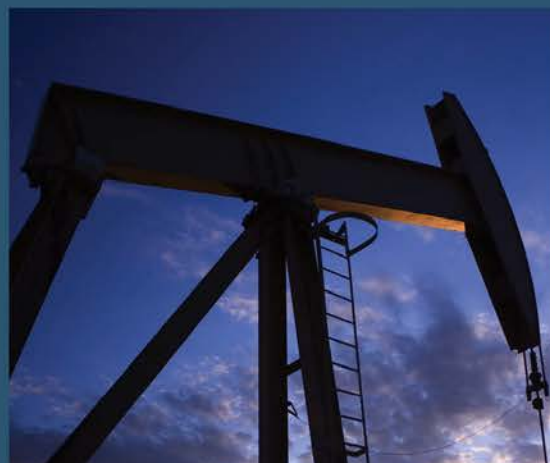




# Minot International Airport Access Road

TIGER IV Grant Proposal

Submitted By: City of Minot & Minot International Airport



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## Application at a Glance

<b>Proposed Title:</b>	Minot International Airport Access Road		
<b>Geospatial Information:</b>	Section 12, 43 Township 155N Range 83 W, WM		
	Project Start Location Latitude:	48.152329	
	Project Start Location Longitude:	101.174379	
	Project Start Location Latitude:	48.151596	
	Project End Location Longitude:	101.1711	
<b>County Demographics:</b>	Population (2010):	61,675	
	Median Household Income:	\$48,793	
	Personal Per Capita Income:	\$25,326	
	Persons below poverty level:	9.4%	
	Unemployment Rate as of December 2011:	3.1%	
<b>Congressional District:</b>	North Dakota 01		
<b>Economically Distressed:</b>	Consistent with the Economically Distressed Area criteria published by FHWA on February 10, 2012, the City of Minot and Ward County do not qualify as federally designated economically distressed areas identified by unemployment rate and per capita income.		

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## Application at a Glance Continued

**Special Consideration:** Three (3) Economically distressed counties (Rolette and Benson county in North Dakota and Roosevelt County in Montana), three (3) economically distressed Indian Reservations ( Fort Peck, Berthold, Spirit Lake Nation), and nine(9) counties ( Divide, Burke, Renville, Bottineau, Rollete, Towner, McHenry, Pierce, and Benson) that qualify under the North Dakota Empowerment Program.

**Project Classification:** Rural

**Funding Request:** \$2,190,300

**Matching Support:** \$1,460,200

**Cost: Benefit Ratio:** 1:10; 7% 1:16; 3% 1:10

**Supporting Documentation:** <http://whyflyminot.com/TigerIV/>

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## I. Project Description

The extensive oil and gas development in the Bakken Shale Formation located in western North Dakota and eastern Montana is causing Minot International Airport (MOT) to grow at a rate that is almost unprecedented in U.S. history. Local, state and federal agencies are working around the clock to expedite planning studies to create a transportation solution allowing economic development to continue in the region and support airline industry demands. The City of Minot, North Dakota and MOT is applying for a TIGER IV grant to construct a new four-lane Access Road to accommodate new airport infrastructure, transit vehicles, increased passenger volumes, and adjacent walking and bike paths. The Access Road is a single phase in a five stage, multi-phased Capital Improvement Plan totaling approximately \$98.9 million.

Federal funding is critical to support air travel demand which has increased at MOT 112 percent in two years from 144,204 total passengers in 2009 to 306,403 total passengers in 2011 caused by explosive regional economic growth initiated by the oil and gas industry. TIGER IV funds will be combined with a 40 percent non-federal match and used to construct a widened four-lane Access Road to align with increased parking lot space and a new terminal building to be constructed in 2014. The improvements should increase driver comfort, traffic flow, and reduce the current congestion experienced by the public when parking at the airport. Pedestrian and bike trail access options are included to create a safe method of non-motorized transportation for residents and visitors.

The MOT Access Road is almost ready to go. The FAA has provided verbal agreement to MOT's consulting engineer to issue the Record of Determination of the Categorical Exclusion during the first part of April 2012. No extenuating and/or adverse environmental impacts were found in the proposed construction area. The city of Minot has confirmed it will include the project in its TIP in June 2012 and no right-of-way access is needed because the road is on airport property. The urgency of the project is supported by the City of Minot, the North Dakota Aeronautics Commission, Bismarck FAA office, North Dakota's Senators and Representative, local and state economic development groups and the North Dakota Petroleum Council. The City of Minot and MOT are forced to build a new terminal and parking area to handle the travel demand and flight schedule increases that are projected to last at least 20 years. Airport planning projects that normally take months are being completed in weeks. The Access Road design will be completed in December of 2012 and ready to bid in early 2013 to coincide with additional Stage 2 construction projects, which will increase efficiencies of local resources and reduce overall construction costs.

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The MOT project is split into multiple stages for local officials to be able to manage the complex financial, logistical and coordinating components utilizing the existing facilities to maintain normal airport operations during construction. Stage 1 includes design and construction for the following projects: Taxiway D1 and D, Passenger Service Apron and the Snow Removal Equipment Building (which is being relocated to allow construction of the new Access Road). Stage 1 also includes design of a new terminal building, funding applications (Passenger Facility Charge, Customer Facility Charge), Access Road design, terminal area site relocations and removals, relocation of the City owned fire training facility, design of the expanded parking lots, existing crosswind runway work, and development of new lease and concessions agreement to correspond to the new terminal property.

Stage 2 includes construction of the Access Road, passenger terminal, short- and long-term parking, rental car quick-turn around facility, and remodeling of the existing building. Stage 3 of the project involves relocating the 8/26 runway threshold to meet FAA airspace criteria at the new terminal, apron and once the taxiways are brought on line. Stage 4 provides an additional taxiway to connect the new apron to the runway 13 end, which is extensively used by commercial airline traffic.

As a regional and international airport, the overall expansion project will provide easier and more efficient airline access across the region and nation, and support the exploration and mining of oil across western North Dakota and eastern Montana. Multiple local, state and federal funding sources are needed to construct this project. Stage 2, which includes the new Access Road, is critical to complete the overall project within the aggressive timeframe. The Cost Benefit Analysis illustrates the regional and national public impacts of the project are significant and will provide measureable, long-term benefits in the areas of economic competitiveness, safety, environmental sustainability and state of good repair.

### **Transportation Challenge I**

MOT does not have the infrastructure or capacity to support airline passenger numbers, which have tripled in three years. The airport provided facilities for 72,125 enplaned passengers using the airport in 2009, which was the lowest number since 1998. In 2010, the airport enplaned 96,599 passengers, a 34 percent increase in passengers using the airport terminal, parking facilities, rental cars and other on-airport services. In 2011, the airport set a new all-time record for 154,836 total enplaned passengers, a 60 percent increase over the previous year. A record number of passengers using the airport in a single month was recorded in June 2011 at 13,978.

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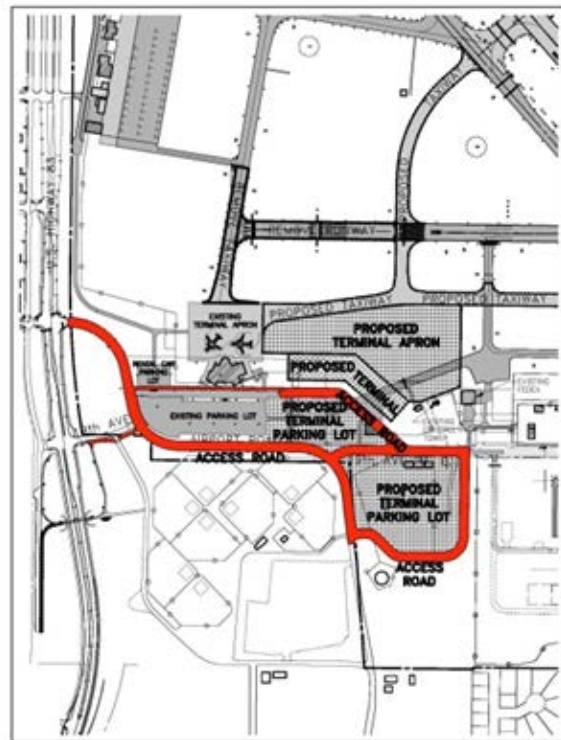


Passenger usage continues to increase monthly, with December setting records at 15,999 passengers. 2012 has started out breaking monthly records with 15,262 passengers departing in January and 17,165 passengers in February, an 85% increase over February of last year.

The extensive oil and gas development in the Bakken Shale Formation located in western North Dakota and eastern Montana is causing MOT to grow at a rate that is almost unprecedented in U.S. history and airline providers are constantly adding more flights and aircraft. In March Delta decided to replace a flight operating with 50 seat aircraft with a 123 seat aircraft only to upgrade this aircraft again to a 150 seat aircraft increasing the total number of available seats for Minot. United Airlines has added a fourth flight to Denver for the summer months and possibly looking into another market for expansion.

## Transportation Challenge II

MOT has exceeded the capacity of the parking lot and has provided temporary space in areas neither paved nor constructed for parking. A significant majority of the parked vehicles are 4-wheel drive pickups requiring a larger space compared to mid to medium size cars. Literally, parking on the grass is the norm today. On February 22, 2012, airport staff completed a count of the parked vehicles on the airport. There were 507 cars parked in the paved lots that have spaces for about 440 cars. In a temporary lot that is not paved but has a gravel surface 201 cars were parked. An additional 279 vehicles were parked in grassy areas around the airport, ditches, street rights-of-way, etc. The total vehicles parked at one time was 987—55 percent over capacity. Airport staff is trying to contain parking to allow access for safety providers such as police, ambulances and fire trucks to residential areas and recreational facilities without compromising public safety.



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### Transportation Challenge III

The increased traffic is also notable inside the terminal building where passengers must enter to return rental cars, check into the airlines, check baggage, pass through security screening, and gather in the secured holding area until called to board their flight. This total time involved can be up to two hours in length. Passengers unloading at MOT also pick up luggage and rental cars, greet people receiving them, and then depart the terminal area.

Historically, the terminal has managed a single flight at any one period of time. However, with the overlapping times occurring due to the additional flights and larger aircraft, the spaces for screening, baggage handling, a secured waiting room and concessions does not meet FAA requirements. The increased activity has far surpassed the physical capabilities of the building structure.

### Solutions to Transportation Challenges I, II, and III

Completing construction of the Access Road as a phase of Stage 2 will be a catalyst for the following stages of the MOT expansion project and will provide the necessary infrastructure to serve the current and future air traffic demands for regional and national economic development.

The Stage 2 Access Road will:

- Increase the efficiency of traffic flow to and from the airport
- Provide alternative transportation options to the airport for passengers to improve access, efficiency and connectivity while promoting a healthy and active lifestyle
- Reduce greenhouse gas emissions
- Improve the local economy
- Foster a sustainable, long-term workforce
- Improve safety for pedestrians, bicyclists, motorists and transit users

Stage 2 will expand the Access Road from two to four-lanes, allow transit access to the terminal, and create a paved pedestrian trail system to the airport terminal from the existing trail system which is under the authority of the Minot Park District and their Minot Citizen's Trail Committee. An existing pedestrian bridge is located southwest of the airport that crosses North Broadway, which provides convenient access to users of the airport crossing from the motels on the west side of North Broadway as well as users of the recreation facilities located south of the airport. A cross walk would also be placed allowing access to the airport across Airport Road.



The parking area would be located within the Access Road that would join on 3<sup>rd</sup> St NE and Airport Road. It also connects to 19<sup>th</sup> Avenue NE that provides service to airport tenants (aircraft hangar area, FedEx shipping facility, Air Traffic Control Tower personnel access, and the airport operations building). Integral to the complete operation of the airport is the Access Road and its need to accommodate a varied type of user. It is necessary to direct traffic to unloading and loading of passengers, freight drop-off, emergency vehicle access, incoming and out-going parking traffic activity, airport tenant access and general business activities of the airport.

The existing terminal is approximately 32,000 square feet in space. Stage 3—the construction of the proposed terminal building, would increase the total building size to approximately 100,000 square feet. Baggage handling, airline check-in, security screening, concessions, secured hold-room and airport administration/operations would be included in the space being considered. The existing terminal would be remodeled for use of international flights, car rental agency spaces, airport operations staff space, and other available uses as needed. This remodel will reduce the need to construct additional space in the proposed terminal.

The preliminary infrastructure concepts include space for parking approximately 1,500 vehicles. On the airside of the terminal operation, an apron and taxiway would be constructed to provide aircraft access to the new terminal facility. Additional apron space is necessary as airlines add more early morning and late evening flights to accommodate increased demand. These aircraft are parked in the boarding bridge space or on an open apron, depending on how many are remaining overnight. Currently, approximately five aircraft are expected to be parked overnight starting this summer at the existing terminal that has aircraft parking positions and two jet ways.

Stage 4 includes improvements to relocate the end of the existing east-west runway (Runway 08-26) to meet updated FAA airspace requirements and provide better utilization of the runway.

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## II. PROJECT PARTIES

The City of Minot has worked diligently to secure public and private sector stakeholder support for the project. Each entity listed below has provided a letter of support for the Minot International Airport Access Road project.

North Dakota Congressional Delegation	North Dakota State Legislators
Senator Kent Conrad	Representative Roger Brabandt
Senator John Hoeven	Representative Roscoe Streyle
Representative Rick Berg	Representative Robert Frantsvog
North Dakota Governor's Office	Senator Randy Burckhard
Governor Jack Dalrymple	Representative Scott Louser
State Departments	Representative Andrew Maragos
North Dakota Aeronautics Commission	Minot City Departments
Industrial Commission of North Dakota	Minot City Manager
Association/Organizations	Minot City Mayor
North Dakota Petroleum Council	Minot Park District
Minot Area Development Corporation	Minot Public Works
Minot Convention and Visitors Bureau	Minot International Airport

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### III. Grant Funds and Sources/Uses of Project Funds

The MOT Access Road is being planned as utilizing the TIGER IV grant program for 60 percent of the cost and the remaining local share would be the City (Airport) share. These funds are projected to be part of a larger fund financed through a Passenger Facility Charge (PFC) Program. This PFC Program is based on an existing system in the airline industry that collects a fee from airport passengers through ticket sales. The airlines collect the fees; pay a set rate to the Airport. The Airport uses those fees to pay for specific projects detailed below.

For all terminal area projects, additional funds are projected to be acquired through FAA Airport Improvement Program grants, North Dakota Aeronautics Commission grants, local airport funds, and Passenger Facility Charge programs. In total, the overall project cost is \$98.9 million.

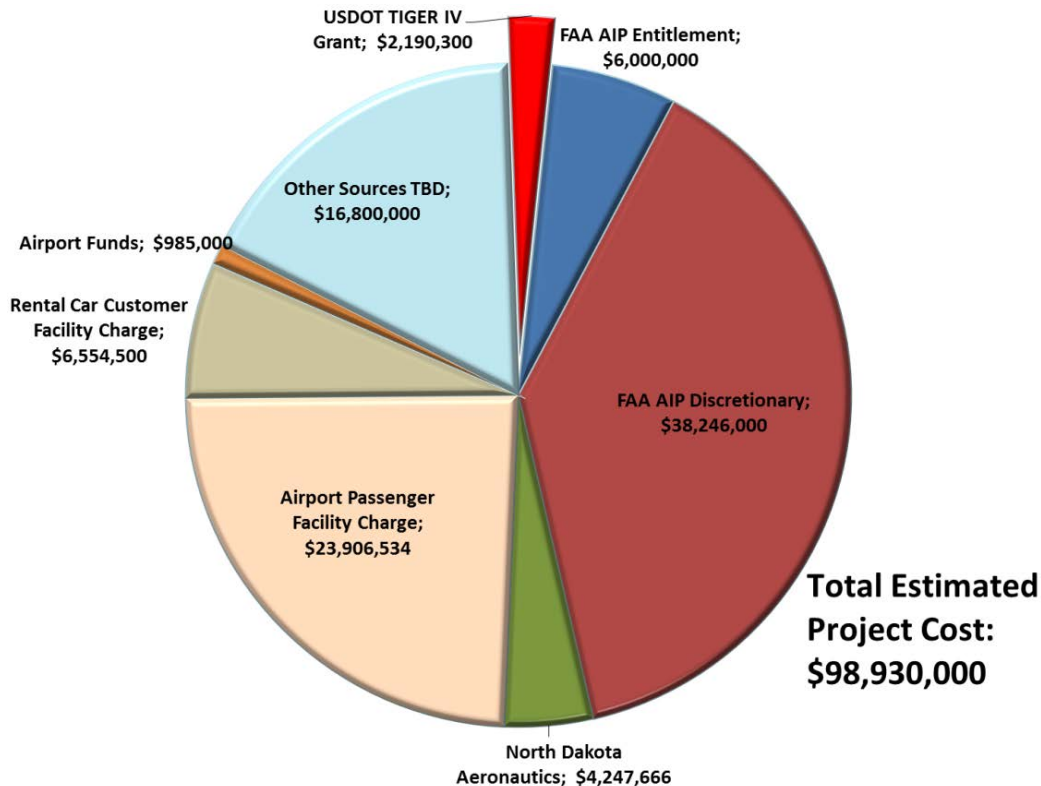
Just as there are many parts of this overall project, there are many different funding sources identified to fund this improvement. The preliminary Capital Improvement Plan located at <http://whyflyminot.com/TigerIV/> provides a breakdown of the funding plan for each stage and phase of the project. The following is a general description of each funding source.

- **FAA Airport Improvement Program (AIP) grants:** The airport has received verbal confirmation that entitlement and discretionary funding from AIP will be made available for the eligible portions of the overall project. In general terms, authorizing law allows funding for items with AIP, which are related to safety enhancements, capacity enhancements and only those projects which provide use for the general public. Also, any items which will directly provide revenue generation for the airport (i.e. paid parking lots, airline office space or holdrooms in the terminal) are not eligible for AIP funding. AIP grants provide 90 percent of the funding for these public projects based on the recently signed FAA Modernization and Authorization Act of 2012.
- **North Dakota Aeronautics Commission:** The State of North Dakota, through its Aeronautics Commission provides five percent of the funding for all FAA AIP projects to assist in funding the local share of these projects.
- **Airport PFC:** MOT collects PFC's on each departing passenger. This FAA administered program allows each airport to collect \$4.50 per originating passenger. PFC's will be used for the other five percent local match of AIP grants and other projects as authorized by law including improvements to terminal revenue generating projects, which may not



be funded with AIP funds. The local TIGER IV match will be funded with PFC's.

- **Rental Car Customer Facility Charges (CFC):** The Minot International Airport will be collecting an additional charge on each car rental to assist in paying for facilities and improvements to facilities used for rental car activities such as office space, quick turnaround facilities and rental counters. These funds can only be used on projects which directly support rental car activities at the airport.
- **Airport Funds:** The Minot International Airport will be using its own revenue generation capabilities to support projects and improvements related to this overall program that are not eligible for funding through other sources.
- **Other:** At this point in the planning and design of the overall terminal expansion project, approximately 19% of the funding needed does not have an identified funding source. Potential sources of this funding include State of North Dakota grants or loans from revenues generated by oil production in the state, municipal general obligation bonds, or airport revenue bonds. Many of the projects in the program can be completed without the use of these “other” funds. If awarded, a TIGER IV grant for \$2,190,300 to fund the Access Road would greatly help the overall project move forward within the tight deadline and established budget parameters.



## TIGER IV Grant Application for Minot International Airport Access Road



## IV. Selection Criteria

### A. Long-Term Outcomes

#### i. State of Good Repair

MOT is coordinating the planning efforts for this project through a Terminal Area Study funded in part by the FAA through AIP funding. The planning process involves the North Dakota Aeronautics Commission, City of Minot Council, MOT Airport Committee, city departments and airport tenants and user groups.

During Stage 2 construction, the project will expand the current Access Road from two to four-lanes, allow transit access lanes at the terminal, and create a paved pedestrian trail system to the airport terminal extending the existing trail system. If the current two-lane Access Road is not expanded traffic bottlenecks will compound access issues to the airport and airport users and pedestrians using non-motorized vehicles will be forced to use the road at their own risk.

Airport funding is being provided through a number of sources. A PFC, which applies to tickets sold, is collected by airlines and is part of the funding mechanism for local share not covered by FAA or North Dakota Aeronautics Commission funded grants. MOT and the City may also be required to issue a general obligation bond or secure a loan to provide the financial stability needed to ensure a fluid construction process during the overall project.

The terminal area project will be partially funded through a bond issue or loan that would be paid off with funds derived from the next PFC collection at the airport. This amount is currently projected to be bonded for approximately \$20,000,000 with a 20-year amortization period.

The current Access Roadway was constructed in 1989 and designed to accommodate the terminal facility to a peak of 90,000 enplaned passengers per year. Since that time, the activity has increased dramatically as noted elsewhere in this application. A standard design criterion typically projects a maintenance effort to include an overlay to improve ride and strength within a 10 year period of the initial construction. The roadway has not yet received that service but it is a need that would be considered if not moving forward with the terminal project and the Access Road Project.



## ii. Economic Competitiveness

Completing the MOT Access Road is a vital component of the overall airport expansion project that will contribute to the long-term growth of the local and regional economy and give a needed boost to the airline industry.

The U.S. airline industry has lost \$20 billion cumulatively since the beginning of commercial aviation due to de-regulation, which started in the 1970s, adding regional jets beyond economic capacity, increasing oil prices and the downturn of the American economy.

According to the 2012 Aviation Activity Forecast for the Minot International Airport, in the last two years alone, 27 cities across the U.S. have lost all their commercial air service; since CY 2000 more than 50 cities have lost all of the commercial air service. This trend will likely continue as the use of smaller aircraft continues to decline.

Historic MOT trends up to 2010 have followed industry capacity trends with the downgrade from DC9's to regional jets and fewer overall seats. MOT's flat traffic growth, particularly during the 2000s, was actually stronger than what the data might have shown and a stronger trend may have been in place. It is MOT's growth experience over the past 18 months that is very impressive and indicative of a significant, longer-term trend.

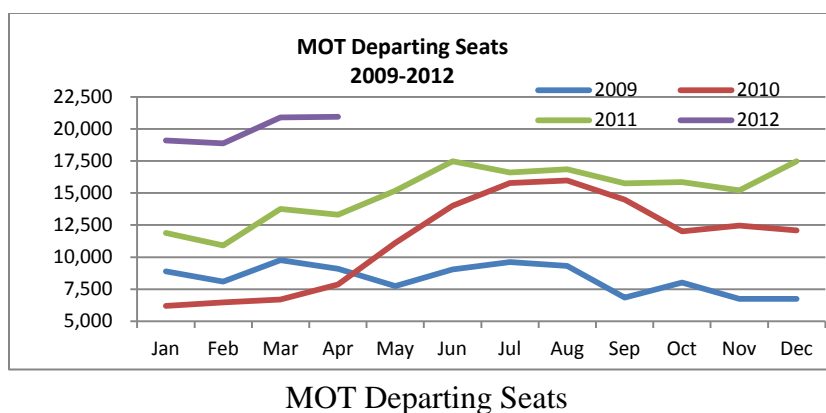
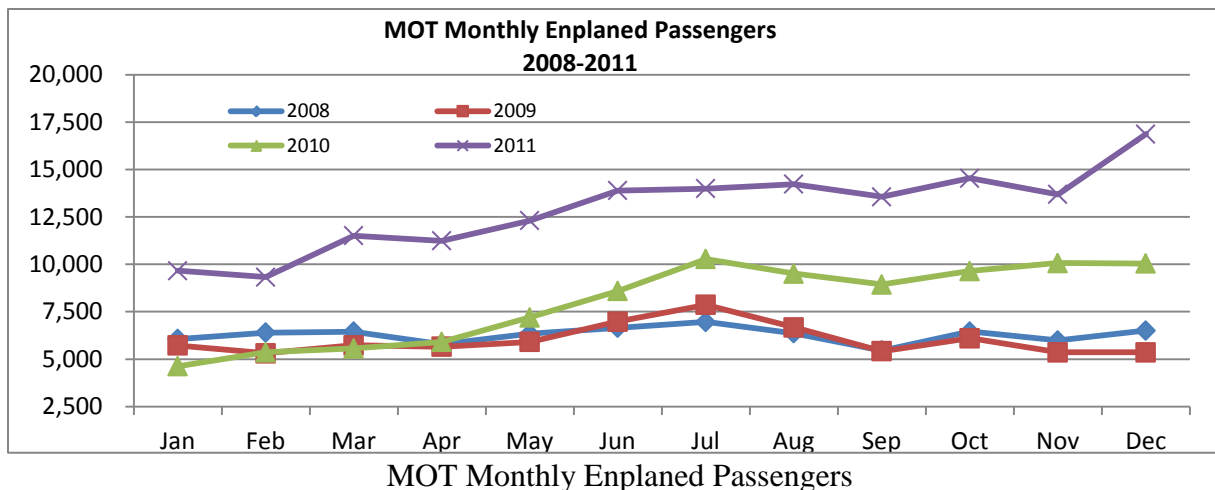


*The consistent message from airline executives has been this:*

*“We will add service to those markets that can absorb fare increases that are needed to compensate for the high price of fuel. As airlines start to add larger regional aircraft in the 70-100 seat range, only markets that can fill these aircraft with higher yielding (price) passengers will see these aircraft”*

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Published schedules show capacity up 60 percent during the first four months of 2012. Even assuming relatively lower traffic growth the remainder of 2012, this will result in enplaned passenger volumes exceeding 200,000 for 2012. This would almost triple the volumes experienced as recently as 2009.

While the aforementioned traffic increases being experienced at MOT are very impressive, airline planners are excited about this market because of the key attributes at MOT driving future growth. They include:

- MOT yields (ticket prices) are among the highest in the U.S.
- As airlines add capacity into MOT, yields did not deteriorate which would normally have been in case. This indicates very strong, underlying (price inelastic) demand.
- MOT is by far the fastest growing market (airline revenue) in the U.S.

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Source: US DOT

Airline Revenue (000)				
Rank	Airport	1Q11	1Q10	Yr/yr
1	Minot, ND	\$9,131	\$4,775	91%
2	Bellingham, WA	\$12,681	\$8,600	47%
3	Plattsburgh, NY	\$3,762	\$2,553	47%
4	Manhattan, KS	\$2,696	\$1,855	45%
5	Elmira, NY	\$8,489	\$5,868	45%
6	Lansing, MI	\$9,417	\$6,744	40%
7	Honolulu, HI	\$428,894	\$307,936	39%
8	Columbus, MS	\$5,034	\$3,626	39%
9	Kona, HI	\$74,293	\$53,525	39%
10	Melbourne, FL	\$8,675	\$6,449	35%

Airline Revenue

### iii. Livability

Completing construction of the MOT Access Road will improve the quality of life in Minot and the surrounding region. The project exemplifies the core livability principles established by the Partnership for Sustainable Communities.

The project will **create more affordable and convenient transportation choices** by providing a walking and bike path to the airport as well as adding mass-transportation stops at the airport. The proposed project is anticipated to drop customer wait times by nearly 50 percent (from 10 minutes to 5 minutes). The decreased travel and wait time will reduce household transportation costs, reduce the nation's dependence on foreign oil, improve air quality, reduce greenhouse gas emissions and promote public health.

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Provide more transportation choices.

The completion of the enlarged Access Road to MOT will allow more efficient access to the airport for motorized vehicles while simultaneously improving the flow of pedestrians to the facility by incorporating walking and biking paths. Reliability will also be enhanced with the introduction of local mass-transit routes being modified to serve the airport route, thus lessening the traffic on the Access Road

Promote equitable, affordable housing.

Access to affordable housing is an issue in the City of Minot due to the rapid increase in housing demand for oil field workers and the historic flood of 2010. Although the project will not increase access to housing, the expanded airport will increase the desire for people to live in the city because of the access to expanded domestic and international air transportation. The marketability of the community will help maintain a healthy baseline for home values to sustain in the future.

Enhance economic competitiveness.

This project will **enhance the community's economic competitiveness** by expanding ground transportation accessibility options for low-income populations, non-drivers, senior citizens and people with disabilities. The extreme benefit documented in travel time savings results in reductions of lost wages and productivity for those utilizing MOT as their aviation transportation hub.

Support existing communities.

The widened four-lane Access Road will allow the Minot Public Works Department and the Transit Department to provide transit services to the airport and increase the safety during the winter months as part of the Access Road is an artillery road used as an emergency snow route. The Transit Department recently purchased transit busses that seat 32 passengers and provide room for an additional 25 passengers to stand. The potential for 57 transit passengers to access the airport at one time is a major benefit to the residents and visitors in the area and provides a solution to decrease vehicle congestion at the airport terminal, while reducing emission costs of multiple idling vehicles.

The bike and walking paths adjacent to the widened Access Road will connect to the current trail system in Minot and be a cost effective way for the Park District and the MOT to combine projects and long-term objectives to benefit the community.





The Access Road will be built within the airport property and will not impact the landscape surrounding the airport.

Coordinate policies and leverage investment.

The City of Minot, FAA, ND State Aeronautics, Public Works Department, Park District, Transit Department, MOT, and Local DOT, will collaborate to design, fund and build the Access Road.

Value communities and neighborhoods

The project will provide more transportation choices for local and visiting pedestrians including walking and bike trails and increased transit options.

**iv. Sustainability**

The primary focus on environmental sustainability is the reduction of greenhouse gas emissions. The introduction of walking and biking paths along with mass-transit access to the airport will reduce the amount of CO<sub>2</sub> emitted from personal travel to the airport.

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There are four hotels within one mile of the airport that have a combined total of 396 rooms. If just five percent of hotel guests use the walking/bike path as an alternate method of transportation, 8,265 pounds of CO2 would be saved annually.

By increasing the capacity of the Access Road, the average vehicle travel/idol time on the Access Road would be reduced from 10 minutes to five minutes, saving nearly 131 metric tons of CO2.

This project will also **support the existing community and preserve the local environment** by recycling the existing asphalt and road construction materials to a feasible extent and incorporating the recycled materials in the construction of the new Access Road.

#### **v. Safety**

The Access Road will provide additional capability for handling nearly four times the number of vehicles the original road was designed for, which will stop airport traffic from potentially blocking public safety service providers from accessing the airport, recreational facilities and residential areas adjacent to the airport. Finally, pedestrians will have a safe and maintained walking and biking path connecting to Highway 83 providing direct access to the airport and recreational facilities.



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## B. Jobs Creation & Near Term Economic Activity

While the TIGER IV Discretionary Grant program is not a Recovery Act Program, job creation and economic stimulus remains a top priority for the City of Minot and MOT. An expected 35 direct, full-time jobs will be created during the construction phase of the Access Road which will last for almost six months. According to the ACEEE Jobs Calculator more than 500 direct, full-time jobs will be created for five years during the construction of the overall \$98.9 million airport expansion project.

The 2010 North Dakota Economic Impact of Aviation Analysis, MOT employed 313 primary and secondary people on the airport. The employment number was based on the airport's current enplanement. MOT is expected to reach 404,000 total passengers by year end 2012. The rapid growth skews the employment number to reach over 700 direct and secondary employment positions.

However, employment numbers will not be allowed to reach the projected maximum because of the limited parking and terminal capacity. Conservatively calculating employment rates based on study previously referenced, the airport will reach 226 employees this year and the 20-year forecast would place the total number of employees at 711. The indirect impact on employment in Minot affects hotel/motel, food/beverage/entertainment, retail, and visitor expenditures. Employment in 2012 affected indirectly by the airport expansion projects increase from 762 to 2,398 in 2033.

During the expansion projects, the City of Minot will encourage DBE participation in this overall project with the goals adapted by the State of North Dakota DOT for all federally funded airport related projects.



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Minot International Airport Access Road Project Schedule						
Project	May	June	July	Aug.	Sept.	Oct.
Contractor Mobilization						
Clearing, grubbing & top soil removal						
Excavation & embankments in right-of-way						
Subgrade preparation						
Geotextile Fabric						
Class V Gravel						
5-inch asphaltic concrete paving						
Curb and Gutter (24-inch)						
5-inch concrete sidewalk						
Streetlights						
Signage & Stripping						
Power, Telephone & Cable						
Sanitary Sewer 8-inch						
Sanitary Sewer Manhole						
Water (12-inch)						
Storm Drain (30")						
Drainage inlets						
Erosion Control and Reseeding						
<b>Total Direct Jobs needed for Access Road construction: 35</b>						

### C. Innovation

Design and construction components overlap extensively which will result in a well-orchestrated airport expansion. The construction of the Access Road cannot be bid until February 2013 to ensure the availability of construction crews and to capture lower bids received before the construction season will start. Additionally, multiple construction projects with the airport, City and Park District are being collaborated to effectively use resources such as materials and workers to efficiently manage budgets and reduce transportation costs of equipment, materials, and workers.

The engineering and planning consultants designing and construction the MOT Access Road will utilize innovative design approaches and materials as the project allows. MOT staff, the City of Minot and the Minot Park District is finally going to be able to provide transit access to the terminal in addition to the walking and bike path that will be adjacent to the widened Access

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Road. The new design concept will create multiple methods of cost-effective and environmentally friendly transportation alternatives.

#### **D. Partnership**

The MOT Access Road and airport terminal project will be coordinated by multiple entities at the state, local and federal level. To completely fund the \$98.9 million project, MOT has been working with the FAA to secure AIP entitlement and discretionary grant funding. The State Aeronautics Commission will provide state funding and the MOT will allocate money from its operations budget, PFC and CFC's. Approximately 19 percent of the project funding still needs to be aligned and multiple options are available such as TIGER IV, municipal bonds, and loans.

<b>North Dakota Congressional Delegation</b>	<b>North Dakota State Legislators</b>
Senator Kent Conrad	Representative Roger Brabandt
Senator John Hoeven	Representative Roscoe Streyle
Representative Rick Berg	Representative Robert Frantsvog
<b>North Dakota Governor's Office</b>	Senator Randy Burckhard
Governor Jack Dalrymple	Representative Scott Louser
<b>State Departments</b>	Representative Andrew Maragos
<b>North Dakota Aeronautics Commission</b>	<b>Minot City Departments</b>
<b>Association/Organizations</b>	Minot City Manager
North Dakota Petroleum Council	Minot City Mayor
Minot Area Development Corporation	Minot Park District
Minot Convention and Visitors Bureau	Minot Public Works
	Minot International Airport

#### **E. Results of Benefit-Cost Analysis**

This benefit-cost analysis (BCA) follows guidance set forth in the notice of funding availability for TIGER IV grants as published in the January 21, 2012 Federal Register (V77, N20, pp 4863-4880).

The cost to complete this project is \$3,650,500 in 2012 dollars. The City and MOT are requesting a capital investment of \$2,190,300 from the TIGER IV program to complete the project. Per program advice (FR4878), a discount rate of three percent was used. The total benefit at three percent discount rate is \$35,815,747 with costs of \$3,650,500, yielding a benefit cost ratio of 1:10. The greatest share of benefits is from time travel savings.

## **TIGER IV Grant Application for Minot International Airport Access Road**



### **Baseline Assumptions**

Cost estimates and benefits are focused on the 2012-2023 time period (20 years). Years 2012 and 2013 are design and construction years. The analysis incorporates assumptions about growth in the area in terms of traffic, economic, and population growth. These projections are based on historical patterns and are projected as linear continuations of long-term trends.

### **Affected Populations and Types of Impacts**

The primary populations benefitting from an expanded Access Road to the Minot International Airport include: personal vehicle users, mass-transit users and bicycle/pedestrian.

#### Quantified Benefits:

- Reduced travel time, and resulting value of time savings
- Reduced auto emissions due to lower congestion and idling
- Reduced auto emissions due to increased bicycle/pedestrian traffic
- Reduced auto emissions due to increased use of mass-transit system
- Costs include construction costs. Construction costs are best available estimates for 2012.

#### Unquantified Benefits:

- Improved economic competitiveness from improved regional access
- Improved safety as the expanded Access Road will stop airport traffic from potentially blocking public safety and public works service providers from accessing the airport, recreational facilities and residential areas adjacent to the airport
- Benefits from expansion of transportation mode choices from development of bicycle/pedestrian paths and a bus stop



### Quantified Costs and Benefits: Long-Term Outcomes

The most significant benefits are witnessed in the area of travel time savings. Travel time saved accounts for approximately 99 percent of total benefits.

#### Minot International Airport Access Road

##### TIGER IV Application

##### BCA Summary Sheet

Selection Criteria	Description	Inputs	Value	Monetized Value	
				Discount Rate 7%	Discount Rate 3%
Economic Competitiveness	Travel time savings	Savings of time on average hour rate for time on access road	\$37,310,225 in lost wages for passengers over 20 years	\$ 57,084,453	\$ 35,643,624
Environmental Sustainability	Reduced pollution	CO <sub>2</sub> cost savings	Approximately 75 metric tons of CO <sub>2</sub> saved	\$ 240,696	\$ 150,482
Liveability	Promotion of healthy, active lifestyle	Reduced personal fuel consumption	Over \$21,000 saved in fuel costs	\$ 33,017	\$ 21,641
Total Cost				\$ (3,650,500)	\$ (3,650,500)
Total Benefits				\$ 57,358,166	\$ 35,815,747
Net Present Value				\$ 53,707,666	\$ 32,165,247
Cost Benefit Ratio				1:16	1:10

### V. Project Readiness & NEPA

With the significant growth that the Minot International Airport has experienced, the need for prompt action to solve the capacity problems they are facing is immediate. As such, an immediate need is present; the design of multiple projects has begun in the preliminary phase with plans to bid out many of the projects related to the terminal expansion this summer.

This specific project is desperately needed to address parking needs at the airport. The airport currently has approximately 440 paved parking spots in the vicinity of the terminal. Recently over 980 vehicles were parked in the vicinity of the terminal building, including the ditches of the existing Access Road, and impromptu gravel lots that were constructed in the fall of 2011.

Starting in June 2012, the airlines serving Minot International Airport will be increasing their capacity an additional 40 percent over existing levels. Providing additional facilities at this

### TIGER IV Grant Application for Minot International Airport Access Road



airport is an urgent need, and as soon as projects can be designed and funding identified they will be bid and built. The Access Road is notwithstanding. It is anticipated that if TIGER IV funding is authorized, the project will be bid in February 2013 and construction will last from May to October of 2013.

The project cannot be bid and construction cannot start in 2012 because the local and state entities want to utilize efficient and sustainable methods to conserve personnel and financial resources for this massive airport project. Therefore by bidding the project in February, contractor prices will be competitive and they will have the capacity to take on new projects, which would be a completely different scenario of the bidding and construction started in 2012. Additionally, the MOT will be ready to bid and construct multiple projects at one time while coordinating with city and park officials and the local DOT office to overlap projects, which will minimize time lost to move equipment, materials and workers.

The environmental consultants working for the City of Minot and MOT has conducted multiple Environmental Assessment for FAA funded projects at MOT. They have evaluated the proposed area of construction for the Access Road and have not found any extenuating and/or adverse environmental impacts by this proposed action. As thus, they are in the process of completing a NEPA “categorical exclusion” (CATEX) for the track of land that will be impacted by the new, widened Access Road. Since the road is entirely upon airport property, the FAA will be issuing the approval of this CATEX. It is anticipated that this approval will be issued during April 2012.

## **TIGER IV Grant Application for Minot International Airport Access Road**



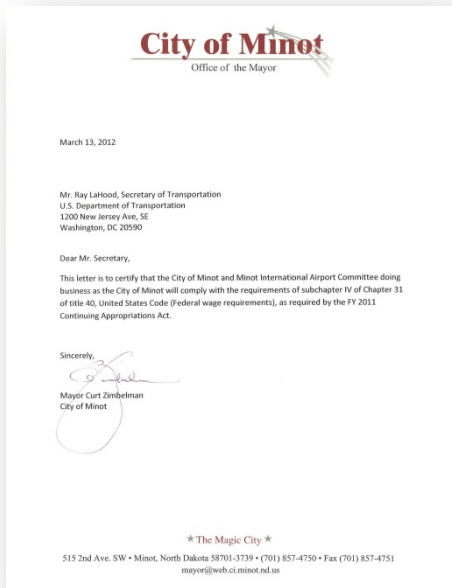
## VI. Federal Wage Rate Certification

The City of Minot certifies work performed under the contract of this grant will be required to comply with all applicable state and federal laws including but not limited to Subchapter IV of Chapter 31 of Title 40 of the United States Code.

See <http://whyflyminot.com/TigerIV>.

*“ This letter is to certify that the City of Mono and Minot international Airport Committee doing business as the City of Minot will comply with the requirements of subchapter IV of Chapter 31 of title 40, United States Code (Federal wage requirements), as required by the FY 2011 Continuing Appropriations Act.”*

*Curt Zimbelman, City of Minot, Mayor*



**TIGER IV Grant Application for  
Minot International Airport  
Access Road**



## VII. Material Changes to the Pre-Application

Project name:	Minot International Airport Access Road	
Total amount of TIGER funds requested:		\$2,190,300
Total amount of non-federal funds committed to the project:		\$1,460,200
Total project cost:		\$3,650,500
Is any segment of the project located in a census designated Urbanized are?		No
Economically Distressed:	Consistent with the Economically Distressed Area criteria published by FHWA on February 10, 2012, the City of Minot and Ward County do not qualify as federally designated economically distressed areas identified by unemployment rate and per capita income.	
Special Consideration:	Three (3) Economically distressed counties (Rolette and Benson county in North Dakota and Roosevelt County in Montana), three (3) economically distressed Indian Reservations ( Fort Peck, Berthold, Spirit Lake Nation), and nine(9) counties ( Divide, Burke, Renville, Bottineau, Rollete, Towner, McHenry, Pierce, and Benson) that qualify under the North Dakota Empowerment Program.	

## VIII. Appendix

The following attachments can be found at: <http://whyflyminot.com/TigerIV/>.

Support Letters

Maps

Technical Information

Federal Wage Rate Certification

Benefit Cost Analysis

News

**TIGER IV Grant Application for  
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