



**KNOX COUNTY REGIONAL AIRPORT
MONTHLY REPORT: FEBRUARY 2009
AIRPORT MANAGER**

ENPLANMENTS:

CAPE AIR ENPLANEMENTS: Cape Air again enplaned more passengers last month than our enplanements from February 2008. Numbers were up by a little over 9%.

YEAR	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2005	422	408	372	532	437	530	991	1176	622	528	414	363	6,761
2006	289	310	294	358	362	443	844	1105	591	467	344	362	5,769
2007	306	275	354	459	445	550	912	1086	608	473	292	264	6,024
2008	238	266	333	389	348	422	773	1101	597	522	267	299	5,555
2009	248	290											

PENOBSCOT ISLAND AIR ENPLANEMENTS: PIA's enplanements were down again by nearly 10%, in February. Total enplanements were exactly the same as last February, at 507 passengers. Either figure put us behind Augusta (up 17%) but ahead of Presque Isle (down 20%) and Bar Harbor (down 24%). Augusta was also the only one (besides KCRA) that showed positive numbers last month (up 13%). The airport manager indicted they have done a very aggressive PR campaign to push their new Saab service but he was worried the increases might be short lived as the novelty wears off. Bar Harbor on the other hand has found another problem with their Saab service we had not anticipated. The Saab cannot land on a runway with 'poor' breaking action (icy) with a crosswind of greater than 5 knots. As a result, Bar Harbor has lost several flights that would not have cancelled if they were using Cape Air's Cessna.

YEAR	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2005	103	152	220	386	342	480	740	902	788	513	657	486	5,769
2006	245	217	394	548	560	505	1009	1426	770	948	682	515	7,819
2007	269	313	303	335	616	902	867	1543	985	857	839	390	8,219
2008	357	241	299	551	880	616	1037	1374	931	909	543	390	8,128
2009	302	217											

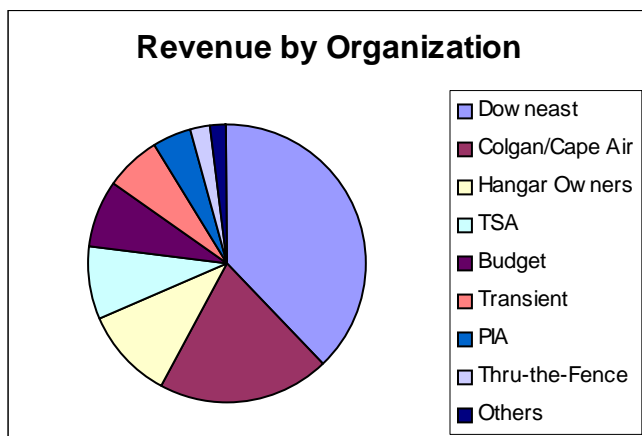
AIRCRAFT MOVEMENTS: The arrivals and departures for those flights that filed flight plans were down again in February, but the 4.9% decrease was not as significant as last month's 20% decline. Weather and Cape Air's visual flights can explain the decrease.

YEAR	JAN	FEB	MAR	APRIL	MAY	JUNE	JULY	AUG	SEPT	OCT	NOV	DEC	TOTAL
2005	355	329	382	420	485	666	1057	1184	714	528	454	420	6,994
2006	361	362	410	432	501	671	983	1200	713	612	452	445	7,142
2007	394	345	392	408	524	712	1092	1215	741	609	452	349	7,233
2008	365	286	359	474	626	724	1232	1328	784	799	324	280	7,581
2009	292	272											

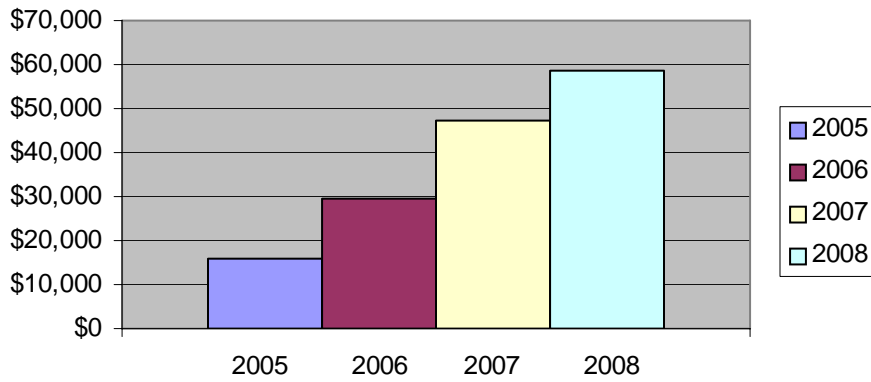
1. **Projects:** Please see Stantec's report for an overview of the projects. As predicted the FAA is reluctant to fully commit to funding our environmental initiatives we hope to include in our terminal. Our 2009 grants were accepted, but they included 'assurances' that will require us to repay the funding of the design, if we decide not to follow through with the construction (this is actually a normal requirement for 'design only grants' so we are not being singled out – if we decide not to build, the funds reserved for the terminal construction would cover this design project). But, they also added language that makes it clear, depending on the cost of the

environmental initiatives; we could be required to pay for those additional costs as well. I do not see that as an issue for this design grant, but it will be a consideration when we do go to the construction phase. For the Terminal Design Grant the Federal share is \$295,925, our share is \$141,287 and the State share is \$7,788. For the Runway and Ramp Repair/Maintenance Grant the Federal share is \$128,250 and our share and the State share are \$3,375 apiece.

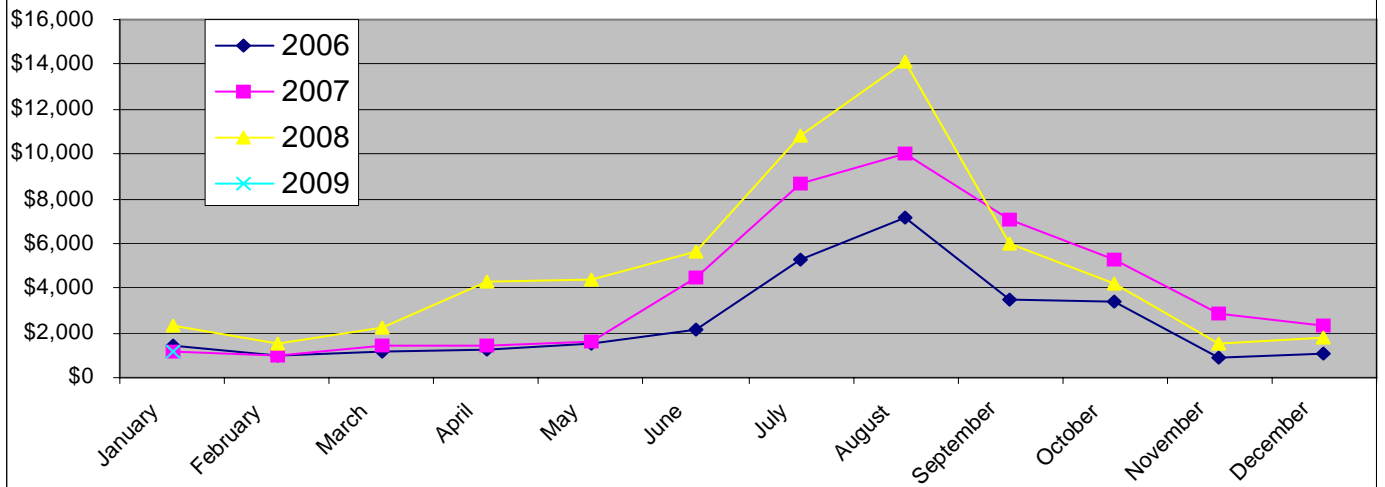
2. **Stimulus Package:** The FAA has determined our runway projects are not eligible for stimulus funding. But, they have determined the stimulus funding is 100% (ie no state or local 2.5% match required). They have also figured out that Terminal Construction at small airports is specifically addressed in the stimulus language. But, they are still using their eligible/ineligible rules – so, if we did get stimulus funding for our terminal, we would need to be ready to award the construction contract by June 1, 2009 **AND** be able to certify we would be able to fund the ineligible portion of the project, that could be as much as \$1M. To do this, we would need to have a positive referendum vote by May 29, 2009. Using the stimulus funding could save the State and the County over \$50,000 apiece (our 2.5% shares of approximately \$2M of eligible portions of the project). I would like to include this as a discussion item at the March 10th Commission meeting.
3. **APAC:** The APAC met February 9th and their next meeting will be March 23, 2009. The Business Plan Sub-Committee met February 2 and 16, and their scheduled to meet March 2 and 16, in the County Administration office, at 4:30 PM.
4. **Downeast Air:** During the first two thirds of 2008, Downeast Air showed a 63% increase in their Gross Revenues, from 2007. In July their fuel sales began to decrease and by September it impacted their Gross Revenues. During the last third (September through December) of 2008, their Gross Revenues fell by 28%. The strong start to the year allowed them to show a total increase in revenues of 33% for 2008 but, in January of this year, their fuel sales were down by 46% (18,430 down to 10,037 gallons) and Gross Revenues fell by 49%. February’s data was not available in time to include in this report but I suspect their revenues will mirror the national economy and it will get worse before it gets better. I have highlighted Downeast Air this month, because they account for nearly 38% of the airport’s revenue stream (excluding grant funding = FAA, FEMA and TSA). If this type of data is of value I will plan to highlight a separate area of the airport budget, each month.



DE % of Gross To Airport



MAA/DOWNEAST AIR % of GROSS



GALLONS OF FUEL

