Merrill Field
Airport Improvement Program
& Fee Increases

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May 2019

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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
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?