



February Commission Report

Director's Update

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Boise Airport Director

FEBRUARY 2, 2022

December & January Runway Closures

- **Weather-related closures that impacted both runways:**
 - 12/24/21: Closed 4:30am – 5:15am
 - 12/27/21: Closed 9:20pm – 10:30pm
 - 1/4/22: Closed 12:10 – 12:30am
- **RWY 10L/28R only:**
 - 1/26/22: Closed 8:30 – 9:30am to repair lights
- **RWY 10R/28L only:**
 - 1/27/22: Closed 10:30-11:15am for disabled aircraft (flat tire)

Construction Update: Parking Garages

- Public parking garage (Approx. 1,150 stalls)
- Employee garage (Approx. 700 stalls)
- Construction commenced in January
- Timeline: 18-24 months
- Funded by \$56.2M in bond proceeds
- No local taxpayer dollars
- Contract awarded to Boise-based McAlvain Construction



Construction Update

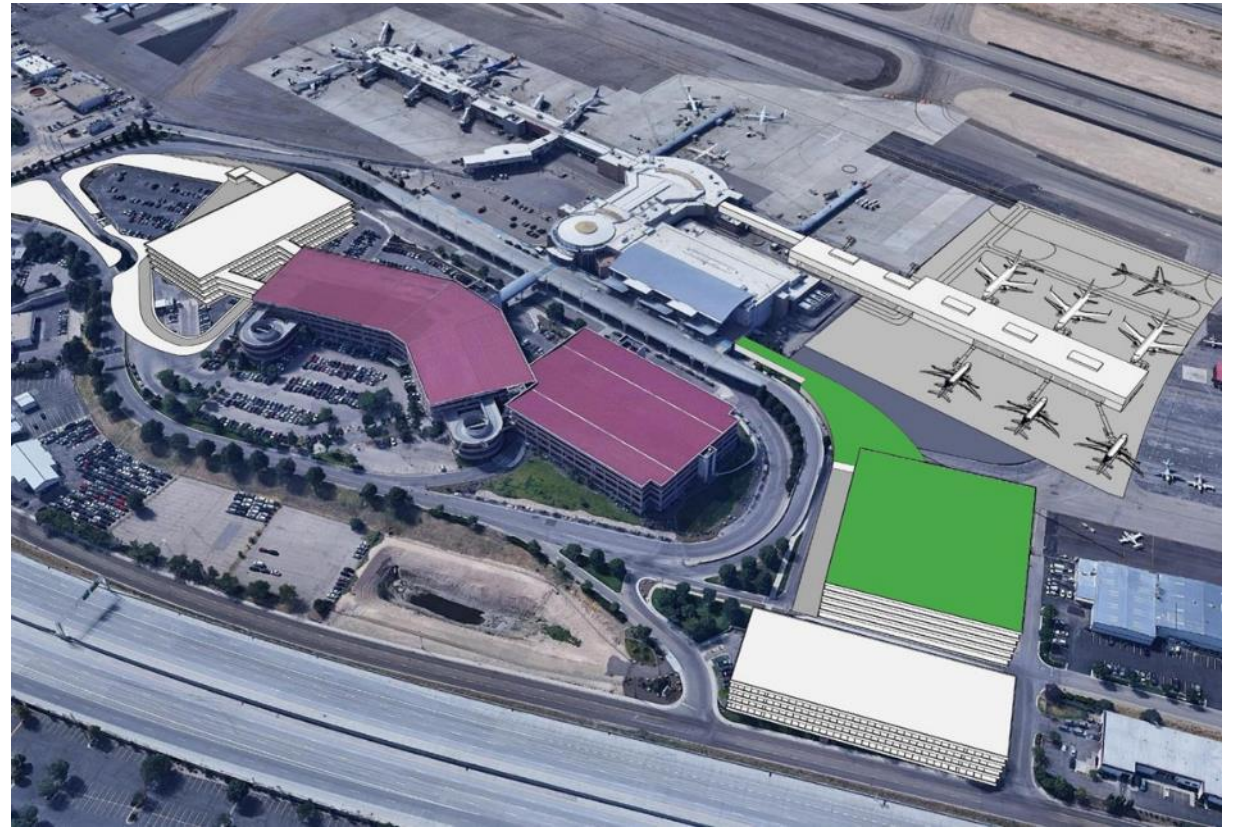
Facilities Maintenance Group Snow Removal Equipment Building

- Construction started on a new building to house snow removal equipment
- Schedule: December 2021 – June 2022
- Current:
 - Site work - prepping for building pad, excavating footings, to install grease interceptor
 - Installed SUEZ water main and meter, completed sewer tie-in



Consolidated Rental Car Garage (CONRAC)

- Finalized the design concept with the Rental Car Agencies in January
- Schematic Design will take one year and will include additional input from our rental car partners
- Conservative cost Phase 1: \$61M
- The Customer Facility Charge (CFC) will be increased later this year, amount TBD, in accordance with the financial analysis and the final concept



Airline Use & Lease Negotiations

Airport Goals & Objectives

1. Reach a mutually beneficial agreement with airline partners
2. Provide for the ability to complete current and possibly unexpected capital needs
3. Continue to be a reasonably low-cost Airport *(in the context of the Airport's necessary objectives including the capital build out and serving the local community)*
4. Continue to maintain a competitive market
5. Maintain a solid investment grade bond rating (A+/A1)
6. Ensure fiscal stability at Airport
7. Establish the flexibility needed to address future challenges
8. Modernize the agreement (substantially unchanged since 2006)



Airline Use & Lease Negotiations



Lease to take effect October 1, 2022

- New terms expected to extend through the construction of Concourse A (approx. 3-5 yrs.)
- Team includes financial (Leigh Fisher and Associates) and legal (Kaplan Kirsch & Rockwell) consultants

Non-Aeronautical Property Rezones

- The Airport has started the rezoning process for any property associated with this project that was not already zoned industrial
- The Planning & Zoning Commission has recommended the rezone of land near Victory to light industrial (Area One). These parcels will go to City Council for a public hearing on February 15
- The Airport elected to defer the public hearing for the rezone of Area Two, near Orchard/Gowen, to prepare a Master Development agreement. The Planning & Zoning hearing is now scheduled for February 14



5G Deployment & Airports

- Airlines and industry groups have expressed concern that 5G transmissions could interfere with radio altimeters
- The FAA announced on Jan. 20 that roughly 78% of the U.S. commercial fleet was cleared to perform low-visibility landings at airports near new 5G deployments
- Verizon and AT&T have agreed to slow deployments of 5G around major airports



Holiday Travel Update

- Winter weather and airline cancellations/delays impacted holiday travel, especially in the western region
- Airport and TSA received earned media coverage from all local television stations and newspapers—and many outlets also covered the national airline service disruptions
- Go Team Therapy Dogs visited the Boise Airport to help comfort passengers and reduce stress
- Airport parking was able to accommodate all passengers



City of Boise Green Building Certified

- The Idaho Transportation Department Aeronautics division building and hangar was officially certified as following International Green Construction Code



Organization Assessment

Background

- BOI is undergoing an Organization Assessment in preparation for the robust growth required to meet the best practices for a medium hub airport
- *Initial findings show that the airport's current staff size will not be fully adequate to handle this growth and will likely need to expand*



Organization Assessment: Steps

1. Staff interviews (12 conducted, with follow-ups + data gathering - COMPLETE)

TAKEAWAYS:

- Clear consensus that workload exceeds capacity
- Staff made many recommendations, including new position categories
- Communication between departments has continued to improve greatly

2. Comparative Airport Analysis (6 peer airports participating – IN PROCESS)

- Received data from 3 airports thus far
- Final analysis and recommendations will be completed when data from all 6 peer airports can be analyzed and compared to BOI

3. Gap analysis for staffing (IN PROCESS)

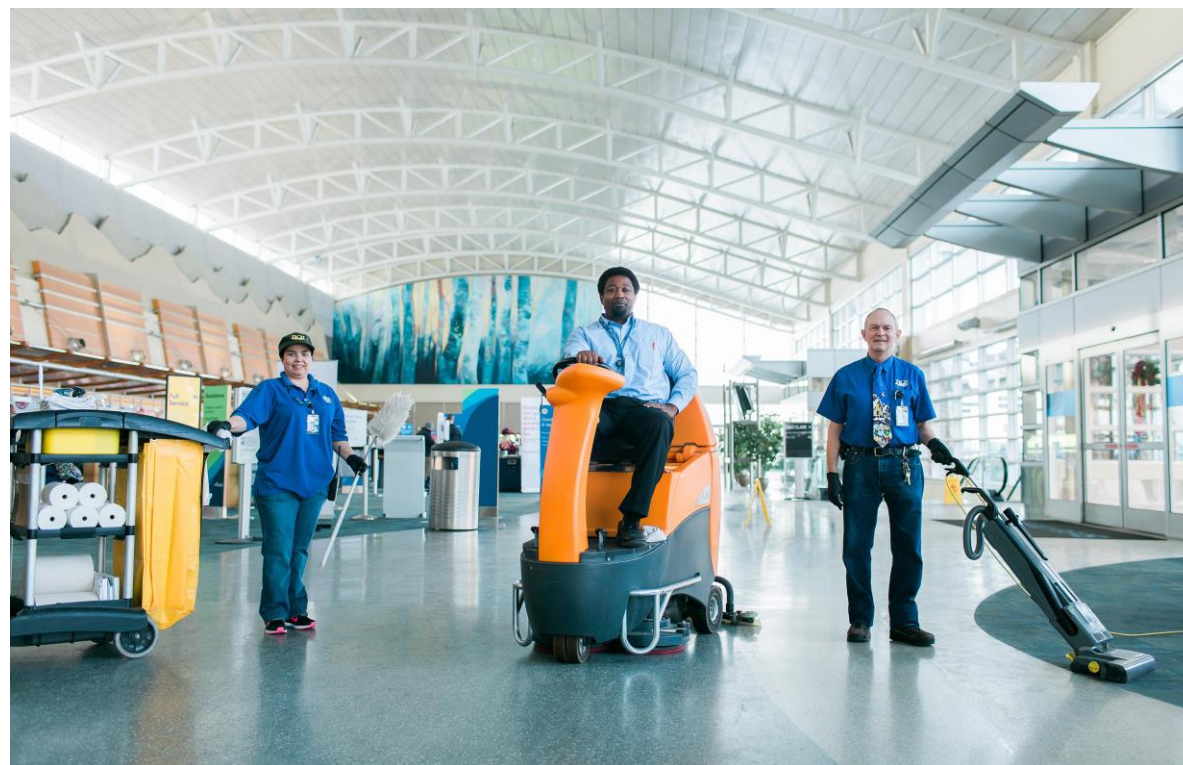
- Comparing current staffing with previously recommended positions and with new positions added since last analysis
- Goal is to fully target where the critical gaps are - pending complete info from comparative airports

4. Organizational structure and reporting lines (IN PROCESS)

- Identified several options for increasing functional efficiency through updated organizational charts
- Reviewing the advantages and disadvantages of an airside/landside model
- Final recommendations pending

Organization Assessment: Next Steps

- Determine the optimal approach to structuring staff allocation to alleviate strain on existing resources and identify additional positions needed to accommodate continued growth
- Final deliverable from the assessment will be a plan of action for both the current and future state of the airport, using a phased approach over several budget cycles to implement the recommended additional positions



Congrats to Our Recent Promotions



Zack Thompson

*Airport Operations
and Security
Manager*

15 years of service



Bryan Hill

*Airport Facilities
Maintenance
Manager*

7 years of service

Happy Retirement Rob!



Rob Livingstone

Retiring from Horizon Airlines as the Customer Service Manager after 28 years of service

Congratulations Ahmad!



Ahmad Hassan

*Promoted to Delta's
Station Manager in
Albuquerque, NM*

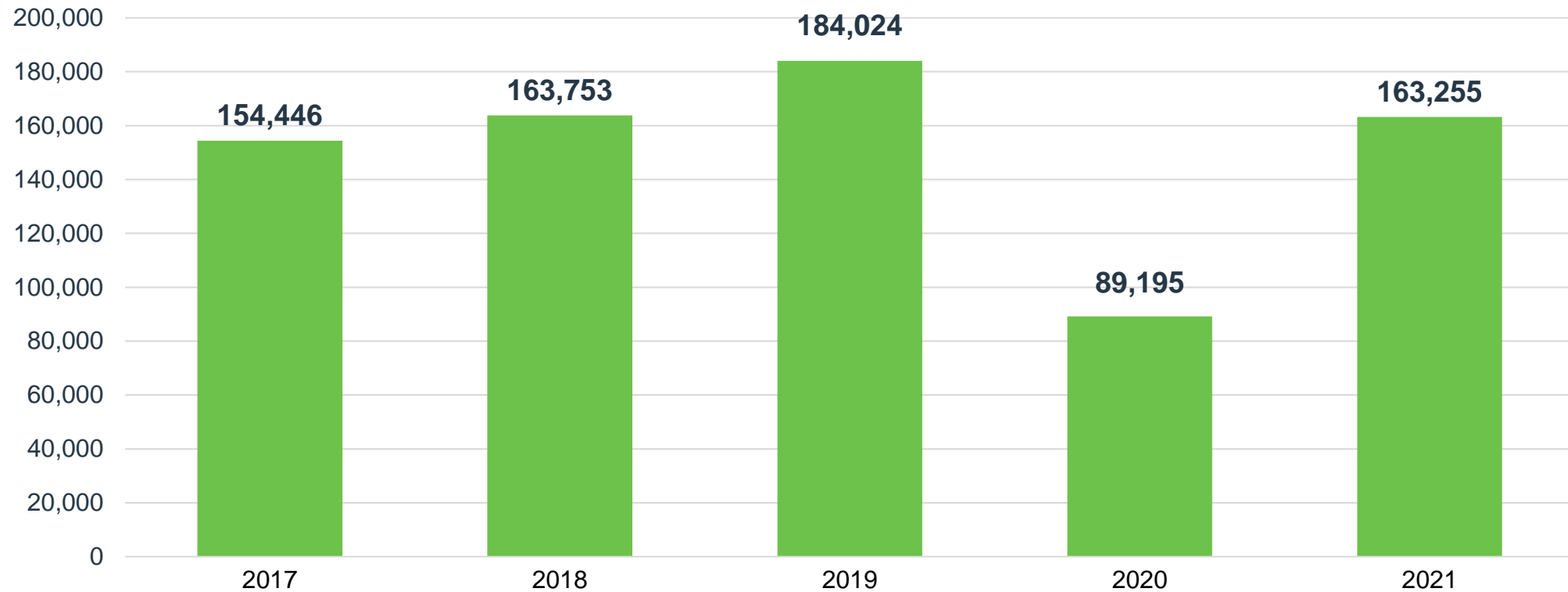
So Lucky to Have Tara Sterling at BOI!



Recognized as the **Most Valuable Player in Retail** for the Mountain Region
Paradies Lagardère

December Enplanements

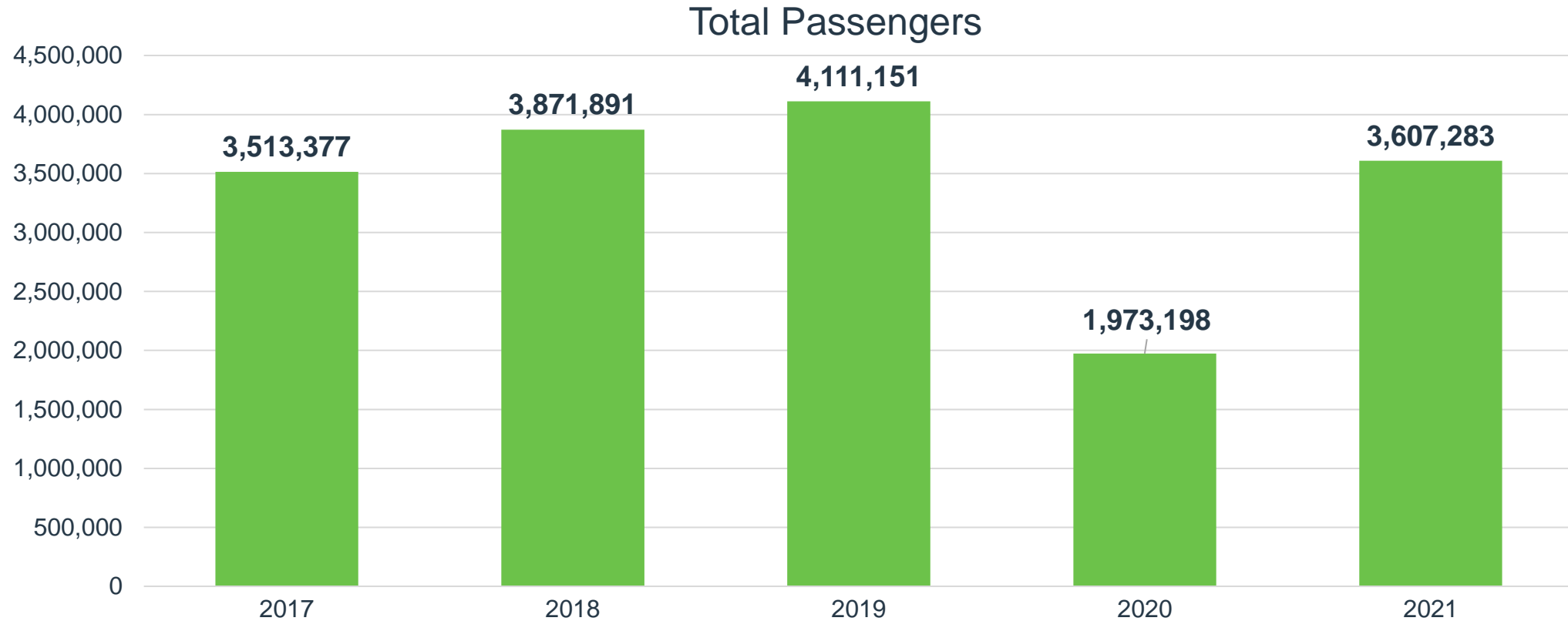
Passenger enplanements for December 2021 were down 12% from December 2019



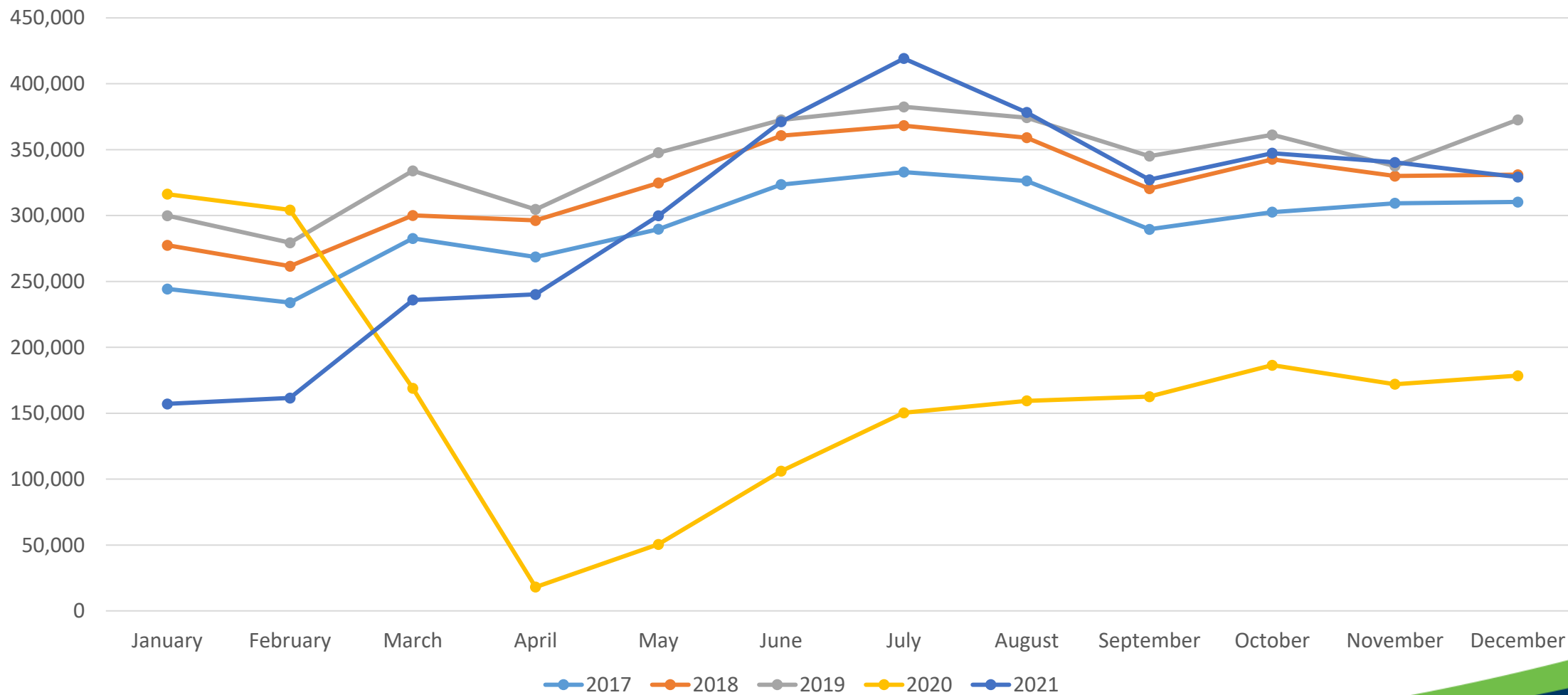
2021 Total Passengers

Up 83% over 2020 (through December)

Down 12% over 2019 (through December)



Historic Monthly Passengers



Top 10 Operating Revenue Description	FY 2022	FY 2021	\$ Change	% Change
Parking Lot	\$ 3,600,999	\$ 1,501,096	\$ 2,099,903	140%
Rental Car Concession	\$ 1,519,014	\$ 907,533	\$ 611,481	67%
Industrial Land Rent	\$ 1,008,565	\$ 985,953	\$ 22,612	2%
Terminal Rent - Airlines	\$ 925,849	\$ 763,315	\$ 162,534	21%
Signatory Airline Landing Fees	\$ 525,546	\$ 611,355	\$ (85,809)	-14%
Terminal Concessions – Retail	\$ 388,868	\$ 165,951	\$ 222,917	134%
Terminal Concessions – Food/Beverage	\$ 290,312	\$ 138,972	\$ 151,340	109%
Landings/Freight	\$ 224,013	\$ 171,491	\$ 52,522	31%
Advertising	\$ 177,160	\$ 189,743	\$ (12,583)	-7%
Terminal Rent – Non-Airlines	\$ 166,669	\$ 146,393	\$ 20,276	14%
Total Top 10 Operating Revenue	\$ 8,826,994	\$ 5,581,802	\$ 3,245,192	--
Other Operating Revenue	\$ 907,862	\$ 561,101	\$ 346,761	62%
Total Operating Revenue	\$ 9,734,856	\$ 6,142,903	\$ 3,591,953	58%

Top 10 Operating Expenses Description	FY 2022	FY 2021	\$ Change	% Change
Personnel	\$ 2,521,425	\$ 2,114,729	\$ 406,696	19%
Indirect Cost Reimbursement	\$ 947,997	\$ 450,924	\$ 497,073	110%
Policing Services	\$ 827,054	\$ 777,277	\$ 49,777	6%
Fire Services	\$ 783,009	\$ 735,520	\$ 47,489	6%
Parking Management	\$ 402,122	\$ 139,480	\$ 262,642	188%
Power	\$ 197,576	\$ 192,130	\$ 5,446	3%
R/M – Fleet Management	\$ 134,568	\$ 79,413	\$ 55,155	69%
R/M – Structural/Electrical/Plumbing	\$ 105,490	\$ 227,236	\$ (121,746)	-54%
R/M – Terminal	\$ 83,679	\$ 16,014	\$ 67,665	423%
Credit Card Fees	\$ 79,108	\$ 35,135	\$ 43,973	125%
Total Top 10 Operating Expenses	\$ 6,082,029	\$ 4,767,859	--	--
Other Operating Expense	\$ 934,138	\$ 928,520	\$ 5,617	1%
Total Operating Expense	\$ 7,016,167	\$ 5,696,379	\$ 1,319,788	23%

The logo consists of three curved, overlapping shapes: a light blue shape at the top, a green shape in the middle, and a darker blue shape at the bottom, all curving upwards and to the right.

Boise Airport

www.iflyboise.com