

# Airport Feasibility Study

FINAL REPORT  
Executive Summary

## Analysis of Municipal Purchase of the Robertson Airport by the Town of Plainville

The logo for CIA (Civil Infrastructure Associates) features the letters 'CIA' in a bold, black, sans-serif font. A blue, wavy line is positioned below the letters, extending from the 'C' to the 'A'.

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## EXECUTIVE SUMMARY

Robertson Airport is located in Town of Plainville, Connecticut, and is currently owned by Tomasso Brothers, Inc, a privately-owned company based in New Britain, Connecticut. Tomasso Brothers, Inc. has expressed an interest in potentially selling the Airport to the Town. As such, the Town has conducted a feasibility study to investigate the potential municipal purchase of the Airport, with financial assistance from the Federal Aviation Administration (FAA) and Connecticut Department of Transportation (ConnDOT).

This study consisted of two phases which provided a detailed analysis of the costs and benefits associated with the potential purchase of Robertson Airport by the Town of Plainville. The findings and recommendations of this study were intended to provide the Town of Plainville with the necessary information to make a decision regarding the potential purchase of the Airport.

Phase I of this study included a review of various physical, environmental, and financial considerations. As the Town chose to continue with the acquisition process based on the findings of Phase I, Phase II was conducted. Phase II included an in depth environmental testing and analysis program, the development of an Airport Layout Plan (ALP), and independent property appraisals to determine the Fair Market Value of the Airport and all facilities.

The existing airport property consists of approximately 57 acres. An additional 18 acres of adjacent property would be beneficial for airport use, and is also considered for acquisition to maximize the economic potential of the Airport, and provide opportunities for future development. This study overview is organized into the following sections:

- Overall Airport Evaluation
- Financial Feasibility Summary
- Recommended Airport Management Structure
- Property Appraisals
- Recommendation for Acquisition and Implementation

### *Overall Airport Evaluation*

As a privately-owned facility, Robertson Airport is well-maintained and has facilities rarely provided at similar small airports. In fact, Robertson Airport is perhaps one of the best equipped privately-owned airports in southern New England, in terms of both the existing airfield and landside facilities. With a paved runway of over 3,000 feet in length, a full-parallel taxiway, several hangars in good condition, a modern fuel farm, and abundant aircraft parking (tiedowns), the assets of Robertson Airport exceed that of many existing municipal facilities.

The study analysis included substantial review of the



existing airport facilities, current conditions, and development potential. It is noted that no additional facilities (e.g., offices) would be needed for the Airport to service as a Town of Plainville municipal facility. However, pavement maintenance is currently required and major airfield rehabilitation and safety improvements should be scheduled within the next five years.

The existing airport hangars and facilities are in good condition. Although each building will require regular maintenance and repairs, it is apparent that they were adequately constructed and maintained. The study also includes an evaluation and recommended layout for additional hangars and support facilities to increase the potential economic benefit to the Airport and Town.

#### *Financial Feasibility Summary*

The analysis evaluated the future financial conditions of the Airport under Town ownership. The analysis forecast potential airport revenues, expenditures, and expected capital improvement costs over the next 12 years. Under Town ownership, the financial analysis of Robertson Airport shows a positive net cash flow. This is primarily due to the facility containing numerous rentable facilities, limited operating expenses, and an active fleet of aircraft generating business activity and revenue. The table below highlights the results of the baseline or status quo financial analysis of the Airport (i.e., acquiring only the existing 57 acres of property).

<b>FINANCIAL FEASIBILITY ANALYSIS – BASELINE</b>			
<b>Revenue &amp; Expenditure</b>	<b>2008</b>	<b>2013</b>	<b>2018</b>
Total Revenue	\$205,695	\$241,655	\$267,470
Operating Expenditures	\$84,100	\$97,495	\$113,023
Capital Expenditures	\$0	\$12,035	\$13,952
Total Expenditures	\$84,100	\$109,530	\$126,975
<b>Net Cash Flow</b>	<b>\$121,595</b>	<b>\$132,125</b>	<b>\$140,494</b>
Lost Tax Levy	\$46,351	\$53,734	\$62,292
<b>Net Balance</b>	<b>\$75,244</b>	<b>\$78,392</b>	<b>\$78,202</b>

As shown above, the Airport is expected to generate revenues of approximately \$267,000 by 2018, with associated expenditures estimated at \$127,000. The projected net cash flow for the Airport is consistently positive over the entire planning period. When the loss of existing property tax revenue is considered, the financial forecast still projects a positive balance of over \$70,000 annually. The strategic growth scenario assumes additional growth in based aircraft, operations, and fuel sales, stimulated by additional aircraft storage facilities by acquiring additional 18 acres of adjacent property, resulting it approximately 75 acres. The projected net cash flow for the Airport under this scenario is also consistently positive. The following points summarize the relevant findings:

- Based on a number of assumptions, the acquisition of the Airport would have a positive annual net cash flow. As such, the financial analysis demonstrates that the Airport could be owned and operated by the Town without financial burden;

- However, acquisition of the Airport involves a degree of financial “risk” and is dependent on stability in aviation demand and assumes that a viable private airport operator will continue to manage the facility;
- The table above does not include the one-time cost to acquire the Airport. Based on the appraisals conducted for this study (see Section 5.4), the Town’s share of the 75 acre acquisition cost would be \$80,000 to \$90,000 (based on the final negotiated acquisition price).

#### *Recommended Airport Management Structure*

With the goal of minimizing expenses, if Robertson Airport was acquired by the Town of Plainville, private airport management is recommended by Interstate Aviation, the fixed base operator (FBO) that is currently performing this service. Management duties would be defined and incorporated in a lease agreement.

Nevertheless, the Town would still be required to oversee the management duties, implement airport projects, and retain oversight and responsibility for the airport facilities. Note that additional Town staffing was not incorporated into the financial analysis.

#### *Property Appraisals*

Two independent, primary appraisals were reviewed by Kerin & Fazio, LLC (KF) in September 2008 to determine a Fair Market Value. KF determined the Fair Market Value (FMV) of the 75 acres of property to be \$6,850,000. In the fall of 2008, the Town made official offers to the current property owners for all parcels in the amount of the FMV. Negotiation for the final purchase price is currently taking place (December 2008).

#### *Recommendation for Acquisition and Implementation*

The Town has expressed an interest in preserving the Airport for historical purposes as well as maintaining the local transportation infrastructure for general aviation. The study determined that acquisition was financially feasible under the identified circumstances. Based on the goal of preservation and the study’s findings, the Town chose to pursue acquisition of the Airport.

While the Town completed several steps as outlined below in the pursuit of acquisition; there are several additional activities necessary to complete the process. As stated above, the Town is currently negotiating the final purchase price with the property owners. Once a final price is agreed upon the final decision of whether to acquire the Airport will be made through a public referendum. If the town residents vote in favor of acquiring the Airport the Town will need to secure funding through the FAA and State and negotiate lease agreements with an FBO or airport management company. A potential acquisition schedule is listed below.

<b>IMPLEMENTATION PLAN</b>		
<b>Action Item</b>	<b>Completed Activity</b>	<b>Tentative Timeframe</b>
A	Complete Airport Study – Phase I	March 2007
B	Town determined to continue investigation of the acquisition of Robertson Airport	April 2007
C	Town applied for Phase II Study grant (from FAA)	June 2007
D	Conduct Phase II Study (Layout Plan and Appraisals)	Sept - Dec 2008
E	Official acquisition offer to current property owners	Fall 2008
<b>Future Activity</b>		
F	Negotiate / accept offer for property	January 2009
G	Public Referendum	Spring 2009
H	Secure funding for property acquisition, negotiate FBO/airport management lease agreement(s), & establish funding mechanisms, & purchase agreements	2009*
I	<b>Acquire Airport</b>	2009*

\*Based on the grant application process and available funding, the funding for acquisition may be available as early as Spring 2009.