

**NOTICE OF A REGULAR MEETING
OF
THE FRIEDMAN MEMORIAL AIRPORT AUTHORITY**

PLEASE TAKE NOTICE that a regular meeting of the Friedman Memorial Airport Authority shall be held Tuesday, October 4, 2016 at 5:30 p.m. at the old Blaine County Courthouse Meeting Room Hailey, Idaho. All matters shall be considered Joint Decision Matters unless otherwise noted. The proposed Agenda for the meeting is as follows:

**AGENDA
October 4, 2016**

- I. APPROVE AGENDA**
- II. PUBLIC COMMENT (10 Minutes Allotted)**
- III. FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:**
 - A. September 6, 2016 Regular Meeting – Motion to Approve – Attachment #1 ACTION
- IV. REPORTS**
 - A. Chairman Report DISCUSSION
 - B. Blaine County Report DISCUSSION
 - C. City of Hailey Report DISCUSSION
 - D. Airport Manager Report DISCUSSION
 - E. Communications Director Report (Centerlyne) DISCUSSION
 - F. Fly Sun Valley Alliance Report DISCUSSION
- V. AIRPORT STAFF BRIEF (5 Minutes Allotted)**
 - A. Noise Complaints
 - B. Parking Lot Update
 - C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data – Attachments #2 - #4
 - D. Airport Commercial Flight Interruptions
 - E. Review Correspondence – Attachment #5
- VI. OLD BUSINESS**
 - A. Airport Solutions
 - 1. Current Projects
 - a. Runway Safety Area Improvements Project - Update DISCUSSION
 - b. Terminal Air Carrier Apron Improvements – Update DISCUSS/DIRECT
 - c. Terminal Parking Lot Improvements – Update DISCUSSION
 - d. Terminal Concession – Update DISCUSSION
 - 2. Future Projects
 - a. Terminal Airline Ticketing Office Improvements – Update DISCUSSION
 - B. Runway 13-31 Pavement Maintenance - Update DISCUSSION
 - C. Voluntary Noise Abatement Program Review Committee - Opportunity for the Committee to Update the FMAA on Activity DISCUSSION/PUBLIC COMMENT
 - D. Master Plan – Introduction of DRAFT Chapter F - Financial Plan – Attachment #6 DISCUSSION/PUBLIC COMMENT
 - E. Noise Modeling – Update DISCUSSION/PUBLIC COMMENT
- VII. NEW BUSINESS**
 - A. Surplus Property Disposal – review of surplus property list and declaration of the items as surplus property - Attachment #7 DISCUSS/PUBLIC COMMENT/ACTION
 - B. Independent Board Member Selection Process – The Board-established term of the Independent Board Member ends on December 31st. Discussion of the selection process as desired. DISCUSS/PUBLIC COMMENT/ACTION
- VIII. PUBLIC COMMENT**
- IX. EXECUTIVE SESSION –**
 - I.C. §74-206 (c) To acquire an interest in real property which is not owned by a public agency
 - I.C. §74-206 (f) To communicate with legal counsel to discuss legal ramifications for controversy imminently likely to be litigated
- X. ADJOURNMENT**

III. FRIEDMAN MEMORIAL AIRPORT AUTHORITY MEETING MINUTES OF:

A. September 6, 2016 Regular Meeting – Motion to Approve - Attachment #1

BOARD ACTION: 1. Action

IV. REPORTS

A. Chairman Report

This item is on the agenda to permit a Chairman report if appropriate.

BOARD ACTION: 1. Discussion

B. Blaine County Report

This item is on the agenda to permit a County report if appropriate.

BOARD ACTION: 1. Discussion

C. City of Hailey Report

This item is on the agenda to permit a City report if appropriate.

BOARD ACTION: 1. Discussion

D. Airport Manager Report

This item is on the agenda to permit an Airport Manager report if appropriate.

BOARD ACTION: 1. Discussion

E. Communications Director Report (Centerlyne)

This item is on the agenda to permit a Communications Director report if appropriate.

BOARD ACTION: 1. Discussion

F. Fly Sun Valley Alliance Report

This item is on the agenda to permit a report if appropriate.

BOARD ACTION: 1. Discussion

V. AIRPORT STAFF BRIEF - (5 Minutes Allotted)

A. Noise Complaints:

LOCATION	DATE	TIME	AIRCRAFT TYPE	INCIDENT DESCRIPTION	ACTION TAKEN
Hailey	8/25/16	12:46 am	Helicopter	Helicopter arrival low over north end of Hailey.	None. St. Luke's Lifeflight helicopter came in for fuel and parked at Atlantic.
Bellevue	9/9/2016	5:18 pm	Turboprop	Loud airplane flew over home. Props in the back of the aircraft.	Unable to identify anything unusual about the activity. Likely a Piaggio which can be a bit unpleasant.
Camas County	9/10/16	9:35 am	Prop	Caller advised of an aircraft flying low over his and several houses in Camas County. Looked like it was headed toward SUN.	Unable to identify aircraft or event.
Hailey	9/21/2016	8:48 pm	None	Jet moving back and forth revving engine for half an hour.	This was not an aircraft. Airport Operations was out on the airfield in the sweeper performing airport maintenance activities. Ops Manager called to discuss with the caller and apologized for the inconvenience. FMA will consider earlier hours for future similar maintenance activities.

B. Parking Lot Update

The Car Park Gross/Net Revenues						
Month	FY 2014 Gross	FY 2014 Net	FY 2015 Gross	FY 2015 Net	FY 2016 Gross	FY 2016 Net
August	\$32,652.36	\$23,276.88	\$34,909.00	\$26,860.26	\$38,249.80	\$24,985.17

C. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data - Attachments #2 - #4

Attachment #2 is Friedman Memorial Airport Profit & Loss Budget vs. Actual. **Attachment #3** is 2001 - 2016 ATCT Traffic Operations data comparison by month. **Attachment #4** is 2016 Enplanement, Deplanement and Seat Occupancy data. The following revenue and expense analysis is provided for Board information and review:

July 2015/2016

Total Non-Federal Revenue	July, 2016	\$582,293.95
Total Non-Federal Revenue	July, 2015	\$523,272.66
Total Non-Federal Revenue	FY '16 thru July	\$2,578,331.25
Total Non-Federal Revenue	FY '15 thru July	\$2,170,185.98
Total Non-Federal Expenses	July, 2016	\$210,812.09
Total Non-Federal Expenses	July 2015	\$169,607.30
Total Non-Federal Expenses	FY '16 thru July	\$2,267,099.81
Total Non-Federal Expenses	FY '15 thru July	\$1,904,619.86
Net Income to include Federal Programs	FY '16 thru July	\$-1,014,412.40
Net Income to include Federal Programs	FY '15 thru July	\$-4,607,615.05

D. Airport Commercial Flight Interruptions: Past 30 days through Sept. 28, 2016

AIRLINE	FLIGHT CANCELLATIONS	FLIGHT DIVERSIONS
Horizon Air	3 total flight cancellations 9/14 - (1) outbound SEA 9/22 - (2) outbound LAX and SEA Unable to land due to low minimums	3 diversions to Boise 9/14 - (1) from SEA 9/22 - (2) from SEA Passengers bussed from Boise to SUN
Delta	4 total flight cancellations 8/28 - (2) below mins 9/22 - (2) below mins	None
United Express	None	None

E. Review Correspondence – Attachment #5

Attachment #5 is information included for Board review.

VI. OLD BUSINESS

A. Airport Solutions

1. Current Projects

a. Runway Safety Area Improvements Project – Update

All work is complete on the original contract for the terminal project. Work on a change order to construct the concessions space in the secure holding area of the terminal will begin soon.

The as-constructed survey of all of the projects is complete, with the exception of final approval of the data in the FAA's system.

Work on the closeout report for the AIP '041 grant is underway.

No actions are requested of the board regarding this subject during the October meeting. No presentation or discussion during the meeting is anticipated.

BOARD ACTION: 1. Discussion

b. Terminal Air Carrier Apron Improvements – Update

Preliminary work on this project is ongoing. A preliminary layout of the apron area will be presented to the board at the meeting. Due to the grades in the area of this project, a retaining wall will be required to construct the project. The presentation will include concept(s) for this wall.

No actions are requested of the board regarding this subject at the October meeting, other than to provide general input on the proposed layout.

BOARD ACTION: 1. Discuss/Direct

c. Terminal Parking Lot Improvements – Update

Preliminary work on this project is ongoing, in conjunction with the Terminal Aircraft Parking Improvements above. Once the apron layout is accepted, design of the parking lot changes will begin. A proposed concept for the parking lot will be presented to the board at the November meeting.

No actions are requested of the board regarding this subject during the October meeting. The general impacts of the apron improvements on the parking lot will be discussed in conjunction with the apron concept.

BOARD ACTION: 1. Discussion

d. Terminal Concession – Update

Equipment has been ordered and plans finalized by Conrad Brothers. Construction is on schedule to begin in mid-October with completion of the project by Thanksgiving. A visit to the Idaho Falls Regional Airport by airport staff and our prospective concessionaire is planned the week of 10 Oct. The purpose of the visit is to discuss and educate ourselves regarding their successful processes and procedures for concession operations within the secure area of the airport.

BOARD ACTION: 1. Discussion

2. Future Projects

a. Terminal Airline Ticketing Office Improvements – Update

Staff and the consultant team are investigating options to finance potential improvements to the terminal, as presented at the August, 2016 meeting. Initial contact has been made and coordination established with TSA Headquarters (HQ) regarding these types of projects and funding. A tentative FMA site visit by the appropriate TSA HQ official for Idaho has been scheduled for mid-October to discuss the project and potential partnership opportunities.

No presentation or discussion is anticipated for this meeting.

BOARD ACTION: 1. Discussion

B. Runway 13-31 Pavement Maintenance - Update

This project is scheduled for October 3-5, weather permitting. As of Wednesday 28 September, as the Board packet is being assembled, the weather forecast does not look conducive to commencing with the project. A progress update will be provided at the meeting.

BOARD ACTION: 1. Discussion

C. Voluntary Noise Abatement Program Review Committee – Opportunity for the Committee to Update the FMAA on Activity

The next meeting of the Voluntary Noise Abatement Review Committee will be held on October 12, 2016. Expected business includes a work session with Rob Adams from Landrum & Brown regarding noise modeling scenarios.

BOARD ACTION: 1. Discuss/Public Comment

D. Master Plan – Introduction of DRAFT Chapter F – Financial Plan – Attachment #6

Mead & Hunt has revised Chapter D, Existing Airport Site Alternatives, to reflect comments received from the Board at their September meeting. This revised version will be posted on the Airport's website and included in the final Master Plan report. T-O Engineers has begun updating the Airport Layout Plan based on the 20-year Conceptual Development Plan shown at the end of this chapter.

Ricondo & Associates has delivered a draft version of Chapter F, Financial Feasibility Analysis, Attachment #6 in this month's Board packet for FMAA review and discussion. The project team requests Board comment on draft Chapter F be provided at the November Board meeting. Based on the Board's input, Ricondo & Associates will make any necessary revisions to Chapter F prior to inclusion in the final Master Plan report.

BOARD ACTION: 1. Discuss/Public Comment

E. Noise Modeling – Update

Rob Adams from Landrum & Brown will be in Hailey on October 12, 2016, to attend the next Voluntary Noise Abatement Committee meeting. Rob will help facilitate discussion with committee members to determine scenarios to be considered for the upcoming noise modeling effort. Based on the outcome of the meeting, staff will coordinate with Mr. Adams to refine project tasks and define a schedule to formally begin the modeling effort.

It should be noted that Mr. Adams' visit is Pro Bono. He is in the region for other work purposes and offered to accommodate this visit to help us with our efforts.

BOARD ACTION: 1. Discuss/Public Comment

VII. NEW BUSINESS

A. Surplus Property Disposal – Attachment #7

Airport staff has been busy cleaning and organizing the new maintenance/equipment bays and old cold storage facility. As a result of the process, several items have been identified that have not been used in several years and/or are no longer needed for airport operations and maintenance purposes. A list of identified equipment and other miscellaneous items is included as **Attachment #7**. Staff is requesting review of the attached list and declaration of the items as surplus property. Once declared surplus, staff will move forward with disposal of the property via private sale, sealed bid process, or auction. The disposal process will be in accordance with the Joint Powers Agreement, and other federal disposal requirements for property acquired with FAA Airport Improvement Program funds.

BOARD ACTION: 1. Discuss/Public Comment/Action
Declaration of surplus property as included in the attached FMA list of Surplus Property for disposal by staff in accordance with all local, state, and federal surplus property disposal requirements.

B. Independent Board Member Selection Process

The Board-established term of the Independent Board Member expires on December 31st. While still a few months out, this is a friendly reminder to the Board so you can begin discussion of the selection process as desired per the established Guidelines for Selection for this position.

BOARD ACTION: 1. Discuss/Public Comment/Action
Direction to staff at the Board's discretion related to the Independent Board Member position which expires on December 31, 2016.

VIII. PUBLIC COMMENT

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

I.C. §74-206 (f) To communicate with legal counsel to discuss legal ramifications for controversy imminently likely to be litigated

X. ADJOURNMENT

**MINUTES OF A REGULAR MEETING
OF THE
FRIEDMAN MEMORIAL AIRPORT AUTHORITY***

**September 6, 2016
5:30 P.M.**

IN ATTENDANCE:

BOARD MEMBERS: Chairman – Ron Fairfax, Vice-Chairman – Don Keirn, Secretary - Lawrence Schoen, Treasurer - Jacob Greenberg, Board - Fritz Haemmerle, Angenie McCleary

FRIEDMAN MEMORIAL AIRPORT STAFF: Airport Manager – Chris Pomeroy, Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie, Operations Manager – Todd Emerick; Administrative Assistant – Cecilia Vega

CONSULTANTS: T-O Engineers – Dave Mitchell; Centerlyne – Nancy Glick and Sarah Shepard

AIRPORT TENANTS/PUBLIC: Serco ATCT – George White; Felicity Roberts, Atlantic Aviation – Mike Rasch, James Hicks, Tina Morizzi, Jim Nast; Evan Stelma, Len Harlig, FSVA – Carol Waller; Walt Denekas, Bill Rae, Glass Cockpit Aviation – John Strauss; FHR – Marc Reinemann; Donna Serrano

AIRPORT LEGAL COUNSEL: Lawson Laski Clark & Pogue, PLLC – Jim Laski

PRESS: Idaho Mountain Express – Ryan Thorne

CALL TO ORDER:

The meeting was called to order at 5:36 p.m. by Chairman Fairfax.

I. APPROVE AGENDA

The agenda was approved as presented.

II. PUBLIC COMMENT

No public comment was made.

III. AIRPORT STAFF BRIEF

A. Recognition of the 2015 Employee of the Year Award – Mr. Jim Hicks, Atlantic Aviation

Airport Manager Pomeroy announced that Mr. Jim Hicks, Line Manager for Atlantic Aviation, has been selected as the Friedman Memorial Airport Employee of the Year for the Calendar Year 2015. He congratulated Mr. Hicks and thanked him for his efforts and service to the Blaine County community.

Atlantic Aviation General Manager, Mike Rasch, commented that Mr. Hicks is an amazing employee with an equally amazing memory that has served him at the Airport for the last 23 years. He commented that Mr. Hicks always comes to work and gets along with everybody and congratulated him on receiving this honor.

Mr. Hicks thanked the Board for the award.

Glass Cockpit Aviation owner, John Strauss, commented that he knows how difficult Mr. Hicks job is as an FBO line manager from personal experience and thanked Mr. Hicks for his service.

IV. APPROVE FMAA MEETING MINUTES

A. August 2, 2016 Regular Meeting (See Brief)

The August 2, 2016 Friedman Memorial Airport Authority Meeting Minutes were approved as presented.

MOTION:

Made by Board Member Greenberg to approve the August 2, 2016 Friedman Memorial Airport Authority Regular Meeting Minutes as presented. Seconded by Vice-Chairman Keirn.

PASSED

BOARD MEMBER HAEMMERLE ABSTAINED

V. REPORTS

A. Chairman Report

No report was given.

B. Blaine County Report

No report was given.

C. City of Hailey Report

No report was given

D. Airport Manager Report (See Power Point Presentation)

Airport Manager Pomeroy briefed the Board of the following:

- His attendance at the Northwest Mountain Region American Association of Airport Executives Conference and subjects presented at the conference including remote Air Traffic Control Towers, TSA impacts, the burden on airports with new AIP policies, security and unmanned aircraft systems.
- The renewal of airline ticket office leases with Delta Airlines, United Airlines, and Alaska Airlines to include the possibility of a combined lease and how a partnership would affect the improvements to the airline ticketing office funding scenario.
- The beginning of snow removal plan development discussions and NOTAM reporting changes that are being implemented according to FAA regulations.
- The status of the Operations Specialist/ARFF Position application process closed on September 2 and Staff's next steps to coordinate interviews.
- The investigation of airport wayfinding improvements.
- The status of Alaska Airline's request for the implementation of an RNP approach.

E. Communications Director Report (See Power Point Presentation)

Communications Director Nancy Glick updated the Board on the adoption of new branding, Mountain Ride Bus advertisements, the status of construction for the new website, and social media statistics.

F. Fly Sun Valley Alliance Report

Fly Sun Valley Alliance representative, Carol Waller, reported that some of the fall flights have been extended and are currently working on negotiations for service for next summer and fall as well as strategic planning for 2018.

Board Member McCleary commented that Mountain Rides has indicated that they will be offering direct bus service to the Airport during the winter.

**VI. AIRPORT STAFF BRIEF
(cont.)**

- B. Noise Complaints (See Brief)**
- C. Parking Lot Update (See Brief)**
- D. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)**
- E. Airport Commercial Flight Interruptions (See Brief)**
- F. Review Correspondence (See Brief)**

VII. OLD BUSINESS

A. Airport Solutions

1. Current Projects

a. Runway Safety Area Improvements Project – Update

Airport Manager Pomeroy briefed the Board that the RSA Improvements Project is expected to close this month.

b. Terminal Aircraft Apron Improvements - Update (See Brief)

Airport Manager Pomeroy briefed the Board that the design efforts for the Terminal Aircraft Apron Improvements project continues and will present initial concepts to the Board at the October meeting.

2. Future Projects

a. Terminal Parking Lot Improvements - Update (See Brief)

No update was given.

b. Terminal Airline Ticketing Office Improvements - Update (See Brief & Power Point Presentation)

Airport Manager Pomeroy briefed the Board that he was been working with R/L/B to determine space breakouts for the area in order to help him understand potential eligibility with the FAA and develop create solutions for funding. He briefed the Board that he will be meeting with TSA representatives to discuss funding of the improvements for their area.

B. Runway 13-31 Pavement Maintenance – Update (See Brief & Power Point)

Airport Manager Pomeroy reminded the Board that the pavement maintenance has been scheduled for October 3-5 and also briefed the Board that there may be a closure for a few hours on October 2nd for rubber removal.

C. Voluntary Noise Abatement Program Review Committee – Opportunity for the Committee to Update the FMAA on Activity

Committee Chairman Walt Denekas reported that the Committee will be reviewing draft VFR procedures at their next meeting as well as proposing scenarios to the Board for the noise modeling program.

D. Master Plan– Review of Revised Chapter D including Revised Conceptual Development Plan and Narrative to include RPZ Discussion/Status Update and Next Steps (See Brief)

Airport Manager Pomeroy updated the Board on the current status of Chapter D of the Master Plan Update (MPU) and requested that the Board consider approval of Chapter D's revised narrative text for Section 6.4 and Figure D-11.

Board Member Haemmerle suggested the following changes in the last paragraph of Section 6.4:

“To comply with current FAA guidance, this Master Plan recommends land acquisition, creation of perpetual easements or other lawful measures, for the area south of the Airport...”

He also suggested that the RPZ section of Figure D-11 be labeled as “RPZ & Approach Protection” and the GA apron area expansion be labeled as “GA Apron & Hangar Development.”

Airport Manager Pomeroy asked the Board to discuss what they would be comfortable with in terms of cost estimation for land acquisition.

Chairman Fairfax commented that the cost estimate should be high in order to portray the worst case scenario.

Board Member Schoen commented that the Board should develop a range of costs from low to high and acknowledge in the financial analysis that the exact acreage the Board may ultimately acquire is unknown.

Vice-Chairman Keirn commented that an estimate for land acquisition would also need to factor in time as this is a 20-Year plan.

Airport Manager Pomeroy commented that Airport Staff will work with the consultants and planning team to develop a cost estimate that includes the appropriate factors and apply the estimate to the acreage that could potentially be acquired in the future.

Board Member Haemmerle commented that he is unsure whether it would be wise to include a cost estimate for potential future land acquisition in the MPU at this time.

Board Member Schoen asked what relevance Chapter F has in relation to future financing.

Chairman Pomeroy answered that in order for land acquisition to be eligible for AIP funding it needs to be identified on the Airport Layout Plan (ALP) and identified in the Airport's 5-Year Capital Improvement Program (CIP), which takes its planning and financial information from Chapter F of the MPU.

Board Member Schoen commented that a cost estimation for potential future land acquisition needs to be analyzed and discussed for inclusion in the MPU.

Engineer Mitchell commented that the inclusion of a financial analysis for land acquisition in the MPU does not commit the Board to land acquisition.

MOTION:

Made by Board Member Schoen to amend Chapter D to include the new Section 6.4 as amended from tonight's meeting, to retitle the old Section 6.4 to Section 6.5, and to include Figure D-11, the 20-Year Conceptual Development Plan, as amended from tonight's meeting. Seconded by Board Member Haemmerle.

PASSED UNANIMOUSLY

Chairman Fairfax opened the discussion for public comment.

Walt Denakas commented that removing the trees to the south of the airfield would be a sound and safe improvement for the Airport in his opinion.

The Board directed Airport Manager Pomeroy to work with the consultants and planning team to develop a land acquisition cost estimate for Chapter F of the MPU.

E. Noise Monitoring/Modeling – Consideration of Revised Draft Scope of Work (See Brief & Power Point Presentation)

Airport Manager Pomeroy briefed the Board on the Noise Modeling project and suggested that the Board consider the revised Draft Scope of Work for approval and direction on next steps for the project.

Chairman Fairfax commented that one of the modeling efforts should be based on a 20-year projection.

Board Member Schoen asked if the Voluntary Noise Abatement Committee meetings are publicly noticed and open to public participation.

Walt Denekas commented that the meetings are open to public participation and the Committee's results and suggestions are presented at publicly-noticed FMAA meetings.

Attorney Laski commented that he will research the law regarding the matter further.

Board Member McCleary commented that she would prefer that the Committee meetings adhere to open meeting laws.

Chairman Fairfax opened the discussion for public comment.

No public comment was made.

Board Member McCleary commented that the Board should be mindful that this project will take all the FY '17 funds budgeted for the contingency account.

Airport Manager Pomeroy commented that the budget was developed with some flexibility if other contingencies come up throughout the year.

Board Member Haemmerle requested that the Board be given clear instructions on the agenda as to what action they will be requested to take on scopes of work. He also commented that he would support a noise impact study being implemented in the future during a time of high operational activity at the Airport and asked how far away from the Airport the noise impacts can be modeled.

Airport Manager Pomeroy answered that the impact areas can be modeled as far away from the Airport as the Board directs. He also commented that he will be available to discuss the structure of the Board's agenda at Board Member Haemmerle's convenience.

He commented that it needs to be modeled at a far enough distance to the north and south to determine noise impacts for Bellevue and Hailey residents.

Board Member McCleary commented that it is appropriate for the Noise Abatement Committee to discuss the noise modeling project and present their recommendations to the Board for consideration.

MOTION:

Made by Board Member McCleary to approve the Friedman Memorial Airport Authority Noise Modeling Scope of Work in an amount not to exceed \$22,080. Seconded by Board Member Haemmerle.

PASSED UNANIMOUSLY

VIII. NEW BUSINESS

A. Terminal Concession

1. Concession Space Build Out – Conrad Brothers (See Brief & Power Point)

Airport Manager Pomeroy briefed the Board on the renovation of the terminal concession area in the passenger terminal holding area. He requested that the Board allow Staff to amend the existing terminal renovation services contract with Conrad Brothers for an additional \$93,752.90 and continue concession lease agreement negotiations with Jersey Girl and Vyykn.

Contracts/Finance Administrator Lisa Emerick briefed the Board that the additional \$93,752.90 will be financed from FY '17 capital funds.

Board Member Schoen asked if the space's design will be able to support any food service vendor the Board has a lease agreement with in the future.

Airport Manager Pomeroy answered that the space has been designed by BSR Design & Supplies for general use.

Chairman Fairfax opened the discussion for public comment.

Len Harlig commented that a food concession has not been able to succeed in the Airport passenger terminal since 1993 and suggested that the Board consider subsidization.

Board Member Greenberg commented that Ruscitto/Latham/Blanton architects also reviewed the proposal and considered the proposed fees appropriate.

MOTION:

Made by Board Member Schoen to amend the existing terminal renovation services contract between Friedman Memorial Airport Authority and Conrad Brothers Construction for construction of a food concession area in the secure area of the passenger terminal for the cost of \$93,752.90. Seconded by Board Member McCleary.

NOT PASSED

Board Member Haemmerle asked if the \$93,752.90 cost is a not-to-exceed amount of a fixed amount.

Board Member Schoen amended his motion as follows:

MOTION: *Made by Board Member Schoen to amend the existing terminal renovation services contract between Friedman Memorial Airport Authority and Conrad Brothers Construction for construction of a food concession area in the secure area of the passenger terminal for an amount not-to-exceed \$93,752.90. Seconded by Board Member McCleary.*

PASSED UNANIMOUSLY

2. Concession Lease Agreements (See Brief)

Airport Manager Pomeroy briefed the Board that Staff has begun negotiations with Jersey Girl and Vyykn for concession lease agreements and requested that the Board discuss continuing those efforts.

Board Member McCleary commented that she has spoken with the owner of Jersey Girl and she is excited about the opportunity to provide food concessions at the Airport.

Airport Manager Pomeroy commented that Staff and the FMAA Lease Committee will continue negotiations with Jersey Girl and Vyykn and present draft lease agreements to the Board for approval at the appropriate time.

IX. PUBLIC COMMENT

Len Harlig asked that the Board consider installing elevated aisle or row signs with either letters or numbers in the parking spaces of the public vehicle parking lot when it is redesigned in order to make it easier for passengers to find their vehicles.

X. EXECUTIVE SESSION – I.C. §74-206 (c)(f)

MOTION:

Made by Board Member McCleary to enter into executive session pursuant to Idaho Code §74-206 paragraph (c) to acquire an interest in real property and paragraph (f) to communicate with legal counsel to discuss legal ramifications for controversy imminently likely to be litigated. Seconded by Vice-Chairman Keirn.

ROLL CALL VOTE:

Chairman Fairfax	Yes
Vice-Chairman Keirn	Yes
Board Member Greenberg	Yes
Board Member Schoen	Yes
Board Member Haemmerle	Yes
Board Member McCleary	Yes

PASSED UNANIMOUSLY

XI. ADJOURNMENT

The September 7, 2016 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 7:50 p.m.

Lawrence Schoen, Secretary

** Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

Ordinary Income/Expense	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
Income				
4000-00 · AIRCARRIER				
4000-01 · Aircarrier - Lease Space	70,434.30	84,520.44	-14,086.14	83.3%
4000-02 · Aircarrier - Landing Fees	118,008.40	150,000.00	-31,991.60	78.7%
4000-03 · Aircarrier - Gate Fees	1,000.00	1,200.00	-200.00	83.3%
4000-04 · Aircarrier - Utility Fees	18,245.64	16,041.00	3,204.64	120.0%
4010-07 · Aircarrier - '14 PFC App	236,795.71	301,500.00	-64,704.29	78.5%
Total 4000-00 · AIRCARRIER	445,484.05	553,261.44	-107,777.39	80.5%
4020-00 · TERMINAL AUTO PARKING REVENUE				
4020-01 · Automobile Parking - Terminal	150,666.88	200,000.00	-49,333.12	75.3%
Total 4020-00 · TERMINAL AUTO PARKING REVENUE	150,666.88	200,000.00	-49,333.12	75.3%
4030-00 · AUTO RENTAL REVENUE				
4030-01 · Automobile Rental - Commission	381,935.74	485,000.00	-103,064.26	78.7%
4030-02 · Automobile Rental - Counter	22,288.20	25,000.00	-2,711.80	89.2%
4030-03 · Automobile Rental - Auto Prkng	56,011.60	59,285.27	-3,273.67	94.5%
4030-04 · Automobile Rental - Utilities	1,353.24	2,500.00	-1,146.76	54.1%
Total 4030-00 · AUTO RENTAL REVENUE	461,588.78	571,785.27	-110,196.49	80.7%
4040-00 · TERMINAL CONCESSION REVENUE				
4040-10 · Advertising - Commission	39,478.75	33,000.00	6,478.75	119.6%
4040-11 · Vending Machines - Commission	18,298.71	15,000.00	3,298.71	122.0%
4040-12 · Terminal ATM	120.75			
Total 4040-00 · TERMINAL CONCESSION REVENUE	57,898.21	48,000.00	9,898.21	120.6%
4050-00 · FBO REVENUE				
4050-01 · FBO - Lease Space	200,205.71	225,189.60	-24,983.89	88.9%
4050-02 · FBO - Tie-down Fees	347,829.22	480,000.00	-112,170.78	75.6%
4050-03 · FBO - Landing Fees - Trans.	252,379.08	275,000.00	-22,620.92	91.8%
4050-04 · FBO - Commission	16,658.94	18,000.00	-1,341.06	92.5%
Total 4050-00 · FBO REVENUE	817,072.95	978,189.60	-161,116.65	83.5%
4060-00 · FUEL FLOWAGE REVENUE				
4060-01 · Fuel Flowage - FBO	189,638.48	210,000.00	-10,361.52	95.1%
Total 4060-00 · FUEL FLOWAGE REVENUE	189,638.48	210,000.00	-10,361.52	95.1%
4070-00 · TRANSIENT LANDING FEES REVENUE				
4070-02 · Landing Fees - Non-Comm./Gov't	200.06	500.00	-299.94	40.0%
Total 4070-00 · TRANSIENT LANDING FEES REVENUE	200.06	500.00	-299.94	40.0%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
4090-00 · HANGARS REVENUE				
4090-01 · Land Lease - Hangar	389,631.52	571,006.43	-181,374.91	68.2%
4090-02 · Land Lease - Hangar/Trans. Fee	9,737.00	5,384.00	4,353.00	180.9%
4090-03 · Land Lease - Hangar/Utilities	1,511.53	1,563.00	-51.47	96.7%
Total 4090-00 · HANGARS REVENUE	400,880.05	577,953.43	-177,073.38	69.4%
4090-00 · TIEDOWN PERMIT FEES REVENUE				
4090-01 · Tiedown Permit Fees (FMA)	8,390.47	11,649.00	-3,258.53	72.0%
Total 4090-00 · TIEDOWN PERMIT FEES REVENUE	8,390.47	11,649.00	-3,258.53	72.0%
4100-00 · POSTAL CARRIERS REVENUE				
4100-01 · Postal Carriers - Landing Fees	7,681.60	13,000.00	-5,318.40	59.1%
4100-02 · Postal Carriers - Tiedown	2,970.00			
Total 4100-00 · POSTAL CARRIERS REVENUE	10,651.60	13,000.00	-2,348.40	81.9%
4110-00 · MISCELLANEOUS REVENUE				
4110-01 · Misc. Revenue	17.25			
4110-06 · Misc. - Security-Prox. Cards	30,280.00	32,000.00	-1,720.00	94.6%
4110-09 · Miscellaneous Expense Reimburse	0.00			
Total 4110-00 · MISCELLANEOUS REVENUE	30,297.25	32,000.00	-1,702.75	94.7%
4120-00 · GROUND TRANSP. PERMIT REVENUE				
4120-01 · Ground Transportation Permit	13,900.00	13,500.00	400.00	103.0%
4120-02 · GTSP - Trip Fee	2,819.60	3,080.00	-260.40	91.5%
Total 4120-00 · GROUND TRANSP. PERMIT REVENUE	16,719.60	16,580.00	139.60	100.8%
4400-00 · TSA				
4400-02 · Terminal Lease	210,645.25	40,000.00	170,645.25	526.6%
Total 4400-00 · TSA	210,645.25	40,000.00	170,645.25	526.6%
4510-00 · DOT/Small Community Air Service				
4510-01 · Small Community Air Service	0.00	150,000.00	-150,000.00	0.0%
Total 4510-00 · DOT/Small Community Air Service	0.00	150,000.00	-150,000.00	0.0%
4520-00 · INTEREST INCOME				
4520-07 · Interest Income - '14 PFC	12.50			
4600-00 · Interest Income - General	4,993.33	3,080.00	1,913.33	162.1%
Total 4520-00 · INTEREST INCOME	5,005.83	3,080.00	1,925.83	162.5%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport
Profit & Loss Budget vs. Actual (Combined '16)
October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
4740-00 · AIP 40 - Safety Area Proj. Imp.				
4740-01 · AIP '40 Project II	0.00	25,000.00	-25,000.00	0.0%
4740-00 · AIP 40 - Safety Area Proj. Imp. - Other	-31,495.30			
Total 4740-00 · AIP 40 - Safety Area Proj. Imp.	-31,495.30	25,000.00	-56,495.30	-126.0%
4741-00 · AIP 41 - Safety Area Phase III				
4741-01 · AIP '41 SA Phase III	860,109.65	1,500,000.00	-639,890.35	57.3%
4741-02 · TSA Office RA	0.00	210,000.00	-210,000.00	0.0%
Total 4741-00 · AIP 41 - Safety Area Phase III	860,109.65	1,710,000.00	-849,890.35	50.3%
4742-00 · AIP 42 - Project TBD				
4742-01 · AIP '42 Project TBD	0.00	1,125,000.00	-1,125,000.00	0.0%
Total 4742-00 · AIP 42 - Project TBD	0.00	1,125,000.00	-1,125,000.00	0.0%
Total Income	3,643,753.81	6,265,998.74	-2,622,244.93	58.2%
Gross Profit	3,643,753.81	6,265,998.74	-2,622,244.93	58.2%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

Expense	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
EXPENDITURES				
"A" EXPENSES				
5000-01 · Salaries - Airport Manager	133,630.11	156,900.00	-23,269.89	85.2%
5010-00 · Salaries - Contracts/Finance Adm	81,949.58	92,217.86	-10,268.28	88.9%
5010-01 · Salaries - Office Assist.	151,750.50	181,696.16	-29,945.66	83.5%
5020-00 · Salaries - ARFF/OPS Chief	58,669.59	92,217.86	-33,548.27	63.6%
5030-00 · Salaries - ARFF/OPS Specialist	259,143.49	319,890.40	-60,746.91	81.0%
5040-00 · Salaries-ASC/Sp.Prjct./Ex. Asst	59,836.04	65,652.90	-5,816.86	91.1%
5050-00 · Salaries - Temp.	18,503.75	25,000.00	-6,496.25	74.0%
5050-02 · Salaries - Merit Increase	0.00	36,000.00	-36,000.00	0.0%
5060-01 · Overtime - General	0.00	2,000.00	-2,000.00	0.0%
5060-02 · Overtime - Snow Removal	29,847.96	20,000.00	9,847.96	149.2%
5060-04 · OT - Security	0.00	2,500.00	-2,500.00	0.0%
5100-00 · Retirement	91,251.54	114,280.95	-23,039.41	79.8%
5110-00 · Social Security/Medicare	56,651.41	75,307.99	-18,656.58	75.2%
5120-00 · Life Insurance	1,720.94	1,500.00	220.94	114.7%
5130-00 · Medical Insurance	144,040.02	190,000.00	-45,959.98	75.8%
5160-00 · Workman's Compensation	12,436.00	15,000.00	-2,564.00	82.9%
5170-00 · Unemployment Claims	67.91			
Total "A" EXPENSES	1,099,498.84	1,390,174.12	-290,675.28	79.1%
"B" EXPENDITURES				
"B" EXPENSES - ADMINISTRATIVE				
6000-00 · TRAVEL EXPENSE				
6000-01 · Travel	11,651.77	12,000.00	-348.23	97.1%
Total 6000-00 · TRAVEL EXPENSE	11,651.77	12,000.00	-348.23	97.1%
6010-00 · SUPPLIES/EQUIPMENT EXPENSE				
6010-01 · Supplies - Office	34,725.26	13,000.00	21,725.26	267.1%
6010-03 · Supplies - Computer	6,748.22			
Total 6010-00 · SUPPLIES/EQUIPMENT EXPENSE	41,473.48	13,000.00	28,473.48	319.0%
6020-00 · INSURANCE				
6020-01 · Insurance - Liability	9,700.00	11,800.00	-2,100.00	82.2%
6020-02 · Insurance - Public Officials	5,161.54	4,715.00	446.54	109.5%
6020-03 · Insurance-Bldg./Unlic.Veh./Prop	37,842.42	35,660.00	2,182.42	106.1%
6020-04 · Insurance - Licensed Vehicles	6,559.00	6,992.00	-433.00	93.8%
Total 6020-00 · INSURANCE	59,262.96	59,167.00	95.96	100.2%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
6030-00 - UTILITIES				
6030-01 - Utilities - Gas/Terminal	11,918.84	9,000.00	2,918.84	132.4%
6030-02 - Utilities - Gas/Maintenance	6,135.96	5,062.00	1,073.96	121.2%
6030-03 - Utilities - Elect./Runway&PAPI	6,162.90	7,000.00	-837.10	88.0%
6030-04 - Utilities - Elec./Office/Maint.	8,501.24	15,000.00	-6,498.76	56.7%
6030-05 - Utilities - Electric/Terminal	34,383.08	34,600.00	-216.92	99.4%
6030-06 - Utilities - Telephone	12,839.42	12,184.46	654.96	105.4%
6030-07 - Utilities - Water	3,305.84	798.90	2,506.94	413.8%
6030-08 - Utilities - Garbage Removal	7,868.51	9,848.99	-1,981.48	79.9%
6030-09 - Utilities - Sewer	2,462.42	2,394.52	77.90	103.3%
6030-11 - Utilities - Electric/Tower	4,338.91	6,000.00	-1,661.09	72.3%
6030-12 - Utilities - Elec./Brdfrd.Hghl	627.70	723.18	-95.48	86.8%
6030-15 - Utilities - Elec/AWOS	2,767.71	2,552.53	215.18	108.4%
6030-16 - Utilities - Elec. Wind Cone	117.63	140.24	-22.61	83.9%
6030-17 - Utilities - Elec.- Hangar	53.83	210.82	-156.99	25.5%
Total 6030-00 - UTILITIES	101,483.99	105,506.64	-4,022.65	96.2%
6040-00 - SERVICE PROVIDER				
6040-01 - Service Provider - Weat/Flight	5,498.00	2,079.00	3,419.00	264.5%
6040-02 - Service Provider - Term. Music	390.00	895.00	-505.00	43.6%
6040-03 - Service Provider - Internet AOB	7,515.78	25,000.00	-17,484.22	30.1%
6040-05 - Service Provider - Internet Ter	1,500.00	1,800.00	-300.00	83.3%
6040-06 - Service Provider - SSI Movement	9,850.00	9,850.00	0.00	100.0%
6040-07 - Serv. Provider - Security CMS	35,500.00	50,000.00	-14,500.00	71.0%
6040-08 - Service Provider - Part 139 Arp	4,000.00	3,000.00	1,000.00	133.3%
6040-09 - Service Provider - Elec. Filing	11,500.00	13,800.00	-2,300.00	83.3%
6040-10 - Service Provider - Term. Flight	1,260.00	6,200.00	-4,940.00	20.3%
6040-11 - Service Provider - Term. Satell	1,024.18	6,000.00	-4,975.82	17.1%
Total 6040-00 - SERVICE PROVIDER	78,037.96	118,624.00	-40,586.04	65.8%
6050-00 - PROFESSIONAL SERVICES				
6050-01 - Professional Services - Legal	68,707.60	35,000.00	33,707.60	196.3%
6050-02 - Professional Services - Audit	41,119.39	45,000.00	-3,880.61	91.4%
6050-03 - Professional Services - Engineers	13,515.89	10,000.00	3,515.89	135.2%
6050-04 - Professional Services - ARFF	2,000.00	2,000.00	0.00	100.0%
6050-05 - Professional Services - Gen.	17,277.50	63.75	17,213.75	27,102.0%
6050-07 - Professional Services - Archite	0.00	66,000.00	-66,000.00	0.0%
6050-08 - Professional Services - Securit	6,060.00	4,000.00	2,060.00	151.5%
6050-10 - Prof. Svcs.-IT/Comp. Support	17,732.75	14,000.00	3,732.75	126.7%
6050-12 - Prof. Serv.-Planning Air Serv.	16,642.42	15,000.00	1,642.42	110.9%
6050-13 - Prof. Serv.-Website Des.& Maint	9,082.72	2,262.50	6,820.22	401.4%
6050-15 - Prof. Serv. - Public Outreach	21,072.86	20,000.00	1,072.86	105.4%
6050-16 - Professional Services - SCADP	5,000.00			
Total 6050-00 - PROFESSIONAL SERVICES	218,211.13	213,326.25	4,884.88	102.3%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
6060-00 · MAINTENANCE-OFFICE EQUIPMENT				
6060-01 · Maint.-Office Equip./Gen.	0.00	10,000.00	-10,000.00	0.0%
6060-04 · Maintenance - Copier	2,171.60			
6060-05 · Maintenance - Phone	1,401.38			
Total 6060-00 · MAINTENANCE-OFFICE EQUIPMENT	3,572.98	10,000.00	-6,427.02	35.7%
6070-00 · RENT/LEASE OFFICE EQUIPMENT				
6070-01 · Rent/Lease - Office Equip./Gen	0.00	3,400.00	-3,400.00	0.0%
6070-02 · Rent/Lease - Postage Meter	968.00	1,400.00	-432.00	69.1%
Total 6070-00 · RENT/LEASE OFFICE EQUIPMENT	968.00	4,800.00	-3,832.00	20.2%
6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E				
6080-01 · Dues/Memberships/Publications	15,443.63	13,000.00	2,443.63	118.8%
6080-04 · Airport Marketing	12,094.50	20,000.00	-7,905.50	60.5%
6080-06 · Marketing - SCASDP	750.00			
Total 6080-00 · DUES/MEMBERSHIPS/PUBLICATIONS E	28,288.13	33,000.00	-4,711.87	85.7%
6090-00 · POSTAGE				
6090-01 · Postage/Courier Service	1,656.90	1,500.00	156.90	110.5%
Total 6090-00 · POSTAGE	1,656.90	1,500.00	156.90	110.5%
6100-00 · EDUCATION/TRAINING				
6100-01 · Education/Training - Admin.	2,781.00	15,000.00	-12,219.00	18.5%
6100-02 · Education/Training - OPS	3,825.49			
6100-03 · Education/Training - ARFF	7,419.98			
6100-05 · Education - Neighborl Flight	14,178.00			
6100-06 · Education - Security	5,060.00			
6100-07 · Education - Public Outreach	9,925.18			
Total 6100-00 · EDUCATION/TRAINING	43,189.65	15,000.00	28,189.65	287.9%
6110-00 · CONTRACTS				
6110-01 · Contracts - General	740.00	42,000.00	-7,000.00	83.3%
6110-02 · Contracts - FMAA	35,000.00	58,900.00	-9,900.00	83.2%
6110-03 · Contracts - SVA/Fee Collection	49,000.00	5,000.00	-2,280.00	54.4%
6110-04 · Contracts - COH LEO	2,720.00	30,000.00	5,542.24	118.5%
6110-05 · Contracts - Janitorial	35,542.24	0.00	0.00	0.0%
6110-06 · Electronic Filing System	0.00	15,000.00	34,598.25	330.7%
6110-07 · Contracts - Snow Removal	49,598.25	30,000.00	0.00	100.0%
6110-08 · Contracts - Eccles Tree Lights	30,000.00	350.00	-350.00	0.0%
6110-09 · Contracts - Website	0.00	25,000.00	-25,000.00	0.0%
6110-10 · Online Email Server Access	0.00	0.00	0.00	0.0%
6110-11 · Contracts -Security CMS	0.00	0.00	0.00	0.0%
6110-13 · Contracts - FIDS	0.00	0.00	0.00	0.0%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

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6110-14 - Contracts - TV	0.00	0.00	0.00	0.0%
6110-15 - Contracts - 139 Airfield Rcord	0.00	0.00	0.00	0.0%
Total 6110-00 - CONTRACTS	202,600.49	206,250.00	-3,649.51	98.2%
6120-00 - PERMITS				
6120-01 - Permits - General	23.00	100.00	-77.00	23.0%
Total 6120-00 - PERMITS	23.00	100.00	-77.00	23.0%
6130-00 - MISCELLANEOUS EXPENSES				
6130-01 - Misc. - General	20,709.82	6,500.00	14,209.82	318.6%
6140-00 - Bank Fees	2,297.71	1,000.00	1,297.71	229.8%
6130-00 - MISCELLANEOUS EXPENSES - Other	0.00			
Total 6130-00 - MISCELLANEOUS EXPENSES	23,007.53	7,500.00	15,507.53	306.8%
Total "B" EXPENSES - ADMINISTRATIVE	813,427.97	799,773.89	13,654.08	101.7%
"B" EXPENSES - OPERATIONAL				
6500-00 - SUPPLIES/EQUIPMENT-ARFF/OPERATI				
6500-01 - Supplies/Equipment - General	1,913.61			
6500-02 - Supplies/Equipment - Tools	7,644.41	10,000.00	-8,086.39	19.1%
6500-03 - Supplies/Equipment - Clothing	1,483.55			
6500-04 - Supplies/Equipment - Janitorial	22,563.43			
6500-05 - Supplies/Equipment - Deice	73,681.23	20,000.00	53,681.23	368.4%
6500-06 - Supplies/Equipment - ARFF	1,783.63	5,000.00	-3,216.37	35.7%
Total 6500-00 - SUPPLIES/EQUIPMENT-ARFF/OPERATI	109,069.86	35,000.00	74,069.86	311.6%
6510-00 - FUEL/LUBRICANTS				
6510-01 - General	505.90			
6510-02 - Fuel	22,263.17	35,000.00	-34,494.10	1.4%
6510-03 - Lubricants	1,392.71			
Total 6510-00 - FUEL/LUBRICANTS	24,161.78	35,000.00	-10,838.22	69.0%
6520-00 - VEHICLES/MAINTENANCE				
6520-01 - R/M Equipment - General	4,382.24			
6520-02 - R/M Equip. '93 Schmidt Snow	4,297.32			
6520-06 - R/M Equip. '85 Ford Dump	2,317.37	25,000.00	-20,617.76	17.5%
6520-08 - R/M Equip. '96 Tiger Tractor	723.22			
6520-09 - R/M Equip. - '96 Oshkosh Swp.	725.51			
6520-17 - R/M Equip. '01 Case 921 Ldr.	1,498.86			
6520-18 - R/M Equip. - '97 Chevy Blazer	780.02			
6520-19 - R/M Equip. '02 Ford F-150 PU	1,701.06			
6520-20 - R/M Equip. - '02 Kodiak Blower	252.20			
6520-24 - R/M Equip. - '01 Ford F-250	2,115.07			
6520-25 - R/M Equip. - '04 Batts De-Ice	39.39			
6520-28 - R/M Equip.-Case 621 Loader	2,134.47			

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
6520-29 · R/M Equip.- 2010 Wausau Plow	11,058.27			
6520-30 · R/M Equip.-'05 Ford F-350	11,795.95			
6520-31 · R/M Equip. - Oshkosh Blower	320.46			
6520-32 · R/M Equip. - '09 Mini Truck	480.05			
6520-34 · R/M Equip. - '12 Case 921F Load	1,274.10			
6520-35 · R/M Equip. - '14 Ford Explorer	543.62			
Total 6520-00 · VEHICLES/MAINTENANCE	46,439.18	25,000.00	21,439.18	185.8%
6530-00 · ARFF MAINTENANCE				
6530-01 · ARFF Maint. General	314.62	7,000.00	-6,685.38	4.5%
6530-03 · ARFF Maint. - '87 Oshkosh	6,240.62			
6530-04 · ARFF Maint. - Radios	240.00			
6530-05 · ARFF Maint. - '03 E-One	123.96			
Total 6530-00 · ARFF MAINTENANCE	6,919.20	7,000.00	-80.80	98.8%
6540-00 · REPAIRS/MAINTENANCE - BUILDING				
6540-01 · R/M Bldg. - General	9,323.98	20,000.00	-10,676.02	46.6%
6540-02 · R/M Bldg. - Terminal	19,453.01			
6540-03 · R/M Bldg. - Shop	5,111.58			
6540-05 · R/M Bldg. - Manager's Bldg.	112.81			
6540-07 · R/M Bldg. - Tower	1,780.53			
6540-08 · R/M Bldg. - Parking Booth	12.98			
Total 6540-00 · REPAIRS/MAINTENANCE - BUILDING	35,794.89	20,000.00	15,794.89	179.0%
6550-00 · REPAIRS/MAINTENANCE - AIRSIDE				
6550-01 · R/M - General	0.00	10,000.00	-10,000.00	0.0%
6550-02 · R/M - Airfield	5,052.85			
6550-04 · R/M - Lights	12,767.34			
6550-05 · R/M - Grounds	2,244.44			
Total 6550-00 · REPAIRS/MAINTENANCE - AIRSIDE	20,064.63	10,000.00	10,064.63	200.6%
6560-00 · SECURITY EXPENSE				
6560-01 · Security	17,484.71	20,000.00	-2,515.29	87.4%
Total 6560-00 · SECURITY EXPENSE	17,484.71	20,000.00	-2,515.29	87.4%
6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU				
6570-01 · R/M Aeronautical Equip - NDB/DME	10,296.00	25,000.00	-14,704.00	41.2%
6570-02 · R/M Aeronautical Equip. - Tower	3,507.89			

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport

Profit & Loss Budget vs. Actual (Combined '16)

October 2015 through July 2016

	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
6570-03 · R/M Aeronautical Equip.-Swt. Sys	682.89			
6570-04 · R/M Aeron. Equip. - AWOS/ATIS	10,286.00			
Total 6570-00 · REPAIRS/MAINT.-AERONAUTICAL EQU	24,782.78	25,000.00	-217.22	99.1%
Total "B" EXPENSES - OPERATIONAL	284,717.03	177,000.00	107,717.03	160.9%
Total "B" EXPENDITURES	1,098,145.00	976,773.89	121,371.11	112.4%
"C" EXPENSES				
7000-00 · MISC. CAPITAL EXPENDITURES				
7000-01 · Contingency	0.00	20,000.00	-20,000.00	0.0%
7000-05 · Computer Equipment/Software	10,305.94	30,000.00	-19,694.06	34.4%
7000-14 · Retrofit Kit - Broom	3,290.30	4,000.00	-709.70	82.3%
7000-17 · Battery Jump Kit Lrg. System	0.00	2,200.00	-2,200.00	0.0%
7000-18 · Sweeper Brushes	0.00	10,000.00	-10,000.00	0.0%
7000-19 · Fork Lift	17,450.00	20,000.00	-2,550.00	87.3%
7000-20 · Sweeper Axles (Brushes)	0.00	8,000.00	-8,000.00	0.0%
7000-21 · Truck Spreader	0.00	8,000.00	-8,000.00	0.0%
7000-22 · Airline Ticketing Office Improv	2,520.00	200,000.00	-197,480.00	1.3%
7000-23 · SRE (Tool Cat)	60,698.01	60,000.00	698.01	101.2%
Total 7000-00 · MISC. CAPITAL EXPENDITURES	94,284.25	362,200.00	-267,935.75	26.0%
7110-00 · Small Comm. Air Service				
7110-01 · Small Comm. Air Serv. 2013	0.00	150,000.00	-150,000.00	0.0%
Total 7110-00 · Small Comm. Air Service	0.00	150,000.00	-150,000.00	0.0%
7540-00 · AIP '40/PFC EXPENSE - Safety Ar				
7540-01 · AIP '40	0.00	26,565.00	-26,565.00	0.0%
7540-02 · AIP '40 Non-Eligible	14,425.18			
7540-03 · AIP '40 AIP/PFC	-31,495.29			
7540-04 · AIP '40 Non Eligible - Terminal	32,414.00			
7540-06 · AIP '40 Non-Eligible - OPS/Adm.	2,955.06			
Total 7540-00 · AIP '40/PFC EXPENSE - Safety Ar	18,298.95	26,565.00	-8,266.05	68.9%
7541-00 · AIP 41 SA Ph. III -Runway/Term.				
7541-01 · AIP '41		1,600,000.00		
7541-02 · AIP '41 - Non-Eligible	992,890.37			
7541-05 · Non-Eligible - TSA	61,466.42			
7541-06 · Non-Eligible - Terminal	191,987.60	260,000.00	-60,000.00	62.1%
7541-07 · AIP '41 RETAINER	88,619.86			
7541-08 · AIP '41 RETAINER PFC	293,103.63			
7541-09 · AIP '41 Non-Elig Retainer	19,652.90			
	8,620.28			
Total 7541-00 · AIP 41 SA Ph. III -Runway/Term.	1,656,321.06	1,860,000.00	-203,678.94	89.0%

8:04 AM

09/21/16

Accrual Basis

Friedman Memorial Airport
Profit & Loss Budget vs. Actual (Combined '16)
October 2015 through July 2016

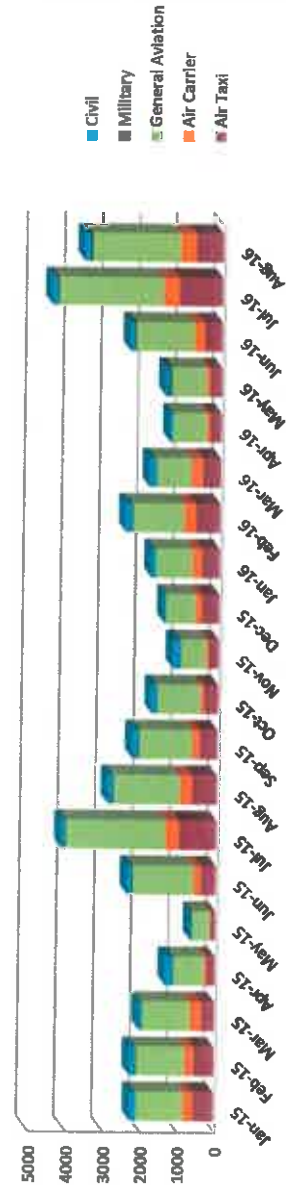
	Oct '15 - Jul 16	Budget	\$ Over Budget	% of Budget
7542-00 · AIP '42 EXPENSE - TBD				
7542-01 · AIP '42 - Eligible	20,521.72	1,200,000.00	-1,178,478.28	1.7%
7542-02 · AIP '42 Non-Eligible	2,302.28			
7542-00 · AIP '42 EXPENSE - TBD - Other	0.00	0.00	0.00	0.0%
Total 7542-00 · AIP '42 EXPENSE - TBD	22,824.00	1,200,000.00	-1,177,176.00	1.9%
9001-00 · PFC 14-09-C-00-SUN				
9001-02 · PFC '14 Acquire SRE	466,039.25	500,000.00	-33,960.75	93.2%
9001-03 · PFC '14 Master Plan	169,514.01	175,000.00	-5,485.99	96.9%
9001-04 · PFC '14 Relocate SW Taxiway By	29,076.02			
9001-07 · PFC '14 RSA Grading	5,400.97			
9001-08 · PFC '14 Relocate Taxiway A & B	8,878.01			
9001-09 · PFC '14 Relocate Power to PAPI	109.23			
9001-11 · PFC '14 Relocate SRE/ARFF Bldg.	6,199.30			
9001-13 · PFC '14 Relocate Cargo Apron	1,718.42			
9001-14 · PFC '14 Relocate Hangars	4,148.39			
9001-15 · PFC '14 Rehab Terminal Bldg.	7,009.86			
9001-16 · PFC '14 Relocate N. Taxiway	688.25			
9001-17 · PFC '14 Relocate Central Bypass	592.72			
9001-18 · PFC '14 Runway Rehabilitation	2,617.83	131,700.00	-129,082.17	2.0%
9001-20 · PFC '14 RETAINER	-33,178.15			
Total 9001-00 · PFC 14-09-C-00-SUN	668,814.11	806,700.00	-137,885.89	82.9%
Total "C" EXPENSES	2,460,522.37	4,405,465.00	-1,944,942.63	55.9%
Total EXPENDITURES	4,658,166.21	6,772,413.01	-2,114,246.80	68.8%
Total Expense	4,658,166.21	6,772,413.01	-2,114,246.80	68.8%
Net Ordinary Income	-1,014,412.40	-506,414.27	-507,998.13	200.3%
Net Income	-1,014,412.40	-506,414.27	-507,998.13	200.3%

Friedman Memorial Airport
August 2016

ATCT Traffic Operations Record

Month	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	3,622	3,893	3,912	2,600	3,028	2,787	4,547	2,520	2,070	2,379	2,408	2,098	2,454	2,128	2,249	1,842
February	4,027	4,498	3,073	3,122	3,789	3,597	3,548	2,857	2,244	2,647	2,117	2,205	2,612	1,417	2,268	2,533
March	4,952	5,126	3,086	4,097	3,618	2,918	4,677	3,097	2,145	2,709	1,813	1,921	2,753	1,924	2,023	1,917
April	2,494	3,649	2,213	2,840	2,462	2,047	2,581	2,113	1,724	1,735	1,604	1,513	1,509	1,210	1,337	1,380
May	3,905	4,184	2,654	3,282	2,729	2,134	1,579	2,293	2,280	1,891	1,533	1,693	1,852	555	668	1,501
June	4,787	5,039	4,737	4,438	3,674	3,656	5,181	3,334	2,503	3,019	2,898	2,761	3,203	2,164	2,387	2,475
July	6,359	8,796	6,117	5,910	5,424	5,931	7,398	4,704	4,551	5,005	5,004	4,810	5,345	4,345	4,159	4,562
August	6,479	6,917	5,513	5,707	5,722	6,087	8,196	4,570	4,488	4,705	4,326	3,823	4,644	3,114	2,932	3,719
September	3,871	4,636	4,162	4,124	4,609	3,760	4,311	2,696	3,376	3,128	3,359	2,396	2,403	2,237	2,292	0
October	3,879	3,656	3,426	2,936	3,570	3,339	3,103	2,134	2,145	2,012	1,886	1,658	1,874	1,760	1,789	0
November	3,082	2,698	2,599	2,749	2,260	2,912	2,892	1,670	1,901	1,309	1,114	1,325	1,475	908	1,229	0
December	3,401	2,805	3,247	3,227	2,722	3,834	2,699	1,848	2,272	1,811	2,493	2,066	2,016	1,545	1,482	0
Totals	50,858	55,897	44,739	45,032	43,607	43,002	50,712	33,836	31,699	32,350	30,555	28,269	32,140	23,307	24,815	19,929

Operations
2015-2016
(Cumulative)

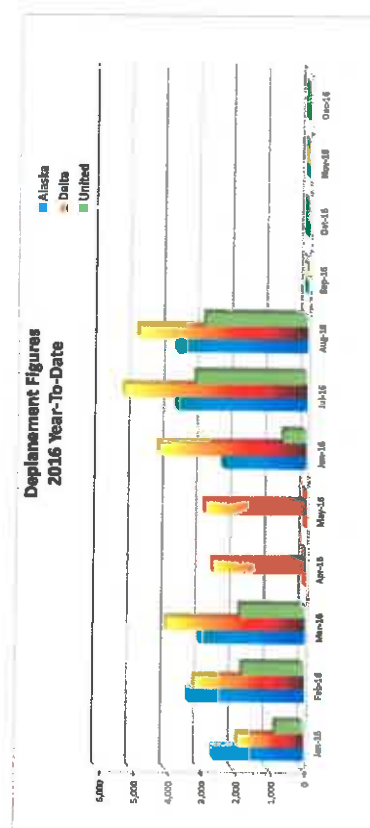
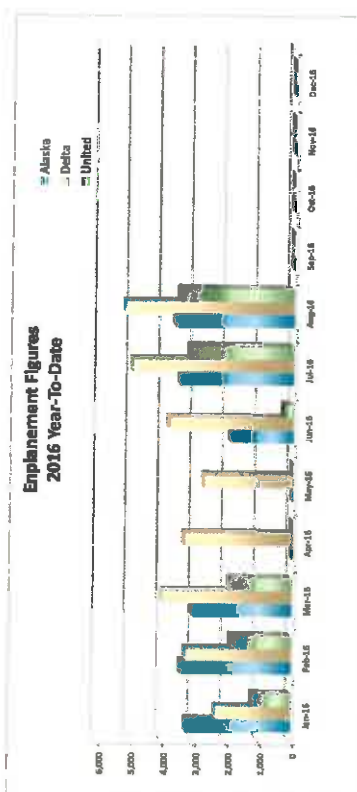


ATCT Operations Change (current month vs. same month last year)			
	2016	2015	% Change
Air Taxi	723	661	9%
Air Carrier	424	345	23%
General Aviation	2,377	1,786	33%
Military	35	10	250%
Civil	188	138	33%
Total	3,719	2,932	26.64%

**Friedman Memorial Airport
August 2016**

8 16 Q	2016 Enplanements						2016 Enplanements						2016 Enplanements					
	Alaska Airlines			Delta Airlines			United Airlines			Total			Alaska Airlines			Delta Airlines		
	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total
Jan-16	3,194	38	3,232	2,616	41	2,657	2,285	41	2,326	2,986	2,986	2,986	1,166	31	1,197	1,166	31	1,197
Feb-16	3,348	59	3,407	3,261	70	3,331	3,192	70	3,262	2,703	2,703	2,703	1,818	32	1,850	1,818	32	1,850
Mar-16	2,975	73	3,048	3,362	94	3,456	3,929	94	4,023	4,264	4,264	4,264	1,899	23	1,922	1,899	23	1,922
Apr-16	0	0	0	0	0	0	3,232	95	3,327	2,373	2,373	2,373	0	0	0	0	0	0
May-16	0	0	0	0	0	0	2,642	93	2,735	935	935	935	0	0	0	0	0	0
Jun-16	1,839	54	1,893	1,661	120	1,781	3,705	120	3,825	3,344	3,344	3,344	291	8	299	291	8	299
Jul-16	3,426	66	3,492	3,508	97	3,605	4,867	97	4,964	3,801	3,801	3,801	3,133	54	3,187	3,133	54	3,187
Aug-16	3,559	81	3,640	3,661	124	3,785	5,072	124	5,196	3,786	3,786	3,786	3,458	48	3,506	3,458	48	3,506
Totals	18,341	371	18,712	18,069	734	18,803	28,924	734	29,658	24,202	24,202	24,202	11,765	196	11,961	11,765	196	11,961
Legend for Chart:																		

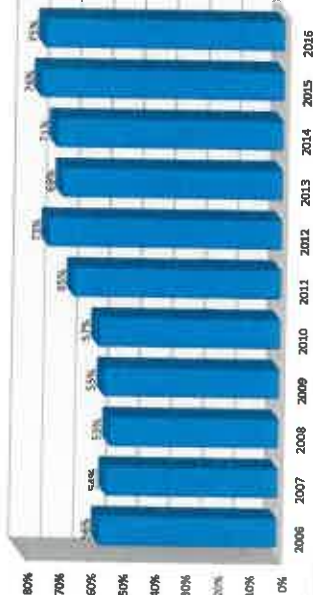
8 16 Q	2016 Enplanements						2016 Enplanements						2016 Enplanements					
	Alaska Airlines			Delta Airlines			United Airlines			Total			Alaska Airlines			Delta Airlines		
	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total	Revenue	Non- Revenue	Total
Jan-16	2,555	34	2,589	2,168	37	2,205	1,851	37	1,888	2,176	2,176	2,176	767	23	790	767	23	790
Feb-16	3,267	74	3,341	3,390	64	3,454	3,082	64	3,146	2,729	2,729	2,729	1,757	30	1,787	1,757	30	1,787
Mar-16	2,967	66	3,033	3,066	81	3,147	3,924	81	4,005	3,919	3,919	3,919	1,810	48	1,858	1,810	48	1,858
Apr-16	0	0	0	0	0	0	2,557	71	2,628	2,092	2,092	2,092	0	0	0	0	0	0
May-16	0	0	0	0	0	0	2,799	86	2,885	928	928	928	0	0	0	0	0	0
Jun-16	2,293	69	2,362	2,323	108	2,431	4,149	108	4,257	3,604	3,604	3,604	627	9	636	627	9	636
Jul-16	3,687	53	3,740	4,036	105	4,141	5,170	105	5,275	3,800	3,800	3,800	3,133	65	3,198	3,133	65	3,198
Aug-16	3,663	80	3,743	3,546	125	3,671	4,737	125	4,862	3,424	3,424	3,424	2,881	47	2,928	2,881	47	2,928
Totals	18,432	376	18,808	18,529	677	19,206	28,279	677	28,956	22,672	22,672	22,672	10,975	222	11,197	10,975	222	11,197
Legend for Chart:																		



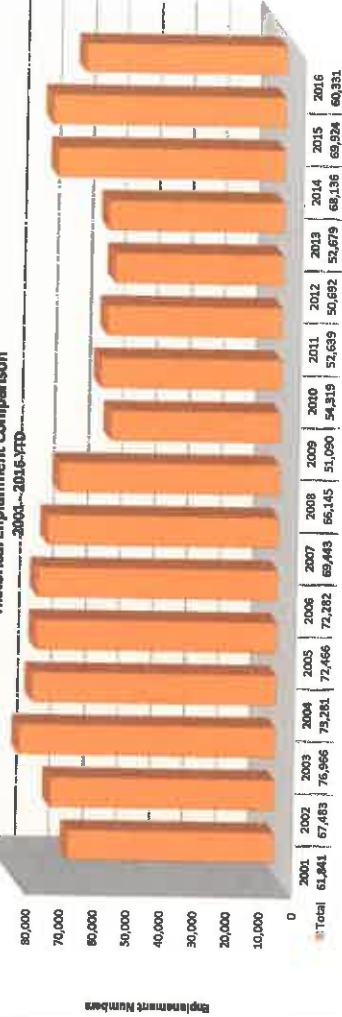
Friedman Memorial Airport
August 2016

2016 Seat Occupancy																						
Month	Alaska Airlines				Delta Airlines				United Airlines				Seat Occupancy Totals			Seat Occupancy Totals Prior Year Comparison						
	Departure Flights	Seats Available*	Seats Occupied	Percent Occupied	Departure Flights	Seats Available	Seats Occupied	Percent Occupied	Departure Flights	Seats Available	Seats Occupied	Percent Occupied	Total Seats Available	Total Seats Occupied	Total Percent Occupied	Prior Year % Change Total Seats Available	Prior Year % Change Total Seats Occupied	Prior Year % Change Total % Occupied				
Jan-16	60	4,500	3,232	71%	44	3,036	2,326	77%	30	1,980	1,187	60%	9,576	6,755	71%	3%	-2%	-4%				
Feb-16	56	4,256	3,407	80%	60	4,140	3,262	79%	38	2,508	1,850	74%	10,804	8,519	78%	13%	19%	5%				
Mar-16	51	3,876	3,048	79%	80	5,520	4,023	73%	37	2,442	1,922	79%	11,838	8,983	76%	0%	-1%	-1%				
Apr-16	0	0	0	0%	62	4,278	3,327	78%	0	0	0	0%	4,278	3,327	78%	22%	40%	16%				
May-16	0	0	0	0%	56	3,864	2,735	71%	0	0	0	0%	3,864	2,735	71%	211%	193%	-5%				
Jun-16	42	2,856	1,893	66%	86	5,934	3,825	64%	14	924	298	32%	8,714	6,017	69%	22%	16%	-6%				
Jul-16	61	4,148	3,492	84%	101	6,969	4,984	71%	62	4,340	3,187	73%	15,457	11,643	75%	17%	15%	-3%				
Aug-16	61	4,148	3,640	88%	96	6,624	5,196	78%	62	4,340	3,506	81%	15,112	12,342	82%	19%	15%	-4%				
Totals	331	23,844	18,712	78%	585	40,365	29,658	73%	243	16,534	11,961	72%	80,743	60,331	75%	7%	8%	1%				
Notes:																						
Total of 68 Seats Available on aircraft for summer months															Total of 66 Seats Available on aircraft from Jan. - June				7%		8%	
Total of 76 Seats Available on aircraft for winter months															Total of 70 Seats starting in July				75%			
*Seats are capped at 68 during some periods in the summer due to weight and balance requirements and other times of the year seats may be capped due to environmental conditions																						

Historical Seat Occupancy Comparison
2001-2016 YTD



Historical Enplanement Comparison
2001-2016 YTD



Chris Pomeroy

From: Spencer Dickerson <Spencer.Dickerson@aaaee.org>
Sent: Friday, September 23, 2016 12:34 PM
To: Spencer Dickerson
Subject: Remote towers
Attachments: USCTA Constr Data_9-01-16_UPDATED.PDF

TO: Airports in the FAA Contract Tower Program and ATC Contractors

We thought you would find of interest the link to a guest blog on remote towers from *Scientific American*.

Thanks!

<https://blogs.scientificamerican.com/guest-blog/air-traffic-control-without-towers/>

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Guest Blog

Air Traffic Control without Towers

Virtual towers located miles away from airports would be far more cost-efficient and—in principle, at least—just as safe

By Ashley Nunes on September 22, 2016





Control tower, Brussels airport *Credit: Wim Bladt via Wikimedia Commons under Creative Commons license*

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The air traffic control tower is an airport's most iconic-recognizable structure. It is also its most important. It is from here that air traffic controllers watch over airplanes, communicate with pilots, and when necessary, manage emergencies. These towers rise high into the sky, their windows providing a clear view of the airport and its surroundings. They can withstand strong winds and even seismic forces.

And they do not come cheap.

For example, Chicago O'Hare International Airport's newest tower—which boasts an elegant, energy efficient design—cost taxpayers \$45 million. Charlotte Douglas International Airport, in North Carolina, in June broke ground on a \$60 million tower. San Francisco has spent \$70 million on a tower expected to be operational in October. The City by the Bay also forked out another \$50 million to demolish its old tower.

But these gleaming structures could soon be obsolete thanks to new technology that allows airports to monitor and manage air traffic using a system of cameras and sensors that record flight information, then transmit it to windowless buildings miles away from the runways.

These so-called "remote towers" allow for airplanes to be controlled from cheap conference rooms rather than expensive control towers. Monitors in these remote control rooms can display every facet of an airport's operation, replicating the experience of being in a tower and looking out the window. The system is seen as a surefire way of cutting costs. At least that is what countries including Ireland, Germany and Sweden, who have invested in the technology, are hoping. Sweden opened the world's first remote tower

facility in April 2015 to guide aircraft at Örnsköldsvik Airport 123 kilometers away. A system of high-resolution cameras, microphones, signal lights and meteorological sensors at the Örnsköldsvik airstrip sends data to the remote tower, staffed by traffic controllers. The plan is to direct traffic for three small airports in Sweden from that same facility. The technology is also being tested at the regional airport in Leesburg, Va., outside Washington, D.C., which could soon be home to the U.S.'s first remote tower.

The real payoff, however, comes from having a single remote tower manage several airports. Doing so not only eliminates the expense of building conventional towers, costs but also reduces personnel costs. Air traffic control is a capital-intensive business where controller salaries in the United States alone total \$2.8 billion annually. Managing multiple airports would be a dramatic change from how towers—conventional and remote—currently operate. Controllers in these towers are licensed to work only one airport at a time. This means a controller managing airplanes in Bangor, Maine, today cannot report to Boston's Logan International Airport do the same job tomorrow. A multiple remote tower would make for a much more cost-effective system

The idea is not without its challenges. For one thing, no two airports are alike. An airport built on a mountain, where the air is thinner provides less lift, will have a longer runway than one built at sea level. An airport located near a residential area will have stricter noise reduction procedures than one built in the middle of nowhere. For Patrik Peters, president of the International Federation of Air Traffic Controllers (IFATCA), these differences in physical layout and procedures make cross-training controllers across multiple airports, "challenging to say the least."

The European Cockpit Association, which represents the interests of European pilots, goes further. The organization states in a position paper that managing multiple airports, "can lead to a fragmented situational awareness, causing misunderstandings, mix-ups and other working errors, thus having the potential to significantly decrease the safety of operations." The Association also worries that such operations "may negatively affect the controllers' performance and lead to safety hazards."

Multiple remote towers create the potential for "location error"—namely thinking you are controlling one airport, when in fact you are managing another, says Nadine Sarter, a University of Michigan professor of industrial and operations engineering. This can happen when a controller switches back and forth between managing different airports at

different times. A controller may spend the first day of the workweek managing one airport and switch to a different airport on the second day. Following the switch, confusion can arise as the controller loses sight over which airport is current, says Sarter, who teaches courses in cognitive ergonomics and organizational safety. Another scenario Sarter envisions is one where a controller is aware of which airport is being managed but mistakenly apply procedures intended for the other. To IFATCA's Peters, such errors can have a profound impact on safety.

These concerns must be addressed if multiple remote towers are going to work. Schedules must be scrutinized, procedures devised and technologies developed that collectively reduce the chances for error. Moreover, while there are no laws prohibiting one controller from managing multiple airports, there is little data on how this affects safety.

These concerns do not make multiple remote towers unviable, however. Nor should they. Amid the backdrop of air traffic controller shortages—over 30 percent of US controllers are eligible to retire at any time—and a mood that favors fiscal restraint, leveraging economies of density is wise. Multiple remote towers can help achieve more with less. But benefiting from this technology means asking the right questions and using science to provide the right answers.

The views expressed are those of the author(s) and are not necessarily those of Scientific American.

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Actor building private airstrip in Camas County

Large dirt runway to be completed in coming weeks

Story Comments (8)

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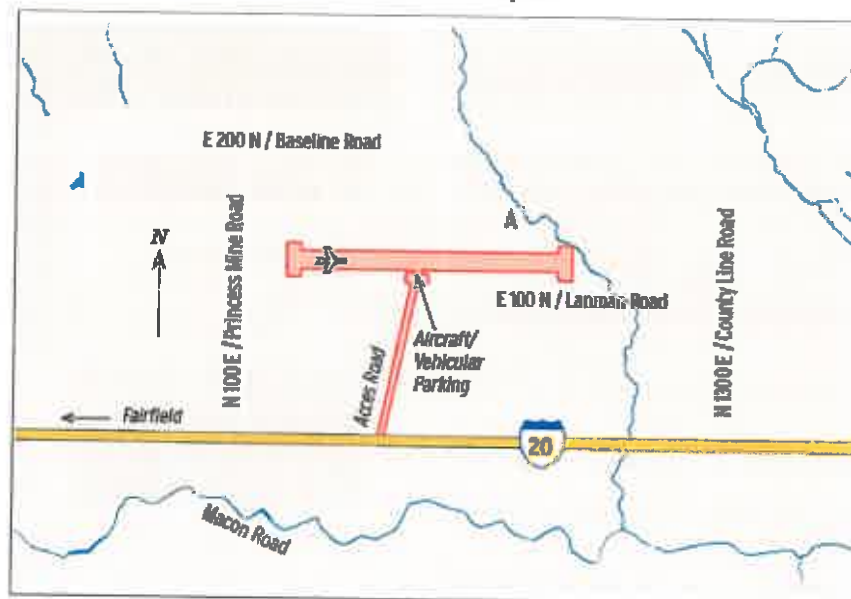
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Soldier Field Airport



This rough overhead sketch shows the location of Bruce Willis' private airstrip, Soldier Field Airport, about 10 miles east of Fairfield in Camas County. The runway is being built by Bellevue-based Sluder Construction and work should be completed by mid-October. *Express map by Kristen Kaiser*

Posted: Wednesday, September 14, 2016 4:00 am

9 comments

Posted on Sep 14, 2016
by Ryan Thorne

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Construction on a celebrity-owned, private airstrip near Fairfield is expected to be finished in the coming weeks.

Mike Grbic, property manager for movie star Bruce Willis, said Willis is building a dirt runway, called Soldier Field Airport, about 10 miles east of Fairfield, in Camas County.

He said that when the runway is complete in about a month, it will measure 8,500 feet in length and 100 feet wide.

An overhead map filed with the Federal Aviation Administration indicates that the site will contain a vehicle- and aircraft-parking area. Entrance to the landing strip and parking area will be provided via an access road off U.S. Highway 20.

Work on the airstrip has prompted questions from some Camas County residents about the size and scope of the project, some of whom expressed concern that they were not allowed to comment on the plans through a public process.

Writer Judith Freeman—who since 1996 has owned a home on the Camas Prairie, near the airstrip site—said that she “hopes that anyone who intends to use the airstrip will consider the feelings of us who make this place our home.”

“Those of us who value the pristine quality of the prairie and its abundant wildlife deeply regret the building of the airstrip,” she said. “For me personally, it’s heartbreaking.”

Grbic said Willis wanted to make sure that locals were involved in the construction.

“We hired Galena Engineers to survey the site, and Sluder Construction is doing the work,” he said. “Bruce wanted to employ locals.”

Camas County Planning and Zoning Administrator Dwight Butlin said Willis’ airstrip is not the first to be built in the area and that the county does not have a hand in private air operations.

“The county has several other private airstrips, some with hangars,” he said. “The county does not regulate private airstrips under the current zoning ordinance.”

Butlin said that if the airport use changes from private to public use, the airport would have to be properly zoned and obtain a conditional-use permit, and any further site development would have to be approved by the county.

Mark Lessor, an aviation technician with the Idaho Transportation Department’s Division of Aeronautics, said private airstrips are only regulated by the FAA to ensure they are not interfering with airspace and operations at nearby airports.

“When someone wants to build a private airstrip, I tell them to check with the county first to see if there are any regulations,” he said. “Then, as a federal mandate, I tell people to fill out and submit a form 7480-1 so the FAA can conduct an airspace evaluation and determine impacts, if any, to any adjacent public-use facilities.”

He said that once an airstrip is approved by the FAA and built, its owner can request that it be charted on FAA maps, if the airstrip is located in an area where there is room allowed to include it.

The ITD likes to keep a list of private airstrips and airports statewide in case a plane goes missing.

“We can use our list to check in with private operations to potentially locate a missing plane that may have landed at a different site than previously planned,” he said.

The FAA gave its approval to the airstrip on April 11, providing that all operations there are conducted in visual flight rules weather conditions, meaning aircraft can only land and depart in conditions when pilots have enough visibility to ensure that their aircraft can operate safely.

FAA “conditional no objection” approval for Soldier Field Airport also mandates that all operations remain private.

In 2004, Willis offered to donate land in Camas County near Highway 20 for a potential relocation site for Friedman Memorial Airport, but the site was not chosen and the relocation effort later stalled.

Willis is building Soldier Field Airport through Ix-Nay Investment Trust, with which he bought several Hailey properties in the 1990s, including the shuttered Mint Bar and Restaurant.



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Before taking over The Mint, he operated the Dynamite Lounge in Ketchum. He and his blues band, the Accelerators, performed there. Bette Midler and Tom Hanks danced there. Crooner Tom Jones sang for Willis' 40th birthday party.

Willis also owned Soldier Mountain Ski Area, on national forest land near Fairfield, which he donated to the nonprofit Soldier Mountain Ski Area Inc. in 2012. The area was sold to an Oregon couple last year for \$149,000.

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Work suspended on private airstrip in Camas

Express staff | Posted: Tuesday, September 27, 2016 3:51 pm

Construction on a private airstrip near Fairfield has been halted after it was discovered that the project violated a county zoning ordinance.

Mike Grbic, property manager for movie star Bruce Willis, said in mid-September that Willis is building a dirt airstrip, Soldier Field Airport, about 10 miles east of Fairfield in Camas County.

But work on the 8,500-foot-long and 100-foot-wide airstrip was halted after Ketchum attorney Ben Worst notified Camas County Planning and Zoning Administrator Dwight Butlin that the airstrip site is on land zoned for agricultural use and that the airstrip would have negative impacts on adjacent neighbors, agriculture and wildlife habitat.

For more on this story, see the Wednesday, Sept. 28, edition of the Idaho Mountain Express

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Top Project of the Year
Chateau des Fleurs

SECOND PLACE TRANSPORTATION

PROJECT TEAM + STATS:

Location: Hailey

Cost: \$34 Million

Start Date: June 2013

Completion Date: October 2015

Owner/Developer: Chris Pomeroy

Architect: Mead & Hunt

Engineer: T-O Engineers

General contractor: Knife River

Submitted by: T-O Engineers



Photos by Leo Geis



Freidman Memorial Airport

Friedman Memorial Airport in Hailey, serves the Wood River Valley region, including the Sun Valley Resort. The airport is critical to the region's economy, providing a transportation hub for commercial service, private and corporate aircraft. In 2011, the community found the airport did not meet standards and a new airport was not an option.

T-O Engineers developed a plan to correct the standards deficiencies at the existing airport, to the extent possible. This plan was implemented as one large project, with seven separate contracts. The total project would relocate Taxiway B, the airport's primary taxiway. Relocation of this taxiway required modifications and relocation of several other facilities on the airport. Construction of the project began in Fall 2013 and needed to be complete no later than December 31, 2015, due to federal

requirements.

In addition to these construction contracts, the project also required the acquisition of five hangars, with a total cost of \$1.73 million.

Nearly all of the subcontracts for all projects went to Idaho companies, keeping the project investment in the Idaho economy. Even more significant, approximately 39 percent of the construction contracts went to Blaine County companies, allowing the project to have a major positive impact on the local economy.

Challenges and obstacles

This was the primary challenge of the project – the schedule. Many decisions needed to be made quickly in order to maintain the required pace of the design process. In order to facilitate this decision making, constant communication with airport staff and the Airport

Authority Board was necessary.

Team Practices

T-O Engineers led a diverse team of other consultants to manage the design and construction of these projects. The national firm Mead & Hunt was responsible for the terminal (Contract 3) and RLB, an Idaho and Sun Valley local firm, led the design of the Airport Operations Building (Contract 4). Under T-O's leadership, these firms supported each other. Mead & Hunt assisted RLB with certain elements of design and RLB assisted Mead & Hunt during construction to inspect the progress of the work and resolve issues quickly.

Project Innovations:

The main innovation of this project was in the planning stages. It was impossible to meet all FAA standards at the existing airport site within the budget available. For this reason, the team developed and processed what the FAA calls "Modifications of Standards". These modifications are very rare and the innovative approach used for this project was instrumental in getting approval for the plan that was developed.

The completed project leaves the airport with new, updated facilities and allows the airport to be poised to thrive and be an economic engine for the state of Idaho.

CHAPTER F

Financial Feasibility Analysis

1. Introduction

This chapter presents a funding plan for completion of recommended capital projects at Friedman Memorial Airport (the Airport) through FY 2034, the end of the Master Plan Update planning period, and assesses the ability of the Friedman Memorial Airport Authority (the Authority) to financially undertake this plan. Potential funding plans were developed for two capital development scenarios:

- **Existing Airport Scenario** – Under this scenario, the Airport would continue to be operated, maintained, and improved, in its existing location, to meet applicable standards and demand requirements through the projection period.
- **Replacement Airport Scenario** – Under this scenario, critical maintenance and improvement projects would be undertaken at the existing Airport, while construction of a replacement airport would begin in FY 2022 and end in FY 2034.

Estimated costs, potential funding sources, proposed timing (phasing), and a projection of operating revenues and expenses is provided to demonstrate the financial feasibility of each scenario. The financial analysis conducted for the two development scenarios is based upon a review of the current financial and governance structure of the Authority, historical Airport operating revenues and expenses, current Authority capital plans, relevant leases and concession agreements, and other operating issues that have the potential to affect future cash flows and financial results of the Authority. The outcome of this analysis provides the Authority with a financial plan for implementation of the recommended Capital Improvement Program (CIP) while achieving adequate cash flow to continue ongoing operations.

The actual implementation schedule for various improvements identified in the Master Plan is defined, primarily, by demand, and may not correspond precisely to the schedule described in this chapter. For purposes of this financial analysis, a specific implementation schedule was assumed for each scenario. However, it should be noted that this schedule and the resulting financial analysis are intended only to evaluate financial feasibility. Actual funding strategies used for each project will be determined as actual implementation approaches.

2. Inventory of Financial Information

2.1. Airport Financial Structure

The Airport is jointly owned by Blaine County, Idaho (County) and the City of Hailey, Idaho (City). The Airport is operated by the Authority, a public entity of the State of Idaho formed through a Joint Powers Agreement (Agreement) established by the County and City on October 1, 1994. Through enactment of the 1994 Agreement, the County and City transferred ownership of all buildings, improvements, facilities, equipment, and personal property to the Authority and charged it with the responsibility and authority to operate and manage Airport activities in the County. Should the City and the County terminate its Joint Powers Agreement, title to all buildings,

improvements, facilities, equipment, and personal property held by the Authority shall vest jointly in the County and the City.

In 2011, the County and City amended and restated pertinent provisions of the 1994 Agreement, which provided the framework for the elimination of Federal Aviation Administration (FAA) airfield design safety deviations without expanding the impact of the Airport on the adjacent community, and charged the Authority with responsibility for implementation of the Airport Master Plan.

The Authority is governed by a seven-member board with three members appointed by and representing the County, three members appointed by and representing the City, and one member who is selected by the six owner-appointed members. The Authority manages numerous tenant agreements and facilities, provides a safe and efficient facility for the operation of aircraft, promotes development of Airport property for aviation and commercial related services, obtains and administers FAA grants, and ensures the compatibility of proposed developments within and around the Airport with federal, state, and local standards. It operates on a Fiscal Year (FY) basis, which ends September 30 and employs the accrual basis of accounting for its financial management and operations. Under this method, revenue and receivables are recognized when services are provided and expenses and liabilities are recorded at the time goods and services are received.

The Authority appoints an Airport Manager and staff to implement its policy decisions and to manage the affairs of the Airport. The staff is responsible for the day-to-day financial, administrative, and operational matters pertaining to the Airport and for administering the contractual arrangements with various aeronautical and non-aeronautical businesses. The Airport Manager acts as the fiscal agent for the Authority and is responsible for maintaining its budgetary as well as revenue and expenditure accounts. The Authority maintains separate financial records to account for the itemized revenues and expenses of the Airport and also prepares an Annual Report on the Airport's financial condition. Daily operations of the Airport are funded through the collection of user fees such as parking receipts, rental car privilege fees, landing fees, space rental, and concessions fees.

2.2. Rates and Charges

The Authority is a self-supporting entity and receives no funding support from the County or City. Each year, the Authority Board provides a schedule of rates and charges for airport users and the services it provides to the public through enactment of a rate-setting Ordinance. These charges include automobile parking, the in-terminal display advertising program, ground transportation service providers, terminal fees, and various aircraft landing and service fees. The Authority has also entered into a host of land and hangar leases, concession agreements, and leases with both the FAA and Transportation Security Administration (TSA). **Table F1** provides a summary of key leases and rates for the Airport as of FY 2016.

2.3. Historical Financial Results

Table F2 presents historical revenues and expenses for the Airport Fund from Actual FY 2012 to Budget FY 2016.

CHAPTER F Financial Feasibility Analysis

Table F1 AIRPORT RATES AND CHARGES (10/1/15 – 9/30/16)

Fee Type	Imposed Fee
Airline Fees	
Terminal Fee (per square-foot)	\$26.56
Gate Fee (per gate)	\$50.00
Landing Fee (per 1,000 lbs. mtow)	\$1.60
Non-Signatory Landing Fee (per 1,000 lbs. mtow)	\$2.50 - \$4.00 depending on aircraft size
Terminal Concessions	
Vending Fee Commission (% of gross revenue)	35% - 90% depending on revenue thresholds
Advertising – Framed Poster	\$900 - \$2,400 depending on location
Advertising – Wall Display	\$3,600 - \$4,800 depending on size
Advertising – Floor Display Case	\$6,000
Advertising – Courtesy Phones	\$450 - \$1,920 depending on size
Advertising – Brochure Rack	\$120 (self-stocked); \$300 (full service)
Auto Parking (per hour)	
0 to ½ hour	\$0.00
½ Hour – 24 Hours	\$2.00 - \$9.00 depending on duration
Advertising (per year)	
Ground Transportation (each vehicle/month)	
Vehicle Permit	\$400 - \$600 depending on vehicle capacity
Fuel Flowage (per gallon)	
AvGas / Jet-A	\$0.10 / \$0.12
Tiedown – Based (per year)	
Single Engine	\$495 - \$990 depending on amenities
Twin Engine	\$706 - \$1,412 depending on amenities
Tiedown – Transient (nightly)	
Single Engine	\$15 (piston); \$75 (turbo)
Twin Engine	\$37.50 (piston); \$87.50 (turbo)
Jets	\$90 - \$400 depending on aircraft weight
Helicopters	\$70 - \$200 depending on aircraft weight
Rental Car Concessions	
Counter Space	\$3.63 per square-foot
Lower Parking	\$45.72 each - \$101.60 each depending on location
Gross Commissions	10%
Hangar Land Leases (per square-foot)	
Friedman Hangar Units	\$4.18
Condo Units	\$2.17
Other Hangars	\$0.68 - \$7.59 depending on size
Fixed Base Operator (per square-foot)	
Primary Parcels	\$0.59
Parking Area	\$0.63
Hangar Land Lease	\$4.18 - \$9.82 depending on size
Fuel Farm	\$0.75

SOURCE: Friedman Memorial Airport.

CHAPTER F Financial Feasibility Analysis

Table F2 HISTORICAL AND BUDGET NET REVENUE

	Actual 2012	Actual 2013	Actual 2014	Budget 2015	Budget 2016
Operating Revenue					
Airlines	\$171,072	\$176,753	\$204,365	\$213,501	\$251,761
Automobile Rental	381,889	389,427	489,713	464,700	571,785
Auto Parking	70,711	85,788	144,931	100,100	200,000
Terminal Concession	37,233	39,915	48,722	52,920	48,000
FBO Revenue	675,039	691,305	811,179	971,500	978,190
Fuel Flowage Fees	177,287	190,493	198,046	200,000	210,000
Transient Landing Fees	209	279	512	500	500
Hangars	484,957	496,591	494,964	439,650	577,953
Tiedown Permit Fees	15,929	13,282	11,650	10,000	11,649
Postal Carrier	11,503	11,692	12,079	12,000	13,000
Ground Transportation Permits	15,210	16,500	16,580	15,200	16,580
TSA	9,054	8,635	6,544	6,545	40,000
Miscellaneous/Other Revenue	32,465	63,947	33,130	27,000	32,000
Total Operating Revenue	\$2,082,560	\$2,184,608	\$2,472,416	\$2,513,616	\$2,951,419
Add: Interest Income ¹	\$11,358	\$9,054	\$6,158	\$10,000	\$3,080
Total Revenue	\$2,093,918	\$2,193,662	\$2,478,574	\$2,523,616	\$2,954,499
- Annual Change	-0.8%	4.8%	13.0%	1.8%	17.1%
Operating Expenses²					
Employee wages, benefits and taxes	\$1,169,218	\$1,189,614	\$1,225,298	\$1,344,656	\$1,390,174
Supplies	106,537	59,163	60,890	94,300	89,300
Utilities	78,432	82,512	111,912	130,610	130,131
Services and Contracts	502,942	354,546	318,449	386,150	508,226
Repairs and Maintenance	111,468	90,688	104,230	108,000	97,000
Insurance	61,073	67,930	51,589	56,349	59,167
Other Operating Expenses	59,133	58,344	407,839	312,600	67,600
Miscellaneous Capital Expenditures	102,494	55,690	145,448	850,000	362,200
Total Operating Expenses	\$2,191,298	\$1,958,485	\$2,425,655	\$3,282,665	\$2,703,798
- Annual Change	7.3%	-10.3%	23.9%	35.3%	-17.6%
Net Revenue	(\$97,380)	\$235,176	\$52,919	(\$759,049)	\$250,701

1. Excludes interest income on Passenger Facility Charge accounts.

2. Excludes depreciation.

SOURCE: Friedman Memorial Airport.

2.3.1. Revenues

For Budget FY 2016, it is projected that 72 percent of the Authority's revenue is to be derived from three primary sources: Fixed Base Operator (FBO) lease and concession payments (approximately 33 percent); hangar land and building leases (approximately 20 percent); and automobile rental concession fees and charges (approximately 19 percent). Given that these funding sources account for the majority of revenue for the Authority's operations and are tied directly to passenger and aircraft activity levels, significant variations in aviation activity at the Airport have the potential to influence ongoing Authority cash flow. Although operating revenue is heavily concentrated in these three sources, the Authority also maintains lease and use agreements with the air carriers serving the Airport and receives a percentage of all automobile parking receipts. Collectively, these sources are budgeted to account for approximately 15 percent of the Authority's annual operating funds in FY 2016.

Total operating revenues for the five-year period from FY 2012 – Budget FY 2016 are projected to increase from approximately \$2.08 million to \$2.91 million, resulting in a compound annual growth rate (CAGR) of approximately 9.1 percent. Increased automobile parking concession revenues, FBO revenues, and rental car revenues contribute significantly to this growth. FBO revenues are expected to grow at a CAGR of approximately 9.7 percent over this period, while rental car revenues are expected to grow at a CAGR of approximately 10.6 percent and automobile parking concession contributions are slated to grow at a CAGR of approximately 29.7 percent.

2.3.2. Expenses

Operating expenses include all expenses incurred by the Authority associated with operating the Airport as well as its share of capital expenditures. Total operating expenses for five-year period from FY2012 – Budget 2016 are projected to increase from approximately \$2.19 to \$2.70 million, resulting in a CAGR of approximately 5.4 percent. Discounting capital expenditure outlays by the Authority, operating expenses are expected to increase from approximately \$2.09 million to \$2.34 million during this period, or approximately 2.9 percent per year. For Budget FY2016, wages, benefits, and taxes are estimated to comprise approximately 51 percent of all operating expenses while contractual and utility expenses constitute approximately 19 percent and 5 percent, respectively, of the Authority's operating expenses. Collectively, wages, benefits, and taxes; contracts; and utilities represent approximately 75 percent of all Authority expenditures. Accordingly, changes in the number of employees, salaries, Authority-provided employee benefits, the number and dollar volume of professional service contracts; and/or utility consumption and rates could result in material changes in the Authority's overall costs.

During the period FY 2012 – Budget FY 2016 the Authority anticipates an investment of \$1.5 million of local funds toward Airport capital improvements. Approximately \$0.9 million of this amount is scheduled to be expended on improvements to the Airline Ticketing and Office Areas (\$0.2 million); Runway Improvements (\$0.2 million) and the Public Automobile Parking Area (\$0.5 million). Other major improvements to be completed during this period include the acquisition of computer equipment/software, replacement of terminal building carpet, and the acquisition of snow removal equipment (SRE).

Net revenue is calculated by subtracting operating expenses from total revenues. The Authority achieved positive net revenue in FY 2013 and FY 2014 and anticipates realizing positive net revenue for Budget FY 2016. In FY 2012 an operating loss of approximately \$97,000 was posted due to a decrease in operating revenue of approximately 0.8 percent from FY 2011 and an increase in operating expenses of approximately 7.3 percent. For FY 2015, the Authority budgeted over \$850,000 in capital expenditures which contributes to a budgeted loss of approximately

\$760,000 in that year. Net revenue of approximately \$250,000 is budgeted for FY 2016. At the close of FY 2016, the Authority expects to have accumulated cash reserves totaling \$2.0 million to fund ongoing operating and capital expenses for FY 2017 and beyond.

3. Financial Analysis and Funding Plan

This section provides a description of the CIP, potential funding sources, and cash flow analyses for both the Existing Airport Scenario and the Replacement Airport Scenario.

3.1. Capital Improvement Program Funding Sources

Airport development is often funded by a combination of public and private sources. Most nonhub airports, including the Airport, typically rely heavily on federal grants (with a local match) to provide most of the funding for an airport's capital program. The funding plan presented herein does not represent a final plan of finance, but is intended to present an assessment of the preliminary financial feasibility of each development scenario. Additional actions need to be undertaken prior to the use of some of these funding sources for specific projects. It is assumed that the costs for the projects will ultimately be financed from a combination of funding sources, such as federal AIP grants, PFCs, third-party funds, and local/Authority funds.

3.1.1. Federal Grants

The Airport and Airway Improvement Act of 1982 authorizes funding for the AIP from the Airport and Airway Trust Fund (the Trust Fund) for airport development, airport planning, and noise compatibility planning and programs. The Trust Fund is funded through several user taxes on airfares, air freight, and aviation fuel.

Grants under the AIP are distributed to airports in two ways: entitlement grants and discretionary grants. Entitlement grants are distributed to airports based on the number of enplaned passengers served on an annual basis. Discretionary grants are distributed by the FAA for individual projects based on capacity enhancement and their importance to the national air transportation system. AIP grants may be used to fund eligible land acquisition, noise mitigation, airfield improvements, airport roadways, terminal projects (for nonhub airports), and safety and security systems and equipment.

On February 15, 2012, President Obama signed into law the FAA reauthorization legislation entitled the FAA Modernization and Reform Act of 2012. This legislation marks the first multi-year reauthorization of the FAA/AIP since the Vision 100 – Century of Flight Authorization Act of 2003 expired September 30, 2007. Under this current reauthorization, the AIP was extended for four Federal Fiscal Years to September 30, 2015. Through a series of Congressional actions, the AIP has subsequently been authorized through September 30, 2017. The authorized funding levels for AIP investment have been established at \$3.35 billion for each year.

Under the AIP, the minimum entitlement for primary airports (i.e., an airport with a minimum of 10,000 enplaned passengers) is \$1.0 million per year. Based on the approved aviation activity forecast presented in Chapter B, the Airport is expected to remain classified as a nonhub primary airport under FAA criteria and, thus, is projected to receive annual AIP entitlement funds of \$1.0 million throughout the planning period. Future reauthorizations of the AIP could adjust the minimum level of entitlement grants (either up or down), which could significantly affect the CIP funding plan.

CHAPTER F Financial Feasibility Analysis

Discretionary grants (annual and multi-year commitments through a Letter of Intent) are distributed by each FAA region on the basis of availability and project priorities. Discretionary grants are generally made immediately available to fund project costs, while Letter of Intent grants are distributed to the Airport over a number of years at defined annual funding levels.

The Airport has historically relied on FAA grants to fund important capital development and maintenance needs. **Table F3** provides a summary of past AIP grants received by the Airport, which total approximately \$44 million since 2005.

Table F3 AIRPORT IMPROVEMENT PROGRAM GRANT HISTORY AT THE AIRPORT

Year of Grant Award ¹	Grant Amount ²	Project
2005	\$1,879,395	Expand Apron, Improve Terminal Building, Security Enhancements
2005	\$4,500,000	Extend Runway Safety Area – Runway 13/31, Remove Obstructions
2007	\$5,350,000	Rehabilitate Runway 13/31
2008	\$741,606	Acquire Snow Removal Equipment, Improve Snow Removal Equipment Building
2009	\$266,000	Acquire Snow Removal Equipment, Rehabilitate Apron, Rehabilitate Taxiway
2010	\$218,200	Rehabilitate Apron, Rehabilitate Taxiway
2010	\$545,500	Acquire Snow Removal Equipment
2012	\$237,230	Conduct Miscellaneous Study
2013	\$691,860	Construct Runway Safety Area – Runway 13/31
2013	\$2,234,754	Construct Access Road, Construct Apron, Construct Taxiway, Install Perimeter Fencing, Rehabilitate Apron, Remove Obstructions
2014	\$18,000,000	Construct Runway Safety Area – Runway 13/31
2015	\$9,253,125	Construct Runway Safety Area – Runway 13/31
Total	\$43,917,670	

1. Federal Fiscal Year, ending September 30.

2. Includes entitlement and discretionary grants.

SOURCE: Federal Aviation Administration.

Under the FAA Modernization and Reform Act of 2012, the federal share of eligible project costs for nonhub airports is 90 percent (with a 10 percent sponsor match), as was established prior to Vision 100. However, Idaho is one of a number of states with certain nontaxable and public land areas whereby an upward adjustment in the percentage of federal shares of eligible project costs has been listed in FAA Order 5100.38D (Airport Improvement Program Handbook). According to FAA Order 5100.38D, the federal share for AIP grants at small and nonhub airports in Idaho is 93.75 percent, with a 6.25 percent local match. All AIP and local matching funds shown in the capital plans presented in this analysis reflect these funding shares.

3.1.2. Passenger Facility Charges

Since 1991, PFCs have been authorized by Title 14 of the Code of Federal Regulations, Part 158, and the PFC program is administered by the FAA. PFCs are collected from qualified passengers to fund eligible projects. Since April 1, 2001, a PFC of up to \$4.50 per qualified enplaned passenger can be imposed by an airport operator. The Airport currently collects a \$4.50 PFC (less \$0.11 airline carrier compensation charge) from qualified enplaned passengers.

CHAPTER F Financial Feasibility Analysis

PFC revenues may be used on a “pay-as-you-go” basis or leveraged to pay debt service on bonds or other debt used to pay for PFC-eligible projects. Because airports may use PFC revenues for the local matching share of AIP grants, PFCs can help airports implement AIP-financed projects sooner than otherwise programmed. Although the FAA is required to approve the collection and use of PFCs, the program permits local collection of PFC revenues through the air carriers that sell tickets to the Airport’s passengers and provides more flexibility to airport sponsors than AIP funds. PFCs may be used for FAA-approved projects that enhance safety, security, or capacity; reduce noise; or increase air carrier competition.

Two PFC applications are currently active for the Airport. Application 09 approves the Authority to collect approximately \$2.8 million in PFC revenues and to use approximately \$1.8 million of PFC revenues to fund the local (matching) share of various recently completed and future improvements at the Airport. Application 10 is a use-only application that approves the Authority to use the remaining \$1.0 million in PFC revenues collected under the authority of Application 09. As of May 2016, the Airport has yet to collect and use approximately \$2.4 million of its total authority of \$2.8 million. Collection authority for Application 09 expires July 1, 2028. For purposes of this financial analysis, it is assumed that the Airport will continue to apply for, collect, and use PFCs at a level of \$4.50 per eligible enplaned passenger throughout the planning period.

Projected PFCs are based on the enplaned passenger forecast described in Chapter B and are presented in **Table F4**. Based on this analysis, a total of approximately \$7.2 million of PFC revenues may be generated from FY 2017 through the end of the planning period.

Table F4 PASSENGER FACILITY CHARGE REVENUE PROJECTION

	FY 2017- FY 2019	FY 2020- FY 2022	FY 2023- FY 2025	FY 2026- FY 2028	FY 2029- FY 2031	FY 2032- FY 2034
Enplaned passengers	226,609	251,099	278,237	308,308	341,628	378,550
PFC level	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
Less: airline collection fee	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)	(0.11)
Net PFC level	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39	\$4.39
Passengers paying a PFC ¹	92%	92%	92%	92%	92%	92%
Enplaned passengers paying a PFC	208,480	231,012	255,978	283,643	314,298	348,266
PFC collections	\$915,227	\$1,014,141	\$1,123,744	\$1,245,193	\$1,379,768	\$1,528,886

- Only those passengers that pay for a ticket are charged a PFC for that ticket. Therefore, in any given year, the percentage of passengers paying a PFC may not equal 100 percent. The assumption that 92 percent of passengers enplaned at the Airport pay a PFC is assumed to be reasonable based on historical Airport collections data, as well as generally accepted industry PFC revenue projection practices.

SOURCE: Ricondo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

3.1.3. Customer Facility Charges

Customer Facility Charges (CFCs) are user fees paid by rental car customers on a-per day or per transaction basis. CFCs are enacted by an airport sponsor, imposed on rental car customers, and are collected by rental car agencies, who remit the collected charge to the airport sponsor. CFC revenues are the principal method utilized by airports to pay for rental car facilities, facility operating and maintenance costs, and costs associated with the acquisition

and maintenance of buses or other vehicles that serve the rental car facility. Similar to PFCs, CFCs can be used on a “pay-as-you-go” basis or leveraged to pay debt service on bonds or other debt used to pay for CFC-eligible projects/costs.

Currently, approximately 70 parking spaces are dedicated for rental car use at the Airport. With annual passenger volume expected to increase 79 percent during the planning period, it is reasonable to expect that the need for additional rental car storage and operating space will increase proportionately to serve passenger demand. In addition, current rental car concessionaires utilize off-airport facilities to park and service their vehicles. While the Authority does not currently collect a CFC, the use of this funding mechanism would serve as a viable means to finance expansion of rental car automobile parking areas, an on-site service facility, and future upgrades and renovations to rental car ticketing counters and offices. As the Authority pursues planned parking expansions, a rental car service facility, and/or terminal expansion and renovations it is recommended that it institute a CFC to finance these improvements.

3.1.4. Third-Party Funds

Development projects that are not eligible for federal grants require funding from local or private funding sources. General examples of projects that are often candidates for third-party funding include hangars, air cargo buildings, aircraft and automobile parking facilities, and other facilities to be constructed by tenants under a lease agreement. Facilities that are constructed with private financial contributions may also provide a financial benefit in the form of land lease revenues to the Airport.

The Authority maintains 13 land leases with private aircraft owners and its FBO that have enabled third-party financing, development, and construction of hangar facilities at the Airport. As the Authority implements the recommendations of this Master Plan, it might evaluate additional opportunities to lease land to private parties for the purpose of constructing hangars. Other third-party financing opportunities could potentially evolve for the Authority including partnering with its public parking concessionaire to finance upgrades to parking facilities or the airport parking revenue control system, a food/beverage/gift operator for concession upgrades in the air carrier terminal, and/or a private developer for a rental car service facility.

3.1.5. State Funds

Many states have programs to assist in airport capital development. The Idaho Transportation Department Division of Aeronautics provides discretionary grant funding for public airports in Idaho through the Idaho Airport Aid Program (IAAP). The IAAP provides matching funds to municipal governments for public airport improvements. The grant funds are derived from Idaho’s aviation fuel tax.

IAAP funds are primarily distributed for the benefit of the State’s general aviation airports, with only approximately 19 percent of the Division of Aeronautics’ annual budget allocated to Idaho’s seven commercial airports. Funding is calculated upon the relative level of activity at the airport. The Airport has historically received some funds from the IAAP, typically in the amount of \$25,000. However, the availability of such funds in any given year is not guaranteed. While state funds may ultimately be used to fund a portion of certain CIP projects through the planning period, the availability/use of such funds is not assumed as part of the funding plan presented in this chapter.

CHAPTER F Financial Feasibility Analysis

3.1.6. Local Funds

Local funds are needed to finance the difference between the total development costs and the sum of all other applicable funding sources. Local funding sources may include Authority operating reserves, City/County resources, proceeds from the issuance of bonds, or short-term bank loans.

As part of the potential funding plan for each development scenario, local funds are primarily used to provide matching contributions for AIP grants. Throughout implementation of either development scenario, it is assumed that additional local funds may be required to fund any shortfalls in federal funding. In addition to providing matching funds for AIP grants, local funds are also assumed to cover the entire cost of various projects that are not likely to be eligible for AIP grants, such as the construction of new parking lots or structures.

3.2. Financial Implementation Analysis

This section describes the underlying assumptions as well as the phasing/timing of proposed projects and corresponding cash flow projections for the Existing Airport Scenario and the Replacement Airport Scenario. **Table F5** presents key assumptions and metrics related to Airport activity levels, projections of revenues and expenses, and funding sources for the two scenarios. Unless otherwise mentioned, the listed assumption applies to both development scenarios.

Table F5 FINANCIAL IMPLEMENTATION ANALYSIS ASSUMPTIONS

Assumption	Factor	Description / Basis of Assumption
General Assumptions		
Projection period	FY17-FY34	
Existing Airport Scenario		The existing airport would continue to be operated, maintained, and improved to meet applicable standards and demand requirements through the projection period
Replacement Airport Scenario		Critical maintenance and improvement projects would be undertaken at the existing airport, while construction of the a replacement airport would begin in FY 2022 and end in FY 2034 (DBO FY 2035)
Airport Budget		Projections of revenues and expenses are generally based on the Authority's FY 2016 budget (using FY 2016 as the base year)
Inflation	3.0%	Consumer Price Index (CPI) forecast assumption
Airline Cost Per Enplanement (CPE) Increase	3.0%	To result in 3.0% real annual increase for rent and landing fee; consistent with previous analyses ¹
Activity Growth		
Enplaned Passengers	3.48%	Master Plan, Chapter B
Total Operations	1.40%	Master Plan, Chapter B
Revenues		
Airline Revenue		
Airline rented space (existing)	3,170 s.f.	Current airline rented area

CHAPTER F Financial Feasibility Analysis

Assumption	Factor	Description / Basis of Assumption
Airline rented space (future)	4,227 s.f.	Airline lease space increases by 1/3 in FY 2019 following completion of the Terminal ATO/Ticketing Renovation & Expansion project
Airline landed weight (annual growth)	1.40%	Annual aircraft operations growth
Terminal rental rate (per square-foot) FY 2017: \$27.96 FY 2018: \$29.36 FY 2019/FY 2020: \$30.76		Assumed rate schedule from FY17-FY20 in accordance with new airline agreement. Starting in FY21, rental rates increase by a combination of CPI + 3% CPE increase every two years
Landing fees FY 2017: \$1.60/1,000 lbs. mtow		Landing fees increase by a combination of CPI + 3% CPE increase every two years starting in FY 2018
Gate fees FY 2017: \$50.00 per gate		Gate fees increase by a combination of CPI + 3% CPE increase every two years starting in FY 2018
Gates leased	2	Assumed through projection period
Utility fees (annual growth)	4.00%	Assumption, consistent with previous analyses ¹
Nonairline Revenue		
Automobile Rental (annual growth)		
Commission	4.98%	Enplaned passenger growth + 1/2 inflation
Counter	3.0%	Inflation
Parking	3.48%	Enplaned passenger growth
Utilities	4.00%	Utility expense growth rate
Auto Parking - Public	3.48%	Enplaned passenger growth; assumes revenues increase as demand increases, but parking rates do not increase
Terminal Concession Revenue (annual growth)		
Advertising Commission	4.98%	Enplaned passenger growth + 1/2 inflation; under Existing Airport Scenario, revenue bumps of 5% occur in FY27 and FY34 following completion of concourse expansion projects that would result in added advertising space
Vending Machines Commission	4.98%	Enplaned passenger growth + 1/2 inflation
FBO Revenue (annual growth)		
Lease Space	3.0%	Inflation, based on Authority's lease log for FBO facilities
Tiedown Fees	1.40%	Annual aircraft operations growth
Landing Fees - Transient	1.40%	Annual aircraft operations growth
Commission	3.0%	Inflation
Fuel Flowage Fees (annual growth)		
Fuel sold	1.40%	Annual aircraft operations growth
Fuel flowage fee - Jet A	\$0.12	FY 2016 budget rate constant through projection period
Fuel flowage fee - AvGas	\$0.10	FY 2016 budget rate constant through projection period

CHAPTER F Financial Feasibility Analysis

Assumption	Factor	Description / Basis of Assumption
Hangars (annual growth)	3.0%	Inflation; in the Existing Airport scenario, \$75,000 is added to FY23 following completion of the New GA Hangar Site project – total new area = 60,000 s.f., assumes half is developed as hangar space at \$2.50/s.f.
Postal Carrier (annual growth)	3.0%	Inflation
Ground Transportation Permits (annual growth)	4.98%	Enplaned passenger growth + 1/2 inflation
TSA (annual growth)	3.0%	Inflation
Other Revenue (annual growth)		
Miscellaneous/Other Revenue	3.0%	Inflation
Interest Income	\$3,080	FY 2016 budget value held constant through projection period
Operating Expenses (annual growth)		
Employee wages, benefits and taxes	3.00%	Assumption, consistent with previous analysis ¹
Supplies	3.00%	Assumption, consistent with previous analysis ¹
Utilities	4.00%	Assumption, consistent with previous analysis ¹
Services and Contracts	3.00%	Assumption, consistent with previous analysis ¹
Repairs and Maintenance	2.00%	Assumption, consistent with previous analysis ¹
Insurance	3.00%	Assumption, consistent with previous analysis ¹
Other Operating Expenses	2.00%	Assumption, consistent with previous analysis ¹
Miscellaneous Capital Expenditures	1.00%	Assumption, consistent with previous analysis ¹
Replacement Airport	1.00%	Assumption, consistent with previous analysis ¹
Funding Sources		
Passenger Facility Charges (PFCs)		
PFC level per eligible enplaned passenger	\$4.50	Current maximum authorized level; assumed constant through projection period
Percent eligible enplaned passengers	92%	Historical data; acceptable industry assumption
PFC reimbursement		Projects identified on the current PFC Applications 09 and 10 have been funded by the Authority and PFC revenues are being used to reimburse the Authority for these costs
FY 2017 beginning PFC fund balance	\$159,109	Estimated by taking the current PFC fund balance through May 2, 2016 and adding projected revenues to be collected through the remainder of FY 2016
Airport Improvement Program (AIP) Grants		
Annual entitlement grants	\$1 million	Minimum annual entitlement funds for nonhub airports
Discretionary grants		Generally assumed to cover the difference between the federal AIP share and the amount able to be funded with entitlement funds
General AIP federal share	93.75%	Maximum federal share for nonhub airports in Idaho

Assumption	Factor	Description / Basis of Assumption
Other Funding Sources		
Third-party/private investment		In the Replacement Airport scenario, it is assumed that third-party/ private investment will be used to fund general aviation and FBO facilities at the replacement airport
Funding for rental car-related projects		In the Replacement Airport scenario, it is assumed that customer facility charges and/or rent payments from rental car agencies will be used to fund all rental car facilities at the replacement airport

1. References to previous analyses refer to Authority-commissioned financial analyses conducted in 2010/2011, with the goal of developing a financial solution to provide a safe, reliable commercial service airport for Blaine County, Idaho, and the National Airspace System, which accommodates existing and future aviation demand.

SOURCE: Ricondo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

3.2.1. Existing Airport Scenario – CIP Costs, Funding, and Cash Flow

Table F6 presents project costs and anticipated funding sources for the Existing Airport Scenario CIP for short-term, mid-term, and long-term planning horizons. Each project is analyzed based upon its total cost, estimated eligible funding sources, and use of FAA AIP Entitlement and/or Discretionary funds.

CHAPTER F Financial Feasibility Analysis

Table FA EXISTING AIRPORT SCENARIO – CIP COSTS AND FUNDING

	Completion Year (FY)	Estimated Cost ¹	Estimated Funding Sources			AIP Funding Sources		
			AIP Grants	PFC Revenues	Local Funds	Total AIP Grants	Entitlement	Discretionary
Short-Term CIP (FY 2017 – FY 2018)								
Reconfigure Terminal Auto Parking and Roadways*	2017	\$181,000	\$169,688	\$-	\$11,313	\$169,688	\$169,688	\$-
Control Tower Siting Study with AFTIL*	2017	200,000	187,500	-	12,500	187,500	187,500	-
Expand Commercial Apron*	2017	1,639,000	1,536,563	-	102,438	1,536,563	1,492,813	43,750
Land Acquisition – Environmental Assessment*	2017	200,000	-	-	200,000	-	-	-
Terminal ATO/Ticketing Renovation & Expansion*	2018	1,400,000	-	-	1,400,000	-	-	-
Construct New Surface Parking Lot, Alt 2 (107 Spaces)	2018	670,000	-	-	670,000	-	-	-
Acquire Land – Airport Development, RPZ, & Obstruction Mitigation – Fee Simple*	2018	1,200,000	1,125,000	-	75,000	1,125,000	1,000,000	125,000
Acquire ARFF Equipment*	2018	600,000	562,500	-	37,500	562,500	-	562,500
Subtotal Short-Term CIP		\$6,090,000	\$3,581,250	\$-	\$2,508,750	\$3,581,250	\$2,850,000	\$731,250
Mid-Term CIP (FY 2019 – FY 2024)								
Control Tower Conceptual Design & Environmental Assessment*	2019	\$225,000	\$210,938	\$-	\$14,063	\$210,938	\$210,938	\$-
Acquire Land – Airport Development, RPZ, & Obstruction Mitigation – Fee Simple*	2019	1,200,000	1,125,000	-	75,000	1,125,000	789,063	335,938
Control Tower Design & Permitting*	2020	700,000	656,250	-	43,750	656,250	656,250	-
Rehabilitate Runway*	2021	2,311,000	2,166,563	-	144,438	2,166,563	1,343,750	822,813
Acquire SRE Equipment*	2021	500,000	468,750	-	31,250	468,750	-	468,750
Control Tower Construction*	2023	6,600,000	6,187,500	-	412,500	6,187,500	1,000,000	5,187,500
Construct New Surface Parking Lot, Alt 3 Phase 1 (286 Spaces)*	2022	761,000	-	-	761,000	-	-	-
Acquire SRE Equipment	2022	500,000	468,750	-	31,250	468,750	-	468,750
Acquire Land for Auto Parking	2022	900,000	-	-	900,000	-	-	-
Expand Commercial Apron (3 Positions)*	2023	1,788,000	1,676,250	-	111,750	1,676,250	1,000,000	676,250
Expand GA Aprons (Recapture Pre-RSA Improvements)*	2023	2,769,000	2,595,938	-	173,063	2,595,938	-	2,595,938
Control Tower Commissioning*	2023	100,000	93,750	-	6,250	93,750	-	93,750
Acquire SRE Equipment*	2023	500,000	468,750	-	31,250	468,750	-	468,750
New GA Hangar Area (Site Preparation, Access Road, & Parking)*	2024	1,144,000	1,072,500	-	71,500	1,072,500	-	1,072,500
Remove 2 GA Hangars	2024	168,000	157,500	10,500	-	157,500	157,500	-
Acquire SRE Equipment	2024	500,000	468,750	31,250	-	468,750	468,750	-
Subtotal Mid-Term CIP		\$20,665,000	\$17,817,188	\$41,750	\$2,807,063	\$17,817,188	\$5,626,250	\$12,190,938
Long-Term CIP (FY 2025 – FY 2034)								
Terminal Security Checkpoint Expansion	2025	\$800,000	\$750,000	\$50,000	\$-	\$750,000	\$750,000	\$-
Terminal Concourse Expansion - East	2026	1,000,000	937,500	62,500	-	937,500	937,500	-
Expand GA Apron (20-year Demand)	2027	3,200,000	3,000,000	200,000	-	3,000,000	1,686,250	1,313,750
Acquire SRE Equipment	2028	2,000,000	1,875,000	125,000	-	1,875,000	1,000,000	875,000
Construct New Surface Parking Lot, Alt 3 Phase 2 (125 Spaces)	2030	444,000	-	-	444,000	-	-	-
Terminal Concourse Expansion - West	2033	6,000,000	5,625,000	375,000	-	5,625,000	5,625,000	-
Construct Parking Structure (net increase 150 spaces)	2034	10,000,000	-	-	10,000,000	-	-	-
Subtotal Long-Term CIP		\$23,444,000	\$12,187,500	\$612,500	\$10,444,000	\$12,187,500	\$9,998,750	\$2,188,750
Total CIP		\$50,200,000	\$28,585,938	\$854,250	\$15,759,813	\$33,585,938	\$18,475,000	\$15,110,938

Asterisk (*) denotes that the project is potentially PFC eligible. Authority retains PFC collections on all projects until FY 2029.

Asterisk (*) denotes that the project is potentially PFC eligible. Authority existing PFC collections are obligated thru 2023. It is recommended that the Authority seek authorization to impose/use a PFC for the project upon completion of existing PFC.

1. Estimated costs assumed to be in current (2016) dollars.

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

The following summarizes the costs, funding plan, and key funding assumptions for the Existing Airport Scenario:

- Total CIP cost is approximately \$50.2 million, comprised of approximately \$33.6 million of AIP grants, including approximately \$18.5 million of entitlement grants and approximately \$15.1 million of discretionary grants; approximately \$0.85 million PFC revenues; and approximately \$15.8 million local funds.
- The AIP funding share is 93.75 percent for AIP eligible projects.
- \$1.0 million in annual AIP entitlement grants are assumed throughout the plan.
- \$850,000 in AIP Entitlement carryover funding is available for use for FY 2017 projects.
- Current PFC Applications 09 and 10 commit all collections through FY 2023 for reimbursement of local funds expended on completed projects. PFC revenue generated between FY 2024 and FY 2034 can be used for pay-as-you-go projects during this period and to reimburse the Authority for projects completed in FY 2017 – FY 2024 (see projects with “*” in Table F6).
- The Terminal ATO/Ticketing Renovation and Expansion Project (\$1.2 million) programmed for completion in FY 2018 assumes 100 percent local funding. It is estimated that approximately 30 percent of this cost is eligible to be reimbursed through PFC collections in future years. PFC funding is not available to support this project in FY 2018 because this revenue stream is committed to the Authority’s PFC Applications 09 and 10.
- Land acquisition costs identified in FY2017-2019 for airport development, RPZ, and obstruction mitigation assumes acquiring fee simple interest in adjoining property. As stated in Chapter D, the creation of perpetual easements and/or control by other lawful measures for the area south of the airport to protect the Airport from encroachment by incompatible land uses and approach/departure obstructions may be other options available to the Authority. The area of land estimated for acquisition is 58.9 acres (10.4 acres for development and 47.5 acres for RPZ control, obstruction removal and approach protection). Land acquisition costs were estimated based upon a review of agricultural properties sold and for sale in the vicinity of the Airport. Costs for this type of land currently vary from less than \$10,000 per acre to over \$80,000 per acre, depending on a wide variety of factors. These factors include current and potential zoning, location and the priority and quantity of appurtenant water rights, among others. Based on the range of values, an estimated cost of \$40,000 per acre was used to develop land acquisition costs shown divided over a 2 year period. The Authority will follow the provisions of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act) (42 USC 4601 et seq), as amended, for land to be acquired with AIP or PFC funds. For those areas of land acquired without use of AIP or PFC funds, the Authority anticipates to negotiate in good faith and use a minimum of one independent appraisal to determine fair market value.
- The Authority collects sufficient PFC revenue to fund all eligible projects within the proposed CIP based upon the enplaned passenger forecast. While the Authority will need to initially allocate its funds as the local match for some FAA AIP projects, the anticipated PFC revenue to be generated during this period more than offsets local grant matching requirements and will allow the Authority to recoup these initial allocations and reimburse its Operating Reserve.
- The following projects are to be funded 100 percent with local funds as they are ineligible for FAA AIP grants. These projects total approximately \$12.8 million, representing approximately 83 percent of the

Authority's anticipated total capital outlay expected as the result of this scenario, with the Parking Structure comprising \$10.0 million of this total.

- Construct New Surface Parking Lot, Alt 2 (107 spaces) – FY 2017
- Construct New Surface Parking Lot, Alt 3 Phase 1 (286 spaces) – FY 2022
- Acquire Land Auto Parking – FY 2022
- Construct New Surface Parking Lot, Alt 3 Phase 2 (125 spaces) – FY 2030
- Construct Parking Structure (net increase 150 spaces) – FY 2034

A cash flow analysis based on the funding plan developed for the Existing Airport Scenario is presented in **Table F7**. The analysis includes projections of airline revenue, nonairline revenue, other revenue, operating expenses, and net operating revenue anticipated for the Authority during the planning period. Assumptions presented in **Table F5** and CIP expenditures presented in **Table F6** are factored into the cash flow projection to yield a projected annual ending balance for the Authority's Operating Reserve.

Table F8 provides supplemental information for the cash flow analysis, including a summary of the projected receipt and use of AIP grants and the application of PFC revenues, including the transfer of PFC reimbursement revenues to the Authority's Operating Reserve.

CHAPTER F Financial Feasibility Analysis

Table F7 EXISTING AIRPORT SCENARIO – ANNUAL FUNDING AND CASH FLOW

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Operating Revenues																		
Beginning Balance	\$2,000,000	\$2,266,385	\$ 550,385	\$ 985,142	\$1,487,853	\$1,879,939	\$ 368,498	\$ 738,391	\$1,348,367	\$2,050,695	\$2,775,294	\$3,397,539	\$4,133,867	\$5,031,543	\$5,411,316	\$5,917,324	\$6,456,116	\$ 7,022,751
Airline Revenue	258,616	275,176	315,100	328,305	339,350	353,794	365,533	381,200	393,806	410,872	424,342	442,932	457,327	477,576	492,863	515,020	531,468	555,496
Nonairline Revenue	2,609,458	2,693,566	2,780,585	2,861,628	2,945,544	3,032,447	3,117,459	3,202,953	3,291,879	3,394,375	3,603,268	3,713,477	3,827,715	3,946,147	4,068,944	4,196,286	4,328,361	4,469,311
Other Revenue	36,040	37,019	38,047	39,096	40,177	41,290	42,436	43,617	44,833	46,085	47,375	48,704	50,073	52,483	52,935	54,431	55,971	57,558
Less: Operating Expenses	(2,765,289)	(2,844,228)	(2,925,481)	(3,009,119)	(3,095,213)	(3,183,836)	(3,275,065)	(3,368,978)	(3,465,656)	(3,565,182)	(3,667,643)	(3,773,125)	(3,881,721)	(3,993,525)	(4,108,633)	(4,227,145)	(4,349,165)	(4,474,799)
Net Revenue	\$ 138,824	\$ 161,543	\$ 208,251	\$ 219,910	\$ 229,858	\$ 249,634	\$ 330,362	\$ 348,781	\$ 364,862	\$ 386,150	\$ 407,843	\$ 431,987	\$ 453,394	\$ 481,681	\$ 506,209	\$ 538,392	\$ 566,635	\$ 607,567
PFC Reimbursement	\$ 453,811	\$ 304,957	\$ 315,569	\$ 326,551	\$ 337,915	\$ 349,674	\$ 361,843	\$ 332,685	\$ 337,466	\$ 338,449	\$ 214,902	\$ 304,341	\$ 444,287	\$ 342,092	\$ -	\$ -	\$ -	\$ -
CIP Expenditures	\$(326,250)	\$(2,182,500)	\$ (89,063)	\$ (43,750)	\$(175,688)	\$(2,104,750)	\$(322,313)	\$ (71,500)	\$ -	\$ -	\$ -	\$ -	\$ -	\$(444,000)	\$ -	\$ -	\$ -	\$(7,630,318)
Ending Balance	\$2,266,385	\$ 550,385	\$ 985,142	\$1,487,853	\$1,879,939	\$ 368,498	\$ 738,391	\$1,348,367	\$2,050,695	\$2,775,294	\$3,397,539	\$4,133,867	\$5,031,543	\$5,411,316	\$5,917,324	\$6,456,116	\$7,022,751	\$ -
Funding Summary																		
CIP Funding Requirement	\$2,220,000	\$3,870,000	\$1,425,000	\$ 700,000	\$2,811,000	\$8,761,000	\$5,157,000	\$1,832,000	\$ 800,000	\$1,000,000	\$3,200,000	\$2,000,000	\$ -	\$ 444,000	\$ -	\$ -	\$6,000,000	\$10,000,000
AIP Grants	1,888,750	1,687,500	1,335,988	656,250	2,635,318	6,656,250	4,834,688	3,698,750	750,000	837,500	3,000,000	1,875,000	-	-	-	-	5,635,000	-
PFC Funds	-	-	-	-	-	-	-	43,750	50,000	62,500	200,000	125,000	-	-	-	-	875,000	-
Local Funds (Operating Reserve)	326,250	2,182,500	89,063	43,750	175,688	2,104,750	322,313	71,500	-	-	-	-	-	444,000	-	-	-	7,630,318
Total Funding Sources	\$2,220,000	\$3,870,000	\$1,425,000	\$ 700,000	\$2,811,000	\$8,761,000	\$5,157,000	\$1,832,000	\$ 800,000	\$1,000,000	\$3,200,000	\$2,000,000	\$ -	\$ 444,000	\$ -	\$ -	\$6,000,000	\$7,630,318
Projected Funding Deficiency	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	\$(2,369,682)

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

CHAPTER F Financial Feasibility Analysis

Table F8 EXISTING AIRPORT SCENARIO – AIP GRANTS AND PFC REVENUE PROJECTIONS

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
AIP Grant Funds																		
Carryover from Prior Year	\$650,000	\$-	\$-	\$-	\$343,750	\$-	\$-	\$-	\$373,750	\$623,750	\$686,250	\$-	\$-	\$1,000,000	\$2,000,000	\$3,000,000	\$4,000,000	\$375,000
Annual Entitlement Grants	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	-
Less: CIP Expenditures	(1,850,000)	(1,000,000)	(1,000,000)	(656,250)	(1,343,750)	(1,000,000)	(1,000,000)	(626,250)	(750,000)	(937,500)	(1,686,250)	(1,000,000)	-	-	-	-	(5,625,000)	-
Remaining	\$-	\$-	\$-	\$343,750	\$-	\$-	\$-	\$373,750	\$623,750	\$686,250	\$0	\$0	\$1,000,000	\$2,000,000	\$3,000,000	\$4,000,000	\$375,000	\$375,000
Annual Entitlement Grants	\$1,850,000	\$1,000,000	\$1,000,000	\$656,250	\$1,343,750	\$1,000,000	\$1,000,000	\$626,250	\$750,000	\$937,500	\$1,686,250	\$1,000,000	\$-	\$-	\$-	\$-	\$5,625,000	\$-
Discretionary Grants	43,750	687,500	335,938	-	1,281,563	5,656,250	3,834,688	1,072,500	-	-	1,313,750	875,000	-	-	-	-	-	-
Total AIP Grants	\$1,893,750	\$1,687,500	\$1,335,938	\$656,250	\$2,625,313	\$6,656,250	\$4,834,688	\$1,698,750	\$750,000	\$937,500	\$3,000,000	\$1,875,000	\$-	\$-	\$-	\$-	\$5,625,000	\$-
PFC Fund																		
Beginning Balance	\$159,109	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$117,651	\$599,399	\$1,085,691	\$1,220,121
Annual PFC Collections	294,701	\$304,957	\$315,569	\$326,551	\$337,915	\$349,674	\$361,843	\$374,435	\$387,466	\$400,949	\$414,902	\$429,341	\$444,282	\$459,743	\$475,742	\$492,298	\$509,430	\$527,158
Less: CIP pay go Expenditures	-	-	-	-	-	-	-	(41,750)	(50,000)	(62,500)	(200,000)	(125,000)	-	-	-	-	(375,000)	-
Net PFC revenues	\$294,701	\$304,957	\$315,569	\$326,551	\$337,915	\$349,674	\$361,843	\$332,685	\$337,466	\$338,449	\$214,902	\$304,341	\$444,282	\$459,743	\$475,742	\$492,298	\$134,430	\$527,158
Reimbursements																		
Applications 09/10	\$453,811	\$304,957	\$315,569	\$326,551	\$337,915	\$349,674	\$292,624	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
Future Applications	-	-	-	-	-	-	69,219	\$32,685	\$37,466	\$38,449	\$214,902	\$304,341	\$444,282	\$459,743	\$475,742	\$492,298	-	-
Transfer to Operating Reserve	(\$453,811)	(\$304,957)	(\$315,569)	(\$326,551)	(\$337,915)	(\$349,674)	(\$361,843)	(\$332,685)	(\$337,466)	(\$338,449)	(\$214,902)	(\$304,341)	(\$444,282)	(\$459,743)	(\$475,742)	(\$492,298)	\$-	\$-
PFC Fund ending balance	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$117,651	\$599,399	\$1,085,691	\$1,220,121

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

As shown on **Table F7**, a beginning balance of \$2 million in the Authority's Operating Reserve is assumed for FY 2017. Based on the assumptions listed in **Table F5**, airline revenue is projected to grow at a CAGR of approximately 4.6 percent from FY 2017 to FY 2034, while nonairline revenue is projected to grow at a CAGR of approximately 3.2 percent over the period. Total revenue is projected to grow at a CAGR of approximately 3.3 percent, compared to operating expenses, with a projected CAGR of approximately 2.9 percent. Net revenue available for funding of capital development projects is projected to grow at a CAGR of approximately 9.1 percent through FY 2034.

Based upon the assumptions used to generate the cash flow analysis as well as an understanding of the anticipated projects and corresponding eligibility for AIP and PFC funding, it is projected that the estimated funding sources will be adequate until FY2034 when construction of the automobile Parking Structure is proposed to be undertaken. Due to this project, a funding deficiency of approximately \$2.4 million is projected. This funding deficiency may be alleviated through reduced scope/cost or elimination of the project, moving the implementation date of the project further into the future, and/or identifying alternative funding sources for the project. Overall, the financial analysis shows that the potential funding plan developed for the Existing Airport Scenario is generally feasible, given the assumptions described in this section.

3.2.2. Replacement Airport Scenario – CIP Costs, Funding, and Cash Flow

Table F9 presents project costs and potential funding sources for the Replacement Airport Scenario CIP. These estimates are not site-specific, but rather are generic estimates based on blending the planning-level cost estimates developed in 2011 for Site 10A and Site 12, and escalating the costs to account for inflation. The following summarizes the costs, funding plan, and key funding assumptions for this scenario:

- Total CIP cost is approximately \$338.1 million, comprised of \$113.8 million of AIP grants, including approximately \$18.9 million of entitlement grants and approximately \$95.0 million of discretionary grants; approximately \$5.0 million PFC revenues; approximately \$136.3 million local funds; approximately \$80.0 million Third Party funds; and approximately \$3.0 million of CFC revenues and/or rental car company rent. The estimated Third Party and rental car/CFC funding is to be used in association with the Replacement Airport CIP.
- The Replacement Airport CIP is assumed to cost approximately \$322 million, consisting of \$100 million of AIP grants, including \$13.0 million of entitlement grants and \$87.0 million of discretionary grants; approximately \$4.8 million of PFC revenues; \$134.2 million of local funds; \$80.0 million or Third Party funds; and \$3.0 million of CFCs/rental car company rent.
- The AIP funding share is 93.75 percent for AIP eligible projects.
- \$1.0 million in annual AIP entitlement grants are assumed throughout the plan.
- \$850,000 in AIP Entitlement carryover funding is available for use for FY 2017 projects.
- Current PFC Applications 09 and 10 commit all collections through FY 2023 for reimbursement of local funds expended on completed projects. PFC revenue generated between FY 2024 and FY 2031 are assumed to be used on a pay-go basis to partially fund the terminal, ARFF, and maintenance buildings associated with the replacement airport. PFC revenue collected subsequent to 2031 may be used to reimburse the Authority for projects completed in FY 2017 – FY 2021 (see projects with “*” in **Table F9**).

CHAPTER F Financial Feasibility Analysis

Table F9 REPLACEMENT AIRPORT SCENARIO – CIP COSTS AND FUNDING

Building Airport CIP	Completion Year (FY)	Estimated Cost	Estimated Funding Sources					Airport Funding Sources		
			Air Grants	PFC Revenue ¹	Misc. Funds	Third Party	CFC / RACS ¹¹	Total AIP	Substantive	Discretionary
Reconfigure Terminal Auto Parking and Roadways*	2017	\$181,000	\$169,688	\$-	\$11,313	\$-	\$-	\$169,688	\$169,688	\$-
Expand Commercial Apron*	2017	1,639,000	1,536,563	-	102,438	-	-	1,536,563	1,492,013	43,750
Control Tower Siting Study with AFTIL	2017	200,000	187,500	-	12,500	-	-	187,500	187,500	-
Terminal ATO/Ticketing Renovation & Expansion*	2018	1,400,000	-	-	1,400,000	-	-	-	-	-
Acquire ARFF Equipment*	2018	600,000	562,500	-	37,500	-	-	562,500	562,500	-
Control Tower Conceptual Design & Environmental Assessment	2019	225,000	210,938	-	14,063	-	-	210,938	210,938	-
Control Tower Design & Permitting	2020	700,000	656,250	-	43,750	-	-	656,250	656,250	-
Rehabilitate Runway*	2021	500,000	468,750	-	31,250	-	-	468,750	468,750	-
Acquire SRE Equipment*	2021	500,000	468,750	-	31,250	-	-	468,750	468,750	-
Control Tower Construction	2022	6,600,000	6,187,500	-	412,500	-	-	6,187,500	1,000,000	5,187,500
Acquire SRE Equipment*	2022	500,000	468,750	-	31,250	-	-	468,750	468,750	-
Control Tower Commissioning	2023	100,000	93,750	-	6,250	-	-	93,750	93,750	-
Acquire SRE Equipment*	2023	500,000	468,750	-	31,250	-	-	468,750	468,750	-
Acquire SRE Equipment*	2024	500,000	468,750	31,250	-	-	-	468,750	-	468,750
Acquire SRE Equipment*	2028	2,000,000	1,875,000	125,000	-	-	-	1,875,000	-	1,875,000
Subtotal Replacing Airport CIP		\$14,945,000	\$13,825,000	\$186,250	\$2,167,500	\$-	\$-	\$ 13,825,000	\$ 5,250,000	\$ 7,975,000
Replacement Airport CIP										
Land Acquisition	2023	\$2,000,000	\$-	\$-	\$2,000,000	\$-	\$-	\$-	\$-	\$-
Off-Airport Power, Gas, & Communications	2023	25,000,000	-	-	25,000,000	-	-	-	-	-
Grading & Site Preparation	2024	50,000,000	22,500,000	-	27,500,000	-	-	22,500,000	3,000,000	19,500,000
Access Roads & Parking	2025	10,000,000	-	-	10,000,000	-	-	-	-	-
Water & Sewer Infrastructure	2026	15,000,000	-	-	15,000,000	-	-	-	-	-
On-Site Power, Gas, & Communications	2027	2,000,000	-	-	2,000,000	-	-	-	-	-
Runway/Taxiway/Apron Construction w/Lighting	2028	80,000,000	64,000,000	-	16,000,000	-	-	64,000,000	4,000,000	60,000,000
Perimeter Road & Fence	2029	5,000,000	-	-	5,000,000	-	-	-	-	-
Control Tower & Navals	2030	15,000,000	13,500,000	-	1,500,000	-	-	13,500,000	6,000,000	7,500,000
Terminal, ARFF, & Maintenance Buildings	2031	35,000,000	-	4,828,717	30,171,283	-	-	-	-	-
Rental Car Facilities	2032	3,000,000	-	-	-	-	-	-	-	-
GA & FBO Facilities	2033/2034	80,000,000	-	-	-	80,000,000	3,000,000	-	-	-
Subtotal Replacement Airport CIP		\$822,000,000	\$186,000,000	\$4,828,717	\$134,171,283	\$80,000,000	\$3,000,000	\$189,000,000	\$18,000,000	\$67,000,000
TOTAL CIP		\$836,945,000	\$139,825,000	\$4,828,717	\$136,338,783	\$80,000,000	\$3,000,000	\$133,825,000	\$23,250,000	\$74,975,000

Footnote: (*) denotes that the project is partially PFC eligible. Authority existing PFC collections are obligated thru 2023. It is recommended that the Authority seek authorization to impose/levy a PFC for the project upon completion of existing PFC.

1. Estimated costs assumed to be in current (2015) dollars.

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Hensel & Hunt, Inc.

CHAPTER F Financial Feasibility Analysis

- It is assumed that the following projects identified in the Existing Airport CIP are considered priorities to be completed during the period FY 2017 – FY 2021:
 - Reconfigure Terminal Auto Parking and Roadways
 - Expand Commercial Apron
 - Construct Air Traffic Control Tower
 - Rehabilitate Runway
 - Terminal ATO/Ticketing Renovation & Expansion
 - Acquire ARFF Equipment
 - Acquire SRE Equipment
- Projects associated with the Replacement Airport Project commence in FY2022 with occupancy of the new Airport occurring in FY2035.
- The Authority will carryover its AIP entitlements for the following periods: FY 2022-FY 2024 (\$3.0 million); FY 2025-FY 2028 (\$4.0 million) and FY 2029-FY 2034 (\$6.0 million).
- With respect to the Replacement Airport CIP, FAA funding is dedicated solely to site preparation, airfield work, and construction/installation of a control tower and navigational aids.

A cash flow analysis for the period FY2017-2034 for the Replacement Airport Scenario is presented in **Table F10** and includes projections of airline revenue, nonairline revenue, other revenue, operating expenses, and net operating revenue, and considers the assumptions presented in **Table F5**, as well as the CIP expenditures presented in **Table F9**. **Table F11** provides supplemental information for the cash flow analysis, including a summary of the projected receipt and use of AIP grants and the application of PFC revenues, including the transfer of PFC reimbursement revenues to the Authority's Operating Reserve.

There is no assumed difference in projections of airline revenue, other revenue, and operating expenses between the Replacement Airport Scenario and the Existing Airport Scenario. Nonairline revenue under the Existing Airport Scenario is approximately 2.4 percent higher than under the Replacement Airport Scenario due to assumed increases in hangar development area (and corresponding hangar revenues) and additional terminal area for advertising revenue. The corresponding development projects that result in the assumed increase in revenue are not undertaken in the Replacement Airport Scenario. Total revenue under the Replacement Airport Scenario is projected to grow at a CAGR of approximately 3.2 percent from FY 2017 – FY 2034, while net revenue is projected to grow at a CAGR of approximately 7.8 percent over the same period.

Based upon the assumptions used to generate this cash flow analysis as well as anticipated projects and corresponding eligibility for AIP and PFC funding, it is projected that the a local funding shortfall of \$127.8 million exists for this scenario. Achieving a financially viable Replacement Airport Scenario would require major decreases in capital cost requirements, significant additional federal participation, and/or significant local and possibly third-party financial resources. The achievable funding levels for the Airport are generally adequate for undertaking a capital development program of the size and scope of the program represented by the Existing Airport Scenario CIP. Funding challenges would arise for any significantly larger/more expensive capital development program.

CHAPTER F Financial Feasibility Analysis

Table F10 REPLACEMENT AIRPORT SCENARIO – ANNUAL FUNDING AND CASH FLOW

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
Operating Reserve																		
Beginning Balance	\$2,000,000	\$2,466,385	\$1,495,385	\$1,942,642	\$2,382,853	\$2,375,626	\$368,935	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$437,313	\$899,564
Airline Revenue	258,616	275,176	315,100	328,305	339,350	353,734	365,533	381,200	393,806	410,872	424,342	442,932	457,927	477,576	492,963	515,020	531,468	555,486
Nonairline Revenue	2,609,458	2,693,566	2,780,585	2,861,628	2,945,544	3,032,447	3,122,489	3,215,703	3,312,312	3,412,430	3,516,172	3,623,715	3,735,204	3,850,803	3,970,678	4,095,008	4,223,976	4,357,775
Other Revenue	36,040	37,023	39,047	39,086	40,177	41,290	42,436	43,617	44,833	46,085	47,375	48,704	50,073	51,483	52,935	54,431	55,971	57,558
Less: Operating Expenses	(2,768,289)	(2,844,228)	(2,925,481)	(3,009,119)	(3,095,213)	(3,183,836)	(3,275,065)	(3,368,978)	(3,465,856)	(3,565,182)	(3,667,643)	(3,773,125)	(3,881,721)	(3,993,525)	(4,108,833)	(4,227,148)	(4,349,165)	(4,474,788)
Net Revenue	\$138,824	\$161,543	\$206,251	\$219,910	\$239,858	\$248,834	\$285,368	\$277,541	\$285,294	\$304,195	\$320,247	\$342,226	\$360,883	\$386,337	\$407,943	\$437,313	\$462,250	\$496,830
PFC Reimbursement	\$453,811	\$304,857	\$315,569	\$295,301	\$212,915	\$349,674	\$361,843	\$67,031	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-
CIP Expenditures	(126,250)	(1,437,500)	(76,563)	(75,000)	(450,000)	(2,000,000)	(1,586,141)	(358,572)	(285,294)	(304,195)	(320,247)	(342,226)	(360,883)	(386,337)	(407,943)	-	-	-
Ending Balance	\$2,466,385	\$1,495,385	\$1,942,642	\$2,382,853	\$2,375,626	\$368,935	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$437,313	\$899,564	\$1,895,594
Funding Summary																		
CIP Funding Requirement	\$2,020,000	\$1,803,900	\$1,229,000	\$1,700,000	\$9,260,000	\$2,000,000	\$25,000,000	\$50,000,000	\$10,000,000	\$15,000,000	\$2,000,000	\$80,000,000	\$5,000,000	\$15,000,000	\$35,000,000	\$3,000,000	\$40,000,000	\$40,000,000
AIP Grants	1,893,750	562,500	1,148,438	1,593,750	8,625,000	-	-	22,500,000	-	-	-	64,000,000	-	13,500,000	-	-	-	-
PFC Funds	-	-	-	31,250	125,000	-	-	-	-	-	-	-	-	-	4,828,717	-	-	-
Local Funds (Operating Reserve)	126,250	1,437,500	76,563	75,000	450,000	2,000,000	1,586,141	358,572	285,294	304,195	320,247	342,226	360,883	386,337	407,943	-	-	-
Third Party/Other Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,000,000	40,000,000
CTC Revenue/Rental Car Rents	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000,000	-	-
Total Funding Sources	\$2,020,000	\$2,000,000	\$1,225,000	\$1,700,000	\$9,280,000	\$2,000,000	\$1,586,141	\$22,858,572	\$285,294	\$304,195	\$320,247	\$64,342,226	\$360,883	\$13,886,337	\$5,236,660	\$3,000,000	\$40,000,000	\$40,000,000
Projected Funding Deficiency	\$-	\$-	\$-	\$-	\$-	\$-	(\$23,413,859)	(\$27,141,428)	(\$9,714,705)	(\$14,695,805)	(\$1,679,753)	(\$15,657,774)	(\$4,639,117)	(\$1,118,668)	(\$29,763,340)	\$-	\$-	\$-

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

CHAPTER F Financial Feasibility Analysis

Table F11 REPLACEMENT AIRPORT SCENARIO – AIP GRANTS AND PFC REVENUE PROJECTIONS

	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034
AIP Grant Funds																		
Carryover from Prior Year	\$850,000	\$-	\$437,500	\$289,063	\$164,063	\$-	\$1,000,000	\$2,000,000	\$-	\$1,000,000	\$2,000,000	\$3,000,000	\$-	\$1,000,000	\$-	\$-	\$-	\$-
Annual Entitlement Grants	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000	-	-	-
Less: CIP Expenditures	(1,850,000)	(562,500)	(1,148,438)	(1,125,000)	(1,164,063)	-	-	(3,000,000)	-	-	-	(4,000,000)	-	(5,000,000)	-	-	-	-
Remaining	\$-	\$437,500	\$289,063	\$164,063	\$-	\$1,000,000	\$2,000,000	\$-	\$1,000,000	\$2,000,000	\$3,000,000	\$-	\$1,000,000	\$-	\$-	\$-	\$-	\$-
Annual Entitlement Grants	\$1,850,000	\$562,500	\$1,148,438	\$1,125,000	\$1,164,063	\$-	\$-	\$3,000,000	\$-	\$-	\$-	\$4,000,000	\$-	\$5,000,000	\$-	\$-	\$-	\$-
Discretionary Grants	43,750	-	-	468,750	7,460,938	-	-	38,500,000	-	-	-	60,000,000	-	7,500,000	-	-	-	-
Total AIP Grants	\$1,893,750	\$562,500	\$1,148,438	\$1,593,750	\$8,625,000	\$-	\$-	\$22,500,000	\$-	\$-	\$-	\$64,000,000	\$-	\$13,500,000	\$-	\$-	\$-	\$-
PFC Fund																		
Beginning Balance	\$159,109	\$-	\$-	\$-	\$-	\$-	\$-	\$287,404	\$674,870	\$1,075,820	\$1,490,722	\$3,920,063	\$2,364,345	\$2,824,088	(\$1,528,886)	(\$1,036,588)	(\$527,158)	(\$-
Annual PFC Collections	294,701	\$304,957	\$315,569	\$295,301	\$337,915	\$349,674	\$361,843	\$374,435	\$387,466	\$400,949	\$414,902	\$429,341	\$444,282	\$459,743	\$475,742	\$492,298	\$509,430	\$527,158
Less: CIP Expenditures (pay go)	-	-	-	(\$1,250)	(\$125,000)	-	-	-	-	-	-	-	-	-	(\$4,828,717)	-	-	-
Net PFC revenues	\$294,701	\$304,957	\$315,569	\$295,301	\$337,915	\$349,674	\$361,843	\$374,435	\$387,466	\$400,949	\$414,902	\$429,341	\$444,282	\$459,743	\$475,742	\$492,298	\$509,430	\$527,158
Reimbursements																		
Application 09/30	\$453,811	\$304,957	\$315,569	\$295,301	\$337,915	\$349,674	\$361,843	\$374,435	\$387,466	\$400,949	\$414,902	\$429,341	\$444,282	\$459,743	\$475,742	\$492,298	\$509,430	\$527,158
Future Applications	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Operating Reserve	(\$453,811)	(\$304,957)	(\$315,569)	(\$295,301)	(\$337,915)	(\$349,674)	(\$361,843)	(\$374,435)	(\$387,466)	(\$400,949)	(\$414,902)	(\$429,341)	(\$444,282)	(\$459,743)	(\$475,742)	(\$492,298)	(\$509,430)	(\$527,158)
PFC Fund ending balance	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$287,404	\$674,870	\$1,075,820	\$1,490,722	\$3,920,063	\$2,364,345	\$2,824,088	(\$1,528,886)	(\$1,036,588)	(\$527,158)	\$-

SOURCE: Ricardo & Associates, Inc., based on information provided by the Friedman Memorial Airport Authority and Mead & Hunt, Inc.

4. Conclusion and Recommendations

Based on the analysis documented in this chapter, implementation of the Existing Airport Scenario appears to be financially feasible given the funding sources anticipated to be available to the Authority through the planning period. However, implementation of the Replacement Airport Scenario is not financially feasible given the anticipated availability of funding sources. Given a choice between implementation of the two scenarios, from a financial feasibility standpoint, the Existing Airport Scenario is the most viable at this point in time.

As implementation of the CIP progresses it is recommended that Airport Management, in conjunction with the Authority, assess the financial feasibility of each project included in the CIP. Future considerations regarding the funding of the CIP include the following:

- **Enplaned passenger/traffic growth** – As applicable, the financial plan was developed and analyzed in consideration of the FAA approved aviation activity forecast developed for the Airport (see Chapter B). Actual year-to-year enplaned passengers and aircraft operations will likely deviate from the forecast. Significant changes in enplaned passenger and aircraft operations levels may impact revenues and expenses, as well as PFC revenues and the availability of AIP grants.
- **Availability of AIP funds** – The current funding plan analyzed for each development scenario assumes that the FAA will continue to authorize and appropriate AIP funds for eligible projects. Because the level of authorized and appropriated AIP funds may vary from year to year, alternative funding sources may need to be identified if grants cannot be obtained for certain eligible projects.
- **Potential increase in maximum PFC level** – Airport industry groups have requested that federal PFC regulations be changed to increase the PFC program's maximum PFC level from its current level of \$4.50 per eligible enplaned passenger. Although current FAA authorizing legislation does not address the issue, it is possible that future reauthorization legislation will address it, as industry pressure to raise the maximum PFC level increases. The financial projections and the funding plans reflected in this chapter assume the Airport's current \$4.50 PFC level is in place for the entire planning period. If federal PFC regulations are changed and the maximum PFC level is increased, the Authority may choose to apply to the FAA for authorization to collect the higher PFC level.

Although the Airport is well positioned to take advantage of federal funding opportunities for capital development, the cash flow analyses indicate that additional Authority/local funds may be required to fully fund the CIP. To maximize net revenue available for capital development funding, the Authority might consider the following recommendations:

- Conduct periodic assessments of operating and maintenance activities to determine if specific activities are being conducted as efficiently as possible, and take advantage of opportunities to implement sustainable practices, development, and technologies (i.e., alternative fuel vehicles, solar/wind power, green roofs). Cost savings may also be realized through the use of recycling programs and purchasing certain equipment and materials second hand.
- Actively seek opportunities to encourage nonaeronautical development at the Airport. As building-ready sites are developed at the Airport and demand warrants, the Authority could evaluate additional third-party financing for hangar facilities. Likewise, it could explore options with its automobile parking

concessionaire for financing various elements of the proposed parking expansions during the planning period and also evaluate food/beverage/gift concession financing as well.

- Take advantage of funding opportunities that may replace or supplement existing federal funding sources. Potential alternative funding sources include TSA grants, state grants, bond financing/short-term loans, third-party financing, and economic development grants.
- As current leases expire, review terms/rates of current leases to determine the most appropriate lease terms and rates given market conditions, specific land/facility uses, and opportunity costs. In addition, periodic reviews of rates and charges imposed on Airport users should be undertaken.

Description	Qty.	Vin #	Serial #	Mileage	Hrs.	AIP Y/N?
1978 Dodge Truck	1	W41CF8S199534		8,370		Y
2002 F-150 Truck	1	2FTR618W72CA96130		78,907		N
1986 Tennant Rotary Sweeper 2750	1		2868		976	N
1993 Schmidt Snow Blower	1					Y
1996 Sweepster Power Broom	1					Y
1996 Sweepster Plow	1					Y
2001 F-250 Super Duty Truck w Boss Plow	1	1FTNX21F31E77913		184,885		N
1984 Chevrolet K3500 6.2 L Diesel w Boss Plow and 300 gallon sprayer, spray bar, side spray bar	1	1GCHD34J2FFE371799		128,207		N
Hotsy Pressure Washer hc235R-L	1		2678			N
Crafco Crack Router	1		952076			N
Crafco Crack Filler w/ 3 Propane Tanks	1		109Eu9919T1A			N
35' Aluminum Heavy Duty Extension Ladder	1		H862943			Y
Pow-R-Gard Diesel Generator 11-00701	1					Y
Hardware Bins	2					N
Nut & Bolt Bins	2					N
Plumbing Fitting Chest	1					N
Aluminum Service Chart	1					N
Commercial Jack Stands	2					N
400 Metal Haliad Light Fixtures	6					N
600 ft./lb Torque Wrench	1					N
Advance HydroDry Carpet Dryer	1					N
Dayton portable oil heater	1					N
HiLift Jack	1					N
Vinyl Table Edge Trim	1 Roll					N
Advance Push Behind Sweeper	1					N
Shop Vac	2					N
Overhead Projector Cart	1					N
Office Space Partitions	2					N
Hotsy Pressure Washer	1					N
ATV Sprayer Unit	1					N

Grayco Air Power Pumps	2	N
Metal Book Case	1	N
Large Ball Values	1 Bx.	N
Heavy Duty Truck Parts	1 Bx.	N
Weather Guard Under Body Box	1	N
Walker Bar Calibration Tool	1	N
10' Heavy Duty Metal Shelves	3	N
File Cabinets	3	N
Fiberglass Partition with Metal Frame	1	N
3 Bin Recycle Containers	6	N
1 Set of Aluminum Tire Rims	1	N
Hon Office Desks	5	N
Misc. Oak Cabinets	6	N
1 Metal TV Cabinet w Wheels	1	N

Nick suggested if we surplus the white F-150 that the tires be rotated to the Expedition