

MINUTES
Approved by the Committee
Intrastate Commercial Air Service Committee
Friday, August 07, 2020
9:00 A.M.
Room EW42
Boise, Idaho

Cochair Johnson called the meeting to order at 9:00 a.m.; a silent roll call was taken. Members in attendance (in-person): Cochair Senator Dan Johnson, Jeff Marker, Bill Connors, Scott Turlington, and Gary Peters; (via video conference) Cochair Representative Caroline Nilsson Troy, Shanon Taylor (for Jeff Newgard), Carol Waller, Scott Kennedy, and Rebecca Hupp; absent: Rick Cloutier. LSO staff: Ryan Bush (via VC), Jennifer Kish, Christine Otto. Attendance of audience members was not recorded.

NOTE: presentations and materials distributed to members are posted to the Idaho Legislature's website: <https://legislature.idaho.gov/sessioninfo/2020/interim>; and copies of those items are on file with the Legislative Services Office located in the State Capitol.

The cochairs had brief opening remarks on the charge of the committee per [SCR 125 \(2020\)](#) and the importance of commercial air for intrastate travel. Cochair Johnson noted that many of the committee members had prepared presentations per their experience/interest on intrastate air travel.

At 9:05 a.m., Jeff Marker, Administrator for the Idaho Division of Aeronautics, started the meeting off with his presentation [Idaho Commercial Air Service](#).

Bill Connors, President & CEO of the Boise Metro Chamber of Commerce, followed with his presentation [Air Service Survey Results Overview](#). Mr. Connors emphasized the importance of Idaho communities, and therefore businesses, to connect with other Idaho communities and other states.

Shanon Taylor, Sr. VP of Administration & Operations for the Bank of Idaho, attending for Jeff Newgard, President and CEO, emphasized the need to better connect the regions of Idaho.

Scott Turlington, President of Tamarack Resort, added his comments on the necessity of connecting Idaho's smaller cities, especially in light of travel limitations due to road construction, winter weather conditions, and the general length of the state.

Rebecca Hupp, Boise Airport Director, provided her presentation [Intrastate Commercial Air Service](#). She also added comments shared by Rick Cloutier, Idaho Falls Airport Director, in his absence, that both directors had similar thoughts and observations about the current impacts on flight travel. Mr. Cloutier cautioned the committee to be mindful that the small community air service development grants are awarded to each state and to be conscientious of others airports' needs.

Carol Waller, Executive Director of Fly Sun Valley Alliance, had a presentation on the [FSVA Air Service Program](#).

- Cochair Johnson asked Ms. Waller to comment on what it would mean to her community to have a direct flight to Boise. Ms. Waller reported that her community did have service to Boise approximately ten years ago, but there did not exist enough business/desire to travel for Alaska Airlines to continue. She felt that the traffic to Boise was most often for the purpose of connecting to another airport.

Scott Kennedy, Government Affairs Manager for Alaska Airlines, provided his presentation [Alaska Airlines - State of Air Travel](#).

Gary Peters, Director for the Lewiston-Nez Perce Regional County Airport, provided his presentation on [Northern Idaho's Role in the State Air Travel System](#) focusing on inventory within Idaho and the influence of different carriers on capacity loads.

At 10:38 a.m., Cochair Johnson invited individuals signed in for public testimony to provide comments. There was only one individual: Brody Aston, representing Enterprise car rental, who explained that the rental companies were tied intricately to airports and expressed a desire for rental companies to be included in the discussion. Mr. Aston reported that the industry was not in favor of additional fees that would assist airports if at the expense of the rental industry. Cochair Johnson explained to the committee that there had been an idea bantered to add a fee to car rentals only at airport locations but the idea was not considered last session.

At 10:45 a.m., the committee moved to the discussion portion of its agenda. Cochair Johnson reminded the committee that SCR125 gave the committee authorization to retain the services of a consultant or analyst to assist with its work, if needed. Committee members surmised that a professional consultant(s) would be helpful to the committee, especially from the aviation industry and or marketing needs for intrastate expansion. Cochair Johnson theorized that committee members had better knowledge of experts within the industry and offered that the legislative members and LSO staff could provide the contract language to secure approval and funding for a consultant(s). Ms. Hupp offered to put together a short-list of candidates as consultants and offered to draft language as to the scope of work that a consultant would provide, such as a demand analysis, a cost analysis, and other opportunities.

- Cochair Johnson asked Mr. Kennedy to expound on new service risks for intrastate service. Mr. Kennedy explained that, regardless of current circumstances, a company had to consider costs and how to spread cost efficiently across the use of aircraft to ensure sustainable demand. He cautioned that grants were limited, airports may not be able to accommodate increased service, and the changes in available aircraft and seat count affect the ability to maintain a sustainable demand.
- Mr. Turlington commented how the limit of road access and limitations on travel due to road work impacted areas within the state. He also acknowledged the increase in population that was affecting road travel; as such, the city of McCall was lengthening/expanding the distance between the taxiway and runway to 400 feet, which is a requirement for commercial air service.
- Mr. Connors asked whether connectivity of certain cities due to a connection between businesses was a viable piece of data to consider (e.g., Regence Blue Shield operates in Lewiston and Boise). He wondered whether that information should be included in the scope of work requested from a consultant. Ms. Hupp suggested that a business consultant, rather than an aviation consultant, would provide expertise on that topic and possibly a state entity (e.g., Boise State, University of Idaho, Department of Health and Welfare, Department of Commerce, etc.) would be the best candidate to provide intrastate travel data.
- Mr. Marker asked whether the recent approval by the FFA to allow passenger aircraft as cargo carriers would assist in the sustainability of intrastate routes. Mr. Kennedy remarked that it was helpful, but in reality, the carriers wanted to see passengers on those planes, because many carriers had a separate cargo line of aircraft also.
- Ms. Hupp surmised that other airport directors/administrators would provide a SWOT (strength, weakness, opportunity, threat) analysis to the committee; she inquired whether the committee wanted each analysis to be on intrastate air travel per that director or on each airport per that community.
- Cochair Johnson encouraged members to discuss needs with other businesses that would make use of the intrastate travel. He also vocalized the opportunity to add ad hoc members to the committee if warranted.

The meeting was adjourned at 11:20 a.m.