



January Commission Presentation

Director's Report

Rebecca Hupp A.A.E.
Boise Airport Director

JANUARY 9, 2020

December Runway Closures

- **December 11: 10R/28L 11:00am – 2:00pm**
FAA Tech Ops Maintenance

No January runway closures scheduled. Expect alternating runway closures during snow removal.



Non-Precision Approaches at BOI

- FAA notified BOI of impending removal of two non-precision approaches
 - VOR/DME or TACAN RWY 10L
 - VOR/DEM or TACAN RWY 28L
- BOI reached out to stakeholders for comment
 - Flight training companies, FBO's, corporate operators, military, Idaho Division of Aeronautics, etc.
- Stakeholders opposed the removal of these approaches
- BOI and the Boise ATCT submitted a letter of opposition to the FAA
- BOI is currently awaiting a response from the FAA

Airport Construction Projects

- ITD Hangar Construction
 - Footings are in place, structural design under review, floor slab is prepped for pour later this month
 - 1 acre site, 17,400 Sq.Ft. hangar



Open RFP/Bids

- Employee Parking Garage Construction
 - Advertised, open for bids on January 29
- Gate C-8A Passenger Boarding Bridge
 - Advertised, open for bids on January 29



Open RFP/Bids

- East Public Parking Garage Design Contract
 - RFP closes February 5
- Airfield Runway Incursion Mitigation Improvements, Environmental Assessment
 - RFP closes February 11



East Public Parking Garage highlighted as green

Awarded Bids

- Employee Parking Garage Utility Relocation Project
 - Awarded to Petra Inc. for \$1,182,767
- Economy Lot Expansion and R4 Construction Project
 - Awarded to TDX-Power Services for \$910,322

Both pending city council approval



Boise Cascade Parking Lot

- The Boise Cascade Parking Lot is the location for the new employee parking garage
- Boise Cascade's agreement for parking lot use ended December 31, 2019
- All other tenants were notified they will be relocated to the Economy Lot on January 28, 2020



New Contracts and Leases

Lease Renewals

Ultimate Logistics

House of Hounds

Temporary License

ACHD: 1 acre on Victory RD for
Cole/Victory interchange
project



Nonstop Service to Atlanta

- Delta Air Lines will begin nonstop service to Atlanta on July 6, 2020
- Daily, year-round service
- 157 seat, Airbus A320



City Pair	Depart	Arrive
Boise – Atlanta	12:40 p.m.	6:55 p.m.
Atlanta – Boise	9:40 a.m.	12:05 p.m.

Passenger Comments

*Rebecca - I can't tell you how grateful I am that we have now an upcoming direct flight to Atlanta. I just did 11 **hours** door to door ATL-SEA-BOI. For a nationwide headhunter based in Boise this is the best news ever! Thank you and your team for delivering Christmas early this year. You rock!!!*

#1 for On-Time Performance

- Boise Airport was ranked #1 in North America, and #6 in the world for on-time performance in the Small Hub category
- Ranked by OAG, one of the leaders in aviation data and insights



2020 Women of the Year

- Idaho Business Review selected Rebecca Hupp as one of this year's Women of the Year
- The Gala will be held March 11, 2020

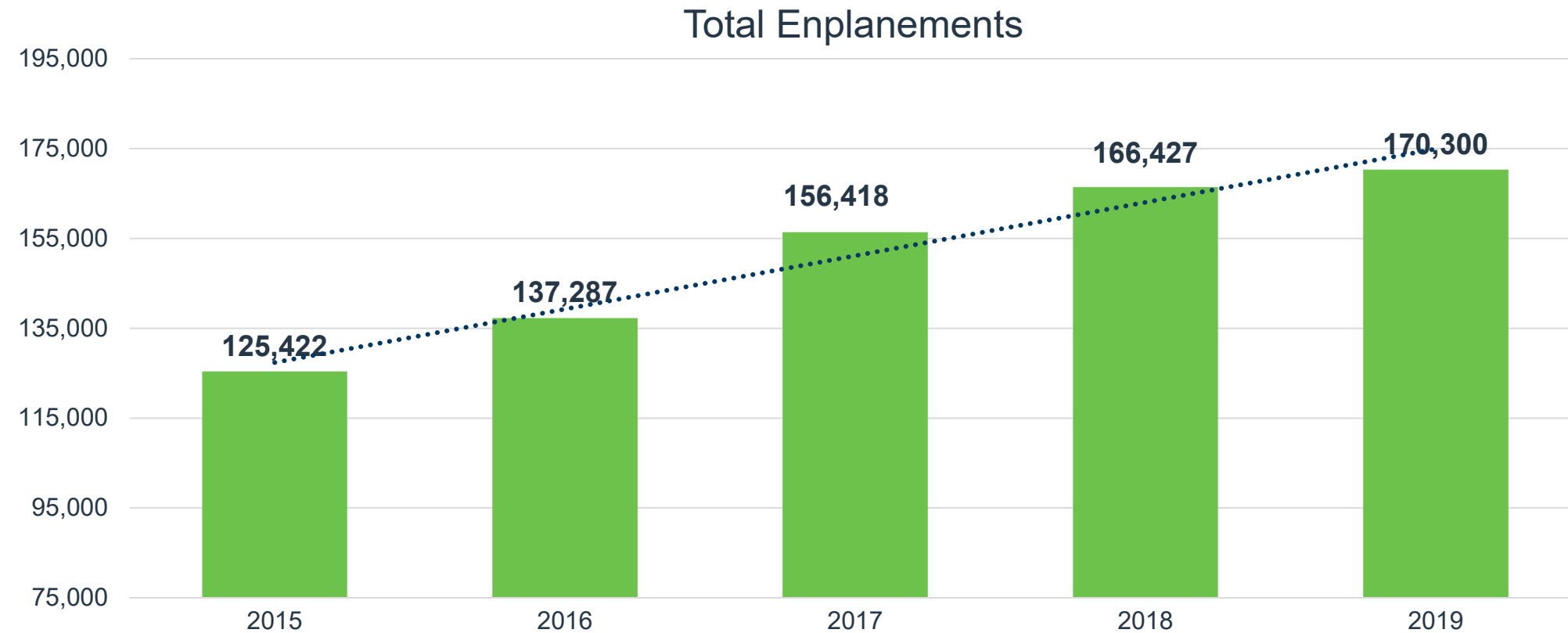


Top 10 Operating Revenue Description	FY 2020	FY 2019	\$ Change	% Change
Parking Lot	\$ 2,103,525	\$ 2,123,734	\$ (20,209)	-1%
Rental Car Concession	\$ 968,437	\$ 950,046	\$ 18,391	2%
Signatory Airline Landing Fees	\$ 609,098	\$ 549,655	\$ 59,443	11%
Industrial Land Rent	\$ 598,328	\$ 613,696	\$ (15,368)	-3%
Terminal Rent – Airlines	\$ 595,353	\$ 603,436	\$ (8,083)	-1%
Terminal Concession – Food/Beverage	\$ 253,952	\$ 218,415	\$ 35,537	16%
Terminal Concession – Retail	\$ 220,440	\$ 211,831	\$ 8,609	4%
Landings/Freight	\$ 141,922	\$ 97,812	\$ 44,110	45%
Terminal Rent – Non Airlines	\$ 97,988	\$ 101,298	\$ (3,310)	-3%
Advertising	\$ 65,394	\$ 76,359	\$ (10,965)	-14%
Total Top 10 Operating Revenue	\$ 5,654,437	\$ 5,546,282	\$ 108,155	--
Other Operating Revenue	\$ 469,739	\$ 518,440	\$ (48,701)	-9%
Total Operating Revenue	\$ 6,124,176	\$ 6,064,722	\$ 59,454	1%

Top 10 Operating Expenses Description	FY 2020	FY 2019	\$ Change	% Change
Personnel	\$ 1,361,892	\$ 1,372,911	\$ (11,019)	-1%
Fire Service	\$ 490,732	\$ 461,829	\$ 28,903	6%
Policing Service	\$ 488,529	\$ 438,817	\$ 49,712	11%
Indirect Cost Reimbursement	\$ 381,670	\$ 256,217	\$ 125,453	49%
Parking Management	\$ 246,777	\$ 153,539	\$ 93,238	61%
R/M – Fleet Management	\$ 146,855	\$ 91,525	\$ 55,330	60%
Power	\$ 126,581	\$ 136,353	\$ (9,772)	-7%
R/M – Structural/Electrical/Plumbing	\$ 113,333	\$ 79,583	\$ 33,750	42%
Credit Card Fees	\$ 60,102	\$ 57,587	\$ 2,515	4%
Minor Equipment	\$ 42,559	\$ 18,399	\$ 24,160	131%
Total Top 10 Operating Expenses	\$ 3,459,029	\$ 3,066,760	--	--
Other Operating Expense	\$ 444,806	\$ 511,154	\$ (66,348)	-13%
Total Operating Expense	\$ 3,903,835	\$ 3,577,914	\$ 325,921	9%

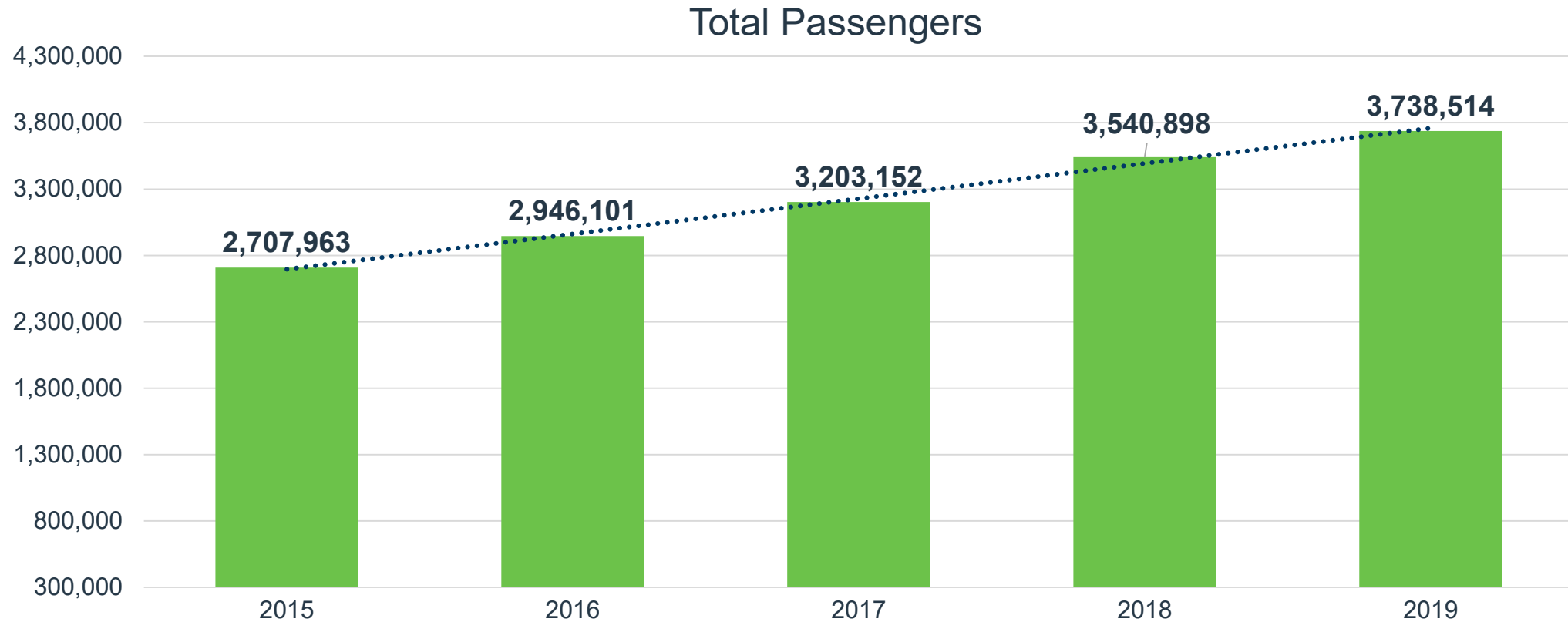
November Enplanements

Up 2% November 2019 over November 2018



2019 Total Passengers

Up 6% over 2018 (through November)



Medium Hub Forecast

- Boise Airport forecasts it will become a medium hub in 2028
- This is based upon the following methodology

Compound Annual Growth Rate

Boise Airport	3.6%
Total U.S. Passengers	2.3%



Upcoming Events

Date	Event
January 15, 2020 3:00 p.m.	Ribbon Cutting – BCVB Tourism Welcome Center in lower rotunda
February 3-6, 2020	Routes Americas Air Service Development Conference
February 6, 2020	Next Commission Meeting



Commission Lease Overview

Amy Snyder
Property & Contracts Manager

JANUARY 9, 2020

Leasing Objectives

- **Maximize Airport Revenue**
- **Fulfill Customer Service Goals**
- **Attract Private Investment**



Process

Leases:

- Direct Negotiations
 1. Meetings
 2. Review proposed project (best use, revenue potential, services provided, ALP compliance, etc.)
 3. Lease application
 4. Development and/or lease agreement
- Public Process (RFP)

Concessions:

- Public Process (RFP, EOI)
 1. Minimum Guarantee or % whichever is greater
 2. Preset and proposed terms
 3. Design Standards
- Direct negotiations
 1. Review proposed project (best use, revenue potential, business plan, services provided, ACDBE participation)

Federal Requirements:

Grant Assurance Obligations:

Assurance 5: Rights & Powers

Assurance 19: Operations and Maintenance

Assurance 23: Exclusive Rights

Assurance 24: Fee and Rental Structure

Assurance 29: Airport Layout Plan

Regulations, Orders, Advisory Circulars and Guidance

- Order 5190.6B FAA Airport Compliance Manual
- US Department of Transportation regulations (CFR 49 Part 23) – Airport Concession Disadvantaged Business Enterprise
- Specific required contract and lease provisions

General Lease Categories:

Over 200 revenue generating contracts and leases

- Terminal Building
- Land
 - Tenant owns the building and improvements
- Building & Grounds
 - Airport owns the building and improvements



Lease Terms

While all leases of the same category have similar terms and conditions, they may differ slightly depending upon when they were created

- Airline (Signatory)
 - Typically a 5-year term
- Terminal Concessions including Rental Cars
 - 5-10 years. Must receive FAA approval of any long term exclusive concession (over 5 years)



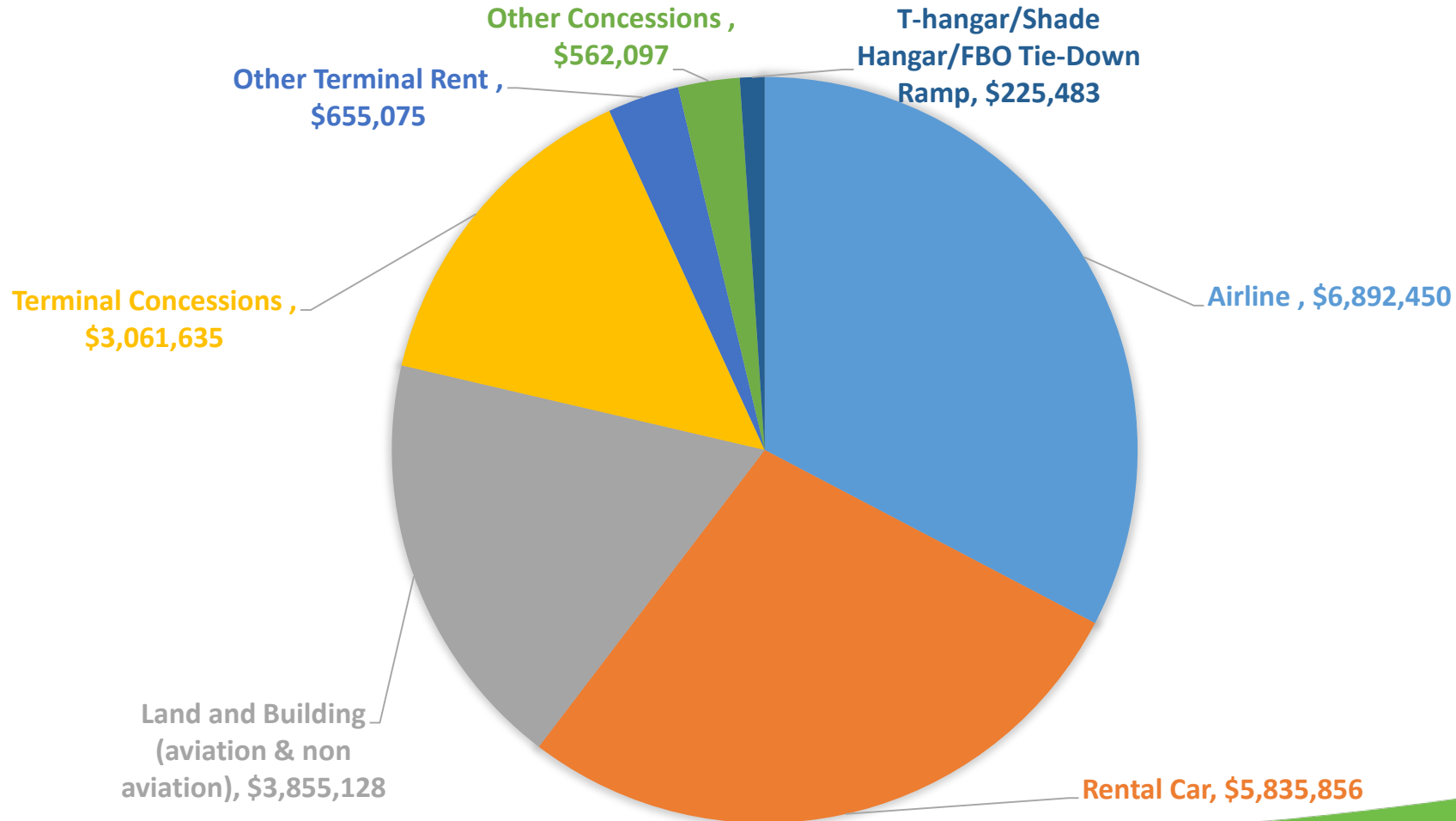
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- **Aeronautical Land Lease**
 - Depends upon capital investment. Up to 20 years with possibility of 30. Improvements revert to the airport
- **Non-Aeronautical Land leases**
 - Depends upon capital investment
- **T-hangar, Shade Hangar, Tie-Down and non-airline/RAC terminal office lease**
 - Month to month to retain flexibility



FY 19 Lease Revenues = 44% of Total Airport Revenue



Questions?



Boise Airport

www.iflyboise.com