
H DEVELOPMENT PROGRAM

INTRODUCTION. The long-term development program or Capital Improvement Program (CIP) for Will Rogers World Airport is intended to establish a strategy to fund airport improvements and maximize the potential to receive federal and state grant funds, while also establishing a financially prudent plan for improvement funding on a local level. This programming effort is a critical component of the Master Plan Update for both the Federal Aviation Administration (FAA) and the airport sponsor (Oklahoma City Airport Trust). From the FAA’s perspective, the CIP provides a detailed listing of projects and costs that is critical for their use in establishing priorities and budgeting expenditures at this airport, when compared with the needs of other airports. From the airport sponsor’s perspective, the CIP identifies improvement needs and allows budgeting/financial decisions to be made with a comprehensive understanding of financial implications. The overall concept is to maximize the opportunities to receive federal and state grants, within the context of, and in recognition of, the amount of local funds that are available for capital needs. Although the CIP will be used for programming by the FAA, there is no financial commitment for the Federal Government or the sponsor to provide funding for the CIP. If federal matching funds are unavailable for a certain project during the specified time frame, the project will almost certainly be unaffordable using only local money, and the improvement project will not go forward until appropriate funding is available. The basic structure of the Development Program/CIP is established in this chapter.

The potential improvements necessary to accommodate the future needs of Will Rogers World Airport have been placed into three phases: Phase I (0-5 years), Phase II (6-10 years), and Phase III (11-20 years). The suggested program for the phasing of these projects is provided in Tables H1, H2, and H3. The proposed improvements are illustrated graphically by time period on the PHASING PLAN (see Figure H1).



Implementation Schedule and Project List

Using the documentation previously presented regarding anticipated facility demands, along with preliminary engineering cost analysis, a list of capital improvement projects has been assembled. The projects for the first five years are listed in priority order by year. In the second and third phases (years 6-20), the projects are listed without year designators. Will Rogers World Airport's proposed phased Capital Improvement Program, entitled *DEVELOPMENT PROGRAM PROJECT COSTS*, is presented as Tables H1, H2, and H3 in this chapter. It is anticipated that the project phasing will invariably be altered as local and federal priorities evolve over the coming months and years. The details of the Development Program (including a capital improvement project list, project cost estimates, a finalized phasing list, and a financial feasibility analysis) have been formulated in consideration of comments received from airport staff and the Study Committee, as well as other interested parties.

Cost Estimates

Cost estimates for individual projects, based on current dollars, have been prepared for improvements that have been identified as necessary during the 20-year planning period. The estimates have been categorized by the total cost for each facility requirement, that portion to be borne by the airport sponsor or local entity (i.e., Oklahoma City Airport Trust) and that part of the total cost anticipated to be paid by the Federal Aviation Administration under the Airport Improvement Program (AIP) or similar program. In addition to airport sponsor funds, the local share can include sources such as State or Local Economic Development Funds, regional commissions (i.e., the Oklahoma Aeronautics Commission) and organizations, and other units of local government, as well as funding from private individuals or businesses.

The percentage of costs borne by the FAA is subject to change depending upon current funding legislation and policy at the time of construction. The relationship between local and anticipated federal funding as shown in this document is based on current FAA participation of 95% of the total project cost, but this ratio does vary according to some anticipated State funding participation on various projects. Before detailed planning on a particular project is developed, the funding structures and requirements should be identified to determine the current funding policies by the various entities. All cost estimates presented in this report are based on 2009 costs. These estimates are intended to be used for planning purposes only and should not be construed as construction cost estimates, which can only be compiled following the preparation of detailed engineering plans and specifications.



Table H1 PHASE I (0-5 YEARS) DEVELOPMENT PROGRAM PROJECT COSTS

Project Description	Note	Total Costs	Recommended Financing Method			
			Federal/AIP (a)	OCAT (b)	PFC (c)	Other
2009 Projects						
A.1	Install PAPIs to RWs 13 & 31	\$194,000	\$184,300	\$9,700	\$0	\$0
A.2	Install Perimeter Road around RW 13 RSA	\$969,000	\$920,550	\$48,450	\$0	\$0
A.3	ARFF Incident Command Vehicle	\$109,000	\$103,550	\$5,450	\$0	\$0
A.4	Reconstruct TW K & TWs F & G, East of TW K	\$3,256,000	\$3,093,200	\$162,800	\$0	\$0
A.5	MMAC Stormwater Drainage System Project- Phase 3	(e) \$3,676,515	\$0	\$0	\$0	\$3,676,515
A.6	Upgrade Edge Lights on TWs A, B, C, & D Upgrade Edge Light Housings, RW 17L/35R, & TW H, Upgrade Edge Lights on TW H	(d) \$2,300,000	\$0	\$0	\$0	\$2,300,000
Sub-Total/2009 Projects		\$10,504,515	\$4,301,600	\$226,400	\$0	\$5,976,515
2010 Projects						
A.7	Terminal Bldg. Expansion Project- Phase 3 Preliminary Engineering	\$600,000	\$570,000	\$30,000	\$0	\$0
A.8	Seal & Rejuvenate All Asphalt RWs & TWs	\$900,000	\$855,000	\$45,000	\$0	\$0
A.9	MMAC Stormwater Drainage System Project- Phase 4	(e) \$1,540,795	\$0	\$0	\$0	\$1,540,795
A.10	Check Bag Inspection System	(f) \$19,155,000	\$0	\$1,915,500	\$0	\$17,239,500
A.11	Environmental Assessment for East Side, Terminal Development & Other AIP Projects (2011-2013)	\$750,000	\$712,500	\$37,500	\$0	\$0
Sub-Total/2010 Projects		\$22,345,795	\$1,567,500	\$1,998,000	\$0	\$18,780,295

Notes

- (a) Federal Entitlement - FAA Airport Improvement Program (AIP) Entitlement or Discretionary Grants
- (b) Oklahoma City Airport Trust
- (c) Passenger Facility Charges
- (d) 100% American Recovery and Reinvestment Act (ARRA) of 2009
- (e) Funded by Mike Monroney Aeronautical Center (MMAC)
- (f) Funded by Transportation Security Administration (TSA)
- TBD Costs to be determined.

Cost estimates, based upon 2009 data, are intended for preliminary planning purposes and do not reflect a detailed engineering evaluation.



Table H1 PHASE I (0-5 YEARS) DEVELOPMENT PROGRAM PROJECT COSTS (continued)

Project Description	Note	Total Costs	Recommended Financing Method			
			Federal/AIP (a)	OCAT (b)	PFC (c)	Other
2011 Projects						
A.12	Terminal Bldg. Expansion Project- Phase 3	\$24,680,000	\$3,000,000	\$8,144,400	\$13,535,600	\$0
A.13	Purchase Two New Snow Blowers	\$875,000	\$831,250	\$43,750	\$0	\$0
Sub-Total/2011 Projects		\$875,000	\$831,250	\$43,750	\$0	\$0
2012 Projects						
A.14	Terminal Bldg. Expansion Project- Phase 3	\$24,680,000	\$2,600,000	\$8,144,400	\$13,935,600	\$0
A.15	Extend TWs F & G East, Past Portland	\$4,000,000	\$3,800,000	\$200,000	\$0	\$0
Sub-Total/2012 Projects		\$4,000,000	\$3,800,000	\$200,000	\$0	\$0
2013 Projects						
A.16	Overlay & Strengthen TW B	\$3,300,000	\$3,135,000	\$165,000	\$0	\$0
Sub-Total/2013 Projects		\$3,300,000	\$3,135,000	\$165,000	\$0	\$0
Total/Phase I (2009-2013)		\$41,025,310	\$13,635,350	\$2,633,150	\$0	\$24,756,810

Notes:

- (a) Federal Entitlement - FAA Airport Improvement Program (AIP) Entitlement or Discretionary Grants
- (b) Oklahoma City Airport Trust
- (c) Passenger Facility Charges
- (d) 100% American Recovery and Reinvestment Act (ARRA) of 2009
- (e) Funded by Mike Monroney Aeronautical Center (MMAC)
- (f) Funded by Transportation Security Administration (TSA)
- TBD Costs to be determined.

Cost estimates, based upon 2009 data, are intended for preliminary planning purposes and do not reflect a detailed engineering evaluation.



Table H2 PHASE II (6-10 YEARS) DEVELOPMENT PROGRAM PROJECT COSTS

Project Description	Note	Total Costs	Recommended Financing Method			
			Federal/AIP (a)	OCAT (b)	PFC (c)	Other
B.1 TW H Reconstruction & Relocation		\$8,937,000	\$8,490,150	\$446,850	\$0	\$0 ^(d)
B.2 RW 13/31 Reconstruction		\$18,212,000	\$17,301,400	\$910,600	\$0	\$0 ^(d)
B.3 Maintenance Apron- Rehabilitation		\$1,460,000	\$0	\$1,460,000	\$0	\$0 ^(d)
B.4 Install Differential GPS Ground Station		\$300,000	\$0	\$300,000	\$0	\$0 ^(d)
B.5 Fill Peachey Lake, Wetland Permitting Process & Potential Mitigation		\$2,042,000	\$1,939,900	\$102,100	\$0	\$0 ^(d)
B.6 Relocate & Extend TW B		\$12,065,000	\$11,461,750	\$603,250	\$0	\$0 ^(d)
Total/Phase II (2014-2018)		\$43,016,000	\$39,193,200	\$3,822,800	\$0	\$0

Notes:

- (a) Federal Entitlement - FAA Airport Improvement Program (AIP) Entitlement or Discretionary Grants
- (b) Oklahoma City Airport Trust
- (c) Passenger Facility Charges
- (d) 100% American Recovery and Reinvestment Act (ARRA) of 2009
- (e) Funded by Mike Monroney Aeronautical Center (MMAC)
- (f) Funded by Transportation Security Administration (TSA)
- TBD Costs to be determined.

Cost estimates, based upon 2009 data, are intended for preliminary planning purposes and do not reflect a detailed engineering evaluation.



Table H3 PHASE III (11-20 YEARS) DEVELOPMENT PROGRAM PROJECT COSTS

Project Description	Note	Total Costs	Recommended Financing Method			
			Federal/AIP (a)	OCAT (b)	PFC (c)	Other
C.1 Construct New RW 17R/35L- 7,500' x 100' with TW System Improvements		\$29,578,000	\$28,099,100	\$1,478,900	\$0	\$0
C.2 Extend RW 17L/35R to 12,000' with TW System Improvements		\$16,736,000	\$15,899,200	\$836,800	\$0	\$0
C.3 Extend RW 17R/35L to 12,000' with TW System Improvements		\$13,768,000	\$13,079,600	\$688,400	\$0	\$0
C.4 Purchase Land or Easements for Extended RW 13/31 RPZ	TBD					
C.5 Extend RW 13/31 to 10,000' with TW System Improvements & Paved Shoulders		\$16,201,000	\$15,390,950	\$810,050	\$0	\$0
Total/Phase III (2019-2028)		\$76,283,000	\$72,468,850	\$3,814,150	\$0	\$0
GRAND TOTALS		\$160,324,310	\$125,297,400	\$10,270,100	\$0	\$24,756,810

Notes:

- (a) Federal Entitlement - FAA Airport Improvement Program (AIP) Entitlement or Discretionary Grants
- (b) Oklahoma City Airport Trust
- (c) Passenger Facility Charges
- (d) 100% American Recovery and Reinvestment Act (ARRA) of 2009
- (e) Funded by Mike Monroney Aeronautical Center (MMAC)
- (f) Funded by Transportation Security Administration (TSA)
- TBD Costs to be determined.

Cost estimates, based upon 2009 data, are intended for preliminary planning purposes and do not reflect a detailed engineering evaluation.



Phasing Plan

To supplement the information provided by the project list and project cost estimates, phasing illustrations have been prepared. The following illustration, entitled *PHASING PLAN*, indicates the suggested phasing for the proposed improvement projects throughout the 20-year planning period.

The plans represent a suggested schedule and variance from it may be necessary, especially during the latter time periods. Attention has been given to the first five years because the projects outlined in this time frame include many critical improvements. The demand for certain facilities, especially in the latter time frame, and the economic feasibility of their development, are to be the prime factors influencing the timing of individual project construction. Care must be taken to provide for adequate lead-time for detailed planning and construction of facilities, in order to meet aviation demands. It is also important to minimize the disruptive scheduling, where a portion of the facility may become inoperative due to construction, and to prevent extra costs resulting from improper project scheduling.

Financial Plan and Implementation Strategy

Funding sources for the Capital Improvement Program depend on many factors, including the Airport Improvement Program (AIP) project eligibility, the ultimate type and use of facilities to be developed, debt capacity of the Airport, the availability of other financing sources, and the priorities for scheduling project completion. For planning purposes, assumptions were made related to the funding source of each capital improvement. The projects' costs provided in the previous tables are identified with likely funding sources.

Sources of Capital Funding

AIP Entitlement and Discretionary Grants. The Federal Government initially embarked on a grant-in-aid program to promote the development of a system of airports shortly after World War II. Over the years, the program has been through several iterations and names. The current program was established by the *Airport and Airway Improvement Act of 1982* and is known as the Airport Improvement Program (AIP). Funds obligated for the AIP are drawn from the Airport and Airway Trust fund, which is supported by the user fees, fuel taxes, and other similar aviation revenue sources.



AIP grants include entitlement grants, which are allocated among airports by a formula that is driven by enplanements, and, discretionary grants, which are awarded in accordance with FAA guidelines.

Discretionary grant funding is over and above entitlement funding, and is provided to airports for projects that have a high federal priority for enhancing safety, security, and capacity of the airport and would be difficult to fund otherwise. The dollar amounts of individual grants vary and can be significant in comparison to entitlement funding. Discretionary grants are awarded at the FAA's sole prerogative. 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.

Further, per the FAA, discretionary funds are those established in various set-asides, plus any appropriated funding remaining after all apportionment funds have been allocated. These funds are assigned at the discretion of the FAA Administrator, to support noise mitigation projects and the highest-priority development that will benefit the National Airspace System (NAS). These discretionary set-aside funds are designed to achieve specific funding minimums for the noise program, reliever airports, and the conversion of military airports. The Capacity/Safety/Security/Noise (CSSN) fund is to be used to preserve and enhance capacity, safety, and security and to carry out noise compatibility programs, and include Letters of Intent (LOIs). The noise or CSSN funds are used towards FAR Part 150 Noise Compatibility Programs (NCPs). The remaining discretionary funding is also referred to as "pure discretionary" and is assigned to projects at the administrator's discretion.

The *American Recovery and Reinvestment Act of 2009* (ARRA) was passed by Congress in February 2009. The ARRA specifically provides \$1.1 billion in discretionary funding for capital projects administered by the FAA. The Airport will receive \$2.3 million in ARRA grants for taxiway lighting improvement projects in 2009. As indicated in the Act, 100% of project funding is provided with ARRA grants, without the requirement for local matching funds.

Passenger Facility Charges. The Aviation Safety and Capacity Expansion Act of 1990 established the authority for commercial service airports to apply to the FAA for imposing and using a Passenger Facility Charge (PFC) of up to \$3.00 per enplaned passenger. With the passage of AIR-21 in June 2000, airports were permitted to apply for an increase in the PFC collection amount from \$3.00 per eligible enplaned passenger to \$4.50. (In 2009, a further increase to \$7 is being considered by Congress in AIP re-authorization legislation. The actual outcome of this legislation is currently uncertain.) The proceeds from PFCs are eligible to be used for AIP eligible



projects and for certain additional projects that preserve or enhance capacity, safety or security; mitigate the effects of aircraft noise; or, enhance airline competition. PFCs may also be used to pay debt service on bonds (including principal, interest, and issue costs) and other indebtedness incurred to carry out eligible projects. In addition to funding future planned projects, the legislation permits airports to collect PFCs to reimburse the eligible costs of projects that began on or after November 5, 1990.

FAA Safety and Operations Funds. Within the FAA’s budget appropriation, money is available in the Safety and Operations Fund to purchase navigational aids (such as Instrument Landing Systems and Approach Lighting) and air safety-related technical equipment, including Airport Traffic Control Towers (ATCTs). Each Safety and Operations 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%) by the FAA, with the remaining projects likely being AIP eligible. If justified, it is probable that landing aid-related development projects for Will Rogers World Airport would qualify for Safety and Operations funding, if sufficient funds are available.

Private Third-Party Financing. Many airports use private third-party financing when the planned improvements will be primarily used by a private business or other organization. Such projects are not ordinarily eligible for federal funding. Projects of this kind typically include hangars, FBO facilities, fuel storage, exclusive aircraft parking aprons, industrial aviation-use facilities, non-aviation office/commercial/industrial developments, and various other projects. Private development proposals are considered on a case-by-case basis. Often, airport funds for infrastructure, preliminary site work, and site access are required to facilitate privately developed projects on airport property.

Airport-Generated Revenue Financing. Typically, the revenues generated by airports are used to support the local match of eligible state and federal projects. However, some projects are either non-eligible for state or federal funding participation, or do not compete well for eligible funding. In these cases, the airport sponsor would be responsible for 100% of the project cost to implement the proposed development.

Summary - Master Plan Capital Improvement Program Financial Implications

As described above, the CIP project cost estimates have been categorized by the total cost for each facility requirement, which is eligible to be paid by the FAA under the Airport Improvement Program; that portion which is likely to be funded from other sources; and, that portion to be borne by the Oklahoma City Airport Trust.



If aviation demands continue to indicate that improvements are needed, and if the proposed improvements prove to be environmentally acceptable, the capital improvement financial implications discussed above are likely to be acceptable for the FAA, and the City of Oklahoma City. However, it must be recognized that this is only a programming analysis and not a commitment on the part of the Sponsor or the FAA. If the cost of an improvement project is not financially feasible, its construction will not be instigated.

Before detailed planning on a particular project is developed, the funding structures and requirements should be identified and determined to reflect the current funding policies by the various funding entities.





PHASING LEGEND

- PHASE I (0-5 Years)
- PHASE II (6-10 Years)
- PHASE III (11-20 Years)

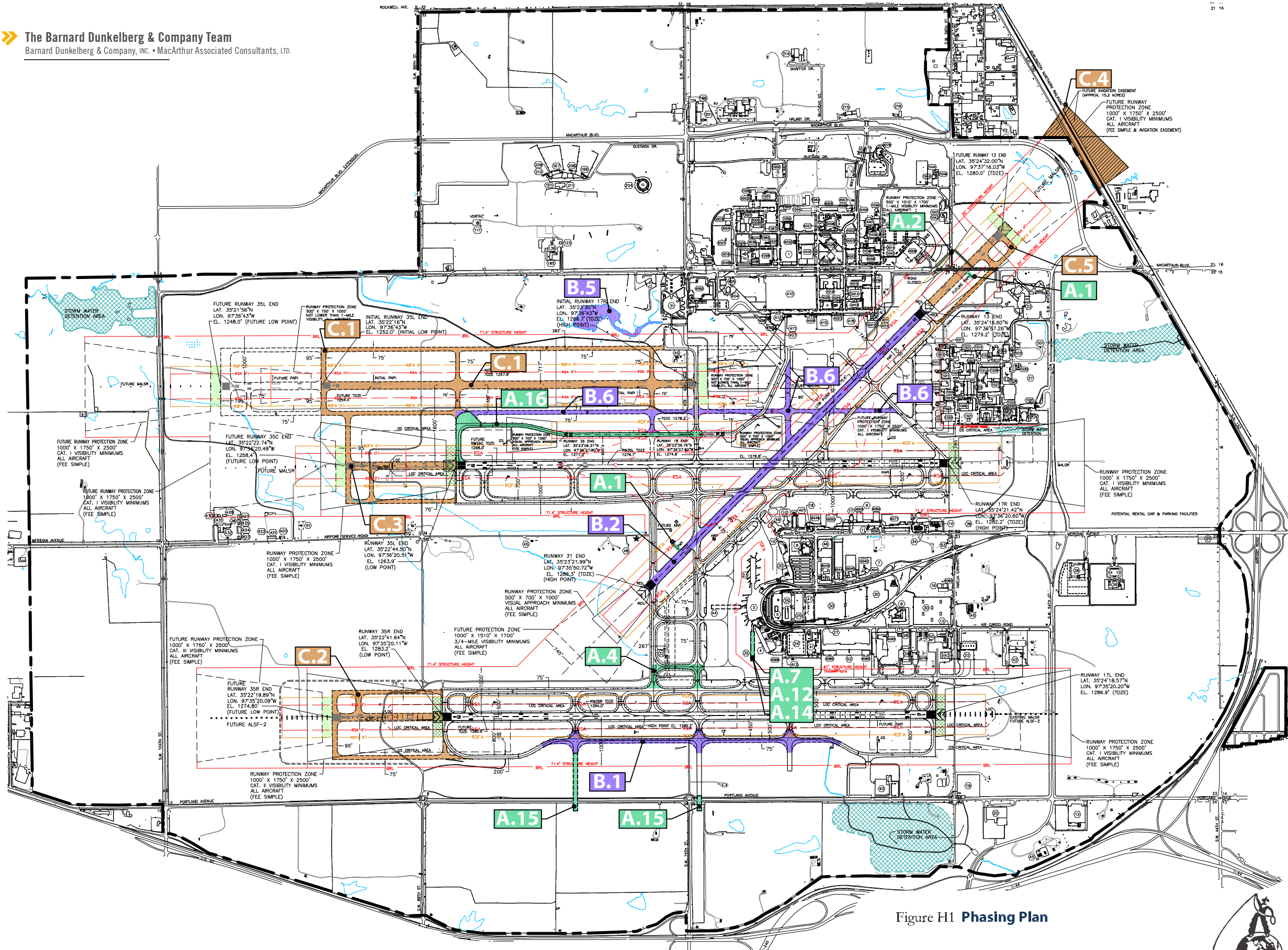


Figure H1 Phasing Plan

Source: Photogrammetric Survey by Aerial Data Service, 2007
 US Fish & Wildlife Service National Wetlands Inventory



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