

**DEPARTMENT OF AVIATION  
FISCAL YEAR 2024 BUDGET TESTIMONY  
APRIL 18, 2023**

**INTRODUCTION**

Greetings, Council President Clarke and Members of City Council. I am Atif Saeed, Chief Executive Officer of Philadelphia International and Philadelphia Northeast Airports. Joining me today are Tracy Borda, Chief Financial Officer, and Delicsha Wilds, Chief Administrative Officer, as well as many other members of the Department of Aviation staff. I am pleased to provide testimony on the Department of Aviation’s fiscal year 2024 Operating Budget.

**DEPARTMENT MISSION & PLANS**

**Mission:**

“Proudly Connecting Philadelphia with the World!” The Department of Aviation (“Aviation” or “Airport”) is comprised of the Philadelphia International Airport (“PHL”) and the Northeast Philadelphia Airport (“PNE”). A self-sustaining entity, the Department operates without the use of local tax dollars while generating over \$16.8 billion (pre-pandemic) of economic activity for the region. Travelers through our gateway have opportunities to experience a wide variety of products and services that are distinctly Philadelphian.

**Plans for Fiscal Year 2024:**

Air Service: Aviation continues its mission to “Connect Philadelphia with the World” and to position PHL as an important hub in the Oneworld alliance network, while also ensuring PHL is a valuable spoke in other global networks. PHL has service to 30 non-stop international destinations and is American Airlines’ main northeast transatlantic hub. While long haul international traffic has been generally slower to recover since the pandemic, Mexico and the Caribbean were bright spots for PHL over the last two years. The Airport expects to have 10% more aircraft seats in calendar year 2023 to both domestic and international destinations as aircraft capacity continues to gain strength over the next few years as airlines begin to take delivery of new long-haul aircraft to replace those that were retired during the pandemic.

PHL continues to also build on strength of low-cost carriers (“LCC”) in the Philadelphia market. With two new LCC entrants to the U.S. market in 2021, Avelo and Breeze, this space continues to grow and PHL stands to benefit as LCCs outpace network carrier growth. Connect Airlines, an LLC, is planning to begin US-Canada transborder service in 2023 connecting travelers with a daily flight from Toronto to PHL.

Capital Development: Advancing PHL and PNE airfield improvements and continuing new phases of the restroom renovation program. The Airport received an additional \$15 million in Bipartisan Infrastructure Law (“BIL”) funding after previously receiving \$24 million in BIL funds for its restroom program. These funds will be used towards the multi-year restroom renovation program, which the next phase is set to begin in fiscal year 2024 and encompasses rebuilding over thirty sets of restrooms and renovating seven sets to include lactation suites and adult changing rooms as well as incorporating smart restroom technology.

Advancing the Terminal Energy Optimization Program (“TEOP”), the Airport intends to improve energy efficiency, replace aging infrastructure, reduce carbon emissions, benefit local air quality, and increase capacity by replacing/upgrading infrastructure. PHL received \$15 million in BIL funding for this program,

which will begin to be used in fiscal year 2024 to replace and upgrade preconditioned air and ground power units at 25 terminal gates, upgrade lighting in the terminals and on the terminal roadways with LEDs, replace 15 air handling units serving Terminal E, and construct a new Terminal A West substation, and upgrade A-West thermal plant.

PHL continues to make progress on its west cargo expansion program. The Airport only captures approximately nine percent of cargo volume in the mid-Atlantic catchment area. As such, PHL is working towards an expansion of its cargo facilities from 450,000 square feet to more than one million square feet. To enable this development, Aviation expects to continue, during fiscal year 2024, two of the three enabling projects currently underway related to road relocation and wetlands mitigation, with the third project, a new aircraft parking apron, being completed shortly.

Diversity, Equity and Inclusion (“DEI”): Aviation continues to prioritize racial and social equity initiatives that benefit Airport employees and the broader airport community. These initiatives are designed to reduce existing and historic racial and social inequities in contracting opportunities, environmental justice, English proficiency, our built environment and services, support for neurodiverse individuals and Title VI nondiscrimination for travelers and LGBTQ+ travelers. Through this lens, Aviation’s Racial Equity Advisory Council (REAC) continues to drive meaningful change and lasting impact throughout the airport community by identifying and working through solutions to overcome different systems that perpetuate exclusion for our workforce, the guests we serve, external stakeholders, and our surrounding communities and beyond.

REAC is built on five main pillars: advocacy, information gathering, creating safe spaces, building awareness and education. REAC continues to identify and advocate for dedicated staff and funding for DEI programs, changes to talent management practices, and workforce development programs. The resulting programs and initiatives received industry and business awards for DEI: the AAAE-NEC 2022 Diversity and Inclusion Award and the 2022 Silver Stevie Award for DEI. In addition, Delicsha Wilds, Chief Administrative Officer, received the Bronze Stevie Award for Female Executive of the Year. Her broad portfolio includes DEI, REAC, workforce development and talent management.

In fiscal year 2024, Aviation is launching its Bridge Program, which is a multi-faceted program geared towards creating a diverse employee candidate pool by offering upskilling, reskilling, apprenticeship, internship and mentoring opportunities to its staff. Aviation plans to also continue to work to surpass its goals for each of its business diversity programs: Federal Airport Concession Disadvantaged Business Enterprise (ACDBE) and ACDBE Marketplace Storefront programs, Federal DBE program, and local minority-owned and women-owned business program.

Guest Experience: PHL’s Volunteer Navigators program aims to attract and retain qualified volunteers across multiple demographics to serve as ambassadors to provide relevant information and foster meaningful interaction with travelers as they are welcomed to our region. In fiscal year 2024, the Airport intends to increase the number of volunteers in this program with the goal to serve passengers at additional locations at all times of day.

Aviation is developing campus-wide training offerings and a strategic framework for programming that will elevate, reinforce, and sustain the Airport’s customer-service culture over the next three to five years.

Aviation will also continue to advance the Airport’s gate modernization program with its commitment to in-terminal enhancements that elevate the guest experience by modernizing the conditions of six additional

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PHL gate waiting areas with comfortable new furnishings and more charging options for personal electronic devices.

Sustainability: Starting in 2021, Aviation began transitioning from development to implementation of its Sustainability Management Plan. This implementation uses the development of an interagency Sustainability Committee including members from Aviation, various airport tenants, including concessionaires, airlines, and bus and rental car companies, as well as through working groups centered around Clean Energy and Air, Recycling and Waste, and Natural Resources.

As part of Aviation’s commitment to carbon neutrality by 2050, the Airport will continue identifying ways to implement energy-saving measures in its facilities; move from petroleum-based fuels to electric vehicles and other alternatives; pursue opportunities to generate renewable energy on-site; pursue purchase of renewable energy through City current energy contracts; and partner with airlines to investigate the use of sustainable aircraft fuel. Airport Carbon Accreditation is the only institutionally endorsed, global carbon management certification program for airports and PHL has been an early adopter of this standard earning the “Level 1 - Mapping” accreditation in 2021 and moving up to “Level 2 - Reduction” in 2022. PHL is one of only ten airports in North America to achieve this recognition. PHL is the first airport in Pennsylvania and one of only seventeen airports in North America to achieve this recognition. PNE joined the program in 2022 as the second airport in Pennsylvania, earning the “Level 1 - Mapping” accreditation.

**BUDGET SUMMARY & OTHER BUDGET DRIVERS**

<b>Staff Demographics Summary (as of December 2022)</b>				
	Total	Minority	White	Female
Number of Full-Time Staff	617	449	168	203
Number of Exempt Staff	30	12	18	18
Number of Executive Staff (deputy level and above)	17	7	10	9
Average Salary, Full-Time Staff	\$59,064	\$54,764	\$70,559	\$61,749
Average Salary, Exempt Staff	\$140,272	\$147,845	\$135,223	\$126,443
Average Salary, Executive Staff	\$169,374	\$178,504	\$162,983	\$153,418
Median Salary, Full-Time Staff	\$50,233	\$46,811	\$61,811	\$48,871
Median Salary, Exempt Staff	\$139,730	\$138,615	\$139,865	\$131,250
Median Salary, Executive Staff	\$159,005	\$159,005	\$157,198	\$141,000

<b>Employment Levels (as of December 2022)</b>		
	Budgeted	Filled
Number of Full-Time Positions	840	617
Number of Part-Time Positions	0	0
Number of Exempt Positions	39	30

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Number of Executive Positions (deputy level and above)	18	17
Average Salary of All Full-Time Positions	\$55,022	\$59,064
Median Salary of All Full-Time Positions	\$47,166	\$50,233

Aviation Fund Financial Summary by Class						
	FY22 Original Appropriations	FY22 Actual Obligations	FY23 Original Appropriations	FY23 Estimated Obligations	FY24 Proposed Appropriations	Difference: FY24-FY23
Class 100 - Employee Compensation	\$45,800,000	\$46,046,107	\$51,500,000	\$51,601,366	\$51,500,000	(\$101,366)
Class 200 - Purchase of Services	\$80,500,000	\$78,449,530	\$100,000,000	\$114,000,000	\$140,000,000	\$26,000,000
Class 300/400 - Materials, Supplies & Equipment	\$7,000,000	\$6,376,728	\$7,800,000	\$10,300,000	\$11,800,000	\$1,500,000
Class 500 - Contributions	\$6,300,000	\$4,892,256	\$6,300,000	\$6,300,000	\$6,300,000	\$0
Class 800 - Payment to Other Funds	\$11,000,000	\$6,406,596	\$20,000,000	\$20,000,000	\$33,000,000	\$13,000,000
	<b>\$150,600,000</b>	<b>\$142,171,217</b>	<b>\$185,600,000</b>	<b>\$202,201,366</b>	<b>\$242,600,000</b>	<b>\$40,398,634</b>

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<b>Full Aviation Fund Financial Summary by Class (inclusive of funding allocated to other City department budgets)</b>						
	FY22 Original Appropriations	FY22 Actual Obligations	FY23 Original Appropriations	FY23 Estimated Obligations	FY24 Proposed Appropriations	Difference: FY24-FY23
Class 100 - Employee Compensation	\$130,318,762	\$124,449,226	\$138,630,588	\$137,778,126	\$143,964,489	\$6,186,363
Class 200 - Purchase of Services	\$99,962,558	\$83,726,353	\$120,978,909	\$134,978,909	\$164,188,243	\$29,209,334
Class 300/400 - Materials, Supplies & Equipment	\$8,903,720	\$8,153,008	\$10,738,920	\$21,738,920	\$16,401,728	(\$5,337,192)
Class 500 - Contributions	\$8,812,000	\$4,892,256	\$8,812,000	\$8,812,000	\$8,812,000	\$0
Class 700 - Debt Service	\$132,003,960	\$114,814,223	\$119,361,583	\$123,001,652	\$118,997,540	(\$4,004,112)
Class 800 - Payment to Other Funds	\$11,019,000	\$6,406,596	\$20,019,000	\$20,019,000	\$33,019,000	\$13,000,000
	<b>\$391,020,000</b>	<b>\$342,441,662</b>	<b>\$418,541,000</b>	<b>\$446,328,607</b>	<b>\$485,383,000</b>	<b>\$39,054,393</b>

<b>Contracts Summary (Professional Services only)</b>						
	FY20	FY21	FY22	FY23 - estimated	FY23 YTD (Q1 & Q2)	FY24 Projected
Total amount of contracts	\$68,933,431	\$56,430,879	\$69,170,709	\$67,033,152	\$33,516,576	\$74,623,000
Total amount to M/W/DSBE	\$20,689,770	\$17,810,669	\$30,338,258	\$27,736,830	\$13,868,415	\$22,529,680
Participation Rate	30%	32%	44%	41% - estimated	41%	30%

<b>Total M/W/DSBE Contract Participation Goal (Public Works; Services, Supplies &amp; Equipment; and Professional Services combined)</b>			
	FY22	FY23	FY24 Projected
M/W/DSBE Contract Participation Goal	30%	30%	30%

## **PROPOSED BUDGET OVERVIEW**

The Aviation Fund is an enterprise fund of the City. The Aviation Fund is self-supporting, using aircraft landing fees, terminal building rentals, concession revenue and other facility charges to fund annual expenses. The proposed FY 2024 Aviation Fund budget totals \$242,600,000, an increase of \$40,398,634 (20%) over FY 2023 estimated obligation levels. This increase is primarily due to increases in contractual services and capital payments.

The proposed budget includes:

- \$51,500,000 in Class 100, a \$101,366 decrease over FY 2023 current projected expenditures.
- \$140,000,000 in Class 200, a \$26,000,000 increase over FY 2023 current projected expenditures. This funding supports increased costs due to inflation and additional services for both new and previously deferred cost during the pandemic for facility maintenance and information technology services, and capital program initiatives.
- \$11,800,000 in Class 300/400, an \$1,500,000 increase over FY 2023 current projected expenditures. This funding will allow Aviation to purchase materials, supplies and equipment at higher costs related to inflation and our increase in passengers .
- \$6,300,000 in Class 500, level with FY 2023 funding.
- \$33,000,000 in Class 800, a \$13,000,000 increase over FY 2023 current projected expenditures. This funding will allow Aviation to pay down a portion of outstanding commercial paper and permit transfers from operating to capital for pay-go capital expenditures.

Overall, the total FY 2024 Aviation Fund request is \$485.4 million, a (8.8%) increase from the FY 2023 operating budget estimated obligations of \$446.3 million. The \$485.4 million request includes \$242.6 million in appropriations for the Department of Aviation noted above, as well as \$119.0 million for debt service and \$123.8 million for appropriations directly related to the Police, Fire, Fleet Services, Technology, Public Property, Sustainability, Law, and Finance Departments. The \$39.1 million increase in the Aviation Fund stems primarily from the increases mentioned above, as well as hiring additional police personnel due to attrition and additional costs related to negotiated wage increases for police and fire.



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**STAFFING LEVELS**

The department is requesting 840 budgeted positions for FY24, level with FY23.

**NEW HIRES**

New Hires (from 7/1/2022 to December 2022)												
	Total Number of New Hires	Urdu	French	Bambara	Greek	Indonesian	Malayalam	Spanish	Italian	German	Hindi	Punjabi
Black or African American	33		1	1								
Asian	4	1				1	1				1	1
Hispanic or Latino	6							4	1	1		
White	6				1							
Total	49	1	1	1	1	1	1	4	1	1	1	1

**PERFORMANCE, CHALLENGES, AND INITIATIVES**

Measure*	 FY22 ACTUAL	 FY23 TARGET	 FY24 TARGET	 MAYORAL PRIORITY
<b>Number of boarding passengers                      (in millions)</b>	11.66	14.30	14.90	
<b>Operations (# arrivals and                      departures)</b>	292,871	300,000	313,000	
<b>Freight and mail cargo (tons)</b>	638,471	650,000	605,000	
<b>Non-airline revenue (\$ million)</b>	\$180.66	\$206.20	\$165.50	
<b>Retail/beverage sales (\$ million)</b>	\$157.43	161.93	190.10	

\*Prior to FY23, the Department of Aviation was previously a division of another department. As a new department, Aviation will be developing performance measures for each program but at the time of publication is only reporting performance measures at a departmental level.

**GUEST EXPERIENCE**

**FY24 Strategic Goals**

- **SCALE INFORMATION SERVICES AND PASSENGER ASSISTANCE PROGRAMS:** GX will continue to increase the number of volunteer navigators so that the program can expand to serve passengers at additional locations at all times of day.
- **CUSTOMER SERVICE TRAINING:** Develop initial training offerings and a strategic framework for programming that will elevate, reinforce, and sustain the airport’s customer-service culture over the next three to five years. Develop, distill, and socialize GX vision and Customer Service Standards.
- **ENHANCE PASSENGER COMFORT AND ACCESS TO DESIRED AMENITIES:** Gate Modernization: Furniture and Electrification. GX will continue to advance the Airport’s commitment to in-terminal enhancements that elevate the guest experience by modernizing the conditions of six additional PHL gate waiting areas with comfortable new furnishings and more

charging options for personal electronic devices. The Airport also is developing new gate modernization standards for PHL gate waiting areas that includes these features.

## **AIR SERVICE**

### **FY24 Strategic Goals**

- **EXPANSION OF INTERNATIONAL FLIGHTS TO MEXICO AND THE CARIBBEAN:** PHL has service to 30 non-stop international destinations and is American Airlines' main northeast transatlantic hub. While international traffic was slower to come back after FY20, Mexico and the Caribbean were a bright spot over the last two years. PHL aims to have more seats to these locations as it builds up aircraft capacity to other international destinations over the next few years.
- **BUILD ON STRENGTH OF LOW-COST CARRIERS IN THE PHILADELPHIA MARKET:** With two new LCC entrants to the U.S. market in 2021, Avelo and Breeze, this space continues to grow and PHL stands to benefit as LCCs outpace network carrier growth. New entrant carriers into the U.S. like Arajet, FlyAtlantic Airways, and others, promise to be an opportunity for flight connectivity to other markets.
- **MAINTAIN COST EFFECTIVE OPERATIONS TO COMPETE FOR AIR TRAFFIC:** Prior to COVID, PHL was both a competitively priced international gateway and an attractive connecting hub for American, along with having a strong sense of competition with diverse service from the low-cost carrier airlines. PHL is continuing this trend.
- **CREATING OPPORTUNITIES WITH DATA DRIVEN INTELLIGENCE:** Working with airlines for the establishment of crew-based operations will add value and competitiveness to Air Service Development. We aim to become a resource center to internal and external partners with data driven intelligence that will assist in the incremental revenue to the airport.
- **PHL AIR SERVICE INCENTIVE PROGRAM (ASIP) 2022-2024:** The ASIP complements the strategies and objectives of PHL's air service development efforts and continues recovery from pandemic-related air service suspensions, while encouraging incumbent air carriers at PHL to consider expansion and new market development. The objective of the program is to incentivize PHL's current and future airline partners to add new service to unserved routes and increase landed weight by providing discounted fees and additional marketing funds. Greater Philadelphia is the eighth largest metropolitan area in the United States and is in the middle of one of the largest passenger catchment areas with passport holders.

## **SUSTAINABILITY**

### **FY24 Strategic Goals**

- **IMPLEMENT THE AIRPORT SUSTAINABILITY MANAGEMENT PLAN:** Starting in 2021, Aviation began transitioning from development to implementation of its Sustainability Management Plan. This implementation uses the development of an interagency Sustainability Committee including members from Aviation, various airport tenants, including concessionaires, airlines, and bus and rental car companies, as well as through working groups centered around Clean Energy and Air, Recycling and Waste, and Natural Resources.

- **REDUCTION OF CARBON FOOTPRINT:** As part of Aviation’s commitment to carbon neutrality by 2050, the Department will continue identifying ways to implement energy-saving measures in its facilities; move from petroleum-based fuels to electric vehicles and other alternatives; pursue opportunities to generate renewable energy on-site; pursue purchase of renewable energy through City current energy contracts; and partner with airlines to investigate the use of sustainable aircraft fuel. Aviation will strategize on the best ways to reduce carbon emissions while balancing rising energy needs for electrification of fleet and other equipment and continue to track its carbon footprint to minimize its climate impact.
- **MITIGATE CLIMATE CHANGE IMPACTS:** Aviation will implement the Climate Adaptation and Resiliency Plan by strategically pursuing flood mitigation, stormwater management and drainage improvement projects for the PHL property, and will collaborate with City, state, and federal agencies to develop a climate impact mitigation strategy for lower South Philadelphia.
- **ZERO WASTE:** As part of its commitment to the City’s Zero Waste goals, Aviation will continue to track recycling diversion rates, reduce contamination in our recycling stream, and pursue innovative methods to expand the amount and type of recycling taking place in both its facilities and its capital projects.

## **CAPITAL DEVELOPMENT**

### **FY24 Strategic Goals**

- **ADVANCING PHL AND PNE AIRFIELD IMPROVEMENTS:** Aviation is working to rehabilitate the Taxiway K pavement to improve the serviceability of the pavement and to eliminate any structural deficiencies. PHL received over \$55 million in FAA Airport Improvement Program grants for this project, which is estimated to cost \$80 million. In addition to Taxiway K, the Airport also is moving forward on reconstruction and rehabilitation of several other airfield projects including five taxiways.
- **MOVING FORWARD ON WEST CARGO EXPANSION AT PHL:** The Airport only captures approximately nine percent of cargo volume in the mid-Atlantic catchment area. As such, PHL is working toward an expansion of its cargo facilities from 450,000 square feet to more than one million square feet. To enable this development, Aviation has three projects underway including: development of a Remain Overnight Apron, relocation of Tinicum Island Road, and FDR Park Wetland Mitigation.
- **COMPLETING THE MASTER PLAN UPDATE AT PHL:** PHL is updating its Master Plan to accommodate the ongoing growth of the region and modernize its facilities and operations. This planning process will leverage internal and external stakeholders to identify infrastructure and facility needs with a focus on developing solutions to support the future development at the Airport. The resulting Master Plan Update will outline a capital improvement program and 20-year implementation plan that clearly establishes how improvements can be made and potentially funded to support the vision of a world class airport.

## **DIVERSITY, EQUITY & INCLUSION**

### **FY24 Strategic Goals**

- **NEW WORKFORCE DEVELOPMENT PROGRAMS:** The Workforce Development Unit's programs support incumbent Aviation employees through the newly formalized Bridge Program, which provides upskilling and reskilling opportunities for promotion, creates career pathways for external jobseekers, and raises awareness about employment opportunities at PHL. The Human Resources unit offers a variety of training modules and professional development opportunities that support DEI, health and wellness, skill building, and more.
- **BUSINESS DIVERSITY PROGRAMS:** Aviation also remains focused on its business diversity initiatives with expanded programs that will include continued outreach events/ workshops and training to prospective and ongoing concessionaires focused on operating at the airport.
- **COMMUNITY ENGAGEMENT:** Keeping PHL's neighbors engaged and informed is essential to the Airport's stability and growth. Through Aviation's advocacy, maintaining open lines of communication, and consistent engagement with local Philadelphians and the region, the Department is strengthening a collective sense of belonging and comradery for community stakeholders. Some of the ways Aviation engages with its nearby residents include: Quarterly Neighborhood Meetings with Local Community Groups, Surveys, PHL Neighbor Newsletter, Community Engagement Website, and the Annual 5K Runway Run.

## **OTHER BUDGETARY IMPACTS**

### **Federal and State (Where Applicable)**

#### Federal Aid Related to COVID-19

The federal government passed legislative and regulatory actions as well as implemented measures to mitigate the broad disruptive effects of the COVID-19 pandemic, which included direct aid, in the form of grants, for airports starting in 2020. Aviation was awarded approximately \$260 million in COVID-19 related grants, which have been used to assist with paying portions of debt service and operating expenses in fiscal years 2020-2023.

#### Grant Funding for Capital Projects

Under the Bipartisan Infrastructure Law (BIL) - Airport Infrastructure Grants (AIG), PHL was awarded \$30.7 million in FFY 2022 and \$30.5 million in FFY 2023, while PNE was awarded \$763K in FFY 2022 and \$844K in FFY 2023. Under competitive Airport Terminal Program (ATP) grants PHL was awarded \$54 million towards restroom revitalization efforts which involves adding smart restroom technology, private nursing suites, service animal relief areas and adult changing rooms. Under the same ATP program PHL was also awarded \$15 million towards the terminal energy optimization program (TEOP) which aims to improve energy efficiency, replace aging infrastructure, reduce carbon emissions and improve local air quality.

Under the Airport Improvement Program (AIP) for Federal FY 2023, Aviation anticipates receiving funding from Federal Aviation Administration for the following projects: Reconstruction of Taxiway S, VALE grant for the installation of preconditioned air units (PC Air) / Ground Powering Units (GPU) at PHL and Rehabilitation of Taxiway L at PNE.

#### Transportation Security Administration (TSA) Operating Grants

The TSA annually awards two Other Transaction Agreements to PHL to help offset the Airport's cost of providing explosive detection through canine teams, and law enforcement officer support at security checkpoints. The current TSA explosive detection canine agreement allocates \$555,500 per year to PHL for a total of 4.5 years ending on 12/31/2024. The TSA Law Enforcement Officer (LEO) program partially reimburses expenses incurred by airport police officers for providing check point coverage around the clock at all the TSA checkpoints. The current LEO agreement expires on 12/31/2023. The Department of Aviation is expecting the LEO program to be renewed the same yearly funding level of \$1.2 million.

**CONTRACTING EXPERIENCE**

M/W/DSBE Participation on Large Professional Services Contracts											
Top Five Largest Contracts, FY23											
Vendor Name	Service Provided	Dollar Amount of Contract	RFP Issue Date	Contract Start Date	Ranges in RFP	% of M/W/DSBE Participation Achieved	\$ Value of M/W/DSBE Participation	Total % Participation - All DSBES	Total \$ Value Participation - All DSBES	Local Business (principal place of business located within City limits) [yes / no]	Waiver for Living Wage Compliance? [yes / no]
Global Program Partners	CEP/CIP Program Management	\$85,750,000	5/20/2011	5/25/2012	MBE: 15-20% &	35%	\$30,379,850	50%	\$42,913,000	yes	no
					WBE: 10-15%	15%	\$12,533,150				
					DSBE: 0%	0%	\$0				
First Transit	Shuttle Bus Services	\$67,766,860	5/18/2017	6/1/2018	MBE: 8-10% &/or	8%	\$5,428,500	8%	\$5,460,182	no	no
					WBE: 8-10%	0%	\$31,682				
					DSBE: 0%	0%	\$0				
Elliott-Lewis Corporation	Computer Information	\$26,553,208	3/31/2021	10/1/2021	MBE: 20-25% &	35%	\$9,328,142	41%	\$10,894,781	yes	no

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	Systems Management				WBE: 15-20%	6%	\$1,566,639				
					DSBE: 0%	0%	\$0				
Parkway Garage	Ground Transportation Management	\$25,133,920	9/1/2019	11/1/2019	MBE: 30-32% &/or	8%	\$2,098,682	17%	\$4,315,494	yes	no
					WBE: 30-32%	9%	\$2,216,812				
					DSBE: 0%	0%	\$0				
Hill International	Capital Program Administration	\$9,300,283	1/21/2021	7/1/2021	MBE: 20-25% &	28%	\$2,634,770	48%	\$4,418,564	yes	no
					WBE: 15-20%	19%	\$1,783,794				
					DSBE: 0	0%	\$0				



**EMPLOYEE DATA**

<b>Staff Demographics (as of December 2022)</b>				
<b>Full-Time Staff</b>			<b>Executive Staff</b>	
	Male	Female	Male	Female
	African-American	African-American	African-American	African-American
<i>Total</i>	233	141	<i>Total</i>	1
<i>% of Total</i>	38%	23%	<i>% of Total</i>	4%
<i>Average Salary</i>	\$48,926	\$56,810	<i>Average Salary</i>	\$142,292
<i>Median Salary</i>	\$42,637	\$46,871	<i>Median Salary</i>	\$153,059
	White	White	White	White
<i>Total</i>	132	36	<i>Total</i>	6
<i>% of Total</i>	21%	6%	<i>% of Total</i>	4%
<i>Average Salary</i>	\$68,832	\$76,895	<i>Average Salary</i>	\$171,883
<i>Median Salary</i>	\$61,350	\$65,906	<i>Median Salary</i>	\$149,633
	Hispanic	Hispanic	Hispanic	Hispanic
<i>Total</i>	21	9	<i>Total</i>	0
<i>% of Total</i>	3%	1%	<i>% of Total</i>	0%
<i>Average Salary</i>	\$56,820	\$57,711	<i>Average Salary</i>	N/A
<i>Median Salary</i>	\$50,866	\$52,069	<i>Median Salary</i>	N/A
	Asian	Asian	Asian	Asian
<i>Total</i>	22	11	<i>Total</i>	1
<i>% of Total</i>	4%	2%	<i>% of Total</i>	6%
<i>Average Salary</i>	\$86,423	\$79,720	<i>Average Salary</i>	\$325,000
<i>Median Salary</i>	\$73,528	\$74,435	<i>Median Salary</i>	\$170,000

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	Other		Other			Other		Other	
<i>Total</i>	6	6			<i>Total</i>	0	0		
<i>% of Total</i>	1%	1%			<i>% of Total</i>	0%	0%		
<i>Average Salary</i>	\$54,672	\$60,050			<i>Average Salary</i>	N/A	N/A		
<i>Median Salary</i>	\$51,254	\$52,642			<i>Median Salary</i>	N/A	N/A		
	Bilingual		Bilingual			Bilingual		Bilingual	
<i>Total</i>	46	27			<i>Total</i>	2	1		
<i>% of Total</i>	7%	4%			<i>% of Total</i>	0%	0%		
<i>Average Salary</i>	\$74,150	\$62,542			<i>Average Salary</i>	\$236,000	\$170,000		
<i>Median Salary</i>	\$61,811	\$50,233			<i>Median Salary</i>	\$236,000	\$170,000		
	Male		Female			Male		Female	
<i>Total</i>	414	203			<i>Total</i>	8	9		
<i>% of Total</i>	67%	33%			<i>% of Total</i>	47%	53%		
<i>Average Salary</i>	\$57,749	\$61,749			<i>Average Salary</i>	\$187,233	\$153,418		
<i>Median Salary</i>	\$50,866	\$46,871			<i>Median Salary</i>	\$160,811	\$141,000		

**LANGUAGE ACCESS**

- 1. Provide the name of your language access coordinator, the date of your last department training, and a link to the posting of your language access plan.**

Our Language Access Coordinator as of January 2023 is M. Denise Bailey, Deputy Director of Aviation for Business Diversity and Accessibility.

Our Language Access Plan was last updated in January of 2022. It is posted at the location noted below:

<https://www.phl.org/drupalbin//media/Airport%20Language%20Access%20Plan%20sigs%2001-31-22.pdf>

Language Access training for communications Center staff is ongoing as part of our employee orientation.

- 2. Breakdown new hires and existing staff by race and language. Breakdown how many front-line personnel are trained to provide language access services.**

All Staff																	
	Spanish	French	Arabic	Hindi	Tamil	Cantonese	Mandarin	Urdu	Hebrew	Korean	Malayalam	Ibo	Yoruba	Gaelic	German	Germanic	Jamaican Patois
Black or African American	1	3										1	1				
Asian				9	2	4	3	4		1	11						
Hispanic or Latino	13																
White	2	7	7						1					1	4		
Other																	
<b>Total</b>	<b>16</b>	<b>10</b>	<b>7</b>	<b>9</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>1</b>	<b>1</b>	<b>11</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>4</b>		

All Staff																	
	Indonesian	Bengali	Italian	Napoli	Albanian	Portuguese	Borfu	Russian	Ukrainian	Armenian	Vietnamese	Hmong	American Sign Language	Ewe	Kabre	Berber	Creole
Black or African American													1	1	1		1
Asian	2	2	1	1							2	1					
Hispanic or Latino																	
White			3					1	1	1						2	
Other																	
<b>Total</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>1</b>				<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>

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Frontline Staff																	
	Spanish	French	Arabic	Hindi	Tamil	Urdu	Hebrew	Korean	Malayalam	Ibo	Yoruba	Gaelic	German	Germanic	Shona	Indonesian	Italian
Black or African American	1	3								1	1						
Asian				7		2		1	8							1	
Hispanic or Latino	11																
White	2	7	7				1					1	4				3
Other																	
<b>Total</b>	<b>14</b>	<b>10</b>	<b>7</b>	<b>7</b>		<b>2</b>	<b>1</b>	<b>1</b>	<b>8</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>4</b>			<b>1</b>	<b>3</b>

Frontline Staff											
	Albanian	Portuguese	Bantu	Ukrainian	Armenian	Vietnamese	American Sign Language	Ewe	Kabre	Berber	Creole
Black or African American							1	1	1		1
Asian						1					
Hispanic or Latino											
White					1					2	
Other											
<b>Total</b>					<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>1</b>

**3. How many requests for language access services did your department receive in the past year? How many language access services were delivered by staff? Breakdown language access services provided, by language, including but not limited to the language line, translation of public notices and documents, website language services, and advertisement/publication services.**

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Below is the breakdown of language assistance provided. Of the 1,476 interpretation requests, 403 were provided by staff and 1,073 by our vendor.

<b>Language</b>	<b>Requests</b>
Spanish	1,445
Mandarin	8
Russian	5
French	5
Italian	3
Arabic	3
Portuguese	3
Vietnamese	2
Cantonese	1
Farsi	1
<b>Total</b>	<b>1,476</b>

As domestic and international travel returns post-pandemic, requests for language assistance have increased. The Airport receives innumerable informal assistance requests throughout the facility at information kiosks, from passengers, to staff traversing the facility, and to non-PHL businesses that lease space at the Airport. The majority of our informal requests are regarding assistance in locating a gate or airport amenities such as restrooms. We maintain a posting at each information desk so that passengers can identify to the information desk staff which language(s) they speak.

PHL does not provide ongoing direct services to guests that would require many translated documents or forms. Those documents and forms that are required are usually federal forms and documents that the Federal Government would need to provide and approve. For our DBE

US DOT Disadvantaged Business Program, we can provide certification application forms in Spanish, Chinese-Mandarin and Korean. Additionally, our nondiscrimination posters located throughout the terminal are also translated into Spanish, the most commonly encountered language other than English.

**4. Explain what your department has done to improve language access services over the past year.**

In the last year, PHL has updated its Language Access Plan and is providing, as part of our Federal Aviation Administration grant requirements, a four-factor analysis for limited English proficiency. This will include incorporation of recent census data related to languages spoken into a community participation plan and other communications with passengers and communities surrounding the Airport. We have also been evaluating emerging tools in language assistance at airports to ensure that we are aware of technology enhancements related to language assistance.

**CLIMATE CHANGE**

**1. How has climate change affected your department's provision of services?**

The extreme weather events that have likely resulted from climate change have caused damage and disruption at both the PHL and PNE airports in the last 10 years and have affected the provision of services by Aviation. Extreme storm events and hurricanes that bring high winds, heavy rains and flooding have caused damage to airport baggage handling equipment and energy infrastructure including high-voltage cables, transformers, and substations. Extreme weather has also caused flight delays and cancellations. High temperatures associated with climate change cause stress to airport cooling systems and higher power bills.

**2. How might worsening climate change increase costs and demands for your department?**

As climate change worsens, the increase in severe storms and extreme temperatures have the potential to increase operational costs and demands for both PHL and PNE airports, through increased power usage during summer heat waves; delays of outgoing and incoming flights due to extreme weather and airfield flooding; and damage or destruction of operational infrastructure due to flooding from extreme storm events. PHL property is vulnerable to flooding, a risk that increases as sea level rises.

**3. How does your department intend to mitigate and adapt to climate change?**

Aviation conducted a Climate Vulnerability Assessment in 2019 and a Climate Adaptation and Resilience Plan (CARP) and an associated hydrologic and hydraulic (H&H) modeling effort on sea level rise impacts to PHL at the end of 2022. The CARP plan identifies infrastructure and equipment at risk to climate change impacts and provides mitigation actions and equipment replacement recommendations to safeguard those assets. The H&H model illustrates the impacts of potential future storms in light of projected sea level rise and weather patterns due

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to climate change. Aviation has identified flooding infrastructure and other capital investments that will help protect PHL against climate change impact, and plans to implement these over time.

Aviation has also undertaken development of a Stormwater Master Plan to assess storm sewer capacity at PHL and propose a green and grey infrastructure solutions to stormwater runoff. Aviation has identified capital projects to upgrade the conveyance system and stormwater management capacity of the airfield, to ensure proper drainage after a large storm or tidal surge flood event.

Aviation has design standards in place that pertain that incorporate climate resiliency into the installation of critical infrastructure and the construction of new facilities. These design standards are currently be updated based on the updated climate science projections outlined in the CARP. Aviation also utilizes an asset management system to track equipment usage and failure and inform resilient decision-making. Aviation has airport-wide contingency plans for passenger and employee protection during severe weather events, and has policies in place to address climate-induced physiological stressors for employees, such as proper clothing and hydration breaks during heat advisories.

To help reduce our contribution to climate change, Aviation is working to reduce its own greenhouse gas emissions through energy efficient projects, green building, vehicle electrification and renewable energy projects, and conducts annual analyses of carbon emissions produced by the Airport itself, through the power purchased by Aviation and by Airport tenants and customers.