

RESOLUTION

No. 23 - 157

**APPROVAL OF WAYNE COUNTY AIRPORT AUTHORITY
FISCAL YEAR 2024 BUDGET**

By Board Member Michael Ajami

WHEREAS, the Wayne County Airport Authority (the "Authority"), pursuant to the Aeronautics Code of the Michigan Public Airport Authority Act, being MCL 259.108 – 259.125c, (the "Aeronautics Code") is vested with the power and authority to undertake the management and operation of the Detroit Metropolitan Wayne County Airport and Willow Run Airport (the "Airports"); and

WHEREAS, the Wayne County Airport Authority is governed by the Wayne County Airport Authority Board (the "Board"); and

WHEREAS, the Aeronautics Code requires that prior to the beginning of each fiscal year, the Board shall prepare a budget containing an itemized statement of the estimated current operational expenses and the expenses for capital outlay including funds for the operation and development of the Airports under the jurisdiction of the Board, and the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing fiscal year or which have previously matured and are unpaid, and an estimate of the revenue of the Authority from all sources for the ensuing fiscal year; and

WHEREAS, the Aeronautics Code further requires that money of the Authority be deposited, invested, and paid by the Chief Financial Officer only in accordance with policies, procedures, ordinances or resolutions adopted by the Board; and

WHEREAS, the Aeronautics Code further requires that a vote of a majority of the members of the Board serving at the time of the vote is necessary to approve or amend the annual budget; and

WHEREAS, the Board desires to, among other things, approve the annual budget for fiscal year 2024;

NOW THEREFORE, BE IT RESOLVED, that the Wayne County Airport Authority Board hereby approves:

1. The annual operating budgets for the Detroit Metropolitan Airport Fund and the Willow Run Airport Fund for the fiscal year beginning January 1, 2024 and ending December 31, 2024, as prepared by the Chief Financial Officer of the Authority and reviewed by the Board, copies of which are attached to this Resolution;

2. The Wayne County Airport Authority Five-Year Capital Improvement Plan for Detroit Metropolitan Airport and Willow Run Airport for fiscal years 2024-2028, a copy of which is attached to this Resolution.

All prior Resolutions and parts of prior Resolutions insofar as they conflict with the provisions of this Resolution hereby are rescinded.

This Resolution was supported by Board Member Marvin Beatty and carried by the following vote:

AYES: Ajami, Archer, Beatty, Ivery, Papas

NAYS: None

DATE: November 29, 2023



DETROIT METRO • WILLOW RUN
WAYNE COUNTY AIRPORT AUTHORITY

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MEMORANDUM

To: Wayne County Airport Authority Board Members

From: Amber Hunt, Chief Financial Officer
Brian Pollack, Director - Financial Planning & Analysis

CC: Chad Newton, Chief Executive Officer

Date: November 29, 2023

RE: Fiscal Year 2024 Recommended Budget

Please find enclosed the proposed Resolution for the Fiscal Year 2024 Recommended Budget (the "Resolution") to be considered at the November 29, 2023, Board meeting. The Resolution addresses the annual operating budgets for Detroit Metropolitan Airport (DTW) and Willow Run Airport (YIP). Also included are the Five-Year Capital Improvement Plans (CIP) for Detroit Metropolitan and Willow Run Airports for Fiscal Years 2024-2028.

Key factors affecting the FY 2024 Budget include:

- Passenger enplanement estimates for the FY 2024 Budget are 17.0 million enplaned passengers, a 3.0% increase from the 16.5 million enplaned passengers in the FY 2023 Budget
- Landed weight projections (in thousands of pounds) for the FY 2024 Budget are 21.0 million, a 2.9% increase from the 20.4 million in the FY 2023 Budget
- Non-airline and non-operating revenues are increasing by 25.0% compared to the FY 2023 Budget due to increases in parking, hotel, concessions and car rental revenues plus the further application of American Rescue Plan Act (ARPA) grant funding
- Operating expenses are increasing by 13.3% driven by inflationary and contractual increases, capital purchases including light and heavy-duty fleet, and ERP implementation
- The proposed FY 2024 Budget results in a total airline revenue decrease of 10.5% compared to the prior year's budget
- The DTW and YIP FY 2024-2028 CIPs continue to address airfield, facility and infrastructure improvement projects

The Wayne County Airport Authority's consolidated budget is attached for your review and consideration. We respectfully request approval of the Fiscal Year 2024 Recommended Budget on November 29, 2023.

Concur:

A handwritten signature in blue ink that reads "Chad Newton".

Chad Newton, Chief Executive Officer

Wayne County Airport Authority
FY 2024 Consolidated Operating Budget
(\$ in thousands)

	Detroit Metropolitan Airport	Willow Run Airport	Authority Total
Revenues			
Airline Revenues			
Landing Fees	\$ 39,633	\$ 1,250	\$ 40,883
Airline Rent	106,273	169	106,442
Facility Use Fees	9,000	785	9,785
Total Airline Revenues	154,906	2,204	157,110
Non-Airline Revenues			
Parking	107,269	-	107,269
Car Rental	32,000	-	32,000
Concessions	42,500	-	42,500
Ground Transportation	9,110	-	9,110
Shuttle Bus	3,500	-	3,500
Utility Service Fee	4,940	110	5,050
Non-Airline Rent	5,110	460	5,570
Other Revenues	4,332	84	4,416
Charges For Services	4,086	1,000	5,086
Hotel Revenues	36,544	-	36,544
Total Non-Airline Revenues	249,390	1,654	251,044
Non-Operating Revenues			
Grants	50,400	-	50,400
Interest Income	4,896	40	4,936
Total Non-Operating Revenues	55,296	40	55,336
Total Revenues	\$ 459,592	\$ 3,898	\$ 463,490
Expenses			
Operating Expenses			
Salaries & Wages	\$ 66,500	\$ 395	\$ 66,895
Employee Benefits	33,900	208	34,108
Materials & Supplies	14,629	212	14,841
Parking Management	9,138	-	9,138
Shuttle Bus	13,520	-	13,520
Janitorial	23,348	20	23,368
Security	9,582	-	9,582
Contractual Services	37,382	2,235	39,617
Insurance	2,370	33	2,403
Utilities	24,000	360	24,360
Buildings & Grounds	24,238	530	24,768
Equipment Repair	24,882	302	25,184
Other Operating Expenses	6,565	51	6,615
O&M Capital	15,664	20	15,684
Hotel Expenses	21,578	-	21,578
Total Operating Expenses	327,298	4,365	331,663
Non-Operating Expenses			
Net Debt Service	104,799	-	104,799
Funding Requirements	18,000	(467)	17,533
Hotel Funding Requirements	9,495	-	9,495
Total Non-Operating Expenses	132,294	(467)	131,827
Total Expenses	\$ 459,592	\$ 3,898	\$ 463,490
Net Income/(Loss)	\$ -	\$ -	\$ -

Totals may not sum due to rounding

Detroit Metropolitan Airport Capital Improvement Plan - Fiscal Years 2024 - 2028

Item No.	Project Description	Estimated Total Project Cost	Projected Expenses to 12/31/23	Memo: Total 5 Year CIP Expenditures \$ 1,289,515,000					FY 2029 to Completion
				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Airfield									
1	Taxiway K Reconstruction	\$ 83,175,000	\$ 190,000	\$ 500,000	\$ 2,500,000	\$ 27,300,000	\$ 26,300,000	\$ 26,385,000	\$ -
2	Taxiway Z Reconstruction & Relocation of Southern Portion including Jug Handle	23,000,000	-	-	400,000	1,600,000	21,000,000	-	-
3	McNamara Terminal Apron Rehabilitation - Phase 2: Gates B1 through B21, C1 through C27, A74 through A78	50,500,000	38,500,000	12,000,000	-	-	-	-	-
4	McNamara Terminal Apron Rehabilitation - Phase 3: Taxilane U9 West of Gates A4 through A24, Associated Taxiway, Taxilane, Service Road and Gate Apron	57,100,000	1,600,000	55,500,000	-	-	-	-	-
5	McNamara Terminal Apron Rehabilitation - Phase 4: Taxilane U9 West of Gates A28 through A60, Associated Taxiway, Taxilane, Service Road and Gate Apron	56,000,000	-	5,000,000	51,000,000	-	-	-	-
6	McNamara Terminal Apron Rehabilitation - Phase 5: Gates C2 through C36, Gate Apron, Associated Taxiway, Taxilane and Service Road	46,000,000	-	-	2,500,000	43,500,000	-	-	-
7	McNamara Terminal Apron Rehabilitation - Phase 6: Gates B2 through B20 and Runway 4R De-ice Pad, Gate Apron, Associated Taxiway, Taxilane and Service Road	46,000,000	-	-	-	2,500,000	43,500,000	-	-
8	McNamara Terminal Apron Rehabilitation - Phase 7: Gates A43 through A75 Gate Apron, Associated Taxiway, Taxilane and Service Road	74,300,000	-	-	-	3,000,000	3,300,000	68,000,000	-
9	Westin Hotel Apron & Tunnel Repairs	10,000,000	600,000	1,200,000	8,200,000	-	-	-	-
10	Runway 9L/27R - Reconstruction Associated with Dingell Tunnel Project	12,000,000	200,000	500,000	11,300,000	-	-	-	-
11	Runway 9R/27L & Associated Taxiways Reconstruction	150,000,000	800,000	4,000,000	4,200,000	141,000,000	-	-	-
12	Evans Terminal Apron Remain Overnight Parking & Taxilane West of Delta Hangars	22,240,000	-	-	-	-	1,000,000	21,240,000	-
13	3L De-ice Pad Reconstruction & Expansion	50,000,000	-	-	-	-	-	5,000,000	45,000,000
14	Airfield Service Road Pavement Repairs	<u>3,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Airfield Sub-Total	683,315,000	42,890,000	79,700,000	81,100,000	218,900,000	95,100,000	120,625,000	45,000,000
Power Plants & Electrical Distribution System									
15	Medium Voltage Transmission Lines for Primary Service to the North Campus & Airfield - Phase 2: Generator Upgrade & Powerhouse Switchgear	5,100,000	400,000	3,600,000	1,100,000	-	-	-	-
16	North Campus Electrical Distribution Loops 1, 2 & 3	22,700,000	15,700,000	7,000,000	-	-	-	-	-
17	Airfield Lighting Vault #2 Upgrade to Medium Voltage	5,000,000	-	500,000	4,500,000	-	-	-	-
18	South Power Plant Site Generators	10,000,000	-	-	-	-	500,000	9,500,000	-

Detroit Metropolitan Airport Capital Improvement Plan - Fiscal Years 2024 - 2028

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				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
19	Medium Voltage Conversion - Direct Feed from Powerhouse	4,000,000	600,000	2,700,000	700,000	-	-	-	-
Power Plants & Electrical Distribution System Sub-Total		46,800,000	16,700,000	13,800,000	6,300,000	-	500,000	9,500,000	-
Parking & Ground Transportation Facilities									
20	Big Blue Parking Deck Concrete Floor Repairs, Guardrails & Waterproofing	8,750,000	5,400,000	3,350,000	-	-	-	-	-
21	Big Blue Parking Deck Conveyance Modernizations	10,500,000	-	250,000	3,750,000	4,000,000	2,500,000	-	-
22	Evans Terminal Ground Transportation Center - Third Elevator & Escalator	1,750,000	-	150,000	800,000	800,000	-	-	-
23	Parking Lot Rehabilitation - Big Blue Parking Deck Exit Plaza & Oversize Vehicle Pathway	3,500,000	150,000	3,350,000	-	-	-	-	-
24	Parking Guidance System	10,000,000	-	5,000,000	5,000,000	-	-	-	-
25	McNamara Parking Deck Concrete Wall Restoration	37,000,000	2,000,000	500,000	3,000,000	4,000,000	4,000,000	5,000,000	18,500,000
26	McNamara Parking Deck Interior Rehabilitation & Drain Piping Replacement	13,800,000	1,000,000	4,300,000	4,200,000	4,300,000	-	-	-
27	McNamara Parking Deck Ground Transportation Center Rehabilitation & Stair Curtain Wall Repairs	9,000,000	-	-	-	750,000	8,250,000	-	-
28	McNamara Parking Deck 7th Floor Parking Area Recapture/ Restoration	1,200,000	-	1,200,000	-	-	-	-	-
29	McNamara Parking Deck Moving Walkway Removal	2,250,000	-	2,250,000	-	-	-	-	-
Parking & Ground Transportation Facilities Sub-Total		97,750,000	8,550,000	20,350,000	16,750,000	13,850,000	14,750,000	5,000,000	18,500,000
Bridges & Roadways									
30	Bridges & Roadways Rehabilitation - Rogell Drive, East Service Drive, Dingell Drive Southbound from Rogell Drive to North Tunnel	5,000,000	-	-	500,000	4,500,000	-	-	-
31	Bridges & Roadways Rehabilitation - Dingell Drive from McNamara Terminal to Middle Tunnel	45,000,000	7,000,000	12,500,000	13,000,000	12,500,000	-	-	-
32	Tunnel Rehabilitation - South Tunnel	31,000,000	10,000,000	6,900,000	7,200,000	6,900,000	-	-	-
33	Tunnel Rehabilitation - North Tunnel & Middle Tunnel	24,000,000	4,200,000	6,500,000	6,800,000	6,500,000	-	-	-
34	Tunnel Rehabilitation - Drain & Storm Sewer Replacement	74,500,000	500,000	-	35,000,000	39,000,000	-	-	-
35	Rogell Drive to Dingell Drive Connector	21,000,000	-	-	1,000,000	20,000,000	-	-	-
Bridges & Roadways Sub-Total		200,500,000	21,700,000	25,900,000	63,500,000	89,400,000	-	-	-

Detroit Metropolitan Airport Capital Improvement Plan - Fiscal Years 2024 - 2028

Item No.	Project Description	Estimated Total Project Cost	Projected Expenses to 12/31/23	Memo: Total 5 Year CIP Expenditures \$ 1,289,515,000					FY 2029 to Completion
				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Security & Communications									
36	Security System & Network Upgrades - Phase 2: Fiber from Node 2 to Building 610 & Node 1 to Checkpoint #1	9,670,000	7,570,000	2,100,000	-	-	-	-	-
37	Security System & Network Upgrades - Phase 3: Sensitive Security Rooms, Core & Edge Switches	6,000,000	300,000	2,000,000	3,700,000	-	-	-	-
Security & Communications Sub-Total		15,670,000	7,870,000	4,100,000	3,700,000	-	-	-	-
Support Facilities, Site Development & Demolitions									
38	Fire Training Facility Restoration & Burn Pit Replacement	13,500,000	200,000	-	4,000,000	9,300,000	-	-	-
39	Fire Station 100 Improvements	1,200,000	1,000,000	200,000	-	-	-	-	-
40	Snow Removal Equipment Storage & Maintenance Facilities	8,000,000	-	-	300,000	4,000,000	3,700,000	-	-
41	Ice Control Materials Storage Facilities	3,000,000	200,000	200,000	2,600,000	-	-	-	-
42	Roof Replacement Plan - Building 723 (FedEx), Building 351 (Nomads)	3,400,000	-	-	-	3,400,000	-	-	-
43	Roof Replacement Plan - Building 738B (Public Safety Training), Building 206 (Primary Electric House at Goddard/Wick Road), Building 467 (Stormwater Pump Station #1)	3,500,000	-	-	-	1,500,000	2,000,000	-	-
44	Rental Car Brand Consolidation Project	127,000,000	2,000,000	20,000,000	70,000,000	35,000,000	-	-	-
45	Demolition - Buildings 714, 714A & 714B	2,000,000	160,000	-	-	400,000	1,440,000	-	-
Support Facilities, Site Development & Demolitions Sub-Total		161,600,000	3,560,000	20,400,000	76,900,000	53,600,000	7,140,000	-	-
Terminals									
46	Evans Terminal - Pre-Conditioned Air Unit Replacement	7,250,000	1,750,000	5,500,000	-	-	-	-	-
47	Evans Terminal - Ground Power Unit Replacement	3,200,000	-	3,200,000	-	-	-	-	-
48	Evans Terminal - Terminal Refresh	30,420,000	2,420,000	7,000,000	6,000,000	15,000,000	-	-	-
49	McNamara Terminal, Evans Terminal & Hotel Roof Life Cycle Enhancements	3,000,000	1,700,000	1,300,000	-	-	-	-	-
50	McNamara Terminal - Security Camera Upgrades	7,000,000	1,000,000	6,000,000	-	-	-	-	-
51	McNamara Terminal - Terrazzo Replacement	3,500,000	-	-	500,000	750,000	750,000	750,000	750,000
52	McNamara Terminal - Jet Bridge Replacement	84,000,000	6,800,000	21,200,000	20,500,000	20,500,000	15,000,000	-	-
53	McNamara Terminal - Ramp Information Display System Replacement	1,300,000	-	-	1,300,000	-	-	-	-

Detroit Metropolitan Airport Capital Improvement Plan - Fiscal Years 2024 - 2028

Item No.	Project Description	Estimated Total Project Cost	Projected Expenses to 12/31/23	Memo: Total 5 Year CIP Expenditures \$ 1,289,515,000					FY 2029 to Completion
				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
54	McNamara Terminal - Bathroom Renovations (Above Wing)	41,000,000	3,500,000	18,000,000	16,500,000	3,000,000	-	-	-
55	McNamara Terminal - Passenger Tunnel Refurbishment	3,000,000	-	-	500,000	2,500,000	-	-	-
56	McNamara Terminal - Arrival & Departure Sliding Doors/Vestibule Rehabilitation	2,800,000	-	-	1,000,000	1,000,000	800,000	-	-
57	McNamara Terminal - Domestic Baggage Handling System Claim Units Rehabilitation	10,000,000	1,750,000	8,250,000	-	-	-	-	-
58	McNamara Terminal - International Baggage Handling System Claim Units Rehabilitation	5,000,000	1,750,000	3,250,000	-	-	-	-	-
59	McNamara Terminal - Baggage Handling System Computer Tomography X-Ray Recapitalization	20,000,000	1,000,000	1,500,000	15,500,000	1,000,000	1,000,000	-	-
60	McNamara Terminal - Moving Walkways/Escalators Rehabilitation	20,000,000	-	-	-	4,500,000	4,500,000	4,500,000	6,500,000
61	McNamara Terminal - Elevator Re-Cladding/Door Operator Replacement	3,000,000	-	-	-	750,000	750,000	750,000	750,000
62	McNamara Terminal - CDC - Port Health Station	3,500,000	-	750,000	2,750,000	-	-	-	-
Terminals Sub-Total		247,970,000	21,670,000	75,950,000	64,550,000	49,000,000	22,800,000	6,000,000	8,000,000
Water, Sanitary & Stormwater Systems									
63	Primary Pump & Switchgear Replacements	9,500,000	1,700,000	2,050,000	5,750,000	-	-	-	-
64	Water Main Replacement - Phase 2	3,400,000	700,000	2,700,000	-	-	-	-	-
65	Frank & Poet Drain Improvements	2,000,000	150,000	1,850,000	-	-	-	-	-
66	Pond 6 Improvements	5,000,000	2,500,000	2,500,000	-	-	-	-	-
67	Stormwater Forcemain - 3 East, 3 West, 4 Ponds	1,800,000	-	1,800,000	-	-	-	-	-
68	Stormwater Forcemain - East Side Site	27,000,000	14,100,000	12,900,000	-	-	-	-	-
Water, Sanitary & Stormwater Systems Sub-Total		48,700,000	19,150,000	23,800,000	5,750,000	-	-	-	-
Other Projects									
69	Noise Contour Map	800,000	-	800,000	-	-	-	-	-
Other Projects Sub-Total		800,000	-	800,000	-	-	-	-	-
Total Detroit Metropolitan Airport FY 2024 - 2028 CIP		\$ 1,503,105,000	\$ 142,090,000	\$ 264,800,000	\$ 318,550,000	\$ 424,750,000	\$ 140,290,000	\$ 141,125,000	\$ 71,500,000

All project expenses are estimates

Willow Run Airport Capital Improvement Plan - Fiscal Years 2024 - 2028

Item No.	Project Description	Estimated Total Project Cost	Projected Expenses to 12/31/23	Memo: Total 5 Year CIP \$91,389,000					FY 2029 to Completion
				FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	
Airfield									
1	New Taxiway Parallel East of Runway 5/23 - Construction	\$ 67,740,596	\$ 23,751,596	\$ 14,989,000	\$ 29,000,000	\$ -	\$ -	\$ -	\$ -
2	Taxiway Bravo South of former 5L/23R - Reconstruction	5,500,000	250,000	-	-	5,250,000	-	-	-
3	New Taxiway Foxtrot (East Ramp) - Design & Construction	11,750,000	-	-	1,500,000	-	10,250,000	-	-
	Airfield Sub-Total	84,990,596	24,001,596	14,989,000	30,500,000	5,250,000	10,250,000	-	-
Roadways									
4	South Perimeter Road Rehabilitation	15,000,000	-	1,500,000	13,500,000	-	-	-	-
	Roadways Sub-Total	15,000,000	-	1,500,000	13,500,000	-	-	-	-
Support Facilities									
5	Fire Station Addition & Replacement	4,400,000	-	500,000	-	-	400,000	-	3,500,000
	Support Facilities Sub-Total	4,400,000	-	500,000	-	-	400,000	-	3,500,000
Water, Sanitary & Stormwater Systems									
6	Stormwater System Upgrades - Taxiway Alpha	13,500,000	8,500,000	2,000,000	3,000,000	-	-	-	-
7	Water System Upgrades - West Side	5,000,000	-	3,500,000	1,500,000	-	-	-	-
8	Stormwater System Upgrades - East Side	5,000,000	500,000	-	4,500,000	-	-	-	-
	Water, Sanitary & Stormwater Systems Sub-Total	23,500,000	9,000,000	5,500,000	9,000,000	-	-	-	-
Total Willow Run Airport FY 2024 - 2028 CIP		\$ 127,890,596	\$ 33,001,596	\$ 22,489,000	\$ 53,000,000	\$ 5,250,000	\$ 10,650,000	\$ -	\$ 3,500,000

All project expenses are estimates