

Barnstable Municipal Airport

Mission Statement

The mission of the Barnstable Municipal Airport is to provide a superb air travel experience and high quality aviation activities to the citizens of the Town of Barnstable, the Cape Cod region, and the Commonwealth of Massachusetts. As a non-hub primary airport and a major transportation facility, our goal is not only to foster local economic growth, but also to ensure that the airport remains an integral part of the regional transportation plan in an effort to meet the demand for present and future air travel.



Description of Services Provided

The Barnstable Municipal Airport serves as a distinct commercial transportation hub for the residents of the Town of Barnstable and Cape Cod by meeting the regional demand for air transportation. For some, it provides very affordable and economic travel opportunities from Hyannis to other major destinations across

An Integral Part of the Regional Transportation Plan

RECENT ACCOMPLISHMENTS

- Maintained compliance with all Federal & State airport safety and certification requirements.
- Completed the reconstruction and relocation of a major portion of the circa 1966 Taxiway Charlie; and the remainder of Taxiway Charlie and Taxiway Delta will be completed in FY16 and FY17 due to weather and operational constraints
- Completed removal of obstructions in the Runway Visibility Zone to improve line of sight requirements for aviation flight safety and to prevent collisions with ground vehicles.
- Completed the construction of a new 60,000 gallon above ground jet fuel storage facility to improve operations. The former 20,000 gallon underground jet fuel storage tank will be removed by the end of FY2016.
- Continued an expanded third year of major air carrier service with JetBlue Airways with seasonal daily direct flights between Hyannis and New York City (JFK Airport).
- The new airport 6.669 megawatt (DC) ground mounted solar photovoltaic array went on line in FY2016. Revenues generated for the airport are exceeding minimum annual guaranteed revenue levels.
- Completed the Hangar 2 corrective roof and storm water drainage run-off system.
- The Centerville Pie Company is opening a new Café at the Airport in late FY2016.

the country, and yet for others, the airport provides a much needed mode of travel to and from the Islands of Nantucket and Martha's Vineyard. This includes travel, tourism, and for a large professional labor force that commute to jobs. As documented in the Massachusetts Department of Transportation (MassDOT) Aeronautics Division FY2014 Economic Impact Analysis, the Barnstable Airport, in conjunction with its tenants and associated businesses, provide employment opportunities for 2,135 people, with an annual payroll in excess of \$85.3 million, with a regional economic output in excess of \$208 million. In FY2015 the Airport supported over 96,500 aircraft operations; and about 162,000 passengers embark to and debark from a variety of locations. These figures do not include a vast array of general aviation activities that include private and corporate passenger and freight services, and aviation flight services. From Hyannis, travelers are afforded many flight opportunities, to local and national destinations, including Nantucket and Martha's Vineyard, Boston, New York City and beyond.

The Barnstable Municipal Airport has met the requirements of the Title 49 USC, Subtitle VII – Aviation Program, and is authorized to operate as a certificated airport in accordance with, and subject to, said statute and the rules, regulations, and standards prescribed there under, including but not limited to, 14 CFR Part 139 and as approved in its Airport Certification Manual on file with the Federal Aviation Administration (FAA); and is approved as a public use airport in accordance with the provisions of Chapter 90, Section 39B of the General Laws of Massachusetts; and as such, is recertified on an annual basis by the FAA and the MassDOT Aeronautics Division.

The Barnstable Airport is managed by a seven member Airport Commission appointed by the Town Council. In FY2016 the Airport employed 25 full-time employees who operate and maintain the Airport 24 hours a day, 7 days a week, 365 days a year. The duties of airport personnel are both broad and varied, many of which are dictated by the FAA FAR Part 139 Airport Certification. The services are provided by three separate and distinct Airport Departments: Airport Operations, Airport Maintenance, and Airport Administration – that work together as a whole to provide mandated and required services.

Operations Department

The ten full-time Operations employees are tasked with servicing tenant and transient aircraft, including transportation of passengers from these aircraft, and passenger transportation in the busy summer months to and from remote parking areas; performing wildlife management duties to keep flight operations safe; refueling aircraft; inspecting and ensuring a safe airfield; and responding to emergency situations with our Aircraft Rescue and Fire Fighting vehicles. Aircraft rescue response, as mandated by the Federal Aviation Administration, must be able to respond to and reach an accident site on the airfield within three minutes or less. Airport rescue personnel constantly train and participate in live drill exercises in order to stay proficient and ready to handle any aircraft emergency.

Maintenance Department

Upkeep of the airfield and airport facilities by our nine full-time Maintenance employees takes precedence over all other maintenance tasks. Since Barnstable Airport is a certified FAA FAR Part 139 commercial service airport, any and all airside discrepancies must be documented and corrected as expeditiously as possible. Their duties include maintaining runways, taxiways, and ramps; painting airfield markings; mowing all grass areas in the 683 acre airport property; maintaining all airfield lighting; conducting all emergency and snow removal operations for the airfield and the terminal roadways; maintaining all airport owned buildings and grounds; and maintaining the fleet of vehicles needed to accomplish our mission.

Administration Department

The Administrative staff performs a myriad of administrative functions such as overseeing airport security, noise abatement and environmental response, billing, auditing and bookkeeping, contracting, construction oversight, capital planning, budgeting, grants administration, processing airport employee and tenant security identification files, personnel administration, overseeing leases, intergovernmental liaison, public relations, and communications.

Fiscal Year 2017 Goals and Objectives

Short Term:

1. Depending upon FAA and MassDOT Aeronautics funding availability:
 - a. Complete the reconstruction and replacement of a major portion of the circa 1966 Taxiway Charlie, and a portion of the circa 1976 Taxiway Delta to improve airport operations and safety;
 - b. Commence the reconstruction of the circa 1985 Runway 15/33, including the circa 1980 Taxiway Echo, a portion of the circa 1962 Taxiway Bravo; and the remaining portion of the circa 1966 Taxiway Charlie;
 - c. Continue to improve, repair, maintain and/or replace, various airport fixed assets and replace various pieces of snow removal equipment, as required and as approved, in the Capital Improvement Plan;
2. Take steps to increase airport revenues by increasing General Aviation (GA) business at the Airport:
 - a. Continue to research and provide enhanced high quality facilities and services, and provide better business management to retain and increase GA business and revenues;

- b. Continue to develop all available airport properties, including any potential spin-off from the Joint Base Cape Cod selection as an unmanned aircraft systems (UAS) test site; and develop a marketing plan.
3. Continue to develop market strategies to attract additional prospective air carriers and scheduled air charter services to meet the Cape's demand for air travel. Work with the local community to develop an application for a USDOT Small Community Air Service Development (SCASD) grant proposal to provide financial assistance to enhance air service.
4. Complete the airport master plan and Cape Cod Commission (CCC) Development Agreement; and complete the Cape Cod Commission (CCC) requirements for the 2007 DRI Final Certificate of Compliance.
5. Continue to develop a 20-year airport preventative maintenance, repair, and replacement program for all airport-owned structures, and major capital systems and equipment.
6. Continue to improve community relations with consideration to develop support for the Airport's future plans and to address efforts for noise and pollution abatement.
7. Evaluate available technologies for improving noise reductions; and storm-water and groundwater management.
8. Continue to review and obtain appropriate airport software to provide real time information regarding revenues sources, expenses, and other financial information.

Long Term:

1. Work with tenants and potential developers to build new general aviation facilities and public facilities to meet the needs of general aviation demand and new marketing initiatives; be in keeping with the FAA approved Airport Layout Plan and the new CCC Development Agreement; and to continue to explore all options to provide better airport support for general aviation needs..
2. Continue to develop market strategies to attract additional prospective air carriers and scheduled air charter services to meet the Cape's demand for air travel.
3. Serve as an integral component of the Cape Cod Transportation Plan in order to more effectively promote the use of all transportation modes to meet the regional demand for better transportation services.
4. Depending upon FAA and MassDOT Aeronautics funding availability:
 - a. Commence the design and reconstruction of the circa 1985 Runway 6/24;
 - b. Complete a new Vegetation Management Plan (VMP) and Airspace Study for the Airport;
 - c. Update the FAA Airport Layout Plan and Master Plan, to include a needs assessment for a 926 foot Runway 15/33 extension to provide a better margin of safety for regional and longer range private and commercial jet aircraft.
 - d. Update the Airport utilities infrastructure systems plan; and complete a comprehensive data base for all construction and engineering data at the airport.
 - e. Design and reconstruct the circa 1962 Taxiway Bravo;

- f. Continue to monitor nutrient loading from current and projected facilities and infrastructure on the East Ramp to determine need to construct a new Town sewer or install on-site proprietary denitrifying systems to be installed in stages as needed and obviate the need for a new sewer line, pump stations and a long force main;
- g. Design and construct a new snow removal equipment storage building and T-Hangar, and install an airfield lighting control system (ALCS) fiber optic network;
- h. Replace the circa 1997 Mo-Gas and Diesel Fuel Con-Vault, Gas Boy and alarm system;
- i. Design and permitting to clear vegetation along the airport perimeter fence line buffer zone, and in FAA airspace obstruction offending areas.

Fiscal Year 2017 Department Financial Data

Factors Affecting Revenues

Airport activities are financed primarily through jet fuel sales, renewable energy, land lease fees and user fees collected from airlines and concessionaires. Significant factors in the generation of airport revenues are passenger traffic, enplanements and fuel sales. These three items represent actual measures of airport and aviation services. Fuel sales are also a measure of the Airport's competitiveness in the marketplace. The recent bankruptcy filing by Island Airlines, Inc. is having a significant financial impact on the airport's operations. Island Airlines purchased approximately 250,000 gallons of jet fuel every year. This loss of jet fuel sales, and when it is coupled with current low jet fuel costs and resale prices, has resulted in a significant reduction to the FY2017 operating budget. It is still too early to tell what the total long term impact on this operation will be, due to a "bleed over" effect on enplanements/deplanements, and rental car and parking concessions. The overall effect may be somewhat mitigated if new airlines start-up at the airport to provide new commuter services.

Until the loss of Island Airlines occurred, passenger traffic has been showing a slight decrease for the past several years, primarily due to loss of passenger traffic between Hyannis and Nantucket to the high speed ferry system. The new JetBlue seasonal service has been a boost in passenger traffic; and with the start of expanded service in the third year of operations it can be expected to increase. Fuel sales are more difficult to project due to the volatility in wholesale prices and the cyclic trends in the aviation industry. The airport's remaining jet fuel sales, however, are expected to increase annually as past trends will substantiate with increased general aviation flights. New fees including a passenger facility charge are included in the budget which will contribute towards repaying the bond issue to construct the new terminal. New annual revenue projections from the energy generated by the new solar array are projected to be over 25% in excess of the first year guaranteed annual output of \$298,824.

Factors Affecting Expenses

Expenses for functions associated with operations and maintenance will rise in response to projected increases in inflationary costs and union contracts. The annual loan payment for a bond issue to construct the new terminal is included in the budget as well as an anticipated debt service for the new fuel farm and East Ramp construction projects. Other factors affecting this budget include the reduction in volume of fuel

sales and the current low cyclical cost of jet fuel. The combination of these factors will affect the operating budget and will have a negative impact on facilities maintenance and operating capital costs.

Capital Program

The airport participates in the federally sponsored Airport Improvement Program (AIP) which is administered by the Federal Aviation Administration. This program has an entitlement component with funding being determined by enplanement levels. The airport's annual entitlement grant has been approximately \$1.2 million, and may be reduced to as low as \$1.0 million. The airport also participates in the Massachusetts Department of Transportation Aeronautics Division's Aviation Safety and Maintenance Program (ASMP) that contributes a cost share for federally sponsored projects. The airport makes annual expenditures for required airfield rehabilitation projects using these funds. For federally sponsored grants to fund airport capital projects consist of costs being shared in a threefold process: the Federal Aviation Administration (FAA) at 90%, the Massachusetts Department of Transportation (MassDOT) Aeronautics Division at 5%, and a local (Airport) share of 5%. For non-federally sponsored projects that are eligible for ASMP funding, MassDOT will provide 80% and the local airport share will be at 20%. Any other projects will be fully funded by the use of available airport reserve funds. The FY17 capital plan includes \$6.62 million in improvements mainly to the airfield area and airfield/snow removal equipment. \$473,650 of airport reserves and \$6.15 million in federal and state reimbursable grant funds will finance the program. Airport revenues will be used to pay any annual debt service requirements.



New Airport Jet Fuel Storage Facility 2016

Expense Category	Actual FY 2015	Approved FY 2016	Projected FY 2016	Proposed FY 2017	Change FY16 - 17	Percent Change
Personnel	\$ 1,739,813	\$ 1,721,125	\$ 1,695,308	\$ 1,732,017	\$ 10,892	0.63%
Benefits	508,583	534,790	526,768	508,398	(26,392)	-4.94%
Operating Expenses	5,002,733	4,931,182	4,061,182	3,309,515	(1,621,667)	-32.89%
Capital Outlay	154,092	247,000	100,000	30,400	(216,600)	-87.69%
Debt Service	54,500	78,600	78,600	77,700	(900)	-1.15%
Transfers Out	392,987	403,155	403,155	435,498	32,343	8.02%
Subtotal Operating Budget	7,852,708	7,915,852	6,865,013	6,093,528	(1,822,324)	-23.02%
Capital Program	8,126,584	5,912,000	5,912,000	6,623,000	711,000	12.03%
Total Expenses	15,979,293	13,827,852	12,777,013	12,716,528	(1,111,324)	-8.04%

Permanent full-time equivalent employees	25.50	25.00	23.00	(2.00)
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Source of Funding						
Intergovernmental Aid	4,695,258	87,600	87,540	6,236,950	6,149,350	7019.81%
Fees, Licenses, Permits	609,037	1,052,227	1,052,227	698,477	(353,750)	-33.62%
Charges for Services	7,054,406	6,725,125	5,725,125	4,884,106	(1,841,019)	-27.38%
Interest and Other	208,702	50,900	50,849	423,345	372,445	731.72%
Borrowing Authorizations	-	5,422,350	5,422,350	318,650	(5,103,700)	-94.12%
Total Sources	12,567,403	13,338,202	12,338,091	12,561,528	(776,674)	-5.82%

Excess (Deficiency) cash basis	(3,411,890)	(489,650)	(438,922)	(155,000)	\$ 334,650
Adjustment to accrual basis	5,251,656	-	-	-	
Beginning Net Assets per CAFR	69,224,656	71,064,422	71,064,422	70,625,500	
Ending Net Assets per CAFR	71,064,422	\$ 70,574,772	\$ 70,625,500	\$ 70,470,500	

Invested in capital assets, net of related debt (1)	(72,049,325)
Invested in inventory (1)	(50,165)
User fees receivable (1)	(394,303)
Reserved for continuing appropriations (2)	(2,411,677)
Reserved for subsequent year's budget (3)	(377,000)
Reserved for encumbrances (4)	(153,786)
Other post employment benefits obligation (5)	804,091
Compensated absences (5)	109,411
Net Pension Liability (5)	4,443,127
Deferred Outflow of Resources (6)	(7,609)
Net assets available for appropriation (free cash) (7)	\$ 977,186

(1) These are non-cash assets which cannot be appropriated for expenditure. They would need to be converted to cash through sale or collection (accounts receivable) in order to become cash available for appropriation.

(2) This represents the portion of the airport enterprise fund's cash in the town's treasury that has been appropriated for a specific capital expenditure which still remains unexpended as of June 30, 2015.

(3) This amount represents the net assets appropriated for the subsequent year's (FY16) capital program budget.

(4) This amount represents a reservation of funds to cover obligations arising from purchase orders or contracts that is chargeable to, but not yet paid from, a specific appropriation account.

(5) These amounts represent liabilities that will be provided from future resources and not the net assets at the close of the fiscal year.

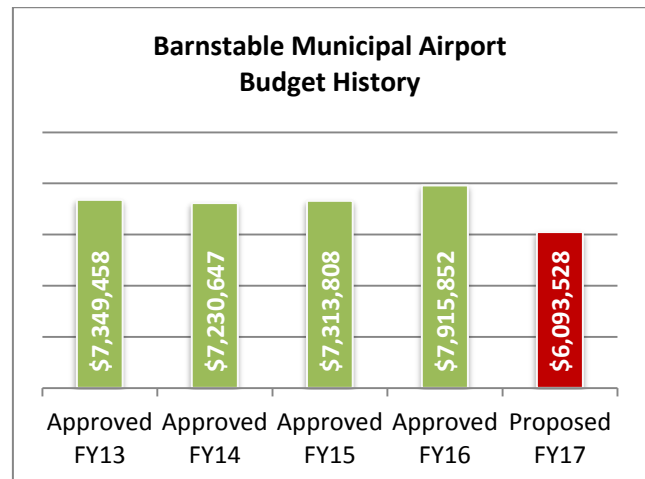
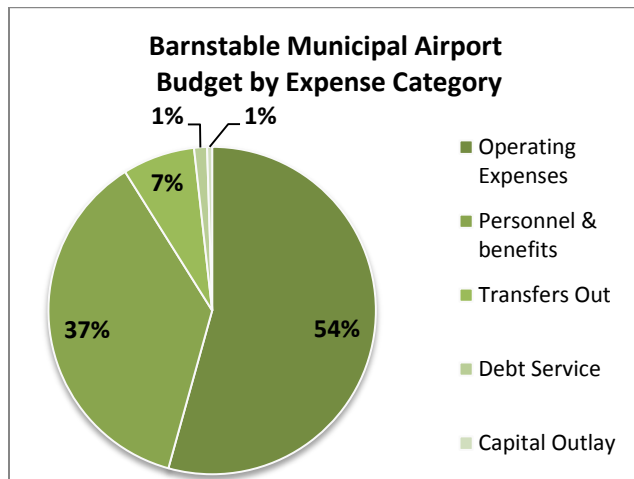
(6) This amount represents the deferred recognition of an outflow of resources related to future fiscal years.

(7) Amount certified by the Division of Local Services.

Summary of Significant Budget Changes

The FY17 proposed budget is decreasing \$1,822,324 or 23%. Personnel and benefit costs are decreasing a modest 0.76%, which includes all contractual pay increases and the reduction of two full-time positions. Operating expenses are decreasing \$1,621,667 or 32.9% primarily caused by a reduction in fuel sales of approximately 250,000 gallons due to the Island Airlines bankruptcy, a reduction in the number of leased fuel trucks, the termination of the contract with the airport Air Service Development consultant, and a reduction in the cost of electricity. Capital outlay is down 87% due to budgetary deferrals of routine maintenance and vehicle replacements.

Revenue generated by airport operations will cover the FY17 proposed operating budget. The Airport continues to generate a significant amount of revenue from its jet fuels sales. FY17 revenue from fees, licenses and permits includes the new revenue from the renewable energy solar array projects and is expected to be at least 29% above the minimum annual guaranteed revenue. The enterprise fund will use \$155,000 in reserves and \$318,650 in borrowing authorizations for the FY17 capital improvement program. Grants are anticipated in the amount of \$6,150,000 for the FY17 capital program.



The operating expenses represent 54%, and the personnel & benefits 37% of all spending. The Airport Enterprise Fund budget has decreased from \$7.349 million in FY13 to \$6.09 million proposed FY17 or 17% over the five-year period, primarily due to the fluctuation in jet fuel sales and the Island Airlines bankruptcy. The level of jet fuel sales will dictate most of the fluctuations in this budget.

Additional Funding Recommended

1. Operating Capital (Systems)

\$30,400 Requested

\$30,400 Recommended

This item is for funding operating capital for replacement and/or repair of building systems and components. These safety projects will replace two (2) of the deteriorating garage bay doors as the first part of a five year process to replace all of the doors and associated operating equipment; and will replace one (1) of the continually failing roof top mounted garage bay heaters as part of a two year process to replace the remaining roof top heating units in the ARFF Building, which have been the subject of heavy use and deferred maintenance for many years. This is the operations and maintenance “hub” for airfield operations and emergency response. It is manned 24 hours a day, 365 days a year and sees a lot of use. The ARFF Building is an existing airport owned building (circa 1997) that has seen limited routine maintenance over its lifespan and is in need of repairs. A recent garage door failure was a near miss in hitting equipment and one of the Airport Maintenance Technicians. In addition, we continue to have heating failures in our garage bays due to failing heating units. Both items are considered to be safety issues.

Performance Measures

Measure: To maintain a noise complaint ratio of less than 1 per 1,000 Airport Operations (includes landings/take-offs/instrument approaches/fly-bys/all flight operations controlled by the ATCT)

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Airport Operations	103,857	100,059	96,501	91,800	95,000
Noise Complaints Received	58	40	30	40	40
Noise Complaints/1000 Airport Operations	0.56	0.40	0.31	0.44	0.42

Measure: Increase parking revenue per enplanement

	CY 2013 Actual	CY 2014 Actual	CY 2015 Actual	CY 2016 Projected	CY 2017 Projected
Gross Parking Revenue	\$771,557	\$764,734	\$719,117	\$529,923	\$647,259
Enplanements (departing passengers)	90,332	81,832	80,382	61,325	80,438
Gross Parking Revenues/Enplanement	\$8.54	\$9.35	\$8.95	\$8.64	\$8.05

Measure: Increase rental car revenue per deplanement

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Deplanements (arriving passengers)	91,435	81,632	81,419	62,825	81,938
Gross Rental Car Revenues	\$3,715,399	\$3,812,768	\$3,692,044	\$3,762,550	\$3,762,460
Revenues/Deplanement	\$40.63	\$46.71	\$45.35	\$59.89	\$45.92

Measure: Increase the gallons of jet fuel contracted

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Gallons of Jet Fuel Dispensed	762,224	968,399	1,016,397	877,851	780,004
Gallons of Jet Fuel Contracted	275,000	250,000	100,000	75,000	50,000
Percentage of Jet Fuel Sales Contracted	36%	26%	10%	8.5%	6.4%

Measure: Increase Renewable Energy Revenue over Guaranteed Annual Output (GAO)

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Airport Net Benefit	None	None	\$125,380	\$386,858	\$372,445
GAO	None	None	None	\$298,824	\$309,050
Revenue Variance from GAO	None	None	None	\$88,034	\$63,395
Net Revenue % Over GAO	0%	0%	0%	29.5%	20%

Measure: Generate a positive budget variance every year

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Surplus Used to Balance Budget	None	None	None	None	None
Surplus Generated (Used)	\$209,037	\$181,342	\$782,051	\$150,000	\$120,000
Positive Variance	\$338,441	\$209,037	\$782,051	\$150,000	\$120,000



Workload Indicators

(Measures of Activity)

	FY 2013 Actual	FY 2014 Actual	FY 2015 Actual	FY 2016 Projected	FY 2017 Projected
Indicator: Number of airport operations recorded (includes landings/take offs/instrument approaches/fly-bys/all flight operations controlled by the ATCT)	103,857	100,059	96,301	91,800	95,000
Indicator: Number of airport noise complaints received	58	40	30	40	40
Indicator: Number of passengers on scheduled flights					
Deplanements (arriving)	91,435	81,632	81,419	62,825	81,938
Enplanements (departing)	90,332	81,832	80,382	61,325	80,438
Indicator: Number of gallons of jet fuel dispensed sold	762,264	968,399	1,016,397	877,851	780,004
Indicator: Gross parking revenues - all pay parking lots	\$771,557	\$764,734	\$719,177	\$529,923	\$647,259
Indicator: Gross rental car revenues - all concessions at airport	\$3,715,399	\$3,812,768	\$3,692,044	\$3,762,550	\$3,762,460
Indicator: Renewable Energy gross revenues from solar array at the airport – system on line FY2015	None	None	\$125,380	\$386,858	\$372,445



Cape Air 402 Ready to Load Passengers

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