

April 10, 2017

Carson City Airport Authority –“Through-the-Fence” Access Fee, Analysis, Recap, and Proposal

This analysis was done to determine/allocate the actual costs incurred at the Carson City Airport in maintaining the infrastructure to support safe operations for takeoff, landing, and taxiing of aircraft. This is an update of costs, the last analysis being done in 2001.

In making the annual estimate for pavement maintenance and other items considered essential to the airport to support day and night operations, the following has been used to closely approximate those criteria used in previous analyses.

1. It is assumed that all paving is currently in a good state, not needing replacement;
2. The average industry standard for sealing and maintaining pavement at this time is, according to our engineer, every 5 years. This increment is used in this estimate for annualizing paving maintenance and repair costs;
3. Crack sealing is based on having one (1) crack in need of repair every 30 square yards of paving; and
4. Lighting and other maintenance items, insurance, and accounting/legal, and other expenses, etc., are based on the average annual cost incurred by the Carson City Airport Authority over the last preceding three (3) years, FYs 2014, 2015, 2016, and are taken from financial statements included in annual reports prepared by Kohn & Company.

Total 5-year cost analysis for pavement maintenance for Runway, Taxiways, and Aprons (spreadsheet provided by Atkins Engineering), is \$562,876.80. Therefore the annualized (per year) cost is estimated at approximately \$112,575.

Costs considered in estimating operational costs (including administrative costs and burden and administrative expenses) applicable to “Through-the-Fence” fees, are as follow:

Description	Annualized cost	Totals
Maintenance/Repair of runway/taxiways/aprons	\$ 112,575.36	
AWOS/Website	\$ 6,669.00	
Contract Services	\$ 8,862.33	
Electrical - Operations only (36 month average)	\$ 8,188.58	
Insurance	\$ 5,841.33	
Engineering - General	\$ 7,156.67	
Subtotal - annualized airport operation costs		\$ 149,293.27
Legal/Accounting at 20%	\$ 12,810.60	
Management - General repairs & maintenance at 25%	\$ 5,671.42	
Management - Admin electrical costs at 25%	\$ 4,945.28	
Management - Salaries and benefits at 25%	\$ 37,049.75	
Subtotal - allocations of Administration costs		\$ 60,477.05
Total Operating Costs + Admin and Burden allocation		\$ 209,770.32

Based on the above, the total operating costs (\$209,770.32) divided by the existing hangar square footage (588,871 sf) yields a close approximation of the actual cost per square foot of hangar space that needs to be applied, i.e., \$0.36 per square foot.

Examples of annual TTF fees, based on hangar size:

50 x 50	2,500	\$	0.36	\$ 900.00
60 x 55	3,300	\$	0.36	\$ 1,188.00
80 x 80	6,400	\$	0.36	\$ 2,304.00
100 x 100	10,000	\$	0.36	\$ 3,600.00

Following the criteria used in the past, the proposal is to assess each off-airport property that has a “through-the-fence” agreement as follows:

- Properties with hangars: Minimum of \$750.00 annually OR  
Square foot cost x Square footage of hangar space, whichever is greater
- With aircraft parked outside –  
In addition to hangar space \$125 annually per aircraft

Properties without hangars:

- Access agreement only, No access \$625 annually
- Aircraft parked – first (1) aircraft \$750 annually
- Each added aircraft \$125 annually