

AIRPORT DEPARTMENT

2025-2026 Supplemental Department Questions

Strategic Goals

- 1. Provide your 2025-2026 strategic goals; How are they reflected in your budget request?**

The Airport's long term strategic goals remain relatively consistent with previous years. We have recently completed our Airport Master Planning (AMP) and integrated the new Capital Improvement into the 2025-2026 Budget. The AMP re-evaluated our future aeronautical demand which includes facilities, finances, and infrastructure for the next 20 years.

Long Term Goals:

Provide high quality aviation facilities, equipment, and trained personnel to meet FAA standards and to provide a safe environment for aviation, Airport tenants, and the traveling public. Protect and enhance the public ownership of the airfield and commercial/industrial assets of Paine Field. Respond to customer demand and enhance long-term revenues to fund the ongoing needs of the Airport.

Overall Goals:

- *Maintain aviation and industrial safety standards, including aircraft rescue, firefighting, and emergency medical response*
- *Manage airfield operations*
- *Manage capital construction of airside, landside, and Airport owned buildings*
- *Maintain and repair Airport Infrastructure: pavement, utility systems, grounds, detention ponds and tenant leased buildings*
- *Manage new real estate development*
- *Property Management of hangar, industrial, and commercial Airport Tenants*
- *Manage FAA and other grants that support Airport operations*
- *Strive for 100% FOD (Foreign Object & Debris) free Airport*
- *To pioneer sustainable aviation through innovation, environmental stewardship, responsible land management, and reducing carbon emissions for a cleaner future.*
- *Partner with schools, community organizations, and airport tenants to develop programs to provide students and young adults exposure to careers in the aviation and aerospace industry*
- *Continue to implement program, policies, and activities that minimize barriers and level the playing field so that diverse communities are able to access, thrive, and advance in economic opportunities, including jobs, contracts, and leases*

National, state and local landscape:

- 1. What critical issues are you facing in your department/industry, and how are you addressing them?**

- Airport staff continues to monitor Boeing's on-going labor negotiations and remains in communications with Boeing representatives. The labor strike has far reaching impacts throughout the aerospace business community in Snohomish County.
- 2. Are there federal, state, and local issues/mandates that will impact your department, operationally and/or fiscally. Please address what it is, the anticipated impact, and how you plan to mitigate it.**
- New TSA requirements for Aviation Worker Screening related to Explosive Detection Screening Equipment which has been resolved with close coordination between the Airport Operations and Security Division, TSA, and Propeller Airports. This has had no fiscal impact to the airport.
 - New FAA requirements for Safety Management Systems that our Operations Division has been addressing with additional training requirements.
 - New National Marine Fisheries Service (NMFS) and Department of Ecology requirements for 6PPDQ which is anticipated to increase capital project schedule timelines. This has no fiscal impact to measure but will extend development projects for County and/or private entities doing business at Paine Field.

Programs

- 1. With ARPA funding ending, what programs/services will be impacted and how? What is your plan for mitigating the impacts?**
- *The Airport received ARPA grant funding of \$5,081,849 via FAA's Airport Coronavirus Response Grant Program (ACRGP) that was exclusively dedicated to paying down debt service. No ARPA programs have any long terms impacts to mitigate. The Airport is an Enterprise Fund and financially self-sufficient.*
- 2. What new programs are you proposing for 2025-2026? What need or efficiency is that new program addressing? How is that program funded for sustainability? What metrics are in place to determine effectiveness?**
- *The Airport Enterprise Fund has no new programs or divisions proposed in 2025-2026 budget.*
- 3. Are there departmental change requests not in the Executive's Recommended Budget that you feel Council should consider including? If so, please provide the change request number and justification for the inclusion of the request.**
- *No, the airport has put forward a comprehensive well thought out plan for 2025-2026 which is inclusive of all airport's requests.*

Internal Operations

1. Please explain how you intended to meet the Executive's 3% Resource Alignment request.

- *The airport is an enterprise fund that must always align its resources, revenues vs. expenses. This means every line item is a resource alignment with balancing availability of resources vs. priority and supply vs. demand.*

2. How are increasing Internal Service Rates impacting your department/programs?

- *The internal service rate for IT has become financially burdensome; however, the need for these centralized services like an ERP system outweigh any negative financial impacts. The airport is aligned with these internal service rates and always transfers via interfund for services rendered to the airport. The airport contributes to general fund \$10,489,323 in 2025-2026.*

3. To help inform Council on experiences around hiring and retention, please provide a list of all vacant position titles, position codes, FTE amount (1.0, 0.5, etc.), date vacated, and date first posted. Template spreadsheet attached for convenience and conformity; if already tracking information in another format, that is acceptable as well. Please list each vacancy separately.

- *Please see attached worksheet.*

4. When was the last time your department implemented a fee increase? Do you have any plans to increase fees? Are your current fees established based on a full cost recovery model?

- *The airport operates as an enterprise fund which is a quasi-public utility that operates using private sector business strategies and techniques to remain competitive in a highly government-regulated environment. The airport must self-fund its capital and operating budget; therefore, we consistently increase our rates on a regular basis to remain competitive. It's also important the airport does not undercut private business activities by operating below market rate. Several rates are adjusted throughout the year based on fair market value. We increase our Aircraft Rate Schedule annually for operational user fees such as landings, fuel flowage, and aircraft parking. These are based on benchmarking other airports in the region and industry standards. Most all leases at the airport are adjusted every three to five years to fair market value by a certified MAI appraiser. The last appraisal was completed in August 2022 and is continuously rolling out rate increase to tenants per their respective lease terms. The airport will have a new three-year appraisal completed in January 2025. Surface Water Management, Surface Water Facilities, Common Area*

Maintenance, Sewer, and Electric fees are adjusted based on expenses for each individual utility annually.

The airport is consistently proactively increasing rates because we must always remain financially self-sufficient. It's a constant balancing act between airport revenues vs. expenses that must remain in equilibrium. The Airport is very cognizant to always operate within the confines of its own business structure.