



City of Chicago



F2015-17

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	3/18/2015
Sponsor(s):	Dept./Agency
Type:	Communication
Title:	Application request by City of Chicago dated March 3, 2015 regarding Passenger Facility Charge program at Chicago O'Hare International Airport for Gary Master Plan Update and Apron Rehab Project at Gary/Chicago International Airport
Committee(s) Assignment:	



CHICAGO DEPARTMENT OF AVIATION
CITY OF CHICAGO

March 11, 2015

The Honorable Susana A. Mendoza
City Clerk
City of Chicago
City Hall Room 107
121 N. LaSalle Street
Chicago, IL 60602

Dear Ms. Mendoza:

Pursuant to the ordinance passed on January 12, 1993, attached hereto please find an application request by the City of Chicago dated March 3, 2015 regarding Passenger Facility Charge (PFC) program at Chicago O'Hare International Airport for the Gary Master Plan Update and Apron Rehab Project at Gary / Chicago International Airport (Gary).

If you have any questions regarding these matters, please contact me at (773) 686-3579.

Sincerely,

Michael Cosentino
Department of Aviation

Enclosure

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CHICAGO DEPARTMENT OF AVIATION
CITY OF CHICAGO

March 3, 2015

Ms. Amy Hanson
Chicago Airport District Office, CHI-ADO-600
Federal Aviation Administration (FAA)
2300 East Devon Avenue
Des Plaines, IL 60018

Dear Ms. Hanson:

Pursuant to Federal Aviation Regulation (FAR) Part 158, following herewith please find these items regarding the Passenger Facility Charge (PFC) program at Chicago O'Hare International Airport (O'Hare) as administered by the City of Chicago (the City):

One (1) application form pertaining to the City's intent to impose a PFC at O'Hare and use PFC revenue for the Gary Master Plan Update and Apron Rehab Project at Gary/Chicago International Airport (Gary);

all necessary attachments relating to the PFC authority being sought by the City.

A notification letter detailing this proposed PFC action was sent on August 1, 2014 to all air carriers and foreign air carriers operating at O'Hare. A consultation meeting took place on September 5, 2014. Public consultation, pursuant to FAR Part 158, occurred as detailed in Attachment C.

In the enclosed application, the City seeks authority to impose a PFC at O'Hare and to use PFC revenue for the following projects at Gary:

Gary/Chicago International Airport – Master Plan Update and Apron Rehab Project



CHICAGO DEPARTMENT OF AVIATION
CITY OF CHICAGO

Descriptions of these projects and other required information is included in Attachment B. The net effect of this proposed application to impose a PFC and use PFC revenue is an increase in the total estimated net PFC authority of \$11,125,000.

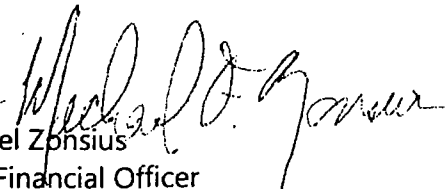
The City estimates the current approved total PFC authority to be \$6,617,365,989. The total effect of this proposed impose and use application is as follows:

Estimated Charge Expiration Date: February 1, 2039

Estimated Total PFC Authority: \$6,628,490,989
(cumulative to date)

The City appreciates the opportunity to submit this application with regards to the PFC program at O'Hare. We continue to be available if you require additional information during your review.

Respectfully submitted,


Michael Zonsius
Chief Financial Officer
Chicago Department of Aviation (CDA)

Federal Aviation
Administration
U. S. Department of Transportation

PASSENGER FACILITY CHARGE (PFC) APPLICATION

1. Application Type (Check all that apply)

☒ a. Impose PFC Charges☒ b. Use PFC Revenue☐ c. Amend PFC No. _____

FAA USE ONLY

Date Received _____

PFC Number _____

PART I

2. Public Agency Name, Address, and Contact Person

Agency Name City of Chicago, Department of Aviation

Address 10510 W. Zemke Rd.

City, State, ZIP Chicago, IL 60666

Contact Person Michael Zonsius 773-686-3433

3. Airport(s) to Use

GYG

4. Consultation Dates

a. Date of Written Notice to Air Carriers:

August 1, 2014

b. Date of Consultation Meeting with Air Carriers:

September 5, 2014

c. Date of Public Notice

September 8, 2014

PART II

5. Charges

a. Airport to Impose

ORD

b. Level

☐ \$1.00 ☐ \$2.00 ☐ \$3.00☐ \$4.00 ☒ \$4.50

c. Total Estimated PFC Revenue by Level

Impose _____

Use _____

Impose \$11,125,000

Use \$11,125,000

d. Proposed Effective Date:

January 1, 2039

e. Estimated Expiration Date:

February 1, 2039

PART III

6. Attachments (Check all that Apply)

Attached

Submitted with Application Number

Document

a.
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Airport Capital Improvement Plan
Project Information (Attachment B)
Air Carrier Consultation and Public Notice Information
Request to Exclude Class(es) of Carriers
Alternative Uses/Projects
Competition Plan/Update
ALP/Airspace/Environmental
Notice of Intent Project Information

PART IV

7. With respect to this PFC application I hereby certify as follows:

To the best of my knowledge and belief, all data in this application are true and correct;

This application has been duly authorized by the governing body of the public agency;

The public agency will comply with the assurances (Appendix A to Part 158) if the application is approved;

For those projects for which approval to use PFC revenue is requested, all applicable ALP approvals, airspace determinations, and environmental reviews required by the National Environmental Policy Act have been completed.

If required, the public agency has submitted a competition plan in accordance with 49 U.S.C. 47106(f); and

If required by 49 U.S.C. 40117(d)(4), adequate provision for financing the airside needs, including runways, taxiways, aprons, and gates, has been made by the public agency.

a. Typed Name of Authorized Representative

Michael Zonsius

b. Title
Chief Financial Officer, CDAd. E-mail Address
michael.zonsius@cityofchicago.orgc. Telephone Number
773-686-3433

e. Fax Number

f. Signature of Authorized Representative

g. Date Signed

3/2/2015

Paperwork Reduction Act Statement: This form is the FAA's primary source for collecting information for the authority to collect PFC revenue for airport development. This information is used to determine the eligibility and justification of airport development projects regarding safety, security, or capacity of the national air transportation system; or which reduce noise or mitigate noise impacts resulting from an airport; or furnish opportunities for enhanced competition between or among air carriers. It is estimated that it will take approximately 5-80 hours to fill out the application depending on the complexity. The use of the form is required to obtain FAA approval of authority to collect PFC revenue (49 U.S.C. 40117(c)). No assurance of confidentiality is necessary or provided. It should be noted that an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a currently valid OMB control number. The OMB control number associated with this collection of information is 2120-0557. Comments concerning the accuracy of this burden and suggestions for reducing the burden should be directed to the FAA at: 800 Independence Ave. SW, Washington, DC, 20591, Attn: Information Collections Clearance Officer, AIO-20.

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**FAA
Airports**

Passenger Facility Charge (PFC) Program Assurances

A. General.

1. These assurances shall be complied with in the conduct of a project funded with passenger facility charge (PFC) revenue.
2. These assurances are required to be submitted as part of the application for approval of authority to impose a PFC under the provisions of 49 U.S.C. 40117.
3. Upon approval by the Administrator of an application, the public agency is responsible for compliance with these assurances.

B. Public agency certification. The public agency hereby assures and certifies, with respect to this project that:

1. Responsibility and authority of the public agency. It has legal authority to impose a PFC and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the public agency's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the public agency to act in connection with the application.
2. Compliance with regulation. It will comply with all provisions of 14 CFR part 158.
3. Compliance with state and local laws and regulations. It has complied, or will comply, with all applicable State and local laws and regulations.
4. Environmental, airspace and airport layout plan requirements. It will not use PFC revenue on a project until the FAA has notified the public agency that—
 - (a) Any actions required under the National Environmental Policy Act of 1969 have been completed;
 - (b) The appropriate airspace finding has been made; and
 - (c) The FAA Airport Layout Plan with respect to the project has been approved.

5. Nonexclusivity of contractual agreements. It will not enter into an exclusive long-term lease or use agreement with an air carrier or foreign air carrier for projects funded by PFC revenue. Such leases or use agreements will not preclude the public agency from funding, developing, or assigning new capacity at the airport with PFC revenue.

6. Carryover provisions. It will not enter into any lease or use agreement with any air carrier or foreign air carrier for any facility financed in whole or in part with revenue derived from a passenger facility charge if such agreement for such facility contains a carryover provision regarding a renewal option which, upon expiration of the original lease, would operate to automatically extend the term of such agreement with such carrier in preference to any potentially competing air carrier or foreign air carrier seeking to negotiate a lease or use agreement for such facilities.

7. Competitive access. It agrees that any lease or use agreements between the public agency and any air carrier or foreign air carrier for any facility financed in whole or in part with revenue derived from a passenger facility charge will contain a provision that permits the public agency to terminate the lease or use agreement if—

(a) The air carrier or foreign air carrier has an exclusive lease or use agreement for existing facilities at such airport; and

(b) Any portion of its existing exclusive use facilities is not fully utilized and is not made available for use by potentially competing air carriers or foreign air carriers.

8. Rates, fees and charges.

(a) It will not treat PFC revenue as airport revenue for the purpose of establishing a rate, fee or charge pursuant to a contract with an air carrier or foreign air carrier.

(b) It will not include in its rate base by means of depreciation, amortization, or any other method, that portion of the capital costs of a project paid for by PFC revenue for the purpose of establishing a rate, fee or charge pursuant to a contract with an air carrier or foreign air carrier.

(c) Notwithstanding the limitation provided in subparagraph (b), with respect to a project for terminal development, gates and related areas, or a facility occupied or used by one or more air carriers or foreign air carriers on an exclusive or preferential basis, the rates, fees, and charges payable by such carriers that use such facilities will be no less than the rates, fees, and charges paid by such carriers using similar facilities at the airport that were not financed by PFC revenue.

9. Standards and specifications. It will carry out the project in accordance with FAA airport design, construction and equipment standards and specifications contained in advisory circulars current on the date of project approval.

10. Recordkeeping and Audit. It will maintain an accounting record for audit purposes for 3 years after physical and financial completion of the project. All records must satisfy the requirements of 14 CFR part 158 and contain documentary evidence for all items of project costs.

11. Reports. It will submit reports in accordance with the requirements of 14 CFR part 158, subpart D, and as the Administrator may reasonably request.

12. Compliance with 49 U.S.C. 47523 through 47528. It understands 49 U.S.C. 47524 and 47526 require that the authority to impose a PFC be terminated if the Administrator determines the public agency has failed to comply with those sections of the United States Code or with the implementing regulations published under the Code.

[Doc. No. 26385, 56 FR 24278, May 29, 1991, as amended by Amdt. 158–2, 65 FR 34543, May 30, 2000; Amdt. 158–4, 72 FR 28851, May 23, 2007]

Source: Title 14: Aeronautics and Space, PART 158—PASSENGER FACILITY CHARGES (PFC'S), Subpart F—Reduction in Airport Improvement Program Apportionment, Appendix A to Part 158—Assurances

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ATTACHMENT A

AIRPORT CAPITAL IMPROVEMENT PROGRAM

This section contains the following information:

- Page A - 2 Table 1 – Airport Capital Development Program – Total OMP, CIP, and JUF – Estimated Sources and Uses of Funds
- This table shows projected remaining project expenditures and sources of funds for the O'Hare Modernization Program (OMP), the Capital Improvement Program (CIP), and the O'Hare Joint Use Facility (JUF)
- Page A - 4 Table 2 – Airport Capital Development Program – OMP – Estimated Sources and Uses of Funds
- This table shows projected project expenditure details and sources of funds for the OMP projects presented in Table 1.
- Page A - 5 Table 3 – Airport Capital Development Program – CIP – Estimated Sources and Uses of Funds
- This table shows projected project expenditure details and sources of funds for the CIP projects presented in Table 1.
- Page A - 8 Table 4 – Airport Capital Development Program – JUF – Estimated Sources and Uses of Funds
- This table shows projected project expenditure details and sources of funds for the JUF projects presented in Table 1.

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Table 1 - Airport Capital Development Program - Total OMP, CIP, and JUF - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR						
Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport						
Uses of Funds	2014	2015	2016	2017	2018	TOTAL
OMP Projects						
OMP Phase 1 ^{1/}	37,094,464	16,781,975	-	-	-	\$53,876,439
OMP Completion Phase (2A/2B) Design	16,055,000	12,350,000	9,262,000	6,792,000	3,896,000	\$48,355,000
OMP Phase 2A ^{2/}	235,238,843	314,444,251	157,476,652	-	-	\$707,159,746
OMP Phase 2B - Pending Funding Agreement ^{3/}	-	145,735,090	594,428,245	554,828,697	206,006,095	\$1,500,998,127
OMP Projects Total	\$288,388,307	\$489,311,316	\$761,166,897	\$561,620,697	\$209,902,095	\$2,310,389,312
CIP Projects ^{4/}						
Airfield Projects	2,100,000	82,615,000	45,105,000	5,000,000	28,000,000	\$162,820,000
Apron Project	4,000,000	8,000,000	59,000,000	59,000,000	-	\$130,000,000
Terminal Project	8,568,936	23,725,603	26,757,270	-	-	\$59,051,809
Fueling Projects	-	19,500,000	-	-	-	\$19,500,000
Vehicles	2,000,000	16,825,000	7,000,000	-	-	\$25,825,000
Equipment Project	-	-	12,900,000	-	-	\$12,900,000
Security Project	567,000	1,600,000	31,659,234	-	-	\$33,826,234
Heating and Refrigeration Project	-	35,900,000	33,700,000	-	-	\$69,600,000
Terminal Support Project	18,100,000	33,300,000	-	-	-	\$51,400,000
Implementation	14,960,142	-	-	-	-	\$14,960,142
CIP Projects Total	\$50,296,078	\$221,465,603	\$216,121,504	\$64,000,000	\$28,000,000	\$579,883,185
JUF Total	\$158,262,768	\$442,189,474	\$194,393,391	-	-	\$794,845,633
TOTAL USES OF FUNDS - OMP, CIP, & JUF	\$496,947,153	\$1,152,966,393	\$1,171,681,792	\$625,620,697	\$237,902,095	\$3,685,118,130

Table 1 - Airport Capital Development Program - Total OMP, CIP, and JUF - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR						
Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport						
Sources of Funds	2014	2015	2016	2017	2018	TOTAL
PFC PAYG Funds	16,055,000	12,350,000	44,162,104	6,792,000	3,896,000	\$83,255,104
OMP Completion Phase LOI Grants - PAYG ^{5/}	7,900,528	71,104,754	79,005,283	-	-	\$158,010,565
GARBs	242,481,108	288,781,721	99,855,557	-	-	\$631,118,386
AIP Grants	30,216,000	7,000,000	5,000,000	-	-	\$42,216,000
Future Grants - Noise Program	13,217,198	6,493,738	-	-	-	\$19,710,936
ADF Funds	14,775,516	69,401,819	222,665	-	-	\$84,400,000
Future GARBs/Commercial Paper - CIP Projects	50,296,078	197,465,603	216,121,504	64,000,000	28,000,000	\$555,883,185
OMP Completion Phase 2B - Future Funding	-	145,735,090	594,428,245	554,828,697	206,006,095	\$1,500,998,127
CFC PAYGO	33,687,929	62,970,601	41,376,417	-	-	\$138,034,947
CFC Senior Lien Revenue Bonds	36,512,796	136,023,066	10,855,018	-	-	\$183,390,880
TIFIA Loan	51,805,000	155,640,000	80,655,000	-	-	\$288,100,000
TOTAL SOURCES OF FUNDS - OMP, CIP, & JUF	\$496,947,153	\$1,152,966,393	\$1,171,681,792	\$625,620,697	\$237,902,095	\$3,685,118,130

Notes:

- 1/ Includes remaining OMP Phase 1 construction, OMP Phase 1 noise, and soft costs.
- 2/ Includes Project Costs included in the OMP Phase 2A funding agreement
- 3/ Includes OMP Phase 2B construction, Phase 2B noise, and soft costs, which have not yet been negotiated. Project costs and funding sources are subject to change.
- 4/ Projects included in the Airport's 5-year CIP are subject to airline approval. Project costs and funding sources are subject to change.
- 5/ OMP Phase 1 LOI Grants used to pay debt service after 2012 and OMP Completion Phase LOI Grants used to pay debt service after 2015

Table 2 - Airport Capital Development Program - OMP - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR - OMP DETAIL

Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport

Uses of Funds	2014	2015	2016	2017	2018	TOTAL
Remaining OMP Phase 1 Construction	26,695,732	11,441,028	-	-	-	\$38,136,760
OMP Phase 1 Soft Cost	6,483,723	1,425,937	-	-	-	\$7,909,660
OMP Completion Phase (2A/2B) Design	16,055,000	12,350,000	9,262,000	6,792,000	3,896,000	\$48,355,000
OMP Phase 2A - Runway 10R-28L ^{1/}	150,596,425	150,596,425	33,465,872	-	-	\$334,658,723
OMP Phase 2A - Enabling Projects ^{1/}	35,218,048	11,739,349	-	-	-	\$46,957,397
OMP Phase 2A - ATS and Parking ^{1/}	7,900,528	71,104,754	79,005,283	-	-	\$158,010,565
OMP Taxiway LL - Phase 1 ^{1/}	1,651,180	49,535,386	31,372,411	-	-	\$82,558,976
OMP Phase 1 Noise	3,915,009	3,915,010	-	-	-	\$7,830,019
OMP Completion Phase Noise ^{1/}	12,606,488	4,202,163	-	-	-	\$16,808,651
OMP Completion Phase Soft Cost ^{1/}	27,266,174	27,266,174	13,633,087	-	-	\$68,165,434
OMP Phase 2B - Pending Funding Agreement ^{2/}	-	145,735,090	594,428,245	554,828,697	206,006,095	\$1,500,998,127
Total Uses	\$288,388,307	\$489,311,316	\$761,166,897	\$561,620,697	\$209,902,095	\$2,310,389,312
Sources of Funds						
PFC PAYG Funds	16,055,000	12,350,000	9,262,000	6,792,000	3,896,000	\$48,355,000
OMP Completion Phase LOI Grants - PAYG ^{3/}	7,900,528	71,104,754	79,005,283	-	-	\$158,010,565
Series 2011A,B,C Bonds	182,864,647	96,008,864	47,098,959	-	-	\$325,972,470
Series 2013D Bonds	1,651,180	138,128,470	26,372,411	-	-	\$166,152,060
AIP Grants (SATCT F&E and T/W LL AIP)	30,216,000	5,000,000	5,000,000	-	-	\$40,216,000
Future Grants - Noise Program	13,217,198	6,493,738	-	-	-	\$19,710,936
Other Existing GARBs	36,483,755	14,490,399	-	-	-	\$50,974,154
OMP Completion Phase 2B - Future Funding	-	145,735,090	594,428,245	554,828,697	206,006,095	\$1,500,998,127
Total Sources	\$288,388,307	\$489,311,316	\$761,166,897	\$561,620,697	\$209,902,095	\$2,310,389,312

Notes:

- 1/ Included in OMP Phase 2A funding agreement
- 2/ OMP Phase 2B, including Phase 2B noise, have not yet been negotiated. Project costs and funding sources are subject to change.
- 3/ OMP Phase 1 LOI Grants used to pay debt service after 2012 and OMP Completion Phase LOI Grants used to pay debt service after 2015

Table 3 - Airport Capital Development Program - CIP - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR - CIP DETAIL						
Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport						
Uses of Funds ^{1/}	2014	2015	2016	2017	2018	TOTAL
2014 Projects						
Upgrade Hydrazine Feed System	550,000					\$550,000
Automated Passport Control	567,000					\$567,000
Miami Beach Lift Station Improvements		610,000				\$610,000
Vestibule Floor Gate Replacement Program		740,000				\$740,000
Single Line Electrical Diagram Phase Study - Ph II		895,000				\$895,000
Asbestos Abatement in Terminal 2 and 3		500,000	500,000			\$1,000,000
Terminal 5 Type VI Aircraft Gate Enhancement (Design)		500,000	500,000			\$1,000,000
Restroom Modernization - Phase V		600,000	600,000			\$1,200,000
2014 Runway Maintenance	2,000,000					\$2,000,000
Terminal 1 Roof Repair - Design		2,000,000				\$2,000,000
H&R Plant Roof System Replacement		2,200,000				\$2,200,000
Landside T5 PCC Pavement Reconstruction	500,000	2,000,000				\$2,500,000
Airside Service Road Construction	100,000	2,900,000				\$3,000,000
Fire Protection System for the H&R Plant		1,500,000	1,500,000			\$3,000,000
Access Control and Biometrics		1,600,000	1,600,000			\$3,200,000
Large Frame Aircraft Training Mock-Up		1,705,000	1,705,000			\$3,410,000
TSA Advance Surveillance Program CCTV Project 01 (Interim)			7,459,234			\$7,459,234
AA Baggage Room Mechanical HVAC Upgrades		3,805,000	3,805,000			\$7,610,000
2014 Vehicle Procurement	2,000,000	4,000,000	2,000,000			\$8,000,000
ATS Railwork Installation and Acquisition		5,000,000				\$5,000,000
Airside Pavement Replacement (Ramp/Msc)	6,600,000	8,000,000				\$12,600,000
Vehicle Replacement Program - Snow Blowers	4,000,000	12,825,000				\$16,825,000
Repainting of the Airport Transit System Structure	1,000,000	12,000,000				\$13,000,000
2014 Capital Implementation	14,960,142					\$14,960,142
T1 Checked Baggage Recapitalization & Optimization (Interim)	8,018,936	8,018,936	8,018,936			\$24,056,809
Phase 2 CICA TEC Projects(s) Planning and Design	10,000,000	14,300,000				\$24,300,000
Chillers 1,2,3,4, & 5 South Cooling Tower Upgrade		32,200,000	32,200,000			\$64,400,000

Table 3 - Airport Capital Development Program - CIP - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR - CIP DETAIL ¹						
Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport						
Uses of Funds Cont'd ²	2014	2015	2016	2017	2018	TOTAL
2015 Projects						
Taxiways A and B Comprehensive Maintenance		15,200,000				\$15,200,000
Taxiway T Rehabilitation		2,800,000				\$2,800,000
Northeast Cargo Taxi Lane Construction		12,000,000				\$12,000,000
Taxiway NN Rehabilitation		15,100,000				\$15,100,000
Airside Vehicle Access Road and Bridge		10,600,000				\$10,600,000
Hydrant Fueling System from Northeast Fuel Farm		10,000,000				\$10,000,000
Hydrant Fueling System at Terminal 2 Concourse F		9,500,000				\$9,500,000
Terminal 5 Gate Improvements for Group VI Aircraft		6,666,667	13,333,333			\$20,000,000
Runway 9R/27L Comprehensive Maintenance		21,700,000				\$21,700,000
2016 Projects						
Taxiway E Rehabilitation			2,300,000			\$2,300,000
Runway 4L/22R Rehabilitation			21,100,000			\$21,100,000
Centralized De-Icing Pad			59,000,000	59,000,000		\$118,000,000
Purchase of Fire Department Crash Rigs			5,000,000			\$5,000,000
Purchase of Airfield Snow Equipment			12,900,000			\$12,900,000
Perimeter Intrusion Detection System			22,600,000			\$22,600,000
Taxiway H and H2 Rehabilitation			20,000,000			\$20,000,000
2017 Projects				5,000,000		\$5,000,000
Taxiway J Rehabilitation						
2018 Projects						
Runway 4R/22L Rehabilitation					21,000,000	\$21,000,000
Taxiway YY Rehabilitation					7,000,000	\$7,000,000
Total Uses	\$50,296,078	\$221,465,603	\$216,121,504	\$64,000,000	\$28,000,000	\$579,883,185
Sources of Funds						
Other AIP Grants ^{1/}		2,000,000				\$2,000,000
ADF Funds		22,000,000				\$22,000,000
Future GARBs/Commercial Paper	50,296,078	197,465,603	216,121,504	64,000,000	28,000,000	\$555,883,185
Total Sources	\$50,296,078	\$221,465,603	\$216,121,504	\$64,000,000	\$28,000,000	\$579,883,185

Note:

1/ Projects included in the Airport's 5-year CIP are subject to airline approval. Project costs and funding sources are subject to change.

2/ Assumes \$2,000,000 VALE grant for the Hydrant Fueling System in Terminal 2 Concourse F

Table 4 - Airport Capital Development Program - JUF - Estimated Uses and Sources of Funds

O'HARE CAPITAL DEVELOPMENT PROGRAMS - SOURCES AND USES OF FUNDS BY YEAR - JUF DETAIL						
Application to impose a PFC at Chicago O'Hare International Airport and to use PFC Revenue for projects at Gary/Chicago International Airport						
	2014	2015	2016	2017	2018	TOTAL
<u>Uses of Funds</u>						
Joint Use Facility						
CRCF (Rental Car Portion of Structure)	67,131,952	204,420,344	77,445,218			\$348,997,514
ATS Extension, Station, and Equipment	76,355,300	190,367,311	98,989,862			\$365,712,473
Public Parking	14,775,516	47,401,819	17,958,311			\$80,135,646
Total Uses	\$158,262,768	\$442,189,474	\$194,393,391	\$0	\$0	\$794,845,633
<u>Sources of Funds</u>						
Previously Issued GARBs	21,481,527	40,153,988	26,384,187			\$88,019,702
Airport Development Fund	14,775,516	47,401,819	222,665			\$62,400,000
Future PFC Pay-as-you-go (PAYGO)			34,900,104			\$34,900,104
CFC PAYGO	33,687,929	62,970,601	41,376,417			\$138,034,947
CFC Senior Lien Revenue Bonds Proceeds	36,512,796	136,023,066	10,855,018			\$183,390,880
TIFIA Loan	51,805,000	155,640,000	80,655,000			\$288,100,000
Total Sources	\$158,262,768	\$442,189,474	\$194,393,391	\$0	\$0	\$794,845,633

PFC APPLICATION NUMBER: 15-27-C-00-ORD

ATTACHMENT B: PROJECT INFORMATION

1. Project Title:

GYG Apron Rehabilitation

2. Project Number

CIP 1 thru 4

3. Use Airport of Project:

Gary/Chicago International Airport

4. Project Type

☐ Impose Only:

☒ Concurrent:

☐ Use Only:

Link to application:

5. Level of Collection:

☐ \$1.00

☐ \$2.00

☐ \$3.00

☐ \$4.00

☒ \$4.50

6. Financing Plan

PFC Funds:	Pay-as-you-go	\$10,125,000
	Bond Capital	\$0
	Bond Financing & Interest	\$0

Subtotal PFC Funds*:	\$10,125,000
----------------------	---------------------

If amount is over \$10 million, include cost details sufficient to identify eligible and ineligible costs.

A cost estimate for this project may be found at the end of this Attachment B.

Existing AIP Funds:

Grant # Grant Funds in Project \$0

Subtotal Existing AIP Funds: \$0

Anticipated AIP Funds (List Each Year Separately):

Fiscal Year: Entitlement \$0 Discretionary \$0 Total \$0

Subtotal Anticipated AIP Funds: \$0

Other Funds:

State Grants \$0

Local Funds \$0

Other (please specify) \$0

Subtotal Other Funds: \$0

Total Project Cost: **\$10,125,000**

The cost estimate for this project was prepared by the Airport Authority's Engineering Consultant using a bottom-up cost estimating approach to prepare an Engineer's Estimate of Probable Construction Costs based on estimated quantities for the various types of construction activities needed to complete the scope of this project, and cost data obtained from recently bid construction projects at the airport. There have been two recent projects bid at the Airport that were of similar scope and nature. The use of the bid tabulations from these prior GYY projects were used to establish the estimated unit costs for the program.

For FAA Use

a. Does the project include a proposed LOI?

☐ YES

☐ NO

If YES, does the Region support?

☐ YES

☐ NO

If YES, list the schedule for implementation:

b. For any proposed AIP discretionary funds, does the Region intend to support?

☐ YES

☐ NO

c. For any proposed AIP funds, is the request within the planning levels for the Region's five year CIP?

☐ YES

☐ NO

d. For project requesting PFC funding levels of \$4.00 and \$4.50:

Is there an expectation that AIP funding will be available to pay the project costs:

☐ YES

☐ NO

What percentage of the total project cost is funded through AIP?

List the source(s) of data used to make this finding:

e. Terminal and surface transportation projects requesting a PFC funding level of \$4.00 and \$4.50. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☐ N/A

List the source(s) of data used to make this finding:

f. Reasonableness of cost:

Project Total Cost Analysis

PFC Share of Total Cost Analysis

7. Back-up Financing Plan:

If proposed AIP discretionary funds or a proposed LOI are included in the Financing Plan, provide a Back-up Financing Plan or a project phasing plan in the event the funds are not available for the project.

N/A

For FAA Use

If required to use a back-up financing/phasing plan, indicate the need to obtain additional approvals to obtain an alternate source of financing. Indicate the additional PFC duration of collection required if PFC's are to be used to fund the difference. Recap any discussion from previous item regarding likelihood of public agency obtaining the funding it proposes:

8. Project Description:

This project consists of the rehabilitation of approximately 63,400 square yards (sys) of apron pavement. The project is divided into several phases in order to maintain operational access to various areas of the airfield.

Phase I (General Aviation (GA) Ramp in front of new Fixed Base Operator (FBO)) includes new apron reconstruction consisting of 3,600 sys of 14 inch Portland Cement Concrete (PCC) Pavement and 6,100 sys of 10 inch PCC Pavement.

Phase II (Terminal Ramp East) includes new apron reconstruction consisting of 12,000 sys of 12 inch PCC Pavement.

Phase III (Terminal Ramp West) includes new apron reconstruction consisting of 15,000 sys of 14 inch PCC Pavement.

Phase IV (GA Ramp East) includes new apron reconstruction consisting of 26,700 sys of 10 inch PCC Pavement.

This project includes the construction costs and construction administration professional fees. The design was completed utilizing local Tax Incremental Financing (TIF) funds and is not expected to be reimbursed with PFC funds.

If applicable for terminal projects,
Prior to implementation of this project,
Number of ticket counters:
Number of gates:
Number of baggage facilities:

At completion of this project,
Number of ticket counters:
Number of gates:
Number of baggage facilities:
Net change due to this project:
Number of ticket counters:
Number of gates:
Number of baggage facilities:

Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☒ N/A

FOR FAA USE

Comment upon and/or Clarify Project Description. Include source citation if clarification information is not from PFC application.

If project involves the construction of a new runway or modification of an existing runway, have the requirements of Order 5200.8, with regard to runway safety areas been met? If not, is the runway grandfathered or has a modification been approve, or is there a likelihood the requirements will be met, or should the project be disapproved.

If the project involves terminal work, confirm information regarding ticket counters, gates, and baggage facilities for construction and/or rehabilitation above has been completed.

Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES
☐ NO
☐ N/A

9. Significant Contribution:

The terminal area has had several apron expansion projects in recent years. In between all these projects is a section of bituminous pavement that was last overlaid in 1994. This past rehabilitation project was designed to provide an extended life of six to ten years; fortunately, the pavement has now lasted 20 years. The last 10 years, the pavement has also been subjected to higher volumes of heavy aircraft than ever anticipated. This heavy traffic has paid a heavy toll on this pavement. The pavement is very poor and alligator cracking is dominant. Although GYY has a proactive crack sealing program, this pavement is getting to the point that it is difficult to seal these areas. Currently, traffic is down which provides an opportune time to reconstruct these pavements so as to not impact operations.

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and abuts the existing T-Hangar area. The existing pavement section consists of approximately 4-5" of bituminous pavement on 6" of compacted aggregate. With the construction of the B-Coleman FBO Facility and Hangar, increased traffic from heavier aircraft will only accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57 which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential failure that could result in damage to aircraft.

According to the Pavement Condition Report, Pavement sections 3005 (Terminal Ramp) and 3125 (FBO Ramp) had PCI range ratings of Very Poor, indicating intensive pavement rehabilitation is needed to maintain serviceability. Six pavement sections including: 170 (Twy A-4), 180 (Twy A-2), 205 (Twy B), 3030 (Ramp), 3105(FBO Ramp), and 3110 (FBO Ramp) had PCI range ratings of Poor, indicating that either major M&R is needed or that near-term maintenance needs may be extensive in order to maintain serviceability. The completion of this project will avoid potential failure that could result in damage to aircraft or the creation of Foreign Object Debris (FOD), thereby enhancing the safety of the Airport.

Pavement Condition Report excerpts included in Attachment F of this Application show that the pavement is ranked as the worst pavement on the Airport. Information provided in the Pavement Condition Report serves to further justify the need for this project as well as provide evidence that this project will enhance safety at the Airport.

FOR FAA USE

___ Air safety. Part 139 [] Other (explain) _____
Certification Inspector concur. Yes [] No [] Date _____
___ Air security. Part 107 [] Part 108 [] Other (explain) _____
CASFO concur. Yes [] No [] Date _____
___ Competition. Competition Plan [] Other (explain) _____
Congestion. Current [] or Anticipated [] _____
___ LOI [] FAA BCA [] FAA Airport Capacity Enhancement Plan [] _____
Other (explain) _____
___ Noise. 65 LDN [] Other (explain) _____

Project does not qualify under "significant contribution" rules.

Quantitative and qualitative analysis of significant contribution option chosen by public agency. If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding.

How does this project address the deficiency cited by the public agency?

If competition is the chosen option, provide the FAA's analysis of any barriers to competition at the airport.

10. Project Objective:

The project will prevent the formation of Foreign Object Damage (FOD) that could damage aircraft engines, potentially causing them to fail and endanger aircraft, operators, and passengers. While no FOD has yet been reported, the Pavement Condition Report indicates the likelihood of this occurring. Therefore, this project meets the PFC objective of preserving the safety of GYY's airfield as well as preserving the capacity of the terminal area and general aviation aircraft parking apron.

FOR FAA USE

___ Safety, Preserve [] Enhance []
___ Security, Preserve [] Enhance []
___ Capacity, Preserve [] Enhance []
___ Furnish opportunity for enhanced competition between or among air carriers at the airport _____
___ Mitigate noise impacts resulting from aircraft operations at the airport _____

☐ Project does not meet any PFC objectives (explain)

Finding

Current deficiency. List the source(s) of data used to make this finding if it is not a part of the PFC application.

Address adequacy of issues.

11. Project Justification:

The existing apron pavement is severely cracked and broken and has a Pavement Condition Index (PCI) rating of Very Poor to Poor and is far beyond its useful life. There are many areas that are approaching complete failure and repair and maintenance of the pavement is beyond the administration's capabilities. The completion of this project will avoid potential failure that could result in damage to aircraft or the creation of Foreign Object Debris (FOD), thereby enhancing the safety of the Airport. Upon completion, this project will result with a pavement that will have an extended life exceeding 20 years.

FOR FAA USE

Define how the project accomplishes PFC Objective(s)

Explain how project is cost-effective compared to other reasonable and timely means to accomplish this objective(s)

Based on informed opinion or published FAA guidance, specify how the cost of the project is reasonable compared to the capacity, safety, security, noise and/or competition benefits attributable to the project. Include citation for any documents that are not a part of this PFC application.

If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding.

Discuss any non-economical benefits which are not captured above.

Project Eligibility:

Indicate project eligibility by checking the appropriate category below.

☐ Development eligible under AIP criteria (paragraph of Order 5100.38 or PGL);

☐ Planning eligible under AIP criteria (paragraph _____ of Order 5100.38 or PGL _____);

☐ Noise compatibility planning as described in 49 U.S.C. 47505;

☐ Noise compatibility measures eligible under 49 U.S.C. 47504;

☐ Project approved in an approved Part 150 noise compatibility plan;

Title and Date of Part 150: _____

☐ Project included in a local study;

Title and Date of local study: _____

☐ Terminal development as described in 49 U.S.C. 40117(a)(3)(C);

☐ Shell of a gate as described in 49 U.S.C. 40117(a)(3)(F) (air carrier _____

percentage of annual boardings _____);

☐ PFC Program Update Letter _____

☐ Project does not meet PFC eligibility (explain): _____

If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding: _____

Are any work elements or portions of the overall project ineligible? Provide associated costs: _____

12. Estimated Project Implementation Date (Month and Year): **6/1/2015***

Estimated Project Completion Date (Month and Year): **12/31/2016**

*Bids for Phase I and Phase II were received last fall; however, award will be made pending PFC approval.

For FAA Use

For Impose and Use or Use Only projects, will the project begin within 2 years of PFC application Due date (120-day)?

☐ Yes

☐ No

For Impose Only project, will the project begin within 5 years of the charge effective date or PFC application Due date, whichever is first?

☐ Yes

☐ No

Is this project dependent upon another action to occur before its implementation or completion. Explain: _____

13. For an Impose Only project, estimated date Use application will be submitted to the FAA (Month and Year):

N/A

For FAA Use

Is the date within 3 years of the estimated charge effective date or approval date, whichever is sooner:

☐ Yes

☐ No

Which actions are needed before the use application can be submitted? What is the estimated schedule for each action?

14. Project requesting PFC funding levels of \$4.00 and \$4.50:

a. Can project costs be paid for from funds reasonably expected to be available through AIP funding.

☐ YES

☒ NO

b. If the FAA determines that the project may qualify for AIP funding, would the public agency prefer that the FAA approve

☐ the amount of the local match to be collected at a \$4.50 PFC level, or

☒ the entire requested amount at a \$3.00 PFC level.

c. Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☒ N/A

15. List of Carriers Certifying Agreement

List of Carriers Certifying Disagreement: None

Recap of Disagreements

Public Agency Reasons for Proceeding:

16. List of Comments Received from the Public Notice: None

List of Parties Certifying Agreement.

Recap of Disagreements

Public Agency Reasons for Proceeding:

For FAA Use

Provide an analysis of each issue/disagreement raised by the air carriers and/or the public. Provide citations for any documents not included in the PFC application that are relied on by the FAA for its analysis.

If a Federal Register notice is published, discuss and analyze any new issues raised. (If the comments from the consultation are repeated, state that.)

ADO/RO Recommendation:

Does the ADO/RO find the total costs of this project to be reasonable? Did the ADO/RO use comparable projects to make this finding? If so, list projects.

If the amount requested is over \$10 million, was the level of detail sufficient to identify eligible and ineligible costs. Summarize ineligible costs.

Is the duration of collection adequate for the amount requested?

ADO/RO RECOMMENDATION:

☐ Approve.

☐ Partially Approve. Summarize findings from earlier in the Attachment B discussing issues that lead to determination.

☐ Disapprove. Summarize findings from earlier in the Attachment B discussing issues that lead to determination.

Application Reviewed by:

<u>Name</u>	<u>Routing Symbol</u>	<u>Date</u>
<u>Item(s) reviewed</u>		

<u>Name</u>	<u>Routing Symbol</u>	<u>Date</u>
<u>Item(s) reviewed</u>		

Gary/Chicago International Airport
CIP Cost Opinion
February 1, 2014

FY 2014 PROJECTS

1 Rehabilitate Apron - Phase I

Mobilization/Demobilization	1	LS	@	75,000	75,000
Construction Engineering	1	LS	@	25,000	25,000
Excavation	3,200	CY	@	12	38,400
Pavement Removal	10,000	SY	@	5	50,000
Crushed Aggregate	3,000	CY	@	45	135,000
14 inch PCC Pavement	3,600	SY	@	85	306,000
10 inch PCC Pavement	6,100	SY	@	75	457,500
Bituminous Pavement	100	TON	@	120	12,000
Pavement Markings	1	LS	@	15,000	15,000
Miscellaneous Items	1	LS	@	101,100	101,100
					<hr/>
					1,215,000

Professional Services - Construction Administration & Testing

85,000

Total \$ 1,300,000

2 Rehabilitate Apron - Phase II

Mobilization/Demobilization	1	LS	@	100,000	100,000
Construction Engineering	1	LS	@	31,600	31,600
Excavation	7,700	CY	@	12	92,400
Pavement Removal	12,000	SY	@	6	72,000
Crushed Aggregate	4,400	CY	@	40	176,000
12 inch PCC Pavement	12,000	SY	@	90	1,080,000
Bituminous Pavement	650	TON	@	120	78,000
Pavement Markings	1	LS	@	20,000	20,000
Miscellaneous Items	1	LS	@	175,000	175,000
					<hr/>
					1,825,000

Professional Services - Construction Administration & Testing

75,000

Total \$ 1,900,000

3 Rehabilitate Apron - Phase III

Mobilization/Demobilization	1	LS	@	200,000	200,000
Construction Engineering	1	LS	@	65,000	65,000
Excavation	9,000	CY	@	14	126,000
Trench Drain	100	LFT	@	250	25,000
Pavement Removal	15,000	SY	@	10	150,000
PCC Pavement Removal	1,000	SY	@	100	100,000
Crushed Aggregate Base Course	5,100	CYD	@	40	204,000
12 inch PCC Pavement	15,000	SY	@	95	1,425,000
Bituminous Pavement	1,000	TON	@	120	120,000
Pavement Markings	1	LS	@	45,000	45,000
Miscellaneous Items	1	LS	@	220,000	220,000
					<hr/>
					2,680,000

Professional Services - Construction Administration & Testing

120,000

Total \$ 2,800,000

Gary/Chicago International Airport
CIP Cost Opinion
February 1, 2014

FY 2014 PROJECTS (Continued)

4 <u>Rehabilitate Apron - Phase IV</u>						
Mobilization/Demobilization	1	LS	@	175,000		175,000
Construction Engineering	1	LS	@	85,000		85,000
Excavation	20,000	CY	@	12		240,000
Milling (4 IN. Depth)	26,000	SY	@	6		156,000
Pavement Removal	32,050	SY	@	6		192,300
10 inch PCC Pavement	26,700	SY	@	85		2,269,500
Bituminous Pavement	5,850	TON	@	90		526,500
Pavement Markings	1	LS	@	20,000		20,000
Miscellaneous Items	1	LS	@	285,700		285,700
						<u>3,950,000</u>
Professional Services - Construction Administration & Testing						175,000
				Total	\$	4,125,000
<hr/>						
<u>TOTAL</u>						<u>\$ 10,125,000</u>

PFC APPLICATION NUMBER: 15-27-C-00-ORD

ATTACHMENT B: PROJECT INFORMATION

1. Project Title:

GYG Master Plan Update

2. Project Number

3. Use Airport of Project:

Gary/Chicago International Airport

4. Project Type

☐ Impose Only:

☒ Concurrent:

☐ Use Only:

Link to application:

5. Level of Collection:

☐ \$1.00

☐ \$2.00

☐ \$3.00

☐ \$4.00

☒ \$4.50

6. Financing Plan

PFC Funds:	Pay-as-you-go	\$1,000,000
	Bond Capital	\$0
	Bond Financing & Interest	\$0

Subtotal PFC Funds*: **\$1,000,000**

If amount is over \$10 million, include cost details sufficient to identify eligible and ineligible costs.

Existing AIP Funds:

Grant # Grant Funds in Project \$0

Subtotal Existing AIP Funds: \$0

Anticipated AIP Funds (List Each Year Separately):

Fiscal Year: Entitlement \$0 Discretionary \$0 Total \$0

Subtotal Anticipated AIP Funds: \$0

Other Funds:

State Grants \$0

Local Funds \$0

Other (please specify) \$0

Subtotal Other Funds: \$0

Total Project Cost: **\$1,000,000**

For FAA Use

a. Does the project include a proposed LOI?

☐ YES

☐ NO

If YES, does the Region support?

☐ YES

☐ NO

If YES, list the schedule for implementation:

b. For any proposed AIP discretionary funds, does the Region intend to support?

☐ YES

☐ NO

c. For any proposed AIP funds, is the request within the planning levels for the Region's five year CIP?

☐ YES

☐ NO

d. For project requesting PFC funding levels of \$4.00 and \$4.50:

Is there an expectation that AIP funding will be available to pay the project costs?

☐ YES

☐ NO

What percentage of the total project cost is funded through AIP?

List the source(s) of data used to make this finding:

e. Terminal and surface transportation projects requesting a PFC funding level of \$4.00 and \$4.50. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☐ N/A

List the source(s) of data used to make this finding.

f. Reasonableness of cost.
Project Total Cost Analysis

PFC Share of Total Cost Analysis

7. Back-up Financing Plan:

If proposed AIP discretionary funds or a proposed LOI are included in the Financing Plan, provide a Back-up Financing Plan or a project phasing plan in the event the funds are not available for the project.

N/A

For FAA Use

If required to use a back-up financing/phasing plan, indicate the need to obtain additional approvals to obtain an alternate source of financing. Indicate the additional PFC duration of collection required if PFC's are to be used to fund the difference. Recap any discussion from previous item regarding likelihood of public agency obtaining the funding it proposes.

8. Project Description:

This project will consist of updating the Gary/Chicago International Airport's Master Plan including the Airport Layout Plan (ALP). A new Airport Layout Plan will serve as a planning tool for the airport depicting existing facilities and future facilities, designed to accommodate future demand.

The Master Plan update will include a review of the Airport's inventory, an aviation demand forecast (including commercial and air cargo industries), facility requirements analysis, alternative developments to meet future demand and upgrade airfield facilities.

If applicable for terminal projects,
Prior to implementation of this project,
Number of ticket counters:
Number of gates:
Number of baggage facilities:

At completion of this project,
Number of ticket counters:
Number of gates:
Number of baggage facilities:
Net change due to this project:
Number of ticket counters:

Number of gates:

Number of baggage facilities:

Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☒ N/A

FOR FAA USE

Comment upon and/or Clarify Project Description. Include source citation if clarification information is not from PFC application.

If project involves the construction of a new runway or modification of an existing runway, have the requirements of Order 5200.8, with regard to runway safety areas been met? If not, is the runway grandfathered or has a modification been approved, or is there a likelihood the requirements will be met, or should the project be disapproved?

If the project involves terminal work, confirm information regarding ticket counters, gates, and baggage facilities for construction and/or rehabilitation above has been completed.

Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☐ N/A

9. Significant Contribution:

The Master Plan is a study used to develop and evaluate facility recommendations consistent with an airport's character and activity levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2001. The Gary/Chicago Master Plan evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies. The current Master Plan and Airport Layout Plan is 13 years old. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a substantial amount of the projects listed on the current ALP will be complete.

Recent changes of Advisory Circular 5300-13A, which relates to the FAA standards and recommendations for airport design, and other changes that have occurred in advisory circulars since last Master Plan Update also need to be considered.

FOR FAA USE

___ Air safety. Part 139 [] Other (explain) _____
Certification Inspector concur. Yes [] No [] Date _____
Air security. Part 107 [] Part 108 [] Other (explain) _____
CASFO concur. Yes [] No [] Date _____
Competition. Competition Plan [] Other (explain) _____
Congestion. Current [] or Anticipated [] _____
LOI [] FAA BCA [] FAA Airport Capacity Enhancement Plan [] _____
Other (explain) _____
Noise. 65 LDN [] Other (explain) _____

Project does not qualify under "significant contribution" rules.

Quantitative and qualitative analysis of significant contribution option chosen by public agency. If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding.

How does this project address the deficiency cited by the public agency?

If competition is the chosen option, provide the FAA's analysis of any barriers to competition at the airport.

10. Project Objective:

The Master Plan Update project will preserve and enhance the capacity of the national airspace system by planning for future development as needed to accommodate demand.

FOR FAA USE

___ Safety, Preserve [] Enhance [] _____
___ Security, Preserve [] Enhance [] _____
___ Capacity, Preserve [] Enhance [] _____
___ Furnish opportunity for enhanced competition between or among air carriers at the airport _____
___ Mitigate noise impacts resulting from aircraft operations at the airport _____

Project does not meet any PFC objectives (explain)

Finding

Current deficiency. List the source(s) of data used to make this finding if it is not a part of the PFC application.

Address adequacy of issues.

11. Project Justification:

Gary/Chicago Airport Authority completed a Master Plan Update in 2001 that evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a substantial amount of the projects listed on the 2001 ALP will be complete. An update of the Master Plan is necessary in order to make facility recommendations consistent with the airport's current activity levels and to consider changes to FAA standards and recommendations for airport design that have occurred since 2001.

The Master Plan Update will also take into consideration the City-wide Master Planning and Land Development program being implemented by the Public Private Partnership (P3). This effort will provide for a more comprehensive area-wide land use plan to ensure parallel growth and compatibility.

FOR FAA USE

Define how the project accomplishes PFC Objective(s)

Explain how project is cost-effective compared to other reasonable and timely means to accomplish this objective(s)

Based on informed opinion or published FAA guidance, specify how the cost of the project is reasonable compared to the capacity, safety, security, noise and/or competition benefits attributable to the project. Include citation for any documents that are not a part of this PFC application.

If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding.

Discuss any non-economical benefits which are not captured above.

Project Eligibility:

Indicate project eligibility by checking the appropriate category below.

- ☐ Development eligible under AIP criteria (paragraph _____ of Order 5100.38 or PGL _____);
- ☐ Planning eligible under AIP criteria (paragraph _____ of Order 5100.38 or PGL _____);
- ☐ Noise compatibility planning as described in 49 U.S.C. 47505;
- ☐ Noise compatibility measures eligible under 49 U.S.C. 47504;
- ☐ Project approved in an approved Part 150 noise compatibility plan;
Title and Date of Part 150: _____
- ☐ Project included in a local study;
Title and Date of local study: _____
- ☐ Terminal development as described in 49 U.S.C. 40117(a)(3)(C);
- ☐ Shell of a gate as described in 49 U.S.C. 40117(a)(3)(F) (air carrier _____ percentage of annual boardings _____);
- ☐ PFC Program Update Letter _____
- ☐ Project does not meet PFC eligibility (explain): _____

If analysis is based on a source other than this PFC application, list the source(s) of data and attach the relevant documentation used to make this finding: _____

Are any work elements or portions of the overall project ineligible? Provide associated costs: _____

12. Estimated Project Implementation Date (Month and Year): July 2015
Estimated Project Completion Date (Month and Year): July 2017

For FAA Use

For Impose and Use or Use Only projects, will the project begin within 2 years of PFC application Due date (120-day)?

- ☒ Yes
- ☐ No

For Impose Only project, will the project begin within 5 years of the charge effective date or PFC application Due date, whichever is first?

- ☒ Yes
- ☐ No

Is this project dependent upon another action to occur before its implementation or completion. Explain: _____

13. For an Impose Only project, estimated date Use application will be submitted to the FAA (Month and Year): _____

For FAA Use

Is the date within 3 years of the estimated charge effective date or approval date, whichever is sooner:

- ☒ Yes

☐ No

Which actions are needed before the use application can be submitted? What is the estimated schedule for each action?

14. Project requesting PFC funding levels of \$4.00 and \$4.50:

a. Can project costs be paid for from funds reasonably expected to be available through AIP funding.

☐ YES

☒ NO

b. If the FAA determines that the project may qualify for AIP funding, would the public agency prefer that the FAA approve

☐ the amount of the local match to be collected at a \$4.50 PFC level, or

☒ the entire requested amount at a \$3.00 PFC level.

c. Terminal and surface transportation projects. The public agency has made adequate provision for financing the airside needs of the airport, including runways, taxiways, aprons, and aircraft gates.

☐ YES

☐ NO

☒ N/A

15. List of Carriers Certifying Agreement

List of Carriers Certifying Disagreement: None

Recap of Disagreements

Public Agency Reasons for Proceeding:

16. List of Comments Received from the Public Notice: None

List of Parties Certifying Agreement.

Recap of Disagreements

Public Agency Reasons for Proceeding:

For FAA Use

Provide an analysis of each issue/disagreement raised by the air carriers and/or the public. Provide citations for any documents not included in the PFC application that are relied on by the FAA for its analysis.

If a Federal Register notice is published, discuss and analyze any new issues raised. (If the comments from the consultation are repeated, state that.)

ADO/RO Recommendation:

Does the ADO/RO find the total costs of this project to be reasonable? Did the ADO/RO use comparable projects to make this finding? If so, list projects.

If the amount requested is over \$10 million, was the level of detail sufficient to identify eligible and ineligible costs. Summarize ineligible costs.

Is the duration of collection adequate for the amount requested?

ADO/RO RECOMMENDATION:

☐ Approve.

☐ Partially Approve. Summarize findings from earlier in the Attachment B discussing issues that lead to determination.

☐ Disapprove. Summarize findings from earlier in the Attachment B discussing issues that lead to determination.

Application Reviewed by:

Name	Routing Symbol	Date
Item(s) reviewed		

Name	Routing Symbol	Date
Item(s) reviewed		

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ATTACHMENT C
CONSULTATION INFORMATION

The following items are included in this section:

- | | |
|-------------|--|
| Page C - 2 | The August 1, 2014 letter and distribution list that provided notification to the air carriers and foreign air carriers at Chicago O'Hare International Airport as required by FAR Part 158. |
| Page C - 16 | Letters from carriers acknowledging receipt of the notification letter. |
| Page C - 17 | Proof that, on September 8, 2014, in the Chicago Sun-Times, the City provided Public Notice as required by FAR Part 158. |
| Page C - 18 | Proof that Public Notice was provided on the Department of Aviation website. This posting ran from September 8, 2014 through October 8, 2014. |
| Page C - 19 | The full text of the Public Notice |
| Page C - 21 | A copy of the sign-in sheet from the Air Carrier Consultation Meeting held on September 5, 2014. |
| Page C - 22 | The court-reported transcript of the contents of the consultation meeting. |

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CHICAGO DEPARTMENT OF AVIATION
CITY OF CHICAGO

August 1, 2014

<Contact>

Re: Passenger Facility Charge (PFC) Application 14-27-C-00-ORD
Chicago O'Hare International Airport (O'Hare)
Gary/Chicago International Airport (Gary)

<Salutation>:

In accordance with Section 158.23 of Federal Aviation Regulations (FAR) Part 158, the City of Chicago (City) hereby provides written notice of its intent to file an application with the Federal Aviation Administration for authority under provisions of the United States Code (49 USC § 40117) to impose a passenger facility charge at O'Hare International Airport (O'Hare), and to use passenger facility charge revenue for new projects at Gary/Chicago International Airport (Gary). This notice includes information pursuant to section 128.23 of FAR Part 158 and is provided to all air carriers and foreign air carriers having a significant business interest at O'Hare. Through a 1995 compact between the City, the City of Gary, and the Gary Board of Directors (the Compact), Gary has access to a small percentage of PFC revenue collected at O'Hare. Pursuant to the Compact, the Airport Authority maintains a 12-member Compact board of directors (separate from the Airport Board), the City and the City of Gary each appoint five members and the states of Indiana and Illinois appoint one member each. Additional information is provided in an attachment to this letter.

The City will hold a meeting to present these projects to air carriers and foreign air carriers operating at O'Hare on **Friday, September 5, 2014**. The City will accept carrier comments, and certifications of agreement or disagreement with the proposed projects, until October 5, 2014.

Application to Impose a PFC at O'Hare and Use PFC Revenue for New Projects at Gary

Section 158.23(a)(1). Description of Projects

The City intends to file an application to impose a PFC at O'Hare and to use PFC revenue for the following projects at Gary:

Master Plan Update

This project consists of the planning efforts necessary to update the Master Plan and Airport Layout Plan for Gary. The Master Plan is a study used to develop and evaluate facility recommendations consistent with an airport's character and activity levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2001. The Gary/Chicago Master Plan evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies. The current Master Plan and Airport Layout Plan is 13 years old. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a substantial amount of the projects listed on the current ALP will be complete.

This update will also evaluate and include the recent changes of Advisory Circular 5300-13A, which relates to the FAA standards and recommendations for airport design, and other changes that have occurred in advisory circulars since 2001.

Apron Rehabilitation

This project consists of the rehabilitation of approximately 63,400 square yards (sys) of apron pavement. The project is divided into several phases in order to maintain operational access to various areas of the airfield.

This project includes the construction costs and construction administration professional fees. The design was completed utilizing local Tax Incremental Financing (TIF) funds and is not expected to be reimbursed with PFC funds.

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and abuts the existing T-Hangar. The existing pavement section consists of approximately 4-5" of bituminous pavement on 6" of compacted aggregate. With the construction of the B. Coleman Fixed Base Operator (FBO) Facility and Hangar, increased traffic from heavier aircraft may accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57 which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential failure that could result in damage to aircraft.

The total amount of PFC revenue currently estimated to be associated with this proposed impose and use application is \$11,125,000. The City anticipates that this entire amount will be approved for a PFC at the \$4.50 level as the Master Plan Update will preserve and enhance airspace capacity and the Apron Rehabilitation will preserve and enhance air safety. Additional information regarding the above projects, including the projects' scope, justification and financing plan, is included in the exhibit to this letter and will be presented at the meeting on Friday, September 5, 2014.

Section 158.23 (a)(2). The PFC Level, Effective Date, Expiration Date and Total Revenue

PFC Level: \$4.50 per enplaned passenger at O'Hare

Charge Effective Date: January 1, 2039

Estimated Charge Expiration Date¹: February 1, 2039

Estimated Total PFC Revenue: \$6,628,490,989

The above proposed charge expiration date and total PFC revenue reflect the current and pending impose approval and the total amount of PFC revenue as modified only by this proposed impose and use application.

Section 158.23(a)(3). Request that a Class of Carriers not be Required to Collect PFCs.

The following is information required specifically for the proposed impose and use application above.

(i) Class Designation: Air Taxi

(ii)/(iii) Names of Known Carriers Belonging to Class Identified in this Section and Estimated Number of Annual Enplaned Passengers:

<u>Carrier</u>	<u>2012 Enplanements</u>
Executive Air Charter of Boca Raton	1
IHC Health Services, Inc.	11
Jet Solutions LLC	97
Monticello Aviation, Inc.	3
Priester Aviation LLC	14
Ultimate Jetcharters LLC	52
Total	178

Source: ACAIS Database

(iv) Reasons for Requesting that Carriers Identified in this Section Not be Required to Collect the PFC: The number of passengers enplaned annually by this class of carriers represents fewer than one percent of total enplanements at O'Hare. The estimated annual PFC revenue from these carriers would be approximately \$781 as compared to the estimated PFC revenue of \$123,215,094 from all other carriers. In accordance with Section 158.11 of FAR Part 158, the City may request of the FAA in its application for authority to impose PFCs, and in its application for authority to use PFCs, that collection of PFCs by any class of air carriers or foreign air carriers not be required if the number of passengers enplaned by the carriers in this class constitutes no more than one percent of the

¹ Expiration date estimated based on an annual collection of approximately \$150 million, rounded to the nearest month.

total number of passengers enplaned annually at the airport at which the PFC is imposed. This is the case with the class of carriers identified herein.

This is the same class that was already approved for exemption by FAA (See June 28, 1993 Record of Decision, p.26). Information on known carriers belonging to the class has been updated to reflect the Department of Transportation (DOT) Air Carrier Activity Information System Report for calendar year 2012, the most recent report available to the City.

Section 158.23(a)(4). Date and Location of Air Carrier Consultation Meeting.

The City will hold a meeting to present the project to air carriers and foreign air carriers operating at O'Hare:

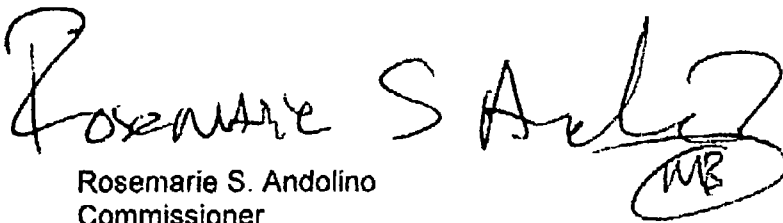
**Date: September 5, 2014
Time: 10:00am
Conference Room 1
Aviation Administration Building
10510 West Zemke Road, 2nd Floor
Chicago, IL 60666**

If you or a representative are unable to attend the meeting and would like to review information to be provided at the meeting, please call Michael Zonsius at (773) 686-3433 or email ORD.PFC@cityofchicago.org to receive the package electronically or through the mail.

In accordance with Section 158.23(c)(1) of FAR Part 158, please provide a written acknowledgment that you have received this notice to the address below, or by sending an email to ORD.PFC@cityofchicago.org. The last page of this notice can be used to send written acknowledgement of receiving the notice.

Michael Zonsius
Chief Financial Officer
City of Chicago, Department of Aviation
10510 West Zemke Rd.
Chicago, IL 60666

Sincerely,


Rosemarie S. Andolino
Commissioner

ADDITIONAL INFORMATION

Application to Impose a PFC at O'Hare and Use PFC Revenue for New Projects at Gary/Chicago International Airport

Master Plan Update

Project Description:

This project consists of the planning efforts necessary to update the Master Plan and Airport Layout Plan for the Gary/Chicago International Airport.

Project Justification/Significant Contribution:

The Master Plan is a study used to develop and evaluate facility recommendations consistent with an airport's character and activity levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2001. The Gary/Chicago Master Plan evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies. The current Master Plan and Airport Layout Plan is 13 years old. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a substantial amount of the projects listed on the current ALP will be complete.

This update will also evaluate and include the recent changes of Advisory Circular 5300-13A, which relates to the FAA standards and recommendations for airport design, and other changes that have occurred in advisory circulars since 2001.

Project Objective:

This project will preserve and enhance the capacity of the national airspace system by planning for future development as needed to accommodate demand.

Financing Plan:

Estimated Allowable Project Costs: \$1,000,000
PFC FUNDS: Pay-as-you-go \$1,000,000
Bond Capital \$0
Bond Financing and Interest \$0

***SUBTOTAL PFC FUNDS: \$1,000,000

EXISTING AIP FUNDS:

***SUBTOTAL EXISTING AIP FUNDS: \$0

ANTICIPATED AIP FUNDS (List Each Yr Separately):

Fiscal Year: Entitlement: \$0 Discretionary: \$0

***SUBTOTAL ANTICIPATED AIP FUNDS: \$0

OTHER FUNDS: State Grants \$0

Local Funds \$0

Other (please specify) \$0

***SUBTOTAL OTHER FUNDS: \$0

***TOTAL PROJECT COST: \$1,000,000

Apron Rehabilitation

Project Description:

This project consists of the rehabilitation of approximately 63,400 square yards (sys) of apron pavement. The project is divided into several phases in order to maintain operational access to various areas of the airfield.

Phase I (General Aviation (GA) Ramp in front of new Fixed Base Operator (FBO)) includes new apron reconstruction consisting of 3,600 sys of 14 inch Portland Cement Concrete (PCC) Pavement and 6,100 sys of 10 inch PCC Pavement.

Phase II (Terminal Ramp East) includes new apron reconstruction consisting of 12,000 sys of 12 inch PCC Pavement.

Phase III (Terminal Ramp West) includes new apron reconstruction consisting of 15,000 sys of 14 inch PCC Pavement.

Phase IV (GA Ramp East) includes new apron reconstruction consisting of 26,700 sys of 10 inch PCC Pavement.

This project includes the construction costs and construction administration professional fees. The design was completed utilizing local Tax Incremental Financing (TIF) funds and is not expected to be reimbursed with PFC funds.

Project Justification/Significant Contribution:

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and abuts the existing T-Hangar area. The existing pavement section consists of approximately 4-5" of bituminous pavement on 6" of compacted aggregate. With the construction of the B-Coleman FBO Facility and Hangar, increased traffic from heavier aircraft will only accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57 which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential failure that could result in damage to aircraft.

Project Objective:

The project will prevent the formation of Foreign Object Damage (FOD) that could damage aircraft engines, potentially causing them to fail and endanger aircraft, operators and passengers. Therefore, this project meets the PFC objective of preserving the safety of Gary's airfield as well as preserving the capacity of the terminal area and general aviation aircraft parking apron.

Financing Plan:

Estimated Allowable Project Costs: \$10,125,000
PFC FUNDS: Pay-as-you-go \$10,125,000
 Bond Capital \$0
 Bond Financing and Interest \$0

***SUBTOTAL PFC FUNDS: \$10,125,000

EXISTING AIP FUNDS:

***SUBTOTAL EXISTING AIP FUNDS: \$0

ANTICIPATED AIP FUNDS (List Each Yr Separately):

Fiscal Year: Entitlement: \$0 Discretionary: \$0

***SUBTOTAL ANTICIPATED AIP FUNDS: \$0

OTHER FUNDS: State Grants \$0
 Local Funds \$0
 Other (please specify) \$0

***SUBTOTAL OTHER FUNDS: \$0

***TOTAL PROJECT COST: \$10,125,000

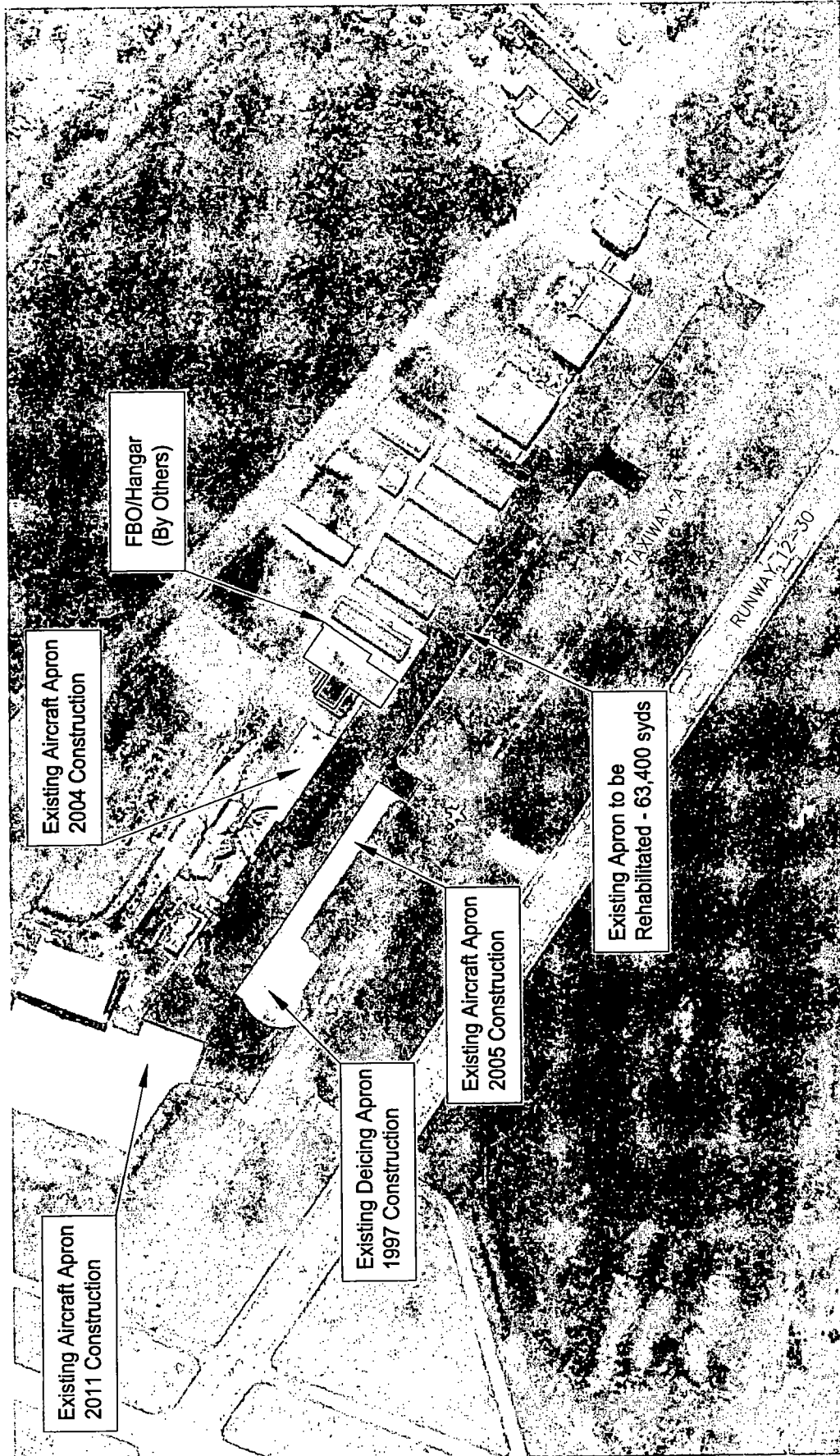
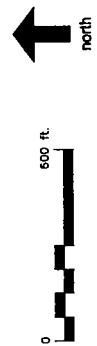


Exhibit B

Prepared By: NGC Corp



GYG Apron Rehabilitation

GYG PFC Application

July 2014

PFC AUTHORITY PROPOSED

Project Description	Proposed Amount Pay-Go	Proposed Amount Bond Capital	Proposed Amount Financing & Interest	Proposed Amount TOTAL
Master Plan Update	\$1,000,000	\$0	\$0	\$1,000,000
Apron Rehabilitation	\$10,125,000	\$0	\$0	\$10,125,000
Total	\$11,125,000	\$0	\$0	\$11,125,000

PFC TIMELINE

Air Carrier Notification Distributed	August 1, 2014
Air Carrier Consultation Meeting	September 5, 2014
Air Carrier Comment Due	October 5, 2014
Proposed Date of Submission of Draft Application to FAA	October 13, 2014

PFC Application No. 14-27-C-00-ORD

***Notice of Intent of Application to Impose a
Passenger Facility Charge (PFC) at Chicago O'Hare International Airport and Use PFC
Revenue at Gary/Chicago International Airport***

Acknowledged Receipt of Air Carrier Consultation Meeting Notice:

Name (print)

Name (sign)/Date

Air Carrier Name

Mr. Felipe Juarez
Aeromexico
3663 N. Sam Houston Parkway
East
Suite 500
Houston, TX 77032

Ms. Angelisa Taylor
Air Canada
YUL 1232, C.P. 1400 Succ.
Aeroport
Dorval AC H4Y 1H4
Canada

Ms. Marie Tempe
Air France
NYC.BG/PFC
125 W 55th St
New York, NY 10019

Mr. Jude Crasto
Air India
33 N. Dearborn
Suite 2425
Chicago, IL 60602-3101

Mr. Tim Thatcher
Air Wisconsin
5211 Eastview Street
Cheyenne, WY 82001

Mr. Kiran Limaye
Alaska Airlines
PO Box 68900 SEAPZ
Seattle, Wa 98188

Allegiant Air
8360 S. Durango Drive
Las Vegas, NV 89113

Ms. Amanda Zhang
American Airlines
4333 Amon Carter Blvd,
MD 5317
Ft. Worth, TX 76155

Mr. Bill Buchholz
American Eagle
4333 Amon Carter Blvd.
MD 5494
Ft. Worth, TX 76155

Mr. Joe Gabbert
APCR
PO Box 66294
AMY ORD
Chicago, IL 60666

Asiana Airlines
Continental Towers #3 Suite 1010
1701 Golf Road
Rolling Meadows, IL 60008

Mr. Steve Clark
British Airways
Chicago O'Hare International
Airport
P.O. Box 66177
Chicago, IL 60666

Mr. Roy Oakley
Cayman Airways, Ltd.
P.O. Box 66017
Chicago O'Hare International
Airport
Chicago, IL 60666

Mr. Blaine Peters
Delta Airlines, Inc.
PO Box 877
Atlanta, GA 30320

Ms. Lisa Walker
Express Jet Airlines
990 Toffie Terrace
Atlanta, GA 30320

Frontier Airlines, Inc.
7001 Tower Road
Denver, CO 80249

Mr. Turner H. Maynor
Japan Airlines International
Chicago O'Hare International
Airport
P.O. Box 66078
Chicago, IL 60666

Mr. Kevin Costello
JetBlue Airways Corporation
118-29 Queens Blvd.
Forest Hills, NY 11375

Mr. Sebastian Mikosz
LOT Polish Airlines
17 Stycznia 39
00-906 Warsaw
Poland

Mr. Rolf Pilgram
Lufthansa German Airlines
Chicago O'Hare International
Airlines
P.O. Box 66143
Chicago, IL 60666

Mr. Robert Stone
Mesa Airlines
410 N. 44th Street
Suite 700
Phoenix, AZ 85008

Mr. Alfonso Moreno-Santa
Mexicana Airlines
Chicago O'Hare International
Airport
P.O. Box 66035
Chicago, IL 60666

Ms. Molly Depena
Miami Air International
P.O. Box 660880
Miami Spring, FL 33266-0880

MN Airlines LLC
d/b/a Sun County Airlines
1300 Mendota Heights Road
Mendota Heights, MN 55120

Pakistan International Airlines
Corp.
505 8th Avenue
14th Floor
New York, NY 10018-6505

PSA Airlines
3400 Terminal Dr.
Vandalia, OH 45377

Republic Airlines, Inc
8909 Purdue Road
Indianapolis, IN 46268

Mr. Zaid Lambaz
Royal Jordanian
Chicago O'Hare International
Airport
P.O. Box 66170
Chicago, IL 60666

Shuttle America Corporation
8909 Purdue Rd
Indianapolis, IN 46268

Mr. Seth Thompson
SkyWest Airlines
444 South River Road
St. George, UT 84790

Ms. Kathleen Barrett
Spirit Airlines, Inc.
2800 Executive Way
Miramar, FL 33025

Mr. Gerald Wigmore
Trans States Airlines
11495 Natural Bridge Road #340
Bridgeton, MO 63044-2325

Mr. Peter Frolich
United Airlines
233 South Wacker Drive
11th Floor HDQOU
Chicago, IL 60606

Ms. Jennifer Pysher
US Airways
400 East Sky Harbor Blvd.
PHX-CHQ-CRE
Phoenix, AZ 85034

PFC Application No. 14-27-C-00-ORD

***Notice of Intent of Application to Impose a
Passenger Facility Charge (PFC) at Chicago O'Hare International Airport and Use PFC
Revenue at Gary/Chicago International Airport***

Acknowledged Receipt of Air Carrier Consultation Meeting Notice:

PETER FROETHLICH

Name (print)

 8/5/14

Name (sign)/Date

UNITED AIRLINES

Air Carrier Name

CLASSIFIEDS 312.321.2345

City of Chicago, Illinois
Department of Aviation

Proposed Application to Federal Aviation Administration
For Authority to Impose a Passenger Facility Charge
(PFC) at Chicago O'Hare International Airport and to Use
PFC Revenue for New Projects at Gary/Chicago
International Airport

Notice and Opportunity for Public Comment

The City of Chicago, Illinois proposes to file an application with the Federal Aviation Administration (FAA) to impose a Passenger Facility Charge (PFC) at Chicago O'Hare International Airport (O'Hare) and use PFC revenue for new projects at Gary/Chicago International Airport under the provisions of the Aviation Safety and Capacity Expansion Act of 1990, as amended (49 USC § 40117), and part 156 of the Federal Aviation Regulations (14 CFR part 156). This notice is published in accordance with 14 CFR part 156.24.

DATES: Comments must be received on or before Wednesday October 8, 2014.

ADDRESS: Comments may be mailed to Michael Zonskus, City of Chicago, Department of Aviation, 10510 West Zanske Road, Chicago, IL 60656. See item (vii) below. The following information is provided in accordance with 14 CFR § 156.24(b)(1).

(i) A description of the project the public agency is considering for funding by PFCs.

This project consists of the planning efforts necessary to update the Master Plan and Airport Layout Plan for Gary. The Master Plan is a study used to develop and evaluate facility recommendations consistent with airport's character and security levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2011. The Gary/Chicago Master Plan evaluated various airport alternatives, with emphasis on those that address airport design deficiencies.

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and about the existing T-Hangar. The existing pavement section consists of approximately 4.5 of damaged pavement on 6' of compacted aggregate. With the construction of the B. Coleman Frick Bldg Operator (FBO) Facility and Hangar, increased traffic from heavier aircraft may accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57, which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential future that could result in damage to aircraft.

(ii) A brief justification for each project the public agency is considering for funding by PFCs.

The current Master Plan and Airport Layout Plan is 13 years old. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a significant amount of the projects listed on the current ALP will be complete.

This update will also include and include the report changes of Advisory Circular 500-13A, which relates to the FAA standards and recommendations for airport design, and other changes that have occurred in advisory circulars since 2001.

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and about the existing T-Hangar. The existing pavement section consists of approximately 4.5 of damaged pavement on 6' of compacted aggregate. With the construction of the B. Coleman Frick Bldg Operator (FBO) Facility and Hangar, increased traffic from heavier aircraft may accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57, which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential future that could result in damage to aircraft.

(iii) The PFC Level for each project.

\$4.50 per enplaned passenger.

(iv) The estimated total PFC revenue the public agency will use for each project.

Master Plan Update: \$1,000,000
Apron Rehabilitation: \$10,125,000

(v) The proposed charge effective date for the application or notice of intent.

January 1, 2030

(vi) The estimated charge expiration date for the application or notice of intent.

February 1, 2039

(vii) The estimated total PFC revenue the public agency will collect for the application or notice of intent.

\$11,125,000

(viii) The name of and contact information for the person with in the public agency to whom comments should be sent.

Michael Zonskus
City of Chicago - Department of Aviation
10510 West Zanske Road
Chicago, IL 60656

PFC ORD 0 cityofchicago.org
(773) 688-3433 phone
(773) 688-6235 fax

09/08/14 041778

Public Notices



PROPOSED FY2015 MOVING TO WORK ANNUAL PLAN

ATTENTION ALL PUBLIC HOUSING RESIDENTS AND HCV PROGRAM PARTICIPANTS

The Chicago Housing Authority (CHA) is releasing the Proposed FY2015 Moving to Work (MTW) Annual Plan for public comment.

The 30-day public comment period begins September 3 (8 a.m.) and ends October 3, 2014 (5 p.m.). While CHA encourages and welcomes all residents, program participants, and the community-at-large to review the Proposed FY2015 MTW Annual Plan and attend the hearing, you are not required to attend the public comment hearings in order to submit comments on the Proposed FY2015 MTW Annual Plan. The date, time, and location of the public comment hearings are as follows:

- September 17, 2014 at 6:00pm: Charles Hayes Family Investment Center (FIC), 4859 S. Wabash
- September 18, 2014 at 6:00pm: CHA Administrative Offices, 60 E. Van Buren, 9th Floor

All comments must be received by 5:00 p.m. on October 3, 2014. Copies of the Proposed FY2015 MTW Annual Plan are available until October 3, 2014 (5 p.m.) at the following locations:

- CHA and HCV Administrative Offices: 60 E. Van Buren St.
- Central Advisory Council Office: 243 E. 32nd St.
- HCV Regional Office - South: 10 W. 35th St.
- HCV Regional Office - West: 2750 W. Roosevelt Rd.
- Latino Site Office - West Town: 1347 W. Erie St.
- Latino Site Office - Little Village: 4225 W. 25th St.
- www.thecha.org

Mail comments to: Chicago Housing Authority

Attention: Proposed FY2015 MTW Annual Plan
60 E. Van Buren Street, 12th Floor
Chicago, IL 60605

E-mail comments to: commentontheplan@thecha.org

Fax comments to: (312) 913-7837

Subject (email & fax): Proposed FY2015 MTW Annual Plan

If you have a question about this notice, please call the CHA at (312) 913-7300.

Public Notices



If you are an
who has not
Relocation
In living in
information

The Draft Tenant Selection
for resident occupancy at

The Draft TSP Lease, and occupancy at Casa Queretaro. Queretaro is a private affordable located at 1614 S. Damen in units within this development housing residents who have Relocation Rights Contract at the 30-day comment period, TSP Lease and other documents.

The public comment period
September

You can pick-up a copy of the related to resident occupancy Management Office at 1818, listed below beginning September

- CHA and HCV Admin
- Central Advisory Council
- HCV Regional Office - South
- HCV Regional Office - West
- Latino Site Office - West Town
- Latino Site Office - Little Village

Mail comments to:

E-mail comments to:

Fax comments to:

The CHA will host a public written comments on the proposed appointment. It is not mandatory location of this hearing are provided.

Date: September
Time: 6:00 P.M.
Location: CHA Office
60 E. Van Buren

If you have a question, call the CHA at (312) 913-7300.

FIX DELIVERY ISSUES CONVENIENTLY

LOGIN AT: SUNTIMES.COM/SERVICE

FIX DELIVERY ISSUES CONVENIENTLY

LOGIN AT:
SUNTIMES



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NEWS ARTICLES

[Back to Media](#)

PROPOSED APPLICATION TO FEDERAL AVIATION ADMINISTRATION - NOTICE AND OPPORTUNITY FOR PUBLIC COMMENT

Date: Monday September 08, 2014 | Source:

The City of Chicago, Illinois proposes to file an application with the Federal Aviation Administration (FAA) to impose a Passenger Facility Charge (PFC) at Chicago O'Hare International Airport (O'Hare) and use PFC revenue for new projects at Gary/Chicago International Airport under the provisions of the Aviation Safety and Capacity Expansion Act of 1990, as amended (49 USC § 40117), and part 150 of the Federal Aviation Regulations (14 CFR part 150). This notice is published in accordance with 14 CFR § 158.24.

DATES: Comments must be received on or before Wednesday October 8, 2014.

ADDRESS: Comments may be mailed to Michael Zonsius, City of Chicago – Department of Aviation, 10510 West Zemke Road, Chicago, IL 60666. See item (vii) below.

The following information is provided in accordance with 14 CFR § 158.24(b)(1):

(i) A description of the projects the public agency is considering for funding by PFCs.

Master Plan Update

This project consists of the planning efforts necessary to update the Master Plan and Airport Layout Plan for Gary. The Master Plan is a study used to develop and evaluate facility recommendations consistent with an airport's character and activity levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2001. The Gary/Chicago Master Plan evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies.

Apron Rehabilitation

MEDIA DEPARTMENT
CONTACT »

**City of Chicago, Illinois
Department of Aviation**

**Proposed Application to Federal Aviation Administration
For Authority to Impose a Passenger Facility Charge (PFC) at Chicago O'Hare International
Airport and to Use PFC Revenue for New Projects at Gary/Chicago International Airport**

Notice and Opportunity for Public Comment

The City of Chicago, Illinois proposes to file an application with the Federal Aviation Administration (FAA) to impose a Passenger Facility Charge (PFC) at Chicago O'Hare International Airport (O'Hare) and use PFC revenue for new projects at Gary/Chicago International Airport under the provisions of the Aviation Safety and Capacity Expansion Act of 1990, as amended (49 USC § 40117), and part 150 of the Federal Aviation Regulations (14 CFR part 158). This notice is published in accordance with 14 CFR § 158.24.

DATES: Comments must be received on or before **Wednesday October 8, 2014**.

ADDRESS: Comments may be mailed to Michael Zonsius, City of Chicago – Department of Aviation, 10510 West Zemke Road, Chicago, IL 60666. See item (viii) below.

The following information is provided in accordance with 14 CFR § 158.24(b)(1):

(i) A description of the projects the public agency is considering for funding by PFC's:

Master Plan Update

This project consists of the planning efforts necessary to update the Master Plan and Airport Layout Plan for Gary. The Master Plan is a study used to develop and evaluate facility recommendations consistent with an airport's character and activity levels. Gary/Chicago Airport Authority completed a Master Plan Update in 2001. The Gary/Chicago Master Plan evaluated various airfield alternatives, with emphasis on those that address airport design deficiencies.

Apron Rehabilitation

This project consists of the rehabilitation of approximately 63,400 square yards (sys) of apron pavement. The project is divided into several phases in order to maintain operational access to various areas of the airfield.

This project includes the construction costs and construction administration professional fees. The design was completed utilizing local Tax Incremental Financing (TIF) funds and is not expected to be reimbursed with PFC funds.

(ii) A brief justification for each project the public agency is considering for funding by PFC's:

Master Plan Update

The current Master Plan and Airport Layout Plan is 13 years old. With an anticipated planning process of two to four years, the Master Plan will be between 15 and 17 years old and a substantial amount of the projects listed on the current ALP will be complete.

This update will also evaluate and include the recent changes of Advisory Circular 5300-13A, which relates to the FAA standards and recommendations for airport design, and other changes that have occurred in advisory circulars since 2001.

Apron Rehabilitation

A portion of the general aviation apron pavement (Phase 1) was originally designed for small general aviation aircraft and abuts the existing T-Hangar. The existing pavement section consists of approximately 4-5" of bituminous pavement on 6" of compacted aggregate. With the construction of the B. Coleman Fixed Base Operator (FBO) Facility and Hangar, increased traffic from heavier aircraft may accelerate the continued degradation of this pavement. This section along with the other sections has a Pavement Condition Index (PCI) rating of 32 to 57 which is Very Poor to Poor. These pavements need to be reconstructed in order to avoid potential failure that could result in damage to aircraft.

(iii) The PFC Level for each project:

\$4.50 per enplaned passenger

(iv) The estimated total PFC revenue the public agency will use for each project:

Master Plan Update \$1,000,000

Apron Rehabilitation \$10,125,000

(v) The proposed charge effective date for the application or notice of intent:

January 1, 2039

(vi) The estimated charge expiration date for the application or notice of intent:

February 1, 2039

(vii) The estimated total PFC revenue the public agency will collect for the application or notice of intent:

\$11,125,000

(viii) The name of and contact information for the person within the public agency to whom comments should be sent:

Michael Zonsius
City of Chicago – Department of Aviation
10510 West Zemke Road
Chicago, IL 60666

PFC.ORD@cityofchicago.org
(773) 686-3433 phone
(773) 686-6235 fax

Sign-in Sheet

Chicago O'Hare International Airport
 Passenger Facility Charge Air-Caster Construction Meeting
 Friday, September 5, 2014
 Airport Administration Building, 2nd Floor

NAME	AFFILIATION	PHONE #	EMAIL
1 EMMMA ANIO-KOJUSKA	LOT	1184-43517449	a.aniokojuska@lot.com
2 BARBARA RAJSKA-KULIG	LOT	312)593-7741	B.rajaska - kulig@lot.com
3 PETER FREIHUBER	VAL	(512)515-8981	peter.frehuber@valuel.com
4 PAMELA J. KOHL	APCR	713-686-7674	PJKOHL@APCR-ORD.COM
5 JOE GARRETT	APCR	713-686-7674	JGARRETT@APCR-ORD.COM
6 Ken Ross	NGC-GYY	317-281-9749	KROSS@NGC.AERO
7 Delbert Brown	ATP/IS GYI	(214)715-3079	delbert@gaairport.com
8 Maria Hoke	Ricardo	312-606-0611	m_hoke@ricardo.com
9 Kristina Woodward	Ricardo	312-606-0611	K_WOODWARD@RICARDO.COM
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1
2 CITY OF CHICAGO
3 DEPARTMENT OF AVIATION
4

5 In the Matter of:

6 CHICAGO O'HARE INTERNATIONAL AIRPORT
7 PASSENGER FACILITY CHARGE PROGRAM
8 AIR CARRIER CONSULTATION MEETING

9 TRANSCRIPT OF PROCEEDINGS had in the
10 above-entitled matter at Chicago O'Hare
11 International Airport, Airport Administration
12 Building, 10510 Zemke Road, Chicago, Illinois, on
13 Friday, the 5th day of September 2014, commencing
14 at 10:00 a.m.

15
16 PRESENT:

17 MR. MICHAEL ZONSIUS
18 Chief Financial Officer
Chicago Department of Aviation

19 MR. KEN ROSS, P.E.
20 NGC CORP.

21 MR. DELBERT BROWN
22 AvPORTS
23
24

1 MR. ZONSIUS: It's 10:00 o'clock. Good
2 morning and thank you all for being here today.

3 My name is Michael Zonsius. I am
4 the Chief Financial Officer for the Chicago
5 Department of Aviation.

6 With us is Ken Ross from NGC Corp.,
7 and Delbert Brown, also from NGC. Is that correct?

8 MR. BROWN: AvPorts.

9 MR. ZONSIUS: AvPorts, who can answer any
10 technical questions you have on the project.

11 In accordance with Section 158.23,
12 part B of the Passenger Facility Charge regulations,
13 this meeting is to serve as carrier consultation
14 for the upcoming PFC application discussed in the
15 airline notification letter dated August 1st, 2014.

16 As discussed in this letter, CDA
17 intends to file an application with the Federal
18 Aviation Administration for authority to impose a
19 passenger facility charge at O'Hare International
20 Airport and to use passenger facility charge
21 revenue for new projects at Gary/Chicago
22 International Airport, Gary, Indiana.

23 At this meeting we will walk
24 through the materials attached to the August 1st

1 letter. This includes a description of the
2 projects, an explanation of the need for the
3 projects, and the financial plan for the projects.
4 If there are any questions regarding these items,
5 please ask.

6 As stated in the letter, through a
7 1995 compact between the City, the City of Gary,
8 and the Gary Board of Directors, Gary has access to
9 a small percentage of PFC revenue collected at
10 O'Hare. Pursuant to the Compact, the Airport
11 Authority maintains a 12-member Compact board of
12 directors (separate from the Airport Board). The
13 City and the City of Gary each appoint five members
14 and the states of Indiana and Illinois appoint one
15 member each.

16 Therefore, CDA is requesting PFC
17 authority to use O'Hare PFC revenues on a Master
18 Plan update and apron rehabilitation project at
19 Gary Airport.

20 We will now go through additional
21 information provided in the airline notification
22 letter.

23

24

1 The Master Plan Update.

2 Project Description.

3 This project consists of the
4 planning efforts necessary to update the Master
5 Plan and the Airport Layout Plan for the
6 Gary/Chicago International Airport, Gary, Indiana.

7 Project Justification:

8 The Master Plan is a study used to
9 develop and evaluate facility recommendations
10 consistent with an airport's character and activity
11 levels. Gary/Chicago Airport Authority completed a
12 Master Plan Update in 2001. The Gary/Chicago
13 Master Plan evaluated various airfield alternatives
14 with emphasis on those that address airport design
15 deficiencies. The current Master Plan and the
16 Airport Layout Plan are 13 years old. With an
17 anticipated planning process of two to four years,
18 the Master Plan will be between 15 and 17 years old
19 and a substantial amount of the project listed on
20 the current ALP will be complete.

21 This update will also evaluate and
22 include the recent changes of Advisory Circular
23 5300-13A, which relates to the FAA standards and
24 recommendations for airport design, and other

1 changes that have occurred in Advisory circulars
2 since 2001.

3 Project Objective.

4 This project will preserve and
5 enhance the capacity of the national airspace
6 system by planning for future development as needed
7 to accommodate demand.

8 Financing plan: Estimated allowable
9 project costs of \$1,000,000 and will be solely
10 funded by PFC Pay-as-you-go funds.

11 Apron Rehabilitation.

12 Project Description.

13 This project consists of
14 rehabilitation of approximately 63,400 square yards
15 of apron pavement. The project is divided into
16 several phases in order to maintain operational
17 access to various areas of the airfield.

18 Phase I. General Aviation ramp in
19 front of the new Fixed Base Operator includes new
20 apron reconstruction consisting of 3,600 square
21 yards of 14-inch Portland Cement Concrete pavement,
22 and 6,100 square yards of 10-inch PCC pavement.

23 Phase II. Terminal Ramp East
24 includes new apron reconstruction consisting of

1 12,000 square yards of 12-inch PCC pavement.

2 Phase III. Terminal Ramp West
3 includes new apron reconstruction consisting of
4 15,000 square yards of 14-inch PCC pavement.

5 Phase IV. GA Ramp East, includes
6 new apron reconstruction consisting of 26,700
7 square yards of 10-inch PCC pavement.

8 This project includes the
9 construction costs and construction administration
10 professional fees. The design was completed
11 utilizing Tax Incremental Financing (TIF) funds,
12 and is not expected to be reimbursed with any PFC
13 funds.

14 Project Justification.

15 A portion of the general aviation
16 apron pavement (Phase I) was originally designed
17 for small general aviation aircraft and abuts the
18 existing T-Hangar area. The existing pavement
19 section consists of approximately 4 to 5 inches
20 of bituminous pavement on 6 inches of compacted
21 aggregate. With the construction of the B-Coleman
22 FBO Facility and Hangar, increased traffic from
23 heavier aircraft will only accelerate the continued
24 degradation of this pavement. This section, along

1 with the other sections, has a PCI, Pavement
2 Condition Index, rating of 32 to 57, which is
3 Very Poor to Poor. These pavements need to be
4 reconstructed in order to avoid potential failure
5 that could result in damage to aircraft.

6 Project Objective.

7 The project will prevent the
8 formation of Foreign Object Damage that could
9 damage aircraft engines, potentially causing them
10 to fail and endanger aircraft, operators and
11 passengers.

12 Therefore, this project meets the
13 PFC objective of preserving the safety of Gary's
14 airfield as well as preserving the capacity of the
15 terminal area and general aviation parking apron.

16 Financing Plan.

17 Estimated allowable costs for the
18 project:

19 \$10,125,000 to be funded solely by
20 PFC Pay-as-you-go funds of \$10,125,000.

21 That concludes my opening statement.

22 If there are any questions, please
23 identify yourself, your firm, and we will attempt
24 to answer those questions.

1 (No response.)

2 There being none, I will close this
3 PFC consultation meeting, and thank you all for
4 attending.

5 (The hearing was concluded
6 at 10:09 a.m.)

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ATTACHMENT D

REQUEST TO EXCLUDE CLASS OF CARRIERS

This section contains the following information:

Page D - 2

Excerpt from the Notification Letter of August 1, 2014 that updated the carrier class to be exempted from charging a PFC at O'Hare Airport.

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Section 158.23(a)(3). Request that a Class of Carriers not be Required to Collect PFCs.

The following is information required specifically for the proposed impose and use application above.

(i) Class Designation: Air Taxi

(ii)/(iii) Names of Known Carriers Belonging to Class Identified in this Section and Estimated Number of Annual Enplaned Passengers:

<u>Carrier</u>	<u>2013 Enplanements</u>
Jet Solutions LLC	112
Netjets Aviation, Inc.	597
Priester Aviation LLC	28
Seneca Flight Operations	1
Tulip City Air Service, Inc.	6
Ultimate Jetcharters LLC	175
Total	919

Source: ACAIS Database

(iv) Reasons for Requesting that Carriers Identified in this Section Not be Required to Collect the PFC: The number of passengers enplaned annually by this class of carriers represents fewer than one percent of total enplanements at O'Hare. The estimated annual PFC revenue from these carriers would be approximately \$3,998 as compared to the estimated PFC revenue of \$128,397,136 from all other carriers. In accordance with Section 158.11 of FAR Part 158, the City may request of the FAA in its application for authority to impose PFCs, and in its application for authority to use PFCs, that collection of PFCs by any class of air carriers or foreign air carriers not be required if the number of passengers enplaned by the carriers in this class constitutes no more than one percent of the total number of passengers enplaned annually at the airport at which the PFC is imposed. This is the case with the class of carriers identified herein.

This is the same class that was already approved for exemption by FAA (See June 28, 1993 Record of Decision, p.26). Information on known carriers belonging to the class has been updated to reflect the Department of Transportation (DOT) Air Carrier Activity Information System Report for calendar year 2013, the most recent report available to the City.

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ATTACHMENT E

AIR CARRIER CERTIFICATION OF AGREEMENT/DISAGREEMENT

This section contains the following information:

Page E - 2 Letters received from air carriers certifying agreement following the carrier consultation meeting.

Page E - 6 City's Response to Air Carrier Comments.

No public comments were received for the Gary/Chicago International Airport Apron Rehabilitation and Master Plan Update.

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September 18, 2014

Mr. Michael Zonsius
Chief Financial Officer
City of Chicago, Department of Aviation
10510 W. Zemke Rd.
Chicago, IL 60666

Re: ORD – Passenger Facility Charge Application

Dear Mr. Zonsius:

United Continental Holdings, Inc. (“United”) appreciates the opportunity to comment on the referenced application to be filed by the City of Chicago - Chicago Department of Aviation (“CDA”) to impose and use Passenger Facility Charges (“PFCs”) under Title 14, CFR, Part 158 at Chicago O’Hare International Airport (“Airport”).

United hereby submits its written Certification of Agreement/Disagreement as to those proposed projects referenced in the CDA’s official notice dated August 1, 2014 and as presented and discussed at the September 5, 2014 consultation meeting under Application 14-27-C-00-ORD.

It is our understanding that PFC eligible projects, by statute, are those that preserve or enhance the safety, capacity, or security of the national transportation system; reduce airport noise or mitigate noise impacts; or enhance competition among air carriers. Further, we interpret the requirement that PFC-funded projects must qualify as AIP-eligible projects, mandating that PFC-funded projects be limited to those programs for which an immediate and justifiable need can be demonstrated or substantiated. Projects that cannot be justified based upon an immediate and justifiable need should be eliminated from the proposed PFC application and deferred for PFC consideration until such time as a need can be demonstrated

With this as background, United offers the following comments regarding the projects proposed for PFC funding by the CDA:

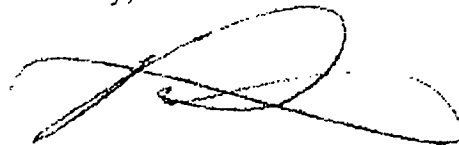
Mr. Michael Zonsius
September 20, 2014
Page 2

1. Project: Master Plan Update
 PFC Cost: \$1,000,000
 Certification: Agreement
 Comments: We submit that PFC funding for this project should be
 equitably split between Chicago O'Hare (ORD) and
 Chicago Midway (MDW) airports

2. Project: Apron Rehabilitation
 PFC Cost: \$10,125,000
 Certification: Agreement
 Comments: We submit that PFC funding for this project should be
 equitably split between Chicago O'Hare (ORD) and
 Chicago Midway (MDW) airports

This concludes United's comments relative to the referenced PFC Application to be filed by the CDA.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter Froehlich', with a large, stylized loop at the end.

Peter Froehlich
Director – Airport Affairs
Corporate Real Estate

cc: N. Lopp – HDQOU/UA
 J. Gabbert - APCR

September 22, 2014

Mr. Michael Zonsius
Chief Financial Officer
City of Chicago, Department of Aviation
10510 W. Zemke Rd.
Chicago, IL 60666

Subject: Passenger Facility Charge (PFC) Application 14-27-C-00-ORD

Dear Mr. Zonsius:

Pursuant to 14 CFR Part 158, Section 158.23, this letter and attachment hereto shall serve as American Airlines' ("American") Certification of Agreement or Disagreement with respect to the projects included in the subject PFC application to be filed by the City of Chicago - Chicago Department of Aviation ("CDA").

PFC-eligible projects, by statute, are those that preserve or enhance the safety, capacity, or security of the national air transportation system, reduce airport noise or mitigate airport noise impacts, or enhance competition among air carriers. In addition, American interprets the regulations such that PFC-funded projects are to be limited to those programs for which a near term and justifiable need can be demonstrated. Accordingly, American Airlines' certification(s) to the proposed PFC program is guided by these principles.

Also, American notes that PFCs are available as an additional funding source for eligible airport projects, along with other funding sources, such as the Airport Improvement Program (AIP Program). American's certification of agreement on any specific project is conditioned on the CDA applying for AIP funding first (if eligible), with PFC funds used to fund the local share accordingly.

We look forward to working with the CDA in developing and maintaining airport facilities that will meet the needs of the traveling public and the air carriers serving Chicago O'Hare International Airport ("Airport").

Sincerely,


Director, Airport Affairs

Attachment

cc: J. Gabbert - APCR



AMERICAN AIRLINES, INC.
CERTIFICATION OF AGREEMENT/DISAGREEMENT TO PFC PROGRAM
CHICAGO O'HARE INTERNATIONAL AIRPORT

PFC Application 14-27-C-00-ORD

1. Project: Master Plan Update
 PFC Cost: \$1,000,000
 Certification: Agreement
 Comments: We submit that PFC funding for this project should be
 equitably split between Chicago O'Hare (ORD) and Chicago
 Midway (MDW) airports

2. Project: Apron Rehabilitation
 PFC Cost: \$10,125,000
 Certification: Agreement
 Comments: We submit that PFC funding for this project should be
 equitably split between Chicago O'Hare (ORD) and Chicago
 Midway (MDW) airports

Response to Air Carrier Comments

On August 1, 2014, the City published written notice and an opportunity for air carrier comment on this proposed application under 14 CFR § 158.23. Two carriers (United and American) returned a Certification of Agreement after the Air Carrier Consultation Meeting, held September 5, 2014. Airlines not providing comment signify a Certification of Agreement. If a carrier fails to provide the public agency with timely acknowledgement of the notice or timely certification of agreement or disagreement with the proposed project, the carrier is considered to have certified its agreement under 14 CFR § 158.23(c)3.

United and American Airlines provided comment along with the Certification of Agreement:

United/American Comment: "We submit that PFC funding for this project should be equitably split between Chicago O'Hare (ORD) and Chicago Midway (MDW) airports."

City Response: There is no requirement under PFC regulations or the Chicago-Gary Compact that an equitable share of PFCs generated at Chicago Midway International Airport (MDW) be used for the projects in this Application. At this time, the Chicago Department of Aviation (CDA) does not intend to pursue PFC authority to use MDW PFCs for an allocable portion of these projects. If, however, CDA does apply in the future for PFC authority for a share of these projects at MDW, the authority at ORD will concurrently be amended downwards by the appropriate amount.

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ATTACHMENT F

ADDITIONAL INFORMATION

This section contains the following information:

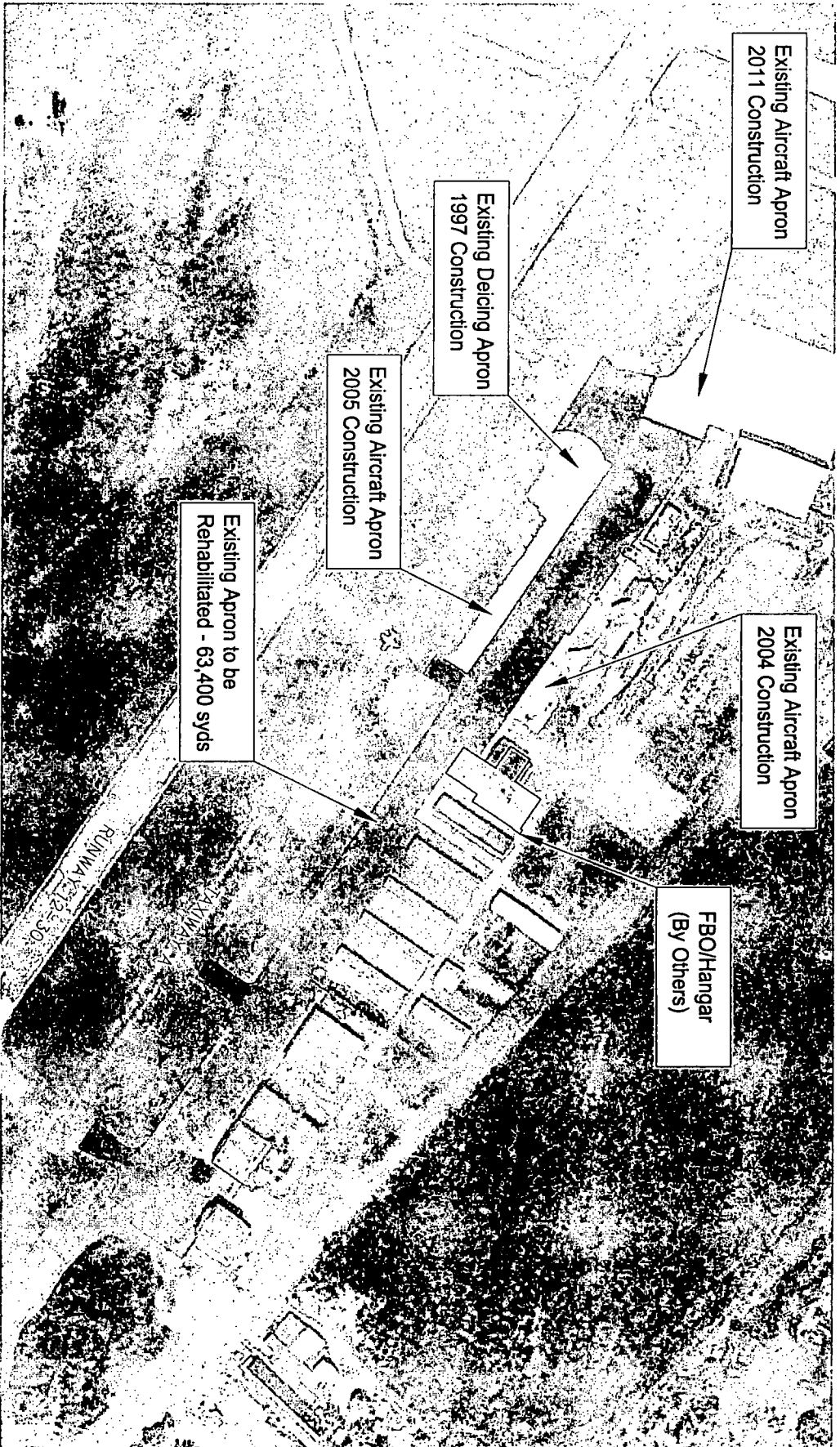
Page F - 3 Attachment F- 1 – Apron Project Exhibits

Page F - 9 Attachment F- 2 – Example of Apron Condition

Page F - 11 Attachment F- 3 – Pavement Condition Report excerpts

Page F - 41 Attachment F- 4 - Chicago--Gary Regional Airport Compact

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Prepared By: NGC Corp

Exhibit B

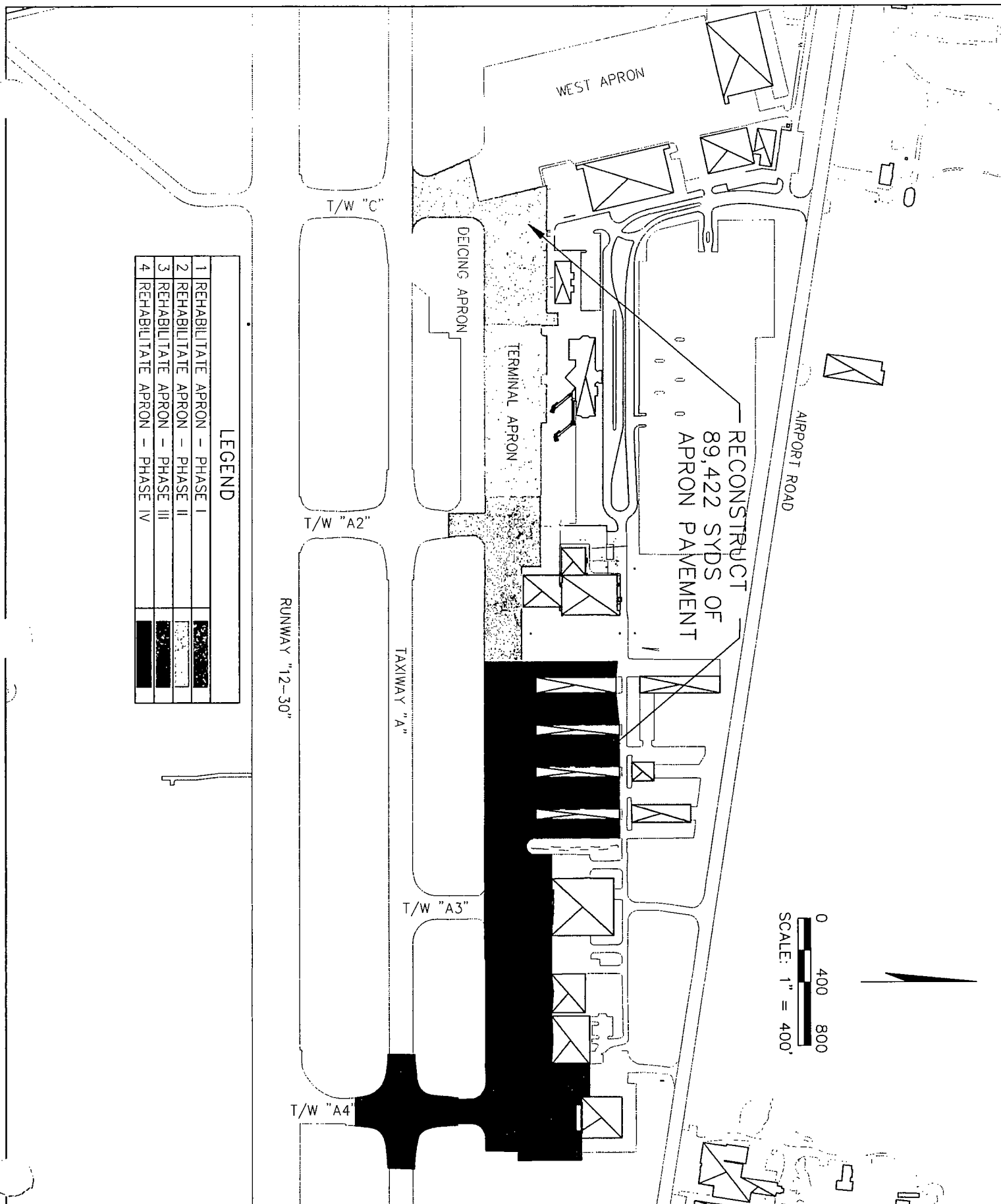


GYV Apron Rehabilitation

GYV PFC Application

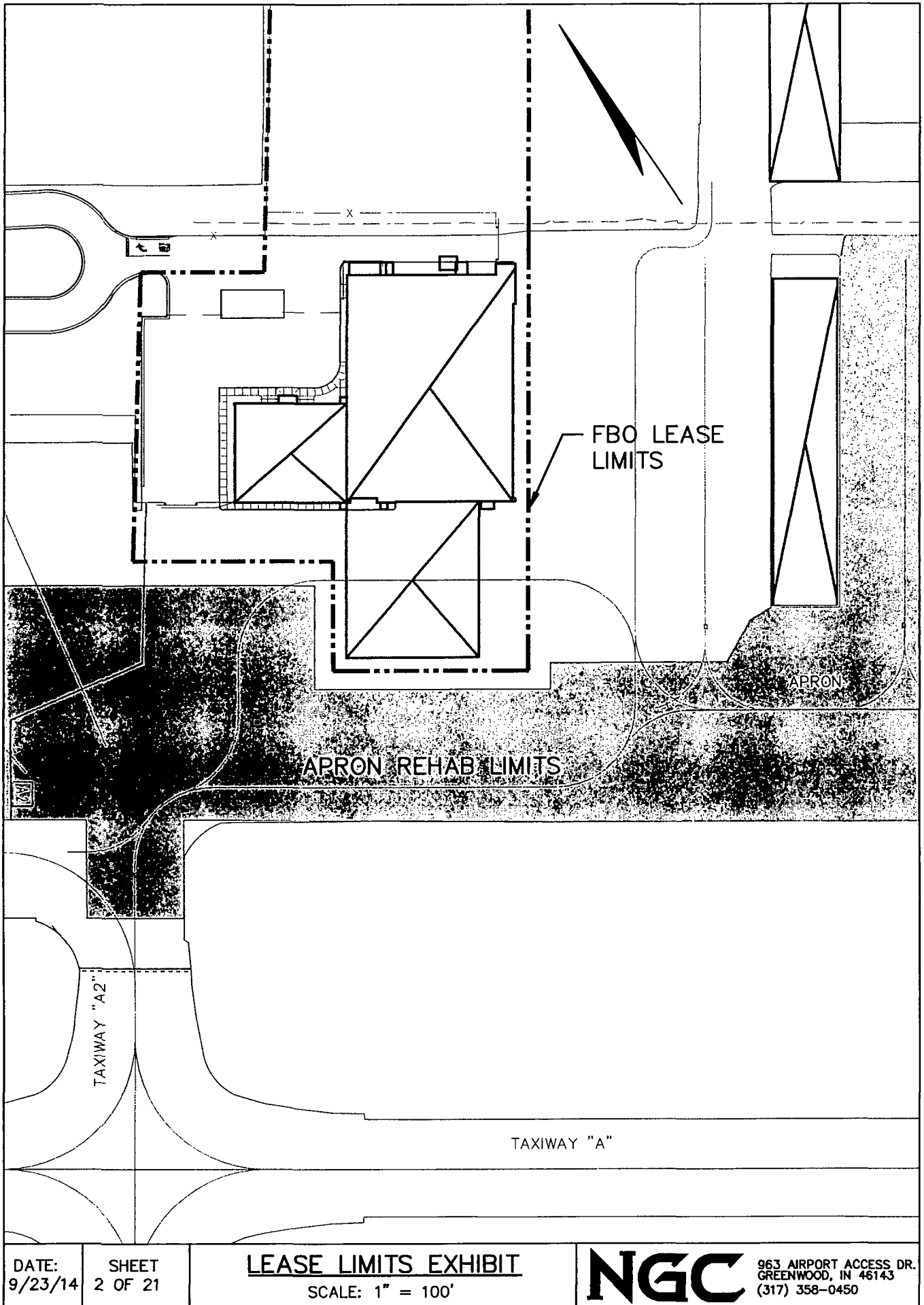
July 2014

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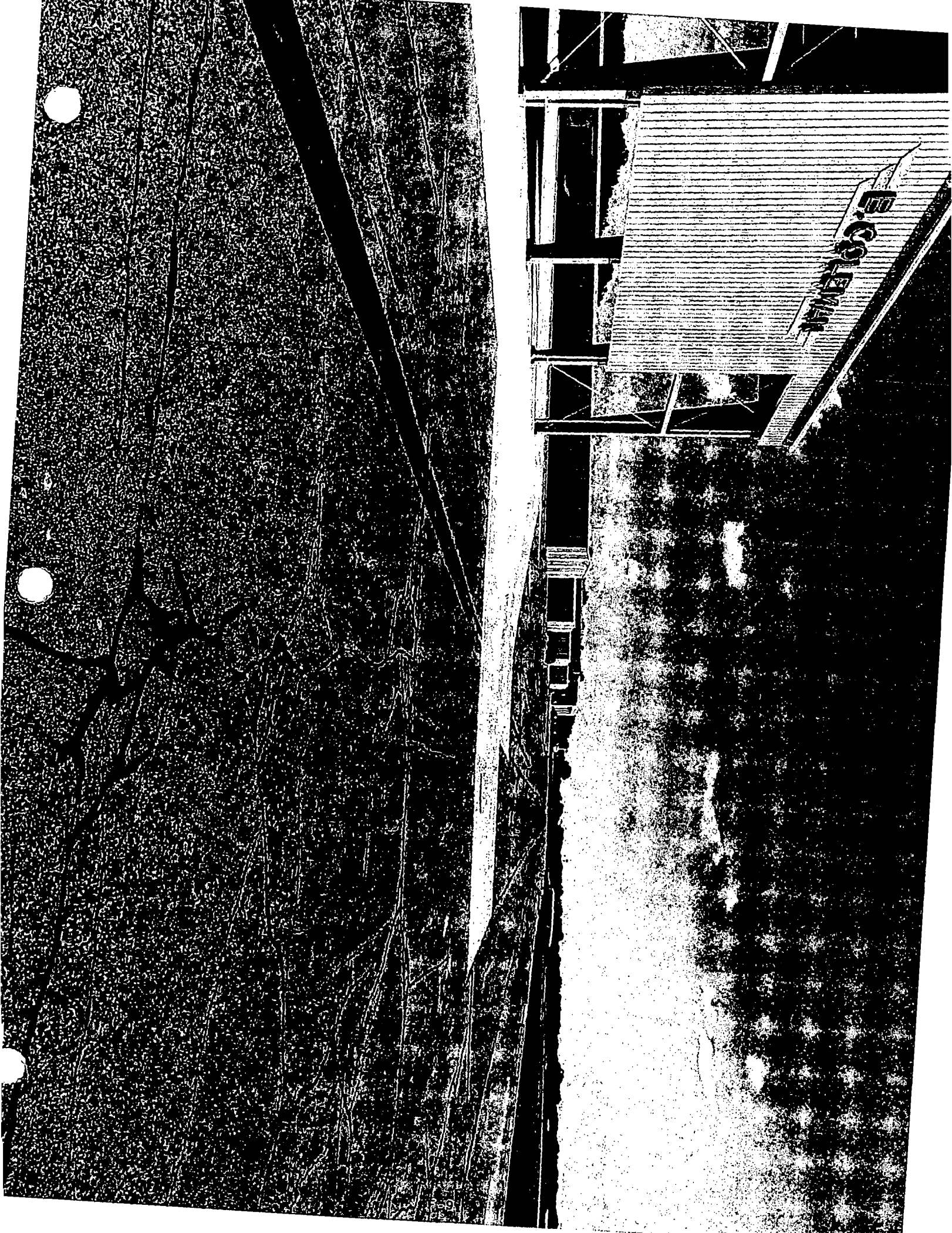


EXH-01	DATE 05/01/14 PAGE NO.	GARY/CHICAGO INTERNATIONAL AIRPORT Gary, Indiana NGC NGC CORP. 963 AIRPORT ACCESS DRIVE GREENWOOD, INDIANA (317) 358-0450	PROJECT NAME 2014 PFC PROGRAM PROJECT TYPE APRON REHABILITATION	NO. BY REVISIONS DATE	

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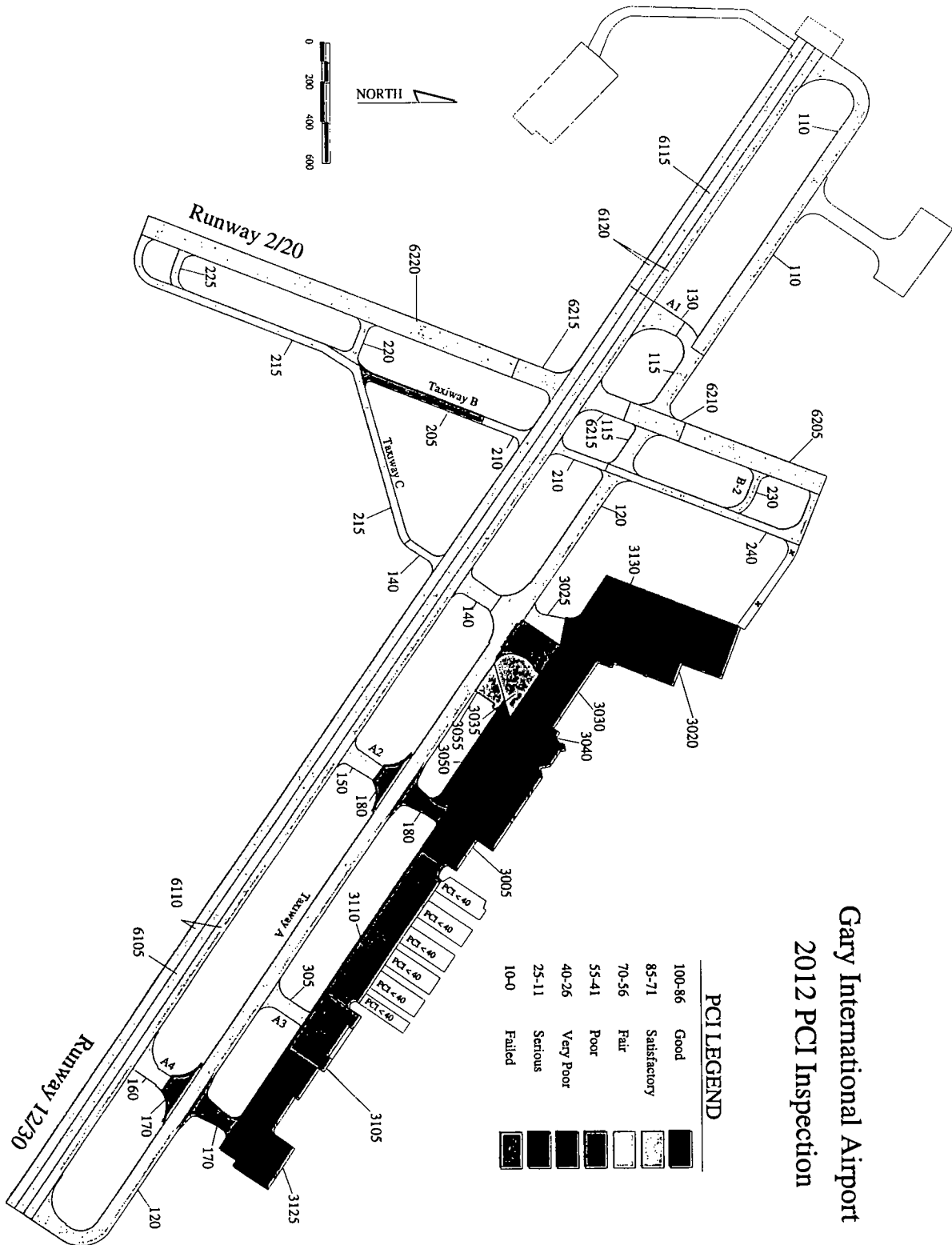


Figure 2-1. Inspected Pavement Condition

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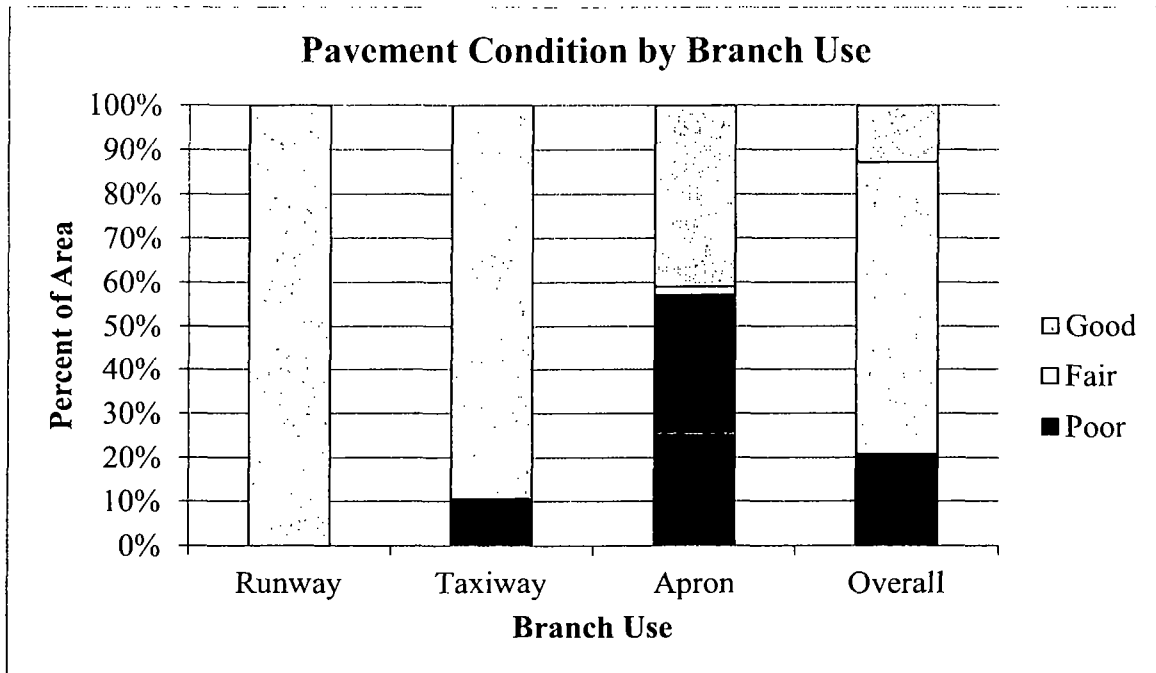


Figure 2-2. Pavement Condition by Branch Use

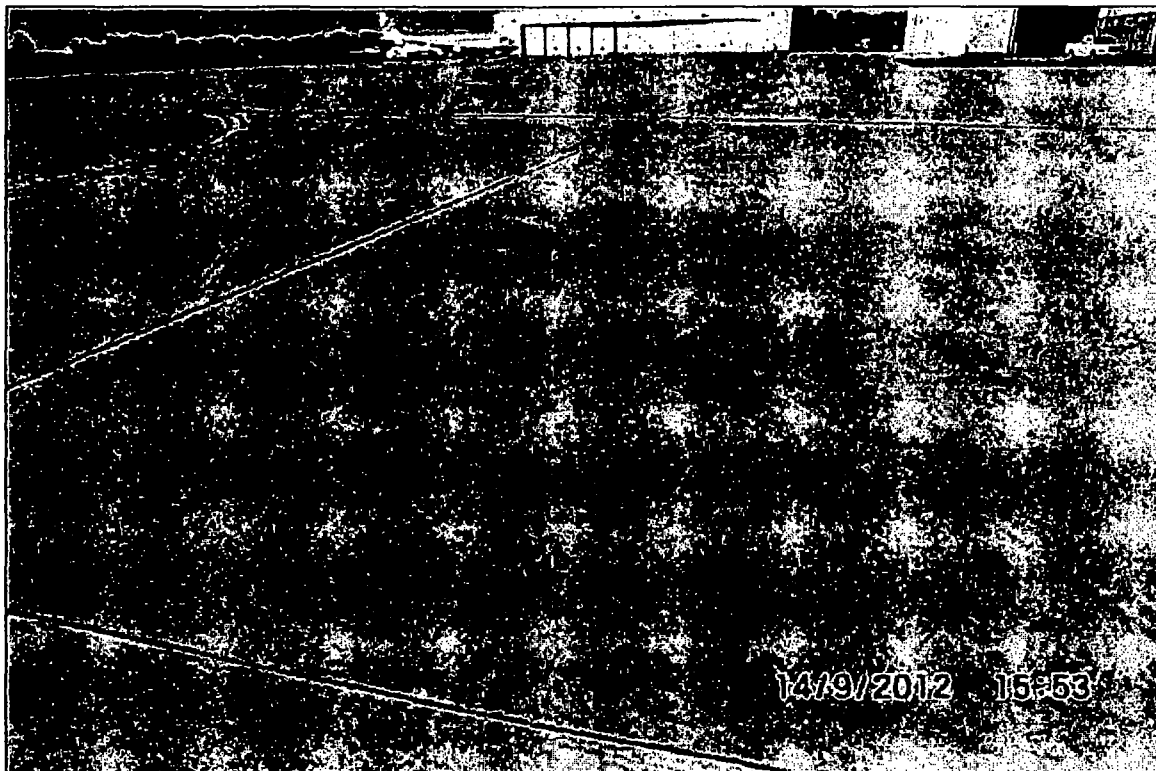


Figure 2-3. Typical Good PCC Pavement (Feature 3020)

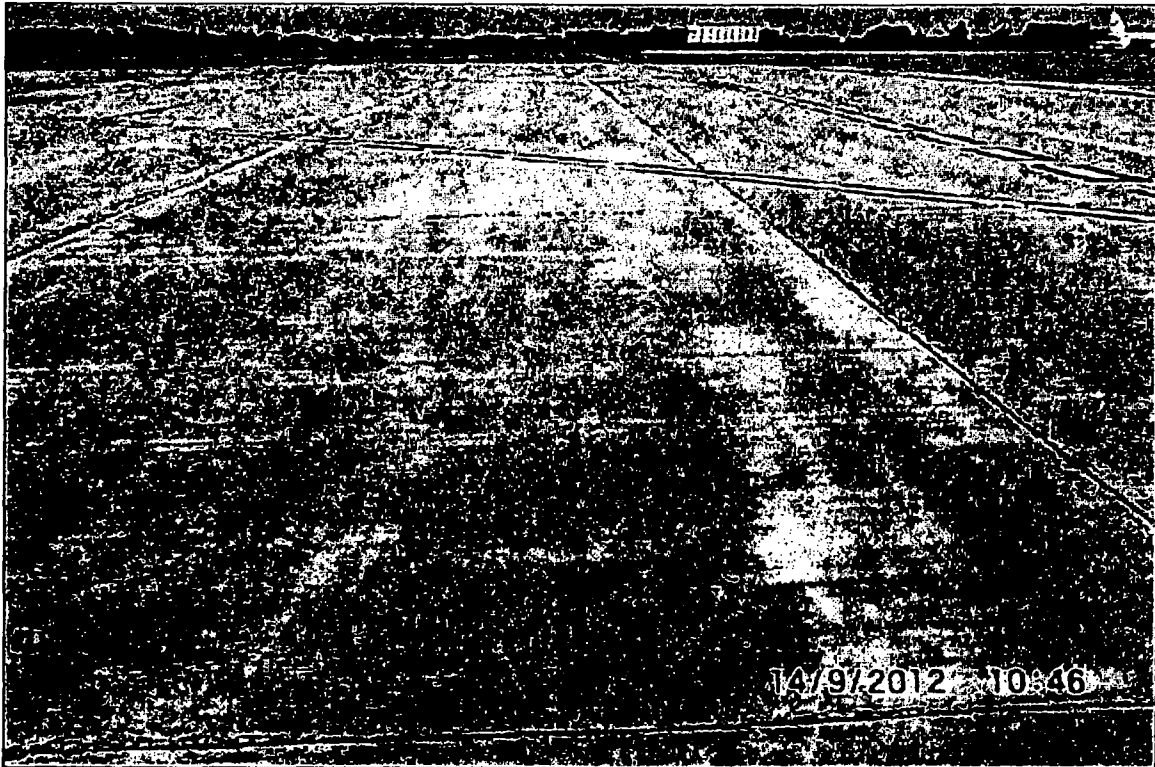


Figure 2-4. Typical Satisfactory PCC Pavement (Feature 3035)

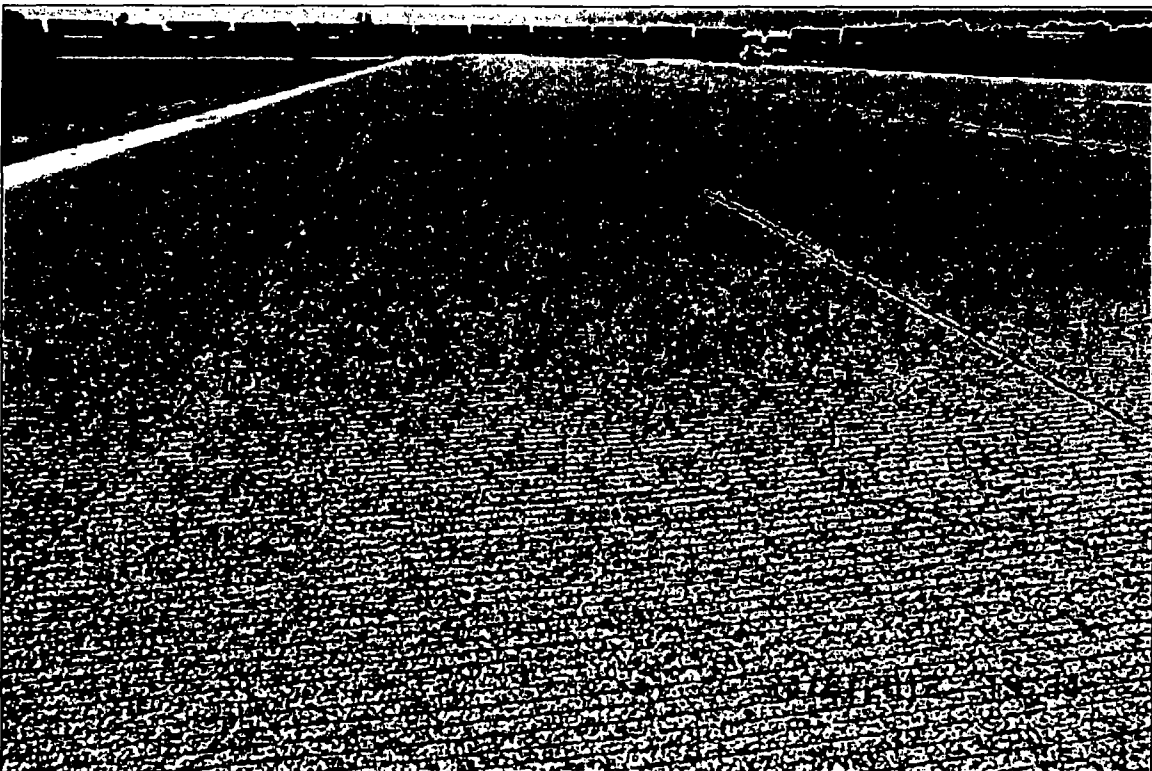


Figure 2-5. Typical Fair AC Pavement (Feature 6120)



Figure 2-6. Typical Poor AC Pavement (Feature 170)

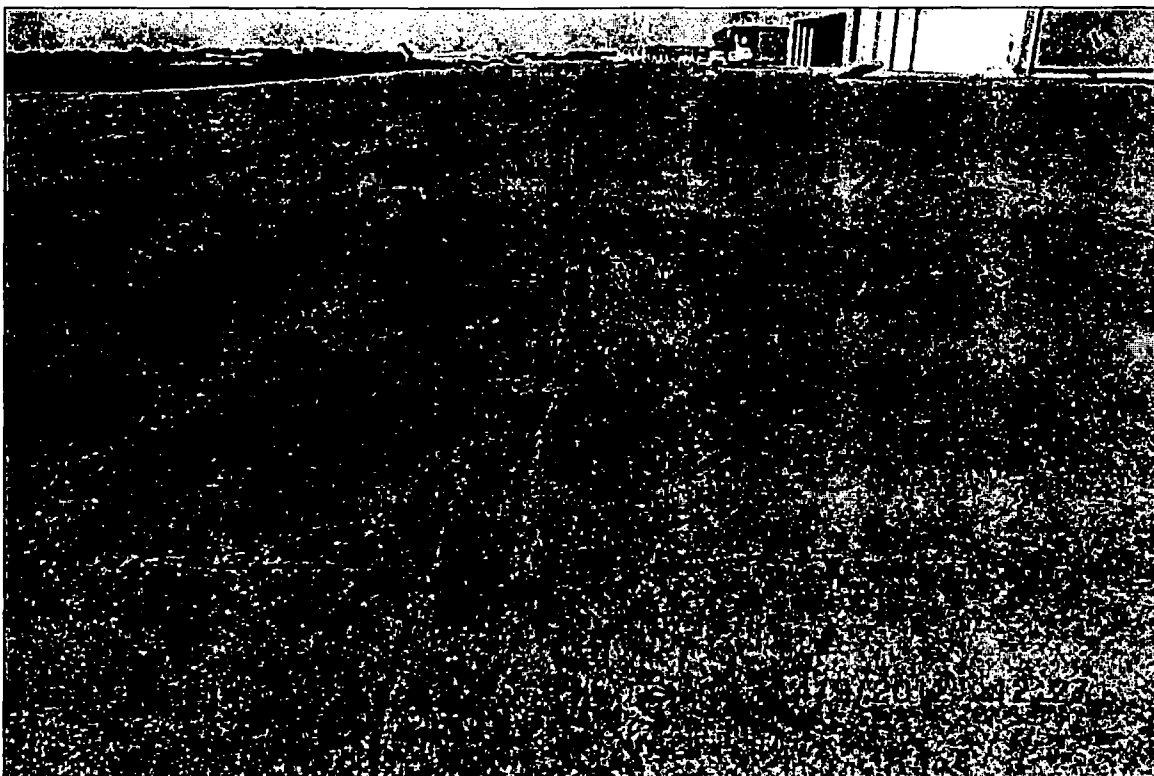


Figure 2-7. Typical Very Poor AC Pavement (Feature 170)

2.2 Distress Types and Frequency

The inspectors surveyed approximately 810,000 ft² of AC pavement. The frequency of each distress type is shown in Table 2-2. The most common distress types were longitudinal and transverse (L&T) cracking, weathering and alligator cracking. L&T cracking and weathering are climate-related distresses, and alligator cracking is a load-related distress.

Table 2-2. Distress Frequency in AC Pavement

Distress	Sample Units	% Inspected Sample Units
L&T CRACKING	164	91
WEATHERING	100	55
ALLIGATOR CRACKING	90	50
BLOCK CRACKING	23	13
RUTTING	11	6
RAVELING	10	6
SWELL	9	5
BLEEDING	8	4
PATCHING	6	3
OIL SPILLAGE	4	2

The inspectors surveyed approximately 200,000 ft² of PCC pavement. The frequency of each distress type is shown in Table 2-3. The most common distresses, with respect to quantity (number of slabs) recorded, were joint seal damage and longitudinal, transverse, and diagonal (LTD) cracks.

Table 2-3. Distress Frequency in PCC Pavement

Distress	Sample Units	% Inspected Sample Units	Slabs	% Inspected Slabs
JOINT SEAL DAMAGE	8	38.1	166	38.8
LONG/TRANS/DIAG CRACKS	8	38.1	17	4.0
SHRINKAGE CRACKS	8	38.1	10	2.3
CORNER SPALLING	3	14.3	6	1.4
SHATTERED SLAB	2	9.5	4	0.9
PATCHING LARGE	1	4.8	1	0.2

AIRPORT: GARY/CHICAGO INTERNATIONAL

AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3005

DESCRIPTION: TERMINAL RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

FEATURE'S HIGH PCI: 56

FEATURE AREA: 240,580

FEATURE'S LOW PCI: 11

INSPECTED AREA: 53,800

AVERAGE PCI: 32 VERY POOR

MINIMUM SERVICE LEVEL: 65

ESTIMATED PCI IS: 32 in 2012

COMMENTS/HISTORY FOR FEATURE 3005, TERMINAL RAMP

1996 3" P401
UNKNOWN EXISTING

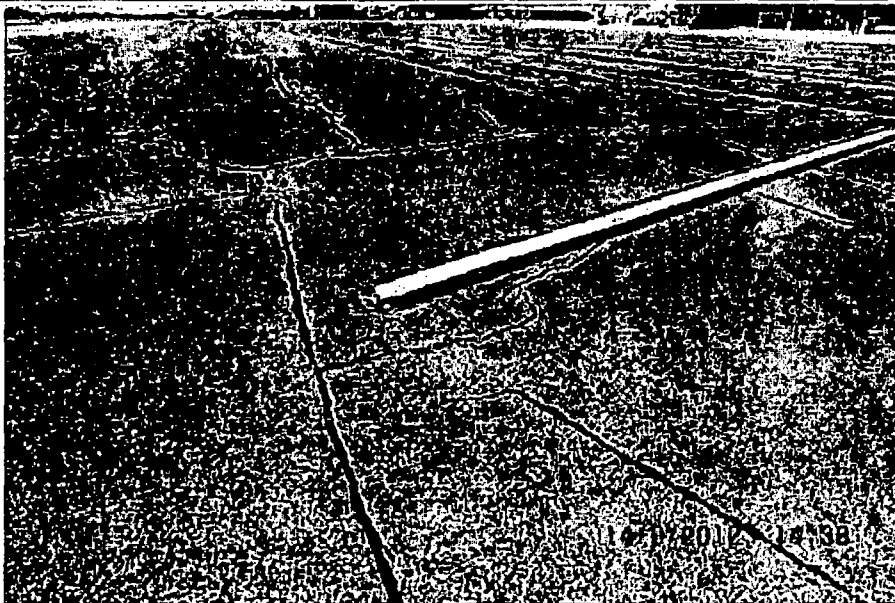
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*

DISTRESS QUANTITIES FOR FEATURE 3005

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF All DISTRESS
ALLIGATOR CRACKING	MED	1,475	6,595	S.F.	26.6
ALLIGATOR CRACKING	LOW	77	344	S.F.	3.6
BLEEDING	N/A	32	143	S.F.	.3
BLOCK CRACKING	HIGH	2,400	10,732	S.F.	13
BLOCK CRACKING	MED	22,100	98,825	S.F.	28.3
BLOCK CRACKING	LOW	13,850	61,933	S.F.	15.9
LONG.& TRANS. CRACK	MED	961	4,297	L.F.	6
LONG.& TRANS. CRACK	LOW	952	4,257	L.F.	4.1
PATCH & UTILITY CUT	LOW	35	156	S.F.	.2
PUTTING	LOW	9	40	S.F.	1.2
WEATHERING	LOW	2,900	12,968	S.F.	.4

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS:	31 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS:	8 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS:	61 %



AIRPORT: GARY/CHICAGO INTERNATIONAL

AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3005

DESCRIPTION: TERMINAL RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

AVERAGE PCI AT INSPECTION: 32 VERY POOR

CONSTRUCTION YEAR: 1996

ESTIMATED PCI IS: 32 in 2012

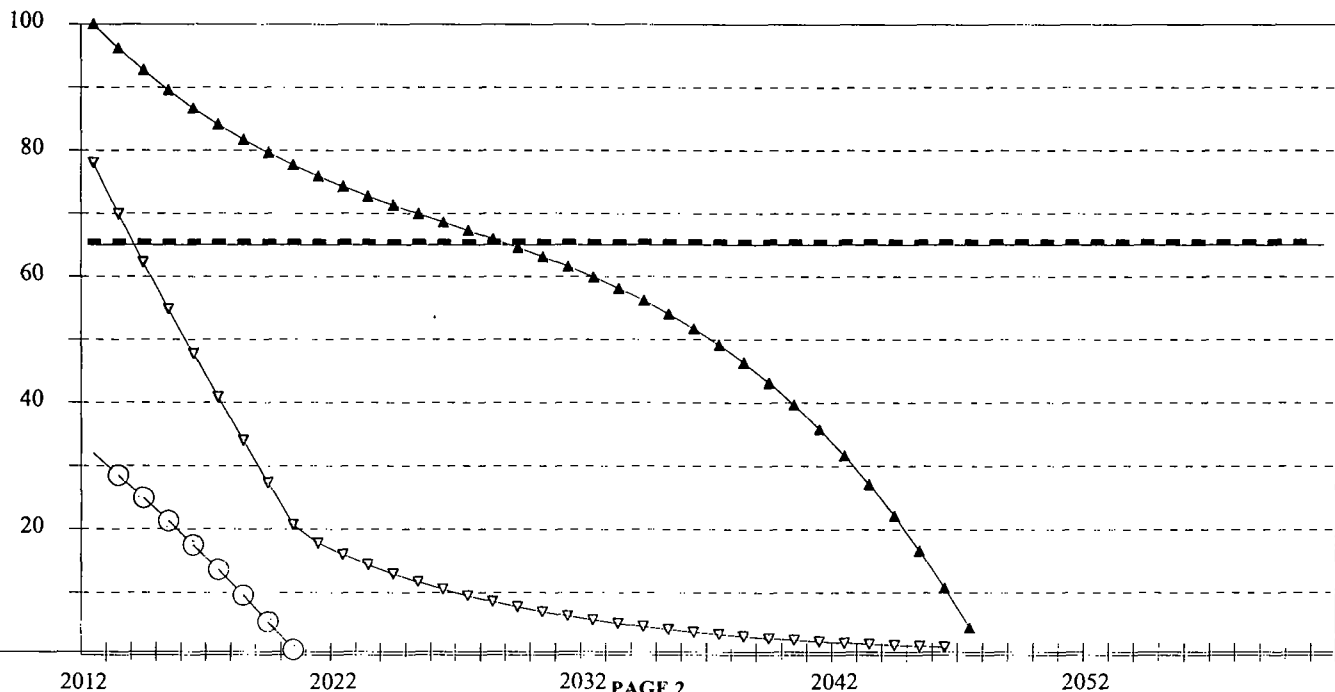
MINIMUM SERVICE LEVEL: 65

NORMAL PCI FOR THIS AGE: 65

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	STRUCTURAL OVERLAY	\$435,449	17 YEARS
▼	SURFACE TREATMENT	\$176,858	2 YEARS
○	NO ACTION	N/A	N/A
-	MINIMUM SERVICE LEVEL, CURRENTLY 65		

PROJECTED PERFORMANCE



AIRPORT: GARY/CHICAGO INTERNATIONAL

AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3025	DESCRIPTION: RAMP
ANALYSIS YEAR: 2012	INSPECTION DATE: 9-13-12
PAVEMENT TYPE: AC OVERLAY	FEATURE'S HIGH PCI: 67
FEATURE AREA: 20,515	FEATURE'S LOW PCI: 47
INSPECTED AREA: 10,100	AVERAGE PCI: 57 FAIR
MINIMUM SERVICE LEVEL: 65	ESTIMATED PCI IS: 57 in 2012

COMMENTS/HISTORY FOR FEATURE 3025, RAMP

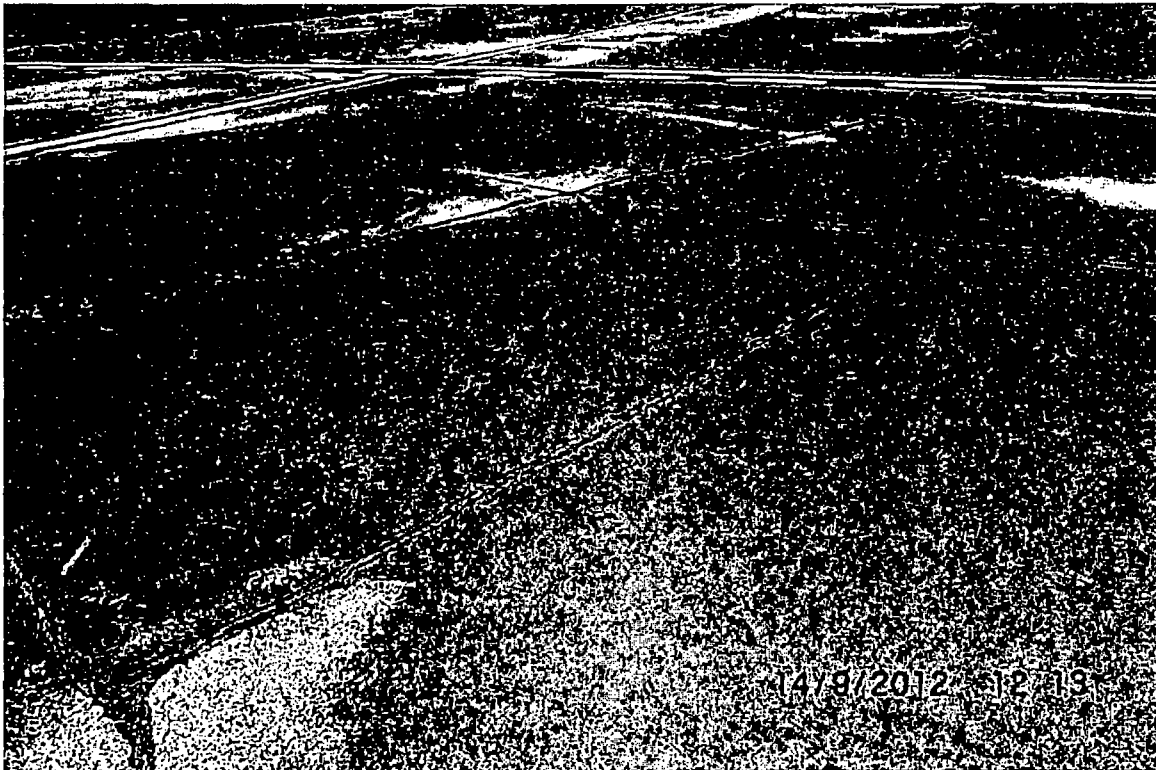
1991 3" P401
UNKNOWN EXISTING
*
*

DISTRESS QUANTITIES FOR FEATURE 3025

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF All DISTRESS
ALLIGATOR CRACKING	MED	52	105	S.F.	17.9
ALLIGATOR CRACKING	LOW	64	130	S.F.	21.8
LONG.& TRANS. CRACK	MED	474	962	L.F.	29.5
LONG.& TRANS. CRACK	LOW	1,069	2,171	L.F.	30.6

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS:	40 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS:	40 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS:	20 %



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3025

DESCRIPTION: RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

AVERAGE PCI AT INSPECTION: 57 FAIR

CONSTRUCTION YEAR: 1991

ESTIMATED PCI IS: 57 in 2012

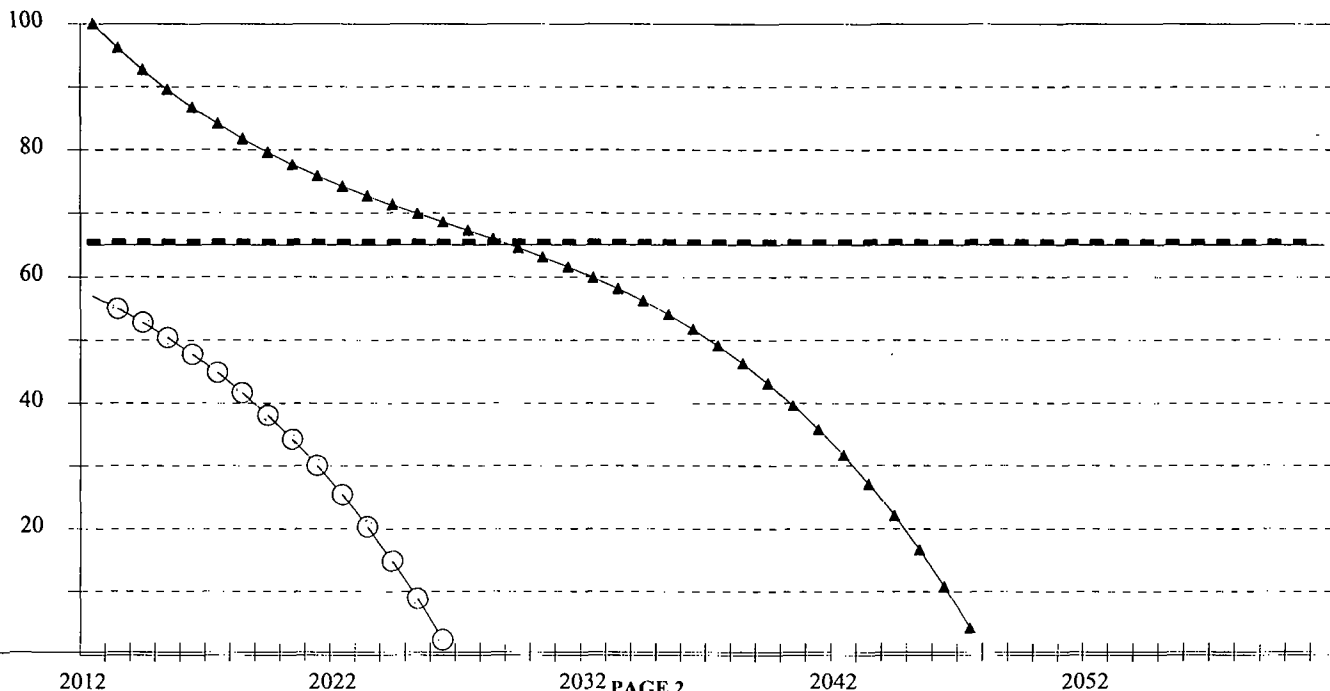
MINIMUM SERVICE LEVEL: 65

NORMAL PCI FOR THIS AGE: 58

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	RESURFACING	\$28,926	17 YEARS
○	NO ACTION	N/A	N/A
-	MINIMUM SERVICE LEVEL, CURRENTLY 65		

PROJECTED PERFORMANCE



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3030

DESCRIPTION: RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

FEATURE'S HIGH PCI: 56

FEATURE AREA: 38,900

FEATURE'S LOW PCI: 45

INSPECTED AREA: 20,000

AVERAGE PCI: 51 POOR

MINIMUM SERVICE LEVEL: 65

ESTIMATED PCI IS: 51 in 2012

COMMENTS/HISTORY FOR FEATURE 3030, RAMP

1997 1" P401 WITH LEVELING
1991 3" P401
UNKNOWN EXISTING
*

DISTRESS QUANTITIES FOR FEATURE 3030

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF ALL DISTRESS
ALLIGATOR CRACKING	LOW	74	143	S.F.	12.7
BLOCK CRACKING	MED	4,300	8,363	S.F.	35.3
BLOCK CRACKING	LOW	9,000	17,505	S.F.	30.3
LONG.& TRANS. CRACK	MED	240	466	L.F.	8.2
LONG.& TRANS. CRACK	LOW	1,090	2,120	L.F.	13.2

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS: 13 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS: 14 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS: 73 %



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3030

DESCRIPTION: RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

AVERAGE PCI AT INSPECTION: 51 POOR

CONSTRUCTION YEAR: 1997

ESTIMATED PCI IS: 51 in 2012

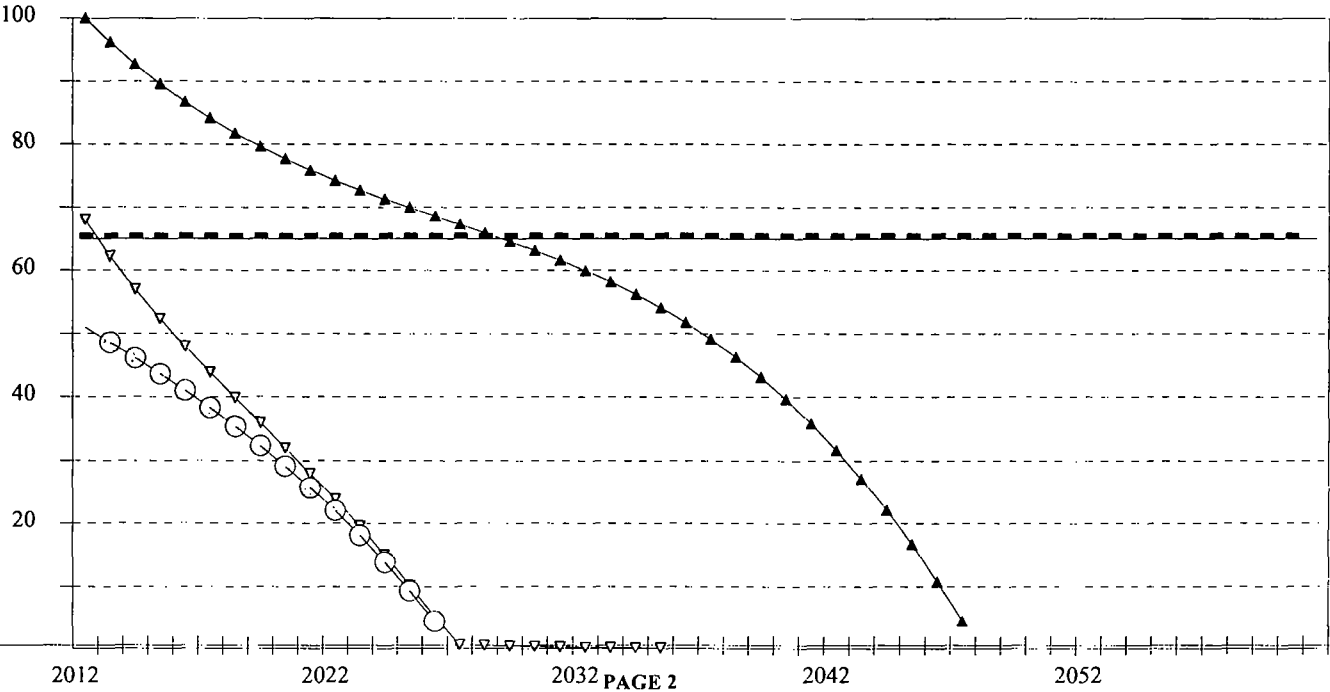
MINIMUM SERVICE LEVEL: 65

NORMAL PCI FOR THIS AGE: 67

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	RESURFACING	\$54,848	17 YEARS
▼	CRACK REPAIR	\$22,090	1 YEAR
○	NO ACTION	N/A	N/A
-	MINIMUM SERVICE LEVEL, CURRENTLY 65		

PROJECTED PERFORMANCE



AIRPORT: GARY/CHICAGO INTERNATIONAL

AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3105

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

FEATURE'S HIGH PCI: 52

FEATURE AREA: 66,000

FEATURE'S LOW PCI: 37

INSPECTED AREA: 28,800

AVERAGE PCI: 45 POOR

MINIMUM SERVICE LEVEL: 65

ESTIMATED PCI IS: 45 in 2012

COMMENTS/HISTORY FOR FEATURE 3105, FBO RAMP

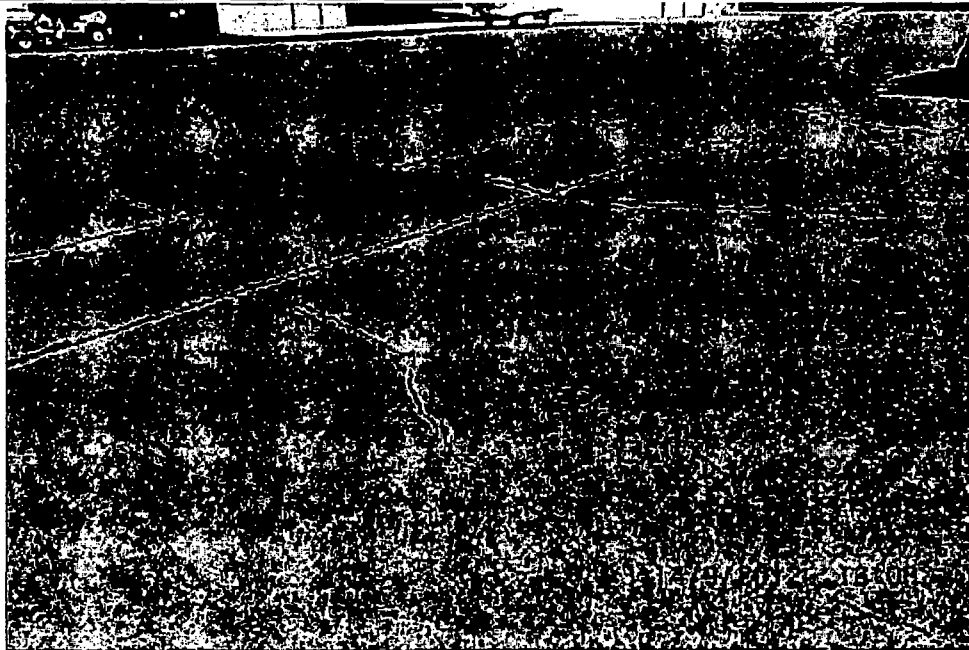
1999 1.5" AC
1996 3" AC
1980 11" P401
4" P209

DISTRESS QUANTITIES FOR FEATURE 3105

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF ALL DISTRESS
ALLIGATOR CRACKING	MED	405	928	S.F.	31.3
ALLIGATOR CRACKING	LOW	58	132	S.F.	6
BLEEDING	N/A	97	222	S.F.	2.3
BLOCK CRACKING	MED	2,400	5,500	S.F.	7.5
BLOCK CRACKING	LOW	6,000	13,750	S.F.	13.5
LONG.& TRANS. CRACK	MED	772	1,769	L.F.	16.6
LONG.& TRANS. CRACK	LOW	2,433	5,575	L.F.	20
OIL SPILLAGE	N/A	125	286	S.F.	2
WEATHERING	LOW	700	1,604	S.F.	.3

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS:	37 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS:	27 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS:	36 %



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3105

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

AVERAGE PCI AT INSPECTION: 45 POOR

CONSTRUCTION YEAR: 1999

ESTIMATED PCI IS: 45 in 2012

MINIMUM SERVICE LEVEL: 65

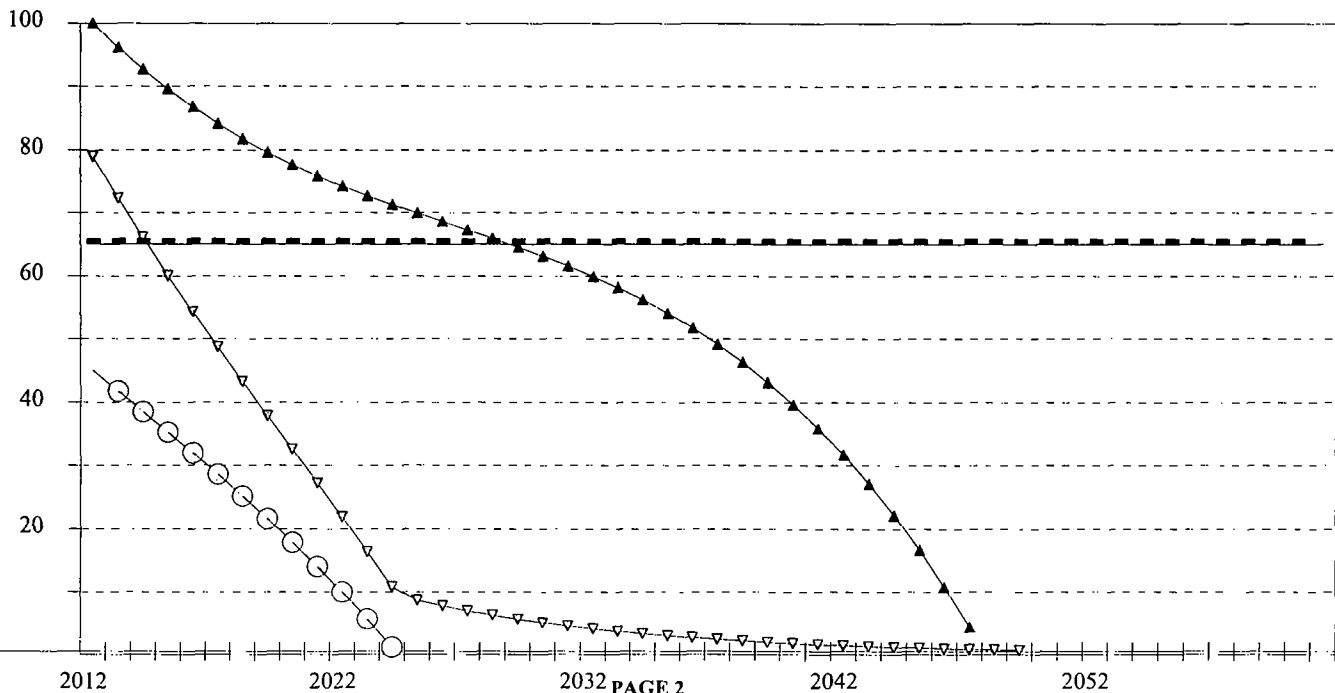
NORMAL PCI FOR THIS AGE: 69

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	RESURFACING	\$93,059	17 YEARS
▼	SURFACE TREATMENT	\$31,264	3 YEARS
○	NO ACTION	N/A	N/A

- MINIMUM SERVICE LEVEL, CURRENTLY 65

PROJECTED PERFORMANCE



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3110

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

FEATURE'S HIGH PCI: 59

FEATURE AREA: 137,240

FEATURE'S LOW PCI: 27

INSPECTED AREA: 43,000

AVERAGE PCI: 48 POOR

MINIMUM SERVICE LEVEL: 65

ESTIMATED PCI IS: 48 in 2012

COMMENTS/HISTORY FOR FEATURE 3110, FBO RAMP

1999 3" AC WITH 3" MILLING

ESTIMATED 1972 AC

ESTIMATED 1957 AC

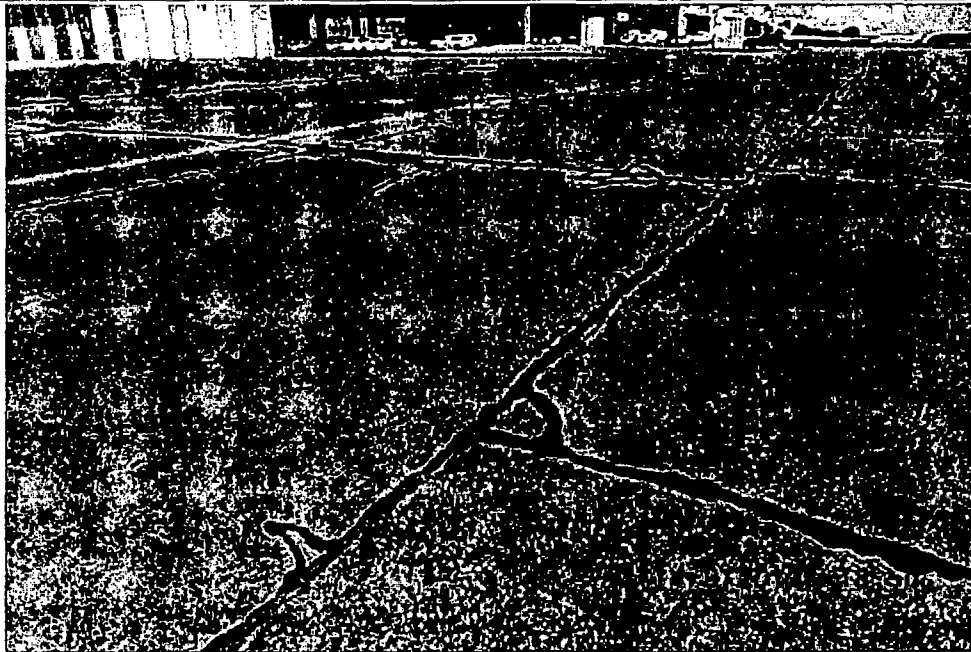
*

DISTRESS QUANTITIES FOR FEATURE 3110

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF All DISTRESS
ALLIGATOR CRACKING	MED	1,233	3,935	S.F.	28.2
ALLIGATOR CRACKING	LOW	187	596	S.F.	10.8
LONG.& TRANS. CRACK	HIGH	194	619	L.F.	10.5
LONG.& TRANS. CRACK	MED	1,573	5,020	L.F.	23.8
LONG.& TRANS. CRACK	LOW	3,044	9,715	L.F.	20.1
OIL SPILLAGE	N/A	45	143	S.F.	.5
RAVELING	LOW	41	130	S.F.	.3
RUTTING	LOW	65	207	S.F.	4.6
WEATHERING	LOW	1,725	5,505	S.F.	.5

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS:	42 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS:	38 %
APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS:	19 %



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3110

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC OVERLAY

AVERAGE PCI AT INSPECTION: 48 POOR

CONSTRUCTION YEAR: 1999

ESTIMATED PCI IS: 48 in 2012

MINIMUM SERVICE LEVEL: 65

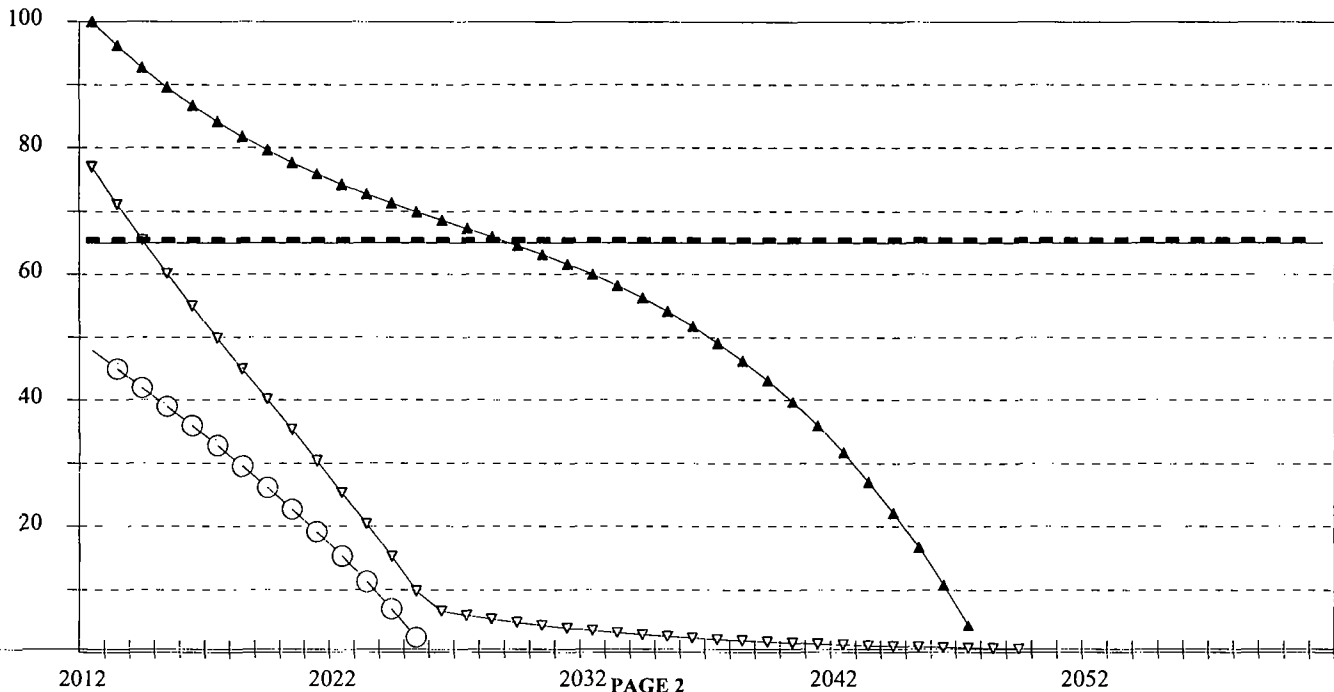
NORMAL PCI FOR THIS AGE: 69

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	RESURFACING	\$193,508	17 YEARS
▼	SURFACE TREATMENT	\$59,030	3 YEARS
○	NO ACTION	N/A	N/A

- MINIMUM SERVICE LEVEL, CURRENTLY 65

PROJECTED PERFORMANCE



AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3125

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC

FEATURE'S HIGH PCI: 38

FEATURE AREA: 138,584

FEATURE'S LOW PCI: 23

INSPECTED AREA: 41,500

AVERAGE PCI: 30 VERY POOR

MINIMUM SERVICE LEVEL: 65

ESTIMATED PCI IS: 30 in 2012

COMMENTS/HISTORY FOR FEATURE 3125, FBO RAMP

1999 AC

*
*
*

DISTRESS QUANTITIES FOR FEATURE 3125

DISTRESS TYPE	SEVERITY	MEASURED QUANTITY	ESTIMATED TOTAL QUANTITY	UNITS	PERCENTAGE OF ALL DISTRESS
ALLIGATOR CRACKING	MED	1,630	5,443	S.F.	32.4
BLEEDING	N/A	73	243	S.F.	.8
BLOCK CRACKING	HIGH	1,800	6,010	S.F.	9.9
BLOCK CRACKING	MED	16,000	53,430	S.F.	30.7
BLOCK CRACKING	LOW	16,900	56,435	S.F.	20.9
LONG & TRANS. CRACK	LOW	100	333	L.F.	.6
PATCH & UTILITY CUT	LOW	1,100	3,673	S.F.	3.1
RUTTING	LOW	20	66	S.F.	1.2

BASIC DISTRESS CAUSES

APPROXIMATE AMOUNT OF DISTRESS RELATED TO LOAD ON THE PAVEMENT IS: 35 %
 APPROXIMATE AMOUNT OF DISTRESS RELATED TO MATERIALS PROBLEMS IN THE FEATURE IS: 3 %
 APPROXIMATE AMOUNT OF DISTRESS RELATED TO AGE OF PAVEMENT AND TRAFFIC REPETITIONS IS: 62 %



AIRPORT: GARY/CHICAGO INTERNATIONAL

AIRPAV FEATURE ANALYSIS PROGRAM OUTPUT

FEATURE: 3125

DESCRIPTION: FBO RAMP

ANALYSIS YEAR: 2012

INSPECTION DATE: 9-13-12

PAVEMENT TYPE: AC

AVERAGE PCI AT INSPECTION: 30 VERY POOR

CONSTRUCTION YEAR: 1999

ESTIMATED PCI IS: 30 in 2012

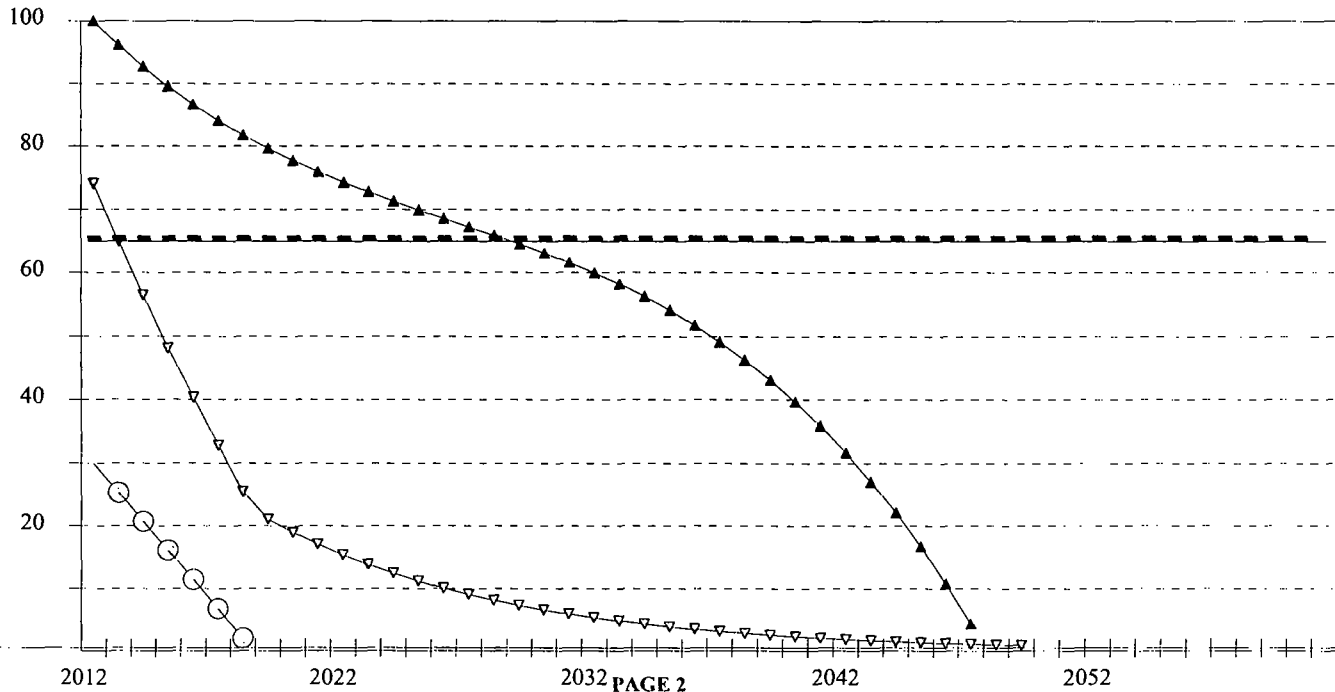
MINIMUM SERVICE LEVEL: 65

NORMAL PCI FOR THIS AGE: 71

THE FOLLOWING PROJECTS HAVE BEEN SELECTED AS VIABLE ALTERNATIVES

LEGEND	DESCRIPTION	COST	LIFE EXTENSION
▲	STRUCTURAL OVERLAY	\$250,837	17 YEARS
▼	SURFACE TREATMENT	\$96,172	1 YEAR
○	NO ACTION	N/A	N/A
-	MINIMUM SERVICE LEVEL, CURRENTLY 65		

PROJECTED PERFORMANCE



Appendix E. Distress Identification

This chapter describes pavement distress types commonly identified during airport PCI inspections.

Rigid Pavement Distress

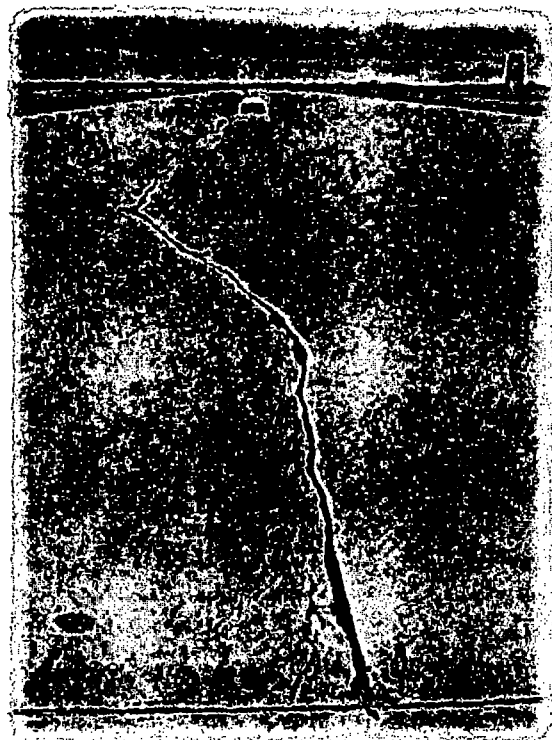
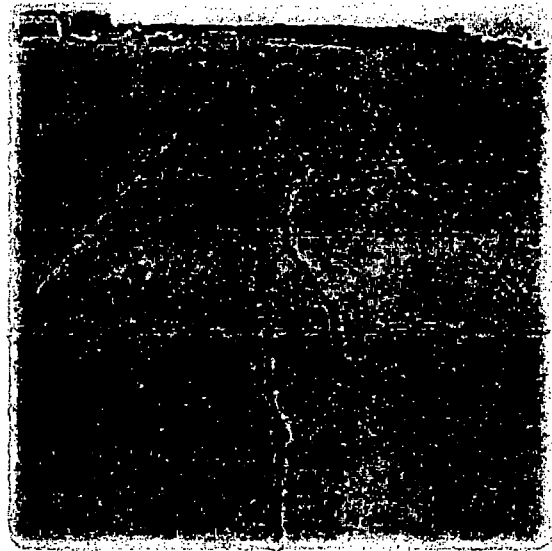
Longitudinal, Transverse & Diagonal Cracking

LTD cracking is often a result of load or temperature deformations. External loads cause flexure. Temperature changes can cause curling. When any of these stresses exceed the slab strength, cracking occurs.

LTD cracking is recorded at low, medium, or high severity, depending on the width of crack opening and degree of deterioration.

At low severity, a crack is less than 1/8 inch wide with little spalling, and no corrective action is indicated. At medium severity, LTD cracks can be up to 1 inch wide with moderate spalling and should be repaired using procedures similar to joint sealing. At high severity, cracks exceed 1 inch in width and may be severely spalled. High-severity LTD cracking is evidence of serious load failure, and correction may require patching or slab replacement. If distress occurs in several adjacent slabs at medium or high severity, major rehabilitation of that area is indicated.

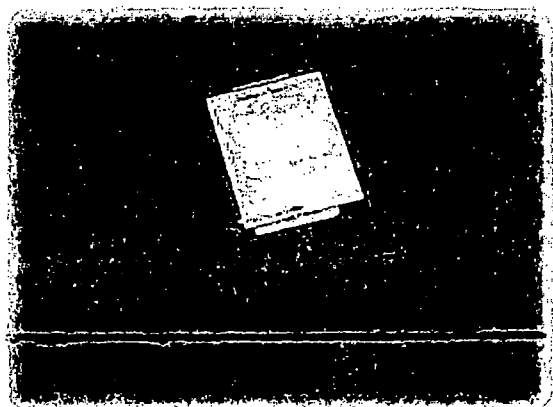
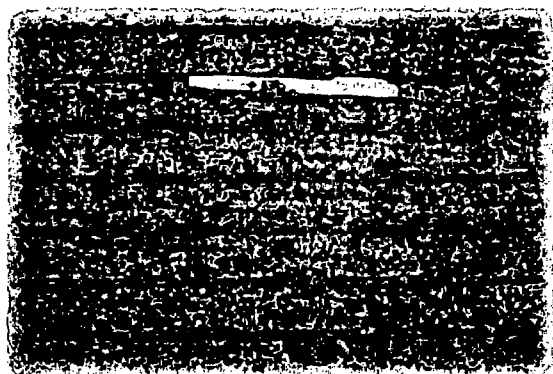
A slab divided into four or more pieces is said to be "divided" or "shattered." Shattered slab is a separate distress category and indicates a significant structural failure. A shattered slab has lost its ability to distribute loads. Shattered slabs are rated in three severities, but the recommended action in any case is slab replacement.



Shrinkage Cracking

Shrinkage cracks are small, non-working cracks visible at the pavement surface but not penetrating the full depth of concrete. Shrinkage cracks most commonly occur shortly after construction due to concrete shrinkage during the curing process.

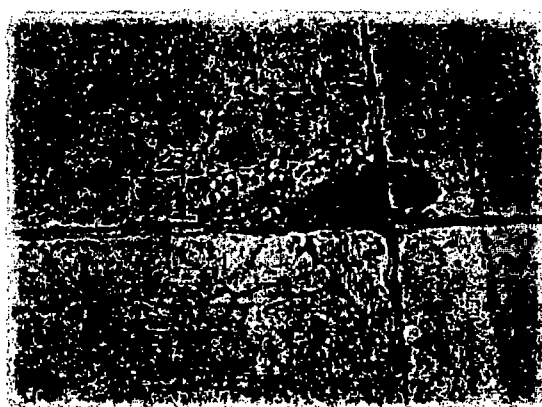
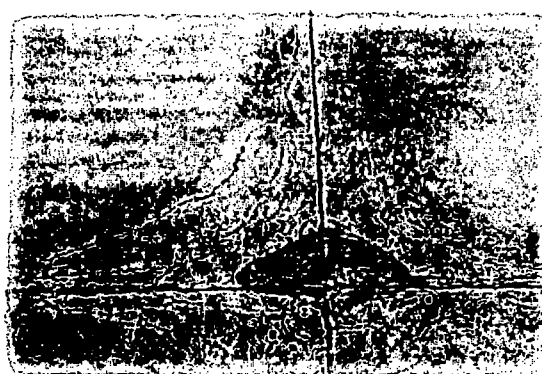
Shrinkage cracks are usually so small that they are not visible until staining or loss of material at crack edges begins to take place. Shrinkage cracks do not represent structural weakness, and no corrective action is prescribed.



Durability Cracking

Durability cracking (D-cracking) is caused by environmental factors, the most common being freeze/thaw. D-cracking usually appears as either a pattern of hairline cracks running parallel to a joint or crack, or in a corner, where water tends to collect. D-cracking eventually leads to disintegration of the pavement, creating foreign object damage (FOD) potential.

At low severity, D-cracking is evident, but no disintegration has occurred. Medium severity is evident over a significant area of the slab, and some disintegration and FOD potential exist. High-severity D-cracking is evidenced by extensive cracking with loose and missing pieces and significant FOD potential.

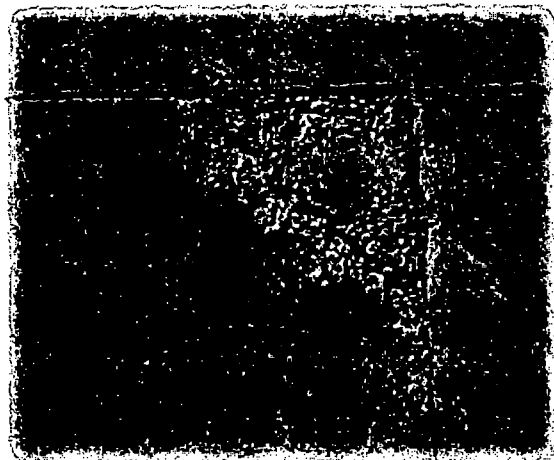
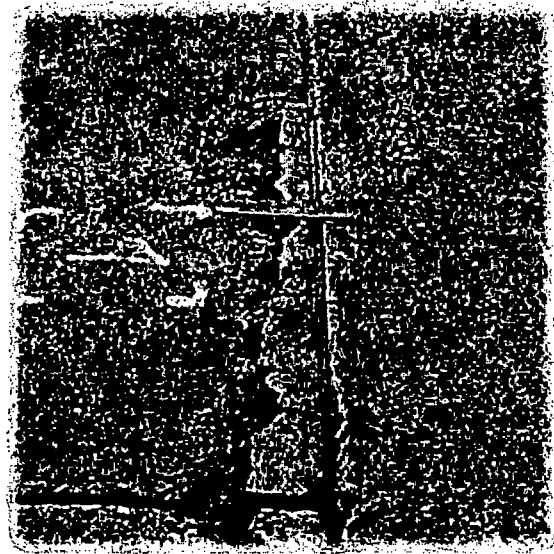


Joint Spall and Corner Spall

Spalls at slab joints and corners are caused by excessive internal stress in the pavement. Spalls occur when these stresses exceed the shear strength of the concrete.

Spalling usually results from thermal expansion during hot weather when slabs push and expand against one another. If the joints are filled with incompressible material, such as sand, stresses can become severe, causing spalls. Spalling can be reduced significantly by maintenance of joint sealant.

Spall repair requires patching. The extent and severity of spalling suggests the appropriate action. At low severity, spalled concrete remains securely in place in the slab. A low-severity spall should be monitored closely for further deterioration and should be patched when spalled particles become loose, or during the next scheduled patching activity. Medium- and high-severity spalls should be repaired immediately to prevent FOD. If the pavement can be restored to serviceable condition, spalls should be patched for long-term service. If the pavement is beyond repair, temporary patching should be considered to control FOD.



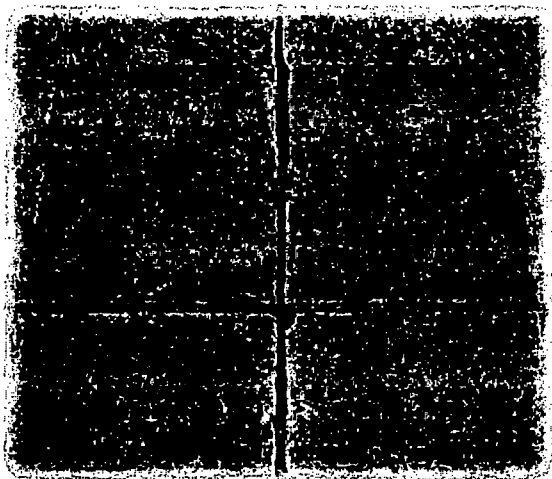
Patches, Large and Small

Large and small patches, by PCI inspection criteria, are distress conditions. Patches indicate deterioration and aging of pavement that contributes to shortened service life. However, patching also indicates that pavement is being maintained.

A patch that is performing well and shows no outward distress is recorded at low severity, and no corrective action is required. Medium-severity patches are serviceable but are beginning to deteriorate. Maintenance or replacement is indicated. At high severity, replacement is indicated.

By definition, small patches are smaller than 5 square feet in surface area, and they usually result from spall repair at slab joints and corners.

Large patches also may be the result of spall repair, but they often indicate more serious deficiencies, such as corner breaks or other full-depth failure smaller than panel size.

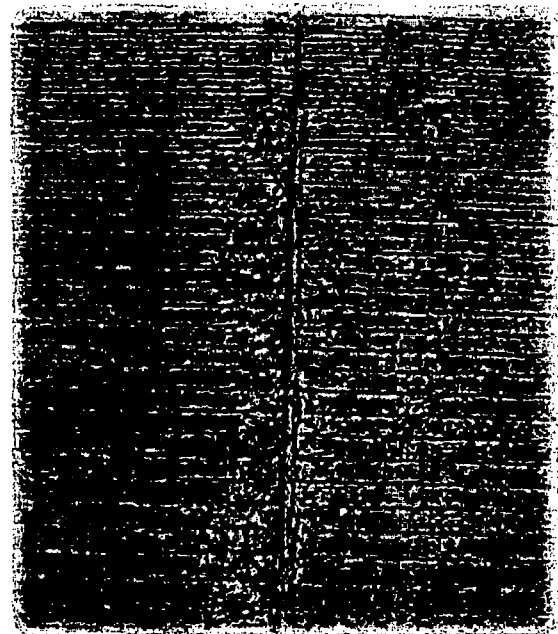
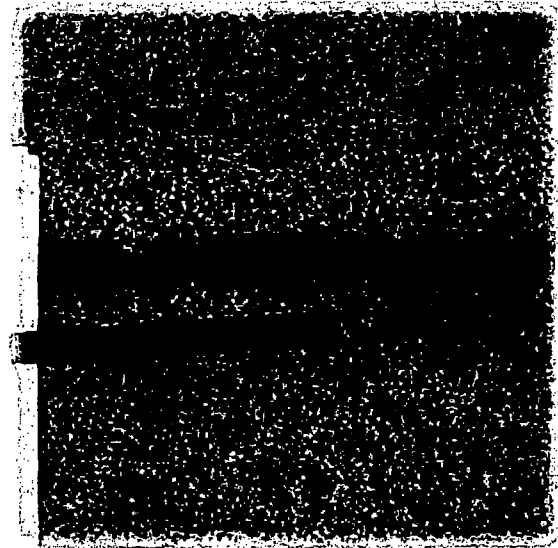


Joint Seal Damage

When joint sealant is in perfect condition (no damage), there is no distress.

At low severity, at least 10 percent of the sealant is debonded but still in contact with the joint edges. Medium-severity joint seal damage is recorded when at least 10 percent of the sealant has visible gaps smaller than 1/8 inch and is an indicator that replacement should be programmed as soon as is practical. In the meantime, aggressive inspection and sustaining maintenance is recommended to minimize subsurface damage from moisture penetration. At high severity, visible gaps exceed 1/8 inch, and the amount and degree of joint seal damage typically requires complete removal and replacement of the existing sealant.

On serviceable pavement, deteriorated joint sealant should be repaired or replaced to preserve pavement and subgrade integrity and prolong service life. The issue is not so clear-cut with unserviceable pavement. Pavement that can be restored to serviceable condition by maintenance activities such as patching and joint seal repair, or by slab replacement, should be so maintained as long as the process is cost-effective. However, when age and condition preclude economical return to serviceable condition by such means, joint seal repair would no longer be cost-effective and should be suspended except for an interim maintenance program to control FOD potential.



Flexible Pavement Distress

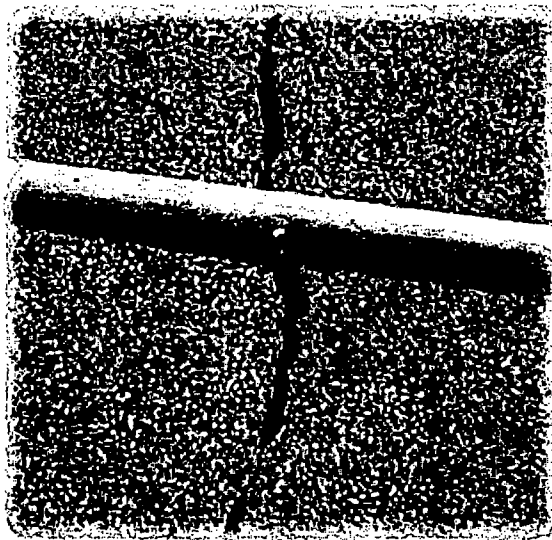
Longitudinal & Trans. Cracking

L&T cracks are caused by age, construction, and subsurface conditions. Age-related cracking occurs as oxidizing pavement loses components to the atmosphere and becomes more brittle. Consistent application of seal coats can help to prevent age-related cracks.

Construction-related cracking often develops along paving joints. Ensuring that joints are made when both sides are still hot, and near the same temperature, is one of the best ways to mitigate this potential problem.

Seasonal movement caused by changes in subsurface moisture or temperature differences also can cause pavement cracking. Asphalt pavement placed over a PCC pavement or cement stabilized base course may evidence reflective cracking from the underlying material. Wheel loads do not cause L&T cracks, although traffic may worsen their condition.

Low-severity L&T cracks are less than ¼ inch wide, or if sealed with suitable filler material in satisfactory condition can be any width less than 3 inches, if they are not spalled. Maintenance usually is not indicated for low-severity cracking. Moderately spalled cracks and cracks wider than ¼ inch which are not satisfactorily sealed are at medium severity. Medium-severity cracks should be sealed with a high-quality crack filling material. Severely spalled cracks and cracks wider than 3 inches are at high severity. High-severity L&T cracks normally require patching.

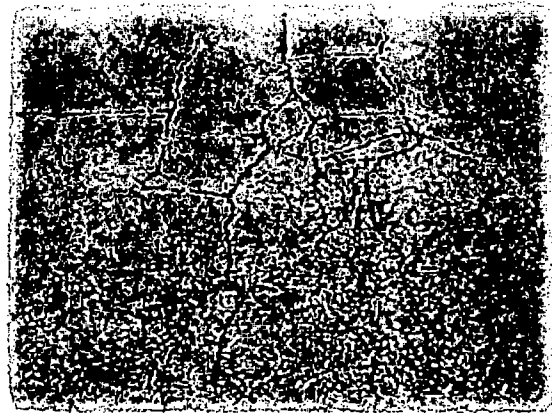
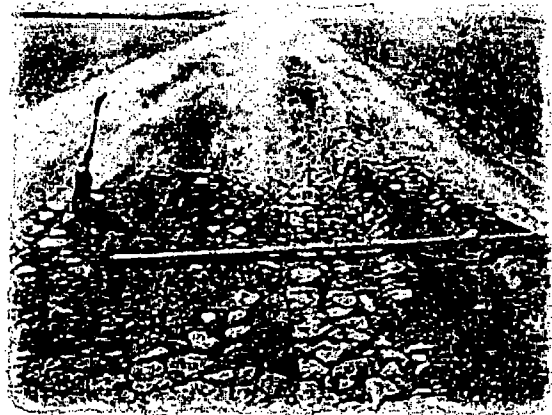


Alligator Cracking

Alligator cracks are a series of interconnected load-related cracks caused by fatigue of the asphalt surface. Alligator cracking is a significant structural distress and develops only in places subject to traffic loads. These cracks typically initiate at the bottom of the asphalt layer and propagate upward. Once a fatigue crack is visible at the surface, significant damage has already occurred.

At low severity, alligator cracks are evidenced by a series of parallel hairline cracks (usually in a wheel path). Medium-severity alligator cracking is a well-defined pattern of interconnected cracks, and some spalling may be present. High-severity alligator cracks have lost aggregate interlock between adjacent pieces, and the cracks may be severely spalled with FOD potential. Most likely, the pieces will move freely under traffic.

Alligator cracking is a serious structural failure that cannot be repaired with sealant. The proper repair is patching.



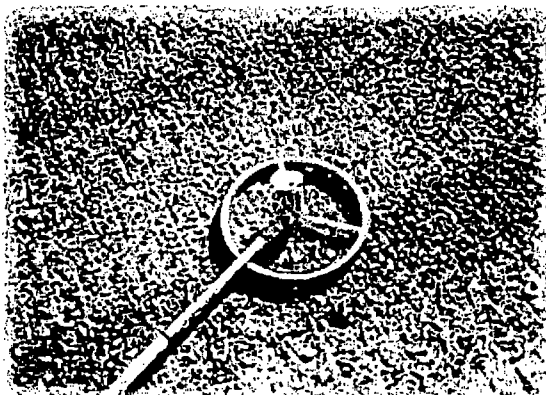
Raveling/Weathering

Raveling and weathering are the wearing away of the pavement surface. Failure can be caused by the dislodging of aggregate particles or the loss of asphalt binder. These distresses are usually evident over large areas and may indicate that the asphalt binder has hardened significantly.

Raveling is the loss of coarse aggregate, weathering is the loss of fine aggregate or binder.

Raveling: At low severity, 5 to 20 coarse aggregate particles are missing per square yard. Medium severity is defined by 20 to 40 missing coarse aggregate particles per square yard. At high severity, more than 40 coarse aggregate particles are missing per square yard, and the top layer of aggregate has eroded away.

Weathering: At low severity, edges of coarse aggregate are exposed less than 1 mm. At medium severity, loss of fine aggregate is noticeable and edges of coarse aggregate are exposed up to 6 mm (1/4 inch). High severity weathering has edges of coarse aggregate exposed > 6 mm, with considerable loss of fine aggregate matrix and potential for loss of coarse aggregate.

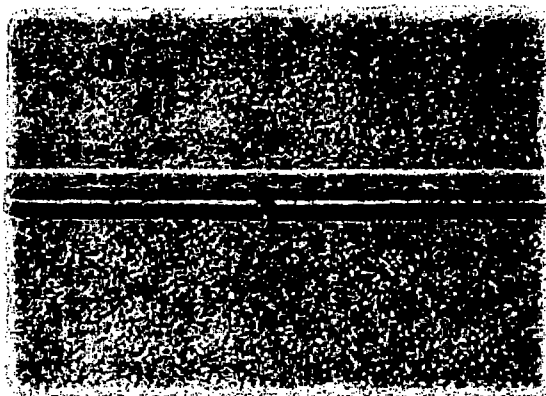


Rutting

Ruts are localized areas of pavement having elevations lower than the surrounding sections.

Rutting is due to base and subgrade consolidation caused by excessive wheel loads or poor compaction. Ruts indicate structural failure and can cause hydroplaning.

At low severity, ruts have an average depth of 1/4 to 1/2 inches. At medium severity, ruts have an average depth of 1/2 to 1 inch. At high severity, ruts have an average depth greater than 1 inch. Patching is the appropriate repair for ruts.



Appendix F. Airport Responsibilities

Grant Assurances

In 1995, Congress mandated that the FAA require, as a condition of grant funding, that airport sponsors prepare documentation of a maintenance management program on pavement that has been constructed, reconstructed, or repaired with Federal assistance.

This report fulfills many of the grant assurance requirements, including documenting:

- Locating all runways, taxiways, and aprons.
- Documenting pavement dimensions.
- Documenting types of pavement.
- Documenting year of construction or most recent major rehabilitation.

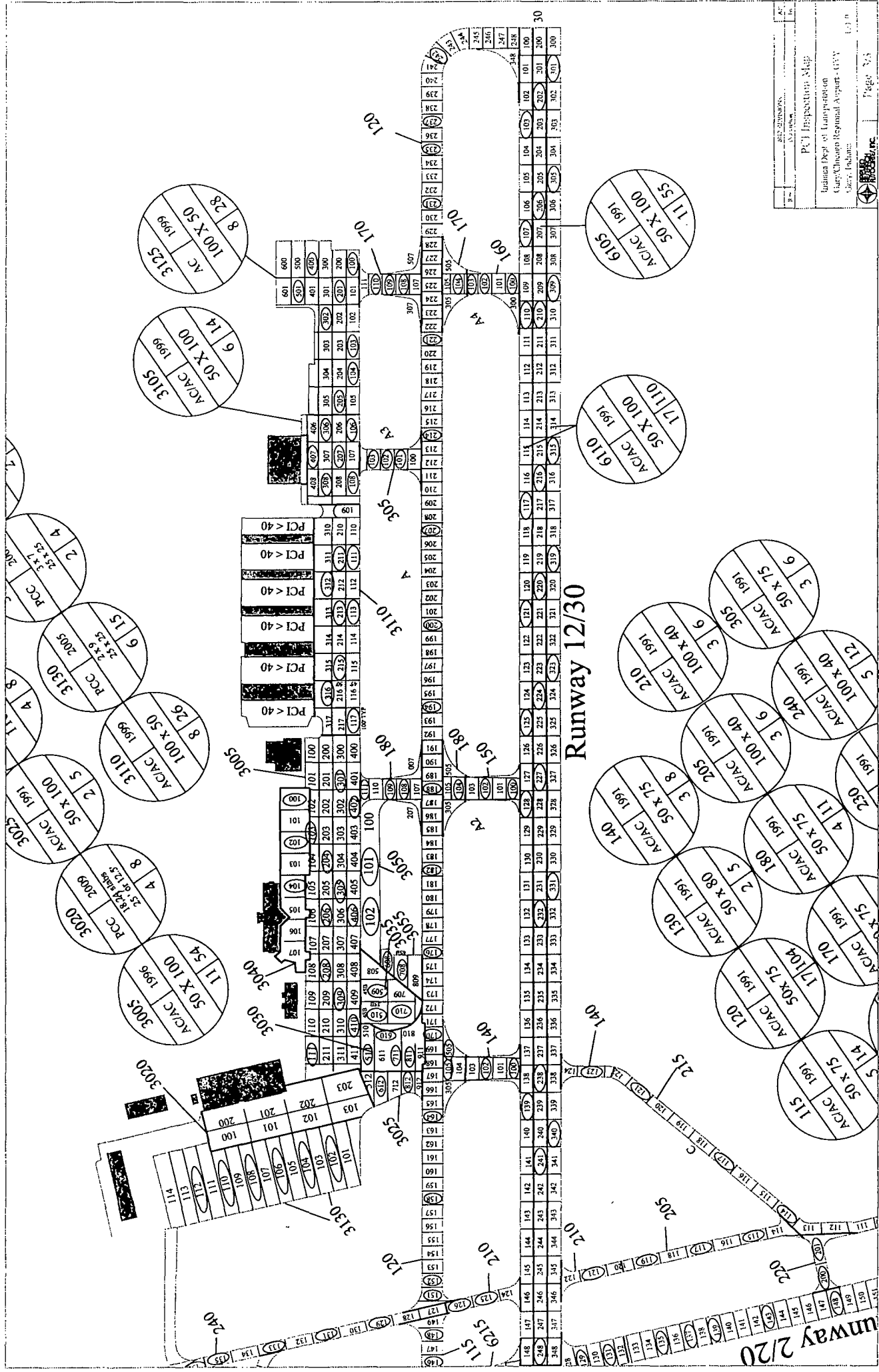
The airport owners must be an active participant in maintaining compliance. Actions taken to ensure compliance include:

- Annotating areas constructed or repaired with Federal aid.
- Conducting monthly drive-by inspections to detect changes in pavement condition.
- Recording each drive-by inspection and any maintenance performed as a result.
- Keeping complete records of all maintenance activities.
- Keeping records for 5 years.
- Documenting detailed inspection information with a history of recorded pavement deterioration by PCI survey (e.g., this report).

ASSURANCES Airport Sponsors	
A. General.	
1.	These assurances shall be complied with in the performance of grant agreements for airport development, airport planning, and noise compatibility program grants for airport sponsors.
2.	These assurances are required to be submitted as part of the project application by sponsors requesting funds under the provisions of Title 49, U.S.C., subtitle VII, as amended. As used herein, the term "public agency sponsor" means a public agency with control of a public-use airport; the term "private sponsor" means a private owner of a public-use airport; and the term "sponsor" includes both public agency sponsors and private sponsors.
3.	Upon acceptance of the grant offer by the sponsor, these assurances are incorporated in and become part of the grant agreement.
B. Duration and Applicability.	
1.	Airport development or Noise Compatibility Program Projects Undertaken by a Public Agency Sponsor. The terms, conditions and assurances of the grant agreement shall remain in full force and effect throughout the useful life of the facilities developed or equipment acquired for an airport development or noise compatibility program project, or throughout the useful life of the project items installed within a facility under a noise compatibility program project, but in any event not to exceed twenty (20) years from the date of acceptance of a grant offer of Federal funds for the project. However, there shall be no limit on the duration of the assurances regarding Exclusive Rights and Airport Revenue so long as the airport is used as an airport. There shall be no limit on the duration of the terms, conditions, and assurances with respect to real property acquired with federal funds. Furthermore, the duration of the Civil Rights assurance shall be specified in the assurances.
2.	Airport Development or Noise Compatibility Projects Undertaken by a Private Sponsor. The preceding paragraph 1 also applies to a private sponsor except that the useful life of project items installed within a facility or the useful life of the facilities developed or equipment acquired under an airport development or noise compatibility program project shall be no less than ten (10) years from the date of acceptance of Federal aid for the project.
3.	Airport Planning Undertaken by a Sponsor. Unless otherwise specified in the grant agreement, only Assurances 1, 2, 3, 5, 6, 13, 18, 30, 32, 33, and 34 in section C apply to planning projects. The terms, conditions, and assurances of the grant agreement shall remain in full force and effect during the life of the project.
C. Sponsor Certification. The sponsor hereby assures and certifies, with respect to this grant that:	
1.	General Federal Requirements. It will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this project including but not limited to the following:
Federal Legislation	
a.	Title 49, U.S.C., subtitle VII, as amended.
b.	Davis-Bacon Act - 40 U.S.C. 276(a), <u>et seq.</u> ¹
c.	Federal Fair Labor Standards Act - 29 U.S.C. 201, <u>et seq.</u>
d.	Hatch Act - 5 U.S.C. 1501, <u>et seq.</u> ²
Airport Assurances (3/2005)	

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Execution Copy

COMPACT
Between the
CITY OF CHICAGO
and the
CITY OF GARY
Relating to the Establishment of the
CHICAGO-GARY REGIONAL AIRPORT AUTHORITY

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COMPACT
between the
CITY OF CHICAGO
and the
CITY OF GARY

ARTICLE 1. TITLE AND DEFINITIONS

Section 1-1. Short title. This Compact may be cited as the Chicago -- Gary Regional Airport Compact.

Section 1-5. Definitions. As used in this Compact, the following terms have the following meanings:

"Airport" means a facility for passenger, general aviation, cargo or military air service, including, without limitation, landing fields, taxiways, aprons, runways, runway clear areas, hangars, aircraft service facilities, approaches, terminals, inspectional facilities, parking, internal transit facilities, fueling facilities, cargo facilities, concessions, rail, rapid transit and roadway access, land and interests in land, public waters, submerged land under public waters and reclaimed land located on previously submerged land under public waters, and all other property and appurtenances necessary or useful for development, ownership and operation of any such facilities. It further includes commercial or industrial facilities located on the site of the airport.

"Authority" means the Chicago -- Gary Regional Airport Authority established by this Compact.

"Bi-State Region" has the meaning set forth in Section 5-10(a).

"Board" means the Board of Directors of the Authority.

"Bonds" means any obligations of the Authority with respect to borrowed money, including, without limitation, bonds, notes, certificates of participation, leases, and installment or conditional purchase agreements.

"Capital Plan" means the five-year capital plan of the Authority then in effect with respect to each Existing Airport adopted from time to time by the Board as described in Section 25-5(e), including the Initial Capital Plan.

"Capital Project" means a capital improvement undertaken by a Signatory at or related to an Existing Airport or the acquisition of land beyond the then-current boundaries of an Existing Airport for use as part of such Existing Airport, including but not limited to planning, design, development, construction, implementation, financing, equipping, consulting, legal and insurance costs related thereto.

"Chicago Airports" means Chicago -- O'Hare International Airport, Chicago -- Midway Airport and Merrill C. Meigs Field, including as they may be developed, improved, expanded or modified.

"Compact" means this interstate compact authorized by the City of Chicago and the City of Gary.

"Effective Date" means the date this Compact takes effect, as set forth in Section 45-5.

"Existing Airports" means the Chicago Airports and Gary Regional Airport.

"Existing Airport Agreements" means the Existing Chicago Airport Agreements and the Existing Gary Regional Airport Agreements.

"Existing Chicago Airport Agreements" means the City of Chicago's contractual obligations relating to the Chicago Airports existing as of the Effective Date, including but not limited to airline use agreements, special facility use agreements, bond ordinances and trust indentures, collective bargaining agreements, leases, pension obligations, grant agreements, approved passenger facility charge programs, including assurances thereunder, and approvals, licenses, concessions and architectural, engineering, construction, consulting, management and

procurement contracts, and any other agreements, in each case as amended or supplemented after the Effective Date.

"Existing Gary Regional Airport Agreements" means the Gary Regional Airport Authority's contractual obligations relating to the Gary Regional Airport existing as of the Effective Date, including but not limited to airline use agreements, special facility use agreements, bond ordinances and trust indentures, collective bargaining agreements, leases, pension obligations, grant agreements, approved passenger facility charge programs, including assurances thereunder, and approvals, licenses, concessions and architectural, engineering, construction, consulting, management and procurement contracts, and any other agreements, in each case as amended or supplemented after the Effective Date.

"FAA" means the Federal Aviation Administration, or any successor agency.

"Gary Regional Airport" means Gary Regional Airport, including as it may be developed, improved, expanded or modified.

"Governmental Entity" means any political subdivision, school district, municipal corporation or unit of local government of the State of Illinois or the State of Indiana, but does not include any Signatory.

"Illinois Act" means the Interstate Airport Authorities Act, 70 ILCS 10/0.01 *et seq.*, as amended, as in effect on the Effective Date.

"Indiana Act" means IC 8-22-4-1 *et seq.*, as amended, as in effect on the Effective Date.

"Initial Capital Plan" means the Initial Capital Plan of the Authority included as Exhibit A to this Compact.

"Midway Use Agreement" means, collectively, the Chicago Midway Airport Use Agreement and Facilities Leases by and between the City of Chicago and each of the airline signatories thereto, as the same may be amended or supplemented from time to time.

"New Regional Airport" means any Airport planned, acquired, developed, owned or operated by the Authority pursuant to this Compact, excluding the Existing Airports.

"O'Hare Use Agreement" means, collectively, the Chicago - O'Hare International Airport Amended and Restated Airport Use Agreement and Terminal Facilities Leases dated as of January 1, 1985, by and between the City of Chicago and each of the airline signatories thereto, as the same may be amended or supplemented from time to time.

"Person" means any individual, corporation, partnership, joint venture, association, joint-stock company, limited liability company, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Pre-approved Capital Project" means:

- (1) any Capital Project contained in the Authority's Initial Capital Plan included as *Exhibit A* to this Compact;
- (2) any Capital Project necessary to comply with any valid rule, regulation, policy, order or law of any federal, state or local government, agency or court or pursuant to any grant agreement or assurance;
- (3) any tenant improvements or relocation expenses at an Existing Airport;
- (4) any insurance or condemnation award deficiencies;
- (5) any Capital Project funded from the O'Hare Airport Development Fund, Special Capital Projects Fund, Maintenance Reserve Fund or Emergency Reserve Fund (all as defined in the O'Hare Use Agreement), the Net Revenues of the Land Support Area (as defined in the O'Hare Use Agreement) or the Midway Airport Development Fund, Special Project Fund, Repair and Replacement Fund or Emergency Reserve Fund (all as defined in the Midway Use Agreement);
- (6) any Capital Project, at least 50 percent of which is funded from federal, state or private grants or donations, from private investment (including direct investment by airlines) or from the proceeds of special facility bonds;

(7) in addition to any other Pre-approved Capital Project included in this definition, any Capital Project the costs of which do not exceed one and one-half percent of the operating revenues of such Existing Airport as of the preceding fiscal year;

OKD
6.8 mil
75 mil
MOY

(8) the acquisition of the military site and relocation of the military facilities at Chicago-O'Hare International Airport;

(9) a new terminal and all related facilities for Chicago Midway Airport;

(10) any Capital Project constituting a part of the concessions redevelopment program for Chicago-O'Hare International Airport;

(11) any Capital Project constituting part of the collateral land development program at Chicago-O'Hare International Airport; and

(12) any future closing of Merrill C. Meigs Field.

The Board shall be deemed to have approved all Pre-approved Capital Projects and the filing of passenger facility charge applications therefor or any amendments to any such applications.

"Regional Airports" means the Existing Airports and any New Regional Airport.

"Signatory" means the City of Chicago and the City of Gary.

"Transfer" means the sale, conveyance, mortgage, encumbrance or other transfer or disposition of any Existing Airport.

ARTICLE 5. AUTHORITY, PURPOSE AND FINDINGS

Section 5-1. Authority. The City of Chicago is entering into this Compact pursuant to (i) the provisions of the Illinois Act, (ii) the City's home rule powers under the Illinois Constitution of 1970, (iii) Article 7, Section 10 of the Illinois Constitution of 1970, (iv) the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, as amended, (v) 49 USCS §44502(e), as amended and (vi) an ordinance adopted by the City Council of the City of Chicago on

April 15, 1995. The City of Gary is entering into this Compact pursuant to (i) the Indiana Act, (ii) IC 8-22-5-1, as amended, as in effect on the Effective Date, (iii) 49 USCS § 44502(e), as amended, and (iv) an ordinance adopted by the Common Council of the City of Gary on April 13, 1995.

Section 5-5. Purpose of Compact. The purpose of this Compact is to create the Authority as an interstate body politic and corporate under this Compact with the powers set forth in this Compact to jointly oversee and support the Existing Airports as set forth in this Compact, to jointly evaluate the Bi-State Region's need for additional Airport capacity, to jointly coordinate and plan for the continued development, enhancement and operation of the Existing Airports and the development of any New Regional Airport serving the Bi-State Region and to assure the continued autonomous management and operation by the City of Chicago of the Chicago Airports and the continued autonomous management and operation by the City of Gary through the Gary Regional Airport Authority of the Gary Regional Airport.

Section 5-10. Findings.

(a) The primary air trade area served by the Existing Airports consists of eight counties in Illinois (Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry and Will) and two counties (Lake and Porter) in Indiana (the "Bi-State Region"). The Chicago Airports and the Gary Regional Airport are the major airports serving the Bi-State Region and comprise the local airport system. Gary Regional Airport functions, and is designated, as a reliever airport for the Chicago Airports.

(b) Extensive, reliable air transportation service linking the Bi-State Region to the rest of the nation and the world, enabling the Bi-State Region to participate fully in the national and global economies, is critical to the continued economic development of the Bi-State Region. The coordinated development of the local airport system, and any new airports that may be built as part of the local airport system, is essential to provide facilities to meet this demand efficiently and effectively. Failure to establish a mechanism to coordinate the planning and development of

the local airport system could result in the inability to make capacity improvements where they can be implemented most efficiently to alleviate congestion and meet demand, in duplicative development, or in the inability to meet the long-term air service needs of the Bi-State Region. The best way to ensure the necessary coordination of further airport development, while recognizing the significant interests of the local governmental bodies, is the creation of a bi-state regional authority to oversee future development of the local airport system, while allowing the continued operation of the Existing Airports by the respective local government entities that now operate them.

(c) The City of Chicago is the owner, operator and manager of the Chicago Airports. Through the efforts and leadership of the City of Chicago, Chicago - O'Hare International Airport is the busiest airport in the world. The Chicago Airports serve a critical role in the nation's air transportation system, and provide significant economic benefits to the Bi-State Region. The City of Chicago has committed significant resources to the development and operation of the Chicago Airports and views the Chicago Airports as a significant municipal asset. It is in the best interests of the City of Chicago and a public purpose, which this Compact is intended to further, to ensure that (i) the Chicago Airports retain their pre-eminent position as an engine for economic growth and development of the City of Chicago, (ii) the City of Chicago's investment in the Chicago Airports, and ancillary and intangible benefits accruing to the City of Chicago and its citizens from the Chicago Airports be protected by the continued operation of the Chicago Airports by the City of Chicago and (iii) the local airport system development policy be responsive to the concerns of the City of Chicago and the City of Gary and not be promulgated by any Person not experienced in the affairs of the Chicago Airports and the Gary Regional Airport. The City of Gary benefits from the continued operation of the Chicago Airports by the City of Chicago. By establishing the Authority pursuant to this Compact, the mutual aviation interests of both the City of Chicago and the City of Gary are best served.

(d) The City of Gary controls Gary Regional Airport through the Gary Regional Airport Authority. The Gary Regional Airport Authority owns and operates Gary Regional Airport. Gary Regional Airport has various capital development needs and the City of Gary and the Gary Regional Airport Authority have insufficient resources to fund the Capital Projects needed to enable Gary Regional Airport to function effectively as a reliever airport for the Chicago Airports. Development of Gary Regional Airport can help meet the air transportation needs of the Bi-State Region. Coordination by the Signatories of the development of Gary Regional Airport jointly with the development of the Chicago Airports will promote the timely implementation of capacity improvements to meet the air service needs of the Bi-State Region. Development of Gary Regional Airport will provide substantial benefits to the Chicago Airports by alleviating congestion at Chicago-O'Hare International Airport, reducing operational delays and associated costs for air carriers and air travelers and promoting the efficient use of the local airport system. This Compact will facilitate the development of the facilities and operations at Gary Regional Airport in coordination with the Chicago Airports.

(e) Substantial benefits will accrue to the City of Chicago and to the City of Gary, and to their citizens, as the result of the provisions of this Compact that provide for the coordination of airport development through the Authority and the funding of certain airport development, while allowing the continued management and operation of the Existing Airports in the local airport system by the respective Signatories.

(f) Subject to the powers specifically granted to the Authority under this Compact, the City of Chicago shall continue to manage and operate the Chicago Airports in accordance with the terms of the Existing Airport Agreements, and the City of Gary through the Gary Regional Airport Authority shall continue to manage and operate the Gary Regional Airport, both on the coordinated basis set forth in this Compact. This Compact also directs the Signatories, through the Authority, to plan for any future additional airport capacity needed on a basis consistent with the interests of each Signatory. The establishment of the Authority and the

maintenance of the existing governance structures for the Existing Airports on a basis consistent with the terms of this Compact will provide for the most efficient and effective method of evaluating the need for a new Airport serving the Bi-State Region, and for planning for the joint development of any such Airport on a coordinated basis supported by a bi-state consensus.

(g) The City of Chicago has recently completed the refinancing of the Chicago Skyway and has undertaken a major capital improvement program for that toll bridge and highway facility. The Chicago Skyway serves the Bi-State Region as a vital and effective ground transportation link between Chicago and Gary and the Chicago Airports and Gary Regional Airport.

(h) Pursuant to authority provided by federal and state law, the City of Chicago and the City of Gary are creating the Authority as an interstate body politic and corporate under the Compact for the purposes set forth herein as a means of assuring the continued efficient management, operation and development of the Existing Airports by the Signatories and for coordinating, evaluating and planning for the local airport system's needs, including the need for any new Airport serving the Bi-State Region.

(i) The City of Chicago has covenanted with the holders of its airport revenue bonds that unless certain conditions have been met, it will not permit a Transfer of Chicago-O'Hare International Airport or Chicago Midway Airport. Nothing in this Compact is intended to effect a Transfer of the Chicago Airports or Gary Regional Airport.

ARTICLE 10. ESTABLISHMENT

Section 10-1. Creation of Authority. There is created the Chicago - Gary Regional Airport Authority, which shall be an interstate body politic and corporate under the Compact. The Authority shall not be an agency of any Signatory.

Section 10-5. No Impairment of Existing Contracts. This Compact shall not in any respect impair the provisions of the Existing Airport Agreements or the rights of any bondholders thereunder or other parties thereto.

Section 10-10. State Approvals. Nothing in this Compact shall be construed as providing for the acquisition of the Existing Airports by the Authority. To the extent that any such acquisition, or the establishment of a New Regional Airport by the Authority, requires the approval (i) of the Illinois Department of Transportation pursuant to Section 7 of the Illinois Act, as in effect on the Effective Date, and (ii) of the Indiana Department of Transportation pursuant to Section 8-22-4-7 of the Indiana Act, as in effect on the Effective Date, such approval shall be obtained.

Section 10-15. Meigs Field. The parties recognize that the City of Chicago's lease for Merrill C. Meigs Field expires on September 30, 1996, and there can be no assurance that it will be renewed or that Meigs Field will continue to be operated as an Airport.

Section 10-20. Certain Actions Requiring Authority Consent. The following actions shall require the approval of the Board:

- (1) the implementation by any Signatory of any Capital Project other than a Pre-approved Capital Project; any such approval of the Board shall also be deemed to be approval of the filing of a passenger facility charge application therefor or any amendment to any such application;
- (2) any recommendation to the FAA concerning aircraft operations at an Existing Airport, including but not limited to flight patterns and tracks, preferred runway usage programs, noise abatement and compatibility procedures or restrictions, flight curfews and noise budgets;
- (3) any action by any Person that would constitute a Transfer of any Existing Airport, or any other action by any Person that would, directly or indirectly, otherwise affect the control or ownership of any Existing Airport;

(4) any action that would transfer any powers of the Board to any other Person;

(5) the determination of the location, site configuration and runway layout of any new Airport to be developed, owned or operated by a Signatory or the Authority or to be financed in whole or in part by revenues, charges, fees, grants or other funds derived from any of the Existing Airports;

(6) the issuance of bonds or other obligations by a Signatory to finance the development or acquisition of a new Airport or the execution by a Signatory of any airline use or similar agreement with respect to any new Airport to be developed or acquired by a Signatory or any other Person; or

(7) the use of revenues, passenger facility charge revenues, grant proceeds, bond proceeds or loan proceeds of, or any form of credit enhancement provided to, an Existing Airport for the purpose of acquiring, developing or financing any new Airport by a Signatory or any other Person.

ARTICLE 15. GOVERNANCE

Section 15-1. Board of Directors. The governing body of the Authority shall be a Board of Directors.

Section 15-5. Appointment of Board of Directors.

(a) The Board shall have 12 directors. The directors shall be appointed as follows:

(1) There shall be five directors designated or appointed by the City Council of the City of Chicago, each of whom shall be a resident of the City of Chicago. Three of the directors designated or appointed by the City Council of the City of Chicago shall consist of the Commissioner of Aviation, the City Comptroller and the Corporation

Counsel of the City of Chicago or their successors upon confirmation by the City Council of the City of Chicago, or the successor positions to any such offices.

(2) There shall be five directors designated or appointed by the Common Council of the City of Gary, each of whom shall be a resident of the City of Gary. Three of the five directors designated or appointed by the Common Council of the City of Gary shall consist of the President, the Vice President and the Secretary of the Gary Regional Airport Authority, or their successors upon confirmation by the Common Council of the City of Gary, or the successor positions to any such offices. Two of the five directors designated or appointed by the Common Council of the City of Gary shall consist of the President of the Common Council of the City of Gary and the Chairman of the Planning and Development Committee of the Common Council of the City of Gary, or the successor position to any such offices.

(3) There shall be one director appointed by the Governor of the State of Illinois as provided in the Illinois Act. The laws of the State of Illinois shall govern the official conduct, the appointment, removal and term of directors appointed by the Governor of the State of Illinois.

(4) There shall be one director appointed by the Governor of the State of Indiana as provided by the Indiana Act. The laws of the State of Indiana shall govern the official conduct, the appointment, removal and term of directors appointed by the Governor of the State of Indiana.

(5) The Board shall elect annually, from its membership, a Chair, a Vice Chair and a Treasurer. The Chair and the Vice Chair each shall be from different states.

(b) Each appointment shall be certified by the appointing body or officer to the Secretary of the Authority.

Section 15-10. Terms, Vacancies and Removal.

(a) (1) The initial directors designated or appointed by the City Council of the City of Chicago shall serve for terms expiring (i) in the case of the Commissioner of Aviation, the City Comptroller and the Corporation Counsel, on the date that any such director ceases to serve in such respective capacity as an official of the City of Chicago and (ii) in the case of the other directors, December 31, 2003. Commencing January 1, 2004, the two directors representing the City of Chicago who are not also serving as the Commissioner of Aviation, the City Comptroller or the Corporation Counsel shall serve for terms of four and six years respectively, and all subsequent terms shall be for six years.

(2) The initial directors designated or appointed by the Common Council of the City of Gary shall serve for terms expiring (i) in the case of the directors who also are officers of the Gary Regional Airport Authority, on the date that any such director ceases to serve in such capacity as an officer of the Gary Regional Airport Authority and (ii) in the case of the directors who are also officers of the Common Council of the City of Gary, on the date that any such director ceases to serve in such capacity as an officer of the Common Council of the City of Gary.

(3) The initial directors appointed by the Governors of the States of Illinois and Indiana shall serve for terms determined by the appointing official as provided under state law.

(b) Except as otherwise provided in this Compact, directors shall hold office until their respective successors have been appointed. Directors may be reappointed and may serve consecutive terms.

(c) A vacancy shall occur upon resignation, death or disqualification (i) under the Municipal Code of the City of Chicago for directors designated or appointed by the City Council of the City of Chicago, (ii) under the law of the State of Illinois for directors appointed by the

Governor of the State of Illinois, (iii) under the Gary Municipal Code for directors designated or appointed by the Common Council of the City of Gary, (iv) under the law of the State of Indiana for directors appointed by the Governor of the State of Indiana, or (v) upon removal as provided in subsection (e) of this Section.

(d) In the event of a vacancy, the appointing body or officer who appointed the director whose position is vacant shall make an appointment to fill the vacancy to serve the remainder of the unexpired term in the same manner as provided for appointment of directors.

(e) Any director designated or appointed by the City Council of the City of Chicago may be removed from office for cause by the Mayor of the City of Chicago and any director appointed by the Governor of the State of Illinois may be removed from office by the Governor of the State of Illinois in accordance with Illinois law. Any director designated or appointed by the Common Council of the City of Gary may be removed from office for cause by the Mayor of the City of Gary and any director appointed by the Governor of the State of Indiana may be removed from office by the Governor of the State of Indiana in accordance with Indiana law.

Section 15-15. Meetings: Quorum. As soon as practicable after the Effective Date, the Board shall organize for the transaction of business. The Board shall prescribe the time and place for meetings, the manner in which special meetings may be called, the notice which must be given to directors and the notice which must be given to the public of meetings of the Board. The Board shall prescribe an official seal of the Authority. A majority of the directors from each state shall constitute a quorum for the transaction of business. In the absence of any director, such director's vote may be cast by another representative or member of such directors' state if the representative casting such vote shall have a written proxy in proper form as may be required by the Authority.

All substantive action of the Board shall be by resolution. The concurrence of a majority of the directors from each state shall be necessary for the adoption of any resolution.

Section 15-20. Compensation. The directors shall serve without compensation, except that they shall be reimbursed for actual expenses incurred in the performance of their duties. The Board, other than the Chair and the Vice Chair, may provide for annual compensation of the Chair and Vice Chair.

Section 15-25. Chair and Other Officers. The Chair shall preside at meetings of the Board, and shall be entitled to vote on all matters. The Board shall select a Secretary and may provide for other officers of the Authority with such duties as it shall from time to time determine. The Secretary and other officers of the Authority may, but need not, be directors.

Section 15-30. Executive Director. The officers of the Authority shall include an Executive Director, who shall be the chief executive officer of the Authority. Because of the significance of the Chicago Airports relative to the Gary Regional Airport, the Executive Director shall be appointed by the Mayor of the City of Chicago. The Mayor of the City of Gary shall appoint the Deputy Executive Director of the Authority, who shall serve in the absence of the Executive Director and shall assist in the overall management of the Authority. The Executive Director, consistent with the policies and direction of the Board, shall be responsible for the management of the business, employees and properties of the Authority, shall direct the enforcement of all resolutions, rules and regulations of the Board, and shall perform such other duties as may be prescribed from time to time by the Board. The Executive Director and any other employee of the Authority may simultaneously serve as an employee of a Signatory. The Board shall provide for the appointment of such attorneys, engineers, consultants, agents and employees as it may deem necessary, and may require bonds of any of them. Where appropriate and practicable, the Authority shall utilize the services of employees of each Signatory. The Board shall adopt rules and procedures governing the Authority's employment, evaluation, promotion, and discharge of employees. Subject to those rules and procedures and consistent with the policies and directions of the Board, the Executive Director shall select and appoint and may discharge employees of the Authority, or may supervise such selection, appointment or

discharge. All officers (other than officers who are members of the Board) and all employees of the Authority shall report and be subordinate to the Executive Director. The compensation of the Executive Director and all other officers, attorneys, engineers, consultants, agents and employees shall be established by the Board. The Executive Director shall serve only pursuant to an employment contract authorized by the Board setting forth the terms and conditions of his or her employment. The contract shall set forth the conditions upon which the Executive Director may be discharged by the Mayor of the City of Chicago.

Section 15-35. Ethics. The Board shall adopt regulations governing ethics and conflicts of interest with regard to its officers, employees and the directors appointed by each Signatory. Notwithstanding any provision of the City of Chicago's ethics ordinances to the contrary, the fact that an officer or employee, or a former officer or employee, of the City of Chicago also serves as a director, officer or employee of the Authority or provides services to the Authority shall not be deemed a violation of any provision of the City of Chicago's ethics ordinances. The Illinois Governmental Ethics Act shall apply to the directors appointed by the Governor of the State of Illinois. The law of the State of Indiana shall apply to the directors appointed by the Governor of the State of Indiana.

Section 15-40. Meetings and Records. The Board shall adopt regulations concerning the notice and conduct of its meetings and the consideration and passage of ordinances, resolutions, regulations, rules and other actions. The Board shall adopt regulations concerning the availability of its records.

Section 15-45. Termination.

(a) So long as no bonds issued by the Authority are outstanding and the development of New Regional Airport facilities has not commenced, this Compact may be terminated by the City of Chicago on any date occurring (i) on or after three years following the Effective Date and (ii) six months or more following the occurrence of both (A) the adoption of a resolution by a majority of the directors designated or appointed by the City Council of the City of Chicago

providing for such termination and (B) the enactment by the City Council of the City of Chicago of an ordinance providing for such termination. This unilateral termination option is granted to the City of Chicago in recognition of the significance of the Chicago Airports relative to Gary Regional Airport.

(b) So long as no bonds issued by the Authority are outstanding and the development of New Regional Airport facilities has not commenced, this Compact may be terminated by the City of Gary on January 1, 2001 and on each January 1 occurring at five-year intervals following such date, upon the occurrence of both (i) the adoption no later than July 1 of the preceding year of a resolution by a majority of the directors designated or appointed by Common Council of the City of Gary providing for such termination and (ii) the enactment no later than July 1 of the preceding year by the Common Council of the City of Gary of an ordinance or a resolution providing for such termination.

(c) At any time when bonds issued by the Authority are outstanding or the development of New Regional Airport facilities has commenced, this Compact may not be terminated; provided that under such circumstances (i) the City of Chicago may withdraw the Chicago Airports or any of them from the jurisdiction of the Authority on any date occurring six months or more following (A) the adoption of a resolution by a majority of the directors appointed by the City Council of the City of Chicago providing for such withdrawal and (B) the enactment by the City Council of the City of Chicago of an ordinance providing for such withdrawal, and (ii) the City of Gary may withdraw the Gary Regional Airport from the jurisdiction of the Authority on January 1, 2001 and on each January 1 occurring at five-year intervals following such date upon the occurrence of both (A) the adoption no later than July 1 of the preceding year of a resolution by a majority of the directors designated or appointed by the Common Council of the City of Gary providing for such termination and (B) the enactment no later than July 1 of the preceding year by the Common Council of the City of Gary of an ordinance or a resolution providing for such termination.

(d) Upon termination of this Compact, the Board shall determine the disposition of any property of the Authority.

ARTICLE 20. POWERS

Section 20-1. General Powers. Except as otherwise provided in this Compact, the Authority shall have the powers described in this Article 20. Except as expressly set forth in Section 10-20, the powers of the Authority shall not limit, preempt or supersede the authority, powers or rights of any Signatory. The City of Chicago shall retain all of its powers as a home rule municipality under the Constitution and laws of the State of Illinois. The City of Gary shall retain all of its powers as a home rule municipality under the laws of the State of Indiana. The powers of each Signatory and the powers of the Authority may be jointly exercised.

Section 20-5. Existing Airports.

(a) The Authority shall exercise general oversight over the Existing Airports as provided in this Compact and may make proposals and reports to each Signatory concerning the development and operation of its Airports and the need for additional airport capacity, including any new Airport serving the Bi-State Region. The Board shall establish regular reporting requirements for each Signatory, whereby each Signatory shall report, no more frequently than each quarter and no less frequently than annually, on the financial condition, results of operations and other operational aspects of the Existing Airports.

(b) The Authority shall have the power to consider, approve, take or reject the actions described in Section 10-20.

(c) Subject to the provisions of Section 10-20, the City of Chicago shall manage, own and operate the Chicago Airports in accordance with (i) the City of Chicago's home rule powers under the Illinois Constitution of 1970, (ii) the Municipal Code of the City of Chicago, (iii) the

Existing Chicago Airport Agreements and (iv) Section 11-102-1 *et seq.* of the Illinois Municipal Code, as in effect on the Effective Date.

(d) Subject to the provisions of Sections 10-20 and 25-10, the City of Gary through the Gary Regional Airport Authority shall manage, own and operate the Gary Regional Airport in accordance with (i) Indiana law as in effect on the Effective Date, (ii) the Gary Municipal Code and (iii) the Existing Gary Regional Airport Agreements. The City of Gary, by virtue of its authority and control over the Gary Regional Airport Authority, shall take all necessary actions to cause the Gary Regional Airport Authority to comply with the provisions of this Compact, and the City of Gary shall not approve any action by the Gary Regional Airport Authority that is inconsistent with or contrary to the provisions of this Compact.

Section 20-10. New Regional Airport Facilities. The Authority shall have the power to evaluate on a continuing basis the Bi-State Region's need for a New Regional Airport, and to make reports and recommendations to each Signatory with respect to the need for a New Regional Airport. The Authority shall have the power to evaluate, plan, develop, secure permits, licenses and approvals for, acquire, finance, construct, equip, own and operate New Regional Airport facilities on a site or sites to be specified by the Board. The development of any New Regional Airport shall also include all land, highways, waterways, rail, mass transit facilities and other infrastructure, located within or adjacent to the site of the New Regional Airport, that in the determination of the Board are necessary or appropriate in connection with the development or operation of the New Regional Airport. The development of a New Regional Airport also includes acquisition and development of any land or facilities for relocation of persons, including providing replacement housing or facilities for persons and entities displaced by that development, or for protecting or reclaiming the environment with respect to the New Regional Airport, or for providing substitute or replacement property or facilities, including without limitation, for areas of commercial entertainment, sports and recreation, conservation, open space

and wetlands, or for providing navigational aids, whether or not located on the site of the New Regional Airport.

In connection with the evaluation, planning, acquisition, development, construction, equipping, financing, ownership and operation by the Authority of any New Regional Airport, the Authority shall have the following powers:

(a) to acquire all land, interests in land, and all other property and interests in property as may be necessary to carry out its powers and functions with respect to any New Regional Airport and to dispose of any such lands, interests, and property upon terms it deems appropriate;

(b) to enter into agreements by which it may provide for various functions relating to management or operation of any New Regional Airport to be performed on behalf of the Authority by any other Person;

(c) to adopt, administer and enforce airport zoning regulations, in the manner provided for political subdivisions under the Illinois Airport Zoning Act, as in effect on the Effective Date, with respect to any airport hazard area (as described in that Act) for any New Regional Airport located in the State of Illinois, regardless of the distance from that New Regional Airport; and to adopt, administer and enforce zoning regulations governing land and improvements within the site of any New Regional Airport located in the State of Illinois, all in a manner consistent with the procedures and requirements for municipalities under the Illinois Municipal Code, as in effect on the Effective Date; With respect to any New Regional Airport located in the State of Indiana, the Authority may fix a restricted zone for distances in any direction from the boundaries of such New Regional Airport that is necessary and practicable, regulating the height of structures to provide free air space for access by aircraft and for safe use of such New Regional Airport, all in accordance with the laws of Indiana.

(d) to acquire possession by eminent domain of any property or interest in property that the Authority is authorized to acquire under this Compact in connection with the acquisition, development and operation of any New Regional Airport, which power shall extend to all types

of interests in private property, both real and personal (including, without limitation, easements for access or open-space purposes and rights of concurrent usage of existing or planned facilities); to exercise the power of eminent domain granted in this subsection with respect to property located within the State of Illinois in the manner provided for the exercise of the right of eminent domain under the Illinois Code of Civil Procedure, as in effect on the Effective Date, and, with respect to property located within the State of Indiana, in the manner provided for the exercise of eminent domain under the laws of the State of Indiana, as in effect on the Effective Date; provided that no property or interest in property within the boundaries of any Signatory shall be acquired by the Authority by eminent domain without the written consent of the Mayor of such Signatory;

(e) to provide for the relocation of all Persons displaced by the development or expansion of any New Regional Airport, including through provision of relocation assistance or the provision of replacement housing or other facilities;

(f) to (i) enter into leases of any of the Authority's property or facilities, use agreements with airlines or other users of any New Regional Airport, agreements with concessionaires and franchise agreements for use of or access to any New Regional Airport facilities and any other agreements that may be desirable to achieve the purposes of the Authority and (ii) engage in all aspects of the development of commercial, industrial, recreational, sports and entertainment and other facilities located on or adjacent to the site of a New Regional Airport;

(g) to apply to the proper authorities of the United States of America pursuant to appropriate law for permission to establish, operate, maintain and lease foreign trade zones and sub-zones within the area of any New Regional Airport and to establish, operate, maintain, and lease such foreign trade zones and sub-zones;

(h) to enter into contracts for the improvements upon real estate appurtenant to any New Regional Airport, including farming, extracting minerals, subdividing, promoting and

developing of such real estate as shall aid and encourage the development and service of such New Regional Airport, and to mortgage, pledge, or otherwise grant security interests in any such property;

(i) to enter at reasonable times upon such lands, waters, or premises as in the judgment of the Authority may be necessary, convenient or desirable for the purpose of making surveys, soundings, borings and examinations relating to any New Regional Airport after having given reasonable notice of such proposed entry to the owners and occupants of such lands, water, or premises, the Authority being liable only for actual damage caused by such activity;

(j) to require the removal or relocation of any building, railroad main, pipe, conduit, wire, pole, structure, facility and equipment on the site of any New Regional Airport, as may be needed to carry out the powers of the Authority, with the Authority to compensate the person required to remove or relocate the building, railroad, main, pipe, conduit, wire, pole, structure, facility, or equipment as provided by law or for such relocation on the site of the New Regional Airport;

(k) to make loans from proceeds of bonds or funds otherwise available to the extent necessary or appropriate for development, expansion or improvement of facilities in connection with a New Regional Airport;

(l) to operate farming operations or real estate appurtenant to any New Regional Airport;

(m) to maintain, operate and extend water and sewer systems on the real estate of the land appurtenant to any New Regional Airport, and make and collect charges for services;

(n) to construct and lease industrial and aviation buildings on the land appurtenant to any New Regional Airport;

(o) to lease land, including any land now owned by any Signatory, suitable for a New Regional Airport for a term of not less than 99 years;

(p) to secure expert guidance on the development of any New Regional Airport to the end that the interests of the region are best served; and to implement that development within the laws of the States of Illinois and Indiana;

(q) to accept, receive and receipt for federal moneys and other moneys, public or private, for the acquisition, construction, enlargement, improvement, maintenance, equipment or operation of a New Regional Airport and other air navigation facilities and sites therefor;

(r) to buy and sell machinery for aviation purposes; and to negotiate and contract for personal services, materials and supplies, provided that whenever personal property is to be purchased or sold, there shall be due notice and competitive bidding as directed and required by the laws of the state in which the New Regional Airport is located; and

(s) to perform all functions and do all acts that are necessary to the total development of a New Regional Airport, not inconsistent with the laws of Illinois and Indiana, as in effect on the Effective Date.

Section 20-15. Contracts. The Authority shall have the power to enter into all contracts useful for carrying out its purposes and powers, including, without limitation, contracts with each Signatory, all with such duration as the Board shall determine.

Section 20-20. Employment. The Authority shall have the power to appoint and remove or discharge personnel as may be necessary for the performance of the Authority's functions irrespective of the civil service, personnel or merit system laws of either the State of Illinois or the State of Indiana. The Authority may borrow, accept, or contract for services of personnel from any Signatory, from any state or the United States or any subdivision or agency thereof, from any interstate agency, or from any Person.

Section 20-25. Employee Pensions. The Authority may establish and maintain systems of pensions and retirement benefits for such officers and employees of the Authority as may be designated or described by resolution of the Authority. Such pension systems shall be financed

or funded by such means and in such manner as may be determined by the Board to be economically advantageous.

Section 20-30. Approvals. The Authority shall have the power to apply to the proper authorities of the United States or the State of Illinois, the State of Indiana, any Signatory, as permitted or authorized by applicable law, to obtain any grants, loans, loan guarantees or other forms of governmental credit enhancement, licenses, approvals or permits reasonably necessary to achieve the purposes of this Compact.

Section 20-35. Additional Powers.

(a) The Authority shall also have all powers necessary, convenient or desirable to meet its responsibilities and to carry out its purposes under this Compact, including, but not limited to, the following powers:

- (1) to sue and be sued;
- (2) to invest any funds or any monies not required for immediate use or disbursement in such manner as the Authority in its discretion determines;
- (3) to make, amend, and repeal by action of the Board by-laws, rules and regulations, and resolutions consistent with this Compact;
- (4) to acquire, hold, sell by installment contract, lease as lessor, transfer or dispose of such real or personal property as it deems appropriate in the exercise of its powers;
- (5) to enter into collective bargaining agreements and contracts of group insurance for the benefit of its employees and to provide for retirement benefits or pensions and other employee benefit arrangements for its employees similar to those enjoyed by employees of the State of Illinois and the State of Indiana;
- (6) to provide for the insurance of any property, directors, officers, employees, or operations of the Authority against any risk or hazard, to self-insure or participate in joint self-insurance pools or entities to insure against such risk or hazard, and to provide

for the indemnification of its directors, officers, employees, contractors, or agents against any and all risks;

(7) to pass all resolutions and make all rules and regulations proper or necessary to regulate the use, operation, and maintenance of its property and facilities;

(8) to enter into arbitration arrangements, which may be final and binding;

(9) to accept for any of its purposes and functions any and all donations and grants of money, equipment, supplies, materials and services, conditional or otherwise, from any Signatory or from any Person; and to receive, utilize and dispose of the same; and

(10) to establish and maintain such facilities as may be necessary for the transaction of its business.

(b) In each case in which this Compact gives the Authority the power to acquire real or personal property, the Authority shall have the power to acquire such property by contract, purchase, gift, grant, exchange for other property or rights in property, lease (or sublease) or installment or conditional purchase contracts, including a settlement of an eminent domain proceeding, which leases or installment or conditional purchase contracts may provide for consideration to be paid in annual installments. Property may be acquired subject to such conditions, restrictions, liens, or security or other interests of other parties, and the Authority may acquire a joint, leasehold, easement, license or other partial interest in such property. Any such acquisition may provide for the assumption of, or agreement to pay, perform or discharge, outstanding or continuing duties, obligations or liabilities of the seller, lessor, donor, or other transferor of, or of the trustee with regard to, such property. In connection with the acquisition of any real or personal property or interests in real or personal property, the Authority may indemnify and hold harmless the owners and occupants of such property or interests in property for any and all losses, claims, damages, liabilities or expenses arising out of the ownership or use of such property or interests in property.

Section 20-40. Antitrust Exemption. It is the policy of the Signatories that all powers granted to the Authority, either expressly or by necessary implication, by this Compact or any Illinois or Indiana statute, or ordinance of the City of Chicago or the City of Gary, or by this Compact, may be exercised by the Authority notwithstanding effects on competition. It is the intention of the Signatories that the state action exemption to the application of federal antitrust statutes be fully available to the Authority to the extent its activities are authorized by law or this Compact.

ARTICLE 25. FINANCE

Section 25-1. Control of Finances. The Board shall control the finances of the Authority on the basis and subject to the limitations set forth in this Article. Except as provided in Section 25-25 with respect to the imposition of fees and charges relating to any New Regional Airport, the Authority shall have no revenue powers. To the extent practicable, the Authority shall utilize the employees, expertise, assets, property, purchasing arrangements and other resources of the Signatories in carrying out its activities, purposes and powers.

Section 25-5. Budgets and Capital Plans.

(a) The City of Chicago shall pay, from any legally available funds appropriated by the City Council of the City of Chicago, including but not limited to its allocable share of legally available Chicago - O'Hare International Airport Land Support Area Net Revenues, the Authority's initial operating expenses incurred prior to January 1, 1996, in an amount not to exceed \$250,000. Promptly following the Effective Date, the Board shall adopt a budget for the balance of the initial fiscal year ending December 31, 1995.

(b) Each year on or before the first day of July, the Authority shall prepare a budget of its estimated expenditures for the fiscal year beginning on the first day of January of the succeeding year, and on or before the first day of July shall submit a copy of its proposed budget

to each Signatory. The Authority's annual budgeted expenditures shall be allocated and prorated equally between each Signatory, based initially upon the ratio that the total operating expenses incurred in the prior fiscal year by each Signatory with respect to its Existing Airports bears to the aggregate amount of operating expenses incurred during such fiscal year in connection with the operation of the Existing Airports; provided that the amount allocated to the City of Chicago shall not exceed one percent of the total operating expenses incurred in connection with the operation of Chicago-O'Hare International Airport during the prior fiscal year and the amount allocated to the City of Gary for use at Gary Regional Airport shall not exceed one percent of the total operating expenses incurred in connection with the operation of Gary Regional Airport during the prior fiscal year. Consistent with the Illinois Act and the Indiana Act, the Signatories may subsequently agree to modify or adjust this ratio. Each such proposed budget shall be accompanied by a request to each Signatory to appropriate funds sufficient to fund its allocable portion of the Authority's budget. Following such appropriations, the Board shall adopt the Authority's final budget for such fiscal year. The Authority's expenditures related to any extraordinary litigation shall be allocated on a basis consistent with this subsection (b) as determined by the Board. Upon the request of a Signatory, the Board may allocate operating funds of the Authority to a Signatory as reimbursement for the amount of any direct expenses incurred by that Signatory in complying with its obligations under this Compact.

(c) The Authority shall be required to keep accurate record of all accounts of receipts and disbursements. The receipts and disbursements of the Authority shall be subject to an annual audit, and accounting procedures established by the Board, provided that all receipts and disbursements of funds handled by the Authority shall be audited by a qualified independent public accountant and the report of the audit shall be incorporated into and become a part of the annual report of the Authority described in Section 25-15;

(d) The accounts of the Authority shall be open to inspection by the general public at any reasonable time.

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2000

(e) The Authority's Initial Capital Plan with respect to each Existing Airport is included as *Exhibit A* to this Compact. No later than December 31 of each year, beginning in 1996, the Board shall adopt a five-year Capital Plan for the Regional Airports, providing for all Capital Projects that each Signatory proposes to undertake or continue during the following five year period. If the Board fails to adopt a Capital Plan by December 31 of each year, the prior Capital Plan (including the Initial Capital Plan) shall remain in effect. Upon the request of a Signatory, the Capital Plan may be modified by the Board from time to time. Once a Capital Project is included in the Capital Plan, a Signatory is authorized to complete that Capital Project without further Board approval. Any Capital Projects to be financed with passenger facility charge revenues shall be included in the Capital Plan.

Section 25-10. Airport Development.

(a) The City of Chicago, from any legally available funds appropriated by the City Council of the City of Chicago, including but not limited to the City of Chicago's allocable share of legally available Net Revenues of the Land Support Area (as defined in the O'Hare Use Agreement), shall pay \$1,200,000 to the City of Gary for the cost of the Capital Projects at Gary Regional Airport that are described in *Exhibit B* to this Compact, which Capital Projects are needed to enable Gary Regional Airport to function as a reliever airport for the Chicago Airports. Payment of this amount by the City of Chicago to the City of Gary shall be processed immediately following the Effective Date of the Compact. The amount paid to the City of Gary pursuant to this subsection (a) is intended to facilitate the coordinated development of the Gary Regional Airport with the development of the Chicago Airports, and is consistent with the findings set forth in Section 5-10.

(b) Within 180 days following the Effective Date, the City of Chicago shall file a passenger facility charge application with the FAA requesting authorization to use a portion of the passenger facility charges collected by the City of Chicago at the Chicago Airports for purposes of financing any or all of the Capital Projects described in *Exhibit B* to this Compact,

and annually for eligible passenger facility charge projects as may from time to time in the future become part of Gary Regional Airport's Capital Plan as approved by the Board, which Capital Projects are compatible with Gary Regional Airport's function as a reliever airport for the Chicago Airports. Following receipt of all necessary approvals from the FAA, the City of Chicago shall have the exclusive power to direct the planning, design, construction, financing and implementation of any such Capital Projects to be financed with passenger facility charges remitted to the City of Chicago in such fiscal year. ~~Subject to FAA approval, the amount of~~

~~passenger facility charges used by the City of Chicago for Capital Projects at the Gary Regional~~

~~Airport in any fiscal year pursuant to this subsection (b) shall not exceed one and one-half~~

~~percent of the aggregate passenger facility charges collected by the City of Chicago at the~~

~~Chicago Airports.~~ The City of Chicago shall have all necessary powers to satisfy the passenger

facility charge assurances made to the FAA in connection with any such applications. The City of Gary and the Gary Regional Airport Authority shall enter into all agreements and assurances and take all other actions that may be necessary to obtain and maintain FAA approval for the use of passenger facility charges as contemplated in this subsection (b).

(c) The City of Chicago, through its Department of Aviation, shall provide assistance to the Authority in developing a coordinated and complementary marketing plan for the Existing Airports. In particular, the City of Chicago agrees to cooperate with the City of Gary in implementing a development plan for Gary Regional Airport that is described in *Exhibit C*. Nothing in this Compact shall preclude or prejudice in any way the development of passenger service at Gary Regional Airport.

(d) To the extent permitted by law, the City of Chicago shall afford the City of Gary and the Gary Regional Airport Authority a right of first refusal to purchase used or obsolete equipment utilized at the Chicago Airports.

(e) The Signatories recognize that the City of Gary has established an Airport Development Zone ("ADZ") under Indiana law, and the Authority shall in every way consistent

with this Compact facilitate the growth and development of the ADZ, recognizing the ADZ opportunities and incentives.

Section 25-15. Annual Report.

(a) The Authority shall annually make a report to the Governors of the State of Illinois and the State of Indiana setting forth information concerning its activities for the preceding year; and shall embody in such report recommendations as may have been adopted by the Authority. The annual report shall include information and recommendations, as appropriate, concerning the need for a New Regional Airport to serve the Bi-State Region. The annual report also shall include the audited financial statements of the Authority for the fiscal year and the budget for the succeeding fiscal year. Copies of the annual report shall be made available to Persons who request them and shall be submitted not later than 180 days after the end of the Authority's fiscal year to each Signatory.

(b) A copy of each annual report also shall be filed in the State of Illinois with the Speaker, the Minority Leader and the Clerk of the House of Representatives and the President, the Minority Leader and the Secretary of the Senate and the Legislative Research Unit, as required by Section 3.1 of "An Act to revise the law in relation to the General Assembly," approved February 25, 1874, as amended, and filing such additional copies with the State Government Report Distribution Center for the General Assembly as is required under paragraph (t) of Section 7 of the State Library Act.

(c) A copy of such annual report also shall be filed with the Indiana General Assembly at any regular session of such body.

(d) The Authority may use its revenues for any purpose permitted under this Compact, including in connection with the development or operation of any Existing Airport.

Section 25-20. Purchasing. The Board shall adopt purchasing regulations applicable to its activities, subject to the provisions of Section 20-10(r). Those regulations shall provide that construction contracts and contracts for supplies, material, equipment and services or acquisition

by the Authority of property (other than real estate), involving in each case a cost of more than \$25,000, shall be awarded to the lowest responsive and responsible bidder upon public notice and with public bidding. The Board may adopt regulations to make exceptions to the requirement for public bidding in instances in which it determines bidding is not appropriate, including, without limitation, instances in which the property or service can be obtained only from a single source or for any professional services, or in which various alternative purchasing arrangements are preferable, including, without limitation, prequalification of bidders, negotiation with the lowest responsive and responsible bidder after opening of bids or procurement by negotiation or agreement with any airline. The Authority's purchasing regulations shall not apply to purchasing or procurement by any Signatory, whether for itself or on behalf of the Authority.

Section 25-25. Revenues.

(a) The Board may impose and use a passenger facility charge or other similar fee or charge permitted by the Federal Aviation Administration or United States government at any New Regional Airport, but not at any other Airport.

(b) The Board may set fees and charges for the use of any New Regional Airport or any facilities of a New Regional Airport or any property owned or leased by the Authority and may enter into contracts with users providing for the payment of amounts for the use of any New Regional Airport or facilities of such a New Regional Airport.

(c) The Board shall by resolution provide for details of and the method of collecting any fee or charge it imposes under this Section.

Section 25-30. Borrowing.

(a) The Authority shall have the continuing power to borrow money and to issue its negotiable Bonds as provided in this Section. Bonds of the Authority may be issued to finance the costs of planning, developing, constructing, acquiring, improving, repairing or expanding any New Regional Airport, including facilities to be leased to or used by any Person other than the Authority; to make loans for development, expansion or improvement of facilities in connection

with a New Regional Airport; to provide funds for operations of any New Regional Airport; to pay, refund (at the time of or in advance of any maturity or redemption) or redeem any Bonds; to provide or increase a debt service reserve fund or other reserves with respect to any or all of its Bonds; to pay interest on Bonds; or to pay the legal, financial, administrative, bond insurance, credit enhancement, and other expenses of the authorization, issuance, sale or delivery of Bonds.

(b) All Bonds issued under this Section shall have a claim for payment solely from one or more funds, revenues or receipts of the Authority or property of any user of facilities financed by the Authority as provided in this Compact and from credit enhancement or other security for the Bonds, including but not limited to guarantees, pledges of property, letters of credit, or other security or insurance, for the benefit of bondowners. Bonds may be issued in one or more series and may have a claim for payment and be secured either separately or on a parity with any other Bonds. Bonds shall be secured as provided in the authorizing resolution, which may include, in addition to any other security, a specific pledge or assignment of or grant of a lien on or security interest in any or all funds and revenues of the Authority and a mortgage or security interest in any property or leasehold of an owner or user of facilities financed by Bonds, including, without limitation, revenues relating to a New Regional Airport. Any such pledge, assignment, lien or security interest on funds and revenues shall be valid and binding from the times the Bonds are issued, without any necessity of physical delivery, filing, recording or further act, and shall be valid and binding as against and prior to the claims of all other parties having claims of any kind against the Authority or any other Person irrespective of whether such other parties have notice of the pledge, assignment, lien or security interest. The Authority may provide for the creation of, deposits in, and regulation and disposition of, sinking fund or reserve accounts relating to the Bonds. The Authority may make provision, as part of the contract with the owners of the Bonds, for the creation of one or more separate funds to provide for the payment of principal and interest on the Bonds and for the deposit in the fund from any one or more sources of revenues of the Authority from whatever source which may be utilized for debt

service purposes of amounts to meet the debt service requirements on the Bonds, including principal and interest and any sinking fund or reserve fund account requirements and all expenses incident to or in connection with the fund and accounts or the payment of Bonds. However, no security for Bonds shall be provided contrary to the provisions of Section 25-40 of this Compact.

(c) Subject to the provisions of subsection (f) of this Section, the authorizing resolution shall set forth or provide for the terms of the Bonds being authorized, including their maturity, the provisions for interest on those Bonds, the security for those Bonds, their redemption provisions and all covenants or agreements necessary or desirable with regard to the issuance, sale and security of those Bonds.

(d) The authorizing resolution may provide for appointment of a corporate trustee (which may be any trust company or bank having the powers of a trust company within or without the territory of any Signatory) with respect to the Bonds. The authorizing resolution shall prescribe the rights, duties and powers of any trustee to be exercised for the benefit of the Authority and the protection of the owners of the Bonds and may provide for terms of a trust indenture for the Bonds. The authorizing resolution may provide for the trustee to hold in trust, invest and use amounts in funds and accounts created as provided by the authorizing resolution.

(e) The Bonds authorized by any resolution shall be:

(1) payable as to principal and interest on such dates, shall be in the denominations and forms, including book entry form, and shall have the registration and privileges as to exchange, transfer or conversion and the replacement of mutilated, lost, or destroyed bonds, as the resolution or trust indenture may provide;

(2) payable in lawful money of the United States at a designated place or places;

(3) subject to the terms of purchase, payment, redemption, remarketing, refunding or refinancing that the resolution or trust indenture provides, including redemption at a premium;

(4) executed by the manual or facsimile signatures of the officers of the Authority designated by the Board, which signatures shall be valid at delivery even for one who has ceased to hold office; and

(5) sold, at public or private sale, in the manner and upon the terms determined by the authorizing resolution.

(f) By its authorizing resolution for particular Bonds, the Board may provide for specific terms of those Bonds, including, without limitation, the purchase price and terms, interest rate or rates, redemption terms and principal amounts maturing in each year, to be established by one or more directors or officers of the Authority, all within a specific range of discretion established by the authorizing resolution.

(g) The authorizing resolution or trust indenture may contain provisions that are a part of the contract with the owners of the Bonds that relate to:

(1) limitations on the purposes to which, or the investments in which, the proceeds of the sale of any issue of Bonds or the Authority's revenues may be applied or made;

(2) limitations on the issuance of additional Bonds, the terms upon which additional bonds may be issued and secured, the terms upon which additional Bonds may rank on a parity with, or be subordinate or superior to other Bonds;

(3) the refunding, advance refunding or refinancing of outstanding Bonds;

(4) the procedure, if any, by which the terms of any contract with owners of Bonds may be altered or amended and the amount of Bonds the owners of which must consent to an amendment, and the manner in which consent must be given;

(5) the acts or omissions that constitute a default in the duties of the Authority to owners of Bonds and the rights or remedies of owners in the event of a default, which may include provisions restricting individual rights of action by bondowners;

(6) any other matter relating to the Bonds which the Board determines appropriate. *

(h) Any Bonds of the Authority issued under this Section shall constitute a contract between the Authority and the owners from time to time of the Bonds. The Authority may also covenant that it shall impose and continue to impose fees or charges, as authorized by this Compact and in addition as subsequently authorized by amendment to this Compact, sufficient to pay the principal and interest and to meet other debt service requirements of the Bonds as they become due.

(i) Each Signatory pledges to and agrees with, the owners of the Bonds that it will not limit or alter the rights and powers vested in the Authority by this Compact so as to impair the terms of any contract made by the Authority with the owners or in any way impair the rights and remedies of the owners until the Bonds, together with interest on them, and all costs and expenses in connection with any action or proceedings by or on behalf of the owners, are fully met and discharged. The Authority is authorized to include this pledge and agreement in any contract with the owners of Bonds issued under this Section.

Section 25-35. Interest Swaps. With respect to all or part of any issue of its Bonds, the Authority may enter into agreements or contracts with any necessary or appropriate Person which will have the benefit of providing to the Authority an interest rate basis, cash flow basis, or other basis different from that provided in the bonds for the payment of interest. Such agreements or contracts may include, without limitation, agreements or contracts commonly known as "interest rate swap agreements", "forward payment conversion agreements", "futures", "options", "puts", or "calls" and agreements or contracts providing for payments based on levels of or changes in interest rates, agreements or contracts to exchange cash flows or a series of payments, or to hedge payment, rate spread, or similar exposure.

Section 25-40. Not Obligations of Signatories. No Bonds or other obligations of the Authority shall be a debt or obligation of any Signatory, or treated as indebtedness of any

signatory, or require the levy, imposition or application of any tax by any Signatory; nor shall any funds or other obligations be treated as indebtedness of the Existing Airports.

Section 25-45. Affirmative Action Programs.

(a) The Authority shall, to the extent permitted by the Constitution and laws of the United States and the Constitution of the States of Illinois and Indiana, establish and maintain an affirmative action program designed to provide equal employment opportunity and eliminate the effects of past discrimination. In developing its affirmative action program, the Authority shall rely on the past discriminatory practices of each Signatory. The program shall include a plan, including timetables where appropriate, that specifies goals and methods for increasing participation by women and minorities in employment by the Authority and by parties that contract with the Authority. The program shall also establish procedures and sanctions the Authority shall enforce to ensure compliance with the plan established pursuant to this Section and with state and federal laws and regulations relating to the employment of women and minorities. A determination by the Authority as to whether a party to a contract with the Authority has achieved the goals or employed the methods for the increasing participation by women and minorities shall be determined in accordance with the terms of those contracts or the applicable provisions of the rules and regulations of the Authority existing at the time the contract was executed, including any provisions for consideration of good faith efforts at compliance that the Authority may reasonably adopt.

(b) The Authority shall, to the extent permitted by the Constitution and laws of the United States and the Constitutions of the State of Illinois and Indiana, adopt and maintain minority-owned and female-owned business enterprise procurement programs under the affirmative action program described in subsection (a) of this Section. The program shall comply with (i) the applicable requirements of the Municipal Code of the City of Chicago, with respect to the Chicago Airports and any other Authority activities in the State of Illinois, (ii) the

applicable requirements of the Gary Municipal Code, with respect to the Gary Regional Airport and any other Authority activities in the State of Indiana and (iii) applicable federal law.

ARTICLE 30. INTERGOVERNMENTAL RELATIONS

Section 30-1. Intergovernmental Cooperation. The Authority may enter into agreements with any Signatory, the United States, the States of Illinois or Indiana, or with any Governmental Entity, by which powers of the Authority and the other parties may be jointly exercised.

Section 30-5. Tax Exemption. The Authority and all of its operations and property used for public purposes shall be exempt from all taxation of any kind imposed by any Signatory or Governmental Entity. This exemption shall not apply to property, including leasehold interests, or operations of any person or entity other than the Authority.

Section 30-10. Application of Laws.

(a) Rules, regulations and ordinances of any Governmental Entity shall not apply to the Authority or its operations or property.

(b) Except as otherwise provided in this Compact, all laws of the State of Illinois that would be applicable to any user of a Regional Airport located in the State of Illinois shall continue to apply to the Authority as a body politic and corporate under this Compact, except with respect to property and activities located wholly outside the State of Illinois. Except as otherwise provided in this Compact, all laws of the State of Illinois that would apply to the Authority as an Illinois political subdivision, municipal corporation and unit of local government shall not apply to the Authority. The Illinois Act shall apply to the Authority. The Authority shall be subject to all applicable Illinois and federal laws and regulations concerning the protection of the environment for sites and activities in Illinois.

(c) Except as otherwise provided in this Compact, all laws of the State of Indiana that would be applicable to any user of a Regional Airport located in the State of Indiana shall

continue to apply to the Authority as a body politic and corporate under this Compact, except with respect to property and activities located wholly outside the State of Indiana. Except as otherwise provided in this Compact, all laws of the State of Indiana that would apply to the Authority as an Indiana governmental unit shall not apply to the Authority. The Indiana Act shall apply to the Authority. The Authority shall be subject to all applicable Indiana and federal laws and regulations concerning the protection of the environment for sites and activities in Indiana.

Section 30-15. Municipalities. The Authority and any Signatory or other municipality in which any part of any Regional Airport is located may enter into one or more agreements for the exclusive exercise by the Authority of any power granted to the Authority under this Compact. The Authority and the Signatory or municipality may also agree that any such power may either be concurrently exercised by the Authority and the Signatory or municipality, or may be exclusively exercised by the Signatory or municipality. The City of Chicago expressly retains all of its powers as a home rule municipality under the Illinois Constitution of 1970. The City of Gary expressly retains all of its powers as a home rule municipality under Indiana law.

ARTICLE 35. PROCEDURES AND LIMITATIONS

Section 35-1. Hearings and Citizen Participation.

(a) The Authority shall provide for and encourage participation by the public in the development and review of major decisions concerning the location, development and operation of any New Regional Airport.

(b) The Authority shall hold a public hearing prior to the imposition of any zoning regulation, or the determination of the site of any New Regional Airport or the determination to expand any Existing Airport.

(c) At least 20 days notice shall be given of each hearing under this Article in a newspaper of general circulation in each Signatory. The Authority may designate, one or more directors or hearing officers to preside over any hearing under this Section.

Section 35-5. Limitation on Actions. The Local Governmental and Governmental Employees Tort Immunity Act shall apply to the Authority and all its directors, officers and employees with respect to actions or omissions in the State of Illinois. Indiana governmental tort immunity provisions shall apply to the Authority and all its directors, officers and employees with respect to actions or omissions in the State of Indiana.

ARTICLE 40. SEVERABILITY

Section 40-1. Severability. The provisions of this Compact shall be severable. If any phrase, clause, sentence, or provision of this Compact is declared to be unconstitutional or its applicability to any Signatory or circumstance is held invalid, the constitutionality of the remainder of this Compact and the applicability of it to any other signatory or circumstance shall not be affected. The provisions of this Compact shall be reasonably and liberally construed to achieve the purposes for the establishment of the Authority.

ARTICLE 45. INTERSTATE COMPACT; PARTIES AND INTERESTS

Section 45-1. Interstate Compact. The City of Chicago and the City of Gary are authorized to enter into this Compact to provide for the Authority to serve as an interstate body politic and corporate under the Compact. Jurisdiction over all cases or controversies involving the Authority shall be in Illinois, Indiana or federal courts, the same as if the Authority were an Illinois unit of local government and a citizen of the State of Illinois. This Compact may be

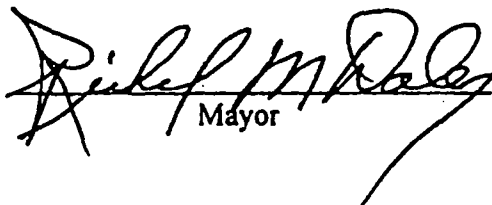
amended upon the written consent of the legislative body and Mayor of each Signatory, and shall not be amended without the consent of each Signatory.

Section 45-5. Effective Date of Compact; Counterparts. This Compact was approved and enacted by the City Council of the City of Chicago and approved by the Mayor of Chicago on April 15, 1995 and by the Common Council of the City of Gary on April 13, 1995, and accordingly the Effective Date of this Compact shall be April 15, 1995. This Compact shall be signed and sealed in 5 duplicate original copies. One copy shall be filed with the City Clerk of the City of Chicago, one copy shall be filed with the City Clerk of the City of Gary, one copy shall be filed with the Secretary of State of Illinois, one copy shall be filed with the Secretary of State of Indiana, and one copy shall be filed and retained in the archives of the Authority.

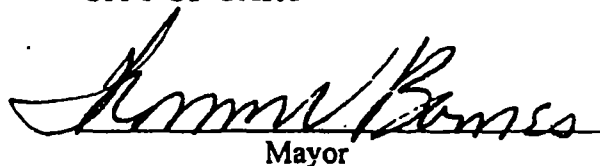
Section 45-10. Parties and Interests. This Compact is made solely for the benefit of each Signatory, and no other Person shall acquire or have any rights hereunder except as expressly provided herein. This Compact is not assignable without the express written consent of the Mayor and the governing body of each Signatory. No Person may assume the rights or obligations of a Signatory under this Compact without the express written consent of the Mayor and the governing body of each Signatory. References in this Compact to a Signatory shall not be deemed to include any successors or assigns, unless this Compact has been assigned with the express written consent of the Mayor and the governing body of each Signatory.

Executed as of this 15 day of April, 1995.

CITY OF CHICAGO


Mayor

CITY OF GARY


Mayor

Chicago-Gary Regional Airport Authority**INITIAL CAPITAL PLAN****Chicago O'Hare International Airport
Capital Improvement Program**

<u>Project Number</u>	<u>Project Title</u>
H0102-01	Concourse L Apron Modifications
H0131-04	Additional Signage
H0171	Concession Improvements
H0173	Concourse F Extension and Improvement
H0174	Concourse G Extension and Improvement
H0179-03	Rotunda and FAA Tower
H0181	FAA Control Tower Skin
H0504	Relocated Northwest Tollway Connection
H0789-01	Fuel System Modification - Truck Fill/Satellite Integration
H0789-02	Fuel System Modification - West Tank Farm
H0789-03	Fuel System Modification - Bonded Tank Additions
H0804	O'Hare SLP Update
H0804-01	ALP Analytical Support - Phase 1
H1003	Upper Level & Elevator Expansion - Terminal 2 & Terminal 3
H1005	EPS Pedestrian Corridors/Escalators Rehab
H1007	Rotunda Curtainwall Rehab
H1009	Concourses E and F Upgrade
H1010	Concourse G Upgrade
H1011	Terminal 2 Upgrade
H1012	Terminal 3 Upgrade
H1013	Rotunda Building Improvements
H1015	Terminal 3 Security (Permanent Facilities)
H1016	P.A. System Replacement - Terminal 2 & Terminal 3
H3003	Rescue & Fire Fighting Facility (Burn Pit)
H5003	EPS Rehab
H5003-02	Terminal 4 FIS Restoration
H5003-03	EPS Entrance/Exit Ramps & Roadway Rehab
H5005	Zemke/Coleman Roadway Improvements
H5006	Roadway Overlay - Lower Level
H5012	Lot E Expansion (Long Term Parking - Entry Rehabilitation)
H5013	Taxicab Recirculation Bridge Rehab
H5014	Perimeter Security - Study and Design
H5020	Salt Storage Dome Development - Sitework
H5900	ESP Standard Parking Capital Program
H6004	Oil Separators 1, 2, 3 Rehabilitation

H6005	N/S Pumping Stations & Tunnel Ventilation Repairs
H6006	ATCT Airfield Lighting Control Panel
H6008	Hangar Area Roadway Lighting Upgrade
H6009	Runway 9R/27L Rehabilitation
H6010-01	Scenic Hold Pad and Taxiway Rehabilitation
H6010-02	Airfield Lighting Cable Replacement
H6010-03	Scenic Hold Pad Drainage
H6011	North Airfield Drainage Improvements
H6012	Cargo Tunnel Structural Repairs and Resurfacing
H6015	Taxiway 4R/22L Rehabilitation
H6016	Taxiway 14L/32R Rehabilitation
H6017	Taxiway Hangar Alley Rehabilitation
H6018	Taxiway 9R/27L Rehabilitation
H6019	Taxiway 14R/32L & T's Rehabilitation
H6020	North/South Taxiway Rehabilitation
H6021	Terminal Apron Pavement Rehabilitation
H6022	Taxiway 9L/27R Rehabilitation
H6023	Taxiway/Inner Bridge Rehabilitation
H6026	Radio Alarm Call Box System
H6027	In-Pavement Runway Edge Lights
H6032-01	Terrazzo Floor Repair - Concourse E.F Stem
H6032-02	Terrazzo Floor Repair - Concourse E
H6032-03	Terrazzo Floor Repair - Concourse F
H6032-04	Terrazzo Floor Repair - Concourse G
H6032-05	Terrazzo Floor Repair - Terminal 3 Lower Level
H6038	Expansion Joint Rehabilitation B.C Apron
H6039	Shoulder Rehab - Runways 4R/22L & 9L/27R
H6042	Police Facility
H7001	H&R Standby Power - New Turbine Generators
H7003	Replacement of Steam Generator with Double Wall Converter
H7004	Water Meter Replacement - phase 2
H7006	Replacement of Domestic Hot Water Converters
H7008	Water Pressure Study Implementation
H7014	Chilled Water Study and Implementation
H7014-01	Calibrate Chiller Controls/Repl. Refrigerant Valves on Chillers 6, 7, 8, 9
H7014-03	Replacement of AHU (T2 Bldg 4A(T3 Bldg 8A(H&R)
H7014 04	Replacement of Chilled Water Pump Impellers
H7020	Radio Trunking System
H8001-03	School Soundproofing - 1994
H8001-04	School Soundproofing - 1995
H8001-05	School Soundproofing - 1996
H8001-6	School Soundproofing - 1997
H8002	Residential Survey/Noise Compatibility
H8003	Permanent Noise Monitoring Program
H8005	Voluntary Property Acquisition (75 LDN)
H8006	Optional Insulation/PA (70 LDN)
TBD	Purchase Two New ATS Cars

TBD	Rapid Roll Doors - Terminal #1, Concourses B&C
TBD	Commercial Vehicle Holding Area Washrooms
TBD	Military Site Acquisition - Formulation
TBD	CTA Dedicated Cars - Study

**Chicago Midway Airport
Capital Improvement Program**

<u>Project Number</u>	<u>Project Title</u>
M0008	Fuel and Deicing System Study
M1001	Executive/Security Offices & Elevator
M1014	Terminal/Concourse Emergency Power System
M1021	Concourse C Improvements
M1023-02	Interior Terminal Signage Installation
M1023-03	New Public Restroom
M1023-04	Ceiling & Lighting Rehabilitation
M1023-05	Public Restroom Renovation
M1023-06	Air Handling Units Replacement
M1023-07	Terminal Public Address System
M1023-08	Terminal/Concourse Boiler Piping Cross Connect
M1023-12	Drinking Fountains - New/Replace
M1025	Replacement of Existing Five (5) Conveyor Belts
M1026	Midway Terminal Development - Planning & Design
M2040	Airport Maintenance Complex
M5010	Sky Bridge Heating System
M5901	Midway Airport Economy Lot Signage
M6002	Airfield Lighting Electrical Vault Upgrade
M6004	Airfield Drainage #6 - South Triangle
M6007	Runway 4L/22R Rehabilitation
M6008	West Ramp Service Road
M6009	Runway 13L/31R Rehabilitation
M6010	Taxiway 13C/31C
M6011	Obstruction Removal for Runway 22L Departures
M6012	Taxiway 4L/22
M6014	Blast Fence/Noise Barrier/SW Corner
M6015	Blast Fence/Noise Barrier/NW Corner
M6017	General Aviation Parking (Apron)
M6018	West Hangar (55th Street) Upgrade
M6019	Underground Fuel Tanks Removal
M6022	Midway Radio Trunking System
M6023	RW 4R/22L Reconstruction
M6025	Runway Arrestment System
M6026	Airfield Lighting Control Panel
M8001-04	School Sound Insulation - 1995

M8001-05	School Sound Insulation - 1996
M8002	Noise Complaint System
M8007	Permanent Noise Monitoring
M8008	Citizens Participation Program
M8009	Property Acquisition - Parcel #54 and #60
M8011	Property Acquisition - Parcel #66
M8012	Property Acquisition - Parcel #68
M8013	Property Acquisition - Parcel #65
M8014	Property Acquisition - Parcel #57
M8015	Property Acquisition - Parcel #71
M8016	Property Acquisition - Parcel #64
M8020	Land Acquisition - Parcel #50
M8021	Property Acquisition - Parcel #70
TBD	Demonstration Home Soundproofing
TBD	Update Part 150 and Implementation

**Gary Regional Airport
Capital Improvement Program**

The Capital Projects described in *Exhibit B* are incorporated by reference herein as if set forth in their entirety in this *Exhibit A*.

Exhibit B

Initial Capital Projects for Gary Regional Airport

- * Automated Surface Observing System/Automated Weather Observing System (AWOS-ASOS)
- Apron Deicing Facility
- * Two 30,000 square foot Cargo Buildings
- * New Rotating Beacon and re-location
- * Passenger X-Ray Screening Unit
- * Fuel farm rehabilitation
- ** Concourse and Jetway construction
- Terminal pavement construction - rehabilitation
- * Snow Vehicles:
 - (A) Front End Loader
 - (B) Three Intermediate Snow Plows
 - (C) Large Rotary Plow with carrier vehicle
 - (D) Self-Propelled High Speed Sweeper
 - (E) Jet Air II
- * Two Aircraft Rescue Fire fighting vehicles Index C:
 - 3000 gallon water pumper
 - Combination 1000 gallon water pumper/Foam Dispensing vehicle
 - Storm Water Pollution Prevention Plan
- * Three tractors with 15 foot batwing mowers
- Two ton dump truck
- One 17 to 22 passenger carrier
- 2 - One ton pickup truck
- * 1 - 55 Gallon runway painting unit
- 1 - Runway friction testing vehicle
- ** Environmental Remediation - Nike Site
- T-Hangar Apron Crack Maintenance and Seal Coating/access road maintenance and seal coating/10,000 feet of security fencing
- Enclosed parking lot
- ** Hangar rehabilitation - New construction
- ** Control tower stand by power-new turbine generator/Runway 30
- Extension: design and construction
- Baggage Conveyor/Carousel System
- Terminal P.A. System
- ** Security Control Center - (CCTV System)
- Category II ILS
- Maintenance Building Expansion
- Terminal Restaurant Expansion

Legend:

- * - Indicates first preference; ** - Indicates second preference

Development Plan for Gary Regional Airport

The City of Chicago commits, to the extent permitted by law, to utilize its best efforts to secure for the Gary Regional Airport the economic development benefits contemplated by the Development Plan For Gary Regional Airport. The City of Chicago recognizes the potential significant economic benefits to both the City of Chicago and the City of Gary of a coordinated effort to maximize the utilization of Gary Regional Airport as the Federal Aviation Administration's designated reliever airport for Chicago's Midway Airport. To that end the City of Chicago commits to contact and provide appropriate inducements to air cargo transport companies currently operating within its airport system to encourage their utilization of the Gary Regional Airport.

The City of Chicago commits to conduct a market analysis to survey cargo and freight forwarding businesses to determine the need and interest of such in the utilization of Gary Regional Airport and will include the Gary Regional Airport in the City of Chicago's marketing program designed to secure greater utilization of its airports for cargo, freight forwarding, general aviation and additional commercial air carrier service. This commitment recognizes the Gary Regional Airport's status as a Foreign Trade Zone and the marketing opportunities inherent therein as an inducement to the utilization of Gary Regional Airport.

The City of Chicago further commits that prior to the contemplated closure of Meigs Field in September of 1996 that it will contact and encourage the users of Meigs Field to relocate their operations to the Gary Regional Airport.

The City of Chicago recognizes that the current surface transportation infrastructure provides a convenient network linking the Gary Regional Airport to the City of Chicago. The City of Chicago, as owner of the Chicago Skyway, commits to market the utilization of the Chicago Skyway through appropriate inducements to commercial users of Gary Regional Airport.

The City of Chicago recognizes that the maximization of the utilization of the Gary Regional Airport is in part dependent upon its continued maintenance and development and to secure the benefits of the Development Plan for the Gary Regional Airport appropriate legislation and funding sources will be required. The City of Chicago commits its federal and state lobbying resources to work with and on behalf of the City of Gary to secure the enactment of beneficial legislation and appropriations from available federal and state sources necessary for the implementation of the Development Plan for Gary Regional Airport.

In addition:

1. The City of Chicago and the City of Gary shall cooperate in developing Gary Regional Airport as a reliever airport for the Chicago Airports and to encourage the growth of corporate general aviation and cargo operations at Gary Regional Airport. To that end, the

Signatories intend that Gary Regional Airport operations be coordinated with the Chicago Airport system.

2. The Signatories affirm their support for the pending master plan process for Gary Regional Airport and do not intend for anything in this Compact to prejudice federal planning funds for Gary Regional Airport.

3. The Signatories shall develop a marketing program and strategies to increase use of Gary Regional Airport as a reliever, corporate general aviation and air cargo/freight forwarding facility. New or increased air cargo operations in the Chicago area will be encouraged to use Gary Regional Airport, along with the Chicago Airports. The marketing program will be developed in collaboration with the Gary Regional Airport Authority and the City of Gary.

4. The Signatories shall develop a marketing program and strategy to increase use of Gary Regional Airport by corporate general aviation aircraft in connection with trade events at McCormick Place and related facilities.

5. The City of Chicago shall provide technical support (including assistance in obtaining federal master planning and construction grants) for the development of Gary Regional Airport as a reliever, cargo and corporate general aviation facility serving the needs of northeast Illinois and northwest Indiana (including the southern sections of the Chicago metropolitan area) to the extent compatible with system-wide planning and preexisting legal obligations.

6. To the extent that airport operations are shifted within the system, and to the extent compatible with system-wide planning and preexisting legal obligations, the City of Chicago will encourage those operations to shift to Gary Regional Airport.

7. The Signatories intend that Gary Regional Airport should remain open as a cargo, corporate general aviation and reliever airport consistent with the master plans for Gary Regional Airport and the Chicago Airports.

8. During the master planning process for any New Regional Airport, the Authority will assist the City of Gary in determining the highest and best use for Gary Regional Airport after the New Regional Airport opens, consistent with Gary Regional Airport Phase II master plan. The Authority will consider participating in the redevelopment of Gary Regional Airport to the extent that in the judgment of the Authority, such redevelopment is consistent with the mission of the Authority.

9. To the extent practicable, during construction of a New Regional Airport, the Authority will use Gary Regional Airport as the staging facility for the delivery and storage of construction equipment and materials and will use the site for any construction-related offices if such uses are consistent with the phase II master plan for Gary Regional Airport and the construction program for a New Regional Airport.

10. To the extent permitted by law, the Authority's purchasing policies for the construction and operation of a New Regional Airport will encourage use of suppliers of goods

and services which are based in Gary with a particular focus on disadvantaged business enterprises. The Signatories understand that this encouragement will not be exclusive to Gary.

11. The Signatories recognize the importance of promoting employment opportunities for disadvantaged persons in connection with the development of a New Regional Airport. To that end, the Authority will encourage continuation of existing training programs for disadvantaged business enterprises at Gary Regional Airport.

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ATTACHMENT G: AIRPORT LAYOUT PLAN (ALP), AIRSPACE, AND ENVIRONMENTAL FINDINGS

ALL PROJECTS FOR WHICH IMPOSE AND USE OR USE AUTHORITY IS REQUESTED IN THE APPLICATION MUST BE LISTED UNDER EACH TYPE OF FINDING BELOW.

*****FOR FAA USE*****

PFC Application Number:

I. ALP Findings

1. Current ALP approval date: October 17, 2001

List proposed project(s) shown on this ALP:

This application includes no projects that are required to be shown on the ALP. While the existing apron is shown on the current ALP, the rehabilitation of the pavement is not something typically shown.

2. List proposed project(s) not required to be shown on an ALP:

Master Plan Update

Apron Rehabilitation

*****FOR FAA USE*****

Public agency information confirmed? YES [] PARTIALLY [] NO []

For each project which the ADO/RO disagrees with the public agency's finding, discuss the reason(s) for the FAA's nonconcurrence below.

II. Airspace Findings

1. FAA Airspace finding date (repeat as necessary):

The Request for an Airspace Determination was submitted to OE/AAA on April 25, 2014. A revision was submitted on May 21, 2014 that removed several points from the evaluation. The final determination of the Final determination was provided December 4, 2014, and a finding of "No Objection" was provided.

List proposed project(s) covered by this finding:

Apron Rehabilitation

2. List proposed project(s) not required to have an airspace determination

Master Plan Update

*****FOR FAA USE*****

Public agency information confirmed? YES [] PARTIALLY [] NO []

For each project which the ADO/RO disagrees with the public agency's finding, discuss the reason(s) for the FAA's nonconcurrence below.

III. Environmental Findings

1. List proposed project(s) which are categorically excluded from the requirement for formal environmental review:

Apron Rehabilitation – Administrative CATEX

Master Plan Update – Planning Action Approval CATEX

2. Date of FAA Finding of No Significant Impact:
(repeat as necessary)

Administrative CATEX for Apron Rehabilitation dated April 25, 2013,
included in Attachment G

List proposed project(s) covered by this finding:

N/A

3. Date of FAA environmental record of decision:
(repeat as necessary)

List proposed project(s) covered by this finding:

N/A

*****FOR FAA USE*****

Public agency information confirmed? YES [] PARTIALLY [] NO []

For each project which the ADO/RO disagrees with the public agency's finding, discuss the reason(s)
for the FAA's nonconcurrence below.

Application Reviewed by:

Name

Routing Symbol

Date



U.S. Department
of Transportation
**Federal Aviation
Administration**

Chicago Airports District Office
2300 E. Devon
Des Plaines IL 60018

April 25, 2013

Gary/Chicago International Airport
Airport Director
6001 Industrial HWY
Gary, IN 46406

RE: Categorical Exclusion for Apron Rehabilitation

Dear Airport Sponsor:

The purpose of this letter is to notify you that the project to rehabilitate the apron at the Gary/Chicago International Airport has been approved under the National Environmental Policy Act (NEPA). The project includes full depth rehabilitation of the existing 101,500 square yard apron.

Under NEPA, the Federal Aviation Administration (FAA) is required to take into account environmental consideration when authorizing or approving major actions. Based on the review of the action described above, the undersigned has determined that the proposed actions are specifically categorically excluded from further NEPA review. They fall within the specific items identified in FAA Order 1050.1E, Paragraph 310c (runways and aprons), and are normally categorically excluded from the requirement for a formal environmental assessment.

This transmittal is a notification that this project has been reviewed and cleared only for purposes of NEPA review. This is not a notice of final project approval or funding.

Please contact me at (847) 294-7364 with any questions or concerns.

Sincerely,

Bobb A. Beauchamp
Environmental Program Manager

APPENDIX C – CATEX Long Form

Checklist to Support an Environmental Finding of Categorical Exclusion (CATEX)

This checklist documents consideration of environmental laws, regulations, and executive orders as they apply to Federal actions. It is based on the guidance in Federal Aviation Administration (FAA) Order 5050.4B, "National Environmental Policy Act (NEPA) Implementing Instructions for Airport Actions," FAA Order 1050.1E, "Environmental Impacts: Policies and Procedures," and incorporates the Council on Environmental Quality (CEQ) regulations for implementing the NEPA, federal statutes and laws designed to protect the Nation's resources.

The preparer of this checklist should have knowledge of the environmental features of the airport and general potential impacts associated with the proposed development. Although some of the responses may be obtained from the preparer's own knowledge and observations, previous environmental documents and current agency correspondence should be cited.

Airport Name and Location	Gary/Chicago International Airport, Gary, Indiana
Complete Project Description	Apron Rehabilitation
Estimated Start Date	June 2013

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
1.	Air quality: Will the project have the potential to increase landside or airside capacity, including an increase of surface vehicles? <u>Check all appropriate boxes</u> <input type="checkbox"/> Project is not located within or adjacent to USEPA-defined Non-Attainment area <input type="checkbox"/> Project is accounted for in State Implementation Plan <input type="checkbox"/> Project air pollutant emissions do not exceed applicable <i>de minimis</i> levels as defined by General Conformity <input checked="" type="checkbox"/> Project is listed on Presumed to Conform List		X	
2.	Archaeological: Will action have an effect on property included in or eligible for Federal, Tribal, State or local historical, archeological, or cultural significance? <u>Check all appropriate boxes</u> <input checked="" type="checkbox"/> Project does not involve any disturbance of previously undisturbed ground. <input type="checkbox"/> Project involves disturbance of previously undisturbed ground, SHPO coordination completed and "determination of no effect" <input type="checkbox"/> Class I survey records search completed and attached <input type="checkbox"/> SHPO Concurrence "No Effect Determination" <input type="checkbox"/> Class III Survey completed and attached <input type="checkbox"/> SHPO Concurrence "No Effect Determination"		X	

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
	<input type="checkbox"/> SHPO Concurrence "No Adverse Effect Determination" ◆ The Airport Sponsor shall ensure that construction specifications include conditions required by SHPO regarding unknown items found during construction.			
3.	Biotic communities: Will the project impact plant communities and/or cause displacement of wildlife?		X	
4.	Coastal resources: Will the project occur in, or impact a coastal zone as defined by the State's Coastal Zone Management Plan?		X	
5.	Compatible land use: Will the project be consistent with plans, goals, policy, zoning or local controls that have been adopted for the area in which the airport is located?	X		
6.	Construction impacts: Will the project produce construction impacts, such as reducing local air quality, produce erosion or pollutant runoff, or disrupt local traffic patterns?		X	
7.	Endangered species: Is there any impact on any Federally listed endangered, threatened, and candidate species (flora or fauna) or designated critical habitat? <u>Check all appropriate boxes</u> <input checked="" type="checkbox"/> Project will not adversely affect the physical environment (land disturbance, vegetation removal, sedimentation, dust, noise/ waste/hazardous materials emission into the environment, etc.). <input type="checkbox"/> Project will have an effect on the physical environment. USFWS documentation is required: <input type="checkbox"/> Threatened or endangered species not present – USFWS concurrence attached <input type="checkbox"/> Species present – USFWS agrees endangered or threatened species will not be impacted by the project. Review and consultation completed and attached. Project conditions required are listed in comments and shall be included in construction specification.		X	
8.	Energy supply and natural resources: Will the project impact energy supply of natural resources?		X	
9.	Environmental justice: Will the project cause any adverse and disproportionate impacts on minority and low-income populations? (Refer to Executive Order 12898.)		X	
10.	Essential fish habitat: Is project located in or cause adverse effects to a waterway, stream, or water body?		X	

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
	<p><u>Check all appropriate boxes</u></p> <p><input checked="" type="checkbox"/> Project is not within or near a waterway, stream, or other body of water.</p> <p><input type="checkbox"/> Project is within or near a waterway, stream, or other body of water:</p> <p style="padding-left: 40px;"><input type="checkbox"/> USFWS Consultation is attached.</p> <p>◆ The Airport Sponsor shall ensure that USFWS conditions/ requirements are included in Construction Specifications.</p>			
11.	<p>Farmland: Will action involve acquisition and conversion of farmland?</p> <p><u>Check all appropriate boxes</u></p> <p><input checked="" type="checkbox"/> Project does not involve new disturbance of farmland.</p> <p><input type="checkbox"/> U.S. Natural Resources Conservation Service consultation and Form AD-1006 attached.</p>		X	
12.	<p>Migratory Bird Treaty Act: Will the project have the potential to adversely impact birds protected by the migratory bird treaty act?</p>		X	
13.	<p>Floodplains: Will project be located in, encroach upon or otherwise impact a floodplain?</p> <p><u>Check all appropriate boxes</u></p> <p><input checked="" type="checkbox"/> Project is not located in and does not impact floodplains</p> <p><input type="checkbox"/> Applicable FEMA Map is attached.</p> <p><input type="checkbox"/> Project is located in floodplain and will not negatively impact floodplains.</p>		X	
14.	<p>Hazardous materials: Does project involve or affect hazardous materials or involve construction in an area that contains hazardous materials and/or hazardous waste?</p>		X	
15.	<p>Historic: Will action have an effect on property included in or eligible for the National Register of Historic Places or other property of Federal, Tribal, State or local significance?</p> <p><u>Check all appropriate boxes</u></p> <p><input checked="" type="checkbox"/> Project does not involve any "Historic" Structures over 50 years old</p> <p><input type="checkbox"/> Project involves "Historic" Structures over 50 years old, and attach State Historic Preservation Officer (SHPO) coordination completed and "determination of no effect"</p> <p><input type="checkbox"/> Project does not involve any property of Federal, Tribal, State or local significance</p> <p><input type="checkbox"/> Project does involve property of Federal, Tribal, State or local significance</p>		X	

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
16.	Light emissions: Will the project produce significant light emission impacts to residential areas, schools, or hospitals?		X	
17.	Natural resources: Will action have significant impact on natural, ecological, cultural or scenic resources of national, state or local significance?		X	
18.	Noise levels: Will project have a significant impact (DNL 1.5 dB or greater) on noise levels over noise sensitive areas (residences, schools, churches, hospitals) within the 65 DNL noise contour? <u>Check all appropriate boxes</u> <input type="checkbox"/> Project will enable a significant increase in aircraft operations. <input type="checkbox"/> Project will enable a significant change in aircraft fleet mix. <input type="checkbox"/> Project will cause a change in airfield configuration and/or use: <input type="checkbox"/> Intermittent <input type="checkbox"/> Temporary (i.e., less than 180 days) <input type="checkbox"/> Long-term or permanent		X	
19.	Parks, public lands, refuges and recreational resources: Will project impact publicly owned land from a public park, recreation area, or wildlife or waterfowl refuge of national, state or local significance, or land of a historic site with national, state or local significance? (DOT Section 4(f) [49 U.S.C. 303 (c)] impacts)		X	
20.	Surface transportation: Will project cause a significant increase in surface traffic congestion or cause a degradation of level of service?		X	
21.	Water quality: Will project have a significant impact to water quality to groundwater, surface water bodies, public water supply systems or violate Federal, state, or tribal water quality standards? <u>Check all appropriate boxes</u> <input checked="" type="checkbox"/> Project <u>will not</u> produce water quality impacts or other modifications to groundwater, surface bodies, or public water supply systems. <input type="checkbox"/> Project <u>will</u> produce water quality impacts or other modifications to groundwater, surface bodies, or public water supply systems. ♦ The Airport Sponsor shall ensure the State National Pollutant Discharge Elimination System (NPDES) permits are obtained as required for construction projects and airport operation.		X	
22.	Wetlands: Will project impact any wetlands? Wetland Determinations must meet requirements of the U.S. Army Corps of Engineers (USCOE) 1987 Wetland Delineation Manual. <u>Check all appropriate boxes</u> <input checked="" type="checkbox"/> Project <u>will not</u> involve dredging or disposal of dredged material, or excavation, bank stabilization, filling or other changes to wetlands		X	

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
	<input type="checkbox"/> Project <u>will</u> involve dredging or disposal of dredged material, or excavation, bank stabilization, filling or other changes to wetlands <u>Coordination with agencies attached</u> <input type="checkbox"/> Consultation with U.S. National Resource Conservation Service and National Wetland Inventory (NWI) Maps attached with project drawn on NWI. <input type="checkbox"/> Consultation with US Fish & Wildlife (USFWS) attached <input type="checkbox"/> Consultation with USCOE attached <input type="checkbox"/> Other Consultation (EPA/State) attached <input type="checkbox"/> Wetland Delineation attached			
23.	Wild and Scenic Rivers: Does action impact U.S. National Park Service-designated Wild or Scenic River?		X	
Other required environmental considerations				
24.	Connected actions: Are there other closely related actions that should be considered?		X	
25.	Cumulative actions: When viewed with other planned actions, are the project impacts significant?		X	
26.	Cumulative Impacts: When considered together with other past, present, and reasonably foreseeable future development projects, on or off the airport, regardless of funding source, would the proposed project produce a significant cumulative effect?		X	
27.	Environmental laws: Is project inconsistent with any other Federal, state, or local laws relating to environment?		X	
28.	Highly controversial: Is the proposed project likely to be highly controversial on environmental grounds? A proposed Federal action is considered highly controversial when an action is opposed on environmental grounds by a Federal, state, or local government, or by a substantial number of persons affected by such action. Further information may be referenced in FAA Order 5050.4B, paragraph 9i.		X	
29.	Community disruption: Will project cause disruption of a community, disrupt planned development or be inconsistent with plans or goals of the community?		X	
30.	Relocation housing: Is the availability of adequate housing a highly controversial issue?		X	
31.	Social impact: Are residents or businesses being relocated?		X	
33.	Similar actions: Are there other similar Federal actions that would cause this project to be significant?		X	

Environmental Resource Area Review for Potential Effects and Impacts		Impact Anticipated?		Documentation Attached
		Yes	No	
34.	<p>List additional comments/consultation to support finding of categorical exclusion. It is important to explain determinations in the space provided above for situations where "checked boxes" do not adequately explain the project-specific situation for this Categorical Exclusion</p> <p>The project scope includes full depth rehabilitation of the existing 101,500 square yard apron. The project is located on airport property. Please refer to the attached exhibit for the project area. Additionally, impacts will be kept to a minimum and all project locations have been previously disturbed as it is a rehabilitation project.</p>			

Preparer Certification

I hereby certify that the information I have provided is complete and accurate, to the best of my knowledge:


Signature

4-23-2013

Date

Tony McMichael, Aviation Planner
Printed Name and Title

NGC Corp.
Organization

Airport Sponsor Certification (may not be delegated to consultant)

I hereby certify that the information provided is complete and accurate to the best of my knowledge. I also recognize and agree that no construction activity, including but not limited to site preparation, demolition, or land disturbance, shall proceed for the above proposed project(s) until the FAA issues a final environmental decision for the proposed project(s) and until compliance with all other applicable FAA approval actions (e.g., ALP approval, airspace approval, grant approval if applicable) have occurred. All applicable Federal, State, and local permits required shall be obtained before proceeding with the proposed action.


Signature

4-23-2013

Date

Bob Gyurko, Project Manager
Printed Name and Title

Gary/Chicago International Airport
Organization

FAA Decision

Based on the foregoing, it is the FAA's decision that the proposed project (s) or development warrants environmental processing as indicated below:

- ☒ The proposed project qualifies for a Categorical Exclusion. *310e*
- ☐ The proposed project appears to involve conditions that may require the preparation of an Environmental Assessment (EA), addressing
- ☐ The following additional documentation is required for FAA to perform a complete environmental evaluation of the proposed project :

Action reviewed, recommended, and approved by:

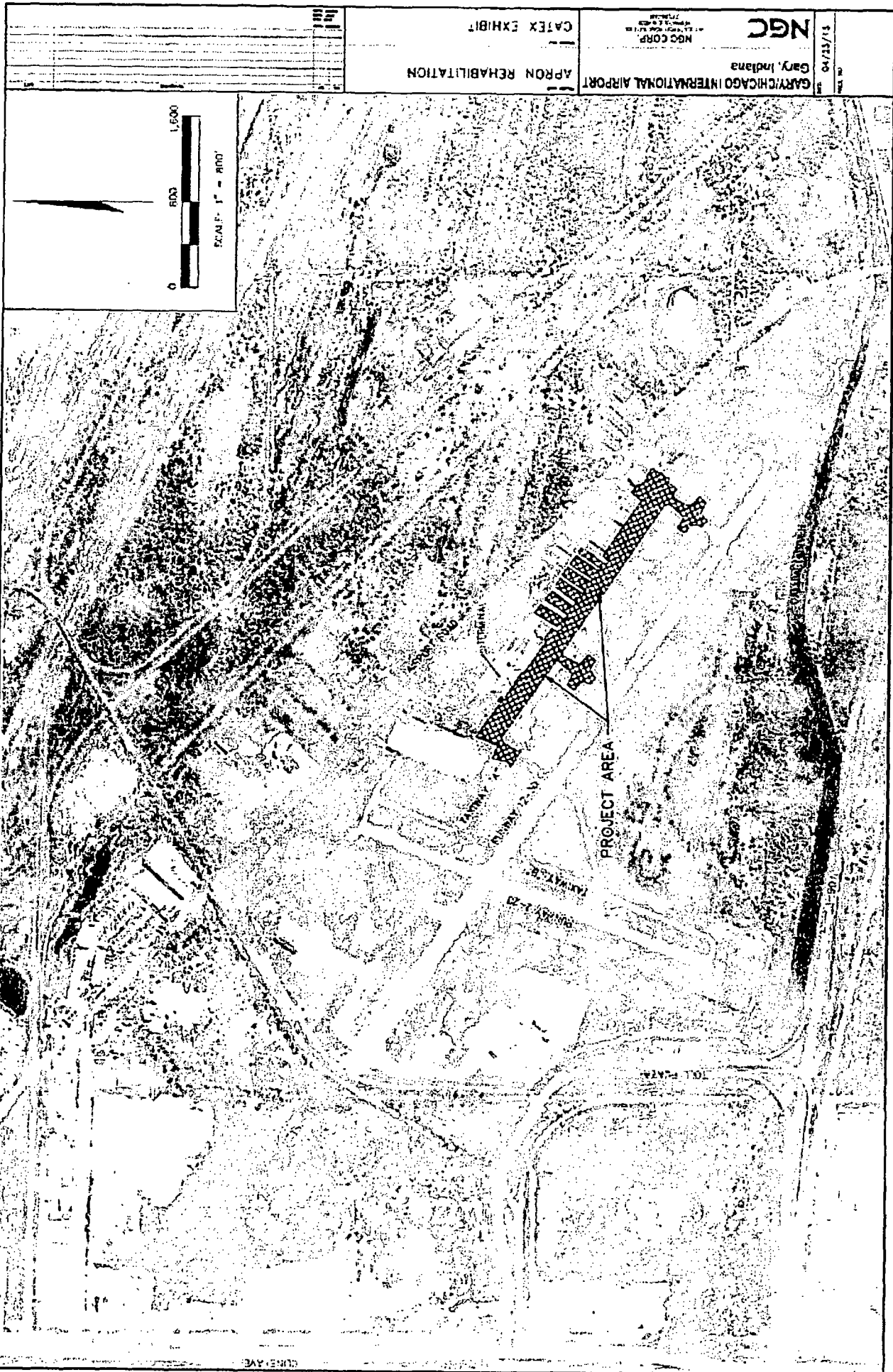

Signature

4/25/13

Date

Environmental Protection Specialist
Printed Name and Title

as FAA Approving Official
for the Federal Aviation Administration



APRON REHABILITATION
CATX EXHIBIT

GARY/CHICAGO INTERNATIONAL AIRPORT
Gary, Indiana
NGC
NGC CORP.
11/15/70