

OPERATIONAL IMPACT (Circle One) **No** ~~**Yes**~~ (If Yes, Explain in Detail)

Adoption of this amended Rates and Fees Regulation will assist the Airport in its mandate to remain as financially self-sufficient as possible during projected near-term budget deficits, while operating within national revenue norms. The Airport would implement this amended regulation July 1, 2023, with the exceptions as noted for earlier implementation.

Changes to Rates and Fees: The Airport had not raised the majority of its rates and fees since 2013, with the exception of large carrier fuel flowage fees, landing fees and security fees that were increased in 2016. While the Airport showed deficits over the years, the Board approved the use of Airport Fund Balance to cover those deficits over the span of several years. In 2020, the Airport Fund Balance was hovering near the three-month reserve amount, so the Airport positioned itself to raise rates and fees across the board to meet the deficit it was projecting. However, Covid hit and revenue losses were experienced globally and air travel was impacted significantly, as well as mandates to combat Covid spread. Airports, including JNU, remained open with all the normal expenses (even increased expenses due to Covid), but significant reduction from incoming revenue. Congress pass multiple bills including CARES (et al) to assist the economy including 'subsidizing' airports/airlines to remain open and operational. The \$30.6M of grants the JNU received assisted in covering expenses due to lost revenues, as well as provide capital project support (loss of passenger facility charge fees) and provide tenant rent abatement for commercial aviation. The funding for the first CARES grant will sunset in April 2024, and the Airport requires balancing its budget and deficit that has been carried over for several years; compounded. A combination of ANC CPI increases as well as financial model calculations provide basis for the increases. The following is a summary of the proposed rates and fees increases at JNU and associated additional revenue as amended and approved by the Airport Board at its March 9, 2023 Airport Board meeting:

Airline Security Screening Fee: Increase from \$1.43 to \$2.26/ per screened, enplaned Passenger begin **May 1, 2023**;
Estimate additional revenue for FY24 budget: \$310,400

Taxi/Ground Commercial Vehicle Permits:

Ground: 1-7 Pax \$150 to \$200/annually; 8-16 Pax \$200 to \$250/annually; 17+ pax \$250 to \$350/annually

Estimate additional revenue for FY 24 budget: \$8,600

Commercial Delivery: 1st Vehicle \$150 to \$200/annually; Each Additional vehicle \$ 25 to \$50/annually

Estimate additional revenue for FY 24 budget: \$1,000

Airport Operational Area (AOA): 1st vehicle \$230 to \$300/annually; Each Additional vehicle \$ 35 to \$75/annually

Estimate additional revenue for FY 24 budget: \$1,500

Rental Car Lot: \$75 to \$100/per space per month

Estimate additional revenue for FY 24 budgets: \$36,900

Land Lease Rates:

\$0.57 to \$0.70/sf/yr Commercial Airfield and Landside (Aviation use)

\$0.47 to \$0.57/sf/yr Non-commercial airfield

\$0.71 to \$0.86/sf/yr Landside non-aviation

\$0.80 to \$0.97/sf/yr SIDA land lease

\$0.01 to \$0.05/sf/yr 1st Right of Refusal

Estimated Additional Revenue for FY 24 budget \$149,200

Tiedown:

\$50 to \$60/mo Gravel

\$60 to \$75/mo Asphalt

\$75 to \$90/mo Main-small

\$100 to \$125/mo Main-large

Estimated Additional Revenue for FY 24 budget: \$12,100

Float Pond:

\$90 to \$110/mo Private

\$150 to \$180/mo Airport

\$150 to \$180/mo West finger

Estimated Additional Revenue for FY 24 budget: \$7,400

Signatory Jet/Jetway Parking/Use:

\$500 to \$750/mo Main ramp > 12,500

\$500 to \$1,000/mo Air Carrier Gate/Cargo parking

\$3,000 to \$3,500/mo Jetbridge/PBB Use (Gates 2 &5)

Estimated Additional Revenue for FY 24 budget: \$33,000

Transient A/C Tiedown:

\$10 to \$15/per day	<6,000 lbs. non commercial
\$25 to \$50/per day	<6,000 lbs. commercial
\$75 to \$100/per day	6,001 – 12,500 lbs.
\$175 to \$250/per day	12,501 – 100,000 lbs.
\$500 to \$1,000/per turn	>100,000 lbs.
\$500 to \$1,000/per turn/use	Jetway Use – Gate 2,5 (non-signatory)

Estimated Additional Revenue for FY 24 budget \$0

Terminal Lease: (sf/yr)

\$25.16 to \$30.34	Counter North (+7 ft)
\$31.69 to \$38.35	Counter East (+12ft)
\$22.88 to \$27.69	Office North
\$25.52 to \$30.89	Office East
\$25.52 to \$30.89	Office Admin East
\$25.52 to \$30.89	Bag Claim (public)
\$20.34 to \$24.61	Bag Make-up/Storage
\$20.34 to \$24.61	Storage Frt Room North
\$12.71 to \$15.30	Canopy North
\$31.69 to \$38.35	Departure/Hold Room

Estimated Additional Revenue for FY 24 budget: \$170,100

Employee Parking: \$40 to \$50/mo; \$180 to \$225/ summer months May – Sept; \$252 to \$315/ winter months Oct – Apr

Estimate additional revenue for FY 24 budget: \$10,900

Fuel Flowage Fees:Signatory:

Aircraft 12,500 lbs and under (AV or Jet) \$0.22 to \$0.26/gallon (per 3/9/23 Board)
Estimate additional revenue for FY 24 budget: \$38,100

Aircraft greater than 12,500 lbs. (Large Commercial Jet) \$0.155 to \$0.265/gallon; begin **May 1, 2023**
Estimate additional revenue for FY 24 budget: \$363,400

Non-Signatory:

Non-signatory \$0.28 to \$0.3325/gallon; (per 3/9/23 Board) begin **May 1, 2023**
Estimate additional revenue for FY 24 budget: \$15,700

Landing Fees:Signatory:

Aircraft 12,500 lbs and over, for each 1,000 lbs or fraction thereof \$2.45 to \$3.06/1,000 lbs; begin **May 1, 2023**
Estimate additional revenue for FY 24 budget: \$533,700

Non-Signatory:

Aircraft 12,500 lbs and over, for each 1,000 lbs or fraction thereof \$3.06 to \$3.83/1,000 lbs ; begin **May 1, 2023**
Estimate additional revenue for FY 24 budget: \$16,600

Badging Fees:

\$75 to \$100	Initial Badge
\$25 to \$40	Renewal Badge
\$25 to \$40	Reissuance (worn/damage/replacement)
\$50 to \$75	Fingerprint Fees (Airport)
\$10 to \$15	Prox/gate card
\$25 to \$50	Non-airport ID issue

Estimate additional revenue for FY 24 budget: \$29,300

Fees not mentioned herein, will not change through this update.

Language is included to allow the airport to collect fees for abandoned property after termination of a lease; or ownership of property consistent with lease language.

Revenue increase: Total revenue increases for above outlined increases is \$1,737,900. These new rates and fees and their resulting increased revenues have been factored into the proposed FY24 budget; to parallel the Assembly budget process.

(Attach Additional Pages as Necessary)

FINANCIAL IMPACT

(Circle One)

~~No~~**Yes**

(If Yes, Complete the Following)

FUND:

	FY24				
Expenditure Budget:					
Personal Services	\$				
Materials & Commodities					
Capital Outlay					
Other:					
Total Expenditures	\$				
Funding Sources:					
Federal Grant:					
Other: Fund Balance	\$1,737,900				
Total Funding Sources	\$1,737,900				
Personnel:	No change/ cost to implement this Reg. It is absorbed in the current personnel costs.				
Full-Time FTE's					
Part-Time FTE's					
Temporary FTE's					

CAPITAL IMPROVEMENT PROJECTS (CIP)

Project Budget:			Amounts noted at left are 100% of the project totals. Project total before Appropriation: \$ This Appropriation: \$ Total Project: \$ Comment:
Direct Project Costs	\$		
Total Project Budget	\$		
Funding Sources:			
Other:	\$		
Other:			
Total Funding Sources	\$		
Personnel:			
Full-Time FTE's			
Part-Time FTE's			
Temporary FTE's			

Prepared by: Patricia Wahto

Affected Depts a) Airport

(Dir/Dept): b) _____

Finance Dir: _____

City Manager: _____

Date: Mar 17, 2023Date: Mar 17, 2023

Date:

Date:

Date: