Highlights from the Director

First, let me begin by wishing all a happy and healthy 2006. In 2005, PIE served 600,000 passengers, a 55% decline from the all time historical record high of 1.3 million passengers set in 2004. Year 2005 was another “red ink” year for most domestic airlines with many in bankruptcy and some like Independence Air going out of business. As you can see, the airline industry is fragile and quite frankly, our loss of flights has little to do with the popularity of Tampa Bay as a destination or the amenities of the Airport, as much as it does with the ability of airlines to make money in the current climate of high jet fuel costs.

Commercial airlines account for only about 5% of aircraft operations at St. Petersburg-Clearwater International Airport; however, the revenue they generate is essential to the future financial stability of the Airport and is vitally important to the local economy as well. The Airport is responsible for 1600 jobs and over $750 million a year that flows into Pinellas County. Because so much is riding on the success of air service, our marketing strategy is a key element of our 2006 business plan. Our focus on airline recruitment and expansion is aimed at serving key domestic and international markets. With the upcoming completion of our main runway extension program, we will have the runway length necessary for non-stop European charters.

Our passengers often tell us, “I love this airport!” or “we wish you had flights to ..... “ Your comments matter and we are launching a campaign seeking your testimonials, favorite destinations, etc. This information is vital to our air service marketing program. Our plan is to share your feedback about the Airport and preferred destinations with airlines that are serving or considering serving our market. From what we hear, the affordability and convenience of St. Petersburg-Clearwater International Airport is what passengers want.

Tell us what you think – log on to www.fly2pie.com and click on Fly2PIE Destination Survey or email your comments to info@fly2pie.com. Thank you!

Until the next time,
Noah Lagos, A.A.E.

Inside this issue:

<table>
<thead>
<tr>
<th>Topic</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport Planning &amp; Projects</td>
<td>2</td>
</tr>
<tr>
<td>Real Estate Development</td>
<td>2</td>
</tr>
<tr>
<td>Noise Affairs &amp; Operations</td>
<td>3</td>
</tr>
<tr>
<td>Featured Tenant</td>
<td>4</td>
</tr>
<tr>
<td>Community Relations</td>
<td>4</td>
</tr>
</tbody>
</table>

The Collings Foundation Desk

WWII Bombers return to St. Petersburg-Clearwater International Airport from February 8-10th, 2006. Walk through a B-17 and B-25 or book a flight for a truly unique experience.

Contact the Collings Foundation representative at 727-424-5660 for more information.

USA 3000 Airlines continues its high level of service to PIE and discussions concerning new destinations are ongoing. Recent added service for the season includes—Detroit and Cleveland on Monday nights and beginning in March, a Saturday Newark flight. Conde Nast Traveler named USA3000 one of the “Ten Best Domestic Carriers”. The category is rated on cabin comfort, cabin service, entertainment options, food/beverages, and ticketing/ground services. Congratulations USA3000!

Sky Service/Conquest is now offering daily flights to Toronto (call 1-866-266-7974). CanJet continues multi-day service to Toronto as well as service to Halifax, Moncton, and St. John’s (call 1-800-809-7777)
**AIRPORT PLANNING STUDIES & PROJECTS**
The latest updates regarding ongoing planning studies and projects at the St. Petersburg-Clearwater International Airport.

**Runway Extension Project**
Construction of the south end of the primary air carrier runway has been proceeding smoothly. The relocation of Stonybrook Drive was completed ahead of schedule. Airco Golf Course continues to be open for business, but the driving range was closed permanently due to the new runway work. In the next few months, the extension of the secondary runway 4-22 will be completed, adding an additional 470 feet for a total runway length of 5,973 feet. The new Taxiway ‘A’ extension will also be completed. Work will continue on the main runway 17L-35R extension with the completion date still scheduled for May 2006.

**Terminal Design**
Our architectural consultant completed an inventory survey and evaluation of the existing Terminal Building. The comprehensive report provided a good overview of the existing conditions. Preliminary drawings for proposed improvements to the terminal, including the addition of jet loading bridges are included in the proposed improvements.

**Security Improvements**
Major work has been accomplished installing new conduit, fiber optics, and cabling throughout the Terminal Building. In the upcoming months, the new security computer system, access control equipment, interactive training system, and new video cameras will be installed and tested throughout the terminal and adjacent gates.

**REAL ESTATE DEVELOPMENT** - The latest on projects at the Airport and surrounding Airport-owned real estate.

**Springhill Suites Hotel**, located at 3485 Ulmerton Road on airport property, opened in January 2006. The new, all-suite hotel features separate areas for eating, working, relaxing, and sleeping. It is the most recent Marriot facility to open in the area. For more information, call 727-571-1600.

**Panda Express** has signed a lease and will be joining the Chick-fil-A Restaurant and Springhill Suites Hotel on the third and final portion of the site, formerly known as the “Showboat” property. Panda Express is a fast food restaurant that specializes in Asian cuisine. Its opening is scheduled for fall of 2006.
NOISE AFFAIRS UPDATE

For questions about PIE’s Noise Abatement and Mitigation Program, contact Jason Schwartz in the Office of Noise Affairs, (727) 453-7880 or jschwart@co.pinellas.fl.us.

Global Position System (GPS) Approach – Over the past two years, the Airport worked with the Federal Aviation Administration (FAA) to develop a new southbound instrument approach procedure, using Global Position System (GPS) technology to help reduce aircraft noise for residents north of the Airport. On October 27, 2005, the FAA approved and published the new procedure referred to as an RNAV GPS approach to Runway 17L. The benefit of this procedure is it keeps qualified aircraft over the water and away from residential areas when landing to the south. It can be used without nighttime restrictions, unlike the existing southbound visual approach, referred to as the North Bay Visual. At present, approximately 40% of the airline and cargo aircraft operating out of the airport are capable of utilizing the new RNAV GPS approach. The airport encourages operators to utilize this new approach, equipment and weather permitting.

AIRPORT OPERATIONS

In 2005, there were 207,944 aircraft operations on St. Petersburg-Clearwater International Airport’s runways. Less than 3% were passenger airlines, 1.5% cargo, and less than 8% military operations. Over 88% were general aviation; comprised of corporate and private aircraft.

VIP VISIT – PIE was host to a visit from the Greek Archbishop, His All Holiness Bartholomew, as he arrived in Pinellas County for the 100th Anniversary of the Epiphany in Tarpon Springs on January 4th. His All Holiness was greeted by approximately 300 invited guests at a private reception at Signature Flight Support. The airport would like to pay a special thanks to the Pinellas County Sheriff's Office, Signature Flight Support, and the Transportation Security Administration for their coordination of the event.
The new year brings a new partnership in flight information services and training. Flightshops purchased National Aviation after looking into starting its own flight school. President Paul Gagliano described it as a “merger of information and training”. As the third largest flight shop in the world, National Aviation, the new post-merger name, will be a one-stop shop for pilots with charts and supplies, flight training, simulators, and testing. Although not part of National Aviation, an on-site doctor is available to complete FAA medical exams for pilots.

There’s even something for kids interested in aviation. National Aviation provides a flight simulator experience for youths who have flown with the Young Eagles program.

For more information on National Aviation and their services, call 727-531-3545.

Airport Volunteer Program

In December, Airport Director Noah Lagos along with Convention and Visitor Bureau and airport staff hosted a Volunteer Appreciation Lunch.

The airport would like to thank its volunteers for the service they provide to our passengers and visitors. Volunteers are trained to provide information about the airport, transportation, accommodations and visitor attractions in the area. Volunteers staff both the Visitors Information Booth and assist passengers in the terminal.

Thank You Volunteers!!