



# Yakima Air Terminal McAllister Field

Aviation Demand Forecast  
Workshop

October 13, 2011

**URS**



# Today's Agenda

- What is happening at YKM that is different from FAA's assumptions?
- What are the national trends for commercial air service?
- What is the outlook for regional airlines?
- What is the future for general aviation?
- What are the FAA's forecasts for YKM?



# What Is The Purpose

- FAA forecasts activity in it's annual Terminal Area Forecast (TAF).
- The TAF is a 30,000 feet look.
- FAA considers the TAF "The Forecast".
- Any variation must be justified.
- We need to examine the YKM situation.

# Commercial Aviation

- Major airline activity.
- Commuter or regional airline activity.
- Air cargo service.





# Factors Influencing Commercial Air Travel Today

- Fuel prices are rising
- The aircraft fleet does not include new regional jets.
- Airlines are increasingly joining Global Alliances.



# What You See When You Fly

- Fuller flights- airlines have reduced capacity. They are leaving aircraft on the ground.
- Higher fares - The airlines are not trying to spur demand through “deep discounts.”
- More service fees – Excess baggage fees on the first bag, charges for “preferential” or advanced seat assignments, etc...



# What You See When You Fly

- Reliance on alliances rather than on growing the airline.
- Traditional “low fare” airlines like Southwest are less likely to open new markets.
- A new category of air carrier is emerging – Travel Companies. The best example is Allegiant Airlines.

The air carrier business remains in a state of flux.



# FAA Forecast Factors

- Weakened US dollar and high energy costs.
- Global recession.
- Lack of fuel efficient commuter jet aircraft.

These factors will dampen growth





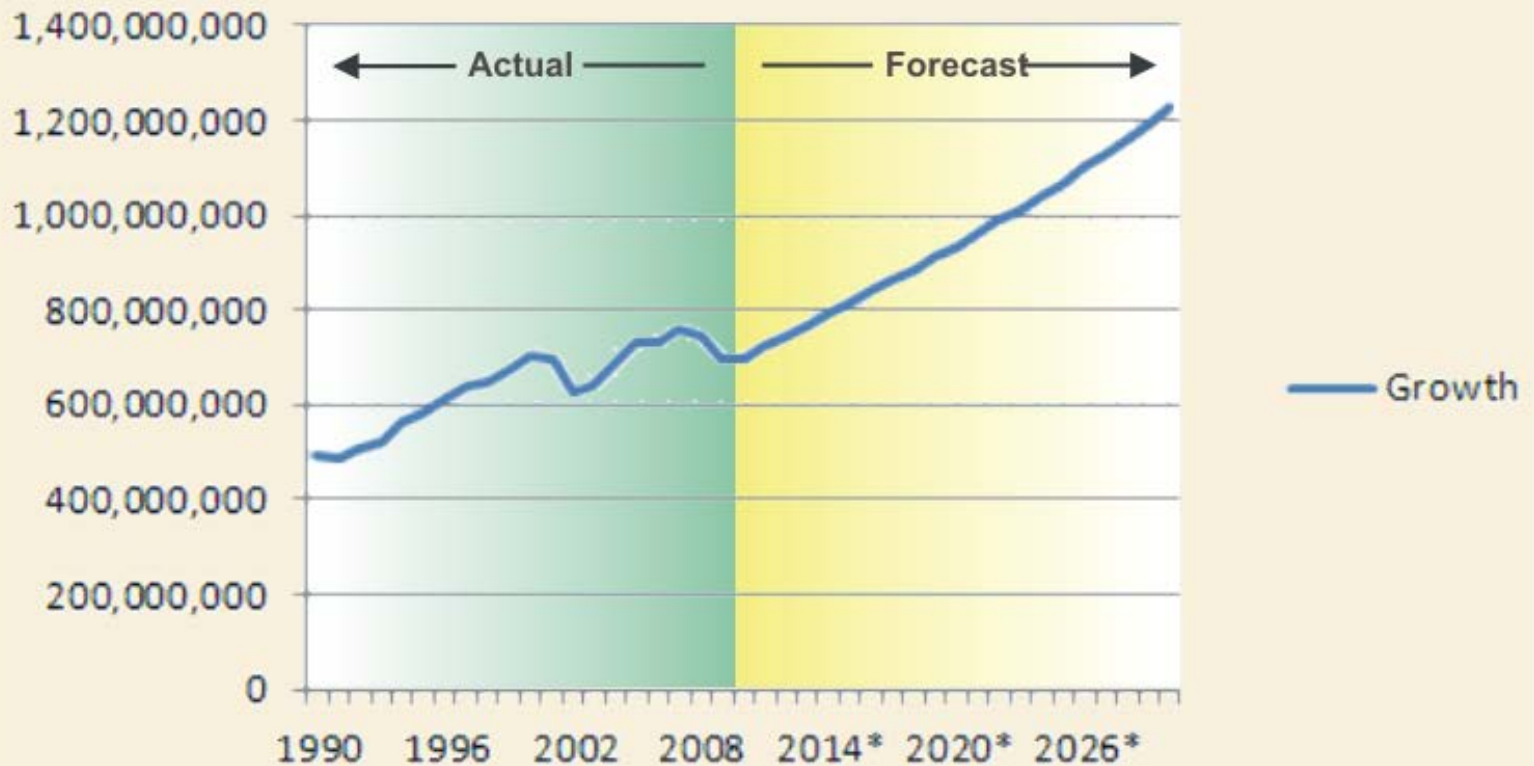
# Other Forecast Assumptions

- Demand will increasingly be airline driven, not market driven.
- “Service” fees will expand.
- Airline schedules will include more off-peak flights.
- Eventual implementation of NextGen air traffic control could increase efficiency.



# TAF Forecast For Annual Enplaned Passengers - Nationwide

## TAF Growth in Annual Pax - Nationally

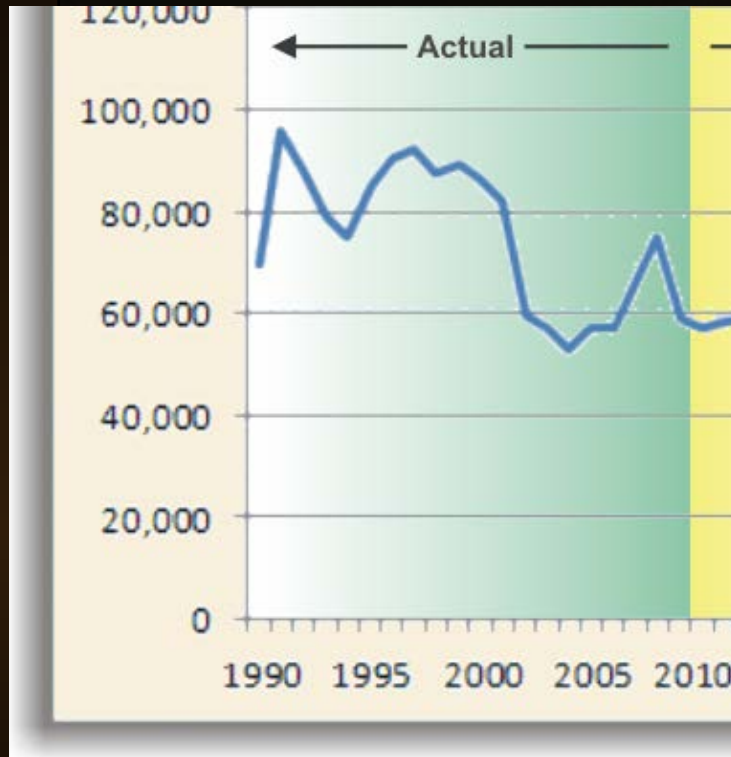




# YKM's Advantages

- A potential market that exceeds 200,000 enplaned passengers per year – 150,000 are driving to other airports.
- Historically solid and dependable passenger levels.
- Low cost airport attractive to carriers.
- Quick turn-arounds are possible at YKM.
- A healthy local economic climate.

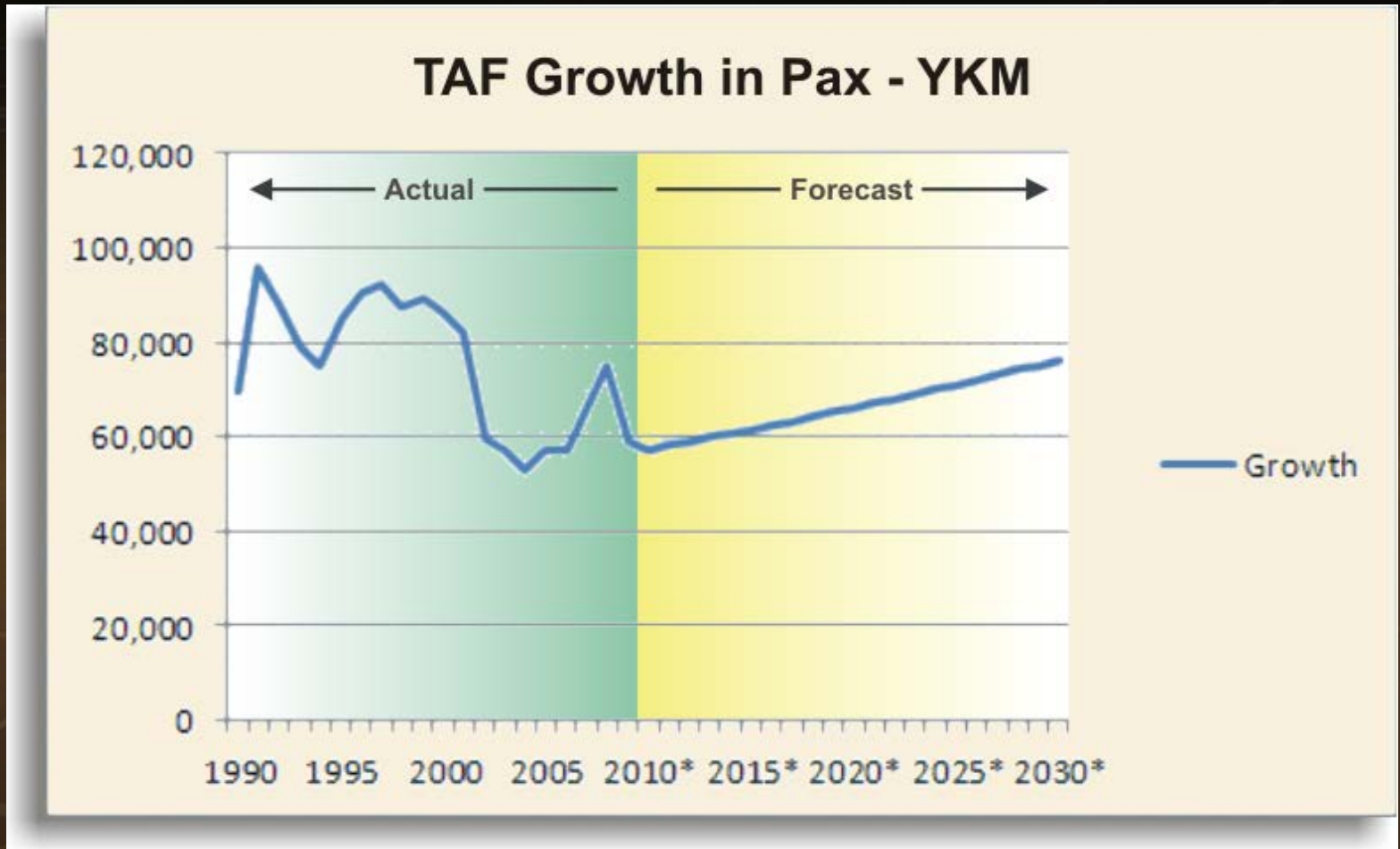
# Historical Passenger Levels



- Passenger levels haven't recovered to pre-9/11 levels.
- Delta service in 2008 "created" 15,000 additional annual enplanements.
- Base level seems to be 55,000 to 60,000 annual enplanements



# Enplaned Passengers At YKM



# What Does This Mean To Yakima?

- YKM will likely remain a “commuter” airport with destinations limited to Seattle.
- Horizon will fly full airplanes – even if they have to cut flights.
- Attracting new airlines will be more difficult – at least without subsidies.



# What Local Factors Will Influence Passenger Growth at YKM?





# General Aviation

- All private aviation except commercial and military.
- Aircraft range from Boeing Business Jets to single-engine piston aircraft.
- 78% of all activity at YKM is general aviation.





# FAA Forecast Factors for GA

- Fuel prices – AvGas now costs more than \$6.00 a gallon.
- Aircraft Fleet – Production of small piston airplanes is down. Most growth is in the “corporate” category.
- Pilot Training –Commercial and IFR is up.



# FAA Forecast Factors for GA

- Overall GA activity is down nationally.
- Sport Pilot Certificates are increasing.
- Traditional GA aircraft are aging (most are 1950 and 60 vintage).

The GA environment is increasingly centered on business aviation



# Look To the Future

- Fuel cost likely to remain high.
- AvGas availability remains in danger.
- GA aircraft manufacturing likely to continue to be slow.
- Tax advantages to owning GA aircraft could expire.
- No “innovative” approaches to private aircraft.



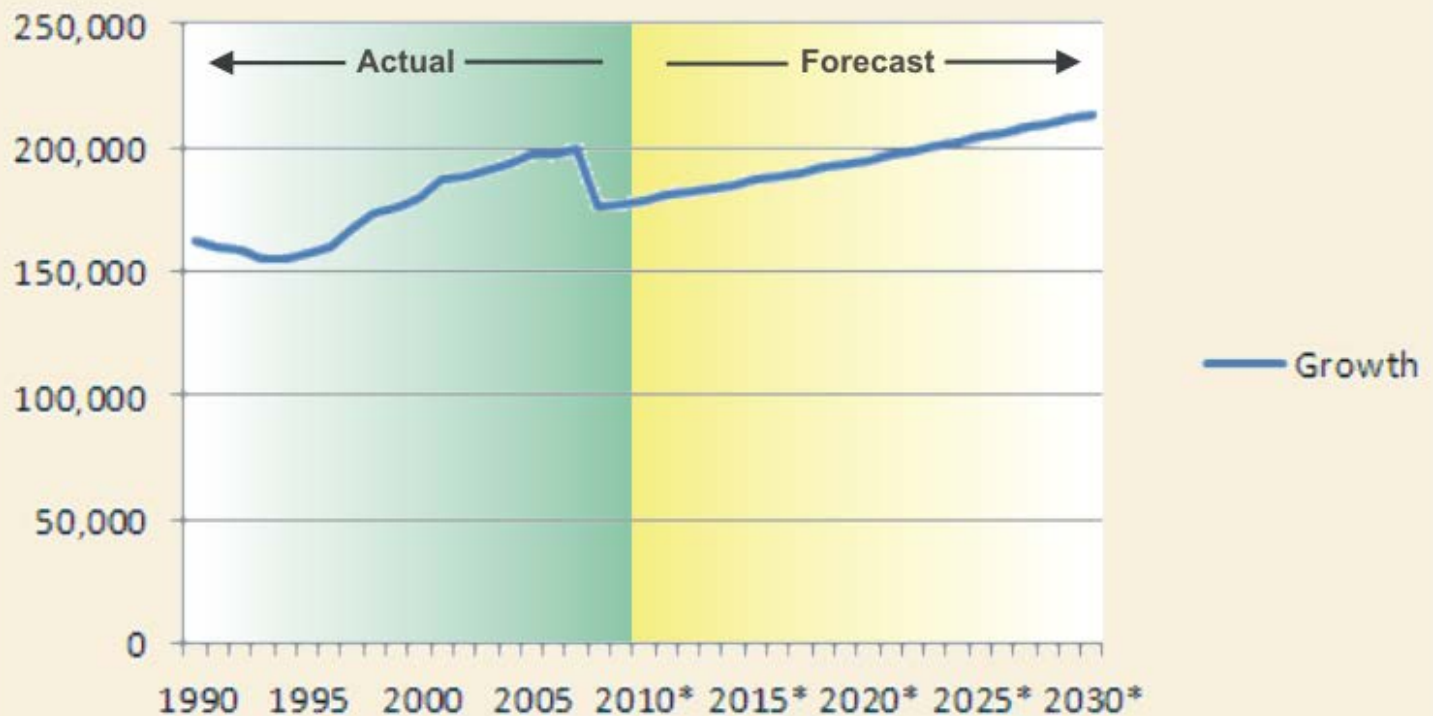
# Future Factors

- More business flying – less recreational or pilot training activity.
- Gradual reduction in the GA fleet as older aircraft are retired and not replaced.
- Hangar prices could drive the “casual pilot” out of the market.



# FAA Forecast of Based Aircraft Nationwide

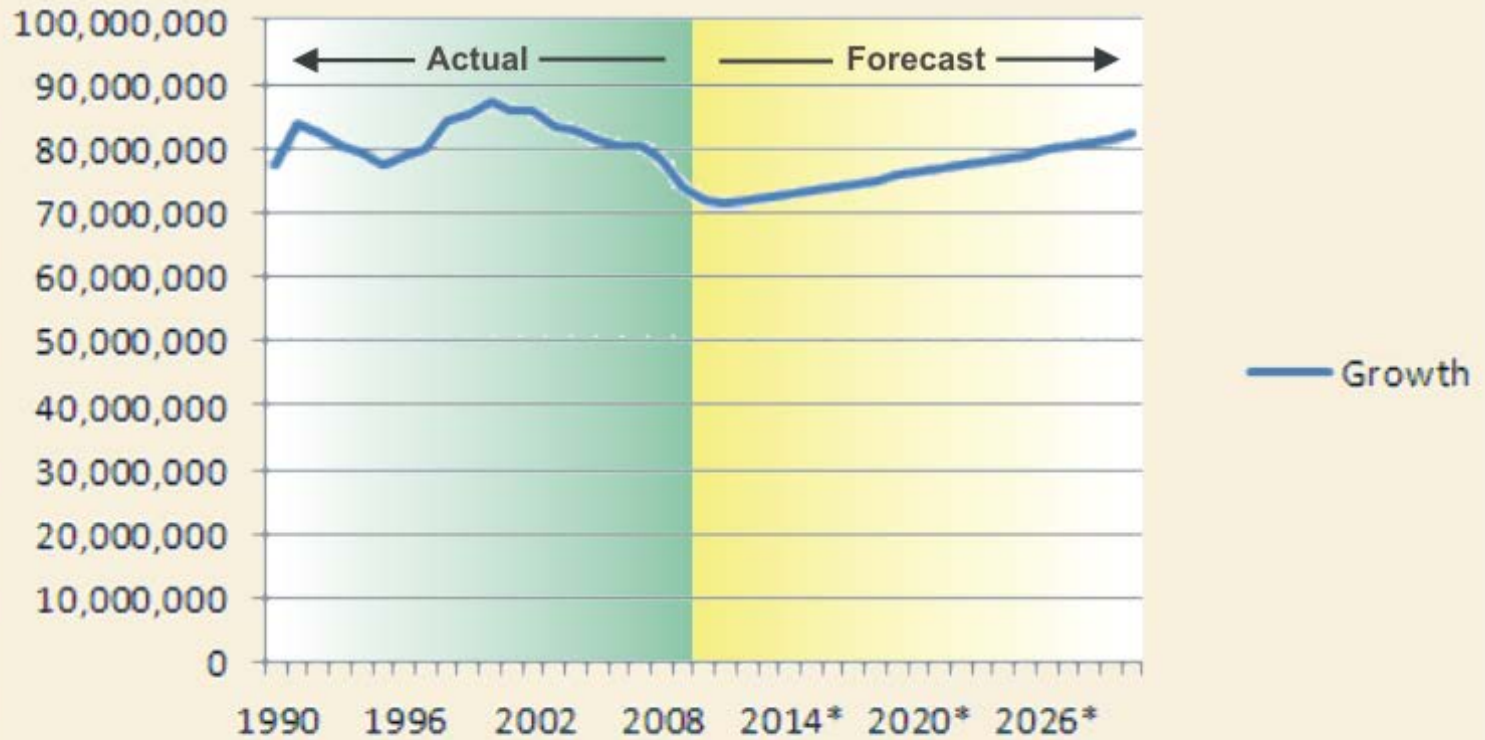
## TAF Growth in Based AC - Nation





# FAA Forecast of GA Operations Nationwide

## TAF Growth in GA Ops - USA

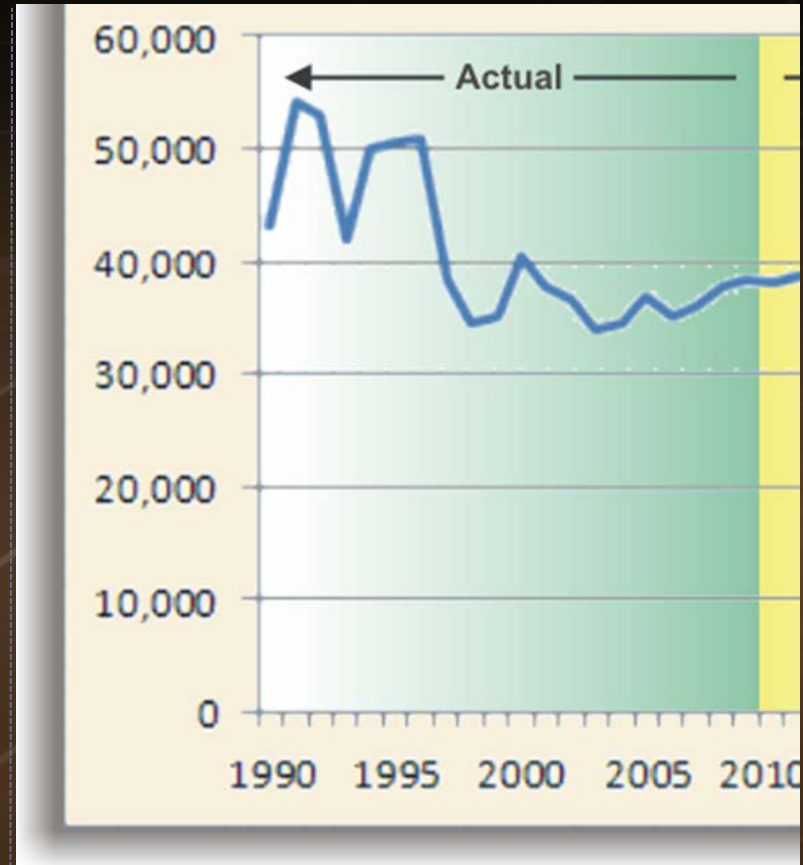
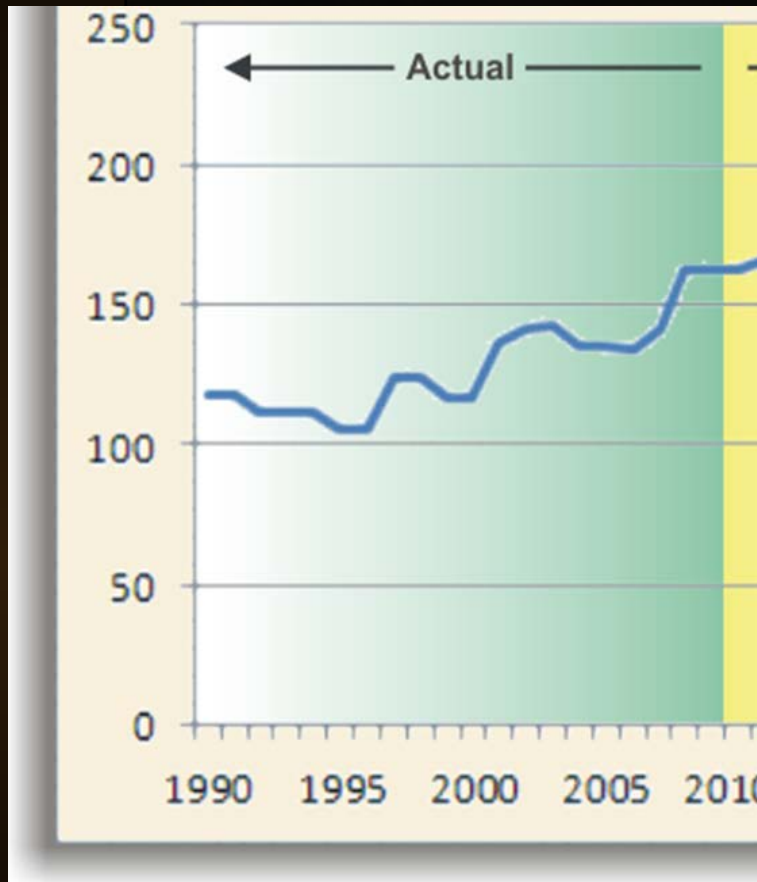




# General Aviation Historical Activity

- Operations have been decreasing – based aircraft increasing.
- Operations have some stability after 2005.

# Based Aircraft Compared With GA Operations

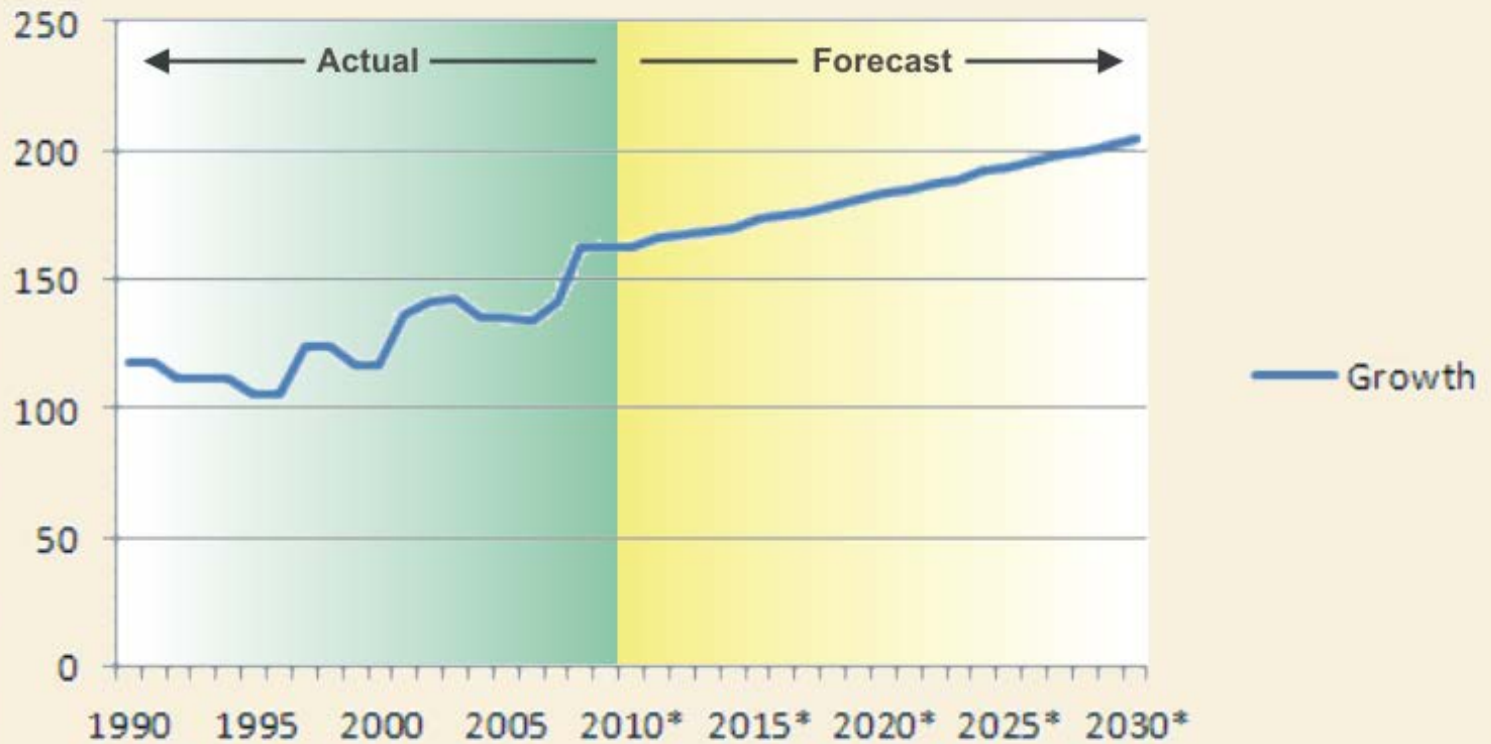






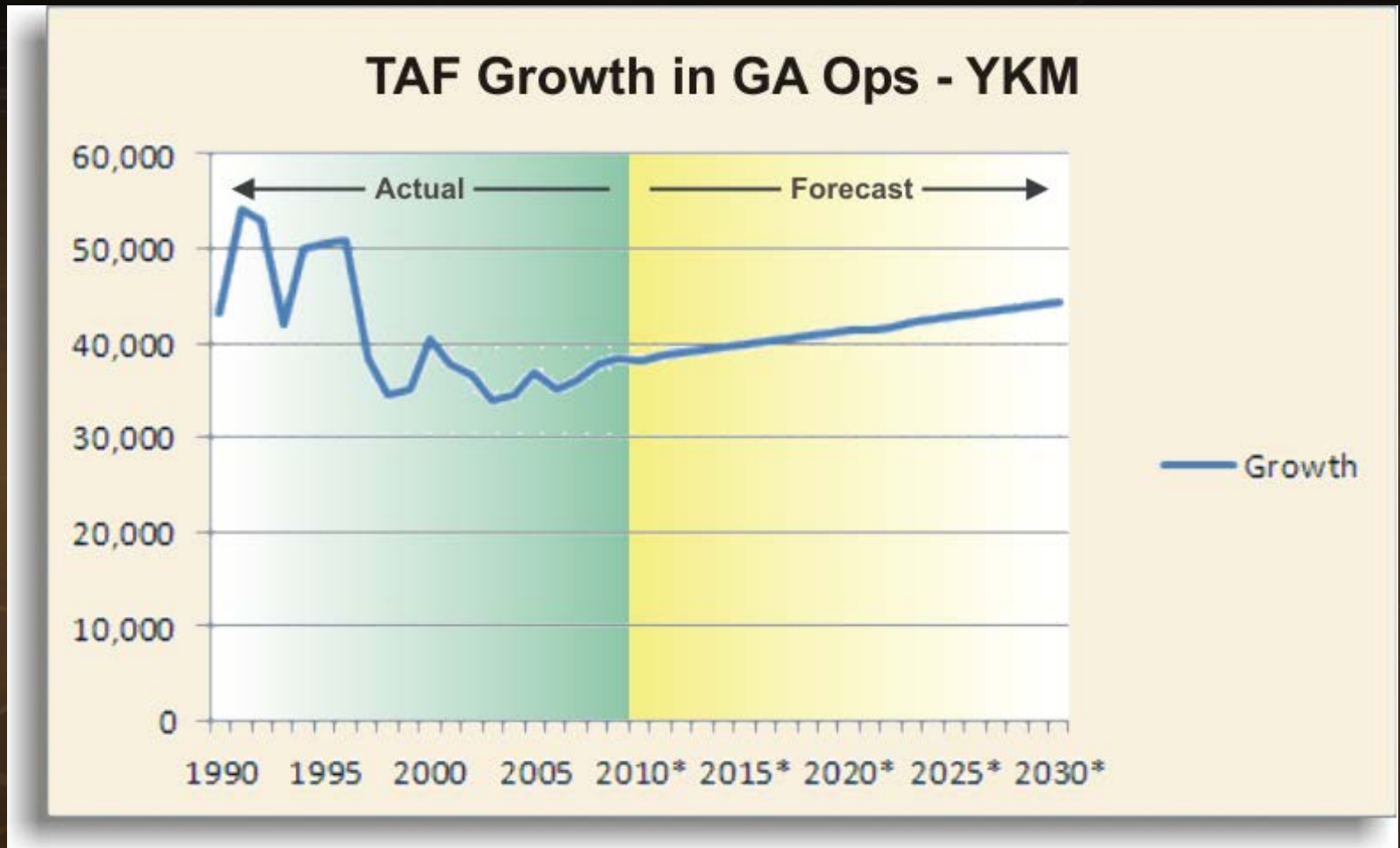
# FAA Forecast of Based Aircraft at YKM

## TAF Growth in Based AC - YKM





# FAA Forecast of GA Operations at YKM





# How Does YKM Differ From FAA's Assumptions?

- YKM has an active and diverse general aviation segment.
- If air carrier service remains limited, business GA will increase.
- Based aircraft at YKM has remained healthy.
- Demand for new hangars is evident.