



Airport Manager's Report

May 2015

Pending Items for City Council Consideration

1. Grant funded IFB
 - A. USFS Apron/expansion project – ADOT fund \$1.44M, Airport fund \$60k/ USFS fund \$1.1M. Council approved, May 12, 2015;
 - B. ARFF Index 'A' Vehicle purchase – FAA fund \$380K, ADOT and Airport fund, \$10k each. Proposed Council action, June 23, 2015;
 - C. Emergency Generator, Vault Relocation, Electrical Improvements – FAA fund \$3.7M, ADOT and Airport fund \$87,500 each. Proposed Council action, June 23, 2015.
2. Local funded IFB
 - A. 'F' hangar fire suppression replacement – IFB award to B & W. \$85k Airport fund. Council approved, May 12, 2015

Potential future council consideration - Airport Leases

1. USFS land lease – Negotiation complete, \$40k/year increase for 20 year term. Council approved May 26, 2015;
2. FAA Tech Ops facility 10-year lease– delayed negotiation from FAA Real Estate (awaiting tenant decision);
3. Prescott LLC hangar bifurcation – pending (awaiting tenant decision);
4. Over 15 additional lease/license opportunities, most with positive financial benefit, such as:
 - A. Car Rental – Hertz holds the existing license, executed in 1998 without CPI adjustments or rate increases. Awaiting city leadership decision to conduct up to 60-month license agreement negotiations with existing tenant (Hertz) OR to conduct an RFP to allow other car rental agencies to provide a proposal, then negotiate a long-term lease with CPI adjustments, fair-market-value, etc.
 - B. Universal Helicopter expansion and associated land lease for future private development.

Project Updates

1. Terminal Siting Assessment – June 2, 2015 final presentation to City Council;
2. Economic Impact Study – Dr. Bill Cheek submitted proposal for consideration. Estimated cost \$5,000, no dedicated funding source;
3. Essential Air Service proposal by Great Lakes Airlines stated delivery of EMB 120 (30 seat) aircraft in Summer 2015. The DOD recommends that local Prescott leaders communicate expectations to GLA for aircraft/service upgrade;
5. Airfield pavement separations repair (City Public Works project) \$290k Airport Fund – NTP 7/20/15;
6. ADOT grant funded pavement resurfacing \$750k – Begin 'C' Taxiway work on 5/10/15 to 6/26/15;

Operations

1. FY 2015 Budget actuals. The approved FY 2015 Aviation fund budget is \$2.496k, including over \$600k of inter fund transfer/cost allocations to various COP departments for services. Revenues are as forecasted at \$1.5M. The actual General Fund transfer is anticipated at \$383k vs. council approved \$\$972k, due to carry over of Capital Projects;
2. FY 2016 budget estimate. The estimated Aviation fund budget is \$2.481k, including \$700k in inter fund transfer/cost allocations to various COP departments for services. Revenues are forecasted \$1.5M. The requested General Fund transfer is anticipated at \$970k, mostly to provide grant matches for over \$7M in Airport Capital Projects.
3. Eric Swann, FAA Regional Airport Part 139 Inspector, inspected the Prescott Airport from May 11-14, 2015. The comprehensive inspection entailed review of all required administrative and training records, a detailed airfield inspection to ensure standard compliance, a night inspection, testing emergency response in coordination with the Air Traffic Control tower and airport fire station #73, and a meeting with FAA PHX ADO programmer Tim Morrison to review airfield compliance and future airport infrastructure development. The results of the inspection are forthcoming.