

CHAPTER 7 IMPLEMENTATION PLAN

7.1 OVERVIEW

The preceding chapters of this Master Plan Update identified aviation demand factors, existing facilities, and future facility needs. The recommendations of this report are based on the analysis conducted in **Chapter 4, Facility Requirements**, and **Chapter 5, Identification and Evaluation of Alternatives**. With this previous analysis complete, the financial commitment needed to implement the recommendations over the next 20 years can be estimated. This chapter will:

- outline the Southwest Oregon Regional Airport's development plan (or capital improvement program)
- discuss the potential sources of funding for implementing the projects outlined in the development plan

The facility requirements section of this Master Plan Update addresses the ability of the existing facility to accommodate the forecast demand. At a minimum, runways, taxiways, and aprons must have the proper length, width, and pavement strength to meet FAA recommended standards to safely accommodate the design aircraft. The size, location, and rate of development for these facilities (runways, taxiways, aprons, aircraft storage, and other) are dependent upon the airport operators' demand-driven needs. The long-range plan, as discussed in **Chapter 5, Identification and Evaluation of Alternatives**, is to improve airside safety and efficiency while increasing capacity. In the short term, the Runway 4-22 400-foot extension will be completed allowing for increased airfield capacity. In addition, improvements will be made to bring the taxiway system up to FAA standards. As the planning period progresses, infrastructure for navigational aids will be added and further taxiway improvements will be made. In the long-term, older unused buildings will be removed to make room for additional aircraft apron and general aviation facilities.

The future investments involve many interrelated components that must be identified and implemented in a coordinated manner. To that end, this chapter will document the required development sequence at the individual project level. This chapter will present all the specific projects and the proposed capital development staging plan. The first section of this chapter will identify the projects of the Master Plan Update by short, intermediate, and long-term phases. The second section will identify the potential sources of funds for each project.

Planning-level cost estimates are provided for each project. Planning-level for this purpose is an order of magnitude cost estimate that considers gross areas multiplied by a realistic unit cost factor. In addition, a contingency factor is applied. This contingency factor is added to account for the projected increase in project costs over time, inflation, and for the variables in the design of facilities. Including a design fee to engineer and manage construction, these contingency amounts range from 10 to 25 percent, depending on the project magnitude and mobilization requirements. The intent is to budget enough funding for each project of the program, to be realistically viable, and for this study to be an effective planning tool.

7.2 **IMPLEMENTATION PROCESS**

To complete each Airport capital project, a number of specific steps are normally necessary. In some cases, preparing for a facility improvement may start as many as five years before that facility is actually needed. This time is necessary in order to coordinate the funding, environmental documentation, design, as well as complete the actual construction. Below is the sequence of events necessary to complete a complex airport project. As each development phase (short-, intermediate-, and long-term) was examined in **Section 6.3; Development Phasing Plan**, the major implementation steps and planning level cost estimates are identified for each core objective within that specific phase.

Four Years Prior To Construction

- Identify the project in the approved Airport Layout Plan
- Validate project justification and funding eligibility
- Determine probable level of Environmental Review. (If an Environmental Impact Statement is required, planning may need to begin much earlier)
- Identify if in-flight procedure modifications will be required
- Coordinate with local officials and airport users

Three Years Prior To Construction

- Identify funding sources
- Determine if a FAA Benefit/Cost Analysis is necessary
- Determine if a Reimbursable Agreement is necessary for affected NAVAIDs
- Begin purchase or assembly of all necessary land for the project

Two Years Prior To Construction

- Refine project scope and cost estimates
- Initiate Reimbursable Agreements and coordinate any NAVAID requirements with the FAA
- Submit requests for new/modified flight procedures with the FAA
- Submit a request for Airspace review of projects under Non-Rulemaking Authority (NRA)
- Begin Benefit/Cost Analysis if determined to be necessary
- Submit Environmental Assessment or Categorical Exclusion documentation for FAA review and funding.
- Coordinate with local officials and airport users on refined project scope and schedule

One Year Prior To Construction

- Complete airspace study
- Complete significant environmental documentation
- Complete 90 percent design, plans, and specifications after FAA environmental findings are made
- Execute reimbursable agreements to support NAVAIDs, if relevant
- Prepare and coordinate Construction Safety Phasing Plan
- Secure all necessary local funding
- Secure environmental and other necessary permits
- Submit Benefit/Cost Analysis
- Coordinate Safety Risk Management Panel with FAA-ATO or FAA-ARP, as necessary
- Finalize construction bidding, grant application and acceptance schedules

Year of Construction

- Complete 100 percent design, plans, and specifications
- Complete FAA Environmental documentation for current fiscal year
- Advertise and secure bids according to acceptance schedules
- Accept Federal grants
- Coordinate with local officials and airport users on the progress and schedule
- Issue notice-to-proceed
- Monitor environmental mitigation requirements during construction

After Construction

- Submit final report and close any accepted Federal grants
- Monitor environmental mitigation measures

7.3 DEVELOPMENT PHASING PLAN

This section presents the three phases of the Master Plan Update's capital plan. The phases are represented by the 5-year short-term, the 10-year intermediate-term, and the 20-year long-term. The short-term plan is more detailed because of the mandate to complete the safety projects and immediate facility needs. The intermediate and long-term phases are focused primarily on large airside development projects and improvements to landside infrastructure, which carry some degree of uncertainty as to the demand that would trigger the construction. Figure 7-1 provides an illustration of major capital projects within the Airport's Development Plan and corresponds with the Capital Improvement Plan provided in Section 7.6.

Planning-level cost estimates are provided for each project. The intent is to budget sufficient funding for each project of the program and to evaluate the financial feasibility of each project within the constraints of the FAA grant and local share limits. The detailed planning-level cost estimates for each project are available in **Appendix G; Detailed Cost Estimates**.

These identified capital improvement projects are programmed over the course of the 20-year planning horizon to facilitate systematic development of the Airport. The appropriate time for development should be reviewed periodically and adjusted to account for changing circumstances.

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Figure 7-1
OVERALL AIRPORT DEVELOPMENT PLAN

7.3.1 Short-Term Development Projects

Short-term (Federal Fiscal Year) 2013 – 2017 capital improvements include those development items that are expected to begin within the next five years. Each project within the short-term is summarized below by providing a description, cost, and trigger point.

The implementation of these projects will need to be closely coordinated with the FAA because AIP funding and environmental documentation may be required. As each project is discussed further, the Airport should consider the typical procurement and execution responsibilities discussed in the previous section.

- **Airport Corporate Hangar “CCAD” – \$2,900,000 – 2013**
This project includes the design and construction of a 30,000 square foot aircraft hangar, 40,000 square foot aircraft ramp, 8,000 square foot vehicle parking/access area, and necessary site development.
- **Runway 4-22 Environmental Assessment - \$480,000 – 2014**
An Environmental Assessment (EA) study will be conducted to establish all of the impacts (both positive and negative) for the Runway 4-22 Extension project. The assessment will be necessary before beginning work on the Runway 4-22 Extension Project. This project should begin as soon as possible because it is needed before other near-term development.
- **Full Airport Boundary Survey – \$330,000 – 2014**
This project includes the survey of the legal Airport boundary, locating existing property corners, and producing a survey plat in compliance with applicable governmental codes and requirements. This survey will include the necessary research to provide the location for all easements and right-of-ways within the property being surveyed. The information obtained with this survey will be essential to other CIP projects and should be started immediately.
- **Replace ARFF Truck - \$200,000 – 2014**
This project will replace the current Index A ARFF truck. The ARFF truck will be replaced with another Index A capable vehicle, which will be adequate for the needs of the Airport. The ARFF truck should be replaced before the useful life of the current ARFF truck has passed.
- **Runway 4-22 400-foot Extension Phase 1: Design - \$2,902,000 – 2015**
This project includes the design of the 400-foot extension to the runway, taxiway, and safety areas. This project also includes the environmental mitigation measures required from the EA. The intent of this project will be to increase the takeoff runway available to 6,400 feet and increase the landing distance available to 5,721 feet to accommodate the CRJ-200 with a higher payload capacity needed for the Denver route. This phase can begin after the Environmental Assessment has been completed and a FONSI obtained.
- **Runway 4-22 400-foot Extension Phase 2: Runway 22 RSA Fill – \$433,000 – 2016**
This project includes filling and grading a small portion of the Runway 22's Runway Safety Area (RSA) to complete the upgrade to C-III design criteria. It is anticipated that approximately 5,200 cubic yards of fill and .54 acres of grading will be required. The major component of this project is the fill required to level the shoreline.
- **Runway 4-22 400-foot Extension Phase 3: Runway 4 RSA Fill - \$19,008,000 – 2017**
This project includes filling and grading a small portion of the Runway 4's Runway Safety Area (RSA) to complete the upgrade to C-III design criteria. It is anticipated that approximately

95,646 cubic yards of fill will be required for this phase. The major component of this project is the fill required to level the shoreline. This project will be completed in conjunction with or at the conclusion of Phase 2, above.

7.3.2 Intermediate-Term Development Projects

Intermediate-term development improvements include projects that are warranted within the second five-year planning period (2018-2022). Environmental analysis and approval (if necessary) will need to be completed in accordance with applicable Federal rules and regulations to allow for timely project completion.

At this five to ten year point in the Master Plan Update capital development schedule, the focus shifts from safety and compliance issues to airside development and improvements to landside infrastructure projects. Each project within the intermediate-term is summarized below by providing a description, cost, and trigger point.

- **Runway 4-22 400-foot Extension Phase 4: Runway and Taxiway 4 Construction – \$3,882,000 - 2018**
This project includes paving and painting the Runway 4-22 400-foot Extension, site restoration, airfield lighting, new signage, and relocation of the glideslope and localizer. This project will start after Phase 3 (previously described) has been completed.
- **Runway 4-22 400-foot Extension Phase 5: Runway 22 Visual Aid - \$241,000 – 2018**
The project includes the installation of Runway Edge Identifier Lights (REIL) at Runway 22 to increase safety and pilot awareness. The major cost component of this project is running the electrical service to the site. This project should be included as part of the Runway 4-22 Extension project.
- **Runway 4-22 400-foot Extension Phase 6: Runway 4 Visual Aid – \$120,000 – 2019**
This project includes the replacement of the Runway 4 Visual Approach Slope Indicator (VASI) with Precision Approach Path Indicators (PAPI). The major cost component of this project is running the electrical service to the site. This project should also be included in the Runway 4-22 Extension project to minimize the time of runway closure for construction.
- **T-Hangar Expansion Phase I - \$1,123,000 – 2020**
This project will add 4,400 square feet of T-hangar space in the south general aviation development area to meet current and future demand. In addition, 40,000 square feet of new pavement will be constructed for the T-Hangar space.
- **Taxiway B Width - \$81,000 – 2020**
This project includes improvements to increase the width of Taxiway B from 42 feet wide to 50 feet wide to meet the ADG-III design standards, relocating all the electrical work associated with the taxiway and repainting the taxiway markings. There is approximately 800 square feet of pavement needed for this project.
- **Taxiway A1 - \$134,000 – 2021**
This project includes the removal of Taxiway A1, in order to prevent direct, straight line access from the main apron to Runway 13-31. There is approximately 30,000 square feet of paved surface to be removed. This project will also include repairing the edge of Taxiway A

associated with Taxiway A1, repainting the markings of the affected area, and reinstalling edge lights. This project should be included in the next phasing of taxiway reconstruction projects.

- **Replacement ARFF Station - \$6,661,000 – 2022**

This project includes the design and construction of a replacement ARFF station in a new location. The current single-story ARFF facility has approximately 11,000 square feet, with three apparatus bays and two maintenance bays. The facility also houses living spaces that include a dining room, kitchen, and a training/day room for up to ten personnel.

7.3.3 Long-Term Development Projects

Long-term development improvements include those projects that are warranted by demand within the final 10 years of the planning horizon (2023–2032). The focus is on constructing the necessary infrastructure to drive landside development, while airside projects will maintain and rehabilitate the existing pavement. Each project within the long-term plan is summarized below by providing a description and cost.

- **Aircraft Wash Area - \$234,000 – 2023**

This project includes the design and construction of a 2,500 square foot outdoor aircraft washing area. This project will also include drainage to be routed to a treatment facility and new waterlines to supply fresh water to the wash area.

- **Taxiway C and D Shoulders - \$3,300,000 – 2024**

The project includes the construction of a 20-foot shoulder for Taxiway C to meet ADG-III design standards. There is approximately 14,280 linear feet of paved surface. This project also includes the reinstallation of the taxiway edge lights.

- **Taxiway A Shoulders - \$2,067,000 – 2025**

The project will include the construction of a 20-foot shoulder for Taxiway A to meet ADG-III design standards. There is approximately 8,880 linear feet of paved surface. The project will also include the reinstallation of the taxiway edge lights.

- **Taxiway A2 - \$728,000 – 2026**

This project includes the removal of Taxiway A2, in order to prevent direct, straight line access from the main apron to Runway 13-31 and construct a new taxiway connection to the main apron from Taxiway A. There is approximately 30,000 square feet of surface to be removed and approximately 30,000 square feet of paved surface to be constructed. This project will also include the relocation of the existing lights to the new taxiway and the site restoration of the previous taxiway site.

- **Runway 13 Visual Aid - \$288,000 – 2026**

This project includes the replacement of the Runway 13 Visual Approach Slope Indicator (VASI) with Precision Approach Path Indicators (PAPI). It is anticipated that approximately 675 linear feet of new electrical service will be required for the new PAPI. The major cost component of this project is running the electrical service to the site, which can be reduced if it is possible to tap into an existing duct bank.

- **Taxiway K Visual Aid - \$78,000 – 2026**

This project will include the replacement of the taxiway edge reflectors on Taxiway K with Medium Intensity Taxiway Lights (MITL). This project will increase the ability of aircraft to operate in instrument conditions. This project will begin in the long-term phase of the CIP.

- **Replace ARFF Truck - \$990,000 – 2027**

This project will replace the current 1984 Ameritech ARFF truck. The ARFF truck will be replaced with a Striker 1500-type apparatus, which should be adequate for the needs of the Airport. The ARFF truck should be replaced before the useful life of the current ARFF truck has passed.

- **Aircraft Apron Expansion Phase I - \$1,631,000 – 2028**

This project will include the design and construction of approximately 165,000 square feet of aircraft apron along Taxiway A, as well as adding pavement markings and tie-downs. This project should begin before vehicle access improvements have begun.

- **General Aviation Vehicle Access - \$861,000 – 2029**

This project will include the development of the new general aviation area vehicle entrance, new signage to access the General Aviation area, and sodding and seeding along the roadway. This will include approximately 1,800 linear feet of 24-foot wide vehicle road along the Aircraft Apron Expansion Phase 1.

- **Demolition of Existing ARFF Building- \$380,000 – 2030**

This project includes the removal of an approximately 4,632 square foot structure and the site restoration of the project area.

- **Demolition of American Legion Building - \$403,000 – 2030**

This project includes the removal of an approximately 7,260 square foot structure and the site restoration of the project area.

- **Replace Maintenance Building - \$6,000,000 – 2031**

This project includes the replacement of the current Maintenance Building on the corner of Maple Leaf and East Airport Way. This proposed 16,000 square foot, two-story building will serve as the central facility for all Airport equipment storage and maintenance materials. The proposed facility includes administrative offices, maintenance bays with crane-rail capability, and full standby emergency power.

- **Demolition of Existing Airport Maintenance Shop - \$747,000 – 2031**

This project includes the removal of an approximately 10,508 square foot structure and the site restoration of the project area.

- **Replace FedEx Building - \$4,000,000 – 2032**

This project includes the replacement of the FedEx building on the south side of the newly constructed main general aviation apron. The new building will be approximately 11,000 square feet and placed.

- **Demolition of Existing FedEx Building - \$664,000 – 2032**

This project includes the removal of an approximately 12,190 square foot structure and the site restoration of the project area.

- **Aircraft Apron Expansion Phase II - \$1,154,000 – 2032**

This project will include the design and construction of approximately 110,451 square foot of aircraft apron along Taxiway 'A' adjacent to Apron Expansion Phase I. Also included in this project are the new pavement markings and tie-down installations for the apron. This project should occur after the demolition of the remaining buildings occurs and before demand warrants the need.

- **T-Hangar Expansion Phase II - \$1,123,000 – 2032**

This project will add 4,400 square feet of T-hangar space in the south general aviation development area to meet current and future demand. In addition, 4,400 square feet of new pavement will be used in the T-hangar space. This project should begin prior to the demand, which is expected in the long-term.

7.3.4 Strategic Opportunities

Strategic Opportunities include those projects that can be completed at the discretion of the airport. These projects are not necessary during a given planning period, but provide the opportunity to clear and develop more land at the airport to meet the strategic goals. The phasing for the projects below will be determined by the Airport's financial state and development needs. The projects below are not affected by the other projects contained within the Development Phasing Plan. Each project within the Strategic Opportunities is summarized below by providing a description, cost, trigger point, and key implementation steps.

- **Demolition of Cement Storage Facility - \$97,000**

This project includes the removal of an approximately 605 square foot structure and the site restoration of the project area.

- **Demolition of Wood Storage Building - \$95,000**

This project includes the removal of an approximately 585 square foot structure and the site restoration of the project area. This project should occur when funding becomes available and existing tenant leases expire.

- **Demolition of St. Johns Entertainment Building - \$297,000**

This project includes the removal of an approximately 4,390 square foot structure and the site restoration of the project area. This project should occur when funding becomes available and existing tenant leases expire.

- **Demolition of Apartments - \$781,000**

This project includes the removal of an approximately 7,077 square foot structure and the site restoration of the project area. This project should occur when funding becomes available and existing tenant leases expire.

- **Demolition of Coos Aviation Buildings- \$633,000**

This project includes the removal of two structures, the first approximately 2,210 square foot and the other 7,630 square foot. Site restoration of the project area will also be included in this project. This project should occur after Aircraft Apron Expansion Phase I has occurred.

- **Demolition of Warehouse - \$356,000**

This project includes the removal of an approximately 5,645 square foot structure and the site restoration of the project area.

- **Estuary Viewing Boardwalk - \$4,334,000**

This project includes the design and construction of a half-mile elevated pedestrian boardwalk from Virginia Avenue to the former Pony Slough Boat Dock Road that will be approximately 2,750 linear feet. This project is a locally supported initiative and no Federal funding is anticipated for this project.

7.4 PROJECT RESPONSIBILITIES

Airport projects are typically closely coordinated with the FAA, particularly when AIP funding or NEPA documentation is required. In general, for each project the Airport will be responsible for the following:

- Verifying the justification supporting the project and request FAA participation for projects using AIP funding.
- Assuring accomplishment of the necessary environmental processing through FAA coordination.
- Preparing and submitting grant applications.
- Preparing and issuing a Request For Qualifications and selecting a consultant/engineer for the project planning, design, construction administration, or environmental analysis, as applicable.
- Preparing and issuing a Request For Bid Proposal(s) and company selection(s) for project construction, management, and related construction services.
- Including project administration, efforts including FAA grant maintenance and close out.

Regular coordination with the FAA is important to facilitate these responsibilities.

7.5 SOURCES OF CAPITAL FUNDING

There are numerous potential sources of airport capital; however, traditionally FAA, State, and local funds, such as airport revenue, provide most of the funding. Various types of FAA, State, and local funds are discussed below, as well as the other potential sources of facility development money.

7.5.1 FAA Funding

Airport sponsors are eligible for FAA funding for specifically approved projects through the FAA's Airport Improvement Program (AIP). The Federal government has been involved in supporting aviation development since 1946. The Airport and Airway Improvement Act of 1982 established the current Federal funding mechanism, known as AIP, which provides capital support for eligible planning, development, and noise compatibility projects at public-use airports. While the law has been reauthorized several times, and the amount appropriated and the funding formulas adjusted to reflect the current national priorities, the basic program has remained essentially the same since the original law was approved.

The AIP provides Entitlement funds for commercial service and cargo airports based on the number of annual enplaned passengers and amount of air cargo handled. Other appropriations of AIP funds go to states, general aviation airports, reliever airports, and other commercial service airports, as well as for noise compatibility planning. Any remaining AIP funds at the national level are designated as Discretionary funds and may be used by the FAA for funding eligible projects, which typically enhance airport capacity, safety, and/or security. In some years, Discretionary

funding has been specifically directed to certain national priorities such as a recent program to improve RSAs. Additional information on the different funding elements within the AIP include:

- **AIP Entitlement Grants.** The FAA Reauthorization and Reform Act was signed by President Obama in February 2012. Appropriations are still to be designated; however, the legislation signed into law provides for approximately \$63 billion worth of funding allocated for the Federal Fiscal years 2012–2015. This four-year bill authorizes the Airport Improvement Program at \$3.35 billion over the four-year period.

The Federal share for most small airports will be reduced to 90 percent from the previous level of 95 percent. Essential Air Service (EAS) communities may still receive 95 percent if they meet specific criteria.

Southwest Oregon Regional Airport is classified in the current NPIAS as a Primary/Non-Hub commercial service airport. FAA Order 5100.38C, *Airport Improvement Handbook* (Appendix 23), adjusts the percentage of Federal shares for allowable project costs for certain states. As per Appendix 23 guidance, the Federal match in the State of Oregon is 93.75 percent for Non-Hub airports.

- **AIP Discretionary Grants.** The FAA also provides Discretionary grants, over and above Entitlement funding, to airports for projects that have a high Federal priority for enhancing safety, security, or capacity. The amount that individual grants vary can be significant in comparison to Entitlements and are awarded at the FAA's discretion. Discretionary grant applications are evaluated based on need, the FAA's project priority ranking system, and the FAA's assessment of a project's significance within the national airport and airway system.
- **FAA Facilities and Equipment Funds.** The Facilities and Equipment Funds appropriations under the FAA Reauthorization and Reform Act of 2012 are available. Within the FAA's budget appropriation, money is available in the Facilities and Equipment (F&E) Fund to purchase navigational aids and air safety-related technical equipment, including Air Traffic Control Towers (ATCTs) for use at commercial service airports in the National Airport System. Each F&E development project is evaluated independently through a cost-benefit analysis to determine funding eligibility and priority ranking. The qualified projects are totally funded (i.e., 100 percent) by the FAA, with the remaining projects likely being AIP or PFC eligible. In addition, the airport can apply for NAVAID maintenance funding through the F&E program for those facilities that are not F&E funded. It is possible that the proposed navigational aid-related development projects for the Airport would qualify for F&E funding, if money is available at the national level.

7.5.2 Passenger Facility Charge

The Aviation Safety and Capacity Expansion Act of 1990 authorized the Secretary of Transportation to grant public agencies the authority to impose a passenger facility charge (PFC) to fund eligible airport projects. The initial legislation set the maximum PFC level at \$3.00 per enplaned passenger. The Aviation Investment and Reform Act for the 21st Century (AIR-21) increased the maximum PFC level from \$3.00 to \$4.50. The FAA Reauthorization and Reform Act will implement some changes to PFC funding. One change is a pilot program for fast-tracking Passenger Facility Charge (PFC) approvals at non-hub airports. This program allows for local

collection of PFC revenue through the airlines operating at an airport and provides more spending flexibility to airport sponsors versus AIP funds.

7.5.3 State Funding

In 2005, the Oregon Legislature created the Multimodal Transportation Fund, part of what is known as the Connect Oregon Program. The fund provides grants and loans to transportation projects that promote economic development in Oregon. Once an application is submitted, the Oregon Transportation Commission approves projects that will receive funds. The Airport must match the funds by covering at least 20 percent of the project costs. This program has a history of providing substantial amounts of funding for large capital projects similar to those that are planned at Southwest Oregon Regional Airport. It is recommended the Airport target projects that align with the Connect Oregon program and apply for funding. Projects that will increase safety, encourage economic growth, and promote job creation are prime candidates for Connect Oregon funding.

The Oregon Department of Aviation funds airport development projects through the Financial Aid to Municipalities (FAM) Grant Program. The purpose of the fund is to foster a statewide system of airports through financial assistance for airport planning, development, and capital improvement projects. Airports are awarded funds based on preset criteria and project prioritization. Up to \$25,000 is available per fiscal year per airport. As Southwest Oregon Regional Airport has more than 10,000 enplanements, it will have a 50 percent match requirement.

7.5.4 Airport Revenue

While capital projects are usually funded from a variety of sources, in the end, airport funds have a role in almost every project, particularly as seed money to initiate projects. Generating the necessary cash flow to balance the operations and maintenance costs of an airport is a constant challenge. The capital costs associated with the Airport's development program, whether for local matching funds for a state or Federal grant, or 100 percent funding of non-grant capital projects, can be daunting.

With limited airline and passenger generated revenue, airports often rely on general aviation generated revenue, and supplemental funding from local city governments to assist with funding their capital needs. Southwest Oregon Regional Airport can support the majority of the cost of capital projects by generating revenue from tenants, users, land leases, and other sources.

7.5.5 Other "Local" Funds

The funds provided by the airport itself are often called "local" sources, because they represent the local match to FAA or state grants or pay for projects ineligible for FAA or state funding. Additional local funds are often provided to airports by cities, counties, other taxing districts, or a collection of public agencies. These government agencies support airports because of their public-use nature, their regional influence, and their critical value in supporting economic development. External public support for airports is particularly important when a new airport is constructed, an existing airport extends a runway, or for a terminal, that represents a one-time capital expenditure. Public financial support for airports comes in forms such as grants and interest free loans, as well as loans or bonds under the umbrella of states, counties, cities, taxing districts, or other public financing agencies.

7.5.6 Private Funding Sources

In addition to the “traditional” sources of airport capital funds listed above, there are other potential suppliers of money to construct capital improvements. These include tenants, users, and investors. Tenants often construct their own facilities, particularly hangar and air cargo facilities. Many airports use private third-party financing when the planned improvements will be primarily used by a private business or other organizations. Such projects are not ordinarily eligible or have very low priority for Federal funding. Private capital can also be used for facilities such as cargo buildings or hangars. In a similar manner, vehicle parking lots or other revenue generating facilities can be privatized with the use of outside capital. Due to the shortage of public capital, as well as the desire of investors to seek more innovative uses for their funds, airports are seeing increased use of external funding for capital projects.

7.6 CAPITAL IMPROVEMENT PLAN

The proposed projects presented in this chapter are summarized in this section based upon the Airport’s priorities and their funding eligibility. Funding sources for the capital improvement program depend on many factors including: 1) FAA Airport Improvement Program (AIP) project eligibility, 2) the ultimate type and use of facilities to be developed, 3) the debt capacity of the Airport and City, 4) the availability of other financing sources, and 5) the priorities for scheduling project completion. For planning purposes, assumptions were made related to the funding source of each capital improvement. The projected costs provided in the Capital Improvement Plan (CIP) project tables are identified with likely funding sources.

7.6.1 Capital Improvement Plan by Phase

The projects in the CIP are identified by short, intermediate, and long-term phasing. Their expected fiscal year of construction is identified. The funding split between the FAA, State of Oregon, and local or other sources is then provided. Note this funding split is provided based upon current eligibility standards and does not guarantee that these projects will be funded due to Federal and state priority rating or other state and national needs. The short-term, 2013–2017, capital improvements are shown in Table 7-1. The intermediate-term, 2018–2022, capital improvements are presented in Table 7-2. The long-term, 2023–2032, development improvements include those projects that are warranted by demand within the final 10 years of the planning period and are depicted in Table 7-3. Strategic Opportunities include those projects that can be completed at the discretion of the airport and are depicted in Table 7-4. These projects are not necessary during the planning period, but are opportunities to clear and develop more land at the airport to meet the strategic goals. A summary of total project costs and eligible funding amounts is depicted in Table 7-5.

Table 7-1
CAPITAL IMPROVEMENT PLAN – SHORT TERM (2013 - 2017)

Fiscal Year	Project Number	Project Title	Federal	State	Local / Other	Total Project Cost
2013	1	Airport Corporate Hangar "CCAD"	\$0	\$0	\$2,900,000	\$2,900,000
2014	2	Runway 4-22 Environmental Assessment	\$450,000	\$15,000	\$15,000	\$480,000
2014	3	Full Airport Boundary Survey	\$309,000	\$10,500	\$10,500	\$330,000
2014	4	Replace ARFF Truck	\$188,000	\$0	\$12,000	\$200,000
2015	5	Runway 4-22 400' Extension Phase 1: Design	\$2,721,000	\$25,000	\$156,000	\$2,902,000
2016	6	Runway 4-22 400' Extension Phase 2: RWY 22 RSA Fill	\$406,000	\$18,000	\$9,000	\$433,000
2017	7	Runway 4-22 400' Extension Phase 3: RWY 4 RSA Fill	\$17,820,000	\$25,000	\$1,163,000	\$19,008,000
Total:			\$21,894,000	\$93,500	\$4,265,500	\$26,253,000

Table 7-2
CAPITAL IMPROVEMENT PLAN – INTERMEDIATE TERM (2018 - 2022)

Fiscal Year	Project Number	Project Title	Federal	State	Local / Other	Total Project Cost
2018	8	Runway 4-22 400' Extension Phase 4: RWY and TWY 4 Construction	\$3,639,000	\$25,000	\$218,000	\$3,882,000
2018	9	Runway 4-22 400' Extension Phase 5: RWY 22 Visual Aid	\$226,000	\$0	\$15,000	\$241,000
2019	10	Runway 4-22 400' Extension Phase 6: RWY 4 Visual Aid	\$113,000	\$0	\$7,000	\$120,000
2020	11	T-Hangar Expansion Phase I	\$0	\$25,000	\$1,198,000	\$1,223,000
2020	12	Taxiway B Width	\$76,000	\$0	\$5,000	\$81,000
2021	13	Taxiway A1	\$126,000	\$5,000	\$3,000	\$134,000
2022	14	Replacement ARFF Station	\$6,245,000	\$25,000	\$391,000	\$6,661,000
Total:			\$10,425,000	\$80,000	\$1,837,000	\$12,342,000

Table 7-3
CAPITAL IMPROVEMENT PLAN – LONG TERM (2023 - 2032)

Fiscal Year	Project Number	Project Title	Federal	State	Local	Total Project Cost
2023	15	Aircraft Wash Area	\$0	\$25,000	\$209,000	\$234,000
2024	16	Taxiway C and D Shoulders	\$3,094,000	\$25,000	\$181,000	\$3,300,000
2025	17	Taxiway A Shoulders	\$1,938,000	\$25,000	\$104,000	\$2,067,000
2026	18	Taxiway A2	\$683,000	\$25,000	\$20,000	\$728,000
2026	19	Runway 13 Visual Aid	\$270,000	\$0	\$18,000	\$288,000
2026	20	Taxiway K Visual Aid	\$73,000	\$0	\$5,000	\$78,000
2027	21	Replace ARFF Truck	\$928,000	\$25,000	\$37,000	\$990,000
2029	22	Aircraft Apron Expansion Phase I	\$1,529,000	\$25,000	\$77,000	\$1,631,000
2028	23	Vehicle Access	\$807,000	\$25,000	\$29,000	\$861,000
2030	24	Demolition of Existing ARFF Building	\$0	\$25,000	\$355,000	\$380,000
2030	25	Demolition of American Legion Building	\$0	\$0	\$403,000	\$403,000
2031	26	Replace Maintenance Building	\$5,625,000	\$25,000	\$350,000	\$6,000,000
2031	27	Demolition of Existing Airport Maintenance Shop	\$0	\$0	\$747,000	\$747,000
2032	28	Replace FedEx Building	\$0	\$0	\$4,000,000	\$4,000,000
2032	29	Demolition of Existing FedEx Building	\$0	\$0	\$664,000	\$664,000
2032	30	Aircraft Apron Expansion Phase II	\$1,082,000	\$25,000	\$47,000	\$1,154,000
2032	31	T-Hangar Expansion Phase II	\$0	\$0	\$1,223,000	\$1,223,000
Total:			\$16,029,000	\$250,000	\$8,469,000	\$24,748,000

Table 7-4
CAPITAL IMPROVEMENT PLAN – STRATEGIC OPPORTUNITIES

Project Title	Federal	State	Local	Total Project Cost
Demolition of Cement Storage Facility	\$0	\$0	\$97,000	\$97,000
Demolition of Wood Storage Building	\$0	\$0	\$95,000	\$95,000
Demolition of St. Johns Entertainment Building	\$0	\$0	\$297,000	\$297,000
Demolition of Apartments	\$0	\$0	\$781,000	\$781,000
Demolition of Coos Aviation Building	\$0	\$0	\$633,000	\$633,000
Demolition of Warehouse	\$0	\$0	\$356,000	\$356,000
Estuary Viewing Boardwalk	\$0	\$0	\$4,334,000	\$4,334,000
Total:	\$0	\$0	\$6,593,000	\$6,593,000

7.6.2 Capital Improvement Plan Summary

Based on the identification of capital projects and their eligibility for funding, the overall financing of the Master Plan Update is shown in Table 7-5 and summarized as follows:

- Total Project costs are estimated at approximately \$ 63 million over 20 years with an additional \$6.6 million in strategic opportunities outside of the planning period.
- Approximately 80 percent of the total is eligible for FAA funding.
- The remaining amounts are expected to be provided from a combination of PFC’s, Airport Earnings, public investment, State grants, and other sources.

This projection of capital funding sources assumes all eligible costs will be funded. Because of the dynamic nature of funding, more detailed analysis closer to the period of project implementation will be necessary to verify that the expected amounts are available.

Table 7-5
CAPITAL IMPROVEMENT PLAN – SUMMARY

Planning Period	Total Project Cost	Eligible Funding Amounts		
		FAA	State	Local
Short-Term 2013-2017	\$ 26,253,000	\$ 21,894,000	\$ 93,500	\$ 4,265,500
Intermediate-Term 2018-2022	\$ 12,342,000	\$ 10,425,000	\$ 80,000	\$ 1,837,000
Long-Term 2023-2032	\$ 24,748,000	\$ 16,029,000	\$ 250,000	\$ 8,469,000
Total Capital Cost	\$ 63,343,000	\$48,348,000	\$ 423,500	\$14,571,500
Strategic Opportunities	\$ 6,593,000	\$ -	\$ -	\$ 6,593,000