

**June 15, 2021**

The City Council of the City of Idaho Falls met in Airport Leadership Workshop, Tuesday, June 15, 2021, at the City Council Chambers, 680 Park Avenue in Idaho Falls, Idaho at 7:00 a.m.

Call to Order and Roll Call:

There were present:

Mayor Rebecca L. Noah Casper  
Councilmember Thomas Hally  
Councilmember Jim Francis  
Councilmember Lisa Burtenshaw  
Councilmember Michelle Ziel-Dingman  
Councilmember John Radford  
Councilmember Jim Freeman

Also present:

Rick Cloutier, Airport Director  
Jayme Verish, Airport Assistant Director Operations & Maintenance  
Brook Edwards, Airport Administrative Assistant  
Randy Fife, City Attorney

Phone:

Jack Penning, Volaire Aviation Consultant

Mayor Casper called the meeting to order at 7:00 a.m. with the following items:

**Airport Updates/Terminal Expansion:**

Director Cloutier reviewed the following with general discussion throughout:

House bill passed: The Committee's objective is to study intrastate commercial air service and develop a long-term, viable strategy for sustainable intrastate commercial air service in the state of Idaho. It is likely that a minimum revenue guarantee of at least \$1 million would be needed for Idaho Falls to get through a year of startup and meet profit margin targets for an airline.

[https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2020/interim/210125\\_icas\\_ID%20Intrastate%20Passenger%20Air%20Service%20Study%20\(Final\).pdf](https://legislature.idaho.gov/wp-content/uploads/sessioninfo/2020/interim/210125_icas_ID%20Intrastate%20Passenger%20Air%20Service%20Study%20(Final).pdf)

Construction: 100 contract days left to completion – September 2021. We soft opened two gates upstairs, due to COVID-19 we are struggling to get supplies for construction, furniture, etc. The restaurant is going through new construction as well, as they are investing four hundred thousand dollars (\$400,000) into the infrastructure. Complete kitchen upstairs, total remodel food serving and bar area.

**Ground Transportation Plan:**

Ms. Verish explains the purpose of a Commercial Ground Transportation Plan is to provide commercial ground transportation service providers with operational rules, regulations, and fees to ensure that all persons utilizing the Idaho Falls Regional Airport have a safe, secure, and efficient options for ground transportation services.

Airport Staff have recognized several challenges that would benefit from the adoption of a Ground Transportation Plan, including:

- Loss of Revenue
- Customer Experience
- Safety & Security

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Safety & Security of the public is the number 1 priority of the Idaho Falls Regional Airport.

The Ground Transportation Plan will provide for the following:

- Designated Pick-up/Drop-off Points & Commercial Transportation Provider Holding Area(s)
- Service Provider Permitting
  - Vehicle Standards
  - Operator Standards
  - Operating Rules

Customer Experience will be improved through adoption of the Ground Transportation Plan

- Designated drop off spots for different service providers
  - Taxi
  - Non-Public Bus, i.e. Salt Lake Express
  - Shuttle – Hotel and/or travel companies
- Vehicle and Driver standards to ensure clean, comfortable, safe service from providers
- Fees collected from Ground Transportation Providers will go to curbside improvements and maintenance of infrastructure (roadways, signs, curbs, parking areas, etc.)

Commercial ground transportation providers do not pay fees or contribute to Airport revenue, but continuously operate from the Airport, taking advantage of infrastructure, personnel, and facilities operated and maintained by the Airport.

Rates & Fees for Commercial Ground Transportation Providers

Commercial Transportation Providers will be required to apply for an Airport Permit that must be prominently displayed on each vehicle listed on the application.

Providers must submit regular reports of trips/passengers and associated fees for use of Airport property for commercial activity.

**Financial Update:**

Mr. Rick Cloutier reviewed the FY 2022 Budget

Proposed revenue: \$14,584,500

Total operating expenditures: \$14,577,679

Administration: \$1,697,900

Building maintenance: \$677,000 (add additional staff)

Ground maintenance: \$1,006,500 (add additional staff)

Security: \$546,279

Airport Improvement Plan (AIP): \$10,200,000 (Federal Aviation Administration (FAA) Funded)

Fire: \$450,000

Budget Summary for FY 2022

- Request Increase in FTE to 21
- Currently 19 FTE (17 current)
- Add 3 additional positions 2 additional FTE
- Additional staff
- 2 Custodians
- 1 Business Development Manager
- Combine Building Maintenance Supervisor and Grounds Maintenance Supervisor into one position
- Facilities Supervisor

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Mr. Cloutier noted that comparative to FY 2020 budget major increases is:  
Increased cost of materials and supplies  
Marketing to support new service

**Air Service Development**

Preparing for record capacity and new service

Jack Penning announces Alaska Air Service starts Thursday June 17, 2021. Mr. Penning states that from a budget standpoint, the marketing efforts are working very well as it is paying off. We are selling a lot of seats and filling up the planes.

A record four (4) new routes launch this summer:

Four (4) new routes, two (2) of which have already launched – American Airlines (AA) started Dallas Fort Worth, TX (DFW) and Phoenix, AZ (PHX) on June 3, 2021. Allegiant Airlines (AL), on May 28, 2021 started Portland, OR (PDX) service. Two (2) new airlines – American Airlines (AA) and Alaska Airline (AS). Most routes and most flights in history.

Most available airline seats in IDA history:

Most available seats 34% higher than 2019, 281 more seats every day. 226,000 more seats than 2018, that is a 58% growth since 2018. In March 2019, we were down 14%. In May we had our best month in the history. 75% normal capacity, 5% more than national average for Idaho Falls.



National bookings are back to 50% of “Normal”. March bookings are up 41%, only down 50% from 2020. March bookings at 86% of “Normal”, outperforming average by 36 points. Inaugural flight for June 3, 2021 has sold out ~60% of seats for the summer have already sold, outperforming Alaska Network. Dallas-Fort Worth, TX ~ 50% sold for the summer. American Airlines adding a second daily flight. Phoenix, AZ ~45% sold for the summer.

2021 Campaign Goals:

Three overarching goals:

- Enhance local awareness: IDA best airport in Eastern Idaho
- Promote new flights: Alaska/Seattle, Allegiant/Portland, and American/Dallas and Phoenix
- Reach those actively searching.

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Alaska Airlines Campaign:

Idaho Falls Regional Airport (IDA) – Seattle-Tacoma International Airport (SEA) flights launch June 2021  
\$60,000 total budget

Alaska Airlines placing marketing directly

- Alaska brand-focused ads
- Awareness and inspiration
- Media plan developed with IDA input

Allegiant Campaign:

IDA-PDX flights launched May 28, 2021

- \$15,000 available
- IDA placement / Allegiant assets
  - Allegiant brand-focused ads
  - Awareness campaign
  - Utilizing local vendors.

American Airlines Campaign:

Dallas Fort Worth (DFW) and Phoenix Sky Harbor (PHX) launched June 3

- \$100,000 for marketing (\$50,000 per destination)
- IDA placement of AA creative elements
  - American brand-focused ads which tie into the national campaign
  - Both awareness and inspiration
  - Local and out-of-market strategy
  - Launched mid-April.

All-Inclusive Airport Campaign:

Theme: “IDA: Best Choice in Eastern Idaho”

- Promotes all carriers indirectly while keeping the awareness up to the region.
- \$40,000 budget
  - TV/Radio/Billboard/Digital (Sojern) and Social Media
  - Certain elements currently running (TV/Radio/Billboard) while other elements staggered to fill in during shoulder seasons.

The meeting adjourned at 9:00 a.m.

s/ Brook Edwards

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Brook Edwards – Airport Administration

s/ Rebecca L. Noah Casper

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Rebecca L. Noah Casper, Mayor