



Merrill Field Airport Improvement Program & Fee Increases

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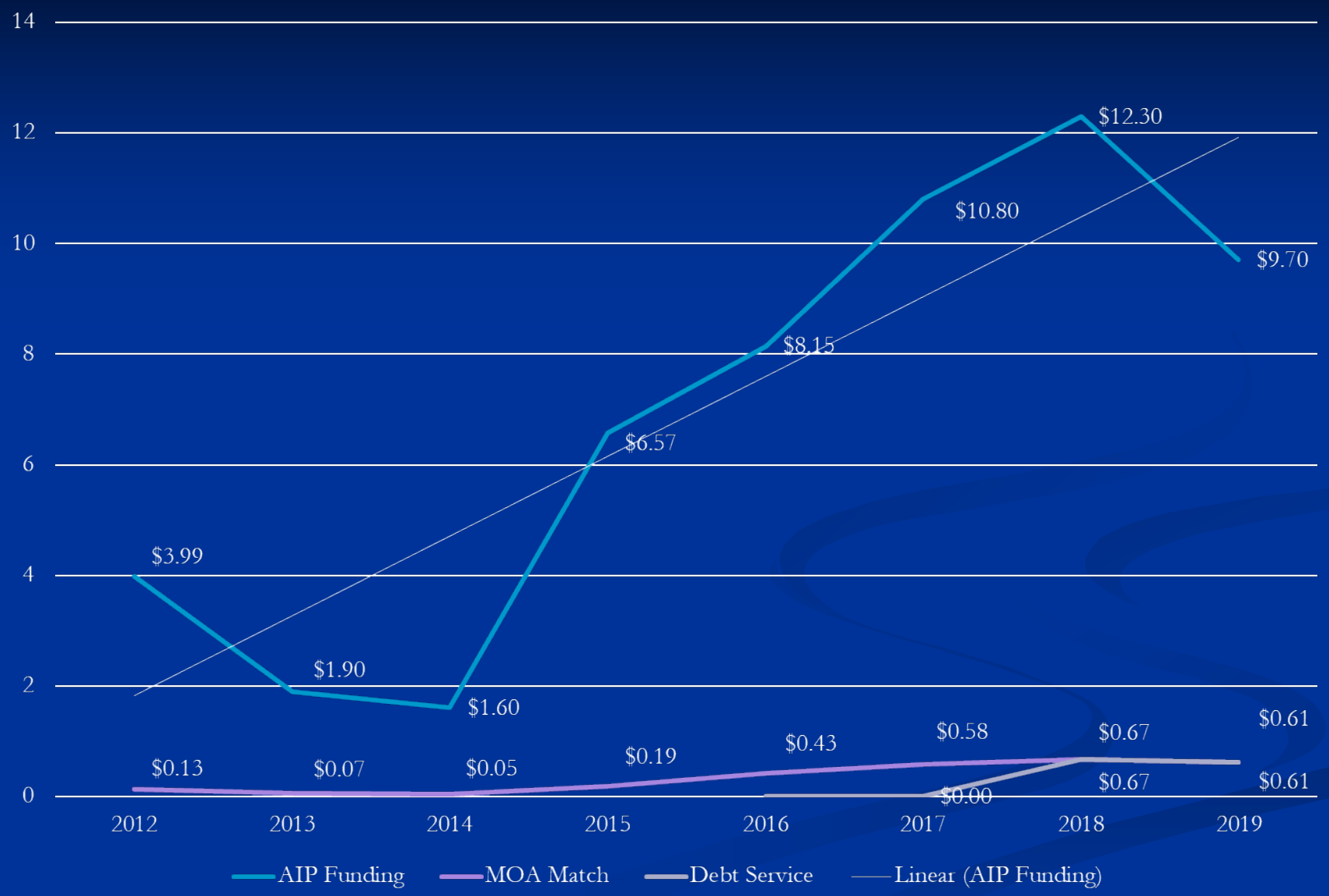
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MOA AIP Infrastructure Investment In \$M



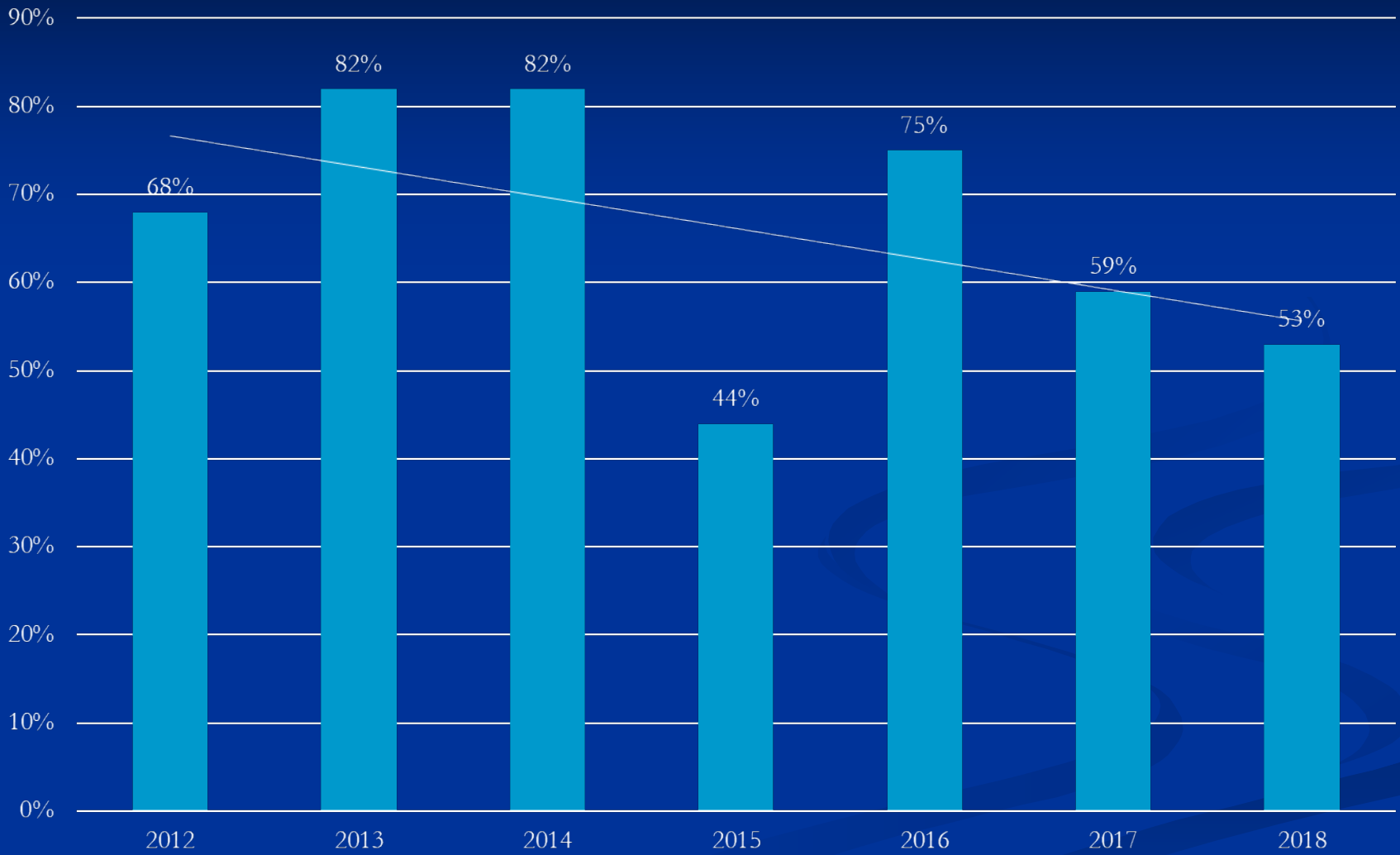


MRI Revenue vs Expense in \$M





Personnel Cost as Pct of Total Expenses





MRI AIP History

- 2011- FAA Grant \$3.96M/ MOA Match \$104K
- 2012- FAA Grant \$3.99M/ MOA Match \$133K
- 2013- FAA Grant \$1.9M/ MOA Match \$65K
- 2014- FAA Grant \$1.6M/ MOA Match \$46K
- 2015- FAA Grant \$6.57M/ MOA Match \$187K
- 2016- FAA Grant \$8.15M/ MOA Match \$438K
- 2017- FAA Grant \$10.8M/ MOA Match \$575K
- 2018- FAA Grant \$12.3M/ MOA Match \$670K





MRI AIP History

- Capital Improvements including multi-phases of dynamic compaction since 2006
 - 2011- Sweeper/Vacuum Truck, Rehab TWY Q Phase 2, Security/Lighting Upgrade Phase 1 & Master Plan Phase 1
 - 2012-Twy Q and Apron Phase 3, and Security Improvements Phase 2
 - 2013-Snowblower Acquisition and Runway Lighting Vault Improvement
 - 2014-Master Plan Phase 2 and Twy Q & Apron Phase 4



MRI AIP History

- Capital Improvements continued....
 - 2015-Security Improvements Phase 3 and City Electric Property Acquisition
 - 2016- Rehab Twy Q Phase 5 & Rwy 5/23 Lighting
 - 2017-Security Improvement Phase 4, Rehab Twy Q & Apron Phase 6
 - 2018-Rehab Twy Q & Apron Phase 7 and Rehab Txy G





MRI AIP –On the Table

- Capital Improvements for 2019 (matching funds permitting)....
 - Rehab Twy C South GA Apron
FAA \$3M/MOA match \$187K
 - Twy C Lighting, & Signage
FAA \$800K/\$50K
 - Safety and Security Equipment
Improvements-FAA \$1M/MOA match
\$63K





MRI AIP – On the Table

- Capital Improvements for 2019 (matching funds permitting)....
 - Acquisition of Snow Removal Equipment, i.e., Motor Grader and Dump truck
FAA \$1M/MOA match \$63K
 - Runway Incursion Mitigation Program (RIMP) issues & Airport Layout Plan Update
FAA \$350K/MOA match \$22K





MRI AIP-On the table

- AIP for 2019-Continued (matching funds permitting).....
 - Sandoval Property Demolition
FAA-\$512K/MOA match \$32K
 - Acquire Land (City Electric) for Development
FAA - \$3.1M/MOA match \$194K





MRI AIP-Special Request

- Special 2019 AIP funding –
 - Airport Access Road Repair - Merrill Field Drive
 - FAA provides 100% funding w/ no Match
 - This project represents \$15M upgrade
 - MRI has applied and is waiting to hear from FAA concerning the award winners





MRI Revenue, Debt, and Associated Response

- Budget History-Expenses exceeded revenues over last 4 years
- 2018/2019 AIP Debt Service – 152K per year for a 15 year loan
- To address both, the following fee increases are on the table





3-Part Strategy to Increase MRI Revenue

- I. Increase tie down and vehicle parking fees
- II. Charge fees for services previously given away for free.
- III. Increase lease rates by \$.04 per square foot, i.e., from \$.21 to \$.25



Parking Fee Increases

- Requires Codified Assembly Approval
 - Permanent aircraft Parking Fees +15%
 - Tail-end- \$60 up to \$70/month
 - Pull-through - \$70 up to \$80/month
 - Transient Aircraft Parking Fees +20%
 - \$5 up to \$6/day
 - Vehicle Parking fees-long term + 50%
 - 20 foot space - \$45 up to \$70/month
 - 40 foot space - \$55 up to \$80/month
 - MOA fuel fee increase +\$.02/gallon
 - \$.08 up to \$.10/gallon





New Administrative Fees

- Additional revenue stream from charges for
 - Services not listed in leases and previously provided at no cost, i.e.,
 - Document preparation for lease renewal or new lease
 - Repairing gates (damaged by lease holder customers, their employees, or their suppliers, etc.)
 - New fees or fee increases





New Administrative Fees

- Office responses to MF requests
- MX responses to MF requests
- MX responses to A/C accident or incidents
- New service setup & change Fees
- Medevac taxiway fees +10% from \$4324 up to \$4756/month
- Rental Properties +3%
- For 2020-New auto/RV parking with 100 spaces





New Administrative Fees

- Lease Rates increase by .04 per square foot – representing 42% of the three revenue increase categories
- It is the third and final part of MRIs plan to increase revenue
- No longer tied to CPI





New Administrative Fees

- This \$.04 increase covers services and airport expenses previously absorbed by MRI
 - MRI Apron lights, leasehold apron lights, and TWY/ RWY light utility bills
 - Security Gates Operation
 - Snow movement to winter storage
 - Credit card recovery fees
 - Daily security patrols and interloper callouts (New)
 - SWPPP (Storm Water) fees





Concluding Remarks

■ Questions?

