



PRESENTED TO ATLANTA
CITY COUNCIL AND STAFF

WORLD'S BUSIEST AIRPORT: BRIEFING

March 8, 2018

By Roosevelt Council
Aviation General Manager
and Senior Staff

 Hartsfield-Jackson
Atlanta International Airport





HARTSFIELD-JACKSON

EXECUTIVE SUMMARY

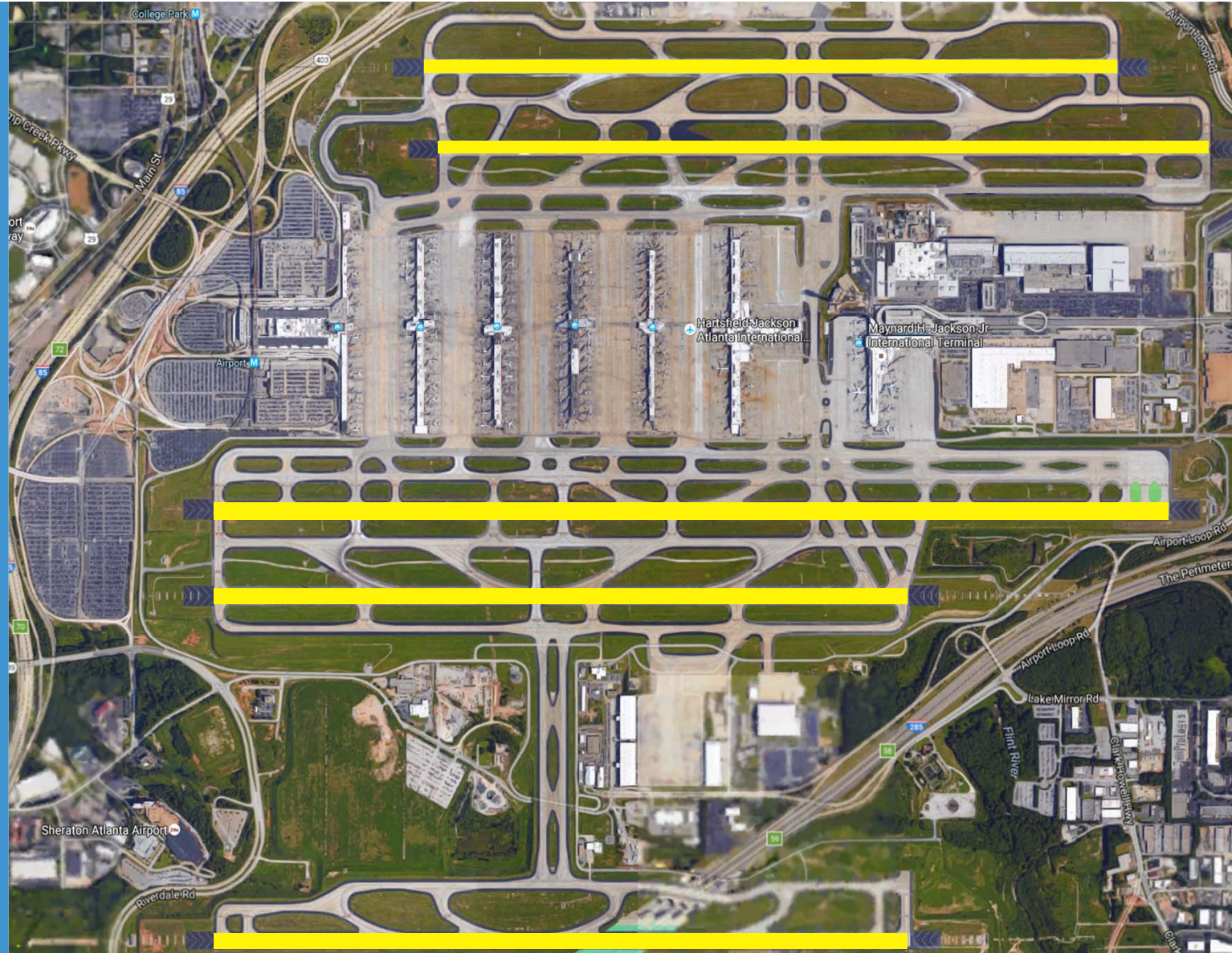
1. Introduction/Organizational Structure
2. Strategic Plan
3. Financial Strength
4. Operational Efficiency and Safety and Security
5. Capital Program Summary
6. Commercial Programs
7. Sustainability/Resiliency
8. Stakeholder Engagement
9. Upcoming Major Events

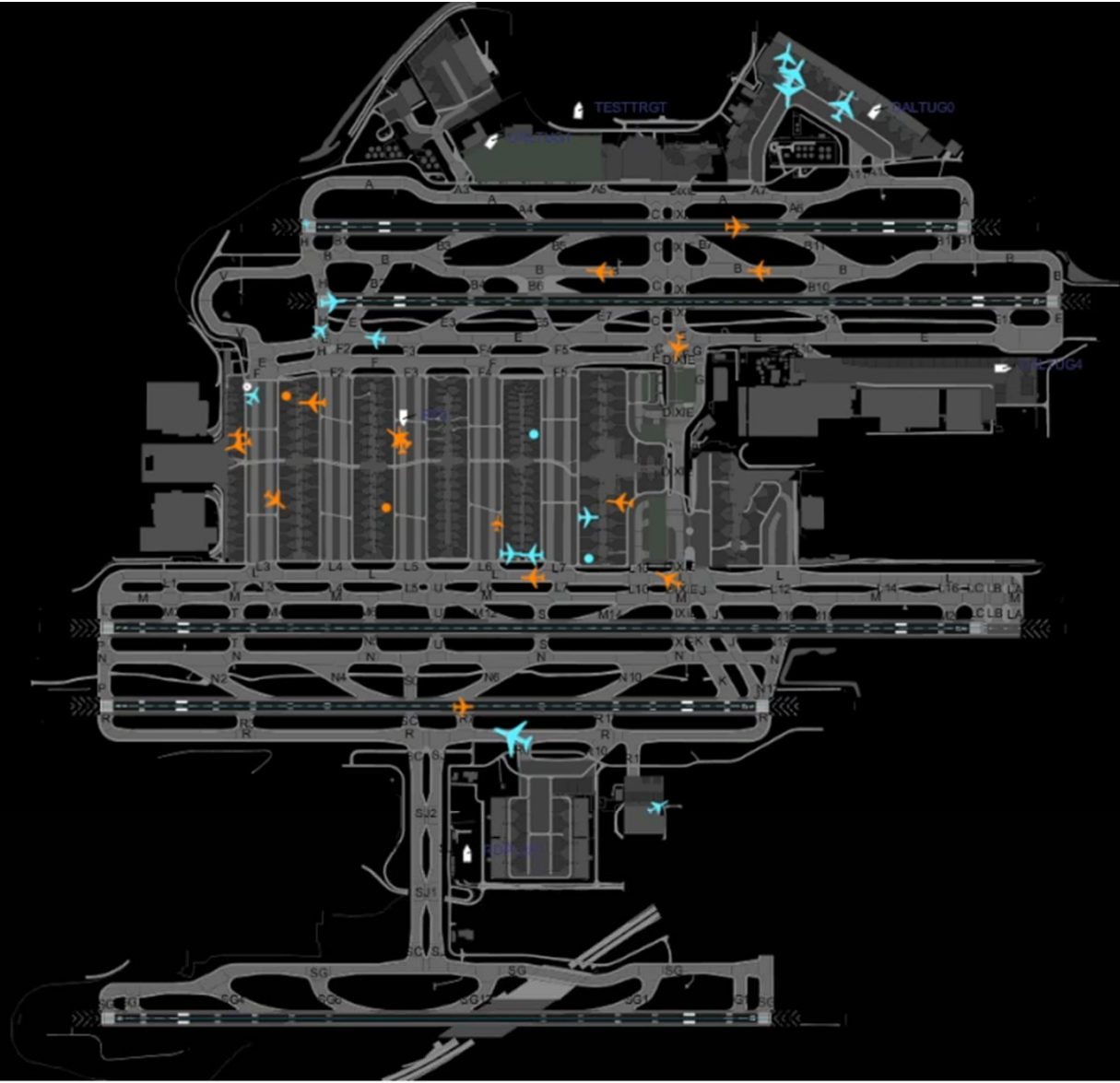


HARTSFIELD-JACKSON

INTRO. TO ATL

- Five Runways
- Depart on inboard, land on outer
- 5th runway can be used for either operation
- Can accommodate triple simultaneous landings in poor weather
- Almost 200 gates on 7 concourses







HARTSFIELD-JACKSON

SETUP OF AIRPORT

- Hartsfield-Jackson is owned and operated by the City of Atlanta
- Airport GM reports to COO/Mayor of the City of Atlanta
- Atlanta City Council approval process
- Stand-alone enterprise fund
- Receives no city or state taxpayer funding
- Aviation revenues cannot support the general fund





HARTSFIELD-JACKSON

ATL TODAY

- 103.9 million passengers in 2017 - *World's busiest airport (20th year)*
- Most Efficient Airport in the World
- Operations per day – more than 2,500
- Combined annual operating and capital budget – +/- \$1 billion
- Serves 150+ U.S. cities and 70+ int'l destinations in 45+ countries
- 4,700-Acre campus





HARTSFIELD-JACKSON

ECONOMIC IMPACT - REVENUE

CATEGORY	REVENUE
Direct	\$35 billion
Indirect	\$15 billion
Induced	\$14 billion
Total	\$64 billion





HARTSFIELD-JACKSON

ECONOMIC IMPACT - JOBS

SECTOR	TOTAL JOBS
Direct	245,536 (includes 63,000 onsite)
Indirect	99,011
Induced	104,149
Total Jobs	448,696





HARTSFIELD-JACKSON

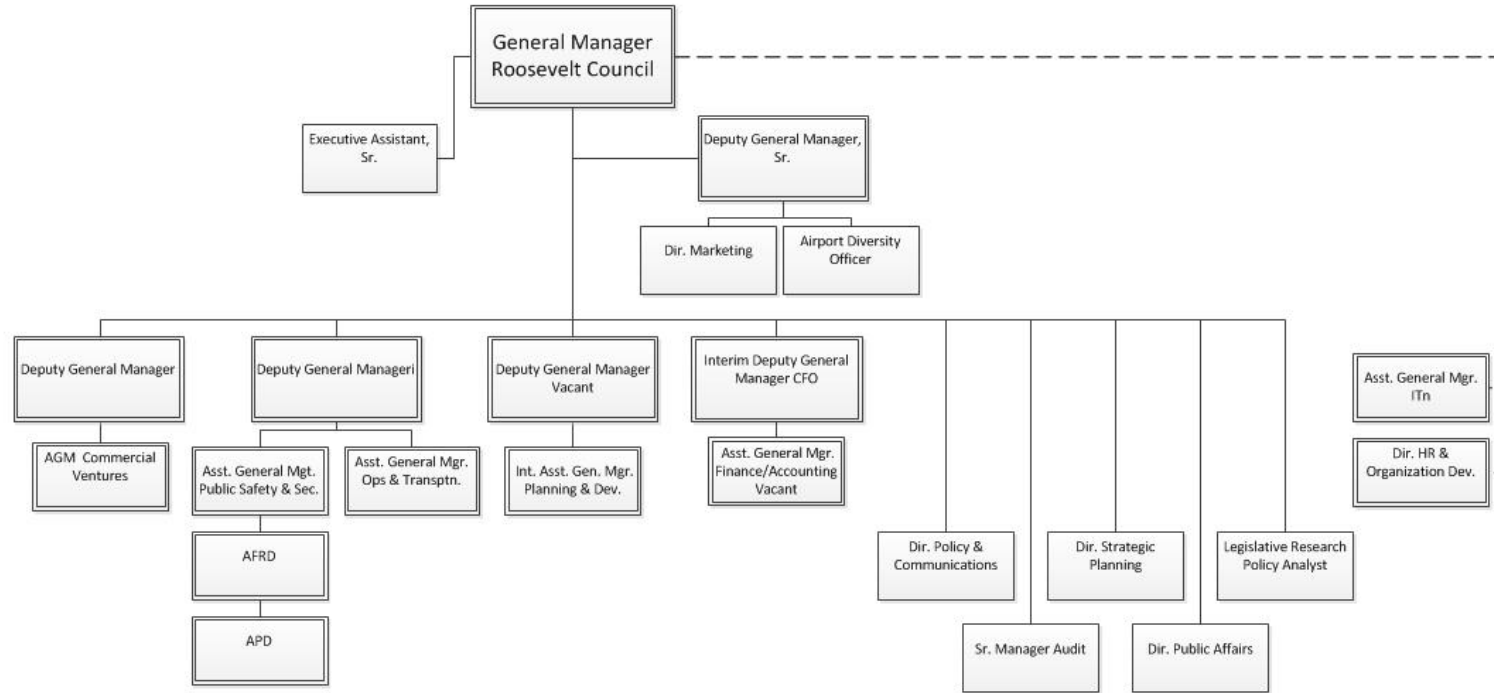
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ORG. STRUCTURE SENIOR STAFF

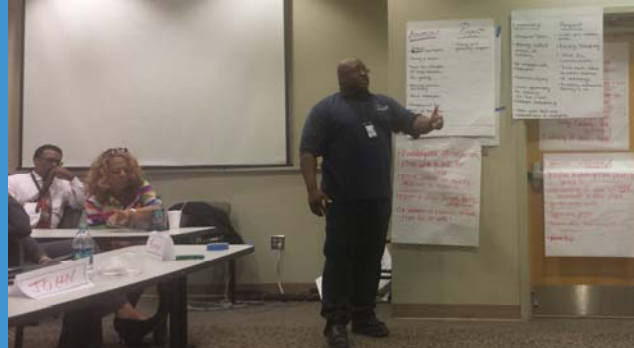




HARTSFIELD-JACKSON

STRENGTH OF STAFF

ATL employees are well represented on numerous industry councils in the US and globally. ATL also has more certified International Aviation Professionals than any other single airport in the world.

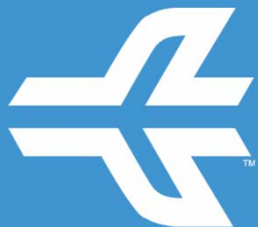




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BRIEFING

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HARTSFIELD-JACKSON

STRATEGIC PRIORITIES

VISION

To be global leader in airport efficiency and customer service excellence.

MISSION

Our mission is to provide the Atlanta region a safe, secure, and cost-competitive gateway to the world that drives economic development, operates with the highest level of customer service and efficiency, and exercises fiscal and environmental responsibility.





HARTSFIELD-JACKSON

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HARTSFIELD-JACKSON

FINANCING SOURCES

- Renewal and Extension Funds (R&E)
- Passenger Facility Pay-as-you-go Funds (PFC Pay-go)
- Passenger Facility Bonds (PFC Hybrid)
- General Airport Revenue Bonds (GARB)
- Grants
- Airport Improvement Program (AIP)
- TSA Grants
- Customer Facility Charges (CFC)





HARTSFIELD-JACKSON

REVENUE SOURCES

Aeronautical
Non-Aeronautical
Non-Operating

Aeronautical

- Landing Fees
- CPTC Rents
- Airside Rents
- CPTC Cost Recoveries (Less: Concession Credits)



Non-Aeronautical

- Landside Rentals
- Commercial Revenue
 - Parking
 - Concessions
 - Rental Car
 - Ground Transportation
 - Other Commercial Revenue
- Non Airline Recoveries
- Other Revenue



Non-operating Revenue

- Investment Income
- Passenger Facility Charges
- Customer Facility Charges





HARTSFIELD-JACKSON

NEW LEASE SUMMARY

Term

20 years plus a 10-year extension option by mutual agreement

- Effective October 1, 2017, other than Title XI (Capital Improvement Projects) which became effective July 1, 2016

Agreement

One agreement for use of the Airfield and lease/use of the Terminal and Concourses

Master Bond Ordinance

New lease provision stating that the MBO has precedence over the AULA



HARTSFIELD-JACKSON

FINANCIAL FORECAST 5 YEARS



	FY19	FY20	FY21	FY22	FY23
Revenue	\$576,809	\$611,787	\$660,456	\$680,321	\$738,507
Expense	\$351,628	\$365,829	\$380,566	\$396,536	\$412,431
Enplanements	53,900	54,500	55,100	55,700	56,300
Cost per Enplanement	\$2.77	\$3.36	\$3.99	\$4.06	\$4.57
Debt Service	\$140,579	\$165,800	\$214,677	\$181,255	\$206,221
Debt Service Coverage	2.12	1.94	1.67	2.01	1.99
R&E Fund	\$66,229	\$175,477	\$235,639	\$193,788	\$177,807
PFC Fund	\$314,074	\$317,898	\$347,614	\$406,247	\$409,435



HARTSFIELD-JACKSON

FISCAL YEAR 2018 YTD REVENUES

2nd Qtr.

	FY18 Actual	FY18 Budget	Variance	%
Landing Fees	\$ 15,459,452	\$ 14,596,969	\$ 862,483	6%
CPTC Rentals	98,534,411	95,230,059	3,304,352	3%
Airside Rentals	15,659,593	14,550,324	1,109,269	8%
CPTC Cost Recoveries	10,069,115	10,178,610	(109,495)	-1%
Concession Credits	(51,108,748)	(45,139,603)	(5,969,145)	13%
Total Aeronautical Rev.	\$ 88,613,824	\$ 89,416,359	\$ (802,536)	-1%
Landside Rentals	\$ 4,713,184	\$ 4,709,398	\$ 3,786	0%
Commercial Revenues				
Parking	72,668,219	65,039,064	7,629,155	12%
Concessions	58,104,421	58,839,238	(734,817)	-1%
Rental Car	21,571,170	20,614,974	956,196	5%
Ground Transportation	4,946,797	4,157,032	789,765	19%
Other Comm. Revenues	526,042	570,000	(43,958)	-8%
Non Airline Recoveries	8,193,994	7,570,000	623,994	8%
Other Revenue	2,299,227	2,746,937	(447,710)	-16%
Total Non-Aeronautical Rev.	\$ 173,023,054	\$ 164,246,644	\$ 8,776,410	5%
Total Revenues	\$ 261,636,877	\$ 253,663,003	\$ 7,973,874	3%



HARTSFIELD-JACKSON

FISCAL YEAR 2018 YTD EXPENSES

2nd Qtr.

	<u>FY18 Actual</u>	<u>FY18 Budget</u>	<u>Variance</u>	<u>%</u>
Personnel & Employee Benefits	\$47,972,367	\$50,936,937	(2,964,570)	-6%
Purchased/Contracted Services	\$73,302,013	\$83,325,227	(10,023,214)	-12%
Supplies	\$5,838,061	\$9,066,727	(3,228,666)	-36%
Capital Planning	\$244,841	\$140,056	104,785	75%
Interfund/Interdept. Charges	\$6,976,648	\$6,779,626	197,022	3%
Other Costs	\$3,242,872	\$2,753,110	489,762	18%
Total By Major Account	\$137,576,802	\$153,001,683	(15,424,882)	-10%





HARTSFIELD-JACKSON

CURRENT DEBT PICTURE



Permanent and Interim Debt Position As of June 30, 2017

Permanent Debt

- GARB Outstanding \$1.6 Billion
- PFC Outstanding \$800 Million
- CFC Outstanding \$170 Million
- Total Debt approximately \$2.6 Billion

Interim Sources

- Commercial Paper 1 – Commitment of \$450 Million
- Commercial Paper 2 – Commitment of \$225 Million
- Bond Anticipation Notes – Outstanding \$300 Million
- Total Interim Sources - \$975 Million



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OPERATIONAL EFFICIENCY

- Federal Requirements
 - FAR Pt. 139
 - TSR 1542
- Customer Service
- Performance Standards





HARTSFIELD-JACKSON

ANNUAL AIRPORT CERTIFICATION

14 CFR FAR Part 139

- FAA regulation applies to all commercial service airports in US
- Annual FAA inspection to ensure compliance with regulations

- Records / Documentation
- Qualified personnel
- Runways and taxiways
- Safety areas
- Marking, signs, and lighting
- Snow and ice control
- Aircraft rescue and firefighting





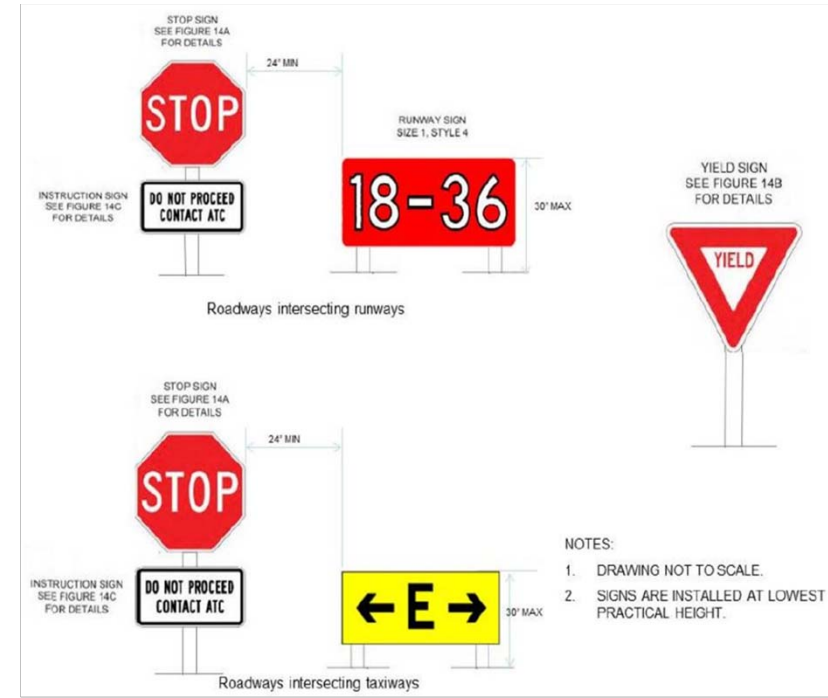
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PART 139 COMPLIANCE INSPECTIONS

Airport Certification Manual

- Written documentation describing how ATL complies with FAR Part 139
- Contains 29 different requirements that must be addressed
- Ensures standardization across all airports

- Airport emergency plan
- Self-inspection program
- Pedestrians and Ground Vehicles
- Obstructions
- Protection of NAVAIDS
- Wildlife Management
- Airport condition reporting
- Construction activities



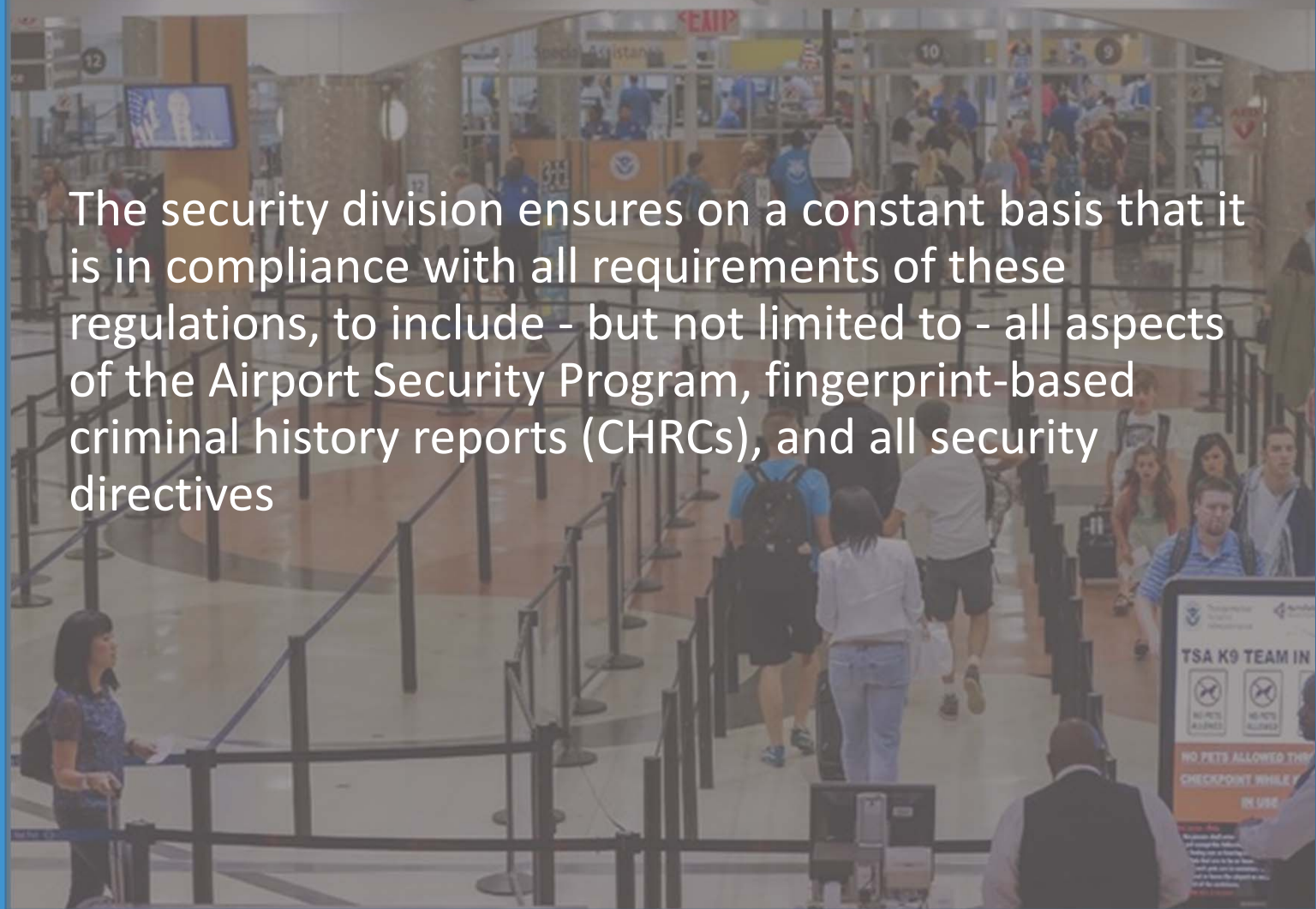


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CODE OF FEDERAL REGULATIONS

TSA Part 1542 (49 CFR 1542) is a portion of the Code of Federal Regulations, located within the Title 49 Transportation category. Part 1542 is dedicated to Airport security.

Main Security Checkpoint • All Gates



The security division ensures on a constant basis that it is in compliance with all requirements of these regulations, to include - but not limited to - all aspects of the Airport Security Program, fingerprint-based criminal history reports (CHRCs), and all security directives



HARTSFIELD-JACKSON

AIRPORT SECURITY PROGRAM

- Describes how the Airport will abide by and enforce security regulations
- Living document – changes made when necessary
- Security-sensitive document
- Approved by TSA





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AIRPORT SECURITY PROGRAM

- A detailed description of the Airport and all restricted areas
- Measures used to control access into the airport's restricted areas
- Procedures to comply with Criminal History Records Checks
- Training for badge holders
- Contingency plans
- Incident management procedures





HARTSFIELD-JACKSON

SECURITY GOVERNING BODIES AND JURISDICTIONS

- City of Atlanta
- State of Georgia
- Federal Agencies (field office)
- Neighboring Jurisdictions





HARTSFIELD-JACKSON

LAYERED SECURITY APPROACH

Reservation Process

- CAPPS
- No-Fly Lists
- Secure Flight

Security Checkpoint

- Screening Passengers By Observation Techniques
- Boarding Pass Check
- Identification Check
- Metal Detector
- Trace Portals/Puffers
- Carry-on Baggage Screening
- Checked Baggage Screening
- TSA Pre✓™

Airport Security

- Physical Security
- Access Control
- Closed Circuit TV
- Compliance and Enforcement
- Law Enforcement Officers
- Bomb Sniffing Dogs
- Command Center
- Emergency Management
- Employee Screening
- Cyber Security

Airplane Security

- Federal Flight Deck Officers
- Hardened Cockpit Doors
- Federal Air Marshal Service
- Trained Flight Crews
- YOU – THE PASSENGER



HARTSFIELD-JACKSON

SECURITY STATISTICS FY17

- 2,679,640 Employees Screened
- 1,440,311 Employees Inspected
- 92,210 Customers Served
- 52,243 Security Training Taken
- 26,415 Fingerprints Captured
- 11,107 Escort Requests
- 8,244 Permit/Decal Verifications





HARTSFIELD-JACKSON

OPERATIONAL STRUCTURE

Dept. of Aviation = Owner

AATC = Terminal
Maintenance and Operation
Services

- The City of Atlanta and signatory airlines entered into a 20-year Airport Use and Lease Agreement effective October 1, 2017
- In accordance with the Agreement, the airlines have designated the Atlanta Airlines Terminal Corporation (AATC) as the third-party provider of maintenance and operation services within the Central Passenger Terminal Complex

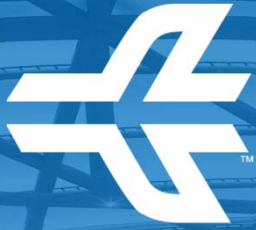




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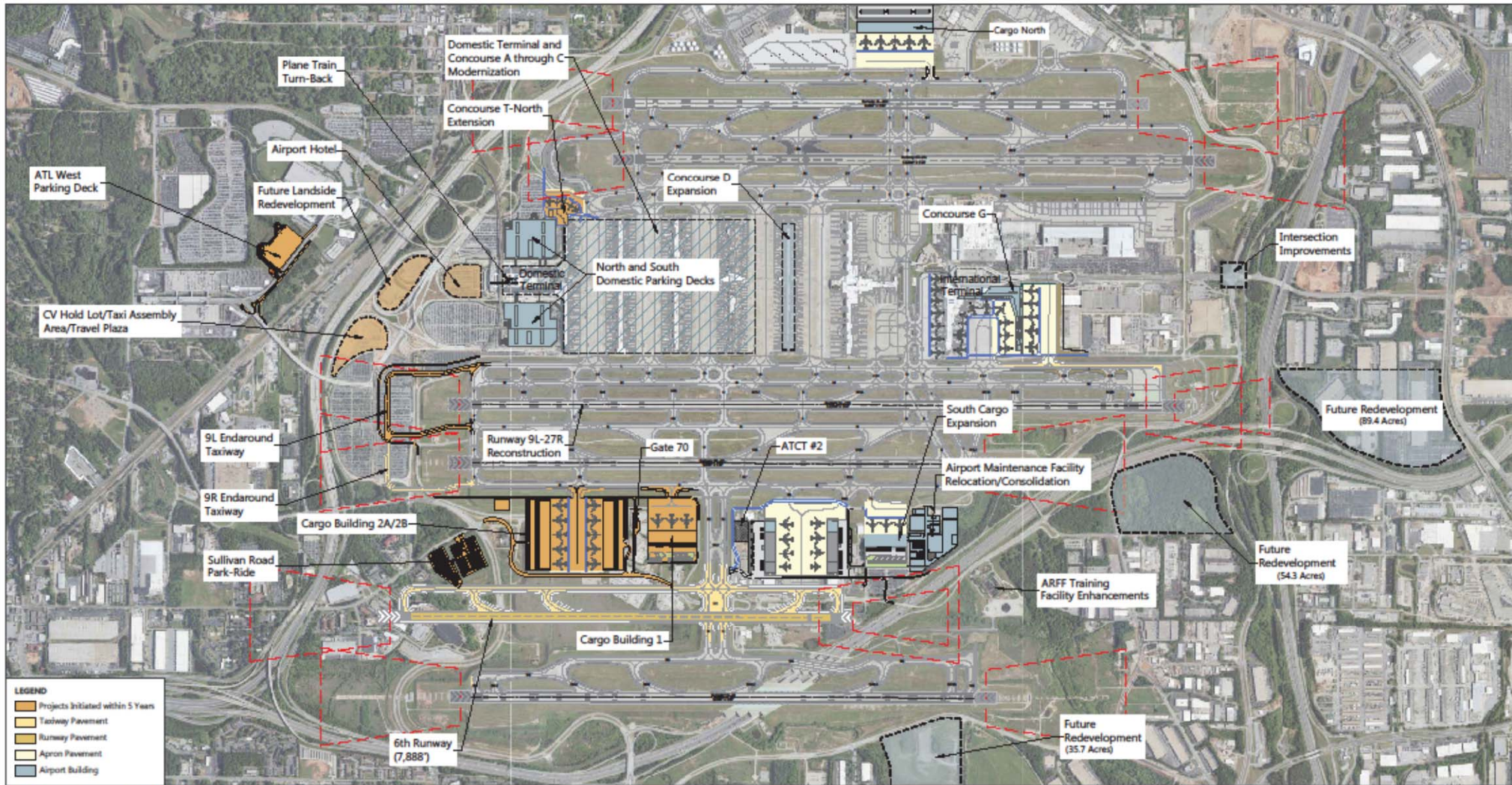


Capital Improvement Program

WHAT IS ATLNEXT?

- ATLNext is the Airport's multi-billion dollar capital plan.
- ATLNext consists of a series of projects to boost capacity. They include projects to ...
 1. Modernize facilities
 2. Expand cargo operations
 3. Expand concourses
 4. Replace 2 parking decks





SOURCES: City of Atlanta, Department of Aviation, April 2015; Ricardo & Associates, Inc., July 2015.
 PREPARED BY: Ricardo & Associates, Inc., March 2016.

EXHIBIT C-1





ATLNext

MODERNIZE FACILITIES

- **CANOPIES:** 2 canopies, totaling length of three football fields, will offer a dramatic entrance to the Domestic Terminal.
- **ATRIUM:** Facelift includes engineered trees and other foliage for a park-like feel.





ATLNext

CARGO EXPANSION

- ATL had 648,595 metric tons of cargo in 2016 (Top 12 among U.S. Airports)
- Constructing more warehouse space

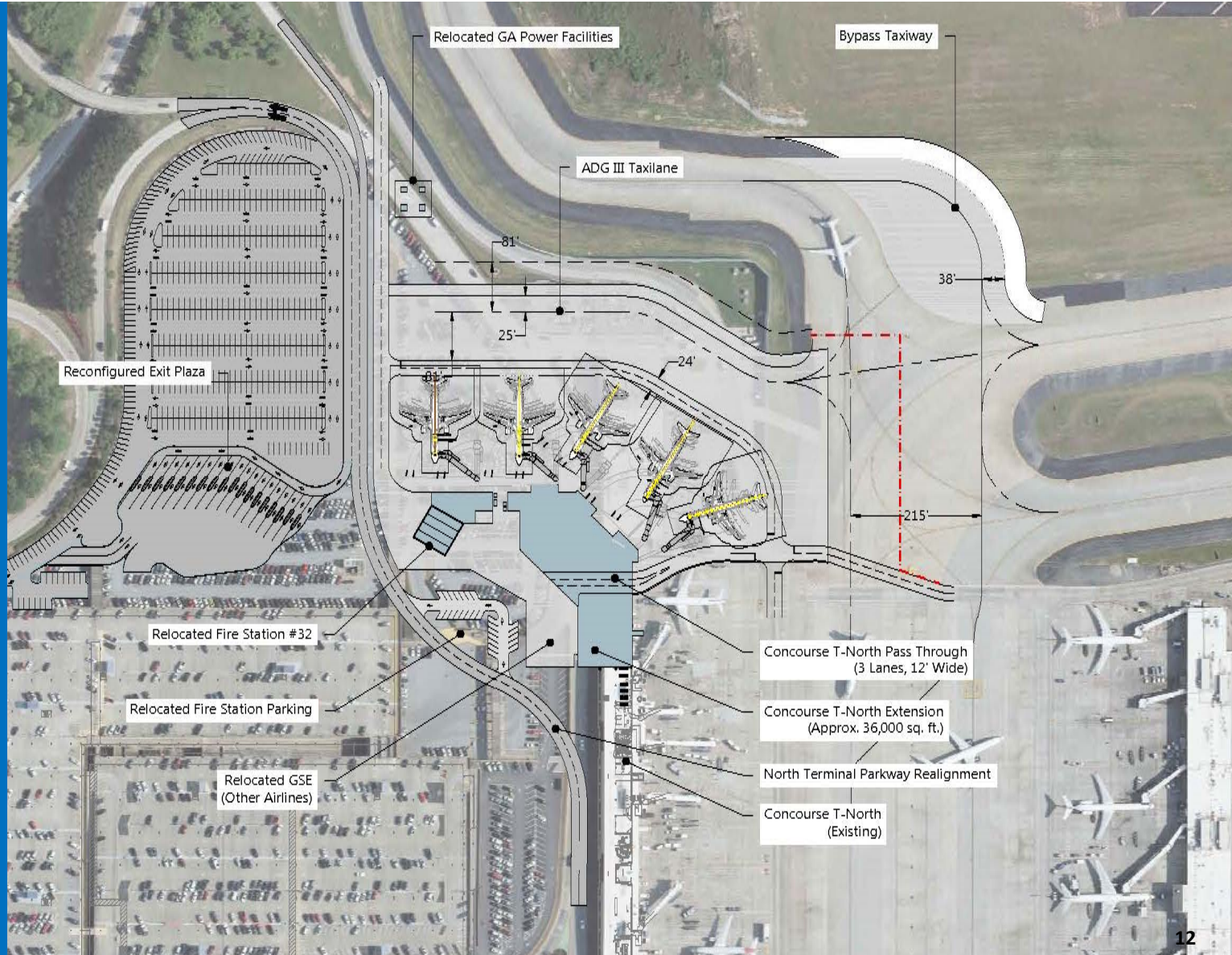




ATLNext

CONCOURSE EXPANSION

- Concourse T will be extended to make room for new gates





ATLNext

3 PARKING FACILITIES

- Replace North and South decks with new facilities rising 4-8 levels.
- To minimize disruption and loss of parking spaces, ATL will phase in construction and create a new Park-Ride lot on Sullivan Road.





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COMMERCIAL PROGRAMS

- Concessions (food & beverage, retail, duty free, advertising and other services)
- Parking
- Rental Car
- Real Estate





HOTEL COMPLEX

- 4-star, 500+ room InterContinental Hotel
- 60,000 square feet of office space
- 80,000 square feet of conference / meeting space
- 13 acres of mixed-use development





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HARTSFIELD-JACKSON

SUSTAINABLE AND RESILIENT

- Green Acres to be operational early 2019
- Sustainable Food Court Initiative
- First airport to be ISO 50001 certified
- A component of the City's Resilient City Initiative
- Installed over 200 EV charging stations





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**DELTA AIR
LINES**

- **New lease**
 - Strong Partnership
 - Commitment to capital improvement
 - Corporate Headquarter Commitment
- **Our Commitment**
 - Assist where we can to mitigate costs to Delta and the other airlines
 - We must make decisions that are in the best interest of the airport; which may be counter to Delta
- **Potential differences**
 - Our need for gates
 - Their desire to build 6th runway





HARTSFIELD-JACKSON

STAKEHOLDER ENGAGEMENT - SURROUNDING JURISDICTIONS & AGENCIES

Hartsfield-Jackson doesn't exist in a vacuum. This Airport values partnerships: local, national and international.



GEORGIA ASSOCIATION OF CONVENTION & VISITORS BUREAUS





HARTSFIELD-JACKSON

STAKEHOLDER ENGAGEMENT

COMMUNITY ENGAGEMENT

- Partners in Education
- ATL Tours
- Job Fair
- Chamber Representation

INTERNATIONAL AFFAIRS

- Protocol
- Sister Airports Program





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HARTSFIELD-JACKSON

UPCOMING MAJOR EVENTS



ATLANTA
HOST TO SUPER BOWL LIII



AMAC 2020



AMERICAN ASSOCIATION
OF AIRPORT EXECUTIVES

AAAE Airport Innovation Forum
2018



THANK YOU!

QUESTIONS & ANSWERS

By Roosevelt Council
Airport General Manager

