

Date: May 7, 2024

From: Grayson Ardies, Executive Director, ODAA

RE: FY25 \$41M One-Time Proposed Projects | Oklahoma Airport System

In 2019, the Oklahoma Aeronautics Commission at the time, now the Department of Aerospace and Aeronautics, initiated a holistic study of the Oklahoma Airport System paid for by the FAA to determine the role, need, classification, and demand for the 108 public airports across the state. It was the first time the state had conducted a holistic look at the state's airport system since 1999. An independent consultant was brought in to conduct the work to look at where Oklahoma's airports are currently, how the citizens of the state are being served from an air transportation network perspective, and where we should invest in the future to ensure a comprehensive system that meets the industry and traveling public's needs for the next two decades. During the course of the study, each community sponsor with an airport was contacted to assess its current status as well as future goals and desires for growth to help collect and document those important local viewpoints. That study was completed and published in the fall of 2022 on the Department's website and to the aviation community at large.

This study, along with the regular collection of 20-year airport project needs every two years by agency staff, drives the Department's holistic capital infrastructure planning and programming processes. These project needs are evaluated based on a multitude of federal and state metrics, including the system plan's overall goals before projects are selected for "programming" and inclusion in the Department's 5year Airport Construction Program (ACP). Many projects are discussed for years, sometimes decades before a funding plan can be determined so that a project can be added to the ACP and start the process of moving toward construction. This year the agency requested \$41M of one-time specific projects for 9 communities within the Oklahoma Airport System. Those requests were based on a combination of what we believe to be some of the higher "priority" projects to support transformational developments at this specific moment in time. Some of those details are based on matching state funds with federal funds currently identified in the ACP, others were based upon current planning efforts coming to a conclusion, and the project needing to move into the construction phase; and some are carryover project requests that didn't get funded from the first round of PREP appropriations. This document serves as background history and details on these projects.



Shawnee Aviation Industrial Park & Hangar Development Area: \$6.5M

Background History: Shawnee Regional Airport is in a location that is prime for development opportunity with its close proximity to the metro area, 6,000 ft runway with ILS all-weather approach system, and a host of amenities. Given that ODOT has plans to extend I-40 to 6 lanes out to the Shawnee area, plus two ready-made workforce development programs in the vicinity of the airport with Gordon Cooper Technology Center training A&P mechanics and Oklahoma Baptist University with their engineering program make the Shawnee area an attractive location for growing and expanding aviation businesses. The Shawnee Airport is also in the unfortunate, but unique position of having been devastated by a tornado in the Spring of 2023. While tragic for the aviation community in Shawnee this tornado has also opened the unique opportunity to revisit the entire landscape of the airport. Where hangars, terminal buildings, and other features had been placed previously before the tornado can now be revisited as the airport looks to rebuild and reconstruct their damaged facilities.

Along with this unique position for rebuilding damaged facilities on the airport there is also an open 75 acre development area on the airport's southeast side. This development area is something the Department and airport officials have discussed as an opportunity for aviation growth as the Shawnee area experiences its own growth from the expansion of the OKC metro. Even before the tornado of 2023 we had plans to conduct the formal planning study that is currently wrapping up to devise an option for that SE development area (the diagram attached). This lays out one option for how the full-build out of this development area could occur.



The \$6.5M project funding request for this year will provide the starting point to open up that development area by providing for surface access and utilities installation to support aviation business development opportunities along with an initial large hangar build-out and associated apron/taxilane. The goal is to bring these funds to the table with other already identified state/federal funds from traditional sources, any insurance/FEMA proceeds to help rebuild damaged facilities and provide the Shawnee Airport with a new footprint for which they can launch into the future and support the growth of the aviation and aerospace industry in Oklahoma.



Atoka Airport Relocation \$6M

Background History: Starting in the early 2000s Atoka studied the possibility of extending their runway and growing their airport to meet aviation demand. The Airport has a 3,000 ft runway with safety and terrain challenges on both ends of the runway. State Highway 3 (US 75) borders the south of the runway whereas a significant gulley and then a rapid terrain rise borders the north end of the runway. The Airport also has a cemetery immediately adjacent to the east and a hospital to the west. In 2002 with the first feasibility study, it was determined that extending the runway in the current location was an option, albeit an expensive one, but the better choice would be to relocate the airport for future development opportunities. The feasibility of extending the runway was also studied again in 2009 coming to the same conclusion as 2002.

One of the items that was observed during the system plan study was that several communities throughout Oklahoma had populations of over 2,500 people but were not served by a jet-capable and business-ready runway (5,000 ft) within 30 miles of that community. As shown by the system plan, the following communities were not served by a jet-capable runway within 30 miles: Atoka, Cleveland, Fairview, Eufaula, Hominy, Longtown, Stigler, and Watonga. Fairview and Watonga have the capability to be extended with their current configuration and will likely be extended in the next 4-8 years. Cleveland, Hominy, Eufaula, and Stigler do not have the capability to extend in their current configuration, however low use and low demand would likely not necessitate having an eventual runway length that warrants business jet traffic. Longtown does not have an airport that serves its community. That left the remaining airport of Atoka that could justify a longer runway but could not be extended in the current location.



Based on system plan metrics alone, Atoka was shown as needing a 4,000 ft runway. In the current configuration, there could be no extension due to the challenging features that surrounded the airport. With the above information being seen in the ongoing system plan in the 2020/2021 time period, the agency started to develop a deeper dive for an airport relocation study or a site selection feasibility plan. With the knowledge of past studies showing the existing airport was unable to be expanded the next question that needed to be answered was whether there was available property that could accommodate a new runway. The Department started that study in mid-2022 with the effort just now wrapping up. The challenge with any airport relocation, but particularly with a relocation in eastern Oklahoma is the rolling/sloping terrain and significant woodlands and waterways. Several locations were studied over the course of the 18-month-plus effort with most being eliminated for the variety of reasons mentioned previously. Two properties were identified as being feasible with one location being the preferred and the other being a backup option. The diagram below is the full proposed build-out of the new airport location.

The \$6M project request will partner with an existing federal project programmed in the current 5-year Airport Construction Program. The state funds are anticipated to be used for the initial site prep, earthwork, and early phases of runway construction with the remaining airport relocation projects (remaining runway, taxiways, apron, terminal, access road) being funded with FAA grants programmed in the current 5-year Airport Construction Program and other federal sources.



Okemah Fuel, Hangars, and Terminal \$3.5M

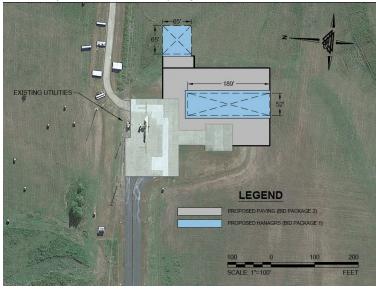
Background History: Okemah has a similar story to that of Atoka in that in the early 2000s the need to expand the airport became apparent based on existing and future aviation demand. With the current location of the airport unable to expand they began to take the necessary steps to look to relocate the airport. Starting in 2006 the community invested their available federal funds in various infrastructure items with the eventual runway (3,400 ft) opening by 2013. Unfortunately, during the same year as the runway was opening, federal funding rules changed and if an airport didn't have 10 based aircraft, it wouldn't receive their annual allotment of federal funds. The next step in the process for Okemah after building the runway was to build 10 hangars, install an AvGas fuel system, and construct a small terminal building. The airport has been used regularly by visitors and agricultural sprayers that are temporarily based at the facility, with no hangar storage, it's impossible to attract permanent aircraft to be housed at the airport.

During the system plan update the first and most urgent need identified was to build hangars to be able to start the flow of federal funding again and achieve a better long-term financial plan to sustain and upgrade infrastructure for the new airport location. With the Legislature's regular appropriations provided to the Department starting in FY 2022, several conversations were had with the community of Okemah to discuss options/plans to take advantage of the agency's hangar program. Unfortunately, due to circumstances beyond the City's control (primarily the urgent need to replace the aging water/wastewater plant) the City was unable to come up with the 60% local match for the competitive hangar program being

implemented by the agency. The Department still moved forward with the taxilane piece of the project as shown in the diagram below to help enable private hangar development should an individual desire to build their box hangar and that taxilane project is currently under construction.

The project request for \$3.5M is to accomplish the three project items that were

supposed to occur after the runway was constructed. Those projects were the hangars (Thangars plus a box hangar) for \$2M, a fuel system for \$500k, and a small terminal building with an additional apron in front of it for \$1M. If awarded, these projects will complete the original airport relocation effort that was started in the early 2000s and allow the airport to move forward as a successful facility with regular activity, federal funding, and the ability to meet the needs of aviation demand along the I-40 corridor.



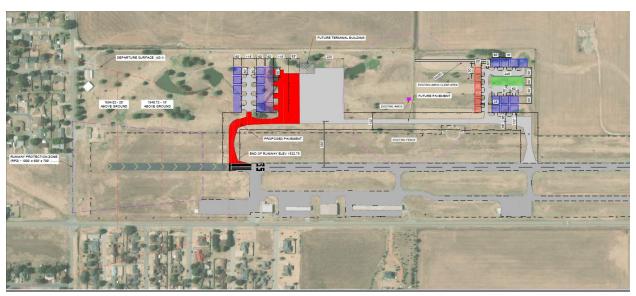


Watonga west side development area and terminal building (\$3.5M):

Background History: Watonga's airport is in the midst of a major redevelopment opportunity as it just completely reconstructed its 4,000 ft runway utilizing federal funds and closed a golf course to the west of the airport. To understand why this redevelopment is occurring and the need to move development to the west side of the airport we must go back to when the airport was first constructed. When the airport was first constructed it was developed as a short, 3,000 ft long runway and as such, it was constructed fairly close to state highway 8 (runs parallel to the runway). The standards at that time allowed this to occur, however it was not a good strategy for future planning given the airport and community's desire to eventually extend the runway to 5,000 ft. At the current length of 4,000 ft virtually all of the hangars on the existing east side of the airport are too close to the runway based on current safety standards. Leading up to and during design of the runway reconstruction project that finished in 2022 local, state, and federal officials looked at the possibility of relocating the runway further to the west to allow for more development, however this was deemed too costly and would have required significant land purchases that may or may not have occurred given several landowners were unwilling to sell.

These facts led local officials to look into alternatives for growing and developing their airport on the west side of the runway. During the planning and design of the runway reconstruction project it was determined that the best option locally was to close the golf course and open up that area for aviation development. There are already projects in the Department's 5-year Airport Construction Program to support building taxiway and apron infrastructure on the west side to begin this

development transition. Given the monumental task of flipping an airport's development area from one side to the other the community could utilize additional state support. The project request this year is to compliment the existing airside improvements already planned in the upcoming 5 years and construct a modest terminal building, surface access to the west side, and installation of necessary utilities. With the west side open it will allow an additional 40 acres of developable land for hangars, aviation businesses, and other activities to help grow the community. With this potential increase in opportunity for development and garnering more activity it will assist with future justification to extend the runway and bring it to business jet capable standards which is the overall goal in the state system plan for this facility.

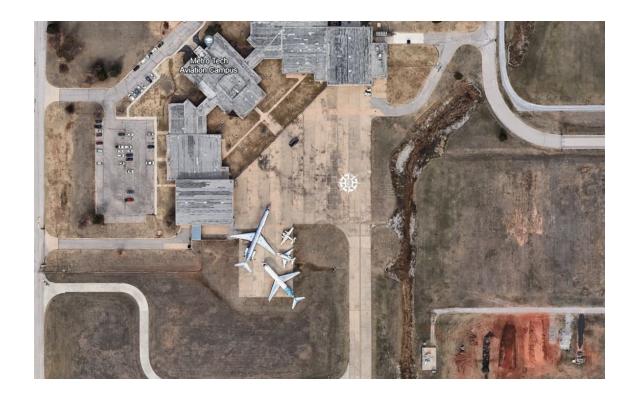




Will Rogers World Airport CareerTech Hangar for AA MD-80: \$4M

Background History: CareerTech received a donated American Airlines MD-80 several years ago and it sits on the MetroTech Aviation campus apron at the Will Rogers World Airport. This MD-80 allows CareerTech A&P students to receive training and gain experience on maintenance activities on an actual commercial aircraft that was once in service. Unfortunately, this asset cannot fit into any of the current hangars on the MetroTech Aviation campus. Having the aircraft out in the elements, especially with the AA livery being polished aluminum, is not good for the life of the asset and ensuring it can be a training tool for decades to come. By placing the aircraft in a hangar, out of the Oklahoma elements, A&P students have a better opportunity to fully experience all that the aircraft can offer. The aircraft will be able to be placed on jacks so that the landing gear can be retracted and extended, panels can be removed and then replaced, and small laboratories can be set up around the aircraft for training/experiments that would not otherwise occur if the aircraft was outside. This \$4M project request will provide for an expanded hangar on the MetroTech Aviation campus to ensure the MD80 is housed out of the weather and so that all CareerTech aviation programs can use it to advance their aviation maintenance training activities for many decades into the future.

See the graphic on the next page.

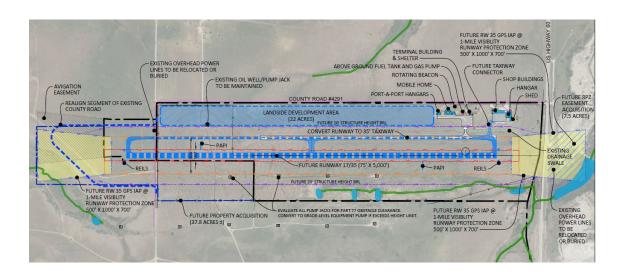




Pawhuska Runway Relocation & Extension: \$4M

Background History: Pawhuska's runway history is similar to that of Watonga and several others across the state where the runway was built too close to a road that runs parallel to the runway and while it served the needs of aviation at that particular time, the community now has desires to grow and develop and to meet standards, something needs to happen to relocate either the runway or the airport's development area. In the case of Pawhuska it currently has a 3,000 ft runway which the community has desires to extend to 4,000 ft and beyond. Based on community growth, particularly in the tourism field, there has been a demand locally to get to a runway that can accommodate most of the turboprop aircraft fleet. During discussions over the last several years about ways to grow the airport and support a 4,000 ft runway it became apparent there was a two-pronged option that would need to be looked at in detail. Should the airport extend in its current location and move the hangar development area over to the west side of the facility (as the runway expands, development on the east side would be nearly impossible due to separation standards) or should the runway be relocated to the west and the hangar development area stay on the east side of the facility. A planning effort that looked at these two options is currently being wrapped up and initial guidance shows that the best choice is to move the runway to the west and leave the hangar development area where it is currently located. The existing runway would become the parallel taxiway so that any work that has occurred on the current runway and the value associated with that infrastructure won't be lost.

Unfortunately, the Pawhuska airport is not in the FAA system (one of 9 airports within the 108 airports that comprise the Oklahoma Airport System that are not in the FAA system) and is therefore ineligible to receive federal funding from FAA. Without a significant investment of state funds it will be unlikely that the airport will ever have the opportunity to grow much or serve the community of Pawhuska beyond what it currently does. The project request in this year's budget is to start the construction process of relocating the airport's runway to the west and extending it out to 4,000 ft to meet the turboprop fleet demand identified previously. While the community is unable to tap into FAA funds they have been searching for other federal grant programs as well as tribal funding sources to help partner on airport projects so that the burden for airport development is not entirely left up to the state.





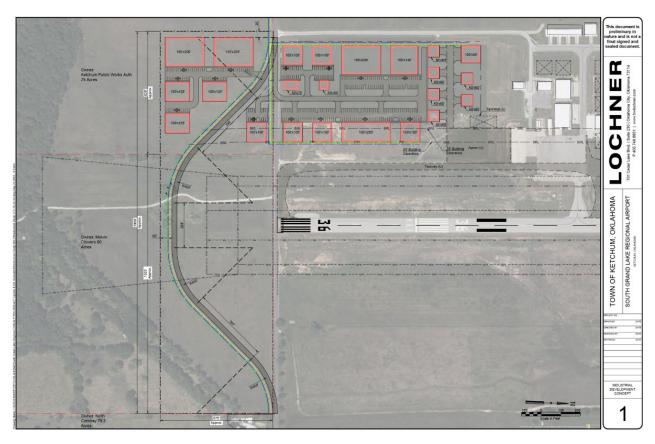
South Grand Lake Regional Terminal Building & Hangar Development: \$5.5M

Background History: The South Grand Lake Regional Airport has a history that is more recent in nature with a birth that really started in 2006 with the construction of a hard-surfaced runway. What was a grass strip with only two hangars turned into nearly 5,000 ft of paved runway and the growth skyrocketed from there. Today the airport has over a dozen hangars and in excess of 25 based aircraft and is a significant tourism asset for the Grand Lake region. The runway was recently reconstructed and widened with federal funds, reopening in the summer of 2021. One of the unique items about this airport is that although the City of Ketchum is the official sponsor for the airport, the airport does not receive any local community funding to support airport operations or capital development. The Airport operates 100% off the revenue it receives from hangar and ground leases, fuel revenues, and donations it receives from various fundraising events it conducts throughout the year. The Airport also does not have any full-time or part-time staff, it is maintained entirely by Airport Trust members on a volunteer basis.

Given the fact that this airport is still on a rapid growth trajectory and is becoming an even more important gateway to Grand Lake it is important to ensure that any visitors (whether for business or recreation) have an excellent first impression of that Oklahoma spirit. Terminal buildings provide that opportunity for the traveling public utilizing our general aviation airports to have a great first impression and to see the

vision and spirit offered by the community and region that they are coming to within Oklahoma. In addition, a large hangar affords an airport the opportunity to store transient aircraft temporarily during their stay as well as attract potential aviation businesses to the airport. South Grand Lake's ongoing project to bring better water/wastewater capabilities to their developable property is an effort to be more business-ready.

Constructing a large hangar will allow the airport an opportunity to not only attract an aviation business (flight schools, small MRO companies, and aircraft sales are just a few of the businesses that the airport has tried to bring to their facility in the last 4-5 years), but also bring a significant revenue stream to the airport which is unable to receive local community tax dollars due to Ketchum's small tax base. Unfortunately, due to the lack of local tax dollars and no supplemental funding coming from the local community it is extremely unlikely that the South Grand Lake Regional Airport will ever be able to tap into the agency's traditional terminal building program to construct a new terminal (requires a 50% local match of up to \$1M which must be purely local funds, no FAA funding is allowed to offset) or a large hangar (requires a 60% local match, 55% of which can be offset by FAA funds). This is why the specific one-time project request is in the budget request for this year. The \$5.5M will construct a terminal building and large hangar adjacent to the terminal and in front of the new parallel taxiway and apron which are being funding through a separate FAA grant that is programmed for FFY 2025.





Stroud Runway Extension & Improvements

Background History: The existing Stroud airport is situated just off the mid-way point of the Turner Turnpike and is home to a mid-sized aviation MRO business called Mint Turbines. They specialize in turbine engine overhauls and accessory repair. Stroud's airport did not have any based aircraft for many years as the airport had no hangars. The airport had to undertake an expensive runway relocation effort in the mid-2000s to meet FAA safety standards at the time which used up most of their federal funding for an 8-10 year stretch. Because the airport had no hangars, it succumbed to the same FAA rules that impacted the Okemah airport in that FAA funding was cut off after 2013. Fortunately, the City and Stroud Industrial Authority were able to partner together and several years after losing their federal funding, they constructed a 10-unit hangar using only local funds and they were able to once again receive the regular federal allocation. In addition, Stroud decided to tap into the Department's competitive hangar program in 2022 and build a second set of hangars which they expect to fill rapidly given their hangar waiting list. That second set of hangars is just coming to completion this spring.

With the activity and growth of not just the airport, but the Mint Turbines facility as well, discussions have been ongoing since the 2013 loss of federal funding on how to best position the airport for long-term success. The statewide system plan identified the need to extend the facility out to 4,000 ft and widen it to 75 ft which will not only accommodate most of the single and multi-engine piston fleet but will also accommodate most turboprop aircraft. This is an important point because most of the engines that Mint Turbines works on are a part of the turboprop fleet (either fixed-wing or rotorcraft). This will allow the business to expand its work effort into more of the turboprop fleet and allow aircraft to fly in and be operated/worked on as opposed to just having the engines shipped to the facility.

The \$3M project request will partner with an existing federal project already programmed in the agency's 5-year Airport Construction Program to extend the runway to 3,500 – 3,750 ft. The additional state funds will bring the extension to a full 4,000 ft and widen the runway to 75 ft while replacing existing lights and repairing the current pavement area.





Duncan Runway Strengthening: \$5M

Background History: Duncan's airport is one of many across the state that has a runway that is considered jet-capable (5,000 ft minimum), however, it does not have the strength to land the larger aviation business jets in the fleet today. Duncan has a 6,000 ft runway (one of 16 in the state with a length of 6,000 ft or longer), long enough to land pretty much any business jet and some smaller regional jets. Unfortunately, the existing runway pavement out at Duncan is only made up of 6" to 7" concrete which limits aircraft to 56,000 lbs and under. During the statewide system plan, it was identified that many of Oklahoma's airports had lengths to accommodate most of the aircraft that would serve the air transportation needs of their communities, however, it was a strength that was the limiting factor in most situations. Given this limitation, it can restrict the type of aviation business activities that an airport can accommodate. In addition to the above-mentioned situation, Duncan's runway is also beginning to reach the end of its useful life (originally built in 1956). The Department has added a project to the 5-year Airport Construction Program (ACP) to utilize FAA funds to conduct a major rehabilitation/reconstruction of the runway at the current pavement strength. This \$5M requested project will partner with those future FAA funds currently programmed in the ACP to ensure a stronger runway that will accommodate nearly 100% of the business jet fleet. Because the airport already has a project in the ACP to reconstruct the existing runway, it would be an efficient time to utilize state funds to move that FAA project forward and increase the strength of that reconstruction as indicated by the system plan. This requested strengthening project is also driven by an existing project the Department has awarded the Duncan Airport (currently under construction) which constructs a taxi lane into a new hangar development area which is opening up 20 acres of developable property for aviation business expansion.

