RS&H

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Forecast of Aviation Activity

Laredo International Airport
Forecast of Aviation Activity

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2 Forecast

2.1 Introduction

This chapter presents projections of aviation activity at the Laredo International Airport (LRD or the Airport). These projections are used for evaluating the capability of the existing Airport facilities to meet current and future demand and to estimate the extent to which facilities should be further expanded and or provided in the future. Aviation activity forecasting is an analytical and subjective process that provides the best estimates of the order of magnitude traffic levels expected in the future. Actual activity levels in future years may differ from the forecasts developed in this chapter due to unexpected future changes in local economic conditions, the dynamics of the commercial and general aviation industry, as well as economic and political changes within both the service area and United States (U.S.). Future facility improvements should be implemented as demand warrants rather than at a set of future values associated with time frames. This will allow the Airport to respond to changes in demand, either higher or lower than the forecast, regardless of the year in which those changes take place.

A key consideration in the development of aviation forecasts is how they compare with the Federal Aviation Administration (FAA) Terminal Area Forecasts (TAF).[1] The TAF is an important planning tool used by the FAA to review and compare forecasts prepared by Airport Sponsors. In accordance with FAA 2024 Memorandum, "Forecast Review and Approval Instructions", "Forecast scenarios of operations, based aircraft, and enplanements are considered to be consistent with the TAF, and merit FAA approval, if through the near- term and mid- term timeframes, the baseline scenario differs from the current TAF baseline scenario by less than 10 percent at year 5 and 15 percent at year 10."[2] The FAA must approve sponsor forecasts before they can be used to prepare facility requirements in a master plan or before going forward with an environmental document that requires a forecast. If these stated thresholds are exceeded, the FAA Region office in which the airport is located will forward the forecasts to FAA headquarters for review.

2.1.1 Background and Role

LRD is an international airport in the City of Laredo, State of Texas (Texas or the State), U.S. serving the Greater Laredo metropolitan area. LRD is located approximately 3 miles northeast of the central business district of the City of Laredo, and 4 miles northeast of the U.S. – Mexico border crossing checkpoint. The Laredo Metropolitan Statistical Area (Laredo MSA, or MSA) is defined by the U.S. as Webb County[3], the county in which the Airport and City of Laredo are

[1] The Terminal Area Forecast is the official FAA forecast of aviation activity for U.S. airports updated annually in or around January

[2] August 12, 2024, memorandum from the FAA Manager, Airport Planning and Environmental Division (APP-400)

[3] Office of Management and Budget OMB Bulletin No. 20-01, 2020.

located. The Laredo MSA had an estimated population of 267,113 in 2023[4]. This area does not cover the maximum extent where the passenger market exists for the Airport; rather, is an objective definition of the population surrounding the Airport. Passengers from neighboring areas outside of the MSA may use the Airport for air carrier service.

The Airport is owned and operated by the City of Laredo. The Airport has been in operation since 1974, when the Laredo Air Force Base (LAFB) was deactivated. The LAFB initially opened at the beginning of WWII, originally named Zachary Field and then acquired by the government in 1942 to operate the Army Air Corps gunnery school. Zachary Field became inactive and then reverted to the City of Laredo as a municipal airport after WWII, but was then reactivated in 1952 during the Korean War[5]. The LAFB was finally deactivated in 1974 following the Vietnam War, and transferred to the City of Laredo to operate and open for commercial services in 1975.

2.1.1.1 LRD at a Global Level

The Airport's strategic location places it in proximity to the Mexican border, facilitating large volumes of international trade, travel, and commerce between Mexico and the U.S. The Airport's international passenger and cargo service are expanding to meet existing and growing demand[6], demonstrating a positive outlook for the global economy's effect on the Laredo MSA and the Airport. International cargo operations, such as Aeronaves T.S.M. from Mexico, drive many operations at the Airport.

2.1.1.2 LRD at a National Level

At the national level, the National Plan of Integrated Airport Systems (NPIAS) classifies LRD as a commercial service primary nonhub airport. This means that the airport receives less than 0.05 percent of annual U.S. commercial enplanements, but over 10,000 enplanements. Domestic cargo carriers such as USA Jet, FedEx, and UPS conduct many cargo operations at the Airport. South Texas has many military operations, and although the Airport does not host any military bases, it is frequently used by military aircraft for fuel, services, or as a training airfield. Immigration and Customs Enforcement (ICE) also use LRD as a departure airport for extradition flights.

2.1.2 Forecasting Framework

The baseline year for this forecast is fiscal year (FY) 2024. This forecast document defines the FY as the period from October 1st of the previous year through September 30th of the following year, which coincides with the City of Laredo's FY[7]. Data results from these forecasts are compared to the FAA TAF, the last of which was published in January 2025. The FAA TAF

[4] *Quickfacts Webb County Texas,* Census.gov 2024
[5] *A Brief History of Laredo Air Force Base,* Webbcountytx.gov 2024
[6] *Laredo International Airport to offer direct flights to Monterrey,* LMTonline.com 2024
[7] Based on the City of Laredo's Annual Comprehensive Financial Report (ACFR) for FY 2024

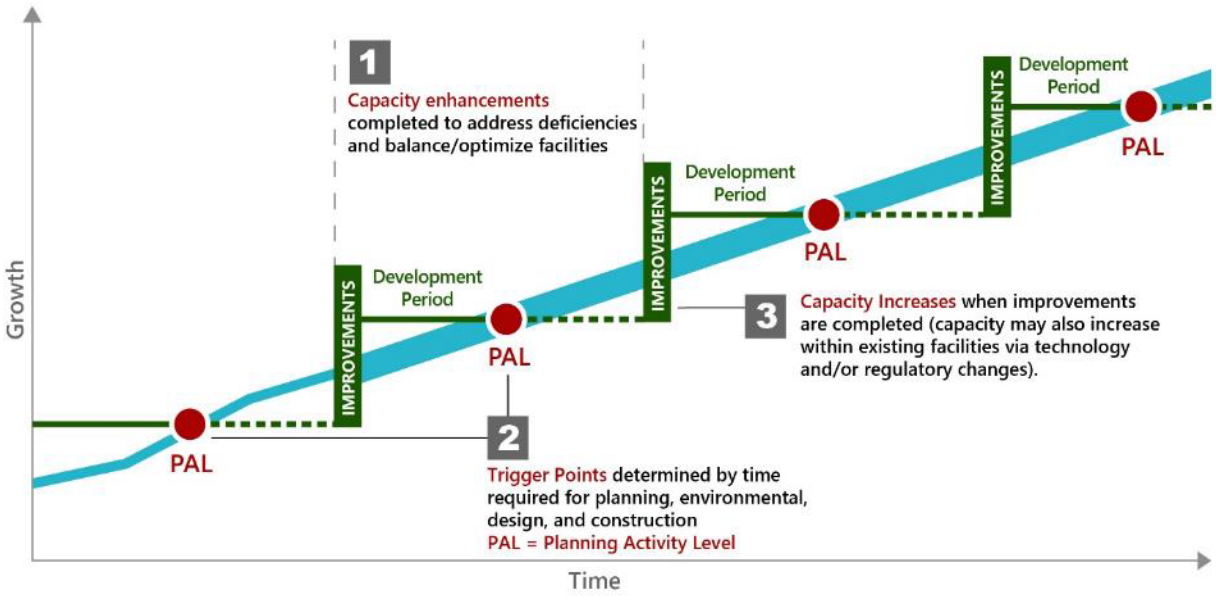
provides data based on the Federal Fiscal Year (FFY) calendar, which like the City of Laredo, is defined as the period from October 1st of a year to September 30th of the following year. The most current TAF provides projections from FFY 2024 through FFY 2050. The forecast in this report provides data in FY format, except where otherwise identified. This document will forecast the years of FY 2025 through FY 2044, or the next 20 years ("the Forecast Period").

2.1.3 Planning Activity Levels

Historical precedent demonstrates that airport activity levels can be heavily influenced by unanticipated events resulting in changes to airport facilities. Predicting precisely what years these events may occur would prove to be challenging. Therefore, it is prudent to begin detailed planning, design, and construction of a new facility only when levels of activity or demand are reached that warrant these actions. Under this practice, planning for the improvement is based on materialized demand milestones rather than an estimated calendar date.

These demand milestones are known as Planning Activity Levels (PALs) which act as triggers for detailed airport facility planning and future investment. It is possible for a PAL trigger to occur sooner or later than the forecast year associated with that level of forecast activity. For planning purposes, the subsequent three PALs (defined as PAL 1, PAL, 2, and PAL 3) correspond to the base case forecast years (Base Year+5 years, Base Year+10 years, and Base Year+20 years). **Figure 2-1** diagrams the process of planning, designing, and constructing facility improvements based on PALs, and demonstrates how they align with the growth projected in a forecast.

Figure 2-1
Planning Activity Levels Diagram



Source: RS&H, 2023

2.2 Factors Affecting Aviation Demand

Aviation activity forecasts are generally influenced by a variety of qualitative and quantitative factors within the Airport's MSA. These factors frequently include social and economic values and trends, as well as the cost of operating and utilizing air service at LRD, and the correlation that each of these factors has had historically with the ebbs and flows of aviation activity at LRD.

2.2.1 Socioeconomic Data

Socioeconomic data is used to understand the population of the users and community who use or live near LRD. Historical socioeconomic data and trends provide context and trends useful to forecasting future activity at the Airport.

2.2.1.1 Population

The Laredo MSA comprises 0.9 percent of Texas' total population. The Laredo MSA population is currently growing at a rate slightly higher than the rest of the State and U.S. This can be attributed to several factors, including the Laredo's MSA strategic position as a major inland port on the U.S.-Mexico border, which has bolstered its role in international trade and attracted businesses and workers to the area. Additionally, the City of Laredo's expanding infrastructure, such as the US-59 Loop Upgrade[8] and the Springfield Avenue Expansion Project[9], aims to alleviate traffic congestion and support further development, making the City of Laredo more accommodating for residents and businesses. The catchment area, or area where residents are users of the Airport, is made up of Webb County which comprises 3,361.5 square miles[10]. **Figure 2-2** depicts the Laredo MSA.

Figure 2-2
Map of Texas – Laredo MSA

Source: RS&H, 2024

[8] TxDOT, Webb County Projects, Keep Laredo Moving, 2023

[9] Laredo Morning Times, March 24, 2025

[10] *QuickFacts Webb County, Texas,* U.S. Census Bureau 2024

Socioeconomic data was gathered by Woods and Poole Economics, Inc. (W&P), an organization which gathers a wide range of data across the United States. This data was a primary source of information for historical and forecasted socioeconomic factors for the Laredo MSA, Texas, and the United States. Socioeconomic data will be presented by 2024 data as the baseline data, followed by a forecast for 2025 and future forecasts in five-year increments.

According to W&P, the 2025 to 2044 forecasted compound annual growth rate (CAGR) for the Laredo MSA is 1.2 percent. The forecasted population CAGR for the rest of Texas for the same period is 1.1 percent. The Laredo MSA population is expected to grow at a faster rate than the rest of the U.S. over the 20-year planning period (the Planning Period). The projected CAGR for the U.S. over the Planning Period is 0.6 percent. **Table 2-1** depicts population growth for the Laredo MSA, the rest of the State, Texas, and the U.S.

Table 2-1
Forecast – Population

Calendar Year	Laredo MSA (a)	Rest of Texas	Texas Total	U.S.
2024	274,936	30,502,526	30,777,462	337,809,927
2025	278,541	30,877,234	31,155,775	340,069,883
2029	293,031	32,394,381	32,687,412	348,985,370
2034	311,227	34,327,903	34,639,130	359,810,801
2039	329,236	36,280,346	36,609,582	370,066,146
2044	347,394	38,287,132	38,634,526	380,131,955
CAGR (2025 - 2044)	**1.2%**	**1.1%**	**1.1%**	**0.6%**

Source: Woods & Poole Economics, Inc.; RS&H Analysis, 2024
Note(s): (a) Laredo MSA is defined by the extents of Webb County, Texas

2.2.1.2 Employment

The Laredo MSA has large employers in government, retail, food service, and healthcare sectors, with many individuals also working in transportation and trade related professions. The largest private sector employers include Walmart at between 1,251 and 2,500 employed individuals, McDonalds at 530-1,134, Laredo Medical Center at 1,200, Concentrix with 840, and Doctor's Hospital with 835. The largest public sector employers are the United and Laredo Independent

School District with 7,361 and 3,718 employed respectively, City of Laredo at 2,954, Webb County at 1,800, Border Patrol Laredo Sector with 1,800, U.S. Customs and Border Protection (CBP) with 1,225, Texas A&M International University with 910, and Laredo College with 800[11].

The employment forecast for the Laredo MSA during the Planning Period exceeds the rate of forecasted population growth, with an employment CAGR of 1.8 percent. This rate is higher than the U.S., with an employment CAGR of 1.1 percent. Employment in the Laredo MSA has shown positive trends recently, with 115,654 individuals working in January 2025, 3,956 more than in January 2024[12]. As previously mentioned, key industries driving this growth include trade, transportation, utilities (which remains the largest sector with 37,100 jobs), and the education and health services sector, which experienced the strongest annual growth at 5.5 percent from January 2024 to January 2025[13]. It is important to note that these growth rates are only projections and may be subject to change depending upon the economic conditions in Texas and the rest of the U.S. **Table 2-2** depicts the forecasted employment totals for the Laredo MSA, the remainder of the State, Texas as a whole, and for the U.S.

Table 2-2
Forecast – Employment

Calendar Year	Laredo MSA (a)	Rest of Texas	Texas Total	U.S.
2024	162,997	19,489,616	19,652,613	215,460,931
2025	166,310	19,871,543	20,037,853	218,457,729
2029	179,390	21,366,047	21,545,437	229,589,442
2034	196,137	23,289,221	23,485,358	243,079,823
2039	213,447	25,303,796	25,517,243	256,369,458
2044	231,250	27,416,104	27,647,354	269,472,078
CAGR (2025 - 2044)	**1.8%**	**1.7%**	**1.7%**	**1.1%**

Sources: Woods & Poole Economics, Inc.; RS&H Analysis, 2024
Note(s): (a) Laredo MSA is defined by the extents of Webb County, Texas

[11] *Major Employers,* Laredo Economic Development Corporation 2024
[12] Workforce Solutions for South Texas, March 16, 2025
[13] Texas Labor Market Information, February 2025 report

2.2.1.3 Personal Income

Over the Planning Period, the personal income CAGR for the Laredo MSA is projected to be 2.7 percent. This rate is higher than the forecasted U.S. personal income CAGR of 2.1 percent. Meanwhile, the rest of Texas is forecast to have a CAGR of 2.9 percent, which is higher than the Laredo MSA. The Laredo MSA's strategic position as the largest inland port on the U.S.-Mexico border has significantly boosted international trade stimulating local employment and personal income levels. The trend of nearshoring has also led to increased industrial investments in the Laredo MSA with companies seeking a closer proximity to manufacturing operations in Mexico, which in turn increase wages in sectors like logistics and warehousing. **Table 2-3** depicts the forecast of total personal income rates for the Laredo MSA, remainder of the State, Texas as a whole, and for the entire U.S.

Table 2-3
Forecast – Personal Income (in millions of 2012 U.S. Dollars)

Calendar Year	Laredo MSA (a)	Rest of Texas	Texas Total	U.S.
2024	$9,900	$1,637,997	$1,647,897	$18,963,551
2025	$10,194	$1,688,598	$1,698,793	$19,405,473
2029	$11,435	$1,902,743	$1,914,178	$21,218,531
2034	$13,129	$2,199,791	$2,212,920	$23,599,978
2039	$14,987	$2,534,255	$2,549,241	$26,125,715
2044	$17,005	$2,909,679	$2,926,684	$28,793,066
CAGR (2025 - 2044)	**2.7%**	**2.9%**	**2.9%**	**2.1%**

Sources: Woods & Poole Economics, Inc; RS&H Analysis, 2024
Note(s): (a) Laredo MSA is defined by the extents of Webb County, Texas
(b) Dollar amounts are in 2012 dollars

2.2.1.4 Per Capita Personal Income

Per Capita Personal Income (PCPI) is calculated by dividing a region's total personal income by its population. During the Planning Period, the forecasted PCPI growth rate for the Laredo MSA is at 1.5 percent per annum. The forecasted PCPI growth rate for the rest of Texas is 1.7 percent. The forecasted PCPI growth rate for Texas is also 1.7 percent.

Overall, the forecasted PCPI growth for the State is higher than the U.S. average. This is due to the State's growth in high-income industries such as oil, technology, and healthcare in the past 20-years. Nevertheless, the projected growth rates for PCPI in the Laredo MSA, the rest of Texas, and the State as a whole, indicate a positive trend that could translate to higher income and resources for residents in the State over the next two decades. Changes in economic conditions, government policies, and other factors can influence the growth rates for PCPI. Nonetheless, the projected growth rates provide important insights into the potential trajectory of income growth in these regions. **Table 2-4** depicts the forecasted PCPI for the Laredo MSA, rest of the State, Texas as a whole, and for the entire U.S.

Table 2-4
Forecast – Per Capita Personal Income

Calendar Year	Laredo MSA (a)	Rest of Texas	Texas Total	U.S.
2024	$36,007	$53,700	$53,542	$56,137
2025	$36,599	$54,688	$54,526	$57,063
2029	$39,024	$58,737	$58,560	$60,801
2034	$42,184	$64,082	$63,885	$65,590
2039	$45,519	$69,852	$69,633	$70,597
2044	$48,951	$75,996	$75,753	$75,745
CAGR (2025 - 2044)	**1.5%**	**1.7%**	**1.7%**	**1.5%**

Sources: Woods & Poole Economics, Inc; RS&H Analysis, 2024
Note(s): (a) Laredo MSA is defined by the extents of Webb County, Texas
(b) Note: Dollar amounts are in 2012 dollars

2.2.1.5 Oil and Jet Fuel Prices

The association between jet fuel prices and aviation demand is complex and can be influenced by a range of economic, political, and environmental factors. Jet fuel prices are a critical factor in the aviation industry as they have a significant effect on operating costs and profitability. The demand for aviation fuel is driven by the level of air travel and the size of airline fleets. In general, jet fuel prices tend to fluctuate in response to global oil prices, geopolitical tensions, and market supply and demand conditions. Over the past two years, aviation fuel prices have risen due to a combination of global supply chain disruptions and reduced refinery capacity,

particularly following the COVID-19 Pandemic (COVID Pandemic) and geopolitical tensions like the Russia-Ukraine war. Additionally, increased demand for air travel during the post-COVID Pandemic recovery further strained supplies, driving prices higher. When fuel prices are high, airlines may reduce their capacity or raise ticket prices to offset the increased costs. Conversely, when fuel prices are low, airlines may expand their operations or offer lower fares to attract more passengers. **Table 2-5** depicts the forecast oil and jet fuel prices for the Planning Period.

Table 2-5
Forecast – Oil and Jet Fuel Prices

Year	U.S. Refiners' Acquisition Cost (Dollars per Barrel) (a)	Crude Oil Prices (Dollars per Barrel) (b)	Jet Fuel Prices (Dollars Per Gallon) (c)
2024	$78.80	$99.00	$2.80
2025	$78.80*	$95.00	$2.51**
2029	$87.00	$106.00	$2.47**
2034	$96.30	$123.00	$2.44**
2039	$101.40	$143.00	$2.33**
2044	$107.30	$164.00	$2.23
CAGR (2025-2044)	**1.6%**	**2.9%**	**-0.6%**

Note(s): *Data not available for 2025, data for 2024 used
(a) Monthly census of all U.S. refiners collecting the net acquisition costs and volumes of crude oil, both domestic and imported, on corporate regional basis (not for individual refineries)
(b) Brent spot price (rounded). 2023 dollars
(c) ** indicates number is from next fiscal year E.G. 2024 is FY2025 data
Sources: *FY 2024-2044 Aerospace Forecast*, FAA 2023; Energy Information Administration (EIA)
(a) FY 2024-2044 Aerospace Forecast, FAA 2023. Table A-1, Baseline scenario. FAA information derived from S&P Global information
(b) Annual Energy Outlook 2023, U.S. Energy Information Administration (EIA) 2023. Table 1. Total Energy Supply, Disposition, and Price Summary
(c) FY 2024-2044 Aerospace Forecast, FAA 2023. Table 18, system level 2023 dollars

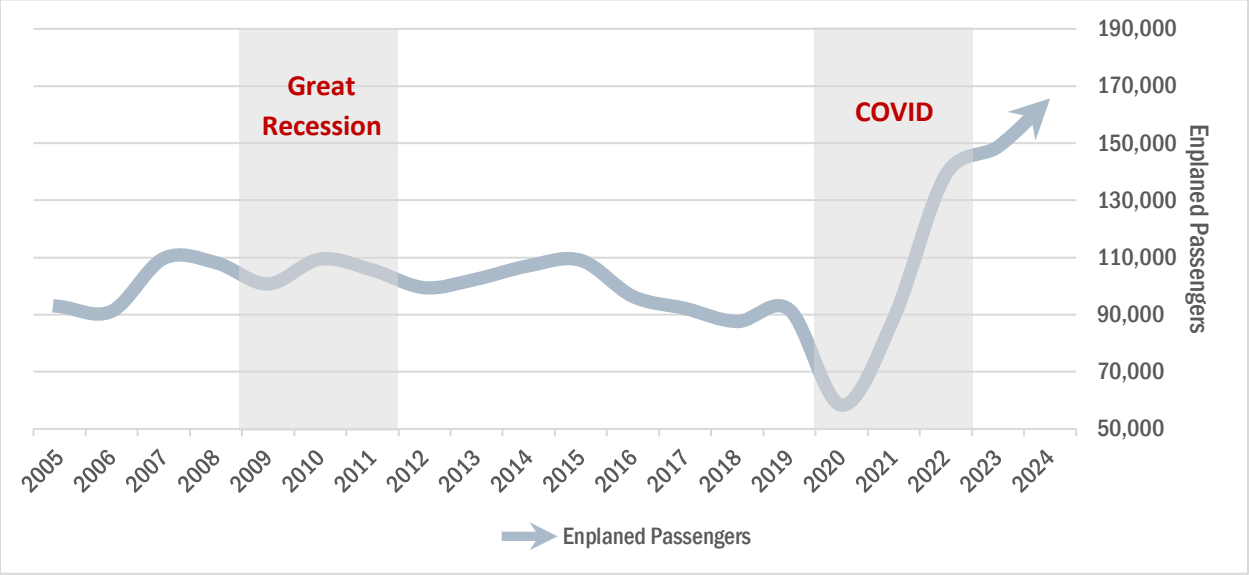
2.2.2 Historical Aviation Activity

Historical aviation activity at LRD provides important context and trends that are likely to affect future air service demand at the Airport.

2.2.2.1 Historical Passenger Activity

There is no strong trend for historical passenger activity at LRD. Air carrier enplanements generally stay consistent or decrease from FY 2005 through FY 2019. After FY 2020, once the COVID Pandemic's effect on air travel began to ease, air carrier enplanements began to increase and surpass levels of activity prior to FY 2019. LRD offers passengers domestic and international destinations. **Figure 2-3** and **Table 2-6** depict historical enplanements over the previous 20 fiscal years.

Figure 2-3
Historical Passenger Enplanements



Source: T-100 Data; RS&H Analysis, 2025

Table 2-6
LRD Historical Enplaned Passengers

Fiscal Year	Enplanements
2005	92,850
2006	91,184
2007	109,687
2008	108,181
2009	100,725
2010	109,446
2011	105,614
2012	99,415
2013	102,433
2014	107,099
2015	108,992
2016	96,346
2017	92,162
2018	87,586
2019	91,704
2020	58,307
2021	88,741
2022	139,024
2023	148,742
2024	165,676

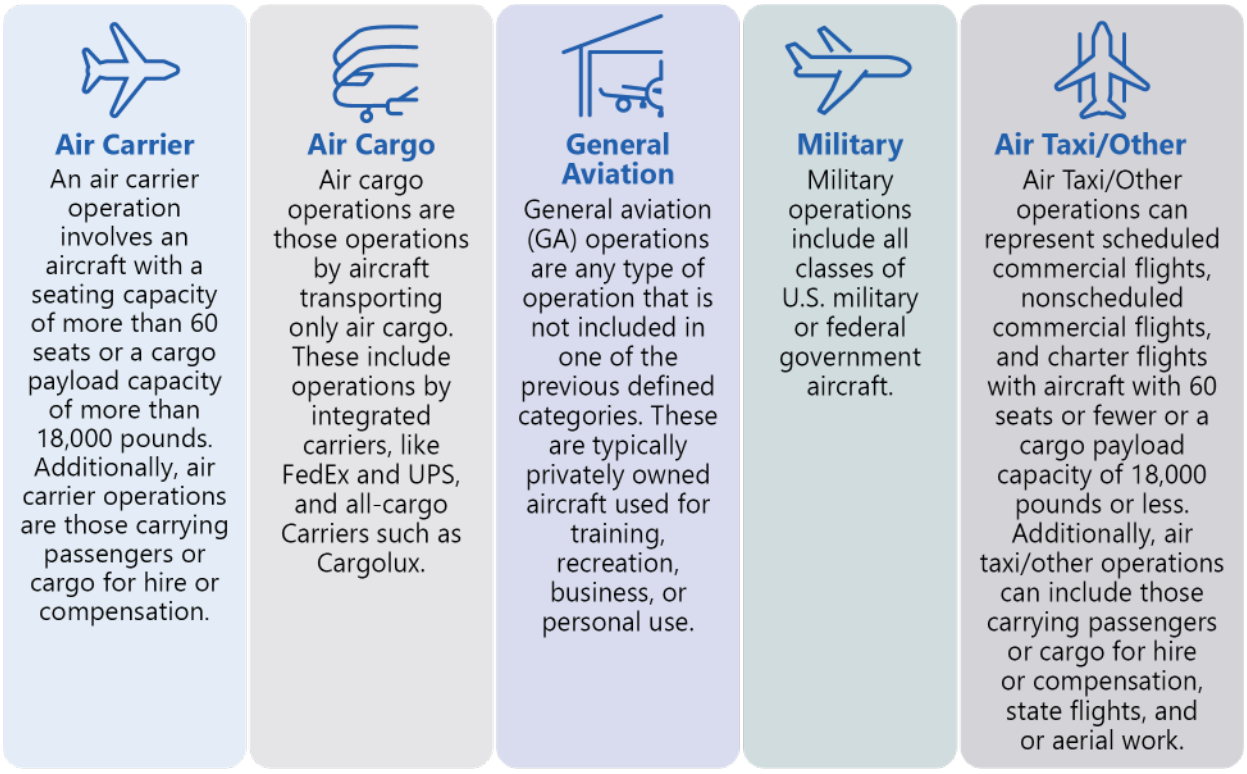
CAGR	
2005-2024	**3.1%**

Source: Airport Data, 2025; US D.O.T via Diio Mi, 2025; RS&H Analysis, 2025

2.2.2.2 Historical Aircraft Operations

An aircraft operation is defined as either a takeoff or a landing. Therefore, a typical flight consists of two operations. The FAA records annual aircraft operations in five categories, described in **Figure 2-4**.

Figure 2-4
Aircraft Operation Categories



Source: FAA OPSNET, 2023

LRD has historically been a strong cargo airport since its opening in 1975[14]. The Airport has also focused on modernization, and opened its current passenger terminal in 1998 while maintaining facilities for the needs of modern-day aircraft and customers.

Total operations decreased at a CAGR of 7.7 percent from FY 2016 through FY 2024 due to a decrease in military activity at the Airport. Operations have natural fluctuations based on local, national, and international economic events and aviation trends. Examples of these trends and events include effects from the COVID Pandemic and the Great Recession. **Table 2-7**, **Figure 2-5**, and **Figure 2-6** present LRD historical aircraft operations by type and total from FY 2016 through 2024.

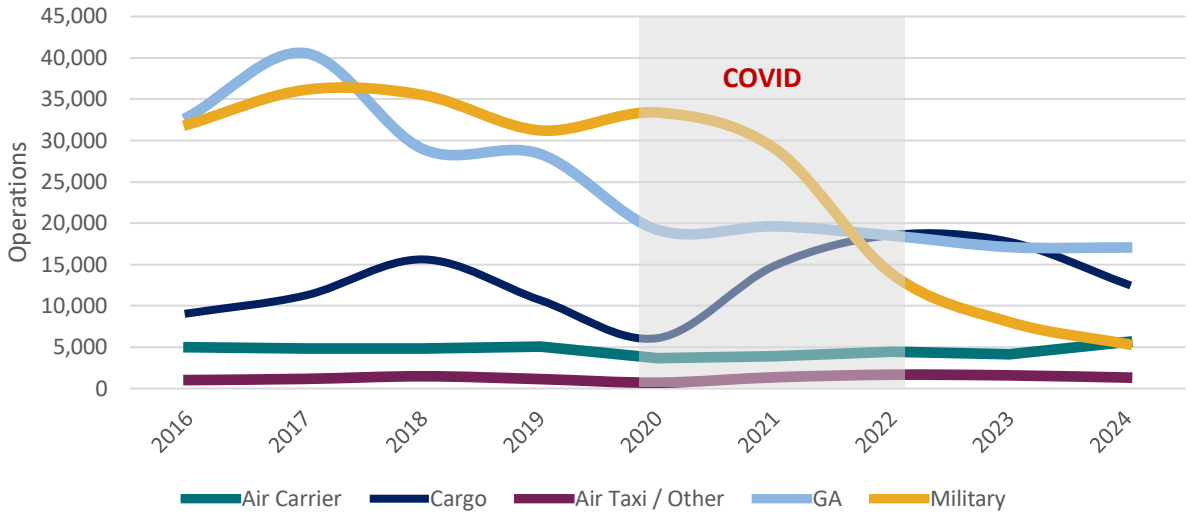
[14] Laredo Airport, 2015 https://cuellar.house.gov/uploadedfiles/lrd_stats_2015.pdf

Table 2-7
LRD Historical Operations

Fiscal Year	Air Carrier	Cargo	Air Taxi / Other (a)	GA	Military	Total
2016	4,966	9,102	1,020	32,900	31,963	79,951
2017	4,830	11,268	1,167	40,560	36,140	93,965
2018	4,822	15,616	1,482	28,954	35,501	86,375
2019	5,044	10,678	1,140	28,359	31,220	76,441
2020	3,672	6,100	708	19,184	33,379	63,043
2021	3,880	14,876	1,360	19,622	28,998	68,736
2022	4,468	18,574	1,671	18,484	13,818	57,015
2023	4,142	17,740	1,586	17,101	8,030	48,599
2024	5,636	12,626	1,324	17,058	5,370	42,014
CAGR 2016-2024	**1.6%**	**4.2%**	**3.3%**	**-7.9%**	**-20.0%**	**-7.7%**

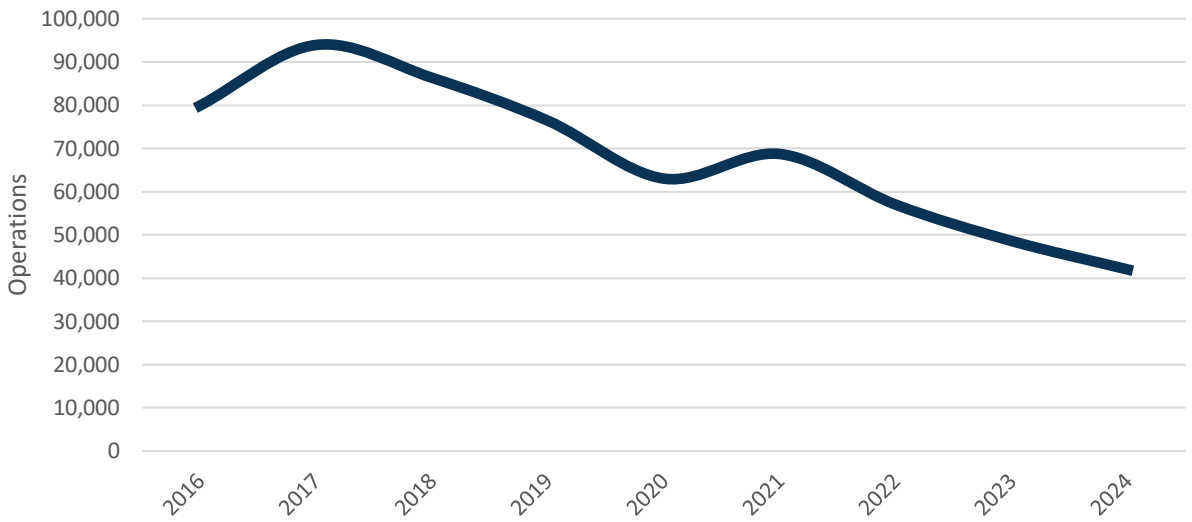
Source: Airport Records; OPSNET, 2025; FAA TAF, 2025
Note(s): (a) Air Taxi / Other category historical operations estimated based on percent of commercial operations.

Figure 2-5
LRD Historical Operations by Operation Type



Source: Airport Records; OPSNET, 2025; FAA TAF, 2025

Figure 2-6
LRD Historical Operations Total



Source: Airport Records; OPSNET, 2025; FAA TAF, 2025

2.2.2.3 Historical Air Cargo

LRD plays a significant role in south Texas moving cargo both domestically and internationally, recording over 770 million pounds of landed weight exclusively on all-freight aircraft in FY 2023. Air cargo transported into and out of the Airport are transported by large cargo operators, such as UPS and FedEx, charter operators such as USA Jet and Kalitta, and international cargo operators such as Aeronaves T.S.M. Belly cargo is not a significant portion of cargo tonnage at the Airport.

From FY 2016 through FY 2019, air cargo landed weight and operations increased at an average CAGR of 6.4 and 5.5 percent, respectively. In FY 2020, a drop in both landed weight and operations occurred, but fully recovered by FY 2022, exceeding FY 2019 landed weight and operations by 40.2 percent and 73.9 percent respectively.

International cargo operations to and from Mexico have grown significantly during and after the COVID Pandemic. From FY 2016 through FY 2019, air cargo operations from Mexico comprised of approximately 20 percent of total air cargo operations. In FY 2020 through FY 2024, Mexican air cargo operations rose to approximately 40 percent of total air cargo operations. This trend is expected to remain throughout the Forecast Period, as the activities of all-cargo carriers have changed in response to the COVID Pandemic. Cargo operations and cargo landed weight are described in **Table 2-8** and **Table 2-9** in terms of fiscal year totals for the top five cargo operators as well as the Airport total. Through analyzing the total operations and landed weight from FY2016 through FY2024, the three operators that are on both lists are Aeronaves T.S.M., FedEx, and USA Jet.

Table 2-8
LRD Historical Cargo Operations

FY	Aeronaves T.S.M.	USA Jet	FedEx	Royal Air Freight	IFL	Others	Total
2016	2,018	756	1,346	548	816	3,618	9,102
2017	1,854	1,032	1,366	932	1,050	5,034	11,268
2018	3,238	1,428	1,358	1,210	790	7,592	15,616
2019	2,900	1,086	1,216	654	612	4,210	10,678
2020	1,842	558	970	288	452	1,990	6,100
2021	6,162	1,254	944	712	870	4,934	14,876
2022	8,480	1,332	952	824	1,234	5,752	18,574
2023	7,358	1,546	1,130	1,110	402	6,194	17,740
2024	3,976	1,626	976	760	560	4728	12,626

Source: Airport Records, 2025; RS&H Analysis, 2025

Table 2-9
LRD Historical Landed Weight (000s of lbs.)

FY	Aeronaves T.S.M.	FedEx	UPS	USA Jet	Kalitta Charters	Other	Total
2016	54,583	161,161	86,873	36,833	25,244	84,145	448,839
2017	47,315	161,255	98,766	49,944	38,874	150,135	546,289
2018	104,968	163,058	75,931	64,503	50,938	252,545	711,943
2019	113,530	153,036	57,746	54,558	33,811	158,290	570,971
2020	62,063	131,570	58,070	31,512	9,873	367,435	660,522
2021	212,738	144,921	57,640	66,131	10,205	110,716	602,351
2022	343,674	146,917	57,744	74,287	16,857	161,289	800,769
2023	314,746	166,647	57,512	94,058	27,502	189,970	850,436
2024	154,823	148,827	56,910	104,148	24,518	145,752	634,978

Source: Airport Records, 2025; RS&H Analysis, 2025

2.3 Commercial Passenger Forecast

This section presents the assumptions, approach and results of the passenger activity forecasts for LRD for the period between FY 2025 through FY 2044. In **Section 2.10**, a comparison will be shown of the enplaned passenger forecast published in this report to LRD's enplanements published by the FAA TAF for FFY 2025.

The following data sources were used in this analysis:

- Historical and projected information on population, employment, and real income for the Laredo MSA from W&P.
- U.S. DOT OD1A domestic Origin & Destination (O&D) database for yield (airline revenue per passenger mile) and distance and historical originating traffic on a market-by market basis.
- U.S. DOT T-100 database to obtain outbound passenger data on a market by-market basis.
- Cirium Diio Mi market data on scheduled passenger operations to determine existing scheduled service and historical non-stop service.
- Interviews with Airport staff.

2.3.1 Economic Overview and COVID Pandemic Recovery

Since the onset of the COVID Pandemic, the Laredo MSA has experienced notable economic fluctuations. In the early stages of the COVID Pandemic, the Laredo MSA had a significant effect from cases with hospitals reaching high-capacity levels. This health crisis led to stringent measures that temporarily hindered local economic activities, particularly affecting the sectors of international trade with Mexico and cross-border commerce which require the physical presence of employees and inspectors.

In response to these challenges, the City of Laredo was allocated $85.6 million under the American Rescue Plan Act (ARPA) in May 2021. These funds were strategically directed towards essential projects, including $7.0 million for clean water initiatives, $3.0 million for job training and economic development, and $1.4 million for broadband improvements[15]. These investments aimed to address immediate public health concerns and lay the groundwork for sustainable economic recovery by enhancing infrastructure and workforce capabilities. By 2023, the Laredo MSA's economy showed signs of resilience and growth. The City of Laredo maintained its status as a pivotal hub for international trade, with cross-border commerce

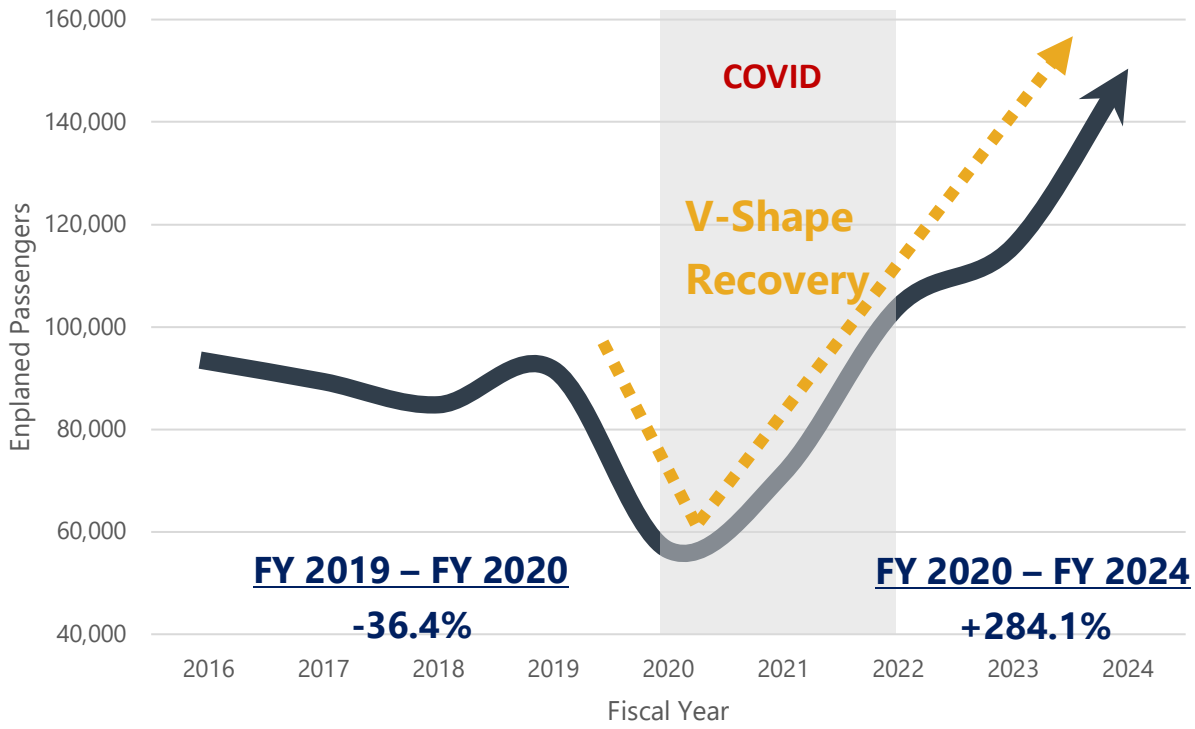
[15] U.S. Department of Treasury, City of Laredo, Texas 2022 Recovery Plan (July 2022)

rebounding significantly. Notably, nearly 3.0 million trucks entered the U.S. through Laredo in 2022, a threefold increase compared to the same metric in 1996[16].

A good measure of the Laredo MSA's recovery can be observed in the quick return of enplaned passengers at LRD from pre-COVID Pandemic levels in FY 2019. Enplanements at LRD in 2019 recorded 91,681 and dropped to 56,435 at the height of the COVID Pandemic in FY 2020, a drop of 38.4 percent. By FY 2022, the Airport recorded 104,014 enplanements exceeding FY 2019 pre-COVID Pandemic traffic levels by 13.4 percent shown in **Figure 2-7**.

This resurgence underscores the City of Laredo's critical role in global supply chains and its capacity to adapt to evolving economic landscapes. Additionally, local organizations like NeighborWorks Laredo achieved Community Development Financial Institution (CDFI) certification, unlocking new funding avenues to support affordable housing and help small businesses[17]. These economic fluctuations and challenges along with investments in the Laredo MSA since the COVID Pandemic are considered in the forecast analysis.

Figure 2-7
LRD Passenger Enplanements FY 2016 – FY 2024: COVID-19 Recovery



Source: US DOT T-100; City of Laredo

[16] The Associated Press/Texas Tribune (September 2024)

[17] LMT online, "Laredo earns CDFI certification, expands community impact", (February 2025)

2.3.2 Passenger Forecast Assumptions

The passenger forecasts are based on several key assumptions that were developed from information collected from discussions with Airport staff as well as industry knowledge and publications. This section describes the passenger forecast assumptions that were applied in this forecast. More detailed assumptions specific to a particular activity category are described in their respective sections. The following forecast assumptions (separated by category) were used in preparing the passenger forecasts:

General

- No new major economic downturn, such as the one that occurred in the Great Recession (2008-2011). Local, national, and international economies will periodically increase and decrease the pace of growth in accordance with business cycles. However, it is assumed that over the 20-year Forecast Period, the increase and decrease growth periods will offset each other so that the adjusted economic forecasts will be realized.
- The economies which comprise the Laredo MSA will grow in accordance with the W&P demographic and economic projections used for these forecasts.
- No nighttime curfews will take effect in LRD.
- Environmental regulations will not be so extreme as to significantly constrain air transportation.
- The FAA will successfully implement any required changes and improvements for the national airspace system to accommodate the unconstrained forecast of aviation demand.

Inflation

- The Consumer Price Index (CPI) which measures inflation in the Laredo MSA has risen due to increased demand for consumer goods and manufacturing slowdowns related to the COVID Pandemic, will continue to follow national trends, and minimally affect the demand for air travel to and from Texas.
- The U.S. economy will remain robust and despite temporary rising cost of airline tickets, rental cars, fuel, and good and services, the visitor and business travel industry will overcome these challenges.

COVID Pandemic

- North American airlines will continue to lead the industry recovery.
- Expectations of an industry-wide passenger traffic recovery to 2019 pre-COVID Pandemic levels are expected in 2024[18].

[18] International Air Transport Association (IATA)

- Laredo's traveler related businesses, which were disproportionately affected by COVID Pandemic, will continue to recover and hotel occupancy and car rental tax revenue will continue to increase.
- Labor force shortages in the Laredo MSA will continue to recover through FY 2023 and into FY 2024.

Russia-Ukraine Conflict/Israel-Hamas Conflict

- The Russia-Ukraine conflict will not affect the long-term growth of air transport from Texas to domestic destinations.
- U.S. consumer confidence and economic activity are not significantly affected by the Russia-Ukraine Conflict and Israel-Hamas Conflict.

2025 Trump Administration Tariffs

- In April 2025, U.S. President Donald Trump imposed a universal 10.0[19] percent tariff on all imports, with additional country-specific tariffs—such as 20.0 percent on European Union goods and 25.0 percent on imports from Mexico and Canada which may lead to increased costs for goods crossing the border which are sold in the U.S. This forecast of aviation activity was prepared as an unconstrained forecast, meaning it reflects the expected demand for air travel assuming no limitations from infrastructure, airline capacity, or government policy. It is designed to illustrate potential growth under ideal market conditions, where supply can fully meet demand.

2.3.3 Background of Historical Passenger Activity

To help explain the forecast approach, a background of LRD's historical air carrier activity was prepared. This section provides context of the historical trends that have occurred at the Airport and how they shaped the forecast of commercial passenger activity.

Since FY 2010, LRD has maintained consistent service from American Airlines (American) via its Envoy Air regional affiliate and Allegiant Air (Allegiant). American has maintained an average of over four flights per day from the Airport in FY 2024 to its Dallas/Ft. Worth International Airport (DFW) hub. Allegiant provides less-than-daily service to Las Vegas Harry Reid International Airport (LAS) approximately two to three times per week depending on the season. Historically, Allegiant has served Orlando/Sanford International Airport (SFB) and Los Angeles International Airport (LAX) from LRD. United Airlines (United) entered the LRD market in FY 2012 and has maintained daily services to Houston George Bush Intercontinental Airport (IAH) via multiple regional airline affiliates. Since FY 2021, United has been serving LRD via its CommuteAir affiliate averaging approximately three daily flights to IAH. International services to Monterrey, Mexico

[19] United States White House, 2025

began in January 2025 averaging approximately 20 departures per month and are operated by Aerus.

2.3.3.1 Peer Airports

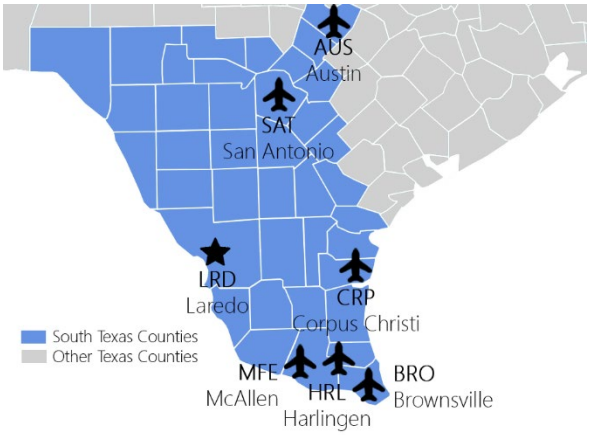
There are six commercial passenger service peer airports (Peer Airports) within approximately 250 miles from Laredo within Texas. These Peer Airports are those within a reasonable drive of the Laredo MSA that provide the equivalent or more options for passenger service than LRD, and could be reasonably be seen as airports where enplanement leakage could occur. Those airports include Corpus Christi International Airport (CRP), McAllen Miller International Airport (MFE), San Antonio International Airport (SAT), Harlingen Valley International Airport (HRL), Brownsville South Padre Island International Airport (BRO), and Austin-Bergstrom International Airport (AUS) (see **Table 2-10** and **Figure 2-8**).

Table 2-10
Airports Surrounding Laredo, TX

Airport	Code	Distance (Miles)	Driving Time
Corpus Christi International Airport	CRP	132.4	2h 7m
McAllen Miller International Airport	MFE	147.0	2h 40m
San Antonio International Airport	SAT	164.9	2h 24m
Harlingen Valley International Airport	HRL	179.2	2h 55m
Brownsville South Padre Island International Airport	BRO	206.1	3h 19m
Austin-Bergstrom International Airport	AUS	238.0	3h 55m

Source: Google Maps, 2025

Figure 2-8
Map of Airports Surrounding Laredo, TX



Source: Texas Association of Counties, 2025; RS&H, 2025

Despite competitive levels of service at LRD, average fares have remained higher than at Peer Airports. As depicted in **Table 2-11**, from FY 2015 through FY 2024, the average fares at LRD were $272.24, compared to SAT's $212.07 (28.3 percent higher), HRL's $201.74 (34.9 percent higher), CRP's $256.28 (6.2 percent higher), and AUS's $196.26 (38.7 percent higher) The only Peer Airport with a higher 10-year historical average fare than LRD was BRO with an average fare of $283.17 (4.0 percent higher than LRD). As depicted in **Table 2-12**, the airport with the lowest average load factor among the Peer Airports from FY 2015 through FY 2024 was LRD at 71.3 percent; however, it is important to consider that LRD's load factor in FY 2023 was 81.0 percent and decreased in FY 2024 due to an increase in Available Seat Miles (ASM's) via increases in gauge (aircraft size) and frequencies.

Due to a higher number of frequencies, non-stop available markets, and more choice in airlines, many passengers from Laredo opt to drive to SAT or AUS for their air travel needs. The measurement of airline passengers in any given market who decide to travel from an airport outside of their MSA is defined as leakage. Leakage is often influenced by travelers looking for a broader range of flight options and more competitive fares. In the case of SAT and AUS, leakage metrics in 2024 were approximately 29.0 percent for each airport[20].In addition to the airlines that serve LRD, both SAT and AUS offered services in FY 2024 by Ultra-Low Cost Carriers (ULCC's) Frontier Airlines (Frontier), Spirit Airlines (Spirit) and Sun Country. Other U.S. carriers included Southwest Airlines (Southwest), Delta Air Lines (Delta), JetBlue, and Alaska Airlines (Alaska). There is also scheduled non-stop international service to destinations in Mexico by AeroMexico, Volaris, and Viva Aerobus, as well as transborder service to Canada by Air Canada and WestJet, and European service by multiple foreign flag carriers. Leakage to SAT and AUS also occurs because despite the 165-mile and 238-mile distances respectively, the direct drive via Interstate 35 makes the commute convenient.

Another Peer Airport, CRP, has a shorter drive time to LRD than SAT. CRP offers Southwest service to Dallas Love Field (DAL) and Houston William P. Hobby Airport (HOU). But with average air fares only marginally higher than those at LRD, the slightly shorter driving distance to CRP does not compensate for origin & destination (O&D) markets already served by LRD (Dallas and Houston) and connecting markets similar to those offered at the Airport.

HRL has a longer driving distance than SAT and CRP from Laredo, and aside from the markets already served at the Airport, they offer additional destinations by Delta to Austin Bergstrom International Airport (AUS) and Minneapolis/St. Paul International Airport (MSP), United to Denver International Airport (DEN) and Chicago O'Hare International Airport (ORD), Sun Country to MSP and Cancun International Airport (CUN), and Southwest to DAL, HOU and AUS. The

[20] Leakage data obtained from City of Laredo

longer driving distance and limited passenger airline service compared to SAT make leakage traffic to HRL less desirable from Laredo but possible due to the low average fares.

BRO and MFE both have similar air service profiles to LRD. At BRO, American and United fly to their intra-Texas hubs and ULCC Avelo Airlines (XP) served the market to Orlando International Airport (MCO) and Burbank Airport (BUR) until they stopped operating from the airport in August 2024. In addition, Aerus has daily service from BRO to MTY. At MFE, American and United serve their intra-Texas hubs and additionally, Delta began serving AUS in FY 2024. MFE also has international service to Mexico via AeroMexico, and service from ULCC Allegiant to six destinations. The higher average historical fares and similar air service patterns make leakage to these airports unlikely.

Load factors at LRD are the lowest among the Peer Airports in the 10-year historical period from FY 2015 through FY 2024, with an average of 71.3 percent (see **Table 2-12**). LRD's load factor, however, is competitive in comparison to its high average fares among the Peer Airport. SAT's load factors are the highest among the Peer Airports at 79.8 percent which is indicative of its highly diversified air carrier portfolio, number of destinations, and low fares.

Table 2-11
10-Year History of Average Fares at Peer Airports

Airport	Code	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Average
Laredo International Airport	LRD	$245.79	$264.82	$274.92	$294.56	$289.61	$253.15	$253.58	$277.95	$298.68	$269.38	$272.24
McAllen Miller International Airport	MFE	$254.98	$285.10	$279.20	$294.97	$270.47	$218.84	$249.50	$306.55	$296.37	$253.63	$273.08
Corpus Christi International Airport	CRP	$252.24	$252.59	$254.54	$254.37	$268.00	$241.58	$216.15	$263.80	$281.18	$278.31	$256.28
San Antonio International Airport	SAT	$225.57	$220.66	$219.20	$205.95	$203.97	$196.28	$181.66	$219.59	$224.85	$222.96	$212.07
Harlingen Valley International Airport	HRL	$197.84	$210.41	$209.59	$209.86	$200.68	$172.96	$180.27	$208.78	$225.86	$201.12	$201.74
Brownsville South Padre Island International Airport	BRO	$255.74	$293.11	$282.26	$297.30	$286.15	$243.01	$236.72	$319.80	$335.39	$283.22	$283.27

Source: USDOT DB1B via Diio Mi; RS&H Analysis, 2025

Table 2-12
10-Year History of Average Load Factors at Peer Airports

Airport	Code	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Average
Laredo International Airport	LRD	77%	72%	67%	69%	67%	56%	64%	79%	81%	75%	71.30%
McAllen Miller International Airport	MFE	79%	78%	75%	80%	80%	64%	81%	87%	85%	82%	80.00%
Corpus Christi International Airport	CRP	76%	72%	71%	70%	69%	59%	72%	78%	74%	73%	71.60%
San Antonio International Airport	SAT	80%	81%	82%	82%	83%	68%	74%	84%	82%	78%	79.80%
Harlingen Valley International Airport	HRL	74%	75%	74%	75%	75%	65%	79%	78%	79%	79%	76.10%
Brownsville South Padre Island International Airport	BRO	81%	70%	72%	64%	71%	60%	76%	84%	78%	70%	72.50%

Source: USDOT T-100 via Diio Mi; RS&H Analysis, 2025

2.3.4 Immigration and Customs Enforcement (ICE)

Immigration and Customs Enforcement (ICE) operates a network of flights across the United States to transport detained individuals, and LRD serves as one of the key hubs for these operations. Flights from the Airport often transport individuals who are being deported or transferred to other detention facilities within the U.S. or abroad. These flights are part of ICE's broader enforcement and removal operations, which aim to carry out immigration court orders and manage the movement of detainees in custody.

The logistics of these ICE flights are managed by the ICE Air Operations (IAO) division, which charters planes to move hundreds of detainees weekly. Aircraft typically used for these flights are commercial-style jets repurposed for government use, with strict security protocols in place. Because ICE flights are non-scheduled charter flights, they are not published in airline schedule databases such as the Official Airline Guide (OAG) or Diio Market Intelligence reports.

Additionally, these flights are not reported on the U.S. Department of Transportation (USDOT) T-100 market data report which publishes scheduled and non-scheduled passenger and cargo operations, onboard passengers, seats and load factors[21]. ICE flights and enplaned passenger were estimated for the purposes of this report by using data from the Airport's activity database, Vector Airport Systems (Vector).

The largest IAO subcontractor at LRD providing 95 percent of flights was Swift Air (Swift) whose parent company iAero filed for Chapter 7 bankruptcy and ceased operations in April 2024. To replace Swift, a few airlines were contracted by IAO to operate ICE deportation flights. At LRD, World Atlantic Airlines, which had served in an overflow capacity for Swift, took over approximately 30.0 percent of the operations utilizing McDonnell Douglas MD-83s. The other 70.0 percent of ICE operations were taken over by GlobalX, a charter airline based in Miami, FL, operating 18 Airbus narrowbody passenger and cargo aircraft.

Based on Vector data, there were 864 ICE operations at LRD in FY 2024, carrying approximately 17,000 enplaned passengers[22].

[21] Swift Air reported ICE flight operations and relevant statistics to USDOT T-100 given that the majority of Swift Air Operations were leisure charter flights and not exclusively for ICE; iAero Airways, parent company of Swift Air, ceased all operations on April 6, 2024, after failed restructuring efforts during bankruptcy proceeding.

[22] Enplaned passengers estimated based on US DOT T-100 load factor reported by Swift Air and World Atlantic Airways.

2.3.5 Passenger Forecasts

The FAA requires that master plan forecasts be analyzed by at least one of three different methodologies. For this technical report, the three FAA-approved methodologies (regression analysis, market share analysis and trend analysis) were conducted and compared.

The regression analyses did not provide statistically significant results and therefore were not adopted as part of the forecast methodology and approach. Numerous regressions were run, however, no positive correlations were observed between LRD enplanements and the independent variables of the Laredo MSA population, employment, personal income, and per capita personal income. The regression outputs showed low R-square (coefficient of determination) values and coefficients for the socio-economic independent variables that had inverse relationships with LRD's historical enplaned passengers. See **Forecast Appendix A - Documentation of Invalid Regressions**.

A market share analysis was conducted looking at enplanements and their percent market share for the Peer Airports for the period between FY 2005 and FY 2024. As can be observed in **Forecast Appendix B - Documentation of Invalid Trend Analysis**, LRD's market share among the Peer Airport grows from 1.8 percent in FY 2018 to 2.9 percent in FY 2024. To forecast the enplaned passengers at the Peer Airports from FY 2025 through FY 2044, a trend line was established to find a "line of best fit" to show the historical relationship between enplanements for the Peer Airports for the past 20 years. Even though a positive trend correlation was established with a statistically significant R-square, the enplanement increase in the last five years disproportionately influenced the direction of the trendline. This distortion overestimated the long-term enplanements of the Peer Airports due to a short-term event rather than a true shift in long-term behavior.

The chosen methodology was a linear trend line for LRD using 25-years of enplaned passenger historical data from FY 2000 through FY 2024. The approach projected total LRD enplanements for the Forecast Period by identifying a consistent enplanement trend for the past 25-years to predict future passenger traffic activity at the Airport. For FY 2025, an estimate was made based on two methodologies. The first observed the 1st quarter of actual data for FY 2025 and extrapolated the year based on applying the average markets shares for Quarters 2, 3 and 4 historically between, FY 2016 and FY 2024. To further refine the FY 2025 enplaned passenger estimate, the 1st quarter of actual data was added to a Diio Market Intelligence data download of the total seats multiplied by LRD's average load factor from FY 2022 through FY 2024. Additionally, a projection of ICE operations enplanements was added to both methodologies using the Airport's operations database, Vector, as previously described. The FY 2025 estimate of enplaned passengers was 185,842.

The trend analysis was conducted by plotting enplaned passenger data points for the Airport on a graph, with years on the x-axis (horizontal) and total enplaned passengers on the y-axis (vertical). This method allowed for a visualization of the changes in enplaned passenger numbers over time. A linear trend analysis was conducted which assumes that the relationship between time and the variable being measured is linear, meaning it can be represented by a straight line. This line is defined as the "line of best fit" expressed as a linear equation in the following form:

y = mx – b

Key
y = the dependent variable (number of enplaned passengers), x = Calendar Years
m = is the slope of the line b = is the y-intercept

LRD's total enplaned passenger trend analysis produced the linear equation as follows:

y = 6355(calendar year)*
$R^2 = 0.86$

After evaluating how well the fit of the linear trend line compared to the actual data, the coefficient of determination (R-squared) was quantified at a rate of 0.86 which indicates how well the generated equation line represented the historical enplaned passenger data. In other words, this statistical relationship explains 86.0 percent of the variation of the linear trend model. An R-squared value of 0.86 indicates a high confidence level of probability and strongly suggests the linear trend relationship is valid. Once the linear relationship was established, it was applied to the Forecast Period.

Based on the linear trend methodology as described, it is estimated that LRD enplanements are projected to grow from approximately 165,676 enplaned passengers in FY 2024 to approximately 279,600 enplaned passengers in FY 2044 at a CAGR of 2.2 percent. This is illustrated in **Table 3-13**.

Table 2-13
LRD Forecast – Passenger Enplanements Forecast

	FY	Enplaned Passengers
Baseline	2024	165,676
Forecast	2025	185,800
	2026	190,800
	2027	195,700
	2028	200,600
PAL 1	2029	205,600
PAL 2	2034	230,300
PAL 3	2044	279,600
CAGR		
2024 - 2025		**12.1%**
2025 - 2034		**2.4%**
2034 - 2044		**2.0%**
2025 - 2044		**2.2%**

Source: US DOT via Diio Mi; Airport Data; RS&H Analysis, 2025

2.4 Aircraft Operations Forecast

As described in **Section 3.2.2**, there are five different FAA aircraft operation categories, each of which is dependent upon the user it serves. Forecasting the number of future operations needs to take this into account. LRD's growing passenger demand in addition to its robust cargo presence and unique operational profile which include ICE flights had to be carefully analyzed to project operations to include the full picture of the Airport's activities. The forecasting methodology for each category is further analyzed in the following sections.

2.4.1 Passenger Operations Forecast

This section outlines the approach and methodology applied to prepare the passenger operations forecast for LRD. The different data components below were analyzed and used in the preparation of the passenger operations forecast.

- **Total Enplaned Passengers** – The base of the passenger operations forecast is the LRD enplaned passenger forecast.
- **Average Load Factors (ALFs)** – Historical ALFs were analyzed for historical periods, including FY 2016 through FY 2024. The historical ALFs were obtained from the U.S. DOT T-100 database to determine an established trend.

- **Average Seats Per Departure (ASPD)** – The ASPD was calculated historically for the historical time period from FY 2016 through FY 2024. By dividing the total number of historical departing seats by the total number of historical departures, a trend of ASPD was calculated. The historical ASPD data was obtained from U.S. DOT T-100 database to determine an established trend or pattern similar to the one conducted for the ALF analysis.
- **Enplanements per Departure (EPD)** – EPD were calculated by multiplying average load factors by ASPD (ALF x ASPD).

The total enplaned passenger forecast was combined with projected ALFs and projected ASPD in a mathematical formula to derive a forecast of scheduled passenger operations. The mathematical formula expressed below was used to calculate total annual operations at LRD.

$$\frac{Enplanements}{(ALF) * (ASPD) = EPD}(2) = Operations$$

It is assumed that LRD's ASPD will remain relatively flat throughout the Forecast Period. Current 50-seat operations by United to IAH will use larger regional jets, also known as upgauge, to the 70-seat range with aircraft such as the Embraer 170[23]. It is projected that the majority of passenger commercial operations by the legacy carriers will remain operated by aircraft with seating capacities of 70 to 100 seats. Commercial passenger operations growth will grow at a faster pace than enplanements because aircraft gauge, or passenger capacity per aircraft, will remain flat meaning more flights will need to be added to service growing passenger demand. Passenger aircraft operations at LRD are projected to increase from 5,600 in FY 2024 to approximately 11,500 in FY 2044. This produces a CAGR of 2.8 percent over the Forecast Period of FY 2025 through FY 2044 (see **Table 2-14**).

[23] *US regional carrier CommuteAir scales up ambitions with E170 charter service,* flightglobal.com 2024

Table 2-14
LRD Forecast – Passenger Operations

	FY	Operations
Baseline	2024	5,600
Forecast	2025	6,800
	2026	7,800
	2027	8,000
	2028	8,200
PAL 1	2029	8,400
PAL 2	2034	9,400
PAL 3	2044	11,500
CAGR		
2024 - 2025		**21.4%**
2025 - 2034		**3.7%**
2034 - 2044		**2.0%**
2025 - 2044		**2.8%**

Source: USDOT T-100 via Diio Mi; RS&H Analysis, 2025

2.5 Cargo Forecasts

An air cargo operations forecast was developed using the following assumptions:

- New aircraft types over the Forecast Period will be based on the fleet acquisition plans of the current cargo carriers serving LRD.
- There will be no new aircraft with capabilities beyond those currently in the planning or development stages.
- Since the forecast is unconstrained, the fleet mix projections are not limited by the existing number or length of runways or airfield configuration.

2.5.1 Air Cargo Operations Forecast

Various econometric approaches to calculate air cargo operations were considered in this forecast. The methodology selected was the growth rate of total revenue ton miles (RTMs), as projected by the FAA. Current freight/cargo operations in the post COVID Pandemic economy comprise a higher volume and growth of international operations and landed weight than before the COVID Pandemic, but both remain steadily growing.

The nature of cargo operations that has existed historically is forecast to continue in a similar manner throughout the forecast period. The cargo operations at LRD are diverse in fleet and company size. The Mexico-based carrier Aeronaves T.S.M. has had the largest share of operations at the airport, and in FY 2024 represented 31.4 percent of total cargo operations. Large domestic carriers, such as USA Jet Airlines and FedEx represent another significant portion of operations and landed weight. Finally, many domestic and international cargo operators conduct operations in a wide range of flight amounts and aircraft sizes. In FY 2024, at least 26 distinct cargo carriers conducted operations at LRD using aircraft as small as the 8,500 lb. Cessna C208B Caravan to the 326,000 lb. Boeing 767-300F. While many cargo operations are scheduled or routine in nature, many operations are more sporadic throughout the year, for reasons such as local business needs changing or seasonality-related fluctuations.

Air cargo operations are projected to grow from 12,626 in FY 2024 to 19,400 in FY 2044 at an annual growth rate of approximately 2.2 percent. This growth rate is derived from the domestic and international (Latin America) portions of air cargo traffic and each group's anticipated average annual growth RTM growth from the *FAA Aerospace Forecast* FY 2024-2044[24]. Freight/express and mail revenue ton miles growth as per FAA Aerospace Forecasts FY 2025 through FY 2044. The air cargo operations forecast and landed weight forecast for LRD are found in **Table 2-15** and **Table 2-16**.

[24] FAA Aerospace Forecast Fiscal Years 2024-2044, 2024

Table 2-15
LRD Forecast – Air Cargo Operations

	FY	Operations
Baseline	2024	12,626
Forecast	2025	12,900
	2026	13,200
	2027	13,500
	2028	13,800
PAL 1	2029	14,200
PAL 2	2034	15,900
PAL 3	2044	19,400
CAGR		
2024 - 2025		**2.2%**
2025 - 2034		**2.4%**
2034 - 2044		**2.0%**
2025 - 2044		**2.2%**

Source: Airport Records, 2025; FAA Aerospace Forecast Fiscal Years 2024-2044, 2024; RS&H Analysis, 2025

Table 2-16
LRD Forecast – Air Cargo Landed Weight

	FY	Landed Weight (in 000s of lbs.)
Baseline	2024	634,978
Forecast	2025	649,700
	2026	664,800
	2027	680,200
	2028	696,000
PAL 1	2029	712,100
PAL 2	2034	798,700
PAL 3	2044	973,600
CAGR		
2024 - 2025		**2.3%**
2025 - 2034		**2.3%**
2034 - 2044		**2.0%**
2025 - 2044		**2.2%**

Source: Airport Records, 2025; FAA Aerospace Forecast Fiscal Years 2024-2044, 2024; RS&H Analysis, 2025

2.6 General Aviation Forecast

General aviation (GA) aircraft comprise 35.6 percent of operations at LRD. Nationally, personal and recreational GA has been in decline while corporate and business-related general aviation has been increasing. Like other aviation sectors, GA experienced a steep decline in activity early in the COVID Pandemic; however, demand began to recover for this sector in the second half of CY 2020, much faster than for passenger airlines. Demand for business aviation has rebounded in part due to increased demand from corporate executives and individuals able to pay for alternatives to commercial scheduled passenger service during the COVID Pandemic.

GA is a very cyclical aviation activity and is closely related to fuel price fluctuations and economic trends. **Table 2-17** depicts the forecast for GA operations growth over the Forecast Period.

Table 2-17
LRD Forecast – GA Operations

	FY	Itinerant	Local	Total
Baseline	2024	16,097	961	17,058
Forecast	2025	16,100	1,000	17,100
	2026	16,800	1,000	17,800
	2027	17,200	1,000	18,200
	2028	17,500	1,000	18,500
PAL 1	2029	17,900	1,000	18,900
PAL 2	2034	19,900	1,000	20,900
PAL 3	2044	24,400	1,100	25,500
CAGR				
2024 - 2025		**2.3%**	**0.3%**	**2.2%**
2025 - 2034		**2.1%**	**0.6%**	**2.0%**
2034 - 2044		**2.1%**	**0.8%**	**2.0%**
2025 - 2044		**2.1%**	**0.7%**	**2.0%**

Source: FAA TAF, 2025; FAA Aerospace Forecast FY` 2024-2044, 2024; Airport Records; RS&H Analysis, 2025

2.7 Air Taxi / Commuter Forecast

Air Taxi operations represent scheduled commercial flights, non-scheduled commercial flights, and charter flights with aircraft with 60 or fewer or a cargo payload capacity of 18,000 or less. This categorization overlaps with the Air Carrier and Cargo operations in the TAF at LRD. It was determined that the operations that overlapped with the previously mentioned categories be recategorized from Air Taxi / Commuter to Air Carrier and Cargo respectively for a better overall forecast analysis on those categories. The FAA Aerospace Forecast FY 2024-2044 growth rate for fixed turboprop operations was used to help guide the analysis of Air Taxi / Commuter growth. **Table 2-18** depicts the forecast for Air Taxi / Commuter operations growth over the Forecast Period.

Table 2-18
LRD Forecast – Air Taxi / Commuter

	FY	Operations
Baseline	2024	1,094
Forecast	2025	1,100
	2026	1,200
	2027	1,200
	2028	1,200
PAL 1	2029	1,300
PAL 2	2034	1,400
PAL 3	2044	1,800
CAGR		
2024 - 2025		**0.5%**
2025 - 2034		**2.7%**
2034 - 2044		**2.5%**
2025 - 2044		**2.6%**

Source: FAA; Airport Data; RS&H Analysis, 2025

2.8 Military Forecast

Over the 20-year forecast horizon, military operations are forecast to stay at current levels. There are currently no military operations with based aircraft at LRD, and there are no new based military aircraft expected. Military operations are comprised of itinerant operations across the region. Training flights for aircraft such turboprop and jet aircraft for fighter and cargo aircraft pilot training occur continuously through the year. These aircraft include but are not limited to the Beechcraft T-6 Texan II, the General Dynamics F-16 Fighting Falcon, and the Raytheon T-1 Jayhawk. **Table 2-19** depicts the forecast for military operations growth over the Forecast Period.

Table 2-19
LRD Forecast – Military Operations

	FY	Operations
Baseline	2024	5,600
Forecast	2025	5,600
	2026	5,600
	2027	5,600
	2028	5,600
PAL 1	2029	5,600
PAL 2	2034	5,600
PAL 3	2044	5,600
CAGR		
2024 - 2025		**0.0%**
2025 - 2034		**0.0%**
2034 - 2044		**0.0%**
2025 - 2044		**0.0%**

Source: FAA; RS&H Analysis, 2025

2.9 Total Operations Forecast

The following summarizes the Air Carrier, Cargo, Air Commuter / Taxi, GA, and Military forecasts into the total operations forecast. **Table 2-20** depicts the total operations forecast for LRD.

Table 2-20
LRD Forecast – Total Operations

	FY	Air Carrier	Cargo	Air Taxi/Other	GA	Military	Total
Baseline	2024	5,636	12,626	1,094	17,058	5,600	42,014
Forecast	2025	6,800	12,900	1,100	17,100	5,600	43,500
	2026	7,800	13,200	1,200	17,800	5,600	45,600
	2027	8,000	13,500	1,200	18,200	5,600	46,500
	2028	8,200	13,800	1,200	18,500	5,600	47,300
PAL 1	2029	8,400	14,200	1,300	18,900	5,600	48,400
PAL 2	2034	9,400	15,900	1,400	20,900	5,600	53,200
PAL 3	2044	11,500	19,400	1,800	25,500	5,600	63,800
CAGR 2024-2044		**3.6%**	**2.2%**	**2.5%**	**2.0%**	**0.0%**	**2.1%**

Source: U.S. DOT; Airport Records; RS&H Analysis, 2025

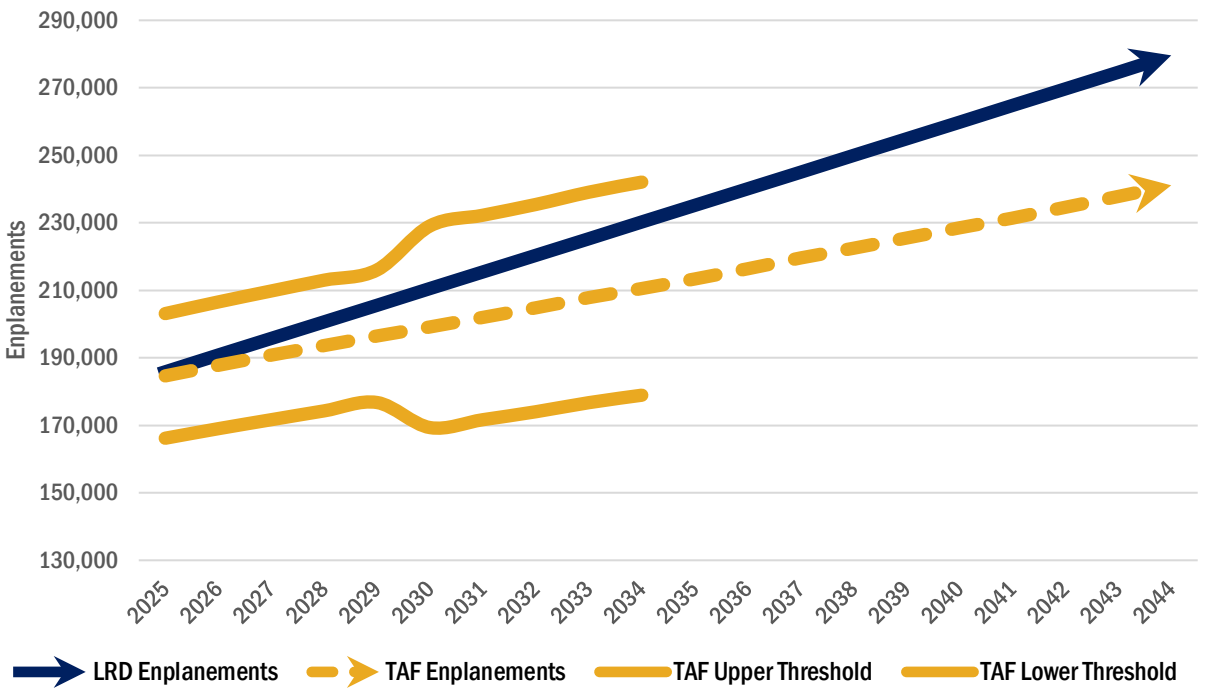
2.10 Comparison to the FAA TAF

The FAA has oversight responsibility to review and approve an aviation forecast developed in conjunction with an airport planning study. The FAA reviews individual forecasts with the objective of comparing them to its national TAF and the NPIAS. As previously mentioned in Section 3.1, the FAA must approve sponsor forecasts before they can be used to prepare facility requirements in a master plan or before going forward with an environmental document that requires a forecast. The FAA uses a 10.0 percent differential threshold for the first five years and a 15.0 percent threshold for the subsequent five-year period in approving non-FAA forecasts as the basis for master plans and environmental studies. If these stated thresholds are exceeded, the FAA Region office in which the airport is located, will forward the forecasts to FAA headquarters for review.

2.10.1 Comparison to Enplaned Passengers to the TAF

The FAA has oversight responsibility to review and approve an aviation forecast developed in conjunction with an airport planning study. The FAA reviews individual forecasts with the objective of comparing them to its national TAF and the NPIAS. As previously mentioned in **Section 3.1**, the FAA must approve sponsor forecasts before they can be used to prepare facility requirements in a master plan or before going forward with an environmental document that requires a forecast. The FAA uses a 10.0 percent differential threshold for the first five years and a 15.0 percent threshold for the subsequent five-year period in approving non-FAA forecasts as the basis for master plans and environmental studies. If these stated thresholds are exceeded, the FAA Region office in which the airport is located will forward the forecasts to FAA headquarters for review. As shown in **Figure 2-9** and **Table 2-21**, the base enplaned passenger forecast for LRD remains within the FAA TAF consistency thresholds through the Forecast Period.

Figure 2-9
LRD Forecast – Enplanements Compared to TAF



Source: U.S. DOT; Airport Records; RS&H Analysis, 2025

Table 2-21
LRD Forecast – Enplanements Comparison to TAF

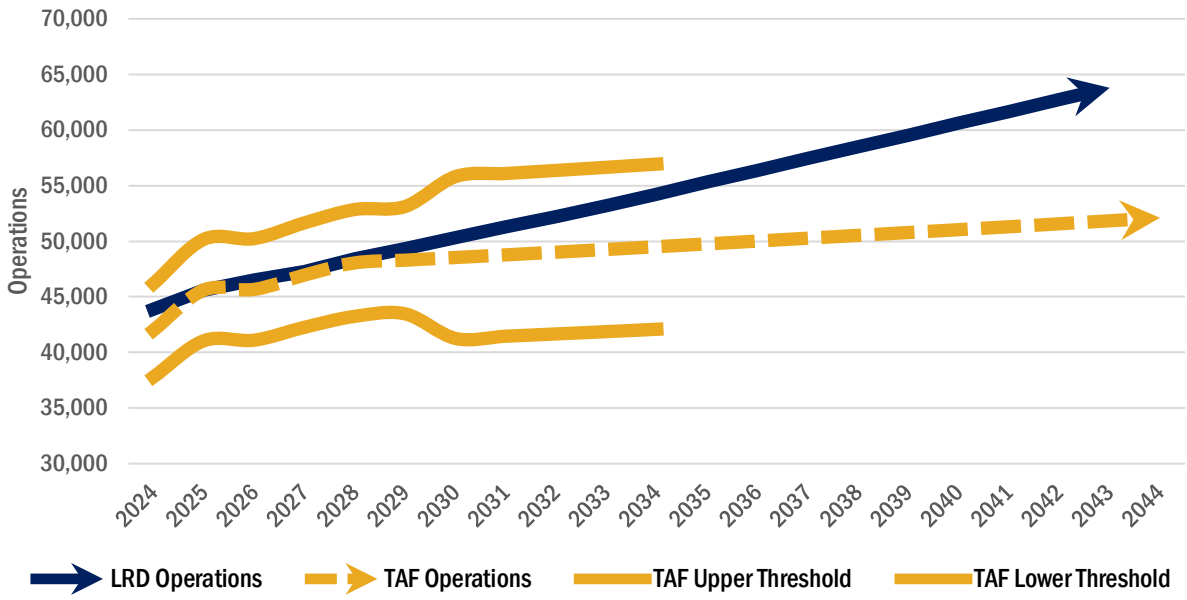
	FY	Enplaned Passengers	TAF Forecast
Baseline	2024	165,676	164,806
Forecast	2025	185,800	184,600
	2026	190,800	187,800
	2027	195,700	190,700
	2028	200,600	193,600
PAL 1	2029	205,600	196,400
PAL 2	2034	230,300	210,500
PAL 3	2044	279,600	241,100
CAGR			
2024 - 2025		**12.1%**	**12.0%**
2025 - 2034		**2.4%**	**1.5%**
2034 - 2044		**2.0%**	**1.4%**
2025 - 2044		**2.2%**	**1.4%**

Source: U.S. DOT; Airport Records; RS&H Analysis, 2025

2.10.2 Comparison of Total Aircraft Operations to the TAF

The FAA has oversight responsibility to review and approve the aviation forecast developed in conjunction with airport planning studies. The FAA reviews individual forecasts with the objective of comparing them to its national TAF and the NPIAS. As previously mentioned in Section 3.1 of this chapter, the FAA must approve sponsor forecasts before they can be used to prepare facility requirements in a master plan or before going forward with an environmental document that requires a forecast. The FAA uses a 10.0 percent differential threshold for the first five years and a 15.0 percent differential threshold for the subsequent five-year period when approving non-FAA forecasts as the basis for planning and environmental studies. If these stated thresholds are exceeded, the FAA Region office in which the airport is located, will forward the forecasts to FAA headquarters for review. The total operations for LRD in the Forecast Period track within the FAA required threshold for the TAF. See **Figure 2-10** and **Table 2-22.**

Figure 2-10
LRD Forecast – Operations Compared to TAF



Source: U.S. DOT; Airport Records; RS&H Analysis, 2025

Table 2-22
LRD Forecast – Operations Compared to TAF

	FY	Operations	TAF Operations
Baseline	2024	41,978	42,014
Forecast	2025	43,900	45,622
	2026	45,600	45,672
	2027	46,500	46,963
	2028	47,300	48,056
PAL 1	2029	48,400	48,301
PAL 2	2034	53,200	49,513
PAL 3	2044	63,800	52,116
CAGR			
2024 - 2025		**4.6%**	**8.6%**
2025 - 2034		**2.2%**	**0.9%**
2034 - 2044		**1.8%**	**0.5%**
2025 - 2044		**2.0%**	**1.1%**

Source: U.S. DOT; Airport Records; RS&H Analysis, 2025

2.11 Based Aircraft Forecast

The 2025 FAA TAF forecasted LRD to remain at the same amount of based aircraft through the forecast period. At the time of this document's drafting, the airport maintained a based aircraft record that was the same as TAF records. The airport currently has 62 based aircraft. This information, derived from the 2025 FAA TAF and Airport Master Record, was used as the baseline for the based aircraft forecast.

While several classical forecasting techniques, such as a socio-economic regression model, can be attempted while forecasting based aircraft, no such model was deemed suitable. Therefore, the local socio-economic trends were not considered as viable indicators for forecasting. For LRD, the FAA Aerospace Forecast was determined as the best indicator of future levels for use in forecasting based aircraft.

The FAA Aerospace Forecast (FY 2024 – FY 2044) is a comprehensive 20-year forecast of both commercial and GA activity. For the purposes of this section of the chapter, only GA fleet data was analyzed. The total number of general aviation aircraft within the U.S. is projected to increase over the next 20 years annually by 2.0 percent. Turboprop, turbojet, rotorcraft, experimental, and light sport aircraft are projected to spur growth in the general aviation sector through the next 20 years while single-engine piston (SEP) and multi-engine piston (MEP) fleets are expected to decrease. Aging aircraft fleets, unfavorable pilot demographics, increasing aircraft ownership costs, and the lack of available lower cost alternatives are accelerating the decline of piston aircraft. The number of turbine-powered GA aircraft is expected to grow by over 18,000 nationally between 2022-2044 while the number of light-sport aircraft is forecast to nearly double by 2044.

A share analysis using the FAA Aerospace Forecast was conducted to generate a based aircraft forecast at LRD. This analysis is presented in **Table 2-23**.

Table 2-23
LRD Forecast – Based Aircraft

	FY	SEP	MEP	Jet	Helo	Utralight / VTOL	Total
Baseline	2024	18	7	15	15	10	65
Forecast	2025	18	7	15	15	10	66
	2026	18	7	16	16	11	67
	2027	18	7	16	16	11	68
	2028	18	7	17	16	11	69
PAL 1	2029	18	7	17	17	12	70
PAL 2	2034	18	7	17	17	12	70
PAL 3	2044	18	7	17	17	12	70
CAGR 2024 - 2044		**0.0%**	**0.0%**	**0.6%**	**0.6%**	**0.9%**	**0.4%**

Source: Airport Records; FAA Aerospace Forecast Fiscal Years 2024-2044; RS&H Analysis 2025
Note(s): a) SEP – Single Engine Piston, MEP – Multi Engine Piston, Helo – Helicopter, VTOL – Vertical Takeoff and Landing

2.12 Critical Aircraft

The FAA requires identification of existing and future critical aircraft for airport planning purposes. The critical aircraft is the most demanding aircraft, or grouping of aircraft, using the airport regularly. Regular use is specifically defined in AC 150/5000-17, Critical Aircraft and Regular Use Determination, as 500 total annual operations, not counting touch-and-go landings.

Three parameters are used to classify the critical aircraft: Aircraft Approach Category (AAC), Airplane Design Group (ADG), and Taxiway Design Group (TDG). The AAC, depicted by a letter, relates to aircraft landing speeds. The ADG, depicted by a Roman numeral, relates to airplane wingspan and tail height. The TDG, classified by a number, relates to the outer-to-outer main gear width and the distance between the cockpit and main gear. These parameters serve as the basis for design and construction of airport infrastructure. An accurate critical aircraft determination helps ensure facilities are developed to meet proper needs of each portion of the airport.

The 2015 LRD Airport Layout Plan (ALP) lists the Airport's critical aircraft for the time of drafting and the future condition below in **Table 2-24**.

Table 2-24
2015 ALP Critical Aircraft Determination

	Representative Aircraft	AAC	ADG	TDG
Airport-Wide				
Existing Critical Aircraft	DC-8-70	D	IV	4
Future Critical Aircraft	DC-8-70	D	IV	4

Source: 2015 LRD Airport Layout Plan

AC 150/5000-17, *Critical Aircraft and Regular use Determination* states that each runway will have a specific critical aircraft designation based on documented aeronautical activity. The following subsections detail the critical aircraft analysis for Runway 18R-36L, Runway 18L-36R, and Runway 14-32 based on available FAA aircraft characteristic data[25] and airport operations data.

2.12.1 Runway 18R-36L Critical Aircraft

Runway 18R-36L is the longest runway at LRD. The critical aircraft at LRD was determined via examination of FAA Traffic Flow Management System (TFMSC)[26] data and discussions with Airport staff. A critical aircraft blend may be used if the characteristics of one aircraft do not accurately represent the requirements of the airport to serve traffic. The critical aircraft for this runway was determined to be a blend of the Boeing (Douglas) MD-83, a D-III-4 aircraft, and Airbus A300-600, a C-IV-5 aircraft. The resulting blended critical aircraft has the traits of a D-IV-5 aircraft. Both the Boeing (Douglas) MD-83 and Airbus A300-600 have over 500 operations annually. The MD-83 is operated primarily by Aeronaves T.S.M., and the A300-600 is primarily operated by FedEx and UPS.

2.12.2 Runway 18L-36R Critical Aircraft

Runway 18L-36R is the second longest runway at LRD and is the same width. Nearly all aircraft that use Runway 18R-36L can use this runway, as it is only approximately 500 feet shorter. This runway is parallel with the longer Runway 18R-36L, and is used in an equivalent capacity for aircraft operations. Both runways are determined to have the same critical aircraft, so the critical aircraft for Runway 18L-36R is the blend of the Boeing (Douglas) MD-83 and Airbus A300-600.

2.12.3 Runway 14-32 Critical Aircraft

Runway 14-32 is the crosswind runway of the Airport, and is the shortest. This runway is not typically used by cargo due to its shorter length, and is currently not available for Part 121 air

[25] Aircraft classifications determined using FAA Aircraft Characteristics Database effective October 2024, Retrieved from: https://www.faa.gov/airports/engineering/aircraft_char_database.

[26] TFMSC data only includes IFR operations and excludes VFR operations or IFR operations where the flight plan was cancelled prior to arrival.

carrier operations. Runway 14-32 is also restricted to aircraft weighing less than 60,000 lbs. This runway is most commonly used by aircraft that have low tolerance for crosswind component when the winds are in alignment with Runway 14-32 over the parallel runways.

The critical aircraft for this runway is determined to be the Beech 200 Super King. **Table 2-25** depicts the existing and future critical aircraft for each runway, as well as the terminal apron.

Table 2-25
LRD Critical Aircraft Determination

	Representative Aircraft	AAC	ADG	TDG
Runway 18R-36L				
Existing Critical Aircraft	MD-83 / A-300- 600	D	IV	5
Future Critical Aircraft	MD-83 / A-300- 600	D	IV	5
Runway 18L-36R				
Existing Critical Aircraft	MD-83 / A-300- 600	D	IV	5
Future Critical Aircraft	MD-83 / A-300- 600	D	IV	5
Runway 14-32				
Existing Critical Aircraft	Beech 200 Super King	B	II	2A
Future Critical Aircraft	Beech 200 Super King	B	II	2A

Source: RS&H Analysis, 2025

2.13 Forecast Summary

Table 2-26 presents a summary listing the aviation demand forecasts at LRD. These projections are used in the following chapters of the Master Plan to assess the capacity of existing facilities and determine facility expansions or improvements needed to satisfy future activity levels.

Table 2-26
LRD Forecast Summary

	2024 Base Year	Milestones 2029 PAL 1	2034 PAL 2	2044 PAL 3	CAGR 2024-2029	2024-2034	2034-2044	2024-2044	FAA TAF Comparison - % Above or Below TAF 2029 PAL 1	2034 PAL 2	2044 PAL 3
Total Enplanements	**165,676**	**205,585**	**230,263**	**279,620**	**4.4%**	**3.3%**	**2.0%**	**2.7%**	**4.5%**	**8.6%**	**13.8%**
Operations											
Passenger	5,636	8,400	9,400	11,500	8.3%	5.2%	2.0%	3.6%	-23%	-18%	-9%
Cargo	12,626	14,200	15,900	19,400	2.4%	2.3%	2.0%	2.2%	*FAA TAF includes cargo within Passenger and Air Taxi*		
General Aviation	17,058	18,900	20,900	25,500	2.1%	2.1%	2.0%	2.0%	5%	15%	40%
Air Taxi	1,094	1,300	1,400	1,800	3.5%	2.5%	2.5%	2.5%	-88%	-88%	-86%
Military	5,590	5,600	5,600	5,600	0.0%	0.0%	0.0%	0.0%	107%	107%	107%
Total Operations	**42,004**	**48,400**	**53,200**	**63,800**	**2.9%**	**1.0%**	**1.8%**	**0.9%**	**0.2%**	**7.4%**	**22.4%**
Based Aircraft											
Single-Engine	18	18	18	18	0.0%	0.0%	0.0%	0.0%			
Multi-Engine	7	7	7	7	0.0%	0.0%	0.0%	0.0%			
Turbojet	15	17	17	17	2.6%	2.6%	0.0%	2.6%	*Forecast by Aircraft Type Not Included in FAA TAF*		
Helicopter	15	17	17	17	2.0%	2.0%	0.0%	2.0%			
Ultralight / VTOL	10	12	12	12	3.0%	3.0%	0.0%	3.0%			
Total Based Aircraft	**65**	**70**	**70**	**70**	**1.5%**	**0.7%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**

Source: RS&H Analysis, 2025

Forecast Appendix A - Documentation of Invalid Regressions

Forecast Appendix A – Documentation of Invalid Regressions

In the Laredo MSA, there are numerous economic factors which support the trends of the Airport's aviation activity. Those trends, however, proved to be inconsistent with the historical enplaned passenger patterns exhibited by the Airport from FY 2005 through FY 2024. A group of univariate and multivariate regressions were conducted for the Laredo MSA using socioeconomic factors to project the Airport's enplanement activity. The independent variables used in these regressions include population, total personal income, and employment. The independent variables were correlated with the Airport's historical enplaned passengers (the dependent variable) for the timeframe of FY 2005 through FY 2024. After running multiple regression equations, the output produced did not generate statistically significant results. The following tables include the regression historical dependent and independent variables and the univariate and multivariate regressions outputs. All the regressions are invalid as shown by the adjusted R Squares and independent variable coefficients with incorrect signs which are highlighted in green.

Laredo Enplaned Passenger Regression

Historical Date for Dependent (Enplaned Passengers) and Independent Variables

FISCAL YEAR	POPULATION	PCPI (2012)	EMPLOYMENT	DUMMY	PERSONAL INCOME (2012)	ENPLANED PASSENGER
2000	194,576	$20,425.00	85,583	1	$3,974.25	60,947
2001	200,347	$23,826.00	90,442	2	$4,773.38	74,419
2002	206,001	$29,497.00	95,631	3	$4,992.60	68,631
2003	211,786	$24,418.00	98,782	4	$5,171.36	70,133
2004	217,858	$23,754.00	103,893	5	$5,175.00	76,443
2005	223,703	$25,106.00	108,658	6	$5,616.32	89,866
2006	229,307	$25,889.00	113,275	7	$5,936.43	88,342
2007	234,594	$25,727.00	117,861	8	$6,035.45	105,845
2008	240,287	$28,019.00	119,894	9	$6,732.58	109,004
2009	245,908	$26,464.00	118,445	10	$6,507.82	99,977
2010	251,358	$27,564.00	119,888	11	$6,928.45	108,256
2011	254,843	$28,905.00	126,846	12	$7,366.12	108,142
2012	258,420	$29,162.00	128,758	13	$7,536.06	98,616
2013	261,179	$29,121.00	132,181	14	$7,605.87	98,585
2014	263,124	$29,497.00	135,967	15	$7,761.46	107,047
2015	264,430	$29,668.00	139,279	16	$7,845.18	111,276
2016	265,851	$29,565.00	140,052	17	$7,859.96	97,955
2017	266,143	$29,742.00	141,349	18	$7,915.56	97,552
2018	266,465	$30,350.00	144,037	19	$8,087.09	88,768
2019	267,085	$31,605.00	147,705	20	$8,441.19	89,947
2020	267,345	$33,521.00	142,789	21	$8,961.72	71,553
2021	267,633	$35,372.00	145,963	22	$9,466.68	62,503
2022	267,780	$34,275.00	154,479	23	$9,178.18	121,689
2023	271,347	$35,149.00	158,737	24	$9,537.53	126,307
2024	274,936	$36,007.00	162,997	25	$9,899.63	141,817
CAGR FY 2000-2024	**1.45%**	**2.39%**	**2.72%**	**N/A**	**3.88%**	**3.58%**

Regression 1: Univariate Regression (Population with Dummy)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.637712923
R Square	0.406677772
Adjusted R Square	0.352739388
Standard Error	0.073123473
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	2	0.080629899	0.04031495	7.539672862	0.003207723
Residual	22	0.11763493	0.005347042		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	11.36954284	6.867272467	1.655612602	0.111996735	-2.872308585	25.61139425	-2.872308585	25.61139425
DUMMY	-0.01023796	0.005489743	-1.864925349	0.075587161	-0.02162299	0.001147069	-0.02162299	0.001147069
Population	2.630743854	0.879462367	2.991309181	0.006728734	0.806850536	4.454637172	0.806850536	4.454637172

Regression 2: Univariate Regression (Population)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.559357098
R Square	0.312880363
Adjusted R Square	0.283005597
Standard Error	0.07696178
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.062033172	0.062033172	10.47306463	0.003648455
Residual	23	0.136231657	0.005923116		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-1.013924473	1.84328554	-0.550063705	0.587578325	-4.827051134	2.799202188	-4.827051134	2.799202188
Population	1.106638005	0.341954788	3.236211462	0.003648455	0.39925063	1.81402538	0.39925063	1.81402538

Regression 3: Univariate Regression (Per Capita Personal Income with Dummy)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.407554538
R Square	0.166100701
Adjusted R Square	0.090291674
Standard Error	0.086689861
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	2	0.032931927	0.016465964	2.191041189	0.13559688
Residual	22	0.165332902	0.007515132		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	5.327775232	3.16012265	1.685939384	0.105939965	-1.225918022	11.88146849	-1.225918022	11.88146849
Dummy	0.005789559	0.005992661	0.966108223	0.344491056	-0.006638459	0.018217577	-0.006638459	0.018217577
Per Capita Personal Income	-0.101394671	0.724999311	-0.139854851	0.890047166	-1.604951217	1.402161876	-1.604951217	1.402161876

Regression 4: Univariate Regression (Per Capita Personal Income)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.361554907
R Square	0.130721951
Adjusted R Square	0.092927253
Standard Error	0.086564192
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.025917565	0.025917565	3.458737829	0.075756426
Residual	23	0.172347264	0.007493359		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	2.543551729	1.294673644	1.96462772	0.061651057	-0.134684758	5.221788215	-0.134684758	5.221788215
Per Capita Personal Income	0.540185989	0.29045877	1.859768219	0.075756426	-0.060673756	1.141045733	-0.060673756	1.141045733

Regression 5: Univariate Regression (Personal Income)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.494003325
R Square	0.244039285
Adjusted R Square	0.211171428
Standard Error	0.08072509
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.048384407	0.048384407	7.424861432	0.012076941
Residual	23	0.149880422	0.00651654		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	3.324747575	0.59708635	5.568286021	1.15226E-05	2.089580353	4.559914796	2.089580353	4.559914796
Total Personal Income	0.423120672	0.155281625	2.724859892	0.012076941	0.101896157	0.744345188	0.101896157	0.744345188

Regression 6: Univariate Regression (Employment)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.547430821
R Square	0.299680504
Adjusted R Square	0.26923183
Standard Error	0.077697497
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	1	0.059416104	0.059416104	9.842152958	0.004620822
Residual	23	0.138848725	0.006036901		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	1.673411429	1.04489957	1.601504563	0.122912027	-0.488128018	3.834950876	-0.488128018	3.834950876
Employment	0.643043174	0.204972254	3.137220579	0.004620822	0.21902576	1.067060588	0.21902576	1.067060588

Regression 7: Multivariate Regression (Employment and Population)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.559429917
R Square	0.312961832
Adjusted R Square	0.250503816
Standard Error	0.078686809
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	2	0.062049324	0.031024662	5.010755305	0.016098652
Residual	22	0.136215505	0.006191614		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-0.834388773	3.988428509	-0.209202389	0.836215266	-9.10588324	7.437105694	-9.10588324	7.437105694
Population	1.02812054	1.576530536	0.652141215	0.521066039	-2.241403681	4.29764476	-2.241403681	4.29764476
Employment	0.047809205	0.936045258	0.05107574	0.959726081	-1.893429845	1.989048255	-1.893429845	1.989048255

Regression 8: Multivariate Regression (Population, Employment, Personal Income, Per Capita Personal Income, Dummy)

INVALID

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.80389075
R Square	0.646240339
Adjusted R Square	0.553145691
Standard Error	0.060757542
Observations	25

ANOVA

	df	*SS*	*MS*	*F*	*Significance F*
Regression	5	0.12812673	0.0256253	6.9417561	0.000767249
Residual	19	0.070138099	0.0036915		
Total	24	0.198264829			

	Coefficients	*Standard Error*	*t Stat*	*P-value*	*Lower 95%*	*Upper 95%*	*Lower 95.0%*	*Upper 95.0%*
Intercept	-7.931601631	7.665479295	-1.034717	0.3137921	-23.97563418	8.112430922	-23.97563418	8.112430922
Population	-1.934188873	1.962340295	-0.9856542	0.3366891	-6.041414312	2.173036567	-6.041414312	2.173036567
Employment	4.699742387	1.335867175	3.518121	0.0022988	1.903740256	7.495744517	1.903740256	7.495744517
Total Personal Income	0.441259842	1.298531961	0.3398144	0.737724	-2.276598788	3.159118472	-2.276598788	3.159118472
Dummy	-0.034896283	0.009780459	-3.5679596	0.0020527	-0.055367019	-0.014425547	-0.055367019	-0.014425547
Per Capita Personal Income	-0.423940332	0.801666791	-0.5288236	0.6030515	-2.10184821	1.253967546	-2.10184821	1.253967546

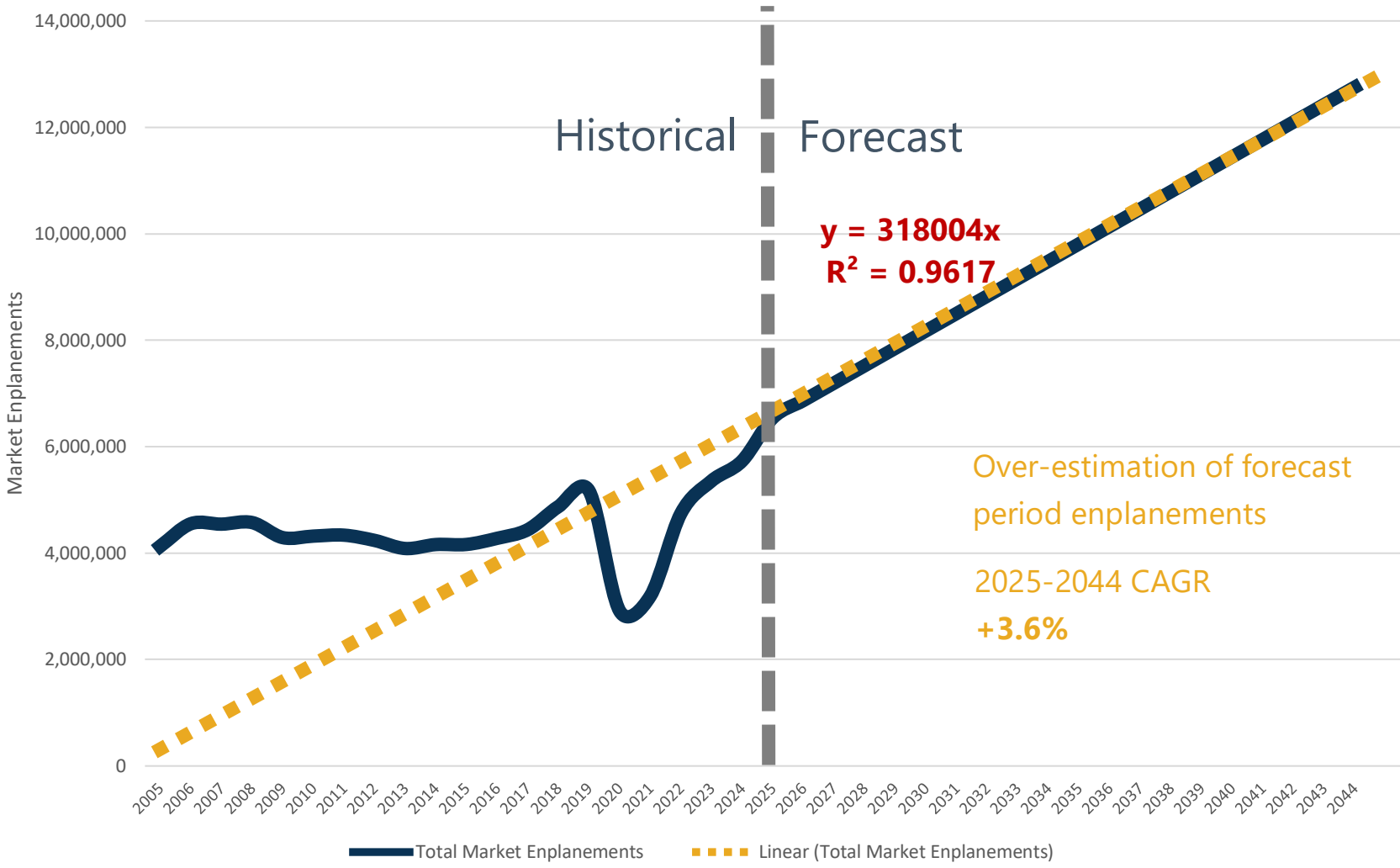
Forecast Appendix B - Documentation of Invalid Trend Analysis

Forecast Appendix B – Documentation of Invalid Trend Analysis

A trend analysis studies enplaned passenger activity at an airport over an annual historical period. Trend analysis data can provide insights into the performance of an airport and indicate how economic shocks or other external events, such as the COVID-19 Pandemic, affect passenger volumes over time. A trend analysis was conducted on historical enplaned passengers at LRD and its Peer Airports to analyze the regional growth of airports in geographical proximity. The results of the trend analysis were invalid because a statistically significant fit could not be established by the trend equation for historical enplanement activities at LRD and its Peer Airports between FY 2005 and FY 2024 (20 years).

The COVID Pandemic caused a significant decrease in enplanements; however, many airports recovered passenger traffic to pre pandemic levels and experienced a new faster rate of growth. The new growth rate that has been observed after the pandemic in the South Texas market causes a false positive with LRD and its Peer Airports due to this unusual growth.

Market Growth False Correlation



Source: US DOT via Diio Mi; Airport Records, 2025; RS&H Analysis, 2025