term continuing resolution (CR) — H.J. Res. 59 — to keep the federal government operating beyond the beginning of the new fiscal year on Oct. 1 to Dec. 15 at current post-sequestration spending levels. Notably, the measure includes — at the insistence of a group of conservative Republicans — a highly controversial plan to defund the Affordable Care Act, the 2010 health care reform law.

The House-passed CR now moves to consideration by the Senate. The inclusion of the health care provisions has spurred a White House veto threat and raised the ire of Senate Democrats who have pledged to remove the “defunding” plan from the CR. While Senate Democrats likely have the votes and procedural tools to successfully strip the bill of the health care provisions, the debate will likely take most of next week.

### NAC OFFERS OPPORTUNITIES FOR TOP-LEVEL DIALOGUE

Michael Minerva, vice president of airport and government affairs for US Airways, and Rob Wigington, president and CEO of Nashville International Airport, will keynote the 2013 National Airports Conference in Nashville.

This signature AAAE conference attracts airport executives; finance, administration and operations personnel; general aviation professionals; and management of small, medium and large hub airports.

The measure then would be sent back to the House, where Republican lawmakers may face the prospect of accepting the "clean" CR or risk being tagged with shutting down the federal government. It is uncertain how the CR process will unfold between now and the end of the fiscal year on Sept. 30, and whether a government shutdown can be averted.

Further complicating matters is the fact that the government is expected to reach the debt limit or the current cap on federal borrowing at some point between mid-October and November. Congress must take action to raise the debt limit, and lawmakers are unlikely to do so without first having another difficult debate on health care and on reducing the federal debt through entitlement or tax reform or possibly through further reductions in domestic discretionary spending.

In addition to a fair amount of uncertainty in the weeks ahead, the prospect of further federal budget cuts at FAA, TSA and CBP remains a very real threat with sequestration looming large in the background. On the FAA front, some in Washington already are pointing to AIP cuts as a way of mitigating possible employee furloughs and facility closures that may occur if sequestration remains in place -- as is expected. Although an AIP cut does not appear to be on table as part of a short-term CR, sequestration may eventually force lawmakers to target the program again like they did earlier this year when they cut AIP funding by \$253 million.

As previously reported, AAAE joined ACI-NA recently in urging Congress to avoid disruptions in the aviation system and warning against the diversion of AIP funds for FAA operations. The joint letter also calls for Congress to increase the cap on PFCs as a way of giving airports the local self-help they need in the face of continued federal budget uncertainty.

AAAE also is remaining vigilant to ensure that FAA avoids taking any irreversible action in the near term because of budget uncertainty to close contract towers, eliminate midnight shifts, or implement other changes that could disrupt the aviation system.

## Republic Extends Negotiations For Sale Of Frontier

Republic Airways Holdings announced a two-week extension of exclusivity of the sale process for Frontier Airlines. The new deadline to enter into a definitive agreement will be Sept. 30, the company said.

Republic Airways Chairman, President and CEO Bryan Bedford said that substantial progress has been made toward reaching a definitive agreement with the unnamed potential buyer. "While we can make no assurances, we believe providing the additional time will allow for the process to be completed," he said.

## AAAE Presses For Added CBP Resources

AAAE, ACI-NA, and a number of large hub airports joined the U.S. Travel Association last week to urge Congress to improve the U.S. Customs and Border Protection (CBP) entry process and reduce lengthy wait times at gateway airports.

The NAC will begin with a welcome reception on Sunday evening, Oct. 20, and conclude on Tuesday, Oct. 22, at 5 p.m. with a cash drawing. This event has become a tradition at the NAC, so be sure to plan to stay. In addition, a golf event is scheduled for Saturday, Oct. 19, at 1 p.m.

For NAC and special event information and to register, go to <http://events.aaae.org/sites/130901/>. For program questions, contact Barbara Cook at [barbara.cook@aaae.org](mailto:barbara.cook@aaae.org). For registration/hotel questions, contact Stacey DeClue at [stacey.declue@aaae.org](mailto:stacey.declue@aaae.org).

### FEATURED MEETING

**AAAE Military/Civilian Joint Use Issues Conference**  
December 15 - 17, 2013 | San Antonio, TX

### UPCOMING EVENTS

**Northwest Chapter AAAE Annual Conference and Exposition**  
September 30 - October 2, 2013 | Victoria, British Columbia, Canada

**Regional Advanced ASOS Onsite**  
October 5 - 6, 2013 | Boise, ID

**13th Annual Airport Noise Mitigation Symposium**  
October 6 - 8, 2013 | Reno, NV

**AAAE/Ricondo & Associates Passenger Facility Charges (PFC) Workshop**  
October 16, 2013 | San Antonio, TX

**AAAE WEBINAR: Planning For and Implementing Technology at the Exit Lane - Presented by LEO A DALY**  
October 16, 2013 | Web based,

**AAAE/Ricondo & Associates Rates and Charges Workshop**  
October 17 - 18, 2013 | San Antonio, TX

**AAAE/SW Chapter AAAE Accreditation Final Interview Workshop**  
October 19, 2013 | Nashville, TN

**AAAE/ABS Essentials of Airport Business Management Workshop**  
October 19 - 20, 2013 | Nashville, TN

**F. Russell Hoyt National Airports Conference**  
October 20 - 22, 2013 | Nashville, TN

**Regional ACE Security Training Course**  
October 22 - 25, 2013 | Chicago, IL

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fayobserver.com

Published: 08 24 PM, Mon Sep 23, 2013

**Editorial-Incoming: Sequestration gets uglier the second time**

The second earthquake is on the way. It won't be an aftershock. And it's likely to be worse than the first.

Welcome to the waiting line for Sequestration, Part 2.

Federal fiscal year 2014 begins in one week. With it comes the promise of more blind budget cutting, mandated by a law the president and lawmakers of both parties believed so terrifying that it would force them to agree to budget actions that would cut the federal deficit.

They guessed wrong, and it meant, among other things, \$37 billion cut from this year's defense budget. Some of that cutting showed up here, where at least 40 percent of our economy depends on the federal defense budget.

It's not that our defense budget couldn't stand to lose \$37 billion. That would be a piece of cake, were it left to Pentagon planners, who are regularly saddled with projects and weapons systems that exist only to bolster the re-election chances of their congressional sponsor. But under sequestration, the ax falls equally on all projects, save those that pay and maintain the warriors. Everything else - including things like medical services for military dependents - was vulnerable.

Around here, that meant cuts in services and programs, limited hours at clinics and furloughs for most civilian defense employees. Since January, this area has lost about 1,100 jobs. About half of them were federal, according to N.C. State economist Mike Walden.

While the furloughs ended up being shorter than expected, they could be even worse this year, because the Defense Department will need to cut another \$52 billion to comply with sequestration.

We say that with some certainty, because there was little indication last week that Congress would do anything to prevent the mandatory cuts. Instead, the House voted to defund Obamacare as part of its budget proposal, which the Senate will likely reject and the White House certainly will not approve.

Retired Gen. Dan McNeill, who leads a Fayetteville-based defense-contracting company, believes the 2014 sequestration will hit us harder than this year's reductions. Fort Bragg has already announced cutbacks, including layoffs of 200 employees at Womack Army Medical Center.

While we all agree the answer is diversifying the local economy, that's easier said than done when every other similar community in the country is trying to do the same. There are only so many big manufacturing plants to go around.

So fasten your seatbelts. Here it comes.

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## **FLY SUN VALLEY ALLIANCE BOARD MEETING MINUTES**

Thursday, August 15, 2013 8:00am, Sun Valley Resort

Board Members Present: Eric Seder, Dick Fenton, Jack Sibbach, Tim Silva, Maurice Charlat, Arlene Schieven, Michelle Griffith, Jacob Greenberg, Rick Baird, Patrick Buchanan, Martha Burke, Staff: Carol Waller.

Board Members Absent: Wally Huffman, Peter Scheurmier, Deb Fox, Lisa Horowitz

### **TOPIC DISCUSSED:**

#### **Consent Items:**

- July Minutes: Jack moved to approve, Tim seconded VOTE: All in favor
- Jly FY13 YTD Financials & Payables: Tim moved to approve, Maurice seconded VOTE: All in favor
  - FSVA accounting services have been successfully transitioned to McPherson & Keppler CPA
  - Board will be presented with final FY14 budget for review/approval at Sept meeting

### **Reports:**

#### **Funding**

- **FSVA City/County Updates:** No final decisions made on funding yet by cities/county, will happen in August.
- **1% LOT Update:**
  - Hailey city council will be discussing putting it back on ballot in Nov at their upcoming Aug 26 special meeting
  - Group of Hailey businesses will be working to make sure the Hailey council hears from the business community
  - Ketchum Tourism & Jobs campaign organization has been created

#### **Programs/Fundraising**

- **Realtors for Air:** 14 offices have already re-signed on as 100% offices. FSVA is providing greater ongoing recognition for 100% offices through ads, posters, etc.
- **2013.14 Air Support Business Ski Pass Program:** Program has been launched and is actively being promoted to local area businesses through a variety of channels. Over \$10K in pass sales already in, early bird deadline is Sept 2. Carol expressed thanks to Sun Valley Resort for their key partnership in both of these air service fundraising programs.

#### **Air Service Initiatives/Research/Promotions:**

##### Alaska Airlines MRG performance update:

- Summer 2013 booking report YTD was reviewed. September bookings still very low, but SUN is included in new Alaska Fall Fare Sale promotion so that should help stimulate bookings.

New Service Update: Discussions continuing to progress

USDOT SCASDP Grant: FMAA, FSVA and Sun Valley Resort partnered on grant for Denver/east coast connecting service. FMAA paying for 75% of M&H grant preparation cost, FSVA will pay 25% of cost. Grant application was completed and submitted by July 19. Over 20 support letters were secured from local, state, national government and economic organizations, as well as numerous local businesses. Grant awards will be made sometime in late fall.

##### SUN Airport Update:

Much positive progress has been made in last few months.

- FMAA board is committed to infrastructure and reliability improvements as well as air service development.
- FMA expects to be getting \$2.5M FAA grant within next few weeks to start Phase I of SMS airport improvements this fall.
- FMA has posted PowerPoint presentation online of proposed plan for SMS airport improvements.
- FMAA will be launching a Fly Local marketing campaign next week

##### Research:

- Summer survey collection being done and will run through Sept. Over 500 surveys already collected.

Air Service Marketing Update: Marketing efforts continue in SEA and LAX markets to drive demand

Monthly Directors Report: Provided for review.

*Respectfully Submitted, Carol Waller, FSVA Director*



## Attachment A



### MISSION STATEMENT

**It is the mission of Fly Sun Valley Alliance to retain, develop and improve air service access to the Wood River Valley and support airport operations, infrastructure and services for the benefit of visitors and residents.**

Fly Sun Valley Alliance is an Idaho non-profit 501c(6) corporation. The volunteer board of directors is made up of private sector business and organization members, as well as public sector representatives from Friedman Memorial Airport, the cities of Hailey, Ketchum, Sun Valley and Blaine County.

### SCOPE OF WORK: AIR SERVICE RETENTION, DEVELOPMENT, IMPROVEMENT

#### AIR SERVICE DEVELOPMENT

Work with consultants, airlines and other partners to:

- Negotiate air service contracts with airlines - monitor/evaluate/track bookings, fares, P&L, to ensure best success
- Support coordination of start-up effort for new carriers (United SFO in 2013.14)
- Coordinate marketing of the air service with partners via promotions, fare sales, campaigns, etc. (*Partners include Sun Valley Resort, Sun Valley Marketing Alliance, local lodging properties and businesses, Idaho Tourism, and Delta, Alaska, United airlines*)
- Work with airlines and contract diversion bussing providers as needed re: procedures, passenger experience, etc
- Research and pursue new and/or expanded air service opportunities from target markets
- Keep abreast of key air service/industry trends nationally and within Sun Valley's competitive set
- Maintain strong relationships with key industry contacts: airlines, consultants, state and local officials, other air service program directors, etc

#### RESEARCH

- Develop and implement winter and summer air passenger surveys at SUN to determine travel trends, economic impact and other relevant data for use in decision making, public education, etc.
- Monitor/ track other air service related data within our competitive set.
- Monitor/track monthly/YTD enplanement data and other air service related information.
- Work with Friedman Memorial Airport on reduction of leakage, airfare price comparisons, etc.

#### FUNDRAISING

- Manage and promote the **AIR SUPPORT BUSINESS SKI PASS** program with Sun Valley Resort
- Manage and promote the **REALTORS FOR AIR** program with Sun Valley Board of Realtors
- Manage and promote the **SKI FOR AIR SERVICE DAY** annual fundraising event with Sun Valley Resort
- Pursue other fundraising opportunities as feasible (public, events, grants, etc).

#### COMMUNITY OUTREACH/EDUCATION

- Provide information and outreach to all key stakeholders and public on importance of air service and FSVA programs that ensure we continue to retain and improve Sun Valley's air service access. Coordinate communications efforts with Friedman Memorial Airport Communications Director on air service issues.

### KEY PERFORMANCE METRICS

- **RETAIN/EXPAND CURRENT AIR SERVICE:** Retain contracted nonstop SEA, LAX, and new SFO flights; Expand seats by 10% (2,500) for SEA and LAX flights in 2014 calendar year, by extending flights in spring and fall.
- **MINIMIZE AIR SERVICE CONTRACT COSTS:** Work with airlines & marketing partners to increase load factors & minimize air service contract costs. (2012 average annual load factors; Alaska 78%; SkyWest 71%)
- **NEW AIR SERVICE:** Pursue at least one new non-stop market flight for 2014.15
- **RESEARCH:** Conduct 1000+ air passenger surveys at SUN; continue with competitive analysis, economic impact and air service ROI research.
- **FUNDRAISING:** Raise at least **\$250K** in private sector funding for air service contract expense.

## PROJECTED 1% LOT BUDGET - 2014

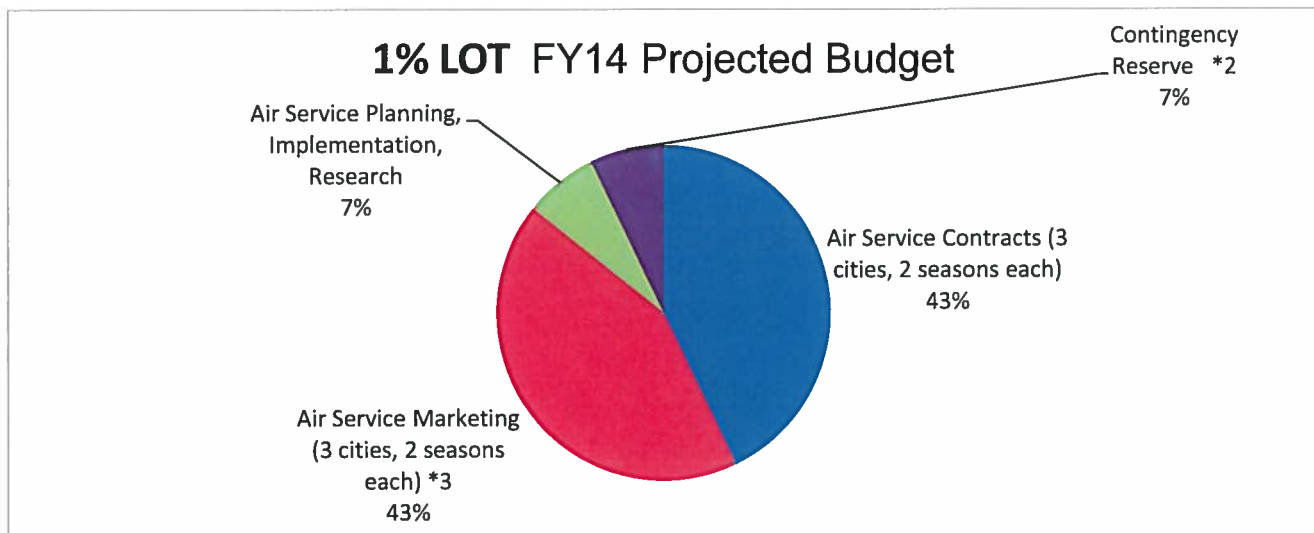
PROJECTED USES	1% LOT	SVC 50% Share	TOTAL proj cost
Air Service Contracts (3 cities, 2 seasons each)	\$900,000	\$900,000	\$1,800,000
Air Service Marketing (3 cities, 2 seasons each) *3	\$900,000	will do independently *1	\$900,000
Air Service Planning, Implementation, Research	\$150,000		\$150,000
Contingency Reserve *2	\$150,000		\$250,000
<b>TOTAL PROJECTED COSTS</b>	<b>\$2,100,000</b>	<b>\$900,000</b>	<b>\$3,100,000</b>

### NOTES:

\*1: Sun Valley Resort (SVR) will also continue to invest heavily in marketing the current and new air service

\*2: Air service contract maximum costs. Unexpended funds will go to Contingency Reserve for future air contract costs

\*3: Marketing breakdown: 65% winter, 35% summer





## Monthly Report August 2013

### 1. AIR SERVICE

#### AIR SERVICE RETENTION, IMPROVEMENT, DEVELOPMENT

- Received/reviewed Alaska Airlines advance booking reports and projections for YTD summer 2013
- Continued negotiations with Alaska Airlines for new annual 2013.14 SEA and LAX winter/summer contract
- Successfully completed negotiations with United Airlines for new annual 2013.14 SFO winter/summer service contract; developed & coordinated tactical plan for marketing/PR announcement outreach with all parties (SVC, FSVA, FMAA, SVMA, United, Idaho Tourism, etc) met with press, oversaw implementation.
- Ongoing communication/work with airlines, M&H consultant, FMA , other partners
- Attended various meetings/sent correspondence on air service with local officials, FMAA, local business, etc.
- Provided information via FSVA Enews and ongoing social media postings; updated website content as needed
- Provided background information and materials to Ketchum Tourism & Jobs initiative and Hailey 1% LOT initiative

### 2. FUNDING

#### REALTORS FOR AIR PROGRAM

Continued implementation of RFA FY14 which included: new materials, recognition ads, meetings, tracking of commitments and benefits follow-up, etc. **Have 15 offices, 185 realtors committed as 100% offices as of Aug 31.**

#### BUSINESS SUPPORT SKI PASS PROGRAM 2013.14

Continued marketing outreach to businesses via EDM, social media, etc Results: **\$30K in passes sold through Aug 31.**  
**1% LOT:** Served as information resource to campaign teams in Ketchum and Hailey

#### **▪ 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
- Followed up on FY14 budget presentations for public funding partners
- Coordinated JPA update and collecting of signatures from all parties

### 4. RESEARCH/OTHER

- Continued to managed summer air passenger survey implementation, coordination with survey and RRC Associates
- 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.  
**Exceeded:** Winter 2012/13 contract successfully negotiated and completed – extended service to March 31, 1064 more seats. 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.  
**Exceeded:** Negotiated lower MRG cap for winter 2012-13 contract, reduced MRG payout by over 30%; 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;** 500 winter surveys completed –summer surveys being done June - September.
4. Raise at least \$150,000 in private sector funds for air service support program by 9/30/13.  
**Exceeded:** Raised/received \$252,576 in private sector funds ytd thru 6/30/13.



## FLY SUN VALLEY ALLIANCE BOARD OF DIRECTORS MEETING

Thursday, Sept 19, 8:00am – 10:00am

**Friedman Memorial Airport**

### AGENDA:

#### 1. Consent Items:

- Approval of August Meeting Minutes (*attached*)
- Approval of August YTD financials & payables (*to be distributed*)
- Approval of FY14 Budget (*attached*)

#### 2. Program Reports:

##### Funding

- FY14 city/county contracts: *Scope of Work & Performance Metrics (attached)*
- Meetings with city council candidates
- Realtors for Air: collecting commitments for FY14; **15 100% offices YTD; \$45,000 in commitments YTD**
- Air Support Business Ski Pass program: sales underway, price increases after 9/30. **\$51,988 pd YTD**
- 1% LOT update
  - Ketchum Tourism & Jobs campaign
  - Keep Hailey Vibrant campaign
  - DRAFT 1% LOT FY14 Budget

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

- **New SFO United service – DONE!**
- Summer 2013 AS YTD Booking Report– Aug & Sept down, do not yet have projected MRG
- AS Negotiations for 2013.14 completed, contracted signed, press release/announcement out 9/30
- Air Service Marketing Update (SFO launch, SEA/LAX/SFO winter) – Jack & Arlene
- SCASDP Grant for FY14 – expect to hear in Oct
- Airport update – Rick
- Research: SUN Air Pax surveys – *to be completed in Sept; will have full year report by Nov*
- Other – Sustain Blaine Economic Summit on Oct 8

#### **Executive Session: FSVA Director FY14 Contract**

##### Other attachments:

- *August FSVA Report*
- *2013 YTD SUN Enplanement & Seat Occupancy Report*
  - ALASKA ONLY SUMMER:
 

June seats	-33%	June enplanements	-18%
July seats	-1%	July enplanements	- 4%
Aug seats	-5%	Aug enplanements	-22%

**REMINDER!** Board Bios & photos now on website [HERE](#), some still needed! (*Rick, Jack, Martha, Tim*)





U.S. Department of Transportation  
Federal Aviation Administration

## GRANT AGREEMENT

Date of Offer: September 3, 2013  
Project No: 3-16-0016-038-2013  
Contract No: DOT-FA13NM-2044  
DUNS No: 155993603

TO: City of Hailey and County of Blaine, Idaho (herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

**WHEREAS**, the Sponsor has submitted to the FAA a Project Application dated **April 4, 2013**, and amended by letter dated **May 17, 2013** for a grant of Federal funds for a project at or associated with the Friedman Memorial Airport, Hailey, Idaho, which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

**WHEREAS**, the FAA has approved a project for the Airport (herein called the "Project") consisting of the following:

### **Construct Runway 13/31 Safety Area (Phase I – Preliminary Engineering)**

all as more particularly described in the Project Application.

Now therefore, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, herein called "the Act", and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **The Federal Aviation Administration, For And On Behalf Of The United States, Hereby Offers And Agrees** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 93.75 percent.

This Offer is made on and subject to the following terms and conditions:

### **CONDITIONS**

1. The maximum obligation of the United States payable under this Offer shall be \$691,860.00. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act, the following amounts are being specified for this purpose:

\$	0.00	for planning
\$	691,860.00	for airport development or noise program implementation
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The Sponsor shall carry out and complete the project without undue delay and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.

5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. This Offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this Offer has been accepted by the Sponsor on or before **September 13, 2013**, or such subsequent date as may be prescribed in writing by the FAA.
7. The Sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

9. **Central Contractor Registration and Universal Identifier Requirements**

*A. Requirement for Central Contractor Registration (CCR)*

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

*B. Requirement for Data Universal Numbering System (DUNS) Numbers*

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

*C. Definitions*

For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. *Data Universal Numbering System*

(*DUNS*) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

## Lisa Emerick

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**From:** Steve.Engbrecht@faa.gov  
**Sent:** Wednesday, September 18, 2013 10:58 AM  
**To:** Rick Baird  
**Cc:** Lisa Emerick  
**Subject:** Fw: From Helena ADO  
**Attachments:** image2013-09-18-102532.pdf

Rick-

Page 2 of the AIP 038 grant offer included an acceptance date on or before September 13, however, the grant offer was not fully executed until September 16.

I have attached a revised page 2, with the acceptance date changed to on or before September 16. We have inserted this revised page into our copy of the grant offer.

Please replace the existing page 2 with the attached page 2 in all local copies of the AIP 038 grant offer (airport, City of Hailey, Blaine County). For auditing purposes, it is important that the Sponsor's copy of the grant offer match the copy we entered into the system.

Please let me know if you have any questions.

Steve L. Engbrecht, P.E.  
Civil Engineer  
Helena Airports District Office

[steve.engbrecht@faa.gov](mailto:steve.engbrecht@faa.gov)

PH (406) 449-5279

FAX (406) 449-5274

----- Forwarded by Steve Engbrecht/ANM/FAA on 09/18/2013 10:43 AM -----

**From:** FAA Northwest Mountain Region  
**To:** Steve Engbrecht/ANM/FAA@FAA  
**Date:** 09/18/2013 10:38 AM  
**Subject:** From Helena ADO

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This is an unattended mailbox, please don't reply.

5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. This Offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this Offer has been accepted by the Sponsor on or before September 16, 2013, or such subsequent date as may be prescribed in writing by the FAA.
7. The Sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

9. **Central Contractor Registration and Universal Identifier Requirements**

*A. Requirement for Central Contractor Registration (CCR)*

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

*B. Requirement for Data Universal Numbering System (DUNS) Numbers*

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

*C. Definitions*

For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

2. *Data Universal Numbering System*

(*DUNS*) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and
- e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. *Subaward*:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. 210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"). A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Subrecipient* means an entity that:

a. Receives a subaward from you under this award; and

b. Is accountable to you for the use of the Federal funds provided by the subaward.

c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

10. **ELECTRONIC GRANT PAYMENT(S)**: The requirements set forth in these terms and conditions supersede previous financial invoicing requirements for FAA grantees. Each payment request under this grant agreement must be made electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees. The following are the procedures for accessing and utilizing the Delphi eInvoicing System.

a. **Grant Recipient Requirements.**

- (1) Grantees must have Internet access to register and submit payment requests through the Delphi eInvoicing system unless, under limited circumstances, a waiver is granted by the FAA and DOT under section (c) below.
- (2) Grantees must submit payment requests electronically and the FAA will process payment requests electronically.

b. **System User Access.**

- (1) Grantees must contact the FAA Airports District/Regional Office and officially submit a written request to sign up for the system. The FAA Office of Airports will provide the grantee's name, email address and telephone number to the DOT Financial Management Office. The DOT will then invite the grantee via email to sign up for the system and require the grantee to complete two forms. The grantee will complete a web based DOT registration form and download the Proof of Identification form to verify the grantee's identity.
- (2) The grantee must complete the Proof of Identification form, and present it to a Notary Public for verification. The grantee will return the notarized form to:

DOT Enterprise Services Center  
FAA Accounts Payable, AMZ-100  
PO Box 25710  
Oklahoma City, OK 73125

- (3) The DOT will validate the both forms and email a user ID and password to the grantee. Grantees should contact the FAA Airports District/Regional Office with any changes to their system information.

Note: Additional information, including access forms and training materials, can be found on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>).

- c. **Waivers.** DOT Financial Management officials may, on a case by case basis, waive the requirement to register and use the electronic grant payment system based on user requests and concurrence of the FAA. Waiver request forms can be obtained on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>) or by contacting the FAA Airports District/Regional Office. Recipients must explain why they are unable to use or access the Internet to register and enter payment requests.
- (1) All waiver requests should be sent to the FAA Airports District/Regional Office for concurrence, prior to sending to the Director of the Office of Financial Management, US Department of Transportation, Office of Financial Management, B-30, room W93-431, 1200 New Jersey Avenue SE, Washington DC 20590-0001, [DOTElectronicInvoicing@dot.gov](mailto:DOTElectronicInvoicing@dot.gov). The Director of the DOT Office of Financial Management will confirm or deny the request within approximately 30 days.
- (2) If a grantee is granted a waiver, the grantee should submit all hard-copy invoices directly to:
- DOT/FAA  
PO Box 25082  
AMZ-110  
Oklahoma City, OK 73125

#### SPECIAL CONDITIONS

11. **FINANCIAL REPORTING REQUIREMENTS:** The Sponsor agrees to submit a **Federal Financial Report** (FAA Form SF-425) for all open grants to the Airports District Office within 90 days following the end of each Federal fiscal year and with each Final Project Closeout Report.

The Sponsor further agrees to submit an **Outlay Report and Request for Reimbursement** (FAA Form SF-271 for construction projects) or **Request for Advance or Reimbursement** (FAA Form SF-270 for non-construction projects) to the Airports District Office within 90 days following the end of each Federal fiscal year and with each Final Project Closeout Report.

12. **FINAL PAYMENT:** The Sponsor understands and agrees that in accordance with 49 USC 47111, no payments totaling more than 90 percent of United States Government's share of the project's estimated allowable cost may be made before the project is determined to be satisfactorily completed.

If the project is determined to be satisfactorily complete and proper documentation is submitted by the Sponsor to the Airports District Office (ADO), then the ADO may approve payments up to 97.5 percent of United States Government's share of the project's estimated allowable cost. "Satisfactorily complete" means the following: (1) The project results in a complete, usable unit of work as defined in the grant agreement; and (2) The sponsor submits necessary documents showing that the project is substantially complete per the contract requirements, or has a plan (that FAA agrees with) that addresses all elements contained on the punch list.

13. **SPONSOR PERFORMANCE REPORT:**  
**For non-construction projects** – the Sponsor understands and agrees that in accordance with 49 CFR 18.40 the Sponsor shall submit a Quarterly Performance Report to the Airports District Office (ADO) within 30 calendar days, beginning in the quarter in which the project begins, and for each following quarter until the project is substantially complete. If a major project or schedule change occurs between Quarterly Performance Reports, the sponsor must submit an out of cycle performance report to the ADO. The performance report for non-construction projects shall as a minimum include the following:

- a. A comparison of proposed objectives to actual accomplishments.
- b. Reasons for any slippage or lack of accomplishment in a given area.
- c. Impacts on other AIP-funded projects.

- d. Impacts to projects funded by PFC, other FAA programs, or the sponsor.
- e. Identification and explanation of any anticipated cost overruns.

**For construction projects** – FAA Form 5370-1 Construction Progress and Inspection Report satisfies the performance reporting requirement. The sponsor must submit FAA Form 5370-1 to the ADO on a **weekly basis**. Form 5370-1 requires the following information:

- a. Estimated percent completion to date of construction phases.
  - b. Work completed or in progress during the period.
  - c. Brief Weather Summary during the period including approximate rainfall and period of below freezing temperature.
  - d. Contract time: Number of days charged to date and last working day charged.
  - e. Summary of laboratory and field testing during the period.
  - f. Work anticipated by the contractor for the next period.
  - g. Problem areas and other comments.
14. **A-133 AUDIT:** The Sponsor shall provide for a Single Audit in accordance with Office of Management and Budget Circular A-133. The Sponsor shall submit the Single Audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/fac/collect/ddeindex.html>. The Sponsor shall also provide one copy of the completed A-133 Audit to the Helena Airports District Office.
15. **BUY AMERICAN REQUIREMENT:** Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this Special Condition.
16. **INFORMAL LETTER AMENDMENT OF AIP PROJECTS:** It is mutually understood and agreed that if, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the project, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.
17. **MAXIMUM OBLIGATION INCREASE FOR PRIMARY AIRPORTS:** In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
- a. may not be increased for a planning project;
  - b. may be increased by not more than 15 percent for development projects;
  - c. may be increased by not more than 15 percent for land projects.
18. **TRAFFICKING IN PERSONS:**
- a. Provisions applicable to a recipient that is a private entity.
    - 1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
      - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
      - ii. Procure a commercial sex act during the period of time that the award is in effect; or

iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –

i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or

ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

A. Associated with performance under this award; or

B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 49 CFR Part 29.

**b. Provision applicable to a recipient other than a private entity.** We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity--

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either--

i. Associated with performance under this award; or

ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 49 CFR Part 29.

**c. Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

ii. Is in addition to all other remedies for noncompliance that are available to us under this award.

3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

**d. Definitions.** For purposes of this award term:

1. “Employee” means either:

i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.



3. "Private entity":

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

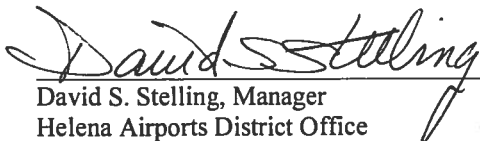
B. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

19. **PRELIMINARY ENGINEERING**: This grant is being issued in order to allow preliminary engineering to be completed in order to investigate pavement rehabilitation alternatives. It is understood and agreed by the parties hereto that within two (2) years from the execution of this agreement that the sponsor will accept, subject to the availability of federal funding as identified in the Airport Capital Improvement Plan (ACIP), a grant to complete the final construction of the project in order to provide a useful and useable facility.
20. **APPLICATION FOR FEDERAL ASSISTANCE**: It is understood and agreed that the County of Blaine and the City of Hailey authorized the execution of the Application for Federal Assistance dated April 4, 2013 (and amended by letter dated May 17, 2013) and Standard DOT Title VI Assurances dated August 4, 2013, on their behalf by Richard Baird, Airport Manager, and that they jointly and severally adopted and ratified the representations and assurances contained therein; and that the word "Sponsor" as used in the project application and other assurances is deemed to include the County of Blaine and the City of Hailey.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION

  
David S. Stelling, Manager  
Helena Airports District Office

## ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct. Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statements) and could subject you to fines, imprisonment or both.

Executed this 12<sup>th</sup> day of September, 2013.



County of Blaine, Idaho

Name of Sponsor

By: \_\_\_\_\_

(Sponsor's Designated Official Representative)

Title: \_\_\_\_\_

Chairman

Attest: \_\_\_\_\_

for Lynn Drace

Title: Chief Deputy Clerk

## CERTIFICATE OF SPONSOR'S ATTORNEY

I, Jim J. Thomas, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Idaho. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Blaine County this 12<sup>th</sup> day of Sept, 2013.

\_\_\_\_\_  
Signature of Sponsor's Attorney

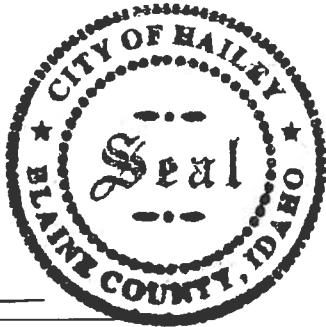
## ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct. Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statements) and could subject you to fines, imprisonment or both.

Executed this 16<sup>th</sup> day of September, 2013.

(SEAL)



Attest: [Signature]

Title: City Clerk

City of Hailey, Idaho

Name of Sponsor

By: [Signature]

(Sponsor's Designated Official Representative)

Title: Mayor, City of Hailey

## CERTIFICATE OF SPONSOR'S ATTORNEY

I, Ned Williamson, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Idaho. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Hailey this 16<sup>th</sup> day of Sept, 2013.

[Signature]

Signature of Sponsor's Attorney



U.S. Department of Transportation  
Federal Aviation Administration

## GRANT AGREEMENT

Date of Offer: September 13, 2013  
Project No: 3-16-0016-039-2013  
Contract No: DOT-FA13NM-2051  
DUNS No: 155993603

TO: **City of Hailey and County of Blaine, Idaho** (herein called the "Sponsor")

FROM: The United States of America (acting through the Federal Aviation Administration, herein called the "FAA")

**WHEREAS**, the Sponsor has submitted to the FAA a Project Application dated **July 2, 2013**, and amended by letter dated **September 10, 2013**, for a grant of Federal funds for a project at or associated with the Friedman Memorial Airport, Hailey, Idaho, which Project Application, as approved by the FAA, is hereby incorporated herein and made a part hereof; and

**WHEREAS**, the FAA has approved a project for the Airport (herein called the "Project") consisting of the following:

**Construct Hangar Access Taxiway; Construct Apron; Rehabilitate Apron; Construct Access Road; Remove Obstructions (propane tank); Install Frangible Perimeter Fence**

all as more particularly described in the Project Application.

**Now therefore**, pursuant to and for the purpose of carrying out the provisions of Title 49, United States Code, as amended, herein called "the Act", and in consideration of (a) the Sponsor's adoption and ratification of the representations and assurances contained in said Project Application and its acceptance of this Offer as hereinafter provided, and (b) the benefits to accrue to the United States and the public from the accomplishment of the Project and compliance with the assurances and conditions as herein provided, **The Federal Aviation Administration, For And On Behalf Of The United States, Hereby Offers And Agrees** to pay, as the United States share of the allowable costs incurred in accomplishing the Project, 93.75 percent.

This Offer is made on and subject to the following terms and conditions:

### CONDITIONS

1. The maximum obligation of the United States payable under this Offer shall be \$2,234,754.00. For the purposes of any future grant amendments which may increase the foregoing maximum obligation of the United States under the provisions of Section 47108(b) of the Act, the following amounts are being specified for this purpose:
 

\$	0.00	for planning
\$	2,234,754.00	for airport development or noise program implementation
2. The allowable costs of the project shall not include any costs determined by the FAA to be ineligible for consideration as to allowability under the Act.
3. Payment of the United States share of the allowable project costs will be made pursuant to and in accordance with the provisions of such regulations and procedures as the Secretary shall prescribe. Final determination of the United States share will be based upon the final audit of the total amount of allowable project costs and settlement will be made for any upward or downward adjustments to the Federal share of costs.
4. The Sponsor shall carry out and complete the project without undue delay and in accordance with the terms hereof, and such regulations and procedures as the Secretary shall prescribe, and agrees to comply with the assurances which were made part of the project application.

5. The FAA reserves the right to amend or withdraw this offer at any time prior to its acceptance by the Sponsor.
6. This Offer shall expire and the United States shall not be obligated to pay any part of the costs of the project unless this Offer has been accepted by the Sponsor on or before **September 18, 2013**, or such subsequent date as may be prescribed in writing by the FAA.
7. The Sponsor shall take all steps, including litigation if necessary, to recover Federal funds spent fraudulently, wastefully, or in violation of Federal antitrust statutes, or misused in any other manner in any project upon which Federal funds have been expended. For the purposes of this grant agreement, the term "Federal funds" means funds however used or disbursed by the Sponsor that were originally paid pursuant to this or any other Federal grant agreement. It shall obtain the approval of the Secretary as to any determination of the amount of the Federal share of such funds. It shall return the recovered Federal share, including funds recovered by settlement, order or judgment, to the Secretary. It shall furnish to the Secretary, upon request, all documents and records pertaining to the determination of the amount of the Federal share or to any settlement, litigation, negotiation, or other efforts taken to recover such funds. All settlements or other final positions of the Sponsor, in court or otherwise, involving the recovery of such Federal share shall be approved in advance by the Secretary.
8. The United States shall not be responsible or liable for damage to property or injury to persons which may arise from, or be incident to, compliance with this grant agreement.

9. **Central Contractor Registration and Universal Identifier Requirements**

*A. Requirement for Central Contractor Registration (CCR)*

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the CCR until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another award term.

*B. Requirement for Data Universal Numbering System (DUNS) Numbers*

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this award term) may receive a subaward from you unless the entity has provided its DUNS number to you.
2. May not make a subaward to an entity unless the entity has provided its DUNS number to you.

*C. Definitions*

For purposes of this award term:

1. *Central Contractor Registration (CCR)* means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the CCR Internet site (currently at <http://www.ccr.gov>).

*2. Data Universal Numbering System*

(*DUNS*) number means the nine-digit number established and assigned by Dun and Bradstreet, Inc. (D&B) to uniquely identify business entities. A DUNS number may be obtained from D&B by telephone (currently 866-705-5711) or the Internet (currently at <http://fedgov.dnb.com/webform>).

3. *Entity*, as it is used in this award term, means all of the following, as defined at 2 CFR part 25, subpart C:

- a. A Governmental organization, which is a State, local government, or Indian Tribe;
- b. A foreign public entity;
- c. A domestic or foreign nonprofit organization;
- d. A domestic or foreign for-profit organization; and

e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

4. *Subaward*:

a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.

b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, *see* Sec. 210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations"). A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

5. *Subrecipient* means an entity that:

a. Receives a subaward from you under this award; and

b. Is accountable to you for the use of the Federal funds provided by the subaward.

c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.

10. **ELECTRONIC GRANT PAYMENT(S)**: The requirements set forth in these terms and conditions supersede previous financial invoicing requirements for FAA grantees. Each payment request under this grant agreement must be made electronically via the Delphi eInvoicing System for Department of Transportation (DOT) Financial Assistance Awardees. The following are the procedures for accessing and utilizing the Delphi eInvoicing System.

a. **Grant Recipient Requirements.**

- (1) Grantees must have Internet access to register and submit payment requests through the Delphi eInvoicing system unless, under limited circumstances, a waiver is granted by the FAA and DOT under section (c) below.
- (2) Grantees must submit payment requests electronically and the FAA will process payment requests electronically.

b. **System User Access.**

- (1) Grantees must contact the FAA Airports District/Regional Office and officially submit a written request to sign up for the system. The FAA Office of Airports will provide the grantee's name, email address and telephone number to the DOT Financial Management Office. The DOT will then invite the grantee via email to sign up for the system and require the grantee to complete two forms. The grantee will complete a web based DOT registration form and download the Proof of Identification form to verify the grantee's identity.
- (2) The grantee must complete the Proof of Identification form, and present it to a Notary Public for verification. The grantee will return the notarized form to:

DOT Enterprise Services Center  
FAA Accounts Payable, AMZ-100  
PO Box 25710  
Oklahoma City, OK 73125

- (3) The DOT will validate the both forms and email a user ID and password to the grantee. Grantees should contact the FAA Airports District/Regional Office with any changes to their system information.

Note: Additional information, including access forms and training materials, can be found on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>).

- c. **Waivers.** DOT Financial Management officials may, on a case by case basis, waive the requirement to register and use the electronic grant payment system based on user requests and concurrence of the FAA. Waiver request forms can be obtained on the DOT eInvoicing website (<http://www.dot.gov/cfo/delphi-einvoicing-system.html>) or by contacting the FAA Airports District/Regional Office. Recipients must explain why they are unable to use or access the Internet to register and enter payment requests.

(1) All waiver requests should be sent to the FAA Airports District/Regional Office for concurrence, prior to sending to the Director of the Office of Financial Management, US Department of Transportation, Office of Financial Management, B-30, room W93-431, 1200 New Jersey Avenue SE, Washington DC 20590-0001, [DOTElectronicInvoicing@dot.gov](mailto:DOTElectronicInvoicing@dot.gov). The Director of the DOT Office of Financial Management will confirm or deny the request within approximately 30 days.

(2) If a grantee is granted a waiver, the grantee should submit all hard-copy invoices directly to:

DOT/FAA  
PO Box 25082  
AMZ-110  
Oklahoma City, OK 73125

#### **SPECIAL CONDITIONS**

11. **FINANCIAL REPORTING REQUIREMENTS:** The Sponsor agrees to submit a **Federal Financial Report** (FAA Form SF-425) for all open grants to the Airports District Office within 90 days following the end of each Federal fiscal year and with each Final Project Closeout Report.

The Sponsor further agrees to submit an **Outlay Report and Request for Reimbursement** (FAA Form SF-271 for construction projects) or **Request for Advance or Reimbursement** (FAA Form SF-270 for non-construction projects) to the Airports District Office within 90 days following the end of each Federal fiscal year and with each Final Project Closeout Report.

12. **FINAL PAYMENT:** The Sponsor understands and agrees that in accordance with 49 USC 47111, no payments totaling more than 90 percent of United States Government's share of the project's estimated allowable cost may be made before the project is determined to be satisfactorily completed.

If the project is determined to be satisfactorily complete and proper documentation is submitted by the Sponsor to the Airports District Office (ADO), then the ADO may approve payments up to 97.5 percent of United States Government's share of the project's estimated allowable cost. "Satisfactorily complete" means the following: (1) The project results in a complete, usable unit of work as defined in the grant agreement; and (2) The sponsor submits necessary documents showing that the project is substantially complete per the contract requirements, or has a plan (that FAA agrees with) that addresses all elements contained on the punch list.

13. **SPONSOR PERFORMANCE REPORT:**  
**For non-construction projects** – the Sponsor understands and agrees that in accordance with 49 CFR 18.40 the Sponsor shall submit a Quarterly Performance Report to the Airports District Office (ADO) within 30 calendar days, beginning in the quarter in which the project begins, and for each following quarter until the project is substantially complete. If a major project or schedule change occurs between Quarterly Performance Reports, the sponsor must submit an out of cycle performance report to the ADO. The performance report for non-construction projects shall as a minimum include the following:

- a. A comparison of proposed objectives to actual accomplishments.
- b. Reasons for any slippage or lack of accomplishment in a given area.
- c. Impacts on other AIP-funded projects.

- d. Impacts to projects funded by PFC, other FAA programs, or the sponsor.
- e. Identification and explanation of any anticipated cost overruns.

**For construction projects** – FAA Form 5370-1 Construction Progress and Inspection Report satisfies the performance reporting requirement. The sponsor must submit FAA Form 5370-1 to the ADO on a **weekly basis**. Form 5370-1 requires the following information:

- a. Estimated percent completion to date of construction phases.
  - b. Work completed or in progress during the period.
  - c. Brief Weather Summary during the period including approximate rainfall and period of below freezing temperature.
  - d. Contract time: Number of days charged to date and last working day charged.
  - e. Summary of laboratory and field testing during the period.
  - f. Work anticipated by the contractor for the next period.
  - g. Problem areas and other comments.
14. **A-133 AUDIT:** The Sponsor shall provide for a Single Audit in accordance with Office of Management and Budget Circular A-133. The Sponsor shall submit the Single Audit reporting package to the Federal Audit Clearinghouse on the Federal Audit Clearinghouse's Internet Data Entry System at <http://harvester.census.gov/fac/collect/ddeindex.html>. The Sponsor shall also provide one copy of the completed A-133 Audit to the Helena Airports District Office.
15. **BUY AMERICAN REQUIREMENT:** Unless otherwise approved by the FAA, the Sponsor will not acquire or permit any contractor or subcontractor to acquire any steel or manufactured products produced outside the United States to be used for any project for airport development or noise compatibility for which funds are provided under this grant. The Sponsor will include in every contract a provision implementing this Special Condition.
16. **INFORMAL LETTER AMENDMENT OF AIP PROJECTS:** It is mutually understood and agreed that if, during the life of the project, the FAA determines that the maximum grant obligation of the United States exceeds the expected needs of the Sponsor by \$25,000.00 or five percent (5%), whichever is greater, the maximum obligation of the United States can be unilaterally reduced by letter from the FAA advising of the budget change. Conversely, if there is an overrun in the total actual eligible and allowable project costs, FAA may increase the maximum grant obligation of the United States to cover the amount of the overrun not to exceed the statutory percent limitation and will advise the Sponsor by letter of the increase. It is further understood and agreed that if, during the life of the project, the FAA determines that a change in the grant description is advantageous and in the best interests of the United States, the change in grant description will be unilaterally amended by letter from the FAA. Upon issuance of the aforementioned letter, either the grant obligation of the United States is adjusted to the amount specified or the grant description is amended to the description specified.
17. **MAXIMUM OBLIGATION INCREASE FOR PRIMARY AIRPORTS:** In accordance with Section 47108(b) of the Act, as amended, the maximum obligation of the United States, as stated in Condition No. 1 of this Grant Offer:
- a. may not be increased for a planning project;
  - b. may be increased by not more than 15 percent for development projects;
  - c. may be increased by not more than 15 percent for land projects.
18. **TRAFFICKING IN PERSONS:**
- a. **Provisions applicable to a recipient that is a private entity.**
    - 1. You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
      - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
      - ii. Procure a commercial sex act during the period of time that the award is in effect; or



iii. Use forced labor in the performance of the award or subawards under the award.

2. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity –

i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or

ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—

A. Associated with performance under this award; or

B. Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 49 CFR Part 29.

**b. Provision applicable to a recipient other than a private entity.** We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity--

1. Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or

2. Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either--

i. Associated with performance under this award; or

ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 CFR part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 49 CFR Part 29.

**c. Provisions applicable to any recipient.**

1. You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.

2. Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:

i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. 7104(g)), and

ii. Is in addition to all other remedies for noncompliance that are available to us under this award.

3. You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

**d. Definitions.** For purposes of this award term:

1. “Employee” means either:

i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or

ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.

2. “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

3. "Private entity":

i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 CFR 175.25.

ii. Includes:

A. A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 CFR 175.25(b).

B. A for-profit organization.

4. "Severe forms of trafficking in persons," "commercial sex act," and "coercion" have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. 7102).

19. **PAVEMENT MAINTENANCE MANAGEMENT PROGRAM:** For a project to replace or reconstruct pavement at the airport, the Sponsor shall implement an effective airport pavement maintenance management program as is required by Airport Sponsor Assurance Number C-11. The Sponsor shall use such program for the useful life of any pavement constructed, reconstructed, or repaired with federal financial assistance at the airport. As a minimum, the program must conform with the provisions outlined below:

**PAVEMENT MAINTENANCE MANAGEMENT PROGRAM**

An effective pavement maintenance management program is one that details the procedures to be followed to assure that proper pavement maintenance, both preventive and repair, is performed. An airport sponsor may use any form of inspection program it deems appropriate. The program must, as a minimum, include the following:

a. **Pavement Inventory.** The following must be depicted in an appropriate form and level of detail:

- (1) location of all runways, taxiways, and aprons;
- (2) dimensions;
- (3) type of pavement, and;
- (4) year of construction or most recent major rehabilitation.

For compliance with the Airport Improvement Program (AIP) assurances, pavements that have been constructed, reconstructed, or repaired with federal financial assistance shall be so depicted.

b. **Inspection Schedule.**

- (1) **Detailed Inspection.** A detailed inspection must be performed at least once a year. If a history of recorded pavement deterioration is available, i.e., Pavement Condition Index (PCI) survey as set forth in Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," the frequency of inspections may be extended to three years.
- (2) **Drive-By Inspection.** A drive-by inspection must be performed a minimum of once per month to detect unexpected changes in the pavement condition.

c. **Record Keeping.** Complete information on the findings of all detailed inspections and on the maintenance performed must be recorded and kept on file for a minimum of five years. The types of distress, their locations, and remedial action, scheduled or performed, must be documented. The minimum information to be recorded is listed below:

- (1) inspection date,
- (2) location,
- (3) distress types, and
- (4) maintenance scheduled or performed.

For drive-by inspections, the date of inspection and any maintenance performed must be recorded.

d. **Information Retrieval.** An airport sponsor may use any form of record keeping it deems appropriate, so long as the information and records produced by the pavement survey can be retrieved to provide a report to the FAA as may be required.

- e. **Reference.** Refer to Advisory Circular 150/5380-6, "Guidelines and Procedures for Maintenance of Airport Pavements," for specific guidelines and procedures for maintaining airport pavements and establishing an effective maintenance program. Specific types of distress, their probable causes, inspection guidelines, and recommended methods of repair are presented.

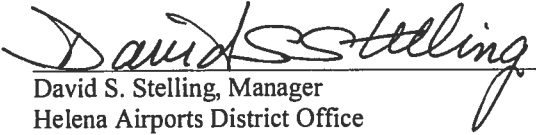
20. **PROJECTS WHICH CONTAIN PAVING WORK IN EXCESS OF \$250,000:** The Sponsor agrees to perform the following:

- a. Furnish a construction management program to FAA prior to the start of construction which shall detail the measures and procedures to be used to comply with the quality control provisions of the construction contract, including, but not limited to, all quality control provisions and tests required by the Federal specifications. The program shall include as a minimum:
  - (1) The name of the person representing the Sponsor who has overall responsibility for contract administration for the project and the authority to take necessary actions to comply with the contract.
  - (2) Names of testing laboratories and consulting engineer firms with quality control responsibilities on the project, together with a description of the services to be provided.
  - (3) Procedures for determining that testing laboratories meet the requirements of the American Society of Testing and Materials standards on laboratory evaluation, referenced in the contract specifications (D 3666, C 1077).
  - (4) Qualifications of engineering supervision and construction inspection personnel.
  - (5) A listing of all tests required by the contract specifications, including the type and frequency of tests to be taken, the method of sampling, the applicable test standard, and the acceptance criteria or tolerances permitted for each type of test.
  - (6) Procedures for ensuring that the tests are taken in accordance with the program, that they are documented daily, and that the proper corrective actions, where necessary, are undertaken.
- b. Submit at completion of the project, a final test and quality control report documenting the results of all tests performed, highlighting those tests that failed or did not meet the applicable test standard. The report shall include the pay reductions applied and the reasons for accepting any out-of-tolerance material. An interim test and quality control report shall be submitted, if requested by the FAA.
- c. Failure to provide a complete report as described in paragraph b, or failure to perform such tests, shall, absent any compelling justification, result in a reduction in Federal participation for costs incurred in connection with construction of the applicable pavement. Such reduction shall be at the discretion of the FAA and will be based on the type or types of required tests not performed or not documented and will be commensurate with the proportion of applicable pavement with respect to the total pavement constructed under the grant agreement.
- d. The FAA, at its discretion, reserves the right to conduct independent tests and to reduce grant payments accordingly if such independent tests determine that sponsor test results are inaccurate.

21. It is understood and agreed that the County of Blaine and the City of Hailey authorized the execution of the Application for Federal Assistance dated April 4, 2013 (and amended by letter dated May 17, 2013) and Standard DOT Title VI Assurances dated August 4, 2013, on their behalf by Richard Baird, Airport Manager, and that they jointly and severally adopted and ratified the representations and assurances contained therein; and that the word "Sponsor" as used in the project application and other assurances is deemed to include the County of Blaine and the City of Hailey.

The Sponsor's acceptance of this Offer and ratification and adoption of the Project Application incorporated herein shall be evidenced by execution of this instrument by the Sponsor, as hereinafter provided, and this Offer and Acceptance shall comprise a Grant Agreement, as provided by the Act, constituting the contractual obligations and rights of the United States and the Sponsor with respect to the accomplishment of the Project and compliance with the assurances and conditions as provided herein. Such Grant Agreement shall become effective upon the Sponsor's acceptance of this Offer.

UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION

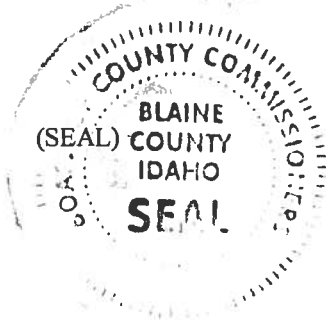
  
David S. Stelling, Manager  
Helena Airports District Office

## ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct. Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statements) and could subject you to fines, imprisonment or both.

Executed this 16<sup>th</sup> day of September, 2013.



County of Blaine, Idaho

Name of Sponsor

By: \_\_\_\_\_

(Sponsor's Designated Official Representative)

Title: \_\_\_\_\_

Chairman

Attest: \_\_\_\_\_

Lerie London

Title: Chief Deputy Clerk

## CERTIFICATE OF SPONSOR'S ATTORNEY

I, Jim J. Thoms, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Idaho. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Blaine County this 16<sup>th</sup> day of Sept., 2013.

\_\_\_\_\_  
Signature of Sponsor's Attorney

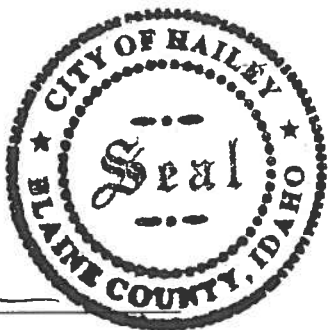
### ACCEPTANCE

The Sponsor does hereby ratify and adopt all assurances, statements, representations, warranties, covenants, and agreements contained in the Project Application and incorporated materials referred to in the foregoing Offer and does hereby accept this Offer and by such acceptance agrees to comply with all of the terms and conditions in this Offer and in the Project Application.

I declare under penalty of perjury that the foregoing is true and correct. Knowingly and willfully providing false information to the Federal government is a violation of 18 U.S.C Section 1001 (False Statements) and could subject you to fines, imprisonment or both.

Executed this 16<sup>th</sup> day of September, 2013.

(SEAL)



City of Hailey, Idaho

Name of Sponsor

By: [Signature]

(Sponsor's Designated Official Representative)

Title: Mayor, City of Hailey

Attest: [Signature]

Title: City Clerk

### CERTIFICATE OF SPONSOR'S ATTORNEY

I, Ned Williamson, acting as Attorney for the Sponsor do hereby certify:

That in my opinion the Sponsor is empowered to enter into the foregoing Grant Agreement under the laws of the State of Idaho. Further, I have examined the foregoing Grant Agreement and the actions taken by said Sponsor relating thereto, and find that the acceptance thereof by said Sponsor and Sponsor's official representative has been duly authorized and that the execution thereof is in all respects due and proper and in accordance with the laws of the said State and the Act. In addition, for grants involving projects to be carried out on property not owned by the Sponsor, there are no legal impediments that will prevent full performance by the Sponsor. Further, it is my opinion that the said Grant Agreement constitutes a legal and binding obligation of the Sponsor in accordance with the terms thereof.

Dated at Hailey this 16<sup>th</sup> day of Sept, 2013.

[Signature]

Signature of Sponsor's Attorney

September 5, 2013

RE: PFC Application Friedman Memorial Airport Hailey, Idaho (SUN) The Friedman Memorial Airport (FMA) has determined to submit to the Federal Aviation Administration (FAA) a Notice of Intent to Impose and Use a PFC at Friedman Memorial Airport (SUN). As such, FMA is issuing this notice as part of the notification process under 14 CFR 158.23 and is providing you with the following information:

The following information relates to this new PFC application:

- **Project Descriptions:** A description of each project being considered for funding by PFCs is attached as Attachment A.
- **PFC Level:** A four dollar and fifty cents charge (\$4.50) on passengers enplaned at SUN.
- **Charge Effective Date:** Based on projections of enplanements and anticipated completion of collection on presently approved PFCs for SUN, the charge effective date is projected to be July 1, 2014.
- **Charge Expiration Date:** July 1, 2028 (or until collected PFC revenue plus interest thereon equals the allowable costs of the approved projects, as permitted by regulation).
- **Estimated Total PFC Revenue:** \$2,787,169

#### **Class of Carriers Excluded From Collecting a PFC**

FMA plans to continue to exclude PFC collection from Air Taxi/Commercial Operators (ATCO) filing FAA Form 1800-31. These individual, on-demand operations have historically accounted for less than one percent of total passenger enplanements. In accordance with 14 CFR 158.25, this class of air carriers may request to be exempted based on their enplanement levels and cost to SUN to collect PFCs from this class of air carriers. 2012 data for this class of carrier is not available and data for 2011 will not be available until later in CY 2013. Following are the known carriers and passenger arrivals for 2010.

<u>Air Taxi &amp; Commercial Operators (ATCO) Filing FAA Form 1800-31 CY 2010</u>	
Aero Jet Services LLC	4
Executive Flight, Inc.	16
Jet Solutions LLC	210
Priester Aviation, Inc.	2
Skybird Aviation, Inc.	20
ATCO Total	250
Airport Total CY 2012 (FAA DOT)	47,734
Percentage of Airport Total	0.52%

Source: DOT Preliminary Enplanements All Airports CY 2012 U.S DOT ACAIS Data Base 2012

**Airline Consultation Meeting**

With the proposed increase to the authorized collection amount, FMA is required under 14 CFR 158.23 to hold a consultation meeting with the air carriers to discuss this application. As such, the meeting will be held on **October 9, 2013 at 2:00 PM Mountain Daylight Time at the Airport Administration Office.**

The following information is provided with this notice for use at the meeting

- A description of the projects and an explanation of the need for the projects are presented in Attachment A
- Financial Plan. This will be a "pay as you go" PFC plan with SUN paying for grant matches, SRE, Master Planning, and Administrative Expenses from Airport Reserves and then being reimbursed through PFCs.
- PFC application 11-07-C-00-SUN is Closed (EIS related)
- PFC application 12-08-C-00-SUN will be fully collected by July 1, 2014 according to FAA PFC data. This also correlates with FMA actual PFC collections and airport staff projections that the present PFC authority will be fully collected by early to late summer 2014.
- PFC receipts of \$206,500 were received during CY 2012 which represented 98.7% of DOT/FAA reported enplanements for the year.
- Although FMA is anticipating more passengers because of increased demand and increased air carrier service during the collection period of this PFC application, the calculation to determine the charge expiration date assumes a more conservative \$200,000 per year.

If you have any questions or require additional clarification regarding this notice or the air carrier consultation meeting, please feel free to contact me. Additionally, I would appreciate your acknowledging receipt of this notice pursuant to 14 CFR 158.23(1) by signing a copy of this notice and returning it to me within 30 days.

Sincerely,

Richard Baird  
Airport Manager

Attachment "A" PFC Project List

cc: John Anderson, T-O Engineers, Inc.

**Acknowledged Receipt of Air Carrier Consultation Meeting Notice:**

---

Airline Representative

Date



Attachment A  
Project List  
FMA (SUN) Project List  
PFC Application

Following is a list of projects which are included in this PFC Application. The Safety and Standard Improvements include a level of detail that will make it clear what items are to be included.

Please note that FAA's estimate for the RSA Formulation Project, AIP 038; Relocate South Hangar Taxi lane, GA Apron Improvements, Security Fence Modifications, AIP 039; and Safety and Standard Improvements 2013-2016 are all a result of the Runway Safety Area Improvements that are required by FAA to bring the airfield into compliance.

FAA states "SUN generates approximately \$200,000 per year in PFC funds, and will use as much PFC funding as possible as part of their local match." FAA has these projects spread over five years until FY 2017.

Project Name	Project Cost	Grant Amount @ 93.75%	Grant Match/PFC
RSA Formulation AIP 038	\$710,000	\$665,625	\$44,375
Purchase SRE	\$500,000	NA	\$500,000
Master Plan	\$550,000	NA	\$550,000
Relocate South Hangar Taxi lane,	\$2,685,000	\$2,517,187	\$167,813
GA Apron Improvements, Security Fence Modifications AIP '039 Safety and Standard Improvements 2013-2016	\$21,728,976	\$20,370,915	\$1,358,061
Runway Rehabilitation	\$150,000	NA	\$150,000
PFC Administration	\$16,920	NA	\$16,920
<b>TOTAL</b>	<b>\$26,340,896</b>	<b>\$23,553,727</b>	<b>\$2,787,169</b>

## Project Justifications and Estimated Costs

### 1. RSA Improvement Formulation AIP '038

- a. **Project Justification:** The airport does not meet current FAA design standards. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Airport Reference Code for the SUN is C-III. Due to the geometry of the existing site, the airport does not meet standards for several criteria, most critically the Runway Safety Area. The existing airport runway and taxiways are constrained on all sides, and bringing all of the existing airport facilities into full C-III compliance will not be possible. The purpose of this formulation effort is to identify the feasible improvements and develop an overall phasing/funding plan. This formulation effort will detail project funding and construction schedules, including direction on how the improvements will be implemented. The ultimate result will be a solution to construct the practical improvements necessary to bring the airport into compliance with C-III dimensional RSA standards.

b. **Project Costs:**

Total Project Cost:	\$710,000.00
AIP (93.75%):	\$665,625.00
<b>PFC (6.25%):</b>	<b>\$44,375.00</b>

## **2. Purchase Snow Removal Equipment, SRE**

- a. ***Project Justification:*** AC/150-5200-30c recommends that the airport have sufficient equipment to clear 1 inch of falling snow weighing up to 25 lb/ft cubed from Priority 1 areas within the recommended clearance times. Therefore, the runway and parallel taxiway connecting to the terminal building must be clear in one half hour or less. This is a "mountain airport" which receives large accumulations of snow frequently throughout the winter. This piece of equipment is necessary to meet FAA requirements. To meet the requirements of the AC, at least one additional snow removal unit is necessary.

b. ***Project Costs:***

Total Project Cost:	\$500,000.00
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<b>PFC (100%):</b>	<b>\$500,000.00</b>
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**3. Relocate South Taxi lane, Apron Rehabilitation and Extension, Security Fence Modifications AIP 039**

a. **Project Justification:** The airport does not meet current FAA design standards. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Airport Reference Code for SUN is C-III. Due to the geometry of the existing site, the airport does not meet standards for several criteria, most critically the Runway Safety Area. The existing airport runway and taxiways are constrained on all sides. This project will be the first step in clearing the path for the relocation of Taxiway B. The relocation of Taxiway B is necessary to meet RSA standards.

b. **Project Costs:**

Total Project Cost:	\$2,685,000.00
AIP (93.75%):	\$2,517,187.00
PFC (6.25%):	\$167,813.00

#### 4. Master Plan

- a. **Project Justification:** This project will be completed using AC 150/5070.6B, Change 1-Airport Master Plans. The Master Plan for the present airport site has not been updated since 2004. During the intervening time, the fleet mix of aircraft operations has changed substantially with additional larger aircraft in air carrier and GA categories, which have shifted the airport from a B-II to C-III. The airport has undertaken many years of airport planning in an effort to resolve various standards deficiencies.. This planning has included evaluation of the existing airport site and consideration of a new site. The Authority was pursuing a relocated airport until August 2011, when the FAA suspended, and ultimately ended, an Environmental Impact Statement study, due to both environmental and funding concerns. Following the end of the EIS process, additional study was completed and the community is now pursuing a "dual path": Continue to pursue a relocated airport as the ultimate solution, but improve the existing airport to meet standards to the extent feasible to meet demand until a new airport becomes a reality.

The cost of this project will be borne by passenger facility charges as Runway Safety Area improvements are a higher priority and Airport Master Plans can't be funded under AIP until all high priority safety projects are completed.

b. **Project Costs:**

Total Project Cost:	\$550,000.00
<b>PFC (100%):</b>	<b>\$550,000.00</b>

## 5. Safety and Standard Improvements 2013-2016

This portion of the project will span several years and will include Runway Safety Area (RSA) improvements, relocating the ARFF/SRE facilities, relocating hangars dislocated by the project, Relocating air carrier parking out of the RSA and terminal building improvements caused by the project.

- a. Project Justification:** The airport does not meet current FAA design standards. Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates that the Airport Reference Code for the airport is C-III. Due to the geometry of the existing site, the airport does not meet standards for several criteria, most critically the Runway Safety Area. The existing airport runway and taxiways are constrained on all sides. This project will be the first step in clearing the path for the relocation of Taxiway B.

This Project will result in several sub-projects, which are all necessary in order to achieve the Safety and Standard Improvements which are part of the Runway Safety Area (RSA) Improvements. These projects include:

- i. Runway Safety Area Improvements
  1. Taxiway B Extension and Relocation
  2. Grade RSA/Demo Taxiway A Pavement
  3. Relocate AWOS
- ii. Relocate ARFF/SRE facilities due to the RSA improvements
- iii. North Taxi lanes Relocation
  1. Relocate Taxiway B4
  2. North End Taxiway B
  3. Demo Taxiway A North/RSA Grading
  4. Central Bypass Apron
  5. Relocate Air Cargo Ramp
  6. Relocate privately owned hangars that must be torn down or relocated because of the RSA improvements.
- iv. Relocate Air Carrier Parking to the north and out of the RSA
- v. Re-Align Terminal Building Gates in order for passengers to board aircraft on the relocated air carrier apron with no net change in air carrier gates.

**b. Project Costs:**

Total Project Cost:	\$21,728,976.00
AIP (93.75%):	\$20,370,951.00
PFC (6.25%):	\$1,358,061.00

## 6. Runway Rehabilitation

- a. **Project Justification:** Runway Rehabilitation will be warranted during the time period of the RSA improvement projects. The PCI rating for SUN indicates that a Runway Rehabilitation is warranted during the next few years. This project will extend the useful life of the runway pavement and is eligible for AIP funding. However, because the RSA projects are a higher priority, it is anticipated that AIP entitlement funds will not be available for use on this project. Therefore, at this time the project is anticipated to be funded entirely by PFC's.

b. **Project Costs:**

Total Project Cost: \$150,000.00

PFC (100%): \$150,000.00

## 7. Passenger Facility Charge Administration

- a. **Project Justification:** FMAA's administrative costs are PFC- eligible under Part 158.13 and development associated with this application will preserve and enhance safety and airfield capacity. This effort will cover developing and filing this new PFC Application. Administrative costs are allowable if necessary and reasonable in the implementation of approved projects.

b. **Project Costs:**

Total Project Cost:	\$16,920.00
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<b>PFC (100%):</b>	<b>\$16,920.00</b>
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# **MODIFICATION OF STANDARDS Safety Risk Management Document**



## **FRIEDMAN MEMORIAL AIRPORT Hailey, Idaho**

**This SRMD was produced in support of MOS requests involving  
the Runway Safety Area Standardization Projects**

September 25, 2013  
Version 1.2

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## **Acronyms**

AAS - Office of Airport Safety and Standards  
ADG – Airplane Design Group  
ADO – Airports District Office  
ARC – Airport Reference Code  
ATCT - Air Traffic Control Tower  
ATO - Air Traffic Organization  
DOT - Department of Transportation  
EIS - Environmental Impact Statement  
FAA - Federal Aviation Administration  
FMAA - Friedman Memorial Airport Authority  
LOA - Letter of Agreement  
MOS - Modification of Standard  
NAS - National Airspace System  
OFA - Object Free Area  
PHA - Preliminary Hazard Assessment  
RSA - Runway Safety Area  
SMS - Safety Management System  
SOP – Standard Operating Procedure  
SRA - Safety Risk Assessment  
SRM - Safety Risk Management  
SRMD - Safety Risk Management Document  
SUN - Friedman Memorial Airport

# 1. Executive Summary

This Safety Risk Management Document (SRMD) examines a series of five Modification of Standards (MOS) requests that would enable the development of a standard Runway Safety Area for Runway Design Code (RDC) C-III-6600 at Friedman Memorial Airport in Hailey Idaho.

Due to the geometry of the existing site, the airport does not meet current Federal Aviation Administration (FAA) design standards for Runway Safety Area (RSA) as well as several other standards. Creating a standard RSA is possible; however, existing site constraints affect the ability to feasibly comply with other standards, including:

- Runway to Parallel Taxiway Separation
- Parallel Taxiway Object Free Area
- Runway Object Free Area (OFA) Width
- Runway Safety Area (RSA) Grading
- Runway to Aircraft Parking Separation

A Safety Risk Management (SRM) Panel was commissioned in order to address the FAA's Safety Management System (SMS) requirements as defined by FAA Order 5200.11 and the associated 5200.11 Desk Reference, FAA Order 8040.4A, and the FAA Air Traffic Organization (ATO) Safety Management System Manual Version 2.1.

The panel of subject matter experts was charged with assessing the risk to aircraft, passengers, airport personnel, the facility and the general public that might be posed by each of the MOS requests. SRM Panelists and attendees present for the panel represented the FAA (Airports Division - Helena ADO, Northwest Mountain Region, and Headquarters; Tech Ops; Air Route Traffic Control Center; and Flight Standards), Friedman Memorial Airport Authority (administration and operations), the contract ATCT operator, the fixed-base operator, major users and the airlines. All SRM panelists were present for the full duration of the panel discussions. The design engineers and a team of independent facilitators were also present during the panel discussion.

Five potential hazards were identified by the panel, of which two were found to either not represent credible hazards or were of acceptably low risk that mitigation was not required. Three hazards were identified that required mitigation in order to address potential risk. Proper mitigations were identified and responsible parties identified to ensure their application.

This SRMD was developed to assist the FAA in assessing the MOS requests, which have been filed separately, along with Form 5200-9 Safety Assessment Screening for Modification of Standards (SAS)-2.

## 2. Airport Background Information

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

Traffic by aircraft such as the Bombardier Q400, operated by Horizon Air, and several models of large GA aircraft (e.g., Gulfstream G-V and Bombardier Global Express) dictates the Airport Reference Code for the airport is C-III. Due to the geometry of the existing site, the airport does not meet current FAA design standards for RSA as well as several other standards. Creating a standard RSA is possible; however, the existing site constraints affect the ability to feasibly comply with other standards, including:

- Runway to Parallel Taxiway Separation
- Parallel Taxiway Object Free Area
- Runway Object Free Area (OFA) Width
- Runway Safety Area (RSA) Grading
- Runway to Aircraft Parking Separation

Until recently, the planned solution to meeting these standards was to relocate the airport to a new site to the south and away from the valley cities. The FAA was conducting an Environmental Impact Statement (EIS) study for a new location until the decision was made by the FAA to suspend the study in August 2011, due to financial and environmental concerns with the sites under consideration.

A relocated airport is still the ultimate solution, as it will provide airport infrastructure that will meet standards, accommodate future demand, and provide a reliable all-weather airport. Locating a site and building a new airport is likely to take several years, however, and significant improvements are required in order for the Airport to meet aviation demand at the existing site.

Also facing the airport is 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 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.

The FMAA has developed a plan to meet RSA standards at the existing site and provide an acceptable level of safety where other airport design standards cannot be met. This SRMD provides the background and justification for each of the requested MOS. These MOS are seen as an interim solution while the sponsor continues the process of locating a site for the future airport. The MOS are the best practicable solution to meet RSA standards and significantly improve the overall safety of the airport within budgetary and environmental limitations.

### 3. Step 1 - Define the System

As previously described, the airport serves the Wood River Valley 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 requires over 90% of aircraft operations at the airport to land to the north and take off to the south, also referred to as "head-to-head" operations. 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.

Due to the constrained environment of the airport, it is impracticable to achieve all design standards at the airport. Therefore, the following five proposed MOS were developed and submitted to the FAA for review.

- MOS #1: Runway to parallel taxiway separation
- MOS #2: Parallel taxiway object free area
- MOS #3: Runway object free area
- MOS #4: Runway safety area grading
- MOS #5: Runway to aircraft parking separation

These MOS are necessary in order to provide the required RSA within a reasonable budget and before the congressional deadline. The proposed physical changes to the airport consist primarily of removing Taxiway A and relocating Taxiway B to a minimum runway-taxiway centerline separation of 320 feet. Table 1 below provides a summary of the existing and proposed conditions at SUN.

**Table 1 Summary of Existing and Proposed Conditions**

	<b>ADG C-III Standard</b>	<b>Existing Condition at SUN</b>	<b>Proposed Condition at Sun</b>
<b>Runway Safety Area</b>	250' from Rwy centerline	Not compliant	250' from Rwy centerline
<b>Runway to Parallel Taxiway Separation</b>	400'	Twy A: 185' – 250' Twy B: 250' – 335'	Twy A: Removed Twy B: 320'
<b>Parallel Taxiway Object Free Area</b>	186' from Twy centerline	Varies	160' from Twy centerline
<b>Runway Object Free Area</b>	400' from Rwy centerline	250' - 345'	250' - 345'
<b>Runway Safety Area Grading</b>	1.5% - 3.0%	<1.5% - 5%	1.5% - 3.0%*
<b>Runway to Aircraft Parking Separation</b>	500'	>320'	400'

\* The airport sponsor intends to correct the areas that are too steep. The flatter areas will remain the same.

#### **MOS #1: Runway to Parallel Taxiway Separation**



The FAA design standard for Runway to Parallel Taxiway Separation for ARC C-III is 400'. The requested MOS for Runway to Parallel Taxiway Separation of Taxiway B is 320'. This separation is the largest separation that can be achieved at the airport without relocating nearly all of the facilities on the airport at significant cost and environmental impact.

Currently the airport is served by partial parallel taxiways on each side of Runway 13-31. Taxiway Alpha (A) runs along the east side of the Runway at a separation of 185' to 250' from runway centerline. Taxiway Bravo (B) runs along the west side of the runway at a separation of 250' to 335'. There are also four (4) connecting taxiways crossing the runway from Taxiway A to Taxiway B. The current taxiway configuration is shown in the figure below:



Source: T-O Engineers

As both Taxiway A and portions of Taxiway B are in the Runway Safety Area (RSA), a Letter of Agreement (LOA) between the ATCT, FAA and the airport is currently in place allowing Category C commercial aircraft to operate at the airfield. This LOA requires all taxiways to be sterilized during the operation of Category C scheduled commercial aircraft to provide a compliant RSA. This LOA does not include any provisions for the operation of general aviation Category C-III (or more demanding) aircraft currently using the airfield.

In order to meet RSA standards, Taxiway A must be removed and Taxiway B relocated so that no part of a taxiing aircraft is within the RSA. By removing Taxiway A and relocating Taxiway B, there will no longer be a need for the existing LOA. In addition, the removal of Taxiway A will also eliminate the four (4) connecting taxiways currently crossing the runway, further increasing the level of safety.

An existing control at SUN is the published pavement strength of 95,000 pounds. For the current fleet of all available aircraft, no aircraft with a maximum takeoff weight of 95,000 pounds or less has a wingspan of greater than 100 feet. With 320 feet of separation and given the current fleet, the wingtip of an aircraft on the taxiway centerline is outside the RSA. During panel discussions it was determined that an additional MOS is required to provide a compliant RSA given the current fleet operating at SUN. MOS 8 must be added to reduce the required taxiway width from 75 feet. The Q400 aircraft (a Taxiway Design Group 5 aircraft) requires a 75-foot-wide taxiway. Constructing Taxiway B at 75 feet width to accommodate a Q400 would result in the wingtip of C-III aircraft currently operating at SUN to penetrate the RSA with outer edge of main gear on the taxiway edge. The allowable taxiway width will be determined for inclusion in MOS 8. MOS 8 was added as mitigation and was therefore not included in the Preliminary Hazard Analysis (PHA).

During the panel discussions it was noted that the MOS must specify a limit of annual total C-III operations that will trigger review of the MOS. SUN was to propose a limit for approval by FAA Flight Standards. It was also noted during panel discussions that the MOS needed to specify a time period that would trigger review of the MOS. SUN was to propose a time limit for approval by FAA Flight Standards.

Not only does the relocation of Taxiway B to 320' provide an acceptable level of safety, the proposed improvements will also provide additional safety improvements including:

- Full-length parallel taxiway (Eliminates the need for back taxing)
- Removal of four (4) runway crossings
- Reduce operational impacts by removing the need for the existing LOA
- Compliant RSA, OFZ and Part 77 Primary Surface

## **MOS #2: Parallel Taxiway Object Free Area (OFA)**

The FAA design standard for Taxiway OFA width for ARC C-III is 186'. The requested MOS for Taxiway OFA width is 160'.

In the airport's current configuration, relocation of Parallel Taxiway B to a separation of 320 feet with a full C-III Taxiway OFA width of 186 feet would require significant modification to existing airport facilities, along with property acquisition and removal of adjacent buildings.

When considering the current and anticipated traffic at the airport, these improvements are not necessary. The published pavement strength for Runway 13-31 at SUN is 95,000 pounds. For the current fleet of all available aircraft, no aircraft with a maximum takeoff weight of 95,000 pounds or less has a wingspan of greater than 100 feet. Therefore, existing and anticipated aircraft traffic will include only aircraft with wingspans less than 100 feet. The relocation of Taxiway B to 320' with a Taxiway OFA of 160' is shown in the figure below.



Source: T-O Engineers

Using equation #2 from Table 1 in Engineering Brief (EB) 78 and this maximum wingspan, an aircraft specific Taxiway OFA was calculated. Equation #2 from EB 78 gives the separation from centerline to an object as  $0.7 \times \text{Wingspan} + 10$  feet. Using the 100' wingspan described above, this calculation results in a Taxiway OFA of 160 feet. For the aircraft that use the airport, this Taxiway OFA meets the alternative standard described in EB 78 and by definition provides an acceptable level of safety.



This MOS is based on the current fleet of all available aircraft and the airport's published pavement strength. Should an aircraft with wingspan greater than 100' but takeoff weight less than the airport's published pavement strength enter the fleet an operational procedure will be put in place.

### **MOS #3: Runway Object Free Area (OFA)**

The FAA design standard for Runway OFA Width for ARC C-III is 800', centered on the runway. The non-standard conditions in the existing Runway OFA at SUN include off airport buildings, a hangar and aircraft parking to the west of Runway 13/31, and the ATCT (including the associated above ground propane tank) , perimeter fence, and State Highway 75 to the east of Runway 13/31, as shown in the figure below.



Source: T-O Engineers

The requested MOS is to allow the off airport buildings, perimeter fence, and State Highway 75 to remain inside the OFA. Relocation of State Highway 75 and the airport's perimeter fence outside of the OFA are not financially feasible and have associated potential environmental impacts related to historical resources, noise, and environmental justice. Acquisition and removal of the off-airport buildings is not considered necessary due to the location and elevation of the buildings relative to the runway.

Current aircraft traffic at SUN averages approximately 30,400 operations per year. Of those operations, less than 15% are C-I or larger, which require an 800' wide OFA. This low number of operations reduces the risk of an accident related to the non-standard OFA. With the proposed improvements described below, this configuration will provide an acceptable level of safety for the traffic at the airport.

With the exception of the ATCT, the objects with the closest separations are all located on the north end of the airfield. At SUN, over 90% of operations arrive from and depart to the south, due to terrain in the vicinity of the airport. Though each of these objects penetrates the departure OFA for Runway 13, the risk of an incident is actually much lower as an aircraft would be taking off in the opposite direction of the objects. For arrivals on Runway 31, due to the use of declared distances, the objects are located nearly 1,000' from the end of the runway declared suitable for landing operations. Therefore, the risk of striking these objects is low. The individual objects in the OFA are addressed below. Due to the proximity of the fence and State Highway 75, the panel did not discuss these items separately; therefore, they are included together in the Preliminary Hazard Analysis (PHA) on the SAS-2.

- Perimeter fence at 250', extreme northeast corner of the OFA. The fence in this area, located less than 320' from the Runway 13/31 centerline, will be replaced with frangible fence to reduce the severity of impact, should an aircraft depart from the runway and end up at this extreme edge of the OFA.
- Perimeter fence at 320' from runway centerline (along east edge of airport property). Due to the separation to this object and the low number of operations at SUN, this fence location is not deemed to be a significant safety risk.
- State Highway 75 at 275', extreme northeast corner of the OFA. Based on the location at the extreme of the OFA, this location is not deemed to be a high safety risk. Moving the highway would require approval and participation from the Idaho Transportation Department. An Environmental Impact Statement (EIS) has been completed for a planned future project to improve State Highway 75 adjacent to the airport. Continued efforts will be made to move the highway as far as possible from the runway, within the existing right of way and within the parameters of the EIS. Additionally, the airport will work with the Idaho Transportation Department to add "Low Flying Aircraft" signs along the highway near the north end of the airport. The Airport Diagram and information in the Airport/Facilities Directory and 5010 form will be updated to show the location of the highway.
- State Highway 75 at 345', along east boundary of airport. Due to the separation to this object and the low number of operations at SUN, the highway in this location is not deemed to be a high safety risk. As discussed above, continued efforts will be made to move the highway as far as possible from the runway during future project(s).
- The possibility of nighttime vehicle lights on State Highway 75 creating confusion for pilots, given the proximity of the highway to the airport, was also reviewed. Since there are no known incidents of highway lights distracting or confusing pilots, this was not considered to be a significant safety risk.
- Off-airport buildings at 335', northwest corner of the OFA. These buildings are outside the control of the airport, but 90% of landings are from the south (opposite runway end from buildings) and 90% of takeoffs are to the north (away from the buildings), the buildings are beyond the Runway 13 threshold, and the ground elevation at the location of the buildings is significantly lower than the Runway 13 end elevation. Based on operations, building location and this difference in elevation, these buildings are not deemed to be a credible hazard.
- Air Traffic Control Tower at 275'. The tower is seen as a safety risk and will be relocated as soon as possible (not less than 10 years from the date of approval of this MOS.) In the meantime, the Airport Diagram and information in the Airport/Facility Directory and 5010 form will be updated to note the close proximity of the ATCT to the runway, and local outreach will be made to notify pilots of the close proximity of the ATCT to the runway.

Objects in the Runway OFA are planned for removal as follows:

- Aircraft parking in the ROFA will be removed no later than December 31, 2015.
- Hangar located in the ROFA will be removed no later than December 31, 2015.

- Above-ground propane tank at the base of the ATCT will be buried or removed by December 31, 2013.
- ATCT will be moved as soon as possible. A tower siting study is required prior to relocating the tower.

As discussed in subsequent sections of this SRMD, with the mitigations noted, the panel determined the proposed MOS for Runway Object Free Area to be an acceptable risk.

#### **MOS #4: Runway Safety Area (RSA) Grading**

The FAA design standard for transverse RSA grades for ADG III is a minimum of 1.5% and a maximum of 3%.

The following figure shows the areas on the airfield that do not currently meet RSA transverse grading standards.



Source: T-O Engineers

The requested MOS is to allow portions of the existing ground flatter than 1.5% to remain. Excavating these areas to the minimum 1.5% grade creates a large amount of excavated material. This material would need to be removed and disposed of off-site, at significant cost, since there is no space it could be placed on existing airport property. Removal and replacement of the airport's existing drainage system would also be required. Additionally, grading the runway safety area will require closure of the runway, resulting in significant economic impact to the community. Leaving the flatter grades will reduce the runway closure period.

From AC 150/5300-13A, the purpose of the RSA is to *“enhance the safety of aircraft which undershoot, overrun or veer off the runway, and it provides greater accessibility for fire fighting and rescue equipment during such incidents.”* The distance an aircraft departs from the runway is affected by three (3) major elements: weight of the aircraft, speed of the aircraft and RSA gradient. The third variable and the subject of this modification, the RSA gradient, affects the rate at which an aircraft slows should it depart the runway. The steeper the gradient the longer it will take for an aircraft to stop. The existing transverse RSA gradients at SUN are flatter than standard; meaning an aircraft would actually come to a stop sooner if all other variables were equal. Paragraph 307 f in AC 5300-13A describes this condition: *“Keeping negative grades to the minimum practicable contributes to the effectiveness of the RSA.”* Though flatter than standard, the RSA at SUN is graded smoothly and is capable of safely accommodating an aircraft without damage, in the case of a veer off.

The negative aspect of gradients flatter than standard is the inability to adequately drain the RSA during rainfall events. The existing RSA at SUN drains extremely well, with no accumulation of water. Existing soils are typically poorly-graded gravels (USCS classification GP or GP-GM) that drain very well. The local climate is dry, with an average annual rainfall of only 16 inches. In addition, the runway is equipped with a storm drainage system that collects and removes drainage efficiently. The following table summarizes the design requirements that would be met at SUN:

RSA Requirement	Standard Met
Cleared and graded smooth	Yes
Drained by grading or storm sewers	Yes
Capable of supporting SRE, ARFF and aircraft	Yes
Free of objects	Yes

The proposed RSA at SUN will meet the RSA requirements as shown above. As discussed in subsequent sections of this SRMD, the panel determined the grades flatter than standard are not a credible hazard, and will provide an acceptable level of safety.

#### **MOS #5: Runway to Aircraft Parking Area**

The FAA design standard for Runway to Aircraft Parking Separation for ARC C-III is 500'. The requested MOS is for Runway to Aircraft Parking Separation of 400'.

A separation to the C-III standard of 500' could be met in one of two ways, either shift Runway 13-31 and State Highway 75 to the east or relocate the majority of apron parking on the airfield including the terminal, to the southwest. The relocation of State Highway 75 required to shift the runway east is not financially feasible and has associated potential environmental impacts related to historical resources, noise, and environmental justice. Relocation of the Terminal building and construction of new aircraft parking areas are not financially feasible. In addition, MOS 1 and MOS 2, if approved, allow existing hangars to remain 400 feet from the runway centerline.

Currently at SUN, multiple aircraft parking areas are located within 500' of the runway centerline including the terminal area parking, located as close as 320' from the runway centerline. The commercial aircraft currently using the terminal area include the Bombardier Q400, and the Embraer Brasilia 120. The Canadair Regional Jet 700 is expected to serve the airport in the future. Various general aviation aircraft including the Gulfstream 500 and Global Express currently park within 500' of the runway centerline as well. The majority of general aviation aircraft currently park at 400' or greater from runway centerline. The current aircraft parking is shown in the figure below. Under the proposed MOS, current parking areas within 400 feet of the runway centerline will be eliminated, including parking in front of the hangars on the north end of the airport and parking in front of the terminal building.





Source: T-O Engineers

According to AC 150/5300-13A Paragraph 321 a (3), "Runway to aircraft parking area separation is determined by the landing and takeoff flight path profiles and physical characteristics of the aircraft. The runway to parking area separation standard precludes any part of a parked aircraft (tail, wingtip, nose, etc.) from being within the ROFA or penetrating the OFZ."

A runway to aircraft parking area separation of 400 feet would preclude any part of a parked aircraft from penetrating the Runway OFA or the Runway OFZ. In addition, a separation of 400 feet would also provide the following benefits:

1. Prevent parked aircraft from penetrating the Part 77 Primary Surface
2. Prevent parked aircraft from penetrating the Part 77 Transitional Surface
3. Prevent parked aircraft from penetrating the Taxiway OFA

The proposed aircraft parking configuration would meet the intent of the standard as stated in AC 150/5300-13A. As discussed in subsequent sections of this SRMD, the panel determined the 400 foot separation is not a credible hazard and will provide an acceptable level of safety.

#### 4. Safety Risk Assessment Approach

In order to analyze the safety impacts of the proposed modifications of standards, a Safety Risk Management Panel was convened. Documentation used to prepare for and conduct the SRM Panel includes FAA Order 5200.11 and the associated 5200.11 Desk Reference, FAA Order 8040.4A, and the FAA ATO SMS Manual Version 2.1. Because the MOS requests were to be determined by ARP, Order 5200.11 took precedence. However, elements contained within the ATO SMS manual were accommodated where possible to reflect the requirements placed on the National Airspace System (NAS) as a result of the requested MOS. The risk matrix and definitions for likelihood and severity that were used for the session were extracted from FAA Order 5200.11, and can be found in Attachment B.

The SRA facilitation and documentation followed the aviation industry's standard 5-Step SRA process, including the following:

- 1) Define the System
- 2) Identify the Hazards
- 3) Analyze the Risk (including associated consequences and existing controls)
- 4) Assess the Risk (through use of FAA's Safety Risk Matrix and definitions)

## 5) Mitigate the Risk

### 4.1. Logistics and Preparation

The two-day SRM Panel was held at SUN on June 4-5, 2013. The SRM Panel considered MOS requests 1-5 outlined in Section 3, including the runway/taxiway separation, taxiway object free area, runway object free area, runway safety area grading, and the runway-to-aircraft-parking separation distance. Two additional MOS requests were considered that involve temporary MOS to accommodate design standards affected by letters of agreement between the Airport and ATCT for operations until the projects to implement MOS 1 thru 5 can be completed. Those two MOS requests were not fully evaluated during this SRM Panel and are anticipated to be considered in an ATO SRM Panel at a future date.

The initial MOS were described generally by Rick Baird, Airport Manager, and David Mitchell of T-O Engineers. Facilitation was conducted by Ken Ibold and Natalie Deschappelles, both from Reynolds, Smith and Hills Inc., including the in-session hazard worksheet, post-session SRM Panel Hazard Analysis, session notes, and reports.

### 4.2. SRM Panelists and Attendees

SRM Panelists and attendees present for the SRA are listed in Attachment D. Representative organizations included FAA (Airports Division – Helena ADO, Northwest Mountain Region, and Headquarters; Tech Ops; Air Route Traffic Control Center; and Flight Standards), Friedman Memorial Airport Authority (administration and operations), the contract ATCT operator, the fixed-base operator, major users and the airlines. All SRM panelists were present for the full duration of the panel discussions.

### 4.3. Assumptions

In preparing for and conducting the SRM Panel, a number of assumptions were made. Among them are:

- FAA MOS applications serve as the formal process for MOS assessment.
- The findings and conclusions of the SRM Panel, as detailed in this report, are intended to provide additional documentation to assist in FAA review and decision making.
- All feasible alternatives were addressed as part of the project design work, and the most practical alternatives are included in the MOS requests.
- The Airport Authority will continue to pursue long-term plans to relocate the airport, but that relocation may take a decade or more.

## 5. Step 2 - Identify Hazards

To prepare for the SRM Panel, an internal working team consisting of the Airport, FAA Project Manager, T-O Engineers and RS&H met by telephone to review the MOS applications and discuss potential hazards. A PHA discussion was conducted, with the goal of identifying potential hazards that could be used to assist in the conduct the SRM Panel deliberations if required. Several potential hazards were identified during this discussion, all of which arose during panel discussions. Therefore, those initial hazards will not be discussed further in this

document, and the items described in the PHA located in Attachment E were considered by the full panel.

The SRM Panel employed the PHA table located in Attachment E as a means to collect information during the SRA. The table and associated content enabled the panel members to track hazards through the entire SRM process. This expedited the facilitation and documentation process. The SRM Panel identified five hazards posed by the adoption of MOS 1-5.

MOS 2 meets the requirements of Engineering Brief 78, which by definition provides an equivalent level of safety. MOS 2 was therefore considered acceptable and no further discussion took place. Under MOS 4 the free draining soils at the airport, lack of ponding water in the current RSA, ability of the existing RSA to support aircraft wheel loads and airport support vehicles, and the dry climate were discussed, and no hazards were identified. The discussion on MOS 5 included examination of parking changes that improved upon current conditions, and no hazards were identified.

The hazards identified for MOS 1, and 3 are summarized in Table 2.

**Table 2 Hazards Identified by SRM Panel**

<b>Hazard No.</b>	<b>MOS</b>	<b>Hazard</b>
1	#1: Runway / Taxiway Separation	Runway/taxiway separation of 320 feet, versus standard of 400 feet
2	#3: Runway OFA Width	Off airport building in OFA
3	#3: Runway OFA Width	Highway and perimeter fence in OFA – Aircraft to vehicle/fence
4	#3: Runway OFA Width	Highway in OFA – Distraction for pilots
5	#3: Runway OFA Width	Air Traffic Control Tower in OFA

## **6. Steps 3 and 4 – Analyze and Assess Risks**

As shown in more detail in the SRM Panel Hazard Assessment table found in Attachment E, the hazards identified were assessed as to their severity, likelihood and resulting risk according to the risk matrix in Attachment B. A summary of those results is shown in Table 3.

**Table 3 Risk Assessment**

<b>Hazard No.</b>	<b>Hazard</b>	<b>Severity</b>	<b>Likelihood</b>	<b>Result</b>
1	MOS 1 - Runway/taxiway separation of 320 feet, versus standard of 400 feet	1	E	Yellow
2	MOS 3 – Off airport building in OFA	*	*	N/A
3	MOS 3 - Perimeter fence/Highway in OFA – Aircraft to fence/vehicle	1	E	Yellow
4	MOS 3 - Highway in OFA – Distraction for pilots	4	E	Green
5	MOS 3 - Air Traffic Control Tower/Propane Tank in OFA	1	D	Red

\* Hazard 2 was identified initially as a hazard, but upon further discussion was determined not to be a credible hazard, and so was not considered further.

## **7. Step 5 – Safety Risk Control Analysis / Mitigations**

Of the five hazards identified, the risk resulting from two of them was determined acceptable without further mitigation, as shown in green in Table 3 above. The SRM PHA table found in Attachment E outlines more specifically the existing controls on the three remaining hazards.

Three hazards were determined to require significant mitigations to address potential risk. For Hazard No. 5, the SRM Panel concluded the mitigations would reduce the risk to an acceptable level. The mitigation for the ATCT/Propane tank is removal of these items from the OFA. For Hazard No. 1 and 3, given the fact that even with mitigation the hazards result from non-standard conditions, specific residual risk levels are not expected to change.

The mitigations, as well as the responsible parties, are outlined in Table 4.



**Table 4 Controls and Mitigations**

<b>Hazard No. (MOS No.)</b>	<b>Existing Controls</b>	<b>Mitigations</b>	<b>Person Responsible</b>
Hazard 1 (MOS 1)	Low percentage ADG C-III operations, 95,000-pound weight limitation creates practical 100-foot wingspan limitation and 30-foot tail height limitation	<ol style="list-style-type: none"> <li>1) Require prior permission for operations of ADG C-III aircraft with more than 100' wingspan and within 95,000-pound weight limitation</li> <li>2) Re-evaluate MOS when total annual C-III operations exceed a number agreed to by FAA Flight Standards Division</li> <li>3) Re-evaluate the MOS on an interval agreed to by FAA Flight Standards Division</li> <li>4) Develop MOS to reduce taxiway width</li> </ol>	<ol style="list-style-type: none"> <li>1) Airport Sponsor</li> <li>2), 3) Airport Sponsor/FAA Airports</li> <li>4) Airport Sponsor</li> </ol>
Hazard 3 (MOS 3)	none	<ol style="list-style-type: none"> <li>1) Request DOT to relocate highway outside OFA</li> <li>2) Highway warning signage for "Low Flying Aircraft"</li> <li>3) Install frangible fence where closer than 320' to runway centerline</li> <li>4) Notation in AFM</li> </ol>	<ol style="list-style-type: none"> <li>1) FAA ADO / Airport Sponsor</li> <li>2), 3), 4) Airport Sponsor</li> </ol>
Hazard 5 (MOS 3)	Obstruction light on ATCT	<ol style="list-style-type: none"> <li>1) Bury propane tank as soon as possible</li> <li>2) Relocate ATCT as soon as practical</li> <li>3) Notation in AFM</li> <li>4) Educational outreach to users</li> </ol>	<ol style="list-style-type: none"> <li>1), 3), 4) Airport Sponsor</li> <li>2) FAA ADO and Airport Sponsor</li> </ol>

## 8. Review and Approvals

Form 5200-9 Safety Assessment Screening for MOS (SAS)-2 will be completed and submitted in conjunction with the MOS forms (revised to reflect panel discussions) for review and approval by the panel members.. As documented in FAA Order 5200.11, hazards with low initial risk results are presented to the FAA Office of Airport Safety and Standards (AAS) for review and approval, hazards with medium initial risk results are presented to the Director of the FAA Office of Airport Safety and Standards (AAS-1) for review and approval, and hazards with high initial risk results are presented to a Safety Review Board for review and ARP-1 for approval. Additionally a copy of the documentation will be sent to the airport sponsor with a letter noting the MOS approval and associated mitigation measures and conditions.

## 9. Risk Acceptance

Panelists determined that the level of risks were acceptable given the existing controls and the proposed mitigations as described within this report.

## 10. Additional MOS Considerations

Two additional MOS requests were prepared and would apply only during the interim until the projects described above were completed. These MOS are required to address the airport's current non-standard runway to taxiway separation and existing LOA, both with and without an operating ATCT. The SRM Panel began consideration of these two MOS requests, but determined that the appropriate panel members were not present to address the provisions contained within the Letter of Agreement. For that reason, consideration of MOS 6 and 7 was deferred until another panel that included the proper personnel from the FAA Air Traffic Organization could be organized.

### **MOS 6 – Sterilization of taxiways for scheduled commercial Approach Category C aircraft**

FAA Airports Division requested the Sponsor prepare a MOS to reflect the existing LOA between the Airport and the Air Traffic Control Tower (ATCT) to sterilize the parallel taxiways during scheduled commercial (Part 121) Approach Category C aircraft operations.

During panel discussions, FAA Airports expressed concern about the existing LOA. The concern centered on the fact that the LOA was used as the mechanism for creating an operational procedure to mitigate the Airport's non-standard airfield geometry, in lieu of a MOS.

Panel discussions also noted that the RSA must be clear for all scheduled Part 121 operations, not just Approach Category C aircraft. Given the current separation of both Taxiways A and B, both would have to be sterilized for all scheduled Part 121 operations. Since this is different than the existing LOA, a revised LOA is required. Further, it was noted that the MOS can't be approved without the revised LOA since they are interrelated, and the revised LOA would likely require a separate SRM panel,

In the absence of a revised LOA, the panel tabled this MOS pending an ATO initiated SRM panel.

### **MOS 7 – Sterilization of taxiways for scheduled commercial Approach Category C aircraft, with no ATCT (either ATCT is closed or outside of ATCT operating hours)**

This MOS is similar to MOS 6 except without the ATCT. This concern was heightened by the inclusion of SUN's ATCT on the FAA's list of Federal Contract Towers scheduled to be closed. Therefore, FAA Airports requested the Airport develop a MOS to address the existing non-standard runway to taxiway separation and the taxiway sterilization issue in the case of the ATCT being closed, including outside of normal hours of operation.

The panel discussions initially centered around whether or not the Airport could ensure a compliant RSA (sterilize taxiways during scheduled commercial (Part 121) operations) without

an ATCT. SUN cannot ensure that every aircraft will clear the taxiways during scheduled commercial operations on the runway. The panel noted that operations work at SUN because there is an ATCT and without an ATCT operational procedures would likely become so restrictive that they would not be feasible. Finally, it was noted that without the ATCT, and with SUN not being able to ensure a compliant RSA, scheduled Part 121 operations would likely not be allowed.

**Friedman Memorial Airport**  
**Runway Safety Area Improvements**  
**Draft Funding Plan (Construction Cost Estimates)**

September 24, 2013

Item		Estimated Costs		
		Construction	Engineering	Total
<b>AIP-Eligible</b>				
1	South Hangar Taxilane	\$1,014,793	\$122,853	\$1,137,646
2	GA Apron Overlay and Extension	\$843,769	\$102,148	\$945,917
3	Security Fence Modifications	\$407,567	\$49,341	\$456,908
	Subtotal	\$2,266,129	\$274,342	\$2,540,471
4	Taxiway B Extension	\$1,960,000	\$353,000	\$2,313,000
5	Central Taxiway B Relocation (B5)	\$1,937,000	\$349,000	\$2,286,000
6	South Taxiway B Relocation	\$1,939,000	\$349,000	\$2,288,000
7	Grade RSA/Demo Taxiway A Pavement	\$853,000	\$154,000	\$1,007,000
	Subtotal	\$6,689,000	\$1,205,000	\$7,894,000
8	Relocate AWOS	\$95,000	\$17,000	\$112,000
9	SRE/ARFF/Shop Pad	\$258,000	\$46,000	\$304,000
10	North Taxilanes	\$754,000	\$136,000	\$890,000
11	Terminal Apron Reconstruction	\$1,291,000	\$232,000	\$1,523,000
	Subtotal	\$2,303,000	\$414,000	\$2,717,000
12	Relocate SRE/ARFF/Shop	\$2,975,000	\$536,000	\$3,511,000
13	Terminal Expansion	\$7,360,000	\$1,325,000	\$8,685,000
14	Relocate Taxiway B4	\$450,000	\$81,000	\$531,000
15	North End Taxiway B	\$1,070,000	\$193,000	\$1,263,000
16	Demo Taxiway A North/RSA Grading	\$284,000	\$51,000	\$335,000
	Subtotal	\$1,804,000	\$325,000	\$2,129,000
17	Central Bypass Apron	\$158,000	\$28,000	\$186,000
18	Air Cargo Ramp	\$1,837,000	\$331,000	\$2,168,000
	Subtotal	\$1,995,000	\$359,000	\$2,354,000
<b>Subtotal AIP-Eligible</b>		<b>\$25,487,129</b>	<b>\$4,455,342</b>	<b>\$29,942,471</b>
<b>Non-AIP Eligible</b>				
10a	Relocate Hangars/Construct Helipad	\$3,038,000	\$547,000	\$3,585,000
12a	Relocate Office	\$355,000	\$64,000	\$419,000
<b>Subtotal Non-AIP Eligible</b>		<b>\$3,393,000</b>	<b>\$611,000</b>	<b>\$4,004,000</b>
<b>Total</b>		<b>\$28,880,129</b>	<b>\$5,066,342</b>	<b>\$33,946,471</b>

# Bloomberg

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## Risk of Flight Delays Returns as FAA Weighs Furloughs

By Alan Levin - Sep 18, 2013

Flight delays caused by air-traffic controller furloughs are at risk of recurring as the Federal Aviation Administration considers sending workers home without pay during the next fiscal year amid a funding shortfall.

FAA officials have told aviation industry officials and lawmakers that a new round of furloughs will be needed to close a budget gap of as much as \$700 million in the fiscal year starting Oct. 1, four people briefed by agency leaders said. They asked not to be named because the meetings were private.

The furloughs raise the prospect of a repeat of the flight delays caused in April by traffic-control staffing shortages at U.S. airports. Airline-industry groups have urged the FAA to avoid disruptions to commercial flights as groups such as airports and private pilots lobby to protect their interests.

"We're in for some pretty tough times," Melissa Rudinger, senior vice president for government affairs at the Aircraft Owners and Pilots Association, a Frederick, Maryland-based group for private aviators, said in an interview.

A new round of automatic across-the-board cuts known as sequestration takes effect in the new [federal budget](#) year and may have more impact this time, officials including FAA Administrator Michael Huerta and Transportation Secretary Anthony Foxx have said in briefings, according to the people. Huerta and Foxx said the agency already has cut nonessential travel and training, the people said.

Furloughs of controllers and other FAA employees that began April 21 caused delays to about 3 to 4 percent of flights, according to the nonpartisan Congressional Research Service.

## Congressional Action

Within six days, the House and Senate passed legislation ending the furloughs and preventing the FAA from cutting funding for 149 small-airport control towers operated by contractors.

Lawmakers gave the agency authority to transfer \$253 million from airport construction grant funds

to pay for employee salaries and the towers. The FAA's annual budget is about \$16 billion.

That legal authority applied only to the 2013 budget, so Congress must act again in the next budget year to prevent furloughs or save specific programs.

Under sequestration, automatic spending cuts enacted as part of the 2011 deal to raise the [debt limit](#), non-defense budgets must be reduced by 7.3 percent starting Oct. 1, according to a CRS report.

The cuts at the FAA are smaller than that because some agency accounts, such as the airport-construction grants, are exempt. The agency hasn't said what it expects to cut in the next budget cycle.

## Uncertain Outcome

The FAA is also considering eliminating the contract towers again, one of the people said.

Uncertainty remains over how much FAA must cut, and that lack of clarity could drive deeper cuts later in the year, the people said.

The House and Senate haven't agreed on budgets for government agencies so funding will expire on Sept. 30 without action, threatening a government shutdown.

A [measure](#) was introduced Sept. 10 by House Appropriations Committee Chairman Hal Rogers, a Kentucky Republican, to continue current funding levels until Dec. 15. It includes a provision giving government agencies more authority to move money between accounts "to avoid furloughs."

Even with that authority, FAA officials have said that they would have to furlough some employees, including controllers, to reach budget goals, the people said.

## Controller Salaries

Seventy-one percent of the FAA's operations budget -- a \$9 billion pot that pays for air-traffic control, safety inspections and aircraft certification -- goes to salaries, according to CRS. Air-traffic controllers are among the highest paid government employees, earning an average of \$108,000 per year, according to 2010 data from the U.S. [Bureau of Labor](#) Statistics.

Huerta has told Congress it will be difficult to reach spending goals without furloughs. The FAA employs about 45,000.

FAA officials don't think they would have the authority to furlough employees immediately under a

short-term solution like the Rogers bill, the people said. That would force the agency to postpone cuts until later in the budget year, when it must cram a year's worth of trims into a shorter period.

That may cause more severe flight disruptions, they said.

The prospect of a new round of cuts is pitting various aviation interest groups against each other.

## **'Front-Line Safety'**

"We expect that Congress and the White House will ensure that the traveling and shipping public are not impacted by sequester, as they were in April, and believe that air-traffic controllers, who are front-line safety professionals should not face furloughs," Victoria Day, a spokeswoman for the Washington trade group representing the largest air carriers, [Airlines for America](#), said in an e-mail.

"The importance of aviation, particularly of keeping the schedule and keeping people connected, is just as important today as it was six months ago," said Roger Cohen, president of the Regional Airline Association, a Washington-based trade association, in an interview.

Airport groups such as the Washington-based Airports Council International-North America and the Alexandria, Virginia-based American Association of Airport Executives have objected to Congress using FAA's airport-grant pool of more than \$3 billion to pay controller salaries and operate towers.

Private-pilot groups such as AOPA are urging the agency to minimize cuts to programs its members use, such as the stations that give aviators weather information, Rudinger said.

The group is girding for painful cuts, she said.

"Certainly we anticipate something similar to earlier this year," she said.

To contact the reporter on this story: Alan Levin in Washington at [alevin24@bloomberg.net](mailto:alevin24@bloomberg.net)

To contact the editor responsible for this story: Bernard Kohn at [bkohn2@bloomberg.net](mailto:bkohn2@bloomberg.net)

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Request for Information Related To  
Provision of Legal Services For The  
Friedman Memorial Airport Authority  
Hailey, Idaho

The Friedman Memorial Airport Authority, Hailey, Idaho is soliciting information from individuals or organizations to determine ability and qualifications to provide legal services related to the operation of the Friedman Memorial Airport.

The selection shall be based on our analysis of the professional qualifications necessary for satisfactory performance of the services required.

Information to be provided shall include:

- a. General description of firm: Include firm's organizational structure, firm history and background, size of firm, recent experience in comparable airport/aviation projects and other public projects, experience or familiarity with projects in a similar environment, experience with the Federal Aviation Administration (FAA), Airport Improvement Program (AIP) projects, and federal government projects.
- b. Local knowledge: Familiarity with Friedman Memorial Airport's political history and management structure.
- c. Work History: Knowledge, experience and capability to successfully perform legal services including, but not limited to, drafting leases and other business documents, personnel matters, administrative law matters and other general practice issues.
- d. Affiliations with other firm(s): Identify other firms that you plan to subcontract or joint venture with, if any, for this contract.
- e. Key Individuals: Identify key person(s) in firm(s) who will provide services and who will be directly responsible for supervising projects; describe the roles these key personnel will fill, their background and their experience.
- f. Current workload: Provide disclosure of any project(s) that may prevent services from being performed in a timely manner.
- g. Time Commitment: Ability and willingness to commit to a five year contract.
- h. References: Provide a list of references to include contact information.

All information shall be provided no later than October 21, 2013 at 2:00 p.m.  
and provided to:

Richard R. Baird, Airport Manager  
Friedman Memorial Airport  
1616 Airport Circle  
Hailey, Idaho 83333