

Chapter 7 – Financial and Development Program



Introduction

The purpose of this chapter is to present the projects identified in the Airport Capital Improvement Program (ACIP) that have been developed and assembled based on the analyses conducted in the Facility Requirements and Development Alternatives chapters (Chapters Four and Five). The ACIP projects are summarized in **Table 7-1** and depicted in **Figure 7-1** later in the chapter. The ACIP is organized in short, intermediate- and long-term periods that reflect both project prioritization and financial capabilities. Several factors were considered in determining project prioritization, including safety, forecast demand, the need to maintain/replace existing airfield facilities, and financial capabilities of both the City and FAA to support the development program based on existing funding mechanisms.

The master plan preferred alternative includes airside elements (improvements to west parallel taxiway exit locations and geometry, a future east parallel taxiway, new taxiway access to hangars, lighting upgrades, converting paved overruns to useable runway with displaced thresholds), and landside elements (main apron reconfiguration, helicopter parking, hangars, FBO related facility development areas). Minor pavement maintenance items such as vegetation removal and crack filling are not included in the capital improvement program, but will need to be undertaken by the City on an annual or semi-annual basis.

In addition to specific construction related activities, some projects will require environmental study. A brief environmental review presented in Chapter 6 and **Appendix D**, provides an overview of areas of potential concern related to the proposed development. Individual projects may require additional project specific evaluations to meet applicable local, state or federal regulatory requirements.



The ACIP lists all major projects included in the twenty year planning period addressed in the Master Plan. Individual projects for the first five years of the planning period are listed in order of priority by year. Projects for the intermediate and long-term phases of the planning period (years 6-20) are listed in order of priority but have not been assigned a year. Each project's eligibility for FAA funding is noted, based on current federal legislation and funding formulas. Specific project details are depicted on the updated airport layout plan and terminal area plan drawings contained in Chapter 8.

A primary source of potential funding identified in this plan is the FAA's Airport Improvement Program (AIP). As proposed, approximately 90 percent of the airport's 20 year ACIP will be eligible for federal funding. Funds from this program are derived from the Aviation Trust Fund, which is the depository for all federal aviation taxes collected on such items as airline tickets, aviation fuel, lubricants, tires, aircraft registrations, and other aviation related fees. These funds are distributed by FAA under appropriations set by Congress to all airports in the United States that are included in the federal airport system (National Plan of Integrated Airport Systems – NPIAS).

However, as noted in **Table 7-1**, the projected twenty year total for FAA eligible projects in the ACIP significantly exceeds current FAA funding levels through the non-primary entitlement program. While other types of FAA funding may be available for some projects, it is reasonable to assume that despite establishing eligibility for FAA funding, not all eligible projects are likely to be funded by FAA. As the City manages its ACIP, maximizing the use of available FAA and other outside sources of funding is assumed. However, in some cases, the limited availability of outside funds may require projects to be deferred, or funded with increased levels of City, State or private funding.

Airport Development Schedule and Cost Estimates

Cost estimates for each individual project were developed in 2014 dollars based on typical construction costs associated for the specific type of project. The project costs listed in the ACIP represent order-of-magnitude estimates that approximate design engineering, environmental, other related costs, sales tax, and contingencies. The estimates are intended only for preliminary planning and programming purposes. Specific project analysis and detailed engineering design will be required at the time of project implementation to provide more refined and detailed estimates of the development costs.

In future years, as the plan is carried out, these cost estimates can continue to assist management by adjusting the 2014-based figures for subsequent inflation. This may be accomplished by converting the interim change in the United States Consumer Price Index (USCPI) into a multiplier ratio through the following formula:

$$\frac{X}{I} = Y$$

where:



X = US CPI in any given future year
 Y = Change Ratio
 I = Current Index (US CPI)¹

US CPI-U
238.343
(1982-1984 = 100)
June 2014

Multiplying the change ratio (Y) times any 2014-based cost figures presented in this study will yield the adjusted dollar amounts appropriate in any future year evaluation. Several different CPI-based indices are available for use and any applicable index may be substituted by the City in its financial management program.

The following sections outline the recommended development program and funding assumptions. The scheduling has been prepared according to the facility requirements determined through the master plan evaluation. The projected staging of development projects is based upon anticipated needs and investment priorities. Actual activity levels may vary from projected levels; therefore, the staging of development in this section should be viewed as a general guide. When activity does vary from projected levels, implementation of development projects should occur when demand warrants, rather than according to the estimated staging presented in this chapter. In addition to major projects, the airport will continue to require regular facility maintenance such as pavement maintenance, vegetation control, sweeping, lighting repair and fuel system maintenance.

The first phase of the capital improvement program includes the highest priority projects recommended during the first five years of the planning period. Intermediate and long term projects are anticipated to occur in the 6 to 20 year time period, although changes in demand or other conditions could accelerate or slow demand for some improvements.

SHORT TERM PROJECTS

The short term program contains work items of the highest priority. Priority items include improvements related to safety. Because of their priority, these items will need to be incorporated into the State Capital Improvement Program (SCIP) managed by the FAA Seattle Airport District Office and Oregon Department of Aviation (ODA). To assist with this process, the short term projects are scheduled in specific calendar years for the first six years of the planning period (2014-2019).

¹ U.S. Consumer Price Index for All Urban Consumers (US CPI-U)



The main focus in the short term development period is to complete the airport fencing, convert existing runway overruns to useable runway (displaced thresholds), add north and south taxiway connectors to runway ends, create a new aircraft hold area at south end of runway (west parallel taxiway), complete a main apron rehabilitation and reconfiguration as well as preserve pavement through pavement maintenance (sealcoat, repaint markings).

Short Term Projects:

- New airport fencing (completed in 2014);
- Runway 16/34 displaced thresholds, repaint markings, new lighting and signage (convert existing paved overruns);
- South taxiway connector (to displaced threshold); overlay south section of west parallel taxiway;
- North extension west parallel taxiway connector (to displaced threshold);
- South aircraft hold area (new at south end of runway);
- Main apron rehabilitation, reconstruction and reconfiguration (north-middle section); and
- Sealcoat hangar taxilanes, parallel and connector taxiways and tiedown apron.

INTERMEDIATE & LONG TERM PROJECTS

Several intermediate or long term projects are considered to be current needs. However, based on the limited funding resources available, it was necessary to shift some projects to the longer term timeline. However, projects may be completed sooner in the event that additional funding can be generated.

Intermediate Term Projects (6-10 years)

- Automated weather and observation system (AWOS);
- Northeast transient tiedown apron expansion;
- West parallel taxiway medium intensity taxiway lighting (MITL);
- Southwest hangar area, access road extension, stormwater and utilities;
- Main apron expansion and reconfiguration; fueling area, helicopter parking, stormwater;
- Sealcoat hangar taxilanes, main apron and tiedown apron;
- Sealcoat parallel taxiway with connectors and repaint markings; and



- Sealcoat Runway 16/34 and repaint markings.

Long Term Projects (11-20 years)

- Reconstruct north T-hangar portion of taxiway (east side of hangar);
- Southeast hangar area stormwater, access road extension and utilities;
- Main apron rehabilitation, reconstruction (east section);
- Sealcoat the tiedown apron and hangar taxiways;
- Overlay Runway 16/34 and repaint markings;
- Sealcoat Main Apron (as needed);
- Hangar taxiways, west parallel taxiway, connecting taxiways, tiedown apron overlay and repaint markings;
- East parallel taxiway and southeast apron sealcoat;
- Beacon replacement;
- Replace the existing Runway 16/34 medium intensity runway lights at the end of useful life;
- Replace Runway 16/34 runway end identifier lights at the end of useful life; and
- Replace Runway 16/34 precision approach path indicators at the end of useful life.

Albany Municipal Airport

Current NPE \$ Accumulation: \$172,058 (FY 2013, FY 2014)

Prepared by Century West Engineering

DRAFT 20-YEAR CAPITAL IMPROVEMENT PROGRAM 2014-2033

Short Term	Yr	Project	ID	Project Category	Unit	Quantity	Unit Cost	Subtotal Cost	40% Engineering/ Contingency/ Environmental	Total Cost	FAA GA Entitlement	Other FAA **	Local Costs
2013-14	0	Airport Fencing (SW & East Airfield) (8' chain-link) *		Security	LS	1	\$309,870	\$309,870	\$0	\$309,870	\$278,883	\$0	\$30,987
Subtotal - Year 0								\$309,870	\$0	\$309,870	\$278,883	\$0	\$30,987
2015	1	Runway 16 & 34 Displaced Threshold Sealcoat, Marking, Lighting, Signage		Other	LS	1	\$125,000	\$125,000	\$50,000	\$175,000	\$157,500	\$0	\$17,500
		South Taxiway Connector (to Displaced Threshold); Overlay S. P. Txy (500')		Pavement Construction	SY	450	\$75	\$100,000	\$40,000	\$140,000	\$126,000	\$0	\$14,000
		North Extension West Parallel Taxiway Connector (to Displaced Threshold)		Pavement Construction	SY	770	\$75	\$57,750	\$23,100	\$80,850	\$38,558	\$34,207	\$8,085
Subtotal - Year 1								\$282,750	\$113,100	\$395,850	\$322,058	\$34,207	\$39,585
2016	2	South Aircraft Hold Area (new @ south end of runway)		Pavement Construction	SY	1,275	\$75	\$95,625	\$38,250	\$133,875	\$120,488	\$0	\$13,388
Subtotal - Year 2								\$95,625	\$38,250	\$133,875	\$120,488	\$0	\$13,388
2017	3	Main Apron (north-middle section) - Rehab/Reconst. & Reconfiguration		Pavement Rehabilitation	SY	8,900	\$55	\$504,500	\$201,800	\$706,300	\$179,513	\$456,158	\$70,630
Subtotal - Year 3								\$504,500	\$201,800	\$706,300	\$179,513	\$456,158	\$70,630
2018	4	West Parallel Taxiway & Exits - Sealcoat/Repaint Markings		Pavement Maintenance	SY	14,925	\$2	\$39,850	\$15,940	\$55,790	\$50,211	\$0	\$5,579
		NW Hangar Taxilanes - Sealcoat		Pavement Maintenance	SY	4,320	\$2	\$10,640	\$4,256	\$14,896	\$13,406	\$0	\$1,490
		SW Hangar Taxilanes - Sealcoat		Pavement Maintenance	SY	13,400	\$2	\$31,800	\$12,720	\$44,520	\$40,068	\$0	\$4,452
		NE Tiedown Apron and Taxiway Sealcoat		Pavement Maintenance	SY	5,450	\$2	\$15,900	\$6,360	\$22,260	\$20,034	\$0	\$2,226
		Runway 16/34 Sealcoat/Repaint Markings (3,004 x75')		Pavement Maintenance	SY	25,033	\$2	\$70,066	\$28,026	\$98,092	\$26,281	\$62,002	\$9,809
Subtotal - Year 4								\$168,256	\$67,302	\$235,558	\$150,000	\$62,002	\$23,556
2019	5	Main Apron (south-middle and west sections) - Rehab/Reconst. & Reconfig.		Pavement Rehabilitation	SY	10,875	\$55	\$610,125	\$244,050	\$854,175	\$150,000	\$618,758	\$85,418
Subtotal - Year 5								\$610,125	\$244,050	\$854,175	\$150,000	\$618,758	\$85,418
							0-5	\$1,802,870	\$597,200	\$2,400,070	\$1,050,941	\$1,109,122	\$240,007

see note *

NPE Accumulation \$172,058
 FY 2015 NPE \$150,000
 Total Available (NPE) \$322,058

NPE Accumulation \$0
 FY 2016 NPE \$150,000
 Total Available (NPE) \$150,000

NPE Accumulation \$29,513
 FY 2017 NPE \$150,000
 Total Available (NPE) \$179,513

NPE Accumulation \$0
 FY 2018 NPE \$150,000
 Total Available (NPE) \$150,000

NPE Accumulation (\$0)
 FY 2018 NPE \$150,000
 Total Available (NPE) \$150,000

* Current Year Project Grant not included in NPE accumulation effective 2014

** Other FAA Funding Total listed for reference only based on general project eligibility; FAA funding levels are expected to be below projected needs.

Intermediate Term	2020-2024	Project	Project Category	Unit	Quantity	Unit Cost	Subtotal Cost	40% Engineering/ Contingency/ Environmental	Total Cost	FAA GA Entitlement	FAA Eligible **	Local Costs
		Automated Weather Observation System (AWOS)	Other	LS	1	\$192,000	\$192,000	\$76,800	\$268,800	\$241,920	\$0	\$26,880
		NE Transient Tiedown Apron Expansion	Pavement Construction	SY	2,537	\$75	\$193,275	\$77,310	\$270,585	\$243,527	\$0	\$27,059
		West Parallel Taxiway - MITL	Lighting	LF	3,660	\$60	\$219,600	\$87,840	\$307,440	\$264,553	\$12,143	\$30,744
		Main Apron - South Taxilane Extension (new); Stormwater	Pavement Construction	LF	970	\$75	\$87,750	\$35,100	\$122,850	\$0	\$110,565	\$12,285
		SW Hangar Area - Stub Taxilane (1), Stormwater	Pavement Construction	SY	940	\$75	\$85,500	\$34,200	\$119,700	\$0	\$107,730	\$11,970
		SW Hangar Area - Access Road Extension	Other	LF	700	\$50	\$65,000	\$26,000	\$91,000	\$0	\$81,900	\$9,100
		SW Hangar Area - Utilities, Stormwater	Other	LF	1,500	\$90	\$135,000	\$54,000	\$189,000	\$0	\$37,800	\$151,200
		Main Apron Expansion/Reconfigured Fueling Area, Helicopter Parking	Pavement Construction	SY	2,200	\$75	\$185,000	\$74,000	\$259,000	\$0	\$233,100	\$25,900
		North Hangar Taxilanes - Sealcoat	Pavement Maintenance	SY	4,320	\$2	\$10,640	\$4,256	\$14,896	\$0	\$13,406	\$1,490
		SW Hangar Taxilanes (Existing) - Sealcoat (phased)	Pavement Maintenance	SY	13,400	\$2	\$31,800	\$12,720	\$44,520	\$0	\$40,068	\$4,452
		NW Hangar Taxilanes - Sealcoat	Pavement Maintenance	SY	4,320	\$2	\$10,640	\$4,256	\$14,896	\$0	\$13,406	\$1,490
		NE Tiedown Apron and Taxiway Sealcoat	Pavement Maintenance	SY	7,990	\$2	\$20,980	\$8,392	\$29,372	\$0	\$26,435	\$2,937
		Main Apron - Sealcoat (phased based on need)	Pavement Rehabilitation	SY	30,155	\$2	\$75,310	\$30,124	\$105,434	\$0	\$94,891	\$10,543
		West Parallel Taxiway & Exits - Sealcoat/Repaint Markings	Pavement Maintenance	SY	14,925	\$2	\$39,850	\$15,940	\$55,790	\$0	\$50,211	\$5,579
		Runway 16/34 Sealcoat/Repaint Markings (3,659' x75')	Pavement Maintenance	SY	30,500	\$2	\$81,000	\$32,400	\$113,400	\$0	\$102,060	\$11,340
Subtotal - Year 6-10							\$1,433,345	\$573,338	\$2,006,683	\$750,000	\$923,715	\$332,968

** Other FAA Funding Total listed for reference only based on general project eligibility; FAA funding levels are expected to be below projected needs.

5 year NPE \$ = \$750,000

Long Term	2025-2034	Project	Project Category	Unit	Quantity	Unit Cost	Subtotal Cost	40% Engineering/ Contingency/ Environmental	Total Cost	FAA GA Entitlement	FAA Eligible **	Local Costs
		North T-Hangar Stub Taxilane Replacement (east side of hangar)	Pavement Construction	SY	1,200	\$75	\$90,000	\$36,000	\$126,000	\$113,400	\$0	\$12,600
		SW Hangar Area - L Stub Taxilane (1), Stormwater	Pavement Construction	SY	1,070	\$75	\$100,250	\$40,100	\$140,350	\$126,315	\$0	\$14,035
		Main Apron - Rehab/Reconst. (east section)	Pavement Rehabilitation	SY	8,230	\$55	\$479,650	\$191,860	\$671,510	\$604,359	\$0	\$67,151
		East Parallel Taxiway w/ 2 Connectors - Southeast Hangar Area	Pavement Construction	SY	3,900	\$75	\$292,500	\$117,000	\$409,500	\$368,550	\$0	\$40,950
		SE Hangar Area - Apron, Stormwater	Pavement Construction	SY	8,500	\$75	\$660,500	\$264,200	\$924,700	\$287,376	\$544,854	\$92,470
		SE Hangar Area - Access Road Extension, Stormwater	Other	LF	700	\$50	\$65,000	\$26,000	\$91,000	\$0	\$81,900	\$9,100
		SE Hangar Area - Utilities, Stormwater	Other	LF	1,500	\$90	\$135,000	\$54,000	\$189,000	\$0	\$37,800	\$151,200
		NW Hangar Taxilanes - Sealcoat (phased based on need)	Pavement Maintenance	SY	4,320	\$2	\$10,640	\$4,256	\$14,896	\$0	\$13,406	\$1,490
		SW Hangar Taxilanes - Sealcoat (phased based on need)	Pavement Maintenance	SY	15,350	\$2	\$30,700	\$12,280	\$42,980	\$0	\$38,682	\$4,298
		NE Tiedown Apron and Taxiway Sealcoat (existing + new tiedown area)	Pavement Maintenance	SY	7,990	\$2	\$25,980	\$10,392	\$36,372	\$0	\$32,735	\$3,637
		West Parallel Taxiway & Exits - Overlay/Repaint Markings	Pavement Rehabilitation	SY	14,925	\$55	\$830,875	\$332,350	\$1,163,225	\$0	\$1,046,903	\$116,323
		Runway 16/34 Overlay/Repaint Markings (3,659' x75')	Pavement Rehabilitation	SY	30,500	\$55	\$1,697,500	\$679,000	\$2,376,500	\$0	\$2,138,850	\$237,650
		Main Apron - Sealcoat (phased based on need)	Pavement Rehabilitation	SY	30,155	\$2	\$75,310	\$30,124	\$105,434	\$0	\$94,891	\$10,543
		Southwest Hangar Area - Stub Taxilanes - Sealcoat	Pavement Rehabilitation	SY	2,010	\$2	\$6,020	\$2,408	\$8,428	\$0	\$7,585	\$843
		SW Hangar Taxilanes - Overlay Select Sections	Pavement Rehabilitation	SY	13,400	\$55	\$742,000	\$296,800	\$1,038,800	\$0	\$934,920	\$103,880
		NW Hangar Taxilanes - Overlay Select Sections	Pavement Rehabilitation	SY	4,320	\$55	\$242,600	\$97,040	\$339,640	\$0	\$305,676	\$33,964
		East Parallel Taxiway Sealcoat	Pavement Maintenance	SY	3,900	\$2	\$13,800	\$5,520	\$19,320	\$0	\$17,388	\$1,932
		SE Apron Sealcoat	Pavement Maintenance	SY	8,500	\$2	\$20,000	\$8,000	\$28,000	\$0	\$25,200	\$2,800
		Airport Beacon & Tower (replacement)	Lighting	LS	1	\$125,000	\$125,000	\$50,000	\$175,000	\$0	\$157,500	\$17,500
		MIRL Runway 16/34 (3,659') (replacement)	Lighting	LF	3,660	\$60	\$219,600	\$87,840	\$307,440	\$0	\$276,696	\$30,744
		REIL - Runway 16 & 34 (replacement)	Lighting	ea	2	\$25,000	\$50,000	\$20,000	\$70,000	\$0	\$63,000	\$7,000
		PAPI - Runway 16 & 34 (replacement)	Lighting	ea	2	\$60,000	\$120,000	\$48,000	\$168,000	\$0	\$151,200	\$16,800
		NE Tiedown Apron and Taxiway Overlay	Pavement Rehabilitation	SY	5,450	\$55	\$314,750	\$125,900	\$440,650	\$0	\$396,585	\$44,065
20 Yr Total							\$9,583,890	\$3,709,608	\$13,293,498	\$3,300,940	\$8,398,608	\$1,593,950

** Other FAA Funding Total listed for reference only based on general project eligibility; FAA funding levels are expected to be below projected needs.

10 year NPE \$ = \$1,500,000

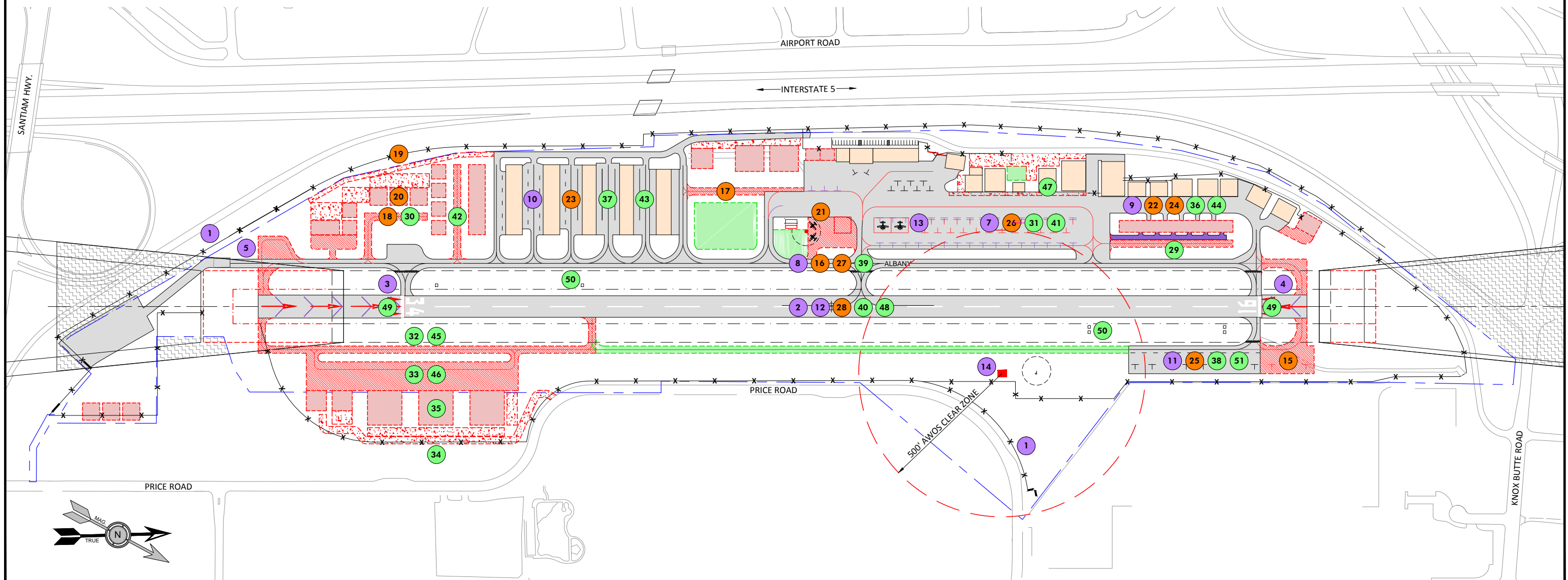
CAPITAL IMPROVEMENT PROGRAM TERM 2013 - 2018	
1	AIRPORT FENCING (SW & EAST AIRFIELD) (8' CHAIN-LINK)
2	RUNWAY 16 & 34 DISPLACED THRESHOLD SEALCOAT, MARKING, LIGHTING, SIGNAGE
3	SOUTH TAXIWAY CONNECTOR (TO DISPLACED THRESHOLD); OVERLAY S.P. TWY (500')
4	NORTH EXTENSION WEST PARALLEL TAXIWAY CONNECTOR (TO DISPLACED THRESHOLD)
5	SOUTH AIRCRAFT HOLD AREA (NEW @ SOUTH END OF RUNWAY)
7	MAIN APRON (NORTH-MIDDLE SECTION) - REHAB/RECONST. & RECONFIGURATION
8	WEST PARALLEL TAXIWAY & EXITS - SEALCOAT/REPAINT MARKINGS
9	NW HANGAR TAXILANES - SEALCOAT
10	SW HANGAR TAXILANES - SEALCOAT
11	NE TIEDOWN APRON AND TAXIWAY SEALCOAT
12	RUNWAY 16/34 SEALCOAT/REPAINT MARKINGS (3,004' X 75')
13	MAIN APRON (SOUTH-MIDDLE AND WEST SECTIONS) - REHAB/RECONST. & RECONFIG.
14	AUTOMATED WEATHER OBSERVATION SYSTEM (AWOS)

CAPITAL IMPROVEMENT PROGRAM TERM 2020 - 2024	
15	NE TRANSIENT TIEDOWN APRON EXPANSION
16	WEST PARALLEL TAXIWAY - MITL
17	MAIN APRON - SOUTH TAXILANE EXTENSION (NEW); STORMWATER
18	SW HANGAR AREA - STUB TAXILANE (1); STORMWATER
19	SW HANGAR AREA - ACCESS ROAD EXTENSION
20	SW HANGAR AREA - UTILITIES, STORMWATER
21	MAIN APRON EXPANSION/RECONFIGURED FUELING AREA, HELICOPTER PARKING
22	NORTH HANGAR TAXILANES - SEALCOAT
23	SW HANGAR TAXILANES (EXISTING) - SEALCOAT (PHASED)
24	NW HANGAR TAXILANES - SEALCOAT
25	NE TIEDOWN APRON AND TAXIWAY SEALCOAT
26	MAIN APRON - SEALCOAT (PHASED BASED ON NEED)
27	WEST PARALLEL TAXIWAY & EXITS - SEALCOAT/REPAINT MARKINGS
28	RUNWAY 16/34 SEALCOAT/REPAINT MARKINGS (3,659' X 75')

CAPITAL IMPROVEMENT PROGRAM TERM 2025 - 2034	
29	NORTH T-HANGAR STUB TAXILANE REPLACEMENT (EAST SIDE OF HANGAR)
30	SW HANGAR AREA - L STUB TAXILANE (1); STORMWATER
31	MAIN APRON - REHAB/RECONST. (EAST SECTION)
32	EAST PARALLEL TAXIWAY W/ 2 CONNECTORS - SOUTHEAST HANGAR AREA
33	SE HANGAR AREA - APRON, STORMWATER
34	SE HANGAR AREA - ACCESS ROAD EXTENSION, STORMWATER
35	SE HANGAR AREA - UTILITIES, STORMWATER
36	NW HANGAR TAXILANES - SEALCOAT (PHASED BASED ON NEED)
37	SW HANGAR TAXILANES - SEALCOAT (PHASED BASED ON NEED)
38	NE TIEDOWN APRON AND TAXIWAY SEALCOAT (EXISTING & NEW TIEDOWN AREA)
39	WEST PARALLEL TAXIWAY & EXITS - OVERLAY/REPAINT MARKINGS
40	RUNWAY 16/34 OVERLAY/REPAINT MARKINGS (3,659' X 75')
41	MAIN APRON - SEALCOAT (PHASED BASED ON NEED)
42	SW HANGAR AREA - STUB TAXILANES - SEALCOAT

CAPITAL IMPROVEMENT PROGRAM TERM 2025 - 2034	
43	SW HANGAR TAXILANES - OVERLAY SELECT SECTIONS
44	NW HANGAR TAXILANES - OVERLAY SELECT SECTIONS
45	EAST PARALLEL TAXIWAY SEALCOAT
46	SE APRON SEALCOAT
47	AIRPORT BEACON & TOWER (REPLACEMENT)
48	MIRL RUNWAY 16/34 (3,659') (REPLACEMENT)
49	REIL - RUNWAY 16 & 34 (REPLACEMENT)
50	PAPI - RUNWAY 16 & 34 (REPLACEMENT)
51	NE TIEDOWN APRON AND TAXIWAY OVERLAY

NOTE:
1. FACILITY DEVELOPMENT RESERVES
DEPICTED IN GREEN.



BEND OFFICE
1020 SW EMKAY DRIVE # 100
BEND, OR 97702
541.322.8962
541.382.2423 (FAX)
WWW.CENTURYWEST.COM

ALBANY MUNICIPAL AIRPORT 20 YEAR CAPITAL IMPROVEMENT PROGRAM PHASING DIAGRAM

Figure No.
7-1



Capital Funding Sources

FEDERAL GRANTS

Federal funding is provided through the Federal Airport Improvement Program (AIP). This reauthorization is the latest evolution of a funding program originally authorized by Congress in 1946 as the Federal Aid to Airports Program (FAAP). The program provides grant funding for airports listed in the National Plan of Integrated Airport Systems (NPIAS). Under current legislation, eligible general aviation airports can receive up to \$150,000 per year in general aviation “non-primary entitlement” grants. Participating airport sponsors may roll over the funding allocations for up to four years, at which time the accumulated total of funds can be used for larger projects. Any unused funds that remain beyond the maximum allowable roll over period revert to the FAA for use at other airports. These funds may only be used for eligible capital improvement projects and may not support airport operation and maintenance costs. Current FAA funding levels are 90 percent with a 10 percent local match.

FAA funding is limited to projects that have clearly defined need that has been identified through preparation of an FAA approved Airport Layout Plan (ALP). Periodic updates of the ALP are required when new or unanticipated project needs or opportunities exist that require use of FAA funds. The FAA will not generally participate in vehicle parking, utilities, building renovations or projects associated with non-aviation developments.

Projects such as hangar construction or fuel systems are eligible for funding, although the FAA indicates that this category of project would be considered to be a much lower priority than other airfield needs and would effectively preclude funding other FAA-eligible projects for several years.

The FAA also provides discretionary grants to airports. The dollar amounts of individual grants vary and can be significantly larger than the primary entitlements. Discretionary grants are awarded at the FAA's sole discretion. Discretionary funds are distributed after all entitlement funds have been allocated. For larger projects requiring substantially larger amounts of funding, non-primary entitlement, state apportionment, and discretionary grants are often combined. Other types of FAA funding include facilities & equipment (F&E) projects and Congressionally-appropriated dollars for specific projects.

STATE FUNDING

No specific level of Oregon Department of Aviation (ODA) funding has been assumed in the CIP presented in **Table 7-1**. It is recommended that the City maximize use of any ODA or other State of Oregon funds that are available in the planning period.

Pavement Maintenance Program

The Pavement Management Program (PMP) programs airfield pavement maintenance funds on established multi-year cycles. This program is intended to preserve and maintain existing airfield pavements in order to maximize their useful lives and the economic value of the pavement. As noted



earlier, several short-term pavement maintenance projects are identified for Albany Municipal Airport in the most recent 2012 PMP. The program funds pavement maintenance and associated improvements (crack filling, repair, sealcoats, etc.), including some items which have not traditionally been eligible for FAA funding.

Funding for the PMP is generated through collection of aviation fuel taxes. ODA manages the PMP through an annual consultant services contract and work is programmed on a 3-year regional rotation. The program includes a regular schedule of inspection and subsequent field work. Benefits from the PMP include:

- Economy of scale in bidding contracts
- Federal/State/Local partnerships that maximize airport improvement funds
- PMP is not a grant program and local match is on a sliding scale (50% - 5% required).

The PMP includes the following features:

- Review prior year's Pavement Condition Index (PCI) reports
- Only consider PCIs above 70
- Apply budget
- Limit work to patching, crack sealing, fog sealing, slurry sealing
- Add allowance for striping
- Program to include approximately 20 airports per year, depending on funding levels.

Financial Aid to Municipalities (FAM) Grants

ODA's FAM grant program has been suspended in recent years due to a lack of funding. Efforts to resume the program are currently being considered by ODA. Previously, FAM grants up to \$25,000 were available to Oregon airports for eligible airport related projects.

State Capital Improvement Program (SCIP)

The FAA's Seattle Airport District Office (ADO) is working with state aviation agencies in Oregon, Washington and Idaho to develop a coordinated "state" capital improvement program, known as the SCIP. The SCIP is intended to become the primary tool used by FAA, state aviation agencies and local airport sponsors to prioritize funding. The program has reached full implementation with current and near term future funding decisions prioritized through evaluation formulas. Airport sponsors are asked to provide annual updates to the short term project lists annually in order to maintain a current system of defined project needs. The short term priorities identified in the master plan CIP will be imported into the SCIP and will be subject to additional prioritization for funding in competitive statewide evaluations.



LOCAL FUNDING

As currently defined, the locally funded (City/tenant) portion for twenty year planning period is estimated to be just over \$1.6 million. Hangar construction costs and building maintenance have not been included in the CIP..

The majority of local matching funds are generated through airport revenues, including fuel sales, land leases and sale proceeds from non-aviation parcels in the airport industrial park. The city reviews Albany Municipal Airport's rates and fees schedule and land lease terms annually to ensure that the airport is generating fair and reasonable revenue for its facilities. Property appraisals are also recommended to periodically gauge local market valuation.

Airport sponsors occasionally fund infrastructure and revenue-generating development such as hangars locally, either through an inter fund loan or the issuance of long term debt (bonds).

Airport Rates and Fees

The primary aviation use rates and fees used at Albany Municipal Airport are summarized in **Table 7-2**. A review of existing rates and fees indicates that the airport's fee structure is generally comparable with other similarly sized Oregon airports. Rates at individual general aviation airports vary based primarily on market conditions. For example, hangar rental rates in the Portland metro area or in the Bend-Redmond area are typically considerably higher than at airports in other parts of the state. An airport's ability to effectively raise rates must consider local and regional market conditions and the potential for nearby competitive airports to attract tenants through more economical rates. The rates and fees structure should be subject to regular review and adjustment to reflect inflation, market conditions and specific facility improvements.

TABLE 7-2: EXISTING RATES AND FEES

Based Aircraft Tie-Downs	\$25/Month
Open T-Hangar	\$40/Month
Historic Bird Hangar	\$60/Month
Large Historic Hangar	\$500/Month
FBO Building Hangar	\$150/Month
South FBO Building (portion)	\$100/Month
North FBO (small office)	\$30/Month
Aviation Use Ground Leases	\$0.21 per square foot (annual)



Cash Flow Analysis

Based on data provided by the city and the noted assumptions on future events, a projection of airport operating revenues and expenses for the 20-year planning period is presented in **Table 7-3**. According to Albany Municipal Airport 2014 Revenue and Expenditure Report, the airport is currently operating with a positive cash flow of approximately \$10,000 annually (based on operating revenues and expenses only). The general operating position of the airport is expected to improve as specific facility improvements occur and overall airport activity increases. Basic business decisions will also need to be made regarding the financial feasibility of renovating individual city-owned buildings. These decisions should be made based on market conditions, expected return on investment, and any intangible benefits provided to the community that would result from the project.

The airport has three primary revenue categories: user charges, land leases, buildings and facilities. The current rates and fees structure appear to be generally in line with market rates at other general aviation airports in the region. For the purposes of projecting future revenues, it is assumed that revenues will increase at an average rate of 4 percent annually, through the 20-year planning period. This rate assumes both an increase in revenue-producing activities on the airport (new leases, fuel sales, etc.) and periodic increases in current rates and fees to account for inflation and market conditions.

The current level of maintenance and operating expenses is considered to be reasonable based on the size of the facility and reflects the efficient use of staff and outside resources. It is anticipated that airport operating and maintenance expenses will generally increase at a rate slightly higher than inflation to reflect both normal cost increases and nominal increases in expenses that would attribute to increased activity. Additional maintenance expenses are also anticipated as the airfield continues to expand physically. Although the precise staging of facility expansion will depend on market demand and availability of funding the new facilities identified in the 20-year CIP. The costs of maintaining the airfield can be reasonably expected to increase incrementally as the facility expands.

Ongoing capital improvement expenditures will include local match for state and federal grants and the full or partial cost of projects not eligible for FAA or state funding."

**TABLE 7-3: AIRPORT REVENUE AND EXPENSE PROJECTIONS FOR OPERATIONS (DOES NOT INCLUDE CAPITAL SPENDING)**

	2014	2015	2016	2017	2018	2019	2020
Airport Revenues							
Land Leases	\$45,000	\$46,575	\$48,205	\$49,892	\$52,595	\$54,435	\$56,341
Building Leases	\$ 28,200	\$29,187	\$30,209	\$31,266	\$32,360	\$33,493	\$34,665
FBO	\$9,000	\$9,315	\$9,641	\$9,978	\$10,328	\$10,689	\$11,063
Tiedowns	\$600	\$621	\$643	\$665	\$689	\$713	\$738
Fuel Flowage	\$185,500	\$191,993	\$198,712	\$205,667	\$212,866	\$220,316	\$228,027
Interest Income	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Total Operating Revenues	\$268,600	\$277,990	\$287,709	\$297,769	\$309,136	\$319,945	\$331,133
Airport Expenses							
Building Maintenance	\$20,900	\$21,527	\$22,173	\$22,838	\$23,523	\$24,229	\$24,956
Grounds Maintenance	\$7,600	\$7,828	\$8,063	\$8,305	\$8,554	\$8,810	\$9,075
Utilities	\$9,500	\$9,785	\$10,079	\$10,381	\$10,692	\$11,013	\$11,343
Personnel Services	\$14,700	\$15,141	\$15,595	\$16,063	\$16,545	\$17,041	\$17,553
Misc.	\$35,700	\$36,771	\$37,874	\$39,010	\$40,181	\$41,386	\$42,628
Aviation Fuel Purchase	\$170,500	\$175,615	\$180,883	\$186,310	\$191,899	\$197,656	\$203,586
Total Operating Expenses	\$258,900	\$266,667	\$274,667	\$282,907	\$291,394	\$300,136	\$309,140



	2021	2022	2023	2024	2025	2026	2027
Airport Revenues							
Land Leases	\$58,313	\$60,353	\$63,455	\$65,676	\$67,974	\$70,353	\$72,816
Building Leases	\$35,878	\$37,134	\$38,434	\$39,779	\$41,171	\$42,612	\$44,104
FBO	\$11,451	\$11,851	\$12,266	\$12,695	\$13,140	\$13,600	\$14,076
Tiedowns	\$763	\$790	\$818	\$846	\$876	\$907	\$938
Fuel Flowage	\$236,008	\$244,268	\$252,817	\$261,666	\$270,824	\$280,303	\$290,114
Interest Income	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Total Operating Revenues	\$342,712	\$354,697	\$368,090	\$380,962	\$394,286	\$408,075	\$422,347
Airport Expenses							
Building Maintenance	\$25,704	\$26,475	\$27,270	\$28,088	\$28,930	\$29,798	\$30,692
Grounds Maintenance	\$9,347	\$9,627	\$9,916	\$10,214	\$10,520	\$10,836	\$11,161
Utilities	\$11,684	\$12,034	\$12,395	\$12,767	\$13,150	\$13,545	\$13,951
Personnel Services	\$18,079	\$18,622	\$19,180	\$19,756	\$20,348	\$20,959	\$21,587
Misc.	\$43,906	\$45,224	\$46,580	\$47,978	\$49,417	\$50,900	\$52,427
Aviation Fuel Purchase	\$209,693	\$215,984	\$222,464	\$229,138	\$236,012	\$243,092	\$250,385
Total Operating Expenses	\$318,414	\$327,967	\$337,806	\$347,940	\$358,378	\$369,129	\$380,203



	2028	2029	2030	2031	2032	2033	2034
Airport Revenues							
Land Leases	\$76,388	\$79,062	\$81,829	\$84,693	\$87,657	\$91,785	\$94,998
Building Leases	\$45,647	\$47,245	\$48,898	\$50,610	\$52,381	\$54,215	\$56,112
FBO	\$14,568	\$15,078	\$15,606	\$16,152	\$16,717	\$17,303	\$17,908
Tiedowns	\$971	\$1,005	\$1,040	\$1,077	\$1,114	\$1,154	\$1,194
Fuel Flowage	\$300,268	\$310,777	\$321,654	\$332,912	\$344,564	\$356,624	\$369,106
Interest Income	\$300	\$300	\$300	\$300	\$300	\$300	\$300
Total Operating Revenues	\$438,143	\$453,467	\$469,328	\$485,744	\$502,735	\$521,380	\$539,618
Airport Expenses							
Building Maintenance	\$31,613	\$32,562	\$33,538	\$34,545	\$35,581	\$36,648	\$37,748
Grounds Maintenance	\$11,496	\$11,841	\$12,196	\$12,562	\$12,938	\$13,327	\$13,726
Utilities	\$14,370	\$14,801	\$15,245	\$15,702	\$16,173	\$16,658	\$17,158
Personnel Services	\$22,235	\$22,902	\$23,589	\$24,297	\$25,026	\$25,777	\$26,550
Misc.	\$53,999	\$55,619	\$57,288	\$59,007	\$60,777	\$62,600	\$64,478
Aviation Fuel Purchase	\$257,897	\$265,633	\$273,602	\$281,811	\$290,265	\$298,973	\$307,942
Total Operating Expenses	\$391,609	\$403,358	\$415,458	\$427,922	\$440,760	\$453,983	\$467,602

Revenue Assumptions:

- A. Land leases increase at 3.5% per year (inflation factor) with specific bumps for additional leases estimated one new conventional hangar every 5 years (see below). *These numbers may vary based on the actual size of future hangars and actual year of construction.*



1. (2018) New 65x70 foot hangar ground lease (initial revenue \$956/yr. at current \$.21sq/ft. lease rates).
 2. (2023) New 65x70 foot hangar ground lease (initial revenue \$989/yr. at future estimated \$.217sq/ft. lease rates).
 3. (2028) New 65x70 foot hangar ground lease (initial revenue \$1024/yr. at future estimated \$.225sq/ft. lease rates).
 4. (2033) New 65x70 foot hangar ground lease (initial revenue \$1060/yr. at future estimated \$.232sq/ft. lease rates).
- B. Building leases increase at 3.5% per year (inflation factor). No plans of any future City owned hangar buildings to be constructed in the next 20 years.
- C. FBO income increase at 3.5% per year (inflation factor).
- D. Tie-downs increase at 3.5% per year (inflation factor).
- E. Fuel flowage increase at 3.5% per year (inflation factor).
- F. Interest income remains flat at \$300 per year (based off current interest income for 2013-2014).

Expense Assumptions:

- A. Operating expenses assumed to increase at 3% per year (inflation factor).
- B. No increase in airport staffing assumed.