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WAYNE COUNTY AIRPORT AUTHORITY

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May 19, 2008

The Honorable Alan R. Lambert
Mayor, City of Romulus
11111 Wayne Road
Romulus, MI 48174

The Honorable John B. O'Reilly, Jr.
Mayor, City of Dearborn
13615 Michigan Avenue
Dearborn, MI 48126

The Honorable Daniel S. Paletko
Mayor, City of Dearborn Heights
6045 Fenton
Dearborn Heights, MI 48127

The Honorable Cameron G. Priebe
Mayor, City of Taylor
23555 Goddard Road
Taylor, MI 48180

The Honorable Hilliard L. Hampton, Jr.
Mayor, City of Inkster
2121 Inkster
Inkster, MI 48141

Dear Honorable Mayors:

In response to the report titled, "Assessment of the Data and Analysis Supporting the Preferred Development Plan and Master Plan for Detroit Metropolitan Wayne County Airport", prepared by Hogan & Hartson and dated May 8, 2008, attached is a comprehensive, point-by-point response prepared by the Wayne County Airport Authority and its planning consultant.

Sincerely,

Lester W. Robinson
Chief Executive Officer
Wayne County Airport Authority

Attachment

c: David L. Treadwell, Chair, Wayne County Airport Authority
James U. Settles Jr., Vice Chair, Wayne County Airport Authority
Charlie J. Williams, Secretary, Wayne County Airport Authority
Bernard F. Parker, Board Member, Wayne County Airport Authority
Wayne S. Doran, Board Member, Wayne County Airport Authority
Michael M. Glusac, Board Member, Wayne County Airport Authority
James B. Nicholson, Board Member, Wayne County Airport Authority
The Honorable Jennifer Granholm, Governor, State of Michigan
The Honorable Carl Levin, U.S. Senator
The Honorable Debbie Stabenow, U.S. Senator
The Honorable John Dingell, U.S. Congressman
The Honorable John Conyers, U.S. Congressman
The Honorable Robert Ficano, Wayne County Executive
The Honorable Raymond Basham, State Senator
The Honorable Irma Clark-Coleman, State Senator
The Honorable Tupac Hunter, State Senator
The Honorable Hoon-Yong Hopgood, State Representative
The Honorable Gino Polidori, State Representative
The Honorable Edward Boike, Wayne County Commissioner
The Honorable Gary Woronchak, Wayne County Commissioner
The Honorable Phillip Cavanagh, Wayne County Commissioner
Robert A. Sturgell, Acting Administrator FAA
Matthew Thys, Manager, Detroit Airports District Office, FAA
Ernest Gubry, Detroit Airports District Office, FAA
Dave Baker, Michigan Department of Transportation
Marsha S. Bianconi, Conference of Western Wayne
James S. Perry, Downriver Community Conference
Richard Blouse, Detroit Regional Chamber of Commerce
Paul Tait, Executive Director Southeastern Michigan Council of Governments
Alan Anderson, Southern Wayne County Regional Chamber
Doug Rothwell, Detroit Renaissance
Romulus City Council
Taylor City Council
Dearborn City Council
Dearborn Heights City Council
Inkster City Council
Carl Weiss, Superintendent, Romulus Community Schools
Oscar H. Rhoton, Jr., President, Romulus Chamber of Commerce
Steve Economy, Sr. Vice President, Wayne County Airport Authority

Attachment
Jacobsen Daniels Associates Response to
May 2008 Hogan & Hartson Report

This response provides a point-by-point discussion of the issues and comments included in the Hogan & Hartson Report "Assessment of the Data and Analysis Supporting the Preferred Development Plan and Master Plan for Detroit Metropolitan Wayne County Airport" that was submitted as an attachment to a letter from the communities of Romulus, Dearborn, Inkster, Taylor, and Dearborn Heights dated May 8, 2008.

Hogan & Hartson Report Statement:

I. DETROIT DOES NOT ACTUALLY NEED A 5TH PARALLEL RUNWAY

Jacobsen/Daniels Associates Response:

A 5th parallel runway will be needed in the future based on the results of the Master Plan.

Hogan & Hartson Report Statement:

A. DTW's Master Planning Data, Analysis, and Conclusions are Fatally Flawed in Numerous Respects

Jacobsen/Daniels Associates Response:

DTW's data, analysis and conclusions are accurate and appropriate for a master plan. See comments below.

Hogan & Hartson Report Statement:

1. The Activity Forecast Used Is Outdated and Has Been Proven Wrong

Jacobsen/Daniels Associates Response:

First and foremost, the Hogan & Hartson Report fails to recognize that the implementation of the 5th parallel runway is demand driven; therefore capacity enhancing and delay reducing projects will be initiated when demand dictates the need for additional or expanded facilities. This is clearly articulated in Section 7 of the Draft Master Plan Technical Document. Accurately predicting the exact timeframe for these milestones is often difficult, which is why implementation and funding decisions are typically made incrementally throughout the planning horizon based on the needs at a given point in time. The Draft Master Plan Technical Document states that because actual activity levels are likely to vary from the projected forecast, the implementation schedule should be closely monitored and adjusted based on the actual activity levels.

The Master Plan forecast represents a likely growth scenario for DTW over the planning horizon. The Master Plan team conducted a rigorous validation of the 2005 FAA Terminal Area Forecast (TAF) as part of the Master Plan Study and determined that it was consistent with a number of different forecasting techniques, including a trendline forecast, a market share forecast, and several multivariate regression analyses. While the actual activity is expected to vary from the forecast year-to-year, over the long-term the forecast represents a likely activity projection. This is particularly relevant given the current instability of fuel prices and the speculation of airline consolidation. The proposed merger of Northwest Airlines and Delta Air Lines, for example, will almost certainly affect the level of activity at DTW in the next decade or more. Associated changes in aircraft fleets, airline operating characteristics, and market strategies will impact activity levels in positive or negative ways. While it will take several years before the actual impacts of the proposed merger are understood, the Master Plan will position DTW to realize additional activity in the coming years.

Historically, aircraft operations at DTW have increased over time (see **Exhibit 1**). As indicated, past aircraft operations levels closely correlate with the cyclical economy and other influential world events such as war, terrorism, airline mergers and acquisitions, and the SARS epidemic. There have been several periods of stagnant or declining growth over the past 30 years. Following these periods, activity rebounded and grew significantly over the following years at an average growth rate well above the future projected average of 2.3%.

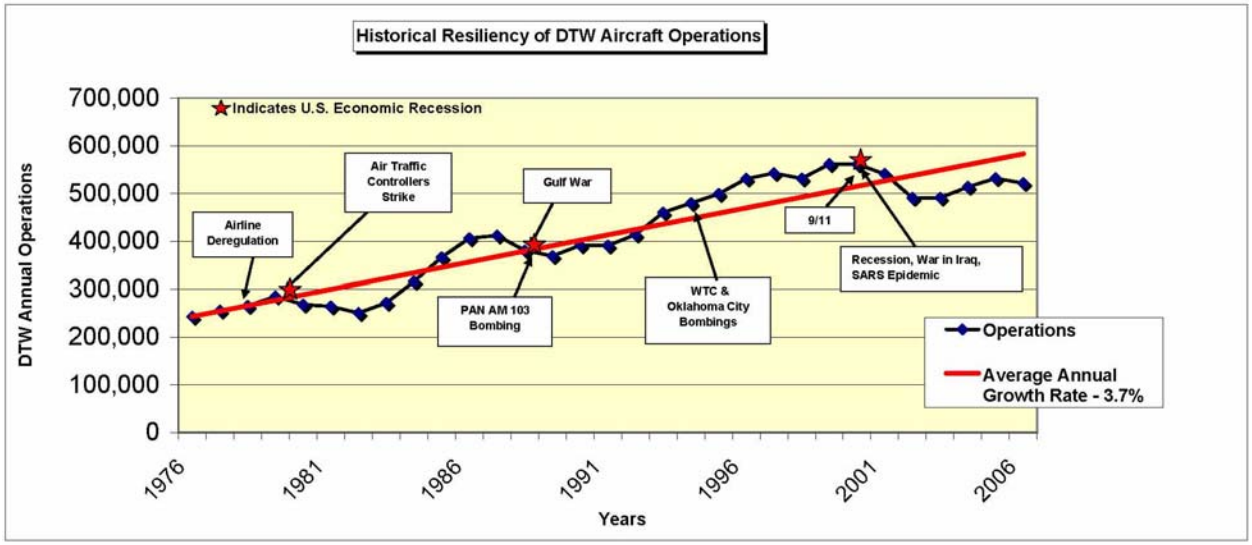

Exhibit 1: Historical Resiliency of DTW Aircraft Operations

The Master Plan examined a number of forecast methodologies, including a trendline forecast, a market forecast and several multivariate regression analyses. The multivariate regression analyses took into consideration a number of variables including the price of air travel, local population, local employment, local income, and structural changes in the aviation industry since September 11, 2001. Using these explanatory variables, the model produced a coefficient of determination (i.e. a measure of how well the model predicted the dependent variable (activity) based on the explanatory variables) with 98.7% accuracy. This means that the model explained 98.7% of the historical variation in activity. Using the model to predict future activity produced a range of results that were

in line with the 2005 TAF. Consequently, there is a high degree of likelihood that additional capacity will be required during the planning horizon and as such, should be included on the Airport Layout Plan.

The most recent TAF (2007) for Detroit Metro Airport (DTW) is approximately 16% lower than the TAF (2005) used in the Draft Master Plan Technical Document. However, it should be noted that the FAA changes the TAF every year. For reference, in the past six years, the FAA has increased their projections twice (in 2002 and 2005) and decreased them four times (in 2003, 2004, 2006 and 2007). Twice, the TAF for DTW was essentially the same as in a previous year (in 2003/2005 and in 2004/2006). Analyzing long-term data on an annual basis is not an effective way to plan for the future.

Nonetheless, we have reviewed the most recent TAF data to determine the potential impacts to the recommendations of the Master Plan. While it may change the timeframe for the 5th parallel runway, it would not eliminate the planning need for the runway nor would it change the planned location of the runway.

Exhibit 2 illustrates the peak hour operations associated with the Master Plan forecast as well as the 2007 TAF. **Exhibit 2** illustrates that even the 2007 TAF activity exceeds the lower bound of the existing airfield capacity within the planning horizon. Based on this information the Authority would delay constructing the runway until the end of the planning horizon or even slightly beyond. Even if the timeframe for additional runway capacity falls beyond 2025, it would be irresponsible for the WCAA not to include it on the Airport Layout Plan (ALP).

Regardless of when the projected activity occurs in the future, within or beyond the 20-year planning horizon, the planning solution will not change. The Master Plan evaluated and determined that an independent 5th parallel runway to the east of the existing airfield is the most appropriate solution (i.e. it is the most effectively, efficiently, cost-effectively, flexible, and has the least environmental and social impacts). The rationale for including the future runway on the ALP – to preserve the airspace and to allow proper planning by federal, state and local officials – does not change just because the timeframe is shifted a few years. Many airports, such as Denver International Airport, Richmond International Airport and New Orleans International Airport, have included future runways on their ALP that were well beyond the planning horizon.

To this end, it is important to note that the FAA does not require a 20-year planning horizon for master plans. In those cases where the sponsor believes a longer planning horizon is appropriate, the FAA advises that the Master Plan should reflect concept-oriented solutions rather than detailed solutions. This is entirely consistent with the approach implemented in the current Master Plan Study. In fact, given that there is clearly a future need for additional capacity – even the Hogan & Hartson Report acknowledges that a new runway will be required at some point – the responsible course of action would be to include the new runway on the plan so that the appropriate planning can occur over time.

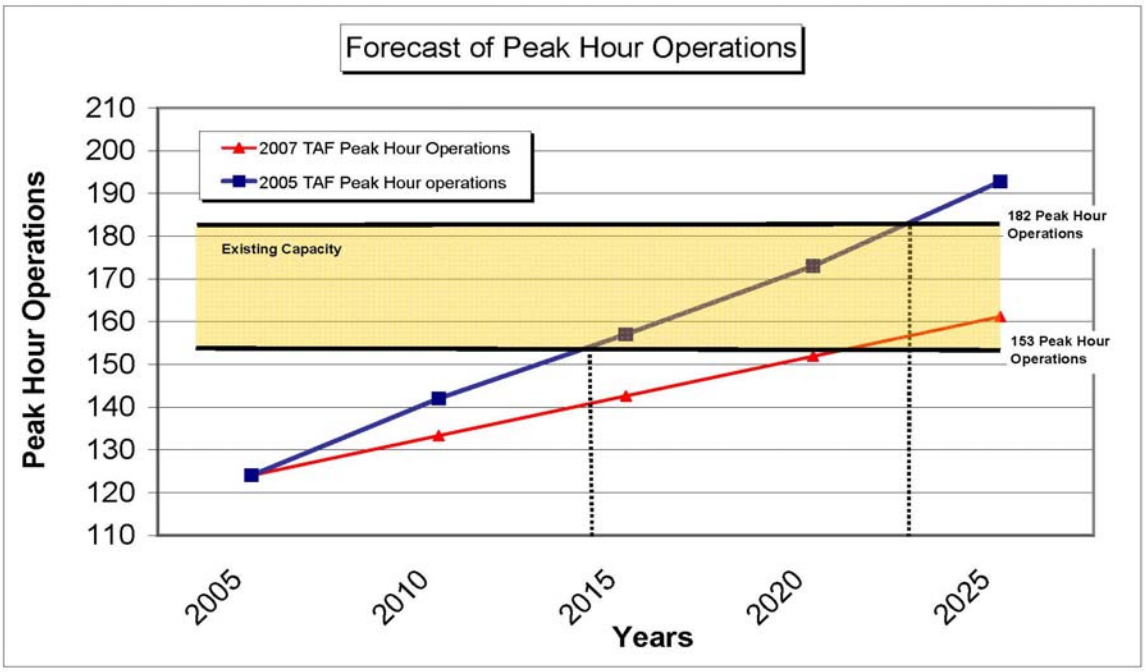

Exhibit 2: Comparison of 2005 and 2007 TAF Peak Hour Operations

* Existing capacity is a range based on a number of factors including wind and weather conditions and arrival and departure ratios. In poor weather, the capacity of the airfield is as low as 153 operations per hour. In good weather, the capacity of the airfield is as much as 182 operations per hour.

Hogan & Hartson Report Statement:

2. Detroit Has Ignored FAA's Guidance on Forecasts and its Forecast Does Not Comply with FAA Criteria for Accuracy and Currency

Jacobsen/Daniels Associates Response:

In their report, Hogan & Hartson incorrectly suggests that the FAA told the airport to ***use*** the current TAF. The letter the airport received actually says "any future updates to the TAF should be ***included*** in the MP". (emphasis added) The FAA goes on to say in their letter to the airport that "[b]ased on our review of the current TAF no changes are required at this time to your forecast assumptions." The FAA has made it clear that they view the Master Plan as the Sponsor's plan, and have stated no objections to the forecast or the plan. The FAA has indicated in a letter dated May 11, 2007 that the Master Plan forecast appears reasonable and appropriate and have never suggested that the Airport needed to update or revise the forecast.

The Hogan & Hartson Report goes on to indicate that the conclusion of the Master Plan would somehow result in the building of costly capacity that is not needed. In this manner, Hogan & Hartson consistently mistakes the master planning process for the National Environmental Policy Act (NEPA) review process throughout their report and does not recognize the intent of a master plan. An airport master plan is simply a plan for the logical and orderly development of facilities to

meet the goals of the study. The development process - that is to say actually building the projects included in the plan - involves several more steps before construction can occur, including:

1. Increased activity levels that trigger the need for the planned project (actual activity, not forecast activity)
2. Funding approvals (typically from the airlines and/or FAA)
3. Environmental approval from the FAA (typically a Record of Decision on an Environmental Impact Statement for the planned project)
4. Design and engineering

The development process ensures that the concerns raised in the Hogan & Hartson Report will be addressed in an open and forthright manner before the project is constructed. This process will be referred to numerous times in this document as it is a critical process that is clearly not reflected in the Hogan & Hartson Report.

Hogan & Hartson Report Statement:

3. The Plan's Forecast Does Not Comply with FAA Criteria for Accuracy and Currency

Jacobsen/Daniels Associates Response:

As discussed previously, the forecast used in the Master Plan is accurate and represents the most likely growth scenario over the planning horizon. The FAA has approved the forecast presented in the master plan and specifically stated in their May 11, 2007 letter to the Airport that "[b]ased on our review of the current TAF no changes are required at this time to your forecast assumptions."

Hogan & Hartson Report Statement:

4. The Airport has Now Contradicted it Prior Position on the Need for a 5th Parallel Runway in Spite of Declining Operations Levels

Jacobsen/Daniels Associates Response:

Regarding the forecast information contained in the airport's financial consultants' report, financial consultants typically look 5-10 years into the future whereas the master plan looks at least 20 years into the future. Since the Draft Master Plan Technical Document indicates the airport has adequate capacity through that period, the statement in the airport's financial consultants' report is accurate.

The Hogan & Hartson Report also improperly characterizes the Master Plan as "advocating yet another runway" when a more accurate characterization would be that the Master Plan anticipates the necessity for another runway in the future. The Master Plan is a plan, and prudent planning dictates that the airport develop and make available to the public a reasonable plan for meeting the future needs of the region. It would be irresponsible for WCAA not to consider a likely growth scenario such as the projections reflected in the Master Plan forecast and have a plan for meeting the needs of the region should those projections be realized. In no way is a master plan a commitment to

build anything; it is merely a reasonable plan for the organized development of facilities if and when they are warranted by demand.

The difference between the financial forecast and the planning forecast is reasonable given the appropriately conservative nature of financial forecasts. On the other hand, if planners used financial forecasts, most airports would continually be reacting to accommodate activity growth well beyond what was expected. Historically, the financial forecasts have reflected growth projections well below actual activity.

Hogan & Hartson Report Statement:

B. <u>A Correct Analysis of the Facts Using Up-To-Date and Readily Available Information Clearly Demonstrates That There Is No Need for a 5th Parallel Runway</u>

Jacobsen/Daniels Associates Response:

The data and analysis used in the Master Plan Study is correct and clearly demonstrates that a 5th parallel runway will be needed at DTW. See comments below.

Hogan & Hartson Report Statement:

1. The FAA's Own Study, Verified by A Highly Respected Third Party, Says DTW Does Not Need Any More Runways before 2025

Jacobsen/Daniels Associates Response:

The FAA document referenced by the Hogan & Hartson Report, entitled <u>Capacity Needs of the National Airspace System</u> is a high level assessment of future capacity of the nation's airports. If they would have read it more carefully, the lawyers would have realized that the goal of the report is to determine which airports have the ***<u>greatest</u>*** need for additional capacity and that it is a system-wide analysis intended to provide the FAA with data on a national level for ***<u>agency</u>*** planning purposes.

The methodology used in the report was specifically designed to identify airports with excessive delays. This was done by assuming all airports, including DTW, could have significantly higher average delay levels than what DTW has historically experienced. In short, they are assuming all airports would function like the most capacity constrained airports today (e.g. Chicago O'Hare International and New York LaGuardia/JFK International/and Newark International airports). While this helps accomplish the goal of its study (i.e. to identify those airports with the ***<u>greatest</u>*** capacity needs), it is not consistent with the analysis of the DTW Master Plan which is specifically designed to prevent excessive delays from occurring at DTW. As a result, the two studies have inherently different objectives and cannot be expected to reach similar conclusions. Not surprisingly, DTW is not included in the list of airports with the ***<u>greatest</u>*** need for additional capacity.

Additionally, the <u>Capacity Needs of the National Airspace System</u> document specifically states that the analysis provided cannot replace site specific studies (***<u>such as a master plan</u>***) that might examine

capacity issues in greater detail and are thus more accurate reflections of the situation at a particular airport. It also states that airports that are not identified in this analysis may still need more capacity in the future and should not stop planning for future facility improvements. The document also points out that new runways are the most direct route to expanded capacity and that there is considerable lead-time necessary to implement them and suggests master planning, environmental studies, and land acquisition occur as far in advance as possible.

Hogan & Hartson Report Statement:

2. The FAA's Own Data and Analysis Demonstrate That the Airport Can Handle More Recently Forecast Demand with No Changes to the Existing Runways

Jacobsen/Daniels Associates Response:

The Hogan & Hartson Report naively suggests that using averages and utilization factors will defer the need for a 5th parallel runway. This argument against prudent planning does not recognize real-world decision making. DTW operates as a hub airport and, as such, requires facilities that can ensure capacity in *all* weather conditions, not just good weather. When poor weather occurs and capacity is diminished, the impact of the delays to the hub carrier's operation don't just affect the hub, but nearly every airport in their system. Because of this, hub carriers place a premium on all-weather capacity, not average or optimum capacity -- and certainly not utilization factors during convenient hours. The Master Plan has identified the facilities needed to consistently meet the anticipated demand in all weather conditions. This approach will help ensure that DTW remains competitive and relevant as a hub facility in the future. Considering the proposed merger between Delta Air Lines and Northwest Airlines, it is critical that DTW be able to demonstrate the ability to support additional activity when needed for a world-class airline operation.

Hogan & Hartson Report Statement:

3. DTW Has Overstated the 2025 "Planning Need" for the Airport By Establishing an Unreasonably High Goal for Future Airport Capacity

Jacobsen/Daniels Associates Response:

The forecast peak hour demand level of 193 operations identified in the Draft Master Plan Technical Document is a planning target based on existing operating characteristics. It alone will not dictate the need for additional capacity, but rather is indicative of the likely need for additional capacity. If activity regularly exceeds the airfield capacity during poor weather conditions, delays will likely warrant additional facilities. As explained previously, the development process first requires activity triggers to be met. As illustrated in **Exhibit 2**, forecast peak hour demand is expected to exceed the airfield capacity during certain conditions around 2015 and continue to increase over time. The Master Plan predicts that delays will begin to occur at this point and continue to increase as activity increases. Therefore, as activity approaches the point at which poor weather delays begin to occur, additional study will be required to understand more precisely the impacts of delay as activity continues to increase. This additional study will likely include simulation modeling analysis for a number of reasons; to establish a more precise estimate of delay for the cost benefit analysis, to use

in the environmental review, and to establish a more definitive timeframe for development. From a planning perspective, it is important to initiate the environmental review and FAA benefit cost analysis far enough in advance to ensure that the needed facilities can be reviewed, approved if appropriate, funded and constructed before the delays become too significant.

Hogan & Hartson Report Statement:

4. The Master Plan Does Not Account for the Impact of Efficiency Improvements that Will Be Completed Prior to the Proposed Construction of the 5th Parallel Runway

Jacobsen/Daniels Associates Response:

To the contrary, all of the known operational efficiency improvements, including the future Precision Runway Monitor (PRM), were considered. This is reflected in Table 4.1-7 of the Draft Master Plan Technical Document as indicated by the Hogan & Hartson Report.

The Hogan & Hartson Report incorrectly assumes that taxiway and deicing improvements represent capacity enhancements. These improvements were identified in the Master Plan to improve operational efficiency (i.e. reduce aircraft taxi or queuing time) regardless of any other planned improvements. The value of the operational efficiency, in terms of taxi time or delay reduction is used by the airport and the airlines to justify the cost of the facility improvement. For example, taxiway improvements typically reduce airfield congestion or provide a more direct taxi route, which in turn reduces the amount of fuel that is burned, saving the airlines money. Similarly, deicing pads are a necessity, but are a complex and expensive operation for the airlines. As a result, they are constantly looking for ways to improve the efficiency of that operation by providing additional redundancy and flexibility. In the case of the Master Plan, Northwest Airlines has indicated an interest in transitioning to centrally located remote deicing pads instead of the current pads at the ends of the runways. They believe that the additional flexibility of this planned operation will enable them to reduce their costs and reduce delays attributable to deicing operations. Because one of the goals of the Master plan is to "be a generator of jobs, air service and economic development by enabling the airlines and other tenants to effectively offer their products", these improvements were included in the Preferred Development Plan. These projects do not, and were never purported to, provide additional airfield *capacity* as inaccurately represented in the Hogan & Hartson Report.

Hogan & Hartson Report Statement:

5. The Master Plan Uses Outdated Capacity Modeling Methods

Jacobsen/Daniels Associates Response:

The capacity models referred to in the Hogan & Hartson Report were not used to justify the need for an additional runway. Several approaches were considered and evaluated. In the end, as indicated in subsection 4.1.4.4 of the Draft Master Plan Technical Document, the rolling peak-period analysis is a more accurate estimate of capacity assessment for DTW's hub environment. As described, rolling peak-period analysis was used to refine the results of the other two modeling techniques that are less reliable for large hub airports with four or more runways. The rolling peak period analysis

indicates that additional capacity will likely be needed within the planning horizon, but will depend on the carriers' tolerance for delays.

Hogan & Hartson Report Statement:

C. <u>Review of Other Larger U.S. Airport Operations and Facilities Does Not Support the Supposed Need for a 5th Parallel Runway</u>

Jacobsen/Daniels Associates Response:

Comparing annual aircraft operations at airports, as was done in the Hogan & Hartson Report, is an ineffective and relatively meaningless exercise. There are a number of inherent differences in airport operating environments that impact annual operations levels. Wind and weather, runway spacing and instrumentation, airline operating philosophies, competition, fleet mix, and operating schedules all play a role in the annual capacities. For example, hub airports operate differently than non-hub airports. Airports in warm weather climates such as Phoenix, Las Vegas, and Los Angeles have less poor weather conditions than airports in cold weather climates. In addition, the volume of activity being accommodated doesn't necessarily address the level of delays experienced. Philadelphia, for example, has historically been a relatively poor performing airport in terms of delays and is therefore hardly a shining example for DTW to follow as suggested in the Hogan & Hartson Report.

In the case of DTW, as is the case with most hub airports, activity occurs in spikes throughout the day. Hub carrier schedules require that activity be accommodated in the peak hour of activity for all weather conditions; not based on annual volumes and in just good weather. When poor weather occurs and capacity is diminished, the impact of the delays to the hub carrier's schedule don't just affect the host city, but nearly every city in their system. As such, hub carriers place a premium on peak hour, all-weather capacity; not annual capacity throughout the year.

The Hogan & Hartson Report compares DTW with other airports on an annual basis, not peak hour operations which is the more appropriate metric. Secondly, the comparison requires more specific information (weather, fleet mix, schedule, etc) to draw any meaningful conclusions because many of the comparison airports have different operating characteristics.

Even so, Dallas/Ft. Worth International Airport (DFW) has a similar hub environment with American Airlines, and similar fleet mix and schedule characteristics as DTW. DFW currently operates *<u>five parallel runways</u>* in the primary operating configuration and has a stated peak hour poor weather throughput of 186 operations (very close to the DTW forecast goal of 193 poor weather operations per hour). Incidentally, DFW accommodated just over 700,000 annual operations last year with their five parallel runways.

Hogan & Hartson Report Statement:

D. <u>Less Destructive Alternatives Were Improperly Dismissed During the Master Planning Process – As Demonstrated by a Correct Analysis of the Facts, Using Up-To-Date and Readily Available Information</u>

Jacobsen/Daniels Associates Response:

The Hogan & Hartson Report incorrectly argues that the airport doesn't need to accommodate the projected demand and therefore other alternatives that were dismissed may be viable. This issue is invalid based on the discussion of the forecast of future demand presented in earlier in this document.

Hogan & Hartson Report Statement:

II. <u>DTW DOES NOT NEED TO EXTEND RUNWAY 3L/21R</u>

Jacobsen/Daniels Associates Response:

DTW may need to extend Runway 3L-21R in the future depending on changes in the fleet mix, non-stop markets, and airfield operating conditions. As such, the Master Plan recommends preserving the area necessary for the extension of Runway 3L-21R. The Hogan & Hartson Report assumes incorrectly that the Master Plan is justifying *<u>construction</u>* of future facilities when in fact it is merely recommending a *<u>plan</u>* that preserves the ability to construct the runway extension in the future, if warranted by the anticipated demand.

Hogan & Hartson Report Statement:

A. <u>DTW Readily Handles Larger Widebody Aircraft with the Other "Departure" Runway, 4R/22L, at 12,000 Feet, and There is No Projection Showing That the Larger Widebody Aircraft Operations Will Represent a Larger Share of Commercial Aircraft Operations at DTW Over the Master Plan Time Horizon. Indeed, the Evidence Points to the Opposite:</u>

Jacobsen/Daniels Associates Response:

DTW currently has four parallel runways – two primary arrival runways and two primary departure runways. The primary departure runways have significantly different lengths. Today, many pilots request Runway 4R-22L (12,000 feet) for departure because it is significantly longer than Runway 3L-21R (8,500 feet). According to FAA- Air Traffic Control personnel, even those aircraft that could depart on 8,500 feet of runway length without payload or passenger restriction will request the longer runway.

The FAA is currently studying a plan for triple approach procedures that would regularly utilize Runway 4R-22L as an arrival runway. This will leave Runway 3L-21R as the primary departure runway during significant portions of the day. Runway 3L-21R is not long enough to accommodate

all of the departing aircraft without payload restriction. It is possible that the use of Runway 4R-22L for both arrivals and departures during the peak period will result in significant aircraft delay, in which case the extension of Runway 3L-21R could be critical. The Master Plan addresses the possibility that the carriers will request the extension of Runway 3L-21R in the future. The area needed for the runway extension is likely to be redeveloped after the consolidated rental car project is completed in the next several years. Showing the runway extension on the ALP will ensure that the area needed for the runway extension is preserved against any development that could conflict with the runway extension in the future if warranted. The Master Plan Team believes that it is prudent planning to preserve the ability to provide additional departure length to Runway 3L-21R should the need arise for greater redundancy and flexibility in the future.

Hogan & Hartson Report Statement:

B. <u>Northwest Airlines Opposed the Extension of Runway 3L/21R as Unnecessary and Not Cost Effective Given the Marginal, if any, Benefit From Such an Extension</u>

Jacobsen/Daniels Associates Response:

It is true that Northwest Airlines has indicated that they do not support the extension of Runway 3L-21R. However, at various points in time, they also did not support the Midfield Terminal, South Access Road, Runway 4L-22R, the new North Terminal, and many other projects that they eventually agreed to fund. It should also be noted that several years ago Northwest Airlines formally requested and approved funding for an extension of Runway 3L to 9,800 feet in length. They have since changed there opinion and do not currently support an extension of Runway 3L. Airlines are not typically focused on long-range planning and as such, it is incumbent upon the airport to make provisions for the possibility that the airlines may want or need additional facilities in the future.

Hogan & Hartson Report Statement:

C. <u>DTW Has Utterly Failed to Justify the Need for the Proposed Extension of 3L/21R</u>

Jacobsen/Daniels Associates Response:

A full and complete justification has been made. Also see response to Statement II-A above.

Hogan & Hartson Report Statement:

III. <u>THE AIRPORT'S PREFERRED DEVELOPMENT PLAN IS NOT LEGALLY ACHIEVABLE</u>

Jacobsen/Daniels Associates Response:

The Preferred Development Plan is appropriate and achievable. Additional detailed environmental analysis will be completed by the FAA during the NEPA review and approval process. The FAA does not approve the Master Plan but rather accepts it as the Sponsor's plan. Any legal challenges to

the Master Plan will appropriately occur during the NEPA process through which the FAA validates and approves the Preferred Development Plan for implementation. See comments below.

Hogan & Hartson Report Statement:

A. <u>The Master Plan is Missing Required Environmental Impact and Environmental Permit Information</u>

Jacobsen/Daniels Associates Response:

The environmental impacts are referenced in Section 5.3.1 of the Draft Master Plan Technical Document. Permit information will be provided in a subsequent draft of the Master Plan Technical Document.

Hogan & Hartson Report Statement:

B. <u>The Master Plan Chose a Preferred Development Plan Without Evaluating Any Environmental Impacts</u>

Jacobsen/Daniels Associates Response:

This is not true. The evaluation of impacts, including environmental impacts are referenced in Section 5.3.1 of the Draft Master Plan Technical Document.

Hogan & Hartson Report Statement:

C. <u>The Master Plan Does Not Contain A Meaningful Alternatives Analysis</u>

Jacobsen/Daniels Associates Response:

This is not true. The evaluation of impacts, including environmental impacts are referenced in Section 5.3.1 of the Draft Master Plan Technical Document.

Hogan & Hartson Report Statement:

D. <u>The Preferred Development Plan Will Result in Significant Unacceptable Environmental and Socioeconomic Impacts Under NEPA</u>

Jacobsen/Daniels Associates Response:

In accordance with FAA guidelines, additional detailed social and environmental analyses will be conducted as part of the NEPA process prior to development.

Hogan & Hartson Report Statement:

E. <u>The Preferred Development Plan Will Not Comply with Section 4(f)</u>

Jacobsen/Daniels Associates Response:

This is not true. Hogan & Hartson seems to believe that the other alternatives that could meet the planning need would have less impact to the environment than the Preferred Development Plan which is clearly not the case. Nonetheless, the NEPA process will result in a definitive conclusion at the appropriate time.

Hogan & Hartson Report Statement:

F. <u>DTW is Prematurely Invoking the Uniform Relocation Assistance and Real Property Acquisition Policies Act</u>

Jacobsen/Daniels Associates Response:

This is not true. The airport has simply responded to questions from the residents about the acquisition process with the best and most complete information available at this time. The questions from the residents were raised at the Romulus City Council meeting on February 25, 2008, the Romulus Town Hall meeting on March 11, 2008 and through direct inquiries to the Airport Authority.

Hogan & Hartson Report Statement:

G. <u>The Preferred Development Plan Will Not Meet FAA Cost Benefit Thresholds</u>

Jacobsen/Daniels Associates Response:

This is not true. The estimated cost of the DTW's Preferred Development Plan is actually less than the development programs for many other large hub airports. Considering the estimated cost of the Preferred Development Program, DTW's cost per enplaned passenger, a common metric for comparing capital costs at airports, would still be well below the current cost at many other airports today.

Hogan & Hartson Report Statement:

IV. <u>THERE ARE SIGNIFICANT UNINTENDED AND IRREVERSIBLE CONSEQUENCES TO OVERBUILDING AIRPORT INFRASTRUCTURE</u>

Jacobsen/Daniels Associates Response:

The Master Plan does not represent a commitment to build anything, it is merely a plan. As such, the Master Plan will not result in the overbuilding of airport infrastructure. See comments below.

A. DTW's Plan Would Be Harmful to the Airport, the Airlines, and Consumers

Jacobsen/Daniels Associates Response:

The Hogan & Hartson Report assumes incorrectly that the planned runway projects would result in "overbuilding infrastructure". As indicated in Section 7 of the Draft Master Plan Technical Document and reiterated above, development of the runways will be demand driven; therefore capacity enhancing and delay reducing projects will be initiated when demand dictates the need for additional or expanded facilities. The funding analysis included several possible funding levels and presented the most likely scenario – including a $6.00 PFC. This analysis illustrates that the likely impact of the Preferred Development Plan on the overall cost structure at the airport is reasonable relative to other large hub airports. A detailed cost benefit analysis will be performed in order to secure funding approval for the project at the appropriate time

Hogan & Hartson Report Statement:

B. Cost and Financing Analysis

Jacobsen/Daniels Associates Response:

The Hogan & Hartson Report makes a number of illogical statements. In addition to the forecast discussion that has been addressed previously, Hogan & Hartson also suggests that increased costs will not help attract low cost carriers, but fails to recognize that **without adequate capacity no additional service would be possible**. It also uses Seattle-Tacoma International Airport (SEA) as an example why airports should try to control costs but fails to mention that the cost per enplaned passenger (a standard industry metric) at SEA was 2.5 times more than DTW in 2007. This fact demonstrates that DTW is fiscally responsible.

Finally, as indicated in Section 7 of the Draft Master Plan Technical Document and reiterated above, development of the runways will be demand driven. Therefore capacity enhancing and delay reducing projects will be initiated when demand dictates the need for additional or expanded facilities