# AVIATION

The Aviation Department operates two municipal airports: 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 eight major commercial carriers, five affiliate and commuter airlines, and six freight service providers and affiliates. There are more than 6.0 million origin and destination 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 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/09 | ORIGINAL BUDGET FY/10 | REVISED BUDGET FY/10 | ESTIMATED ACTUAL FY/10 | APPROVED BUDGET FY/11 | APPR 11/ EST ACT 10 CHG |
|---|---|---|---|---|---|---|
| Personnel | 15,395 | 17,268 | 17,268 | 15,807 | 17,043 | 1,236 |
| Operating | 65,513 | 42,384 | 69,537 | 69,856 | 40,645 | (29,211) |
| Capital | 2 | 0 | 0 | 8 | 0 | (8) |
| Transfers | 15,781 | 12,940 | 12,940 | 12,753 | 10,114 | (2,639) |
| TOTAL | 96,691 | 72,592 | 99,745 | 98,424 | 67,802 | (30,622) |
| TOTAL FULL TIME POSITIONS | 276 | 276 | 276 | 276 | 276 | 0 |

## *BUDGET HIGHLIGHTS*

The approved FY/11 operating budget for the City's two airports including transfers for capital and debt service needs is $68.4 million which is a decrease of $4.6 million, or (6.3%), from the original FY/10 budget of $72.9 million. The transfer for capital is $7.3 million and the transfer for debt service is $30.5 million.

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The FY/11 approved budget for operations is $29.2 million, a decrease from the FY/10 original budget of $29.8 million. The approved FY/11 budget for the department is a relatively flat budget with the decrease of $559 thousand, the result of the city-wide savings plan.

The transfer to the Aviation capital fund is $7.3 million in FY/11. Current projects funded in the capital fund include existing Sunport terminal/concourse optimization, sustainability, parking structure enhancements, pavement improvements, elevator/escalator modernization, and general aviation ramp; Double Eagle II includes runway 4-22 and roadway rehabilitation. A review of the department's 5-year capital plan identifies projects such as the Foreign Trade Zone site development, aircraft parking ramp expansion, terminal roof replacement, and federal inspection station. 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/11 transfer to the Aviation Debt Service Fund is $30.5 million, a decrease of $1.2 million from the original FY/10 budget of $31.7 million. The approved budget for the Aviation Debt Service Fund is $29.9 million, a $1.4 million decrease from the FY/10 budget of $31.3 million. The decrease in FY/11 is attributed to refunding of the 1998 bonds and the retirement of the Series 2008D bonds.

| ($000's) | UNAUDITED ACTUAL FY/09 | ORIGINAL BUDGET FY/10 | REVISED BUDGET FY/10 | ESTIMATED ACTUAL FY/10 | APPROVED BUDGET FY/11 | APPR 11/ EST ACT 10 CHG |
|---|---|---|---|---|---|---|
| PROGRAM STRATEGY SUMMARY BY GOAL: | | | | | | |
| GOAL 3: PUBLIC INFRASTRUCTURE | | | | | | |
| AIRPORT OPERATING FUND - 611 | | | | | | |
| Aviation Management & Professional Support | 3,736 | 3,685 | 3,683 | 3,356 | 3,725 | 369 |
| Airport Operations, Maintenance & Security | 25,198 | 26,081 | 25,927 | 24,933 | 25,482 | 549 |
| Trfr from Fund 611 to Fund 613 | 12,800 | 10,000 | 10,000 | 10,000 | 7,250 | (2,750) |
| Trfr from Fund 611 to Fund 615 | 30,000 | 31,700 | 31,700 | 31,700 | 30,500 | (1,200) |
| Trfr from Fund 611 to Fund 110 | 1,325 | 1,460 | 1,460 | 1,460 | 1,406 | (54) |
| Total Airport Operating Fund – 611 | 73,059 | 72,926 | 72,770 | 71,449 | 68,363 | (3,086) |
| AIRPORT REVENUE BOND D/S FUND - 615 | | | | | | |
| Debt Service | 53,632 | 31,366 | 58,675 | 58,675 | 29,939 | (28,736) |
| TOTAL GOAL – 3 | 126,691 | 104,292 | 131,445 | 130,124 | 98,302 | (31,822) |
| TOTAL APPROPRIATIONS | 126,691 | 104,292 | 131,445 | 130,124 | 98,302 | (31,822) |
| Interdepartmental Adjustments | 30,000 | 31,700 | 31,700 | 31,700 | 30,500 | (1,200) |
| NET APPROPRIATIONS | 96,691 | 72,592 | 99,745 | 98,424 | 67,802 | (30,622) |

## *REVENUE*

Overall, revenues for FY/11 are expected to decrease $194 thousand from the FY/10 estimated level of $70.1 million. Almost all categories of revenues are expected to decline in FY/11. Contributing factors to this decrease include reduced flights departing and arriving at the Sunport, lower enplanements and deplanements and the economy as a whole. 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/09 | ORIGINAL BUDGET FY/10 | REVISED BUDGET FY/10 | ESTIMATED ACTUAL FY/10 | APPROVED BUDGET FY/11 | APPR 11/ EST ACT 10 CHG |
|---|---|---|---|---|---|---|
| Airfield | 9,264 | 7,883 | 7,883 | 9,030 | 8,487 | (543) |
| Passenger Facility Charge | 7,379 | 7,266 | 7,266 | 7,294 | 7,441 | 147 |
| Air Cargo Operations | 2,069 | 1,850 | 1,850 | 2,032 | 1,952 | (80) |
| General Aviation - AIA | 3,086 | 3,015 | 3,015 | 2,290 | 2,175 | (115) |
| General Aviation - DE II | 176 | 177 | 177 | 149 | 175 | 26 |
| Leased Sites | 1,317 | 1,270 | 1,270 | 1,210 | 1,210 | 0 |
| Concessions | 12,539 | 11,905 | 11,905 | 12,183 | 12,269 | 86 |

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| Department Generated Fees for Service ($000's) | UNAUDITED ACTUAL FY/09 | ORIGINAL BUDGET FY/10 | REVISED BUDGET FY/10 | ESTIMATED ACTUAL FY/10 | APPROVED BUDGET FY/11 | APPR 11/ EST ACT 10 CHG |
|---|---|---|---|---|---|---|
| Rent - Airlines | 14,630 | 14,223 | 14,223 | 15,968 | 14,949 | (1,019) |
| Airport Parking | 8,144 | 7,924 | 7,924 | 8,060 | 9,360 | 1,300 |
| Car Rental Facilities | 9,951 | 9,920 | 9,920 | 10,020 | 10,020 | 0 |
| U.S. Gov't Agencies | 545 | 559 | 559 | 562 | 562 | 0 |
| Special Security Service | 543 | 517 | 517 | 493 | 494 | 1 |
| Miscellaneous Revenue | 616 | 84 | 84 | 143 | 146 | 3 |
| Government Grants | 241 | 200 | 200 | 201 | 201 | 0 |
| Interest Earned | 600 | 500 | 500 | 500 | 500 | 0 |

## *PRIOR YEAR ACCOMPLISHMENTS*

**General Aviation/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, elevator and escalator replacement.
- Completed construction of terminal apron Phase II.
- Began construction of new communication center.
- Began lighting modernization project.
- Completed construction of new access control office.
- Began fire alarm system upgrade.
- Began distribution of shared tenant services network.

**Sustainability**

- Currently updating the airport system sustainability program.
- Installed motion sensor light switches and watt stoppers in administration offices.
- Purchased janitorial equipment with Active-Ion sanitizer technology.
- Custodial staff received firm certification from the Green Clean Institute.
- Completed photovoltaic array on two canopies at the parking structure.
- Began LED replacement of airfield lighting.
- Installed LED lighting test bed in parking structure.

**Double Eagle II**

- Completed acquisition of former Eclipse training facility which created a potential revenue generating lease facility.
- Completed construction of the Runway 4/22 and Taxiway A. Both are ARRA stimulus projects.
- Completed installation of security fencing.

**Information Technology**

- Implementation of the STS (Shared Tenant Services) project providing fiber network infrastructure and internet connectivity to multiple tenants at Sunport was completed.
- Installation and completion of the DEII fiber network and telephony system at the new airfield maintenance building.
- Installation of the CST solar kiosk information network, providing the public with real time data on the energy savings and carbon footprint reduction from the Sunport solar project was completed.
- Remodeled the access control office upgrading the communication lines.
- Upgraded the UPS system for I.T. servers, ensuring system up time is met.
- Upgraded the public Wi-Fi system to accommodate more concurrent users and provide faster Internet access.

# AVIATION

**Public Information**

- Conducted over 25 tours of the Sunport for schools, businesses and community organizations.

- Hosted 13 media events.
- Generated an average of 3 - 5 positive media stories per month.
- Aviation Department staff participated in several volunteer and charity events, including American Airlines Snowball Express, Heart Walk, Make a Difference Day and Job Shadow Day.
- Participated in numerous community outreach events and conferences, such as the State Aviation Conference and QJam, aimed at improving customer service and enhancing the image of the City of Albuquerque Aviation Department.
- Maintained customer service screens on terminal FIDS displays which reflect aviation related messages as well as City of Albuquerque and Aviation Department events.
- Provided "Sunport Serenades" which provide entertainment to travelers and showcase local music talent.
- Celebrated the 70th Anniversary of the Albuquerque International Sunport with a reception and the rededication of the tin work clock.

**Finance and Administration**

- Successfully amended Passenger Facility Charge #3.
- Maintained the Aa3 and A+ with the rating agencies.
- Successfully reduced operating expenses and lowered rates for airlines.
- Refunded 1998 Bond Series in concert with Treasury. Refunding was a net present value savings equaled to $2,925,948 for the Aviation Department.

## *PRIORITY OBJECTIVES*

**ENVIRONMENTAL PROTECTION and ENHANCEMENT:** PROTECT AND ENHANCE ALBUQUERQUE'S NATURAL ENVIRONMENTS - ITS MOUNTAINS, RIVER, BOSQUE, VOLCANOES, ARROYOS, AIR, AND WATER.

- OBJECTIVE 1. In support of the Sunport's sustainability management and renewable energy efforts, construct the capability for an additional 350 kilowatts at the Parking Structure canopies. Submit a report to the Mayor and City Council by the end of FY/11.

- OBJECTIVE 2. In support of the Sunport's sustainability management and renewable energy efforts, begin a study on a possible five megawatt photovoltaic array to be constructed on former South Yale landfill area on Sunport property. Submit a report to the Mayor and City Council by the end of FY/11.

**ECONOMIC VITALITY GOAL:** ACHIEVE A VITAL, DIVERSE, AND SUSTAINABLE ECONOMY IN WHICH BUSINESSES AND RESIDENTS HAVE OPPORTUNITIES FOR SUCCESS.

- OBJECTIVE 1. In collaboration with the Planning and Economic Development Departments, create an action plan for the development of ready certified sites at the Aerospace Technology Park at Double Eagle II and the Foreign Trade Zone at the Sunport so that when the economy improves the plan can be activated with minimal delay. Complete the action plan by the end of FY/11 and submit the plan in a report to the Mayor and City Council by the end of FY/11.