

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 & 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
TOTAL	\$26,340,896	\$23,553,727	\$2,787,169

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
PFC (6.25%):	\$44,375.00

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

PFC (100%): \$500,000.00

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

PFC (100%): \$550,000.00

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

PFC (100%): \$16,920.00