



Airport

Department
PRESENTATION

June 11, 2024



MAJOR ACCOMPLISHMENTS

For FY2024

MAJOR ACCOMPLISHMENTS

For FY2024



- Began construction of Taxiway Bravo extension, phase 1; current projected completion date is November 22, 2024.
- Completed design for Jimmy Doolittle Drive reconstruction, including monument sign; relocated utilities; project expected to be advertised for bids in June 2024.
- Advertised RFQ for 2.2-acre development on Taxilane Sierra, with four respondents. Executed LOI to negotiate a ground lease with Thrust Flight.
- Developer Participation Agreements (DPAs):
 - Sky Squared Apron / Vehicle Service Road (VSR) construction – completed
 - Addison Hangars, LLC, VSR reconstruction – pending, \$250,000

MAJOR ACCOMPLISHMENTS

For FY2024



(continued)

- Insurance administration program myCOI implemented (FY24 Decision Package)
- Re-taped joint seams in EMAS bed
- Master Plan consultant selection, initiation of Airport Master Plan update project



OBJECTIVES FOR

For FY2025

OBJECTIVES

For FY2025



- Continue with Airport Master Plan update (18- to 24-month process)
 - coordinate with Development Services on airport land use and zoning overlays
 - update Noise Exposure Map (NEM)
 - address Urban Air Mobility services (eVTOL operations)
 - address Airport Maintenance facility requirements
- Complete construction of Taxiway Bravo extension, phase 1; pursue design and construction grants for Taxiway Bravo extension, phase 2.
- Bulk fuel storage facility expansion
 - refine scope; evaluate feasibility
 - bid as CMAR project; design and construction beginning in FY2025.

OBJECTIVES

For FY2025



(continued)

- Continue to manage/monitor ongoing redevelopment projects
- Continue execution of airport redevelopment strategy
- Release RFQ for redevelopment of 5-acre parcel on the west side (north end Dooley Road).
- Airport staff succession planning and development



RESOURCE

Maximization



Addison Airport has initiated a partnership with myCOI, a leader in insurance tracking and management. With its manpower, technology, and proprietary software, myCOI is reducing the Airport's risk exposure by helping ensure insurance compliance under its 250 +/- contracts.

- Team of dedicated professionals (10-20 care team members) with 24/7 access to status reports, graphs, and other real-time data.
- Partnership with myCOI will improve the airport's risk management.



Addison Airport has an Engineered Materials Arresting System (EMAS) installed at the south end of its runway. The EMAS was installed in 2014. Joints between the 4' x 4' concrete blocks that comprise the EMAS bed are sealed with a tape product. After 10 years of service, the original tape is peeling and needs to be replaced.

- Quote from Runway Safe – the sole provider of EMAS – to re-tape the bed using Airport staff labor.
- Runway Safe tape samples are identical to commercially-available product. Airport purchased tape for less than \$25,000. Airport maintenance staff are performing the work.

Estimated Cost Saved

\$125,000



REVENUE DECISION

Packages



Priority 1 – U.S. CUSTOMS USER FEE INCREASES

- Increase U.S. Customs User Fees to recover a larger proportion of the cost of operations. Three changes in the current fee structure are being proposed.
 - Clearance fees are based on aircraft weight. Proposed change is to move from a three-tier structure to a five-tier structure (detailed on next slide).
 - Increase overtime charges from \$200 to \$325 per occurrence.
 - Institute charge of \$150 for billing users who do not use the payment kiosk at the time they clear Customs.
- Key Focus Area (KFA): Economic Development and Revitalization
 - Strategic Objective: Leverage Addison Airport to maximize business growth and expansion.

Revenue	Funding Type	Funding Source
\$66,000	Recurring	Airport Fund

REVENUE DECISION

Packages

The logo for ADDISON, featuring the word "ADDISON" in white capital letters inside a blue circle. The background of the slide includes a decorative pattern of colorful squares and rectangles in shades of red, yellow, orange, blue, and purple.

Priority 1 – U.S. CUSTOMS USER FEE INCREASES

- Current vs. proposed clearing charges.

Aircraft MGTOW	Current fee	Proposed fee	% of clearances
Up to 12,500 lbs.	\$100	\$100	6.4 %
12,501 – 25,000 lbs.	\$200	\$200	24.4 %
25,001 – 50,000 lbs.		\$300	45.3 %
50,001 – 75,000 lbs.	\$400	\$400	10.0 %
Over 75,000 lbs.		\$500	13.9 %

- MGTOW is Maximum Gross Take-off Weight (a common measure of aircraft size). Based on 600 annual clearances, this change will generate an estimated \$36,000 in additional revenue.
- Increasing the overtime charge (from \$200 to \$325, to cover the average overtime charge billed by Customs) will generate an estimated \$30,000 in additional revenue.

REVENUE DECISION

Packages



Priority 2 – FUEL FLOWAGE FEE INCREASES

- Increase Fuel Flowage Fees to keep pace with inflation, per the following table.

Proposed effective date of increase	FBO Rate (per gallon)	Non-Public Rate (per gallon)
Current	\$0.14	\$0.22
October 1, 2025	\$0.16	\$0.24
October 1, 2026	\$0.18	\$0.27
October 1, 2027	\$0.20	\$0.30

- Key Focus Area (KFA): Economic Development and Revitalization
 - Strategic Objective: Leverage Addison Airport to maximize business growth and expansion.

Revenue*	Funding Type	Funding Source
\$170,000	Recurring	Airport Fund

*increase in annual revenue for each \$0.02/gallon increase



DECISION

Packages



Priority 1 – AIRPORT GIS ANALYST

- Add a GIS Analyst position to the Airport’s staff to implement, maintain and protect the integrity of the Airport’s Geographic Information System (GIS) & Asset Management Information systems.
 - Improved Data Management
 - Increased Responsiveness
 - Enhanced Compliance

- Key Focus Area (KFA): Infrastructure Development & Maintenance
 - Strategic Objective: Continue to invest in and maintain our Asset Management Plan.

Cost	Funding Type	Funding Source
\$111,810	Recurring	Airport Fund



Priority 2 – COMPACT TRACK LOADER (CTL)

- Acquire a compact track loader (CTL) with multiple attachments for Airport Maintenance. The CTL will replace the airport's backhoe and roller. The CTL offers greater versatility and safety / maneuverability and unlike the backhoe, it can be used for grading and filling next to the runway and taxiway.
- Key Focus Area (KFA): Economic Development and Revitalization
 - Strategic Objective: Leverage the Addison Airport to maximize business growth and expansion.

Cost	Funding Type	Funding Source
\$94,000	One-Time	Airport Fund



Priority 3 – AIRPORT STAFF VEHICLE

- Replace Airport Vehicle #1617, a repurposed 2013-model APD police car, which is at the end of its useful life. Not replacing the vehicle will result in increased maintenance costs and possibly lead to service interruption. Replacement will provide staff reliable and safe transportation for daily purposes.
- Key Focus Area (KFA): Economic Development and Revitalization
 - Strategic Objective: Leverage the Addison Airport to maximize business growth and expansion.

Cost	Funding Type	Funding Source
\$39,000	One-Time	Airport Fund



CAPITAL IMPROVEMENT PROGRAM (CIP)

Requests

CAPITAL IMPROVEMENT PROGRAM

Request



FUEL FARM EXPANSION AND IMPROVEMENTS

- **Project Description:** make improvements to the existing fuel farm and construct a second fuel farm to provide additional aviation fuel storage capacity. The project will also include new above-ground tanks (at both sites) for Town of Addison fleet vehicles, to replace underground tanks at Fire Station #1 and the Service Center.
- **Project Justification:** continued development on the airport and a trend towards larger aircraft has resulted in higher fuel volumes. The project is needed to accommodate future growth. The capital requirement will ultimately be generated by increased rental rates.
- **Key Focus Area (KFA):** Economic Development and Revitalization
 - **Strategic Objective:** Leverage the Addison Airport to maximize business growth and expansion.

Project Phase	Proposed FY25	Proposed FY26	Proposed FY27	Total Project
Design	\$1,336,000	-	-	\$1,336,000
Construction	\$2,000,000	\$11,334,000	-	\$13,334,000
Total Cost	\$3,336,000	\$11,334,000	-	\$14,680,000

CAPITAL IMPROVEMENT PROGRAM

Request



4553 GLENN CURTISS ROOF REPLACEMENT

- **Project Description:** Complete roof overlay with single-ply hail rated membrane system for 20,000 SF city-owned jet hangar/office building.
- **Project Justification:** City acquired property in 2014, first constructed in 1976. Original roof is metal R-panels. Approximately \$10K spent at time of acquisition to extend the useful life of roof additional 10+/- years per PCA Report.
- **Key Focus Area (KFA):** Economic Development and Revitalization
 - **Strategic Objective:** Leverage the Addison Airport to maximize business growth and expansion.

Project Phase	Proposed FY25	Proposed FY26	Proposed FY27	Total Project
Design	-	-	-	-
Construction	\$150,000	-	-	\$150,000
Total Cost	\$150,000	-	-	\$150,000



FUND

Summary

FUND

Summary



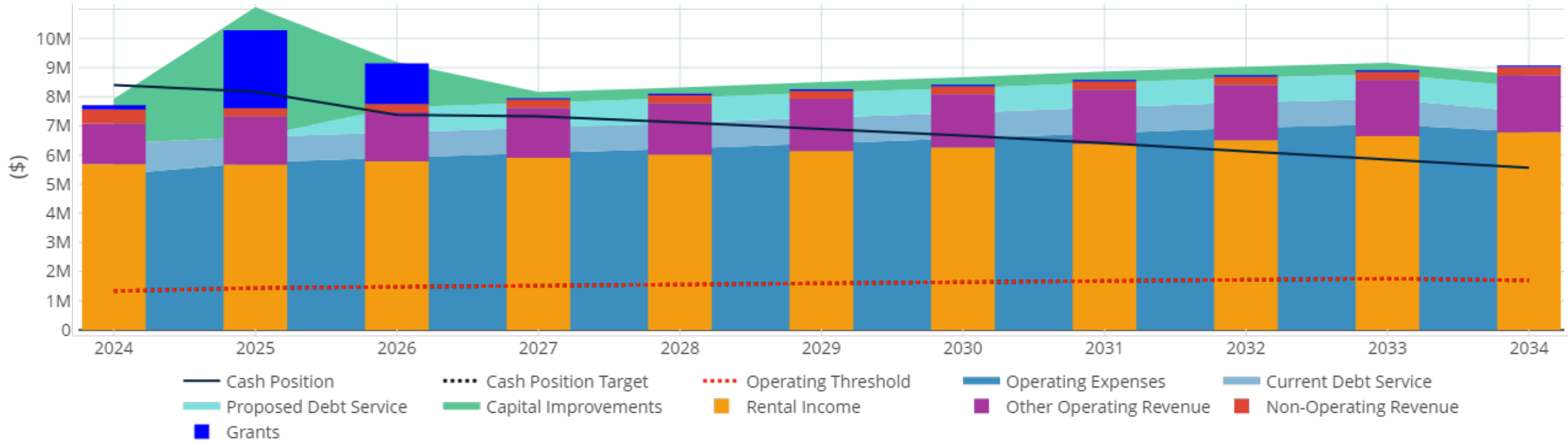
	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
BEGINNING WORKING CAPITAL	\$ 8,118,409	\$ 6,537,015	\$ 8,396,470	\$ 8,173,656
REVENUES:				
Intergovernmental	\$ 50,000	\$ 50,000	\$ 136,133	\$ 2,671,260
Service Fees	1,357,603	1,394,180	1,394,900	1,654,660
Rental Income	5,618,212	5,686,105	5,698,025	5,733,487
Interest and Other Income	262,033	125,000	476,214	220,700
TOTAL OPERATIONAL REVENUE	<u>\$ 7,287,848</u>	<u>\$ 7,255,285</u>	<u>\$ 7,705,272</u>	<u>\$ 10,280,107</u>
TOTAL AVAILABLE RESOURCES	<u>\$ 15,406,257</u>	<u>\$ 13,792,300</u>	<u>\$ 16,101,742</u>	<u>\$ 18,453,763</u>
EXPENSES:				
Personnel Services	\$ 2,498,561	\$ 2,735,486	\$ 2,735,486	\$ 2,964,581
Supplies	41,994	36,587	31,217	55,873
Maintenance	688,500	750,462	714,890	693,126
Contractual Services	1,027,345	1,376,399	1,374,988	1,509,151
Capital Replacement / Lease	232,928	157,928	157,928	242,928
Debt Service	708,067	1,073,541	1,073,541	874,709
Capital Outlay	-	-	-	-
TOTAL OPERATIONAL EXPENSES	<u>\$ 5,197,395</u>	<u>\$ 6,130,403</u>	<u>\$ 6,088,050</u>	<u>\$ 6,340,368</u>
Transfer to Debt Service Fund	508,966	469,344	469,344	528,527

FUND

Summary



	Actual 2022-23	Budget 2023-24	Estimated 2023-24	Budget 2024-25
Capital Projects (Cash Funded)				
Bravo/Golf Taxiway Improvements	1,067,528	-	-	-
Runway 15/33 Redesignation / Taxiway Alpha Rejuv.	-	-	85,250	-
Facility Repairs and Improvements	-	-	-	-
Airport Regulated Garbage Utility Building	-	275,000	-	275,000
West Perimeter Fencing Improvemnts	-	65,500	65,500	-
Wiley Post Building Improvements	-	120,000	120,000	-
Wiley Post Parking Lot Reconstruction	-	150,000	150,000	-
Metal Hangar Roof Replacements	-	-	170,170	-
Developer Participation Agreement - Sky Squared	-	-	315,000	-
Developer Participation Agreement - Atlantic Aviation	-	625,860	-	-
Developer Participation Agreement - Sky Harbour	-	75,000	250,000	-
Developer Participation Agreement - Tango Whiskey	-	250,000	-	250,000
Developer Participation Agreement - Million Air	-	-	-	250,000
Developer Participation Agreement - Westgrove Air Plaza	-	-	-	250,000
Airport Fuel Storage Expansion	89,460	-	198,800	2,000,000
License Plate Recognition and Optical Camera System Expansion	25,410	-	-	-
Jimmy Doolittle Drive Reconstruction	121,028	-	15,972	-
Eastside Airport Service Road Reconstruction	-	-	-	1,033,000
4533 Glenn Curtiss (U2) Roof Replacement	-	-	-	150,000
TOTAL EXPENSES	\$ 7,009,787	\$ 8,161,107	\$ 7,928,086	\$ 11,076,895
ENDING WORKING CAPITAL	\$ 8,396,470	\$ 5,631,193	\$ 8,173,656	\$ 7,376,868
Working Capital Percentage	161.6%	91.9%	134.3%	116.3%

Financial Model
Figure 8 – Financial Model - Scenario


The Airport Fund is sustainable over the planning period as new debt service for fuel farm expansion is added, but does not put stress on the fund's operating threshold which remains well above the required amount.

The Addison logo is a blue circle with the word "ADDISON" in white, uppercase letters. It is surrounded by a decorative graphic of various colored squares and rectangles in shades of red, orange, yellow, blue, and purple, arranged in a scattered pattern.

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QUESTIONS?

A decorative graphic at the bottom of the page consisting of a small orange square on the left, a larger dark grey rectangle on the left, and a larger dark grey rectangle on the right with a small orange square on top.