



# AVIATION ACTIVITIES UPDATE

October 2, 2020

## Quieter Departures Work Continues

As explained in the [September 4, 2020 Aviation Activities Update](#) the City-community team working to identify quieter departures found that NADP-1, and in many cases combined with a reduction in power at 1,500 feet, is generally the best option currently identified for reducing community noise levels. Several of the air carriers have voluntarily agreed to fly this departure procedure out of John Wayne Airport (JWA) and collaborative discussions with other carriers continue.

The Aviation Committee's Technical/Departures Ad Hoc, with technical support provided by City consultants Kevin Karpe of Diverse Vector Aviation (airspace and departures) and Justin Cook of HMMH (aviation noise), will monitor the use of NADP-1 through noise data collected from the airport. The subcommittee is also reviewing other noise-related aspects of departures toward making recommendations to the full Aviation Committee for its consideration.

## John Wayne Airport Updates

### HMMH Retained by JWA

City noise consultant HMMH has recently been retained by JWA to provide noise consulting services. City Manager Grace Leung was contacted separately by HMMH and JWA staff in advance of their agreement being finalized. JWA's choice did not come as a surprise to the City as HMMH is known for its work with airports (including LAX, SAN and SFO) and its relationships with air carriers and the FAA. The City does not see HMMH's agreement with JWA as a conflict due to the nature of the work being performed.

### 2021 Capacity Allocations in Progress

The JWA Access and Noise Office expects to have its recommendations for the 2021 commercial carrier allocations available for public review in mid-October. The recommendations are expected to go before the Airport Commission on October 21 and the Board of Supervisors in early November. The 1985 Settlement Agreement provides for capacity controls in several forms including the Million Annual Passenger (MAP) count. Under the 2014 amendment to the agreement, the "MAP cap" will increase from 10.8 million to 11.8 million effective January 1, 2021. However, even if JWA allocates to a MAP cap of 11.8, based on current passenger volumes locally and nationwide (more on that later in this month's update), it is highly doubtful JWA will reach that capacity next year.

### Spirit Airlines Begins Orange County Service in November

Early last month, Spirit Airlines and JWA announced that Spirit added Orange County to its route map and will begin daily service from JWA to Oakland and Las Vegas in November. Spirit is expected to fly the A320neo, a quieter, less polluting and more fuel efficient, version of the Airbus 320. Frontier first brought the A320neo to Orange County several years ago, providing our community its first look at the aircraft's ability to climb higher, faster while emitting less noise.

### General Aviation Improvement Program – Next Steps

The County of Orange anticipates spending a full year on pre-construction planning and permitting for its General Aviation Improvement Program (GAIP). That work is scheduled to begin in January 2021. Once the pre-construction work is completed, the project will be developed in phases, with construction expected to start in early 2022, and continuing for approximately seven years.

### **Quiet Skies Caucus**

The Quiet Skies Caucus recently [sent a letter](#) to the FAA Administrator expressing deep concerns about the FAA's [April 14 Report to Congress](#) on alternative noise metrics as was required by Sections 173 and 188 of the FAA Authorization Act of 2018. The letter relays the Caucus' disappointment in what it found to be a "wholly inadequate" report and the FAA's failure to adequately analyze and evaluate alternative metrics to the DNL 65 standard. DNL (Day Night Average Sound Level) is the primary metric the FAA uses to determine noise impacts. However, the FAA accepts the use of the CNEL (Community Noise Equivalent Level) in California, which is the measure our state's noise regulations require California airports to use.

### **John Wayne Airport Statistics**

John Wayne Airport released its [August 2020 Statistics](#) earlier this week.

- Airline Passenger Traffic - In August 2020, JWA served 266,986 passengers, a decrease of 71.7% when compared with the August 2019 passenger traffic count of 942,385.
- Commercial Aircraft Operations - In August 2020, there were 3,852 commercial operations, a decrease of 50.1% when compared with the 7,721 commercial operations that occurred in August 2019.
- Commuter Aircraft Operations – There were 548 commuter aircraft operations in August 2020, a 0.6% increase over August 2019's 545 commuter aircraft operations.
- General Aviation Activity - General aviation accounted for 80.7% of JWA's total aircraft operations in August. In August 2020, there were 18,540 general aviation operations, a decrease of 13.8% when compared with the 21,520 general aviation operations that occurred in July 2019.

Including the month of August, the airport has served 2.7 million passengers year to date. Based upon average monthly passenger traffic counts, JWA is likely to close out 2020 with an annual passenger count of 4 million or less. The airport served more than 10.6 million passengers in 2019.

### **Airline Industry Lobbies for Federal Aid and Prepares for Furloughs, Layoffs**

As of this writing, airline executives and union leaders continue to lobby Congress to include more federal aid for the beleaguered industry in the latest coronavirus relief bill. The carriers have stated that without another \$25 billion in payroll aid, mass furloughs and layoffs would begin as early as yesterday, October 1. Negotiations over a new package continue between House Speaker Nancy Pelosi and Treasury Secretary Steve Mnuchin. Both have indicated they are cautiously optimistic they can get a deal done within the next month. Earlier today, however, Speaker Pelosi announced that the House is working to quickly come to an agreement on a standalone bill to provide the airlines additional relief in order to prevent workers from being

furloughed. Any staff reductions that occur would be in addition to the thousands of airline employees that accepted early retirements or similar incentives earlier this year.

There's been a gradual uptick in air travel since the industry essentially bottomed out in March, at the onset of the pandemic. However, according to a [September 27 update](#) by Airlines for America (A4A), the passenger volumes for U.S. airlines remain 68% below 2019 passenger levels. A4A doesn't anticipate passenger volumes returning to 2019 levels before 2023-2024. This estimate is in line with the International Air Transport Association's [July 2020 forecast](#) that a return to pre-pandemic passenger levels won't occur before 2024. The rebound could be earlier or later than predicted as it is dependent on several variables including the development of a vaccine, the state of the economy, the return of business travel (high yield), and consumer confidence levels.

A4A's presentation notes that once air travel demand recovers, the air carriers will still have the challenge of paying off the billions of dollars of debt and interest expenses incurred due to the pandemic. This will, of course, have an effect on the City's goal of incentivizing carriers to transition to their fleets to the newer, quieter and less-polluting aircraft (such as the A220 and the A320neo). Since the onset of the pandemic, the carriers have been retiring older aircraft, but many have deferred or cancelled new aircraft orders. The slowdown in demand for new commercial aircraft has resulted in layoffs at Boeing and Airbus.

### **FY 2021 Appropriations/Surface Transportation Reauthorization (H.R. 2) Update**

Last week, the House of Representatives passed a continuing resolution (CR) funding the government at FY 2020 levels until December 11. The Senate passed the funding bill on Wednesday of this week and the President the signed the CR on Thursday. The bill included a one-year extension of surface transportation programs. This was of interest to the City because the surface transportation reauthorization was the backbone of H.R. 2, the bill approved by the House in July that contained Congressman Rouda's Cleaner and Quieter Skies amendment. The amendment incentivizes air carrier fleet transition to cleaner, quieter aircraft through a vouchers-based program. The Congressman used the City's tax incentive concept, which was developed by consultant Tom Edwards, as a platform in developing his amendment. (The Congressman's office advised that next year would be the better time to pursue a tax incentive program.) Channon Hanna, the City's federal lobbyist, believes the one-year extension on surface transportation programs allows the City more time to communicate the incentives program concept to our Senators and key Congressional committees.

### **Additional Aviation Committee Activities**

The Government Relations Ad Hoc will meet this month to review the City's airport/aviation government relations strategy. The City's local government relations consultant, Cori Takkinen, will assist. Any recommended changes or updates will be brought before the full Aviation Committee for discussion.

The City's public information manager is reviewing the community outreach plan the Communication Ad Hoc presented to the Committee in February to update the timelines and resume some of the desired communication projects.

The next Aviation Committee meeting will be held on Monday, October 26, 5:30 p.m.