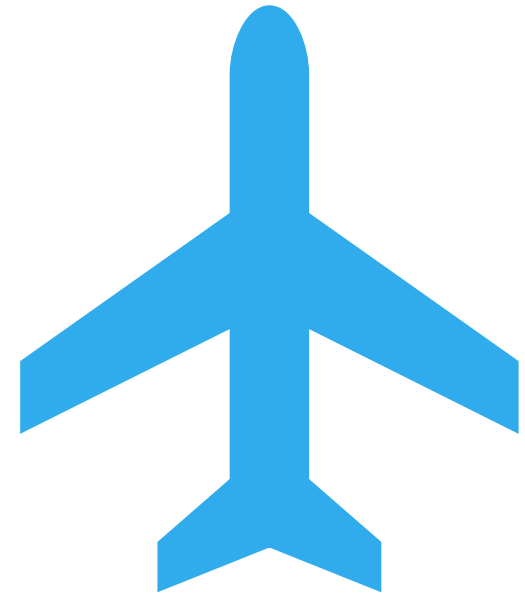


Airport Department

2025-2026 Council Budget Presentation

Airport Director: Joshua Marcy, A.A.E.

Airport Business Manager: Nickolis Landgraff, C.M.



Departmental Expenditure Budget

FUND	DIVISION/PROGRAM	2023-2024 ADOPTED	2025-2026 PROPOSED	CHANGE
130	Sustainable Aviation Fuels ¹	\$6,500,000	\$13,000,000	\$6,500,000
130	Operations	\$70,000	\$70,000	\$0
410	Operations	\$9,372,412	\$11,775,421	\$2,403,009
410	Operations – General	\$151,664,853	\$140,206,302	(\$11,458,551)
	TOTAL	\$167,607,265	\$165,051,723	(\$2,555,542)

¹Sustainable Aviation Fuels (SAF) is managed by the Executive Office and contingent upon state grant funding and is not funded by the airport's operating budget.

Departmental Revenue Budget

FUND	DIVISION/PROGRAM	2023-2024 ADOPTED	2025-2026 PROPOSED	CHANGE
130	Sustainable Aviation Fuels ¹	\$6,500,000	\$13,000,000	\$6,500,000
130	Operations	\$70,000	\$70,000	\$0
410	Operations	\$74,167,374	\$85,479,900	11,312,526
410	Operations – General	\$86,869,891	\$66,501,823	(\$20,368,068)
TOTAL		\$167,607,265	\$165,051,723	(\$2,555,542)

¹Sustainable Aviation Fuels (SAF) is managed by the Executive Office and contingent upon state grant funding and is not funded by the airport's operating budget.

Departmental FTE Report

FUND	DIVISION/PROGRAM	2024 ADOPTED	2025 PROPOSED	2026 PROPOSED
130	Sustainable Aviation Fuels ¹	1	1	1
410	Operations	26	30	30
410	Operations – General	70	75	75
TOTAL		97	106	106

¹Sustainable Aviation Fuels (SAF) is managed by the Executive Office and contingent upon state grant funding and is not funded by the airport's operating budget.

Departmental Budget Allocation

CATEGORY – FUND 410	DEPARTMENT	2023-2024 ADOPTED	2025-2026 PROPOSED	CHANGE
Salaries	Airport	12.6%	15.2%	2.5%
Benefits	Airport	4.3%	5.1%	0.8%
Supplies	Airport	1.9%	2.5%	0.6%
Services	Airport	8.7%	11.3%	2.6%
Capital Outlay	Airport	58.8%	49.9%	-8.9%
Debt Service: Principal	Airport	5.6%	7.1%	1.5%
Debt Service Costs	Airport	2.3%	2.0%	-0.3%
Interfund Payments For Service	Airport	5.8%	6.9%	1.1%



Successes

- We recently celebrated 25 years of success for the Narbeck Wetland Sanctuary.
 - Paine Field Airport (PAE) pioneered the establishment of the first two Wetland Compensation Banks in the state of Washington back in 1999. PAE has continuously managed this wetland sanctuary since then and maintained this model of innovation and environmental care through mitigation banking.
- We have recently completed our Airport Master Planning (AMP) and integrated the new Capital Improvements into the 2025-2026 Budget. The AMP re-evaluated our future aeronautical demand which includes facilities, finances, and infrastructure for the next 20 years.

Non-budget challenges ahead to name a few....

- New TSA requirements for Aviation Worker Screening related to Explosive Detection Screening Equipment
 - Purchase and implementation of Propeller Airports owned explosive detection equipment
- New FAA requirements for Safety Management Systems
 - Additional training requirements and coordination
- New National Marine Fisheries Service (NMFS) and Department of Ecology requirements for 6PPDQ
 - Anticipated to increase capital project schedule timelines
- H.R.3935 - FAA Reauthorization Act of 2024 thru 2028 – Adopted May 16, 2024
 - Various industry changes, new programs, and regulations.
 - PAE airport management continuous evolves and adapts with the aviation industry.

2025-2026 CIP Budget Questions

- The County's Comprehensive Plan CFP directly references the Airport Master Plan as the guiding capital improvement program for the Paine Field Airport.
- The airport is an enterprise fund that is financially self-sufficient and requires no funds from the General Fund.
- FAA CIP Projects are funded at 95% with a 5% local match from the Airport.

Capital Improvement Program

(2025B)
(rounded)

Grant Funds - \$14.9M

- \$3M - East Ramp & TWY F Pavement Rehab - Design & Construction (includes E2 Gate & C11 Parking Lot)
- \$8,888,889 - Taxilane E Reconstruction (PH 2) East inc. D2 & TW L - Design
- \$3M - Reconstruct Runway 16R/34L - Design

Buildings - \$5.0M

- \$500k - Fire Station Renovation Design Services - Index "C" Upgrade - Phase II
- \$2.2M - Administration Building Renovation/IT Server Room Relocation
- \$1.34M - Tenant Funded Renovations Reimbursement (C-84, Westside, Hangar C1)
- \$990k - Various Projects (C3 Remodel, IAC Remodel Storefronts, T-hangar door replacements and painting)

Other Improvements - \$2.79M

- \$2.79M - Includes various electrical, pavement management programs, sewer, safety, security, and wayfinding projects.

Equipment - \$5.23M

- \$1.4M - ARFF Truck No. 1 (Index C)
- \$1.59M - ARFF Truck No. 2 (Index C)
- \$1M - Runway Combo Sweeper - Snow Removal Unit
- \$425K - Runway Sweeper
- \$813k - Equipment Replacement Program (7 Machinery & Equipment replaced)

No New PFC Projects in 2025 – Debt Repayment

Capital Improvement Program

(2026B)
(rounded)

Grant Funds - \$24.7M

- \$695k - Reconstruct Central T-Hangar Taxilanes, GA Apron, TWY D (PH 1) Design
- \$24M - Reconstruct Runway 16R/34L – Construction

Buildings - \$9.36M

- \$5.8M - Fire Station Renovation Construction Services - Index "C" Upgrade - Phase III
- \$500k - Fire Station HVAC Renovation
- \$1.9M - C3 Building Renovations (Bathroom, Roof, HVAC)
- \$500k - IT Server Relocation
- \$140k - Tenant Funded Renovations Reimbursement (Capstone)
- \$525k - T-Hangar Painting & Door Replacement Program

Other Improvements - \$2.26M

- 350k - Perimeter Road North - Boeing Ramp
- \$400k - Bomarc - 24th Pl. W, 94th St. SW Rehabilitation
- \$1.51M - Includes various electrical, pavement management programs, sewer, safety, security, and wayfinding projects.

Equipment - \$700k

- \$700k - Equipment Replacement and Electrification Program (4 Machinery & Equipment Replacement)

Grant Funding: Charging & Fueling Infrastructure Grant (USDOT)
Aviation Sustainability Grant (WSDOT)
Zero Emission Vehicles Grant (FAA)

Land Acquisition - \$10M

- \$10M - Air National Guard (ANG) Property Lease to Purchase - **\$10M BONDS**

No New PFC Projects in 2026 – Debt Repayment

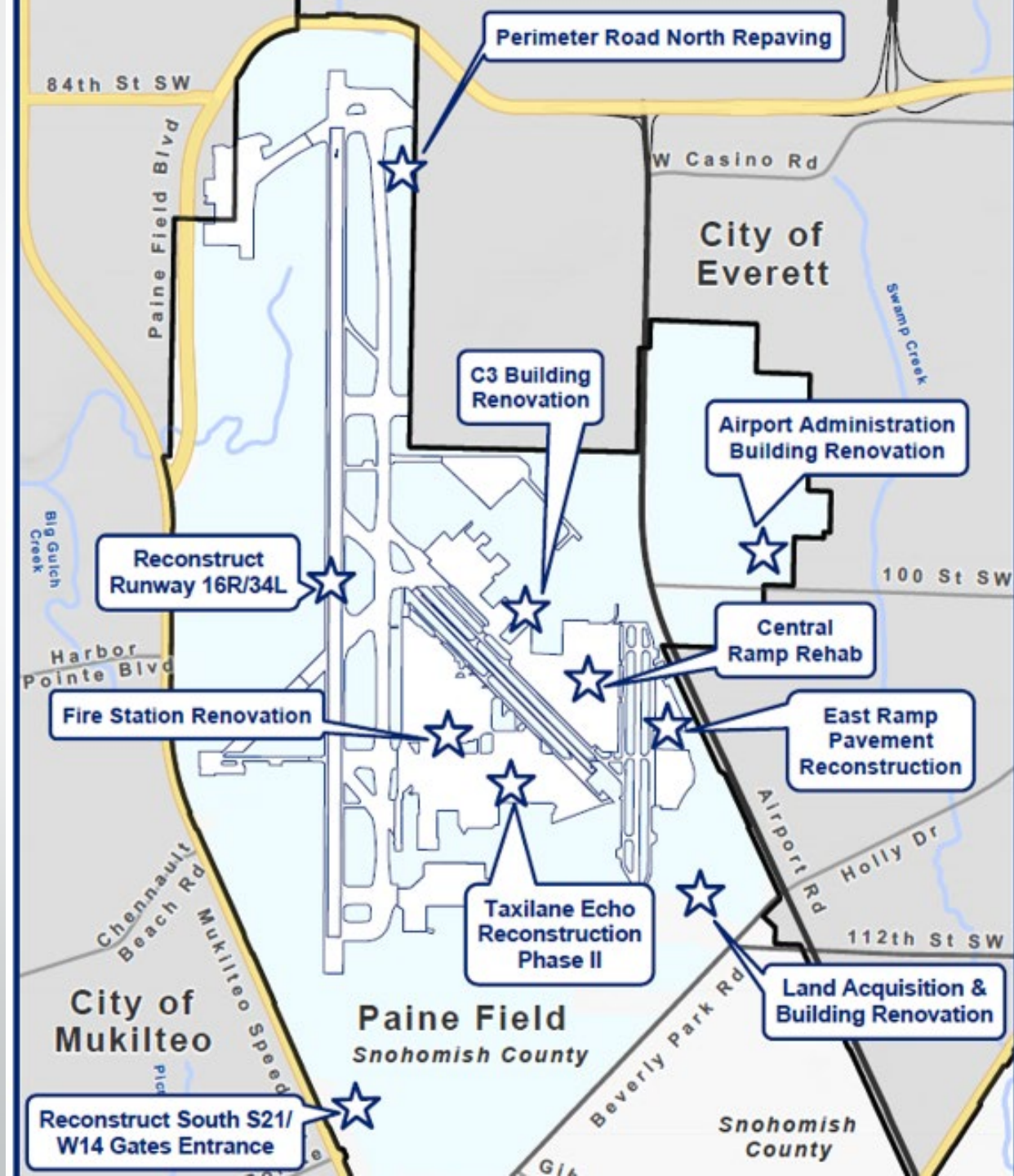
Capital Improvement Program

Six Year Plan (2025-2030)

- 2025 East Ramp & TWY F Pavement Rehab - Design & Construction (includes E2 Gate & C11 Parking Lot) (\$3M)
- 2025 Taxiway E Reconstruction (PH 2) East inc. D2 & TW L Design (\$8.9M)
- 2025-2030 Reconstruct Runway 16R/34L (\$82.3M)
- 2026-2027 Reconstruct Central T-Hangar Taxiways, GA Apron, TWY D (PH 1) Design (\$9.55M)
- 2025 Administration Building Renovation (\$2.2M)
- 2025-2026 Fire Station Renovation (\$6.3M)
- 2025-2026 C3 Renovation (\$2.05M)
- 2025-2026 Perimeter Road North (\$2.35M)
- **FUND 130** - 2024-2026 Sustainable Aviation Fuels - SAF
 - \$6.5M WSDOT

Capital Improvement Program

Project Map



Progress Update

(estimated dollars)

- Airport Master Plan (\$2.6M Total Project)
- FAA Reversion C11 Hangar - FAA Reversion & Remodel (New Roof, Paint, and Hangar Lighting Renovation - \$450k)
- 4 EV Ford Lightnings, EV Tesla 3, EV Van Ford Transit, and associated charging stations
- Mantis Mower Airfield (\$300k)
- Runway Snow Removal Equipment (SRE) Combo Unit Delivered 2023 (PFC Funded)
 - Second SRE included in 2025 budget at \$1M (30-year-old equipment replacement)
- Tect & YMCA Buildings Demolition (2023-2024 Demolished)
- Renovation Airport Administration Building (\$5M Total Estimate, \$2M closeout items in CY2025)
- Taxilane Echo Construction Completed at \$7.3M (2023)
- Inner Terminal Ramp Completed 2023-2024 at \$10.2M (\$8.9M Bonds Issued, repaid using PFC Funds up to 10 years)
- T-Hangar Door Replacements – 330k (2023-2024) (On-going multi-phased project to replace all t-hangar doors)
- Kova Ring Down Line to ATC - \$360k (2023)
- Airport ESRI GIS System went live in 2023 - \$450k
- Sustainable Aviation Fuel Project
 - WSDOT \$6.5M
- FTV Aviation Hangar Built - 44,000sf (significant staff time privately owned)
- Runway Grooving - \$75k (2024, in progress)
- Developments In Process:
 - Salire, LLC Development - New FBO/Restaurant GA Runway (Option to Lease Land, nearing permit lease phase)
 - Sierra Services, Inc. - (2) 30,000sf Corporate Hangars & Taxiway (Option to Lease Land, option recently approved)
 - Capstone NW Partners, LLC -Westside Development (Option to Lease Land, County owns permits via rent reimbursement)
 - C-84 Hangar Renovation Completed - \$620k (Capital Improvement Reimbursement, County Owned Improvement)