

McKinney National Airport Update

City Council Work Session

April 4, 2016



Outline

- Construction Update
 - Hangar
 - Apron Reconstruction
 - Maintenance Facility
- Council Retreat Follow Up
- Airport Building Rehabilitation
- Airport Financial Update



Common Hangar Construction Update

- Construction Started: September 2015
- Hangar Space: 15,000 SF
- Office Space: 2,000 SF
- Total: 17,000 SF
- Completely Pre-Leased
- Significant Rain Delays
 - Over 65 Days
- Open for Business: June 1, 2016



Apron Construction

- \$6.2M TxDOT Grant
 - City Contribution: \$620K
- 47,000 Apron Construction
 - 38,500 Rehabbed old Ramp
 - 8,500 New Ramp Construction
- June 2016 Completion



Maintenance Facility

- \$1M Approval in FY 16 Budget from Construction Fund
- Short \$115K – Electrical Line Relocation – Unexpected
 - Controls Airfield Lighting Including Runway
- Project On Hold – Available Funding
- Airport Construction Fund – Corporate Tenant Improvements Finalizing
- Final Decision in 60 Days



Council Retreat Follow - Up

- 10,000 SF Common Hangar
- New Terminal / 25,000 SF Common Hangar / Parking
- Runway Extension
- New Corporate Hangars
- Private Development Southside Airport
- Land Purchase

10,000 SF Common Hangar

- Council Agenda Item for Consideration in May 2016
- Gross Maximum Price of \$1.25M
- Learned From Past Experience and Adapted
 - Soil Conditions
 - Fire Suppression No Longer Required
 - Joint Effort – City Attorney’s Office, Fire Department and Airport
 - Savings of est. \$200,000
 - Only Required for Maintenance
- Estimated Completion February – March 2017
- After Approval Staff will Begin Pre-Leasing



New Terminal / Common Hangar / Parking

- Staff Traveled to Houston, TX to Tour FBO's
 - Signature Air
 - Million Air
 - Atlantic Aviation
 - Galaxy FBO (Conroe, TX)
 - Houston Executive
 - Ellington Field
- Competition is Fierce
- Provided Insight and Ideas







Private Development – Airport Southside

- Purchasing Developed RFP
- Airport Staff and City Manager's Office Reviewing
- 42 Acres for Private Development
- Long Term Lease or Long Term Lease/Purchase
- April 15, 2016 RFP Tentative Release Date
- City Council would Make Final Approval with Recommendation from Staff



Rehabilitation of Facilities

- Facilities are 20+ Years Old
- Repairs are Needed
- FBO Paint Chipping
- Repairing \$56K
- Airport Fund Balance
 - Not Construction Fund
 - Council Approval Upcoming 4/19



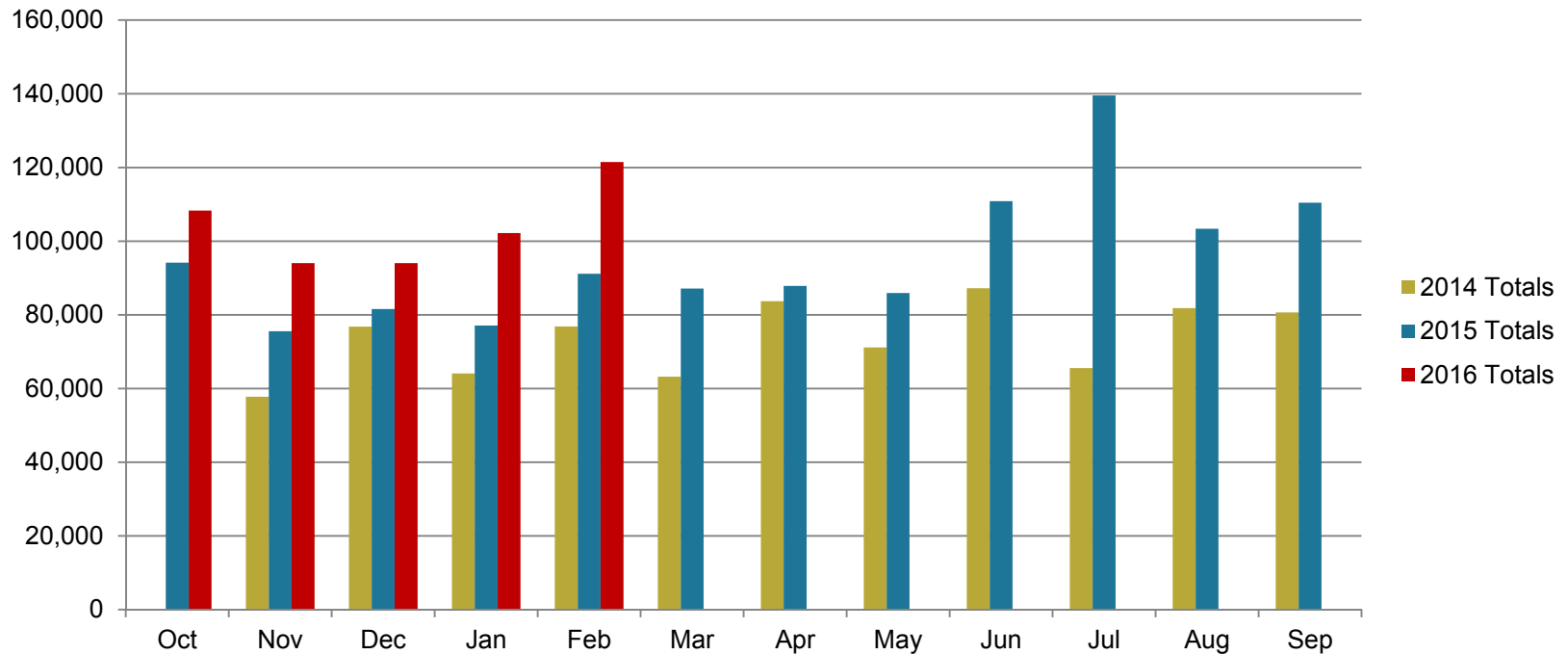
McKinney National Airport Summary Operating Statement

February 2016 (42% of FY Complete)

Revenues	FY16 Budget	Monthly Actual	YTD Actual	Budget after Encumbrance
Licenses/Permits	\$ 6,500	\$ -	\$ 600	\$ 5,900
Inter-Governmental Grants/Rev	50,000	-	658	49,342
Proprietary Fund Interest	1,700	167	918	782
Lease Agreements	2,072,000	171,306	856,781	1,215,219
Miscellaneous Other Income	-	-	-	-
Charges for Services	4,075,560	330,544	1,628,940	2,446,620
Transfer from General Fund	613,513	51,126	255,630	357,883
Sale of City Property	-	-	-	-
Total Revenues	\$ 6,819,273	\$ 553,143	\$ 2,743,529	\$ 4,075,744
Expenses	FY16 Budget	Monthly Actual	YTD Actual	Budget after Encumbrance
Airport Administration				
Personnel Expense	\$ 275,875	\$ 18,786	\$ 111,372	\$ 164,503
Supplies Expense	6,775	67	347	6,428
Maintenance Expense	-	45	45	(45)
Services/Sundry	307,682	8,566	84,853	186,910
Total Airport Administration	\$ 590,332	\$ 27,464	\$ 196,617	\$ 357,795
Fixed Base Operations				
Personnel Expense	\$ 1,173,696	\$ 66,709	\$ 471,049	\$ 702,647
Supplies Expense	69,500	4,983	22,626	45,800
Maintenance Expense	193,825	25,113	98,105	40,134
Services/Sundry	2,805,396	168,497	883,775	1,874,103
Total Fixed Base Operations	\$ 4,242,417	\$ 265,302	\$ 1,475,555	\$ 2,662,684
Airfield Operations				
Personnel Expense	\$ 321,019	\$ 19,038	\$ 119,002	\$ 202,017
Supplies Expense	38,575	3,108	18,038	20,537
Maintenance Expense	94,277	1,573	54,661	34,118
Services/Sundry	190,601	8,727	46,648	138,995
Capital	78,001	45,551	61,372	(125)
Total Airfield Operations	\$ 722,473	\$ 77,997	\$ 299,720	\$ 395,542
Non-Departmental				
Depreciation	\$ -	\$ 325,927	\$ 1,629,744	\$ (1,629,744)
Bad Debt Expense	-	-	-	-
Operating Contingency	30,000	-	-	30,000
Insurance/Risk Fund	59,488	4,957	24,787	34,701
Transfer for Debt Service	1,278,145	-	1,278,145	-
Total Non-Departmental	\$ 1,367,633	\$ 330,884	\$ 2,932,675	\$ (1,565,042)
Total Expenses	\$ 6,922,855	\$ 701,647	\$ 4,904,567	\$ 1,850,980
Reverse Depreciation Expense	-	(325,927)	(1,629,744)	1,629,744
Net Expenses	\$ 6,922,855	\$ 375,721	\$ 3,274,823	\$ 3,480,724
Net Surplus/(Deficit)	\$ (103,582)	\$ 177,422	\$ (531,295)	\$ 595,021
Net of General Fund Transfer	\$ (717,095)	\$ 126,296	\$ (786,925)	\$ 237,138
Net of Transfer to Fund 61	\$ 1,174,563	\$ 177,422	\$ 746,850	\$ 595,021
Net of City Transfer & Transfer to Fund 61	\$ 561,050	\$ 126,296	\$ 491,220	\$ 237,138



Strong Fuel Sales FY 14 – 16 Gallons Sold



Questions?

