

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

MEETING DATE: 9/19/07

DIVISION: COUNTY ADMINISTRATOR

BULK ITEM: YES

DEPARTMENT: AIRPORTS

STAFF CONTACT PERSON: Peter Horton
Phone: 292-3518

AGENDA ITEM WORDING: Approval of Fiscal Year 2008 Rates & Charges for the Key West International Airport, to become effective October 1, 2007.

ITEM BACKGROUND: Newton & Associates has updated the Rates & Charges for the Key West International Airport as an integral part of the Airport budget process, as required by the Bond Resolution in connection with issuance of the Series 2006 Variable Rate Revenue Bonds.

PREVIOUS RELEVANT BOCC ACTION: Approval of bond resolution authorizing issuance of Monroe County, Florida, Airport Variable Rate Revenue Bonds, series 2006, June 21, 2006.

CONTRACT/AGREEMENT CHANGES: New Rates & Charges

STAFF RECOMMENDATION: Approval

TOTAL COST: n/a

BUDGETED: n/a

COST TO AIRPORT: n/a

SOURCE OF FUNDS: n/a

COST TO PFC: n/a

COST TO COUNTY: n/a

REVENUE PRODUCING: adjusts Key West Airport rates

AMOUNT PER MONTH /YEAR:

APPROVED BY: County Attorney n/a OMB/Purchasing n/a

Risk Management n/a

DOCUMENTATION: Included X

Not Required

AGENDA ITEM # _____

DISPOSITION: _____

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AO
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Newton & Associates, Inc.

AVIATION INDUSTRY CONSULTANTS

August 28, 2007

VIA EXPRESS DELIVERY

Ms. Bevette Moore
Airport Operations
Key West International Airport
3491 S. Roosevelt Boulevard
Key West, Florida 33040

Re: FY 2008 Airline Rates and Charges
Key West International Airport

Dear Ms. Moore:

Enclosed is a copy of the Fiscal Year 2008 Airline Rates and Charges ("FY 2008 Rates & Charges") for the Key West International Airport ("Airport") proposed to be effective October 1, 2007. The FY 2008 Rates & Charges have been calculated based on the Airport's budget for Fiscal Year 2008 and in consideration of the covenants of the Bond Resolution adopted by Monroe County ("County") in connection with its issuance of the Series 2006 Variable Rate Revenue Bonds.

The FY 2008 Rates & Charges were presented to the airlines serving the Airport on July 26, 2007. At that time, the budget FY 2008 average terminal rental rate for the existing terminal building was estimated to increase from \$56.34 to \$71.11 and the landing fee rate was estimated to increase from \$2.25 to \$2.41. These increases are primarily attributable to the expiration of security grants received by the County from the Florida Department of Transportation in Fiscal Year 2007.

Subsequent to the airline meeting, we were provided with a revised *Position Line Item Budget Report grouped by Business Center* from the Monroe County Office of Management and Budget on August 14, 2007. The revised personal services budget reflected the addition of one position and revised salary and benefit detail for Airport employees. The enclosed FY 2008 Rates & Charges reflects these changes. As depicted in the enclosed FY 2008 Rates & Charges, the average terminal rental rate for the existing terminal building will be increased to \$71.56 per square foot and the airline landing fee rate is budgeted to increase to \$2.47. Please note that these rates do not include an assumption of the County receiving the Law Enforcement Office Reimbursement Grant from the TSA, which we understand could be approximately \$300,000 per year.

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KWIA/H.M.


Ms. Bevette Moore
August 28, 2007
Page 2

Based on the calculation of the FY 2008 Rates and Charges, the average airline cost per enplaned passenger will increase from \$5.91 in Budget Fiscal Year 2007 to \$7.37 in Fiscal Year 2008, and approximately a dollar higher when operations transition to the new terminal building. We believe that this airline cost per enplaned passenger remains within industry averages for airports of similar size.

As for the budget FY 2008 terminal rental rate for the new terminal building, this rate has been estimated based on terminal schematics provided by URS. However, based on information presented at the tenant meeting on July 26, 2007, we understand that new terminal square footage estimates need to be revised. We have provided Bruce Harkness (Morganti) with the draft URS schematics and other information necessary to update the rates and charges for the new terminal building. We are planning to present the revised rates and charges for the new terminal building to the airlines at a tenant meeting scheduled for September 14, 2007.

Please don't hesitate to call if you have any questions. We sincerely appreciate the opportunity to assist you.

Sincerely,



Michael D. Hill, Jr.
Senior Consultant

Enclosure

cc: Peter Horton – Key West International Airport
Mil Reisert – URS Corporation
Frank C. Newton III - Newton & Associates, Inc.

**KEY WEST INTERNATIONAL AIRPORT
FY 2008 AIRLINE RATES & CHARGES
EFFECTIVE 10/01/07**

NEW FY 2008 RATES

<u>KEY WEST INTERNATIONAL AIRPORT</u>	<u>Existing Terminal</u>
TERMINAL RENT	
Airlines	
Publicly Exposed Space	\$71.56
Nonpublic Office and Operations Space	\$71.56
Covered Areas & Storage	\$71.56
Concessions (All Space)	
Car Rental	\$71.56
Gift Shop	\$71.56
Restaurant	\$71.56
UTILITIES - Electric, Water, Sewer, Trash Removal	
(Included in the rental rate)	
LANDING FEE	
Rate per Thousand Pounds of Gross Landing Weight	\$2.47
EYW SECURITY CHECKPOINT REIMBURSEMENT CHARGES	
Per Enplaned Passenger	\$1.01
Cost: <u> \$277,960</u>	Enpl. Pax: <u> 275,000</u>
OTHER TSA MANDATED SECURITY CHARGES	
Per Enplaned Passenger	n/a
Cost: <u> undetermined</u>	Enpl. Pax: <u> 275,000</u>
RON CHARGES	
For each aircraft in excess of 3 parked overnight at the Passenger Terminal Ramp	
For aircraft with more than 13 seats	\$26.50
For aircraft with 13 or less seats	\$13.25
FUEL FLOW FEES (per Gallon Delivered)	\$0.06
LAND RENTAL RATES	
Aviation Use Property	\$0.77
Non-Aviation Use Property	By Appraisal
County Leased Property	\$1.38
Adam Arnold Annex/Customs Rental Rate	\$57.75

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE A: Airport Operating & Maintenance Expenses (Page 1) - Budget Comparison

	FY 07 Budget	FY 08 Budget	Percent Change
Personal Services			
510120	\$304,316	\$303,268	-0.3%
	0	0	0.0%
	223,581	237,797	6.4%
	0	0	0.0%
	0	0	0.0%
	656,265	747,167	13.9%
	26,073	28,050	7.6%
510140	0	0	0.0%
	0	0	0.0%
Total Personal Services	\$1,210,235	\$1,316,282	8.8%
Contractual Services (Non-Security)			
530310	\$5,000	\$5,000	0.0%
530316	2,475	2,475	0.0%
530340	441,872	423,536	-4.1%
530410	25,018	25,018	0.0%
530440	297,800	297,800	0.0%
530440	7,821	7,821	0.0%
530450	38,200	38,200	0.0%
530451	42,659	42,659	0.0%
530498	1,000	1,000	0.0%
Total Contractual Services	\$861,845	\$843,509	-2.1%
Supplies & Materials			
530510	\$7,006	\$7,006	0.0%
530520	79,305	79,305	0.0%
530521	300	300	0.0%
530523	500	500	0.0%
530528	1,860	3,360	80.6%
530540	8,929	8,929	0.0%
Total Supplies & Materials	\$97,900	\$99,400	1.5%
General			
590910	\$170,000	\$190,000	11.8%
530400	25,847	25,847	0.0%
530409	13,879	13,879	0.0%
530460	122,161	122,161	0.0%
530470	1,000	1,000	0.0%
530490	500	500	0.0%
Total General	\$333,387	\$353,387	6.0%
Minor Capital Outlays			
	\$20,900	\$0	-100.0%
	184,674	184,674	0.0%
Subtotal Minor Capital Outlays & Contingency	\$205,574	\$184,674	-10.2%
TOTAL BASIC O&M EXPENSE	\$2,708,941	\$2,797,252	3.3%
Contractual Services - Security			
	\$1,748,980	\$1,400,000	-20.0%
	(839,490)	0	-100.0%
	0	0	n/a
Total Contractual Services	\$909,490	\$1,400,000	53.9%
ADJ. TOTAL O&M AND SECURITY EXPENSE	\$3,618,431	\$4,197,252	16.0%
Number of Enplaned Passengers	291,764	275,000	-5.7%
Total O&M Cost Per Enplaned Passenger	\$9.28	\$10.17	9.6%
Total Security Cost Per Enplaned Passenger	\$3.12	\$5.09	63.3%

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

Worksheet - Airport Security Requirements

Airport Security Cost Requirement:

	Budget FY 2007			Budget FY 2008			
	Requirement	FDOT Portion	County Portion	Requirement	FDOT Portion	TSA Portion	County Portion
October			\$0				\$0
November			0				0
December			0				0
Subtotal 1st Q	\$437,245	\$218,622	\$218,622	\$350,000	\$0	\$0	\$350,000
January			\$0				\$0
February			0				0
March			0				0
Subtotal 2nd Q	\$437,245	\$218,622	\$218,622	\$350,000	\$0	\$0	\$350,000
April			\$0				\$0
May			0				0
June			0				0
Subtotal 3rd Q	\$437,245	\$218,622	\$218,622	\$350,000	\$0	\$0	\$350,000
July			\$0				\$0
August			0				0
September			0				0
Subtotal 4th Q	\$437,245	\$183,622	\$253,622	\$350,000	\$0	\$0	\$350,000
Total FY	\$1,748,980	\$839,490	\$909,490	\$1,400,000	\$0	\$0	\$1,400,000

Checkpoint Security per Enplanement Charge:

	Budget FY 2007	Budget FY 2008
Total County Security Requirement	\$909,490	\$1,400,000
Amount Allocated Directly to Airlines		
Checkpoint Security	\$268,820	\$277,960
Airside Security	0	0
Other TSA Airline Security - Airline Portion	0	0
Total Amount Allocated Directly to Airlines	\$268,820	\$277,960
Enplaned Passengers	291,764	275,000
Per Passenger Reimbursement	\$0.92	\$1.01
Net Security Allocated to Cost Centers	\$640,670	\$1,122,040

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

**WORKSHEET
ANALYSIS OF OTHER CONTRACTUAL SERVICES:**

Other Contractual Services Line Item	FY 07 Budget	FY 08 Budget	FY 08				
			Terminal	Airfield	GA	Other	Total
	\$441,872	\$423,536	\$153,818	\$87,462	\$1,710	\$180,546	\$423,536
Landscaping Gardens of Eden	\$118,474	\$122,503	\$18,375	\$85,752	\$0	\$18,375	\$122,503
Elevator Mowery Elevator	\$1,068	\$1,133	\$1,133	\$0	\$0	\$0	\$1,133
Parking Mgt. Republic Parking	\$148,037	\$137,061	\$0	\$0	\$0	\$137,061	\$137,061
Janitorial Ace Building Maint.	\$172,184	\$156,000	\$132,600	\$0	\$0	\$23,400	\$156,000
Other Buccaneer Courier	\$2,108	\$6,840	\$1,710	\$1,710	\$1,710	\$1,710	\$6,840
Other Contractual Services Allocation	\$441,872	\$423,536	\$153,818	\$87,462	\$1,710	\$180,546	\$423,536
Expense Distribution For Other Contractual Services			36%	21%	0%	43%	100%

Source: Other Contractual Services for FY 2007 provided by Monroe County, Airports Business Office.

Note: Landscaping Expense allocated 70% to "Airfield", 15% to "Terminal" and 15% to "Other".
 Elevator Expense allocated 100% to "Terminal".
 Republic Parking Fees Allocated 100% to "Other".
 Custodial expenses allocated 85% to "Terminal" and 15% to "Other" to reflect services provided at FIS.

**KEY WEST INTERNATIONAL AIRPORT
DRAFT - FY 2008 AIRLINE RATES & CHARGES**

**SCHEDULE A: Airport Operating & Maintenance Expenses
(Page 2) - Budget Allocations**

	FY 08 Budget	Allocation			
		Terminal	Airfield	General Aviation	Other Leased
Personal Services					
Administrative	\$303,268	\$151,634	\$75,817	\$30,327	\$45,490
Maintenance	237,797	95,119	47,559	23,780	71,339
Engineering	0	0	0	0	0
ARFF	747,167	93,396	485,659	74,717	93,396
Other	28,050	3,927	14,586	5,610	3,927
Overtime	0	0	0	0	0
Adjustments	0	0	0	0	0
Total Personal Services	\$1,316,282	\$344,076	\$623,621	\$134,433	\$214,152
Contractual Services (Non-Security)					
Professional Services	\$5,000	\$3,000	\$500	\$750	\$750
Medical Services	2,475	1,485	248	371	371
Other Contractual Services	423,536	153,818	87,462	1,710	180,546
Phone & Postage/Freight	25,018	15,011	2,502	3,753	3,753
Utility Services	297,800	172,724	29,780	8,934	86,362
Rentals & Leases	7,821	4,693	782	1,173	1,173
Insurance	38,200	22,920	3,820	0	11,460
Risk Management Charges	42,659	29,861	0	0	12,798
Advertising	1,000	600	100	150	150
Total Contractual Services	\$843,509	\$404,112	\$125,193	\$16,841	\$297,363
Supplies & Materials					
Office Supplies	\$7,006	\$4,204	\$701	\$1,051	\$1,051
Operating Supplies	79,305	47,583	7,931	11,896	11,896
Gasoline	300	180	30	45	45
Diesel Fuel	500	300	50	75	75
Internal Fuel	3,360	2,016	336	504	504
Books, Pubs, Subs, Educ, Mem	8,929	5,357	893	1,339	1,339
Total Supplies & Materials	\$99,400	\$59,640	\$9,940	\$14,910	\$14,910
General					
County Overhead Allocation	\$190,000	\$47,500	\$47,500	\$47,500	\$47,500
Travel & Per Diem	25,847	6,462	6,462	6,462	6,462
Vehicle Maintenance Charges	13,879	3,470	3,470	3,470	3,470
Repairs and Maintenance	122,161	30,540	30,540	30,540	30,540
Printing and Binding	1,000	250	250	250	250
Miscellaneous Expenses	500	125	125	125	125
Total General	\$353,387	\$88,347	\$88,347	\$88,347	\$88,347
Minor Capital Outlays/Contingency	\$184,674	\$46,169	\$46,169	\$46,169	\$46,169
SUBTOTAL BASIC O&M	\$2,797,252	\$942,343	\$893,270	\$300,700	\$660,941
Contractual Services - Security					
Security Services	\$1,400,000	\$1,050,000	\$140,000	\$70,000	\$140,000
Less Operating Security Grants	0	0	0	0	0
Total Contractual Services	\$1,400,000	\$1,050,000	\$140,000	\$70,000	\$140,000
TOTAL O&M AND SECURITY EXPENSE	\$4,197,252	\$1,992,343	\$1,033,270	\$370,700	\$800,941
Checkpoint Security Direct Bill	(\$277,960)	(\$277,960)	\$0	\$0	\$0
O&M AND SECURITY EXPENSE-ALLOCATEI	\$3,919,293	\$1,714,383	\$1,033,270	\$370,700	\$800,941
Allocated Share of Total Expense	100.0%	44%	26%	9%	20%

KEY WEST AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE A: Airport Operating & Maintenance Expenses (Page 3) - Budget Allocation Percentages

	---- Cost Center Allocation ----				Total
	Terminal	Airfield	General Aviation	Other Leased	
Personal Services					
Administrative	50%	25%	10%	15%	100%
Maintenance	40%	20%	10%	30%	100%
Engineering	80%	10%	5%	5%	100%
ARFF	12.5%	65%	10%	12.5%	100%
Other	14%	52%	20%	14%	100%
Overtime	27%	43%	13%	17%	100%
Adjustment	25%	25%	25%	25%	100%
Weighted Average	26%	47%	10%	16%	100%
Contractual Services					
Professional Services	60%	10%	15%	15%	100%
Medical Services	60%	10%	15%	15%	100%
Other Contractual Services	36%	21%	0%	43%	100%
Phone & Postage/Freight	60%	10%	15%	15%	100%
Utility Services	58%	10%	3%	29%	100%
Rentals & Leases	60%	10%	15%	15%	100%
Insurance	60%	10%	0%	30%	100%
Risk Management Charges	70%	0%	0%	30%	100%
Advertising	60%	10%	15%	15%	100%
Weighted Average	48%	15%	2%	35%	100%
Supplies & Materials					
Office Supplies	60%	10%	15%	15%	100%
Operating Supplies	60%	10%	15%	15%	100%
Gasoline	60%	10%	15%	15%	100%
Diesel Fuel	60%	10%	15%	15%	100%
Internal Fuel	60%	10%	15%	15%	100%
Books, Pubs, Subs, Educ, Mem	60%	10%	15%	15%	100%
Weighted Average	60%	10%	15%	15%	100%
General					
County Overhead Allocation	25%	25%	25%	25%	100%
Travel & Per Diem	25%	25%	25%	25%	100%
Vehicle Maintenance Charges	25%	25%	25%	25%	100%
Repairs and Maintenance	25%	25%	25%	25%	100%
Printing and Binding	25%	25%	25%	25%	100%
Miscellaneous Expenses	25%	25%	25%	25%	100%
Weighted Average	25%	25%	25%	25%	100%
Minor Capital Outlays/Contingency	25%	25%	25%	25%	100%
Basic O&M Weighted Average	34%	32%	11%	24%	100%
Contractual Services - Security					
Security Services	75%	10%	5%	10%	100%
Less Operating Security Grants	75%	10%	5%	10%	100%
Total Contractual Services	75%	10%	5%	10%	100%
TOTAL O&M AND SECURITY EXPENSES	47%	25%	9%	19%	100%
Less:Checkpoint Security Direct Bill	100%	0%	0%	0%	100%
Total O&M Weighted Average	44%	26%	9%	20%	100%

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE A: Airport Operating & Maintenance Expenses (Page 4) - FY 08 Payroll by Function

Department / Position	FTE	Salaries, Taxes and Benefits	----- Cost Center Allocation -----			
			Terminal	Airfield	General Aviation	Other Leased
Administration:						
Director of Airports	1.00	\$128,319	\$64,160	\$32,080	\$12,832	\$19,248
Sr Administrator Airport Business	0.85	75,416	37,708	18,854	7,542	11,312
Administrative Assistant	0.50	37,080	18,540	9,270	3,708	5,562
Sr. Coord. Airport Grants/Finance Projects Development Coord.	1.00	62,453	31,227	15,613	6,245	9,368
	0.00	0	0	0	0	0
Subtotal	3.35	\$303,268	\$151,634	\$75,817	\$30,327	\$45,490
Maintenance:						
Superintendent - Maintenance	1.00	\$70,965	\$28,386	\$14,193	\$7,097	\$21,290
Sr. Technician - Maintenance	1.00	65,166	26,066	13,033	6,517	19,550
Maint. Worker - Facilities Maint.	1.00	47,033	18,813	9,407	4,703	14,110
Painter	1.00	54,633	21,853	10,927	5,463	16,390
Subtotal	4.00	\$237,797	\$95,119	\$47,559	\$23,780	\$71,339
Engineering:						
Director Facilities Development	0.00	\$0	\$0	\$0	\$0	\$0
Project Architect	0.00	0	0	0	0	0
Airport Project Develop Coord.	0.00	0	0	0	0	0
Subtotal	0.00	\$0	\$0	\$0	\$0	\$0
ARFF:						
Firefighters - Chief Airport Rescue	1.00	\$96,320	\$12,040	\$62,608	\$9,632	\$12,040
Shift Captain - ARFF	1.00	93,205	11,651	60,583	9,321	11,651
Shift Captain - ARFF	1.00	75,823	9,478	49,285	7,582	9,478
Shift Captain - ARFF	1.00	88,353	11,044	57,429	8,835	11,044
Airport Rescue Fire Fighter	1.00	67,694	8,462	44,001	6,769	8,462
Airport Rescue Fire Fighter	1.00	60,052	7,507	39,034	6,005	7,507
Airport Rescue Fire Fighter	1.00	75,823	9,478	49,285	7,582	9,478
Airport Rescue Fire Fighter	1.00	67,358	8,420	43,783	6,736	8,420
Airport Rescue Fire Fighter	1.00	62,487	7,811	40,617	6,249	7,811
Airport Rescue Fire Fighter	1.00	60,052	7,507	39,034	6,005	7,507
Subtotal	10.00	\$747,167	\$93,396	\$485,659	\$74,717	\$93,396
Other						
Assistant County Attorney	0.25	\$28,050	\$3,927	\$14,586	\$5,610	\$3,927
Total Employees	17.60	\$1,316,282	\$344,076	\$623,621	\$134,433	\$214,152

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE A: Airport Operating & Maintenance Expenses (Page 5) - Payroll Allocation Percentages

Department / Position	----- Cost Center Allocation -----				Total
	Terminal	Airfield	General Aviation	Other Leased	
Administration:					
Director of Airports	50%	25%	10%	15%	100%
Sr Administrator Airport Business	50%	25%	10%	15%	100%
Administrative Assistant	50%	25%	10%	15%	100%
Sr. Coord. Airport Grants/Finance	50%	25%	10%	15%	100%
Projects Development Coord.	50%	25%	10%	15%	100%
Maintenance:					
Superintendent - Maintenance	40%	20%	10%	30%	100%
Sr. Technician - Maintenance	40%	20%	10%	30%	100%
Maint. Worker - Facilities Maint.	40%	20%	10%	30%	100%
Painter	40%	20%	10%	30%	100%
Engineering:					
Director Facilities Development	0%	0%	0%	0%	0%
Project Architect	0%	0%	0%	0%	0%
Airport Project Develop Coord.	0%	0%	0%	0%	0%
ARFF:					
Firefighters - Chief Airport Rescue	13%	65%	10%	13%	100%
Shift Captain - ARFF	13%	65%	10%	13%	100%
Shift Captain - ARFF	13%	65%	10%	13%	100%
Shift Captain - ARFF	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Airport Rescue Fire Fighter	13%	65%	10%	13%	100%
Other					
Assistant County Attorney	14%	52%	20%	14%	100%

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE B: Capital Projects & Purchases

	Total Cost	Less Grants	Cost Net Of Grants	Amortized @6%---		----- Cost Center Allocation -----				
				Expensed	Yrs.	Amount	Terminal	Airfield	General Aviation	Other Leased
Capital Projects:										
Runway Strengthening	\$0	\$0	\$0	\$0	5	\$0	\$0	\$0	\$0	\$0
ARFF Truck	0	0	0	0	5	0	0	0	0	0
Access Road	0	0	0	0	5	0	0	0	0	0
Part 150 Noise	0	0	0	0	5	0	0	0	0	0
Apron Expansion	0	0	0	0	5	0	0	0	0	0
Building Renovations	0	0	0	0	5	0	0	0	0	0
Total	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
Capital Purchases:										
Expensed:										
Fire Equipment	\$0	\$0	\$0	\$0	3	\$0	\$0	\$0	\$0	\$0
Amortized:										
Airport Vehicle	0	0	0	0	5	0	0	0	0	0
Fire Equipment	0	0	0	0	5	0	0	0	0	0
Total	\$0	\$0	\$0	\$0		\$0	\$0	\$0	\$0	\$0
Total Projects & Purchases being "Expensed" FY 08				\$0		\$0	\$0	\$0	\$0	\$0
Total Projects & Purchases to be Amortized beginning in FY 08						\$0	\$0	\$0	\$0	\$0

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE C: Calculation of Landing Fee

	Budget FY 07	Budget FY 08
AIRFIELD O&M EXPENSE:		
Personal Services	\$560,925	\$623,621
Contractual Services	121,942	125,193
Supplies & Materials	9,790	9,940
General	83,347	88,347
Minor Capital Outlays	51,394	46,169
Subtotal Airfield - Basic O&M Component	827,397	893,270
Security Component	90,949	140,000
Total Airfield O&M Expense	\$918,346	\$1,033,270
AIRFIELD CAPITAL EXPENSE:		
Airfield Amortization	\$0	\$0
Airfield Capital Expense	0	0
Total Airfield Capital Expense	\$0	\$0
TOTAL AIRFIELD REQUIREMENT:	\$918,346	\$1,033,270
Less: Estimated General Aviation Revenue	140,076	150,000
Net Airfield Requirement	\$778,270	\$883,270
LANDING FEE CALCULATION:		
Estimated Passenger Airline Landed Weight (000 Lb. Units)	338,580	350,000
Estimated Cargo Airline Landed Weight (000 Lb. Units)	8,046	7,500
Estimated Total Airline Landed Weight (000 Lb. Units)	346,626	357,500
Airline Landing Fee Rate	\$2.2453	\$2.4707
(Net Airfield Requirement / Airline Landed Weight)		

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE D-1: Calculation of Terminal Rental Rates

SUMMARY TERMINAL SPACE:	Existing Terminal Building		New Terminal Building		
	% Rentable	Total Sq. Ft.	% Rentable	Productive Sq. Ft.	Total Sq. Ft.
Airline Space	51%	12,337	54%	38,061	38,061
Concession and Other Rentable Space	27%	6,444	15%	10,642	10,642
Public Space	12%	2,927	19%	13,643	13,643
Administrative, Support and TSA Space	9%	2,250	12%	0	8,665
Total Terminal Space	100%	23,958	100%	62,346	71,011

	Budget FY 07	Budget FY 08	Budget FY 08
TERMINAL O&M EXPENSE:			
Personal Services	\$327,274	\$344,076	\$344,076
Contractual Services-Non Security	415,699	404,112	404,112
Supplies & Materials	58,740	59,640	59,640
General	83,347	88,347	88,347
Contingency	51,394	46,169	46,169
Terminal Project - Additional O&M Costs	0	0	436,047
Subtotal Terminal Basic O&M Exp	\$936,453	\$942,343	\$1,378,390
Contractual Services-Security	\$682,117	\$1,050,000	\$1,050,000
Less: Direct Billed Security Charge	(268,820)	(277,960)	(277,960)
Subtotal Security Component	\$413,297	\$772,040	\$772,040
Net Terminal O&M Requirement	\$1,349,751	\$1,714,383	\$2,150,430
TERMINAL CAPITAL EXPENSE:			
Debt Service (Bonds/Notes)	\$0	\$0	\$0
Amortization	0	0	0
Depreciation	0	0	0
Total Terminal Capital Requirement	\$0	\$0	\$0
TERMINAL REQUIREMENT:	\$1,349,751	\$1,714,383	\$2,150,430
TERMINAL RENT CALCULATION:			
Terminal Basic O&M Requirement	\$936,453	\$942,343	\$1,378,390
Total Terminal Space (Sq. Ft.)	23,958	23,958	71,011
Terminal Rental Rate - Basic O&M Component	\$39.09	\$39.33	\$19.41
Security Component - Terminal Requirement	413,297	772,040	772,040
Total Terminal Space (Sq. Ft.)	23,958	23,958	71,011
Terminal Rental Rate - Security Component	\$17.25	\$32.23	\$10.87
Average Terminal Rental Rate PSF	\$56.34	\$71.56	\$30.28
(Terminal Requirement/Total Terminal Space)			
AIRLINE SPACE RENTAL			
Airline Space (Sq. Ft.)	12,337	12,337	38,061
Airline Reqt (Avg Term Rent Rt x Airline SF)	\$695,050	\$882,817	\$1,152,618

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE D-2: Space Reconciliation Summary - Existing Terminal

Available Space:

	Ticketing	Office	Other Rentable	Passenger Holdroom	Bag Claim	Covered Area	All Other	Total
Passenger Terminal Building:								
First Level	2,276	2,023	4,323	1,890	1,524	3,112	4,420	19,568
Second Level	0	0	2,234	0	0	0	2,156	4,390
Total Space	2,276	2,023	6,557	1,890	1,524	3,112	6,576	23,958

Space Breakdown by Use:

	American Eagle	Continental Connection	Delta Connection	US Airways	Common Use	Total
Airline Space:						
Ticket Counter	886	667	464	464	0	2,481
Office Space	532	482	455	509	0	1,978
Covered Space	196	868	558	1,209	0	2,831
Covered Space-CUA	0	0	0	0	325	325
Passenger Holdroom	0	0	0	0	3,226	3,226
Baggage Claim	0	0	0	0	1,496	1,496
Airline Totals	1,614	2,017	1,477	2,182	5,047	12,337

Concessions and Other Rentable Space:

Car Rental	964	
Gift Shop	361	
Restaurant	2,998	
Second Floor Rentable Space	<u>2,121</u>	6,444

Public Space 2,927

Support Space:

Airport Offices	1,898	
Other	<u>352</u>	2,250

Total Terminal Building Space 23,958

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE D-3: Space Reconciliation Summary - New Terminal

Available Space:

	Ticketing	Office	Ramp Ops	Airline Security	Passenger Holdroom	Bag Claim & Bag Make-Up	Other Rentable	All Other	Total
Passenger Terminal Building:									
First Level	0	0	864	0	7,831	8,893	4,233	6,465	28,286
Second Level	3,981	2,423	0	12,934	0	0	6,409	16,978	42,725
Total Space	3,981	2,423	864	12,934	7,831	8,893	10,642	23,443	71,011

Space Breakdown by Use:

	American Eagle	Continental Connection	Delta Connection	US Airways	Cape Air	Available/Unidentified	Common Use	Total
Airline Space:								
First Floor:								
Ramp Operations	164	224	162	151	93	70	0	864
Baggage Make-Up	0	0	0	0	0	0	7,334	7,334
Passenger Holdroom	0	0	0	0	0	0	7,831	7,831
Baggage Claim	0	0	0	0	0	0	1,559	1,559
Subtotal First Floor	164	224	162	151	93	70	16,724	17,588
Second Floor:								
Airline Ticket Office	459	515	458	531	460	0	0	2,423
Ticket Counter & Queuing	937	1,027	685	1,027	305	0	0	3,981
Ramp Operations	0	0	0	0	0	0	1,135	1,135
Post TSA Conveyor Area	0	0	0	0	0	0	1,842	1,842
Passenger Screening Area	0	0	0	0	0	0	7,526	7,526
In-line EDS/Bag Screen	0	0	0	0	0	0	3,566	3,566
Subtotal Second Floor	1,396	1,542	1,143	1,558	765	0	14,069	20,473
Airline Totals	1,560	1,766	1,305	1,709	858	70	30,793	38,061

Concessions and Other Rentable Space:

First Floor (Rental Cars & Restaurant)	4,233
Second Floor (Food, Beverage & Retail)	6,409
Subtotal Concessions and Other Rentable Space	<u>10,642</u>

Public Space

First Floor	5,171
Second Floor	8,472
Subtotal Public Space	<u>13,643</u>

Leased to TSA

TSA Offices - Second Floor	1,455
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Administrative and Support Space:

Support Space - First Floor	1,294
Support Space - Second Floor	4,018
Airport Administrative Space - Second Floor	1,898
Subtotal Support Space	<u>7,210</u>

Total Terminal Building Space

71,011

KEY WEST INTERNATIONAL AIRPORT DRAFT - FY 2008 AIRLINE RATES & CHARGES

SCHEDULE D-4: Calculation of Airline Terminal Rental Amounts - Existing Terminal

Airline Space:

Space Classification	Ticket Counter	Office Space	Covered Area	Passenger Holdroom	Bag Claim	Total Space
Rental Rates	\$71.56	\$71.56	\$71.56	\$71.56	\$71.56	

Airline Terminal Building:

American Eagle	886	532	196	0	0	1,614
Continental Connection	667	482	868	0	0	2,017
Delta Connection	464	455	558	0	0	1,477
USAirways Express	464	509	1,209	0	0	2,182

Subtotal	2,481	1,978	2,831	0	0	7,290
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Non-Exclusive Space:

Passenger Holdroom	0	0	0	3,226	-	3,226
Baggage Claim Area	0	0	325	0	1,496	1,821

Total Airline Space	2,481	1,978	3,156	3,226	1,496	12,337
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Rental Amount:

American Eagle	Continental Connection	Delta Connection	USAirways Express	Common Use	Total Amount
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Airline Space

Ticket Counter	\$63,401	\$47,729	\$33,203	\$33,203	0	\$177,537
Office Space	38,069	34,491	32,559	36,423	0	141,543
Covered Space	14,025	62,113	39,930	86,514	0	202,582

Annual Rental	\$115,495	\$144,333	\$105,692	\$156,141	\$0	\$521,661
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Common Use Space	0	0	0	0	361,155	361,155
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Total Annual Rental	\$115,495	\$144,333	\$105,692	\$156,141	\$361,155	\$882,817
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Est. Monthly Rental	\$9,625	\$12,028	\$8,808	\$13,012	\$30,096	\$73,568
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**KEY WEST INTERNATIONAL AIRPORT
DRAFT - FY 2008 AIRLINE RATES & CHARGES**

SCHEDULE D-5: Calculation of Airline Terminal Rental Amounts - New Terminal

Airline Space:

Space Classification	Ticket Counter	Office Space	Ramp Ops	Passenger Holdroom	Bag Claim	Bag Make-Up	EDS Screen/Conveyor	Passenger Screening	Total Space
Rental Rates	\$30.28	\$30.28	\$30.28	\$30.28	\$30.28	\$30.28	\$30.28	\$30.28	

Airline Terminal Building:

American Eagle	937	459	164	0	0	0	0	0	1,560
Continental Connection	1,027	515	224	0	0	0	0	0	1,766
Delta Connection	685	458	162	0	0	0	0	0	1,305
US Airways Express	1,027	531	151	0	0	0	0	0	1,709
Cape Air	305	460	93	0	0	0	0	0	858
Available	0	0	70	0	0	0	0	0	70
Subtotal	3,981	2,423	864	0	0	0	0	0	7,268

Non-Exclusive Space:

Ramp Operations	0	0	1,135	0	0	0	0	0	1,135
Passenger Holdroom	0	0	0	7,831	0	0	0	0	7,831
Baggage Claim Area	0	0	0	0	1,559	0	0	0	1,559
Baggage Make-Up Area	0	0	0	0	0	7,334	0	0	7,334
EDS Screen/Conveyor Area	0	0	0	0	0	0	5,408	0	5,408
Passenger Screen Area	0	0	0	0	0	0	0	7,526	7,526
Subtotal	0	0	1,135	7,831	1,559	7,334	5,408	7,526	30,793

Total Airline Space

3,981	2,423	1,999	7,831	1,559	7,334	5,408	7,526	38,061
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Rental Amount:

	American Eagle	Continental Connection	Delta Connection	USAirways Express	Cape Air	Available	Common Use	Total Amount
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Airline Space

Ticket Counter	\$28,375	\$31,101	\$20,744	\$31,101	\$9,236	\$0	0	\$120,557
Office Space	13,900	15,596	13,870	16,080	13,930	0	0	73,376
Ramp Operations	4,966	6,783	4,906	4,573	2,816	2,120	0	26,165
Annual Rental	\$47,242	\$53,480	\$39,519	\$51,754	\$25,983	\$2,120	\$0	\$220,097
Common Use Space	0	0	0	0	0	0	932,521	932,521
Total Annual Rental	\$47,242	\$53,480	\$39,519	\$51,754	\$25,983	\$2,120	\$932,521	\$1,152,618
Est. Monthly Rental	\$3,937	\$4,457	\$3,293	\$4,313	\$2,165	\$177	\$77,710	\$96,052