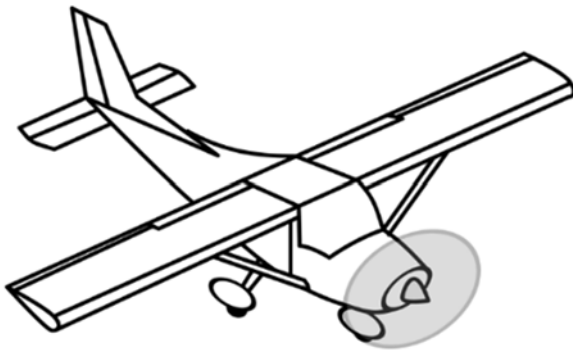




Marion County Airport

Operational Plan
FY2024 – FY2028



TRAINING
GROWTH
CULTURE
TALENT

A mile of road will take you exactly one mile but a mile of runway can take you anywhere...

14968 SW 110th Street Dunnellon,. Florida 34432

Executive Summary

The Five-Year Operational Plan for the Marion County Airport provides a thorough outline of the administration and management of the Division for the next five years.

The mission of the Marion County Airport was initially established in 2018 during the drafting the Strategic Plan; it has continued to develop and today it has morphed into our newest direction:

(2022) The mission of the Marion County Airport (X35) is to continue providing a modern and safe airfield for all aviation platforms; with focus on an exciting growth effort in the aviation industry while ensuring X35 remains a favorite among aviators.

The Marion County Airport operates as X35, a general aviation facility in the national transportation infrastructure with direct guidance from both federal and state government aviation agencies. This unique County resource both supports and profits from the aviation industry by providing affordable services and quality facilities on a highly desirable grant subsidized airfield.

Aeronautical technology is rapidly advancing in many fields; consequently, the County has designed plans to meet the aviation community's need for growth and expansion at the Marion County Airport.

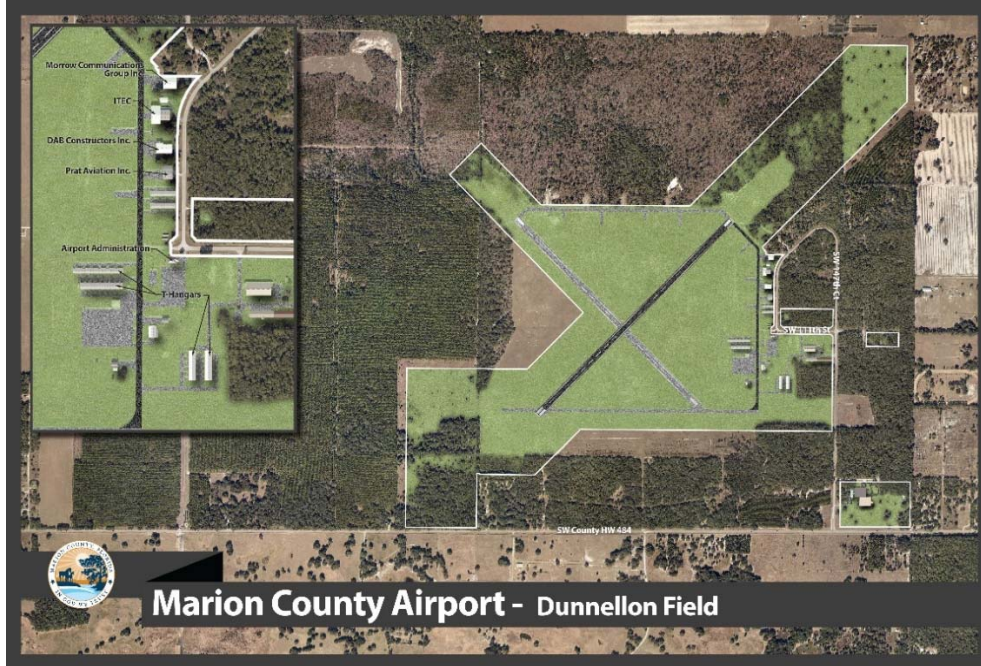
This plan outlines the Division's vision for the next five years including the addition of airfield infrastructure improvements, technological upgrades and revenue generating aircraft storage hangars and the continuation of meeting the goals outlined in the 2022 Marion County Airport Master Plan.



Operational Planning

The Marion County Airport transformed from an independent department to a division under Parks & Recreation Department. While a division of its parenting department, the Airport is operated as an independent and unique entity under the Parks & Recreation Director. As with most plans, Operational Plans are a component of a group of plans or initiative that most businesses and organizations develop in order to guide their teams. Through the leadership and initiative set by County Administration and the support

provided to them from the Board of County Commissioners, Marion County is currently working towards accomplishing the goals and task established in the *Empowering Marion for Success II* strategic plan. This Operational Plan supports the tasks that are pertinent to the Division and the overall organization.



In step with the County's strategic plan, the Division is also completing the final approval for the 2022 Marion County Airport Master Plan from the FAA and formal adoption by the Board of County Commissioners, scheduled in early 2023. This 2022 Master Plan is a

recently updated study replacing the latest 2010 Airport Master Plan. Under the direction and approval of the FAA, an Airport Master Plan establishes a 10-year forecast for Airport improvements and opportunities. Generally, an aviation master plan illustrates a pre-approval process for federal and state grants.

We, the Airport staff, genuinely enjoy what we do for the aviation community and Marion County. Our customers are very excited about the growth and development happening on the airfield. With great support, X35 has truly reinvigorated the passion for aviation!

As we look towards that 10-year horizon, this 5-year Operational Plan will guide the Airport towards long-term success. We are honored to present this plan for consideration and approval.

Mike Grawe, PPL
Airport Manager

Jim Couillard, PLA, ASLA
Parks & Recreation Director

Current State

The Marion County Airport has developed into a highly desirable general aviation facility for “everything aviation”. The desire for aviators to operate in Marion County includes both homebased (local) flyers and transient (visiting) aircraft. When we say everything aviation, we expand the business profile to include private and commercial standard single engine, multi-engine piston, turbo prop and jet airplanes and helicopters. Additionally, X35 accommodates parachuting, skydiving, home built aircraft, light-sport platforms, powered parachute, powered paragliders, UAS (unmanned aerial systems), RPA (remotely piloted aircraft), drones, experimental and home built aircraft.

In 2022, the Florida Department of Transportation/ Aviation Division completed a state-wide economic impact study, highlighting the benefits from aviation and the way that it contributes to the state’s mission. This study clearly highlighted the significant value of the Marion County Airport in federal, state and local communities. The numbers expose the untapped potential for growth and development. We are successful today but the sky is limit for our tomorrow.



Core Services:

The Marion County Airport provides affordable services to (home) based and itinerate aircraft and improve airport safety. This facility provides refueling options and additional aircraft parking to accommodate varying sizes of aircraft.

- Superior Customer Service
- Airport Management

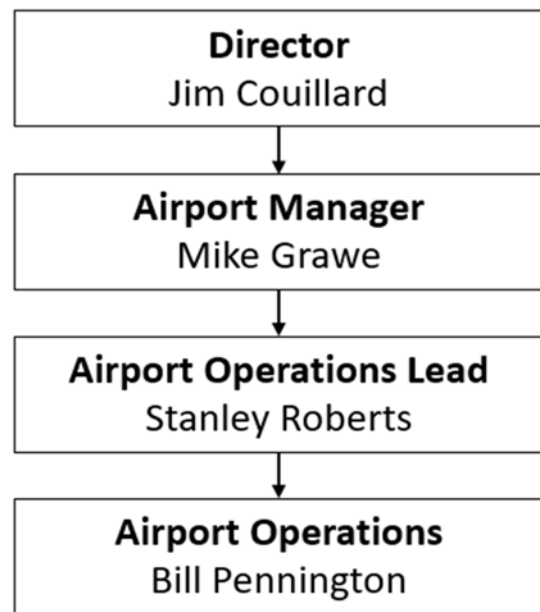
- Airfield Operations
- Infrastructure Planning - Compete, Development & Construction
- Federal and State Grants Admin - Execute, Disperse & Reimburse
- Aircraft Facility Management - Assigning, Leasing & Maintaining
- Emergency Response - Personnel, Aircraft, Equipment & Property
- Support National Flight Planning & Aircraft Arrival Status Reporting
- Fuel Sales - Monitor, Bid, Purchase, Price-point, Resale & Reporting
- Fuel Farm - Assist Customers, Daily Maintenance & Inspection
- Aircraft Storage - Aircraft Hangar Leases, Land Leases & Tiedowns

Primary Workload

All Airport staff are first-contact ambassadors forming the front-line of superior customer service; either in the office or out on the airfield. Specific duties are commonly broke into two disciplines – administrative and operations.

Current Airport Staffing

Three (FTE) Airport employees are responsible for all Daily Airport Administration, Airfield Management Operations and Federal Compliance to enable an 800-acre airfield



with two active runways, a 24,000-gallon fuel farm, 68 t-hangars and 9 large commercial facilities supporting all transient, and well over 100 based aircraft, for 24/7, 365-day operations.

Daily Airport Management

Modern day Airports require an extensive amount of administrative responsibilities.

The Administrative functions at the Airport include complete oversight of all airfield and surrounding airspace operations, grant acquisition and execution, compliance with FAA

and FDOT aviation regulations, IT & Fleet asset management and financial stewardship. With a great history of 100% occupancy, the hangar and land leases require documentation and process administration. Finally, administration assures personnel oversight, training and employment.



Daily Airfield Operations

The two-person Operations staff assigned to the Airport provide an enormous amount of services. Our Airport Operations Lead holds responsibility for care and maintenance of an 800-acre airfield (including all mowing and groundskeeping), two active runways, a fuel farm providing both Jet Fuel (Jet-A) and Aviation Gasoline (100LL), maintenance on 68 t-hangars, 11 large commercial

facilities and all associated aviation accessories.

Both disciplines set priorities with safe operations, enforcement of (federal, state and county) aviation regulations, respond to aviation accidents and assist local resources as aviation subject matter experts.

Funding:

While the Airport is a segment of the general fund; due to federal regulation (FAA), the Marion County Airport operates similar to an independent fund. Grant assurances presented by the FAA and agreed upon by the Board of County Commissioners detail the requirement for all airport revenue to be utilized solely on airport budgetary needs. This agreement makes it critical for the Airport to operate clearly in the black.



Funding Sources

Revenue on the airport is generated from two primary sources – leases and fuel sales. While these revenue lines may be fluid, based on many economic factors, our FY22 revenue was \$837K. The Airport revenue has been on a steady incline for the last few years.

Lease revenue is derived from land leases, hangar leases and outdoor parking. While hangar leases and outdoor parking rates are current and consistent; land lease vary drastically from inception/expiration dates to rates and other variances in the terms.

The Airport currently leases 68 t-hangars at pre-set rates of \$250 and \$300/month (with minor exceptions ranging up to \$450/month), two large commercial hangars, three large non-aviation commercial facilities, a dozen land leases and varying amounts of tiedown (outdoor storage) customers. The airport maintains 100% occupancy in all hangar facilities as well as a healthy stand-by list waiting for the next available hangar.

Airport Lease Revenues			
Short-term Lease			Recent Change
Descriptions	Quantity	Rate	Annual Revenue
Heritage T-hangar	26	\$250	\$78,000
Heritage T-hangar w/bonus	1	\$300	\$3,600
30 & 40 Block T-hangar	12	\$300	\$43,200
30 & 40 Block T-hangar w/small bonus	4	\$350	\$16,800
30 & 40 Block T-hangar w/large bonus	4	\$400	\$19,200
50 & 60 Block T-hangar	16	\$300	\$57,600
50 & 60 Block T-hangar w/bonus	3	\$450	\$16,200
Tie Down Ramp (varies monthly)	8	\$50	\$4,800
Short-term SUB			\$239,400
Long-term Lease			Recent Change
Tenant	Lease Detail	Annual Revenue	
Aergility (formerly Bachschmidt)	Land Lease	\$115,560	
Aero Aggregates	Non-aviation	\$2,982	
Artisan Outreach	Land Lease	\$9,630	
ASA Manufacturing	Non-aviation	\$35,782	
Bella Vista	Land Lease	\$2,568	
Central Florida Skydiving	X35 Hangar	\$44,940	
Easy Flight (includes 2 hangars)	Office Lease	\$13,728	
ITEC	Land Lease	\$2,000	
ITEC	Non-aviation	\$0	
Liquidation Results	Land Lease	\$185	
Morrow Communications	Land Lease	\$1,065	
Pratt Aviation	Land Lease	\$801	
Rhodes, Randy	Land Lease	\$2,561	
Triad EDM	Non-aviation	\$20,478	
Triand Acquisitions (includes hangar)	Office Lease	\$9,420	
Long-term SUB			\$261,700
Short-term SUB			\$239,400
Lease Revenue			\$501,100



The airport also manages an aviation fuel farm capable of refueling all general aviation aircraft with its two types of fuel – Jet A for jet engine and turbo-prop high performance aircraft and Aviation Gasoline (100LL) for piston drive, compression engines. 100LL fuel is used in the bulk of general aviation aircraft. In FY22, the Airport conducted 3K fuel transactions retailing 105k gallons of fuel, resulting in \$515,548 sales.

A third funding source is aviation grants that offer maximum assistance funding for forecast CIP included in the Airport Master Plan. Aviation grants typically come from two sources, the Federal Aviation Administration (FAA) and FDOT/Aviation Division (Florida Department of Transportation). These grants combined can range from 80% to 98% funding, depending on the sponsorship eligible projects. The Airport has been fortunate to receive and close-out four CIP grants valued at \$3.3M in FY22. For the period of FY23-FY28, these 2 agencies have pledged over \$16M to Marion County Airport CIPs.

- Develop priorities for program future CIP based on 2022 Master Plan
- Maintain operational capabilities, to include upgrades & expansions
- Coordination projects with contracted Aviation Consultant assistance

Airport 5-Year History	FY18	FY19	FY20	FY21	FY22
Hangar and Land Leases	\$2,130,099	\$223,773	\$242,646	\$241,593	\$283,948
Aviation Fuel Sales	\$532,776	\$487,701	\$404,073	\$426,571	\$535,344
Misc Sales/Services	\$2,047	\$7,908	\$12,761	\$4,081	\$1,586
Total Annual Revenue	\$2,664,922	\$719,382	\$659,480	\$672,245	\$820,878

- Competition for FAA & FDOT grant resources, execute in a timely manner
- Navigate FAA & FDOT grant projects based on local funding capabilities
- Manage CIP and reimbursement through Federal & State e-invoicing programs

Current Primary Workload:

Presently, the Marion County Airport operates with 3 full-time employees. The Airport administers and assigns annual leases for 68 t-hangars, 14 land leases and 7 big box facilities. In addition to receiving and processing monthly payments, staff also provides oversight for the facilities maintenance in accordance with FAA regulations, formal guidance and published directives. Negotiating cost-sensitive fuel purchases, maintains the national NOTAMS system for airfield discrepancies. Directly responsible for FAA and FDOT relations to enable financial support and federal mandated compliance. Provides numerous reports and planning effort with FAA, FDOT, DHS, FEMA, and TSA.

virtower

Airport Operations Tracking
2022 Operations Summary

Totals	
Business Jet	43
Helicopter	250
Light Sport Aircraft	218
Military	4
Military Helicopter	4
Multi Engine	365
Other	1
Single Engine	19161
TOTAL	20046

The Airport operations staff currently maintain every aspect of the general aviation airport; including two 5,000' runways, 6 miles of paved surfaces (runways, taxiways, aircraft parking ramps, etc.), 800 acres of mowing and maintenance, over 600 aircraft directional lights, three landing systems, 79 aircraft operation buildings, two 12,000-gallon fuel stations, and five weather advisory systems. Additionally, the team maintains the FAA standards for safety clearings and runway approach zones, provide aircraft marshalling, directional ground handling, towing and refueling services for well over 800 type of aircraft.

Among our biggest current WINS:

- X35 is highly desirable across the aviation community, often complimented for the aesthetics, affordability and remoteness
- Customer bands range in all direction to include heavy concentrations from Ocala, North Tampa, The Villages, Citrus and Levy County
- "Open range" 800-acre airfield entices some businesses

- Growing SW region of Marion County, X35 has easy access to I-75, US 41, US 40 and SR484 and multiple recreation opportunities and destinations



- Estimated 70% of fuel sales come from home-based aircraft, adding hangars will reflect in annual sales
- X35 is oriented outside of the 30-mile airspace veils over TPA and MCO, Class B airspace with ADSB requirements
- Leases easily lead the X35 revenue resources
- 68 T-hangars owned by Marion County
 - 100% occupancy and a large wait-list
 - Leased IAW local market rates
 - Monthly rates are \$250 & \$300 (Some special rates apply, up to \$450)
- Five large leased facilities contribute to X35 profile
- Seven land leases offer maintenance and R&D options
- Traditionally, X35 is valued for fuel pricing strategies
 - Sole “independent” retailer in north-central FL
 - Navigates weekly bids to enable best buy pricing
 - Attracts many pilots transiting the southeast region of the US

Key Highlights of 2018-2022:

- Airport is consistently at maximum occupancy with a healthy waitlist
- New construction is the strongest opportunity for business development
- Many commercial opportunities are limited due to geographic location
- Maximum traffic capacity due to facility and operational shortages
- Increasing expenses of equipment and infrastructure maintenance
- Consistently maximizing market value of existing and available facilities
- Limited competition with neighboring airports, exceeding potential
- Physical and technical expansion required to ensure airport sustainability
- Leases revenue is the leading survival skill at the Marion County Airport
- Fuel sales are secondary but continue to offer a solid revenue stream
- Partnership with the FAA & FDOT allow X35 to maintain standards
- T-hangars maintain 100% occupancy rate with continued interest
- Several new businesses have made X35 their home base
- Low fuel prices feed the operations count and grow the interest
- Alternate, creative business ideas have added to Airport's success
- Consistently maximizing market value of existing and available facilities
- Physical and technical expansion required to ensure airport sustainability
- Continuing to develop partnerships with the CEP, Duke Energy and MCSO



Future State

The next five years for Marion County will be some of the most dynamic and evolving times for our community. The current growth patterns, projected increases and changes in demographics in our community along with the continual success in marketing of our natural resources continues to bring more visitors, and at times, new residents who decided to make Marion County home. As these changes happen, the Marion County Airport will be positioned to help improve and expand the aviation needs of the community.

The Airport has benefited from an enormous growth effort that established a self-reliant financial foundation to feed this growth into the next 5+ years.

We are closing out an FY22 CIP that added an additional 20 t-hangars to the Airport profile. This additional will add a new bump to the lease revenue in FY23 and forward. T-hangars remain high in demand across northern Florida enabling Marion County to maintain a constant 100% occupancy rate with a very lengthy stand-by list of aviators waiting for the next vacancy.



Additionally, late in 2022, the Airport signed a new long-term lease tenant to a commercial hangar facility. This long-term large lease will add 33% to the previous overall lease revenue line.

Looking forward to the revenues will continue to offer a steady state profit; quantities sales will vary based on the market, economy and several other factors. However, the increase of new t-hangars in 2022 will generally reflect a large fuel sales increase associated with the newly home-based aircraft.



As mentioned in current state, the FAA and FDOT aviation grant programs have been historically favorable to Marion County. Moving forward, recent FY24-28 coordination we have acquired over \$17M in federal grant funding and \$5M in state grant funding for CIPs spread over the next 5-years.

New Asset Funding:

The Airport concentrates on 3 major disciplines: maintaining, upgrading & expanding.

- Constant maintenance ensures compliance w/ federal & state aviation regulation.
- Aviation is constantly evolving & necessitates upgrades to meet next-gen requirements.
- X35 is a highly desirable airport and will continue to grow. This demand includes home-basing local pilots and their aircraft, providing regional fuel stops and expanding business profiles through land leases.

CIP Forecast FY24-FY28	Federal Grant	State Grant	Local Match	Total Upgrade
FY24 Parallel Taxiways	\$6,576,300	\$584,560	\$146,140	\$7,307,000
FY25 T-Hangar, 2nd Evolution		\$2,640,000	\$660,000	\$3,300,000
FY26 Rehabilitate Runway	\$2,475,000	\$220,000	\$55,000	\$2,750,000
FY27 AWOS Weather Station	\$292,500	\$26,000	\$6,500	\$325,000
FY28 Rehabilitate Taxilane & Ramp	\$2,331,900	\$207,280	\$51,820	\$2,591,000
CIP Partnerships				Investment
Total CIP Upgrades				\$16,273,000
Federal Grants				\$11,675,700
State Grants				\$3,677,840
Local Match				\$919,460

X35 has requested and received planning approved for the following FAA & FDOT CIPs

FY24 CIP Construct parallel taxiway system for Runway 05/23 & 10/28

FY24 CIP Construct infrastructure, relocate & upgrade airfield power vault and beacon

FY24 CIP Design hangar facility

FY25 CIP Construct hangar facility

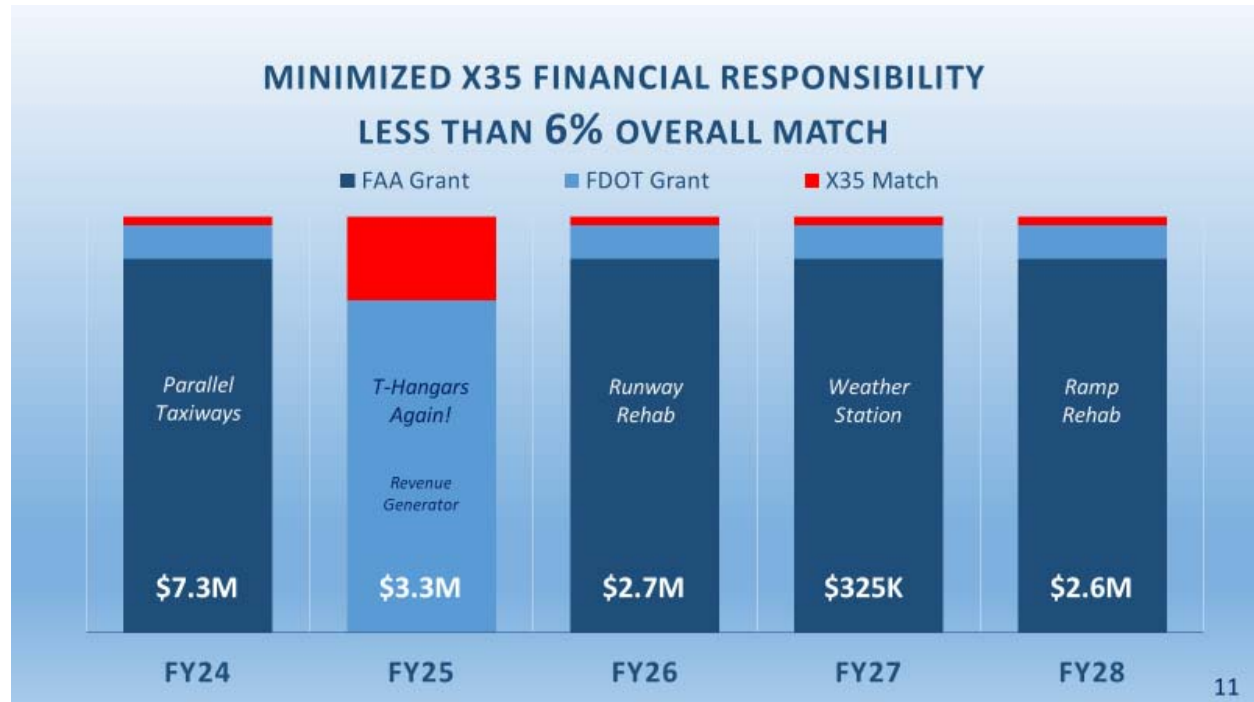
FY25 CIP Design runway 05 & 23 rehab and remark

FY26 CIP Construct runway 05 & 23 rehab and remark

FY27 CIP Design & construct AWOS (Automated Weather Observing System)

FY27 CIP Design hangar taxilane & parking apron rehab

FY28 CIP Construct hangar taxilane & parking apron rehab



Staffing:

The Airport is currently staffed with three FTE positions. One non-exempt Airport Manager and two exempt Airport Operations Technicians. Future planning should include additional staffing for expanded services; including but not limited to, weekend duty hours, full-service fuel options and additional administrative staff.

PERSONNEL FY26 Request - Add one Staff Assistant II

Current administrative functions are constantly exceeding the staff capability. Adding one Staff Assistant would enable & improve numerous Airport-specific requirements. As our plans include building 20 more t-hangars, we would recommend implementing this position to accommodate the increased administrative duties.

Personnel Forecast FY24-FY28	Pay Grade	Hourly	Annual
*FY26 Staff Assistant II - Airport	104	\$15.93	\$33,140



Operations:

The County manages all airport operations and airfield management. Future operations could include the following operational potential changes:

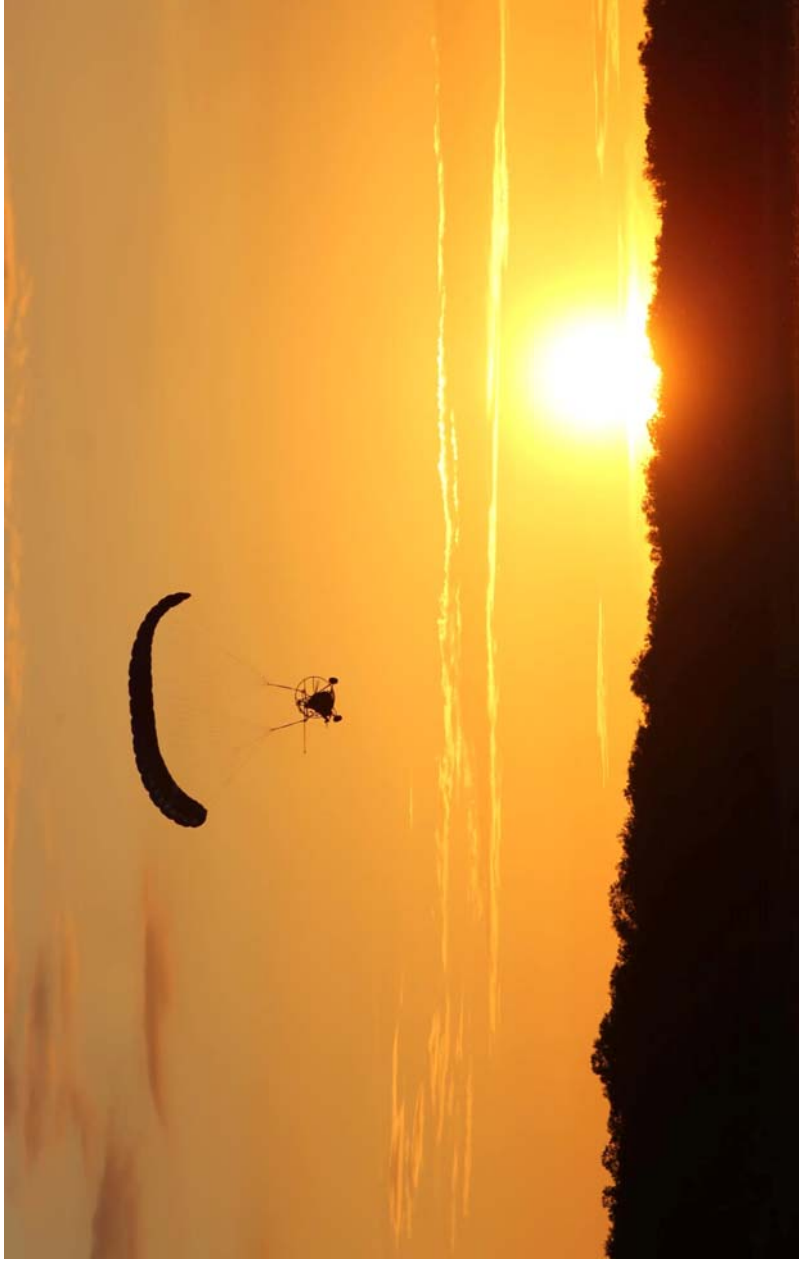
- Private FBO ops to provide fuel sales & aviation concierge
- Additional aviation & non-aviation land leases with private business
- Commercial operators (not airlines), utilizing air capabilities
- Continued expansion with more t-hangar & based aircraft
- Land management programs through land lease segregations
- Aircraft rental and instructional programs
- Long-term office leases and short-term room rentals

Technical:

As environmental concerns continue to grow, the aviation industry is migrating to a cleaner fuel source for general aviation. Small, piston driven airplanes typically use AVGAS, a 100-octane, low-lead fuel (100LL). While this fuel has been a staple for decades, it is projected to be phased out over the next few years and replaced G100UL. G100UL is still rated at 100-octane but is completely unleaded. In 2021, the FAA began approving specific aircraft types to accept a new fuel. The FAA is committed to a full transition by 2030.

Fuel retailers are working with federal and state regulators to build plans to transition from 100LL to G100UL. Local concerns include:

- Transition timing to support heritage & certified aircraft with one fuel system
- Affordability, will the new gas be available at a price to support local aviators?
- How does this gas impact the current fuel storage facilities and dispensers?
- Need to establish a supply chain to meet the annual sales goal. The local fuel terminals in Tampa and Port Canaveral are not yet offering this fuel in large quantities.
- Time will tell if there would be any graduated costs associated with maintaining a G100UL fuel system; for example, is the wear increased on filters, hoses, tank liners, seals, etc.



Conclusion:

As aviation continues to evolve, X35 will stand ready for the exciting industry growth and high-tech advancements while ensuring we always remain a favorite among aviators.

