



CAPITAL IMPROVEMENT PROGRAM

The ultimate recommended development concept presented in the previous section outlined airside and landside improvements for ODO that provide the airport sponsor with a plan to preserve and develop the airport to meet future aviation demands. This includes the option to maintain Runway 11-29 as the primary runway, or to select Runway 2-20 to serve as the primary runway at a later date. Using the recommended concept as a guide, this section will provide a description and overall cost estimate for projects identified in the capital improvement program (CIP) and development schedule.

The presentation of the capital program is organized into two sections. First, the airport’s CIP and associated cost estimates are presented in narrative and graphic form. The first five years of the CIP are programmed by years, with the remaining projects grouped into intermediate (years 6-10) and ultimate (years 11+) planning horizons. By utilizing planning horizons instead of specific years for intermediate and long-term development, the city will have greater flexibility to adjust capital needs as demand dictates. Projects associated with upgrading the ultimate primary runway to RDC C-II, whether that remains as Runway 11-29 or changes to Runway 2-20, are included as separate line items. The second section of the CIP identifies capital improvement funding sources on state and local levels.

Several factors, such as funding availability and justification, may influence the timing of projects in the interim and ultimate planning periods; therefore, greater flexibility must be considered regarding their implementation. The timing for capacity-related projects, such as hangar construction, will need to be based upon demand and the types of aircraft using the facility. Other projects, such as improving the taxiway system and acquiring property within the safety areas, focus on meeting FAA design standards and providing a safe operating environment. This planning study has been developed in such a manner to provide the airport sponsor with maximum flexibility to adapt the concepts presented to potential changes over time. The short-term, intermediate, and long-term CIP for ODO is listed in **Table 43**. Hangar development is assumed to be funded by private developers through ground lease agreements with the sponsor. For this reason, hangar development has been excluded from the airport’s CIP.

Project-specific cost estimates were prepared by Parkhill, the airport’s engineer. The cost estimates also include design, construction administration, and contingencies that may arise on the project. Capital costs presented here should be viewed only as “order-of-magnitude” estimates and are subject to further refinement during design. Nevertheless, they are considered sufficient for planning purposes. It should be noted that each project should only be undertaken after further refinement of their design and costs through detailed architectural or engineering analyses. The estimates presented are based on current costs and have not been adjusted for inflation.

Project funding sources are also identified in the table, including an estimate of grant (federal and/or TxDOT) funding eligibility, although actual funding is not guaranteed. Detailed funding source descriptions are provided later in this section. For projects that are eligible for federal/state funding, Airport Improvement Program (AIP)/TxDOT grants provide up to 90 percent of the total project cost. The remaining 10 percent, or more, of project costs are funded locally by Ector County. Other projects, such as construction of a secondary fuel farm, are typically not eligible for AIP grants (outside of non-primary entitlements) or would rank low on the priority scale. As a result, these projects should be planned for local funding or funding through specific TxDOT programs.



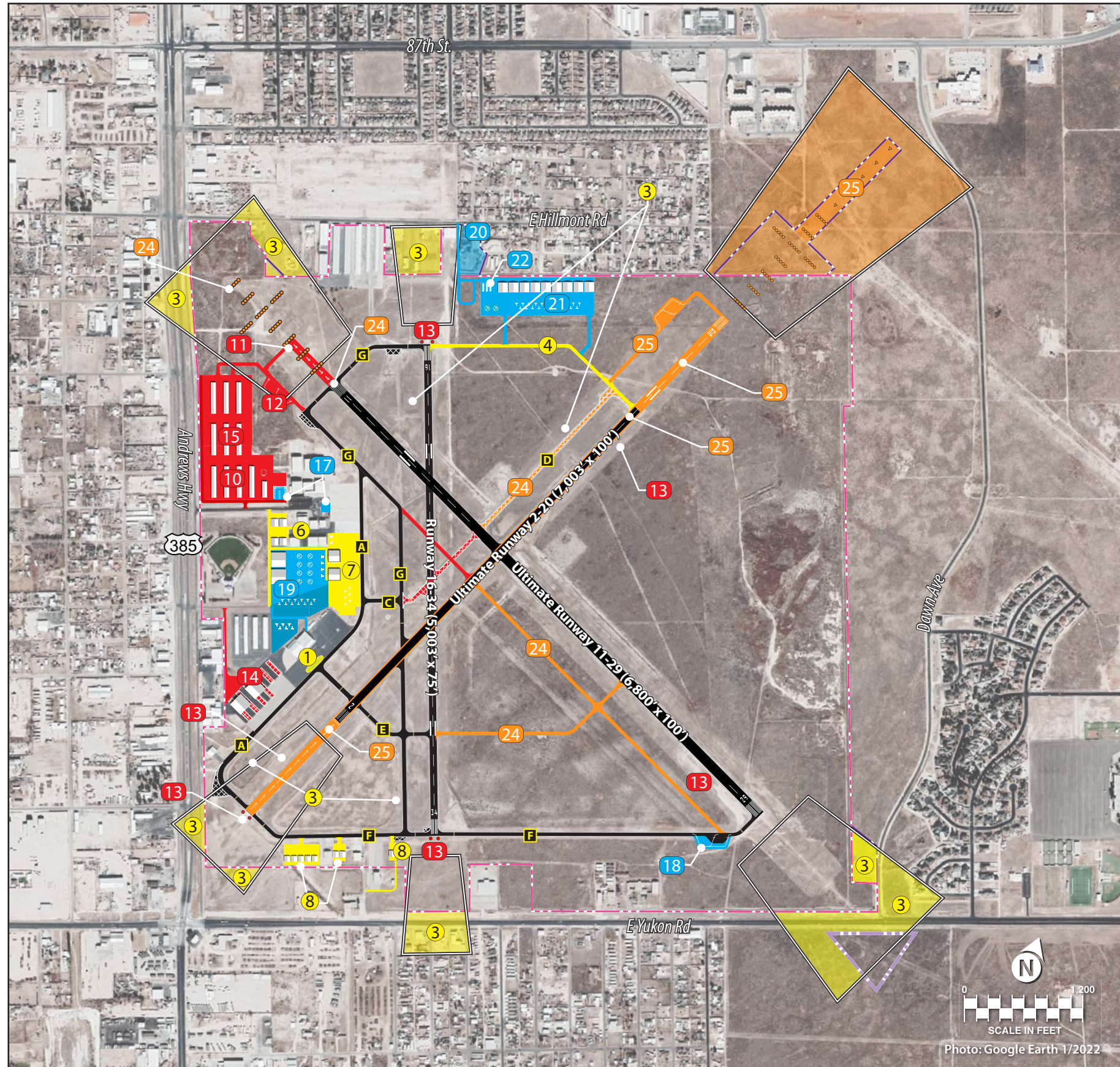
TABLE 43 | Capital Improvement Program

		Cost Estimate	Federal/TxDOT Share	Airport Sponsor/ Local Share	
Short-Term Projects (1-5 Years)	#	Project Description			
	FY 2024				
	1	Install No-Taxi Island	\$47,500	\$42,750	\$4,750
	2	Environmental Analysis for Property Acquisition	\$125,000	\$112,500	\$12,500
	FY 2025				
	3	Acquire Property to Protect Safety Areas and Relocate Obstructions	\$5,600,000	\$5,040,000	\$560,000
	FY 2026				
	4	Extend Taxiway G to Runway 20 Threshold	\$1,825,000	\$1,642,500	\$182,500
	5	Install MITL	\$500,000	\$450,000	\$50,000
	FY 2027				
6	Construct Taxilane Pavement for Landside Development	\$815,000	\$733,500	\$81,500	
7	Expand Terminal Apron – Phase 1	\$6,500,000	\$5,850,000	\$650,000	
FY 2028					
8	Construct Taxilane/Apron Pavement for Landside Development	\$1,400,000	\$1,260,000	\$140,000	
9	Routine Pavement Maintenance	\$1,000,000	\$900,000	\$100,000	
		Short-Term Projects Subtotal	\$17,812,500	\$16,031,250	\$1,781,250
Intermediate Projects (6-10 Years)	10	Construct Taxilanes for T-Hangar Complex – Phase 1	\$6,250,000	\$5,625,000	\$625,000
	11	Extend Runway 11 and Taxiway G	\$2,050,000	\$1,845,000	\$205,000
	12	Construct Holding Bay on Taxiway G	\$1,300,000	\$1,170,000	\$130,000
	13	Install/Upgrade Visual Approach Aids	\$385,000	\$346,500	\$38,500
	14	Demolish T-hangars; Construct Roads/Parking	\$910,000	\$0	\$910,000
	15	Construct Taxilanes for T-hangar Complex – Phase 2	\$7,150,000	\$6,435,000	\$715,000
	16	Routine Pavement Maintenance	\$2,000,000	\$1,800,000	\$200,000
		Intermediate Projects Subtotal	\$20,045,000	\$17,221,500	\$2,823,500
Long-Term Projects (11-20+ Years)	17	Expand Terminal Building and Parking Lot	\$800,000	\$0	\$800,000
	18	Construct Holding Bay on Taxiway F	\$650,000	\$585,000	\$65,000
	19	Expand Terminal Apron – Phase 2	\$7,335,000	\$6,601,500	\$733,500
	20	Environmental Analysis and Property Acquisition for Landside Development	\$325,000	\$0	\$325,000
	21	Construct Taxilane/Apron Pavement for North Side Hangars	\$7,300,000	\$6,570,000	\$730,000
	22	Construct Secondary Fuel Farm	\$2,100,000	\$0	\$2,100,000
	23	Routine Pavement Maintenance	\$4,000,000	\$3,600,000	\$400,000
		Long-Term Projects Subtotal	22,510,000	\$17,356,500	\$5,153,500
		CIP Total (Excluded Projects #24 and #25)	60,367,500	\$50,609,250	\$9,758,250
	24	Upgrade Runway 11-29 to Meet Ultimate RDC C-II-4000	\$13,600,000	\$12,240,000	\$1,360,000
	25	Upgrade Runway 2-20 to Meet Ultimate RDC C-II-2400	\$18,100,000	\$16,290,000	\$1,810,000

Source: Coffman Associates; Parkhill

The FAA and TxDOT each utilize a national priority rating system to help objectively evaluate potential airport projects. Projects are weighted toward safety, infrastructure preservation, meeting design standards, and capacity enhancement. These entities will participate in the highest priority projects before considering lower priority projects, even if a lower priority project is considered a more urgent need by the local sponsor. Nonetheless, the project should remain a priority for the airport, and funding support should continue to be requested in subsequent years.

As detailed in the CIP, many of the projects listed are eligible for federal or state funding. Demand and justification for these projects must be provided prior to a grant being issued. **Exhibit 41** graphically depicts the development staging by overlaying each project onto the aerial photograph of ODO.



Short-Term Program (1-5 years)

- 1 Install No-Taxi Island
- 2 Environmental Analysis for Property Acquisition (NP)
- 3 Acquire Property to Protect Safety Areas and Relocate Obstructions
- 4 Extend Taxiway G to Runway 20 Threshold
- 5 Install MITL (NP)
- 6 Construct Taxilane Pavement for Landside Development
- 7 Expand Terminal Apron - Phase 1
- 8 Construct Taxilane/Apron Pavement for Landside Development
- 9 Routine Pavement Maintenance (NP)

Intermediate-Term Program (6-10 years)

- 10 Construct Taxilanes for T-Hangar Complex - Phase 1
- 11 Extend Runway 11-29 and Taxiway G
- 12 Construct Holding Bay on Taxiway G
- 13 Install/Upgrade Visual Approach Aids
- 14 Demolish T-hangars; Construct Roads/Parking
- 15 Construct Taxilanes for T-hangar Complex - Phase 2
- 16 Routine Pavement Maintenance (NP)

Long-Term Program (11-20+ years)

- 17 Expand Terminal Building and Parking Lot
- 18 Construct Holding Bay on Taxiway F
- 19 Expand Terminal Apron - Phase 2
- 20 Environmental Analysis and Property Acquisition for Landside Development
- 21 Construct Taxilane/Apron Pavement for North Side Hangars
- 22 Construct Secondary Fuel Farm
- 23 Routine Pavement Maintenance (NP)

Projects Associated with Ultimate Primary Runway

- 24 Upgrade Runway 11-29 to Meet Ultimate RDC C-II-4000
- 25 Upgrade Runway 2-20 to Meet Ultimate RDC C-II-2400

LEGEND

Airport Property Line	Short-Term Project
Ultimate Property Line	Intermediate-Term Project
Existing Avigation Easement	Long-Term Project
Taxiway Designator	Ultimate Runway Project
Runway Protection Zone (RPZ)	Not Pictured
Pavement/Building to be Removed	

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Some projects identified in the CIP will require environmental documentation. The level of documentation necessary for each project must be determined in consultation with TxDOT. There are three major levels of environmental review to be considered under NEPA that include Categorical Exclusions (CatEx), Environmental Assessments (EA), and Environmental Impact Statements (EIS). Each level requires more time to complete and more detailed information. Guidance on what level of documentation is required for a specific project is provided in FAA Order 1050.1F, *Environmental Impacts: Policies and Procedures*. The Environmental Overview presented in the previous section addresses NEPA and provides an evaluation of various environmental categories for ODO.

SHORT-TERM IMPROVEMENTS

The projects included in the short-term development concept are those planned to occur between now and the next five years (2023-2027). These projects are scheduled by year and are prioritized based on the airport's needs, with projects related to safety and preservation receiving higher priority.

2024 PROJECTS

Project #1: Install No-taxi Island

Description: Taxiway E currently provides direct access from the south ramp to Runway 2-20, a non-standard condition. To mitigate this, a no-taxi island is planned at the entrance to Taxiway E. A no-taxi island is a portion of apron pavement painted green and clearly marked as a non-movement area. The no-taxi island functions to improve pilot situational awareness by forcing pilots to make a turn prior to entering a runway environment.

Cost Estimate: \$47,500

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #2: Environmental Analysis for Property Acquisition

Description: Environmental analysis is required prior to acquisition of property, which is planned as Project #3. Before property can be acquired with federal funds, the FAA requires an environmental finding prior to grant programming.

Cost Estimate: \$125,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

2025 PROJECTS

Project #3: Acquire Property to Protect Safety Areas and Relocate Obstructions

Description: Acquisition of property interest is needed to control the existing/ultimate safety areas associated with Runway 11-29. Avigation easements are planned to be acquired for property within the existing/ultimate RPZs off each runway end, while fee simple acquisition is planned for a 0.3-acre parcel near the Runway 11 end and a 2.7-acre parcel near the Runway 29 end. These are areas that would be within the ultimate runway object free area (ROFA) if and when this runway transitions to RDC C-II-4000. As such, fee simple acquisition of these areas is planned, rather than an avigation easement. The perimeter is also planned to be relocated to align with the new property boundary. Where possible, avigation easements



are also planned to be obtained for the portions of uncontrolled RPZ off the ends of Runways 11, 29, 16, and 34. Some of these areas contain public roadways and existing structures. As such, the easements would function to prevent construction of future development in these areas that would exceed the specified structure height limit. This project also plans for the relocation of existing obstructions to the existing/ultimate ROFAs. This includes the wind cones adjacent to Runways 2, 20, 16, and 34, as well as perimeter fencing located in the ultimate (RDC C-II-4000) Runway 11-29 ROFA.

Cost Estimate: \$5,600,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

2026 PROJECTS

Project #4: Extend Taxiway G to Runway 20 Threshold

Description: Project #4 plans for the construction of new taxiway pavement connecting the Runway 16 and Runway 20 thresholds. Currently, pilots taking off from Runway 20 access the runway via Taxiway D, which crosses through the high-energy portions of Runways 16-34 and 11-29. Extending Taxiway G to connect to Runway 20 will improve safety by eliminating the need for pilots to cross through the high-energy areas of these runways. Additionally, the extended taxiway pavement will provide access to a planned landside development on the north side of the airfield.

Cost Estimate: \$1,825,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #5: Install MITL

Description: Medium intensity taxiway lighting (MITL) is recommended to be installed at airports with lighted runways and where nighttime instrument approach procedures are conducted. As such, this project plans for the addition of MITL on all taxiways at ODO.

Cost Estimate: \$500,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

2027 PROJECTS

Project #6: Construct Taxilane Pavement for Landside Development

Description: This project plans for the construction of new taxilane pavement southeast of the terminal building. The existing taxilane supporting executive and conventional hangars in this area is planned to be extended to allow for the construction of new executive box hangars. An access road and vehicle parking areas for tenants are also included in this project.

Cost Estimate: \$815,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #7: Expand Terminal Apron – Phase 1

Description: The Facility Requirements section identified a need for additional ramp space and marked aircraft parking. This project plans for the first phase of an expanded terminal apron. The project as depicted includes an apron that could support two new conventional hangars as well as marked parking for fixed wing aircraft. A vehicle access road and parking lot are also included.

Cost Estimate: \$6,500,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%



2028 PROJECTS

Project #8: Construct Taxilane/Apron Pavement for Landside Development

Description: The airport sponsor has indicated that a new hangar is planned along Taxiway F near the Runway 34 threshold. The hangar as depicted is conceptual in nature, with specifics to be determined by the private developer in coordination with the airport. A hangar in this location would require the removal of the non-standard holding bay in this area. As such, this project plans for the removal of this pavement prior to construction of new taxilane/apron pavement associated with the proposed hangar. As noted below, the project costs for development of not only the hangar but also the associated taxilane/apron would be the responsibility of the developer, as this pavement would be considered “exclusive use,” which is not eligible for federal funding participation. The removal of the holding bay, however, may be eligible as this is a non-standard design that would ultimately be removed at some point. This project also includes the costs to develop two additional aircraft parking aprons along Taxiway F, which could be eligible for funding assistance as these areas would serve multiple tenants.

Cost Estimate: \$1,400,000

Funding Eligibility for Apron and Vehicle Access Road: FAA/TxDOT – 0%, Airport Sponsor/Local – 100%

Funding Eligibility for Removal of Holding Bay: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #9: Routine Pavement Maintenance

Description: This project serves as a placeholder for routine pavement maintenance that will be necessary during the short-term timeframe. This includes runway, taxiway, taxilane, and apron pavement, with specific projects to be determined based on need.

Cost Estimate: \$1,000,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

SHORT-TERM SUMMARY

The short-term CIP addresses several high-priority projects, including safety-related projects such as the installation of a no-taxi island to eliminate the direct access and the acquisition of property and removal of obstructions to maintain standard safety areas. To meet current and anticipated demand levels, expansion of the terminal ramp and additional aircraft parking and storage are also planned. The short-term projects total approximately \$17.8 million, with approximately \$16.0 million eligible for FAA/TxDOT funding. The remaining \$1.8 million would be a local funding responsibility.

INTERMEDIATE-TERM IMPROVEMENTS

To provide maximum flexibility for airport management when programming capital improvement projects, the intermediate-term projects have been grouped and generally include those projects that may be needed in years six through 10. Airport management should regularly assess the need and timing for these projects based on actual demand and growth at the airport.

**Project #10: Construct Taxilanes for T-hangar Complex – Phase 1**

Description: A T-hangar complex is proposed southwest of the terminal building to provide needed aircraft storage capacity. Project #10 plans for the Phase 1 portion of the complex, which includes taxilanes that could support five rows of T-hangars. Aircraft access to/from this area will be via the existing taxilane that extends from the west side of the terminal ramp. The project also includes an aircraft wash rack and a vehicle access road extending from E. Terminal Drive.

Cost Estimate: \$6,250,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #11: Extend Runway 11-29 and Taxiway G

Description: A 600-foot extension is planned for Runway 11 to improve Runway 11-29's utility for larger jets that require a longer operational surface, particularly during hot weather. This project will require the existing MALS system to be relocated. It also includes an extension of Taxiway G to the extended Runway 11 threshold, with new medium intensity runway lights (MIRL) and MITL planned on new runway and taxiway pavement.

Cost Estimate: \$2,050,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #12: Construct Holding Bay on Taxiway G

Description: A standard holding bay is planned on the extended portion of Taxiway G near the Runway 11 end. This holding bay will allow aircraft to bypass one another and improve airfield capacity and is planned to be constructed according to the FAA's preferred design. The existing holding bay, which is a non-standard design, is planned to be demolished, along with the non-standard holding bays serving Runways 2 and 16.

Cost Estimate: \$1,300,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #13: Install/Upgrade Visual Approach Aids

Description: Project #13 plans for new or upgraded visual approach aids to Runways 2-20 and 16-34. The visual approach slope indicator (VASI) system currently installed at each end of Runway 2-20 is planned to be replaced with PAPI-4 systems on each end. Both ends of Runway 16-34 are planned to be equipped with runway end identifier lights (REILs).

Cost Estimate: \$385,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #14: Demolish T-hangars; Construct Roads/Parking

Description: The T-hangars on the south ramp adjacent to Taxiway A are in poor condition and are in need of replacement or major rehabilitation. As this area is ideally located along the flight line and would potentially be better suited for hangars that could house an aviation-related business, this project plans for the existing T-hangars to be demolished so that new conventional hangars could be constructed in this area. The plan depicts the potential for two new conventional hangars, accessible from an extended access road and parking lot. The site of the existing 6-unit T-hangar buildings is planned to be used for aircraft parking once the hangars are removed. Also included in the project cost is the extension of a vehicle access road and dedicated vehicle parking lot at the rear of the conventional hangars. Project



costs include demolition of T-hangars, construction of an access road/parking lot, and conversion of pavement to be used for aircraft parking. Hangar construction costs are assumed to be incurred by a private developer, while demolition of the existing T-hangars would likely be a local responsibility.

Cost Estimate: \$910,000

Funding Eligibility for Access Road/Parking and Aircraft Parking: FAA/TxDOT – 0%, Airport Sponsor/Local – 100%

Project #15: Construct Taxilanes for T-Hangar Complex – Phase 2

Description: An expansion to the T-hangar complex described in Project #10 is proposed to provide additional aircraft storage capacity. This project plans for the Phase 2 portion of the complex, which includes additional taxilane pavement along with access to Taxiway G near the Runway 11 end. The vehicle access road from E. Terminal Drive is planned to be extended along the western property line to provide tenant access to this area.

Cost Estimate: \$7,150,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #16: Routine Pavement Maintenance

Description: This project serves as a placeholder for routine pavement maintenance that will be necessary during the intermediate-term timeframe. This includes runway, taxiway, taxilane, and apron pavement, with specific projects to be determined based on need.

Cost Estimate: \$2,000,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

INTERMEDIATE-TERM SUMMARY

The intermediate-term projects include an extension to Runway 11 to better serve larger aircraft requiring longer runway lengths, upgrades to existing and installation of new visual approach aids, and expansion projects to accommodate increased aviation demand that is anticipated to occur. The intermediate-term projects total approximately \$20.0 million. The share eligible for FAA and TxDOT funding is estimated at \$17.2 million. The remaining \$2.8 million is comprised of the airport sponsor and local shares.

LONG-TERM IMPROVEMENTS

Long-term projects are planned for 11-20+ years into the future and, like previous projects, should be based on actual demand rather than a point in time. Some projects have been grouped together. This includes projects that would be associated with a shift to an ARC C-II design and ultimate selection of a primary runway to meet those standards. Upgrades to Runway 11-29 and Runway 2-20 to meet an ultimate C-II design, depending on which runway the county elects to maintain as primary, are included as separate line items. These and other long-term project groupings allow the airport and Ector County greater flexibility in longer range planning, where priorities may shift, and adjustments be made. Additionally, each year, the airport and TxDOT/FAA draft and review the five-year ACIP; therefore, the list of projects and their prioritization can change in the future, and likely will be based on current needs and trends.

**Project #17: Expand Terminal Building and Parking Lot**

Description: This project plans for the addition of approximately 1,200 sf of new terminal space to accommodate increased pilot/passenger demand projected to occur. Additional paved parking for vehicles is included as well. Funding for this project will likely be the responsibility of Ector County, or could potentially be sourced through discretionary funds, though this would be considered a low priority project and likely unable to receive funding approval from this source. As such, the costs reflected below are assumed to be the responsibility of Ector County.

Cost Estimate: \$800,000

Funding Eligibility: FAA/TxDOT – 0%, Airport Sponsor/Local – 100%

Project #18: Construct Holding Bay on Taxiway F

Description: A standard holding bay is planned on Taxiway F near the Runway 29 end. This holding bay is generally located on the site of the existing holding bay, but it will feature a larger pavement area in accordance with current FAA designs that allow for independent aircraft movements.

Cost Estimate: \$650,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #19: Expand Terminal Apron – Phase 2

Description: Project #19 plans for the second phase of an expanded terminal apron (Phase 1 was described previously as Project #7). The project as depicted includes an extension of the ramp to the west that could support two new conventional hangars as well as marked parking for fixed wing aircraft and helicopters. The vehicle access road is also planned to be extended to provide access to new and existing tenants. The project also includes an additional aircraft parking area on the currently vacant site behind Epic Aero.

Cost Estimate: \$7,335,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

Project #20: Environmental Analysis and Property Acquisition for Landside Development

Description: As with previous projects, prior to the land purchase, an environmental analysis is needed before grant programming can be implemented. This project assumes the cost of both the environmental documentation and the acquisition of approximately 1.8 acres of land near Hillmont Road that would be necessary to support proposed north side hangar development. It should be noted that, unless a need for aeronautical development in this area can be demonstrated, the costs of these projects would likely be borne by Ector County, with the potential to seek federal/state reimbursement when aeronautical need is justified (and assuming that the proper acquisition process was followed).

Cost Estimate: \$325,000

Funding Eligibility: FAA/TxDOT – 0%, Airport Sponsor/Local – 100%

Project #21: Construct Taxilane/Apron Pavement for North Side Hangars

Description: Additional taxilane/apron pavement is included in Project #21 to develop proposed hangar facilities on the north side. Currently, this area of the airfield is undeveloped with limited access from the existing road network. To develop in this location, preliminary work including utility extension and construction of a paved roadway from E. Hillmont Road would be necessary. This project includes these costs, along with the construction of an aircraft parking apron with marked aircraft parking.

Cost Estimate: \$7,300,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%



Project #22: Construct Secondary Fuel Farm

Description: A secondary fuel farm is planned for the north apron area, once developed. Aboveground Jet A and 100LL/100UL storage tanks are included with this project. While the existing fuel facilities on the west side of the airport are adequate in terms of capacity, a secondary fuel farm is much more convenient for tenants and airport users, as well as refueling trucks.

Cost Estimate: \$2,100,000

Funding Eligibility: FAA/TxDOT – 0%, Airport Sponsor/Local – 100%

Project #23: Routine Pavement Maintenance

Description: This project serves as a placeholder for routine pavement maintenance that will be necessary during the long-term timeframe. This includes runway, taxiway, taxilane, and apron pavement, with specific projects to be determined based on need.

Cost Estimate: \$4,000,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

LONG-TERM PROJECTS SUMMARY

The long-term projects focus primarily on capacity enhancements that may be needed at the airport during years 11-20 and beyond. The long-term projects total approximately \$22.5 million. The share eligible for FAA and TxDOT funding is estimated at \$17.4 million, and the remaining \$5.2 million would be a local funding responsibility.

PROJECTS ASSOCIATED WITH ULTIMATE PRIMARY RUNWAY

As mentioned previously, projects associated with upgrading either Runway 11-29 or Runway 2-20 to serve as the primary runway in a C-II environment are included separately as line items. These projects and their costs are detailed below.

Project #24: Upgrade Runway 11-29 to Meet Ultimate RDC C-II-4000

Description: If Runway 11-29 is selected to continue serving as ODO’s primary runway, the projects necessary for it to meet C-II-4000 design standards would include a 600-foot displacement of the Runway 11 threshold and modification of the MALS system serving the Runway 11 approach. These projects are necessary due to the increased dimensions associated with the C-II-4000 safety areas, as described in the previous section. Additional projects planned if Runway 11-29 serves as the RDC C-II-4000 runway include strengthening the pavement to 60,000 pounds dual wheel loading (DWL), removal of Taxiway D pavement and construction of a full-length parallel taxiway to Runway 11-29, and extension of Taxiway E pavement to the east to connect to Runway 11-29’s parallel taxiway.

Cost Estimate: \$13,600,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

**Project #25: Upgrade Runway 2-20 to Meet Ultimate RDC C-II-2400**

Description: If Runway 2-20 is selected to serve as ODO's primary runway, the projects necessary for it to meet C-II-2400 design standards would include the following: 1) environmental assessment for land acquisition necessary to support the expanded runway safety areas off the Runway 20 end (i.e., 13.7 acres of property for fee simple acquisition and 54.8 acres of property for avigation easement); 2) property acquisition to control/protect safety areas; 3) widen Runway 2-20 to 100 feet; and 4) installation of a MALSR system to support an LPV GPS approach with ½-mile visibility minimums to Runway 20. Also included with this project is a 1,300-foot extension to Runway 20; clearing and/or grading C-II safety areas as necessary; taxiway extension to provide access to Runway 20; additional MIRL and MITL; standard holding bay near extended Runway 20 end; runway pavement strength increase to 60,000 pounds DWL; and displacement of the Runway 2 threshold. A 1,298-foot displacement is necessary on Runway 2 in order to provide standard safety areas and maintain the RPZ in its existing location without introducing any additional incompatible land uses.

Cost Estimate: \$18,100,000

Funding Eligibility: FAA/TxDOT – 90%, Airport Sponsor/Local – 10%

CAPITAL IMPROVEMENT SUMMARY

The CIP is intended as a road map of airport improvements to help guide the airport sponsor, FAA, and TxDOT on needed projects. The plan as presented will meet the forecast demand over the next 20+ years. The first five years of the CIP are separated into yearly installments, and the intermediate and long-term projects are grouped together. Upgrades associated with transitioning either Runway 11-29 or Runway 2-20 to function as a C-II primary runway are included separately as line items. The sequence of projects will likely change due to availability of funds or changing priorities in the years to come. In addition, other projects not anticipated during this study may arise and should then be added to the airport ACIP. Nonetheless, this is a comprehensive list of capital improvement projects the airport should consider in the next 20+ years.

The total CIP, excluding Projects #24 and #25, is estimated at approximately \$60.4 million. The share eligible for FAA and TxDOT funding is estimated at \$50.6 million. The airport sponsor and local share is estimated at \$9.8 million.

CAPITAL IMPROVEMENT FUNDING SOURCES

There are generally four different sources of funds used to finance airport development, which include:

- Airport cash flow
- Revenue and general obligation bonds
- Federal/state/local grants
- Passenger facility charges (PFCs), which are reserved for commercial service airports



Access to these sources of financing varies widely among airports, with some large airports maintaining substantial cash reserves and the smaller commercial service and general aviation airports often requiring subsidies from local governments to fund operating expenses and finance modest improvements.

Financing capital improvements at ODO will not rely solely on the financial resources of Ector County. Capital improvement funding is available through various grant-in-aid programs on both the federal and state levels. Historically, the airport has received both federal and state grants. While more funds could be available some years, the CIP was developed with project phasing to remain realistic and within the range of anticipated grant assistance. The following discussion outlines key sources of funding potentially available for capital improvements at the airport.

FEDERAL GRANTS

Through federal legislation over the years, various grant-in-aid programs have been established to develop and maintain the system of public-use airports across the United States. The purpose of this system and its federally based funding is to maintain national defense and to promote interstate commerce. The *FAA Modernization and Reform Act of 2012*, enacted on February 17, 2012, authorized the FAA's AIP at \$3.35 billion for fiscal years 2012 through 2015. The law was then extended through a series of continuing resolutions. In 2016, Congress passed legislation (H.R. 636, *FAA Extension, Safety, and Security Act of 2016*) amending the law to expire on September 30, 2017. Subsequently, Congress passed a bill (H.R. 3823, *Disaster Tax Relief and Airport and Airway Extension Act of 2017*) authorizing appropriations to the FAA through March 31, 2018, and the *Consolidated Appropriations Act, 2018* extended the FAA's funding and authority through September 30, 2018. In October 2018, Congress passed legislation entitled ***FAA Reauthorization Act of 2018, which will fund the FAA's AIP at \$3.35 billion annually until 2023***. This bill reauthorizes the FAA for five years, at a cost of \$97 billion, and represents the longest funding authorization period for the FAA since 1982.

The source for AIP funds is the Aviation Trust Fund. The Aviation Trust Fund was established in 1970 to provide funding for aviation capital investment programs (aviation development, facilities and equipment, and research and development). The Aviation Trust Fund also finances the operation of the FAA. It is funded by user fees, including taxes on airline tickets, aviation fuel, and various aircraft parts.

Several projects identified in the CIP are eligible for FAA funding through the AIP, which provides entitlement funds to airports based, in part, on their annual enplaned passengers and pounds of landed cargo weight. Additional AIP funds, designated as discretionary, may also be used for eligible projects based on the FAA's national priority system. Although the AIP has been reauthorized several times and the funding formulas have been periodically revised to reflect changing national priorities, the program has remained essentially the same. Public-use airports that serve civil aviation – like ODO – may receive AIP funding for eligible projects, as described in FAA's *Airport Improvement Program Handbook*. The airport must fund the remaining project costs using a combination of other funding sources, which are discussed in the following sections.

Table 44 presents the approximate distribution of the AIP funds as described in FAA Order 5100.38D, Change 1, *Airport Improvement Program Handbook*, issued February 26, 2019. ODO is eligible to apply for grants which may be funded through state apportionments, the small airport fund, and discretionary funds.

TABLE 44 | Federal AIP Funding Distribution

Funding Category	Percent of Total	Amount ¹
Apportionment/Entitlement		
Passenger Entitlements	27.01%	\$904,840,000
Cargo Entitlements	3.50%	\$117,250,000
Alaska Supplemental	0.67%	\$22,450,000
Nonprimary Entitlements	12.01%	\$402,340,000
State Apportionment	7.99%	\$267,670,000
Carryover	22.85%	\$765,480,000
Small Airport Fund		
Small Hubs	2.33%	\$78,060,000
Nonhubs	4.67%	\$156,450,000
Nonprimary (GA and Reliever)	9.33%	\$312,560,000
Discretionary		
Capacity/Safety/Security/Noise	4.36%	\$146,060,000
Pure Discretionary	1.45%	\$48,580,000
Set Asides		
Noise and Environmental	3.37%	\$112,900,000
Military Airports Program	0.39%	\$13,070,000
Reliever	0.06%	\$2,010,000
Total	100.00%	\$3,350,000,000

¹FAA Modernization and Reform Act of 2018
 Source: FAA Order 5100.38D, Change 1, *Airport Improvement Program Handbook*

Funding for AIP-eligible projects is undertaken through a cost-sharing arrangement in which TxDOT/FAA provide up to 90 percent of the cost and the airport sponsor invests the remaining 10 percent. In exchange for this level of funding, the airport sponsor is required to meet various Grant Assurances, including maintaining the improvement for its useful life, usually 20 years.

Another source for federal grants is the Bipartisan Infrastructure Law (BIL), which was signed into law in 2022 and plans for \$25 billion to be invested into America’s airports over the next five years. BIL funds are sourced from the U.S. Treasury General Fund and are split into two funding buckets, \$20 billion for Airport Infrastructure Grants (AIG) and \$4.85 billion for Airport Terminal Program (ATP). **Under BIL, ODO can receive \$292,000³⁷ in allocated AIG funding each year for the next five years, assuming the airport remains classified as a Regional GA airport in the NPIAS. For FY2022, ODO was eligible to receive \$763,000 due to its classification as a National GA Airport.** Beginning in FY2022, BIL money can be used for repair and maintenance of existing infrastructure or construction of new facilities (i.e., airfield pavement, nav aids, lighting, terminal building, etc.). ATP grants can be used for multi-modal terminal development and relocating, reconstructing, repairing, or improving an airport traffic control tower. The federal share for AIG is the same as an AIP grant, 90 percent with a local 10 percent match, while the federal share for ATP grants

³⁷ <https://www.faa.gov/bil/airport-infrastructure>



is 95 percent for non-primary airports. The same grant assurances that apply to AIP grants will also apply to BIL grants. BIL and AIP grants cannot be combined/mingled into a single grant. TxDOT Aviation has recently agreed to administer the program for FAA, so Texas airports, including ODO, can expect to receive these funds in the near future, with approximately \$292,000 annually allotted to ODO for each year of the program (with the exception of FY2022 when \$763,000 was allotted to the airport).

Apportionment (Entitlement) Funds

AIP provides funding for eligible projects at airports through an apportionment (entitlement) program. Non-primary airports included in the *National Plan of Integrated Airport Systems* (NPIAS), such as ODO, receive a guaranteed minimum level of up to \$150,000 each year in non-primary entitlement (NPE) funds. These funds can be carried over and combined for up to four years, thereby allowing for the completion of a more expensive project.

The FAA also provides a state apportionment based on a federal formula that considers land area and population. For the State of Texas, TxDOT distributes these funds for projects at various airports throughout the state.

Small Airport Fund

If a large- or medium-hub commercial service airport chooses to institute a PFC, which is a fee of up to \$4.50 per airline ticket for funding of capital improvement projects, then their apportionment is reduced. A portion of the reduced apportionment goes to the small airport fund. The small airport fund is reserved for small-hub primary commercial service airports, non-hub commercial service airports, reliever, and general aviation airports. As a general aviation airport, ODO is eligible for funds from this source.

Discretionary Funds

In several cases, airports face major projects that will require funds in excess of the airport's annual entitlements. Thus, additional funds from discretionary apportionments under AIP become desirable. The primary element of discretionary funds is that they are distributed on a priority basis. The priorities are established by the FAA, using a priority code system. Under this system, projects are ranked by their purpose. Projects ensuring airport safety and security are ranked as the most important priorities, followed by maintaining current infrastructure development, mitigating noise and other environmental impacts, meeting design standards, and increasing system capacity.

It is important to note that competition for discretionary funding is not limited to airports in the State of Texas, or those within the FAA Southwest Region. The funds are distributed to all airports in the country and, as such, are more difficult to obtain. High priority projects will often fare favorably, while lower priority projects may not receive discretionary grants.

Set-Aside Funds

Portions of AIP funds are set-asides designed to achieve specific funding minimums for noise compatibility planning and implementation, certain former military airfields (Military Airports Program), and certain reliever airports. ODO does not qualify for set-aside funding.

FAA Facilities and Equipment (F&E) Program

The Airway Facilities Division of the FAA administers the Facilities and Equipment (F&E) Program. This program provides funding for the installation and maintenance of various navigational aids and equipment of the national airspace system. Under the F&E program, funding is provided for FAA air traffic control towers (ATCTs), enroute navigational aids, on-airport navigational aids, and approach lighting systems.

While F&E still installs and maintains some navigational aids, on-airport facilities at general aviation airports have not been a priority; therefore, airports often request funding assistance for navigational aids through AIP and then maintain the equipment on their own³⁸.

STATE FUNDING PROGRAMS

The State of Texas participates in the federal State Block Grant Program. Under this program, the FAA annually distributes general aviation state apportionment and discretionary funds to TxDOT which, in turn, distributes grants to airports within the state. In compliance with TxDOT’s legislative mandate that it “apply for, receive, and disburse” federal funds for general aviation airports, TxDOT acts as the agent of the local airport sponsor. Although these grants are distributed by TxDOT, they contain all federal obligations.

The State of Texas also distributes funding to general aviation airports from the Highway Trust Fund as the Texas Aviation Facilities Development Program. These funds are appropriated each year by the state legislature. Once distributed, these grants contain state obligations only.

The establishment of a CIP for the state entails first identifying the need, then establishing a ranking or priority system. Identifying all state airport project needs allows TxDOT to establish a biennial program and budget for development costs. The currently approved TxDOT CIP, *Aviation Capital Improvement Program 2023-2025*, assumes that approximately \$19 million in annual federal AIP grants, plus \$24 million earmarked for non-primary entitlement, \$12 million in annual federal discretionary funding, and \$15 million in state funds, would be available.

The TxDOT biennial program sets a project priority system established by the Texas Transportation Commission in order to make the best use of limited state and federal airport development funds. **Table 45** presents the priority objectives and their associated description, listed in order of importance.

³⁸ Guidance on the eligibility of a project for federal AIP grant funding can be found in FAA Order 5100.38D, *Airport Improvement Program Handbook, Change 1*, effective February 26, 2019.



TABLE 45 | TxDOT Project Priorities

PRIORITY OBJECTIVE	DESCRIPTION
Safety	Projects needed to make the facility safe for aircraft operations.
Preservation	Projects to preserve the functional or structural integrity of the airport.
Standards	Improvements required to bring the airport up to design standards for current user aircraft.
Upgrade	Improvements required to allow the airport to accommodate larger aircraft or longer stage lengths.
Capacity	Expansion required to accommodate more aircraft or higher levels of activity.
New Access	A new airport providing new air access to a previously unserved area.
New Capacity	A new airport needed to add capacity or relieve congestion at other area airports.

Source: TxDOT Aviation Capital Improvement Program, 2021-2023

Each project for the airport must be identified and programmed into the state CIP and compete with other airport projects in the state for both federal and state funds. In Texas, airport development projects that meet TxDOT’s discretionary funds’ eligibility requirements can receive 90 percent funding from the state grant program. Eligible projects include airfield and apron facilities. Historically, revenue-generating improvements, such as fuel facilities, utilities, and hangars, have not been eligible for AIP funding; however, FAA funding legislation has historically provided an allowance of NPE funds to be used for hangar or fuel farm construction if all other airfield needs have been addressed.

The availability of grant funds can fluctuate from year to year. Typically, an airport can expect a grant to cover several projects in one grant cycle. The next grant opportunity may not occur for a couple of years after. This cycle occurs because TxDOT must administer grants for more than 300 airports and has relatively limited resources. As a result, local budgeting for future capital improvements should consider sporadic grant availabilities.

Routine Airport Maintenance Program (RAMP)

TxDOT has established the RAMP to help general aviation airports maintain and, in some instances, construct new facilities. The program was initially designed to help airports maintain airside and land-side pavements but has since been expanded to include construction of new facilities. RAMP is an annual funding source in which TxDOT will provide a 50 percent funding match for projects up to \$100,000. **Table 46** outlines the projects that are eligible under RAMP. It should be noted that several of the projects listed in the airport’s proposed CIP are also eligible for RAMP funding.

TABLE 46 | RAMP Eligible Projects

AIRSIDE MAINTENANCE
Pavement crack seal/Slurry seal/Fog seal/Rejuvenator
Pavement markings
Drainage maintenance
Sweeping
Herbicide application
Replacement bulbs/lamps for airside lights, approach aids
Repair/maintenance of beacon, lighting, approach, and navigational aids
AWOS parts replacement
AFTER AIRSIDE MAINTENANCE IS ADDRESSED
Seal coats/chip seal/crack seal for non-airside pavement
Hangar/terminal painting and repairs (airport-owned only)
Security camera systems
Game-proof or security fencing and gates
Access roads for AWOS installations
AWOS NADIN interface charges
Airport entrance signs
Repair/replacement of fuel systems, including tanks (airport-owned only)
Storm Water Pollution Prevention Plans and Spill Prevention Control & Countermeasure Plans
Airfield FOD sweeper
HVAC repairs in terminal building/tower
CAPITAL IMPROVEMENT PROJECTS (with TxDOT Guidance)
New public vehicle parking areas
New entrance roads and hangar access roads
Aircraft wash racks
Aircraft parking aprons
Extension of runway lighting systems
Drainage improvements
Small general aviation terminal buildings
Beacon/tower replacement
Preparation of FAA Form 7460-1 for RAMP Projects

Source: TxDOT RAMP (2022)



Other State Airport Programs

TxDOT also provides a funding mechanism for terminal buildings and ATCT improvements. TxDOT has funded terminal building construction on a 50/50 basis, up to a \$1 million total project cost. It should be noted that TxDOT has recently considered upgrading the total cost allowance on a case-by-case basis; however, this program generally allows for a one-time construction aid. As the terminal building at ODO was constructed using this funding source, any new terminal building construction project would be ineligible for this program.

TxDOT also funds the construction of up to two ATCTs statewide each year. TxDOT has improved the program so that ATCT funding could be provided on a 90/10 basis, up to a total construction cost of \$1.67 million.

LOCAL FUNDING

The balance of project costs, after consideration has been given to grants, must be funded through local resources. A goal for any airport is to generate enough revenue to cover all operating and capital expenditures, if possible. There are several local financing options to consider when funding future development at airports, including airport revenues, issuance of a variety of bond types, leasehold financing, implementing a customer facility charge (CFC), pursuing non-aviation development potential, and collecting money from special events. These strategies could be used to fund the local matching share or complete a project if grant funding cannot be arranged. Below is a brief description of the most common local funding options.

Airport Revenues

An airport's daily operations are conducted through the collection of various rates and charges. These airport revenues are generated specifically by airport operations. There are restrictions on the use of revenues collected by the airport. All receipts, excluding bond proceeds or related grants and interest, are irrevocably pledged to the punctual payment of operating and maintenance expenses, payment of debt service for as long as bonds remain outstanding, or for additions or improvements to airport facilities.

All airports should establish standard basis rates for various leases. All lease rates should be set to adjust to a standard index, such as the consumer price index (CPI), to ensure that fair and equitable rates continue to be charged in the future. Many factors will impact what the standard lease rate should be for a particular facility or ground parcel. For example, ground leases for aviation-related facilities should have a different lease rate than for non-aviation leases. When airports own hangars, a separate facility lease rate should be charged. The lease rate for any individual parcel or hangar may vary due to availability of utilities, condition, location, and other factors. Nonetheless, standard lease rates should fall within an acceptable range, comparable to other similar airports.



Bonding

Bonding is a common method to finance large capital projects at airports. A bond is an instrument of indebtedness of the bond issuer to the bond holders; a bond is a form of loan or “IOU.” While bond terms are negotiable, typically the bond issuer is obligated to pay the bond holder interest at regular intervals and/or repay the principal at a later date.

Leasehold/Third Party Financing

Leasehold or third-party financing refers to a developer or tenant financing improvements under a long-term ground lease. The advantage of this arrangement is that it relieves the airport of the responsibility of having to raise capital funds for the improvement. As an example, a hangar developer might consider constructing hangars and charging fair market lease rates, while paying the airport for a ground lease. A fuel farm can be undertaken in the same manner, with the developer of the facility paying the airport a fuel flowage fee.

Many airports use third party funding when the planned improvements will primarily be used by a private business or other organization. Such projects are not ordinarily eligible for federal funding. Projects of this kind typically include hangars, fixed-base operator facilities, fuel storage, exclusive aircraft parking aprons, industrial aviation-use facilities, non-aviation office/commercial/industrial developments, and other similar projects. Private development proposals are considered on a case-by-case basis. Often, airport funds for infrastructure, preliminary site work, and site access are required to facilitate privately developed projects on airport property.

Customer Facility Charge (CFC)

A CFC is the imposition of an additional fee charged to customers for the use of certain facilities. The most common example is when an airport constructs a consolidated rental car facility and imposes a fee for each rental car contract. That fee is then used by the airport to pay down the debt incurred from building the facility.

Non-Aeronautical Development

In addition to generating revenue from traditional aviation sources, airports with excess land can permit compatible non-aeronautical development. Generally, an airport will extend a long-term lease for land not anticipated to be needed for aviation purposes in the future. The developer then pays the monthly lease rate and constructs and uses the compatible facility. ODO has approximately 87.2 acres of undeveloped property that the recommended concept earmarks for potential non-aeronautical uses. It should be noted that any proposed non-aviation development must be reviewed and approved by both the FAA and TxDOT.



Special Events

Another common revenue-generating option is permitted use of airport property for temporary or single events. Airports can also permit portions of their facility to be used for non-aviation special events, such as car shows or video production of commercials. This type of revenue generation must be approved by the FAA.

PLAN IMPLEMENTATION

To implement the plan recommendations, it is key to recognize that planning is a continuous process and does not end with approval of this document. The airport should implement measures that allow it to track various demand indicators, such as based aircraft, hangar demand, and operations. The issues that this study is based on will remain valid for a number of years. The primary goal is for ODO to best serve the air transportation needs of the region, while achieving economic self-sufficiency.

The CIP and phasing program presented will change over time. An effort has been made to identify and prioritize all major capital projects that would require federal or state grant funding. Nonetheless, the airport and TxDOT should review the five-year CIP on an annual basis.

The value of this study is keeping the issues and objectives at the forefront of the minds of decision-makers. In addition to adjustments in aviation demand, decisions on when to undertake the improvements recommended in this study will impact how long the plan remains valid. The format of this plan reduces the need for formal and costly updates by simply adjusting the timing of project implementation. Updates can be done by airport management, thereby improving the plan's effectiveness. Nonetheless, airports are typically encouraged to update their master plans and/or ALPs every 7 to 10 years, or sooner if significant changes occur in the interim.

In summary, the planning process requires Ector County to consistently monitor the progress of the airport. The information obtained from continually monitoring activity will provide the data necessary to determine if the development schedule should be accelerated or decelerated.