

LYNCHBURG REGIONAL AIRPORT COMMISSION
Monday, November 13, 2023
4:00 p.m.

AGENDA FOR THE COMMISSION

1. Call to Order

CONSENT AGENDA

2. August 21, 2023 Commission Meeting Minutes
3. Lynchburg Regional Airport December 2023 Air Service Update
4. September 2023 Passenger Traffic Report

Consent Agenda Recommended Action: Receive and File

REGULAR AGENDA

5. Report of the Airport Director
 - A. An update on LYH airline performance metrics, regional air service environment as related to schedules, staffing and equipment availability
 - B. A report regarding SCASDP Grant award and next steps
 - C. A report on the outcome of a recent meeting with targeted airline network planning officials at Takeoff – Airline Network Planning Conference
 - D. An overview of the Airport's FY 2023 year-end operating budget results
 - E. A report with regard to a \$5 million grant opportunity under the recently passed federal Bipartisan Infrastructure Bill
6. Miscellaneous business
 - A. Inquiries and/or comments by Commission members
7. Reports of airport businesses
8. Hearings of citizens upon Commission matters
9. Next Commission meeting: 2024 schedule TBD
10. Adjournment

LYNCHBURG REGIONAL AIRPORT

COMMISSION MEMBER UPDATE

November 8, 2023

REPORT

SEPTEMBER PASSENGER TRAFFIC REMAINS DOWN DESPITE HIGH DEMAND

With local air travel demand continuing to reflect remarkable resiliency, September passenger traffic finished the month down by 5.5% on 7.2% fewer passenger seats, with load factors remaining strong with monthly flights departing an average 83.5% full. The boost in year-over-year load factors once again demonstrates the unmet potential of the LYH market and underscores American's continued inability to adequately service high-performing regional markets like LYH. And while airfares have remained competitive, earlier trends toward higher prices have begun to recede as domestic demand begins to decline systemwide going into the end of the year.

AMERICAN AIRLINES' FALL SCHEDULES STABILIZE

Following stepped up efforts to make our case with American headquarters' network planning officials in recent months, I'm pleased to report that our fall flight schedules have generally stabilized at six daily departures most days in October and provided some relief. Nonetheless, we still struggle with seeing larger-gauge, dual-class regional jets at LYH. One encouraging sign of progress on this front, however, was a recent comment by American CEO Robert Isom who stated that they want to begin to "restore regional service in some smaller markets in the US" while "we're building back and expanding our network in an efficient manner... ." In the meantime, we should expect at least five to six daily departures on 50-seat EMB-145 regional jets throughout the winter and spring of '24. I'll have more details on our American service levels and future schedules at Monday's Commission meeting.

LYH RECEIVES \$600,000 DOT SMALL COMMUNITY AIR SERVICE DEVELOPMENT GRANT

On another encouraging note, in early October the U.S Department of Transportation announced that LYH was selected to receive a \$600,000 grant under the Small Community Air Service Development Grant program. As you will recall, this program is designed to assist small communities in addressing air service deficiencies at underserved airports, with awards made annually. Grants have primarily been used for financial incentives to airlines through a "revenue guarantee," but can also be used for marketing/promotion and air service studies. LYH participated in this year's RFP process, and the DOT ultimately selected 20 proposals from among 48 applications in 26 states. Overall, our focus for the grant was two-fold; (1) focused on returning LYH service levels to pre-pandemic levels by offering a revenue guarantee to incentivize AA to return higher capacity, dual-class airline service to CLT and (2) a new route to ORD. Looking ahead, we have a planned meeting with AA network planning officials in February to hear their current industry position and upcoming plans.

LYH AWARDED BIPARTISAN INFRASTRUCTURE LAW GRANT

Through the recent Congressionally authorized Bipartisan Infrastructure Law, \$5 billion in funding from the bill has been allocated specifically to airports in order to provide competitive grants for airport terminal development projects that address the aging infrastructure of the nation's airports. These grants will fund safe, sustainable and accessible airport terminals, on-airport rail access projects and airport-owned airport traffic control towers. Projects may also include multimodal development. For FY 2024, another \$1 billion has been made available. The third billion will fund projects at 99 airports across the country. These projects improve the passenger experience at airports in communities of all sizes. These improvements aim to make it faster and easier to check bags, get through security, and find your gate, all while creating jobs and supporting local economies. LYH submitted an application for these discretionary funds for our upcoming Security Checkpoint upgrade project.

RUNWAY 4 RUNUP PAD PROJECT

As part of the airport's annual AIP funding allocation for eligible capital projects, LYH has received an FAA grant for \$1,229,342.00 to complete this planned airfield improvement project. The project includes a new runup pad at the south end of Taxiway "B" in order to reduce congestion due to the high number of LU School of Aeronautics' training aircraft using Runway 4. Construction of a dedicated pad that will match an existing pad serving the Runway 22 end of the airport's main runway comprises the primary scope of work. State entitlement funds will provide 10% matching funds for the 90% FAA grant. Construction has begun and we anticipate completion prior to the end of the year.

FAA SAFETY TEAM VISITS LYH

The Federal Aviation Administration has created a safety team division which is tasked with lowering the Nation's aviation accident rate by conveying safety principles and practices through training, outreach, and education. This effort includes establishing partnerships and encouraging the continual growth of a positive safety culture within the aviation community. To fulfill its mission, the FAA's Safety Program is structured with a National FAA Safety Team (FAASTeam) staff with assigned personnel. The FAASTeam "teams up" with individuals and the aviation industry to create a unified effort to avoid accidents and "tip" the safety culture in the right direction. In fact, a representative of the FAASTeam visited BonAir on October 24th and conducted a safety team meeting/briefing with local general aviation pilots. This event was well received and attended by the local pilot community.

AVIATION DAY AT THE LIBRARY

On Saturday, November 11th starting at 10:30 a.m., the Lynchburg Public Library will host "Airport Day" in partnership with Lynchburg Regional Airport. The event will take place at the Main Library, 2315 Memorial Avenue in the Community Meeting Room, and is free and open to children of all ages and their families. The event will include stories, interactive activities, snacks, giveaways, and photo opportunities. Children will have the chance to ask questions and learn about planes and how the airport operates. Each family will receive one of our storytime books to take home.

AGENDA FOR THE COMMISSION MEETING

Monday's regular agenda will include a presentation on LYH passenger trends and operational performance metrics, along with a summary of my recent meeting with our Air Service Development consultant and American network planning officials. In addition, I will brief the Commission on the Airport's 4th quarter and FY 2023 year-end operating budget results. In the meantime, if you have any questions, or would like to discuss anything prior to the meeting, please feel free to call me at 455-6089.

Respectfully yours,
Andrew LaGala, A.A.E.
Airport Director

**MINUTES OF THE
LYNCHBURG REGIONAL AIRPORT COMMISSION MEETING
Aug. 21, 2023
4:00 p.m.**

PRESENT:

Janice Crawford
Massie Ware
Kent White
John Marcinik
Jones Stanley
Dan Deter

ABSENT:

Frank Rogers
Mark Elliott

STAFF PRESENT:

Andrew La Gala, Airport Director
Cedric Simon, Assistant Airport Director Ops and Maint
Cathy Vance, Assistant Airport Director Finance and Admin
Wes Campbell, Finance Manager
Carmen Singh, Marketing Coordinator
Nicole Valdez, Administrative Coordinator

(1) CALL TO ORDER:

The meeting was called to order at 4:00 p.m. by Mr. Massie Ware. It was noted that Frank Rogers and Mark Elliott were not in attendance.

(2) APPROVAL OF AUGUST 21, 2023 CONSENT AGENDA

Mr. Massie Ware confirmed that everyone had received the items from the Consent Agenda; the June 12, 2023 Commission Meeting Minutes and asked if there were any questions, comments or changes regarding the consent agenda items. There were no comments.

(3) REPORT OF THE AIRPORT DIRECTOR

i) Airline Service Trends: Looking Ahead

- (1) LYH AA service levels stabilizing...
 - (a) September 2023 scheduled seats down 9.4% over last September...down 29.2% over 2019
 - (b) September schedule offers 6 daily EMB-145 departures 4 days/week...5 departures 3 days
 - (c) Constraints on availability of larger, dual-class RJs continues due to stage-length issues
- (2) Domestic leisure demand softening system wide...fares moderating
- (3) Domestic business travel demand system wide has recovered to 80% of pre-pandemic levels
- (4) International passenger demand growing system wide
- (5) Pilot shortage among regional airlines remains problematic

ii) AA Virtual Headquarters Meeting

- (1) Met with Ryan Isemeyer, Senior Manager Network Planning
 - (a) Outlined LYH service performance metrics, catchment area demographics, etc.
 - (b) Presented and discussed latest leakage data, true market potential, etc.
 - (c) Reinforced new service opportunity serving AA's ORD hub
 - (d) Discussed LYH's SCASD program application and strategy

iii) TakeOff Route Network Planning Meeting – August 14 & 15, 2023

- (1) American Airlines- Ryan Pawlowski and Lindsey Barfoot
- (2) News from AA was positive
- (3) Pleased with LYH performance in the summer... adding capacity as they can
- (4) Expect October to be at 6 peak-day trips and November to be at 5.
- (5) We discussed the LYH area and discussed the SCASD application.
- (6) Breeze Airways - Foster Becquet, Aly Escobar
 - (a) Breeze serves several Eastern cities
 - (b) Discussed LYH potential, economy and top markets
 - (c) Interested in LYH football season traffic
 - (d) Inquired about incentives
 - (e) This was a positive meeting, though more of an introduction to LYH

iv) TakeOff Route Network Planning Meeting – August 14 & 15, 2023

- (1) Sun Country
 - (a) Sun Country has plenty of opportunities for winter flying from MSP to warm destinations but needs summer opportunities
 - (b) MSP is used by the airline as a connector to the West which works well with LYH's passenger numbers to Western cities, which tend to have summer peaks
 - (c) Sun Country service would start at twice weekly from Memorial Day to Labor Day
 - (d) Further discussion of this opportunity is warranted; perhaps a medium- or long-term opportunity
- (2) Jet Blue
 - (a) JetBlue serves three Florida markets from RIC
 - (b) JetBlue expects to know whether the merger with Spirit will go through or not by December or January
 - (c) JetBlue is looking to diversify, regardless of the merger result
 - (d) They have available infrastructure in MCO after their move to Terminal C

(4) REPORTS OF AIRPORT BUSINESSES

Mr. Massie Ware asked if there were any questions or comments from the citizens present. Freedom Aviation President, Andrew Wallace, said "We have 22 new aircraft coming in for the Liberty fleet". Andrew Lagala replied, "I'm having discussions with our ATCT because we are having congestion and we're working with the FAA to get more personnel in the tower to use both runways". Kyle Falwell with Bon Air stated, "We added 6 pilots and two more jets".

(5) HEARINGS OF CITIZENS UPON COMMISSION MATTERS

There were none.

(6) Next Commission Meeting: TBD

(7) ADJOURNMENT

There being no further business, the meeting was adjourned.

Lynchburg Regional Airport Commission

Effective December 2023

AIR SERVICE UPDATE

Summary For the month of December we have 5 daily departures on most days. We have five ER4 aircraft.

Carrier Profile	<u>Airline</u>	<u>Destination</u>	<u>Departures</u>	<u>Seats</u>	<u>Equipment</u>
	American Airlines	Charlotte	5	250	ER4

AIRPORT TOTAL: Monthly Seats: 6,300 Scheduled Flights: 126

American Airlines In December we have 5 daily departures on most days, all are ER4 aircraft.

Destinations Served	<u>Non-Stop</u>	<u>Departures</u>	<u>Total</u>
	Charlotte	5 per day	126

Aircraft Types	<u>Aircraft</u>	<u>No. of Departures/Day</u>
	CR9 CRJ-900	0
	ER4 Embraer 145	5
	CR7 CRJ-700	0

LYNCHBURG REGIONAL AIRPORT AIR TRAFFIC REPORT FOR SEPTEMBER 2023

	Sep-23			Aug-23			Sep-22			YTD TOTALS		PERCENTAGE CHANGES			PERCENT OF AIRPORT TOTAL		
	Sep-23	Aug-23	Sep-22	2023	2022	Sep-23	Sep-23	Sep-22	23 YTD	Sep-23	Aug-23	Sep-22	Sep-23	Aug-23	Sep-22		
AIRLINE PASSENGERS (REVENUE ONLY)																	
ENPLANED																	
US Airways - Piedmont	6,683	5,921	5,804	52,262	47,308	12.9%	15.1%	(1)	10.5%	100.0%	100.0%	82.4%					
US Airways - PSA	-	-	1,275	-	9,271	-	(1)	(1)	(1)	-	-	18.0%					
Envoy	-	-	-	-	-	-	-	-	-	-	-	-					
Charter	-	-	-	-	-	-	-	-	-	-	-	-					
TOTAL ENPLANED	6,683	5,921	7,079	52,262	56,579	12.9%	-5.6%	-7.5%	100.0%	100.0%	100.0%	100.0%					
DEPLANED																	
US Airways - Piedmont	6,597	5,786	5,746	50,715	45,819	14.0%	14.8%	(1)	10.7%	100.0%	100.0%	82.4%					
US Airways - PSA	-	-	1,230	-	10,238	-	(1)	(1)	(1)	-	-	17.6%					
Envoy	-	-	-	-	38	-	-	-	-	-	-	-					
Charter	-	-	-	-	-	-	-	-	-	-	-	-					
TOTAL DEPLANED	6,597	5,786	6,976	50,715	56,095	14.0%	-5.4%	-9.6%	100.0%	100.0%	100.0%	100.0%					
TOTAL AIRLINE PASSENGERS	13,280	11,707	14,055	102,977	112,674	13.4%	-5.5%	-8.6%									
AIRLINE FLIGHTS																	
NUMBER OF DAILY SCHEDULED DEPARTURES																	
US Airways - Piedmont	5	5	5	-	-	-	-	-	-	-	-	-					
US Airways - PSA	-	-	-	-	-	-	-	-	-	-	-	-					
Envoy	-	-	-	-	-	-	-	-	-	-	-	-					
Total Daily Scheduled Departures	5	5	5	5	5												
NUMBER OF CANCELLED DEPARTURES																	
US Airways - Piedmont	0	3	0	7	21	-	-	-	-	-	-	-					
US Airways - PSA	0	0	0	-	6	-	-	-	-	-	-	-					
Envoy	0	0	0	-	-	-	-	-	-	-	-	-					
Total Cancelled Departures	0	3	0	7	27												
NUMBER OF ACTUAL DEPARTURES																	
US Airways - Piedmont	159	141	139	1,240	987	12.8%	14.4%	(1)	25.6%								
US Airways - PSA	0	0	22	-	350	-	(1)	(1)	(1)								
Envoy	0	0	0	-	-	-	-	-	-								
TOTAL ACTUAL DEPARTURES	159	141	161	1,240	1,337	12.8%	-1.2%	-7.3%									
AIRCRAFT OPERATIONS																	
(Landings and Takeoffs)																	
Commercial Airline	554	438	468	3,962	3,728	26.5%	18.4%	6.3%	5.0%	4.1%	4.7%						
General Aviation	10,458	10,135	9,384	77,952	70,926	3.2%	11.4%	9.9%	94.1%	95.0%	94.5%						
Military	107	98	78	1,065	1,054	9.2%	37.2%	1.0%	1.0%	0.9%	0.8%						
TOTAL AIRCRAFT OPERATIONS	11,119	10,671	9,930	82,979	75,708	4.2%	12.0%	9.6%	100.0%	100.0%	100.0%						

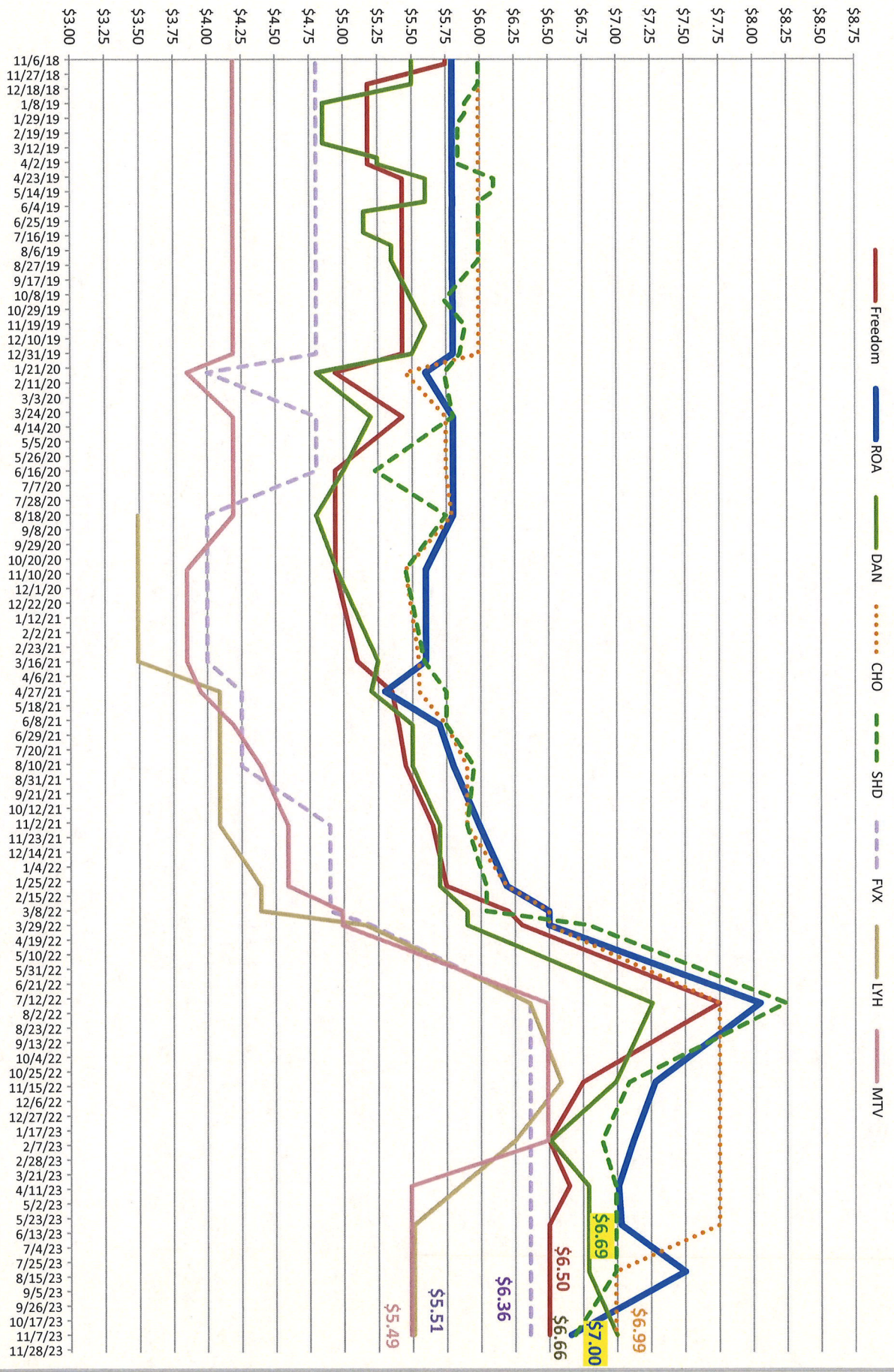


LYNCHBURG REGIONAL AIRPORT TRAFFIC STATISTICS FOR SEPTEMBER 2023

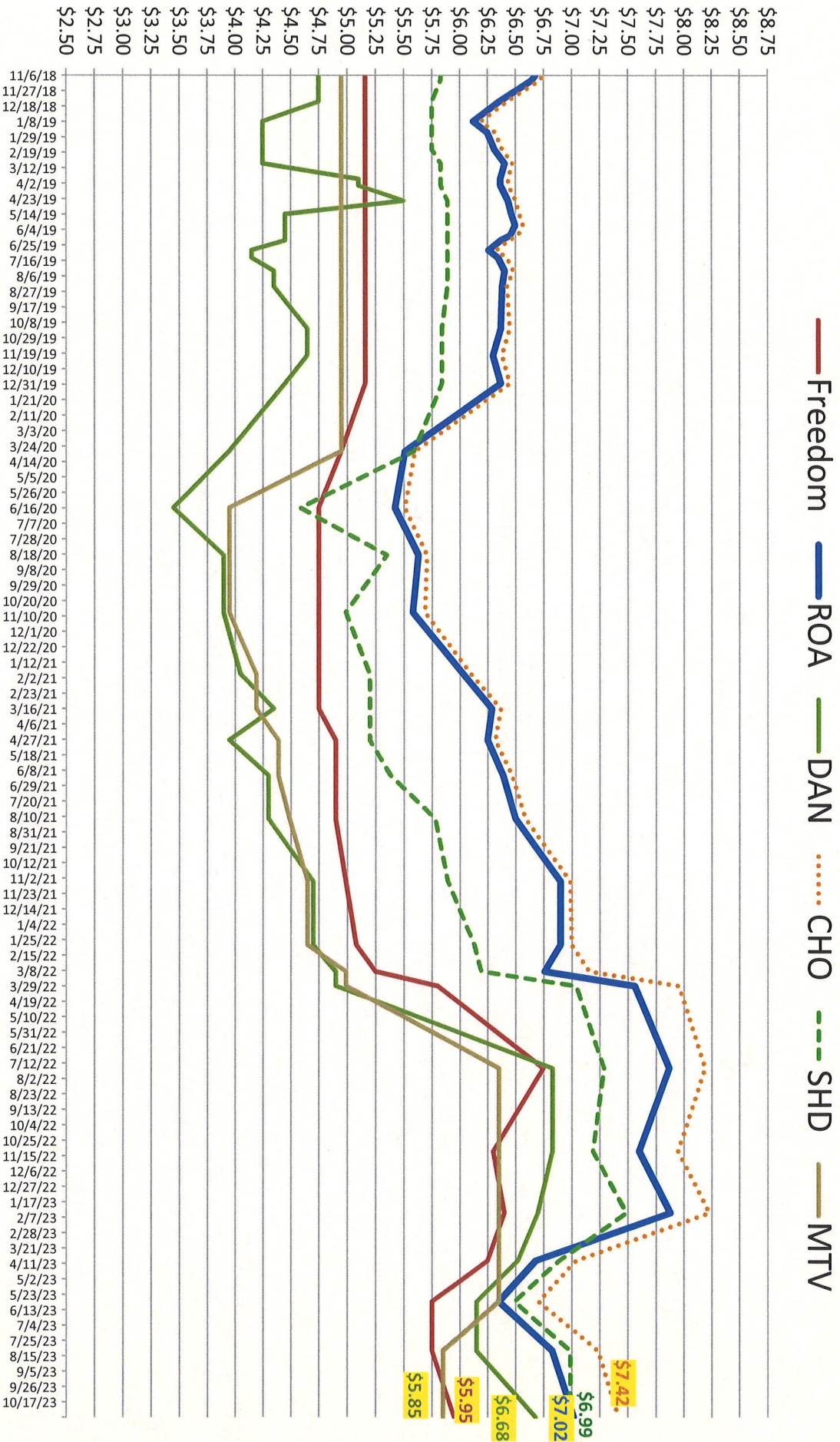
SEPTEMBER Aircraft Type	PIEDMONT				ENVOY				PSA				TOTALS			
	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor
ERJ 140				0.0%				0.0%				0.0%	-	-	-	0.0%
ER4 - 50	159	7,950	6,683	84.1%				0.0%				0.0%	159	7,950	6,683	84.1%
CR7 - 65				0.0%				0.0%				0.0%	-	-	-	0.0%
CR9 - 76				0.0%				0.0%				0.0%	-	-	-	0.0%
Total	159	7,950	6,683	84.1%	-	-	-	0.0%	-	-	-	0.0%	159	7,950	6,683	84.1%

Year-to-Date	PIEDMONT				ENVOY				PSA				TOTALS			
	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor	Departures	Available Seats	Passengers Enplaned	Load Factor
ERJ 140				0.0%				0.0%				0.0%	-	-	-	0.0%
ER4 - 50	1,240	61,849	52,259	84.5%				0.0%				0.0%	1,240	61,849	52,259	84.5%
CR7 - 65				0.0%				0.0%				0.0%	-	-	-	0.0%
CR9 - 76				0.0%				0.0%				0.0%	-	-	-	0.0%
Total	1,240	61,849	52,259	84.5%	-	-	-	0.0%	-	-	-	0.0%	1,240	61,849	52,259	84.5%

100LL Fuel (Nov 6, 2018 – Nov 6, 2023)



Jet A Fuel (Nov 6, 2018 – Nov 6, 2023)



← Indicates change from last report