

Addison Airport

1st Quarter Update – Fiscal Year 2023

February 13, 2023

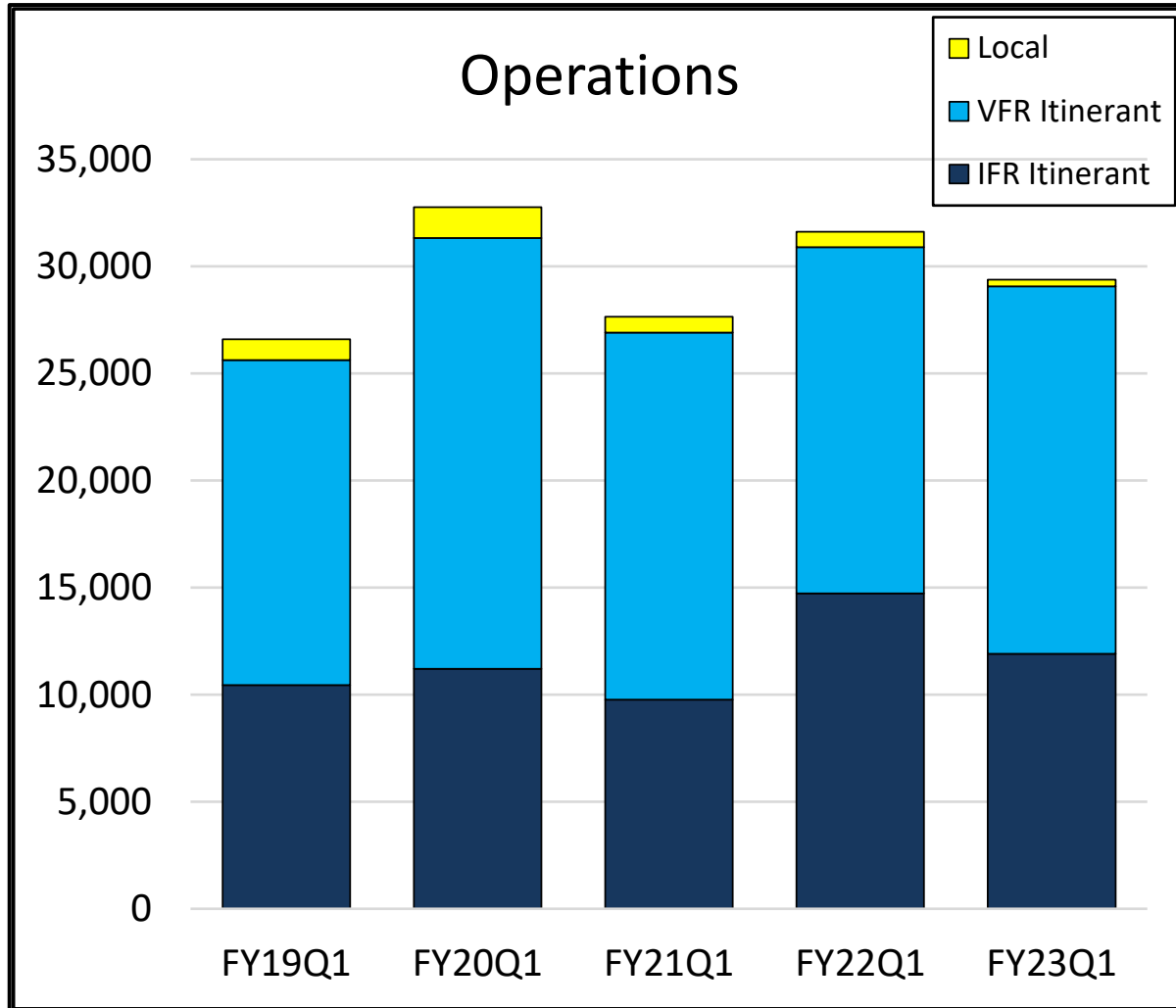
The logo for Addison Airport, featuring the word "ADDISON" in blue capital letters inside a white circle, which is set against a blue background with a white diagonal line.

ADDISON

- **Statistics: FY23 Q1**
 - Aircraft Operations
 - International Operations
 - Fuel Flowage
 - Revenue
 - Real Estate Portfolio
- **Projects and Progress**



FY23 Q1 Statistics – Aircraft Operations



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)

FY23 Q1 Statistics – Aircraft Operations (con't.)

Instrument (IFR) Operations

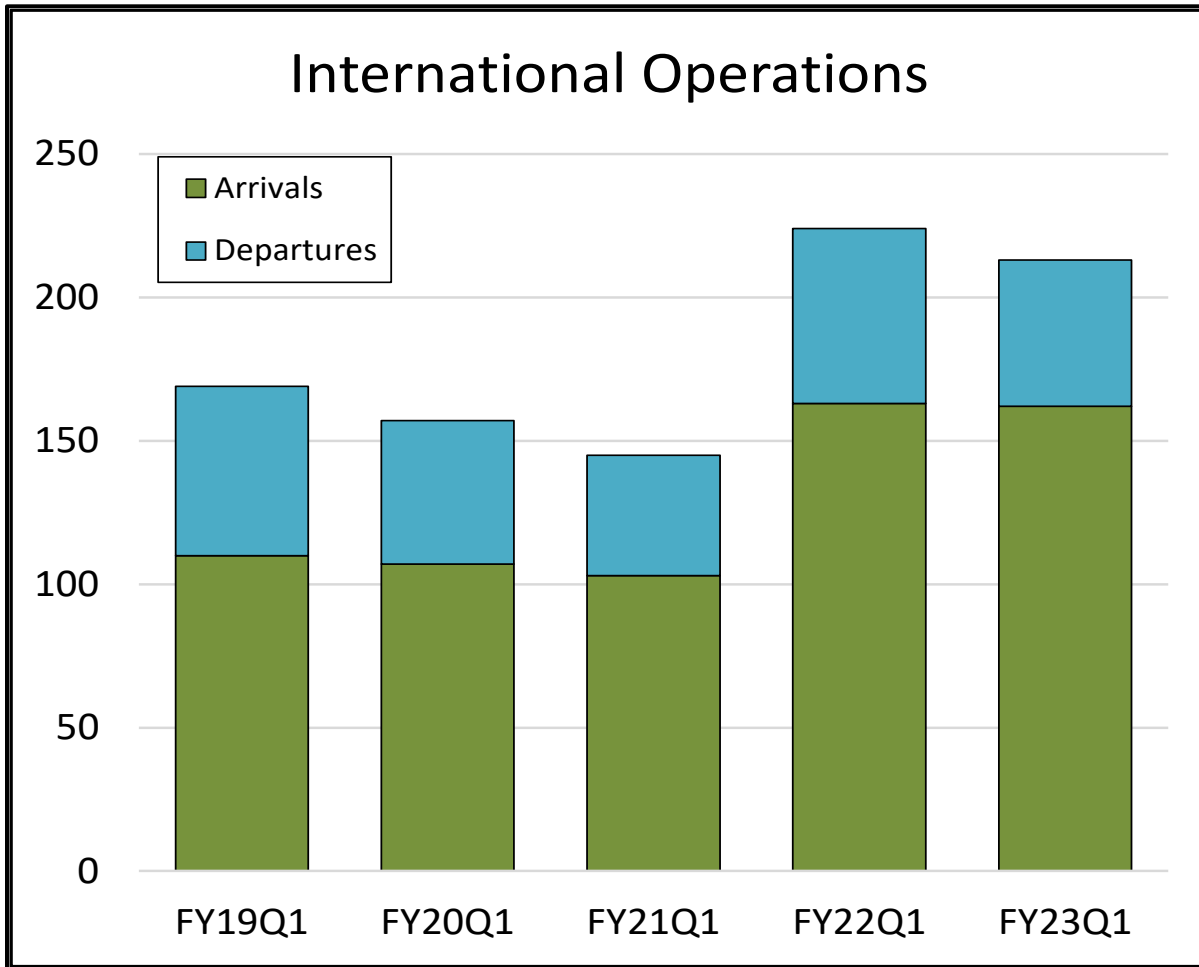
- Down 19.1% from Q1 of FY22
- Up 21.9% over Q1 of FY21

Total Operations

- Down 7.1% from Q1 of FY22
- Up 6.3% over Q1 of FY21

		OPERATIONS			
		IFR Itin	VFR Itin	Local	TOTAL
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
TOTAL		10,447	15,178	969	26,594
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
TOTAL		11,219	20,103	1,449	32,771
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
TOTAL		9,776	17,139	731	27,646
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
TOTAL		14,733	16,170	715	31,618
FY23 Q1	Oct-22	4,022	6,894	158	11,074
	Nov-22	4,112	5,229	88	9,429
	Dec-22	3,785	5,030	58	8,873
TOTAL		11,919	17,153	304	29,376

FY23 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 generally undercounts.

International Arrivals

- Down 0.6% from Q1 FY22
- Up 57.3% over Q1 FY21

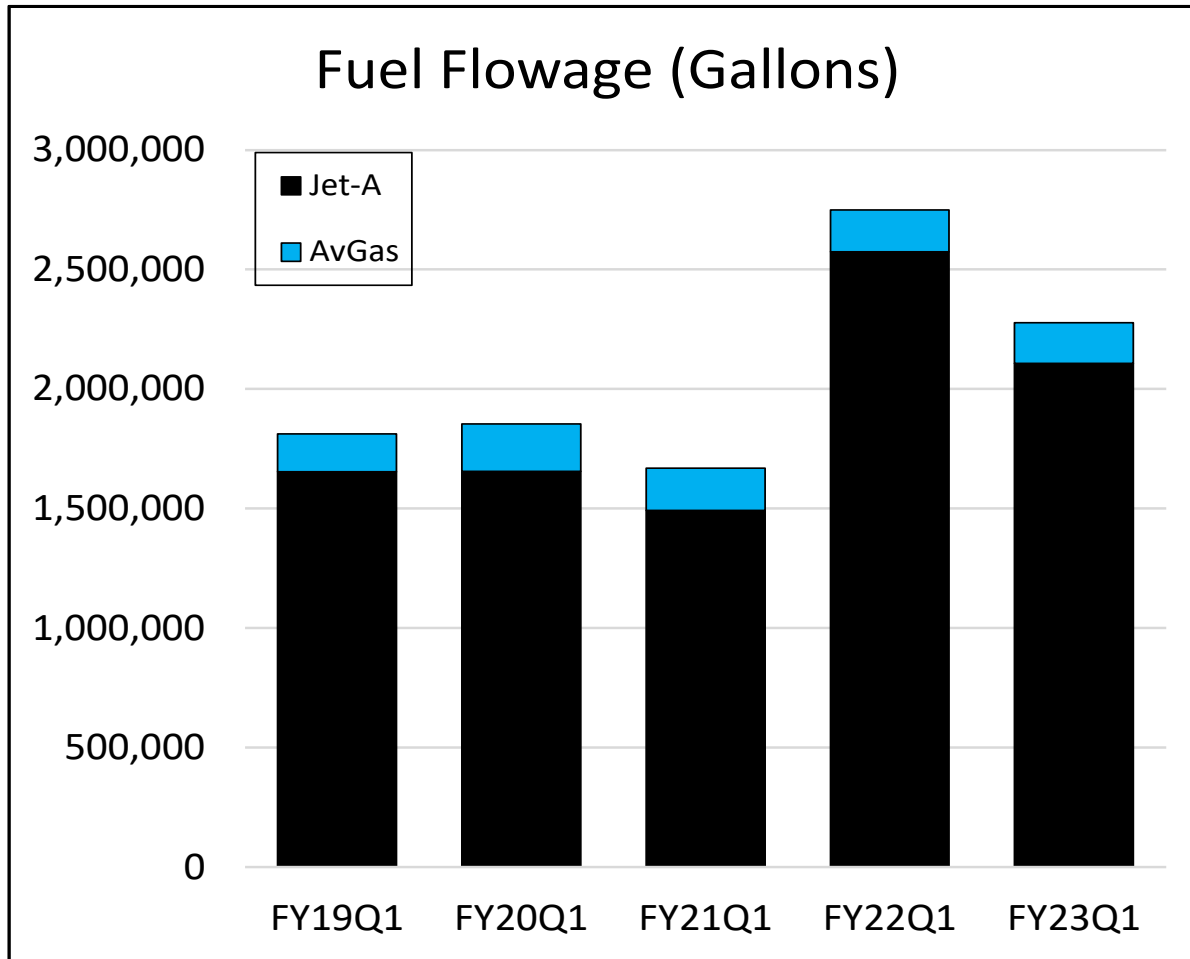
International Departures*

- Down 16.4% from Q1 of FY22
- Up 21.4% over Q1 of FY21

* 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
FY19 Q1	Oct-18	42	11	53
	Nov-18	39	22	61
	Dec-18	29	26	55
TOTAL		110	59	169
FY20 Q1	Oct-19	26	7	33
	Nov-19	38	21	59
	Dec-19	43	22	65
TOTAL		107	50	157
FY21 Q1	Oct-20	27	5	32
	Nov-20	43	16	59
	Dec-20	33	21	54
TOTAL		103	42	145
FY22 Q1	Oct-21	38	9	47
	Nov-21	61	23	84
	Dec-21	64	29	93
TOTAL		163	61	224
FY23 Q1	Oct-22	37	7	44
	Nov-22	63	20	83
	Dec-22	62	24	86
TOTAL		162	51	213

FY23 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.

FY23 Q1 Statistics – Fuel Flowage (con't.)

Jet-A

- Down 18.1% from Q1 FY22
- Up 41.3% over Q1 FY21

AvGas

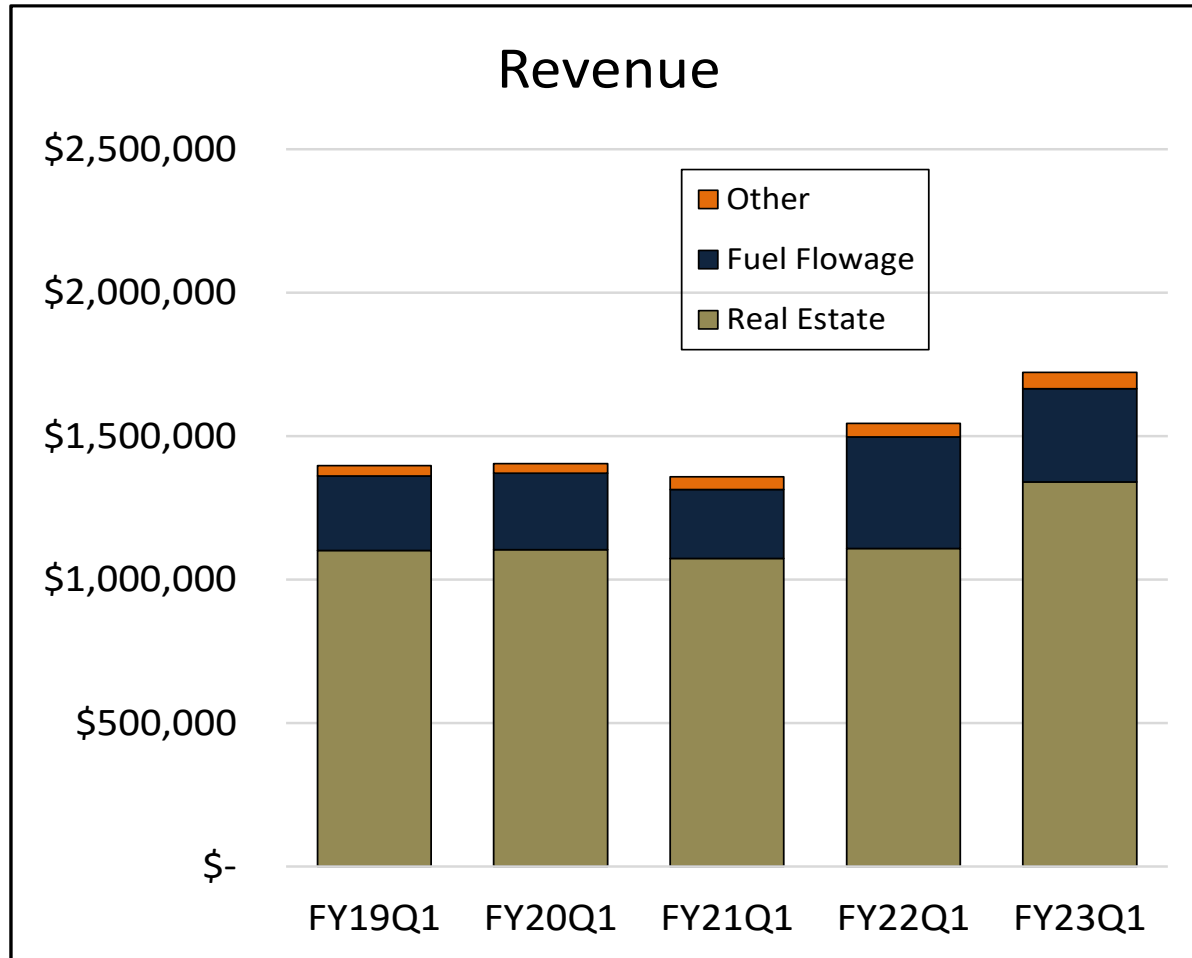
- Down 4.3% from Q1 FY22
- Down 5.3% from Q1 FY21

Total Fuel Flowage

- Down 17.2% from Q1 of FY22
- Up 36.4% over Q1 of FY21

		FUEL FLOWAGE (gallons)		
		Jet-A	AvGas	TOTAL
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
TOTAL		1,653,896	158,022	1,811,918
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
TOTAL		1,655,927	198,446	1,854,373
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
TOTAL		1,491,464	178,145	1,669,609
FY22 Q1	Oct-21	827,016	59,895	886,911
	Nov-21	889,557	55,886	945,443
	Dec-21	857,034	60,438	917,472
TOTAL		2,573,607	176,219	2,749,826
FY23 Q1	Oct-22	680,941	69,984	750,925
	Nov-22	724,646	49,342	773,988
	Dec-22	702,536	49,392	751,928
TOTAL		2,108,123	168,718	2,276,841

FY23 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

FY23 Q1 Statistics – Revenue (con't.)

Real Estate Revenue

- Up 21.0% over Q1 FY22
- Up 24.9% over Q1 FY21

Fuel Flowage Fees

- Down 16.8% from Q1 of FY22
- Up 35.3% over Q1 of FY21

Total Revenue

- Up 11.5% over Q1 of FY22
- Up 26.8% over Q1 of FY21

		REVENUE			
		Real Estate	FFF	Other	TOTAL
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
TOTAL		\$1,101,882	\$259,797	\$ 36,272	\$1,397,951
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
TOTAL		\$1,103,882	\$266,788	\$ 33,769	\$1,404,439
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
TOTAL		\$1,073,967	\$239,617	\$ 45,585	\$1,359,169
FY22 Q1	Oct-21	\$ 365,719	\$126,083	\$ 14,454	\$ 506,256
	Nov-21	\$ 364,559	\$134,318	\$ 10,780	\$ 509,657
	Dec-21	\$ 377,826	\$129,442	\$ 21,518	\$ 528,786
TOTAL		\$1,108,104	\$389,843	\$ 46,752	\$1,544,699
FY23 Q1	Oct-22	\$ 447,219	\$107,392	\$ 21,143	\$ 575,754
	Nov-22	\$ 433,357	\$110,308	\$ 17,685	\$ 561,351
	Dec-22	\$ 460,339	\$106,591	\$ 18,723	\$ 585,653
TOTAL		\$1,340,915	\$324,291	\$ 57,551	\$1,722,757

FY23 Q1 Statistics – Real Estate Portfolio

Addison Airport Q1 FY To Date 2023

Property Type / Description	Number of Properties	Number of Units	Vacancies	Leased %	Q1 FY To Date 2023 Revenue	% of Total Revenue
Ground Leased						
Ground Leased	33	33	0	100%	\$767,923	45%
Total Ground Leased	33	33	0	100%	\$767,923	45%
Town / Airport Owned						
Jet/Commercial/Sign	19	68	8	88%	\$297,105	17%
T-Hangar	9	99	0	100%	\$189,535	11%
Patio Hangar	3	44	0	100%	\$41,055	2%
Tie-Downs	-	-	-	-	\$0	0%
Vacant / Unimproved Land	8	8	-	-	\$0	0%
Fuel Farm	1	16	0	100%	\$49,467	3%
Total Town / Airport Owned	40	235	8	97%	\$577,162	34%
Airport Real Estate Totals	73	268	8	97%	\$1,345,085	78%
Access Permits	2	16	-	-	\$0	0%
Portfolio Total	75	284	8	-	\$1,345,085	78%
Non-Real Estate Revenue					\$377,672	22%
Q1 FY To Date 2023 Revenue Totals					\$1,722,757	100%
Annualized Revenue					\$6,891,030	
Annualized Budgeted Revenue					\$6,437,820	107%

FY23 Q1 Statistics – Real Estate Portfolio

Addison Airport Q1 FY To Date 2023 Economic Occupancy

Property Type / Description	Q1 FY To Date 2023 Budget	Q1 FY To Date 2023 Revenue	Economic Occ. %
Ground Leased			
Ground Leased	\$702,278	\$767,923	109%
Total Ground Leased	\$702,278	\$767,923	109%
Town / Airport Owned			
Jet/Commercial/Sign	\$309,672	\$297,105	96%
T-Hangar	\$185,148	\$189,535	102%
Patio Hangar	\$41,526	\$41,055	99%
Tie-Downs	\$0	\$0	0%
Vacant / Unimproved Land	\$0	\$0	0%
Fuel Farm	\$49,470	\$49,467	100%
Total Town / Airport Owned	\$585,816	\$577,162	99%
Airport Real Estate Totals	\$1,288,094	\$1,345,085	104%
Access Permits	\$0	\$0	0%
Portfolio Total	\$1,288,094	\$1,345,085	104%
Non-Real Estate Revenue	\$321,361	\$377,672	118%
Q1 FY To Date 2023 Revenue Totals	\$1,609,455	\$1,722,757	107%

- Ground leases decreased by one, from 34 to 33, due to the expiration of a ground lease at 4511 Eddie Rickenbacker. That expired ground lease converted to a commercial lease with a 2025 expiration date.
- Access Permit fees (for through-the-fence access) are paid in January and July, with most of those TTF fees coming due in January.
- Galaxy FBO officially began operations in November 2022. Galaxy FBO sold more than 120,000 gallons of fuel in each of their first two months in operation ... a very good start.

Addison Airport – Projects and Progress

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November 6, 2022

Galaxy FBO

- Officially opened for business November 1, 2022.
- Hosted the FIFA World Cup Trophy Tour aircraft and event on November 6, 2022. Addison was one of just three U.S. stops for this tour; the other two stops were at Newark Liberty International (EWR) and Los Angeles International (LAX).
- Galaxy received 119,635 gallons of Jet-A in November and 127,884 gallons of Jet-A in December ... a strong start for their first two months in operation.



Million Air FBO

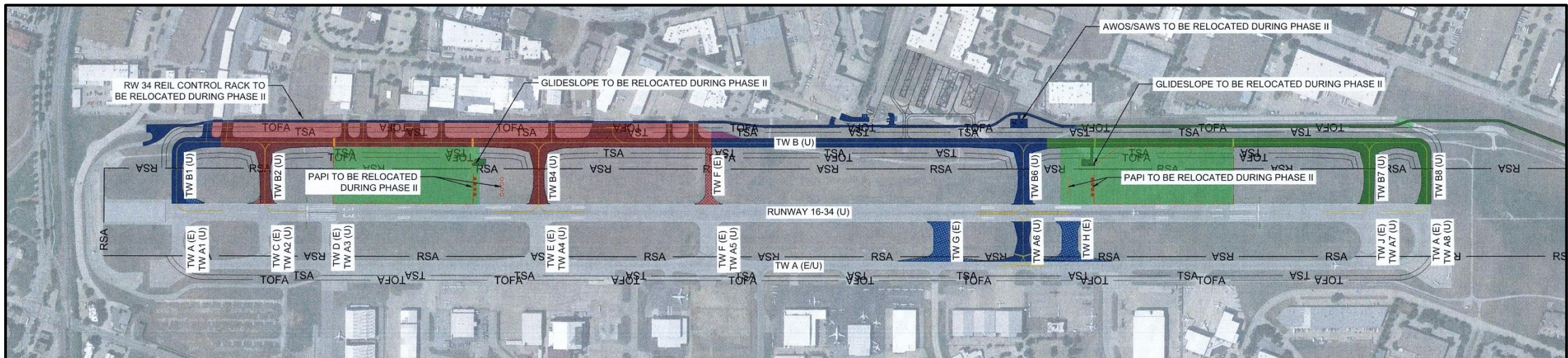
- For the first time ever, Million Air passed the milestone of 6,000,000 gallons of Jet-A delivered into aircraft in a single calendar year.
- The milestone was reached on the afternoon of December 27, 2022.
- The photo at right, provided by Million Air, commemorates the celebration of this milestone.



Addison Airport – Projects and Progress

Current Projects – Airport Improvement Program (AIP) Grants

- Design for Taxiway Bravo extensions – nearing completion
 - FY21 AIP grant in the amount of \$805,000 (90% FAA, 10% local match).
 - Preliminary Engineering Review (PER) for the full (three phase) project has been completed.
 - Preliminary design for phase 1 construction (base bid package: extension of Taxiway Bravo north to Taxiway Hotel and extension of Taxiway Hotel west of the runway to connect to Taxiway Bravo)
 - Project (phase 1 construction) is in final design, expected to advertise for bids in March.
 - Phase 1 construction project is planned to be advertised as a base bid with three additive alternates.



Addison Airport – Projects and Progress

Current Projects – Airport Improvement Program (AIP) Grants

- Construction of Taxiway Bravo extensions and west side service road (phase 1)
 - FY22 AIP grant, \$5,840,530 in AIP funds, with a local match of \$1,414,770 (90% FAA funds, with 10% local match; 50% match for the vehicle service road) for a total of \$7,255,300 is the programmed/available project funding.
 - TX-DOT will request local matching funds after bids are received.
 - Available funding is less than the Engineer's Opinion of Probable Cost (EOPC) of \$10,347,000.
 - Airport has applied for FY22 AIP supplemental discretionary funding for this project.
 - Construction is anticipated to begin in July 2023.
 - The Taxiway Bravo extension (phase 1) will enable aeronautical development of a 4- to 5-acre land parcel on the west side of the airport, just north of the Toll Tunnel.



Addison Airport Quarterly Update – Questions?

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