

Destination: DRO



Master Plan Kick-Off

»» Planning Advisory Committee
May 15, 2014

Planning Advisory Committee – PAC Welcome

→ Opening Comments

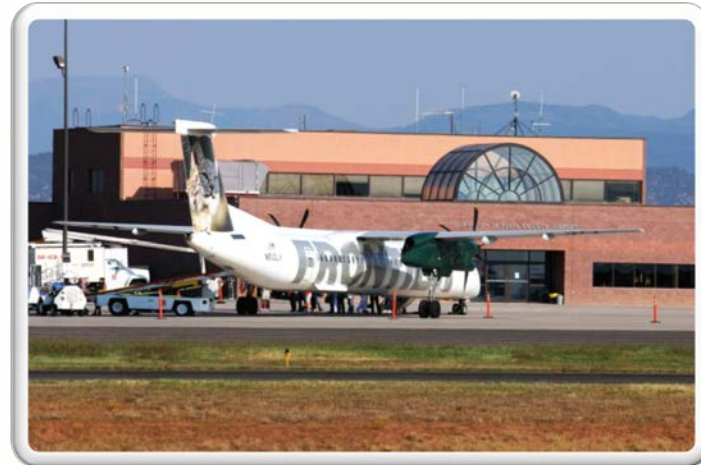
Kip Turner, DRO Airport Manager

→ Introductions

Planning Advisory Committee (PAC) members

DRO Staff

Jviation staff



Meeting Expectations

PAC members will leave with:

- ✓ Insight into general perceptions and future needs regarding the Airport and its facilities
- ✓ An understanding of the value provided, key partnerships elements included and processes used for development of the Airport Master Plan
- ✓ An awareness of next steps

Meeting Ground Rules

- ▶ Start on time, end early
- ▶ One person speaks at a time
- ▶ Honor diversity of opinions
- ▶ Be hard on the issue, not the person
- ▶ Participate fully
- ▶ No sidebar conversations
- ▶ Stay focused and on point
- ▶ Disclose financial interests related to the airport
- ▶ Turn cells phones off/vibrate
- ▶ Use humor!

Force Field Analysis

- Given your current knowledge, perception and understanding of DRO, how would you rate the airport on a scale of 1 to 5 (5 being the best)?





»» Master Plan Overview

Why do we Master Plan airports?

- The Master Plan is a *20 year plan* to understand the needs of current and future users of the airport. This is important to ensure that *safe and orderly development* occurs in a manner that is *reflective of the community's values and goals*. The plan is developed through a *purposeful, inclusive and educational process*.

PAC Role - *Cornerstone*



PAC – The Cornerstone

- The PAC is vital to the success of the Master Plan
- Crucial perspective on questions such as:

- How can we assure that the airport is valued as an integral community asset?
- Are we headed down the right runway?
- What do the citizens and visitors think of their airport and its future?



PAC Goal and Composition

- Goal for the PAC is to obtain varied perspectives on the future of the airport
- PAC Membership draws from...
 - Residents
 - Neighboring jurisdictions
 - Chambers and Associations
 - Local businesses
 - Colorado Dept. of Transportation, Division of Aeronautics
 - FAA – Airports District Office

PAC Role and Responsibilities

- The PAC functions best when you:
 - are a conduit for citizens to access accurate and timely information
 - provide focused feedback on key elements of the Master Plan working papers and findings
 - think critically through the key issues
 - serve in an advisory capacity to the Airport Commission

PAC Role and Responsibilities

→ Responsibilities

- ✓ Attend the meetings
- ✓ Be an engaged participant
- ✓ Familiarize yourself with advance material (if provided)
- ✓ Ask hard questions, insist on solid answers
- ✓ Voice your opinions, comments and concerns
- ✓ Share your thoughts on community perceptions
- ✓ Be open to new or different ideas

PAC Communications

- Information requests
- Media requests
- Regular PAC briefings

Primary:

Kip Turner, DRO
kip.turner@durangogov.org
(970)38-6068

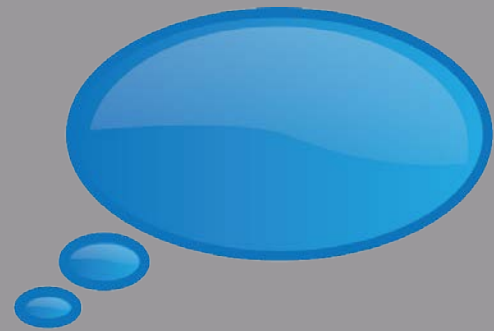
Secondary:

Dave Nafie, Jviation
Dave.nafie@jviation.com
(303) 524-3030





» Questions,
Comments?

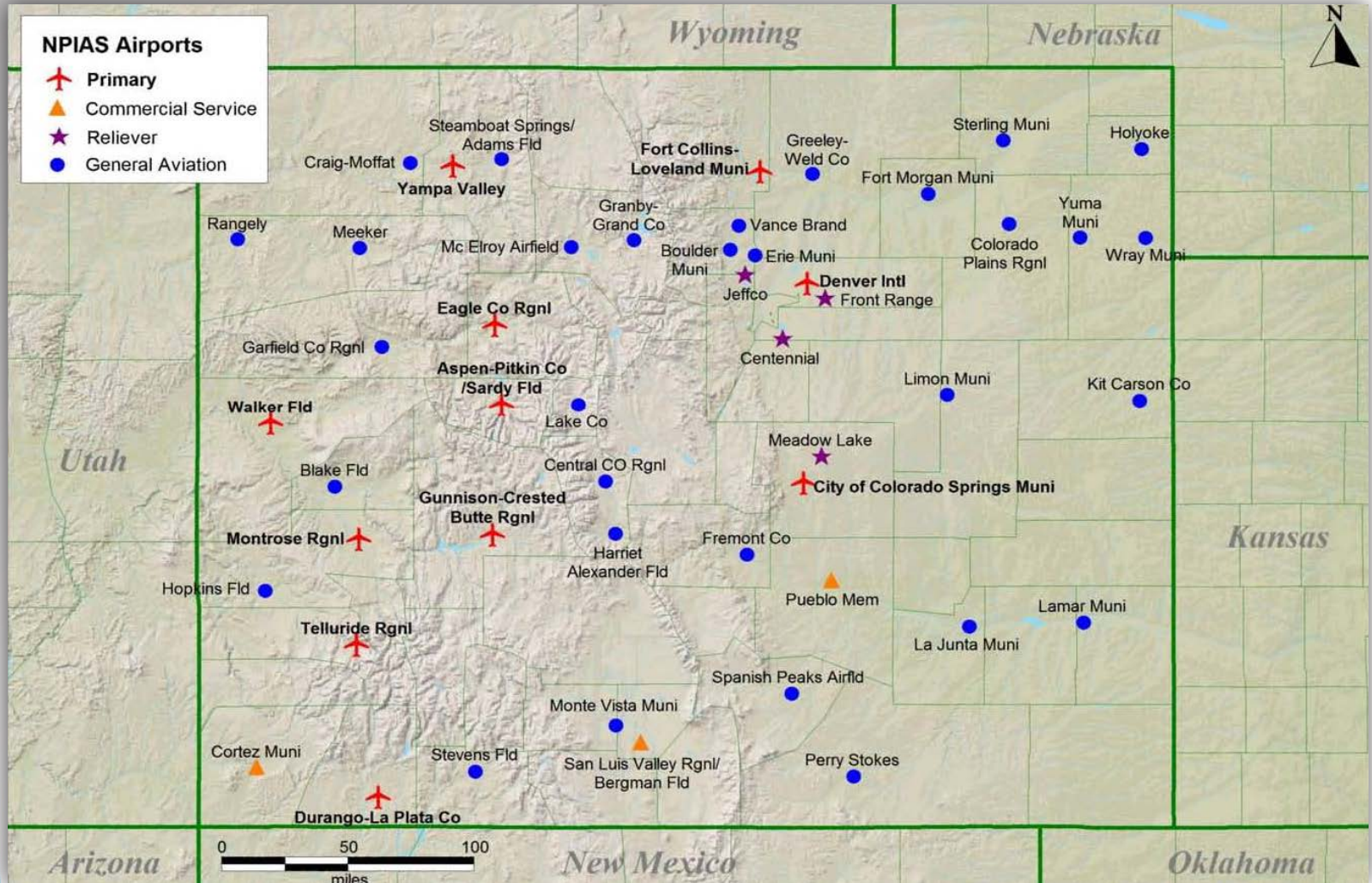




»» The Airport Systems

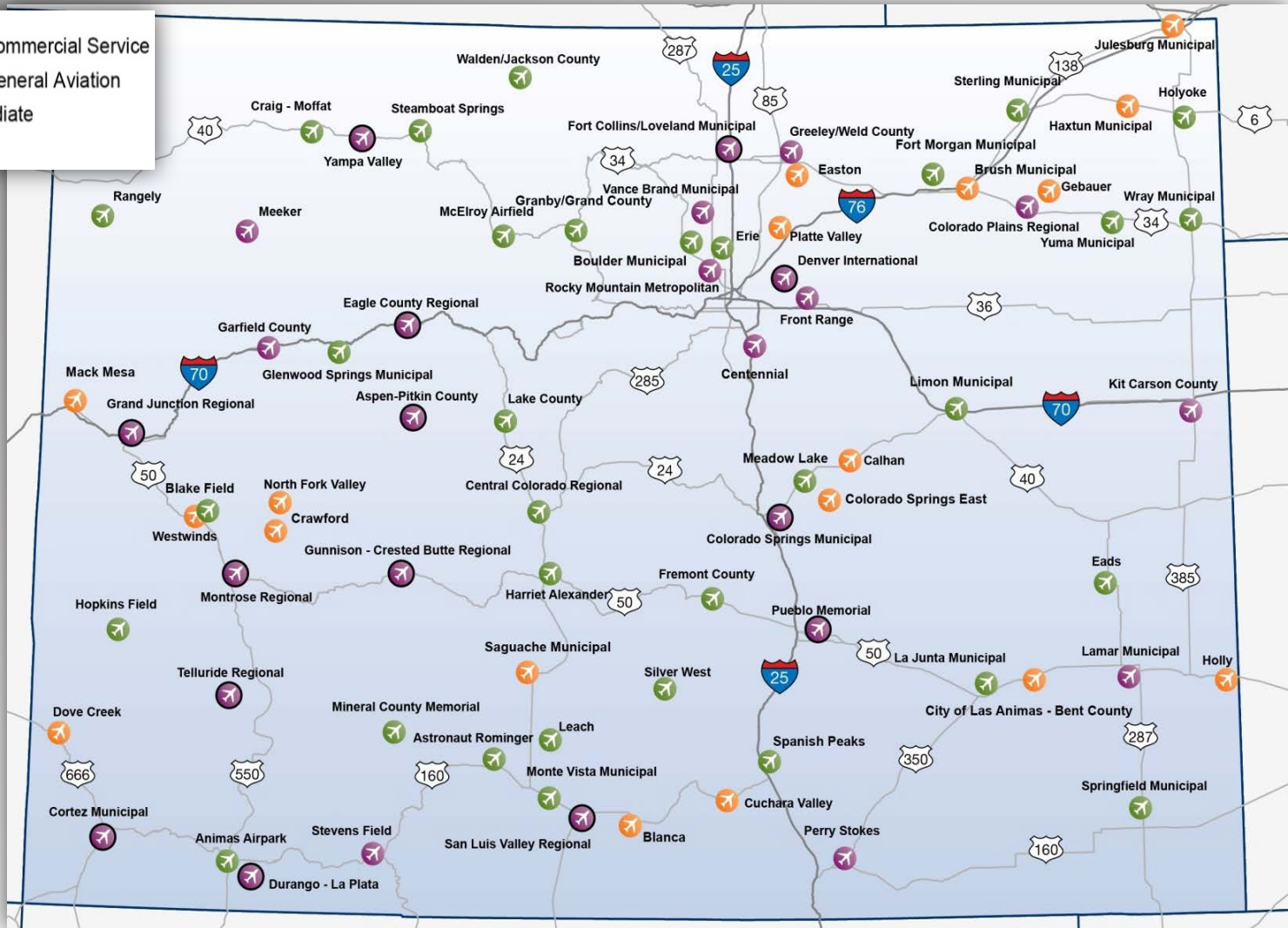


The National Airport System Role



The Colorado Airport System Role

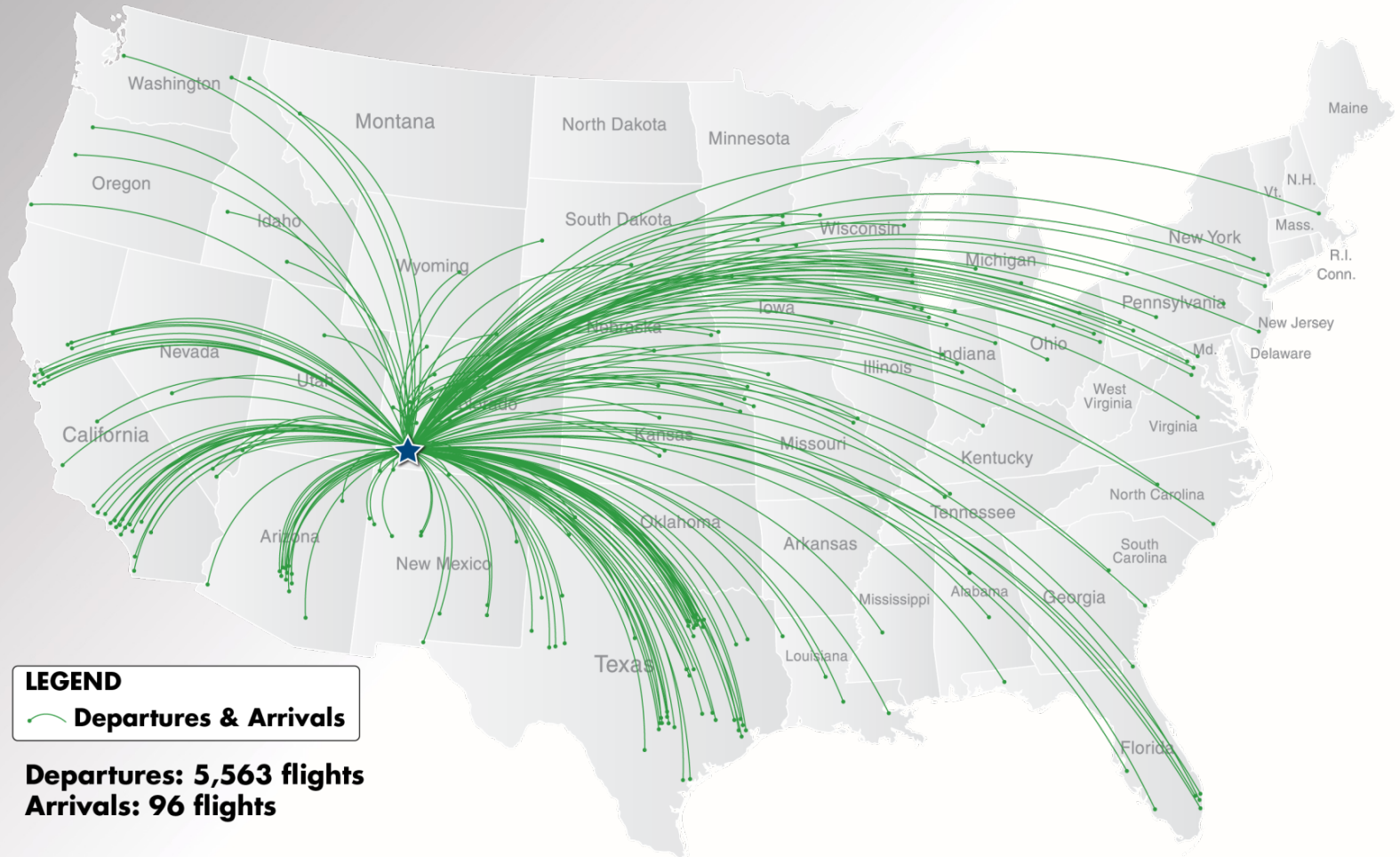
- Major Commercial Service
- Major General Aviation
- Intermediate
- Minor



DRO Flight Map

IFR Flight Map

September 4, 2012 - September 4, 2013

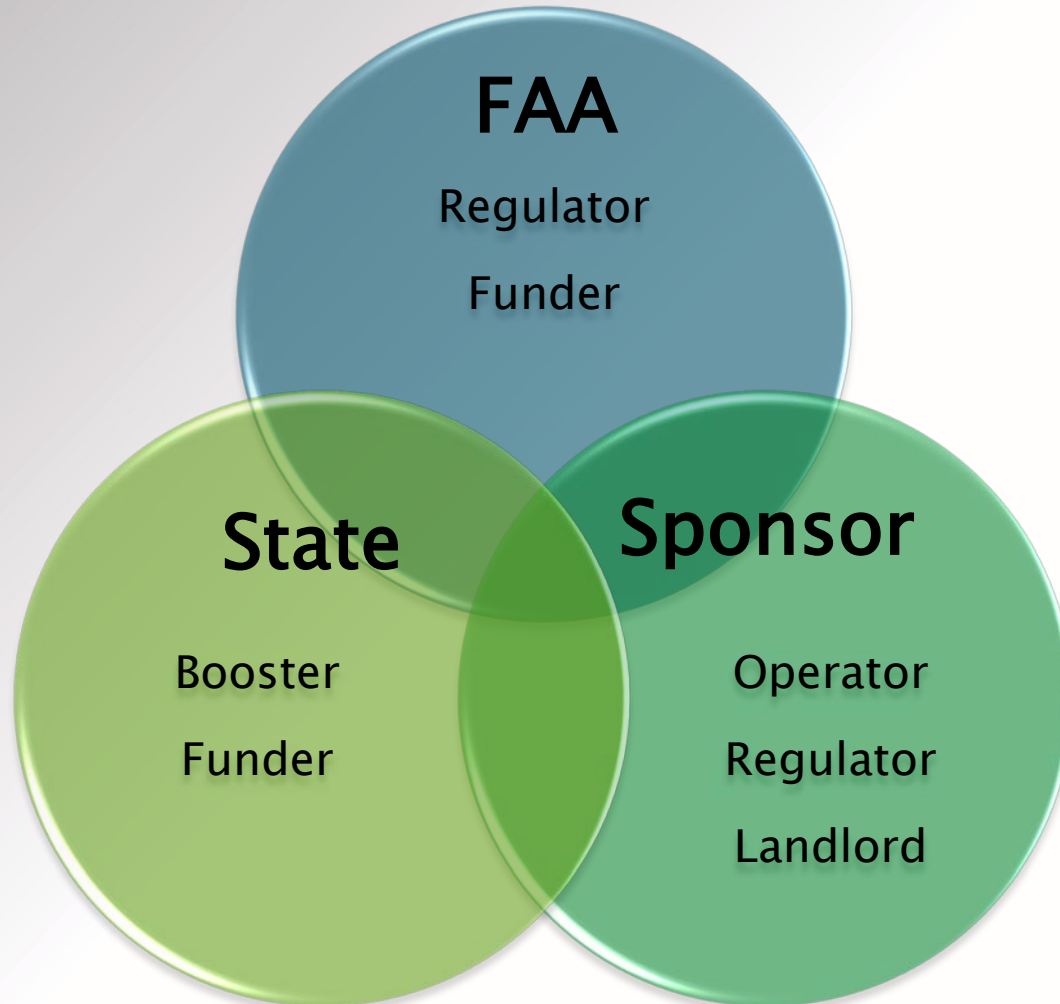




»» Key Relationships & Roles



Relationship Among Key Players



FAA and State Roles

FAA

- Preemptive authority on safety
- Regulates
 - Airspace
 - Aircraft operations
 - Aircraft noise
- Prescribes airport design standards
- Administer the Airport Improvement Program (AIP)

State of Colorado

- Promotes aviation safety, aviation education and development
- Provides guidance to Sponsors
- Leads other initiatives that benefits Colorado Aviation
- Partners with FAA for programming AIP funds
- Funds projects through a discretionary grant program

Durango and LaPlata County Responsibilities

- As the Airport sponsor, Durango City Council and LaPlata County Commissioners have final decision-making responsibility for the operation and maintenance of the airport and the responsibility for sound stewardship of the airport
 - Safe and efficient – highest priority (based on standard of care)
 - Maintenance of all assets – infrastructure and equipment
 - Sound fiscal management in compliance with federal and/or state grant assurances

Durango–LaPlata County Airport Commission

- Board appointed by Durango and LaPlata County elected bodies
- Responsibilities include:
 - Review of budgets, procurements
 - Advise the Director on operations, budget and policy issues
- FAA/State sponsorship remains with each entity



» Questions,
Comments?





»» Airport Financing



Funding the Airport Program

FAA

- Primary Entitlement
- Discretionary

Local

- Airport Revenue
- Passenger Facility Charges
- Local Municipalities
- Donations
- Economic Development Programs
- Third Party Funds
- Public Debt

State

- Fuel Tax Rebate
- State Discretionary Grant Program
- State Infrastructure Bank (SIB)

Airport Financing 101

→ Main Source of Funds

1. Airport Revenues
 - Examples – landing fees, rent, fuel flowage, concession fees
2. Federal grant funds through the Airport Improvement Program (AIP)
3. Passenger Facility Charges (PFC)
 - Up to \$4.50 per enplaning passenger, collected by airlines
4. Tax-exempt debt
 - General obligation or dedicated airport revenue
5. State grants and loans

Airport Financing 101 – Federal

- ➔ Airport Improvement Program – Federal
 - Funded from user fees, ticket tax and fuel tax
 - Roughly \$3 billion per year. BUT, may be less in coming years
 - Two parts
 - Entitlement Fund – formula-based
 - Discretionary Fund – limited, prioritized
 - Use of funds
 - Planning
 - Capital projects

Airport Financing 101 – State

→ Grants

- Source is Aviation Fuel Tax
- Primary generator – Denver International Airport
- Eligible for State discretionary funding
 - Tier 1 – \$400,000 (under review)
 - Tier 2 – up to \$1,000,000 additional funding
 - 2013 CDOT grants totaled just over \$20,000,000 state-wide



Airport Financing 101 – Local

→ Passenger Facility Charge – Local

- Generated locally at the Airport
- Fewer restrictions
- Use of funds
 - Planning (this master plan)
 - Capital projects
 - Terminal projects
 - Matching AIP grants
 - Securing bonds



Funding Priorities



FAA Funding Eligibility

- Safety/Security
- Standards
- Reconstruction/
Rehabilitation
- Environmental
- Equipment
- Other

State Funding Eligibility

- Matching FAA
Funding
- Pavement
Maintenance
- Safety/Security
- Equipment

Airport Financing 101

→ Key Conditions and Limits

- Only certain types of projects can be funded through AIP and PFC
- Both AIP and CDOT require local match
- Airport Revenue can only be used for airport purposes, not for other County purposes
- County must charge a reasonable rate to airlines and other aeronautical users of the Airport
- County has latitude in charging for non-aeronautical use, and can charge fee for the privilege to conduct business on the Airport



»» Federal & State Grant Assurances

Understanding Grant Assurances

- FAA allocates over \$3 billion annually for airport planning and development.
- Federal law requires that airport sponsors agree to certain conditions in exchange for financial assistance.
 - Thirty-nine Grant Assurances
 - Many focused on specific project receiving funding; others apply generally to operation of airport
 - Typically expire after 20 years, except where grants used for land acquisition

Key Grant Assurances

- ✓ Assurance 4 (Good Title)
- ✓ Assurance 5 (Preserving Rights and Powers)
- ✓ Assurance 19 (Operation and Maintenance)
- ✓ Assurance 22 (Economic Nondiscrimination)
- ✓ Assurance 23 (Exclusive Rights)
- ✓ Assurance 24 (Fee and Rental Structure)
- ✓ Assurance 25 (Airport Revenues)
- ✓ Assurance 29 (Airport Layout Plan)

Implications of Grant Assurances

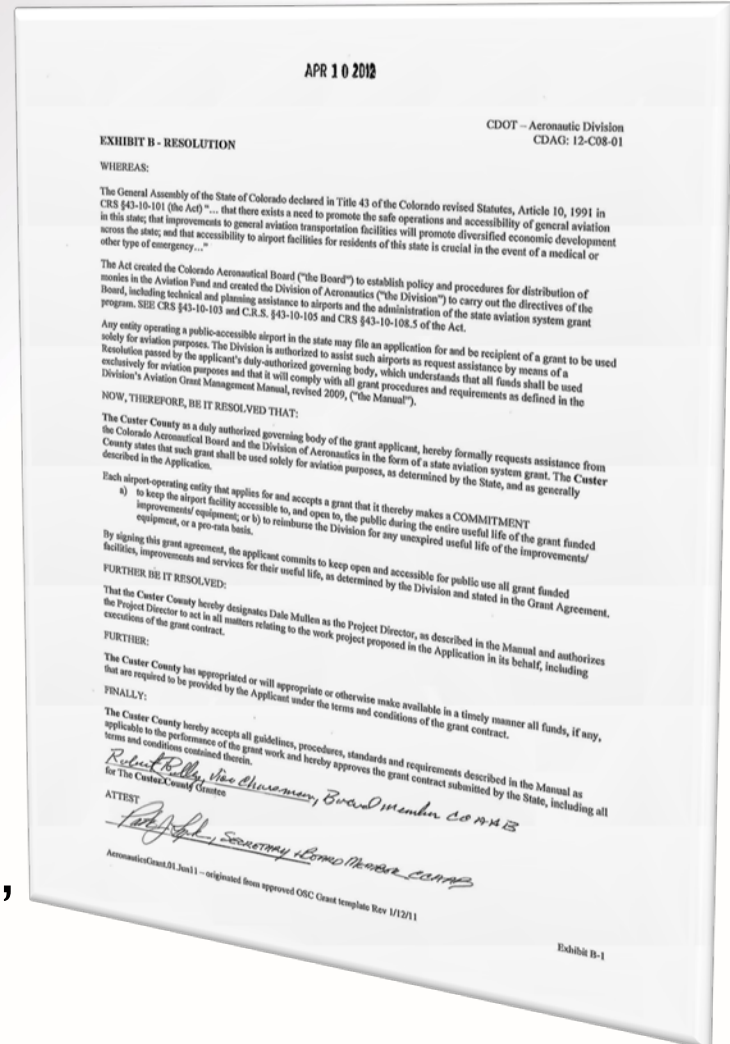
- Obligations are not scaled based on size of airport or volume of traffic
- No obligation to grow; obligation to maintain
- Airports can be subsidized, but cannot divert revenue
- Difficult for airports to allocate traffic, outside of a formal airport system
- Difficult for airports to share revenue, outside of a formal airport system

Colorado Airports – Authority

- Colorado law authorizes counties, cities and public airport authorities to own and operate public use airports
- The Division of Aeronautics is authorized to provide grant assistance to public use airports
- Currently there are:
 - 76 public use airports in Colorado
 - Counties most common owner/operator
 - No formal airport systems in Colorado
 - No state-owned airports in Colorado

State Grant Assurances

- Obligates DRO
 - “...the grant shall be used solely for aviation purposes...”
 - “...a) to keep the airport facility accessible to, and open to, the public during the entire useful life of the grant funded improvement/equipment; or
 - b) to reimburse the Division for any unexpired useful life of the improvements/ equipment, or on a pro-rata basis.”





» Questions,
Comments?





»» The Master Plan Process

Master Plan – Overview

→ Master Plan

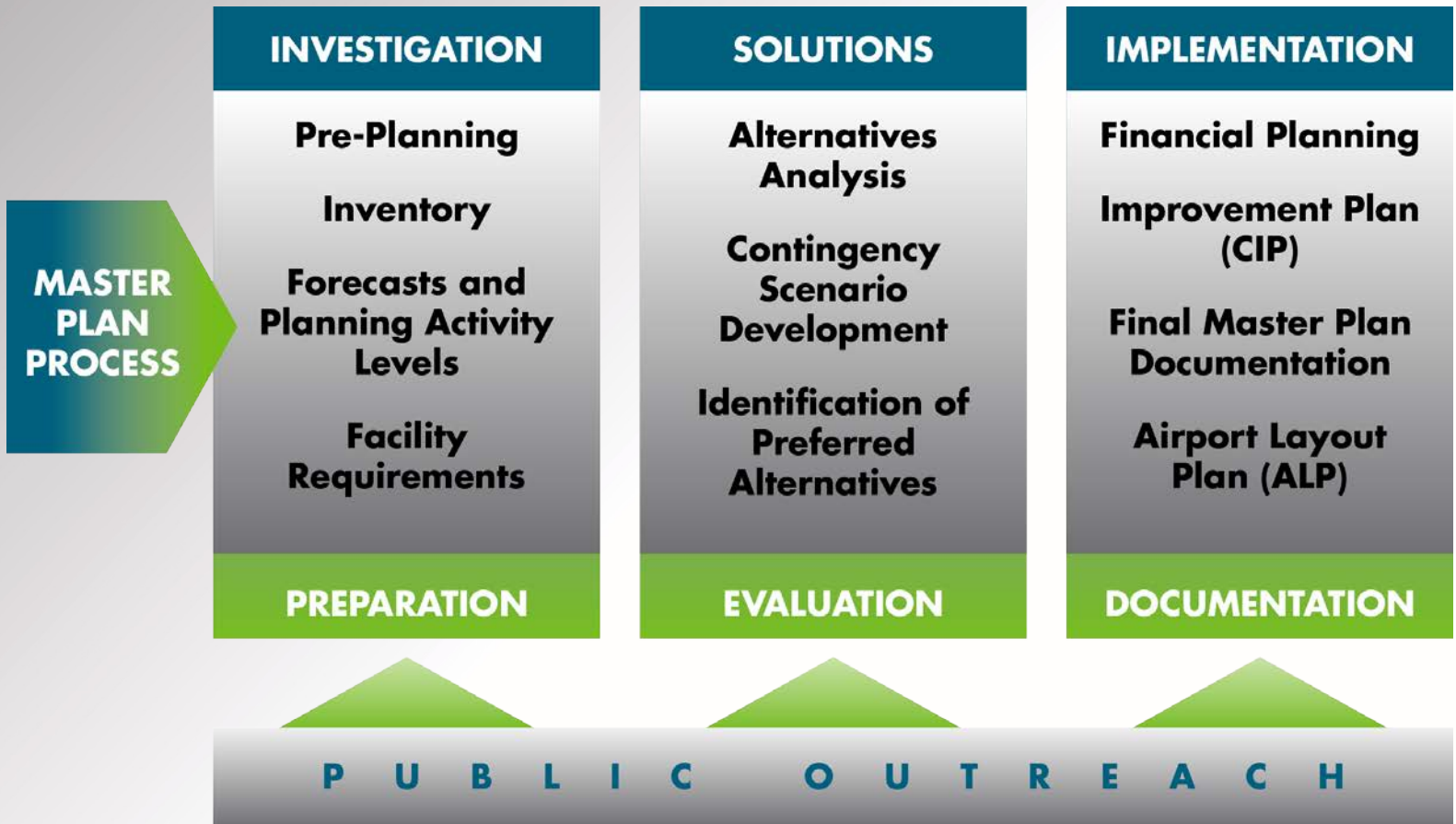
- Recommended by FAA and CDOT
- FAA does *not* approve Master Plan
- FAA approves forecast and ALP update
- Projects may be added to CIP
- FAA approval for projects comes later

→ Airport Layout Plan (ALP)

- Must be kept current
- Airport development must be consistent with ALP

→ *Durango–LaPlata County decide whether and what to build*

Master Plan Process



Master Plan – Key Features

- ➔ Planning is **not prejudicial**
 - FAA mandates against predetermined outcomes
 - The plan must be based on current conditions, community input, and forecasts
- ➔ Master Plan **Inclusions**:
 - Establish future facility needs
 - Measure aviation demand
 - Create the Airport Layout Plan set for FAA approval
 - Identify funding opportunities and strategies
 - Identify compliance issues/recommendations
- ➔ Master Plan **Exclusions**:
 - Marketing strategies or management of the airport
 - Formal business planning

Additional Study Components

- Geographic Information System (GIS) data
 - Geodetic Control
 - Aerial Photography
 - Aeronautical Survey
- Environmental Data Collection
 - Data Collection
 - Cultural Resources
 - Endangered Species
 - Wetlands
 - Agency Coordination

Additional Master Plan Emphasis

→ Public Engagement and Education

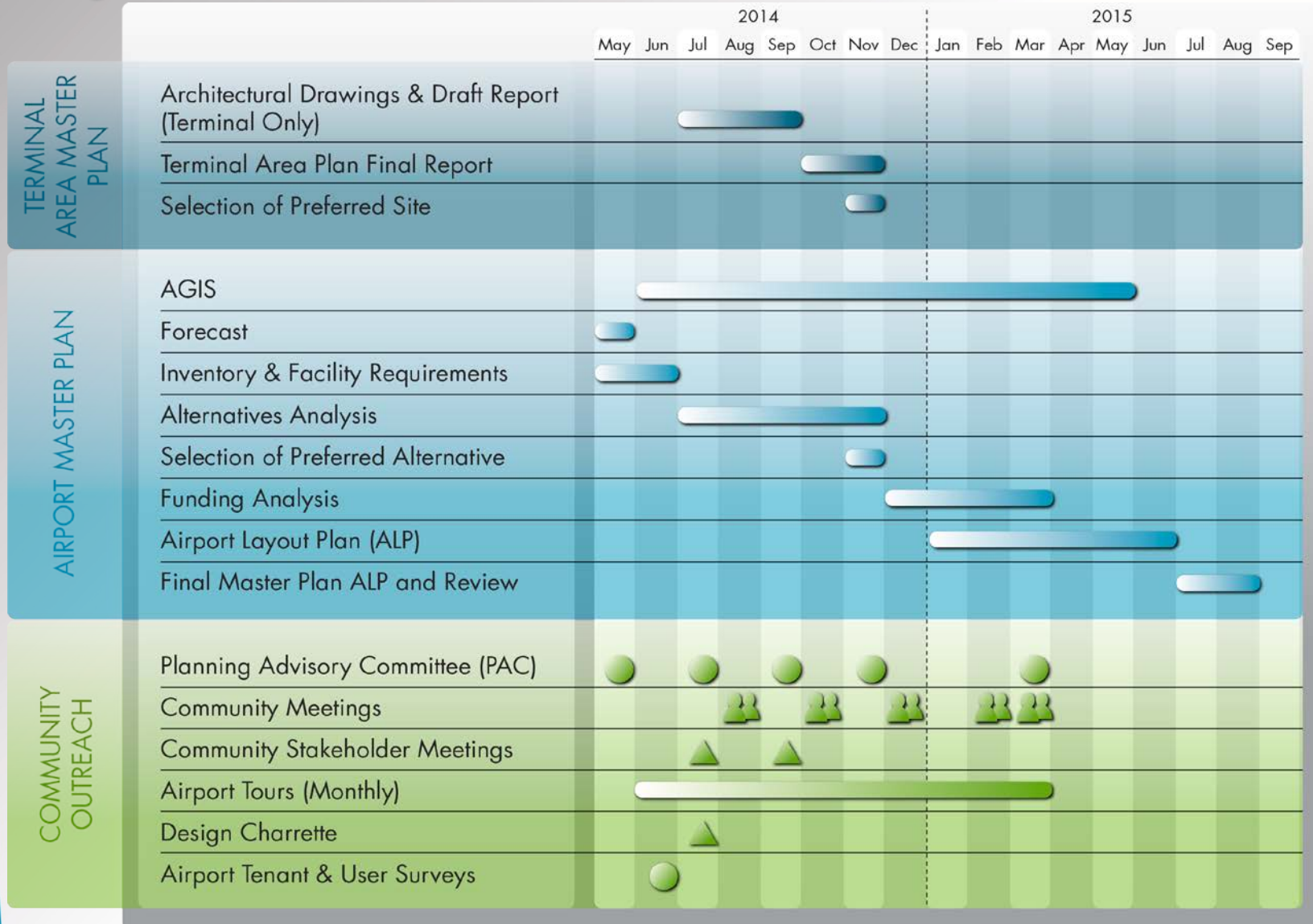
Meetings & Engagement

- Surveys (Tenants & Users)
- Airport Tours (General Public)
- Working Papers (PAC)
- Open Houses (General Public)
- Stakeholder Meetings (Targeted Audience)
- Civic Group Briefings
- Work Sessions & Public Hearing (City Council & BOCC)

Communication & Education

- Airport Website
- Media Outreach (PSAs, display ads)
- Brochures
- Informational Video/ Government TV

Project Timeline



Phase I Deliverables

→ Inventory

- Documentation of current conditions
- Surveys will be sent to the following:
 - Airport Users (based aircraft owners, tenants, airlines, GA users)
- Community Stakeholder Meetings
 - Tenants/air carriers, neighbors, local businesses/chamber, lodging/visitor industry, large employers, college, etc.

→ Forecast

- Prepared in 5, 10, and 20 year increments
- The FAA must approve based on their own Terminal Area Forecast (TAF)

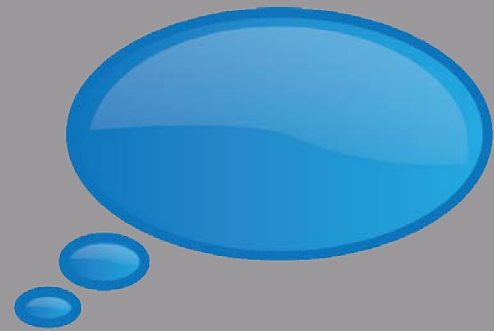
Next Steps

- Phase I Deliverables
 - Inventory
 - Forecast
- July PAC Meeting





» Questions,
Comments?





»» Thank You!

Kip Turner, DRO Airport Manager

kip.turner@durangogov.org

970.382.6068

Dave Nafie, Aviation Planning Manager

dave.nafie@jviation.com

303.524.3027