December Commission Presentation

Director's Report

Rebecca Hupp
Boise Airport Director

DECEMBER 7, 2017

Boise Airport

Airport Operations Update

- Annual SMGCS inspection
  - 300’ – 1200’ RVR approved
- 2018 FAA inspection scheduled
  - February 5-8, 2018
- SIDA badge audit
- Emergency crash phone project

Boise Airport

November Runway Closures

- **Nov. 9: Runways Alternately Closed**
  4:00 a.m. – 6:00 a.m.
  Snow removal practice runs
- **Nov. 14: 10L/28R, 9:45 a.m. – 11:15 a.m.**
  Nov. 14: 10R/28L, 11:30 a.m. – 1:00 p.m.
  Airfield maintenance and sweeping
- **Nov. 15: 10R/28L, 9:00 a.m. – 1:00 p.m.**
  Emergency tech ops maintenance on VASI
- **Nov. 27: 10L/28R, 9:30 a.m. – 11:00 a.m.**
  Airfield maintenance and sweeping
- **Nov. 28: 10R/28L, 9:30 a.m. – 11:00 a.m.**
  Airfield maintenance and sweeping

No scheduled runway closures in December

Boise Airport

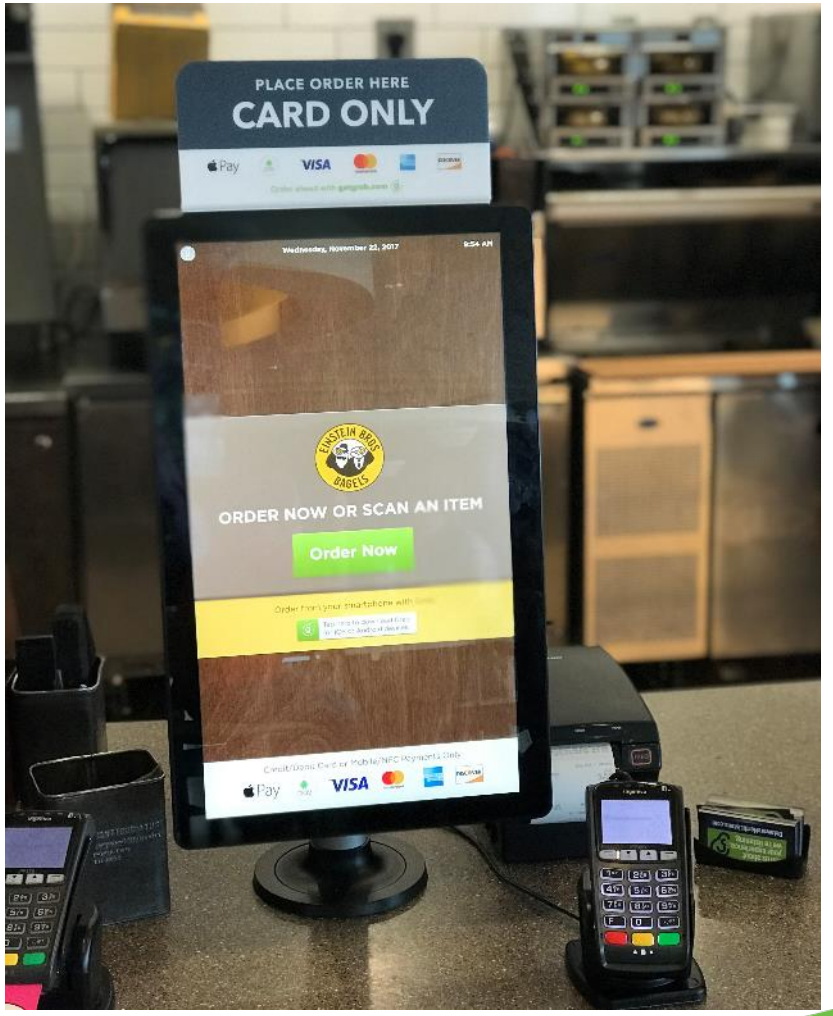
Free Meal For Active Military

- Was available on Thanksgiving Day
- 13th Street Pub and Bardenay locations

Boise Airport

New Self Order Kiosks

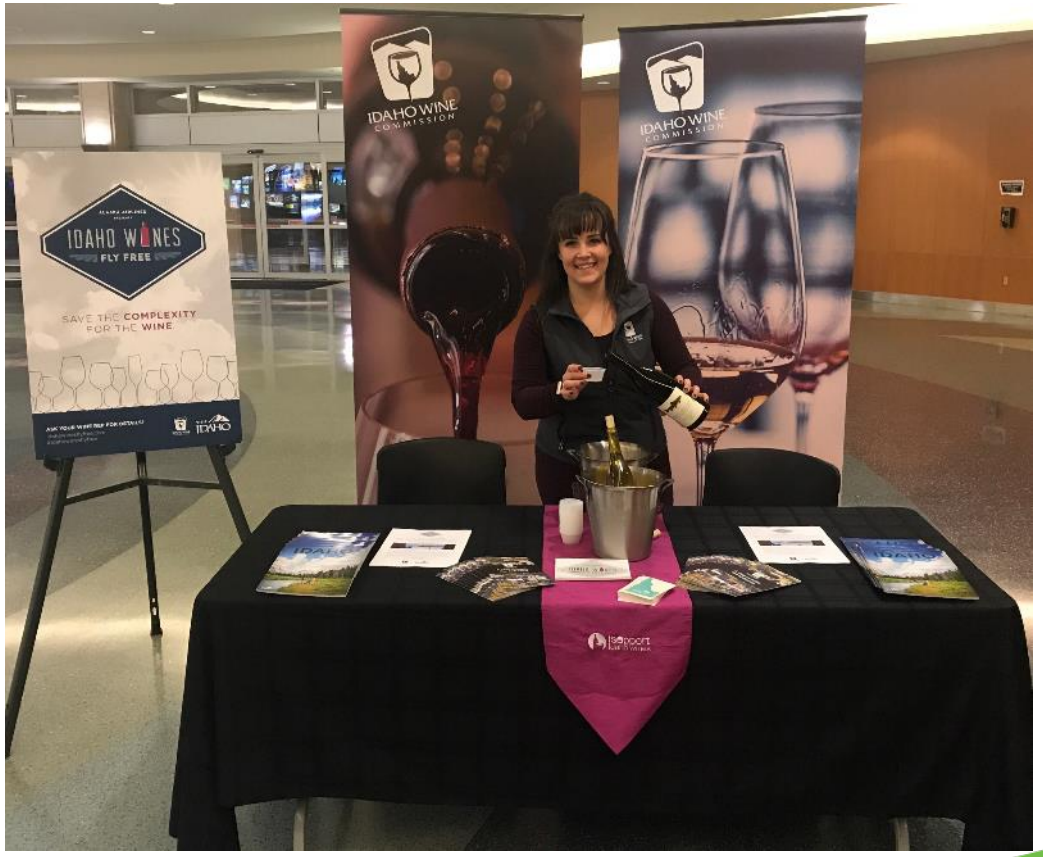
- Available at three locations
  - Smashburger
  - Einstein Bros. Bagels
  - River City Coffee & Café
- Goal is to improve service speed
- Kiosks are optional to use



Boise Airport

Thanksgiving Holiday Wine Tasting

- Paradies hosted multiple tasting outside their Greenbelt Magazine storefront
- Idaho Wine Commission hosted tasting
  - Promoted Alaska Airline's "Idaho Wines Fly Free" campaign



Boise Airport

Stressbuster Dogs

- The Go Team Stressbuster Dogs came to the Boise Airport
- Visited three days before/after Thanksgiving
- 6-8 teams attended each day
- Goal is to reduce stress on passengers during busy holiday travel period

Boise Airport

Economy Parking Lot Open

- The Economy Parking Lot is open Tuesday – Thursday beginning at 7:00 a.m.
- Will continue through December 21, 2017
- Will extend dates/times if necessary

Boise Airport

Southwest To Test Dallas Service

- Saturday service to Dallas Love Field
- One flight weekly
- Begins in June 2018

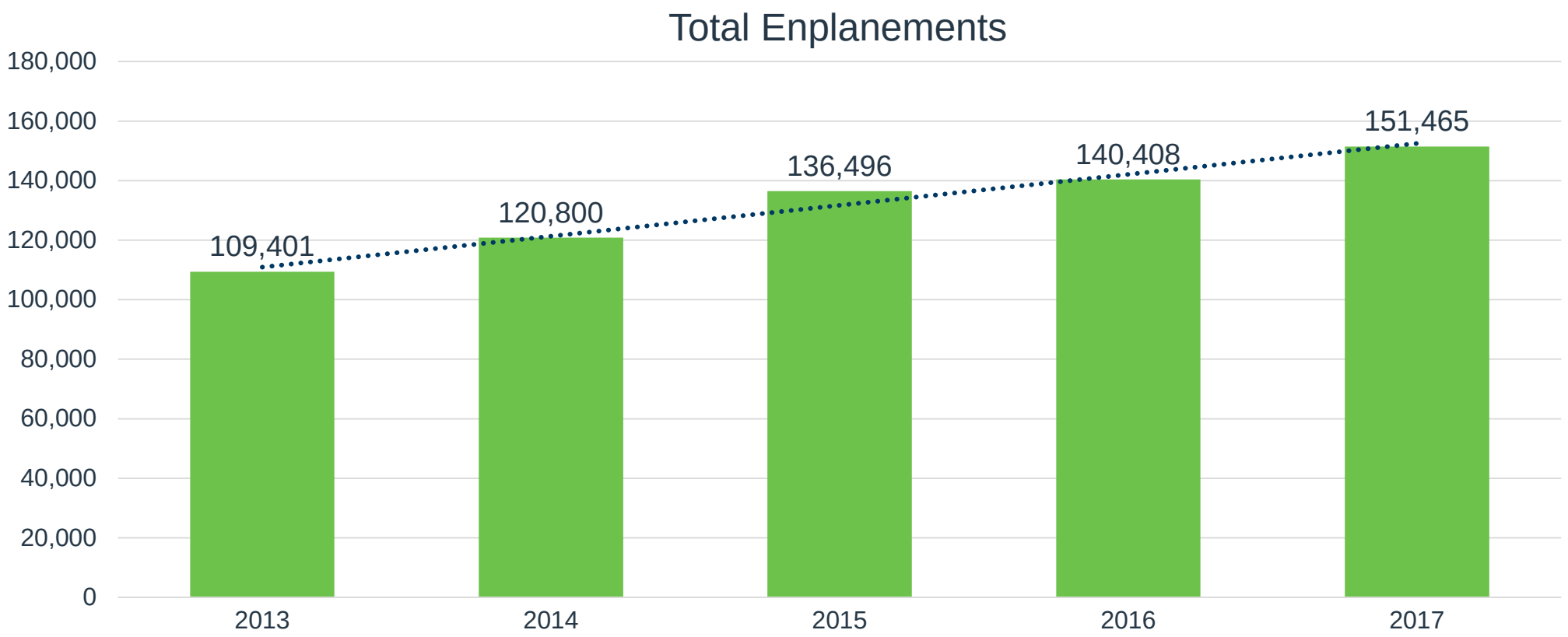
Boise Airport

Top 10 Operating Revenue Description	FY 2018	FY 2017	$ Change	% Change
Parking Lot	$ 1,047,080	$ 928,785	$ 118,295	13%
Rental Car Concession	$ 453,309	$ 434,915	$ 18,394	4%
Industrial Land Rent	$ 303,335	$ 283,609	$ 19,726	7%
Terminal Rent – Airlines	$ 291,205	$ 309,040	$ (17,835)	-6%
Signatory Airline Landing Fees	$ 244,777	$ 262,837	$ (18,060)	-7%
Terminal Concession – Retail	$ 107,820	$ 85,164	$ 22,656	27%
Terminal Concession – Food/Beverage	$ 94,204	$ 84,152	$ 10,052	12%
Advertising	$ 60,764	$ 39,662	$ 21,102	53%
Landings/Freight	$ 45,954	$ 60,366	$ (14,412)	-24%
Terminal Rent – Non airline	$ 45,387	$ 41,342	$ 4,045	10%
Total Top 10 Operating Revenue	**$ 2,693,835**	**$ 2,529,872**	**$ 163,963**	**-**
Other Operating Revenue	$ 264,179	$ 248,160	$ 16,019	-
Total Operating Revenue	**$ 2,958,014**	**$ 2,778,032**	**$ 179,982**	**6%**

Top 10 Operating Expenses Description	FY 2018	FY 2017	$ Change	% Change
Personnel	$ 716,515	$ 711,226	$ 5,289	1%
Fire Service	$ 230,914	$ 211,096	$ 19,818	9%
Policing Service	$ 214,685	$ 210,508	$ 4,177	2%
Indirect Cost Reimbursement	$ 111,307	$ 96,704	$ 14,603	15%
Parking Management	$ 57,906	$ 59,531	$ (1,625)	-3%
R/M – Fleet Services	$ 38,051	$ 38,395	$ (344)	-1%
Janitorial Services	$ 27,454	$ 12,937	$ 14,517	112%
R/M – System Maintenance	$ 25,260	$ -	$ 25,260	-
Credit Card Fees	$ 23,098	$ 23,823	$ (725)	-3%
Software	$ 17,807	$ -	$ 17,807	-
Total Top 10 Operating Expenses	**$ 1,462,997**	**$ 1,364,220**	**-**	**-**
Other Operating Expense	$ 173,068	$ 57,192	$ 115,876	203%
Total Operating Expense	**$ 1,636,065**	**$ 1,421,412**	**$ 214,653**	**15%**

October Enplanements

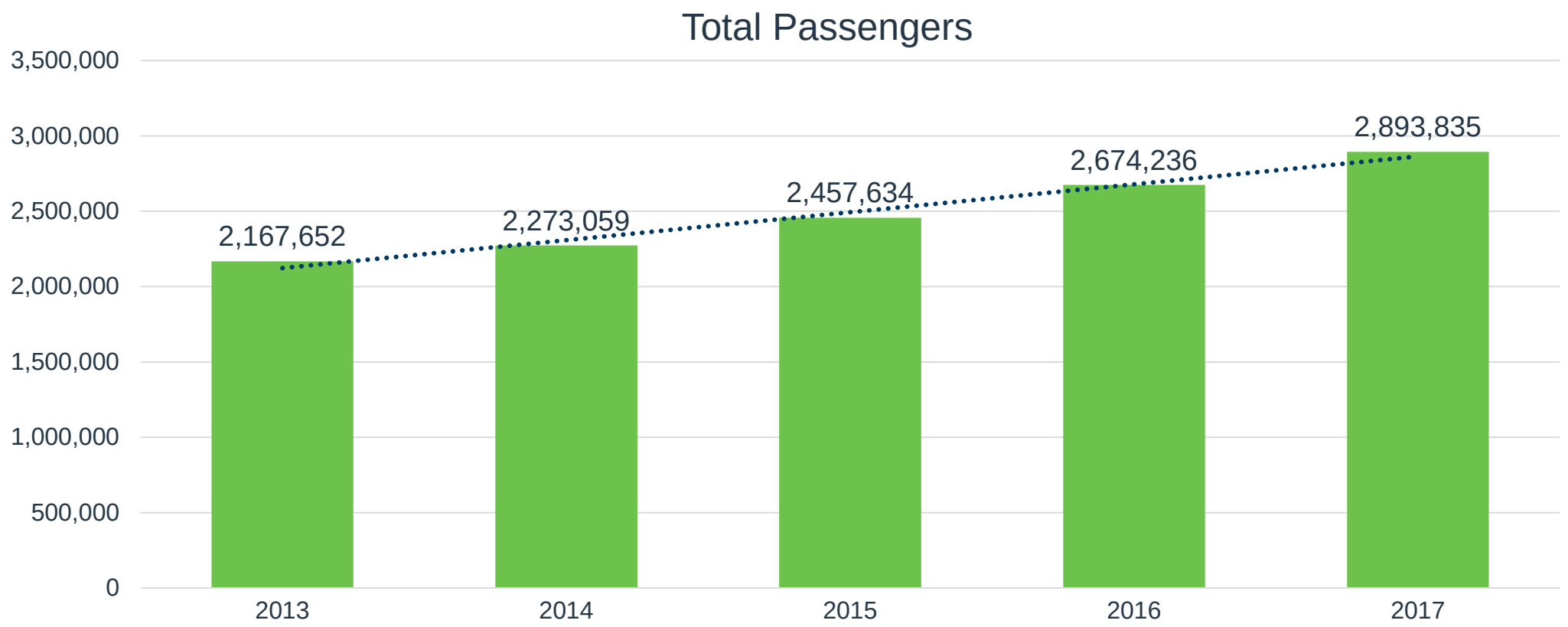
Up 8% October 2017 over October 2016



Boise Airport

2017 Total Passengers

*Up 8% YTD, **record number of passengers through October** (2007: 2,811,263)*



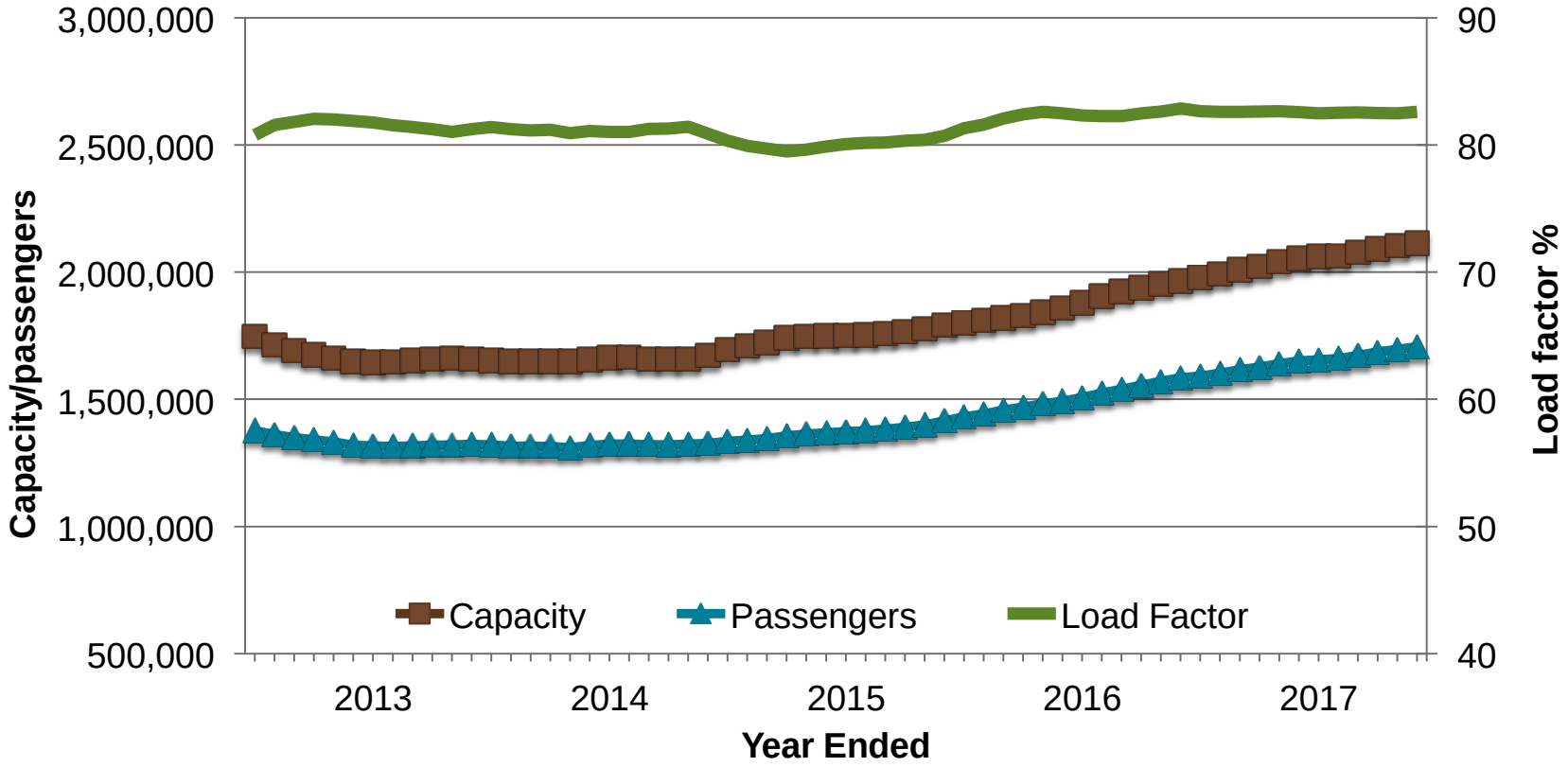
Boise Airport

Quarterly Performance Reports

2Q 2017

Boise Airport

BOI Traffic/Capacity Trends



YE June 2017 capacity was up 8%, while passengers were up 8%, leading to a stable 83% average load factor.

Boise Airport

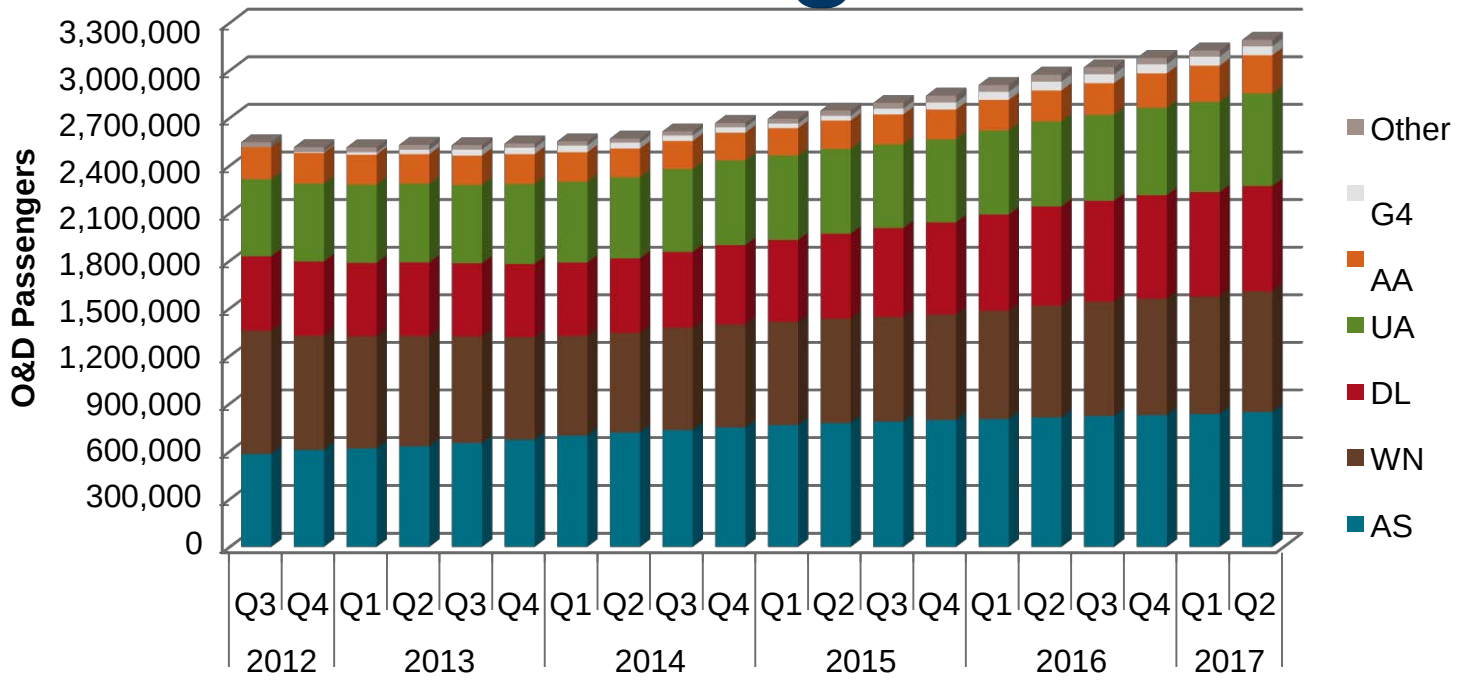
Top Origination/Destination Markets

Rank	Destination	O&D Pax	O&D Revenue	Average Fare ($)	Yield (¢)	% Change Since 2Q 2016			
						Pax	Rev	Fare	Yield
1	Seattle, WA	77,263	7,994,350	103	26	11	5	(6)	(6)
2	Portland, OR	51,006	5,942,315	117	34	1	6	4	4
3	Spokane, WA	38,024	2,844,852	75	26	14	10	(4)	(4)
4	Denver, CO	37,109	5,769,224	155	24	22	9	(11)	(11)
5	Los Angeles, CA	36,731	4,106,278	112	17	20	21	0	0
6	Phoenix, AZ (PHX)	32,371	4,780,273	148	20	7	(2)	(9)	(9)
7	Las Vegas, NV	31,343	3,502,800	112	21	5	11	6	6
8	San Diego, CA	28,356	3,122,498	110	15	14	9	(5)	(5)
9	Sacramento, CA	24,702	2,613,399	106	24	7	25	17	17
10	San Francisco, CA	19,136	3,816,660	199	38	40	31	(7)	(7)
11	Salt Lake City, UT	18,544	3,067,772	165	57	6	10	3	3
12	Orange County, CA	16,838	2,045,574	121	18	(4)	0	4	4
13	Oakland, CA	16,452	2,555,249	155	30	3	(6)	(9)	(9)
14	San Jose, CA	15,632	1,965,430	126	24	5	11	6	6
15	Chicago, IL (ORD)	13,291	3,643,380	274	19	21	25	4	4
16	Minneapolis, MN	12,077	2,821,930	234	20	6	3	(2)	(2)
17	Dallas, TX (DFW)	11,771	2,779,531	236	19	2	18	16	16
18	Orlando, FL (MCO)	10,179	2,203,453	216	10	10	21	10	10
19	Atlanta, GA	9,647	2,463,059	255	14	6	20	13	13
20	Ontario, CA	9,226	1,182,731	128	19	1	(1)	(2)	(2)
Total/Average		**842,833**	**162,275,773**	**193**	**17**	**9**	**9**	**1**	**2**

The top 10 markets were similar to 2Q 2016 with the exception of San Francisco (SFO) replacing Orange County (SNA) for the #10 position (previously #14); however, individual market ranking changed slightly in the top 10 markets.

Boise Airport

BOI Origination/Destination Passenger Market Share



Year	Quarter	Airline Market Share						
		AS	WN	DL	UA	AA	G4	Other
2015	Q3	28%	24%	20%	19%	7%	1%	1%
	Q4	28%	23%	20%	18%	7%	2%	2%
2016	Q1	28%	23%	21%	18%	7%	2%	1%
	Q2	27%	24%	21%	18%	7%	2%	1%
	Q3	27%	24%	21%	18%	7%	2%	1%
	Q4	27%	24%	21%	18%	7%	2%	1%
2017	Q1	27%	24%	21%	18%	7%	2%	1%
	Q2	**26%**	**24%**	**21%**	**18%**	**8%**	**2%**	**1%**

In the latest year-ended period, AS lost 1% point of market share to AA; all other carrier shares were stable.

Boise Airport

BOI Forward Looking Schedule

Destination	Airline	Year over Year Change %											
		Nov 2017		Dec 2017		Jan 2018		Feb 2018		Mar 2018		Apr 2018	
		Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats
Chicago, IL (ORD)	American	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
	United	3%	4%	0%	0%	12%	12%	2%	2%	0%	0%	0%	4%
Dallas, TX (DFW)	American	0%	25%	0%	25%	0%	25%	0%	25%	0%	2%	0%	(18%)
Denver, CO	Frontier	-	-	-	-	-	-	-	-	100%	100%	100%	100%
	Southwest	0%	7%	0%	8%	0%	3%	2%	2%	0%	(6%)	0%	3%
	United	0%	(4%)	(1%)	(12%)	5%	(10%)	5%	(3%)	(3%)	1%	1%	11%
Houston, TX (IAH)	United	3%	4%	0%	2%	0%	1%	0%	0%	0%	0%	0%	5%
Las Vegas, NV	Allegiant	25%	26%	11%	12%	(11%)	(11%)	0%	3%	0%	6%	0%	6%
	Southwest	0%	0%	0%	(0%)	0%	1%	2%	3%	0%	0%	(3%)	(3%)
Lewiston, ID	Alaska	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Los Angeles, CA	Allegiant	(21%)	(21%)	(9%)	(9%)	0%	0%	(20%)	(20%)	(25%)	(25%)	(31%)	(31%)
	Delta	0%	0%	0%	8%	0%	3%	0%	0%	0%	0%	0%	0%
	United	7%	5%	(30%)	(28%)	5%	(14%)	0%	(19%)	0%	(4%)	0%	(7%)
Minneapolis, MN	Delta	0%	(4%)	(3%)	2%	(11%)	(6%)	0%	(4%)	2%	3%	2%	6%
Oakland, CA	Southwest	8%	11%	12%	15%	2%	8%	0%	8%	0%	2%	0%	9%
Phoenix, AZ (AZA)	Allegiant	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Phoenix, AZ (PHX)	American	40%	23%	41%	13%	53%	14%	75%	14%	33%	(5%)	48%	8%
	Southwest	17%	21%	19%	24%	3%	4%	0%	0%	0%	3%	0%	4%

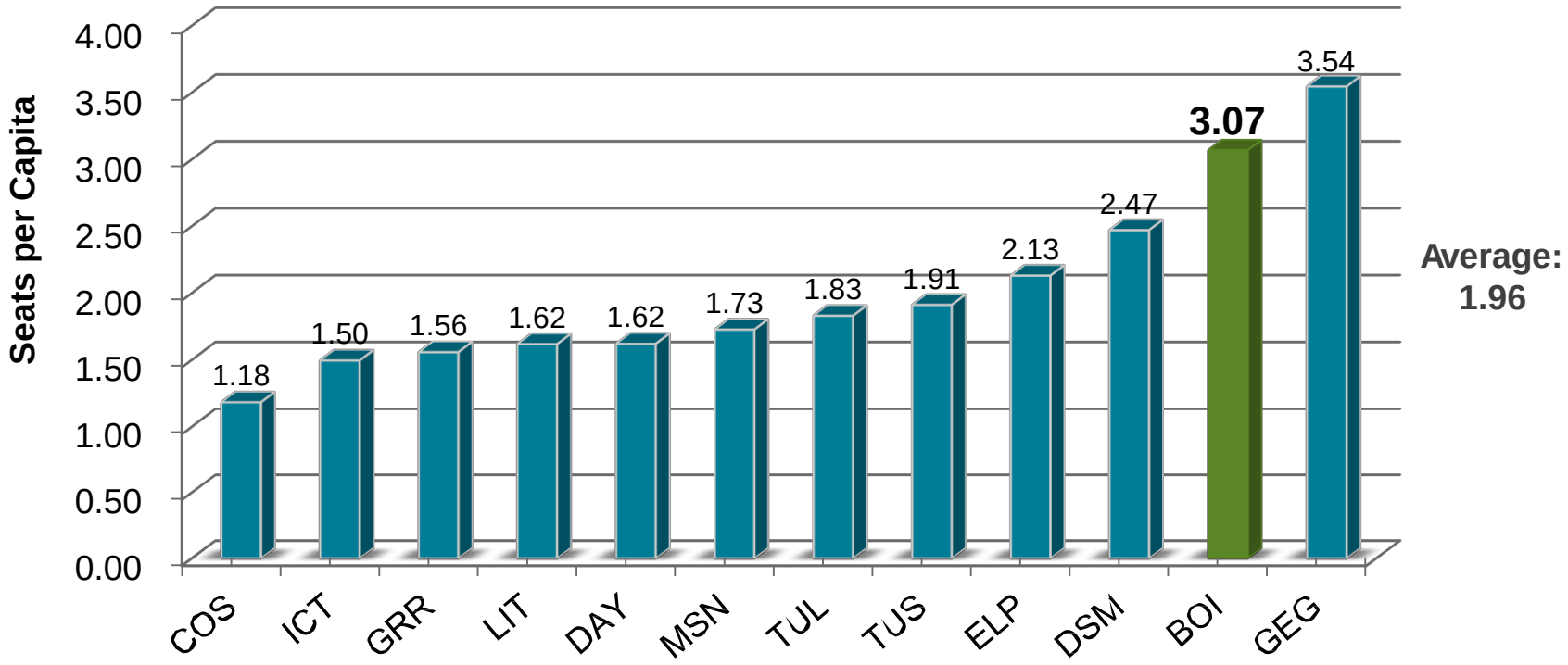
Boise Airport

BOI Forward Looking Schedule

Destination	Airline	Year over Year Change %											
		Nov 2017		Dec 2017		Jan 2018		Feb 2018		Mar 2018		Apr 2018	
		Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats
Portland, OR	Alaska	(10%)	(15%)	(14%)	(14%)	(1%)	(6%)	0%	1%	0%	2%	3%	3%
Reno, NV	Alaska	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Sacramento, CA	Alaska	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Southwest	15%	15%	19%	19%	15%	15%	17%	17%	15%	15%	20%	20%
Salt Lake City, UT	Alaska	0%	0%	0%	0%	0%	0%	0%	14%	0%	14%	0%	0%
	Delta	3%	6%	(2%)	5%	(2%)	5%	(3%)	2%	(2%)	8%	4%	4%
San Diego, CA	Alaska	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
	Southwest	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
San Francisco, CA	United	22%	16%	22%	15%	20%	7%	25%	15%	26%	24%	8%	7%
San Jose, CA	Alaska	(6%)	(6%)	(6%)	(6%)	0%	0%	0%	0%	0%	0%	0%	0%
	Southwest	-	-	-	-	-	-	-	-	-	-	100%	100%
Seattle, WA	Alaska	(5%)	(2%)	(5%)	4%	0%	6%	(11%)	3%	(3%)	14%	(6%)	8%
	Delta	(3%)	3%	1%	8%	(3%)	3%	(6%)	(1%)	2%	11%	2%	9%
Spokane, WA	Alaska	(15%)	(19%)	(17%)	(17%)	(1%)	(1%)	(18%)	(18%)	(4%)	(4%)	9%	9%
	Southwest	(8%)	(8%)	(17%)	(17%)	6%	6%	6%	6%	6%	6%	12%	12%
Total		**5%**	**7%**	**3%**	**6%**	**7%**	**7%**	**6%**	**7%**	**6%**	**9%**	**8%**	**12%**

Boise Airport

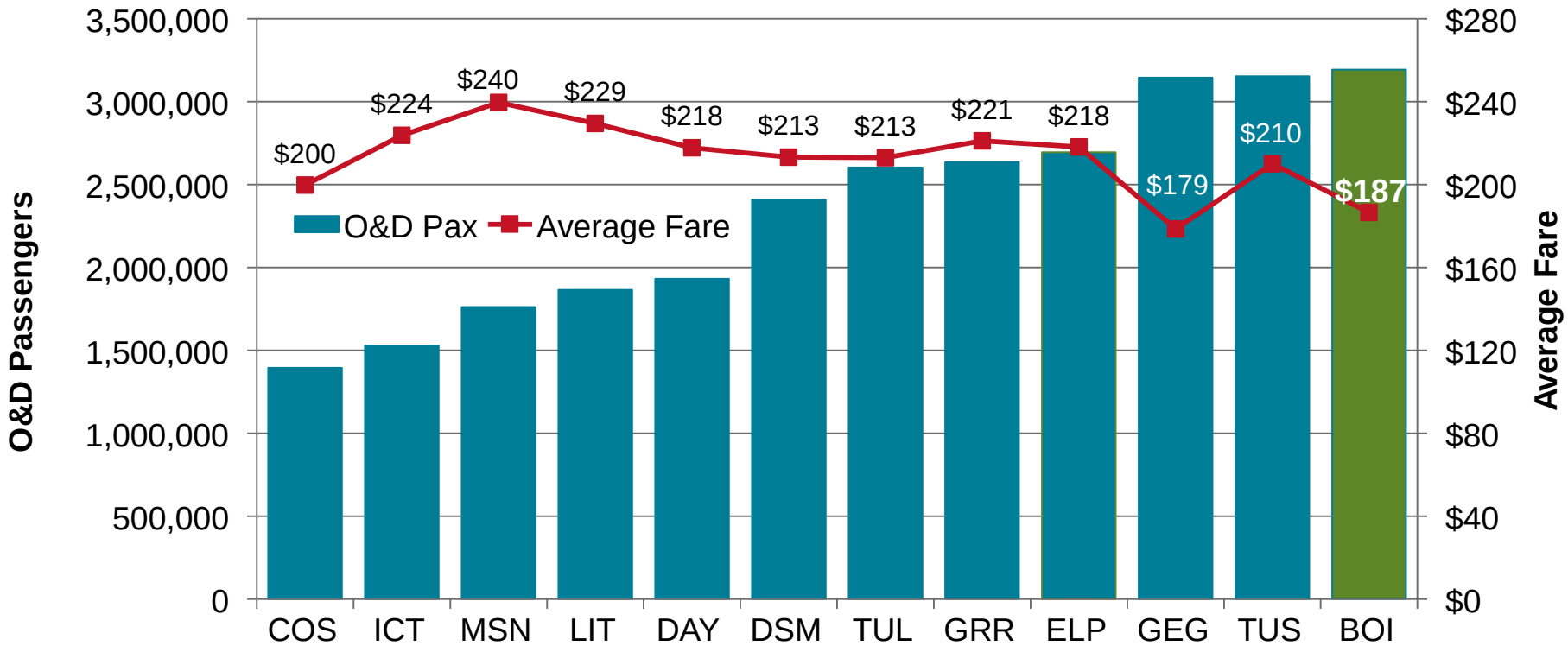
Seat Per Capita Comparisons



Boise consistently exceeds all comparison markets except Spokane in seats per capita; Boise's seats per capita improved by 0.06 in the latest year-ended quarter.

Boise Airport

Origination/Destination Passenger and Airfare Comparisons



BOI continued to surpass Spokane and Tucson in O&D passengers for the year-ended 2Q 2017 and has the lowest fare among all compare markets with the exception of Spokane.

Boise Airport

Year-Over-Year Comparisons

Airport	2017 MSA Population	YE 2Q 2017			YOY Change		
		# of Nonstop Destinations	O&D Pax	Seats	# of Nonstop Destinations	O&D Pax	Seats
Spokane, WA	556,131	14	3,144,408	1,971,476	3	5%	5%
Des Moines, IA	625,554	21	2,408,078	1,545,422	0	4%	9%
Wichita, KS	653,403	13	1,527,591	976,924	0	1%	(1%)
Madison, WI	656,853	12	1,761,672	1,134,024	1	9%	7%
Boise, ID	**689,344**	**20**	**3,192,488**	**2,114,740**	**0**	**7%**	**8%**
Colorado Springs, CO	708,387	12	1,395,065	837,673	2	19%	19%
Little Rock, AR	759,788	13	1,864,815	1,228,759	(2)	(0%)	1%
Dayton, OH	804,179	17	1,932,121	1,302,404	(1)	(2%)	(0%)
El Paso, TX	878,586	15	2,695,404	1,871,281	2	3%	6%
Tulsa, OK	992,250	20	2,602,801	1,815,523	(1)	(0%)	3%
Tucson, AZ	1,050,022	17	3,153,457	2,007,029	2	4%	4%
Grand Rapids, MI	1,054,587	24	2,634,133	1,642,543	(1)	5%	8%

BOI's seats have increased at a faster rate than all other compare markets except DSM and COS; O&D passengers have increased faster than all other compare markets except MSN and COS.

Boise Airport

Upcoming Events

Date	Event
December 12, 2017	Sponsor of Chamber CEO Speak Series Luncheon
December 13, 2017	Employee Holiday Party: Noon – 1:30pm
January 11, 2018	Next commission meeting

Passenger Facility Charge Overview

The PFC program is authorized by 49 U.S.C. Subtitle VII, Part A - Air Commerce and Safety, §40117. The statute authorizes a public agency that controls at least one commercial service airport to impose a fee for each paying passenger of an air carrier enplaned at the airport. This revenue finances eligible airport projects to be carried out at the commercial service airport.

Boise Airport

Passenger Facility Charge Application

Application Schedule	
November/December	Planning by staff and consultants
December	Notice of new PFC application sent to airlines
January	Meeting and consultation with airlines
February	Airline and public comment deadline
February/March	Application preparation by staff and consultants
April	Application submitted to the FAA
August	FAA approval
September	PFC collection begins

Passenger Facility Charge Projects

Project Description	Year of Expenditure	Project Cost	Cost/Year
Gate C11 Jet Bridge	Prior FY	$1,120,000	
Taxiway S extension (SkyWest)	Prior FY	$4,200,000	
Acquire Snow Removal Equipment	FY 2018	$700,000	
Apron Rehab Design	FY 2018	$400,000	$6,420,000
Apron Rehab Construction	FY 2019	$3,800,000	
EVIDS	FY 2019	$500,000	
Concourse A Apron Design	FY 2019	$500,000	
Concourse A Terminal Design	FY 2019	$1,100,000	$5,900,000
Concourse A Apron Construction	FY 2020	$5,000,000	
Air Carrier Apron Rehab	FY 2020	$2,000,000	
Snow Removal Equipment Building	FY 2020	$1,000,000	$8,000,000
Concourse A Terminal Construction	FY 2021	$16,000,000	$16,000,000
Total Costs		**$36,320,000**	**$36,320,000**