

# SAT

San Antonio International Airport



**VISION 2050**  
A Flight Plan for San Antonio's Future

*Briefing for:*  
**Ad Hoc Regional Committee  
Community Advisory Committee  
Technical Advisory Committee**  
**Meeting #5**

January 18, 2011

**AECOM**



**AECOM**

in association with:

Jacobs Consultancy

Michael Gallis & Associates

Sunland Group

KGB Texas



# Agenda

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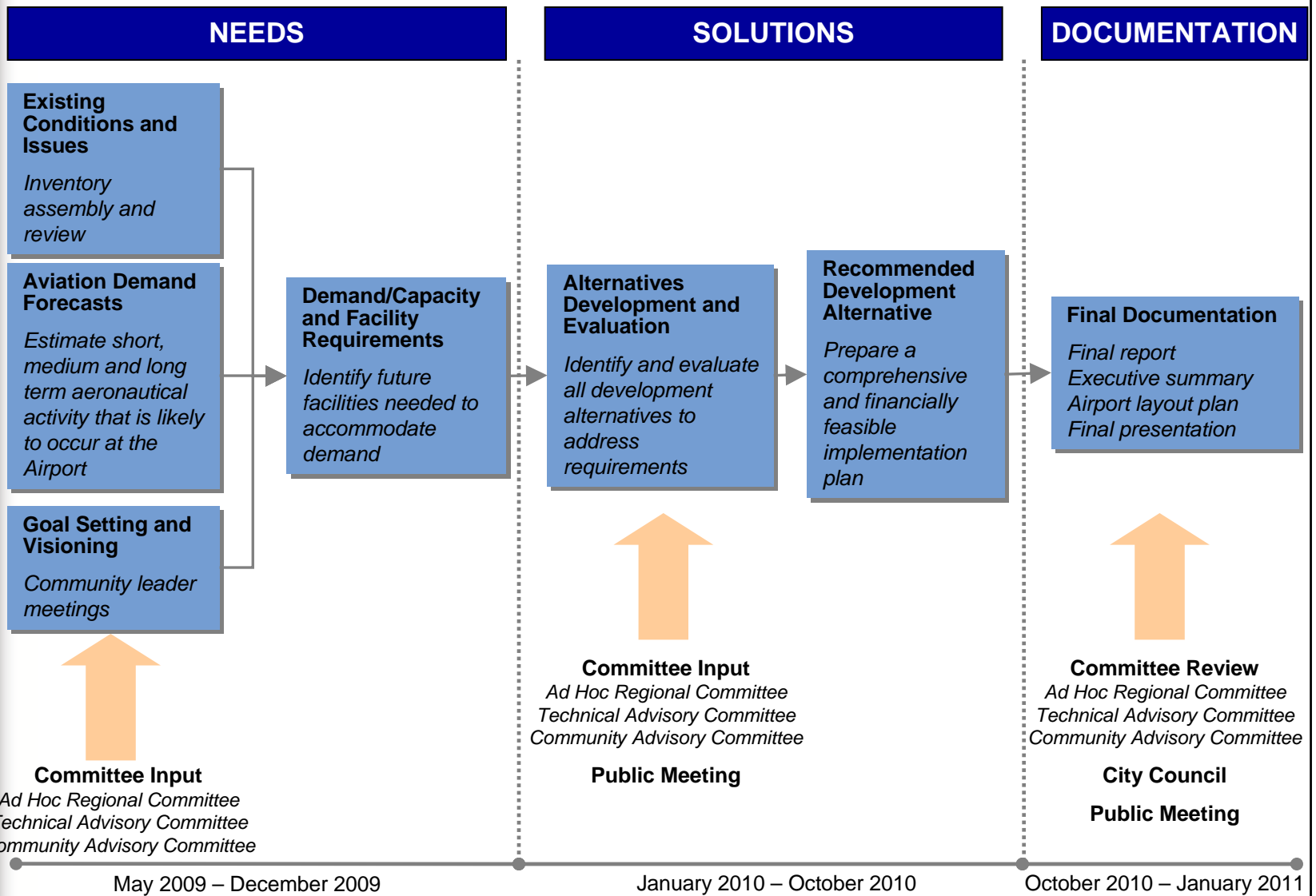
- Progress to Date
- Summary of Master Plan Recommendations and Findings
- Financial Plan
- Final Project Deliverables
- Vision Statement
- Wrap-Up



# Progress to Date

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# Master Plan Workflow



Legend  
**Task Completed**



# SAT Vision 2050 – Main Themes

## ➤ Optimization

- Master Plan seeks to “do more with less”
- Common use airline gates can delay need for terminal expansion
- Airfield “infill areas” improve efficiency of apron/gate interface

## ➤ Financial sustainability

- Property acquisition can enhance non-aeronautical revenues
- Commercial development concept in place

## ➤ Transportation hub

- Multimodal concept positions SAT as regional transportation hub
- Interface with Austin-San Antonio Rail corridor
- Opportunity for Via transit hub



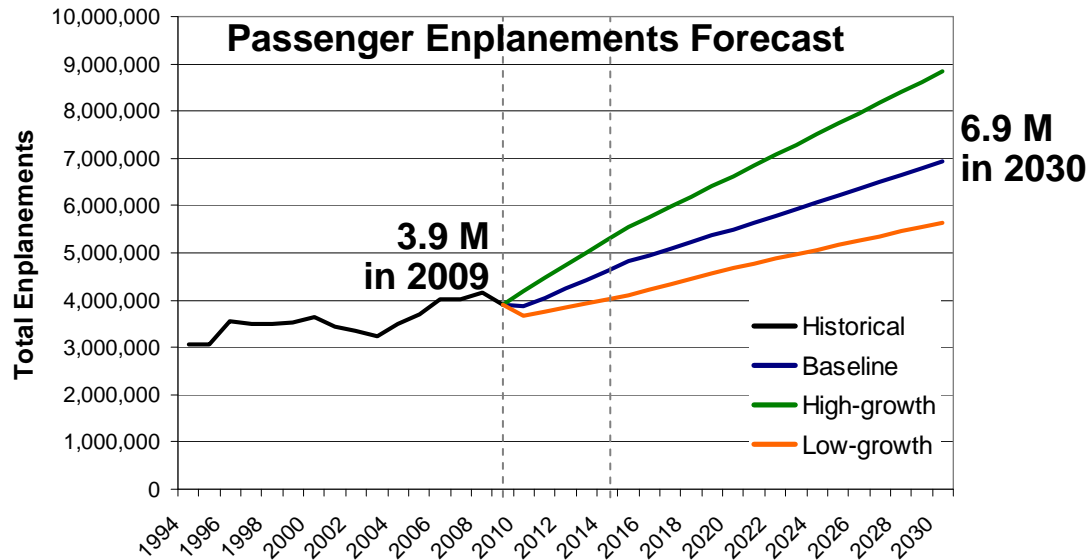


# Summary of Master Plan Recommendations and Findings

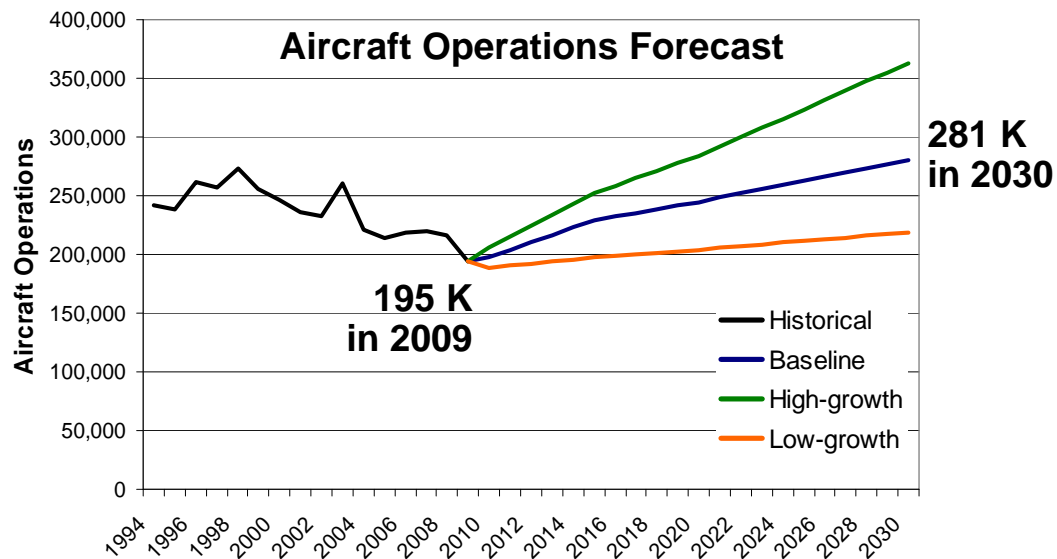
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- ① Future activity
- ② Terminal plans
- ③ Airfield plans
- ④ Landside plans and land acquisition
- ⑤ Sustainability and the environment
- ⑥ Cost estimates

# 1 Future Activity



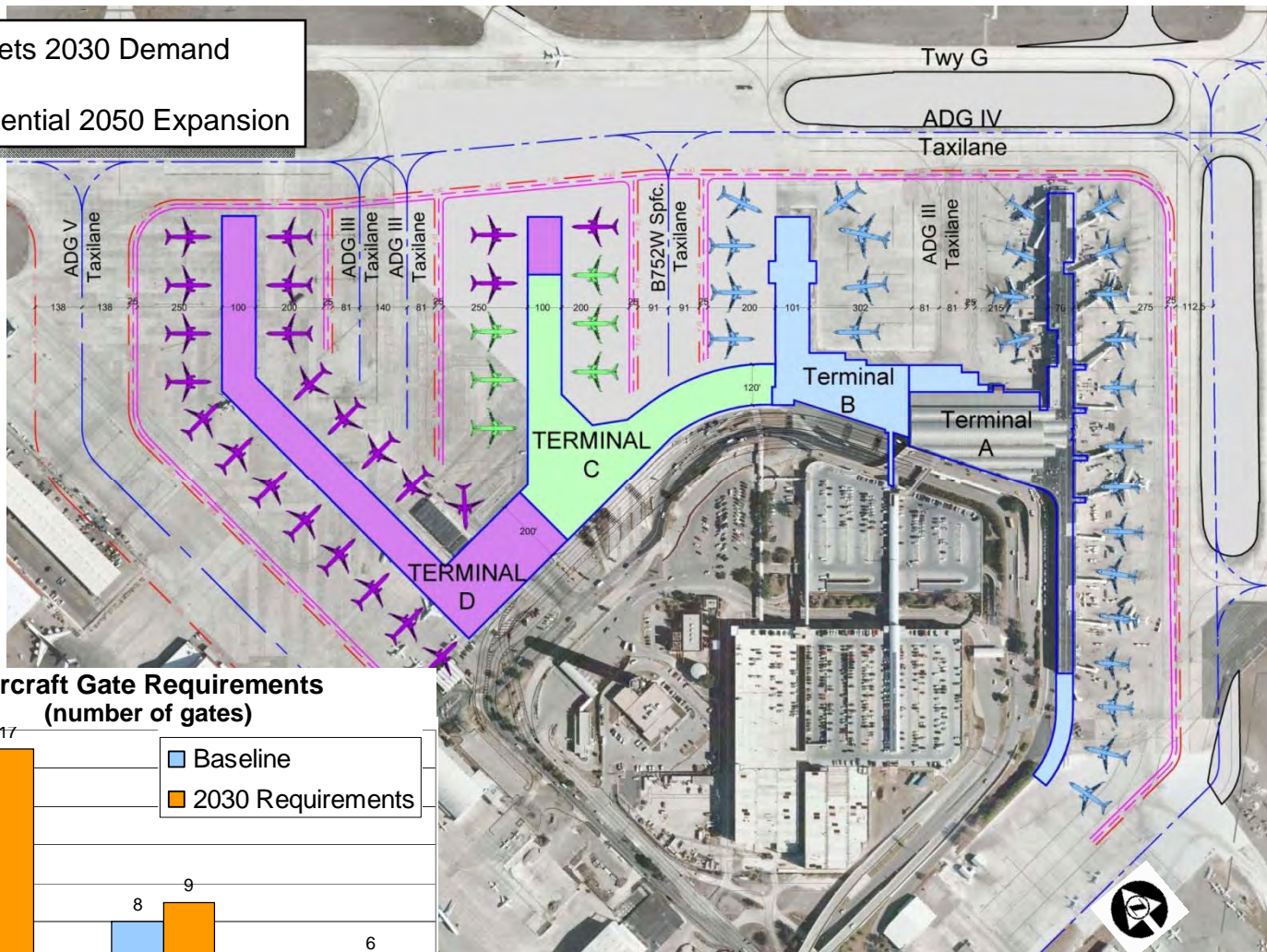
- Recovery to 2008 levels by 2012
- 4.5% growth from 2010 through 2015
- Average historical growth rates after 2015



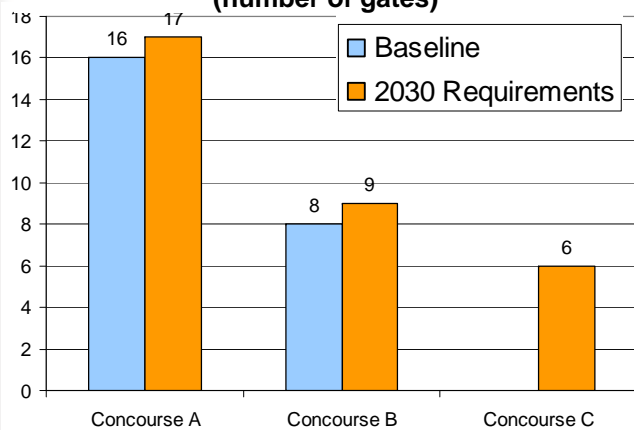
- Recovery to 2008 levels by 2014
- 1.8% growth from 2010 through 2030
- Airline operations drive long-term growth

# 2 Terminal Plans

Meets 2030 Demand  
 Potential 2050 Expansion



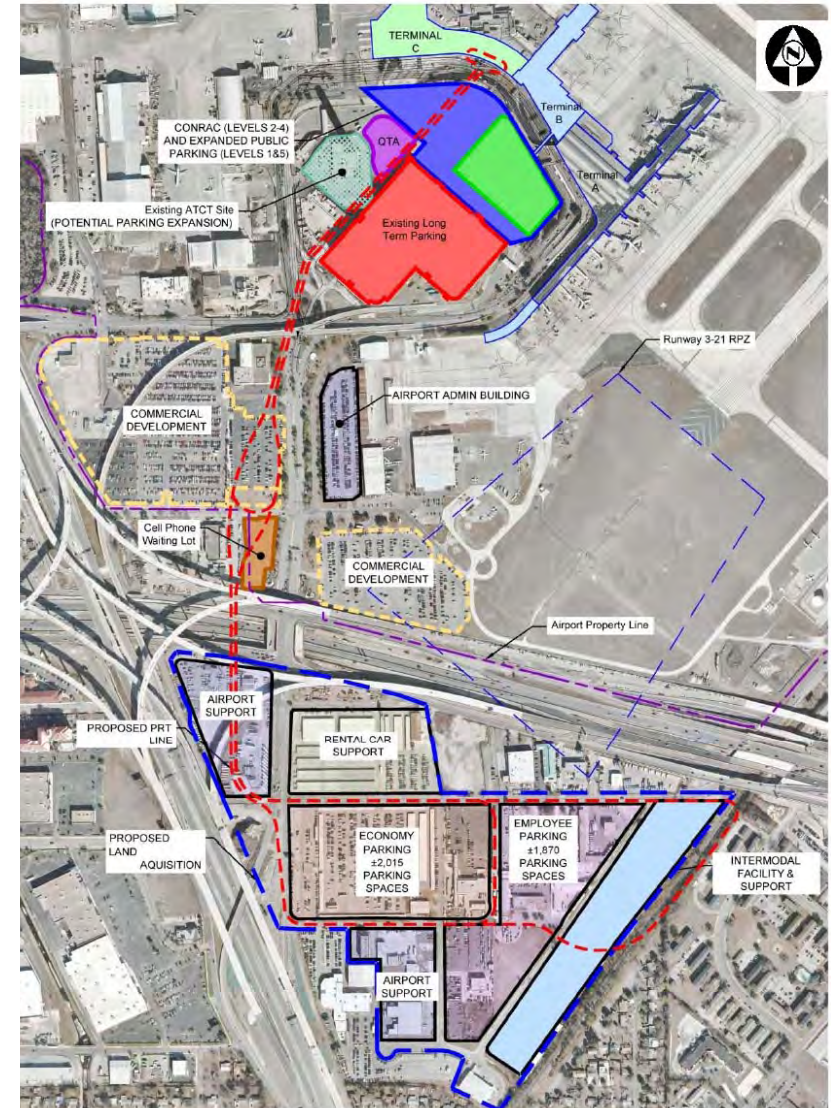
**Aircraft Gate Requirements (number of gates)**





## 4 Landside Plans

- **Rental car facilities**
  - To improve passenger level of service
  - CONRAC should be adjacent to existing hourly garage
- **Access and perimeter roadways and curbside facilities:**
  - Planned roadway improvements meet 2030 demands
- **Public parking**
  - 9,500 total spaces required by 2030
  - Hourly parking is adequate
  - Additional long-term parking will be required



## 4 Land Acquisition



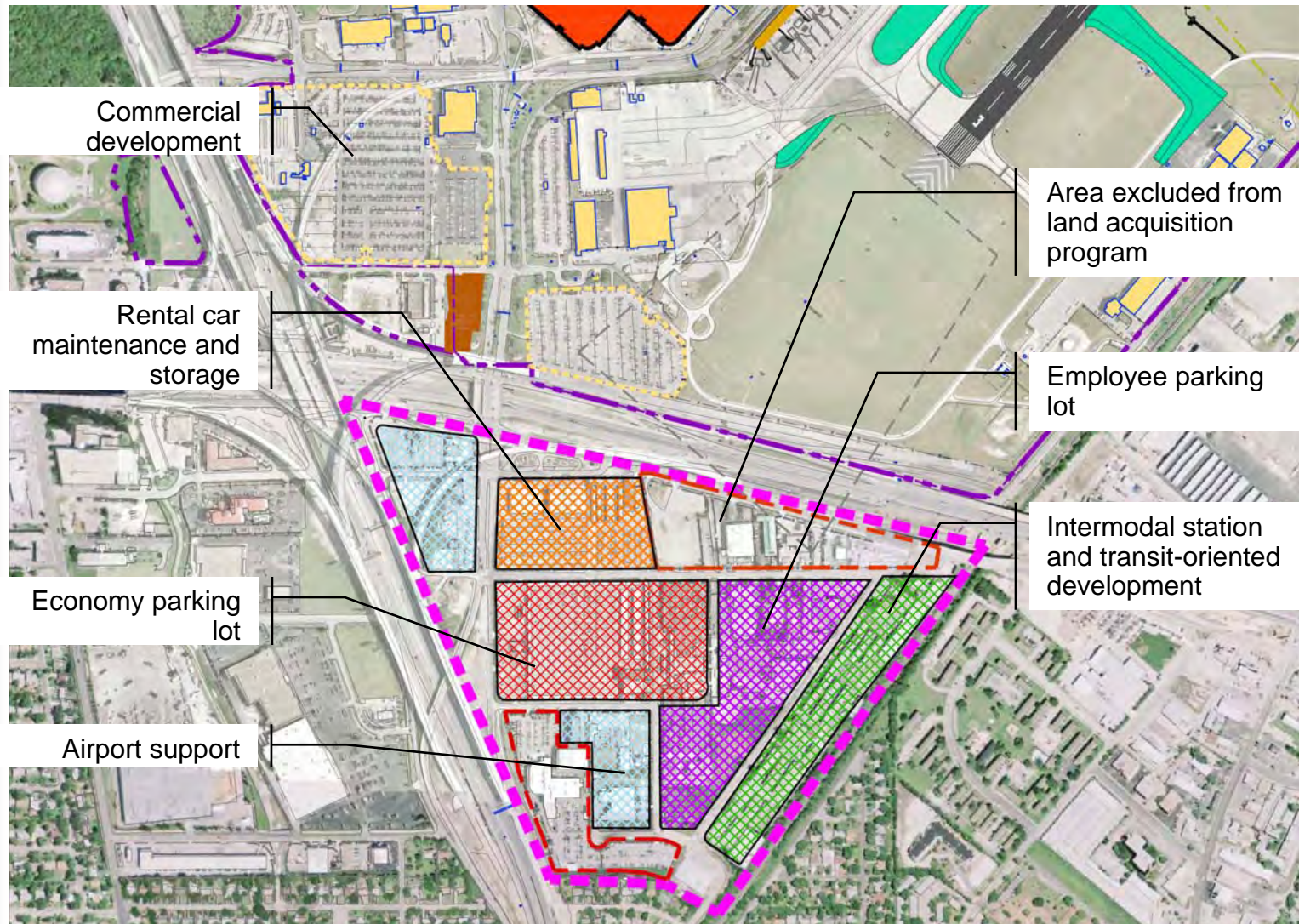
### Area 5

- 106 acres
- 65 parcels, owned by 56 different entities
- Currently used for used for retail, office and industrial activities
- No residential properties

### Areas 1&2

- 72 acres
- 62 parcels, owned by 22 different entities
- Triangular parcel between US 281, Loop 410, and the rail corridor
- Currently used for off-airport parking, rental car facilities, and non-airport related facilities such as lumber yards
- No residential properties

## 4 Areas 1&2 Potential Future Development



## ④ Why Commercial Development?

- **Commercial development will help SAT:**
  - **Ensure the Airport's financial self-sufficiency**
  - **Diversify revenue sources and enhance non-aeronautical revenues**
  - **Enhance the ability of the Airport to pursue capital programs**
  - **Enhance cash flow**
  - **Sustain desired airport rates and charges**



## 5 Environmental Analyses

- **Environmental analysis of key issues**
- **Master plan recommendations do not create significant environmental concerns**

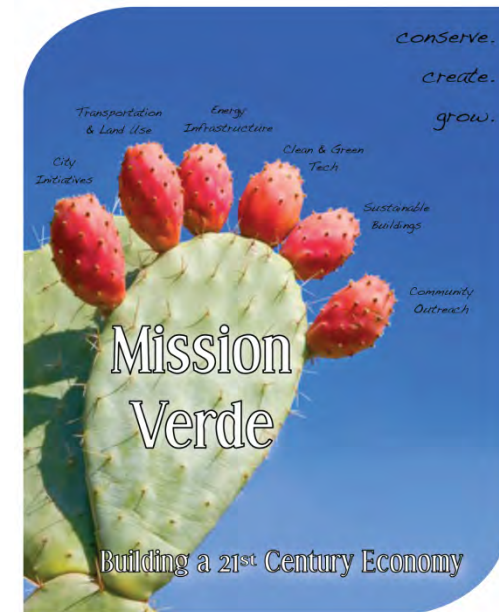


| Primary Issues  | Secondary Issues  | Other  |
|---|---|--|
| <ul style="list-style-type: none"> <li>- Air Quality</li> <li>- Noise and Compatible Land Use</li> <li>- Water Quality</li> <li>- Social Impacts (including Induced Socioeconomic Effects)</li> </ul> | <ul style="list-style-type: none"> <li>- Biotic Communities</li> <li>- Floodplains</li> <li>- Hazardous Waste</li> <li>- Historic Properties</li> <li>- Sustainable Design</li> </ul> | <ul style="list-style-type: none"> <li>- Coastal Resources</li> <li>- Section 4(f) Lands</li> <li>- Farmlands</li> <li>- Light Emissions</li> <li>- Threatened/Endangered Species</li> <li>- Wetlands</li> <li>- Wild and Scenic Rivers</li> </ul> |



## 5 Sustainability Implementation in Vision 2050

- **Alternative development plans reviewed using sustainability criteria**
  - Economic factors
  - Environmental criteria
  - Social/community factors
- **Sustainability approach**
  - Life-cycle cost analyses
  - Maximize use of existing assets
  - Measure/monitor sustainability progress



## ⑥ Cost Estimates

|   | Short-Term Implementation Plan Cost Estimates |                      | Intermediate-Term Implementation Plan Cost Estimates |                     | Long-Term Implementation Plan Cost Estimates |                    | Subtotal               |
|---|---|----------------------|--|---------------------|--|--------------------|------------------------|
|   | Airport Funded                                | Other                | Airport Funded                                       | Other               | Airport Funded                               | Other              |                        |
| Land Acquisition Program                  | -   | \$15,000,000         | \$58,690,000   | -                   | \$76,900,000                                 | -                  | \$150,590,000          |
| Airfield Development                      | -   | -                    | \$128,200,000  | -                   | \$69,420,000                                 | -                  | \$197,620,000          |
| Commercial Passenger Terminal Development | \$33,600,000                                  | -                    | \$42,130,000   | -                   | \$334,500,000                                | -                  | \$410,230,000          |
| Landside Development                      | -   | \$127,630,000        | \$6,460,000  | -                   | -  | -                  | \$134,090,000          |
| Air Cargo Development                     | -   | -                    | -  | \$78,800,000        | -  | -                  | \$78,800,000           |
| Commercial Aviation Development           | -   | \$1,230,000          | -  | \$2,790,000         | -  | -                  | \$4,020,000            |
| Airline and Airport Support               | \$17,200,000                                  | \$2,860,000          | \$10,000,000   | \$4,090,000         | -  | \$3,480,000        | \$37,630,000           |
| <b>Subtotal</b>                           | <b>\$50,800,000</b>                           | <b>\$146,720,000</b> | <b>\$245,480,000</b>                                 | <b>\$85,680,000</b> | <b>\$480,820,000</b>                         | <b>\$3,480,000</b> | <b>\$1,012,980,000</b> |

Notes: All costs are in 2010 dollars.

Cost estimates based on conceptual project drawings





# Financial Plan

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- ① Master Plan Implementation Periods
- ② Capital Projects (2011 – 2016)
- ③ Funding Sources
- ④ Financial Analysis – Short-Term
- ⑤ Feasibility of Master Plan – Intermediate- and Long-Term



# 1 Master Plan Implementation Periods

- **Preferred Development Plan (PDP) based on three time periods**
  - Short-term (2011 – 2015)
  - Intermediate (2016 – 2020)
  - Long-term (2021 – 2030)
- **Master Plan also provides a vision of the future through 2050**



## ② Capital Projects (2011 – 2016)

- **PDP Short-Term Projects - \$191.0 million**
- **Other Airport System Capital Projects - \$194.9 million (includes a portion of the 2010 Capital Program<sup>1</sup> funded in FY 2011 – FY 2016)**
- **Total Cost - \$385.9 million**

<sup>1</sup> As defined in the Official Statement published in conjunction with the issuance of the Series 2010 Bonds



## ② Capital Projects (FY 2010 – FY 2016)

- **Concourse B – Opened November 9, 2010**
- **Baggage Handling System – Operational November 9, 2010**
- **Residential Acoustical Treatment**
- **Concourse A Renewal and Replacement**
- **Rental Car Facilities**
- **Airport Administrative Office Building**
- **Airfield Improvements**
- **Apron Improvements**

## ③ Funding Sources

- **FAA AIP Grants (entitlements and discretionary)**
- **TSA Grants**
- **State of Texas Grants**
- **Airport System Funds**
- **General Airport Revenue Bonds (GARBs)**
- **Passenger Facility Charge (“PFC”) Revenues, Bonds and Pay-As-You-Go (“PAYGO”)**
- **Customer Facility Charge (“CFC”) Revenues**
- **Third-Party (e.g., tenant) Funding**



## ③ Funding Sources for PDP and 2010 Capital Program **AECOM**

|                                   |                        |
|-----------------------------------|------------------------|
| <b>Total Project Costs:</b>       | <b>\$755.6 million</b> |
| <b>Funding Prior to FY 2011:</b>  | <b>\$369.7 million</b> |
| <b>Funding FY 2011 – FY 2016:</b> | <b>\$385.9 million</b> |

### Total Funding Sources FY 2011 - FY 2016:

|  | (\$Million) |              |
|--|-------------|--------------|
| AIP  | \$          | 114.4        |
| State Funds  | \$          | 3.5          |
| Airport System Funds   | \$          | 14.2         |
| PAYGO PFC  | \$          | 18.2         |
| PFC Bonds  | \$          | 37.8         |
| GARBs  | \$          | 50.9         |
| Future CFC   | \$          | 142.6        |
| Other Third-Party Funding  | \$          | 4.1          |
| <b>Total Short-Term PDP and 2010 Capital Program<br/>(FY 2011 – FY 2016)</b> | <b>\$</b>   | <b>385.9</b> |

Source: Ricondo & Associates, Inc., December 2010.



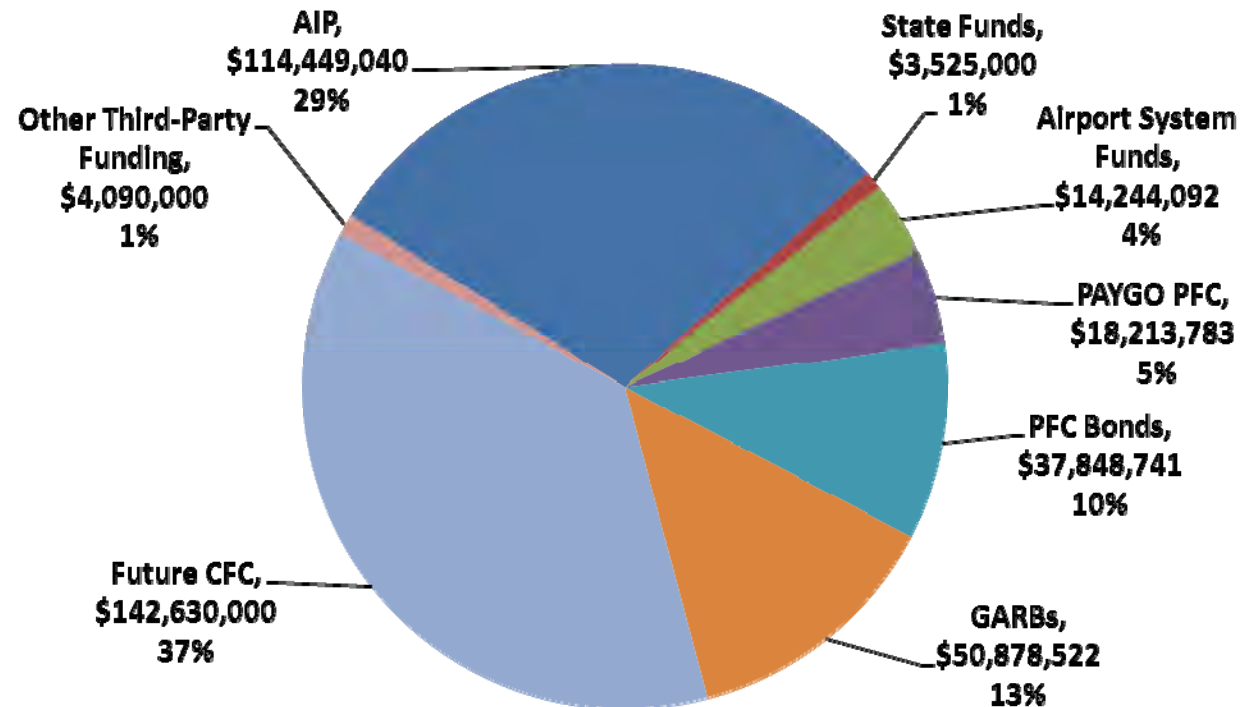
## ③ Funding Sources for PDP and 2010 Capital Program

**Total Project Costs: \$755.6 million**

**Funding Prior to FY 2011: \$369.7 million**

**Funding FY 2011 – FY 2016: \$385.9 million**

**Total Funding Sources FY 2011 - FY 2016:**



Source: Ricondo & Associates, Inc., December 2010.



## ④ Financial Analysis – Key Assumptions

### ➤ Airline Agreement

- City is currently negotiating with the airlines
- Analysis assumes similar financial and operating terms

### ➤ Debt Service

- Incorporates Series 2010 Bonds
- Assumes no additional general airport revenue bonds issued through 2016

### ➤ Projections of Operating and Maintenance (“O&M”) Expenses and Non-Airline Revenues

- Conservative, yet reasonable based on industry standards.
- Includes impacts of Capital Projects, where appropriate.



## ④ Financial Analysis – Projections

### ➤ Projected O&M (\$Millions):

|                                   | Budget         |                | Projected      |                |                |                | CAGR<br>FY '11 - FY '16 |
|-----------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------|
|                                   | FY 2011        | FY 2012        | FY 2013        | FY 2014        | FY 2015        | FY 2016        |                         |
| <u>O&amp;M Expenses:</u>          |                |                |                |                |                |                |                         |
| Personal Services                 | \$ 27.6        | \$ 28.5        | \$ 29.5        | \$ 30.6        | \$ 31.6        | \$ 32.7        | 3.5%                    |
| Contractual Services              | 10.8           | 11.2           | 11.6           | 12.0           | 12.4           | 12.8           | 3.6%                    |
| Commodities/Common Services/Other | 11.8           | 12.8           | 13.3           | 13.7           | 14.2           | 14.7           | 4.6%                    |
| <b>Total O&amp;M Expenses</b>     | <b>\$ 50.1</b> | <b>\$ 52.6</b> | <b>\$ 54.4</b> | <b>\$ 56.3</b> | <b>\$ 58.3</b> | <b>\$ 60.3</b> | <b>3.8%</b>             |

Prepared by: Ricondo & Associates, Inc., December 2010



## ④ Financial Analysis – Projections

### ➤ Projected Non-Airline Revenues (\$Millions):

|  | Budget         |                | Projected      |                |                |                | CAGR<br>FY'11 - FY'16 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|-----------------------|
|  | FY 2011        | FY 2012        | FY 2013        | FY 2014        | FY 2015        | FY 2016        |                       |
| <u>Non-Airline Revenues:</u>             |                |                |                |                |                |                |                       |
| Airfield                                 | \$0.7          | \$ 0.7         | \$ 0.7         | \$ 0.7         | \$ 0.7         | \$ 0.7         | 2.0%                  |
| Terminal                                 | 6.2            | 6.6            | 6.8            | 7.1            | 7.3            | 7.6            | 4.1%                  |
| Car Rental and Parking                   | 27.7           | 29.1           | 30.0           | 30.9           | 31.8           | 32.7           | 3.4%                  |
| General Aviation and Commercial Activity | 8.3            | 8.5            | 8.7            | 8.8            | 9.0            | 9.2            | 2.0%                  |
| Stinson                                  | 0.3            | 0.4            | 0.4            | 0.4            | 0.4            | 0.4            | 7.3%                  |
| Investment Earnings                      | 0.1            | 0.2            | 0.2            | 0.2            | 0.2            | 0.3            | 20.2%                 |
| <b>Total Non-Airline Revenue</b>         | <b>\$ 43.4</b> | <b>\$ 45.4</b> | <b>\$ 46.8</b> | <b>\$ 48.1</b> | <b>\$ 49.5</b> | <b>\$ 50.9</b> | <b>3.3%</b>           |

Prepared by: Ricondo & Associates, Inc., December 2010



## ④ Financial Analysis – Short-Term

- **The Short-Term PDP and 2010 Capital Program are projected to be feasible as measured by achievement of the following:**
- Projected to be Funded with Realistically Attainable Funding Sources
  - Produces Reasonable Levels of Airline Rates and Charges
  - Results in Adequate Debt Service Coverage to Maintain Strong Bond Ratings



## ④ Financial Analysis – Results

### ➤ Projected Rates, CPE, Coverage, Available Funds:



|  | Budget    |           | Projected |           |           |          |
|--|-----------|-----------|-----------|-----------|-----------|----------|
|  | FY 2011   | FY 2012   | FY 2013   | FY 2014   | FY 2015   | FY 2016  |
| Landing Fee (per 000 lbs landed weight)              | \$ 1.46   | \$ 1.40   | \$ 1.42   | \$ 1.50   | \$ 1.53   | \$ 1.64  |
| Landside Terminal Building Rental Rate (per sq. ft.) | \$ 122.79 | \$ 116.26 | \$ 124.43 | \$ 110.99 | \$ 112.88 | \$ 91.51 |
| Concourse A Rental Rate (per sq. ft.)                | \$ 108.54 | \$ 66.72  | \$ 70.68  | \$ 59.43  | \$ 60.52  | \$ 63.48 |
| Concourse B Rental Rate (per sq. ft.)                | \$ 111.74 | \$ 84.09  | \$ 88.04  | \$ 76.79  | \$ 77.88  | \$ 73.48 |
| Average Airline Cost Per Enplaned Passenger          | \$ 9.67   | \$ 9.03   | \$ 9.24   | \$ 8.64   | \$ 8.67   | \$ 8.24  |
| Debt Service Coverage <sup>1/</sup>                  | 1.69x     | 1.70x     | 1.76x     | 1.80x     | 2.08x     | 2.13x    |
| PFC Budget Covenant <sup>1/</sup>                    | 2.03x     | 1.88x     | 1.82x     | 1.78x     | 1.94x     | 2.11x    |
| Available Funds (O&M Reserve plus CIF) (\$Millions)  | \$ 29.8   | \$ 38.4   | \$ 47.0   | \$ 55.4   | \$ 47.6   | \$ 53.6  |

Note: Includes impact of Series 2010 final debt service.

<sup>1/</sup> Required to be 1.25x or greater.

Prepared by: Ricondo & Associates, Inc.



## ⑤ Feasibility of Master Plan – Intermediate- and Long-Term

### ➤ Intermediate-term

- 6-10 years
- Project costs: \$397.3 million (escalated dollars)

### ➤ Long-term

- 11-20 years
- Project costs: \$671.7 million (escalated dollars)

### ➤ Evaluated types and availability of funding sources

- Assumes similar sources will continue

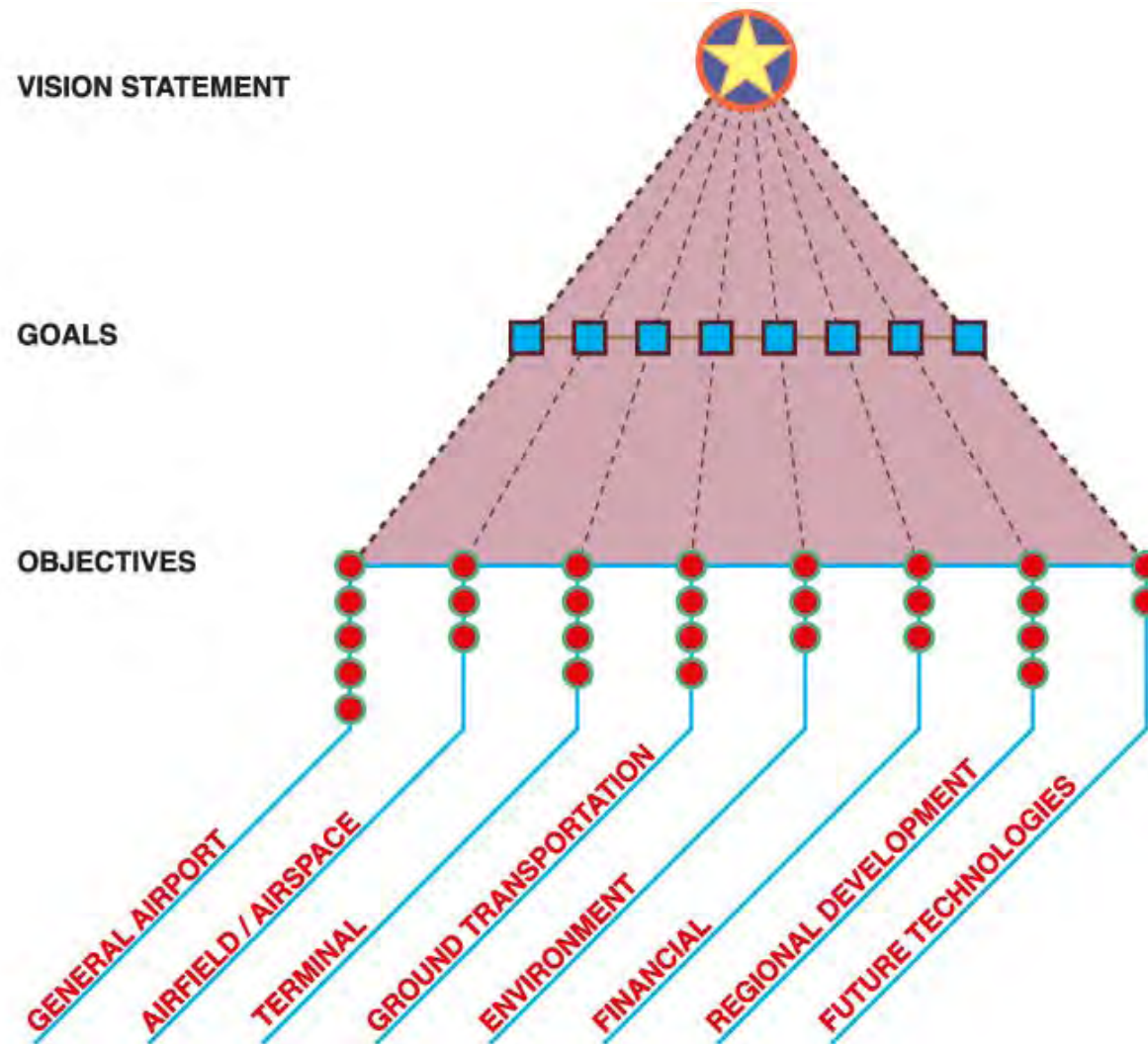
### ➤ As projects move into the short-term planning horizon (within five years), each project will be evaluated for feasibility to identify a feasible funding plan



# Vision Statement

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# The Visioning Process



## Vision Statement

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*The SAT Vision 2050 project provides a plan for sustainable development of SAT, enhancing customer service, reflecting the unique identity of San Antonio, accommodating future growth in an environmentally and fiscally sound manner, integrating into the regional transportation system, and supporting regional economic development.*





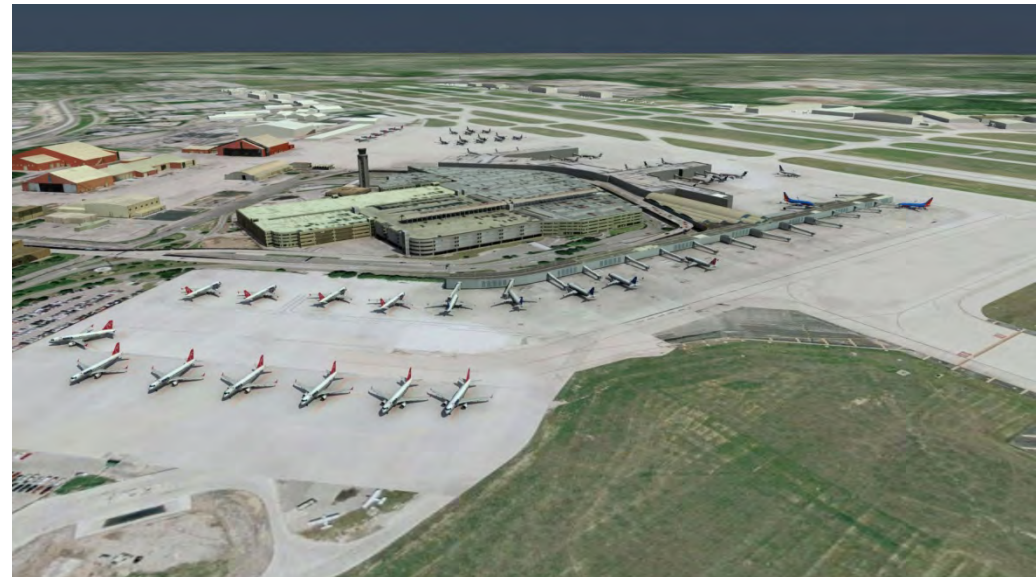
# Final Project Deliverables

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# Project Deliverables

- All deliverables will be available on the Airport's website
- Project deliverables include:
  - Technical Report
  - Executive Summary
  - Video





# Wrap-Up

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# Final Public Meeting

- **Second public meeting to be held tomorrow, January 19<sup>th</sup>, 2011**



VISION 2050  
A Flight Plan for San Antonio's Future

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**FINAL PUBLIC MEETING**  
*of the*  
**Vision 2050 Airport Master Plan**  
Jan. 19 • 5-8 pm | TriPoint YMCA



Thank You!

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[www.sanantonio.gov/Aviation](http://www.sanantonio.gov/Aviation)