

AIRPORTREPORT EXPRESS

Volume 12, No. 85

American Association of Airport Executives

October 28, 2002

US AIRWAYS REVEALS MORE CUTS NEEDED

US Airways told the Securities and Exchange Commission last week that it must cut costs by an annual average of \$1.4 billion to \$1.6 billion, topping the \$1.3 billion already targeted, to complete its bankruptcy reorganization and restore profitability.

With labor cost cuts already negotiated, the added savings will come mainly from aircraft ownership costs, the airline said.

US Airways pointed to the decline in market value for many of these planes, as well as the costs that would be incurred to repossess and sell them, in support of its plan to negotiate rental or debt service reductions.

Standard & Poor's said its ratings on US Airways obligations—mostly aircraft-backed debt—that have not yet defaulted will remain on CreditWatch with developing implications.

TSA SCREENERS NOW AT 195 AIRPORTS

The Transportation Security Administration (TSA) has deployed federal passenger screeners at 195 airports. The agency last week added federal screeners to all concourses at Portland (Ore.) International.

"With less than five weeks to go, TSA is on target to meet an unprecedented deadline to deploy federal screeners to the nation's 429 commercial airports by Nov. 19," agency head James Loy said. "TSA is on the verge of a major success story."

SECURITY GRANTS AFFECT DEVELOPMENT

The increase in security grants from Airport Improvement Program (AIP) funds in fiscal year 2002 affected the amount of money available for some airport development grants, the General Accounting Office (GAO) said Friday.

Reductions in AIP funding for non-security projects last year included a \$156 million decrease for standards projects and a \$148 million decrease for reconstruction projects, GAO said, adding that FAA was able to meet many other obligations due to carryover apportionment funds.

In a new report—Airport Finance: Using Airport Grant Funds for Security Projects Has Affected Some Development Projects—GAO noted that FAA awarded a total of \$561 million in AIP grant funds to

airports for security projects related to the Sept. 11 terrorist attacks. This represented about 17 percent of the \$3.3 billion available for AIP grants in fiscal year 2002 "and is the largest amount awarded to airports for security projects in a single year since the program began in 1982," GAO said.

FAA airport planning and programming officials stated that they were able to fully fund airport projects related to safety and security, noise mitigation and reduction, congressional earmarks and all phased projects that previously had been funded under AIP, GAO said.

"Although large and small hub airports received increases in their AIP funds, non-hub and reliever airports received the greatest reduction in their funding in fiscal year 2002, as compared with fiscal year 2001," GAO said. FAA reported it also deferred until fiscal year 2003 or later three letter of intent (LOI) payments under consideration prior to Sept. 11 that totaled almost \$28 million. Hartsfield Atlanta International had \$10 million for a runway extension deferred; Cincinnati/Northern Kentucky had \$10 million for a new runway deferred, and Indianapolis International had \$7.5 million for a new apron and taxiway deferred.

GAO said that although the increase in AIP funds for security projects in fiscal year 2002 has affected funding for other airport projects, "The impact of funding security projects in fiscal year 2003 is unclear." The impact will depend on a number of policy decisions, including the extent to which terminals that are modified to receive explosives detection systems are financed with AIP grants, GAO said.

The full report can be downloaded from AAAE's Regulatory Affairs website at <http://www.airportnet.org/regulatory/new.htm>.

ANTN TRAINING TOPICS...

...for the week of Oct. 28: **Monday**, ANTN Classics: Modifying Snow Removal Equipment; **Tuesday**, Denver International Airport (DIA) Refueling Incident, Part One; **Wednesday**, DIA Refueling Incident, Part Two; **Thursday**, DIA Refueling Incident, Part Three, and **Friday**, *Aviation News Today*.

For information on AAAE's ANTN Digicast, contact Pat Raker at (703) 824-0500, Ext. 125. For information on custom training videos, contact Jim Martin at Ext. 166.



DOT NAMES TWO FEDERAL SECURITY DIRECTORS

DOT on Friday named federal security directors (FSDs) for the Sioux Falls, S.D., and Pago Pago, American Samoa, airports. A total of 156 FSDs with responsibility for 425 airports have been hired.

Clarence Putnam, who recently retired from the U.S. Immigration and Naturalization Service, was named FSD for Joe Foss Field in Sioux Falls and four other South Dakota airports: Aberdeen, Huron, Brookings Regional and Watertown Regional.

William Haleck, a veteran law enforcement officer whose assignments included the Drug Enforcement Administration, will be the FSD in Pago Pago.

DENVER TO ADD BIOMETRIC SCREENING

Denver International in November will implement biometric screening at the airside employee parking lot.

A total of 10 biometric machines will be installed in the two turnstile buildings in the lot and will scan employee fingerprints to ensure that the prints on file match the name on the ID badge, the airport said. The airside lot serves employees who work in and around the concourses, as well as flight crews.

Aviation Director Bruce Baumgartner said the addition of biometrics at the parking lot is the first phase of a program to enhance perimeter security. He said the airport will pay \$50,000 to buy and install the machines and will apply for reimbursement through a federal grant to expand the program in the future.

UNITED'S RATINGS CLOSELY MONITORED

Standard & Poor's said United Airlines' ratings remain on CreditWatch with developing implications following the carrier's filing last week of an updated business plan with the Air Transportation Stabilization Board (ATSB) as part of its bid for a \$1.8 billion federal loan guarantee.

The ratings could be raised if United is able to make "material" cost savings and obtain a federal loan guarantee, S&P said. However, the firm added that, "Ratings could be lowered if they fail to do so, which would very likely lead to a bankruptcy filing."

In its re-filed plan, United said it would achieve \$5.8 billion in labor cost savings over five-and-a-half years and \$1.4 billion in annual non-labor profit improvements. The airline also said it would impose a 12 percent capacity reduction in 2003, and make additional capital spending cuts of \$1.2 billion in 2003 through 2005.

"United's updated business plan filing increases the pressure on unions to conclude concessionary agreements and on the ATSB to accelerate its review of the

airline's loan application, even though cost-cutting measures have not been finalized with labor, suppliers, lessors and lenders," said S&P's credit analyst Philip Baggaley. "United faces a Nov. 17 bank debt payment, which it may be able to defer, and a Nov. 2 payment on public debt, which probably cannot be put off, so the time remaining to avert bankruptcy is dwindling."

United is negotiating separately with its unions regarding a breakdown of the targeted \$5.8 billion in labor cost savings.

AIRTRAN POSTS PROFIT IN 3RD QUARTER

AirTran Airways posted net income for the third quarter of \$1.2 million versus a loss of \$10.6 million in the year-earlier period.

The carrier increased capacity nearly 30 percent during the quarter as it continued to introduce new 717 aircraft and retire older DC-9s. During the quarter, the company added five 717s and retired six DC-9s from service.

WINNIPEG REPORTS INCREASED REVENUE

Winnipeg Airports Authority (WAA) reported Friday that the third quarter marked its strongest growth period following Sept. 11, 2001.

Barry Rempel, WAA president and CEO, said, "The additional activity of low-cost carriers and increased passenger activity resulted in increased revenues for the quarter. By implementing cost-cutting initiatives and working within our budget, WAA continues to track favorably against projections."

For the third quarter, the authority's revenues exceeded expenses by \$4.7 million compared with \$3.7 million in the same period of 2001. For the nine months ended Sept. 30, revenues exceeded expenses by \$10.9 million compared with \$11.2 million in 2001.

GA AIRCRAFT SHIPMENTS DECLINE IN 2002

Shipments of general aviation aircraft manufactured worldwide totaled 1,766 units in the first nine months of 2002, down 16.6 percent from the same period last year, and were valued at \$8.4 billion, the General Aviation Manufacturers Association (GAMA) reported Friday.

Shipments of airplanes manufactured in the U.S. have fallen 16.9 percent this year to 1,551 units, GAMA said, adding that the total dollar value of U.S. manufactured airplanes was \$6.4 billion.

Globally, business jet shipments totaled 497 units in the first nine months of 2002, down 12 percent from the

(continued on following page)

565 units delivered during the same period last year. Total turboprop shipments decreased from 284 units in the first three quarters of last year to 170 units this year. Total piston-engine airplane shipments this year are down 13.4 percent to 1,099 units.

For airplanes manufactured in the U.S., business jet shipments dropped from 426 airplanes in the first nine months of 2001 to 402 units this year, a 5.6 percent decrease. Turboprop shipments have fallen 46.4 percent to 118 units. Piston-engine airplane shipments have dropped 15.6 percent to 1,031 units.

NW TO ADD AIRPORT CHECK-IN DEVICES

Northwest said it will add self-service check-in machines at 102 U.S. and Canadian airports over the next two months. By 2003, Northwest travelers will be able to use E-Service Centers in 144 North American airports, the carrier said.

ACA RECORDS SMALLER PROFIT

Atlantic Coast Airlines (ACA) reported third-quarter net income of \$8.5 million compared to \$12.7 million during the same quarter in 2001.

Executive Vice President and CFO Richard Surratt commented, "Our third quarter results were lower than anticipated as a result of several unexpected items." These included a change in the market rates for flights operated for United Airlines, which caused a reduction of \$1.4 million in revenues compared to estimates. Surratt also said that the company incurred \$1 million in higher direct maintenance expenses for the Fairchild Dornier 328JET as a result of Fairchild's bankruptcy filing.

AAAE OFFERS ACCREDITATION SEMINAR

Twenty-three candidates and prospective candidates attended the Sept. 22 AAAE accreditation seminar in Tampa.

The day-long seminar offered attendees insight into the three phases of accreditation—the written exam, the management research paper and the final interview. Attendees participated in several hands-on activities, including a practice final interview, and five examiners were available to offer guidance on the accreditation process.

US AIRWAYS EXPANDS FARE AVAILABILITY

US Airways announced the expansion of its Internet fare availability to include all travel agencies that use the Galileo Global Distribution System (GDS), as well as all other Galileo-connected distribution channels, both online and offline. Galileo travel agents will not be required to pay a fee for access to these fares or to use

RUNWAY INCURSION WORKSHOP POSTPONED

The AAAE/FAA Runway Incursion Workshop scheduled for Dec. 9-10 in Dallas has been postponed indefinitely.

a specific online booking system, US Airways said.

Earlier, the carrier announced a similar agreement to distribute these fares to Sabre-connected travel agencies as part of a plan to cut its distribution costs.

CINCINNATI TO GAIN MONTREAL FLIGHTS

Delta Connection will boost its jet service between Cincinnati and Montreal, Canada, effective Nov. 27. Delta Connection carrier Comair will operate one additional nonstop, roundtrip flight using Bombardier CRJ regional jet equipment.

NOTAMS

(Notices To Airport Managers)

Post your Positions Open ad or resume at www.airportjobsonline.com! Employers: Have resumes of qualified applicants delivered to your e-mail inbox! Jobseekers: Receive e-mail notification of jobs that meet your qualifications! For additional information, contact Holly Ackerman at holly.ackerman@airportnet.org.

OPERATIONS DIRECTOR—Yuma (Ariz.) International Airport. A challenging position at a small non-hub shared-use civil/military Part 139 commercial service airport with a strong GA presence and growing air cargo. Directs airport operations, ensures efficient airport environment, enforces federal state and local regulations, supervises and trains operations officers. Must possess strong customer service and supervisory skills. Bilingual in Spanish a plus. Experience with computers and software such as database, office, FIDS, access control and facility lighting. Must be knowledgeable of FARs/ACs. Annual salary \$33,000, plus benefits. On call 24/7. Minimum requirements: B.S. in aviation, three + years operations and supervisory experience at a 139 shared-use airport, pass CHRC. For job application/info, visit www.yumainternationalairport.com. Submit resume, cover letter and job application to Yuma County Airport Authority, ATTN: Airport Director, 2191 E. 32nd St., Suite 218, Yuma, AZ 85365. Closing Date: Oct. 31.

PROPERTY/LEASE ADMINISTRATOR—Stewart International Airport—F/T. Assist in the overall administration of property and lease agreements. Bachelor's

degree preferred; associate degree acceptable. A minimum of five years previous work related experience with similar level of responsibility. Basic negotiating skills needed, as well as solid reasoning ability and ability to calculate figures and apply various mathematical concepts. Primarily works independently and with limited direction and supervision. Resume by Oct. 25 to Maggie McAllister, HR, SWFAA, Inc., 1180 First Street, New Windsor, NY 12553, fax (845) 564-1325, e-mail mmcllis@swfnny.com. EOE/pre-employment physical and drug screening; security screening required.

VP, ADMINISTRATION—The San Diego County Regional Airport Authority (SDCRAA), operator of San Diego International Airport after Jan. 1, 2003, is currently accepting resumes for vice president of administration. The position functions as a top-level executive within the organization, responsible for four administrative departments. Reports to the executive director and will be encouraged to bring creative ideas to this new entity. Requires relevant BA/BS and 10 years of progressively responsible experience in business administration or related field. Female, minority and disabled candidates encouraged to apply. Interested candidates may send resume, including references, to Sherrie Rodriguez, Authority Recruiter, SDCRAA, P.O. Box 82776, San Diego, CA 92138-2776, or e-mail to srodrigu@portofsandiego.org. EOE.

Business Opportunities

The Muskegon County Board of Commissioners invites proposals until 3 p.m. prevailing time Oct. 31 for the lease of a 14,000-square-foot aircraft hangar building located on Muskegon County Airport at 4860 Paul Court. This hangar is adjacent to the Muskegon County Airport Business Park and has an exclusive use apron. Proposal request forms are available from the Muskegon County Purchasing Office, Central Services Building, 141 East Apple Avenue, Muskegon, MI 49442, (231) 724-6282. No late proposals will be accepted. The Board reserves the right to accept or reject any or all proposals, reserves the right to waive formalities and to take such action as it deems necessary in the best interest of the county of Muskegon. EEO/AA. (Title VII of Civil Rights Act of 1964, Equal Opportunity Clause, Executive Order 11246, Chapter 60, Subpart A, 60-I.4, Revised Order No. 4). Bidding is open to all interested parties, in compliance with national, state and local laws.

The Oklahoma City Airport Trust has issued a request for proposals (RFP) for interested firms to plan, design, construct, manage, operate and maintain the

newsstand/gifts and specialty retail concept stores at Will Rogers World Airport Terminal Building in Oklahoma City. Will Rogers is currently undergoing a \$110 million expansion/renovation project. There will be a total of 5,973 square feet of newly constructed space and 1,768 square feet of existing space that will continue to operate until all of the new space comes on line. Proposals will be received until 2 p.m. CST Nov. 13 in the Office of the City Clerk, 200 North Walker, Oklahoma City, OK 73102. Copies of the RFP can be obtained from the office of the city clerk at (405) 297-2394, or by contacting the business and properties division at (405) 680-3304.

The Philadelphia Department of Commerce, Division of Aviation, is requesting statements of qualifications from consultants interested in providing on-call architectural services at Philadelphia International and Northeast Philadelphia airports. Firms responding must have substantial experience in airport design. Six copies of the statements of qualifications must be submitted no later than 4 p.m. Nov. 1 to James Tyrrell, Deputy Director of Aviation, Property Management/Business Development, Philadelphia International Airport, Division of Aviation, Terminal E, Philadelphia, PA 19106. Interested firms are directed to contact Susan Bailey at (215) 937-5580 to obtain the request for qualifications.

The Roanoke (Va.) Regional Airport Commission requests proposals from qualified firms with experience in implementing FAR Part 150 programs to implement certain elements of the Roanoke Regional Airport Noise Compatibility Program. The services will include implementing FAA approved Avigation Easement Acquisition Program and Purchase Assurance Program as developed in Phase I. To obtain a copy of the request for proposal packet (No. 02-014), contact the office of the Roanoke Regional Airport Commission, 5202 Aviation Drive, N.W., Roanoke, VA 24012, (540) 362-1999. Proposals must be submitted to the commission's administrative offices according to the guidelines contained in the request no later than 2 p.m. local time Nov. 8.

Personnel

New A.A.E.s—Congratulations to Cornelius Deevy, A.A.E., Atlanta, Ga.; Carl Newman, A.A.E., Phoenix, Ariz.; Rosemary Purswell, A.A.E., Atlanta, Ga., and Richard Walsh, A.A.E., San Francisco, Calif., who have successfully completed all three phases of the accreditation process.

2002 F. RUSSELL HOYT NATIONAL AIRPORTS CONFERENCE SPONSORS

AAAE WOULD LIKE TO THANK THE FOLLOWING
AIRPORTS, CHAPTERS AND COMPANIES FOR THEIR
CONTRIBUTIONS TO THIS CONFERENCE:

SPONSORS

Hillsborough County
Aviation Authority

The Cinnabar Companies

Tucson Airport Authority

Atkins

Honeywell, Inc.

San Diego International Airport

Tulsa International Airport

ADT Security Services, Inc.

Barnard Dunkelberg & Company

CA One Services, Inc.

CDM

HNTB Corporation

Landrum & Brown, Inc.

Leigh Fisher Associates

Seattle-Tacoma International Airport

Segway LLC

Washington Infrastructure Services

AT&T

Avis Rent-A-Car System, Inc.

Hartsfield Atlanta International Airport

Michael Baker Jr., Inc.

The Paradies Shops

Republic Parking System

Ricondo & Associates, Inc.

AIRPORT ANGELS

Air Host, Inc.

Airport Business Solutions

Aon Risk Services

Brill Hygienics

C&S Engineers

Carter & Burgess, Inc.

Cheyenne Airport Board

Choicepoint

Clough, Harbor & Associates, LLP

Coffman Associates

Crawford, Murphy & Tilly, Inc.

DMJM Aviation

Delta Airport Consultants

Edwards & Kelcey, Inc.

Fullerton & Friar, Inc.

Hudson Group

Interspace Airport Advertising

John F. Brown Company, Inc.

Mead & Hunt, Inc.

Myslik, Inc.

Robinson Aviation, Inc. (RVA)

Sensomatic Electronics Corporation

Tyco Security Business Partners

Great Lakes Chapter AAEE

Northeast Chapter AAEE

Northwest Chapter AAEE

South Central Chapter AAEE

Southeast Chapter AAEE

Southwest Chapter AAEE

The regional chapters of AAEE would like to thank CDM, ERECT-A-TUBE, INC., PBS&J, REYNOLDS SMITH & HILLS, INC., and VALLEY OIL for sponsoring the Fourth Annual AAEE Foundation Golf Tournament.

American Association of Airport Executives Conferences and Educational Programs

Scheduled as of 10/23/02 • Dates and locations are subject to change

Registration information is published approximately three months before the program.

For further information, you may contact AAAE at (703) 824-0504, unless otherwise noted, or you may obtain registration forms for our meetings by calling our fax-on-demand number at 1-800-470-ARPT.

Please review our web site located at <http://www.airportnet.org> for additional meeting information.

**** CEU credits apply only to Accredited Airport Executives (A.A.E.s) ****



☐ Denotes a meeting just added to the calendar

2002

October 27-29—Seattle, Washington *Doubletree Airport Hotel*
International Airport Facilities Conference sponsored by AAAE and Northwest Chapter AAAE **(15 CEU credits)**

Exhibit and
Sponsorship
Opportunities
Available

October 27-30—New Orleans, Louisiana
Hilton New Orleans Airport
Advanced Airport Safety and Operations Specialist School sponsored by FAA and AAAE **(15 CEU credits)**

November 3-9—Arlington, Texas
Holiday Inn Express (Near Six Flags)
AAAE/South Central Chapter AAAE Accreditation/Certification Academy Written Exam Review

November 17-19—San Diego, California
Bahia Resort Hotel
Airport Trainers Forum (9 CEU credits)

November 18-20—Los Angeles, California
Sheraton Gateway Los Angeles Airport
AAAE Aviation Security for Law Enforcement Officers Training (15 CEU credits)

November 17-20—Istanbul, Turkey *Conrad Istanbul*
Central Europe/U.S. Airport Infrastructure/Safety/Security Workshop and Trade Mission sponsored by U.S. Trade and Development Agency, U.S. Department of Commerce, FAA, AAAE and IAAE

Exhibit
Opportunities
Available

November 21-22—Los Angeles, California
Sheraton Gateway Los Angeles Airport
AAAE Basic Airport Security Coordinator Training School (12 CEU credits)

December 9-10—Dallas, Texas **POSTPONED!**
Runway Incursion Workshop sponsored by AAAE and FAA **(9 CEU credits)**

December 8-10—Fort Lauderdale, Florida *Westin Diplomat*
Airports Economic Forum sponsored by AAAE and Airport Minority Advisory Council **(12 CEU credits)**

2003

January 5-9—Kona, Hawaii *Hapuna Beach Prince Hotel*
Aviation Issues Conference (21 CEU credits)

Exhibit and
Sponsorship
Opportunities
Available

January 11—Monterey, California
Southwest Chapter AAAE Accreditation Workshop--the Final Step Contact Jack Schelter, A.A.E., at (602)273-3333

Exhibit and
Sponsorship
Opportunities
Available

January 12-14—Monterey, California
Southwest Chapter AAAE Annual Conference and Exposition (15 CEU credits) Contact Mark Witsoe at (650)326-6357

Exhibit and
Sponsorship
Opportunities
Available

February 9-12—Las Vegas, Nevada
Basic Airport Safety and Operations Specialist School sponsored by FAA and AAAE **(15 CEU credits)**

February 10-12—St. George, Utah
Northwest Chapter AAAE Annual Conference and Exposition (15 CEU credits) Contact Jim Elwood, A.A.E. at (970)920-5384

Exhibit and
Sponsorship
Opportunities
Available

February 19-21—Denver, Colorado
Denver Marriott City Center
AAAE/ACC Airport Planning, Design and Construction Symposium (15 CEU credits)

Sponsorship
Opportunities
Available

February 19-21—Daytona, Florida *Daytona Beach Hilton*
AAAE/Southeast Chapter AAAE Finance and Administration Conference (12 CEU credits)

☐ February 23-25—Tucson, Arizona
AAAE Liability Insurance and Risk Management Workshop (9 CEU credits)

☐ March Dates TBD—Tampa, Florida
AAAE/IMG National Airport Performance Measurement and Benchmarking Workshop (9 CEU credits)

March 2-4—Columbus, Ohio
AAAE/Great Lakes Chapter AAAE National Air Service Conference (9 CEU credits)

Sponsorship
Opportunities
Available