

Flight Plan

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IN THIS ISSUE

Cover Stories:
Mexicana Airlines Celebrates 50 Years of Flying to S.A.

SAT Expansion Program Update	2
Stinson Breaking Through to the Future	3
PFC Amendment Approved	3
SAT Non-Stop Destination Record	3
Stats	4



CITY OF SAN ANTONIO
 AVIATION DEPARTMENT

Mexicana Airlines Celebrates 50 Years Flying San Antonio - Mexico City



A poster advertising the majestic Douglas DC-6, CFM.

On August 13, 1957, President Dwight D. Eisenhower signed the authorization for Mexicana de Aviación to begin scheduled service between San Antonio and Mexico. September 10, 2007 marks the 50th anniversary of this milestone for the city of San Antonio and Mexicana de Aviación. The operation of this route was inaugurated with two Super DC-6 aircraft, described at the time as palatial and modern.

Onboard the first Super DC-6, with the designation XA LAV, arriving into San Antonio International Airport was an impressive list of VIPs from both Mexico's private and public sectors to include: Elton R. Silliman, General Manager for Compañía Mexicana de Aviación; Jaime Plenn, President of Foreign Correspondents; Jacobo Zabłudowsky, radio and television celebrity; Fernando Mora G., VP newspaper "Novedades"; and many more. Included in the city of San Antonio's reception committee were: Stephen Mathews, City Manager and Mr. Ben Givens, President of the Chamber of Commerce.

Since its early inception, Mexicana established many links between Mexico and the U.S.; and is proud to be an airline of many firsts: the first Mexican airline to establish a presence in North America and the first to operate flights from Mexico into important U.S. cities such as Los Angeles, San Antonio,

Chicago and others. Mexicana was also the pioneer of vacation packages for travel within the Mexican republic and into the U.S., as well as the first to launch a low-cost carrier in Mexico, Click Mexicana.

"Now, after 86 years of service, Mexicana continues to solidify its commitment to the U.S.-Mexico market, consistently leading in the number of passengers transported between Mexico, the U.S. and Canada. Looking into the future with optimism, Mexicana will continue to serve the U.S. - Mexico Market as the leader in product services to our customers," said Ing. Adolfo Crespo y Vivo, Sr. Vice President Customer Service & Corporate Communications.

Mexicana offers innovative products and services to San Antonio passengers such as: VTP Salud (Wellness Package), Concierge, local Ticket Office, Express Check-In, a VIP Lounge in San Antonio's Airport Terminal 1, MRO, and above all, warm and attentive service. Mexicana continues its tradition of offering complimentary meals and drinks onboard all its flights.

"The city of San Antonio is proud of the fact that very few U.S. cities can claim air service by a single air carrier for 50 years. Congratulations Mexicana and congratulations San Antonio! We look forward to celebrating future anniversaries and Mexicana's introduction of new innovations in passenger services," said Mark H. Webb, City of San Antonio Aviation Director.



Today's Service via Airbus

SAT Expansion Program Update

Contractor Selected for Terminal Expansion Program

Recognizing the need for time and cost savings in delivering proposed San Antonio International Airport (SAT) Terminals B and C and related facilities, the San Antonio City Council, on June 21, 2007, awarded a Construction Manager at Risk (CMR) contract to the joint venture of Clark Construction Group, LLC/Thos. S. Byrne. The contract format for this high-profile, \$200 million project is divided into two phases: (1) preconstruction services and (2) construction services. Pre-construction services in the amount of \$3,759,633 will enable the CMR to complete final design and pro-

vide contractor input such as constructability reviews, value engineering and budget consultation.

This capital projects delivery tool is a first for the City of San Antonio and will allow it to achieve greater design control and provide improved continuity in the bidding and execution of subcontracts. Other benefits will include the ability to begin construction on portions of the project schedule and reduce the number of change orders precipitated by design changes.

Street and Drainage Project Will Create New Airport Development Opportunities

Following completion of several ongoing and proposed construction projects, a 40-acre tract of land on the north side of SAT is being developed to facilitate future general aviation expansion projects. Development of this site became a step closer to reality when on June 15, 2006 City Council awarded a \$1.2 million contract to Jerdon Enterprise L.P. for extension and realignment of Sky Place Boulevard to intersect with nearby streets for improved landside accessibility to the area.

These contracts are in connection with various projects being undertaken in the same vicinity for ultimate development of the new general aviation development at SAT. Also, included in the overall work is another project for construction of a new underground drainage system to replace the current open drainage channel along Sky Place Boulevard. Except for the street realignment, which is City-funded, all associated projects for development of the airside tract are being paid through federal grants, with matching funds coming from airport construction monies.

On June 28, 2007, City Council approved several environmental remediation contracts with various contractors for a total sum of approximately \$6.4 million.

Ongoing Construction Progress Report

Terminal 2 Demolition

Portions of the west end of Terminal 2 were recently razed to make way for the two-tier roadway intended to service Terminals B and C



New Parking Garage

The new long-term garage structure is moving ahead since Groundbreaking in March 2007



1,600 of 2,816 projected parking spaces in the new garage will be open to the public December 2007



Airside Apron Project



The last portion of Phase 1 of the Airside Apron & Utilities Project is nearing completion. Subsequent phases will begin later this year. New apron is needed to accommodate aircraft accessibility to Terminals B & C.

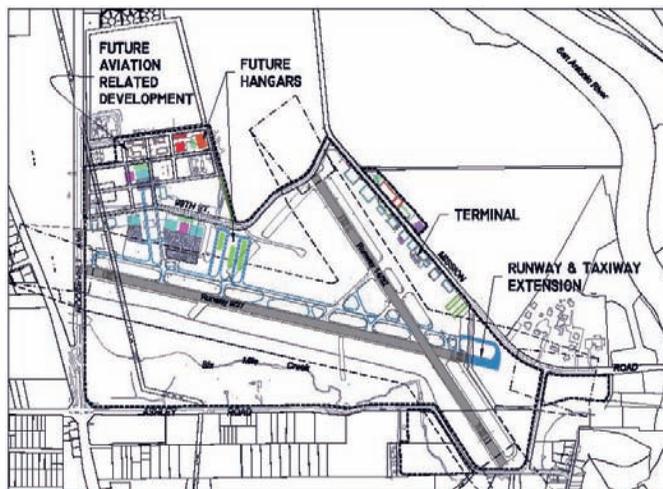


Historic Stinson Breaking Through to the Future

Runway Extension Gets Green Light from TxDOT

Plans to extend a runway at Stinson Municipal Airport cleared a major hurdle with the Texas Department of Transportation (TxDOT) giving the project an official thumbs-up. TxDOT officials conducted an "Environmental Assessment" on the City's plans to extend Runway 9/27 by approximately 170 feet, and in June announced a "finding of no significant impact", or FONSI, essentially clearing the way for the runway extension. The announcement from TxDOT marks the end of seven years of hard work in trying to shepherd the program forward and represents a collective effort on the part of government leaders and the City of San Antonio's Aviation Department staff.

Right now, Runway 9/27 (one of two Stinson runways) has a length of 4,835 feet. The plan is to extend it to approximately 5,002 feet, making it more appealing for a wider variety of general aviation aircraft. The extension will take place along the approach area of Runway 27. Now that the FONSI is in place, the next step will be to complete the design work on the project. After that, the project will be sent out for bid.



Stinson Municipal Airport is the general aviation reliever airport for San Antonio International and is the second oldest, continuously operating general aviation airport in the United States.

After One Year, Stinson Terminal Expansion Takes Shape



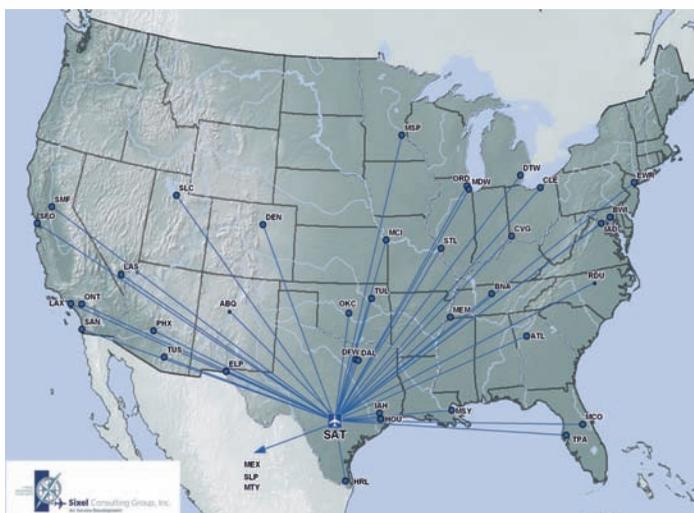
A separate project currently underway and making progress at the historic Stinson Municipal Airport is the \$4.8 million terminal expansion. The addition of wings onto the existing terminal facility should be completed by the first quarter of 2008. The new wing additions will add approximately 24,000 square feet space that will be used for added concession and tenant services. As a result of a partnership with Stinson, Palo Alto College plans to relocate its aviation department to new classrooms in the expanded terminal area.

PFC Amendment Approved By FAA

The FAA recently approved an amendment to SAT's PFC application to increase the Passenger Facility Charge (PFC) from \$3.00 to \$4.50 effective October 1, 2007. Four projects were approved for use of PFC funding and they include:

- The Two-Tier Roadway to serve future Terminals B and C with four lanes for passenger drop-off on the upper (departures) level, and eight lanes with a center pedestrian island on the lower (arrivals) level for passenger pick up.
- Central Plant upgrades to service new terminal facilities.
- Apron replacement projects to accommodate aircraft use of the new terminal gate areas.
- New, expanded utility services for proposed Terminals B and C.

Non-Stop Destinations-At 40, Record for SAT



San Antonio Conventions & Events

During the fourth quarter of 2007, the City of San Antonio will host more than 116 conventions with over 66,774 delegates. Among the visitors to San Antonio will be:

DATES	ORGANIZATIONS	DELEGATES
Oct. 3-5	Texas Association for Bilingual Education	1,500
Oct. 6-8	Armstrong McCall LP	15,000
Oct. 7-10	AACC Intl	1,700
Oct. 15-19	Fuel Cell	2,200
Oct. 20-21	National Multiple Sclerosis Society	1,500
Oct. 21-26	US GeoSpatial Intelligence Foundation	1,400
Oct. 23-28	American College of Nurse Practitioners	1,500
Nov. 3-7	National Rural Electric Cooperatives Association	1,400
Nov. 6-9	HD Vest Inc.	1,400
Nov. 15-17	American Council on the Teaching of Foreign Languages	5,200
Nov. 16-17	South Texas District Council of Assemblies of God Inc	2,500
Dec. 3-7	US Department of Homeland Security	2,000
Dec. 13-16	San Antonio Breast Cancer Symposium	6,000

SAT YEAR-TO-DATE STATS

	Through March. '06	Through March '07	Change
Domestic Enplanements	924,331	900,717	-2.55%
International Enplanements	18,887	21,191	12.20%
Charter Enplanements	3,008	1,334	-55.6%
Total Enplanements	943,218	921,908	-2.3%
Total Freight (lbs)	50,044,658	52,850,347	5.61%
Total Mail (lbs)	69,823,645	71,389,613	2.24%



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AVIATION DEPARTMENT**

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