

Caledonia State Airport Testimony

April 20, 2023

Senate Transportation Committee; 11:00 a.m.

Thank you for the opportunity to testify today.

Given the framework I will describe below, we felt it was prudent to provide you with an update regarding the current conditions at the Caledonia State Airport and lay out the relevant details regarding a potential pathway forward which could lead to enhancement of regional aviation job creation, economic development investments and technical aviation educational opportunities. I apologize for the late notification, but many pieces have recently come together, leading the Agency to act expeditiously.

I will provide more details in a minute but at the highest level the following circumstances have led us here today.

First, we know the Caledonia Airport is in need of significant repairs, to likely running \$12 – \$14 million dollars.

Second, FAA funding for potential upgrades to the Caledonia Airport would not be on their priority list for several years.

And third, Kyle Clark of BETA Technologies has expressed interest in investing in the Caledonia State Airport.

Here are the Current Conditions at the Caledonia State Airport today:

The Main Runway is 3,302' x 60'

- The last full depth reconstruction was over 50 years ago
- The last pavement re-surfacing was over 30 years ago in 1989
- The pavement condition is poor.
- Lighting is medium intensity – and non-compliant.

The Safety Areas at the end of runways do currently meet FAA standards.

There are three Taxiways:

- (A) North 925' x 40' - The pavement condition is poor.
- (B) North 145' x 32' - The pavement condition is poor.
- (C) South 300' x 30' - The pavement condition is poor – and this taxiway is nonstandard.



Apron

- There entire apron area for aircraft parking is 81,500 sq ft
- There are (9) marked tie down positions

Hangers

- There is one state-owned hanger
- And there are twelve privately-owned hangers

Fuel farm

- The fuel farm is self-service with 100 octane Low Lead AvGas

Terminal

- The terminal is 1,335 sq ft with amenities

As I mentioned a moment ago – there are future needs looming for the Airport:

- Obstruction removal to meet FAA requirements:
- Abutting property easements to be required
 - This is estimated as costing upwards of \$1,300,000
 - Anticipate at 90% FAA / 10% State (\$130,000)
- Design, permitting and construction for tree cutting (obstruction removal)
 - Approximate cost: \$ 2,300,000
 - Anticipate 90% FAA / 10% State (\$230,000)
- Runway
 - Full depth reconstruction, widening and upgrade to compliant lighting
 - 3,302' x 75' wide (adding 15 feet in width)
 - Approximate cost: \$ 5,346,000
 - Anticipate 90% FAA / 10% State (\$534,000)
 - Reconstruct taxiway A/B in the current configuration:
 - Approximate cost: \$ 850,000
 - Anticipate 90% FAA / 10% State (\$85,000)
 - Taxiway C is currently noncompliant and would need to be re-designed completely. It makes sense to design a full parallel taxiway to the south and incorporate taxiway C in any new project. This would add 2,700 x 40 feet of taxiway to the south:
 - Approximate cost: \$ 2,808,000
 - Anticipate 90% FAA / 10% State (\$280,000)
- As I have outlined, there are \$12.5 –\$14 million dollars in improvements and compliance, needed at the airport. If these were prioritized by the FAA for investment, they would pay approximately \$11 – to \$12 million and the State's share (10%) would be approximately \$1.5 million. Keep in mind these estimates are in today's dollars.
- To be candid – there is a low likelihood of FAA investing in Caledonia over the next several years; other airports in the State's system are already in the FAA approved queue ahead of



Caledonia for investments; any investments we could insert in future State budgets be very incremental – and take many years to accomplish.

- Airport users have been asking the Agency to prioritize upgrades, however as I said, the FAA does not view this as a priority facility in comparison to other Vermont State owned airports.
- At this time, there are limited federal investments which have been made in the Caledonia State Airport, as a result, there is not a significant pay back which would accrue to the State in the event of a private sector sale of the airport.
- So, in part, we are here to ask if – before any such investments of limited public resources are made – can we – should we – take advantage of investment from the private sector in this unique public asset and in doing so create a win-win for airport users as well as a private sector investor?
- The Agency of Transportation is required to obtain authorization from the General Assembly to sell any major asset of the Agency, such as an airport. If there were legislative approval to pursue a sale, the Agency would immediately outline critical elements necessary in consideration of a competitive, transparent, request for proposals (RFP) process, including evaluation criteria necessary to select a buyer and proceed to negotiate a sale.
- If we did not get a reasonable offer, we would not move forward with a sale.
- We are interested in partnering with entities who understand Vermont – its people – businesses – educational institutions – and its broad aviation community.
- While we have been presented with an initial concept by a specific individual, our plan would be to develop a request for proposal (RFP) and set guardrails, parameters, and outcomes which we believe necessary to protect this important aviation asset – ensuring public use into the future.
- Any sale would require the Caledonia State Airport property to remain open to the public for aviation uses within the deed, and that the leases of all current lease holders would be honored in any agreement to sell the airport.
- The private sector moves at a pace which does not always align with the public sector. This is likely a time limited opportunity and the sooner we advance to understanding this – and other possible opportunities – and critically evaluate private sector interests and offers – the better we will be positioned to take advantage of a unique time in the history of this airport to potentially land a package of investments which will be beneficial to the entire Caledonia County region and its airport users.
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