

Legislation Details (With Text)

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On agenda: 4/12/2021 **Final action:** 4/12/2021
Title: Annual Airport Budget Presentation

Sponsors:

Indexes:

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Attachments: 1. Airport Operations Budget FY22 Presentation

Date	Ver.	Action By	Action	Result
4/12/2021	3	Board of Aeronautic Commissioners	received and filed	

Annual Airport Budget Presentation

Issue/Request:

Annual Airport Budget Presentation

Key Issues:

Major Initiatives/Significant Changes for FY22

- Proposed CPI Increase of 1.3 percent on Hangar and tie down rentals
- Changes made to Schedule of Fees:

Hangar 1:

Proposed Rates for single engine tenants located in Hangar 1 will increase from \$550.00/month to \$650.00/month. The proposed change will keep a margin between the Hangar 1 amenities provided (In and out service, heated in the winter, 24/7 security, lobby and pilots lounge) and the enclosed hangars. The proposed change will increase revenue by \$3600 annually.

Overnight Tie-Down Fees:

Single Engine Aircraft and Helicopter: The Single Engine overnight fee is currently \$20.00/night and will be increasing to \$25.00. This will generate an additional **\$550.00**

Multi-Engine Turbo-Props and Jets: The current overnight tie-down \$150.00/night and is waived with a purchase of 75 gallons and the second night is waived with a purchase of 125 gallons. For FY22, the proposed fee is increasing from \$150.00 to \$175.00/night and the first overnight is waived with the purchase of 125 gallons. The second overnight is waived with the purchase of 250 gallons. The proposed increase is estimated to generate an additional **\$450.00** annually.

Lavatory and Ground Services

Lavatory Service is increasing from \$65.00 to \$75.00, which is in line with surrounding Airports. This will generate an additional \$100.00 annually.

Ramp Service Fees:

The current ramp service fee is \$125.00 or 75 gallons for Jet/Turbo-prop aircraft. The proposed fee for FY22 is \$125.00 or 100 gallons purchased.

New Fee's

Potable Water Service: This fee is a new fee for FY22 to provide Potable water to Corporate Aircraft. The fee will be \$75.00 per service and the Airport estimates performing 5-7 services per year. Like other amenities at the airport provides, this type of service is used to attract and keep business aviation using the Lee's Summit Airport.

Fees Removed

Special Discount for Hangars W & X Rental:

Those customers who were displaced in 2018 due to the removal of hangar units **L, S & T** received a reduced hangar rental rate for a period of 3-years. Beginning in FY22 these special rates are no longer being provided.

Total estimated increase: \$24,995

- The Airport Business Plan should be completed and adopted by the City by the end of FY21 or early FY22. **Phase II** of the Master Plan is currently waiting on funding from the FAA & MoDOT which is expected in FY22.
- Begin marketing new sites for private hangar pad sites on West side of North Apron. This area was identified as potential sites for development in the new Airport Business Plan.
- Increase the number of Jet and turbo-propeller aircraft based at the Airport through a major marketing campaign with the Airport's fuel supplier AVFUEL, which will begin marketing development sites.
- Continue monitoring a scaling issue on Runway 18/36 which is resulting in flaking of concrete chips resulting in a potential serious FOD issue to aircraft. The Airport's consultant CMT is monitoring the issue with monthly inspections of the pavement to establish a base line of the issue. No determination has been made yet as to the cause or actions needed.
- Develop a timeline for Hangar 1 facility improvements to meet current and further demand.
- Continued efforts to bring awareness of pilots to the various noise sensitive areas in the proximity to the Airport as part of the Airport's overall Fly Friendly Program.
- Jet fuel sales are expected to exceed 200,000 gallons in FY22.

Cost Savings Initiatives

- Purchase an articulating lift to reduce annual rental expense for both building maintenance and line service needs through funds from an Aviation CAREs act funding being offered by the FAA & MoDOT Aviation Division.
- Purchase and install airfield lighting mats on Runway 11/29 through funds from an Aviation CAREs act funding being offered by the FAA & MoDOT Aviation Division. Airfield lighting mats will eliminate the expense and time for the purchase of herbicides to control grass around the lights. Will reduce time being put forth on ground maintenance of lights and allow Facility Maintenance personnel to refocus on other maintenance needs.
- Use of Part-time line service staff to reduce full-time overtime hours through scheduling.

Major Expenses (Non Internal Service)

- Jet Fuel Aviation fuel purchases-\$508,200
- 100LL Aviation fuel purchases-\$322,040
- Professional Fees for Environmental-\$36,400

- Purchase a used articulating lift and additional airfield lighting mats through second round of Aviation CARES Act funding being offered by the FAA and MoDOT Aviation Division of \$23,000.

Expansion Requests

Personnel Expansions

- Additional part-time Airport Attendant Hours: **+0.3 FTEs:** **\$15,993**
- Reclassify one full-time Airport Attendant to a Lead Airport Attendant: **\$2,411**

Facility Capital Expansions:

- Zero Turn Sit-Down Mower for Maintaining Right-of-Way: **\$22,000**
- Purchase of One 22 Foot Tilt trailer: **\$6,000**
- Upgrade Model of Gator at Time of VERP Replacement : **\$15,000**

Total Expansion Requests: \$61,404 + 0.3 FTEs

CIP Projects for FY22

- Requested Federal and State funding to begin Phase II of the Master Plan development-estimated cost of **\$394,000**

Proposed City Council Motion:

I move to recommend to the City Council approval of the proposed Fiscal Year 2021-2022 Annual Airport Budget Presentation

Background:

[Enter text here]

Impact/Analysis:

[Enter text here]

Timeline:

Start: ____

Finish: ____

Other Information/Unique Characteristics:

[Enter text here]

John Ohrazda, Airport Manager (V)

Recommendation: [Enter Recommendation Here]

Committee Recommendation: [Enter Committee Recommendation text Here]