

Wyoming Air Service Update



Per W.S. § 10-3-602(C), 10-7-104

- Director K. Luke Reiner's Opening Comments
 - Effects of COVID-19
 - Construction
 - Budget
 - Upcoming Challenges



Wyoming Air Service Update



1. Statewide Figures (Calendar Year 2020)
2. COVID-19 Impacts
3. Air Service Enhancement Program (ASEP) Update
4. Commercial Air Service Improvement Act/Capacity Purchase Agreement (CPA)
5. Air Service Return on Investment (2020 Update) Mead and Hunt

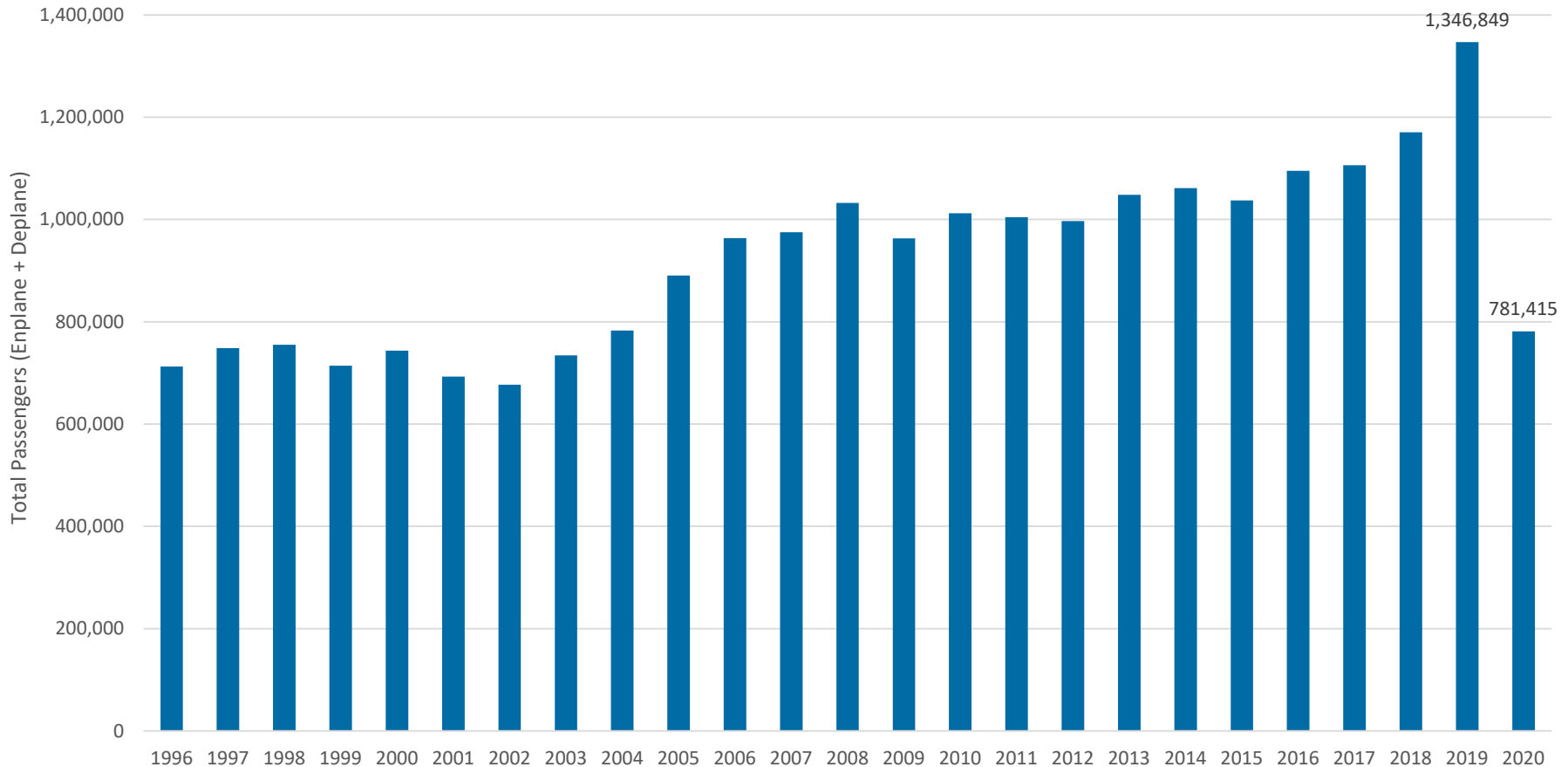


Wyoming Air Service Update

Total State Passenger Levels Through CY 2020



Total WY Passengers

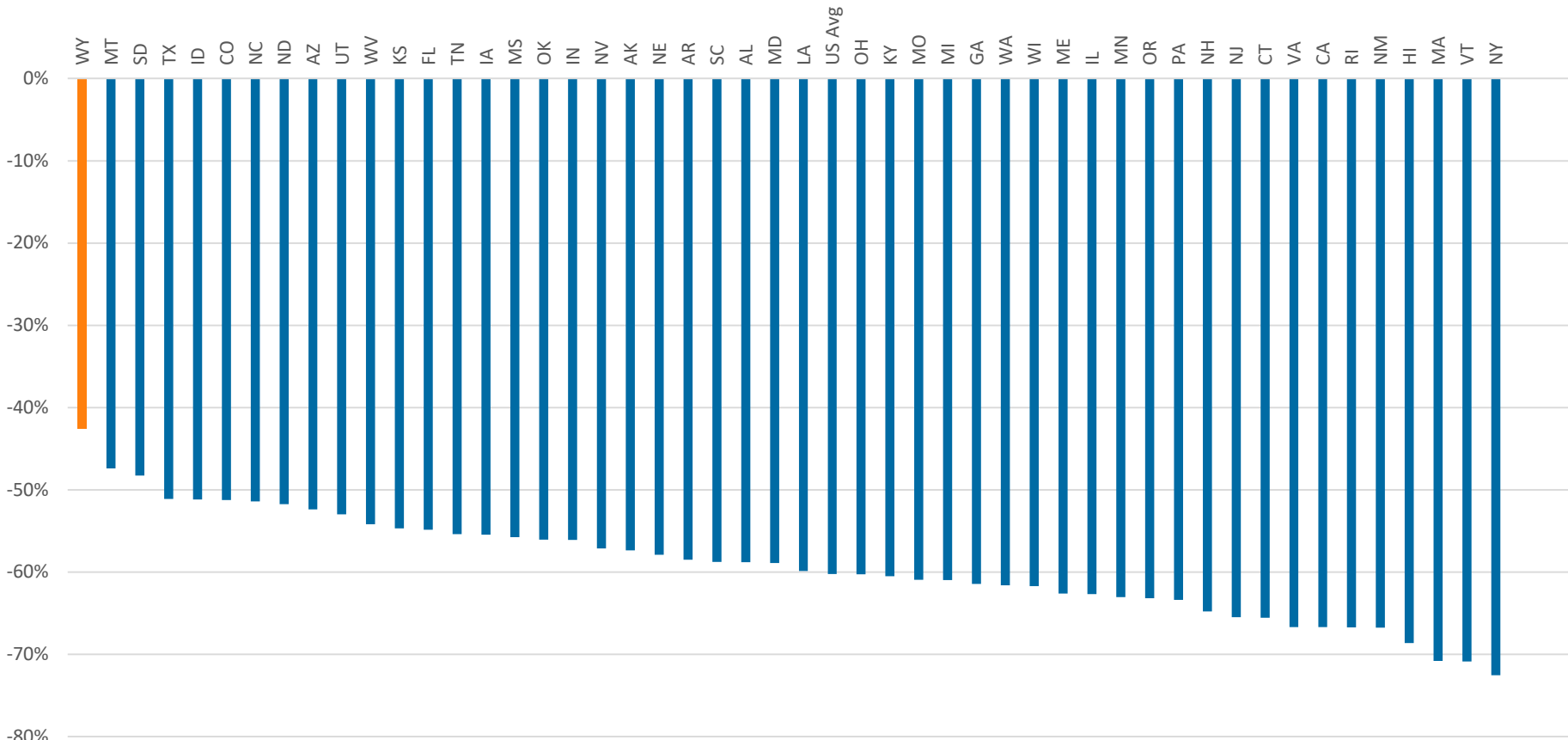


Wyoming Air Service Update

Total State Passenger Levels



% Change in Enplanements 2019/2020



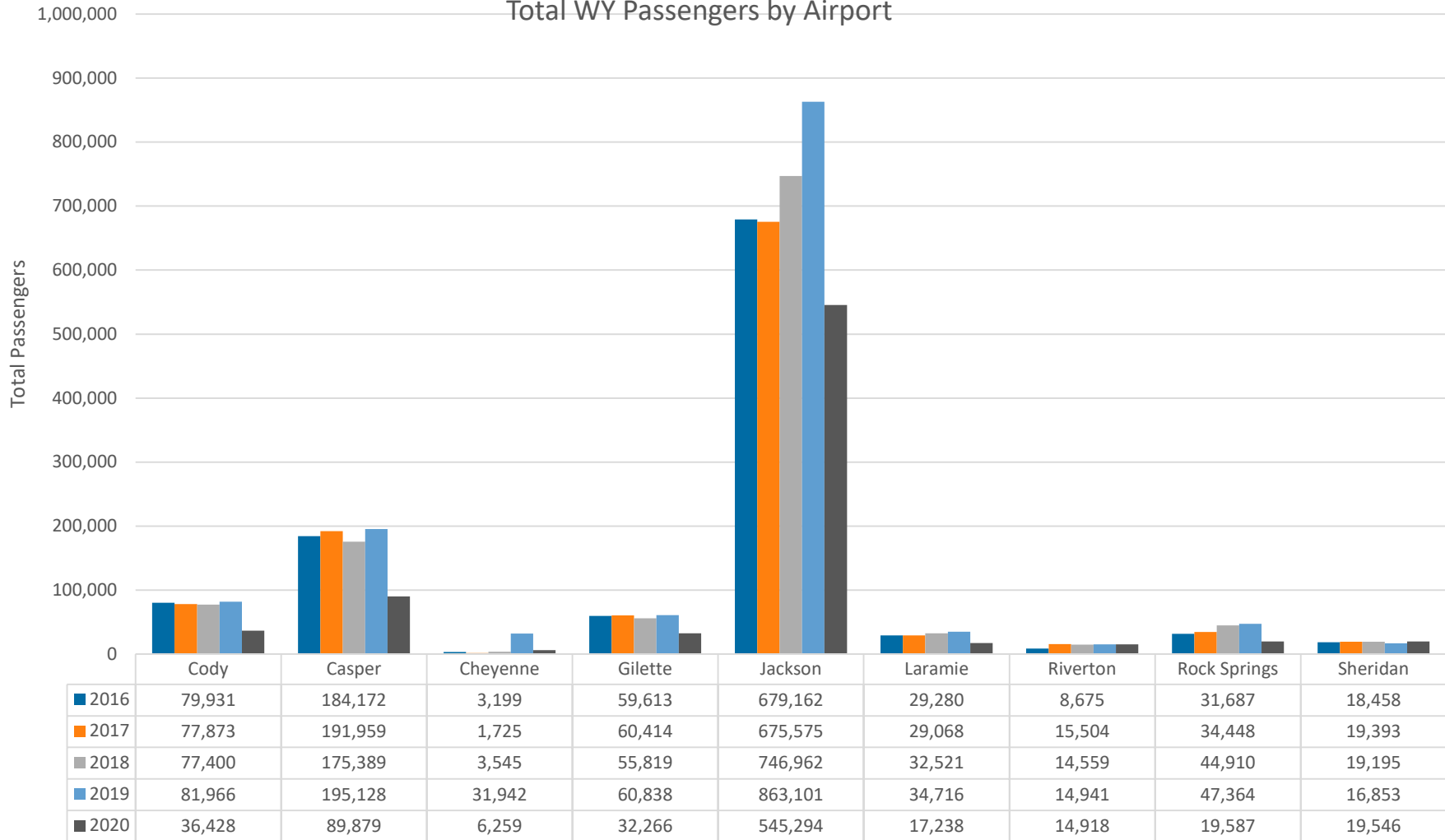
Source: FAA Preliminary Enplanements

Wyoming Air Service Update

Total State Passenger Levels – Calendar Year



Total WY Passengers by Airport



Wyoming Air Service Update



Trends of 2021

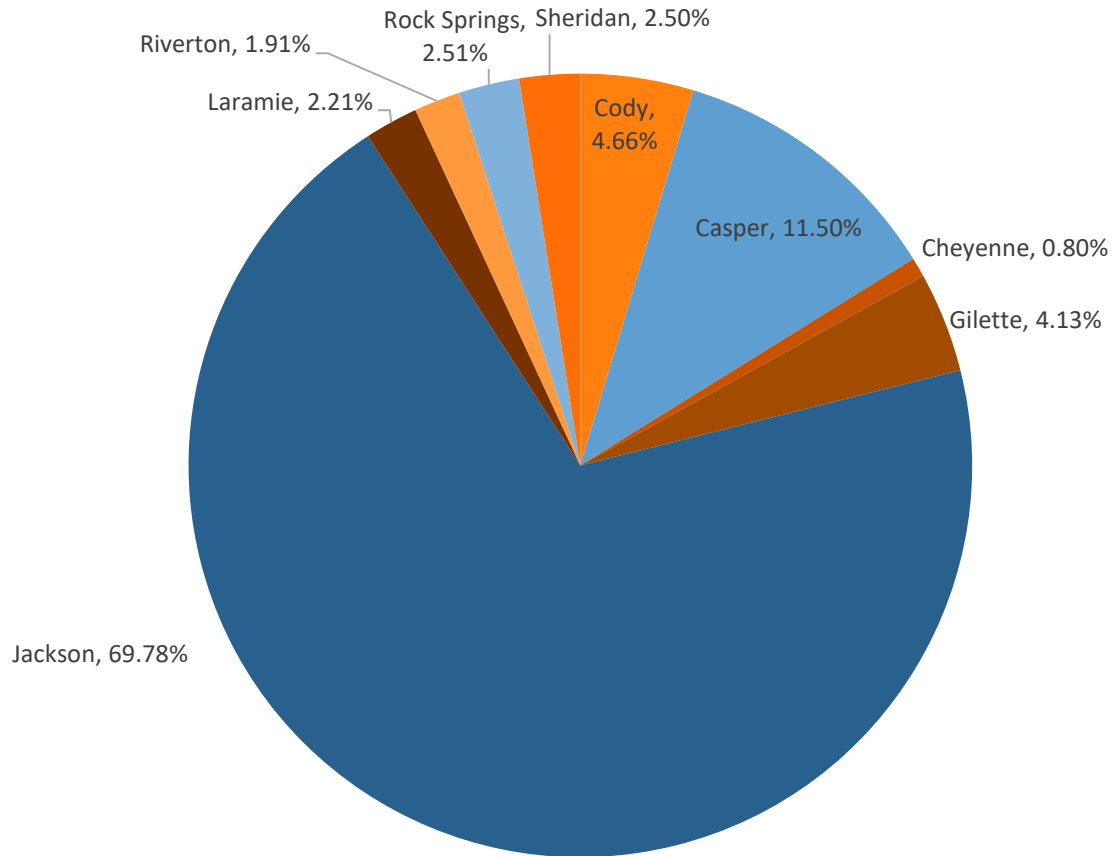
- Traffic heavily favors leisure markets
 - Jackson and Sheridan have benefitted
- Business traffic has been slow to recover and continues to be slow
 - Hurts Casper, Gillette and Rock Springs
- Yields and average fares have dropped
 - Makes additional service less appealing
- WY markets heavily dependent on business traffic may struggle to expand service

Wyoming Air Service Update



Percentage Share of Total Passenger Traffic

Share of Total WY Passengers by Airport – CY 2020

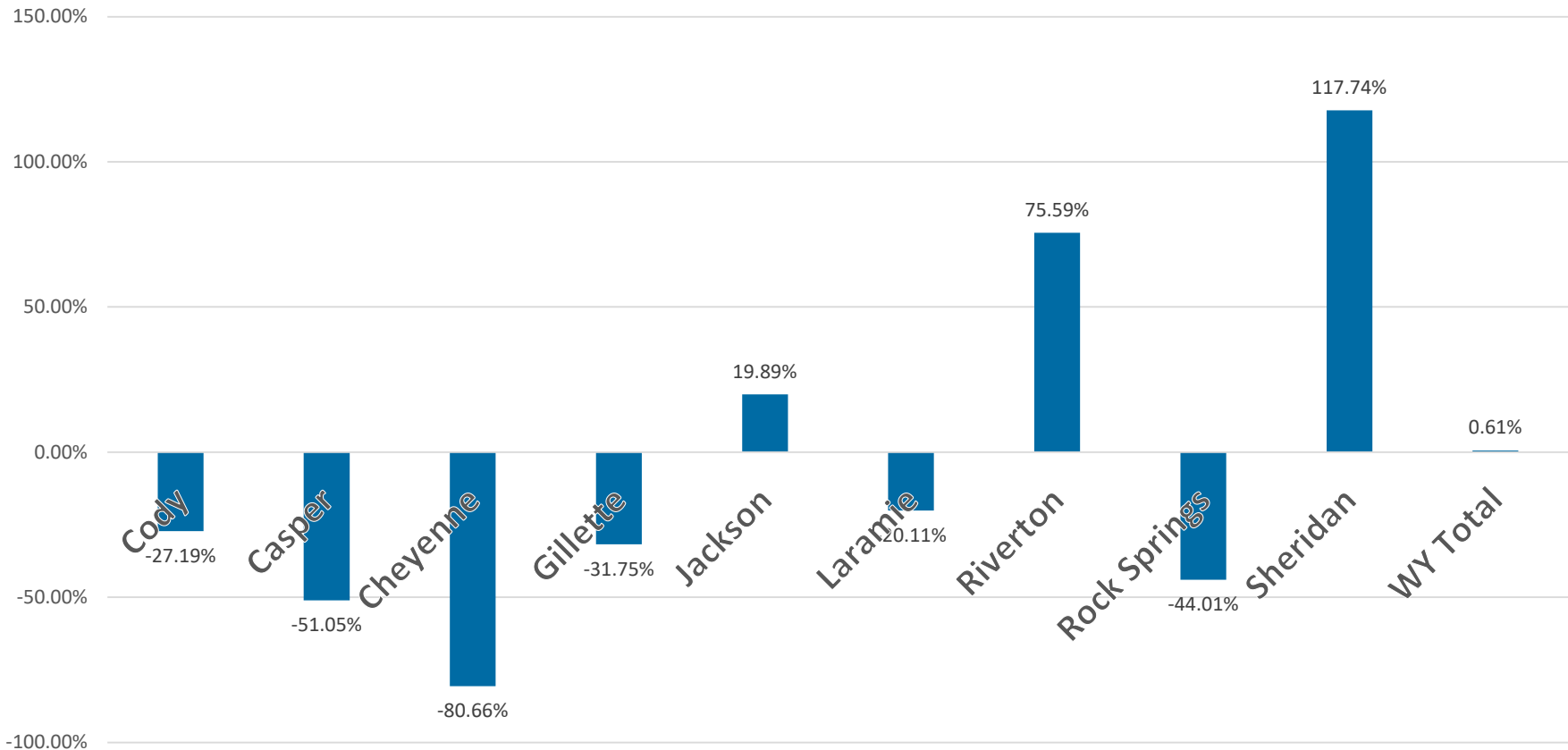


Wyoming Air Service Update

State Passenger Levels – First Six Months of Calendar Year



Percentage Change in Passengers 2021/2019
January - June



Wyoming Air Service Update

Booking Trends through July 2021



Nationally

- Leisure traffic surpassing 2019 levels – for now
- Corporate and business traffic expected to be down -40% to -50%
- Business-centric markets remain down
- 1st quarter fares down 27% from 2020

Wyoming

- Originating (resident) traffic has rebounded to 71% of 2019 levels
- Visiting (nonresident) traffic has increased to 131% of 2019 levels

- 76+ seat regional jets have gained popularity – in larger markets
 - Translates into fewer aircraft available for markets
 - Higher opportunity costs as travel rebounds
 - Operating costs are markedly more important with leisure traffic
- The Capacity Purchase Agreement (CPA)
 - Not just about cost savings
 - Backstop for retaining commercial service in a volatile travel environment
 - Securing resources for Wyoming

Air Service Enhancement Program (ASEP)

Fiscal Year 2021 Grants



FY 2021	Cheyenne Regional Airport (CYS) UA	Jackson Hole Airport (JAC)	Jackson Hole Airport (JAC)
Airline	United Express Operated by SkyWest	American Airlines	Delta Airlines
Original Term	November 11, 2020 - April 14, 2021	December 18th, 2020 - April 6th, 2020	December 18th, 2020 - April 6th, 2020
Amended Term	-	December 18th, 2020 - March, 25, 2020	December 18th, 2020 - March, 25, 2020
State Percent Match	60%	40%	40%
State Grant	\$527,551	\$350,000	\$150,000
State Dollars Expended	(\$313,345)	(\$350,000)	(\$150,000)
State Dollars Recovered	\$214,206	-	-
Local Dollar Match	\$351,701	\$525,000	\$225,000
Local Percentage Match	40%	60%	60%
Passengers	3,984	44,476	21,388
State Cost/Passenger	\$78.65	\$7.87	\$7.01

Capacity Purchase Agreement

Fiscal Year 2021 Expenditures



CPA FY 2021	Gillette - Northeast Wyoming Regional Airport (GCC)	Riverton - Central Wyoming Regional Airport (RIW)	Rock Springs - Southwest Wyoming Regional Airport (RKS)	Sheridan County Airport (SHR)
Term	July 1, 2020 - June 30, 2021	July 1, 2020 - June 30, 2021	July 1, 2020 - June 30, 2021	July 1, 2020 - June 30, 2021
State Percent Match	60%	60%	60%	60%
State Grant	\$824,089	\$1,047,831	\$765,980	\$1,096,884
State Dollars Expended (With CARES)	(\$506,372)	(\$578,451)	(\$614,170)	(\$596,592)
State Dollars Recovered	\$317,718	\$469,380	\$151,810	\$500,292
Local Dollar Match	\$494,454	\$419,132	\$306,392	\$438,754
Local Dollar Percentage Match	40%	40%	40%	40%
Passengers	36,679	20,417	21,445	29,259
State Cost/Passenger	\$13.81	\$28.33	\$28.64	\$20.39

Capacity Purchase Agreement



- CPA Highlights

- Retained service over COVID-19 and allowed rapid addition of service as markets improved
- Sheridan and Riverton were the only two airports in the 48 contiguous US to gain traffic in 2020
- Sheridan and Riverton had record enplanements in June (2021)

Capacity Purchase Agreement



Working as Intended

- More passengers, lower cost
 - 64% reduction in cost per passenger in Riverton and Sheridan combined
 - 57% more passengers
 - 10% reduction in overall costs (before CARES)

Total Cost Per Passenger		
	FY 2019	FY 2021
Sheridan	\$ 82.11	\$ 28.50
Riverton	\$ 100.52	\$ 38.33

Capacity Purchase Agreement



CARES Act

- \$4.2 Million in relief to the Capacity Purchase Agreement (CPA), authorized by the Governor's Office for use on additional expenditures realized by COVID-19
 - State and local
 - For use between March 2020 and December 2020
 - Offset 67% of related costs
 - Returned \$1,324,039 to the state



Airport Improvement Projects

New Laramie Terminal (Completed)



Airport Improvement Projects

Sheridan Terminal Rehabilitation and Expansion



Airport Improvement Projects



New Rock Springs/Southwest Wyoming Regional Airport Terminal



Airport Improvement Projects



Other Significant Projects

- Casper
 - Rehabilitate and Repair Apron
 - New ARFF Training Facility
- Cheyenne
 - Main Runway Reconstruction
- Cody
 - Improve Runway 4 Approach
- Jackson
 - Runway Reconstruction Spring/Summer 2022