

# Addison Airport

## 1<sup>st</sup> Quarter Update – Fiscal Year 2022

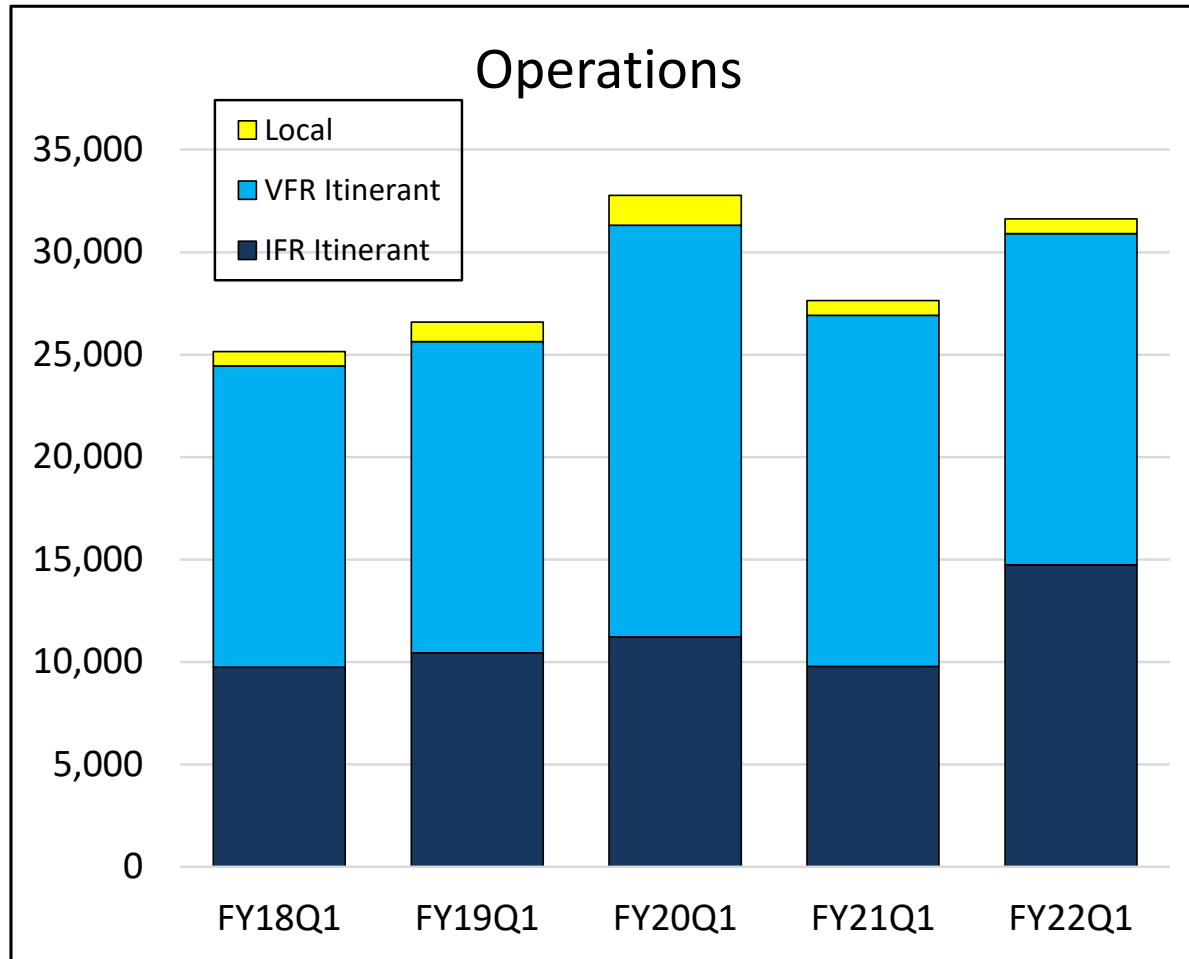
February 22, 2022



**ADDISON**

- **Statistics: FY22 Q1**
  - Aircraft Operations
  - International Operations
  - Fuel Flowage
  - Revenue
  - Real Estate Portfolio
- **Projects and Progress**





## Definitions

- An **Aircraft Operation** is either a takeoff or a landing
- **Local Operations** are typically aircraft remaining in the local traffic pattern
- **Itinerant Operations** are aircraft that arrive from outside the airport area or depart and leave the airport area
- VFR is “**Visual Flight Rules**” (looking out the windows)
- IFR is “**Instrument Flight Rules**” (relying on the flight instruments)

# FY22 Q1 Statistics – Aircraft Operations (con't.)

## Instrument (IFR) Operations

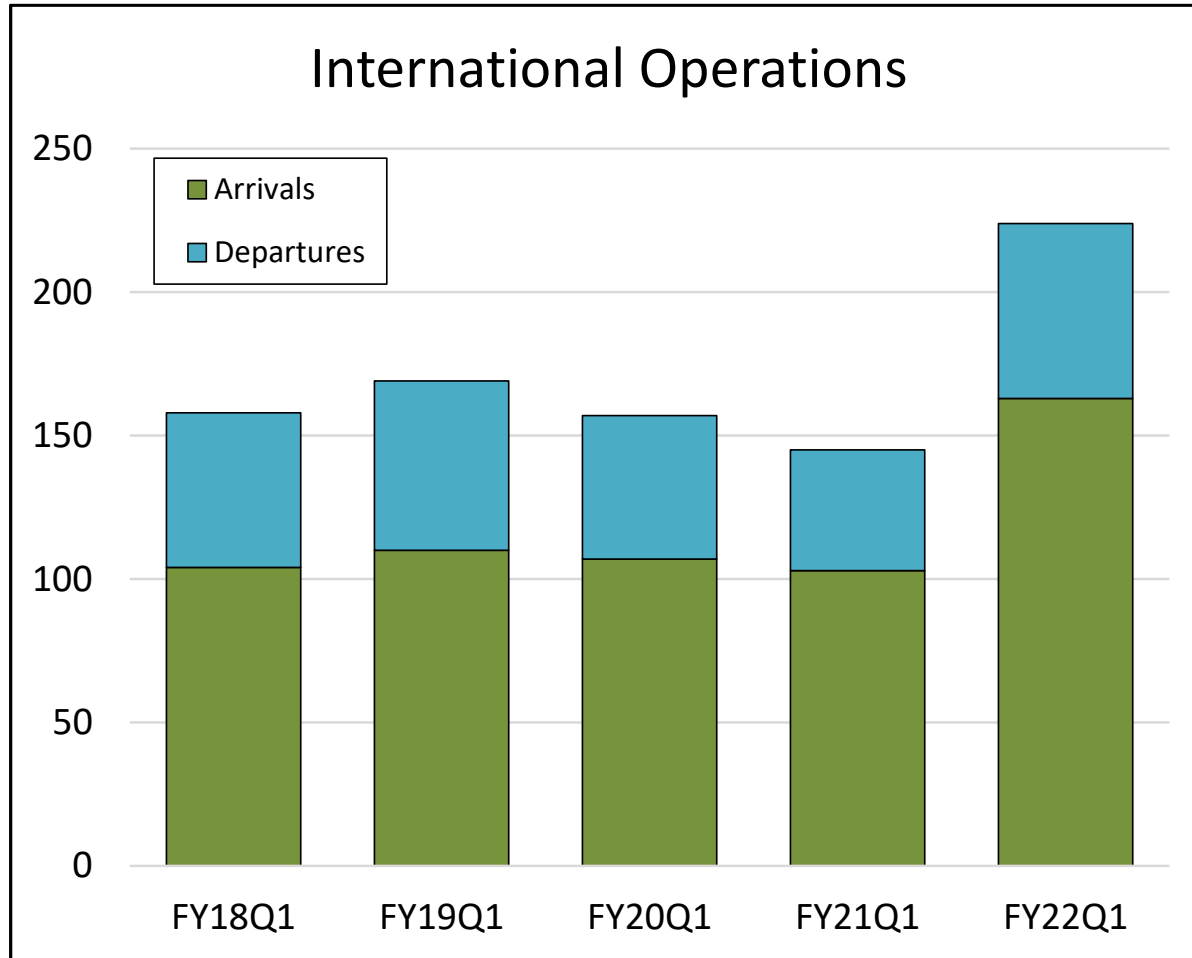
- Up 50.7% over Q1 of FY21
- Up 31.3% over Q1 of FY20

## Total Operations

- Up 14.4% over Q1 of FY21
- Down 3.5% from Q1 of FY20

		OPERATIONS				
		IFR Itin	VFR Itin	Local	TOTAL	
FY18	Q1					
		Oct-17	3,224	5,496	175	8,895
		Nov-17	3,663	4,766	317	8,746
		Dec-17	2,853	4,450	209	7,512
<b>TOTAL</b>		<b>9,740</b>	<b>14,712</b>	<b>701</b>	<b>25,153</b>	
FY19	Q1					
		Oct-18	3,935	4,573	469	8,977
		Nov-18	3,432	5,616	280	9,328
		Dec-18	3,080	4,989	220	8,289
<b>TOTAL</b>		<b>10,447</b>	<b>15,178</b>	<b>969</b>	<b>26,594</b>	
FY20	Q1					
		Oct-19	3,966	6,841	598	11,405
		Nov-19	3,617	6,592	358	10,567
		Dec-19	3,636	6,670	493	10,799
<b>TOTAL</b>		<b>11,219</b>	<b>20,103</b>	<b>1,449</b>	<b>32,771</b>	
FY21	Q1					
		Oct-20	3,580	6,055	283	9,918
		Nov-20	3,228	5,746	187	9,161
		Dec-20	2,968	5,338	261	8,567
<b>TOTAL</b>		<b>9,776</b>	<b>17,139</b>	<b>731</b>	<b>27,646</b>	
FY22	Q1					
		Oct-21	5,038	5,771	219	11,028
		Nov-21	5,050	5,993	308	11,351
		Dec-21	4,645	4,406	188	9,239
<b>TOTAL</b>		<b>14,733</b>	<b>16,170</b>	<b>715</b>	<b>31,618</b>	

# FY22 Q1 Statistics – International Operations



International operations are reported monthly to the airport by the CBP Officer assigned to Addison.

Not all aircraft are required to file notice with the CBP Officer at the departure airport for international departures, so the international departure counts provided to Addison by CBP are undercounts.

## International Arrivals

- Up 58.3% over Q1 FY21
- Up 52.3% over Q1 FY20

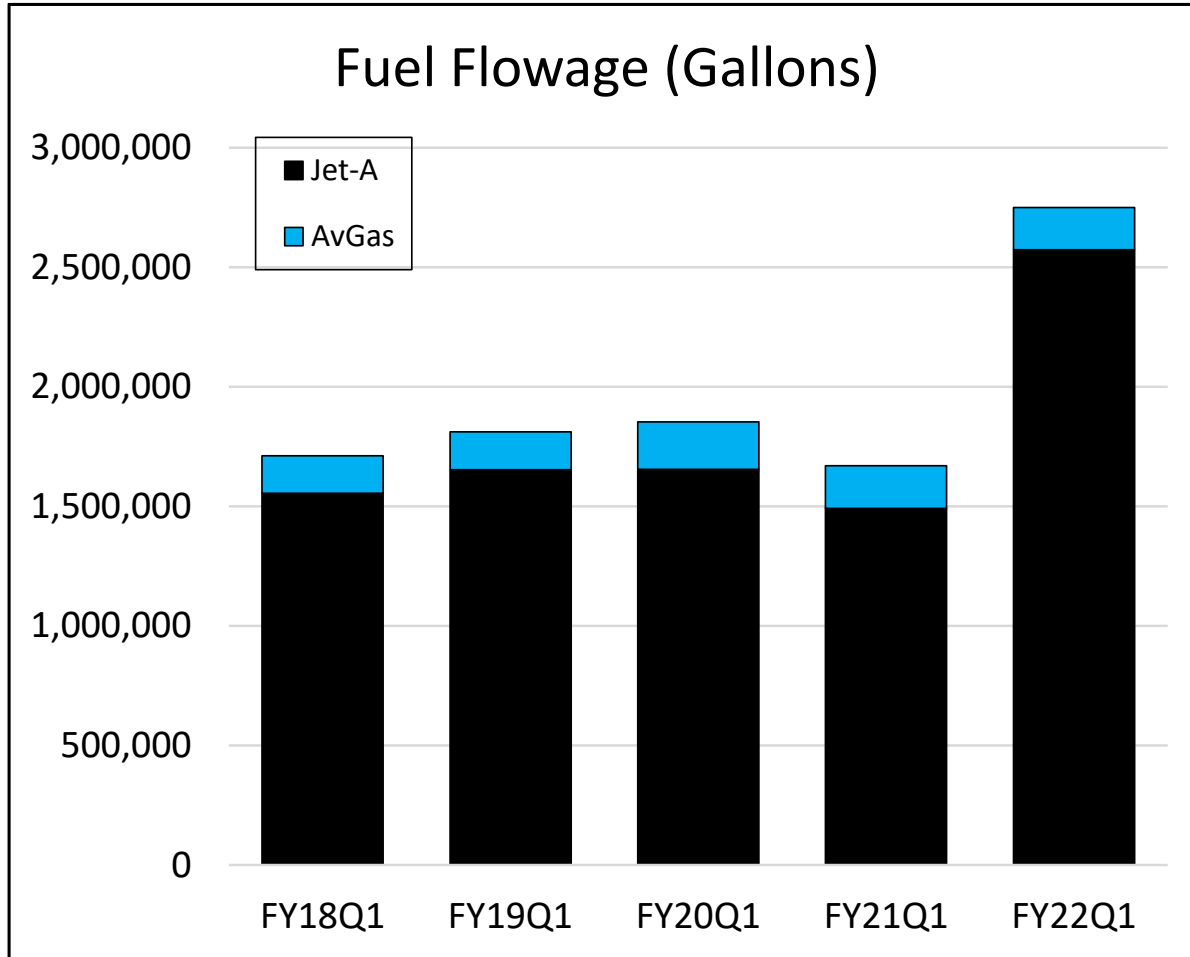
## International Departures\*

- Up 45.2% over Q1 of FY21
- Up 22.0% from Q1 of FY20

\* As noted on the previous slide, international departures are undercounted because certain types of operations are not required to file with CBP at the departure airport (although they are still required to file with CBP).

		International Operations		
		arrivals	departures	TOTAL
FY18 Q1	Oct-17	32	15	47
	Nov-17	33	14	47
	Dec-17	39	25	64
<b>TOTAL</b>		<b>104</b>	<b>54</b>	<b>158</b>
FY19 Q1	Oct-18	42	11	53
	Nov-18	39	22	61
	Dec-18	29	26	55
<b>TOTAL</b>		<b>110</b>	<b>59</b>	<b>169</b>
FY20 Q1	Oct-19	26	7	33
	Nov-19	38	21	59
	Dec-19	43	22	65
<b>TOTAL</b>		<b>107</b>	<b>50</b>	<b>157</b>
FY21 Q1	Oct-20	27	5	32
	Nov-20	43	16	59
	Dec-20	33	21	54
<b>TOTAL</b>		<b>103</b>	<b>42</b>	<b>145</b>
FY22 Q1	Oct-21	38	9	47
	Nov-21	61	23	84
	Dec-21	64	29	93
<b>TOTAL</b>		<b>163</b>	<b>61</b>	<b>224</b>

# FY22 Q1 Statistics – Fuel Flowage



**Jet-A** is the aviation fuel commonly used in the United States for most jet and turbo-prop aircraft.

**AvGas** – 100 octane Low Lead Aviation Gasoline – is the most widely used aviation fuel for piston-engine aircraft.

The airport collects flowage fees on aviation fuels delivered into the airport's bulk fuel storage facility:

- **FBOs** pay a fuel flowage fee of **\$0.14/gallon** received (for both Jet-A and AvGas).
- **'Non-public'** fuelers pay a fuel flowage fee of **\$0.22/gallon** received.

# FY22 Q1 Statistics – Fuel Flowage (con't.)

## Jet-A

- Up 72.6% over Q1 FY21
- Up 55.4% over Q1 FY20

## AvGas

- Down 1.0% from Q1 of FY21
- Down 11.2% from Q1 of FY20

## Total Fuel Flowage

- Up 64.7% over Q1 of FY21
- Up 48.3% over Q1 of FY20

		FUEL FLOWAGE (gallons)		
		Jet-A	AvGas	TOTAL
FY18 Q1	Oct-17	529,149	55,595	584,744
	Nov-17	552,450	51,038	603,488
	Dec-17	474,317	49,006	523,323
<b>TOTAL</b>		<b>1,555,916</b>	<b>155,639</b>	<b>1,711,555</b>
FY19 Q1	Oct-18	555,796	47,404	603,200
	Nov-18	560,580	60,950	621,530
	Dec-18	537,520	49,668	587,188
<b>TOTAL</b>		<b>1,653,896</b>	<b>158,022</b>	<b>1,811,918</b>
FY20 Q1	Oct-19	587,394	68,894	656,288
	Nov-19	497,326	65,126	562,452
	Dec-19	571,207	64,426	635,633
<b>TOTAL</b>		<b>1,655,927</b>	<b>198,446</b>	<b>1,854,373</b>
FY21 Q1	Oct-20	530,193	64,444	594,637
	Nov-20	447,146	56,798	503,944
	Dec-20	514,125	56,903	571,028
<b>TOTAL</b>		<b>1,491,464</b>	<b>178,145</b>	<b>1,669,609</b>
FY22 Q1	Oct-21	827,016	59,895	886,911
	Nov-21	889,557	55,886	945,443
	Dec-21	857,034	60,528	917,562
<b>TOTAL</b>		<b>2,573,607</b>	<b>176,309</b>	<b>2,749,916</b>

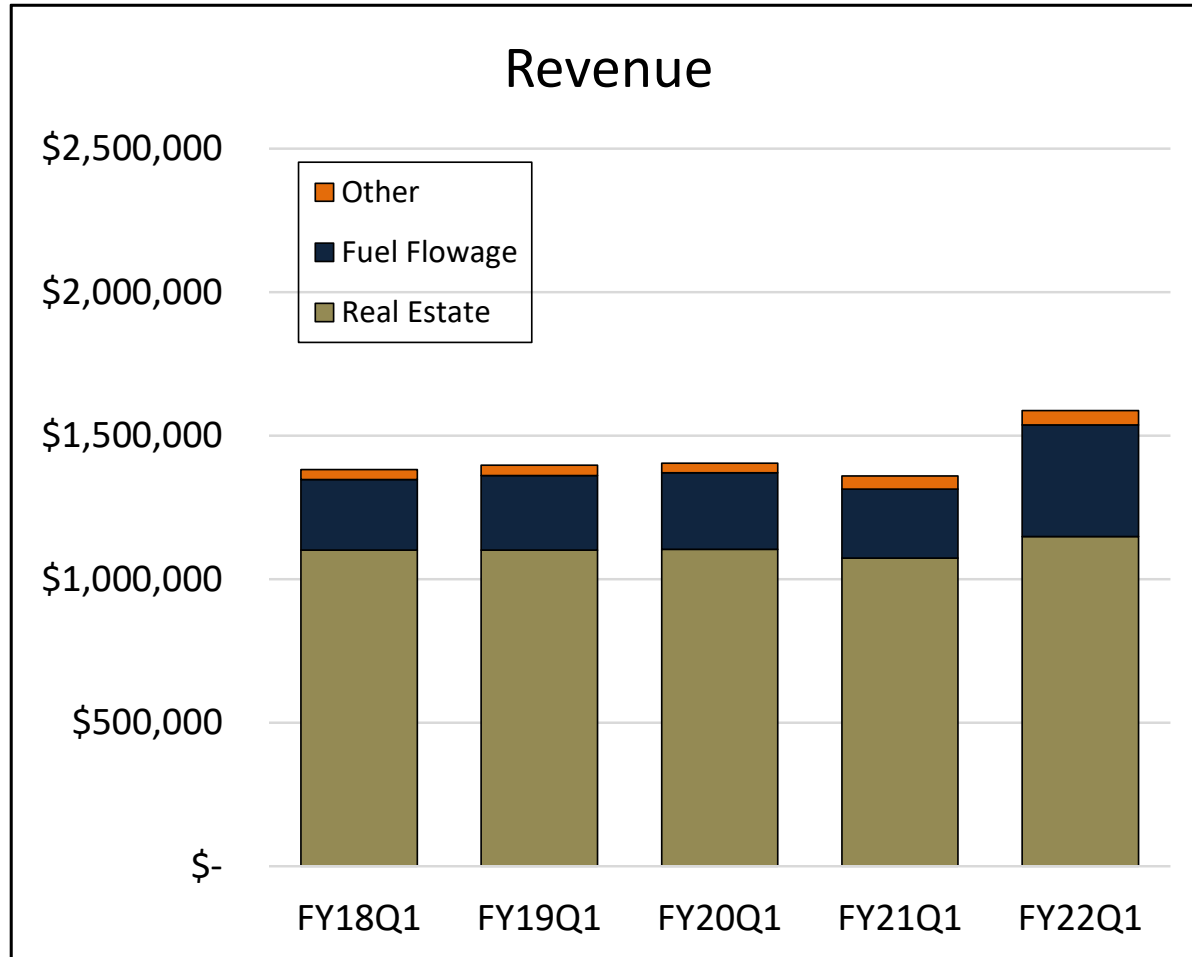
*Note: Runway 13L/31R at DAL closed beginning 4/27/2021; the resulting congestion at DAL has greatly benefitted ADS*



## Top Ten Highest Monthly Fuel Flowage Volumes Recorded at Addison Airport:

10.	APR 2002	821,438 gallons
9.	MAR 2005	821,611 gallons
8.	JUN 2000	836,281 gallons
7.	MAR 2002	842,902 gallons
6.	JUN 2002	849,441 gallons
5.	<b>OCT 2021</b>	<b>886,911 gallons</b>
4.	SEP 2005	898,550 gallons
3.	OCT 2005	906,075 gallons
2.	<b>DEC 2021</b>	<b>917,472 gallons</b>
1.	<b>NOV 2021</b>	<b>945,443 gallons</b>

# FY22 Q1 Statistics – Revenue



## Real Estate revenue includes:

- ground leases
- leases of airport-owned commercial hangars
- leases of airport-owned commercial office space and signs
- T-hangar and patio hangar leases
- aircraft tie-down / ramp space
- bulk fuel storage tank leases
- through-the-fence (“TTF”) access permit fees

## Fuel Flowage Fee revenue

- \$0.14/gallon for FBOs
- \$0.22/gallon for non-public fuelers
- based on gallons received at the bulk fuel storage facility (the “fuel farm”)

## ‘Other’ revenue includes:

- U.S. Customs and Regulated Garbage fees
- Utility billing pass-through
- Miscellaneous income

# FY22 Q1 Statistics – Revenue (con't.)

## Real Estate Revenue

- Up 6.9% over Q1 FY21
- Up 4.0% over Q1 FY20

## Fuel Flowage Fees

- Up 62.7% over Q1 of FY21
- Up 46.1% over Q1 of FY20

## Total Revenue

- Up 16.9% over Q1 of FY21
- Up 13.1% over Q1 of FY21

		REVENUE			
		Real Estate	FFF	Other	TOTAL
FY18 Q1	Oct-17	\$ 367,559	\$ 83,762	\$ 10,574	\$ 461,894
	Nov-17	\$ 367,157	\$ 85,961	\$ 10,950	\$ 464,068
	Dec-17	\$ 367,364	\$ 75,183	\$ 13,278	\$ 455,824
<b>TOTAL</b>		<b>\$1,102,079</b>	<b>\$244,906</b>	<b>\$ 34,802</b>	<b>\$1,381,787</b>
FY19 Q1	Oct-18	\$ 368,424	\$ 86,679	\$ 9,312	\$ 464,414
	Nov-18	\$ 364,526	\$ 88,931	\$ 11,661	\$ 465,118
	Dec-18	\$ 368,933	\$ 84,187	\$ 15,299	\$ 468,419
<b>TOTAL</b>		<b>\$1,101,882</b>	<b>\$259,797</b>	<b>\$ 36,272</b>	<b>\$1,397,951</b>
FY20 Q1	Oct-19	\$ 376,390	\$ 94,813	\$ 8,254	\$ 479,457
	Nov-19	\$ 371,814	\$ 80,343	\$ 14,462	\$ 466,619
	Dec-19	\$ 355,679	\$ 91,632	\$ 11,052	\$ 458,363
<b>TOTAL</b>		<b>\$1,103,882</b>	<b>\$266,788</b>	<b>\$ 33,769</b>	<b>\$1,404,439</b>
FY21 Q1	Oct-20	\$ 357,018	\$ 85,818	\$ 15,367	\$ 458,202
	Nov-20	\$ 356,194	\$ 71,252	\$ 16,597	\$ 444,043
	Dec-20	\$ 360,755	\$ 82,548	\$ 13,621	\$ 456,924
<b>TOTAL</b>		<b>\$1,073,967</b>	<b>\$239,617</b>	<b>\$ 45,585</b>	<b>\$1,359,169</b>
FY22 Q1	Oct-21	\$ 405,661	\$126,083	\$ 18,093	\$ 549,837
	Nov-21	\$ 364,559	\$134,318	\$ 10,780	\$ 509,657
	Dec-21	\$ 377,826	\$129,442	\$ 21,518	\$ 528,786
<b>TOTAL</b>		<b>\$1,148,045</b>	<b>\$389,843</b>	<b>\$ 50,391</b>	<b>\$1,588,280</b>

# FY22 Q1 Statistics – Real Estate Portfolio

## Addison Airport Q1 FY To Date 2022

Property Type / Description	Number of Properties	Number of Units	Vacancies	Leased %	Q1 FY To Date 2022 Revenue	% of Total Revenue
<b>Ground Leased</b>						
Ground Leased	34	34	0	100%	\$570,778	37%
<b>Total Ground Leased</b>	<b>34</b>	<b>34</b>	<b>0</b>	<b>100%</b>	<b>\$570,778</b>	<b>37%</b>
<b>Town / Airport Owned</b>						
Jet/Commercial/Sign	16	62	4	94%	\$270,508	18%
T-Hangar	9	99	0	100%	\$181,645	12%
Patio Hangar	3	47	0	100%	\$42,417	3%
Tie-Downs	1	2	0	100%	\$7,875	1%
Vacant / Unimproved Land	10	10	-	-	\$0	0%
Fuel Farm	1	16	0	100%	\$38,863	3%
<b>Total Town / Airport Owned</b>	<b>40</b>	<b>236</b>	<b>4</b>	<b>98%</b>	<b>\$541,308</b>	<b>35%</b>
<b>Airport Real Estate Totals</b>	<b>74</b>	<b>270</b>	<b>4</b>	<b>99%</b>	<b>\$1,112,086</b>	<b>72%</b>
Access Permits	2	16	-	-	\$0	0%
<b>Portfolio Total</b>	<b>76</b>	<b>286</b>	<b>4</b>	<b>-</b>	<b>\$1,112,086</b>	<b>72%</b>
Non-Real Estate Revenue					\$432,613	28%
<b>Q1 FY To Date 2022 Revenue Totals</b>					<b>\$1,544,699</b>	<b>100%</b>
<b>Annualized Revenue</b>					<b>\$6,178,797</b>	<b>99%</b>
<b>Annualized Budgeted Revenue</b>					<b>\$6,255,362</b>	

# FY22 Q1 Statistics – Real Estate Portfolio

## Addison Airport Q1 FY To Date 2022 Economic Occupancy

Property Type / Description	Q1 FY To Date 2022 Budget	Q1 FY To Date 2022 Revenue	Economic Occ. %
<b>Ground Leased</b>			
Ground Leased	\$691,930	\$570,778	82%
<b>Total Ground Leased</b>	<b>\$691,930</b>	<b>\$570,778</b>	<b>82%</b>
<b>Town / Airport Owned</b>			
Jet/Commercial/Sign	\$253,652	\$270,508	107%
T-Hangar	\$185,003	\$181,645	98%
Patio Hangar	\$41,525	\$42,417	102%
Tie-Downs	\$0	\$7,875	0%
Vacant / Unimproved Land	\$0	\$0	0%
Fuel Farm	\$49,211	\$38,863	79%
<b>Total Town / Airport Owned</b>	<b>\$529,391</b>	<b>\$541,308</b>	<b>102%</b>
<b>Airport Real Estate Totals</b>	<b>\$1,221,321</b>	<b>\$1,112,086</b>	<b>91%</b>
Access Permits	\$0	\$0	0%
<b>Portfolio Total</b>	<b>\$1,221,321</b>	<b>\$1,112,086</b>	<b>91%</b>
Non-Real Estate Revenue	\$342,519	\$432,613	126%
<b>Q1 FY To Date 2022 Revenue Totals</b>	<b>\$1,563,840</b>	<b>\$1,544,699</b>	<b>99%</b>

- Three ground leases reverted to airport control in the first quarter of FY2022, reducing the ground lease count from 37 to 34.
- Two of the expiring ground leases converted to commercial hangar leases; the third was for a through-the-fence access ramp.
- Ground Lease and Fuel Farm revenues were below budget for the first quarter because Galaxy FBO was projected to begin operations (along with ground lease and fuel tank lease payments) beginning in October 2021.
- While Galaxy FBO is now projected to begin operations in April 2022, per terms of their ground lease “Additional Rent” payments were invoiced (in arrears, at the start of January) beginning December 1, 2021.



# Addison Airport – Projects and Progress

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## Customs & Border Protection (CBP) and Airport Administration Offices

- Airport staff occupied the 2<sup>nd</sup> floor at the end of April 2021 (with 2<sup>nd</sup> floor substantially complete).
- First floor substantially completed on October 15; security and access controls for CBP to be completed by January 31, 2022.
- CBP occupied 1<sup>st</sup> floor the week of February 1, 2022.
- Monument sign to be installed in March 2022.



# Addison Airport – Projects and Progress

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## Galaxy FBO

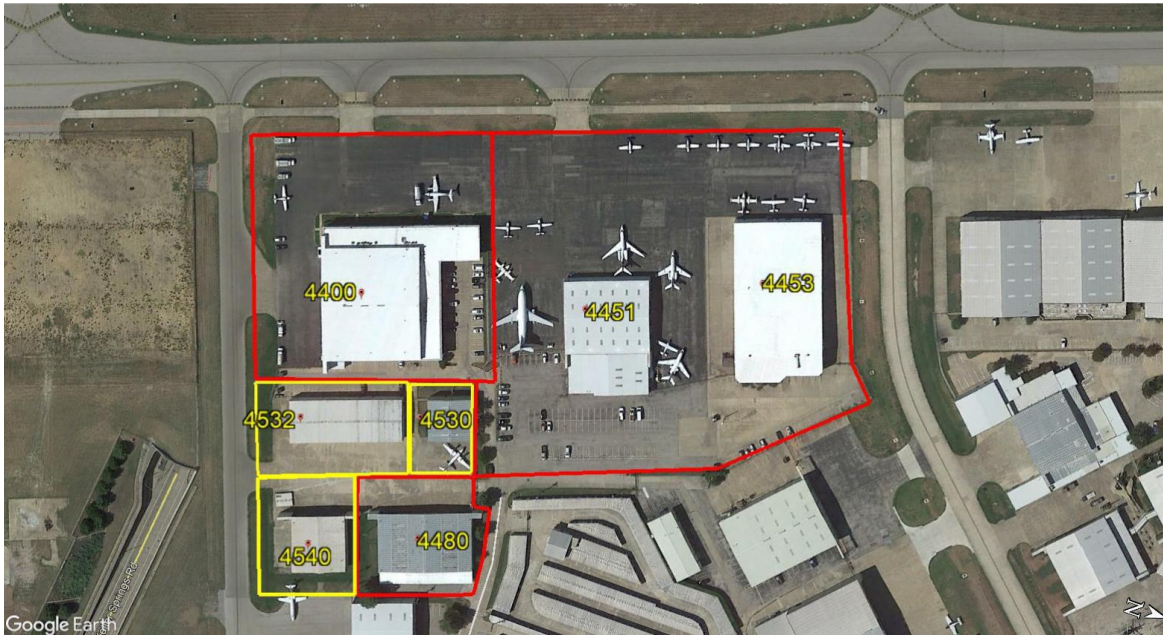
- \$1 million lease pre-payment received July 2019
- Construction commenced December 2019
- Substantial completion with initial operations is expected to occur in April 2022
- “Additional Rent” payments began December 1, 2021, with billings in arrears (rent for December billed in January)





## Atlantic Aviation FBO

- New ground lease approved by Council on August 11, 2020; three extensions of lease term tied to capital investments totaling a minimum of \$14 Million.
- Atlantic Aviation acquired by Kohlberg Kravis Roberts (KKR) from Macquarie Infrastructure Corporation for \$4.475 Billion; sale closed on September 24, 2021.



- Ameristar has moved out of Hangar 2 (4451 Glenn Curtiss Drive).
- Demolition of Hangar 2 and construction of a new hangar to be completed by four years after lease commencement date (minimum \$6 Million capital investment).
- Atlantic is still in the plan development phase for the new hangar.

## Pending Projects – Airport Improvement Program (AIP) Grants

- Runway and taxiway pavement preservation and runway re-designation
  - FY21 AIP grant; original amount was \$1,475,000; reduced to \$1,031,020 based on bids received.
  - Project includes crack sealing on runway, Taxiway Alpha, and connecting taxiways.
  - Project also includes runway designation change, from 15-33 to 16-34, with replacement of airfield guidance sign panels and addition of (thermoplastic) surface-painted holding position signs.
  - The project has been postponed until spring, as the products cannot be applied in cold weather.
  - Runway designation will officially change to 16-34 with the May 19, 2022, FAA chart publication.
- Design for Taxiway Bravo extensions
  - FY21 AIP grant in the amount of \$805,000 (90% FAA, 10% local match)
  - Engineering consultant selection RFQ advertised January 6, 2022; responses due February 2, 2022.
  - Five responses to RFQ received; review in progress, TX-DOT requested ranking by February 25, 2022
- Construction of Taxiway Bravo extensions and west side service road (first phase)
  - FY22 AIP grant, estimated amount of \$7.5 Million (90% FAA funds, with 10% local match).
  - TX-DOT will request local matching funds after bids are received (estimated match: \$1,440,400).



# Addison Airport Quarterly Update – Questions?

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