EAGLE COUNTY
Regional Airport

EAGLE COUNTY REGIONAL AIRPORT
MASTER PLAN

CHAPTER 7

7.0 FINANCIAL IMPLEMENTATION PLAN

This chapter of the Airport Master Plan (AMP) presents the financial implementation analysis for the Eagle County Regional Airport (EGE or the Airport) and examines various facets of the financial operating condition of the Airport. In addition, this chapter provides a review of the Airport's historic operating revenues and expenses as well as estimates for future financial results. The goal of this part of the planning effort is to contextualize the financial implications associated with carrying out projects recommended in this Master Plan.

A financial implementation plan provides a detailed overview of the development phases, estimated costs, funding sources, and guidance on how to implement the findings and recommendations of the overall planning effort, ensuring the financial viability and strategic execution of proposed projects.

EGE is owned and operated by Eagle County, Colorado, which maintains and develops capital improvements to EGE facilities and functions as the airport sponsor for FAA grant funding approval purposes. Eagle County Air Terminal Corporation (ECAT) was established in 1996 by the County as a Colorado non-profit corporation to acquire, construct, operate, improve, and maintain certain airport facilities. ECAT owns and operates the commercial passenger terminal building and other related improvements on behalf of the County.

The projections of airport revenues and expenses focus on the three planning periods of this AMP's Capital Improvement Program (CIP): Phase I (short/intermediate term), Phase II (intermediate/long-term), and Phase III (long-term). Specific years for the development of recommended projects are not included in these phases, as their consideration should be determined more by demand and planning activity levels. These planning periods provide a framework for the Airport's financial support for future capital projects either through contributing the local share of costs in coordination with Federal Aviation Administration (FAA) and Colorado Department of Transportation (CDOT) grants, reimbursement of Passenger and Customer Facility Charges, through other miscellaneous grants, or by wholly funding the projects. The CIP and associated financial plan included in this chapter are informed by circumstances and conditions that were current when this AMP was completed. Ultimately, capital projects will be undertaken when demand warrants and as appropriate funding becomes available.

The financial implementation analysis comprised the following efforts:

- Gathered and reviewed key Airport documents related to historical financial results, CIPs, operating budgets, regulatory requirements, and Airport policies.
- Interviewed key Airport management personnel to gain an understanding of the existing operating and financial environment, as well as the overall fiscal management philosophy.
- Reviewed the AMP CIP, project cost estimates, and development schedule anticipated for the three planning periods to project the overall financial requirements to implement the CIP.
- Identified and analyzed the sources and timing of capital funding available to meet the financial requirements for funding the CIP.

- Analyzed historical and budgeted operating expenses, developed operations and maintenance expense assumptions, and projected future operating costs for the planning periods.
- Analyzed historical and budgeted operating revenues, developed operating revenue assumptions, and projected future operating revenues for the planning periods.
- Completed results of the analysis and evaluation in a Financial Plan Summary that provides conclusions regarding the financial feasibility of the CIP.

Airport budgets can be broadly categorized as capital improvements and operating and maintenance (O&M). Grants issued by the FAA and CDOT are generally restricted to capital improvement projects, and, with few exceptions, cannot be used for airport O&M expenses. Operating revenues generated by aircraft landing and parking fees, fuel flowage fees, land and building leases, etc. can be applied to both capital improvements and O&M expenses.

7.1 CAPITAL FUNDING SOURCES

The implementation of EGE's Master Plan CIP is anticipated to be funded primarily through the following sources:

- FAA grants from its Airport Improvement Program (AIP)
- State of Colorado funding sources
- Local funding sources
- Other capital project funding sources, such as private parties

Capital funding sources for an airport include the FAA, the state, local governmental sources, and other sources such as private parties.

7.1.1 Federal Aviation Administration Grants

Following World War II, the federal government recognized the need to develop airports to meet the nation's long-term aviation needs and initiated a Grants-In-Aid Program. Today, the FAA is the most significant source of funding for the construction of airport projects and only those airports included in FAA's National Plan of Integrated Airport Systems (NPIAS) are eligible to receive FAA grants.

Following a series of federal airport funding programs, the Airport Improvement Program (AIP) was established by Congress on behalf of the FAA through the Airport and Airway Improvement Act of 1982. The initial AIP legislation provided funding through the fiscal year 1992, but since then the AIP has been reauthorized and amended multiple times, most recently through the FAA Reauthorization Act of 2018. The current AIP program was authorized for five years through FY 2023 (September 30, 2023). At the time of this AMP, Congress was actively in process of authorizing a new AIP program, currently identified as the FAA Reauthorization Act of 2023. Until this reauthorization is ultimately passed, Congress may have to pass continuing resolutions for the FAA to continue issuing grants after that date.

Funds obligated for the AIP are drawn from the Airport and Airway Trust Fund. The Trust Fund receives revenue through user fees applied to aviation fuels, airline ticket sales, and air freight shipments. It is designed to support the improvement of the country's air transportation system by funding airport improvements, airport repair projects, and air traffic control system modernization.

AIP grants are generally available for planning, development, or noise compatibility projects at public-use airports included in the NPIAS. Eligible projects are those that enhance airport safety, capacity, security, and environmental concerns. In Colorado, the FAA provides 90 percent funding for eligible projects at airports that are not large or medium hubs. EGE is a nonhub commercial service airport and thus can receive up to 90 percent funding for eligible projects.

It should also be recognized that the federal government can and occasionally does establish additional funding mechanisms to supplement AIP. These have typically been established in response to specific and exceptional circumstances. Since 2020, three of these programs have been established:

- In March 2020 in response to the COVID-19 Pandemic, the Coronavirus Aid, Relief, and Economic Security (CARES) Act was signed into law. The CARES Act included $10 billion in economic relief for airports affected by COVID-19. The law had several features designed to support airports. First, it provided funds to increase the federal share of discretionary grants in the AIP from 90 percent to 100 percent, eliminating the state and local shares for FY 2020. Second, the law provided new funds, characterized in size by the airport's role, to all NPIAS airports. Primary commercial service airports with more than 10,000 annual enplanements, including EGE, received additional funds based on the number of enplanements. These funds could be used for any purpose for which airport revenues could be used, including operations and maintenance expenses.
- In December 2020, Congress also passed the Coronavirus Response and Relief Supplemental Appropriation Act (CRRSAA). This law included an additional $2 billion in funds for US airports in response to the Covid-19 pandemic. $1.75 billion was distributed similarly to the CARES act.
- In November 2021, the Bipartisan Infrastructure Law (BIL) was passed with the goal of investing in and modernizing US infrastructure. The law included $15 billion for airport-related projects, beginning with a $2.89 billion investment for fiscal year 2022. The money can be invested in runways, taxiways, safety/sustainability, and other similar projects typically eligible through the AIP. These funds have been made available to airports around the nation.

Airport sponsors can leverage AIP funding for most airfield capital improvements, and in limited situations, for terminals, hangars, and non-aviation development. Professional services required for eligible projects, such as planning, surveying, engineering, and construction observation may be eligible for AIP funds. In most cases, an airport's demand for capital improvements must be quantified and documented (i.e., through an airport master plan or similar planning process), each project must be shown on an approved Airport Layout Plan (ALP) and projects must meet appropriate Federal environmental and procurement requirements.

Projects related to revenue-generating improvements (such as privately owned or leased hangars and aprons) are typically not eligible for AIP funding, nor are standard airport operations and maintenance costs (salaries, equipment, supplies, etc.). Operating revenues generated by aircraft landing and parking fees, fuel flowage fees, land and building leases, etc. can be applied to both capital improvements as well as O&M expenses.

AIP grants are generally divided into two categories: entitlement and discretionary. Entitlement grants are allocated among NPIAS airports through a formula largely driven by passenger enplanements, landed cargo weights, and types of operations. As of the FAA Reauthorization Act of 2018, “primary” airports—defined in the NPIAS as having a level of commercial air service (i.e., those airports that enplane more than 10,000 passengers per year) - receive $1,000,000 annually in entitlement funding. “Non-primary” airports, which include small commercial service airports and general aviation airports, are currently eligible for $150,000 of annual entitlement funding. Under the current legislation, the AIP will typically provide 90 percent of the total cost of an FAA-eligible capital project for all airports other than large or medium hubs (with the remaining balance often covered through a combination of state and local funding), though this remaining percentage can be reduced based on the size, complexity, and requirements of a specific project.

As defined in the most current version of FAA Order 5100.38D, *Airport Improvement Program Handbook*, AIP grants must be expended within four years of their issuance, or they must be returned to the FAA. Similar to entitlements for individual airports, each state in the country also receives an annual apportionment from the FAA based on an area-population formula. As these federal funds may be utilized at the discretion of each individual state, the State of Colorado uses this money to support capital projects at general aviation airports within the state.

In addition to entitlement grants, the FAA will annually distribute AIP discretionary grants as the capital expenditure requirements of airports will often exceed the limits of their annual entitlement funding. National discretionary funding levels are established annually by the FAA and are available following the distribution of entitlements. Generally, airports must compete for these discretionary grants, which are awarded based on the priority ratings assigned to each potential project by the FAA. The prioritization process helps ensure that the projects the FAA views as most important and most beneficial to the country are allotted adequate discretionary funding and are the first to be completed. Note that each NPIAS airport project is subject to eligibility and justification requirements as part of the AIP funding process.

Under the current AIP authorization legislation and based on its inclusion as a Nonhub Commercial Service Airport in the NPIAS and its current enplanement levels, EGE has received an average entitlement of $1,400,000 per year since 2013. This approximate level of entitlement funding is projected to continue throughout the planning period. Additional financing is anticipated to be realized through AIP discretionary funding, based on the project eligibility ranking methodology and available federal funding.

7.1.2 State of Colorado Funding Sources

CDOT Aeronautics' mission statement lays out the agency's commitment to "support Colorado's multi-modal transportation system by advancing a safe, efficient, and effective statewide aviation system through collaboration, investment, and advocacy." In support of that goal, CDOT Aeronautics provides funding assistance to airports within the state through two primary mechanisms.

First, CDOT Aeronautics provides a five percent matching grant to any airport that receives a federal AIP grant. As noted previously, AIP currently provides funding up to 90 percent of an eligible project cost, with the balance being the responsibility of the airport sponsor.

Second, CDOT Aeronautics collects aviation fuel taxes and automatically disburses 65 percent of those collections back to the airports of origin as regular entitlement funds. 35 percent of the fuel tax collections are funneled into the Colorado Discretionary Grant Program, which is distributed by the Colorado Aeronautical Board. These grants are disbursed on a discretionary basis to Colorado's 74 public-use airports for maintenance, capital equipment, and developmental needs. Under this program, CDOT Aeronautics can reimburse an airport sponsor for up to 90 percent of the total project cost.

No state general funds are used to meet the needs of CDOT Aeronautics operations or the Colorado Aviation System. After 65 percent of fuel taxes are disbursed back to the airports, the remaining funds are used to fund the Division of Aeronautics' administrative costs, which are capped at five percent of the prior year's total revenue. The remaining funds are then distributed under the Colorado Discretionary Grant Program described above.

7.1.3 Local Funding Sources

Local funding is typically generated from an airport's operating revenues and generally consists of user leases, fuel sales, landing fees, auto parking revenues, user fees, and other service fees. The user fees are usually established by an airport based on market conditions in the area and can vary from airport to airport.

Landside facility development and levels of aviation activity are typically the primary factors affecting airport operating revenues. These revenues will normally increase as a function of the usual inflationary growth as well as average annual increases associated with existing leases. Additional airport development will often increase the operational levels and number of based and itinerant aircraft. In general, land and building leases provide the most stable long-term sources of revenue at an airport, such as fuel sales, tiedown rates, and other operational fees will fluctuate with traffic levels. Commercial service airports, unlike general aviation airports, typically generate revenue from auto parking, concessions, and terminal building tenants.

Due to historically sound financial practices, EGE will have accumulated about $3 million and ECAT will have accumulated about $243,000 in cash reserves at the beginning of 2023. Both EGE and ECAT currently generate sufficient revenues per year to fund operations and accumulate net revenue surpluses to support operations and capital expenditures. Future development at the Airport shall continue to be self-funded by users of the airport and aviation system; no local taxes will be used to fund Airport capital improvements.

7.1.4 Other Capital Project Funding Sources

The traditional funding sources described in previous sections (FAA grants, CDOT grants, and airport revenue) often fall short of the financing required the full range of capital projects programmed for development during a CIP. In addition, some projects are not eligible for FAA or state grants. When the availability of traditional funding is lacking, other non-traditional sources need to be investigated and possibly utilized for the ultimate implementation of projects. In this chapter, these sources have collectively been referenced as "Other Funding Sources." If such funding sources cannot be identified and obtained in the time frames planned, the associated projects would necessarily be delayed until appropriate funding can be identified and secured.

Non-traditional funding sources for an airport typically include general fund revenues, bond issues, and private funding. Of these, general fund revenues and general obligation bonds are by far the most common funding sources, particularly at commercial service airports. The debt level and ability of municipalities and counties to finance additional debt governs their ability to issue general obligation bonds for airport capital projects. As the debt burden increases, rating agencies often lower the institution's credit ratings, which increases their interest payments.

Private funding sources (e.g., tenants, aircraft owners, investors, etc.) often cover the cost of hangars and fuel storage tanks, and, less often, of parking aprons, taxiways, and utility hookups. However, when private parties make capital investments in airports, they often try to negotiate reduced land and/or building lease rates to balance spending. Additionally, the private parties may seek to avoid property reversion clauses—whereby ownership facilities constructed on an airport ultimately revert to the airport after a set period (often a minimum of 20 years).

Passenger Facility Charges

The Passenger Facility Charge (PFC) Program allows publicly owned commercial airports to collect fees up to $4.50 per flight segment for each eligible passenger. PFCs are added onto the price of the airline ticket and distributed back to the airport to fund FAA-approved projects that enhance safety, security, or capacity; reduce noise; or increase carrier competition. PFC funds can be leveraged as an entity's matching share of an AIP project or utilized to fund a project independently of the AIP.

In the past, EGE has used PFC revenues to pay the debt service requirements for revenue bonds that were issued to fund the commercial passenger terminal building/area development in 1996 and further expansions/improvements in later years. The reservation of PFC revenues obligated for existing debt service requirements will continue through 2034.

EGE currently collects a PFC of $4.50 per enplaned passenger.

Customer Facility Charges

Rental car Customer Facility Charges (CFCs) are common financing tools for landside improvements and overall cash flow enhancement at airports in the U.S. A CFC is a user fee imposed by an airport on each rental car user that is collected by rental car companies that provide services to commercial passengers at the airports they serve. CFCs are imposed by local governmental resolution and are collected by the rental car companies on behalf of, and for the benefit of, the airports where they operate. The charges are based on a fee (commonly $3-$4) per rental car transaction day that is added to rental car contracts. These revenues can be used for capital and financing costs of rental car related projects, like consolidated rental car facilities (CONRACs), auto parking, shuttle services, and related roadway projects.

CFC fees are a revenue source not previously imposed by EGE but have been identified as an opportunity to support the generation of additional operating cash flow and capital program funding.

General Fund Revenues

General fund revenues are those provided by the airport sponsor (e.g., county, municipality, etc.) from their general tax revenues. Typically, airport capital development expenditures derived from general fund sources are difficult to obtain due to seemingly universal shortfalls and associated uncertainty in local general fund revenues. The amount of general fund support for airport improvement projects varies by airport and is generally based upon the local tax base, the credit rating of the municipality and state, the priority of the development project, historical funding trends, and, of course, local attitudes concerning the importance of aviation.

Debt Financing

In the past, EGE (through the Eagle County Air Terminal Corporation [ECAT]) used revenue bond debt financing to fund capital improvements (primarily the passenger terminal building construction and related improvements) that could not be funded by other means. ECAT's historically sound financial condition, the availability of future PFC revenues to pay existing debt service, the payoff of previous debt issues and the level of net operating revenues generated annually allows ECAT to plan for additional debt to fund terminal related capital projects during the planning period. (Note that no debt financing analysis has been projected for this analysis.)

Private Funds

Items such as hangars, fuel systems, pay parking lots, exclusive aircraft parking aprons, industrial development areas, non-aviation commercial areas and various other projects are not typically eligible for federal or state grant funding since they generate income for the airport and thereby fail to meet the requirements for such funding as defined in Chapter 3 of FAA Order 5100.38D. Communities sometimes work with airport tenants like FBO or other local businesses to fund these types of improvements. Each of these options would need to be weighed independently for appropriateness of their application for eligible projects. If market demand does not attract this level of private investment during the anticipated time frames, the associated projects may be delayed until demand warrants development.

Additional Funds

In addition to all the funding sources listed in this section, EGE explores a wide variety of grants to improve airport facilities, like Charge Ahead Colorado grants, which provide funds for electric charging stations. EGE strives to find creative funding mechanisms to improve the airport without drawing from the general fund or local tax dollars.

7.2 FINANCIAL ANALYSIS AND IMPLEMENTATION PLAN

This section, along with the tables presented at the end, illustrate the effort to analyze the financial feasibility of CIP implementation during the planning period.

7.2.1 Capital Improvement Program (CIP)

This section lists and briefly describes the projects identified in this AMP recommended for inclusion in EGE's CIP. The individual projects are listed in order of their CIP identifying letter (CIP IDs are used for tracking only and do not indicate priority) and all projects are assumed to require some level of federal, state, and/or local funding, unless otherwise indicated. Note that this listing is the best estimate of anticipated projects at the time of this AMP. Because future requirements and demands may change the scope or timing of these projects, the CIP must be reviewed, assessed, and updated on a regular basis (typically annually). Additionally, each project will require environmental documentation prior to execution.

An airport CIP refers to a comprehensive, multi-year plan that outlines the costs, timeframes, and funding sources for planned airport improvements, ensuring the strategic development and financial viability of the airport

Phase 1

A. **Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Design):** Design for future construction of a new partial parallel Taxiway B located north of Runway 7/25. This is the first phase on an assumed three-phase development effort with construction of this phase generally extending between Taxiways A5 and A3.

B. **Utility Truck:** Purchase of a new utility truck for airport operations.

C. **Repair of the De-Ice Pad Support Area and Slope (Design and Construction)**

D. **DEN Surplus Sale (Combo Units)**

E. **Blower Procurement**

F. **Additional Terminal Roof Repair:** Commercial terminal building roof maintenance and repair.

G. **Terminal IT Upgrades:** Miscellaneous upgrades to the terminal building's antiquated information technology system.

H. **Amadeus Software and 3rd Party Software replacement:** Airport security improvements.

I. **Taxiway B - Paving Phase 1 (Construction):** Construction of Phase 1 of the Taxiway B project. Additional sitework anticipated to be required to support the construction for the future Taxiway B.

J. **Federal Inspection Services (FIS) Facilities (Construction):** Construction of new FIS facilities. This will be an expansion and renovation of part of the existing Signature EGE terminal building.

K. **Lighting Vault EM Generator Replacement:** Replacement of existing antiquated generator.

L. **ATCT Generator Replacement:** Replacement of existing antiquated generator associated with the ATCT.

M. **Airfield Lighting Computer**

N. **Maintenance Equipment Purchases**

O. **ARFF Bay Garage Door Replacement**

P. **Way Finding Study**

Q. **Terminal Chiller Replacement:** Replacement of existing antiquated HVAC system in the terminal building.

R. **Terminal Boiler Replacement:** Replacement of existing antiquated boiler in the terminal building.

S. **Terminal HVAC Controls**

T. **Terminal Lighting Computer**

U. **Meraki 5 Year License and Hardware Replacement**

V. **ACUS Firewall (Amadeus)**

W. **Terminal Amadeus Ticket Counters**

X. **TSA Exit Lane Technology Installation:** Installation of newer TSA exit lane technology equipment within the commercial service terminal. This will improve security and reduce costs by improving TSA labor efficiency and effectiveness.

Y. **Runway 7/25 Rehabilitation with Centerline and Runway 25 Touch Down Zone Lights, Lighting and Signage Improvements. Relocation of Taxiways A3, A4, & B3 (Design):** Design for the rehabilitation of Runway 7/25 that will also include lighting and signage improvements (including runway centerline lights and touchdown zone lights for Runway 25). It will also include the construction/relocation of new taxiway stubs (Taxiways B3, B4, and B5). Finally, the project is anticipated to include the relocation of existing Taxiways A2, A3, and A4 (located south of the runway) to meet newer FAA taxiway design criteria.

Z. **Acquire Aircraft Rescue & Fire Fighting (ARFF) Vehicle**

AA. **Airline GSE Parking Structure:** Construction of a new or rehabilitation of an existing facility for the purpose of providing a covered structure to support GSE operations by providing storage and maintenance facilities.

BB. **Plow/Blower Procurement:** Acquisition of snow removal equipment (SRE).

CC. **Terminal Bag Claim Remodel (Design)**

DD. **Outgoing Baggage: Replace Industrial Control System (ICS)**

EE. **Terminal Paging System Upgrade:** Commercial Service Terminal Building operational improvement.

FF. **Way Finding Improvements**

GG. **Runway 7/25 Rehabilitation with Centerline and Runway 25 Touch Down Zone Lights, Lighting and Signage Improvements. Relocation of Taxiways A3, A4, & B3 (Construction);** construction for the rehabilitation of Runway 7/25 that will also include lighting and signage improvements (including runway centerline lights and touchdown zone lights for Runway 25). It will also include the construction/relocation of new taxiway stubs (Taxiways B3, B4, and B5). Finally, the project is anticipated to include the relocation of existing Taxiways A2, A3, and A4 (located south of the runway) to meet newer FAA taxiway design criteria.

HH. **Taxiway B - Paving Phase 2 and Taxiway B Phase I Pavement Maintenance (Design)**

II. **Taxiway A Pavement Maintenance (Design and Construction)**

JJ. **Phase 4 Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Construction):** Construction of a new partial parallel Taxiway B located north of Runway 7/25. This is the first phase on an assumed three-phase development effort and includes a new taxiway extending between Taxiways A5 and A3, as well as the construction/relocation of new taxiway stubs (Taxiways B3, B4, and B5). Finally, the project is anticipated to also include the relocation of existing Taxiways A2, A3, and A4 to meet newer FAA taxiway design criteria.

KK. **Airport Sustainability Plan:** Planning study designed to provide a roadmap for future sustainability efforts at EGE. Sustainability planning covers a broad spectrum of airport interests by taking a holistic approach to managing an airport to ensure economic viability, operational efficiency, natural resource conservation, and social responsibility of the airport.

LL. **Commercial Service Terminal Rehabilitation and Expansion – Phase 1 (Design):** Design for Phase 1 of the projected three phase rehabilitation and expansion of the commercial service terminal building. This will include the rehabilitation and expansion of the west side of the terminal that includes bag claim operations, airport administrative space, GSE storage, among other improvements.

MM. **Phase 5 Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Construction):** Completion of the construction of the new Taxiway B.

NN. **Commercial Service Terminal Area Landside Access and Parking – Phase 1 (Design and Construction):** Construction of Phase 1 of the commercial service terminal area landside access and parking areas. This phase will include updates and realignments of the automobile ring road as well as improvements to the associated parking areas.

Phase 2

OO. **Taxiway B - Paving Phase 2 and Taxiway B Phase I Pavement Maintenance (Construction)**

PP. **Acquire Aircraft Rescue & Fire Fighting (ARFF) Vehicle:** Acquisition of new ARFF vehicle.

QQ. **Concrete Apron Pavement Rehabilitation:** Rehabilitation of selected sections of apron concrete.

RR. **Commercial Service Terminal Rehabilitation and Expansion – Phase 2 (Design):** Design for Phase 2 of the projected three phase rehabilitation and expansion of the commercial service terminal building. This will include the rehabilitation and expansion of the east side of the terminal that includes baggage handling, makeup, and security screening areas (including a new Industrial Control System), expanded airline ticket counters and offices, expanded passenger circulation areas, expanded curbside check-in facilities, expanded TSA areas, installation of a loading dock, among other improvements.

SS. **Commercial Service Terminal Rehabilitation and Expansion – Phase 2 (Construction):** Construction of Phase 2 of the projected three phase rehabilitation and expansion of the commercial service terminal building.

TT. **Construct New Automobile Parking Lot on Cooley Mesa Road (Design and Construction):** Construction of a new parking lot located on airport property on the south side of Cooley Mesa Road near the approach end of Runway 25. While the particulars of the design must still be determined, it is assumed that this will be a parking lot that serves a variety of operational functions including cell phone lot, terminal support vehicle staging, rental car overflow, other vehicle storage, among other functions. This area will have to have appropriate access, security fencing and controls, lighting, etc.

UU. Commercial Service Terminal Area Landside Access and Parking – Phase 2 (Design and Construction): Construction of Phase 2 of the commercial service terminal area landside access and parking areas. This phase will include additional updates and realignments of the automobile ring road including the development of a ring road for the FIS as well as improvements to the associated parking areas.

VV. Pavement Maintenance: Based on best practice policies to preserve the lifespan of airfield pavements, a fog seal protectant should be applied every five years. Additionally, or in lieu of fog seal, a pavement maintenance project (including milling and filling of selected pavements) should be conducted every ten years. (Note that full pavement reconstruction should be anticipated every 20 years.)

Phase 3

WW. Expand Snow Removal Equipment (SRE) Building: Expansion of existing SRE building to include areas for additional storage capacity for vehicles and materials as well as the installation of a new loading dock.

XX. Commercial Service Terminal Area Landside Access and Parking – Phase 3 (Design and Construction): Construction of Phase 3 of the commercial service terminal area landside access and parking areas. This phase will include construction of a new service access road to the SRE building as well as improvements to the associated parking areas.

YY. Commercial Service Terminal Area Landside Access and Parking – Phase 4 (Design and Construction): Construction of Phase 4 of the commercial service terminal area landside access and parking areas. This phase will include construction of a new service access road to the SRE building as well as improvements to the associated parking areas.

ZZ. Commercial Service Terminal Rehabilitation and Expansion – Phase 3 (Design): Design for Phase 3 of the projected three phase rehabilitation and expansion of the commercial service terminal. This will include the two-story expansion of the terminal concourse to the east and would include the installation of three new jet bridges, expanded hold rooms, additional concessions and bathrooms, among other improvements.

AAA. Commercial Service Terminal Rehabilitation and Expansion – Phase 3 (Construction): Construction of Phase 3 of the projected three phase rehabilitation and expansion of the commercial service terminal.

BBB. Parallel Taxiway B – Phase 2 (Design and Construction): Continued construction of a new partial parallel Taxiway B located north of Runway 7/25. This is the second phase of an assumed three-phase development effort and includes a new taxiway extending between Taxiways B3 and the threshold end of Runway 25

CCC. Parallel Taxiway B – Phase 3 (Design and Construction): Continued construction of a new partial parallel Taxiway B located north of Runway 7/25. This is the third phase on an assumed three-phase development effort and includes a new taxiway extending between Taxiways B5 and the threshold end of Runway 7

DDD. Extend Runway 7/25 and Taxiways A and B 1,000' (Design and Construction): Extension of Runway 7/25 of 1,000 feet to a total of 10,000 feet; an additional 1,000 feet would be available for use on all runway operations with the exception for arrivals to Runway 7. (It should also be noted that while the additional runway length would be available for Runway 25 operations, departure length available on that runway would likely be dictated by existing terrain and not available runway length.)

It is important to note the descriptions above and cost estimates below do not include the future construction of general aviation hangars on the north side of the Airport or in the area west of the commercial service terminal building. Currently, hangars are being constructed on the north side as infill within the existing hangar area; this is being done by private entities through standard lease agreements with the Airport. This development is nearly complete and any further construction in this area would have to be based on the redevelopment of older facilities within the area. Similarly, the proposed hangar development area near the existing ATCT would also likely be funded and constructed by private entities who would also be responsible for infrastructure improvements including aprons, taxilanes, utilities, access, etc. Additionally, there is an area reserved for potential hangar development that lies along the future extended Taxiway B once Phase 3 is constructed; again, such development would likely be privately funded. Finally, the ongoing corporate hangar development area located west of the terminal building is being sponsored and funded by the Airport's Fixed Base Operator (FBO), Signature EGE, through a lease agreement with the Airport. For all initiatives, additional design work will be needed and based on tenant specifications. Since costs for development will primarily be the responsibility of the future tenants and will depend on the types of facilities built, cost estimates have not been included.

Additionally, throughout the 20-year planning period, ongoing pavement and airfield maintenance projects will be required as needed. This includes fog seal applications, pavement crack repair or rehabilitation projects necessary to maintain a safe environment for aircraft operations. As part of ongoing airfield maintenance requirements, EGE must continue to regularly inspect airfield pavement and grounds to ensure that problem areas are addressed.

7.2.2 Estimated Project Costs and Development Schedule

A list of capital improvement projects has been assembled based on the preferred development alternatives for the Airport established in **Chapter Five** of this Airport Master Plan. This project list has been illustrated on the ALP drawing set and documented on the CIP, both of which should be maintained and updated, as required, by Airport management. Generally, the CIP has three primary purposes:

- Identify projects that will be required at the airport over a period of time.
- Estimate the order of implementation of the projects.
- Estimate the total costs and funding sources for each of the projects.

As the CIP progresses from project planning in the current year to projects planned in future years, the plan becomes less detailed and more flexible. Additionally, the CIP is typically modified on an annual basis as new projects are identified, priorities change, funding sources evolve, and financial environments develop.

Each proposed capital improvement project within the planning horizon has been assigned to one of three planning phases: Phase I (short/intermediate term), Phase II (intermediate/long-term), and Phase III (long-term). The assignment of these projects into appropriate periods are depicted in **Table 7-1** which shows all proposed CIP projects (including AIP-funded, State-funded, Airport-funded, and privately funded) and estimated costs. Detailed cost estimates are provided in the Appendix. As mentioned previously, reauthorization of the FAA AIP by Congress may change the funding formulas used in these tables. It is important to note that the cost estimates for the individual projects are based on 2025 dollars, with no escalation.

TABLE 7-1: CAPITAL IMPROVEMENT PROGRAM

CIP ID	Project	Estimated Capital Costs	Funding Sources		
			Federal	State	Local
Phase I					
A	Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Design):	$735,000	$662,409	$36,800	$36,800
B	Utility Truck	$75,000			$75,000
C	Repair of the De-Ice Pad Support Area and Slope (Design and Construction)	$300,000			$300,000
D	DEN Surplus Sale (Combo Units)	$162,000			$162,000
E	Blower Procurement	$88,000			$88,000
F	Additional Terminal Roof Repair	$250,000			$250,000
G	Terminal IT Upgrades	$186,000			$186,000
H	Amadeus Software and 3rd Party Software replacement	$60,000			$60,000
I	Taxiway B - Paving Phase 1 (Construction)	$8,200,000	$7,916,047	$208,316	$1,000,000
J	FIS Construction	$21,000,000	$1,500,000		$19,500,000
K	Lighting Vault EM Generator Replacement	$100,000			$100,000
L	Tower Generator Replacement	$100,000			$100,000

M	Airfield Lighting Computer	$185,000			$185,000
N	Maintenance Equipment Purchases	$160,000			$160,000
O	ARFF Bay Garage Door Replacement	$79,000			$79,000
P	Way Finding Study	$65,000			$65,000
Q	Terminal Chiller Replacement	$500,000			$500,000
R	Terminal Boiler Replacement	$1,000,000			$1,000,000
S	Terminal HVAC Controls	$150,000			$150,000
T	Terminal Lighting Computer	$50,000			$50,000
U	Meraki 5 Year License and Hardware Replacement	$90,000			$90,000
V	ACUS Firewall (Amadeus)	$75,000			$75,000
W	Terminal Amadeus Ticket Counters	$105,000			$105,000
X	TSA Exit Lane Technology Installation	$300,000			$300,000
Y	Runway 7/25 Rehabilitation with Centerline and Runway 25 Touch Down Zone Lights, Lighting and Signage Improvements. Relocation of Taxiways A3, A4, & B3 (Design)	$1,250,000	$1,187,500	$31,250	$31,250
Z	Acquire Aircraft Rescue & Fire Fighting (ARFF) Vehicle (Bid in 2025 for delivery in 2026)	$1,800,000	$810,000	$900,000	$90,000
AA	Airline GSE Parking Structure	$700,000			$700,000
BB	Plow/Blower Procurement	$500,000			$500,000
CC	Terminal Bag Claim Remodel (Design)	$2,000,000			$2,000,000
DD	Outgoing Baggage: Replace Industrial Control System (ICS)	$250,000			$250,000
EE	Terminal Paging System Upgrade	$135,000			$135,000
FF	Way Finding Improvements	$700,000			$700,000
GG	Runway 7/25 Rehabilitation with Centerline and Runway 25 Touch Down Zone Lights, Lighting and Signage Improvements. Relocation of Taxiways A3, A4, & B3 (Construction)	$20,000,000	$18,000,000	$234,028	$1,765,972
HH	Taxiway B - Paving Phase 2 and Taxiway B Phase I Pavement Maintenance (Design)	$1,000,000	$900,000	$50,000	$50,000
II	Taxiway A Pavement Maintenance (Design and Construction)	$800,000		$720,000	$80,000
JJ	Phase 4 Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Construction)	$14,000,000	$12,600,000	$250,000	$1,150,000
KK	Airport Sustainability Plan	$150,000	$135,000	$7,500	$7,500
LL	Commercial Service Terminal Rehabilitation and Expansion – Phase 1 (Construction):	$20,000,000			$20,000,000
MM	Phase 5 Parallel Taxiway B with Relocation of Taxiways A2, A3, and A4 (Construction)	$3,000,000	$2,529,000	$140,500	$140,500

NN	Commercial Service Terminal Area Landside Access and Parking – Phase 1 (Design and Construction)	$17,000,000			$17,000,000
	Phase I Total	**$117,300,000**	**$46,239,956**	**$2,578,394**	**$69,217,022**
Phase II					
OO	Taxiway B - Paving Phase 2 and Taxiway B Phase I Pavement Maintenance (Construction)	$10,000,000	$9,000,000	$150,000	$850,000
PP	Acquire Aircraft Rescue & Fire Fighting (ARFF) Vehicle	$2,000,000	$1,800,000	$100,000	$100,000
QQ	Concrete Apron Pavement Rehabilitation:	$2,000,000	$1,583,800	$87,989	$87,989
RR	Commercial Service Terminal Rehabilitation and Expansion – Phase 2 (Design)	$2,000,000			$2,000,000
SS	Commercial Service Terminal Rehabilitation and Expansion – Phase 2 (Construction)	$25,000,000			$25,000,000
TT	Construct New Automobile Parking Lot on Cooley Mesa Road (Design and Construction)	$18,000,000			$18,000,000
UU	Commercial Service Terminal Area Landside Access and Parking – Phase 2 (Design and Construction)	$12,000,000			$12,000,000
VV	Pavement Maintenance:	$1,300,000	$840,000	$230,000	$230,000
	Phase II Total	**$72,300,000**	**$13,223,800**	**$567,989**	**$58,267,989**
Phase III					
WW	Expand Snow Removal Equipment (SRE) Building	$3,000,000			$3,000,000
XX	Commercial Service Terminal Area Landside Access and Parking – Phase 3 (Design and Construction)	$3,000,000			$3,000,000
YY	Commercial Service Terminal Area Landside Access and Parking – Phase 4 (Design and Construction)	$13,000,000			$13,000,000
ZZ	Commercial Service Terminal Rehabilitation and Expansion – Phase 3 (Design)	$2,000,000			$2,000,000
AAA	Commercial Service Terminal Rehabilitation and Expansion – Phase 3 (Construction)	$20,000,000			$20,000,000
BBB	Parallel Taxiway B – Phase 2 (Design and Construction)	$4,000,000	$3,600,000	$200,000	$200,000
CCC	Parallel Taxiway B – Phase 3 (Design and Construction)	$11,000,000	$9,900,000	$550,000	$550,000
DDD	Extend Runway 7/25 and Taxiways A and B 1,000' (Design and Construction)	$17,000,000	$15,300,000	$850,000	$850,000
	Phase III Total	**$73,000,000**	**$28,800,000**	**$1,600,000**	**$42,600,000**
	Grand Total	**$262,600,000**	**$88,263,756**	**$4,746,383**	**$170,085,011**

Source: Jviation, a Woolpert Company

Note that the phasing of projects is established based on a combination of immediate needs (e.g., timing of required pavement reconstruction, meeting market demands, etc.), compliance with current airport safety design standards, advancing airport goals, and funding availability. Projects shown in Phase I include those that are a higher priority to the airport's immediate needs, are timelier in nature, and/or are related to meeting FAA design standards. Projects included in Phase II and Phase III tend to have more flexibility in terms of their timing and some could be adjusted based on factors such as funding availability, conditions of pavements, market demands at that future time, etc.

The federal funding share for eligible AIP projects at EGE is typically 90 percent with the State of Colorado providing a 5 percent matching share, which leaves the local share also at 5 percent. For some of the projects, the funding share is different and based on revenue generating capability of the facility built or the department within the FAA that may be funding the project.

Based on the CIP presented above, approximately $88.3 million in federal funds will be required to complete all the projects. Federal funding assistance for projects within each phase will exceed EGE's annual entitlements and will require the use of combined entitlements and discretionary funds. Additionally, state funding requirements for this CIP will total approximately $4.8 million, and local funding requirements will exceed $170 million.

7.2.3 Airport Operating Revenues and Expenses

As described in Section 7.1.3, airport revenues are typically generated through user fees charged by a given airport for the facilities and services that it provides. These fees are normally established by that airport based on the market conditions within its service area and can vary dramatically from airport-to-airport. At EGE, operating revenues are realized through several sources:

- Aircraft Fuel Sales
- Ground/Land Leases
- Tiedown/Ramp Fees
- Landing Fees
- Concessions
- Airline Fees
- Rental Car Fees
- Public Parking Fees
- Other miscellaneous sources

As additional airport development occurs, the number of based aircraft and itinerant aircraft operations should reasonably be expected to increase, resulting in a commensurate increase in airport operating revenues (revenues associated with fuel sales, aircraft tiedowns and landing fees are directly influenced by traffic levels). Additionally, as new leases are enacted and existing leases are updated to reflect prevailing rates and terms, revenues will continue to grow over the long term.

Ideally, operating revenues will at least offset the airport's O&M costs. Primary components of O&M costs at EGE include, but are not limited to, the following elements:

- Salaries/Benefits/Pensions
- Operating

  - Maintenance
  - Repairs
  - Utilities
  - Materials and Supplies
- Capital Outlay
- Debt Service

As described previously, EGE is owned and operated by Eagle County, Colorado, which maintains and develops capital improvements to EGE facilities and functions as the airport sponsor for FAA grant funding approval purposes. As sponsor, the County maintains the revenues and expenses for EGE. Additionally, the Eagle County Air Terminal Corporation (ECAT) was established as a nonprofit organization to own and operate the commercial passenger terminal building and other related improvements on behalf of the County. ECAT also maintains revenues and expenses for its facilities. To establish a complete view of EGE's financial condition, both entities must be viewed individually and jointly. Thus, the historical operating revenues and expenses for EGE between 2019 and 2022 as well as the budgeted numbers for 2023 are presented below in **Table 7-2**. The historical operating revenues and expenses for ECAT between 2019 and 2022 as well as the budgeted numbers for 2023 are presented below in **Table 7-2** and **Table 7-3**. Finally, a summary of both entities is presented in **Table 7-4**.

Table 7-2: Airport Operating Revenues and Expenses (Historical) for Eagle County Regional Airport

	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Actual)	2023 (Budget)
Operating Revenues					
Airline Revenue	$959,723	$589,905	$1,163,600	$993,394	$1,000,000
Landing Fees	$606,796	$665,246	$818,328	$824,260	$650,000
Aviation Fuel	$347,520	$371,700	$460,211	$521,107	$344,500
Public Parking	$86,104	$141,428	$247,647	$429,487	$150,000
Rental Car	$848,652	$799,173	$1,152,987	$1,233,833	$814,000
Airport Leases	$2,097,750	$2,101,915	$2,244,241	$2,144,563	$2,214,279
Services & Fees	$1,147,612	$1,208,234	$1,374,618	$1,667,711	$1,466,742
Other Income	$30,423	$7,175	$12,447	$435,884	$0
Sales Tax & Refunds	$527,097	$551,215	$699,284	$846,663	$601,960
Other Revenue	$21,755.27	$141,009.50	$5,853	$20,425	$0
Operating Revenue Total	***$6,673,435***	***$6,577,003***	***$8,179,218***	***$9,117,327***	***$7,241,481***
Capital Revenue					
Grants (Federal/State/Other)	$18,667,957	$5,727,876	$3,986,593	$1,098,825	$14,733,000
Capital Revenue Total	***$18,667,957***	***$5,727,876***	***$3,986,593***	***$1,098,825***	***$14,733,000***

	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Actual)	2023 (Budget)
All Revenue Total	**$25,341,392**	**$12,304,879**	**$12,165,812**	**$10,216,153**	**$21,974,481**
Operating Expenses					
Salary/Benefits/Pensions	$2,495,480	$2,443,956	$2,444,269	$2,883,099	$3,655,832
Services & Utilities	$911,989	$936,726	$1,206,449	$1,626,601	$2,921,090
Supplies	$360,717	$235,734	$352,482	$549,360	$498,821
Misc. Expenses & Fees	$871,548	$820,576	$706,391	$742,313	$916,803
Capital Outlay	$21,647,325	$3,158,083	$804,875	$1,157,231	$16,804,056
Debt Service	$0	$0	$0	$0	$0
Operating Expenses Total	**$26,287,059**	**$7,595,077**	**$5,514,466**	**$6,958,605**	**$24,796,602**

Source: EGE

Table 7-3: Airport Operating Revenues and Expenses (Historical) for Eagle County Air Terminal Corporation (ECAT)

	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Actual)	2023 (Budget)
Operating Revenues					
Airline Revenue	$2,742,440	$2,741,073	$2,742,440	$2,742,440	$2,742,444
Advertising	$150,350	$143,750	$78,750	$132,225	$120,000
Ground Transportation	$337,089	$271,987	$264,318	$297,374	$280,000
Rental Car	$1,579,038	$1,359,775	$1,730,207	$1,830,457	$1,465,000
Concessions	$223,695	$280,073	$220,324	$399,928	$350,000
Misc. Rental/Lease	$115,637	$409,787	$421,397	$452,296	$431,853
Interest Income	$521,133	$92,114	$6,285	$327,578	$100,000
Other Revenue	$2,276	$21,329	$15,736	$26,918	$4,500
Operating Revenue Total	***$6,673,435***	***$6,577,003***	***$8,179,218***	***$9,117,327***	***$7,241,481***
Capital Revenue					
Grants (Federal/State/Other)	$18,667,957	$5,727,876	$3,986,593	$1,098,825	$14,733,000
Passenger Facility Charges (PFCs)	$664,866	$488,653	$845,628	$755,990	$550,000
Customer Facility Charges (CFCs)	$0	$0	$0	$0	$0
Capital Revenue Total	***$1,308,560***	***$488,653***	***$2,686,078***	***$755,990***	***$550,000***
All Revenue Total	**$6,980,218**	**$5,808,542**	**$8,165,534**	**$6,965,205**	**$6,043,797**
Operating Expenses					
Airport Management Fee	$440,400	$447,506	$458,960	$471,585	$495,575
Maintenance	$599,443	$446,037	$537,219	$581,221	$603,147
Land Lease	$266,400	$233,090	$239,497	$242,425	$255,073
Services & Utilities	$1,059,062	$841,761	$1,414,935	$1,122,214	$1,064,776
Supplies	$2,138	$15,839	$40,103	$55,572	$152,250
Capital Outlay	$5,642,107	$2,466,674	$2,444,531	$2,553,549	$225,000
Debt Service	$1,661,383	$1,621,250	$1,579,863	$1,814,434	$2,466,800
Operating Expenses Total	**$9,670,934**	**$6,072,156**	**$6,715,107**	**$6,841,000**	**$5,262,621**

Source: EGE

Table 7-4: Airport Operating Revenues and Expenses (Historical) for EGE and ECAT

	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Actual)	2023 (Budget)
Eagle County Regional Airport (EGE)					
All Revenues Total	$25,341,392	$12,304,879	$12,165,812	$10,216,153	$21,974,481
All Expenses Total	$26,287,059	$7,595,077	$5,514,466	$6,958,605	$24,796,602
Eagle County Air Terminal Corporation (ECAT)					
All Revenues Total	$6,980,218	$5,808,542	$8,165,534	$6,965,205	$6,043,797
All Expenses Total	$9,670,934	$6,072,156	$6,715,107	$6,601,503	$5,262,621
Grand Totals for EGE and ECAT					
All Revenues Total	$32,321,610	$18,113,421	$20,331,346	$17,181,358	$28,018,278
All Expenses Total	$35,957,993	$13,667,233	$12,229,573	$13,560,108	$30,059,223
Net Grand Totals	**($3,636,383)**	**$4,446,188**	**$8,101,773**	**$3,621,250**	**($2,040,945)**

Source: EGE

The amount of land leased, the lease rates charged, and levels and types of aviation activity that generate fuel sales, landing fees, aircraft parking, and other user fees are the primary factors affecting operating revenues at the Airport. Since 2019, airline activities have generated an average of 25 percent of EGE's operating revenue, followed by rental car / ground transportation activities (19 percent) and various land leases (17 percent) with the remaining 40 percent accounted for through a variety of other sources.

7.2.4 Airport Rates and Charges

In accepting FAA AIP grants, the Airport must abide by 39 FAA Grant Assurances. It is important that the Airport continue to consider the applicable guidelines with respect to the future establishment of lease rates and other income-generating fees:

- FAA grant assurance number 22, *Economic Nondiscrimination*, states: "It (i.e., the airport sponsor) will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport."
- FAA grant assurance number 22 goes on to state that the airport sponsor will charge, "reasonable and not unjustly discriminatory prices," and will also ensure that any airport tenants who enter into an agreement with the sponsor will: "furnish said services on a reasonable, and not unjustly discriminatory, basis to all users."
- Finally, FAA grant assurance 22 states: "Each fixed-based operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-based operators making the same or similar uses of such airport and utilizing the same or similar facilities."

- FAA strongly encourages airport sponsors to set rates and charges that will make an airport as financially self-sustaining as possible given the circumstances at that particular airport.
- The airport sponsor cannot use/include any FAA grants in establishing fees, rates, and charges for users of that airport.
- The airport sponsor cannot permit any exclusive rights for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. However, the airport sponsor may choose to provide any commercial aeronautical service on an exclusive basis.
- The FAA considers any lease with a term of greater than 20 years to be long-term; a lease of 50 years or greater may violate FAA policy (source: FAA Order 5160.9B, *Airport Compliance Manual*). FAA generally considers 50-year lease terms to be the equivalent of the sale of airport property, which the FAA will allow only under very specific circumstances. It also considers 50-year lease terms as infringing on the powers of the sponsor. The FAA recommends that lease terms extend no longer than the end of the amortization period and/or useful life of the facility.

The FAA requires airport sponsors to charge fair market value (FMV) for leases with non-aeronautical tenants. The agency permits the airport sponsor latitude in determining FMV, which may be calculated using several different techniques including appraisals, comparable assessments, and compensatory or cost recovery systems.

However, it must also be recognized that when setting new or adjusting existing rates and charges, airports and their tenants are bound not just by FAA policies, but also by market forces. Airports and their FBOs operate in an extremely competitive environment, and aviation users are known to be very price sensitive. As a result, while airport sponsors and the FAA may set a priority on achieving financial self-sufficiency, setting rates and charges on aeronautical users to achieve that goal may adversely impact the level of activity at the airport if competing airports and their FBOs have lower rates and charges. Therefore, an airport sponsor must be judicious in establishing appropriate rates and charges to balance its individual financial need with market realities to maximize its own benefit as well as that of its tenants.

The FAA does not maintain a database of rates and charges set by airports. Some state aeronautics agencies (including Florida, Massachusetts, Montana, Wisconsin, and Wyoming) have undertaken statewide surveys of airport rates and charges, and individual airports also conduct surveys of adjacent airports and FBOs. However, most rates and charges surveys are typically not updated regularly. The rates and charges surveys reveal that there is little consistency between airports:

- Within each state, airport rates and charges can vary widely. Landing charges, tie-down and fuel flowage fees, land and building leases, etc. range from none to many dollars per item.
- Some airports impose a wide variety of fees, while others charge relatively few fees.
- Some airports update their rates and charges regularly, while other airports rarely change their rates and charges.

- Additionally, most surveys do not include the actual amount of revenue generated by each fee within a given fiscal year, what percentage of total revenue is generated by each fee, or whether each airport is financially self-sufficient based on their rates and charges.

Several factors affect what rates and charges an airport can impose:

- The lease agreements in place affect an airport's ability to impose new fees and/or change existing fees. While the FAA provides guidance on leases between airports and tenants, it does not review and comment on leases unless specifically requested to do so.
- Some airports own all or most of the buildings, while others have relied on private investment to construct, operate, and improve buildings and other facilities on the airport. Leases also have a bearing on this issue; some airport leases have reversion clauses whereby all improvements constructed by a third party revert to airport ownership at the end of the lease term, while other airports do not.
- The amount of property available for both aeronautical and non-aeronautical development can affect revenue generation potential. For example, some airports that have substantial amounts of surplus property that generate significant revenue each year. This surplus may keep airfield rates and charges relatively low, which enhances their competitive standing among area airports.
- The airport's ability and/or its FBO to collect and track fees may influence rates and charges. Some airports choose not to impose landing or tie-down fees because they do not have the staff or resources for collection. Also, the cost to collect the fees may exceed the revenue generated.
- The level of competition from area airports and FBOs.
- The demand for aviation facilities and services within a given market area, including short and long-term trends in specific aviation sectors such as airline service, general aviation activity, and military activity.

Given those variables, caution must be used when considering other airport rates and charges as guidance. Because the economy is constantly changing, it is important for EGE to be vigilant in ensuring that its rates and charges are appropriate for area market conditions. Rates and charges at EGE are presented in **Table 7-5**.

Table 7-5: Airport Rates and Charges (as of January 8, 2023)

Categories	Fees
Landing Fees	
Commercial	
Signatory	$3.22 per 1,000 lbs
Non Signatory	$3.86 per 1,000 lbs
Fixed Base Operator	
For Aircraft with MTOW > 12,500 lbs	$3.00 per 1,000 lbs
Commercial Passengers	
Airline Terminal Rental	$50.50
Passenger Facility Charge (PFC)	$4.50
Badges and Security	
Badges	
Security Identification Badge Fee	$35 (New SIDA badges)
Security Identification Badge Fee	$25 (AOA and renewal SIDA badges)
Keys	
Lost or Stolen Key	Cost to Re-Key Compromised Locks ($100 min)
Concessions	
Terminal	
Automatic Teller Machine	$0.50 Per Surcharged Transaction
Alcohol Sales	% of Gross Sales (17% up to $1M, then 18%)
Food and Beverage, Vending Machines, Retail	% of Gross Sales (14% up to $1M, then 15%)
Restaurant/Retail Space	$4/sq foot (Collected ONLY Jan, Feb, Mar, Apr, Dec)
Terminal Advertising	Greater of Minimum Annual Revenue Guarantee of $120,000 or % of sales (15% of Gross Sales of the first $750,000.00 in sales, 30% of Gross Sales over $750,000.00, 50% of Gross Sales over $1,250,000.00)
Fixed Base Operator	
Customs & Border Patrol	Screening & Agent Costs
Fuel Flowage Jet A and AvGas	$0.08 Per Gallon Military Exempt, Collected Monthly
Tie Downs	50% Collected monthly
Airport Access Fee	3% Collected monthly
Landing Fees	85% Collected monthly
Land Leases	
Improved	
Land Lease Rate	$0.35 Per Square Foot Per Year
Land Lease Term	25 Years (Varies by lease)
Hangar Lease Rate	$0.35 Per Square Foot Per Year (Past Leases Vary Per Year and CPI at Time of Lease)
Hangar Lease Term	5-15 Years Varies by lease
End of Lease Clause	Reverts To Airport
Utilities Paid by Tenant	All
Annual Rate Increase Structure	CPI Adjusted or 3% increase annually (Varies by lease)
Large T-Hangars	$250 Per Month
Uncovered Ramp Tie Downs	$50 Per Month
Parking	
Public	

30 Minute Spots	Free
7-Day Lots	$8 per day (Daily Rate - prepayment required)
30-Day Lots	$6 per day (Daily Rate - prepayment required)
Permit Lot B	$100/mo, $500/6mo, $800/year (Reserved lot)
Employee	
Employee Lot	$20 parking permit (One time as long as employee is actively employed)
Permit Lot A	$25 per month (Employees overnight)
Rental Car	
In Terminal	
Terminal Space Rent	$4.01 Per Square Foot Per Month
% of Gross Revenue to Airport	6% Every Month
% of Gross Revenue to Eagle County Air Terminal Corporation - Dec Through Apr	Greater of 10% or Privilege Fee Monthly (Dec – Apr)
% of Gross Revenue to Eagle County Air Terminal Corporation - May Through Nov	10% Monthly (May – Nov)
Minimum Revenue Guarantee	Per Bid (Annually)
Ready and Return Space Rental Cost	$59 Per Space Per Month (Increases Annually by $3)
Overflow Parking Space Rental Cost	$0.08 Per Square Foot Per Year
Off Airport	
% of Gross Revenue to Airport	6% Every Month
Fixed Base Operator	
% of Gross Revenue to Airport	6% Every Month
Ground Transportation	
In Terminal	
Terminal Space Rent	$4.01 Per Square Foot Per Month
% of Gross Revenue to Eagle County Air Terminal Corporation	Greater of Monthly Privilege Fee or Total Per Trip Fees Per Month Monthly
Minimum Revenue Guarantee	Per Bid (Annually)
Reserved Parking Space Rental Cost	25 Spaces Included with Larger Counter 9 Spaces Included with Smaller Counter (Per Space Per Month)
Off Season Vehicle Storage	$15 Per Space Per Month
Off Airport	
Access Registration Permit	$300 per vehicle Annually (11/15-12/15)
TNC	
Uber/Lyft	$3 (Drop off and Pick up)

Source: EGE

Additionally, EGE has rates and charges for miscellaneous uses, including building rentals, utility services, and other administrative fees.

7.2.5 Airport Revenue Enhancement Considerations

As noted above, airports have a variety of revenue sources that provide multiple opportunities for revenue enhancement. Revenue generally falls into one of two categories:

- Aeronautical: tie-down, fuel flowage fees, aviation-related land leases, hangar and terminal rental, additional services, etc.

- Non-Aeronautical: non-aviation land leases, advertising, vehicle parking, etc.

When examining revenue enhancement opportunities, airports should ask themselves the following questions:

- How will a change in rates and charges negatively impact traffic? Most aviation users are price-sensitive and have alternative airports and/or FBOs they could use.
- Are new fees easy to collect and manage, and/or does the airport have the staff and resources to collect the fees? Many airports, for example, find that consistently collecting landing and tie-down fees are difficult and expensive. Airports often have FBOs collect the fees, only a fraction of which are returned to the Airport. Airports that have instituted a percentage of gross fee revenue, for example, find that auditing tenants to confirm annual income levels is time-consuming and expensive.
- Are new fees or increased rates and charges non-discriminatory? FAA grant assurances specifically require that airport rates and charges be "reasonable and not discriminatory."

Aside from incremental increases in user fees, lease rates, landing fees, etc. to match prevailing area rates, the most significant revenue enhancement opportunity for the Airport is in the establishment of CFCs. As described previously, CFCs are common financing tools collected by rental car companies designed to help fund related landside improvements at commercial service airports. This represents an unrealized revenue resource for the Airport that could provide supporting funding for many of the terminal area landside improvements proposed previously.

7.3 FINANCIAL PLAN SUMMARY

EGE has a long history of being a fully self-sustaining entity that can fund many capital projects without the support of local tax revenues. Ongoing revenue generation and growth will continue go toward supporting the continued development and operation of the Airport for the benefit of its users and benefactors.

The primary goal for EGE is to continue to operate as a facility that will best serve the evolving air transportation needs of the region while simultaneously maintaining itself as a self-sustaining economic generator for Eagle County and the surrounding region. This Airport Master Plan can best be described as the road map to helping the Airport achieve its goals. However, planning is a continuous process that does not end with the completion of the master plan. The fundamental issues that have driven this master plan will remain valid for many years but will require updates to address on-going and changing needs. Therefore, the ability to continuously monitor the existing and forecast status of airport activity will be a key ingredient in maintaining the applicability and relevance of this study.

To realize those goals through the successful implementation of airport development projects, EGE must make sound and measured decisions. Two of the most crucial factors in influencing the decision to move forward with a specific improvement are airport activity and funding availability. Both factors must be considered in the implementation of this master plan because while airport activity levels provide the "what" and the "why" in the establishment of airport improvements, the availability/timing of funding provides the "how." The "what" and the "why" have been discussed in detail in previous chapters. This chapter has addressed the "how" by providing an overview of the practical financial realities required to implement this overall airport development program. While every effort has been made in this chapter to conservatively estimate when development may be required, aviation demand and the availability of financial resources for capital projects will ultimately dictate if facility improvements should be implemented, accelerated or delayed.

Based on the assumptions identified within the previous sections and subject to the availability of FAA funding, local funding, and the identification of other funding sources described in the analysis, implementation of the master plan CIP is financially feasible. However, the most significant concerns for implementation of this CIP are the availability of FAA discretionary funding and the identification of other funding sources beyond federal and local. Without those funding mechanisms, several projects must necessarily be shifted to later phases until funding is identified or is made available by accumulating airport revenue or grant funding.