

PUBLIC NOTICE

Cherry Capital Airport, Traverse City, Michigan

Passenger Facility Charge (PFC) Application 2017-07-C-00-TVC

INTRODUCTION: This Public Notice is issued as part of a Federal Aviation Administration (FAA) requirement for Passenger Facility Charge Applications as directed by changes to the PFC Program resulting from the Non-Hub Pilot Program and Related Streamlining Changes Final Rule that was published on March 23, 2005 and which went into effect on May 9, 2005. The Northwestern Regional Airport Commission, Cherry Capital Airport (the public agency) must provide a notice and opportunity for public comment before submitting (1) a PFC Application, (2) a notice of intent under the non-hub program, or (3) an amendment request to change the scope of a project or projects, increase the PFC level to be collected, or increase the PFC amount for a project by more than 25 percent. The public notice and comment period may be run concurrently with the air carrier consultation period. The notice must allow the public to file comments for at least 30 days, but no more than 45 days after the date of publication of the notice or posting on the public agency's Web site.

PFC COLLECTION REVIEW: The Passenger Facility Charge Application requests authority to impose a \$4.50 level of collection PFC charge at the Cherry Capital Airport. Once authority has been given by the Federal Aviation Administration (FAA) collection will continue until the date on which the total net PFC revenue plus interest equals the allowable cost of approved projects. The PFC Application addressed in this Public Notice, has a \$4.50 level of collection with an estimated proposed charge effective date being February 1, 2019 and an estimated charge expiration date being June 1, 2026, with total estimated PFC revenue of \$5,870,468.00. Carriers may keep a portion of the collected PFC revenue as Carrier Compensation for Collection. An air carrier consultation meeting to discuss this application was held on August 9, 2017. Written Notice to Air Carriers was sent out on June 29, 2017.

APPLICATION STATUS: The PFC Application will be submitted upon expiration of the public notice and comment period. The public agency is required to submit evidence of compliance with the public notice and comment requirement in its PFC Application, notice of intent or amendment request.

APPLICATION CONTENTS: Capital Improvement Projects, which this current application addresses as impose and use projects, are as follows:

CHERRY CAPITAL AIRPORT PASSENGER FACILITY CHARGE APPLICATION NUMBER -07 IMPOSE AND USE PROJECTS

Project 07-01: Reimbursement of Passenger Facility Charge (PFC) Administration Costs:

Description: Reimbursement of PFC administration costs that incurred from October 1, 2015 through January 31, 2017 for the preparation of PFC applications, amendments and reports for the PFC Program. **Justification:** Reimbursement of PFC administration costs are eligible under PFC rules. Local funds used to cover the invoiced costs to prepare PFC applications, amendments and reports will now be reimbursed by PFC revenue. **Financing plan:** \$23,492.00 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-02: Reimbursement of Passenger Facility Charge (PFC) Audit Costs:

Description: Reimbursement of PFC account audit costs incurred for Fiscal Years 2009 through 2015.

Justification: Reimbursement of PFC account audit fees is eligible under PFC rules. Local funds used to cover the cost to perform PFC account audits will now be reimbursed by PFC revenue. **Financing plan:** \$3,530 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-03: Rehabilitate Runway 10/28 (6,900 x 150') Design and Construct:

Description: Runway 10/28 Bituminous Overlay and Grade Correction. **Justification:** It is necessary to rehabilitate the runway pavements as they begin to deteriorate. The overlay will assist in maintaining the structural integrity of the runway. 2013 PCI ratings are 69, 73 and 70 for this runway. Approximately 800' of Runway 10 requires grade correction. The airport previously decommissioned Runway 5/23. However, grades for this former runway intersection were never adjusted since the runway decommissioning. In accordance with transverse runway grade standards in AC 5300-13A Change 1, Figure 3-23, the area of non-standard grades is being corrected. Grade correction requires reconstruction of the pavement section to meet FAA standard pavement design requirements. **Financing plan:** \$199,963 in pay-as-you-go PFC funds, \$3,599,336 in anticipated FY2017 AIP Grant funds, and \$199,963 in State funds for a Total Project Cost of \$3,999,262. The proposed PFC funding level for this project is \$4.50. The backup financial plan for this project will be to fund the entire project with PFC funds.

Project 07-04: Extend Runway 10 (115' x 150'), Design and Construct:

Description: Extend Runway 10 and Blast Pad. **Justification:** The runway extension depicted on the ALP, approved July 13, 2013, totals 400', providing a total runway length of 7,300'. In 2013-14 it was recommended in the "Airfield Capacity and Operational Improvements Analysis" by Cherry Capital Airport and its Technical Advisory Committee that Runway 10 should be extended 115', required for the current design aircraft, the CRJ-700, providing a total runway length of 7,015'. The proposed runway length of 7,015 is deemed the prudent and feasible alternative by TVC and its stakeholders and identified on the partial ALP update approved by the FAA on April 28, 2017. **Financing plan:** \$100,882 in pay-as-you-go PFC funds, \$1,815,878 in anticipated FY2017 AIP Grant funds, and \$100,882 in State funds for a Total Project Cost of \$2,017,642. The proposed PFC funding level for this project is \$4.50. The backup financial plan for this project will be to fund the entire project with PFC funds.

Project 07-05: Extend/Realign Taxiway D, Design and Construct:

Description: Extend and Realign Parallel Taxiway D. **Justification:** The Taxiway D extension is consistent with the justification to extend Runway 10/28, depicted on the ALP, approved on July 13, 2013, and is being realigned to be in accordance with design standards for runway and connector geometry and ninety degree intersections. **Financing plan:** \$374,589 in pay-as-you-go PFC funds, \$714,900 in anticipated FY2017 AIP Grant funds, and \$39,717 in State funds for a Total Project Cost of \$1,129,206. The proposed PFC funding level for this project is \$4.50. The backup financial plan for this project will be to fund the entire project with PFC funds.

Project 07-06: Relocate Service Road (7300' x 24'), Design and Construct:

Description: Construct Perimeter Service Road (7,300 x 24') from West T-Hangars to SRE Building.

Justification: In an effort to reduce the amount of vehicle traffic on the airfield, it is necessary to extend the existing perimeter/service road at TVC. The proposed project will provide ground access for airport vehicles between the west t-hangars, ARFF/SRE and MALSR without crossing runways or taxiways. This extension will complete a paved perimeter road system around the entire airfield at TVC. **Financing plan:** \$567,646 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-07: Acquire Land for Runway 10 Approach Protection:

Description: Land acquisition: Avigation Easements over land in Runway 10 Approach. (Anticipate less than 60 parcels.) **Justification:** The acquisition of avigation easements is to clear the approach to the extended Runway 10 threshold, consistent with the Hughes Aerospace Report and the draft Approach Development from Flight Procedures. Clearing the 34:1 approach to extended Runway 10, while obtaining easements to the 40:1 departure surface is consistent with approach development goals to obtain an approach with $\frac{7}{8}$ mile minimums. The proposed tree clearing project will address the controlling 34:1 obstructions. **Financing plan:** \$1,020,000 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-08: Obstruction Removal for Runway 10 Approach:

Description: Tree removal in Runway 10 approach and 6.65 acres of airport property. **Justification:** Obstructions have been identified to the 34:1 approach surface to extended Runway 10. Most of the obstructions have been identified as trees that are located on up to 60 private parcels. Additional trees are located on existing airport property along the property line. The airport property clearing proposed in this project was not previously cleared because it has mature trees. The remainder of the proposed obstruction removal project is initial clearing of tree obstructions on private properties. The proposed tree clearing will remove trees that are obstructions to the 34:1 approach to the extended Runway 10. **Financing plan:** \$610,000 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-09: Relocate VASIs and Convert to Precision Approach Path Indicators (PAPIs) for Runway 10, Design and Construct:

Description: Install 4-Box PAPIs for Runway 10 (FAA Owned). **Justification:** Due to the extension of Runway 10, the current visual approach guidance equipment needs to be relocated. Guidance issued under FAA Order 5100.38D, AIP Handbook, Table 3-47, an existing FAA-owned visual approach slope indicator (VASI) should be replaced with a precision approach path indicator (PAPI). This direction is derived from a proposal by the FAA Air Traffic Organization (ATO). Under the guidance of the ATO even though a PAPI is considered an upgrade, the FAA no longer purchases and installs VASIs, and PAPIs are the only option to provide equivalent functionality. The PAPI is also the only visual guide-slope system eligible for an airport holding a 14 CFR Part 139 certificate. **Financing plan:** \$411,125 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

Project 07-10: Install MALSR, Runway 10 Approach, Design and Construct:

Description: Install Medium Intensity Approach Lighting System with Runway Alignment Indicator Lights (MALSR) Runway 10. **Justification:** The installation of a MALSR system at TVC will reduce visibility minimums from 1-1/8 mile to 7/8 mile, ultimately increasing airport reliability during conditions of low visibility. A benefit cost analysis was performed in 2016 for the proposed installation of a MALSR for the Runway 10 approach. The results concluded that the cost was justifiable with the return on investment rate of 4.92. **Financing plan:** \$1,838,251 in pay-as-you-go PFC funds, which is also the Total Project Cost. The total project cost consists of a combination of construction costs and engineering costs together with a FAA reimbursable agreement cost, power service extension costs and the west approach utility relocation costs to mitigate impacts. The proposed PFC funding level for this project is \$4.50.

Project 07-11: Rehabilitate Runway 10/28 Lighting, Design and Construct:

Description: Rehabilitate Runway 10/28 lighting circuit and convert signs to LED. **Justification:** This project will include the relocation of edge lights, reconstruction of the runway shoulders caused by light relocations and converting guidance signs to LED fixtures. The original high intensity runway lights on Runway 10/28 were installed in 1969. Airport guidance signs were installed in 1985. Runway 10/28 lighting rehabilitation occurred in 2006 and was funded with State (C-107) and Local funds only. All related runway lighting projects for primary Runway 10/28 exceed the 10-year useful life, as presented in AIP Handbook, Table 3-8. Despite repairs and continued maintenance the circuit has been below 1 MΩ since 2013. The low insulation resistance tests are an indication that the integrity of the insulation and connections is compromised. The runway edge lighting system should be replaced with conduits, cable and new fixtures to provide a safer and more reliable system and the signage upgraded to LED to improve the brightness and extend the life of the signs. **Financing plan:** \$82,785 in pay-as-you-go PFC funds, \$1,490,127 in anticipated AIP Grant funds, and \$82,785 in State funds for a Total Project Cost of \$1,655,697. The backup financial plan for this project will be to fund the entire project with PFC funds. The proposed PFC funding level for this project is \$4.50.

Project 07-12: Extend Taxiway G, Design and Construct:

Description: Extend Parallel Taxiway G. **Justification:** The Taxiway G extension is consistent with the justification to extend Runway 10/28, depicted on the ALP, approved on July 13, 2013, and are in accordance with design standards for runway and connector geometry and ninety degree intersections. **Financing plan:** \$638,205 in pay-as-you-go PFC funds, which is also the Total Project Cost. The proposed PFC funding level for this project is \$4.50.

CONTACT INFORMATION: The name of and contact information for the person within the public agency to whom comments should be sent is as follows:

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