

# Aspen-Pitkin County Airport

FBO Analysis Briefing

PRESENTED TO:  
Pitkin County  
Board of County Commissioners

PRESENTED BY:  
Bryan Elliott, Director (Ricondo)

PRESENTED ON:  
April 6, 2021

# Agenda

1. Background & Methodology
2. FBO Rent & Fees (FY 2015 – 2023)
3. Benchmarking Analysis
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]
8. Discussion

# Background & Methodology



# Background

## Purpose:

Evaluate future models for delivery of FBO Services:

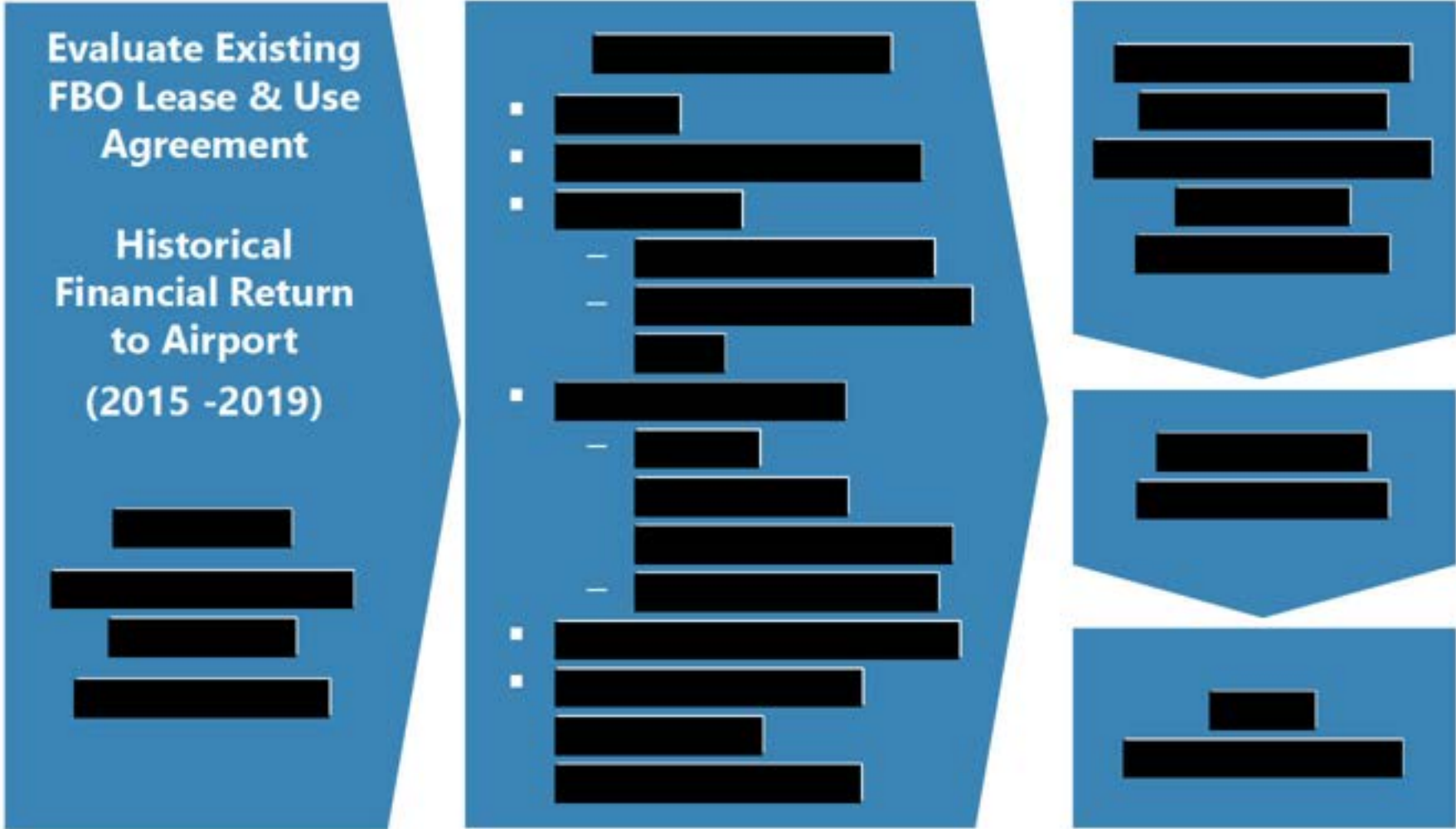
- [REDACTED]
- [REDACTED]
- [REDACTED]

## Guiding Principles/Documents/Obligations:

Federal Aviation Administration (FAA) Grant Assurances:

- Economic Nondiscrimination (#22)
- Prohibition against Exclusive Rights (#23)
- Self-sufficiency (#24)
- FAA Rates & Charges Policy

# Methodology



# FBO Rent & Fees

FY 2015 – 2019 (Actual)

FY 2020 – 2023 (Projection)



# Historical FBO Rent & Fees (FY 2015 – FY 2019)

(Fiscal Years Ending December 31)

	ACTUAL FY 2015	ACTUAL FY 2016	ACTUAL FY 2017	ACTUAL FY 2018	ACTUAL FY 2019	CAGR 2015-2019
Jet-A Fuel Sales (gallons)	3,842,191	4,209,196	4,392,275	4,076,412	4,327,682	3.0%
100 LL Fuel Sales (gallons)	28,028	32,966	40,825	24,389	31,757	3.2%
Airline in-to plane (gallons)	2,157,087	2,601,432	3,106,374	3,963,861	3,902,011	16.0%
Fuel Flowage MAG	\$120,000	\$120,000	\$120,000	\$120,000	\$120,000	0.0%
Fuel Flowage Excess	\$344,426	\$389,059	\$411,972	\$372,096	\$403,133	4.0%
FBO Rent - Atlantic Aspen Aviation / Net Revenue	\$190,199	\$197,807	\$205,719	\$218,184	\$211,829	2.7%
GA South Ramp Space Rental	\$4,781	\$2,954	\$1,469	\$5	\$0	0.0%
Monthly Patio Shelters Maint Fees	\$183,442	\$187,037	\$196,273	\$208,427	\$196,518	1.7%
<b>Total General Aviation</b>	<b>\$842,848</b>	<b>\$896,857</b>	<b>\$935,433</b>	<b>\$918,712</b>	<b>\$931,480</b>	<b>2.5%</b>

SOURCES: Aspen-Pitkin County Airport; Ricondo & Associates, Inc.

# Projection of General Aviation Rents & Fees (FY 2020 – FY 2023)

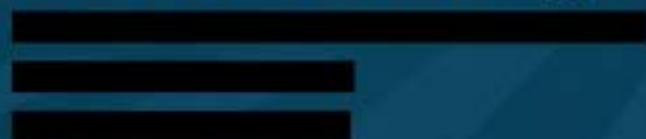
(Fiscal Years Ending December 31)

	ACTUAL FY 2019	ESTIMATED FY 2020	BUDGET FY 2021			
Jet-A Fuel Sales (gallons)	4,327,682	4,433,581	4,522,497			
100 LL Fuel Sales (gallons)	31,757	24,362	24,606			
Airline in-to plane (gallons)	3,902,011	2,440,636	2,926,508			
Fuel Flowage MAG	\$120,000	\$120,000	\$120,000			
Fuel Flowage Excess	\$403,133	\$414,953	\$471,123			
FBO Rent - Atlantic Aspen Aviation / Net Revenue	\$211,829	\$211,829	\$400,929			
GA South Ramp Space Rental	\$0	\$5,100	\$0			
Monthly Patio Shelters Maint Fees	\$196,518	\$184,000	\$0			
<b>Total General Aviation</b>	<b>\$931,480</b>	<b>\$935,882</b>	<b>\$992,052</b>			

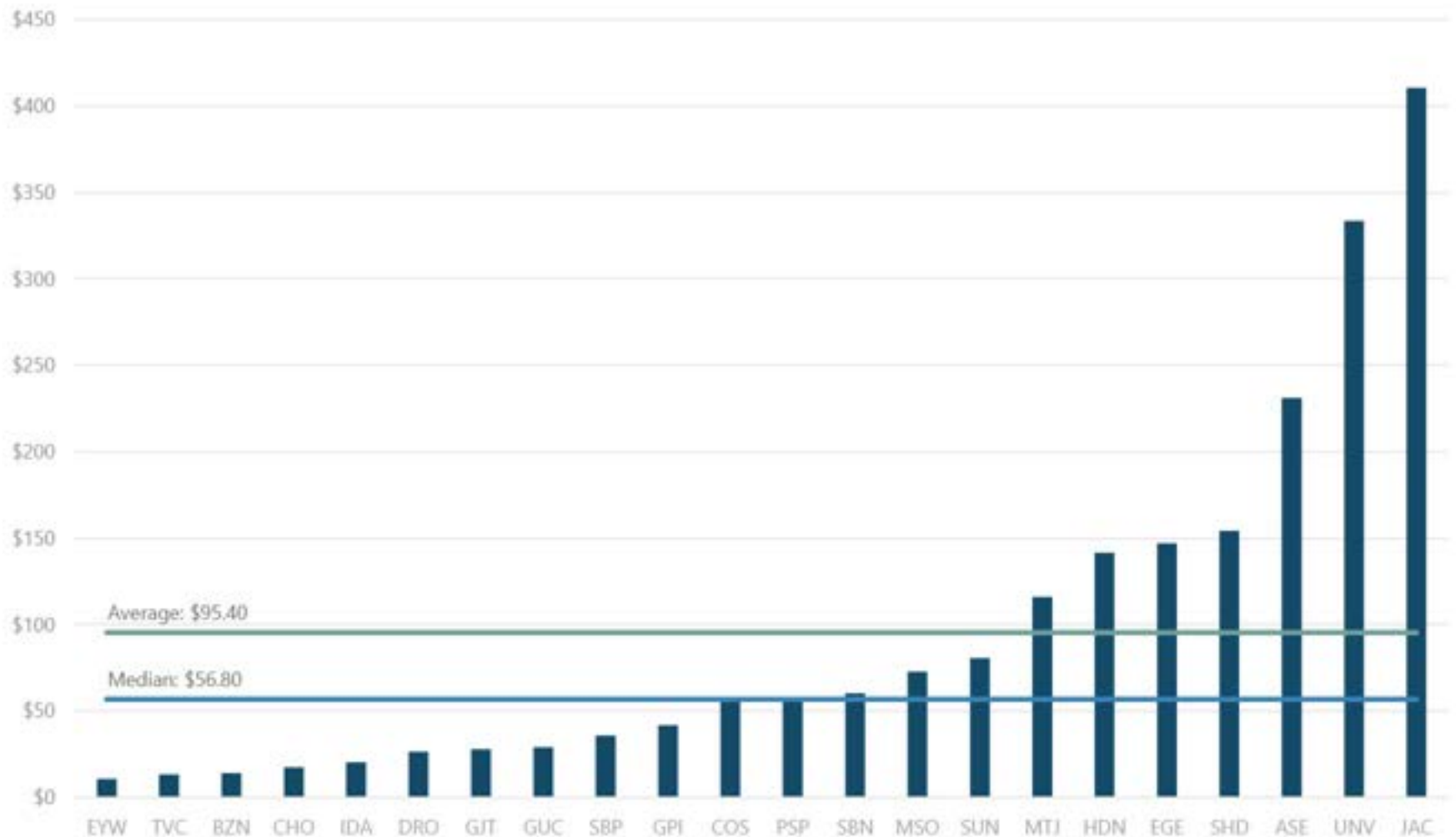
SOURCES: Aspen-Pitkin County Airport; Ricondo & Associates, Inc.



# Benchmarking Analysis



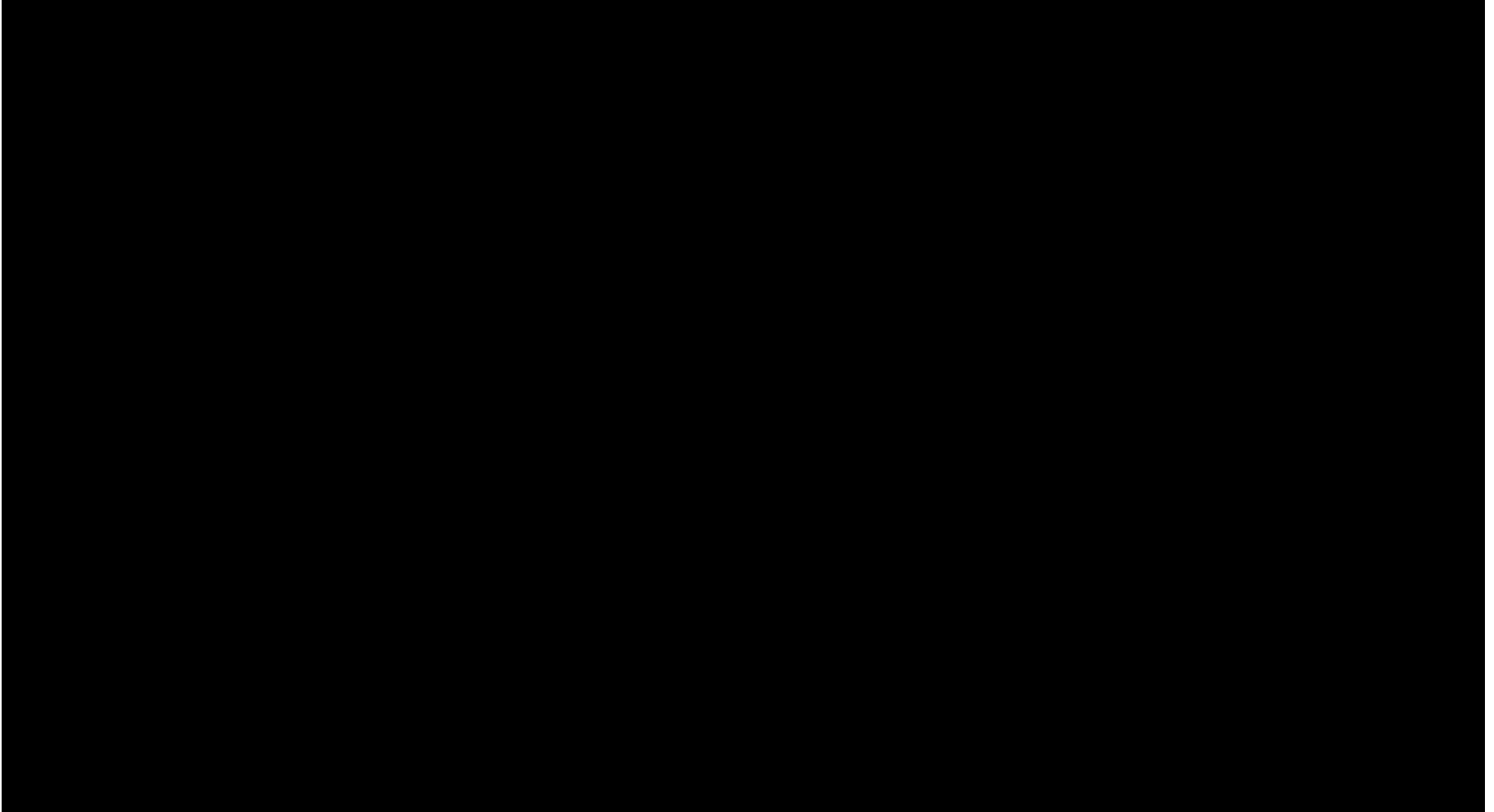
# G.A. Revenue Per Itinerant Operation



NOTE: Revenue data is for each airport's fiscal year 2019.

SOURCES: FAA Certification Activity Tracking System (CATS) database, January 2021 (revenues); AirportIQ 5010, January 2021 (operations).

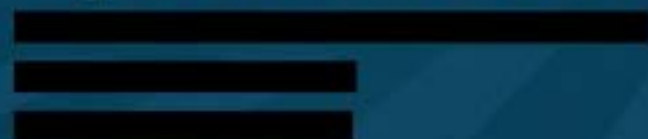
# G.A. Revenue Analysis – Management Contract / Airport Operated



[Redacted text]



# Options for Future Delivery of FBO Services



# FBO Delivery Options – [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

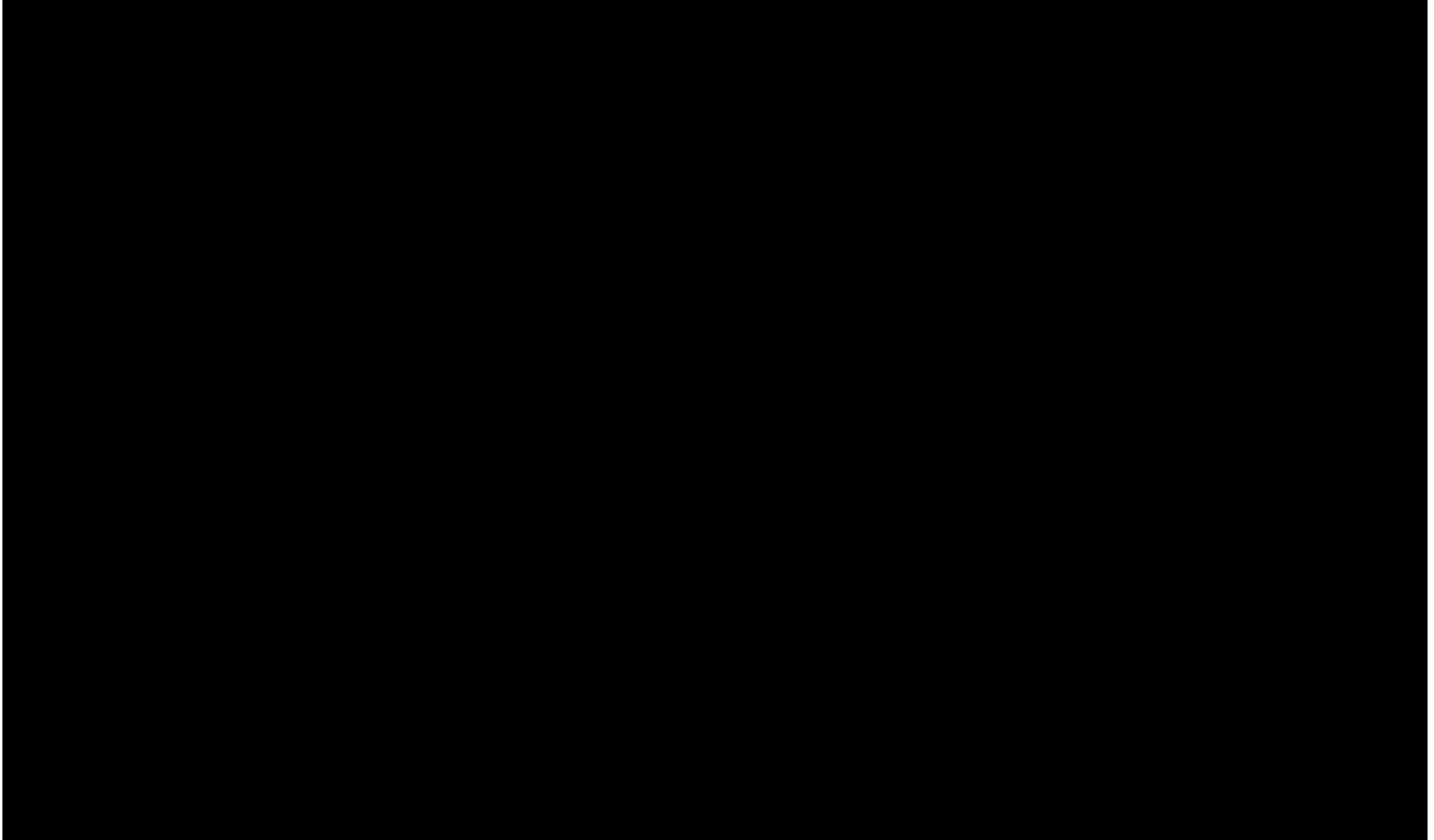
# Proposed FBO Capital Improvement Plan



# Proposed FBO Capital Improvement Plan Options

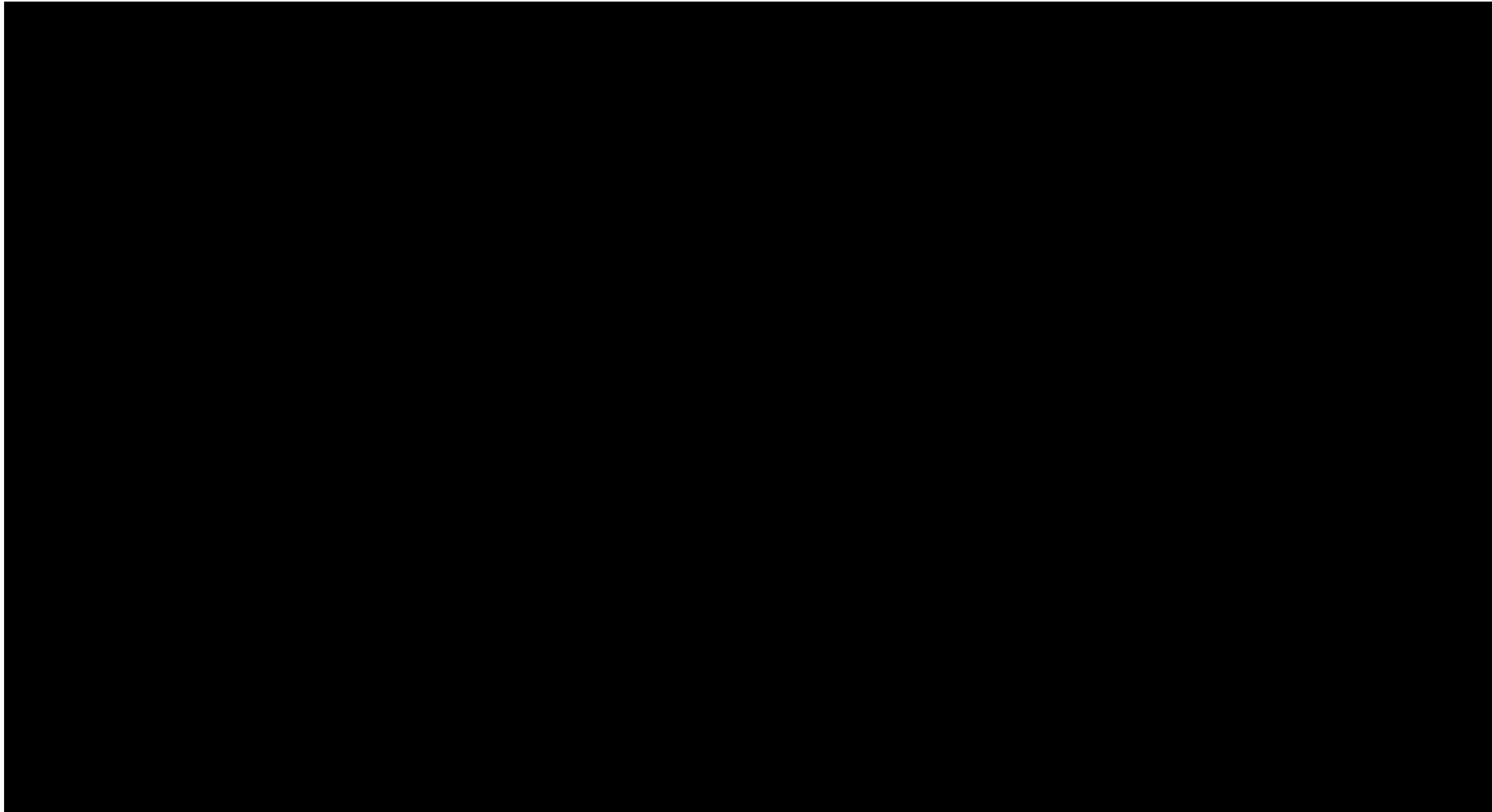


# Proposed FBO Capital Improvement Program –

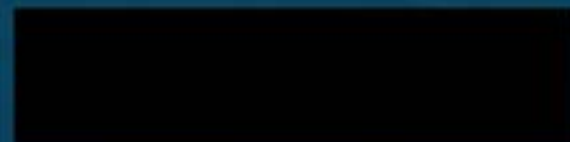
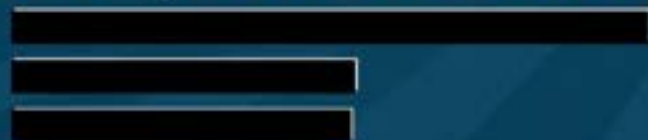




# Proposed FBO Capital Improvement Plan



# Projection of Net Revenues



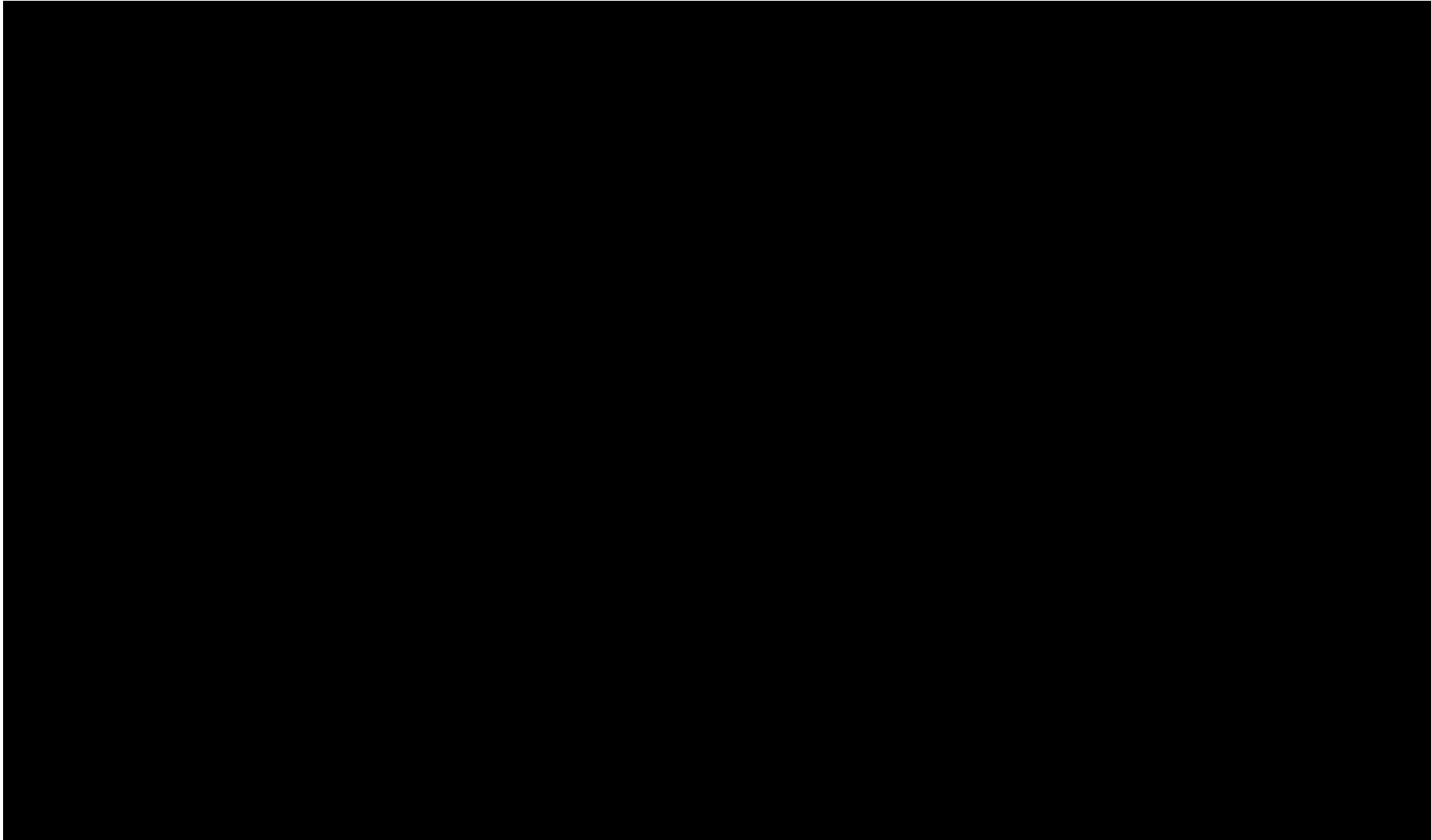
# Projection of Net Revenues



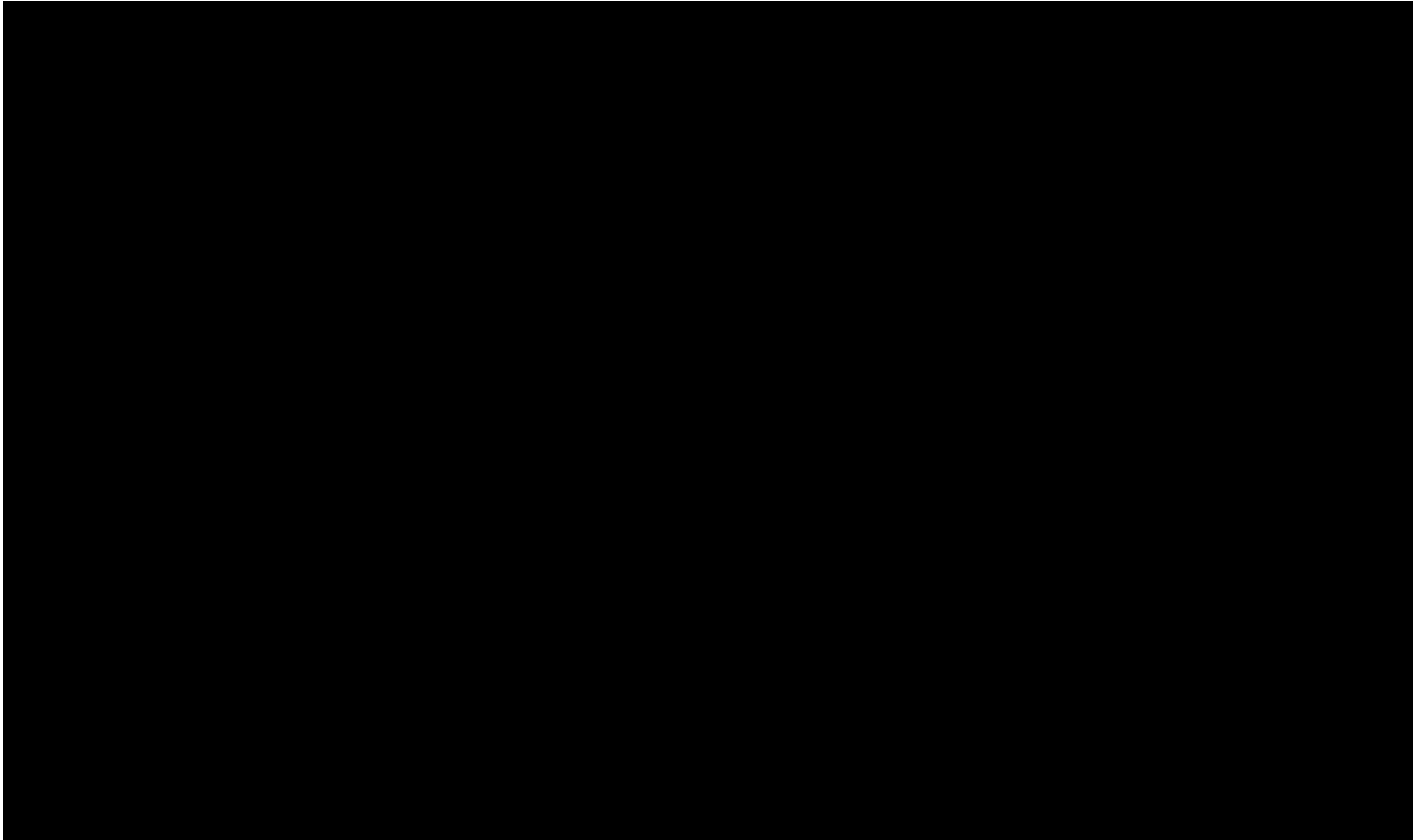
# Projection of Net Revenues



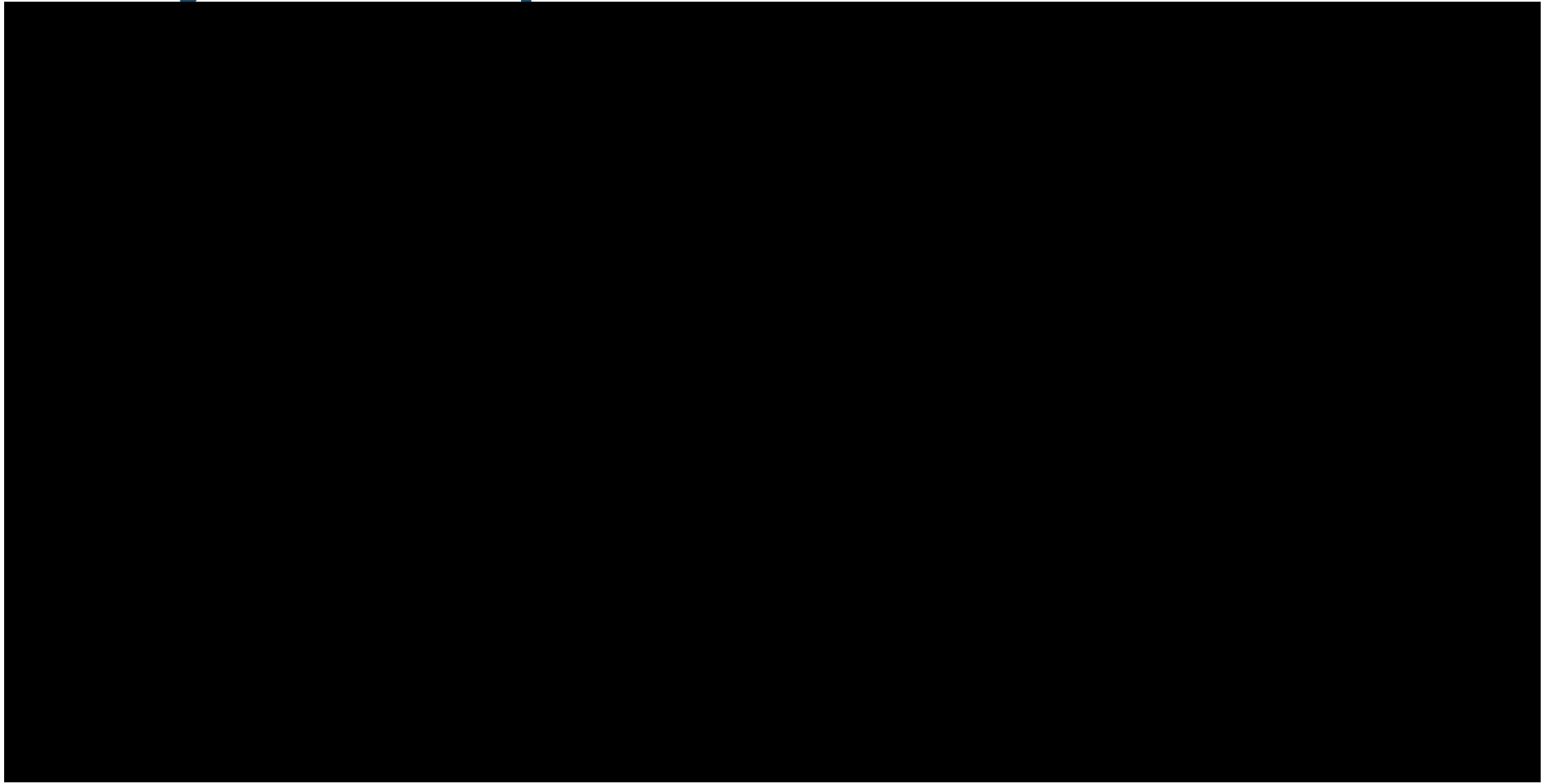
# Analysis Assumptions



# Analysis Assumptions



# Analysis Assumptions



# Analysis Assumptions





# Intangibles



# BOCC Considerations

[REDACTED]  
[REDACTED]  
[REDACTED]

# BOCC Considerations – [REDACTED]

- [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
- [REDACTED]



[www.ricondo.com](http://www.ricondo.com)

© 2019 Ricondo & Associates, Inc. All Rights Reserved.

# Existing Airport FBO Agreement

**Term: 30 years (October 1, 1993 – September 30, 2023)**

## **Lessee:**

- County issued a Request for Proposal (RFP) Process in 1992
- Aspen Base Operation, Inc. (ABO) was selected
- October 2005 ABO assigned its interest in the Agreement to Trajen Flight Support, LP
- Atlantic Aviation acquired Trajen in 2006
- Current lessee is Atlantic Aviation

## **Rights & Privileges granted to Lessee by County:**

- Lease and use of a portion of the General Aviation Facilities/Area
- Redevelopment of certain general aviation facilities (1993 -2001)

## **Current Facilities owned and operated by Lessee:**

- 6,000 s.f. general aviation terminal
- 3 hangars totaling 30,000 s.f.

# Existing Airport FBO Agreement (Cont.)

## Current Facilities owned and operated by lessee (cont.):

- Fuel farm:
  - 100,000 gallon above-ground Jet-A tanks
  - 12,000 gallon above-ground AvGas tank
  - 2,000 gallon above-ground gasoline tank
  - 2,000 gallon above-ground diesel tank
  - 1,000 gallon above-ground waste-oil tank
- GA Terminal loop access road
- Auto Parking 86 spaces (3 areas)

## Current Facilities managed on-behalf of County:

- 32 tiedowns (Lessee retains 100% of all rents & fees)
- 48 bay patio shelters (Lessee retains 15% of rents & fees; remainder to Airport Fund)

**All Lessee constructed facilities revert to ownership of County at termination**

# Existing General Aviation Area Facilities



SOURCES: Google Earth Pro, June 23, 2017 (aerial photography - for visual reference only, may not be to scale); Ricondo & Associates, Inc., February 2020 (general aviation facility areas).



**RICONDO®**

Aspen-Pitkin County Airport | FBO Analysis Briefing | April 6, 2021

# Existing Airport FBO Agreement (Cont.)

## **Lessee Rent & Fees to Airport Fund:**

- Fuel Flowage Fee – MAG (\$120,000 per year)
- Fuel Flowage Fee – Excess over MAG
- Rent
- GA South Ramp Space Rent
- Monthly Patio Shelter Fees

## **Rent & Fee Adjustments:**

- Fuel Flowage Fee rate set by Pitkin County Board of County Commissioners
- Rent – annually by CPI-U or 4%; whichever is greater

## **S-FBOs**

- WestStar Aviation (Aircraft Maintenance) – subleases hangar/office from Lessee
- Mayo Aviation (Aircraft Charter) – subleases hangar/office from Lessee
- Aspen Aero (Flight Instruction & Aircraft Rental) – subleases office from Lessee



# General Aviation Lease Limits



SOURCES: Google Earth Pro, June 23, 2017 (aerial photography - for visual reference only, may not be to scale); Ricondo & Associates, Inc., February 2020 (general aviation lease limits).



[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]  
[REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]  
[REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]

[REDACTED]

- [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

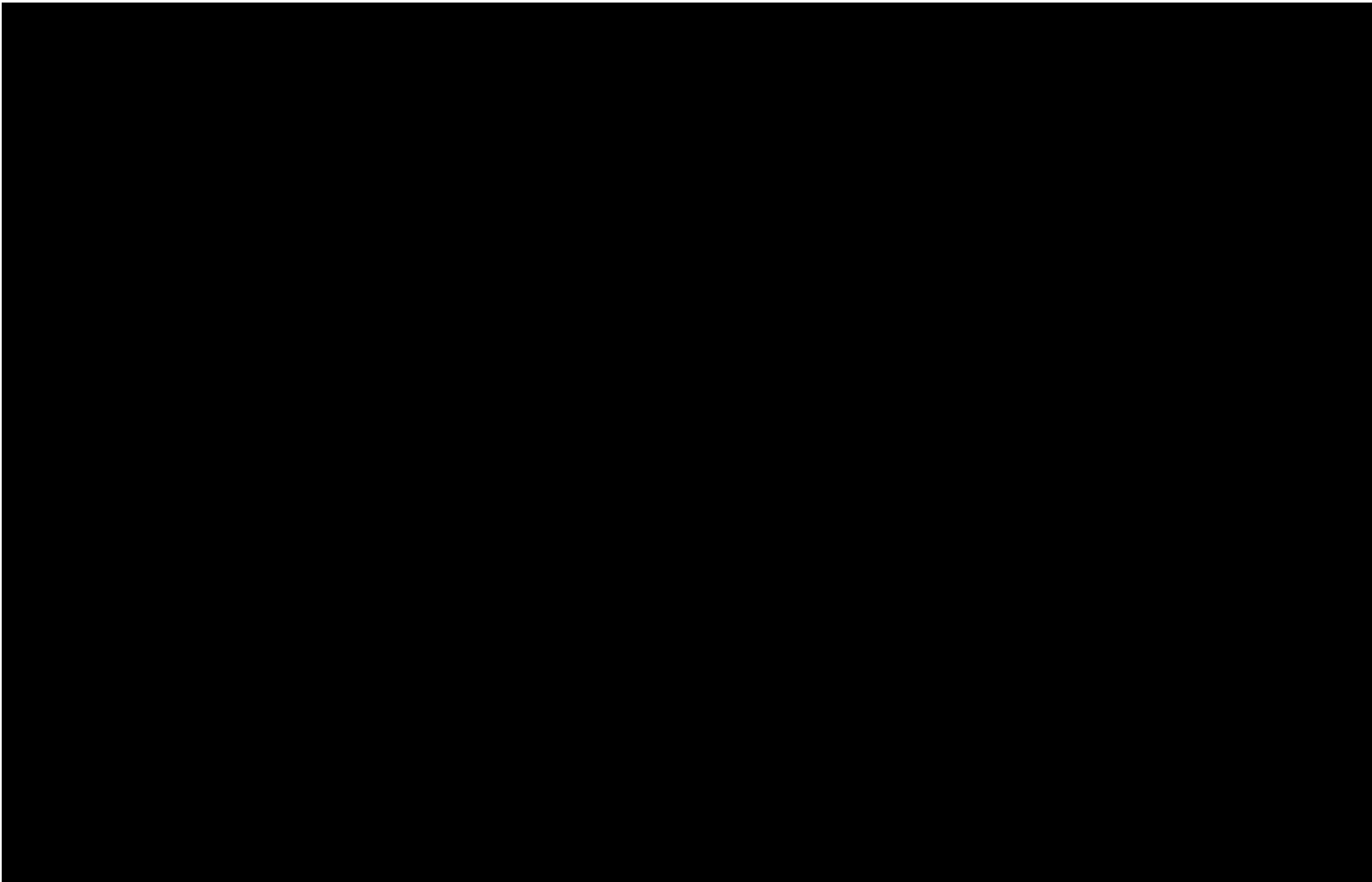
- [REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]

[REDACTED]

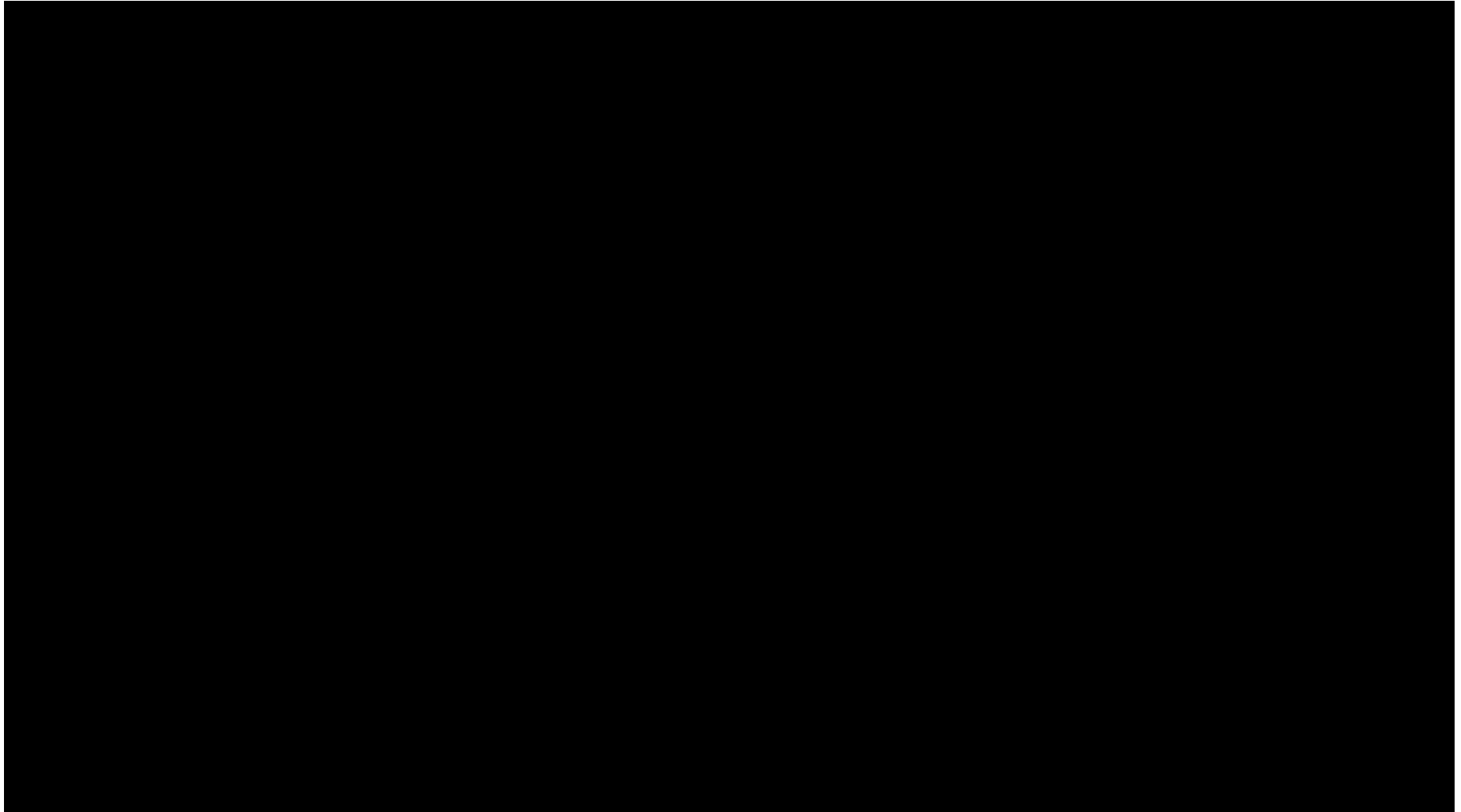
- [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]
- [REDACTED]  
[REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]
- [REDACTED]  
[REDACTED]

[REDACTED]

# FBO Delivery Option Matrix



# FBO Delivery Option Matrix (cont.)



[REDACTED]

- [REDACTED]
- [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]
- [REDACTED]
- [REDACTED]
  - [REDACTED]
- [REDACTED]
  - [REDACTED]
- [REDACTED]
  - [REDACTED]
  - [REDACTED]
  - [REDACTED]