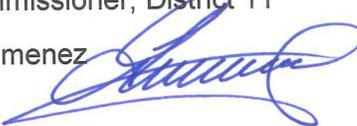


# Memorandum



**Date:** November 20, 2014

**To:** Honorable Commissioner Juan C. Zapata  
County Commissioner, District 11

**From:** Carlos A. Gimenez   
Mayor

**Subject:** Projected Concession Sales and Revenues for FY 2014-15

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This memorandum is provided in response to your question at the June 25, 2014 Finance Committee meeting regarding the budgeted revenue projections for commercial operations for FY 2014-15. Specifically, you requested the Miami-Dade Aviation Department (MDAD) provide an update on projected FY 2014-15 commercial operations revenue.

The FY 2014-15 proposed revenue for Commercial Operations Revenues is \$284 million. The FY 2013-14 figure was \$254 million.

Budgeted fuel farm revenues/fees are based on cost recovery. The two major cost components are operating costs, as provided by Allied, the Miami International Airport (MIA) fuel farm operator, and capital costs (i.e., debt service and asset amortization costs) as provided by MDAD. These two components are combined to calculate the fuel flowage fee so that the MIA air carriers only pay that amount. This fee is not a market-driven revenue source for MDAD. In FY 2015, the capital costs decreased because some of the fuel farm assets were fully amortized in FY 2014 and therefore dropped out of the calculation, thus reducing the cost recovery/revenue amount.

If you require further information regarding this matter, please contact MDAD Director Emilio González at 305-876-7077, or me directly.

**C:** Honorable Chairwoman Rebeca Sosa  
and Members, Board of County Commissioners  
Jack Osterholt, Deputy Mayor  
Emilio González, Miami-Dade Aviation Director