

**82**



**BRIAN ELSON**  
**ASSOCIATE DIRECTOR FOR GOVERNMENTAL**  
**AFFAIRS**  
**U.S. DEPARTMENT OF TRANSPORTATION**

**FACSIMILE TRANSMITTAL SHEET**

TO:

FROM:

**Brian Elson**

COMPANY:

*DEANDRA BARKS*

DATE:

FAX NUMBER:

*FAA*

*78210*

TOTAL NO. OF PAGES INCLUDING COVER:

PHONE NUMBER:

SENDER'S TELEPHONE NUMBER:

**202-366-4316**

**202-366-9714**

RE:

SENDER'S FAX NUMBER:

**202-366-3675**

URGENT     FOR REVIEW     PLEASE COMMENT     PLEASE REPLY     PLEASE RECYCLE

NOTES/COMMENTS:

**U.S. Department  
of Transportation**Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable Daniel K. Inouye  
Ranking Minority Member, Commerce,  
Science, and Transportation Committee  
United States Senate  
Washington, DC 20510

Dear Senator Inouye:

The City of Chicago, sponsor of Chicago O'Hare International Airport, has requested that the Federal Aviation Administration issue a letter of intent (LOI) for the development described as follows:

O'Hare Modernization Program – Phase 1 including new future Runway 9L-27R; extension of future Runway 10L-28R (existing Runway 9R-27L); future Runway 10C-28C; and associated runway enabling projects, including associated taxiway systems, navigation aids installation and upgrade, site utilities construction, and existing facilities relocation.

The FAA assembled an interdisciplinary team to review the city's LOI application under 49 U.S.C. § 47110(e) and applicable FAA policy. The LOI would reimburse the sponsor by an amount not to exceed \$337.2 million in Airport Improvement Program (AIP) funds, including \$300.0 million discretionary funds, through FY 2020 according to the enclosed payment schedule for a 15-year term rather than the 10-year term requested.

In 30 days, we plan to advise officially the Members of Congress representing the locality of the airport of FAA's final decision on the sponsor's request for an LOI. We anticipate issuing the enclosed draft LOI to contribute AIP funds to this project. Should you wish to discuss any aspect of this LOI request, please contact Mr. Dennis Roberts, FAA's Director of Airport Planning and Programming, at (202) 267-8775.

Sincerely,

Nicole Nason  
Assistant Secretary for  
Governmental Affairs

Enclosure

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**LETTER OF INTENT AGL-05-01  
Chicago O'Hare International Airport  
Chicago, Illinois**

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as more fully described in the Sponsor's application for a Letter of Intent, dated February 15, 2005.

The maximum United States obligation pursuant to this Letter of Intent for the Project described above shall be an amount not to exceed \$337,200,000.

Upon application by City and in compliance with grant requirements, the FAA shall issue grants from current or future budget authority, as funds become available, according to the following schedule:

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<b>Total:</b>	<b>\$37,200,000</b>	<b>\$300,000,000</b>	<b>\$337,200,000</b>

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If, in any given year and for whatever reason (including such reasons as inability of sponsor to make sufficient progress for the project or a lapse in obligating authority under chapter 471 of the Act), a payment is deferred in whole or in part, any later reimbursement for the deferred amounts will be subject to negotiation between the parties, subject again to the availability of funds and statutory authority. No

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**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)

**U.S. Department  
of Transportation**Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable David R. Obey  
Ranking Member  
Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

Dear Congressman Obey:

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Governmental Affairs

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**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)

**U.S. Department  
of Transportation**Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable Jerry Lewis  
Chairman, Committee on Appropriations  
U.S. House of Representatives  
Washington, DC 20515

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Manager, Chicago Airports District Office  
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**U.S. Department  
of Transportation**

Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable Thad Cochran  
Chairman, Committee on Appropriations  
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The City should understand that, having proceeded with the Project without the aid of funds under the Act, in order to receive reimbursement as specified in the schedule set forth above, it must comply with all statutory and administrative requirements that would be applicable to the Project were the Project carried out with funds made available under the Act. Failure to comply with all such requirements, or failure to proceed with the Project in a timely manner, may lead to revocation of this Letter of Intent.

Further, in the event of default on the part of the City, or any other action by the City which threatens the Federal investment in the Project, the FAA will pursue all remedies available in law or equity, including but not limited to the withholding of future financial assistance (provided that applicable hearing requirements are complied with) and termination or suspension of all or part of the violated grant agreement.

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)

**U.S. Department  
of Transportation****Office of the Secretary  
of Transportation**

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590**The Honorable Ted Stevens  
Chairman, Commerce, Science and  
Transportation Committee  
United States Senate  
Washington, DC 20510**

Dear Mr. Chairman:

The City of Chicago, sponsor of Chicago O'Hare International Airport, has requested that the Federal Aviation Administration issue a letter of intent (LOI) for the development described as follows:

O'Hare Modernization Program – Phase 1 including new future Runway 9L-27R; extension of future Runway 10L-28R (existing Runway 9R-27L); future Runway 10C-28C; and associated runway enabling projects, including associated taxiway systems, navigation aids installation and upgrade, site utilities construction, and existing facilities relocation.

The FAA assembled an interdisciplinary team to review the city's LOI application under 49 U.S.C. § 47110(e) and applicable FAA policy. The LOI would reimburse the sponsor by an amount not to exceed \$337.2 million in Airport Improvement Program (AIP) funds, including \$300.0 million discretionary funds, through FY 2020 according to the enclosed payment schedule for a 15-year term rather than the 10-year term requested.

In 30 days, we plan to advise officially the Members of Congress representing the locality of the airport of FAA's final decision on the sponsor's request for an LOI. We anticipate issuing the enclosed draft LOI to contribute AIP funds to this project. Should you wish to discuss any aspect of this LOI request, please contact Mr. Dennis Roberts, FAA's Director of Airport Planning and Programming, at (202) 267-8775.

Sincerely,

**Nicole Nason  
Assistant Secretary for  
Governmental Affairs**

Enclosure

**DRAFT**

**LETTER OF INTENT AGL-05-01  
Chicago O'Hare International Airport  
Chicago, Illinois**

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The maximum United States obligation pursuant to this Letter of Intent for the Project described above shall be an amount not to exceed \$337,200,000.

Upon application by City and in compliance with grant requirements, the FAA shall issue grants from current or future budget authority, as funds become available, according to the following schedule:

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If, in any given year and for whatever reason (including such reasons as inability of sponsor to make sufficient progress for the project or a lapse in obligating authority under chapter 471 of the Act), a payment is deferred in whole or in part, any later reimbursement for the deferred amounts will be subject to negotiation between the parties, subject again to the availability of funds and statutory authority. No

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**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)

**U.S. Department  
of Transportation**Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable Don Young  
Chairman, Transportation and  
Infrastructure Committee  
House of Representatives  
Washington, DC 20515

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O'Hare Modernization Program – Phase 1 including new future Runway 9L-27R; extension of future Runway 10L-28R (existing Runway 9R-27L); future Runway 10C-28C; and associated runway enabling projects, including associated taxiway systems, navigation aids installation and upgrade, site utilities construction, and existing facilities relocation.

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Sincerely,

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Governmental Affairs

Enclosure

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**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)



**U.S. Department  
of Transportation**

Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable James L. Oberstar  
Ranking Minority Member, Transportation and  
Infrastructure Committee  
House of Representatives  
Washington, DC 20515

Dear Congressman Oberstar:

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Nicole Nason  
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Enclosure

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**UNITED STATES OF AMERICA  
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Manager, Chicago Airports District Office  
(date)

**U.S. Department  
of Transportation**Office of the Secretary  
of Transportation

Assistant Secretary

400 Seventh St., S.W.  
Washington, D.C. 20590

The Honorable Robert C. Byrd  
Ranking Minority Member  
Appropriations Committee  
United States Senate  
Washington, DC 20510

Dear Senator Byrd:

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amendment to this Letter of Intent shall impair the City's eligibility for future reimbursement of the United States share of allowable Project costs pursuant to section 47110(e) of the Act, as funds become available.

The City should understand that, having proceeded with the Project without the aid of funds under the Act, in order to receive reimbursement as specified in the schedule set forth above, it must comply with all statutory and administrative requirements that would be applicable to the Project were the Project carried out with funds made available under the Act. Failure to comply with all such requirements, or failure to proceed with the Project in a timely manner, may lead to revocation of this Letter of Intent.

Further, in the event of default on the part of the City, or any other action by the City which threatens the Federal investment in the Project, the FAA will pursue all remedies available in law or equity, including but not limited to the withholding of future financial assistance (provided that applicable hearing requirements are complied with) and termination or suspension of all or part of the violated grant agreement.

**UNITED STATES OF AMERICA  
FEDERAL AVIATION ADMINISTRATION**

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Manager, Chicago Airports District Office  
(date)