

Annual Report Fiscal Year 2006



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 pleased to present our Fiscal Year (FY) 2006 Annual Report for the Great Lakes Region Airports Division (AGL). Once again, our successes are attributable to the outstanding dedication and partnership between our employees, the state aeronautical agencies, individual airport sponsors, consultants and others in the aviation community.

This report highlights just some of our joint accomplishments in FY 2006. Together we met more than 97% of our performance goals for the year.

The December 2005 accident at Chicago Midway served as a sobering reminder of why the FAA has placed such a high priority on improving nonstandard Runway Safety Areas (RSAs) wherever practicable. In fact, the FY 2006 Department of Transportation appropriations legislation established a requirement under Federal law that by December 2015, owners or operators of airports certificated under Part 139 must improve their RSAs to comply with FAA's design standards. The law also requires the FAA to make annual progress reports to Congress.

On a brighter note, the Great Lakes Region brought eight more RSAs into compliance during the year, and issued 18 grants totaling more than \$51 million in support of RSA improvements. We have now completed 51 such projects (61%), and there are 32 remaining.

Our runway incursions in FY 2006 increased slightly over FY 2005 levels — from ten to 11, including a Category A vehicle/pedestrian deviation (the most severe category). This again is a reminder that airport sponsors need to work closely with our safety team — Part 139 Airport Certification Safety Inspectors and Airports District Office (ADO) Program Managers — to identify physical and procedural improvements to eliminate the risk that such incursions pose.

In terms of capacity, we met a major milestone in FY 2006 with the commissioning of the new Runway 17/35 complex at Minneapolis/St. Paul International Airport. In total, our continued investment in safety, capacity and standards projects in FY 2006 included \$319 million in Airport Improvement Program (AIP) funding throughout the Great Lakes Region. We also supported noise mitigation benefiting more than 3,100 residents and students throughout the region with \$25.7 million in noise mitigation grants. Altogether we issued a total of 370 new grants and 217 amendments for \$558 million, including \$511 million in new AIP funding.

We thank you all again for your continued partnership in these efforts, and we look forward to another great year in FY 2007 of the development and maintenance of a safe and efficient airport system.

Sincerely,

Jeri Alles
Manager, Airports Division
Great Lakes Region

General Aviation Initiatives

- **AirVenture in Oshkosh.** The 2006 AirVenture was a success with over 700,000 aviation enthusiasts in attendance. 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 success.



FAA Airports Division employees at our informational booth.

- **Runway Safety Area (RSA) Projects.** In FY 2006, we were able to physically complete improvements (excluding the relocation of navigational aids) to RSAs at two GA airports.
- **Construction Safety Phasing Plans.** We reviewed and processed 141 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 nine 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 Chicago Executive (Wheeling/Prospect Heights, IL); Coleman A. Young Municipal (Detroit, MI); Anoka County-Blaine Airport (Janes Field) (Minneapolis, MN); and Watford City Municipal (Watford City, ND).



The new Willmar Municipal Airport, Willmar, Minnesota opened in September 2006.

Part 139 Certification Program

- Part 139 Certification Inspections. We completed a total of 89 (110%) of the 81 required periodic inspections and conducted 57 surveillance/follow-up inspections.
- Airport Certification Manuals (ACM). We approved or returned all 36 (100%) of the Class II, III, and IV ACMs within 120 days of their submission.
- Part 139 Discrepancies. As part of our airport certification inspections, we are required to document the safety discrepancies we find at airports. The following data illustrates the effectiveness of our Airport Certification Program over the past six years. In FY 2006, we continued to use surveillance inspections to assist airport sponsors with regulatory compliance. We are pleased to see a continuation of the general downward trend in discrepancies.

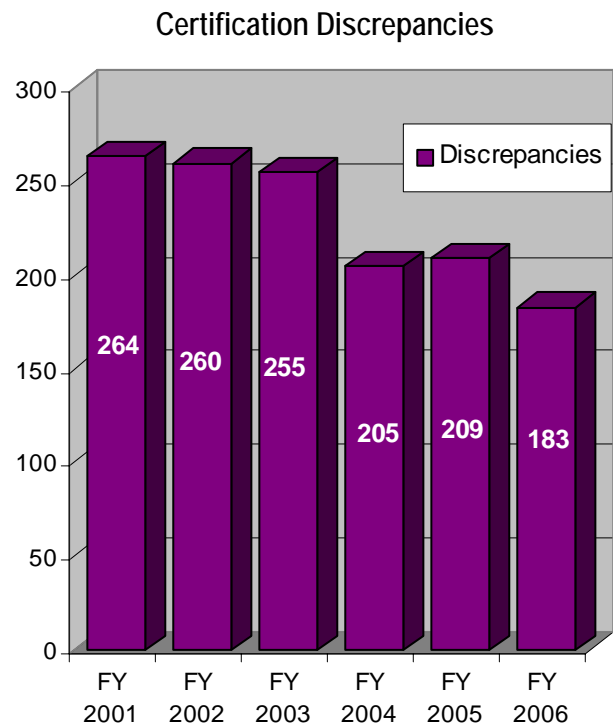
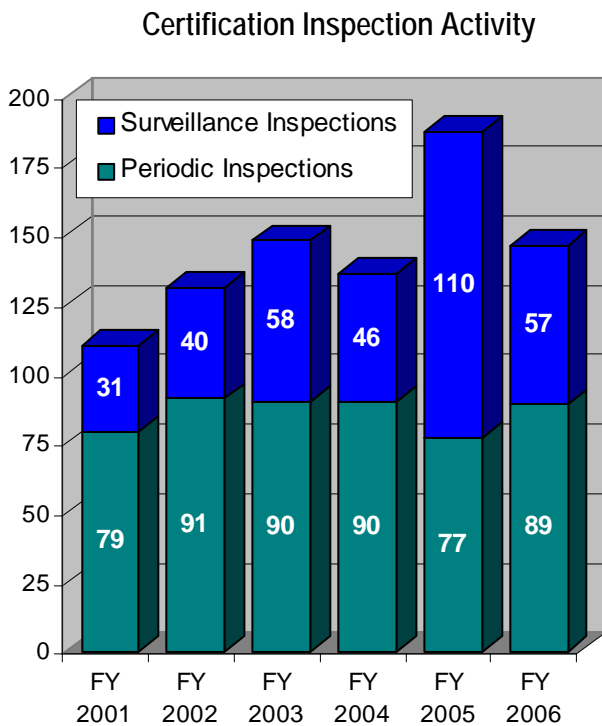


Table 1
Certification Inspection Activity and Discrepancies

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Periodic Inspections	79	91	90	90	77	89
Surveillance Inspections	31	40	58	46	110	57
Discrepancies	264	260	255	205	209	183

Runway Incursion Reduction

- Runway Incursions. Both nationally and regionally we were able to stay below the runway incursion limits we set for ourselves (based on a 3-year rolling average). Nevertheless, the regional figure was up slightly over FY 2005, reminding us all of the need for continued attention in this area.

Runway Incursions from Vehicle and/or Pedestrian Deviations

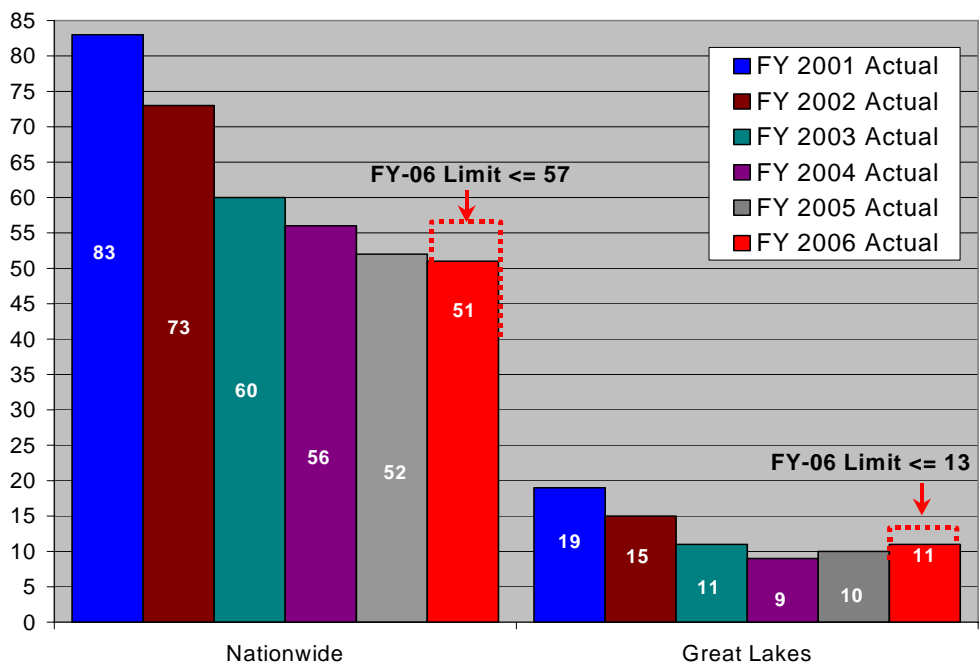
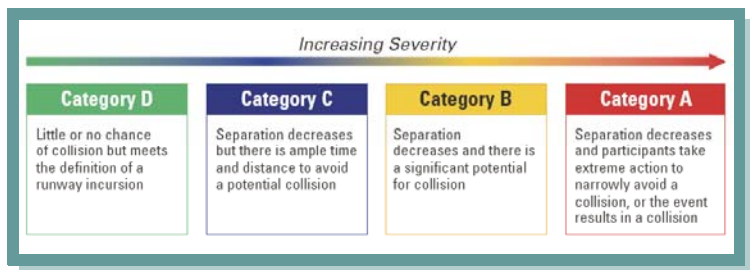


Table 2
Runway Incursions from Vehicle and/or Pedestrian Deviations

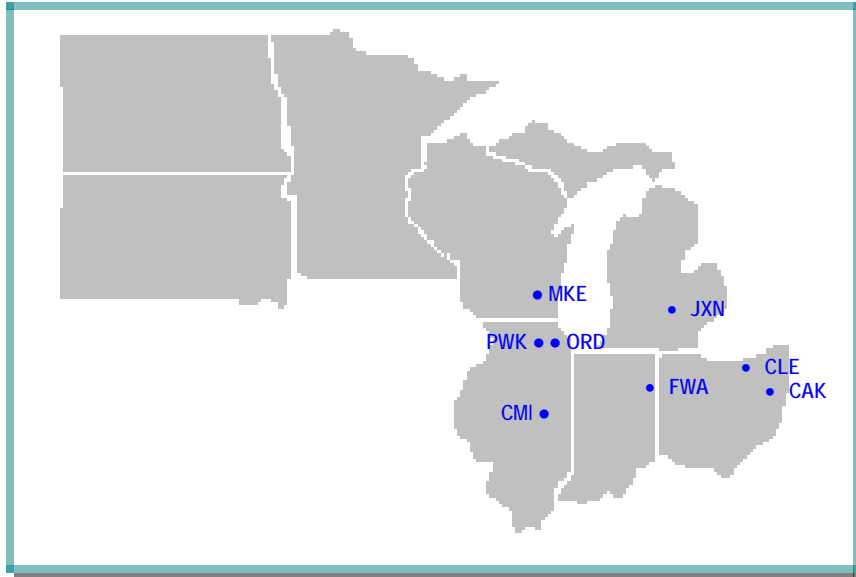
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2006 Limit
Nationwide	83	73	60	56	52	51	57
Great Lakes	19	15	11	9	10	11	13

- Category A and B Runway Incursions. Category A and B runway incursions are considered the most dangerous types of runway incursions. In FY 2006, we had one Category A runway incursion at Cleveland-Hopkins International (Cleveland, OH) involving an Aircraft Rescue and Fire Fighting vehicle crossing an active runway in close proximity to a departing Gulfstream IV aircraft.



Runway Incursion Reduction (Cont.)

- **Runway Incursion Locations.** The locations of our eleven runway incursions were: University of Illinois-Willard (Champaign, IL); Chicago O'Hare International (two incursions) (Chicago, IL); Chicago Executive (Wheeling/Prospect Heights, IL); Fort Wayne International (two incursions) (Fort Wayne, IN); Jackson County-Reynolds Field (Jackson, MI); Akron-Canton Regional (Akron, OH); Cleveland-Hopkins International (two incursions) (Cleveland, OH); and General Mitchell International (Milwaukee, WI).



Locations of the eleven FY 2006 AGL runway incursions.

- **Runway Safety Action Teams (RSATs).** We attended all eleven of the RSAT meetings scheduled by the Regional Runway Safety Office for FY 2006. These locations included University of Illinois-Willard (Champaign, IL); Chicago O'Hare International Airport (Chicago, IL); Chicago/Rockford International (Rockford, IL); Indianapolis International (Indianapolis, IN); South Bend Regional (South Bend, IN); Kalamazoo/Battle Creek International (Kalamazoo, MI); St. Cloud Regional (St. Cloud, MN); Cleveland-Hopkins International (Cleveland, OH); James M. Cox Dayton International (Dayton, OH); Mansfield Lahm Regional (Mansfield, OH); General Mitchell International (Milwaukee, WI).
- **Various Site/Problem-Specific Meetings.** In addition to the RSATs scheduled by the Runway Safety Office, our Airports Division representative participated in three local RSAT meetings at Chicago O'Hare.
- **RSAT Recommendation Projects.** In FY 2006, we supported a total of seven (117%) of the six recommended RSA projects with \$9.3 million in Airport Improvement Program (AIP) funding. To date, a total of 81 of these types of projects have been funded with AIP, PFC and local funding.
- **Runway Safety Outreach.** We also visited five sites to discuss runway safety and traveled to DFW to observe their Runway Status Light (RWSL) system operation.

Priority Runway Safety Area Initiatives

- Priority Runway Safety Area (RSA) Update. Updates were made to all 44 (100%) RSA determinations on file in order to document improvements physically completed prior to September 30, 2005.
- RSA Improvements. With the help of our airport sponsors, we were able to physically complete all practicable improvements (excluding navigational aids) to eight Priority RSAs in FY 2006.

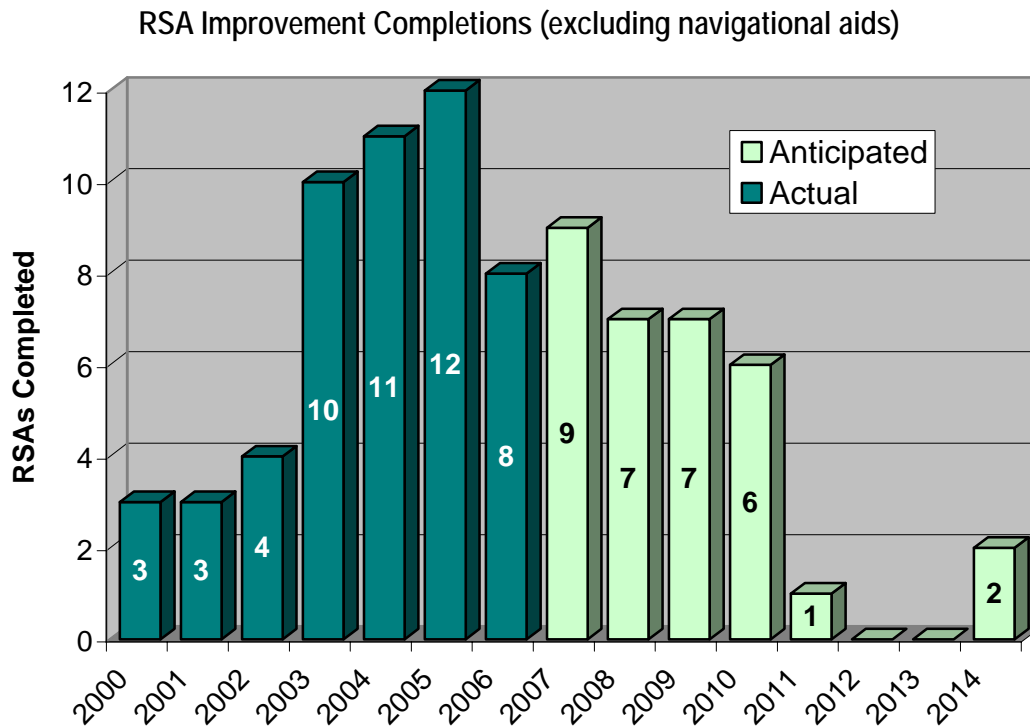


Table 3

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	Anticipated
2008	7	Anticipated
2009	7	Anticipated
2010	6	Anticipated
2011	1	Anticipated
2014	2	Anticipated

Priority Runway Safety Areas Initiatives (Cont.)

- **Priority Runway Safety Area (RSA) Funding.** In FY 2006, we continued to update and refine our Priority RSA funding plan. We issued 18 grants totaling \$51 million for RSA improvements (except NAVAIDS, which will be addressed by the Air Traffic Organization). In total, we have provided \$169 million in AIP funding towards this initiative to date. We anticipate an additional \$122 million will be needed between FY 2007 and FY 2014, for a total of \$291 million.

Actual and Anticipated Future AIP Funding for Priority RSAs

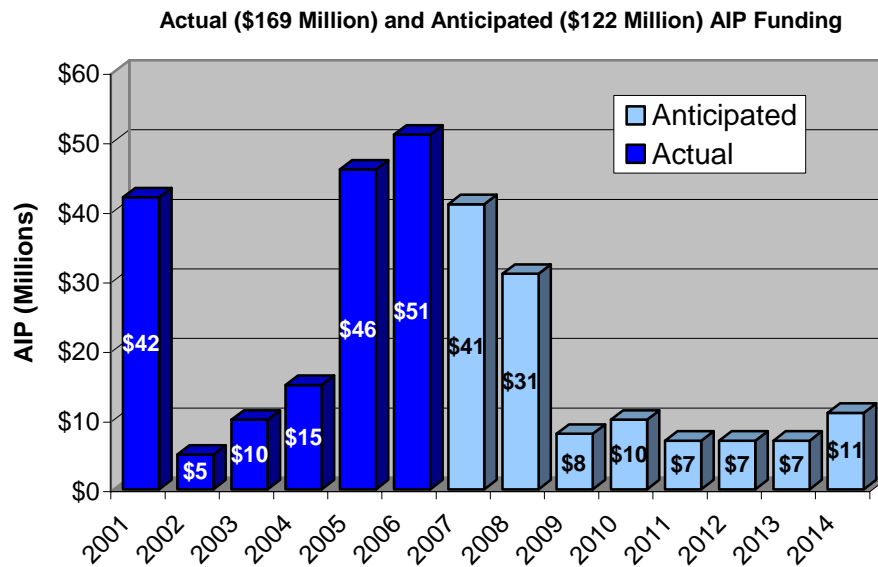


Table 4
Actual and Anticipated Future AIP Funding for Priority RSAs

Year	AIP Funding (million)	Status
2001	\$42	Actual
2002	\$5	Actual
2003	\$10	Actual
2004	\$15	Actual
2005	\$46	Actual
2006	\$51	Actual
2007	\$41	Anticipated
2008	\$31	Anticipated
2009	\$8	Anticipated
2010	\$10	Anticipated
2011	\$7	Anticipated
2012	\$7	Anticipated
2013	\$7	Anticipated
2014	\$11	Anticipated

Other Part 139 Safety Initiatives

- **Maintenance of Airfield Conditions.** The National Transportation Safety Board has not yet determined the probable cause of the December 2005 accident at Chicago Midway. However, the incident served to underscore the importance of compliance with all of the FAA's planning, design and construction engineering standards. The FAA's vigilance through both periodic and surveillance inspections, and our partnership with airport sponsors, state aeronautical agencies and the consulting community will continue to enhance the safety of airfield conditions throughout the region.
- **Wildlife Mitigation.** In order to increase airport safety, 11 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.
- **Airport Certification Information Bulletins.** We published and circulated a total of twelve Airport Certification Information Bulletins to our Part 139 airports on topics such as Deer on Airports, Avian Influenza, Airport Safety Awards, Birdstrikes, Precision Obstacle Free Zones (POFZ), Letters of Correction, Runway Safety (Aircraft Rescue and Fire Fighting Vehicles), Aqueous Film Forming Foam (AFFF) Testing, Wildlife Hazard Management Training, and Dry Chemical Testing. These bulletins were also published on the AGL website.
- **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.



Pavement requiring rehabilitation or reconstruction.



Pavement in good condition.

Other Part 139 Safety Initiatives (Cont.)

- **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 the Michigan Association of Airport Executives Conference, Southern Illinois University, Aircraft Arresting Systems Product Improvement Working Group, Pavement Repair and Winter Operations School (South Bend, IN), Large Hub Winter Operations Conference (Minneapolis, MN), Akron-Canton Airport (Akron, OH), Dayton International Airport (Dayton, OH) and O'Hare International Airport (Chicago, IL).
- **Safety Awards.** We continued our Airport Safety Awards Program in FY 2006. This program was developed to provide special acknowledgement to Part 139 airport sponsors deserving recognition for their proactive support of safety. We presented two such awards to Akron-Canton Regional Airport (Canton, OH) and to Grand Forks International Airport (Grand Forks, ND) at our AGL Airports Conference in November 2005.
- **Airport Partnership Awards.** This year, we also recognized two organizations for outstanding airport industry safety contributions, through the AGL Airport Partnership Awards program. The City of Chicago Department of Aviation (jointly with the Chicago Fire Department) and Hassan Makled (subsequently retired from the Detroit Metropolitan Wayne County Airport) were presented with awards at the AGL Airports Conference in November 2005.
- **Construction Safety Phasing Plans.** We processed 115 construction safety phasing plans for Part 139 airports, to ensure that development would be conducted in a safe and compliant manner.



On-airport construction.

- **International Civil Aviation Organization (ICAO) Participation.** In October 2005 we sent an Airport Certification/Safety Inspector to ICAO for two weeks to assist with an audit of the airports and aviation system in Panama.

Capacity Initiatives

- **Funding for Operational Evolution Plan (OEP) Runway Projects.** We issued AIP grants to four airports in support of OEP runway projects, including \$29.3 million for O'Hare International; \$18.6 million for Detroit Metropolitan Wayne County; \$17.9 million for Cleveland Hopkins International; and \$7.5 million for Minneapolis-St. Paul International.



U.S. Department of Transportation Secretary Norman Mineta and Chicago Mayor Richard M. Daley sign the \$337 million Letter of Intent for Chicago O'Hare International.

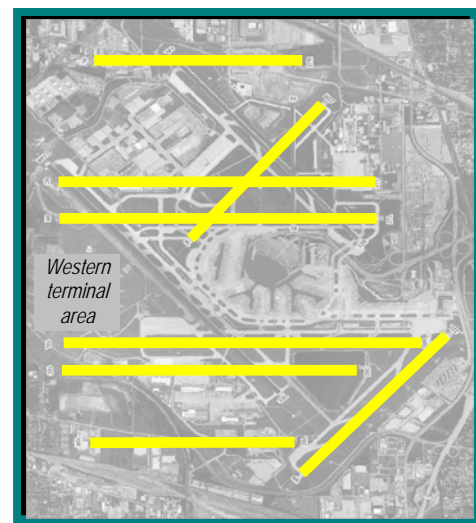
- **Technology and System Guidance.** The Branches and ADOs actively collaborated with APP-400, AAS-100 and the regional Flight Procedures Office (FPO) to help evaluate proposed locations for AIP-funded surveys for development of new WAAS/GPS approaches. AGL validated seven runway ends in Michigan, Minnesota, and Ohio, for AIP funded aeronautical surveys undertaken as part of a national contract in FY 2006, for procedures that will be implemented in FY 2007.
- **Funding for Reliever Airports.** We issued 18 grants for \$21.5 million in AIP funding to reliever airports in the Great Lakes Region. Projects ranged from pavement rehabilitation to 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 905 on-airport and 6,597 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 realign three existing runways, extend two existing runways, and construct one new runway at O'Hare. The ultimate result will be an eight-runway configuration consisting of six parallel east/west runways and two crosswind runways. 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 2006 the U.S. Secretary of Transportation signed a Letter of Intent (LOI) to provide \$337 million for Phase I of this program; we also issued a grant for the first LOI installment in the amount of \$29.3 million for construction of the new Runway 9L/27R. The extension of Runway 10L/28R is also currently under construction.



Existing airfield configuration



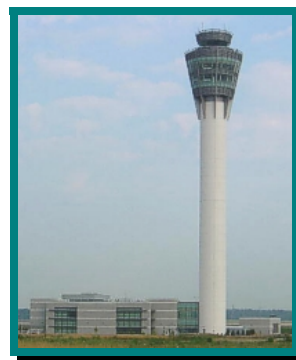
Ultimate airfield configuration

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. During FY 2006, the FAA and the State of Illinois continued ongoing work in support of the master planning and Tier 2 environmental review for the SSA 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 Air Traffic Control Tower.** On May 4, 2006, the new Indianapolis International Airport Air Traffic Control Tower (ATCT) was commissioned. The new \$38 million tower is 340 feet high and includes an adjoining two-story administrative building and Terminal Radar Approach Control (TRACON) facility. With the completion of the new tower the airport now has the first piece in place to support the new \$1.1 billion terminal building complex and various other facilities now under construction and scheduled to open in late 2008. Although AIP funds were not directly used for the ATCT, the Airports Division supported its development in order to alleviate the safety and visibility requirements imposed by the size and location of the new AIP-funded terminal complex.



New air traffic control tower

New midfield terminal complex at Indianapolis International Airport.

- **Port Columbus International Airport.** In May 2006, the FAA started an EIS 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 in the process of developing 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.** The phased replacement of Runway 5L/23R with new Runway 6L/24R was completed in FY 2005. During FY 2006, work continued on another important element of the airfield reconfiguration — namely, the elimination of the intersection between Runway 6R/24L and Runway 10/28. This will be accomplished by extending Runway 6R/24L to the southwest and truncating its northeast end, providing additional capacity, reducing the possibility of runway incursions and providing a standard Runway Safety Area.



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

Cleveland Hopkins International Airport.

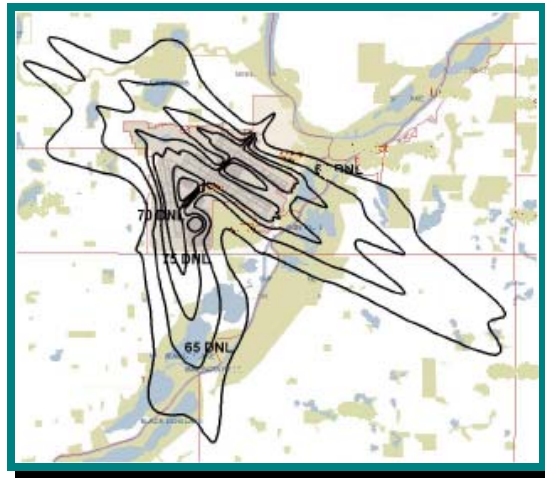
- **Minneapolis-St. Paul International Airport.** A new 8,000-foot Runway 17/35 at the Minneapolis-St. Paul International Airport was commissioned on October 27, 2005. It is estimated that this \$563 million project will allow the airport to increase airport capacity between 26 and 29 percent by operating nearly independently of the existing parallel runways. We are providing \$95 million in AIP funding through an LOI plus \$14 million in AIP funding for companion work. In FY 2006 we issued the 8th installment of 12 LOI payments for this project in the amount of \$7.5 million in AIP funding.



New runway 17/35 Complex at Minneapolis-St. Paul International Airport.

Environmental and Noise Initiatives

- **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 85 EAs and seven EISs were in various stages of review during the fiscal year.
- **Residential and School Soundproofing Projects.** A total of seven grants were issued for \$25.7 million in AIP funding to provide noise compatibility benefits to more than 3,100 residents and students.



Example of a Noise Exposure Map.

- **Noise Land Disposition.** A 2005 audit by the U.S. Department of Transportation Office of Inspector General of the Noise Compatibility Program found that from 1982 through 2003 the FAA provided \$1.8 billion in funding for noise land acquisitions at 108 airports. However, relatively few of the airport sponsors nationwide followed through on their agreement to dispose of this land when it was no longer needed for noise compatibility or airport development purposes. The FAA has taken several actions to support our sponsors and ensure the noise land disposition requirement is upheld. The first significant step we have taken is to work with our sponsors to ensure they have complete and accurate noise land inventory maps. This will then allow for a comprehensive disposal plan to be developed for unneeded noise land. We have also developed a training presentation for use at the regional conferences, recurrent courses and other state conferences and are now including a special grant offer condition requiring the sponsor to prepare a written plan for reuse of unneeded noise land before closing the grant. Determining which parcels of noise land are needed is a delicate balance; nevertheless, we are committed to working with all of our sponsors to have a completed inventory and maps of all noise land airports by 2009 and a complete review of all land reuse plans by 2010.
- **New Environmental Order.** In April 2006, the FAA published the new Airports environmental order ("National Environmental Policy Act Implementing Instructions for Airport Projects"), also known as FAA Order 5050.4B. This document contained a number of significant changes from the prior version, and regional environmental personnel worked closely with state aeronautical agencies, individual airport sponsors and the consulting community to facilitate the new requirements.

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 \$155.2 million in Discretionary within 30 calendar days of it being available to the regions. This exceeded the national goal of 90%. 100% of AIP Discretionary funds were programmed by February 8, 2006, a full 30 days earlier than the national deadline. 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 326 (98%) of our 333 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, 2006, 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.** We had a regional goal that, by July 31, 2006, we would have no grants that had been inactive for 15 months or more (except for circumstances beyond FAA control, such as litigation). We came close: A total of 802 (97%) of the applicable 828 grants either had activity or were closed. We did meet the national 18-month or more goal; a total of 112 (100%) of the applicable 112 grants had activity or were closed. Through this effort, we are able to keep the money moving toward development rather than sitting idle.
 - **2.75-Year Grant Inventory.** We exceeded our regional goal to achieve a 2.75-year grant inventory by closing 355 (116%) of the 305 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 met the national goal by closing out 100% of our 91 existing FY 2002 and older grants. Six grants in this category remain, but 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 technically 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 17 (61%) of the PFC applications that were physically and financially complete as of October 1, 2005.
- **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 Michigan, Minnesota, Ohio and South Dakota.
- **Standardized Regional ALP Checklist.** In order to support more efficient and consistent processing of Airport Layout Plans (ALPs), we established a team with representatives from all four ADOs to develop a standardized regional ALP Checklist. We then circulated a draft of the checklist to states, sponsors and consultants, seeking feedback. The final version, published in September 2006, provides additional background on ALP development and review, responsibilities of the parties, tips on preparing ALPs, and a checklist for consultants and sponsors to use in preparing ALPs. FAA personnel are also using the checklist in reviewing ALPs.
- **Expanded Education on Airspace Review Process.** We developed a presentation on the airspace review process for use by the ADOs at their respective state aviation conferences. This will aid our customers' understanding of the type of data we require and what we do with it, in order to process their airspace cases faster.
- **Publication of Bulletins.** We continued to publish Airport Certification Information Bulletins, and began publishing "Resource Bulletins" as well, addressing 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. Additionally, each manager was required to read at least one book on the subject of customer service, and disseminate key points to their personnel.
- **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 forty-seven awards to our employees in recognition of their customer service efforts and achievements in FY 2006.
- **Other Employee Recognition.** In addition to eight national awards, 31 of our employees received recognition (awards, letters of appreciation, etc.) from parties outside of the AGL Airports Division.
- **National Recognition.**
 - Four of our employees received the 2005 Administrator's Award for Environmental Excellence.
 - Four of our employees received ARC National Awards for their role on the OMP EIS.



Members of the O'Hare Modernization Program EIS Team.
From left to right: Kevin Colbert*, Amy Hanson*, Mike MacMullen*,
Chuck Prock, Richard Kula*, Suzan Jardine and Pat Wells.
Not pictured: Barry Cooper, Tom Bennett and Anne Christenson.
*AGL Airports Division Employees

Aviation and Community Outreach

- **21st 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 2005 conference was another great success with 494 participants.



Kate Lang speaks at our Airports Conference.

- **State Aviation Conferences.** We provided presentations at all eight (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.** We visited 57 (100%) of our primary airports this year to personally stay in touch with our sponsors' concerns and needs. We also compiled an e-mail list of all Part 139 airports. This will allow the FAA to offer more frequent communication to the certificated airports, including updates to important Advisory Circulars, notification of website updates and other timely information.
- **Aviation and Community Outreach.** In addition to the conferences and site visits listed above, our employees participated in 43 other aviation and community/diversity outreach events such as the AAAE/Quieter Home National Sound Insulation Symposium, Hurricane Katrina Recovery efforts, Government on Display Expo in Minneapolis, Indiana Concrete Pavement Workshop, Career Day at the Minneapolis Washburn High School, and the Airport Consultants Council (ACC) Summer Workshop Series in Washington, D.C.

Airports by State and Type

- Airports by State and Type. The Great Lakes Region had 642 (19.1%) of the 3,364 airports in the agency's National Plan of Integrated Airport Systems (NPIAS) database in FY 2006. The distribution of our 642 NPIAS airports by type was:

- 81.5% General Aviation airports
- 7.8% Reliever airports
- 1.2% Commercial Service airports (2,500 - 10,000 enplanements)
- 9.5% Primary airports (10,000 or more enplanements)

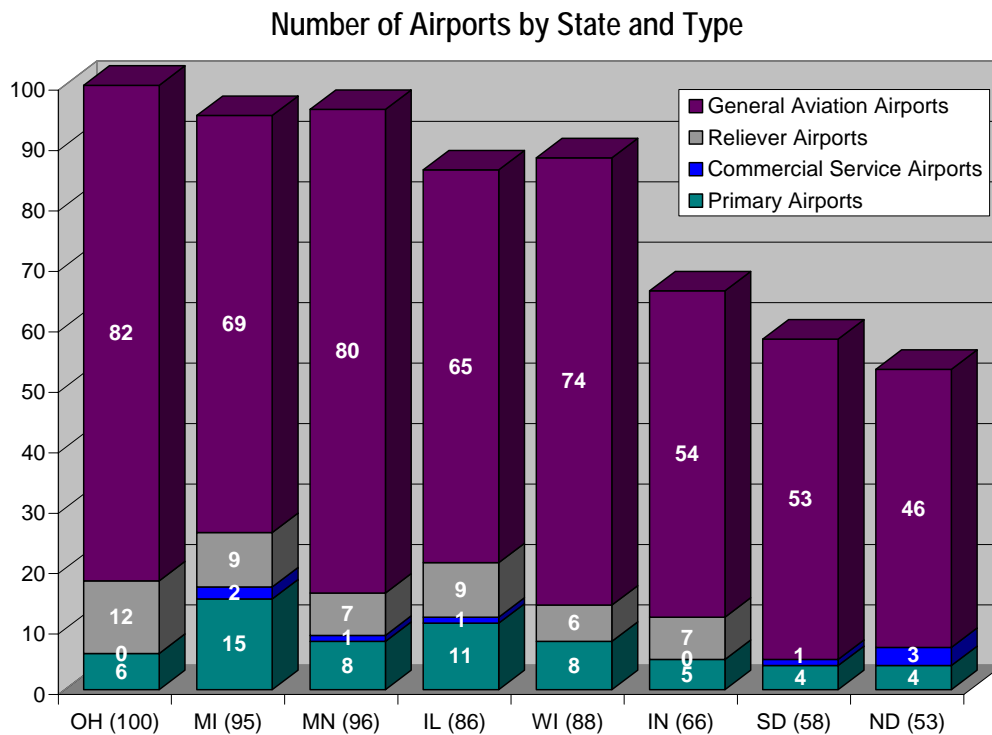


Table 5
Number of Airports by State and Type

State	Primary Airports	Commercial Service Airports	Reliever Airports	General Aviation Airports	Total
OH	6	0	12	82	100
MI	15	2	9	69	95
MN	8	1	7	80	96
IL	11	1	9	65	86
WI	8	0	6	74	88
IN	5	0	7	54	66
SD	4	1	0	53	58
ND	4	3	0	46	53
Total	61	8	50	523	642

Certificated Airports by State and Type

- **Certificated Airports by State and Type.** The Great Lakes Region ended FY 2006 with 97 FAR Part 139 airports. The year end distribution of certificated airports by type was as follows (totals may not add due to rounding):
 - 62.9% Class I
 - 9.3% Class II
 - 2.1% Class III
 - 25.8% Class IV

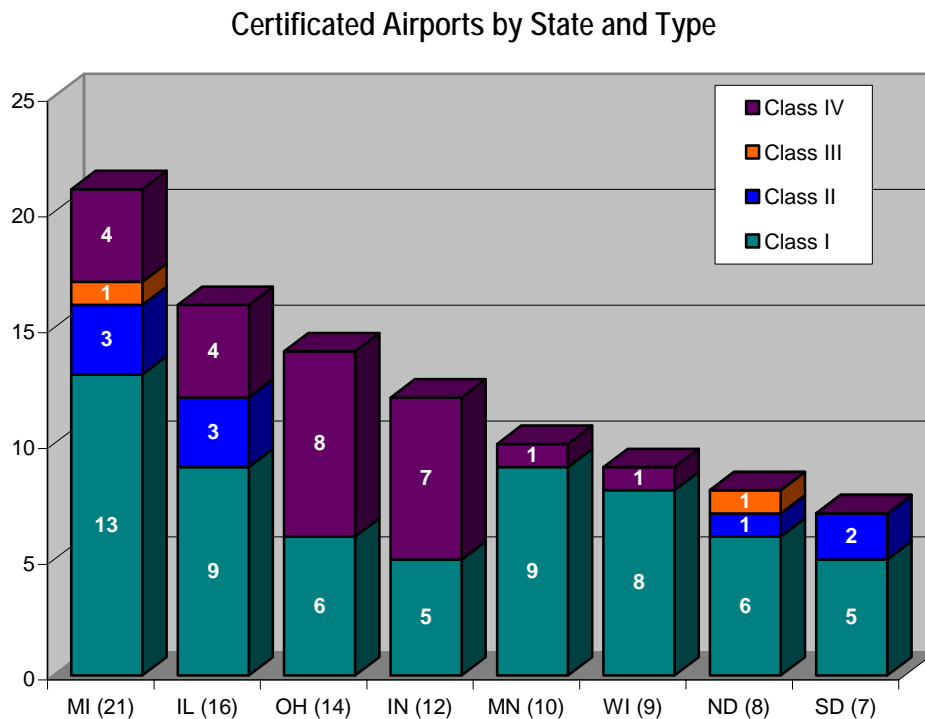


Table 6
Certificated Airports by State and Type

State	Class I	Class II	Class III	Class IV	Total
MI	13	3	1	4	21
IL	9	3	0	4	16
OH	6	0	0	8	14
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	61	9	2	25	97

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) 2005 data was used for FY 2006. We had approximately 108.1 million commercial service enplanements, which was approximately 15% of the national total of 737.2 million. This was an increase of almost 10% from the previous CY in our region.

Millions of Enplanements by State

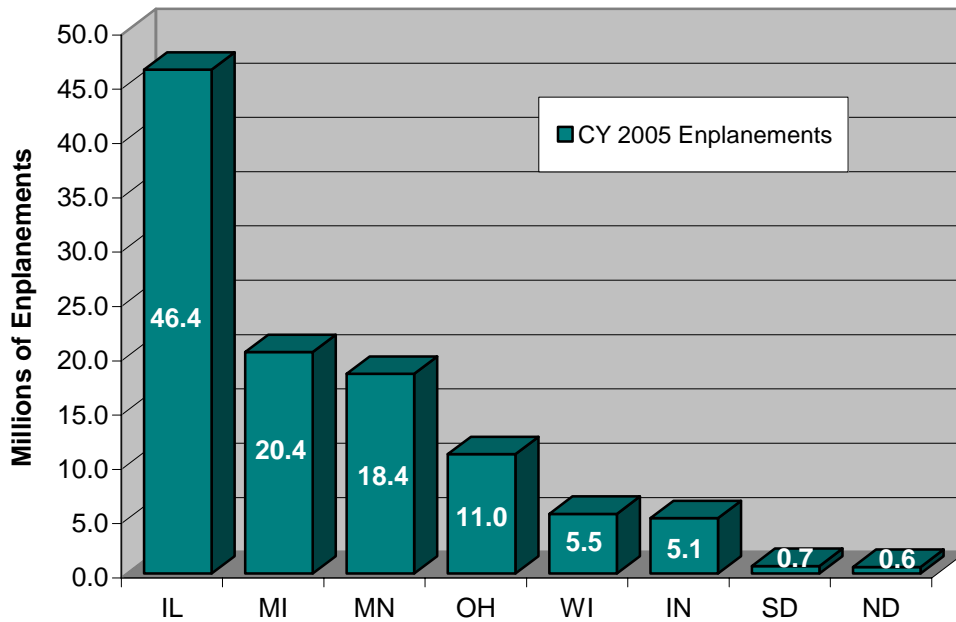


Table 7
Millions of Enplanements by State

State	CY 2005 Enplanements (millions)
IL	46.4
MI	20.4
MN	18.4
OH	11.0
WI	5.5
IN	5.1
SD	0.7
ND	0.6
Total	108.1

AIP Funding by State

- AIP Funding. We issued a total of 370 new grants and 217 amendments for \$558 million in current year, prior year, future year, and recovery AIP funding. For new grants, we issued \$511 million in pure FY 2006 funding. This was 16% of the \$3.4 billion issued nationally.

FY 2006 AIP Funds for New Grants by State

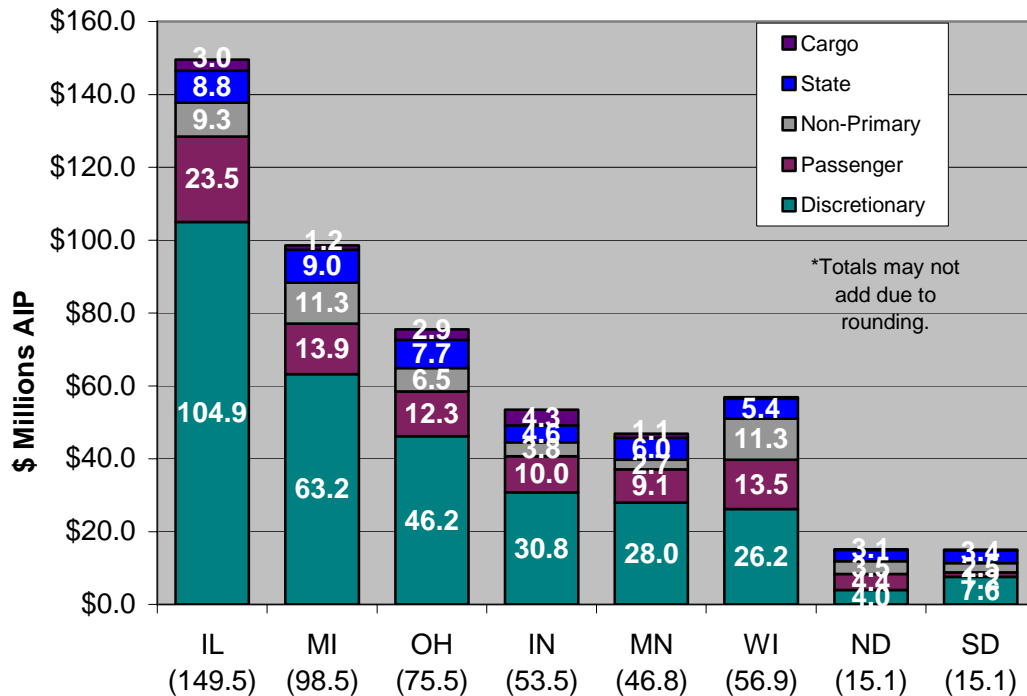


Table 8
FY 2006 AIP Funds for New Grants by State (in \$ Millions)

Fund Type	IL	MI	OH	IN	MN	WI	ND	SD	Total
Discretionary	104.9	63.2	46.2	30.8	28.0	26.2	4.0	7.6	310.9
Passenger	23.5	13.9	12.3	10.0	9.1	13.5	4.4	1.2	87.8
Non-Primary	9.3	11.3	6.5	3.8	2.7	11.3	3.5	2.5	50.8
State	8.8	9.0	7.7	4.6	6.0	5.4	3.1	3.4	47.9
Cargo	3.0	1.2	2.9	4.3	1.1	0.5	0.2	0.3	13.5
Total	149.5	98.5	75.5	53.5	46.8	56.9	15.1	15.1	510.9

AIP Project Types

- **Funding by Project Type.** Approximately 55% of the AIP issued in FY 2006 was used for pavement (runways, taxiways, and aprons not including pavement 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

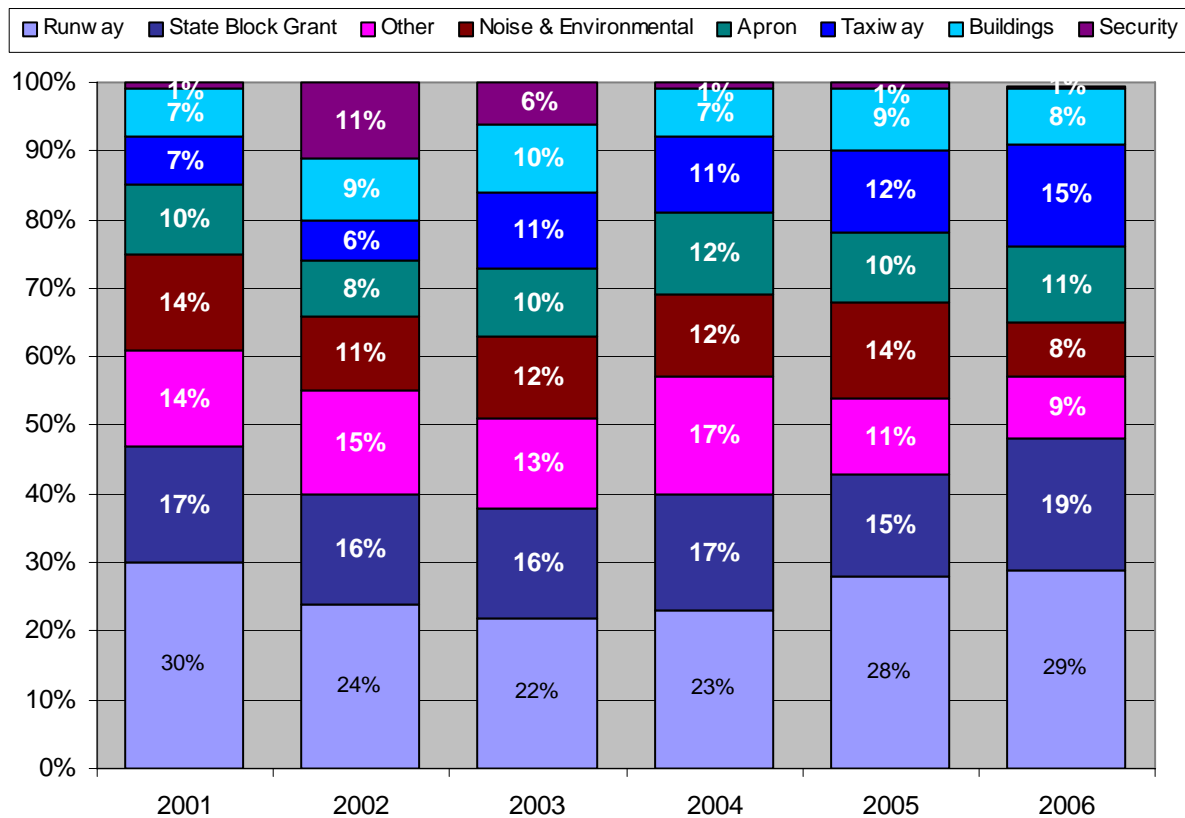


Table 9
Percent AIP by Project Type and Fiscal Year

Development Type	2001	2002	2003	2004	2005	2006	Five-Year Average
Runway	30%	24%	22%	23%	28%	29%	25%
State Block Grant	17%	16%	16%	17%	15%	19%	16%
Other	14%	15%	13%	17%	11%	9%	14%
Noise & Environmental	14%	11%	12%	12%	14%	8%	13%
Apron	10%	8%	10%	12%	10%	11%	10%
Taxiway	7%	6%	11%	11%	12%	15%	9%
Buildings	7%	9%	10%	7%	9%	8%	8%
Security	1%	11%	6%	1%	1%	1%	4%

PFC Approved by State

- PFC Applications. As of September 30, 2006, a total of 263 applications and \$11.08 billion in PFC collections have been approved in AGL since the program's inception. This is 20% of the \$56.3 billion approved nationally.

Total PFC Collections Approved Since FY 1991

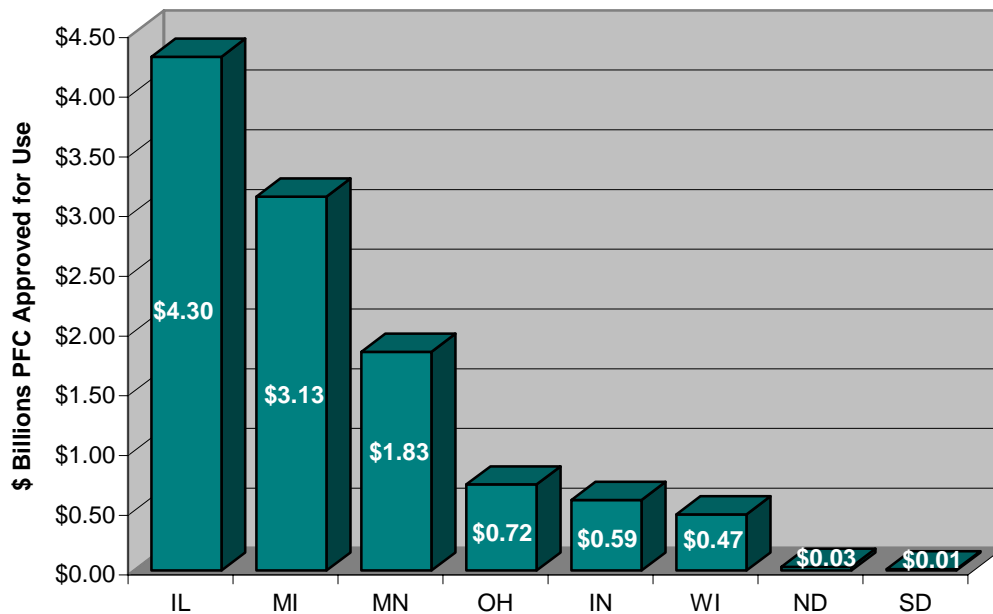


Table 10
Total PFC Collections Approved Since FY 1991

State	Total PFC Approved (Billions)
IL	\$4.30
MI	\$3.13
MN	\$1.83
OH	\$0.72
IN	\$0.59
WI	\$0.47
ND	\$0.03
SD	\$0.01
Total	\$11.08

PFC Project Types

- PFC Projects. We approved \$146.5 million in PFC collections in FY 2006. The top three project areas were as follows:
 - 50.0% for noise
 - 30.9% for terminal improvements
 - 7.4% for equipment

Percent PFC Funding Approved in FY 2006 by Project Type

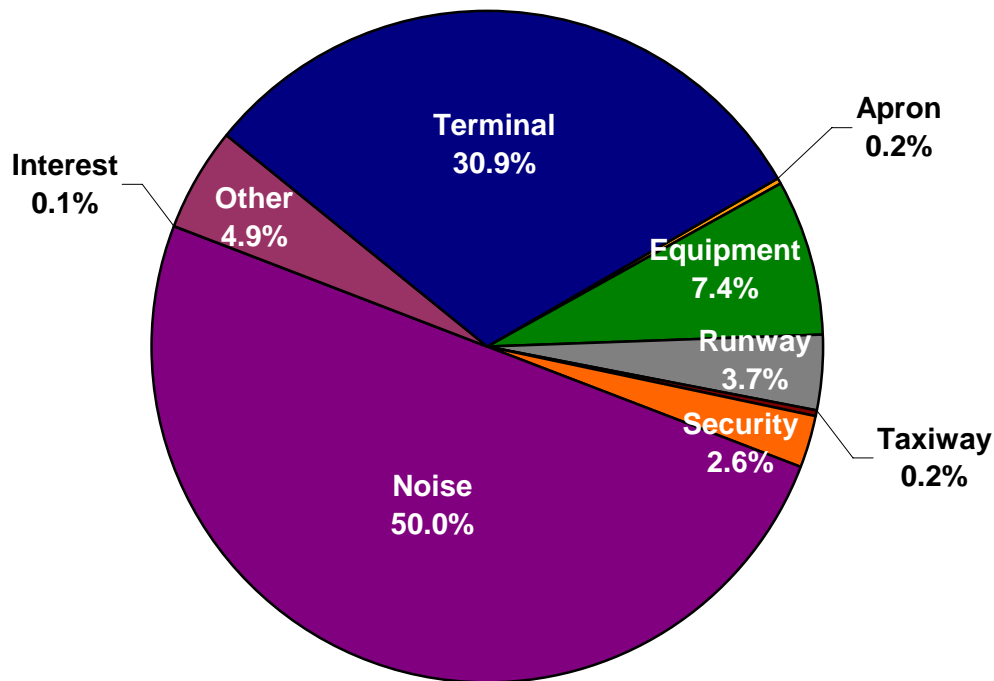


Table 11
Percent PFC Funding Approved in FY 2006 by Project Type

Category	Percent PFC Approved by Category
Apron	0.2%
Equipment	7.4%
Runway	3.7%
Taxiway	0.2%
Security	2.6%
Noise	50.0%
Interest	0.1%
Other	4.9%
Terminal	30.9%

Airports Collecting PFCs by State

- PFC Airports. A total of 59 out of 70 (84%) Primary and Commercial Service airports in the Great Lakes Region are approved to collect PFCs.

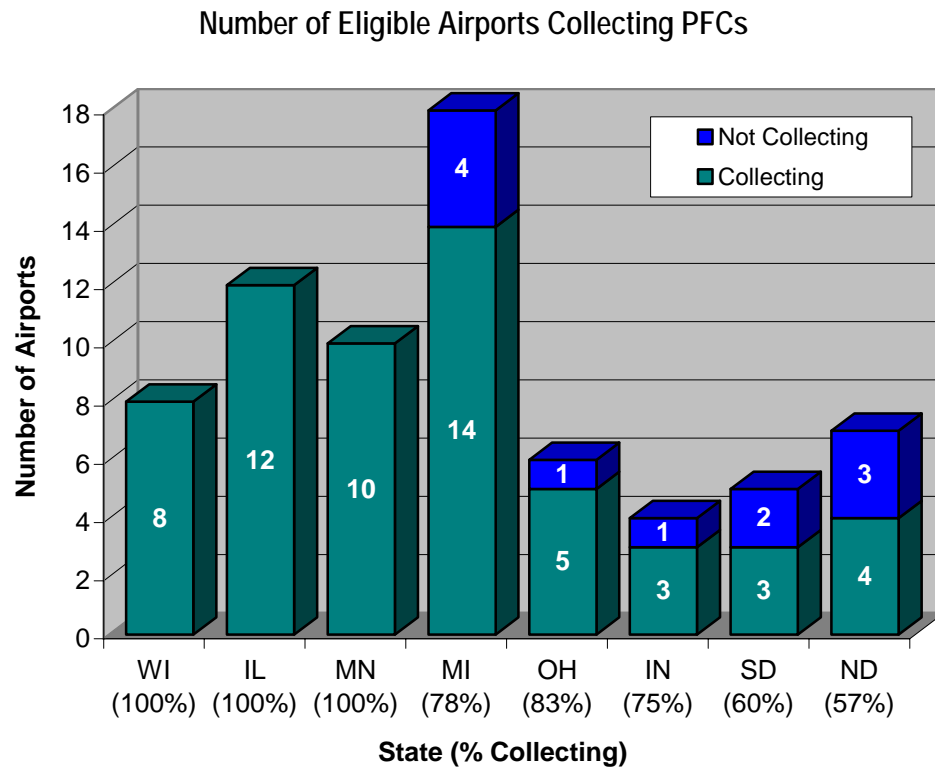


Table 12
Number of Eligible Airports Collecting PFCs

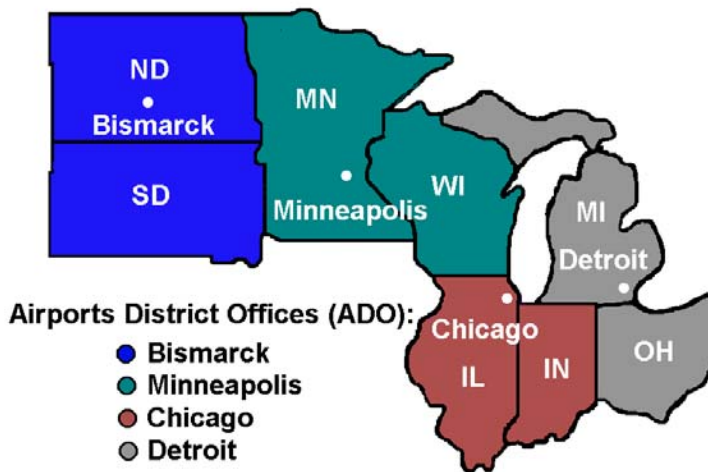
State	Collecting	Not Collecting	Total	% Collecting
WI	8	0	8	100%
IL	12	0	12	100%
MN	10	0	10	100%
MI	14	4	18	78%
OH	5	1	6	83%
IN	3	1	4	75%
SD	3	2	5	60%
ND	4	3	7	57%
Total	59	11	70	84%

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
Larry Ladendorf, Assistant Division Manager¹
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 Manager²

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

Irene Porter, 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 Manager³

¹ Retired from FAA on December 3, 2006

² Effective February 26, 2007

³ Effective January 21, 2007