

SECTION 7

THE AIRPORT IMPROVEMENT PROGRAM

(Source: City of Dayton Department of Aviation)

The Dayton International Airport spans over 4,500 acres in both Montgomery and Miami Counties. The airport encompasses approximately 4.7 of miles of runway and has more than 650 acres of non-aeronautical readily developable land. Even with recent mergers, the Dayton International Airport is fortunate to be served by all commercial major airlines. There are approximately 54 daily arriving and departing flights from 15 active airline gates that provide non-stop service to 9 destinations and one-stop service to all major U.S. cities and beyond. It goes without saying that the Dayton International Airport is the region's key component in growing and preserving our economy. According to State of Ohio data, the Dayton International Airport has a \$1 Billion economic impact on the regional economy.

The airport has implemented an Airport Sustainability Master Plan. The goal is to maintain and enhance The Dayton International Airport as a vibrant asset that serves the needs of the Dayton-Miami Valley residents and businesses, promotes economic growth in the region, and operates in an economically and environmentally sustainable manner that conserves natural resources and protects the entire airport environment.

In 2016, the airport began upgrades to the heating ventilation and air conditioning (HVAC) systems in the main terminal. These upgrades are designed to be energy efficient and are estimated save 25% of the airport's energy usage. The upgrades include the replacement of the heating boilers, re-piping the chilled water system, installing new air control boxes and adding state-of-the-art building controls.

In 2017, the airport will continue its progress and begin Phase I of the terminal Master Plan. This 10 year plan will substantially reconfigure and improve the airport terminal and enhance the passenger's experience. Phase I is the Public Entrance Renovation. The Terminal Drive canopy is 28 years old and the cladding is failing. The existing canopy has several areas of damage, including the structural decking, that has required multiple repairs and the decking is at the end of its useful life. The aging exterior cladding needs to be replaced with new. The original HID artificial lighting is failing and is not as energy efficient or bright as modern fixtures. The sidewalk and various site amenities such as benches, trash receptacles, and the like are in need of replacement and made to comply with current ADA standards and TSA security.

This offers an opportunity for a fresh environmentally friendly design to present a more modern front door to the airport. The new design will create a more open configuration with greater daylight and a brighter feel while still providing good protection of people and vehicles at the curb. New wide expanses of glazing (glass) along the exterior facade will help bring natural light into the terminal and will improve visibility of transportation arrivals and departures. New brighter and energy efficient lighting is planned. The sidewalk will be re-graded to make it ADA compliant and easier to load and unload passengers and their luggage from their vehicles to help alleviate the congestion. A copy of the Terminal Master Plan may be found on the Dayton International Airport website, FlyDayton.com, at <http://www.flydayton.com/wp-content/uploads/2016/10/DAY-Terminal-Master-Plan-10-25-16.pdf>.

A new 12 inch sanitary outfall system is under design and will improve energy efficiency while accommodating not only the current infrastructure needs but also includes provisions for growth in the future.

The airlines serving the airport in 2016 are shown in Table 7.1

TABLE 7.1
Scheduled Passenger Airlines

| Code | Airline |
|-------------|-------------------------|
| AA | American/American Eagle |
| ALGT | Allegiant Air |
| DL | Delta Air Lines, Inc. |
| UA | United/United Express |
| WN | Southwest Airlines |

Table 7.2 lists the airline groups serving the region, and their 2016 enplanement totals, and percentage of Market Share.

TABLE 7.2

| Passenger Carrier Share of Market | | |
|--|--------------------------|----------------------|
| Carrier | 2016 Enplanements | Percent Share |
| American Airlines | 71,424 | |
| Envoy Airlines | 39,382 | |
| American Airlines (PSA) | 235,578 | |
| American Airlines (Air Wisconsin) | 33,736 | |
| American Airlines (Mesa Airlines) | 27,877 | |
| American Airlines (Republic) | 0 | |
| American Airlines Total | 407,997 | 39.4% |
| | | |
| Delta Air Lines, Inc. | 186,205 | |
| Endeavor Airlines dba DL | 50,363 | |
| SkyWest Airlines (Delta) | 46,815 | |
| Shuttle America | 8,874 | |
| Go Jet (Delta) | 32 | |
| Delta System Total | 294,091 | 28.4% |
| | | |
| Southwest System Total | 125,857 | 12.2% |
| | | |
| Allegiant Air | 23,276 | 2.2% |
| | | |
| United Express (SkyWest) | 32,960 | |
| United Express (Trans State) | 36,830 | |
| United Express (GoJet) | 41,224 | |
| United Express (Express Jet) | 56,942 | |
| United System Total | 181,809 | 17.8% |
| | | |
| Charters | 2,233 | 0.2% |

SOURCE: DAY Revised 1/2017

With the Merger of American Airlines with U.S. Airways, American has surpassed Delta Airlines as the largest single passenger carrier, as shown in Table 7.2, at the airport. The number of carriers at the airport has varied somewhat over the years mostly due to airline mergers. A joint effort by the City of Dayton; the Dayton Chamber of Commerce and the Dayton Development Coalition continues to market to prospective passenger airlines in an effort to attract more service.

As shown in Table 7.3, during 2016, total passenger enplanements at the Dayton International Airport were 1,035,263. That is a decrease of approximately 3.5 percent from total passenger enplanements in 2015.

TABLE 7.3
Enplaned Passenger Statistics

| Year | Total Enplanements | Annual Growth |
|-------------|---------------------------|----------------------|
| 1949 | 73,994 | |
| 1950 | 77,096 | 4.20% |
| 1951 | 114,716 | 48.80% |
| 1952 | 136,756 | 19.20% |
| 1953 | 159,545 | 16.70% |
| 1954 | 184,108 | 15.40% |
| 1955 | 223,544 | 21.40% |
| 1956 | 253,436 | 13.40% |
| 1957 | 282,746 | 11.60% |
| 1958 | 285,267 | 0.90% |
| 1959 | 331,082 | 16.10% |
| 1960 | 325,370 | -1.70% |
| 1961 | 348,842 | 7.21% |
| 1962 | 366,770 | 5.14% |
| 1963 | 397,770 | 8.50% |
| 1964 | 397,353 | -0.10% |
| 1965 | 442,014 | 11.20% |
| 1966 | 476,628 | 7.80% |
| 1967 | 576,556 | 21.00% |
| 1968 | 670,920 | 16.40% |
| 1969 | 729,805 | 8.80% |
| 1970 | 700,187 | -4.10% |
| 1971 | 688,707 | -1.60% |
| 1972 | 737,926 | 7.10% |
| 1973 | 760,872 | 3.10% |
| 1974 | 810,517 | 6.50% |
| 1975 | 788,918 | -2.70% |
| 1976 | 839,760 | 6.40% |
| 1977 | 897,947 | 6.90% |
| 1978 | 990,529 | 10.30% |
| 1979 | 1,016,883 | 2.70% |
| 1980 | 901,458 | -11.40% |
| 1981 | 743,110 | -17.60% |
| 1982 | 788,465 | 2.40% |
| 1983 | 1,248,891 | 58.40% |

| Year | Total Enplanements (con't) | Annual Growth |
|------|----------------------------|---------------|
| 1984 | 1,530,478 | 22.50% |
| 1985 | 1,834,813 | 19.90% |
| 1986 | 2,244,978 | 22.40% |
| 1987 | 2,370,496 | 5.60% |
| 1988 | 2,389,439 | 0.80% |
| 1989 | 2,346,130 | -1.80% |
| 1990 | 2,085,554 | -11.10% |
| 1991 | 1,988,102 | -4.70% |
| 1992 | 1,107,428 | -44.30% |
| 1993 | 1,044,221 | -5.70% |
| 1994 | 1,337,972 | 28.10% |
| 1995 | 1,102,708 | -17.60% |
| 1996 | 989,525 | -10.30% |
| 1997 | 1,011,119 | 2.20% |
| 1998 | 1,096,613 | 8.50% |
| 1999 | 1,114,190 | 1.60% |
| 2000 | 1,183,572 | 6.20% |
| 2001 | 1,076,244 | -9.10% |
| 2002 | 1,150,301 | 6.90% |
| 2003 | 1,320,248 | 14.80% |
| 2004 | 1,445,492 | 9.50% |
| 2005 | 1,222,263 | -15.60% |
| 2006 | 1,306,237 | 6.90% |
| 2007 | 1,427,630 | 9.30% |
| 2008 | 1,468,840 | 2.90% |
| 2009 | 1,253,782 | -14.60% |
| 2010 | 1,264,650 | 0.90% |
| 2011 | 1,269,106 | 2.1% |
| 2012 | 1,304,349 | 2.8% |
| 2013 | 1,253,287 | -3.9% |
| 2014 | 1,143,724 | -8.7% |
| 2015 | 1,072,620 | -6.2% |
| 2016 | 1,035,263 | -3.5% |

Source: Airport Records, includes charter passengers

ORIGIN AND DESTINATION PASSENGERS

Origin and destination (O&D) passenger data identifies the principal markets for an airport. Washington, D.C., New York and Atlanta respectively, are the three largest markets. The ten largest originating passenger markets from the Dayton International Airport are shown in Table 7.4 as well as whether these cities have scheduled nonstop airline service.

TABLE 7.4

| <i>Top Ten O&D Market Rank and Current Service 2016 For Specific Airports</i> | | | | |
|---|----------------------|---------------------|-------------------|------------------------|
| Rank | Market | Airport (s) | Passengers | Nonstop Service |
| 1 | Washington/Baltimore | DCA/IAD/BWI | 125,117 | Yes |
| 2 | Chicago | ORD/MDW | 100,030 | Yes |
| 3 | New York/Newark | LGA/JFK/EWR | 96,411 | Yes |
| 4 | Atlanta | ATL | 87,978 | Yes |
| 5 | Orlando | MCO/SFB | 80,369 | Yes |
| 6 | Dallas/Ft. Worth | DFW/DAL | 70,808 | Yes |
| 7 | Los Angeles Basin | LAX/SNA/ONT/BUR/LGB | 70,310 | No |
| 8 | Tampa/St. Petersburg | TPA/PIE | 63,029 | Yes |
| 9 | Denver | DEN | 55,699 | Yes |
| 10 | San Francisco | SFO/OAK/SJC | 44,626 | No |

Source: Volaire Aviation, Inc. (Ended December 2016)

O&D passengers indicate the true measure of an airport's ability to attract local passengers. This data eliminates the influence of connecting passengers.

AIR CARGO FORECAST

The airport's air cargo witnessed a 0.6% decrease in weight in 2016. 2017 traffic has seen a 1.3% decrease during the first month of 2017 relative to the same period in 2016. FedEx has shown a leveling off in cargo weights as well as several of the Commercial Airlines.

AIRPORT CAPITAL PLAN

A copy of the Airport Capital Improvements Program is attached and shows a listing of the anticipated projects for FY 2017-FY2026. Due to current development of the Airport Master Plan, this list is subject to change.

The Airport Improvement Program (AIP) is an entitlement program provided by the Federal Aviation Administration (FAA). This grant program is a 95/05, FAA/Airport Match program. In addition to the entitlement funds, the airport is eligible for AIP discretionary grants. These grants can only be received if the airport is completing the highest priority projects from the FAA's perspective. The Dayton International Airport competes with other airports around the country for this very competitive source of money. The airport has received some AIP discretionary monies in the past few years due to the fact that it has targeted FAA high priority project categories. The airport also utilizes passenger facility charges to fund projects.

AIRPORT CAPITAL IMPROVEMENT PROGRAM (ACIP) FY-2017 to FY-2026

| | | | | | |
|--------------------------|---|-------------------------|-----------------------------|---------------|-------------------------|
| Airport Name: | Dayton International Airport - James M. Cox | Date prepared: | 06/14/2016 | Date Checked: | |
| Associated City: | Dayton | Prepared By: | PA | Checked By: | |
| Sponsor: | City of Dayton | Telephone No.: | | | |
| Airport Three Letter ID: | DAY | Congressional District: | 3rd of Ohio, City of Dayton | | Submission Date: |

| Item # | Description | Fiscal Year | Total Cost | Entitlement | Discretionary | Local | Other | PFC | Remarks/Item Justification |
|--------|---|-------------|-------------------|-------------|---------------|-----------|-------|-----|---|
| 17-01 | Runway 18-36 Rehabilitation (incl. RW mill & overlay, lighting & signage) - Design Only | 2017 | 500,000 | 450,000 | | 50,000 | | | Design - per discussions with ADO |
| 17-02 | Runway 18-36 Rehabilitation (incl. RW mill & overlay, lighting, & sensors)- includes Construction, CA, Testing & Field Observation, and Project Closeout | 2017 | 6,800,000 | 6,120,000 | | 680,000 | | | 2013 Pavement Management Study(PCI=69 avg)- w/Projected PCI =61 by 2017. Includes both FY16 and FY17 entitlements |
| 17-03 | Taxiway "Y" & "Z" Rehabilitation (incl. TW mill & overlay, lighting & signage) - includes Construction, CA, Testing & Field Observation, and Project Closeout | 2017 | 1,500,000 | 1,350,000 | | 150,000 | | | 2013 Pavement Management Study(PCI=65 avg) - w/Projected PCI =57 by 2017 |
| 17-04 | Terminal Apron Reconstruction (Phase 2a and 2b) - Design Only | 2017 | 590,000 | 531,000 | | 59,000 | | | Design- per discussions with ADO |
| 17-05 | Terminal Apron Reconstruction (South Apron /SC Quad (Phase 2a of 7)) - incl. Construction, CA, Testing & Field Observation, and Project Closeout | 2017 | 2,800,000 | | 2,520,000 | 280,000 | | | 2013 Pavement Mgmt Study (PCI=34 avg) - w/Projected PCI = 26 by 2017 |
| 17-06 | Terminal Apron Reconstruction (North Apron/ E Quad (Phase 2b of 7)) - incl. Construction, CA, Testing & Field Observation, and Project Closeout | 2017 | 6,100,000 | | 5,490,000 | 610,000 | | | 2013 Pavement Mgmt Study (PCI=51 avg) w/ Projected PCI = 43 by 2017 |
| 18-01 | Taxiway "H" Rehabilitation (including connector Taxiway "L" & "K" & "J") | 2018 | 1,800,000 | 1,620,000 | | 180,000 | | | 2013 Pavement Mgmt Study (PCI=55 avg)- w/Projected PCI= 45 by 2018 |
| 18-02 | Snow Removal Equipment (Multifunction Brooms - Total of 2) | 2018 | 2,200,000 | 1,980,000 | | 220,000 | | | Safety Enhancement - per Part 139 letter |
| 18-03 | Environmental Mitigation Project Monitoring(3 Years)-(West Perim. Road) | 2018 | 20,000 | 0 | | 20,000 | | | Monitoring associated with Mitigation work |
| 18-04 | Equipment - Snow Removal (6x6 Displacement Plow-1 Each) | 2018 | 400,000 | 360,000 | | 40,000 | | | Safety Enhancement - per Part 139 letter |
| 19-01 | Taxiway "A" Rehabilitation | 2019 | 4,500,000 | 3,300,000 | 750,000 | 450,000 | | | 2013 Pavement Mgmt Study (PCI=72 avg)- w/Projected PCI=59 by 2019 |
| 19-02 | Equipment - ARFF (Index C) | 2019 | 1,000,000 | 900,000 | | 100,000 | | | Safety Improvement-Emergency Equipment |
| 20-01 | Terminal Apron Reconstruction (North Apron) (Phase 3 of 7) | 2020 | 4,750,000 | 4,275,000 | | 475,000 | | | 2013 Pavement Mgmt Study (2020PCI=32) |
| 21-01 | Terminal Apron Reconstruction (Central Apron-East) (Phase 4 of 7) | 2021 | 11,000,000 | 4,230,000 | 5,670,000 | 1,100,000 | | | 2013 Pavement Mgmt Study (2021PCI=30) |
| 21-02 | Terminal Apron Reconstruction (Central Apron-West) (Phase 5 of 7) | 2021 | 4,200,000 | | 3,780,000 | 420,000 | | | 2013 Pavement Mgmt Study (2021PCI=30) |
| 22-01 | Taxiway "Z" Rehabilitation | 2022 | 3,750,000 | 3,375,000 | | 375,000 | | | 2013 Pavement Mgmt Study (2022PCI=68) |
| 22-02 | Equipment - ARFF Emergency Vehicle | 2022 | 1,000,000 | 900,000 | | 100,000 | | | Safety Improvement-Emergency Equipment |
| 23-01 | Taxiway "R" Reconstruction (Phase 1a & 1b) | 2023 | 7,200,000 | 4,230,000 | 2,250,000 | 720,000 | | | 2013 Pavement Mgmt Study (2023PCI=38) |
| 23-02 | Associated Connector Taxiways "R" Reconstruction ("S", "T", "U", "M") | 2023 | 2,500,000 | | 2,250,000 | 250,000 | | | 2013 Pavement Mgmt Study (2023PCI=48) |
| 24-01 | Environmental Assessment- RW 6L Extension | 2024 | 200,000 | 180,000 | | 20,000 | | | Environmental Study |
| 24-02 | Equipment - ARFF Emergency Vehicle | 2024 | 1,300,000 | 1,170,000 | | 130,000 | | | Safety Improvement / Enhancement |
| 24-03 | Apron (Center 1) Rehabilitation - Mill & Overlay | 2024 | 700,000 | 630,000 | | 70,000 | | | 2013 Pavement Mgmt Study (2024PCI=44) |
| 24-04 | Taxiway "R" Reconstruction - Phase 1c | 2024 | 2,500,000 | 2,250,000 | | 250,000 | | | 2013 Pavement Mgmt Study (2024PCI=34) |

AIRPORT CAPITAL IMPROVEMENT PROGRAM (ACIP) FY-2017 to FY-2026 (contd.)

| | | | | | |
|--------------------------|---|-------------------------|-----------------------------|---------------|------------------------|
| Airport Name: | Dayton International Airport - James M. Cox | Date prepared: | 06/14/2016 | Date Checked: | |
| Associated City: | Dayton | Prepared By: | PA | Checked By: | |
| Sponsor: | City of Dayton | Telephone No.: | | | |
| Airport Three Letter ID: | DAY | Congressional District: | 3rd of Ohio, City of Dayton | | Submittal Date: |

| Item # | Description | Fiscal Year | Total Cost | Entitlement | Discretionary | Local | Other | PFC | Remarks/Item Justification |
|--------|--|-------------|-------------------|-------------------|-------------------|------------------|----------|----------|--|
| 25-01 | Taxiway "C" Rehabilitation (Full Length) | 2025 | 4,000,000 | 3,600,000 | | 400,000 | | | 2013 Pavement Mgmt Study (2025PCI=34) |
| 25-02 | Pavement Management Study-Update | 2025 | 250,000 | 225,000 | | 25,000 | | | Planning Study -Update Conditions |
| 25-03 | Terminal Apron Reconstruction (North Apron@Deice Pad2 (Phase 6 of 7) | 2025 | 3,750,000 | 405,000 | 2,970,000 | 375,000 | | | 2013 Pavement Mgmt Study (2025PCI=21) |
| 26-01 | Environmental Assessment and Engineering-RW6R-24L | 2026 | 400,000 | 360,000 | | 40,000 | | | Environmental Study |
| 26-02 | Equipment - Snow Removal (Multi-function) | 2026 | 1,200,000 | 1,080,000 | | 120,000 | | | Safety Enhancement - per Part 139 letter |
| 26-03 | Taxiway "D" & "E" Rehabilitation (Phase 1) | 2026 | 2,100,000 | 1,890,000 | | 210,000 | | | 2013 Pavement Mgmt Study (2026PCI=54) |
| 26-04 | Equipment - Snow Removal (6x6 Plow) | 2026 | 500,000 | 450,000 | | 50,000 | | | Safety Enhancement - per Part 139 letter |
| | | | 79,510,000 | 45,861,000 | 25,680,000 | 7,969,000 | 0 | 0 | |