

Memo to Gary Herbert – Greensburg Airport (modified)

Dear Gary:

As we begin our research on the airport development a question comes to mind? Who commissioned the engineers to develop the “jet port” concept? We find nothing in the FAA regulations that would require a jet capability in order to secure participation in the airport Improvement Program (AIP). It is possible, however, that the engineering consultant knows more about that than we do.

Along that vein, if a change is to eventually be made in airport consultants, our recommendation would be to interview R.W. Armstrong. We are told that they still do a lot of work with the Indianapolis Airport Authority. I have worked with them in the past on several airport projects and I have found them to be “straight talkers”, nothing of this dancing around that we have seen with Don Manley.

Barring any FAA requirements for longer runways for business jets, it would seem that a reasonably developed 4,000 ft. runway would cover 100% of the air traffic that could be expected at the Greensburg Airport. By limiting the new runway to that length, we believe the following scenario could be developed at a much reduced overall cost. The reduction of costs to the City will not appear as significant since so much of the development dollars are reimbursed from the FAA/State program.

The following would be a possibility if there is no resistance from the FAA or the State to the reduction in scope of the present plans.

Runway – Extend about 400’ to 600’ to the south through a portion of the Mary Bennett property at the south end of the field and onto the Biggs Property for only a short distance. This would continue to allow the present displacement of the approach threshold on the north end of the field and still give a usable length of at almost 4,000’. Widen the landing strip to 70’ by adding 30’ to the west side of the runway, resurface the existing airstrip with a 4” asphaltic concrete surface and develop an adequate base under the new area and pave it with 4” asphaltic concrete also. Design the existing, and new, runway to handle 12,500# aircraft. Runway lighting would need to be reworked on the west side and upgraded on the east side. New VASI approach lighting as well as a GPS approach from either the 18 or 36 end of the runway should be developed. Taxiway and runway lighting would be controlled by “clicking” on the Unicom channel to activate the lighting.

We understand that the Bennetts and Biggs might be willing to enter into a negotiated purchase price for their lands, rather than have to use condemnation as a means of acquisition. The new width and length would not affect the Goddard or the Hasten properties which have been sources of resistance due to the long term family ownership aspects.

The proposed expansion requires about 200’ by 500’ from the Biggs, or around 2 ½ acres and about the same amount from the Bennetts which is immediately south of airfield. Depending on the FAA requirements, an air rights easement may have to be secured from the Goddard’s just to provide the safety area on the West side of the field. FAA regulations would have to be carefully reviewed to determine whether that would be necessary.

Taxiway - It appears that adequate space exists on the east side of the runway, clearing the existing buildings, to install a new 40' asphaltic concrete paved taxiway the complete length of the runway. New taxiway lighting would need to be installed.

As we see it, this would upgrade the Greensburg Airport to a first class General Aviation airport that would serve the needs of the citizens of Greensburg quite well for many years. As, and if, additional lands became available from either the Biggs, Goddards or the Hastens, perhaps additional expansion lands could be acquired. We see the following as the adjusted estimated budget for the airfield:

GREENSBURG AIRPORT - MODIFIED BUDGET

ITEM		BUDGET
Existing 20 acres, runway,taxiway,etc		700,000
Acquisition of existing hangars, FBO operations		925,000
Acquisition of about 5 acres from Beggs		50,000
Brokers's fee for acquisition – already committed to	6%	100,500
Rework & widen runway, add taxiway, lights, electronics		3,000,000
Engineering & Design		150,000
Environmental Studies		65,000
ESTIMATED "HARD COSTS"		4,990,500
Legal, title, special tax counsel, etc.		54,250
Placements Agent's Fee (Zion's Boston)	1.50%	74,858
Lessor's Fee - DMF		
Greensburg	1.50%	74,858
Capitalized Interest for 2 years @	5.00%	499,050
Debt Service Reserve		500,000
Rounding amount		6,485
ESTIMATED "SOFT COSTS"		1,209,500
TOTAL ESTIMATED PROJECT BORROWING:		6,200,000
(Interest only for 3 years, then P&I for 12 years)		
<i>Downward adjustments:</i>		
Debt reserve reduces to \$50,000 after all adjustments		(450,000)
Estimated interest earnings on bond proceeds		(365,000)
FAA & State of Indiana Reimbursements @	95%	(4,740,975)
<i>An additional 2 1/2% could be available - not deducted</i>	0.50%	24,953
ESTIMATED DEFERRED PAYMENT FROM CITY:		644,025
Estimated annual P&I remaining for 12 years:		56,200