

# *Sussex County Airport Plan*



Sussex County Airport Business Plan  
November 12, 2013



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# ***Sussex County Airport Plan***

---

## Presentation Outline

- Key Issues
- Existing Airport Characteristics
- Revenue Enhancement Options
- Study Recommendations
- Financial Performance
- Summary

# ***Sussex County Airport Plan***

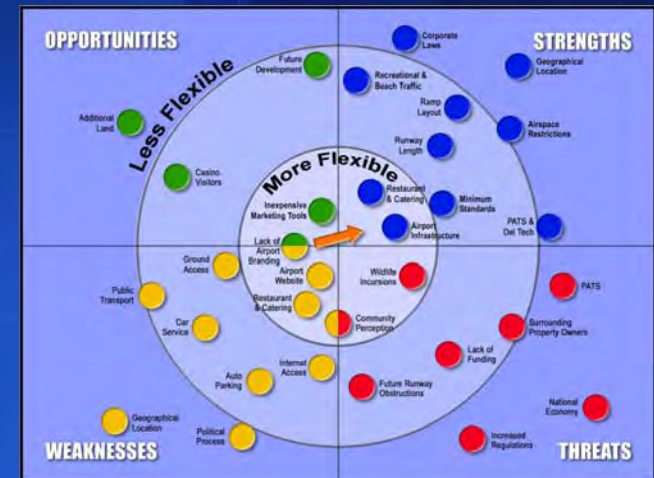


***KEY ISSUES***

# Sussex County Airport Plan

## SWOT Analysis

- Participants:
  - Airport Advisory Committee
  - Georgetown Chamber of Commerce
  - Sussex County
- Identified Strengths, Weaknesses, Opportunities, and Threats
- This Input Used to Develop Key Issues List



# ***Sussex County Airport Plan***

## Key Issues

- Runway Development
- Retaining PATS
- Airport Branding/County-wide Branding
- Attraction of More Corporate Aircraft
- Hangar Development
- Economic Development
- Airport Amenities
- Physical Development Issues:
  - Additional Aviation Property, More Industrial Park Property, Airport Obstructions
- Community Relations
- Airport Funding
- Airport Management/Staffing

# ***Sussex County Airport Plan***

## Airport Characteristics



# ***Sussex County Airport Plan***

---

## Airport Mission Statement

- *“Sussex County Airport strives to be southern Delaware's first choice for business and personal air transportation, providing an engine for economic growth, while maintaining operational safety, outstanding service, and a safe environment for aircraft owners, operators, and the flying public.”*



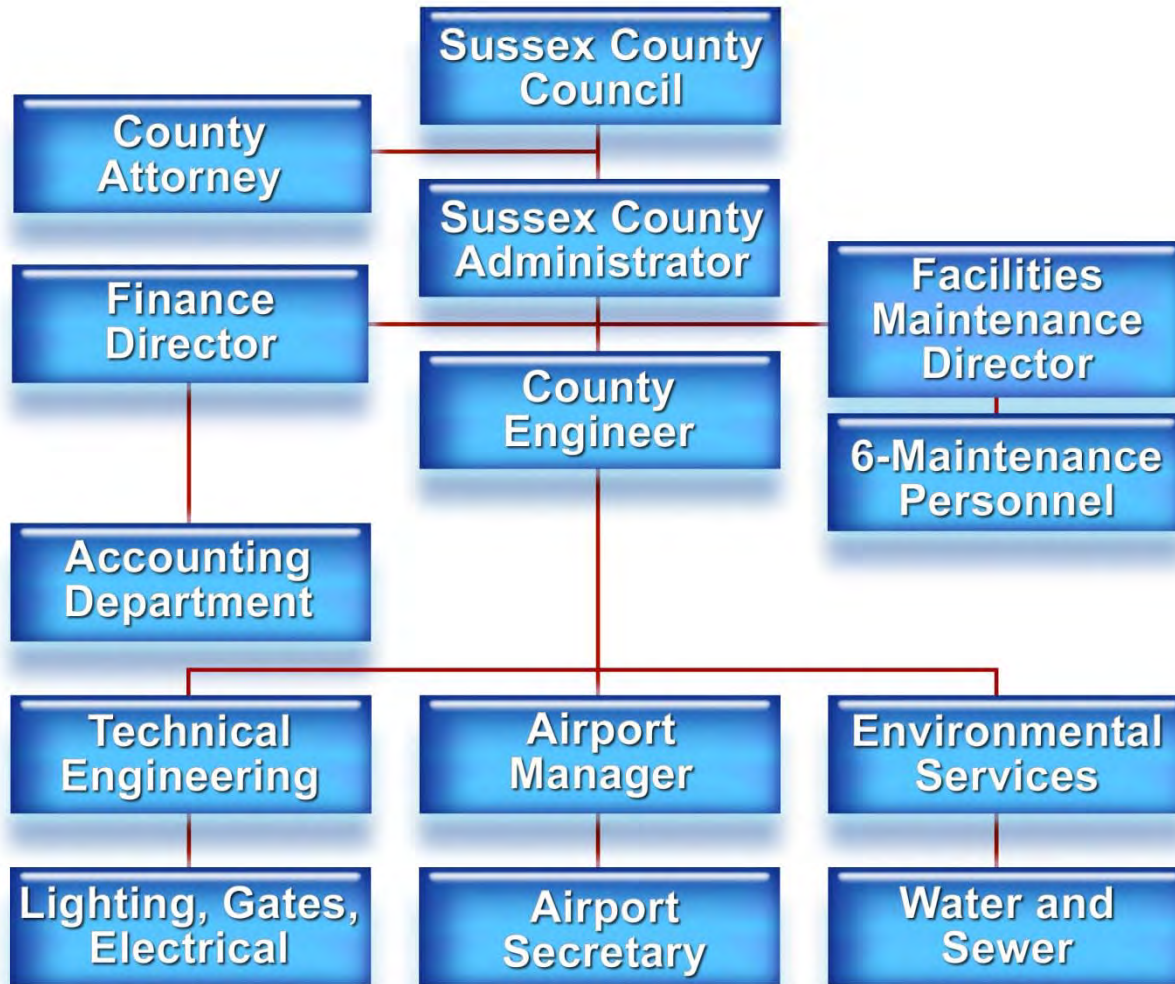
STATE OF DELAWARE  
Department of Transportation



R.A. Wiedemann &  
Associates, Inc.

# Sussex County Airport Plan

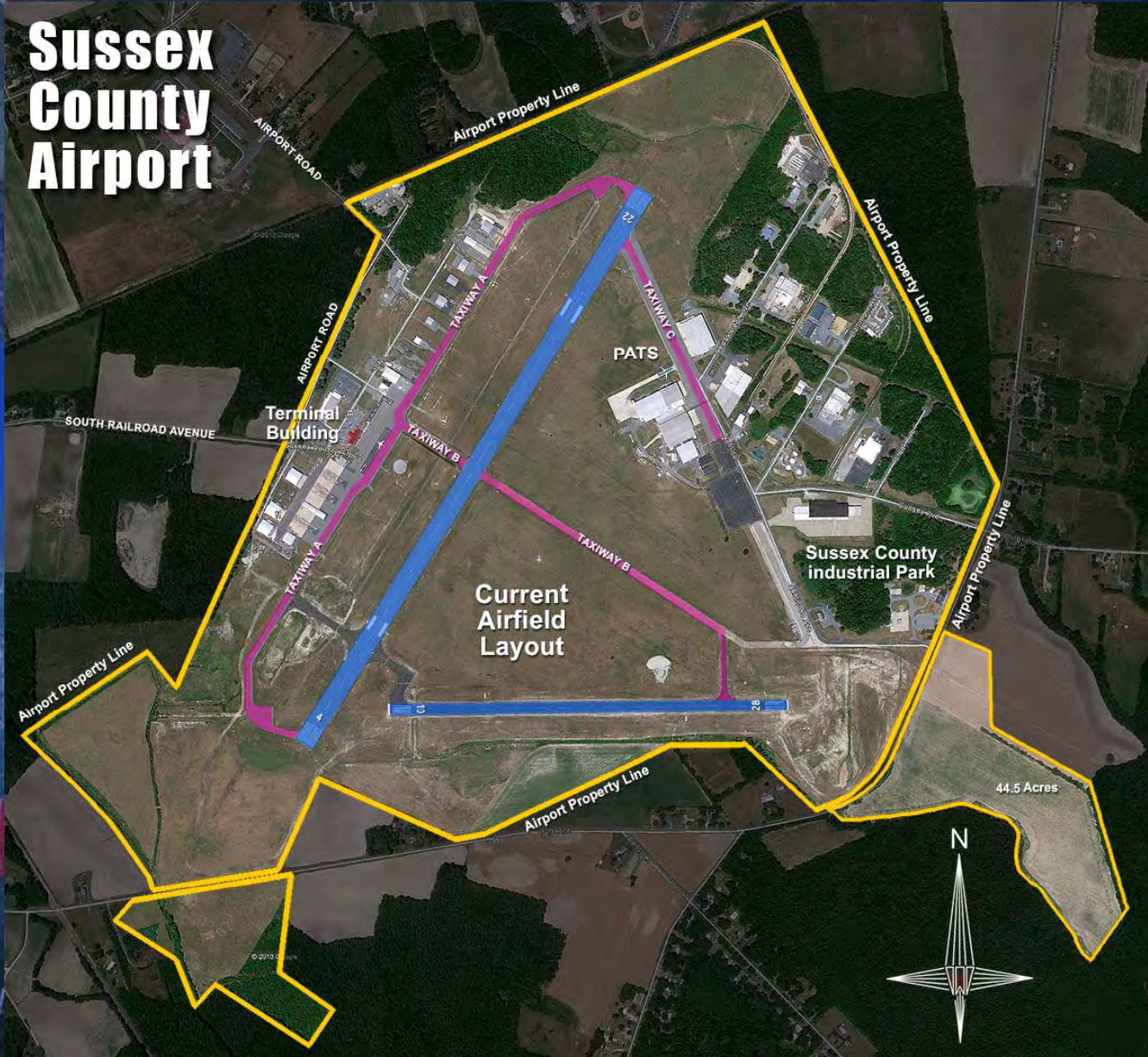
## Sussex County Airport Organizational Chart





# Sussex County Airport Plan

**Sussex  
County  
Airport**



**riedemann &  
ciates, Inc.**

# ***Sussex County Airport Plan***

## **Landside Areas**



**Terminal Side Hangars**

# ***Sussex County Airport Plan***

## Landside Areas



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# Sussex County Airport Plan

- 30 Minute Drive Time for Small GA
- 60 Minute Drive Time for Corporate

## Service Area Airports



# ***Sussex County Airport Plan***

## Market Area Comparison

- For Service Area (9 Airports):
  - Sussex County is 1 of 4 with 5,500' or more Runway Length (Dover AFB, Salisbury, Easton)
  - 475 Based Aircraft – 24 are Jets
  - Easton Has 18 Jets, 3 at Salisbury, 2 at GED, 1 at Cambridge
  - GED in Mid-to-Upper Price Range on Hangar Storage
  - GED had Lowest Avgas Prices, but Highest Jet-A Prices in Service Area

# ***Sussex County Airport Plan***

## Financial Performance

ITEM	2008	2009	2010	2011	2012
Operating Revenues	\$550,560	\$534,634	\$522,810	\$529,229	\$538,324
Operating Expenses	\$869,528	\$810,235	\$819,219	\$804,841	\$624,264
Net Revenues	(\$318,968)	(\$275,601)	(\$296,409)	(\$275,612)	(\$85,940)

# *Sussex County Airport Plan*

## *Revenue Enhancement Options*



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# ***Sussex County Airport Plan***

---

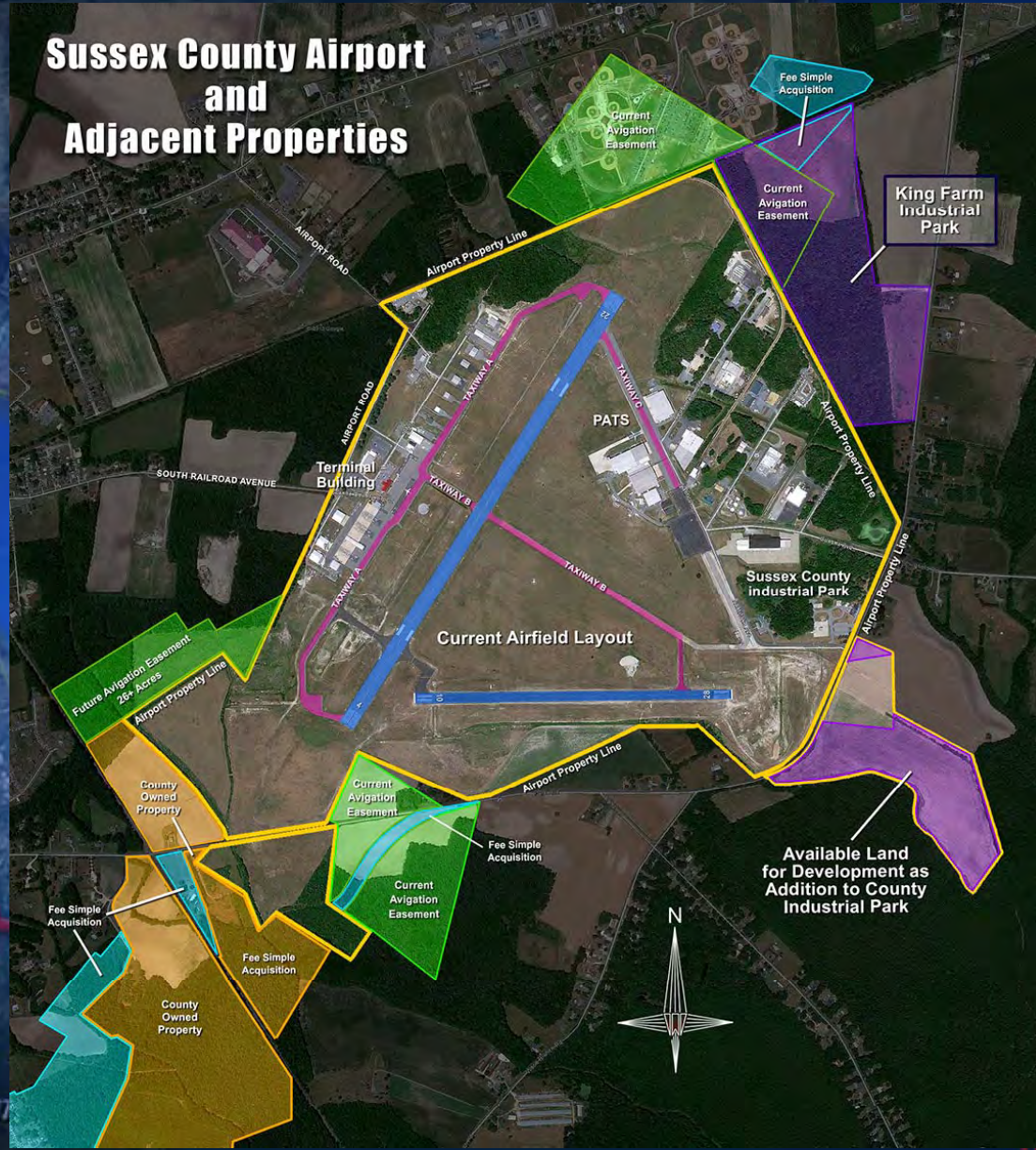
## Revenue Enhancement Options

- Airport Branding/County-wide Branding
  - Attract More Corporate Aviation
  - Develop More Hangar Space
  - Increase Airport Use by Beach Visitors
  - Aviation-Related Businesses (MROs, SASOs, etc.)
- Retain/Expand PATS Operation
- Delaware Tech Partnership
- Delaware State Flight School Partnership
- Industrial Park Expansion
- Rates and Charges Adjustments



# Sussex County Airport Plan

## Sussex County Airport and Adjacent Properties



R.A. Wiedemann &  
Associates, Inc.

# ***Sussex County Airport Plan***



*Recommendations*

# ***Sussex County Airport Plan***

---

## Recommendations

- Management & Policy Actions
- Revenue Enhancement Options
- Financial Pro Formas
- Summary



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# ***Sussex County Airport Plan***

## Management & Policy Recs.

- Public vs. Private Labor:
  - Consider Possible Contract Mowing, Janitorial, Snow Removal, etc.
  - Potential Cost Savings
- Part-time Vs. Full-time Staff Safety Training
  - Safety Training Needed for All County Airport Workers
  - Possibly Reallocate 2 Part-time Workers to Full-time (Focus Training on FT Workers)
- Rates & Charges or Lease Adjustments
  - Include Elements: Security Requirements, Taxes & Fees, Liens, Environmental Requirements, Living Clauses, Holdover, Non-discrimination, Force Majeure

# ***Sussex County Airport Plan***

---

## Management & Policy (2)

- Airport Branding
  - Possible Name Change for Airport
  - Unified Airport/County Logo/Brand
  - Stand Alone Airport Website Linked to County Site
  - Active Social Media
  - Improved Directional Signage to Airport
  - Promotional Brochure
  - Marketing Campaign

# ***Sussex County Airport Plan***

---

## Possible Airport Name Change

- Southern Delaware Regional Airport
- Southern Delaware Regional Jetport
- Southern Delaware Coastal Airport
- Southern Delaware Coastal Jetport
- Southern Delaware Business Jetport
- Delaware Coastal Airport

# ***Sussex County Airport Plan***

## County/Airport Branding

- Summit County, Colorado and Skiing
  - Breckenridge, Copper Mountain, Keystone
- Outer Banks, NC
  - Duck, Kitty Hawk, Nags Head, etc.
- Waikiki Beach, Hawaii and Tourism
- Sussex County, Delaware and Beach/2<sup>nd</sup> Home Tourism
- Common Elements:
  - Larger Area Branded to Include Smaller Components (Ski Areas, Shops/Hotels, Beaches, Communities)
  - Themes to Attract Tourists and Vacationers

# ***Sussex County Airport Plan***

## Management & Policy (3)

- Effective Partnering with FBO
  - FBO is “Face” of Sussex County to Air Travelers
  - FBOs Need to be Involved in Marketing and Airport Branding
- Retention of Existing Businesses/PATS
  - Runway Extension to 6,000’
  - Regular Feedback Meetings
  - Lease Agreement Updates





# ***Sussex County Airport Plan***

## Management & Policy (4)

- Airport Minimum Operating Standards
- Airport Rules and Regulations
  - Should be Updated Periodically
  - Areas of Interest:
    - Self-Serve Fuel for After Hours
    - FBO Service Requirements
    - Insurance Minimums
- Airport Security Systems (Cameras)
  - Systems Available for Under \$10,000

# ***Sussex County Airport Plan***

## Revenue Enhancement Options

- Attract More Corporate Aviation
  - 24 Based Jets in the Service Area
  - 61 Additional Based Jets in Delaware
  - Direct Marketing after Brand Improvement
  - Pricing, Services, Facilities
- GA Tourism:
  - 6 million Annual Visitors to 31 Miles of Beaches
  - 35,200 Second Homes in Sussex County, Generating \$890 million/yr
  - Work with Sussex County Convention & Visitor's Bureau to Include Airport in Promotions
  - County-wide Branding Effort to Include Airport
  - Develop Pre-Packaged Tours that Include Air and Ground Transportation

# ***Sussex County Airport Plan***

## Revenue Enhancement (2)

- Hangar Rentals:
  - Seek Private Development of 10-20 T-Hangars and 5 Conventional Hangars
  - Current Ground Lease Rate = \$0.38/sf
- Flight School
  - Open Discussions with Delaware State University to Expand Flight Training into GED
  - Currently, Del State Would Need 2 Aircraft to Transfer to GED
  - Each Aircraft Performs 2,000-3,000 Annual Operations

# ***Sussex County Airport Plan***

---

## Revenue Enhancement (3)

- Non-Aviation Revenue Options
  - Sports/Recreation Complexes
  - Tourism Industry
  - Warehousing/Storage (Climate Controlled)
  - Industrial Park Land
- Additional MRO/SASOs to Complement PATS

# *Sussex County Airport Plan*

## Financial Performance



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# Sussex County Airport Plan

## Recommended Plan \$

Fiscal Year	Operating Revenues	Operating Expenses	Surplus Revenues
2013	\$417,361	\$726,794	(\$309,433)
2014	\$427,795	\$741,489	(\$313,695)
2015	\$448,549	\$751,565	(\$303,015)
2016	\$459,711	\$770,096	(\$310,385)
2017	\$471,152	\$789,096	(\$317,944)
2018	\$572,407	\$808,575	(\$236,168)
2019	\$586,614	\$828,547	(\$241,933)
2020	\$601,175	\$849,023	(\$247,847)
2021	\$616,101	\$870,016	(\$253,915)
2022	\$731,932	\$891,540	(\$159,608)



# ***Sussex County Airport Plan***

## Economic Impact of Sussex Co. Airport

- Grand Total Aviation Impacts
  - 872 Jobs
  - \$139,452,200 Spending
  - \$51,183,100 Wages
- \$6,907,200 State & Local Taxes

# *Sussex County Airport Plan*

## Key Factors

- Revenues:
  - Non-Aviation Land Lease:
    - 20 Acres Assumed to be Leased within 10 Years
  - Aviation Land Leases
    - 60,000 sf of Land will be Leased for Hangars within 10 Years
  - Fuel Consumption
    - Aviation Fuel Sales will Increase with Forecast Activity
- Expenses in Addition to Baseline Forecasts:
  - Branding & Marketing Costs
  - Security System Costs
- Cumulatively \$514,000 Better Off
  - More Important is Trajectory of Net Revenues (decreasing)



# *Sussex County Airport Plan*

## Summary



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**

# ***Sussex County Airport Plan***

## Business Plan Summary

- Airport Branding/County-wide Branding
  - Need to Utilize Airport with Tourism Promotions
  - Runway Expansion Provides New Branding Opportunity w/Corporate Aircraft
- Increase Business Aviation Activity via Marketing/Branding
- Retain/Expand PATS and Other MROs/SASOs
- Seek Expanded Privately Funded Hangar Development
- Seek Flight School (via Del State)
- Develop Non-Aviation Industrial Park Property



# ***Sussex County Airport Plan***

---

## Business Plan Summary (2)

- Management/Policy Actions:
  - Implement Safety Training Program
  - Compare Contract Services for Mowing, Janitorial, Maintenance, etc.
  - Install Video Surveillance Security System
  - Update Operating Documents and Leases as Needed
  - Work w/FBO on Branding Image

# ***Sussex County Airport Plan***

## Questions/Comments



STATE OF DELAWARE  
*Department of Transportation*



**R.A. Wiedemann &  
Associates, Inc.**