



# Friedman Memorial Airport Authority

## Regular Board Meeting

June 14, 2022





# Approve Agenda



# Public Comment

(10 Minutes)



# Approval of Meeting Minutes

May 3, 2022 Regular Meeting



# Reports

# Reports

- ▶ Chair Report
- ▶ Blaine County Report
- ▶ City of Hailey Report
- ▶ Fly Sun Valley Alliance Report
- ▶ Airport Director's Report

# Airport Director's Report

# Airport Activity Status

- ▶ April/May Passenger Enplanements
  - –35% over April 2021
  - –57% over May 2021
  - +24% YTD vs. 2021
  
- ▶ Operations (unofficial)
  - –59% from May 2021
  - –16% YTD vs. 2021



# “On the Horizon”

- ▶ July FMAA Meeting – Tuesday July 12<sup>th</sup>
  - Expect in-person
- ▶ 2<sup>nd</sup> review of FY2023 proposed budget



# Airport Staff Brief Questions?



**Action**  
**New Business**

# Appointment of FMAA Treasurer

- ▶ JPA allows Treasurer position to be filled by non-FMAA member
- ▶ Recommend Ron Fairfax
  - 20 years FMAA Independent Board Member
  - Longtime FMAA Treasurer
  - Longtime FMAA Finance Committee Member
- ▶ Term to March 2023
- ▶ Action: Motion to appoint Ron Fairfax as FMAA Treasurer with an appointment term running through the FMAA meeting in March 2023



# Action

## Continuing Business

# CUSTOMER FACILITY CHARGE (CFC)



# CFC – What & Why

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- ▶ A Customer Facility Charge (CFC) is a user fee imposed by an airport operator on each rental car user, collected by the rental car companies.
- ▶ A CFC is most often imposed on a per rental day basis and often has a cap on the number of days the CFC will be charged.
- ▶ CFC revenues are used for the capital costs related to rental-car projects.
  - Allows for a dedicated funding source for projects that are not eligible for federal funds.
- ▶ The proposed fee is \$3.50/rental day capped at 14 days
  - Estimated revenue of \$210k per year

# CFC – Resolution 2022–01

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- ▶ Consideration of Resolution 2022–01 implementing the CFC
- ▶ Current rental car agreements allow for implementation of a CFC
  - Rental car agencies supportive
  - Collection begins October 1, 2022
- ▶ Discussion
- ▶ Action: Motion to approve Resolution 2022–01 authorizing the collection of a CFC at SUN. Further, per legal counsel guidance, amend the 2021 Rental Car Concession Agreements as necessary and direct staff to implement the remaining administrative functions to begin CFC collections as of October 1, 2022.



# Discussion and Updates

## New Business

# FY 2023 DRAFT Budget

## Discussion

# General Budget Build Notes

- ▶ Historical data is important, however recent history is still slightly skewed and increases are expected
- ▶ Projections will lean financially conservative rather than being overly aggressive
- ▶ Activity is anticipated to continue to increase off already record levels
- ▶ CPI is used for increases when applicable for contracts

# OPERATING BUDGET



# FY 2023 Revenues

- ▶ Continued growth post COVID
- ▶ Revenues built based on enplaned passengers in excess of 100k
- ▶ No discount planned for Terminal rents
- ▶ Revenue budgets were heavily weighted on recent history given the effect of the pandemic on prior years
- ▶ Hanger/Tie-down revenue steady, utilizing CPI when the contracts allow
- ▶ Draft Budget assumes \$2.0 million in CARES Act operational reimbursement



# FY 2023 Revenue Summary



## FRIEDMAN MEMORIAL AIRPORT FY 2023 BUDGET BUILD COMBINED

VERSION: Created 06.08.22

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
	Year End	Year End	Year End	2022 Budget	Build
<b>REVENUE</b>					
Total 4000-00 · AIRCARRIER	966,527	762,578	\$ 736,173	\$ 911,360	\$ 1,182,144
Total 4020-00 · TERMINAL AUTO PARKING REVENUE	500,053	295,361	\$ 407,517	\$ 475,000	\$ 564,500
Total 4030-00 · AUTO RENTAL REVENUE	717,833	591,692	\$ 799,547	\$ 663,000	\$ 750,000
Total 4040-00 · TERMINAL CONCESSION REVENUE	66,792	46,366	\$ 66,275	\$ 47,900	\$ 66,950
Total 4050-00 · FBO REVENUE	972,501	1,046,548	\$ 609,551	\$ 567,500	\$ 620,000
Total 4060-00 · FUEL FLOWAGE REVENUE	363,004	315,021	\$ 430,541	\$ 375,000	\$ 440,000
Total 4070-00 · TRANSIENT LANDING FEES REVENUE	219	112,498	\$ 653,799	\$ 650,000	\$ 669,500
Total 4080-00 · HANGAR REVENUE	653,601	682,899	\$ 805,589	\$ 705,060	\$ 715,636
Total 4090-00 · TIEDOWN PERMIT FEES REVENUE	12,370	19,964	\$ 33,243	\$ 31,000	\$ 31,465
Total 4100-00 · POSTAL CARGO REVENUE	13,849	13,343	\$ 5,472	\$ 5,500	\$ 5,500
Total 4110-00 · MISCELLANEOUS REVENUE	22,827	53,351	\$ 16,896	\$ 5,000	\$ 5,000
Total 4120-00 · GROUND TRANSP. PERMIT REVENUE	27,600	22,680	\$ 22,530	\$ 29,000	\$ 29,000
Total 4400-00 · TSA/SECURITY	76,475	70,195	\$ 75,450	\$ 72,000	\$ 75,450
Total 4520-00 · INTEREST REVENUE	44,592	32,953	\$ 11,750	\$ 15,000	\$ 15,000
Total 4600-00 · CARES Act Grant Operational			\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
<b>TOTAL REVENUE</b>	<b>4,478,242</b>	<b>4,080,449</b>	<b>\$ 6,674,333</b>	<b>\$ 6,552,320</b>	<b>\$ 7,170,145</b>

# FY 2023 Expense (Administrative)

- ▶ “A” Expenses (Salary/Benefits)
  - 5% annual increase for COLA and Merit
  - Additional Ops Staff for In-House parking operations
  - Assumes Airport staffing at 100%
- ▶ “B” Expenses – Administrative
  - Business travel anticipated to return
  - Professional Services needs
    - Increased legal need based on recent historical use (6050-01)
    - Elevated budget for IT Support based on recent historical spending, system needs and cost of services (6050-10)
    - Approach Maintenance & Refinement with Flight Tech (6050-18)
  - ARFF Training increase due to the extra position and training needs (6100-03)
  - Large reduction in Parking Management Fees (6110-16)
  - Remaining expenditures are anticipated to align closely with historical needs with appropriate cost increases



# FY 2023 Expenses (Operations)

## ► “B” Expenses – Operations

- Overall increase in operations supplies/equipment due to non-capital equipment needs
- Increase in Tools budget, staff is completing more repairs in-house, saving outside contract costs (6500-02)
- Total increase in Vehicle Maintenance budget due to fleet growth (Total 6520-00)
- Total increase in Building Repairs & Maintenance (Total 6540-00)
  - Terminal R&M, expecting increased occupied space in FY 2023
  - Shop garage door rehab, needed workspace improvements, aging equipment
- Total increase in Airside R&M due to increased chemical costs
- Total increase to Security expenses due to enhancements and upgrades needed.
- Remaining expenditures are anticipated to align with historical needs with appropriate cost increases



# FY 2023 Operational Expenditure Summary



## FRIEDMAN MEMORIAL AIRPORT FY 2023 BUDGET BUILD COMBINED

VERSION: Created 06.08.22

	FY 2019 Year End	FY 2020 Year End	FY 2021 Year End	FY 2022 2022 Budget	FY 2023 Build
TOTAL "A" EXPENDITURES	1,552,248	1,724,899	\$ 1,633,382	\$ 2,032,064	\$ 2,123,624
TOTAL "B" ADMINISTRATIVE EXPENSES	1,119,761	1,196,996	\$ 1,508,653	\$ 1,388,320	\$ 1,292,536
TOTAL "B" OPERATIONAL EXPENSES	693,120	595,136	\$ 747,367	\$ 813,615	\$ 913,965
TOTAL "B" EXPENSES	1,812,881	1,792,131	\$ 2,256,019	\$ 2,201,935	\$ 2,206,501
TOTAL "A+B" EXPENSES	3,365,129	3,517,030	\$ 3,889,401	\$ 4,233,999	\$ 4,330,125
OPERATIONAL NET POSITION	1,113,113	563,418	\$ 2,784,932	\$ 2,318,321	\$ 2,840,020
OPERATIONAL NET POSITION W/O CARES	1,113,113	563,418	\$ 784,932	\$ 318,321	\$ 840,020

# CAPITAL BUDGET



# FY 2023 Revenue (Capital)

## ► “C” Revenue

- CARES Act Reimbursement (\$3.9M)
  - Terminal Phase 1 Construction
  - SRE Equip & Storage
  - CCTV Video Upgrades
- Carry Over Revenue (\$430k)
- Current year (2023) AIP Revenue (\$4.2M)
  - Control Tower and SRE Storage Building
  - \$1.0M in Contingency
- CFC Revenue (\$210k est.)

### "C" REVENUE - CAPITAL BUDGET

4752-01 · CARES Act	\$	3,905,383
4753-01 · AIP '53 - Rehabilitate Runway Phase 2	\$	65,000
4758-01 · AIP '58 - Rehabilitate Runway Phase 3	\$	365,000
4800-00 · Current Year AIP	\$	4,198,000
CFC Pass-through Revenue (account to be created)	\$	210,000
<b>Total "C" REVENUE</b>	<b>\$</b>	<b>8,743,383</b>



# FY 2023 Expense (Capital)

- ▶ “C” Expenses
  - Significant Planned Capital Expenses
  - Cash (Full and/or Partial) Funded Projects
    - Terminal Expansion Phase 1 (12.5M)
    - Terminal Phase 2 Design (\$620k)
    - Loader Plow (\$80k)
    - CCTV Upgrades (\$40k)
    - Vehicles (\$80k)
    - IT Needs (\$59.3k) Copier/Server Rebuild
    - Parking Lot Retainage (\$19k)
    - Short Term Parking Design/Construct (\$207k)
  - AIP Projects
    - Control Tower Expenses
    - SRE Storage Building
  - \$1.0M Contingency Included
  - \$430k Carry-over (AIP 53 & 58)



# FY 2023 Expense (Capital)

## ► “C” Expenses

<b>"C" EXPENSES - CAPITAL BUDGET</b>	
<b>7001-00 • CAPITAL EXPENDITURES</b>	
7001-0* • CONTINGENCY	\$ 1,000,000
7001-02 • Buildings and Improvements	\$ 15,468,952
7001-03 • Airfield & General Improvements	\$ 425,000
7001-04 • Office Equipment	\$ 12,000
7001-05 • Maintenance Equipment /Vehicle	\$ 80,000
7001-06 • Assessments/Plans/Studies	\$ 75,000
7001-09 • Security Equipment	\$ 40,000
7001-10 • SRE Acquisition Non-AIP	\$ 80,000
7001-11 • Network Equipment	\$ 47,300
<b>Total 7001-00 • CAPITAL EXPENDITURES</b>	<b>\$ 17,228,252</b>
<b>8501-00 • CIP - General</b>	
8501-00 • CIP - General - Other	\$ 430,000
<b>Total 8501-00 • CAPITAL EXPENDITURES</b>	<b>\$ 430,000</b>
<b>Total "C" EXPENSES</b>	<b>\$ 17,658,252</b>

# FY 2023 Airport Combined Financials



## FRIEDMAN MEMORIAL AIRPORT FY 2023 BUDGET BUILD COMBINED

VERSION: Created 06.08.22

FY 2023  
BUILD

TOTAL REVENUE	\$	7,170,145
TOTAL "A+B" EXPENSES	\$	4,330,125
OPERATIONAL NET POSITION	\$	2,840,020
OPERATIONAL NET POSITION W/O CARES	\$	840,020
Total "C" REVENUE	\$	8,743,383
Total "C" EXPENSES	\$	17,658,252
TOTAL OPERATIONAL (A&B) + CAPITAL (C) REVENUE	\$	15,913,528
TOTAL OPERATIONAL (A&B) + CAPITAL (C) EXPENSES	\$	21,988,377
AIRPORT TOTAL NET POSITION (BUDGETED)	\$	(6,074,849)
OPERATIONAL NET POSITION W/O CARES	\$	840,020
TOTAL NET POSITION W/O CARES	\$	(9,980,232)



# Next Steps

## Board Review

- ▶ Second Review (July)

## Notice of Budget Hearing

- ▶ Following Title 50-1002
- ▶ Notified County Clerk prior to 04/30 (63-802A)
- ▶ Post Outside Admin Building 07/11
- ▶ Publish in the Newspaper 07/13 & 07/20

## Budget Hearing

- ▶ August 2<sup>nd</sup> 5:30PM



QUESTIONS



# Parking Lot Fees

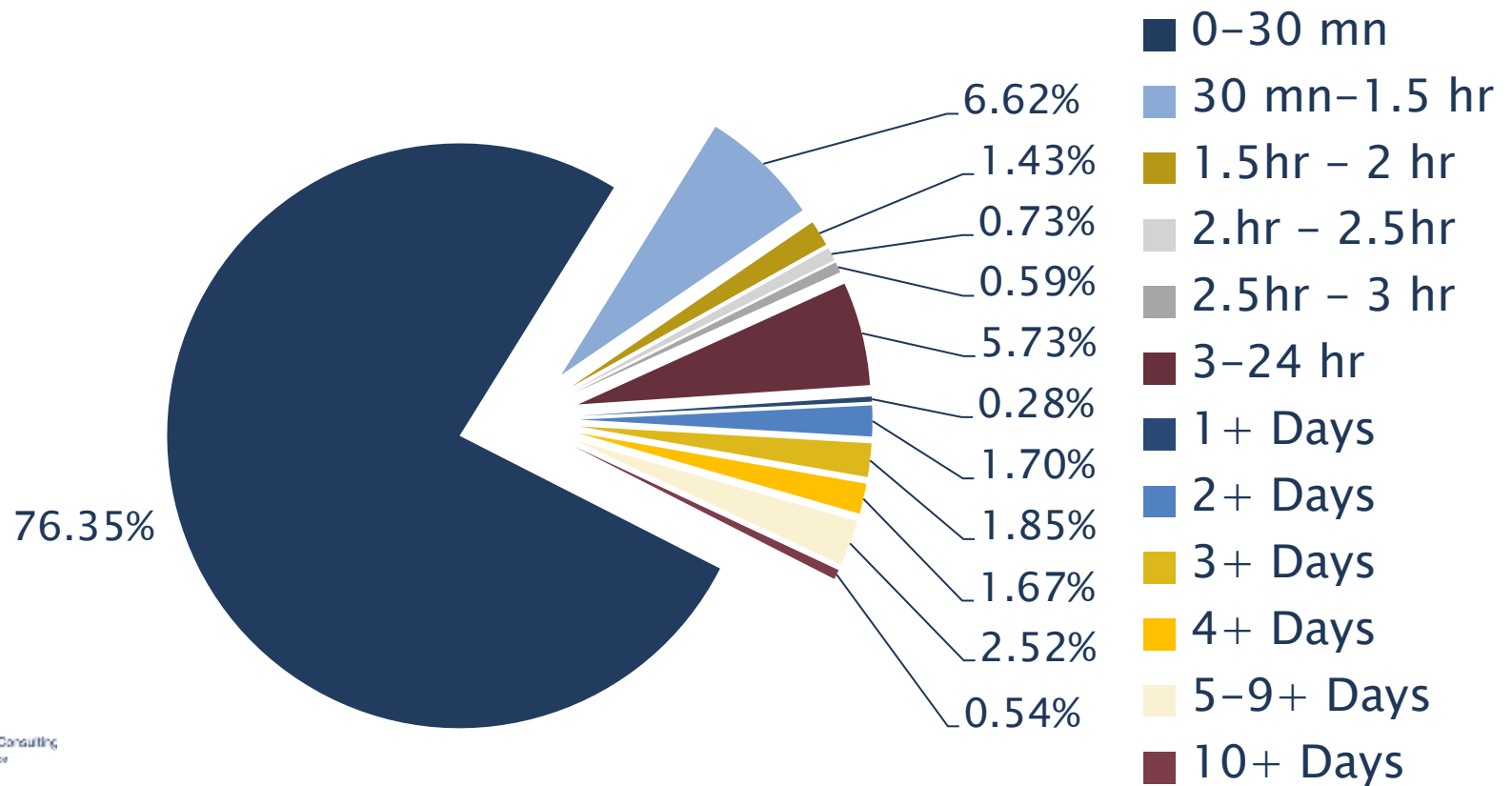
## Discussion



# Utilization Study – Review 2022

# Users by Duration of Stay

Users by Duration of Stay - Calendar 2019 -- Annualized



# Regional Rate Review

## Boise

Garage 24hr  
max \$11.50 / ~~\$23.00~~  
Surface 24hr max  
~~\$9.00~~ / ~~\$10.00~~

## Idaho Falls

24hr max  
~~\$12.00~~ / ~~\$14.00~~  
*reviewing to  
propose increase  
in fall 22*

## Jackson Hole

2hr-24 max \$15.00  
/ ~~\$17.00~~

## Aspen

24hr max  
\$12.00  
*No Change*

## Bend

24hr max \$15.00  
*No Change*

## Bozeman

24hr max \$12.00 /  
~~\$15.00~~



# Discussion and Updates

## Continuing Business

# Miscellaneous

# Air Traffic Control Tower Replacement Project

## Update and Discussion

# SUN Digital Tower Statement of Work

- ▶ Statement of Work
  - Basis of contract and fee
  - Extensive review and coordination with Raytheon, Bill Payne and legal counsel
- ▶ Questions and discussion
- ▶ Seeking FMAA support to move forward with contract and fee negotiation with Raytheon based on Statement of Work

# Construction and Capital Projects

# Runway Rehabilitation and Parking Lot Projects

## Update



# Rehabilitate Runway, Taxiway & Aprons

- ▶ Airfield Construction Phasing
  - Phase 3 – Runway Grooving (Night Closures)
    - Late summer/early fall 2022
  - Phase 4 – Final Markings (Intermittent Daytime Closures)
    - Late Summer/early Fall 2022

# New Parking Lot Construction

- ▶ July 1 completion date



# Airport Planning Projects

# Environmental Assessment (Land Acquisition)

## Update

# Land Acquisition EA

- ▶ 30-day public comment period closed
  - May 11–June 10
- ▶ Next steps



# Public Comment

# Executive Session

I.C. §74-206 (c) To acquire an interest in real property which is not owned by a public agency



Thank You!

