

Annual Report Fiscal Year 2007



Airports Division
Great Lakes Region
Federal Aviation Administration

Mission and Vision

OUR MISSION

Provide leadership in the planning, development, and oversight of a safe and efficient airport system.

OUR VISION

We will excel at our mission by:

- Creating effective partnerships with our customers
- Being innovative, accountable and responsive
- Valuing our employees
- Being proactive to ever evolving change within the aviation industry

Message from the Division Manager

Dear Aviation Community Members:

I am delighted to present to you our Fiscal Year (FY) 2007 Annual Report for the Great Lakes Region Airports Division (AGL). We are pleased with the progress made in improving our airport system this year and could not have accomplished any of it without the outstanding dedication and partnership of our employees, the state aeronautical agencies, individual airport sponsors, consultants and others in the aviation community.

This report is a compilation of our more significant accomplishments and statistics for FY 2007. I am proud to say that with your assistance we met 96% of our goals for the FY. We have excelled in increasing the number of beneficiaries of our noise compatibility projects. We have also improved our fiscal posture by reducing our grant inventory and closing out expired Passenger Facility Charge (PFC) applications.

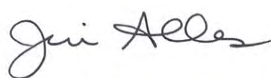
This year we continued to make great strides in safety, however we can still do better. In total we had six runway incursions in our region and 37 surface incidents. Though we had five fewer incursions than we had in FY 2006, five of our six incursions and several of our surface incidents were attributed to snow removal operations. As a consequence of this and other safety issues, the FAA Administrator put out a "Call to Action" this past year to accelerate our effort in increasing airfield safety. This involves two short-term actions to improve surface safety at airports. We are asking our Part 139 airports to submit both a plan for installing enhanced taxiway centerline markings at runway entrances and a plan that establishes mandatory annual recurrent training for all tenant and contractor employees with movement area driving privileges. I urge all our airport operators to re-evaluate who has driving privileges on their airport to minimize vehicles on the airfield and to make sure everyone is well trained and familiar with the airfield.

We brought nine more RSAs into compliance during the year, and issued nine grants totaling more than \$48 million in support of RSA improvements. We have now completed 55 such projects with 25 remaining. Additionally, we supported the completion of two Engineered Material Arresting Systems (EMAS) in FY 2007 at Chicago Midway, one on the Runway 4R end and one on the 13C end. The remaining two EMAS beds at Chicago Midway were completed in November 2007.

We are proud of the amount of pavement the FAA was able to support through funding. In total, approximately \$314 million (58%) of our FY 2007 Airport Improvement Program (AIP) funds went into a wide variety of commercial and general aviation airport pavement related projects. I am pleased we were able to fund the rehabilitation of two primary runways at our large hub airports, one at Detroit Metropolitan Wayne County Airport and the other at Minneapolis-St. Paul International Airport. We also continued to make great strides towards commissioning a new runway and runway extension at O'Hare International Airport.

I look forward to a great FY 2008. Thank you again for your continued support.

Sincerely,



Jeri Alles
Manager, Airports Division
Great Lakes Region

General Aviation Initiatives

- **AirVenture in Oshkosh.** The 2007 AirVenture was a success with over 560,000 aviation enthusiasts in attendance and over 10,000 aircraft. The Airports Division booth featured information on safety at general aviation (GA) airports. Employees from all four ADOs and both Branches participated in making our booth a popular and interesting stop for our customers.



Patty Dressler of the Bismarck ADO and Jesse Carriger of the Minneapolis ADO meet Administrator Blakey at our information booth.

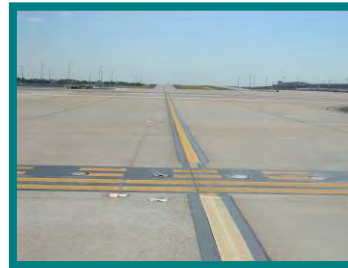
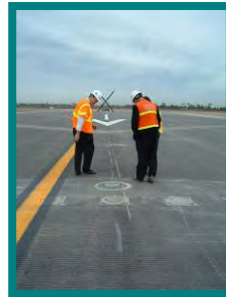
- **Runway Safety Area (RSA) Projects.** In FY 2007, we provided \$1.0 million in funding for RSA improvements at seven GA airports (not including RSA projects funded under the State Block Grant Program).
- **Construction Safety Phasing Plans.** We reviewed and processed 102 construction safety-phasing plans at GA airports, to ensure that development would be conducted in a safe and compliant manner.
- **Wildlife Mitigation.** We funded the physical completion of 12 GA airport wildlife fencing projects to reduce or eliminate large mammal access to airport movement areas.
- **General Aviation Land Use Inspections.** In order to ensure that GA airports are complying with Federal land use regulations, each region was required to perform at least two land use inspections. We conducted four inspections. The AGL locations were Putnam County (Greencastle, IN); Tulip City (Holland, MI); Custer County (Custer, SD); and L.O. Simenstad Municipal (Osceola, WI). Any significant issues found during these inspections have been resolved.
- **General Aviation Awards.** Personnel from the Minneapolis ADO and the Minnesota Office of Aeronautics awarded the FAA/Governors Award to the Brainerd Lakes Regional Airport.



Representatives from the Brainerd Lakes Regional Airport accept the FAA/Governors Award.

Part 139 Certification Program

- **Part 139 Certification Inspections.** We completed a total of 70 periodic inspections and conducted 45 surveillance/follow-up inspections. We also continued to use surveillance inspections to assist airport sponsors with regulatory compliance and focus on important safety initiatives, such as raising awareness of closely aligned runways.



- **Part 139 Discrepancies.** As part of our inspections, we document the regulatory discrepancies we may find. We work closely with airport operators to resolve discrepancies at the earliest stages. In analyzing the overall discrepancies, we can address areas within the Airport Certification Program that may need additional attention or assistance. The trends also help us focus our outreach efforts and guide us in preparing appropriate educational materials for our airports.

The June 2004 revision of Part 139 had staggered compliance dates through June 2007. The trend in discrepancies we have observed tracked with many of the new requirements of the regulation, such as major revisions to Airport Certification Manuals (ACMs), marking and lighting enhancements, and installation of wind direction indicators. Since 2005, when portions of the new regulation became effective, we have seen a decreasing trend of discrepancies in these areas.

Other major impacts of the regulation included additional Aircraft Rescue and Fire Fighting (ARFF) requirements, personnel training and record keeping, and the handling and storage of hazardous substances. During FY 2007 we saw increases in the number of discrepancies reported in these areas. To address these trends, we issued two Airport Certification Information Bulletins focused on ARFF issues and designated one of our Airport Certification/Safety inspectors as a focal for ARFF issues. We plan to focus efforts on personnel training and record keeping, and safety regarding hazardous materials, especially the requirements regarding recurrent instruction of fueling agents.



Airfield Safety

- Runway Incursions.** Both nationally and regionally we were able to stay at or below the established runway incursion limits for Vehicle/Pedestrian Deviations (VPDs). Regionally we had five fewer VPDs compared to FY 2006. However, nationally we were right at the limit. We must continue to focus our attention on this important safety initiative.

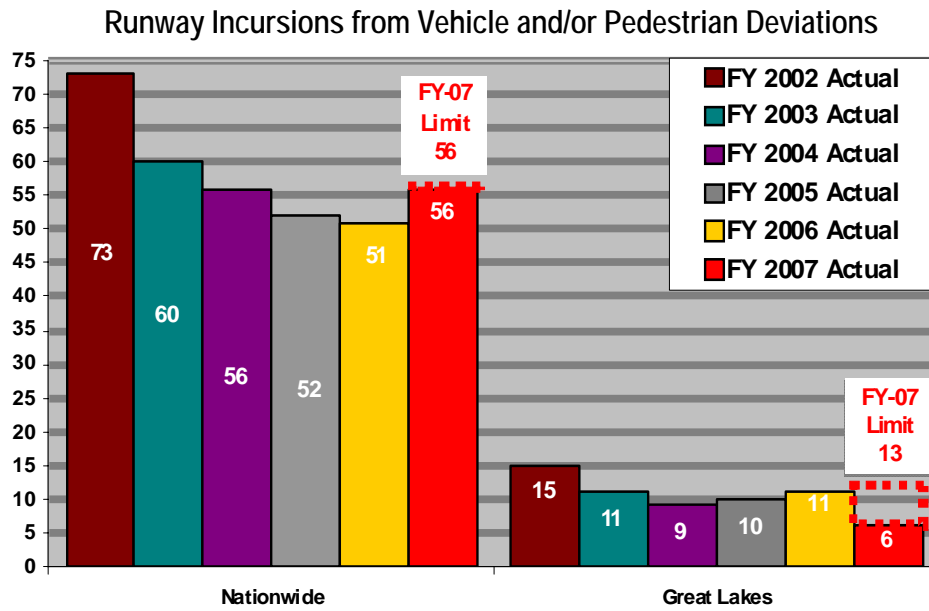
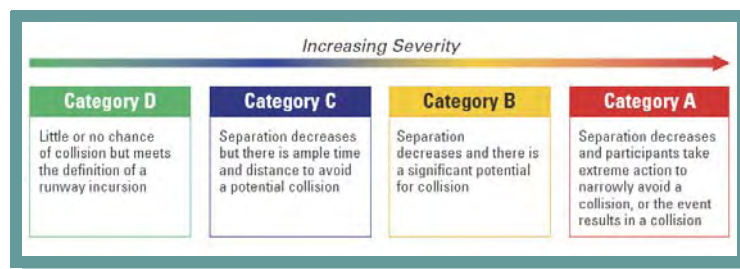


Table 2
Runway Incursions from Vehicle and/or Pedestrian Deviations

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2007 Limit
Nationwide	73	60	56	52	51	56	56
Great Lakes	15	11	9	10	11	6	13

- Category A and B Runway Incursions.** Category A and B runway incursions are considered the most dangerous types of runway incursions. In FY 2007 we had one Category A VPD incursion involving snow removal operations. We had no Category B VPD incursions.



Airfield Safety (Cont.)

- **Runway Incursions.** The locations of our six runway incursions were: Abraham Lincoln Capital (Springfield, IL); Waukegan Regional (Chicago/Waukegan, IL); South Bend Regional (South Bend, IN); Detroit Metropolitan (Detroit, MI); Bishop International (Flint, MI); and General Mitchell International (Milwaukee, WI).
- **Winter Operations.** Five of the six incursions in FY 2007 were related to winter operations activities. Unfortunately we also experienced three commercial air carrier runway excursions during the winter. In response to this trend, we published two Airport Certification Information Bulletin on incursion prevention. One was specifically targeted at snow removal equipment operations. We also created a Runway Safety Alert used by the Regional Runway Safety Program Office to distribute valuable information regarding safety during winter ground operations, which was shared nationally. Additionally, we contacted all of our certificated airports via letter with suggested best practices for winter operations, and participated in several meetings and events with one of our regional carriers to discuss issues relating to winter operations. We are carrying over our emphasis on winter safety of operations into 2008, with additional initiatives.



Airport Certification Information Bulletin Number 07-05.



Airport Certification Information Bulletin Number 07-11.

- **Runway Safety Action Teams (RSATs).** We participated in seven RSAT meetings scheduled by the Regional Runway Safety Program Office and five local RSATs.
- **Support to the Runway Safety Program Office.** General Mitchell International Airport (Milwaukee, WI) experienced a spate of Pilot Deviation runway incursions. Our staff prepared a Runway Safety Alert to help educate the pilot community using Milwaukee. We also supported the office by participating in a special emphasis RSAT meeting in Milwaukee and following through on team recommendations. We also provided inspections, recommendations and support for O'Hare and Cleveland after a series of Pilot Deviations at those airports. These problems appear to have been mitigated.
- **RSAT Recommendation Projects.** In FY 2007, we supported two RSAT recommended projects with \$8.0 million in Airport Improvement Program (AIP) funding. To date, a total of 83 of these types of projects have been funded with AIP, PFC and local funding.

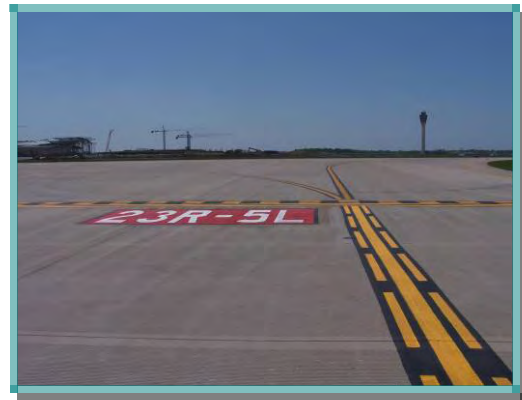
Airfield Safety (Cont.)

- **Administrator's Call to Action.** With the aim of reducing runway incursions and improving runway safety, the FAA Administrator issued a Call to Action in August. This action tasked airports, air carriers and Air Traffic to complete specific actions to improve surface safety. Of the 20 airports identified nationally at highest risk for runway incursions, two are in Great Lakes Region, Chicago O'Hare and Milwaukee Mitchell airports. During this fiscal year we scheduled activities and actions to take place in early FY 2008 to address the Call to Action.

From the Airports perspective, the Call to Action focused on pavement markings and training. The FAA had previously required all airports with greater than 1.5 million annual passenger enplanements to install enhanced taxiway centerline markings at taxiway entrances to runways. Eight airports in this region met these criteria: O'Hare and Midway in Chicago, Indianapolis, Detroit Metro, Minneapolis/St. Paul, Cleveland Hopkins, Milwaukee Mitchell and Port Columbus. The deadline for this work is June 2008. All eight airports in this region completed the work during FY 2007, in advance of the deadline. The Call to Action also requested all remaining certificated airport install these markings as soon as they are able. Prior to the end of FY 2007 three additional airports completed the requested enhancement. The Call to Action also requested all certificated airports implement recurrent training for all contractor and tenant vehicle operators with movement area access. At the end of the fiscal year, 25 of our 95 certificated airports completed this initiative. We will continue to support and monitor progress of these important safety initiatives into FY 2008.



Current Standard Taxiway Centerline.



Enhanced Taxiway Centerline.

- **Wildlife Mitigation.** In order to increase airport safety, 12 wildlife-fencing projects at Part 139 airports were physically completed during the fiscal year. These projects were identified and funded with previous year AIP grants.



Examples of Wildlife and Wildlife Fencing.

Priority Runway Safety Area Initiatives

- **Runway Safety Area (RSA) Improvements.** Our airport sponsors physically completed all practicable improvements (excluding navigational aids) to nine priority RSAs in FY 2007.

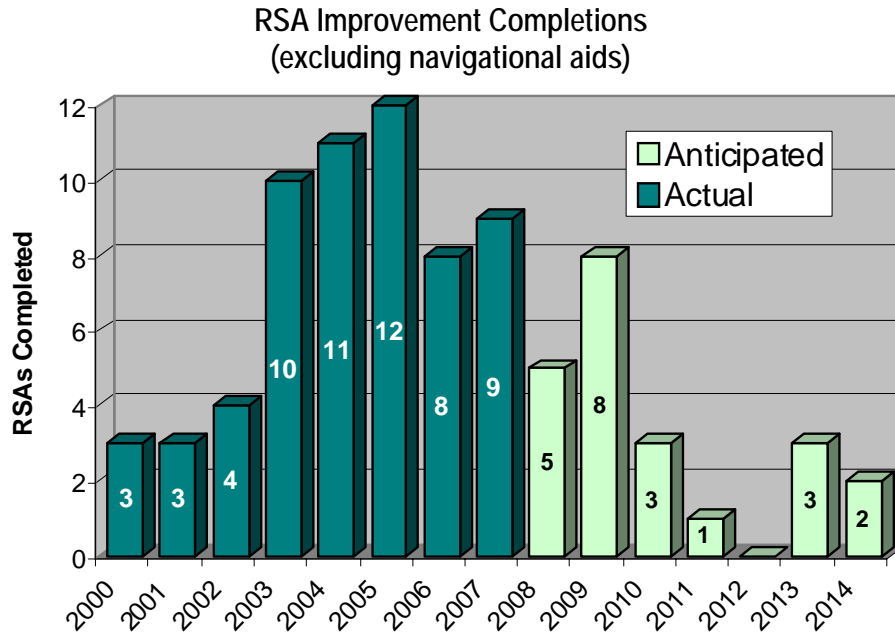


Table 3
RSA Improvement Completions (Excluding Navigational Aids)

Year	RSAs Completed	Status
2000	3	Actual
2001	3	Actual
2002	4	Actual
2003	10	Actual
2004	11	Actual
2005	12	Actual
2006	8	Actual
2007	9	Actual
2008	5	Anticipated
2009	8	Anticipated
2010	3	Anticipated
2011	1	Anticipated
2012	0	Anticipated
2013	3	Anticipated
2014	2	Anticipated

Priority Runway Safety Areas Initiatives (Cont.)

- Priority Runway Safety Area (RSA) Funding.** In FY 2007, we continued to update and refine our Priority RSA funding plan. We issued 9 grants totaling \$48 million for RSA improvements (except NAVAIDS, which will be addressed by the Air Traffic Organization). We have provided \$217 million in AIP funding towards this initiative to date (not including RSA improvements funded as part of a larger project). We anticipate a minimum of \$77 million will be needed between FY 2008 and FY 2014.

Summary of AIP Funding for Priority RSAs

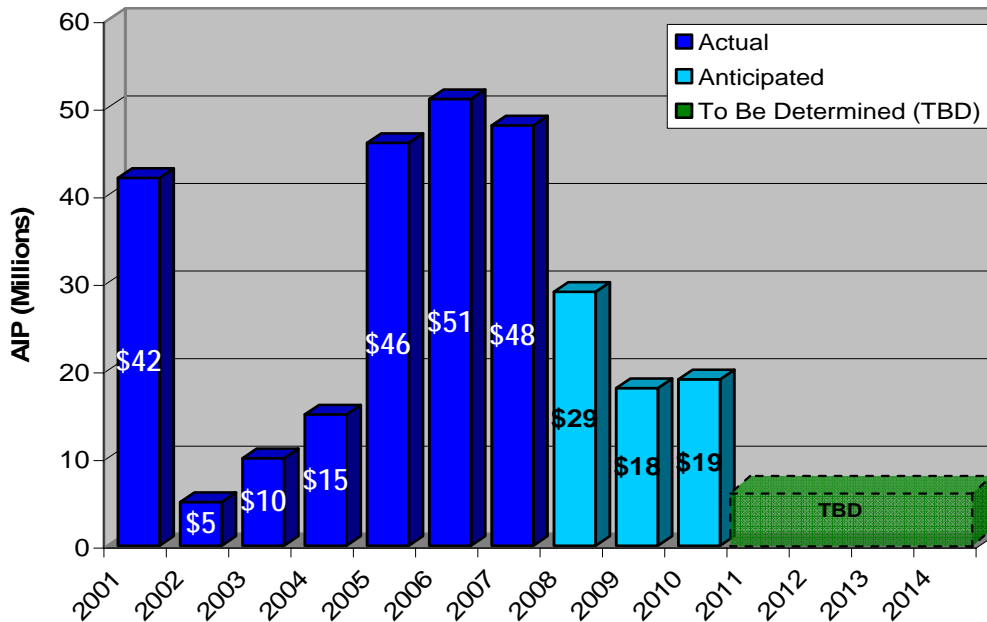


Table 4
Actual and Anticipated Future AIP Funding for Priority RSAs

Year	AIP Funding (million)	Status
2001	\$42	Actual
2002	\$5	Actual
2003	\$10	Actual
2004	\$15	Actual
2005	\$46	Actual
2006	\$51	Actual
2007	\$48	Actual
2008	\$29	Anticipated
2009	\$18	Anticipated
2010	\$19	Anticipated
2011	TBD	TBD
2012	TBD	TBD
2013	TBD	TBD
2014	TBD	TBD

Priority Runway Safety Area Initiatives (Cont.)

- **FY 2007 Priority RSA Improvement Locations.** The locations of the nine RSA improvements we supported were:

- Chicago/Rockford International (Rockford, IL), Runway 1/19.
- Abraham Lincoln Capital (Springfield, IL), Runway 13/31.
- Quincy Regional – Baldwin Field (Quincy, IL), Runway 13/31.
- Kalamazoo/Battle Creek International (Kalamazoo, MI), Runway 17/35.
- Houghton County Memorial (Hancock, MI), Runway 7/25.
- Bemidji Regional (Bemidji, MN), Runway 7/25.
- Cincinnati Municipal Airport Lunken Field (Cincinnati, OH), Runway 3R/21L.
- Austin Straubel International (Green Bay, WI), Runway 18/36.
- La Crosse Municipal (La Crosse, WI), Runway 18/36.



RSA Requiring Grading.



Navigational Aid in the RSA.

- **Priority RSA Updates.** Eight RSA determinations were updated in order to document improvements physically completed during FY 2006.
- **Other Runway Safety Area Improvements.** In addition to the nine Priority RSA improvement projects mentioned above, we also supported the following RSA improvement projects in FY 2007:
 - Midway International (Chicago, IL) - Two Engineered Material Arresting Systems (EMAS) were installed in FY 2007. Additional EMAS projects are scheduled for completion in FY 2008.
 - O'Hare International (Chicago, IL) – Planning and site preparation for EMAS installation on Runway 4R/22L.
 - General Mitchell International (Milwaukee, WI) – Planning and environmental studies to evaluate alternatives for correcting the RSAs for Runways 1L/19R and 7R/25L.



New EMAS installation at Chicago Midway International Airport.

Other Safety Initiatives

- **Safety Related Conferences and Events.** We are often asked to speak at conferences and universities on safety issues. In addition to the many events mentioned elsewhere in this Annual Report, we also gave presentations on a variety of safety issues at Southern Illinois University, Ohio Airports Conference, General Aviation Round Table (Nashville, IN) and the Wisconsin Bureau of Aeronautics (Stephens Point, WI).

- **Safety Awards.** Two Part 139 airports were presented Airport Safety Awards in recognition of their proactive contributions to airport safety. The Indianapolis International Airport (Indianapolis, IN) and the Hector International Airport (Fargo, ND) received awards at the AGL Airports Conference in November 2006



Representatives of the Indianapolis International Airport accept their Safety Award from the Jeri Alles and Ken Taira of the FAA.

- **Airport Partnership Awards.** We also recognized two individuals for outstanding airport safety contributions, through the AGL Airport Partnership Awards program. The FAA's very own Larry Ladendorf, Acting Manager of the CHI-ADO and AGL-600 Assistant Division Manager (subsequently retired), and Ben Castellano, Manager Airport Safety and Operations Division, were presented with awards at the AGL Airports Conference in November 2006.



Representatives of the Hector International Airport accept their Safety Award from Chris Blum, far left, and Jeri Alles, far right, of the FAA.

- **Construction Safety Phasing Plans.** We processed 167 construction safety phasing plans for Part 139 airports to ensure that development would be conducted in a safe and compliant manner.
- **Runway Pavement Conditions.** We have an ongoing national goal of maintaining at least 93% of the runways at airports in the National Plan of Integrated Airport Systems (NPIAS) in good or fair condition. In AGL, we were able to exceed this goal by maintaining 95% of our runways in good or fair condition. Bob Benko, a Civil Engineer in the Safety and Standards Branch, was an active participant on three Innovative Pavement Research Foundation Panels: Design/Build for Concrete Airfield Pavements, Performance Based Specs for Hot Mix Asphalt (HMA) Airfield Pavements and National Certification of Airport HMA Techs and Inspectors.
- **Precision Obstacle Free Zone Implementation.** The Safety Standards Branch led the regional team that developed and implemented Precision Obstacle Free Zone surface protection for over 220 runway ends in the region. The work was completed in a timely manner, meeting the Administrator's January 1, 2007 deadline. The team was recognized by the Regional Administrator with a cash award.
- **ARFF Requirements.** The June 9, 2004 revision of Part 139 Airport Certification required Class II, III and IV airports to implement ARFF requirements by June 11, 2007. All required certificated airports met the deadline.
- **Airport Certification Information Bulletins (ACBIs).** We issued several bulletins this year, in addition to those already mentioned. You may view all of our ACBIs at: http://www.faa.gov/airports_airtraffic/airports/regional_guidance/great_lakes/airports_resources/certification_bulletins/index.cfm

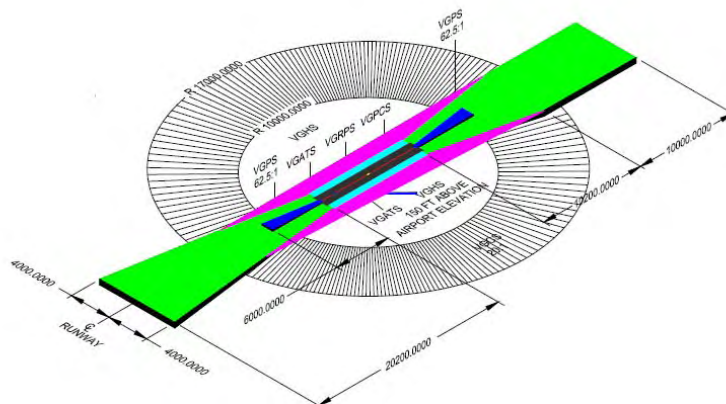
Capacity Initiatives

- **Funding for Operational Evolution Partnership (OEP) Runway Projects.** We issued AIP grants to four airports in support of OEP runway projects, including \$28.4 million for O'Hare International; \$30.1 million for Detroit Metropolitan Wayne County; \$19.8 million for Cleveland Hopkins International; and \$10.7 million for Minneapolis-St. Paul International.



The Airbus A380 visits Chicago O'Hare International, March 2007.

- **Technology and System Guidance.** The Branches and ADOs actively collaborated with APP-400, AAS-100 and the regional Flight Procedures Office (FPO) to help evaluate proposed locations for AIP-funded surveys for the development of new WAAS/GPS approaches. AGL issued \$440,000 in grants to survey 17 runway ends in Michigan, Minnesota, Ohio and Wisconsin, for aeronautical surveys in FY 2007 and procedures development in FY 2008.
- **Funding for Reliever Airports.** We issued three grants for \$23.7 million in AIP funding for capacity enhancing projects at reliever airports in the Great Lakes Region. A wide variety of project types were funded, including: pavement rehabilitation, runway safety area improvements and land acquisition.
- **Airspace Review.** The ADOs continuously review airspace cases throughout the year to help ensure that on- and off-airport development will be compatible with current and future airport operations. This year the Airports Division reviewed 1,282 on-airport and 14,219 off-airport airspace cases.



Capacity Initiatives (Cont.)

O'Hare Modernization Program (OMP). The O'Hare Modernization Program (OMP) is the City of Chicago's program to ultimately move to an eight-runway configuration. This entails realigning three existing runways, extending two existing runways and constructing a new runway. It is estimated that this \$7.5 billion program will reduce overall delays by 66 percent and increase the annual operational capability from 974,000 to 1,194,000 aircraft operations. In FY 2007, we continued to support Phase I of the program to construct Runway 9L/27R and extend Runway 10L/28R. Both pavement projects are expected to be completed in November 2008.



The Chicago O'Hare Modernization Program.

- South Suburban Airport (SSA).** In July 2002, the FAA completed the Tier 1 EIS and Record of Decision for site approval for a possible supplemental airport in the Chicago area. To date, the FAA has issued \$8 million in AIP grants to the State of Illinois for planning and the development of this EIS. In FY 2007, the FAA and the State of Illinois continued refining the master planning document for the proposed development. The State of Illinois has been acquiring land (approximately 1,873 acres to date) to preserve the option of developing an inaugural airport. The inaugural airport would have one runway with the capability to expand to accommodate future market demand.

Capacity Initiatives (Cont.)

- **Indianapolis Terminal Building and ARFF Facility.** This fiscal year a new \$4.1 million Airport Rescue and Fire Fighting Facility opened at the Indianapolis International Airport. This four bay facility was constructed with AIP funds. It greatly enhances response times to existing airfield pavement and will support the new \$1.1 billion terminal building complex scheduled to open in late 2008.



The new ARFF Facility and Terminal Building under construction at Indianapolis International Airport.

- **Port Columbus International Airport.** During FY 2007, the FAA continued the Environmental Impact Statement Study, started in 2006, to evaluate the construction of a proposed relocation of primary Runway 10R/28L. The proposed runway will be 10,113 feet long, located approximately 702 feet south of the existing runway and will include all necessary airfield infrastructure to support the runway. The main purposes for replacing the runway are: the need to provide long-term airfield capacity; delay reduction during peak operating periods; improved airfield efficiency; the need to provide a wider terminal envelope to meet capacity needs to accommodate projected passenger levels; and the need to reconstruct the existing runway. The FAA and its contractor are evaluating alternatives and analyzing the environmental impact categories. Coordination with the resource agencies and airport sponsor is ongoing. It is anticipated that the EIS will be completed in spring 2009.

Capacity Initiatives (Cont.)

- **Cleveland Hopkins International Airport.** During FY 2007, the extension of Runway 6R/24L to the southwest began. This will provide additional capacity and reduce the possibility of runway incursions by allowing the northeast end of the runway to be shortened so that the intersection between Runway 6R/24L and Runway 10/28 can be eliminated and a standard Runway Safety Area installed.



Intersection of
Runway 6R/24L and Runway 10/28

Cleveland Hopkins International Airport.

- **General Mitchell International Airport.** This fiscal year we were able to provide funding to rehabilitate the ARFF access road, realign several vehicle roads, acquire safety equipment and rehabilitate Runway 7R/25L. These projects will enhance the safety of the airfield and increase capacity by allowing aircraft and vehicles to utilize existing pavement to its fullest extent.



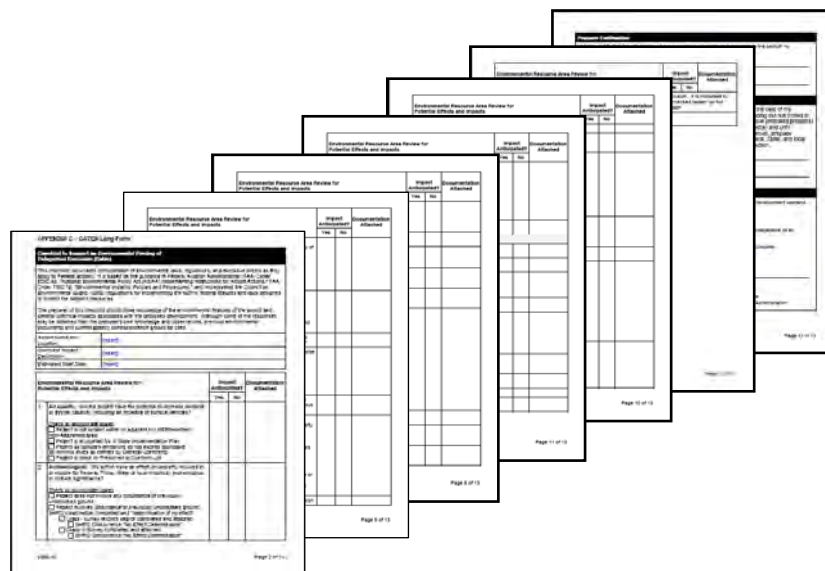
General Mitchell International Airport.

Environmental and Noise Initiatives



Example of Wetlands.

- Environmental Studies.** The ADOs continuously processed Environmental Assessments (EAs) and Environmental Impact Statements (EISs) throughout the year to help ensure that airport development met the necessary environmental requirements. A total of 72 EAs and four EISs were in various stages of review during the fiscal year.
- Residential and School Soundproofing Projects.** A total of eight grants were issued for \$38.1 million in AIP funding to provide noise compatibility benefits to more than 3,500 residents and students.
- Standardized Categorical Exclusion Checklist.** The FAA is obligated to consider potential environmental impacts and unique circumstances prior to issuing an AIP grant. However, some projects may fall into a type or category that is “categorically excluded” from full EA or EIS reviews. In order to support a more efficient and consistent environmental process, we published a standardized Categorical Exclusion Checklist that is acceptable for submission to all four Airport District Offices.



Program Efficiency Measures

- **Airport Improvement Program (AIP).** As stewards of the AIP, we are responsible for the efficient and effective distribution and use of Federal AIP dollars. The following efficiency measures allowed us to determine how effectively we are administering our AIP program:
 - **Programming.** We were able to successfully program 100% of our \$299.0 million in Discretionary within 30 calendar days of it being available to the regions. This exceeded the national goal of 90%. When we program Discretionary funds quickly, we can often get the grants issued and the development started earlier in the year.
 - **Grants Based on Bids.** A total of 311 (99%) of our 315 construction and equipment grants were based on bids. The national requirement was 90%. When we issue grants based on bids rather than estimates, we find that there is less chance of Federal funds sitting idle.
 - **Obligations.** By September 30, 2007, we obligated 100% of all funds released by the Office of the Secretary of Transportation (OST). As with programming, obligating at an accelerated rate allowed us to get the money where it was needed for development as quickly as possible.
 - **Inactive Grants.** By monitoring the number of grants with drawdown activity we are able to ensure that money is moving towards development rather than sitting idle. This fiscal year we were able to ensure that a total of 173 (98%) of the applicable 175 grants identified at the beginning of the fiscal year as inactive had activity or were closed.
 - **2.75-Year Grant Inventory.** We exceeded our regional goal to achieve a 2.75-year grant inventory by closing 394 (118%) of the 332 targeted grants. By closing out grants in a timely fashion, we ensured that any unused funds in the grant were put back into the system for other projects.
 - **Closeout of Four Year and Older Grants.** We successfully closed 97 of our 102 existing FY 2003 and older grants. Five grants in this category remain, however three were granted a one-year extension due to extraordinary circumstances such as litigation. As with the 2.75-year grant inventory goal, by closing out grants in a timely fashion, we ensure that any unused funds in the grant are put back into the system to support other development.
- **Passenger Facility Charge (PFC) Program.** Although PFC is not Federal funding, we are still responsible for ensuring that the PFC program is administered in an efficient manner. The following efficiency measure helped us toward this end:
 - **PFC Application Closeouts.** We successfully exceeded our regional goal by closing out 19 (119%) of the PFC applications that were physically and financially complete as of October 1, 2006.
- **Monitoring Grant Drawdown Rates.** With the availability of an improved reporting and analysis system, we began monitoring the drawdown rate of each grant more closely. The purpose of this analysis is to ensure that funds are being used effectively to put in place the intended infrastructure improvements in a timely manner.

Customer Service

- **Customer Outreach.** Each ADO conducted focus group discussions with representatives from their state airports, state agencies, and consultants. These were used by the ADO to listen and learn how they could provide improved support to our customers. Additional sessions were conducted as part of state aviation conferences in Illinois, Indiana, Michigan, Minnesota, North Dakota, Ohio, South Dakota and Wisconsin.
- **Expanded Education on Performance Measures.** The goal of the Airport Improvement Program is to convert funds from the Airport and Airway Trust Funds into useful airport infrastructure and associated improvements. This fiscal year we developed new performance measures that can effectively use the latest data to gauge how well sponsors are using funds. In anticipation of a FY 2008 implementation of these performance measures, we developed a presentation for use by the ADOs at their respective state aviation conferences. This will allow our customers to anticipate changes in the pre and post grant FAA requirements, while allowing us to improve the efficiency of our grants-in-aid program.
- **Resource Bulletins.** This fiscal year we published four Resource Bulletins. These bulletins addressed numerous issues relevant to planning, environmental and financial matters.
- **Customer Service Training.** Every employee in the region took at least one web-based course on customer service. An additional 13 Out-of-Agency courses were taken by our employees on customer service.
- **FAA Training.** This fiscal year our Safety and Standards Branch hosted the FAA Academy Recurrent Engineering course in the Great Lakes Regional Office. In total, 54 people from the FAA and State transportation agencies were trained and updated on the latest information of interest to our engineers. Being in close proximity to several large airports also allowed the class to visit the O'Hare Modernization Program construction site as well as the recently completed EMAS at Midway International Airport.



A Recurrent Engineering course session.

Customer Service (Cont.)

- **Heightened Recognition of Outstanding Customer Service.** We established a new protocol to recognize employees or teams who make significant efforts or achievements in excellent customer service. Under this new protocol, we were proud to present sixty-one awards to our employees in recognition of their customer service efforts and achievements in FY 2007.
- **Other Employee Recognition.** In addition to 8 national awards, forty-nine of our employees received recognition (awards, letters of appreciation, etc.) from parties outside of the AGL Airports Division.
- **National Recognition.** We are especially proud of the recognition our employees have received nationally. This fiscal year:
 - 7 of our employees in the Safety and Standards Branch, AGL-620, received ARC Awards for their role in the Annual Airports Conference.
 - John Logan, ADP Specialist, received the ARP National Innovator Extraordinaire Award.
 - Jeri Alles, Division Manager, received the AGL Manager of the Year Award.
 - Rich Kula, Program Manager Chicago Airports District Office, received the FAA Administrator's Dorothy Thornish Customer Service Award for his role in the O'Hare Modernization Program.



ARC Award
Employees of the Safety and Standards Branch,
Airport Division and Regional Office:
Front Row: Jeri Alles, Carlton Lambiasi,
Christina Drouet and Chris Blum.
Back Row: Barry Cooper, Tricia Halpin and Ken Taira.
(Safety and Standards Branch employees not pictured:
Michelle Lykken, John Lott, Birke Rhodes, Ryan O'Dell,
Jesse Carriger and Robert Benko)



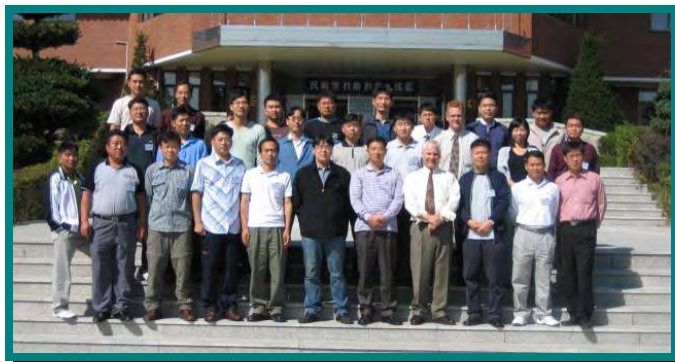
Dorothy Thornish Customer Service Award
Marion Blakey, Richard Kula and Robert Sturgell.



ARP National Innovator Extraordinaire Award
Kirk Shaffer, John Logan and Kate Lang.

Aviation and Community Outreach

- **22nd Annual Airports Conference.** Once again, we hosted the Great Lakes Region Annual Airports Conference, which provided a forum for airport and aviation representatives from government and the private sector to come together to share information on a variety of airport related topics. The November 2006 conference was another great success with 494 participants.
- **State Aviation Conferences.** We provided presentations at all 8 (100%) of the regional state aviation conferences on program topics, safety issues, and other subjects of interest to our aviation community. We also participated in two State Aviation Directors' conferences.
- **Sponsor Contact.** Our ADO's routinely update our airport sponsors, consultants and states through the use of e-mail lists, meetings and newsletters. This fiscal year we visited 58 (100%) of our primary airports to personally stay in touch with our sponsors' concerns and needs. Our Chicago and Minneapolis ADO's each developed and sent out newsletters to our airport sponsors with useful information and helpful hints. The ADO's also met with their respective state agencies to improve communications and evaluate how the Airport Improvement Program was progressing.
- **Aviation and Community Outreach.** In addition to the conferences and site visits listed above, our employees participated in 29 other aviation and community/diversity outreach events such as the Government on Display Expo in Minneapolis, Midwest Natural Resource Group in Green Bay, Wisconsin, South Dakota Aeronautics Commission meeting in Pierre, SD, Aviation Education at the Elm School in Canton Michigan, Aviation as a Career at Breithaupt Career and Technical Center in Detroit, Michigan, Small Business Procurement and Support Conference in Chicago, Illinois, Aviation Career Education Camp at Wayne State University in Detroit, Michigan, Aviation Career Education Summer camp through the Wright Junior College in Chicago, Illinois and the Airport Consultants Council (ACC) Summer Workshop Series in Washington, D.C.
- **International Outreach.** From October 6-20, 2006 Birke Rhodes, Lead Airport Certification Safety Inspector, supported the agency's International Leadership Flight Plan initiative by traveling to Cheongju City, South Korea in order to teach the FAA's course on International Airport Certification Procedures. This training was provided to 27 people from various organizations, such as Korea's Civil Aviation Safety Authority, Korea Airports Corporation and the Incheon International Airport Corporation.



Students and Instructors from the FAA's course on International Airport Certification Procedures, in Cheongju City, South Korea.

Airports by State and Type

- **Airports by State and Type.** The Great Lakes Region had 642 (19.1%) of the 3,370 airports in the agency's National Plan of Integrated Airport Systems (NPIAS) database in FY 2007. The distribution of our 642 NPIAS airports by type was:

- 81.3% General Aviation airports
- 7.8% Reliever airports
- 1.7% Commercial Service airports (2,500 - 10,000 enplanements)
- 9.2% Primary airports (10,000 or more enplanements)

Number of Airports by State and Type

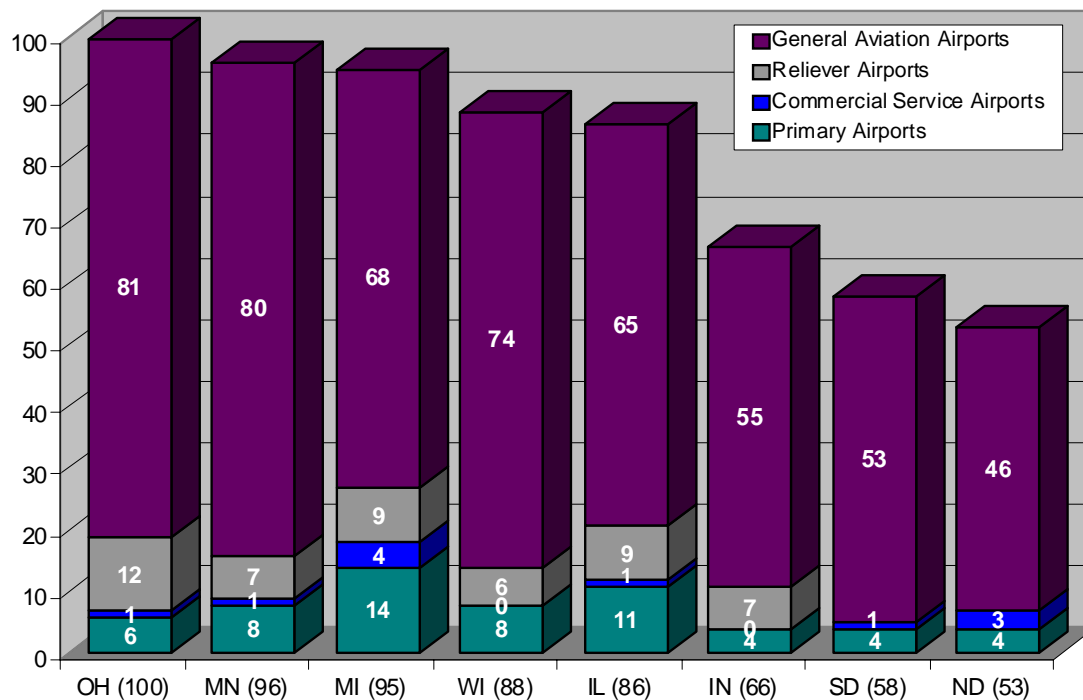


Table 5
Number of Airports by State and Type

State	Primary Airports	Commercial Service Airports	Reliever Airports	General Aviation Airports	Total
OH	6	1	12	81	100
MN	8	1	7	80	96
MI	14	4	9	68	95
WI	8	0	6	74	88
IL	11	1	9	65	86
IN	4	0	7	55	66
SD	4	1	0	53	58
ND	4	3	0	46	53
Total	59	11	50	522	642

Certificated Airports by State and Type

- **Certificated Airports by State and Type.** The Great Lakes Region ended FY 2007 with 95 FAR Part 139 airports. The year end distribution of certificated airports by type was as follows:

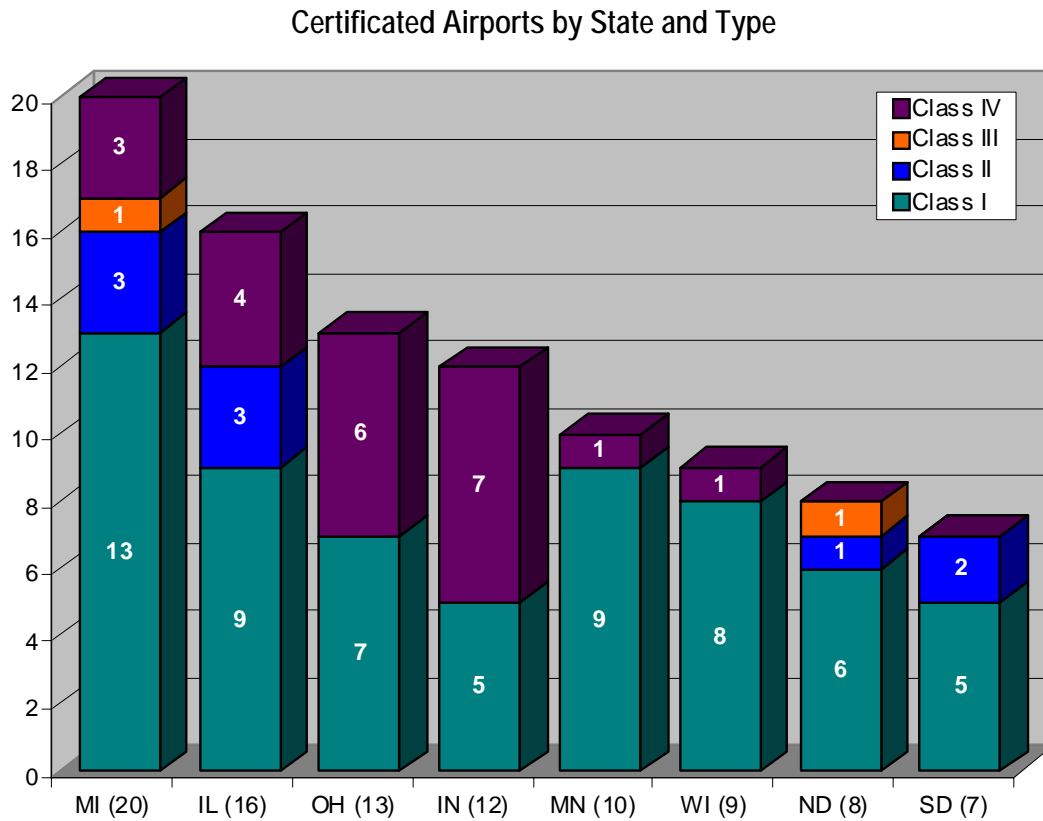


Table 6
Certificated Airports by State and Type

State	Class I	Class II	Class III	Class IV	Total
MI	13	3	1	3	20
IL	9	3	0	4	16
OH	7	0	0	6	13
IN	5	0	0	7	12
MN	9	0	0	1	10
WI	8	0	0	1	9
ND	6	1	1	0	8
SD	5	2	0	0	7
Total	62	9	2	22	95

Passenger Enplanements by State

- Passenger Enplanements by State.** Passenger enplanements are used, along with the rate of PFC collection, to determine AIP entitlement funding for a Primary airport. For each fiscal year, the enplanement data used is from the last full calendar year, so Calendar Year (CY) 2006 data was used for FY 2007. We had approximately 107.4 million commercial service enplanements, which was approximately 15% of the national total of 738.2 million. This was a slight decrease of approximately 0.6% from the previous CY in our region.

Millions of Enplanements by State

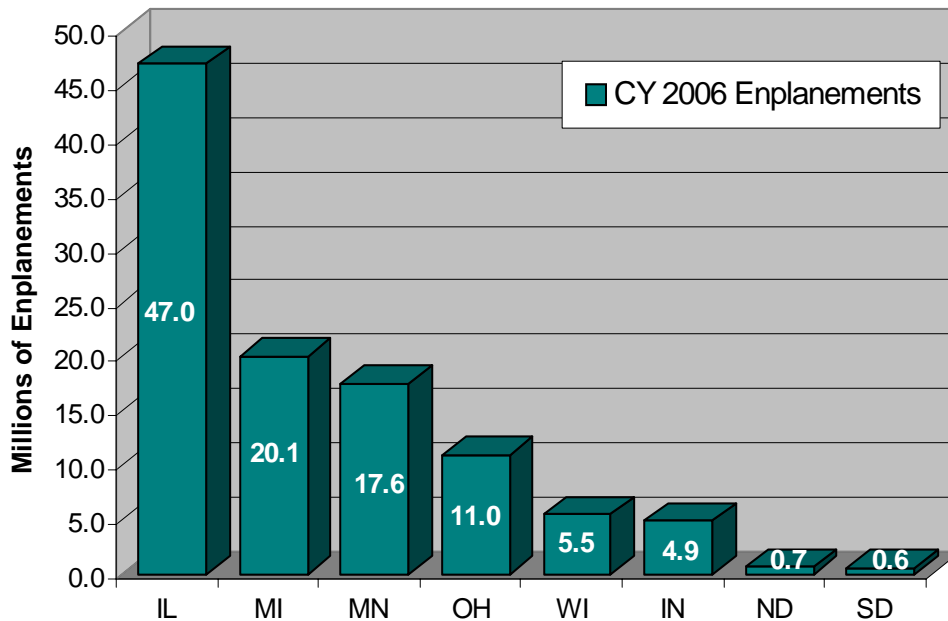


Table 7
Millions of Enplanements by State

State	CY 2006 Enplanements (millions)
IL	47.0
MI	20.1
MN	17.6
OH	11.0
WI	5.5
IN	4.9
ND	0.7
SD	0.6
Total	107.4

AIP Funding by State

- **AIP Funding.** We issued a total of 364 new grants and processed 191 amendments for \$545.1 million in current year, prior year, future year, and recovery AIP funding. This was 16% of the \$3.3 billion issued nationally.

FY 2007 AIP Funds for New Grants by State

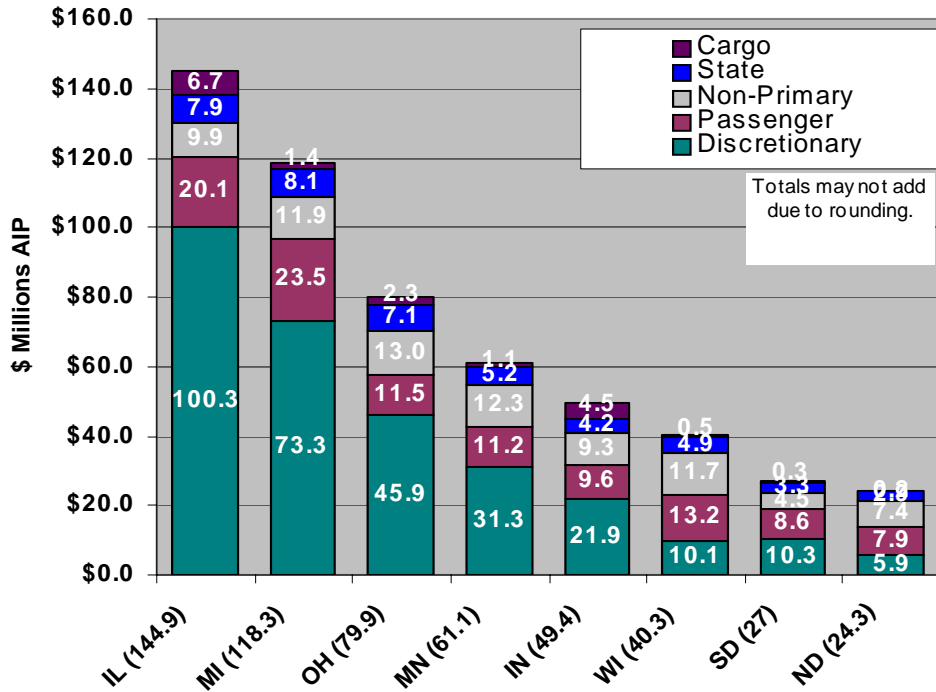


Table 8
FY 2006 AIP Funds for New Grants by State (in \$ Millions)

Fund Type	IL	MI	OH	MN	IN	WI	SD	ND	Total
Discretionary	100.3	73.3	45.9	31.3	21.9	10.1	10.3	5.9	298.9
Passenger	20.1	23.5	11.5	11.2	9.6	13.2	8.6	7.9	105.7
Non-Primary	9.9	11.9	13.0	12.3	9.3	11.7	4.5	7.4	79.9
State	7.9	8.1	7.1	5.2	4.2	4.9	3.3	2.9	43.6
Cargo	6.7	1.4	2.3	1.1	4.5	0.5	0.3	.02	17.1
Total	144.9	118.3	79.9	61.1	49.4	40.3	27.0	24.3	545.1

AIP Project Types

- Funding by Project Type.** AIP funding is expended on a wide variety of eligible project types. In FY 2007, approximately 58% of the AIP funds issued were used for pavement projects (runways, taxiways and aprons; not including pavement projects funded under the State Block Grant Program). The second highest percentage project type was for the State Block Grants (three of our eight states participate in this program).

Percent AIP by Project Type

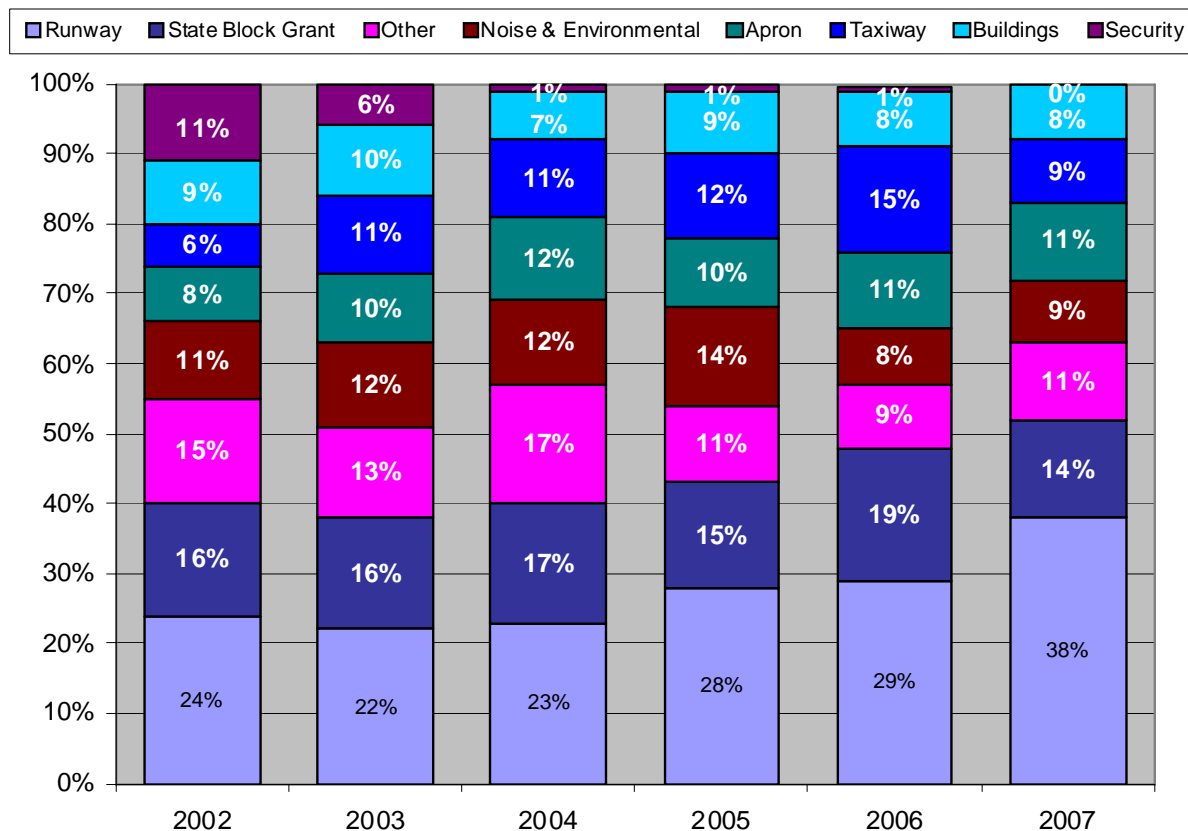


Table 9
Percent AIP by Project Type and Fiscal Year

Development Type	2002	2003	2004	2005	2006	2007	Five-Year Average
Runway	24%	22%	23%	28%	29%	38%	28%
State Block Grant	16%	16%	17%	15%	19%	14%	16%
Other	15%	13%	17%	11%	9%	11%	12%
Noise & Environmental	11%	12%	12%	14%	8%	9%	11%
Apron	8%	10%	12%	10%	11%	11%	11%
Taxiway	6%	11%	11%	12%	15%	9%	12%
Buildings	9%	10%	7%	9%	8%	8%	8%
Security	11%	6%	1%	1%	1%	0%	2%

PFC Approved by State

- PFC Applications.** As of September 30, 2007, a total of 306 applications and \$13.03 billion in PFC collections have been approved in AGL since the program's inception. This is 21% of the \$61.0 billion approved nationally.

Total PFC Collections Approved Since FY 1991

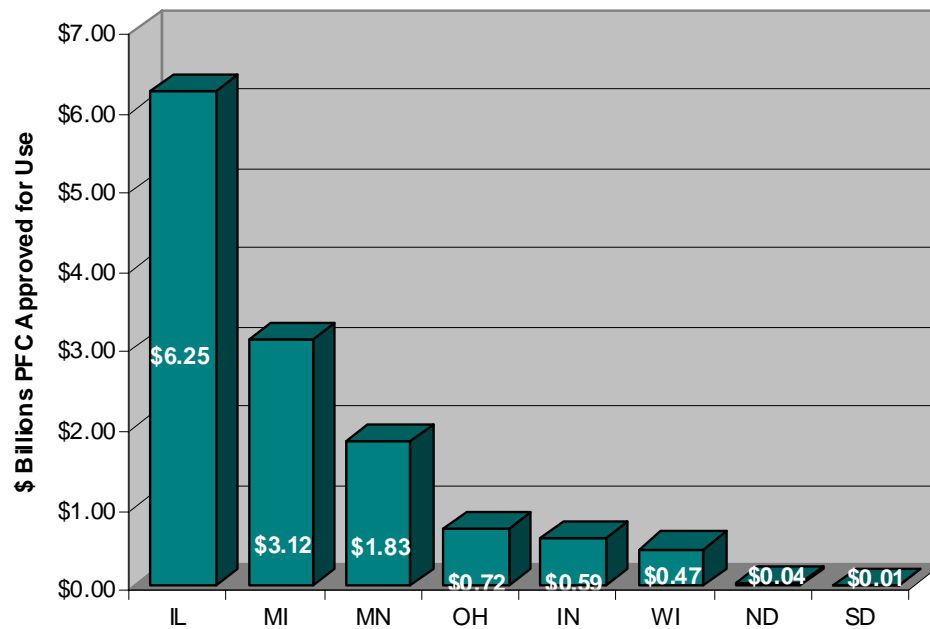


Table 10
Total PFC Collections Approved Since FY 1991

State	Total PFC Approved (Billions)
IL	\$6.25
MI	\$3.12
MN	\$1.83
OH	\$0.72
IN	\$0.59
WI	\$0.47
ND	\$0.04
SD	\$0.01
Total	\$13.03

PFC Project Types

- **PFC Projects.** We approved \$1.36 billion in PFC collections in FY 2007. The top three project areas were as follows:
 - 75.1% for runways
 - 21.7% for other projects (land, planning, lighting, etc.)
 - 3% for Terminals

Percent PFC Funding Approved in FY 2007 by Project Type

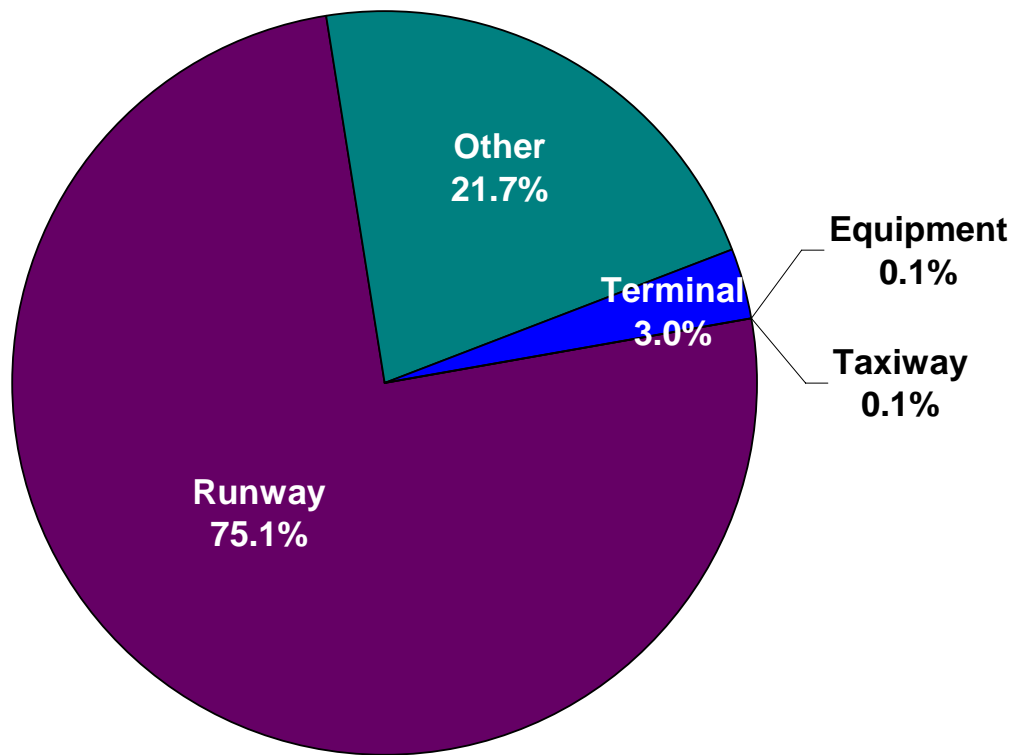


Table 11
Percent PFC Funding Approved in FY 2006 by Project Type

Category	Percent PFC Approved by Category
Runway	75.1%
Other	21.7%
Terminal	3.0%
Equipment	0.1%
Taxiway	0.1%

Airports Collecting PFCs by State

- **PFC Airports.** A total of 58 out of 66 (88%) Primary and Commercial Service airports in the Great Lakes Region are approved to collect PFCs.

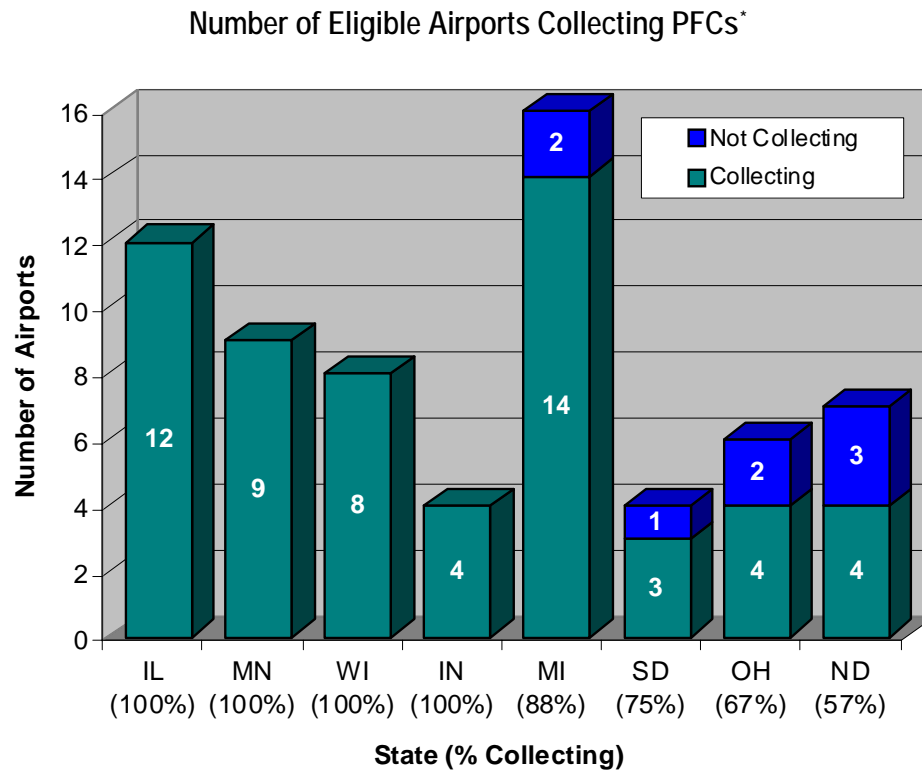


Table 12
Number of Eligible Airports Collecting PFCs*

State	Collecting	Not Collecting	Total	% Collecting
IL	12	0	12	100%
MN	9	0	9	100%
WI	8	0	8	100%
IN	4	0	4	100%
MI	14	2	16	88%
SD	3	1	4	75%
OH	4	2	6	67%
ND	4	3	7	57%
Total	58	8	66	88%

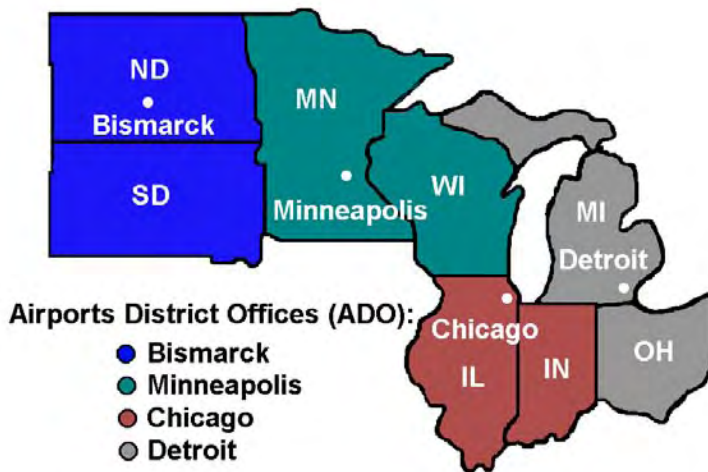
* By legislation, Essential Air Service Airports are not able to collect PFCs.

Great Lakes Airports Division

Federal Aviation Administration
2300 East Devon Avenue
Des Plaines, Illinois 60018
Phone No.: (847) 294-7272
FAX: (847) 294-7036

Website: http://www.faa.gov/airports_airtraffic/airports/regional_guidance/great_lakes/

Jeri Alles, Division Manager
Debbie Roth, Assistant Division Manager
Elliott Black, Planning and Programming Branch Manager
Christina Drouet, Safety and Standards Branch Manager



Bismarck Airports District Office

Federal Aviation Administration
2301 University Drive
Bismarck, North Dakota 58504
Phone No.: (701) 323-7380
FAX: (701) 323-7399

Steve Obenauer, ADO Manager

Chicago Airports District Office

Federal Aviation Administration
2300 East Devon Avenue
Des Plaines, Illinois 60018
Phone No.: (847) 294-7336
FAX: (847) 294-7046

Jim Keefer, ADO Manager

Jack Delaney, Assistant ADO Manager

Detroit Airports District Office

Federal Aviation Administration
11677 South Wayne Road, Suite 107
Romulus, MI 48174
Phone No.: (734) 229-2900
FAX: (734) 229-2950

Matthew Thys, ADO Manager

John Mayfield, Assistant ADO Manager

Minneapolis Airports District Office

Federal Aviation Administration
6020 28th Avenue, South, Room 102
Minneapolis, Minnesota 55450
Phone No.: (612) 713-4350
FAX: (612) 713-4364

Bob Huber, ADO Manager

Jesse Carriger, Assistant ADO Manager