

Four Corners Regional Airport

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October 30, 2019





Economic/Community Benefit

- The latest NM DOT reports the our airport with airline service contributes nearly \$ 23 million annually to the local economy.
- Provides all-weather 24 hour capable facility for any aviation activity including air ambulance and medical transfer flights.
- Supports the mission of all branches of our military.
- Provides a base for Federal Express, UPS.
- Available land to build an aviation related business park- 120 acres on north side of runway complex.
- Provides hangars and services to locally based General Aviation community.

Economic/Community Benefit

- According to the latest New Mexico Airport System Plan, Farmington Ranked:
 - Second in number of General Aviation Operations with 11.5% of the New Mexico total.
 - Seventh in the number of based aircraft with 5.5% of the total.
 - Provides employment directly for 120 people at 15 separate organizations.

Based Aircraft

• Single Engine	109
• Multi Engine	15
• Helicopter	5
• Ultralight	3
• Total.....	132



Airport Employers

• Air Care Air Ambulance	45
• No Worries Sports Grill	20
• Car Rentals	11
• Farmington Fire ARFF Dedicated	3
• Atlantic Aviation (FBO)	11
• Bode Aviation (Aircraft Maintenance)	3
• Independent Aircraft Mechanic	1
• Vernon Aviation	4
• Air Traffic Control Tower	6
• City Airport Ops & Maintenance	5
• Corporate Pilots	6
• Independent Flight Instructor	1
• FAA Designated Check Airman	1
• FAA Airways System Maintenance	3
• Total.....	120





Airport Revenues

- **FAA Grant Assurances**– Airport must make an effort to collect fees and rental income from users to offset the airport operational costs to the best of our ability.
- **Revenue Sources** - Hangar rental, tie down/parking fees, fuel surcharges, commercial carrier landing fees, other property rental fees.
- **Minimal Contribution** – When considering construction and maintenance costs, fees collected have a minimal contribution.

Airport Revenues

- **Double Edged Sword** – Promotion of business and activity attraction versus contribution to operating costs. Allowance of lease abatements or other fees to assist with start-up costs.
- **GRT Impact**– Large airport projects inject GRT revenue into the state and the communities involved.

Airport Costs

- **Maintain FAA Part 139 Standards** – This is required to maintain commercial airline service.
- **AIP Funding** – Is available at \$1 million plus annually if the airport maintains 10,000 commercial boardings per year. Funds come from 10% airline ticket tax.
- **FAA AIP Share** – The FAA funds projects at 93.75%. The remainder is split evenly between the City and the State of NM.

Airport Cost

- **City Philosophical Change** – In 2010 the Four Corners Regional Airport was changed from a municipal enterprise to a cost center due to the economic contribution to the city and region.
- **City Contribution** – Annual Airport Budget \$ 775,997 or about 1% of Farmington Municipal Budget.

Airport Cost

5 Year Capital Improvement Plan (CIP)

Four Corners Regional Airport, Farmington, NM				CIP START				
YEAR:				2019				
Federal Participation =				93.75%				
2016 Entitlement Balance (Expires FY19)				Instructions Show all planned projects (not just AIP funded projects) For AIP-MY, show est. cost in initial year & list project in following year(s) w/ \$0 Submit CIP to the ADO as a PDF file dated with signature.				
2017 Entitlement Balance (Expires FY20)								
\$566,342 2018 Entitlement Balance (Expires FY21)								
\$1,000,000 2019 Entitlement (for planning purposes through 2023)								
Fed FY	Entitlement Available	Funding Source	ODO Project Component/Phase	Estimated Cost	Entitlement	Additional AIP	Funding Plan State	Match
2019	\$1,566,342		AIP Runway 5/23 and Runway 7/25 RSA Improvements (Construction)	\$3,500,000	\$1,566,342	\$1,714,908	\$109,375	\$109,375
			AIP ARFF Proximity Gear	\$40,000		\$37,500	\$1,250	\$1,250
		Remaining Funds	2019 Annual Subtotals:	\$3,540,000	\$1,566,342	\$1,752,408	\$110,625	\$110,625
2020	\$1,000,000		AIP Runway 5/23 Rehabilitation with EMAS Design	\$400,000	\$375,000		\$12,500	\$12,500
			AIP Taxiway B Relocation Design	\$300,000	\$281,250		\$9,375	\$9,375
			AIP Airport Action Plan and Terminal Building Evaluation Study	\$200,000	\$187,500		\$6,250	\$6,250
	\$156,250	Remaining Funds	2020 Annual Subtotals:	\$900,000	\$843,750		\$28,125	\$28,125
2021	\$1,156,250		AIP Runway 5/23 Rehabilitation with EMAS (Construction)	\$10,000,000	\$1,156,250	\$8,218,750	\$312,500	\$312,500
			AIP Taxiway B Relocation (Construction)	\$4,000,000		\$3,750,000	\$125,000	\$125,000
		Remaining Funds	2021 Annual Subtotals:	\$14,000,000	\$1,156,250	\$11,968,750	\$437,500	\$437,500
2022	\$1,000,000		AIP Taxiway A Reconstruction/Relocation (Design Only)(Full Length)	\$750,000	\$703,125		\$23,438	\$23,438
	\$296,875	Remaining Funds	2022 Annual Subtotals:	\$750,000	\$703,125		\$23,438	\$23,438
2023	\$1,296,875		AIP Taxiway A Reconstruction/Relocation (Construction)(Full Length)	\$4,000,000	\$1,296,875	\$2,453,125	\$125,000	\$125,000
		Remaining Funds	2023 Annual Subtotals:	\$ 4,000,000	\$ 1,296,875	\$ 2,453,125	\$ 125,000	\$ 125,000
5 Year CIP Totals:				\$23,190,000	\$5,566,342	\$16,174,283	\$724,688	\$724,688

Capital Improvement Plan

The total CIP Costs & AIP Funding through 2023.

- Total estimated \$23.19million
 - FAA \$21.75 million
 - State \$724,688
 - Local \$724,688
 - Average of \$145,000 per year cost to COF.

Commercial Airline Service

- Commercial Airline service migrated to Durango over the last 15 years.
- Great Lakes ceased operation in November 2017 due to pilot shortage that adversely affected smaller sized aircraft operators
- Farmington hired a consultant to explore resumption of service in November of 2017
- Visited SkyWest Airlines in November 2017

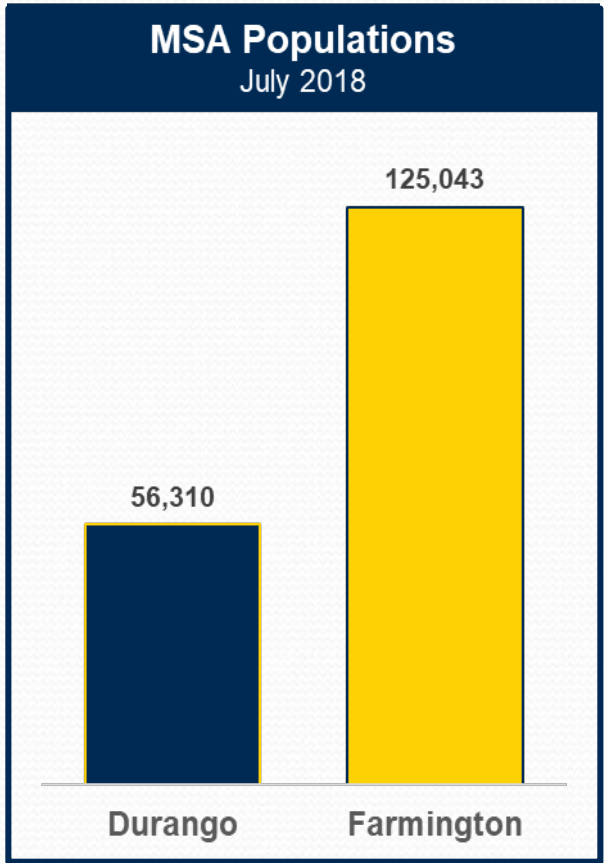
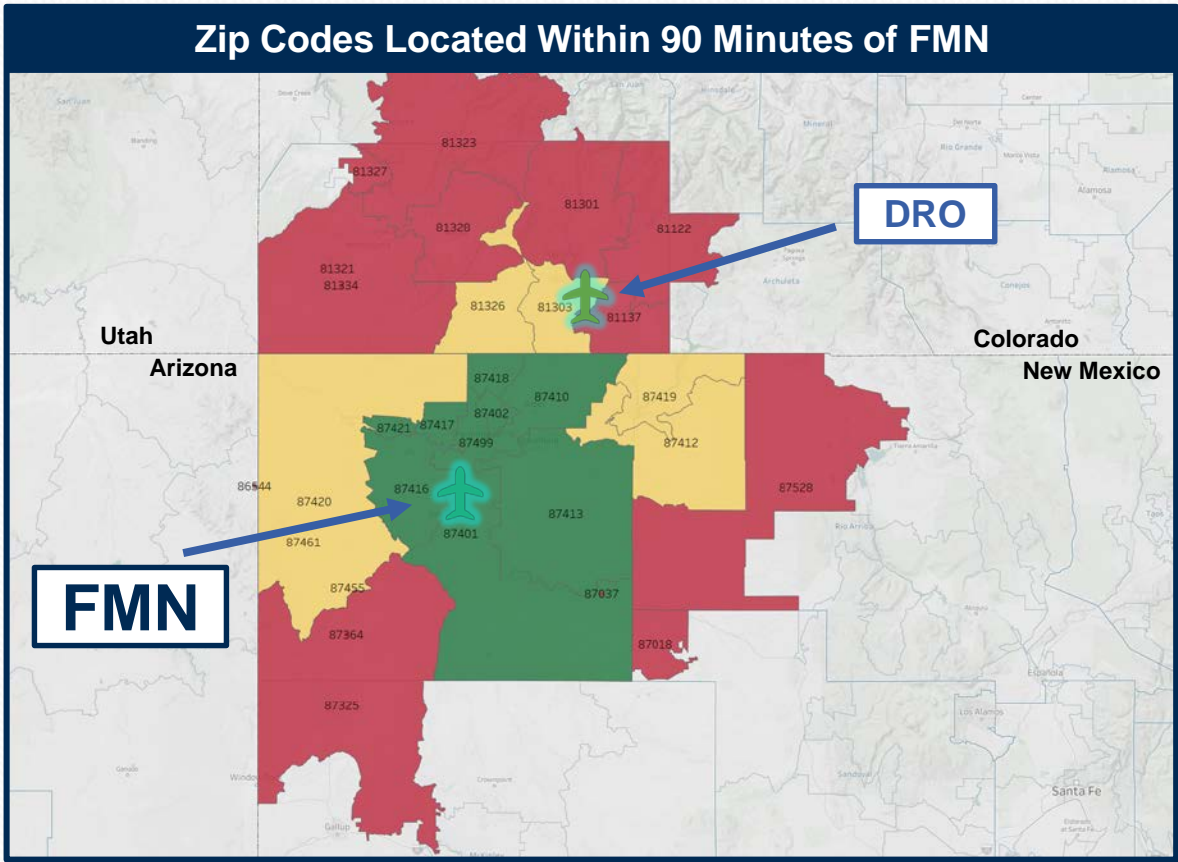
Commercial Airline Service

- New runway requirements became evident
- Started process with FAA and State of NM to reconfigure the airport to accommodate regional jets.
- This was a two year long process to be completed in December 2019.
- Tentative plan to resume service in Summer 2020

**The Farmington
Story
Catchment Area**

Nearly 210k people live within 90 minutes of Four Corners Regional Airport in Farmington, near New Mexico's border with Arizona, Colorado, and Utah

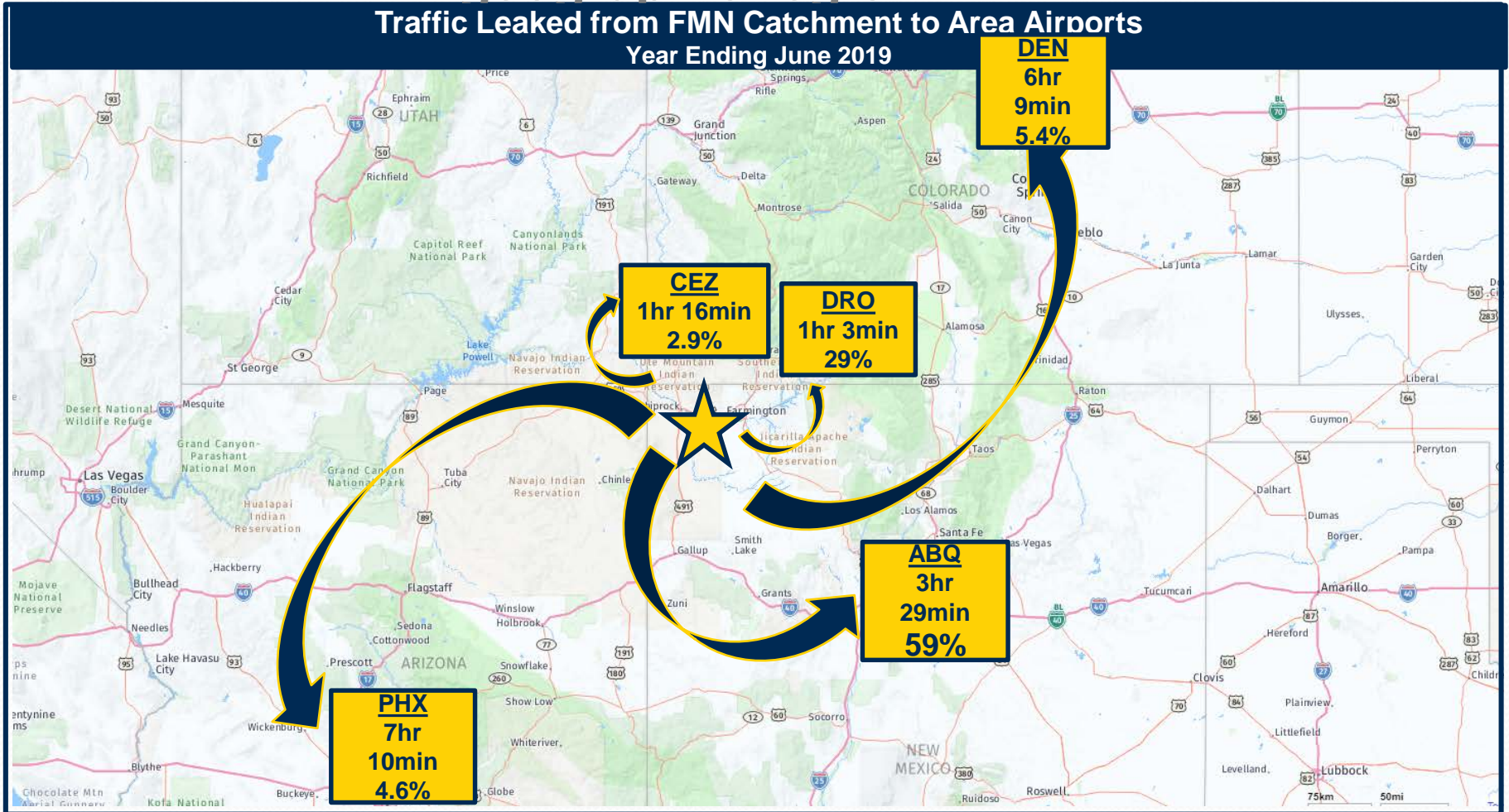
Population	30 minutes 105,070	60 minutes 128,973	90 minutes 209,880
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**The Farmington
Story**
Catchment Area

After Great Lakes exited Farmington in November 2017, area passengers were forced to drive to other airports in the geographic region

Traffic Leaked from FMN Catchment to Area Airports
Year Ending June 2019



**The Farmington
Story
Catchment Area**

The Farmington Catchment Area generated close to 111k passengers, or 152 per day each way, in the Year Ending June 2019

Farmington Area Airport Usage
Year Ending June 2019

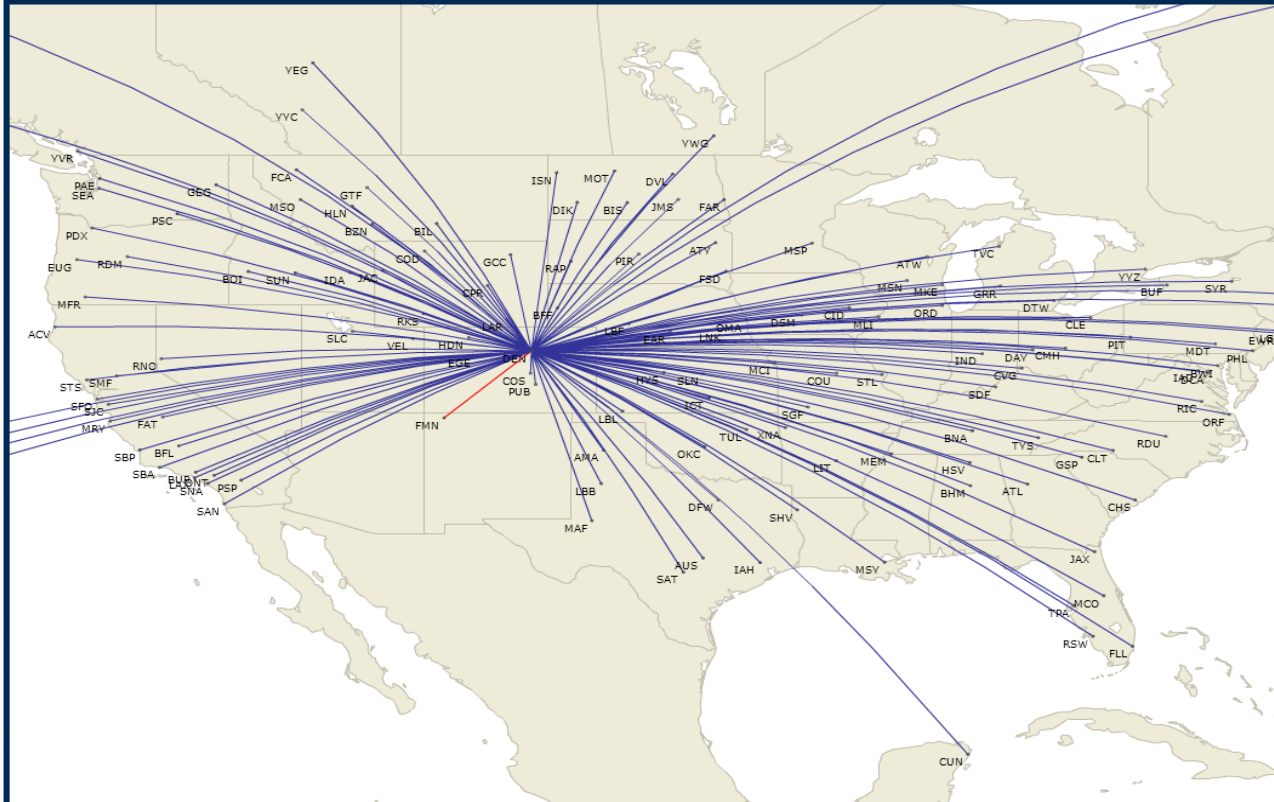
Rank	Airport	Annual Passengers	PDEW	Share	Fare	RDEW
1	Albuquerque International Sunport (ABQ)	65,004	89.0	59%	\$189	\$16.8k
2	Durango – La Plata County Airport (DRO)	31,628	43.3	29%	\$287	\$12.4k
3	Denver International Airport (DEN)	6,037	8.3	5.4%	\$179	\$1,477
4	Phoenix Sky Harbor International Airport (PHX)	5,065	6.9	4.6%	\$206	\$1,430
5	Cortez Municipal Airport (CEZ)	3,184	4.4	2.9%	\$143	\$623
	Total	110,919	151.9	100%	\$216	\$32.8k

✈ Catchment area traffic increased +3.2% from final four quarters of Great Lakes service (YE September 2017 – 147.3 PDEW)

The Farmington Story Air Carrier Analysis

The United code to Denver offers the most promise, offering connections to 131 destinations that account for 104 PDEW

United Connections at Denver for FMN



FMN-DEN

Stage Length	283 miles
Destinations	131
PDEW	103.9
Local Fare	\$141
System Fare	\$202

With no stimulation, requires 62% capture to achieve 75% load factor on 12 weekly flights

GREAT Journeys
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Four Corners Regional Airport

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