AVIATION

The Aviation Department operates two municipal airports: the Albuquerque International Sunport (Sunport) covers approximately 2,200 acres on Albuquerque's east side and Double Eagle II (DEII) Reliever Airport which covers approximately 4,500 acres on Albuquerque's west side.

The Albuquerque International Sunport is the largest and most active multimodal facility in the state and is an economic engine for New Mexico. The Sunport is classified as a medium hub airport by the Federal Aviation Administration (FAA) and is home to seven major commercial carriers, five affiliate and commuter airlines, and two air cargo airlines and affiliates. There are more than 5.8 million arriving and departing passengers that utilize the Sunport in a given year. The Sunport offers a consolidated rental car facility located on a 76-acre site approximately one-half mile west of the terminal. Currently, there are seven rental car companies that operate from the rental car facility. The facility is comprised of a customer service building, ready/return parking area, and service center facilities. Approximately 1.6 million passengers rent cars annually at this consolidated facility. The Sunport's original terminal building has been preserved and provides historic significance to the City of Albuquerque. The original terminal building has been listed on the National Historic Register, the State's Cultural Properties Register and is a City landmark. The original terminal is currently leased to the Transportation Security Administration (TSA). The City of Albuquerque Foreign Trade Zone (FTZ) has been relocated to the Sunport due to the synergistic possibilities between the air cargo and FTZ import/export advantages. The Sunport has a taxiway/runway partnership with Kirtland Air Force Base. In addition, the Sunport provides a variety of retail concessions, a diverse food and beverage program, as well as a nationally recognized art collection. The Aviation Department and terminal tenants employ in excess of 3,500 individuals.

Double Eagle II (DEII) is located on Albuquerque's growing west side. Based at this facility are an estimated 220 general aviation aircraft with approximately 70 thousand annual airfield operations comprised of training, military, air ambulance, charter, private, and corporate flights. The construction of the 80-foot Air Traffic Control Tower was completed in the 4th quarter of 2007 and was FAA certified in the fall of 2008. In addition to the robust general aviation activity, DEII is evolving into an aerospace industry cluster and as a future employment center for Albuquerque's west side. The creation of the Aerospace Technology Park at DEII provides a location for a leading-edge high-tech industry while promoting a clean, non-polluting environment for the community. As a general aviation reliever airport, DEII is a critical component of the Albuquerque Airport System.

MISSION

Provide safe, reliable, and functional facilities for the traveling public, the airlines, airport businesses, and other users of the Sunport and Double Eagle II airports.

Operating Fund Expenditures by Category ($000's)	UNAUDITED ACTUAL FY/10	ORIGINAL BUDGET FY/11	REVISED BUDGET FY/11	ESTIMATED ACTUAL FY/11	APPROVED BUDGET FY/12	APPR 12/ EST ACT 11 CHG
Personnel	15,659	17,043	17,043	16,239	17,496	1,257
Operating	71,257	40,645	40,667	42,534	38,056	(4,478)
Capital	0	0	0	0	0	0
Transfers	12,200	10,114	10,114	10,043	17,249	7,206
TOTAL	99,116	67,802	67,824	68,816	72,801	3,985
TOTAL FULL TIME POSITIONS	276	276	276	276	277	1

AVIATION

BUDGET HIGHLIGHTS

The approved FY/12 operating budget for the City's two airports including transfers for capital and debt service needs is $72.9 million which is an increase of $4.5 million, or 6.5%, from the original FY/11 budget of $68.4 million.

The FY/12 approved budget for operations is $27 million, an increase of $1.5 million from the FY/11 original budget of $25.5 million. This increase is the result of repairs and maintenance of the aging terminal and an increase in police overtime related to the upcoming election year. The FY/12 approved budget for management is $4.5 million, an increase of $800 thousand from the FY/11 original budget of $3.7 million. This includes one additional position previously budgeted in the City's Legal department and additional consulting expenditures related to the Voluntary Airport Low Emission grant applications.

The transfer to the Aviation capital fund is $14.5 million in FY/12. Current projects funded in the capital fund include existing Sunport terminal/concourse optimization and Double Eagle II infrastructure projects. A review of the department's 5-year capital plan identifies projects such as the Foreign Trade Zone site development, air cargo area expansion, general aviation aircraft parking ramp replacement at the Sunport, federal inspection station, and solar projects. These projects will commence as funding becomes available. Other funding sources into the Aviation Capital Fund include grants-in-aid from the FAA and passenger facility charges.

The FY/12 transfer to the Aviation Debt Service Fund is $25.5 million, a decrease of $5 million from the original FY/11 budget of $30.5 million. The approved budget for the Aviation Debt Service Fund is $25.4 million, a $4.5 million decrease from the FY/11 budget of $29.9 million. This decrease is the result of the recent pay off of commercial paper debt.

($000's)	UNAUDITED ACTUAL FY/10	ORIGINAL BUDGET FY/11	REVISED BUDGET FY/11	ESTIMATED ACTUAL FY/11	APPROVED BUDGET FY/12	APPR 12/ EST ACT 11 CHG
PROGRAM STRATEGY SUMMARY BY FUND AND GOAL:						
AIRPORT OPERATING FUND - 611						
GOAL 3: PUBLIC INFRASTRUCTURE						
Aviation Management & Professional Support	3,397	3,725	3,725	3,355	4,472	1,117
Airport Operations, Maintenance & Security	24,412	25,482	25,504	25,134	27,031	1,897
Trfr from Fund 611 to Fund 613	10,000	7,250	7,250	7,250	14,450	7,200
Trfr from Fund 611 to Fund 615	31,700	30,500	30,500	30,500	25,500	(5,000)
Trfr from Fund 611 to Fund 110	1,349	1,406	1,406	1,406	1,435	29
Total Airport Operating Fund - 611	70,858	68,363	68,385	67,645	72,888	5,243
AIRPORT REVENUE BOND D/S FUND - 615						
GOAL 3: PUBLIC INFRASTRUCTURE						
Debt Service	59,958	29,939	29,939	31,671	25,413	(6,258)
TOTAL APPROPRIATIONS	130,816	98,302	98,324	99,316	98,301	(1,015)
Interdepartmental Adjustments	31,700	30,500	30,500	30,500	25,500	(5,000)
NET APPROPRIATIONS	99,116	67,802	67,824	68,816	72,801	3,985

AVIATION

REVENUE

Overall, revenues for FY/12 are expected to increase $4.5 million from the FY/11 estimated level of $70 million. Although year-over-year enplanements and deplanements continues to be relatively flat, amended and restated agreements with the airlines, new agreements with food and beverage and rental car agencies, a new public parking lot (credit card only), and an increase in the passenger facility charge all contribute to the increase in revenues. The department continues to closely monitor revenues as the economy continues to affect the airlines and travel in general.

Department Generated Fees for Service ($000's)	UNAUDITED ACTUAL FY/10	ORIGINAL BUDGET FY/11	ESTIMATED ACTUAL FY/11	APPROVED BUDGET FY/12	APPR 12/ EST ACT 11 CHG
Airfield	9,618	8,487	8,919	8,639	(280)
Passenger Facility Charge	7,444	7,441	7,400	11,400	4,000
Air Cargo Operations	2,172	1,952	2,125	1,897	(228)
General Aviation - AIA	2,311	2,175	2,094	2,087	(7)
General Aviation - DE II	185	175	204	204	0
Leased Sites	1,183	1,210	1,250	1,330	80
Concessions	12,172	12,269	12,178	13,088	910
Rent - Airlines	16,199	14,949	14,701	14,539	(162)
Airport Parking	7,805	9,360	8,668	9,536	868
Car Rental Facilities	9,511	10,020	9,978	10,009	31
U.S. Gov't Agencies	561	562	562	562	0
Special Security Service	530	494	530	564	34
Miscellaneous Revenue	326	202	254	245	(9)
Government Grants	200	201	150	200	50
Interest Earned	180	500	175	188	13

PERFORMANCE MEASURES

GOAL 3: PUBLIC INFRASTRUCTURE - Existing communities are adequately and efficiently served with well planned, coordinated, and maintained infrastructure. New development is efficiently integrated into existing infrastructures and that the costs are balanced with the revenues generated.

PROGRAM STRATEGY

AVIATION MANAGEMENT AND PROFESSIONAL SUPPORT - Provide the overall policy direction, leadership, administration, and supervision of Aviation assets and employees so that the Albuquerque community is served with an aviation infrastructure that meets its current and future transportation needs. Ensure that aviation services are ethically, efficiently, and effectively provided by motivated, competent employees. Ensure that aviation assets are maximized and leveraged to advance the economic vitality of the Albuquerque community.

Measure	Actual FY/09	Actual FY/10	Approved FY/11	Actual FY/11	Approved FY/12
DESIRED COMMUNITY CONDITION - Safe and affordable integrated transportation options meet the public's needs.					
Airline revenue per enplaned passenger	$8.85	$9.34	$8.80	$8.98	$8.93
Total revenue generated at DE II airport	$176,206	$184,458	$175,420	$205,404	$203,580
Non-airline revenue per enplaned passenger	$14.61	$15.00	$15.29	$15.12	$17.14

AIRPORT OPERATIONS, MAINTENANCE, AND SECURITY - Operate, maintain, and secure all Sunport and Double Eagle II facilities so that passengers have safe and satisfying traveling experiences. Ensure that aviation services are ethically, efficiently, and effectively provided by motivated, competent employees. Ensure that aviation assets are maximized and leveraged to advance the economic vitality of the Albuquerque community.

Measure	Actual FY/09	Actual FY/10	Approved FY/11	Actual FY/11	Approved FY/12
DESIRED COMMUNITY CONDITION - Safe and affordable integrated transportation options meet the public's needs.					
Landing Fees	$2.16	$2.45	$2.32	$2.30	$2.19
Airline costs per enplaned passenger	$8.34	$9.33	$8.62	$8.98	$8.66
Electrical costs for the airport system (Sunport and DE II)	1.901M	1.876M	1.673M	1.80M	2.112M

AVIATION

PRIOR YEAR ACCOMPLISHMENTS

Capital Projects

- Ongoing construction of the Terminal Optimization Program, which includes restroom renovations, installation of a building automation system, expansion of hold areas and restrooms on the concourse, construction of space for the new food and beverage concessions at the airport, and elevator and escalator replacement.
- Completed repaving of Sunport Boulevard.
- Completed construction of a new communication center.
- Completed the first phase of lighting modernization project.
- Completed the replacement of all automatic doors in the terminal and rental car facility.
- Completed phases 1 & 2 of the fire alarm system upgrade.

Sustainability

- Completed tracking solar electric charging station at the parking structure.
- Completed construction of the 440 kW VALE funded photovoltaic array at the parking structure.
- Continued airfield lighting upgrade to LED fixtures.

Double Eagle II

- Began relocation of the electrical vault.
- Received LEED Gold certification for the new airfield maintenance facility.

Information Technology

- Provided support and trouble shooting for the construction and move to the new access control offices and communication center.
- Upgrading communication rooms for the new shared tenant services system.
- Integrated new Zetron system into the communication center.

Public Information

- Met with numerous airlines at the annual Airports Council International Air Service event to discuss new and additional air service for Albuquerque
- Marketed and promoted projects and events, including the solar and terminal optimization projects.
- Launched Facebook and Twitter pages, aimed at creating new channels to communicate and interact with our customers.
- Published the first biannual newsletter in electronic form.
- Continued support of film industry by providing filming locations and secured the largest ever film contract for the Sunport, generating over $30,000 in revenue

Finance and Administration

- Submitted passenger facility charge #3 amendment to FAA.
- Maintained the Aa3 and A+ with the rating agencies.
- Successfully reduced operating expenses and lowered rates for airlines.
- Retired commercial paper program.
- Refunded 2001 Airport Revenue Bonds with a present value savings of $1,463,547.

PRIORITY OBJECTIVES

PUBLIC INFRASTRUCTURE GOAL: EXISTING COMMUNITIES ARE ADEQUATELY AND EFFICIENTLY SERVED WITH WELL PLANNED, COORDINATED, AND MAINTAINED INFRASTRUCTURE. NEW DEVELOPMENT IS EFFICIENTLY INTEGRATED INTO EXISTING INFRASTRUCTURES AND THAT THE COSTS ARE BALANCED WITH THE REVENUES GENERATED.

- OBJECTIVE 7. Begin design for Terminal Package II, which includes design for rehabilitation aging HVAC infrastructure, enlarge and modernize landside restrooms, and curbside improvements. Submit status report to the Mayor and City Council by the end of FY/12.