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Department Purpose: The St. Pete-Clearwater International Airport (PIE) is responsible for operating and maintaining the runways, taxiways, buildings, equipment, and vehicles belonging to the County Airport, and providing aviation fire protection services. The airport provides a full range of high-quality customer, aviation, and facility services to support the transportation and commerce infrastructure used by airlines, passengers, airport customers, tenants, the Transportation Security Administration, and the U.S. Customs and Border Protection. The annual $1B+ economic impact of the airport is associated with the tenants/businesses located at the airport and on-airport construction projects, as well as the spending from visitors arriving via the airport to the Tampa Bay area. The airport is entirely self-supporting by user fees, leases and concessions, and federal and state grant revenue. No Pinellas County property tax revenue is used for the operations of PIE. PIE contributes primarily to the Board of County Commissioners' Strategic Plan goal to Foster Continual Economic Growth and Vitality. For additional information, please visit http://www.fly2pie.com/

Performance Summary:

Work Plan and Performance Indicator data is included as an attachment

- PIE has not failed a FAA Certification Inspection this fiscal year. If an airport fails a FAA Certification Inspection, it faces a fine, as well as the loss of commercial airline service. COVID-19 will likely have no impact on this measure.
- The target of 85% of air carrier flights in compliance with noise abatement procedures is a historical average. COVID-19 has reduced air travel, however, this will likely have no effect on the measure as it is based on percent of those in compliance and not the number of incidents.

COVID-19 Performance Impacts:

- Total passenger target is based on PIE's highest passenger count. Passengers served has declined significantly since mid-March 2020 due to COVID-19 and will likely cause PIE to fall short on this measure.
- Inflation is a factor for the target "concessionaires revenues increase/decrease percentage." Concessionaire revenues were up in March but are decreasing due to a reduction in air travel. As of 05/05/2020, all restaurants are closed and only one merchandise store is open. An increase in flights began the week of 05/04/2020 for the first time since April, with 1,000 daily passengers. PIE restaurants are expected to open, but the exact date has not been determined. The PIE restaurants are reporting issues with food supply.
- Non-aeronautical revenue declined as tenants sought lease payment relief during shutdown. PIE is deferring three months of rent for those who have asked for it and is allowing for six months to pay back deferred rent.

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- Enplaned passenger revenue target is based on historical data. As a result of these impacts to revenue, revenue per enplaned passengers is projected to decrease.
- Many of PIE's high-level projects and initiatives are CIP affiliated, which are not tracked by workplans.
- One of the items on PIE's Work Plan, the re-bid of the airport Advertising Concession, has been placed on pause until after economic indicators improve, perhaps this fall. If the bid were to be advertised at this time, we may not have a had a competitive bid process.

Opportunities for Efficiencies:

- Airport Operations, Facilities, Airport Rescue and Fire (ARFF) and administration has started to use Raxar technology to identify and track items that require maintenance or repair rather than write out or manually mark discrepancies for work orders.
- The new part-time administrative assistant has enabled the badging office to stay open more hours to serve tenants and contractors. The office is now open from 8 a.m. to 7 p.m.
- Decision Packages
    - Crack Sealing Machine ($50K) One-time capital outlay expenditure that is expected to extend the life of the pavement. The life span of this equipment is approximately 10-15 years due to the low amount of moving parts in the unit.
    - Groundmaster 400 Mower ($65K) One-time capital outlay expenditure that will enable Airport staff to mow areas that traditional mowers cannot maintain safely as the result of the completion of the landside parking and roadway project and FDOT's Gateway project. The life span of this equipment is 10 years.
    - Installation of Redundant Security Access Control Server ($35K) One-time capital outlay expenditure that will provide the Airport with the ability to keep areas secure should there be power issues. Annual maintenance cost will be included with the maintenance contract for the security system improvements installed as part of the Security System Upgrade CIP project.
    - Substitute Dumpsters with Trash Compactor (Net cost $33K) This is a recurring annual cost of $33K to remove all the dumpsters and replace it with a single trash compactor. The Airport's environmental consultant recommended replacement of the dumpsters due to the wildlife that garbage attracts.

Potential Threats:

- The impacts of COVID-19 will have a negative impact on the Airport's revenue. The full extent of these impacts is unknown currently.
- The labor market has made recruiting and retaining trades workers and craftworkers difficult. These positions must pass additional levels of security screening as compared to other departments within the County. Even with the addition of 2 craftworker FTEs in the FY20 Approved Budget, overtime remains high due to continued vacancies. The need to

contract out maintenance services has also not been reduced as the decision packages intended.

Budget Summary: **The FY20 Estimate and FY21 Budget request include COVID-19 related impacts.**

REVENUE	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Adjusted
Intergovernmental Revenue	600	327	84,696	800	3,029,333	5,737,830
Charges for Services	4,125,916	4,161,644	4,270,227	3,811,870	2,813,315	2,536,010
Interest Earnings	325,009	536,549	1,215,990	820,620	790,774	751,230
Rents, Surplus and Refunds	25,198,442	13,561,740	13,351,084	12,917,600	8,889,700	10,877,540
Other Misc Revenue	10,789	10,445	11,974	950	4,000	3,800
Non-Operating Revenue Sources	11,195,705	11,301,974	19,499,128	18,092,550	20,045,090	10,896,900
TOTAL REVENUE	**40,856,461**	**29,572,679**	**38,433,099**	**35,644,390**	**35,572,212**	**30,803,310**

EXPENDITURES	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Budget	FY20 Estimate	FY21 Adjusted
Personal Services	5,124,013	5,317,907	5,755,685	6,091,220	5,831,416	6,120,780
Operating Expenses	5,324,246	7,025,805	7,417,308	8,431,540	7,030,894	8,404,380
Capital Outlay*	13,326,316	14,779,070	28,746,773	26,011,200	22,474,400	16,246,460
Grants & Aids	0	0	279,020	0	217,600	18,000
Transfers to Other Funds	400,000	950,000	0	0	0	0
TOTAL EXPENDITURES	24,174,574	28,072,782	42,198,785	40,533,960	35,554,310	30,789,620
*Captial Outlay						
CIP	13,173,490	14,660,908	28,412,301	25,263,000	21,940,980	15,732,000
Capital Purchases	152,826	118,162	334,472	748,200	533,420	514,460

Staffing Summary:

	FY17	FY18	FY19	FY20	FY21
Real Estate	1	1	1	1	1
Aviation Services	60.5	60.6	62	63.5	63.0
Total FTE	**61.5**	**61.6**	**63**	**64.5**	**64.0**

The FY20 Estimate and FY21 Budget Request include COVID-19 related impacts.

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Budget Highlights

Revenue:

- Operating Revenue
  - FY20 Estimate is $15.5M. This is a $2M decrease; or 11.5% less than FY20 Adopted Budget due to the travel impact from Covid-19.
  - FY21 revenue budget estimate is $19.9M. This is a $2.4M increase; or 13.4% more than the FY20 Adopted Budget due to the new concessionaire agreement.
- Non-operating Revenue
  - FY20 Estimate increased by $1,952,540 or 10.8% from the FY20 Adopted Budget. This is due to the timing of Capital Improvement Projects (CIP) already in process such as the Master Plan, Security and Access Control Improvements, Customs and Border Protection Facility Improvements, and the In-Line Baggage Handling System projects. The payments are from the FAA, FDOT and the TSA and are dependent on how much of the project is completed each FY. We estimate how much each project's "burn rate" will be billed in a given FY and tie those billings to reimbursements from the FAA, FDOT and TSA.
  - FY21 Budget is decreasing from the FY20 Adopted Budget by $7,195,650, or 39.8% due to deferment of CIP projects.

COVID-19 Impact on Revenue:

- The Airport has received $8,737,268 (included in chart on the previous page) in CARES funding to offset operating revenue losses as the result of COVID-19.
  - This funding will offset revenue losses for both FY20 ($3,000,000) and FY21 ($5,737,268).
- FY20 operating revenue estimates was expected to decrease by $6M from initial projections.
- For FY21, operating revenue was expected to decrease by $4.5M from initial projections.
- Non-operating revenues for FY21 are decreasing by $5,233,040 from initial projections due to CIP project timeline shifting. Each project's estimated "burn rate" will be billed in a given fiscal year and tie those billings to reimbursements from FAA, FDOT and TSA.

Expenditures:

- FY20 Estimate is expected to come in $5M under the FY20 Budget. Reductions to FY20 Estimate are as follows:
  - Personal services reflect a decrease of $259,804; or 4.3%, due to 5 positions being held vacant.
  - Operating expenditures decreased by $1.4M; or 16.6%. Significant reductions include:

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        - Professional services are decreasing by $799,000 due to a reduction in general engineering consultants. The FY20 Approved budget included funding for a potential 14 projects that may have required work. FY21 includes funding for just 2 studies and an additional $100,000 for small projects, such as airport airspace analyses, airport pavement studies, engineering cost peer reviews, structural engineering to signage projects, or design engineering to small items such as a new airport chiller or a new elevator.
        - Other contracted services are decreasing by $322,140 due to a reduction in Custom and Border Protection personnel, terminal painting and tile coating and a reduction in the custodial contract.
        - Promotional activities are decreasing by $226,260
    - Capital outlay decreased by $3.5M; or 13.6% as a result of deferred CIP projects and equipment purchases.
- The Airport's FY21 Budget Request decreased by $9.7M from the FY20 Adopted Budget. This reduction is reflected in capital outlay.
        - FY21 Budget Request contains a decrease in capital equipment purchases of $233,740; or 31.2%, due to completion of non-recurring purchases such as fork-lift purchases, vehicle replacements, and the LED curbside conversion upgrade.
        - FY21 Capital Improvement Projects decreased by $9.5M; or 37.7% from the FY20 Adopted Budget due to schedule adjustments.

COVID-19 Impact on Expenditures:

- The FY20 Estimate for Airport expenditures increased by $1.8M from original estimates mainly due to expediting three (3) CIP projects: New Maintenance Facility project, Runway 18/36 Rehabilitation and the Airport Landside Improvements.
- The FY21 Budget Request has decreased $5.5M since it was first submitted by the department. The decreases include reductions in personal services due to holding vacancies open, reduction in operating expenses due to decreases in general engineering services consultants and Custom and Border Protection reimbursement costs, and schedule adjustments to several CIP projects.
- Projects were deferred in the Airport's Six Year CIP. These include:
    - Cargo Apron Rehab and Runway 9/27 Conversion – Moved out one year to FY22
    - Upgrade to the lift station – Moved out one year to FY22
    - Replace Passenger Portal Gates – Moved out one year to FY22
    - Installation of New Service Elevator – Moved out one year to FY21

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CIP:

- FY20 Adopted Budget: $25.3M; FY20 Estimate $21.9M (Decrease of $3.3M) due to project scheduling and estimated timing of expenditures
- Current Six Year CIP Plan: $186.5M; Proposed Six Year CIP Plan $131M including new projects below (Decrease of $55.5M). Decrease mainly from deferring the terminal improvements project past FY26.
- New CIP Project Requests Total $7.4M
  - Airco Drainage Improvements – Total Project Costs $5.4M
    - Estimated project start date in FY22
  - Pave Strawberry Lot and Shuttle Road – Total Project Costs $1.5M
    - Estimated project start date in FY24
  - Airco Access Roads – Total project cost $5.3M.
    - Estimated project start date in FY26

Changes to User Fees:

Fee	FY20 Adopted	FY21 Proposed	Change	Revenue Impact
Badge Renewal	$12	$20	$8	$7,288
Lost Badge	$40	$75	$35	$1,400
Badge Replacement	$5	$20	$15	$0
Tenant Keys	$5	$25	$20	$0

- The above user fees have not been reviewed since 2015. The proposed changes will align with other Florida commercial airports.
- There was a delay in implementing the new Transportation Network fees in FY20 due to approval of the geofencing. The contracts with Uber and Lyft are in process. It is anticipated that the Airport will start receiving fees for pick-ups in July.