



August Commission Presentation

Director's Report

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Boise Airport Director

AUGUST 5, 2020

July Runway Closures

- **July 6: 10L/28R 7:30am – 3:30pm**
Safety area maintenance work
- **July 13: 10L/28R 7:30am – 3:30pm**
Maintenance and survey work

Upcoming Scheduled Closures:

- **August 3: 10L/28R 7:30am – 3:30pm**
Safety area maintenance work
- **August 4 – September 22: 10R/28L**
TWY H reconstruction, TWY B construction work, runway painting



Construction Update

- Economy Parking Lot expansion completed
 - Added 240 paved parking spaces
- R4 Parking Lot completed
 - New parking lot, located on the eastside of the Rodeway Inn, has 32 parking spaces



New Contracts and Leases

- Lamar Airport Advertising
 - Pending city council approval, the Boise Airport will amend and extend the agreement by one year
- FAA Systems Support Center
 - Lease extended through March 31, 2021
- Airline Use and Lease Agreement
 - Extends and amends lease agreement for one year, pending city council approval



Hangar Development Concepts

- Possible configurations for Commerce Ave. site
- The current tenant is not aviation related, this would allow for aviation related business, better utilizing the airport's property
- Multiple parties interested in this location

Option A



Option B



Western Aircraft Expansion

- Western Aircraft plans to build a new hangar and office/shop
- This will double Western's size, from 90,000sf to 180,000+sf
- This will create over 130 new high-paying jobs
- The project is expected to cost \$17 million



Proposed HEALS Act Stimulus Plan

- Under the current senate GOP proposal, \$10 billion would be allocated for airport relief
- This portion of the proposal would be similar to the CARES Act passed earlier this year
- The Boise Airport received approximately \$19 million from the CARES Act



COVID-19 Update

- Face coverings are now required throughout the Boise Airport
- Face coverings are provided for free in front of the TSA Checkpoint and at airline ticket counters for passengers who do not have them



**Wear a face
covering
throughout the
Boise Airport**

Open Restaurants and Retail

- As traffic increases at the Boise Airport, so does the available amenities
- Open Restaurants
 - Einstein Bros. Bagels, Smashburger, Cross Grains, Cross Grains On-The-Go
- Open Retail
 - Greenbelt Magazine Shop, Idaho Statesman Shop



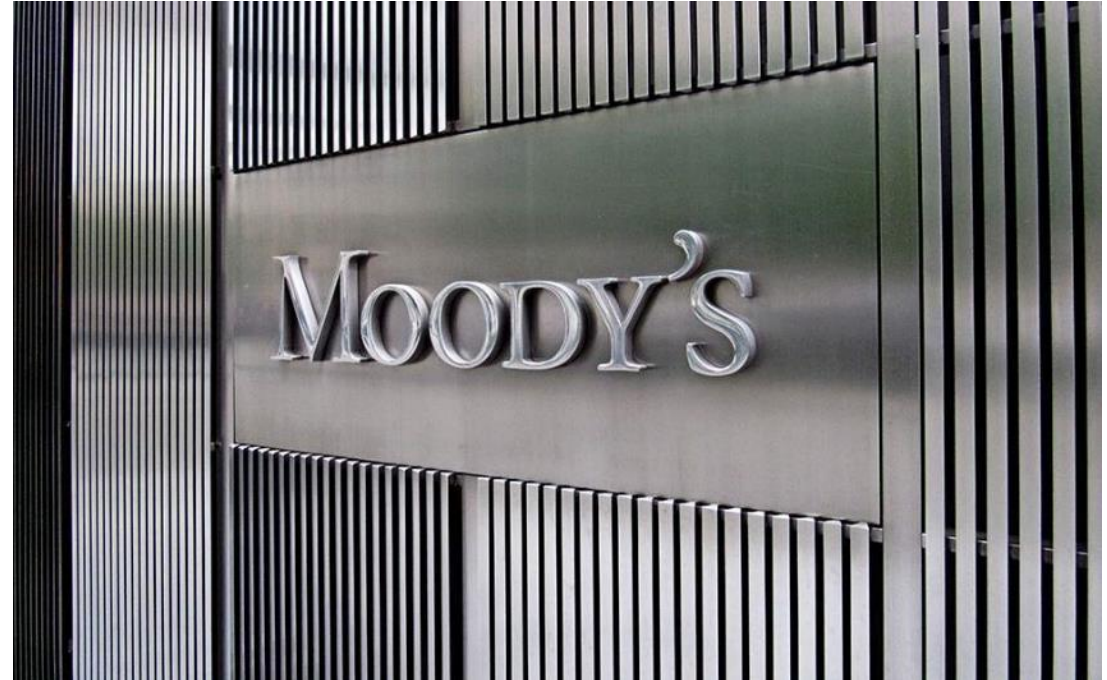
CEO of Influence Honoree

- Rebecca Hupp was honored by the Idaho Business Review as a 2020 CEO of Influence



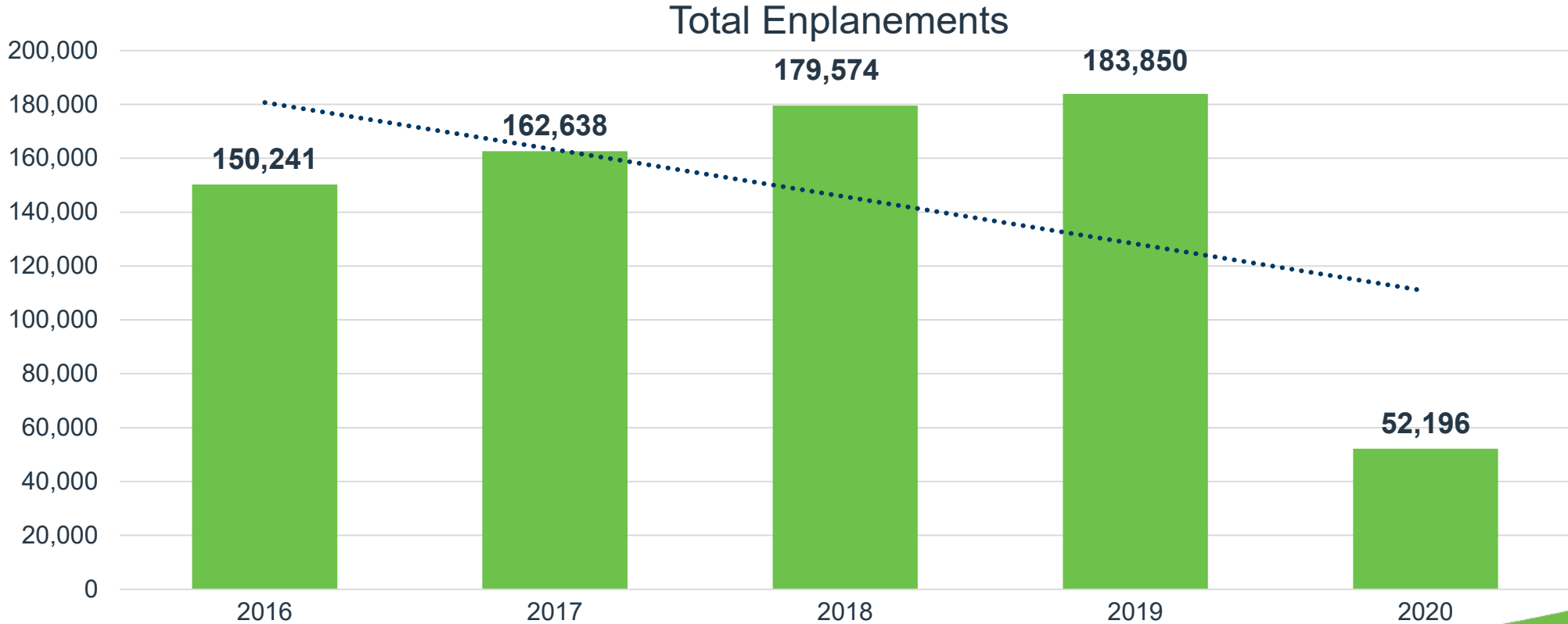
Moody's Affirmed A1 Bond Rating

- In FY'19, the airport's liquidity remained strong and improved to 894 days cash on hand from 688 in FY'18
- Moody's stated "The stable outlook reflects our view that the airport will be able to rely on its liquidity balance to withstand the outbreak"



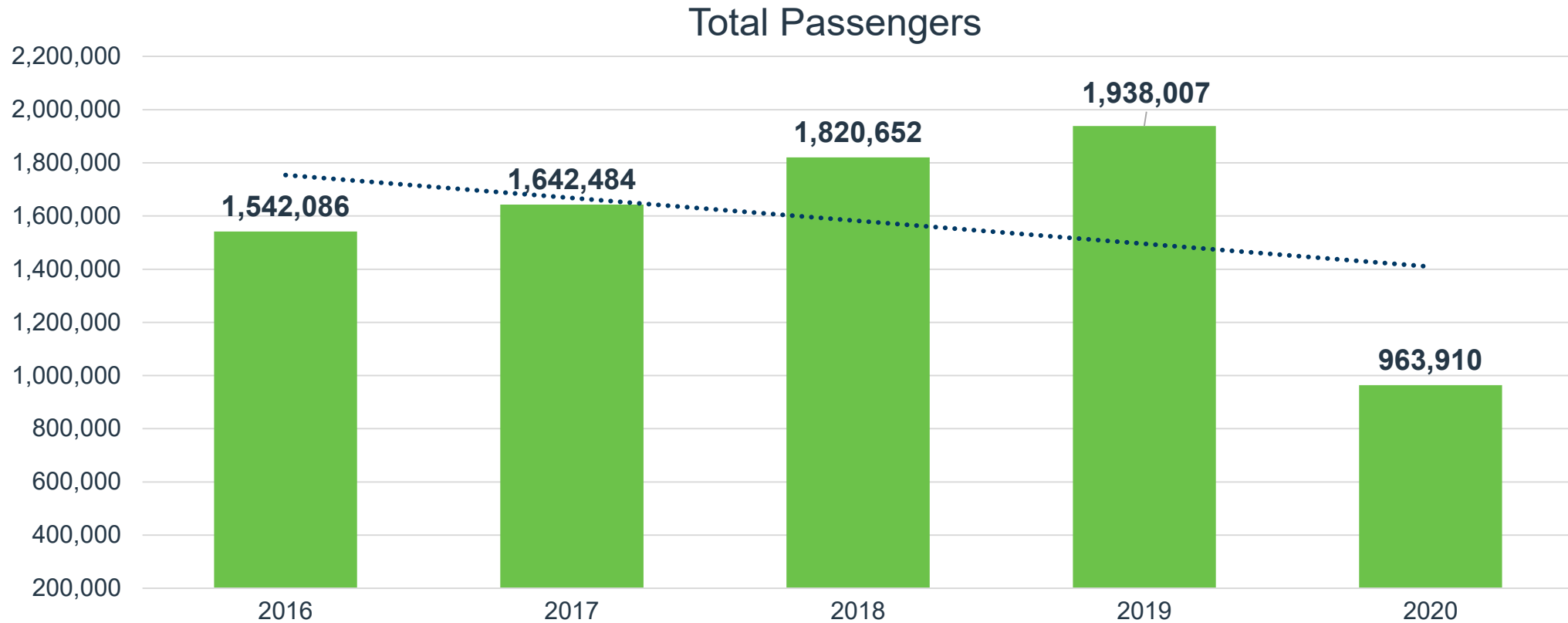
June Enplanements

Down 72% June 2020 over June 2019



2020 Total Passengers

Down 50% over 2019 (through June)

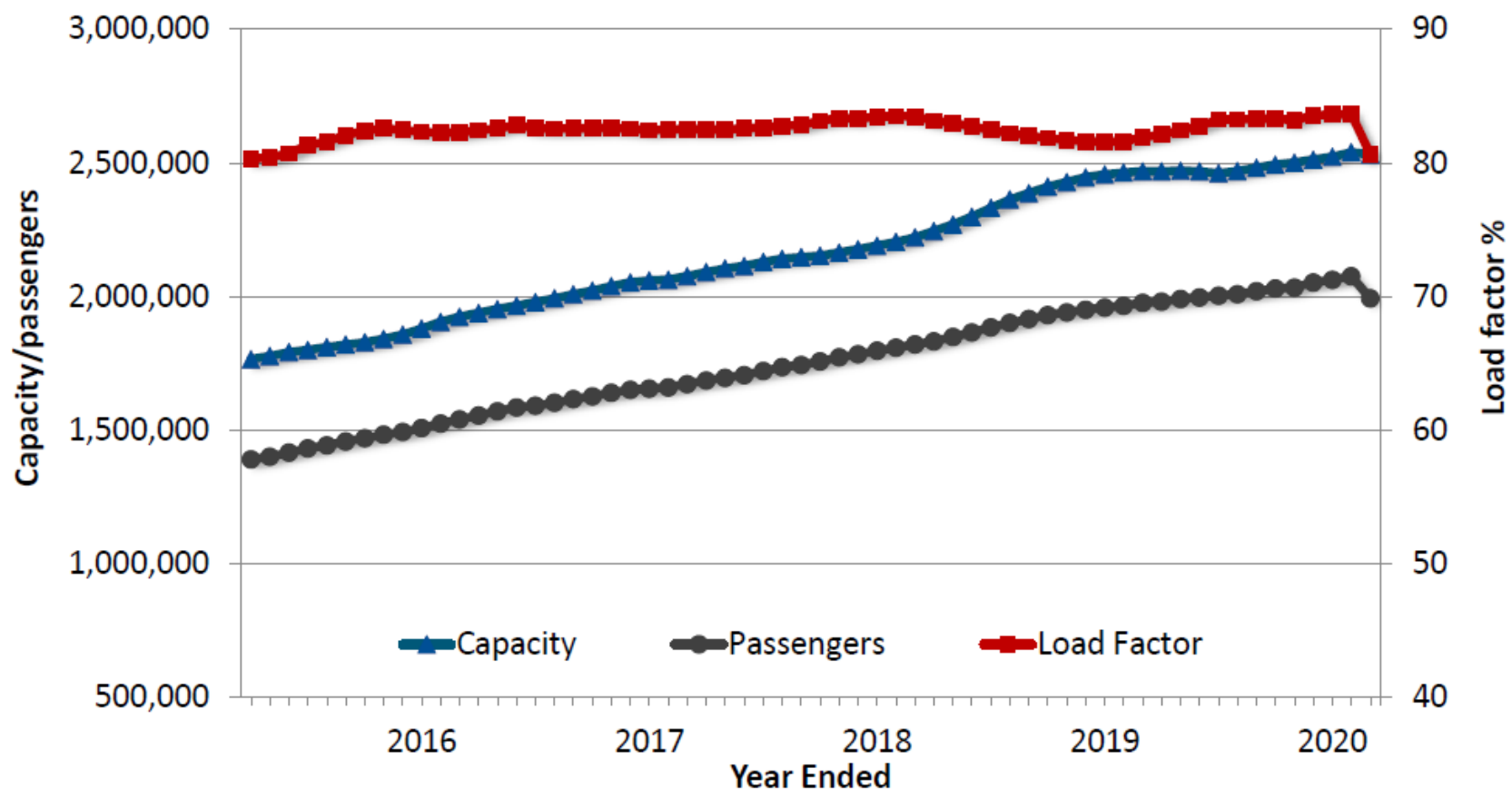


Top 10 Operating Revenue Description	FY 2020	FY 2019	\$ Change	% Change
Parking Lot	\$ 6,455,245	\$ 8,928,044	\$ (2,472,799)	-28%
Rental Car Concession	\$ 2,963,579	\$ 3,581,744	\$ (618,165)	-17%
Industrial Land Rent	\$ 2,913,309	\$ 2,772,041	\$ 141,268	5%
Terminal Rent – Airlines	\$ 2,588,025	\$ 2,673,974	\$ (85,949)	-3%
Signatory Airline Landing Fees	\$ 2,000,591	\$ 2,462,373	\$ (461,782)	-19%
Terminal Concession – Food/Beverage	\$ 747,356	\$ 987,654	\$ (240,298)	-24%
Terminal Concession – Retail	\$ 615,257	\$ 786,856	\$ (171,599)	-22%
Landings/Freight	\$ 512,297	\$ 460,785	\$ 51,512	11%
Terminal Rent – Non Airlines	\$ 451,522	\$ 445,324	\$ 6,198	1%
Advertising	\$ 314,303	\$ 310,812	\$ 3,491	1%
Total Top 10 Operating Revenue	\$ 19,561,484	\$ 23,409,607	\$ (3,848,123)	-16%
Other Operating Revenue	\$ 2,021,889	\$ 2,308,502	\$ (286,613)	-12%
Total Operating Revenue	\$ 21,583,373	\$ 25,718,109	\$ (4,134,736)	-16%

Top 10 Operating Expenses Description	FY 2020	FY 2019	\$ Change	% Change
Personnel	\$ 6,476,764	\$ 5,683,596	\$ 793,168	14%
Fire Service	\$ 2,208,292	\$ 2,078,228	\$ 130,064	6%
Policing Service	\$ 2,198,379	\$ 1,974,675	\$ 223,704	11%
Indirect Cost Reimbursement	\$ 1,326,675	\$ 1,014,592	\$ 312,083	31%
Parking Management	\$ 1,305,759	\$ 1,153,023	\$ 152,736	13%
R/M – Structural/Electrical/Plumbing	\$ 863,046	\$ 516,846	\$ 346,200	67%
Power	\$ 541,594	\$ 597,470	\$ (55,876)	-9%
R/M – Fleet Management	\$ 410,745	\$ 333,991	\$ 76,754	23%
Chemicals	\$ 388,033	\$ 273,555	\$ 114,478	42%
Professional Services	\$ 226,980	\$ 116,901	\$ 110,080	94%
Total Top 10 Operating Expenses	\$ 15,946,268	\$ 13,742,877	\$ 2,203,391	16%
Other Operating Expense	\$ 2,803,081	\$ 3,059,807	\$ (256,726)	-8%
Total Operating Expense	\$ 18,749,349	\$ 16,802,684	\$ 1,946,665	12%

Quarterly Report Q1 2020

Boise Traffic/Capacity Trends



Year end March 2020 capacity was up 3% while passenger traffic was up 1%, leading to 2% decrease in the average load factor (81%)

Top Origination/Destination Markets

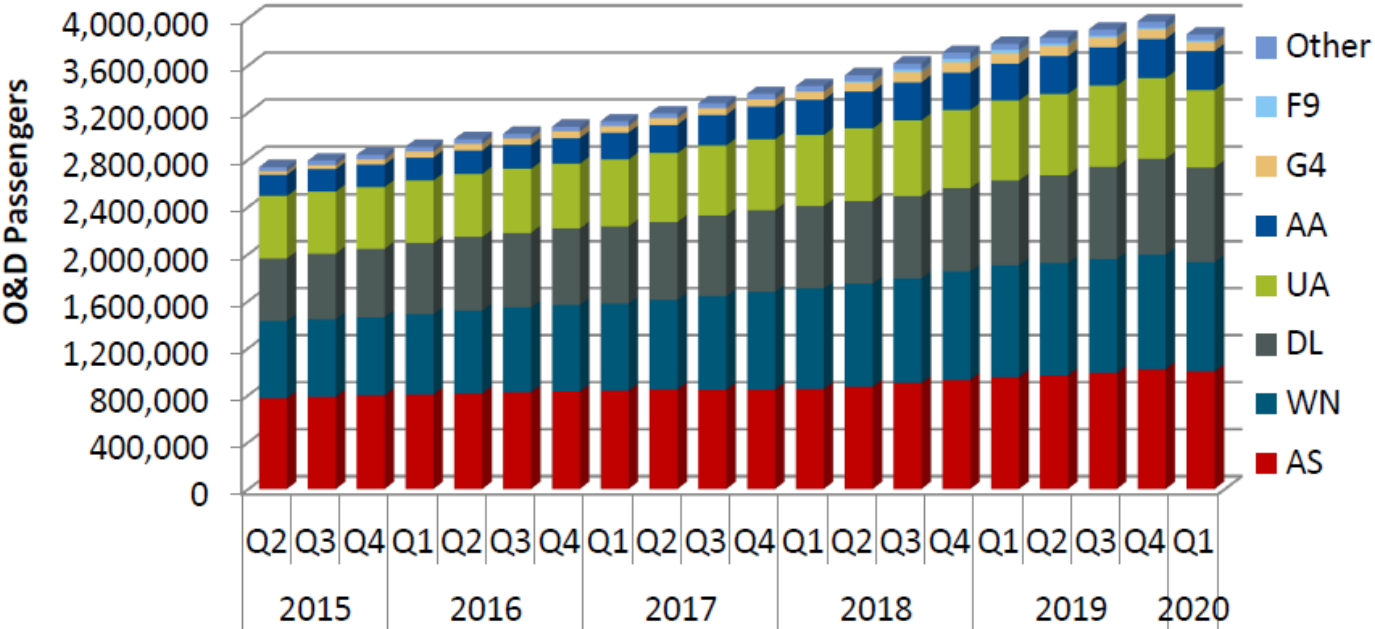
Rank	Destination	O&D Pax	O&D Revenue	Average Fare (\$)	Yield (¢)	% Change Since Q1 2019			
						Pax	Rev	Fare	Yield
1	Seattle, WA	84,103	6,641,869	79	20	(6)	(17)	(12)	(12)
2	Portland, OR	45,513	5,271,288	116	34	(17)	(17)	(1)	(1)
3	Los Angeles, CA	37,295	4,481,361	120	18	(7)	(13)	(6)	(6)
4	Phoenix, AZ (PHX)	36,721	5,061,102	138	19	(13)	(13)	0	0
5	Las Vegas, NV	32,052	3,828,532	119	23	(20)	(18)	2	2
6	Spokane, WA	30,925	2,741,189	89	31	(15)	(8)	8	8
7	San Diego, CA	30,581	3,239,641	106	14	(17)	(20)	(4)	(4)
8	Denver, CO	29,230	4,204,717	144	22	(10)	(12)	(2)	(2)
9	Sacramento, CA	25,379	2,640,570	104	24	(7)	(0)	8	8
10	San Jose, CA	20,642	2,339,299	113	22	6	1	(5)	(5)
11	Salt Lake City, UT	18,701	3,415,974	183	63	(26)	(4)	30	30
12	Oakland, CA	14,213	1,976,935	139	27	(17)	(16)	1	1
13	San Francisco, CA	13,913	2,596,761	187	36	(24)	(22)	2	2
14	Orlando, FL (MCO)	11,832	2,487,904	210	10	(2)	(8)	(6)	(6)
15	Orange County, CA	11,317	1,538,910	136	20	(28)	(31)	(4)	(4)
16	Dallas, TX (DFW)	11,222	2,839,312	253	20	(12)	(15)	(3)	(3)
17	Chicago, IL (ORD)	9,949	2,514,086	253	18	(12)	(19)	(8)	(8)
18	Honolulu, HI	8,859	1,826,739	206	7	2	(19)	(20)	(20)
19	Minneapolis, MN	7,877	1,742,812	221	19	(19)	(28)	(11)	(11)
20	Ontario, CA	7,650	1,061,712	139	21	(16)	(21)	(6)	(6)
Total/Average		770,002	132,734,608	172	16	(13)	(16)	(4)	(2)

The decrease in passengers and revenue for Q1 2020 reflects the first indication of the impact of COVID-19

In the top 10 markets, San Jose replaced Sacramento

Boise Airline Market Share

American gained 1% of share against Southwest losing 1% of share



Year	Quarter	Airline Market Share							
		AS	WN	DL	UA	AA	G4	F9	Other
2018	Q2	25%	25%	20%	18%	9%	2%	0%	1%
	Q3	25%	25%	19%	18%	9%	2%	1%	1%
	Q4	25%	25%	19%	18%	9%	2%	1%	1%
2019	Q1	25%	25%	19%	18%	9%	2%	1%	1%
	Q2	25%	25%	20%	18%	8%	2%	1%	1%
	Q3	25%	25%	20%	18%	8%	2%	1%	1%
	Q4	26%	25%	21%	17%	8%	2%	0%	1%
2020	Q1	26%	24%	21%	17%	9%	2%	0%	1%

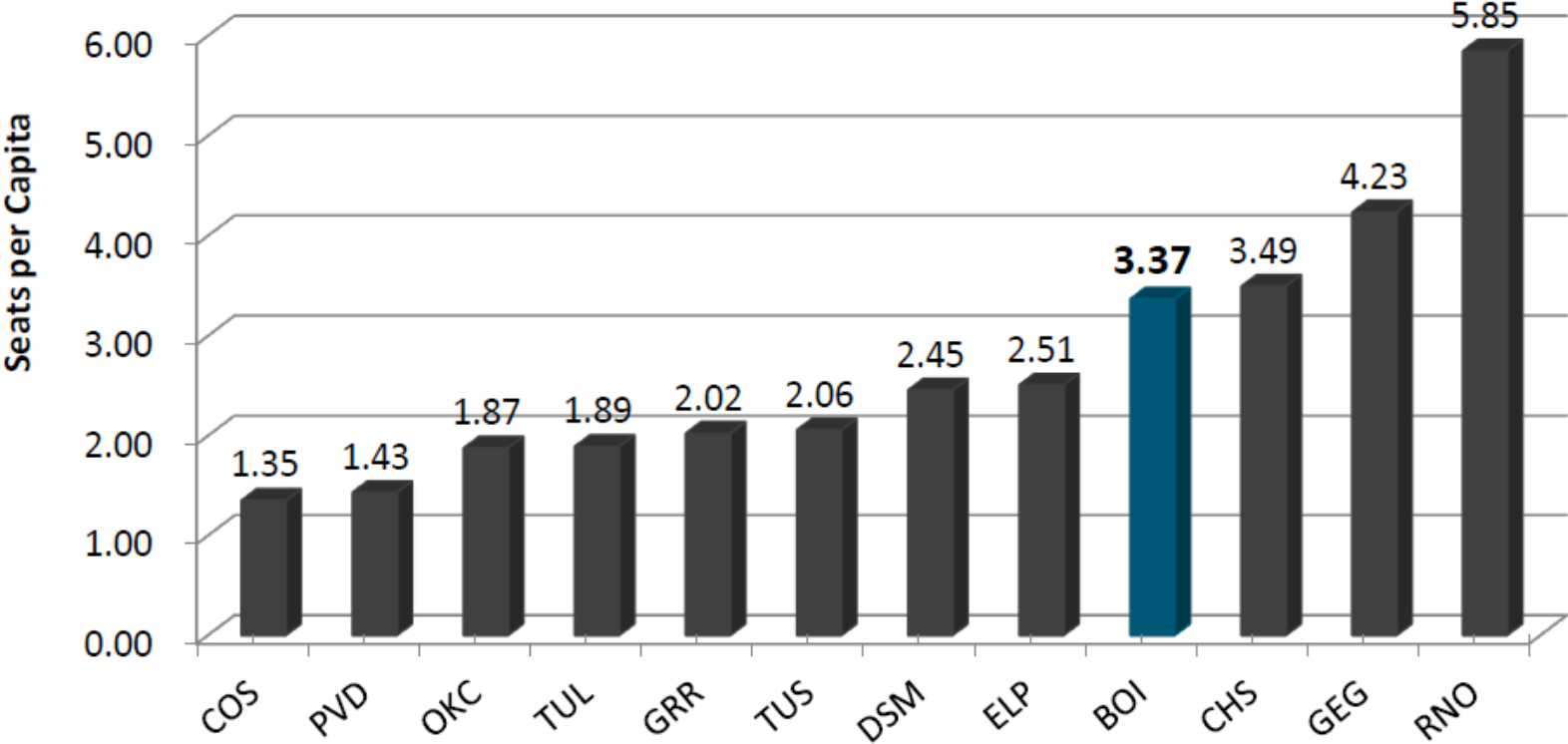
Boise Forward Looking Schedule



Destination	Airline	Year over Year Change %											
		Aug 2020		Sep 2020		Oct 2020		Nov 2020		Dec 2020		Jan 2021	
		Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats	Flts	Seats
Total		(28%)	(29%)	8%	5%	17%	20%	21%	23%	19%	25%	10%	8%

Over the next 6 months, BOI’s flights are scheduled to increase by 7% and seats by 8% in total despite the impact of COVID-19

Seats Per Capita Comparison

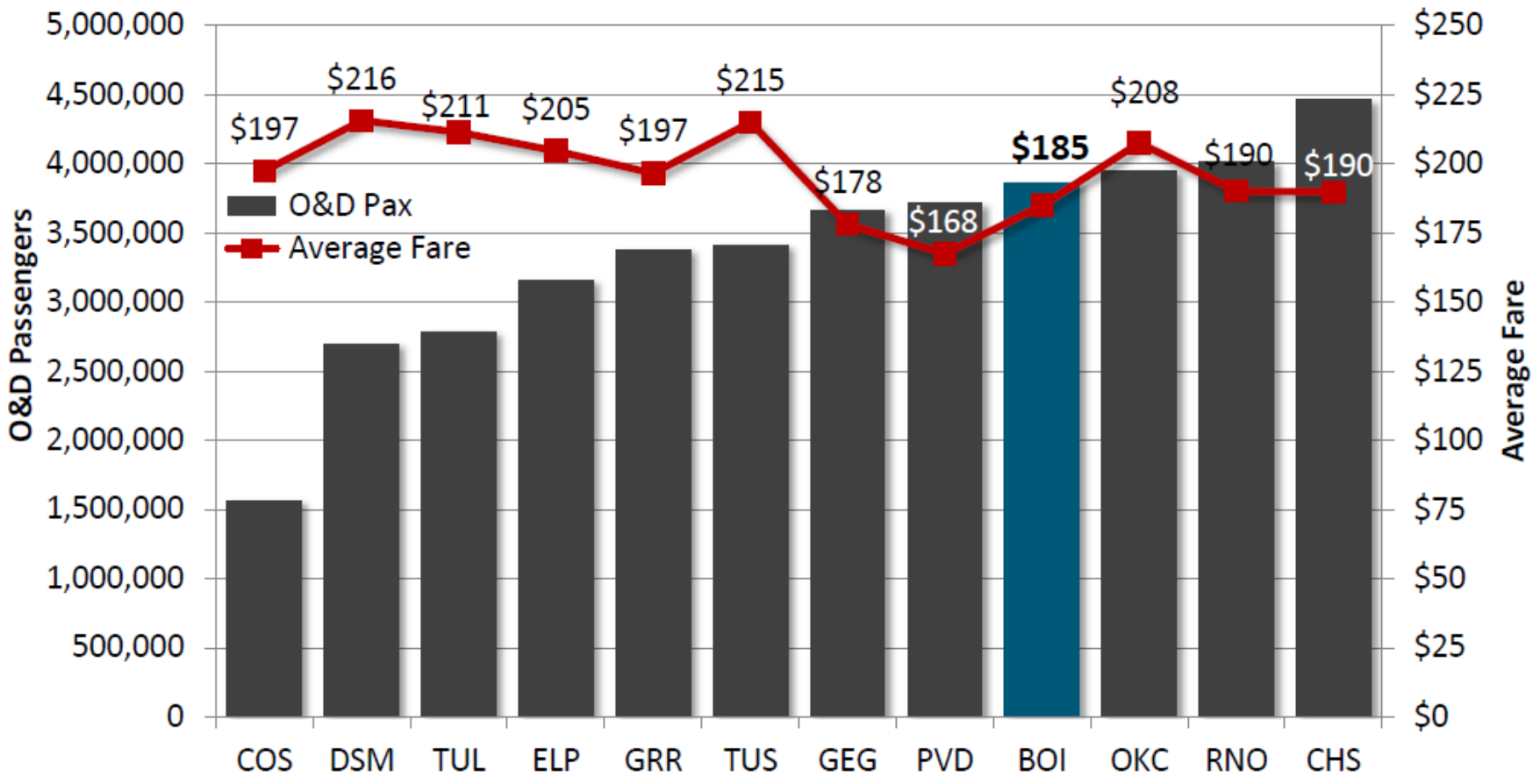


BOI exceeds all comparison markets except Charleston, Spokane and Reno in seats per capita

Average: 2.40

BOI decreased from 3.46 to 3.37 seats per capita from YE Q4 2019 to YE Q1 2020

Origination/Destination Passenger and Airfare Comparison



BOI had the 4th highest O&D passengers and had the lowest fare among compare markets with the exception of Spokane and Providence

Year-Over-Year Comparisons

Airport	2020 MSA Population	YE Q1 2020			YOY Change		
		# of Nonstop Destinations	O&D Pax	Seats	# of Nonstop Destinations	O&D Pax	Seats
Reno, NV	480,604	22	4,018,707	2,810,091	(2)	0.8%	8.2%
Spokane, WA	568,590	17	3,667,088	2,407,500	0	(0.5%)	0.6%
Des Moines, IA	704,990	24	2,698,148	1,730,561	1	1.3%	4.4%
Boise, ID	752,333	19	3,860,782	2,532,609	(2)	2.1%	2.6%
Colorado Springs, CO	755,897	13	1,565,996	1,019,766	(2)	(1.5%)	4.4%
Charleston, SC	808,413	32	4,461,221	2,824,775	2	1.2%	2.6%
El Paso, TX	863,183	17	3,159,342	2,162,287	0	0.6%	2.3%
Tulsa, OK	1,005,890	19	2,783,655	1,900,244	(6)	(4.4%)	(2.9%)
Tucson, AZ	1,057,434	19	3,409,813	2,174,679	(3)	(1.5%)	(0.1%)
Grand Rapids, MI	1,084,822	31	3,381,027	2,194,553	5	4.6%	8.7%
Oklahoma City, OK	1,422,691	28	3,950,753	2,665,885	(2)	(2.2%)	0.7%
Providence, RI	1,627,313	27	3,713,005	2,325,479	(4)	(6.5%)	(7.5%)

Boise was one of the six comparison markets with an increase in both passengers and seats year-over-year

FEEDBACK COLLECTED: **20-21 weeks** into City facility closures

JULY VITALS:

- 581 Responses overall
 - All questions were optional
-

Percentages are based on those who responded to that question.

DEPT. SPECIFIC

Responses:
51
 (# previous pulse responses)

Collected:
July 27th-31st

Area	Indicator	Current Citywide Status	Current Department Status	Change in responses since previous pulse
<i>Direction</i>	I have a clear understanding of the direction in responding to COVID-19	87%	94 %- Agree	+ 3
<i>Connection</i>	During this time, how connected do you feel to:	35%	47 % - The Community	+ 4
		47%	67 % - The Organization	+ 11
		63%	76 % - The department	+ 3
		79%	84 % - The work group	+ 5
<i>Values</i>	In your opinion, how well are we doing practicing our values during this time?	81%	86 % - Meeting expectations One City One Team	+ 7
		80%	92 % - Meeting Expectations Nothing We Can't Do Better	+ 9
		75%	85 % - Meeting expectations Citizen Experience with Wow	+ 11

DEPT. SPECIFIC

Responses:
51
Collected:
July 27th-31st

Area	Indicator	Current Citywide Status	Current Department Status	Change in responses since previous pulse
<i>“work from” status</i>	Where are you working from right now?	51% -working in person	68 % -working in person	New question
<i>Comfort working in person</i>	How comfortable do you feel working in person?	54%	59 %- very or moderately comfortable	- 19
<i>Individual Well-being</i>	How are you doing overall?	24%	25 % -Thriving	- 3
		14%	4 %-Struggling +Suffering	- 6
<i>Information</i>	I feel well-informed by the organization during the COVID-19 response	87%	90 % - Agree	- 2
<i>Work</i>	Are you able to effectively get your work done?	94%	100 % - Yes	+ 1



Boise Airport

www.iflyboise.com