

CHAPTER 8 Development Program and Implementation Plan

8.1 INTRODUCTION

The FAA identifies airports that are significant to national air transportation through the development of the **National Plan of Integrated Airport Systems (NPIAS)**. The NPIAS identifies the composition of a national system of airports together with the airport development and costs necessary over the ensuing 10 years to expand and improve the system. A key component of the NPIAS is the collective Airport Capital Improvement Plans (ACIP) of the nation's airports. These CIP's provide details including the projects expected to be undertaken within the next 3 to 5 years and those considered likely to be funded by the Federal **Airport Improvement Program** (discussed in detail in Section 8.3.1 below).

With the extensive demands for Federal funds, FAA must distribute funds to the regions in a manner that ensures that, nationally, the highest priority projects are being funded. The ACIP is intended to help accomplish this objective. It is a needs-based 3-to-5-year plan of funding for airport planning and development projects. FAA, in cooperation with states, planning agencies and airport sponsors, formulates the ACIP. The projects in the ACIP respond to FAA's emphasis on the following goals:

1. Ensure that the air transport of people, services and goods is provided in a safe and secure environment.
2. Preserve and upgrade the existing airport system in order to allow for increased capacity as well as to ensure reliable and efficient use of existing capacity.
3. Improve the compatibility of airports with the surrounding communities.
4. Provide sufficient access to an airport for the majority of the American public.

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8.2 IDENTIFICATION OF PRIORITY PROJECTS

Working closely with the Client Group, RIAC officials, the TAC and the BID airport management team, key development projects for the airport's future have been identified and developed. In summary, these projects address existing demands and projected demands on the airport. The initial project phase, presented as the **Capital Improvement Plan (CIP)** below, addresses many pressing issues on both the airside and landside areas of the airport.

Major projects in the new CIP include a new terminal building and ancillary curb and parking areas; a new access road to the terminal; a major reconstruction of the main runway, Runway 10-28; additional aircraft parking both paved and turf tie-downs; and an extension of Taxiway Charlie to Runway 28.

The **Block Island Airport Capital Improvement Plan** is presented in Tables 8-1 and 8-2. It consists of 15 projects and represents the detailed development plan for the airport roughly over the period October 2004 through October 2008, a 4-year period.¹ Approximately \$8.9 million in expenditures are projected in this period, of which roughly \$2.04 million are RIAC funds. Of this \$2.04 million, \$1.5 million is allocated to the new terminal.

The CIP for BID and the five other GA airports operated by RIAC was developed through the Rhode Island Aviation System Planning process based on the benchmarks/performance measures for each airport in the system. A priority list of projects was developed to meet short and mid-term needs to help each airport best fulfill its current and future role. Subsequently, RIAC managers and staff worked with the Aviation System Plan Update consultants to assign cost “placeholders” (based on preliminary estimates) for each project, maximizing the potential for FAA funding (entitlement, discretionary, etc.).

The CIP is not a static document and the FAA/RIAC annual review process ensures that RIAC management reevaluates the airport’s needs on a defined basis. Since many projects are based on projected demand, i.e., enplanements, itinerant operations, and so on, this annual review may lead to a project being delayed or advanced, depending on a reevaluation of the underlying bases for the project.

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¹ The CIP is geared to the Federal fiscal year which is October 1 – September 30.

**Table 8-1
Capital Improvement Plan (CIP)
Block Island Airport
Federal Fiscal Years 2005-2014**

Note: Federal fiscal years begin October 1, i.e., Federal FY 2005 begins October 1, 2004.

No.	Project	Total Project Cost	FY Project Cost	Funding Sources									Funding Totals
				FAA			Discretionary	Priority	F&E	PFC	RIAC	Other	
				Entitlement		Carry-over							
				FY (State)	FY (Airport)								
FAA FY 2005 (Oct 1, 2004 - Sept 30, 2005)				\$	\$ 2,725,562	Carry-over							
				\$	\$ 1,000,000	Entitlement							
				\$	\$ 3,725,562	Total							
1	Environmental Assessment	\$ 200,000	\$ 200,000		\$ 185,000						\$ 15,000		\$ 200,000
2	Property Boundary Survey	\$ 25,000	\$ 25,000		\$ 23,750						\$ 1,250		\$ 25,000
3	Fenceline Vegetation Removal	\$ 10,000	\$ 10,000								\$ 10,000		\$ 10,000
													\$ -
													\$ -
													\$ -
													\$ -
	Total FY 2005	\$ 235,000	\$ 235,000		\$ 208,750		\$ -	\$ -	\$ -	\$ -	\$ 26,250	\$ -	\$ 235,000
					\$ 3,516,812	Carry-over							
FAA FY 2006 (Oct 1, 2005 - Sept 30, 2006)				\$	\$ 3,516,812	Carry-over							
				\$	\$ 150,000	Entitlement							
				\$	\$ 3,666,812	Total							
4	Construct Terminal Building	\$ 2,000,000	\$ 2,000,000		\$ 500,000						\$ 1,500,000		\$ 2,000,000
5	Construct Entrance Roadway	\$ 500,000	\$ 500,000		\$ 475,000						\$ 25,000		\$ 500,000
6	Reconstruct Rwy 10/28 & RSA's	\$ 2,000,000	\$ 2,000,000		\$ 1,900,000						\$ 100,000		\$ 2,000,000
7	Extend Twy C to Rwy 10	\$ 750,000	\$ 750,000		\$ 712,500						\$ 37,500		\$ 750,000
8	Replace MALSF to Rwy 10	\$ 750,000	\$ 750,000						\$ 750,000				\$ 750,000
													\$ -
	Total FY 2006	\$ 6,000,000	\$ 6,000,000		\$ 3,587,500		\$ -	\$ -	\$ 750,000	\$ -	\$ 1,662,500	\$ -	\$ 6,000,000
					\$ 79,312	Carry-over							
FAA FY 2007 (Oct 1, 2006 - Sept 30, 2007)				\$	\$ 79,312	Carry-over							
				\$	\$ 150,000	Entitlement							
				\$	\$ 229,312	Total							
9	Install PAPI's on Rwy 10	\$ 100,000	\$ 100,000						\$ 100,000				\$ 100,000
10	Add Turf Tie-downs	\$ 400,000	\$ 400,000				\$ 150,688				\$ 20,000		\$ 400,000
11	Reconstruct Auto Parking	\$ 250,000	\$ 250,000		\$ 229,312						\$ 250,000		\$ 250,000
12	Rehab/Expand Paved Aircraft Prkg Apron	\$ 1,050,000	\$ 1,050,000				\$ 997,500				\$ 52,500		\$ 1,050,000
													\$ -
													\$ -
	Total FY 2007	\$ 1,800,000	\$ 1,800,000		\$ 229,312		\$ 1,148,188	\$ -	\$ 100,000	\$ -	\$ 322,500	\$ -	\$ 1,800,000

Note: Federal fiscal years begin October 1, i.e., Federal FY 2005 begins October 1, 2004.

No.	Project	Total Project Cost	FY Project Cost	Funding Sources							Funding Totals		
				FAA			Discretionary	Priority	F&E	PFC		RIAC	Other
				FY (State)	Entitlement								
				FY (Airport)									
FAA FY 2008 (Oct 1, 2007 - Sept 30, 2008)					\$ -	Carry-over							
				\$ -		Carry-over							
				\$ 150,000		Entitlement							
				\$ 150,000		Total							
13	Hangar Development (3 mid-sized aircraft)	\$ 800,000	\$ 800,000									\$ 800,000	\$ 800,000
14	Develop Noise Contours thru INM	\$ 15,000	\$ 15,000								\$ 15,000		\$ 15,000
15	Define Airport Influence Area	\$ 15,000	\$ 15,000								\$ 15,000		\$ 15,000
													\$ -
													\$ -
													\$ -
													\$ -
					\$ -		\$ -	\$ -	\$ -	\$ -	\$ 30,000	\$ 800,000	\$ 830,000
		Total FY 2008	\$ 830,000	\$ 830,000									
FAA FY 2009 - 2014 (Oct 1, 2008 - Sept 30, 2015)					\$ 150,000	Carry-over							
				\$ 150,000		Carry-over							
				\$ 900,000		Entitlement							
				\$ 1,050,000		Total							
													\$ -
													\$ -
													\$ -
													\$ -
													\$ -
					\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		Total FYs 2009-2014	\$ -	\$ -			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					\$ 1,050,000	Carry-over							
		TOTALS	\$ 8,865,000	\$ 8,865,000	\$ 4,025,562		\$ 1,148,188	\$ -	\$ 850,000	\$ -	\$ 2,041,250	\$ 800,000	\$ 8,865,000

Table 8-2 Projects in Block Island Airport Development Program, 2004-2008

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No.	Project	Description
1	Environmental Assessment	Federal environmental assessment of elements in the BID master plan.
2	Property Boundary Survey	Deed research and BID property boundary survey.
3	Fenceline Vegetation Removal	Removal of vegetation from major sections of the perimeter security fence.
4	Construct Terminal Building	Construction of: - new terminal encompassing Sustainable Design and "green" architecture initiatives; - related access/ egress curbs, sidewalks and utilities; - new septic tank and leaching field; and Demolition or relocation of existing hangar. Demolition of old terminal. [See Projects #5 and #11 for related projects.]
5	Construct Entrance Roadway	Construction of new access roadway from Center Road to the new terminal, including all necessary utilities. Removal of existing access road. Restoration and landscaping of airport frontage along Center Road.
6	Reconstruct Rwy 10-28 & RSA's	Reconstruction (mill-and-grind) of the entire length of Rwy 10-28 to a width of 100 feet. Pave, mark and light the runway. Provision of supplementary drainage if and as required. Provision of RSA's as sized in the master plan.
7	Extend Twy C to Rwy 10	Extension of Twy C at width of 35 feet from existing terminal apron to Rwy 10 end, including a holding bay at the runway end. Provision of supplementary drainage if and as required. Pave, mark and light the taxiway.
8	Replace MALSF to Rwy 10	Replacement of the RIAC-owned approach light system to Rwy 10. Upgrade of all electrical controls and wiring.
9	Install PAPI's on Rwy 10	Replacement of the outdated existing VASI visual guidance system with state-of-the-art PAPI visual guidance system. Upgrade of all electrical controls and wiring.
10	Add Turf Tie-downs	Regrading and layout of taxilanes and turf tie-down spaces (40+/-) to the east of the proposed new terminal area.
11	Reconstruct Auto Parking	Reconstruction of short and long term auto parking in terminal area. Short term parking (45+/- spaces) to be located adjacent to terminal. Long term parking (20-25 spaces) to be provided north of new access road.
12	Rehab/Expand Paved Aircraft Parking Apron	Reconstruction of existing terminal apron area. Construction of new paved apron to the south and west of existing hangar. Provision of supplementary drainage if and as necessary.

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No.	Project	Description
13	Hangar Development	Construction of new hangar roughly sized for three (3) mid-sized aircraft, including all utilities, i.e., septic tank, leaching field.
14	Develop Noise Contours	Preparation of noise contours using the FAA Integrated Noise Model (INM) for existing conditions and two future years. Noise contours prepared for existing and future numbers of aircraft operations and feet mix.
15	Define Airport Influence Area	Development of overlay zones around state-owned airport. Zones, defined by current FAA surfaces, are intended to <i>encourage</i> and promote compatible land uses around each airport while <i>discouraging</i> inappropriate and noncompatible development in the airport vicinity.

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8.3 AVAILABLE RESOURCES

In the four years covered by the BID CIP, the funding sources are projected to be FAA (\$6.02 million, 67.9 percent of the total), RIAC (\$2.04 million, 23 percent) and Other, i.e., private development equity (\$0.8 million, 9 percent), totaling \$8.86 million. The RIAC share generally consists of required matches of the AIP and a significant investment of RIAC funds (\$1.5 million) in the proposed new terminal, where FAA funding is available only for portions of the facility in public use.

8.3.1 Airport Improvement Program

The most important source of funding for airports is the **Airport Improvement Program (AIP)** administered by the FAA.

The AIP has as its predecessors the Federal-Aid Airport Program (FAAP), authorized by the Federal Airport Act of 1946, and the Planning Grant Program (PGP) and the Airport Development Aid Program (ADAP), established by the Airport and Airway Development Act of 1970. These two programs were funded from a newly established Airport and Airway Trust Fund. By the time the two programs expired in September 1981, approximately \$4.5 billion were approved for airport planning and development projects.

The AIP was established initially by the Airport and Airway Improvement Act of 1982 and later amended by the Airport and Airway Safety and Capacity Expansion Act of 1987. Subsequent amendments and legislation extended the program and funding through the 1990's.

On December 12, 2004, President George W. Bush signed into law the Vision 100 - Century of Flight Authorization Act of 2003 (Public Law 108-176). Commonly referred to as Vision 100, this legislation extended the AIP to September 30, 2007. The funding levels for AIP have been set as follows:

- FY 2004 \$3.4 Billion
- FY 2005 \$3.5 Billion

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- FY 2006 \$3.6 Billion
- FY 2007 \$3.7 Billion

BID has an "entitlement" of approximately \$1 million annually in AIP funds. This entitlement is based on a defined formula tied closely to enplanement volume. In addition, BID is eligible to apply for a second component of AIP funding, so-called "discretionary" funds. As the name implies, discretionary funds are awarded at the discretion of the FAA to those airport projects which meet strict criteria established nationwide by the FAA. BID received \$145,600 in discretionary funding over three fiscal years: FY84, FY85 and FY89.

AIP-eligible projects fall within the following categories:

- **Airport Planning**
Master plans. Specialized studies such as noise identification and mitigation. (Note: The preparation of this master plan and the recent obstruction removal program were funded in part through AIP grants awarded BID.)
- **Airport Development**
Eligible development projects may include facilities or equipment associated with the construction, improvement or repair of an airport (*excluding* routine maintenance).² Typical work items include: land acquisition; site preparation; construction, alteration and repair of runways, taxiways, aprons and roads within airport boundaries; construction and installation of lighting, utilities, navigational aids and aviation related weather reporting equipment; safety equipment, including equipment for aircraft rescue and fire-fighting; security equipment; snow removal equipment and buildings to house such equipment; and limited terminal building development.
- **Airport Capacity**
AIP funds can be spent on projects which significantly enhance or preserve airport capacity. A typical capacity study may identify facilities and/or recommend procedures to improve efficiency of air traffic operations.
- **Noise Compatibility**
Eligible projects consist of those contained in an airport noise compatibility program approved by the FAA under the provisions of the Federal Aviation Regulation (FAR) Part 150. Eligible projects include soundproofing of private residences, public schools and hospitals affected by aircraft noise.

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The Federal share of most AIP projects at Rhode Island's airports is 95 percent of eligible costs. The remaining 5 percent is the responsibility of RIAC.

Of the \$8.9 million reflected in the BID Capital Improvement Plan for FY04-08, AIP entitlement and discretionary AIP funds total \$6.02 million (68 percent of total). Of this total, approximately \$4.02 million are entitlement funds (provided on a formula basis) and the remaining \$1.15 million are discretionary funds (awarded on a competitive basis).

² "501. Reconstruction Versus Maintenance.

The reconstruction, rehabilitation, pavement overlays, or major repairs of facilities and equipment are defined as eligible capital costs generally considered permanent with a 20-year life expectancy. The maintenance activities needed on a continuing basis to preserve the airfield in good condition, work involving regular cleaning operations, as well as minor repairs of facilities and equipment are defined as ineligible costs." Para. 501, FAA Order 5100.38B *Airport Improvement Program Handbook*, May 31, 2002

Funds allocated to BID for various AIP predecessor programs are presented in Table 8-3. AIP entitlement grants received by BID are listed in Table 8-4. As of November 2004, grants totaling \$4.06 million have funded projects/studies/purchases at BID.

Table 8-3 Airport Development Aid Program (ADAP) Funding to BID

Grant No.	Date	Amount	Description of Work
6-44-0001-01-78 Amendment FY83		\$180,000.00 + 9890.20 <u>\$189,890.20</u>	- Overlay and mark Runway 10-28 (approx. 100' by 2,500') - Expand terminal apron, approx. 50' by 400' to south and approx. 150' by 200' to west
9-37-002-6001	June 30, 1970	\$76,458	- Land acquisition, consisting of (1) fee simple title free and clear of exceptions, encumbrances and adverse interests objectionable to the Administrator in and to Area No. 2 as shown on the property map Exhibit "A" to the Project Application and (2) such fee simple title or such lesser property interest as may be acceptable to the Administrator in and to all land comprising the westerly clear zone as shown on Drawing No. 3 of the Project Plans entitled: "State of Rhode Island, Department of Public Works, Block Island State Airport, Master Plan Layout" - Extend and light E/W runway 500' by 100', construct fire and crash station
9-37-002-7002	June 30, 1970	\$26,427	- Install REILS on runway 28 - Install AVASI system on runway 28 - Install M.I. AIS with sequenced flashing lights, runway 10

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Source: Airports Division, FAA New England Region

Table 8-4 Airport Improvement Program (AIP) Funding to BID

Grant No.	Date	Amount			Description of Work
		Entitlement	Discretionary	Total	
AIP 001-1984	1984	\$0	\$68,976	\$68,976	Conduct Airport Master Plan Study
AIP 002-1985	1985	\$5,500	\$55,000	\$60,500	Install Perimeter Fencing
AIP 003-1989	1989	\$1,286,516	\$21,632	\$1,308,148	Construct Taxiway; Rehabilitate Taxiway; Construct Apron; Rehabilitate Apron
AIP 004-1990	1990	\$1,672,945	\$0	\$1,672,945	Acquire Security Equipment; Improve Runway Safety Area-28; Construct Apron; Acquire Handicap Passenger Lift Device
AIP 005-1992	1992	\$96,430	\$0	\$96,430	Conduct Miscellaneous Study
AIP 006-1999	1999	\$72,642	\$0	\$72,642	Remove Obstructions
AIP 007-2002	2002	\$310,386	\$0	\$310,386	Acquire Miscellaneous Land
AIP 009-2003	2003	\$181,800	\$0	\$181,800	Update Airport Master Plan Study

Source: Airports Division, FAA New England Region

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8.3.2 Passenger Facility Charges

Passenger facility charges (PFC's) were authorized by the Aviation Safety and Capacity Expansion Act of 1990 which amended the Federal Aviation Act of 1958, as amended, to remove the restriction against a PFC.³ The law authorizes the Secretary of Transportation to allow a public agency that controls at least one commercial service airport to impose **a fee for each paying passenger of an air carrier enplaned at the airport**. The resulting revenue finances eligible airport projects to be carried out at the commercial service airport or any other airport that the public agency controls.

The Federal Aviation Act of 1994, the Federal Aviation Reauthorization Act of 1996, and, most significantly, the Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (signed into law on April 5, 2000), made significant modifications to the original authorization.

The following summarizes the major aspects of the PFC funding mechanism:

- The airport sponsor may impose a PFC of **\$1, \$2, \$3, \$4 or \$4.50** on revenue passengers enplaned at the airport.
- The PFC may be imposed only after receipt of FAA approval. Based on application by the sponsor, FAA must find that the proposed PFC projects meet one or more of the objectives of the regulation. Specifically, PFC projects must: (1) preserve or enhance safety, security, or capacity of the national air transportation system; (2) reduce noise or mitigate noise impacts resulting from an airport; or (3) furnish opportunities for enhanced competition between or among air carriers. Additional findings are required for approval of a PFC level above \$3.
- Before submission of the application, the sponsor must provide reasonable notice to, and an opportunity for consultation with, air carriers and foreign air carriers operating at the airport. Similarly, after receiving the application, the FAA must provide notice and an opportunity for comment on the application by carriers and interested persons.
- A PFC may not be collected from a passenger in excess of two charges per one-way trip or four charges per round trip.
- No project funded with PFC revenue may be subject to an exclusive long-term lease or use agreement with an air carrier or foreign air carrier. No lease or use agreement of an air carrier with respect to a project constructed or expanded with PFC revenue may restrict the public agency which controls the airport from funding or developing new capacity at that airport with PFC revenue or assigning that capacity as it sees fit.
- Air carriers and their agents are required to collect PFC's imposed by public agencies and must remit those charges, less an FAA-specified handling fee, in a timely manner. In addition, the charges collected by the carrier must be noted on the passenger's ticket.
- The AIP entitlement funds apportioned to a sponsor that controls a large or medium hub airport will be reduced if the sponsor imposes a PFC at such airport. **This clause does not apply to BID as BID is classified as a Primary Service/Non-hub Airport.**⁴ AIP entitlement amounts to BID would NOT be reduced if a PFC were implemented at the airport.

PFC's are related to funds available under AIP in the following areas:

³ The PFC program is authorized by 49 U.S.C. Subtitle VII, Part A - Air Commerce and Safety, §40117. Regulations governing the program are established in 14 Code of Federal Regulations (CFR) Part 158 "Passenger Facility Charges."

⁴ Nonhub primary airports are commercial service airports that enplane less than 0.05 percent of all commercial passenger enplanements but more than 10,000 annually. There are 280 such airports that together account for roughly 3.2 percent of all enplanements.

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- Sponsors are authorized under Part 158 to use PFC revenue as the matching local share of an AIP project.
- PFC revenue can be used by a sponsor to supplement an AIP project.
- PFC revenue can be used to pay debt service and financing costs. AIP funds cannot be used for this purpose, except under the AIP Innovative Finance Pilot Program.
- Eligible projects under the AIP also are eligible for PFC funding. Therefore, future changes to the AIP in regard to project eligibility also apply to the PFC program. However, PFC eligibility also differs from AIP eligibility in a number of areas. For instance, noise projects eligible under 49 U.S.C. §47504 can be funded with PFC's, even if a Part 150 program for those projects has not been approved.

PFC's constitute a special form of local airport revenue, subject to restrictions imposed by the PFC statute and regulation. Accordingly, some Federal statutory and regulatory requirements that apply to projects funded with AIP monies do *not* apply to projects funded solely with PFC's. For instance, projects funded totally with PFC revenue or with financing other than Federal funds are not subject to the labor minimum wage rates under the Davis-Bacon Act, Disadvantaged Business Enterprise (DBE) requirements, Buy-American Preferences or the Uniform Relocation Assistance and Real Property Acquisition Policy Act requirements. However, in cases where PFC funds are commingled with AIP funds to complete a project, **all AIP requirements apply**. In addition, the AIP requirements may apply if the PFC funded project is part of a past, current or future FAA grant funded program or project.

The potential PFC revenue, based on projected enplanements through 2021, is tabulated in Table 8-5. The round-trip fare for a Westerly-BID flight in November 2004 on New England Airlines was approximately \$60. A \$1 PFC would constitute approximately 1.7 percent of the total airfare; a \$4 PFC would constitute approximately 6.7 percent of the total fare. Given the low enplanement levels at BID, the revenue raised by PFC's is considered minimal in relation to the burden it would place on the sole air carrier, New England Airlines, in collecting and administering a PFC program at BID.

Table 8-5 Potential Revenue from PFC's at Block Island Airport

	<i>Projected Air Carrier Enplanements</i>		
	<i>2006</i>	<i>2011</i>	<i>2021</i>
	<i>11,500</i>	<i>12,100</i>	<i>14,300</i>
PFC	Potential Revenue		
\$1.00	\$11,500	\$12,100	\$14,300
\$2.00	\$23,000	\$24,200	\$28,600
\$3.00	\$34,500	\$36,300	\$42,900
\$4.00	\$46,000	\$48,400	\$57,200
\$4.50	\$51,750	\$54,450	\$64,350

Note: The above revenue figures would be reduced slightly by allowable administrative fees due the air carriers for collecting the PFC's.

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8.3.3 State Transportation Bonds

A second source of state funding is a specific appropriation or line item earmarked for BID from a state transportation bond. Bonds are a means of spreading the costs of capital improvements or equipment purchases over multiple years. Bonds generally are sold in the investment markets and the proceeds used to fund the desired improvements/ purchases. In return, the borrower (government, local entity, airport sponsor, and so on) promises to repay the borrowed amount by a set date and, in the meantime, pays a fixed amount of interest on a pre-determined basis. The interest income earned from such a bond generally is free from federal income taxes and state and local income taxes for residents of the state where the bond is issued.

8.3.4 Short and Long Term Borrowing

Two additional sources of revenue open to RIAC/BID airport management are short and long term borrowing in the open market. Interest rates vary but generally track the present market rate for short term borrowing. Table 8-6 lists the monthly payments required to amortize \$1,000,000 borrowed at various interest rates for various terms.

Table 8-6 Monthly Payments to Amortize \$1 Million Over Various Periods at Various Rates

Term (Years)	Monthly Payment							
	<i>Annual Interest Rate (%)</i>							
	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>7</i>	<i>8</i>	<i>9</i>	<i>10</i>
1	84,694	85,150	85,607	86,066	86,527	86,988	87,451	87,916
2	42,981	43,425	43,871	44,320	44,773	45,227	45,685	46,145
3	29,081	29,524	29,971	30,422	30,877	31,336	31,800	32,267
4	22,134	22,579	23,029	23,485	23,946	24,413	24,885	25,363
5	17,969	18,417	18,871	19,333	19,801	20,276	20,758	21,247
6	15,194	15,645	16,105	16,573	17,049	17,533	18,026	18,526
8	11,730	12,189	12,660	13,141	13,634	14,137	14,650	15,174
10	9,656	10,125	10,607	11,102	11,611	12,133	12,668	13,215
15	6,906	7,397	7,908	8,439	8,988	9,557	10,143	10,746
20	5,546	6,060	6,600	7,164	7,753	8,364	8,997	9,650
25	4,742	5,278	5,846	6,443	7,068	7,718	8,392	9,087

Example: \$1 million borrowed at 6 percent interest for a term of 10 years requires 120 monthly payments of \$11,102 to pay back or amortize loan amount.

8.3.5 Operating Proceeds

The RI Aviation System Plan Update (ASPU) contains an extensive analysis of the past, present and future financial underpinnings of BID. The reader interested in obtaining information on the financial affairs of BID is referred to this information, which can be obtained through RIAC's office at the T.F. Green Airport or upon application to the BID airport manager.

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8.4 SUMMARY AND CONCLUSION

In preparing to meet the challenges facing Block Island Airport in the first two decades of the 21st century, the airport's current configuration and condition have been considered in light of future projected aviation demands—demands in the forms of enplanement and GA operations levels; types, sizes and weights of aircraft; and the seasonality or distribution of these demands. To position the airport to meet these challenges at a high level of service to the air traveling public, 15 projects are devised.

These 15 projects constitute the BID Capital Improvement Plan. In the four years covered by the BID CIP, the funding sources are projected to be FAA (\$6.02 million, 67.9 percent of the total), RIAC (\$2.04 million, 23 percent) and Other (\$0.8 million, 9 percent). Given the decreased involvement of FAA in the funding of airport terminals, RIAC is proposing to make a significant investment of RIAC funds – \$1.5 million – in the proposed new terminal.

The CIP and the entire BID development program are to be considered a work-in-progress, subject to continued review and scrutiny. Projections over 20 years invariably change, as time interjects myriad and sundry factors, i.e., a Gulf War, a September 11, the emergence of fractional ownership programs, air carrier failures and start-ups. The annual review of the CIP undertaken by FAA and RIAC provides the occasion to review the underlying bases of these projects and affords RIAC/BID airport management the opportunity to change the schedule or mix of projects to more accurately reflect the aviation demands placed on the airport. All indications are that RIAC/BID airport management will use this opportunity wisely and well.

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