



One Campbell Parkway, Suite A, East Wenatchee, WA 98802 Phone: 509.884.4700 Fax: 509.662.5151 www.cdrpa.org

To: Greater Wenatchee Air Travel Coalition

From: Jim Kuntz, CEO, Chelan Douglas Regional Port Authority
Trent Moyers, Director of Airports, Chelan Douglas Regional Port Authority

Date: December 2021

Re: Air Service Update & Investing in Pangborn Memorial Airport's Future

The Chelan Douglas Regional Port Authority (CDRPA) continues to work on enhancing air travel options out of Pangborn Memorial Airport. COVID-19 has presented many challenges impacting existing and future air service. We hope you find this update informative.

Alaska Airlines' Current Service

Alaska Airlines, and its regional subsidiary, Horizon Air, is experiencing a severe pilot shortage. Last year, the major airlines provided senior pilots early retirement packages. As the major airlines now restart service, they are hiring pilots away from the regional airlines. While both Alaska and Horizon have commenced with an aggressive pilot trainee program, they are going to be pilot constrained until the fourth quarter of 2022. As a result, Wenatchee, on average, will have two flights per day, and during some slow days of the week will be down to one flight per day. All Alaska Airlines and Horizon Air markets are being impacted, not just Wenatchee.

Update on Potential for New Service

The pilot shortage is affecting virtually all major and regional airlines. The CDRPA continues to work to position Pangborn Memorial Airport for new service as service is restored, following the pandemic. Our team has traveled for in-person meetings with several airlines over the last year. While airlines have never been more risk-averse, there are some opportunities arising during pandemic recovery.

New low cost carriers have been expanding. For example, Avelo Airlines has launched service from a new base at Hollywood Burbank Airport. Flying 737s, it is connecting cities across the west to both Burbank and Las Vegas. Avelo was recently joined in service by aha!, a new carrier flying regional jets to Reno.

BOARD OF DIRECTORS

Donn Etherington, Chelan County Dist. 1 **Jim Huffman**, Douglas County Dist. 1 **JC Baldwin**, Chelan County Dist. 2
W. Alan Loeb sack, Douglas County Dist. 2 **Mark Spurgeon**, Douglas County Dist. 3 **Rory Turner**, Chelan County Dist. 3

These carriers are challenging long-time low cost leader Allegiant Airlines in the regional marketplace. Increased competition should result in increased opportunities for regional airports, such as Pangborn Memorial Airport.

The CDRPA also continues to recruit new, daily scheduled service in major airlines. Our main target has continued to be the San Francisco Bay Area. As a reminder, we have a \$750,000 Federal Grant and \$400,000 in local contributions for our revenue guarantee in this market.

Our second main target has been Denver. Depending on airline strategy, this opportunity could be available before service to San Francisco. In that case, a revenue guarantee would likely be required. If this opportunity presents itself, the CDRPA will seek input from our Air Travel Coalition to determine if we should transfer our revenue guarantee from the San Francisco market to Denver.

Keep in mind, airlines set their own business strategies. It is our job to tailor our recruitment effort to fold into each airline's strategy seamlessly – not to attempt to convince an airline to change its strategy. This means that airline targets and destination options can change as airline strategy changes.

Incentive Program

To attract additional commercial air service to new destinations, the Chelan Douglas Regional Port Authority Board recently approved the following incentives:

- Landing fees waived for a period of two years
- Fuel flow fees waived for a period of two years
- Common area Terminal Building rent waived for a period of two years
- Regional Port will provide marketing support funds in the amount of \$50,000 over a 12-month period
- Regional Port will consider offering ground handling services for a fee

Investing in Pangborn Airport's Future

We also wanted to share with you some important investments we are making at Pangborn Memorial Airport.

Improving Air Service Reliability – Installation of a Medium Approach Landing System (MALSR)

The Chelan Douglas Regional Port Authority Board of Directors has made improving air service reliability during the winter months a priority. In 2022, the CDRPA will install a Medium Approach Landing System off Runway 12 at a cost of \$3.0 million. This will allow pilots to fly into the airport with a visibility at ½-mile as opposed the current 1-mile visibility requirement. This will be a significant improvement in air service reliability during the foggy winter months. Our projections indicate a 60% improvement in commercial air service reliability.

Terminal Building Aviation Ramp Rehabilitation & Expansion

The existing 20-year-old asphalt aviation ramp adjacent to the terminal building needs replacement. The Chelan Douglas Regional Port Authority Board has authorized its replacement & expansion with a new concrete ramp. The new ramp is being designed to accommodate three commercial aircraft being parked at the same time. The hardscape entering the terminal building from the aviation ramp is being designed to improve the customer experience. The new aviation ramp will be completed by Summer 2022 and will cost \$10.2 million. The project is largely being funded with an FAA grant. We are pleased a local contractor, Hurst Construction, was awarded the low bid.

Taxiway Alpha

The Airport's main taxiway (Alpha) needs rehabilitation and does not meet current FAA design standards. Over the next two years, the taxiway will be completely rebuilt at an estimated cost of \$20.8 million. The project is largely being paid for by an FAA grant.

Attached to this memo are the following drawings:

- MALSR Layout
- New Aviation Ramp – Three Airline Layout
- New Aviation Ramp – New Terminal Entrance Improvements

If you have questions, please feel free to contact us. We are happy to answer questions.

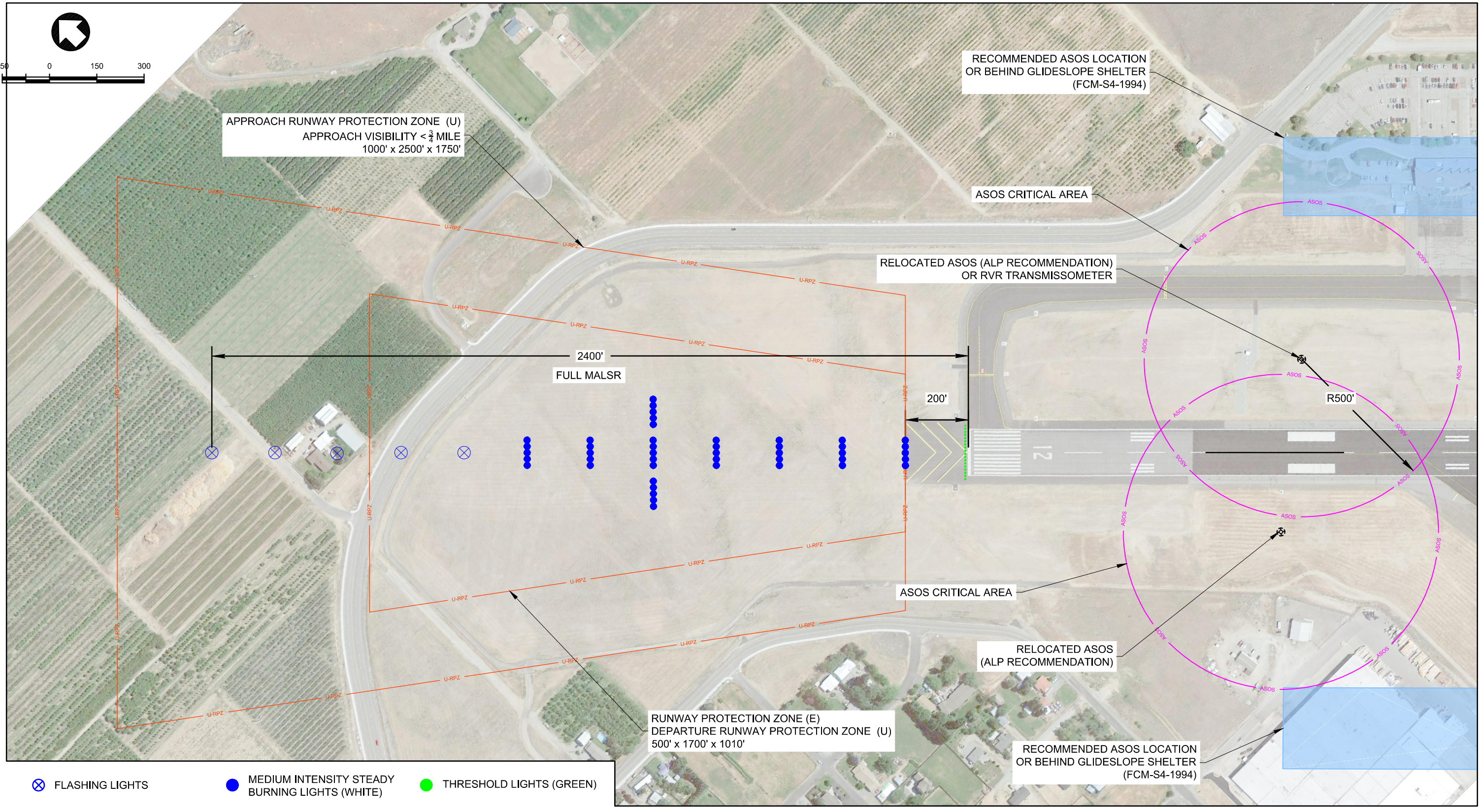


Jim Kuntz, CEO
Email: jim@cdrpa.org
Phone: 509-884-4700



Trent Moyers, Director of Airports
Email: trent@cdrpa.org
Phone: 509-884-4700

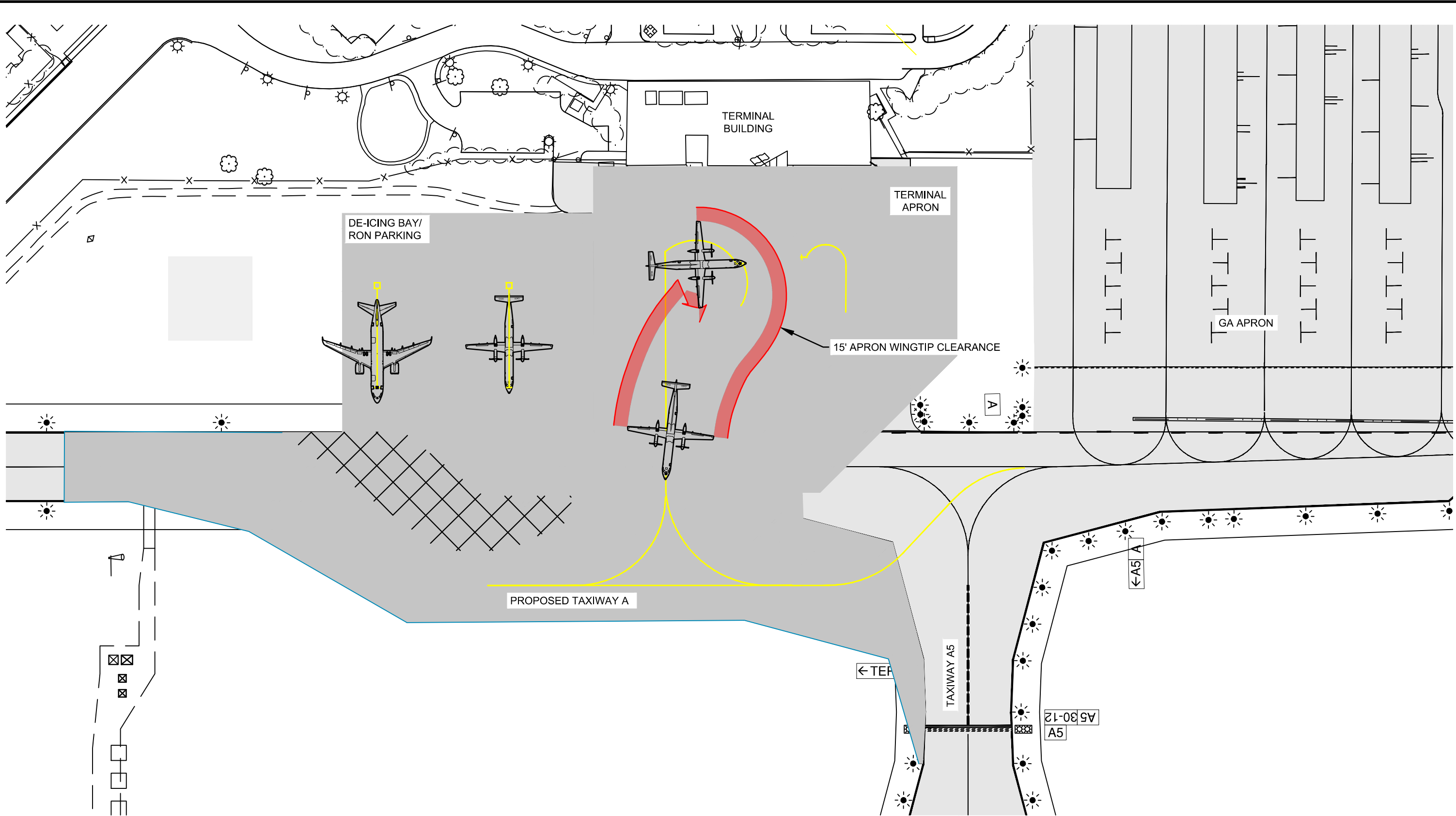
N:\180049\Acad\dwg\Sheets\ALS Exhibit\EXHIBIT ASOS & LIGHTING - MV.dwg, 5/22/2018 11:31:59 AM, Valencik, Maxime, DWG To PDF.pc3
© 2017 T-O ENGINEERS. THIS INSTRUMENT IS THE PROPERTY OF T-O ENGINEERS. ANY REPRODUCTION, REUSE OR MODIFICATION OF THIS INSTRUMENT WITHOUT SPECIFIC WRITTEN PERMISSION OF T-O ENGINEERS IS STRICTLY PROHIBITED.



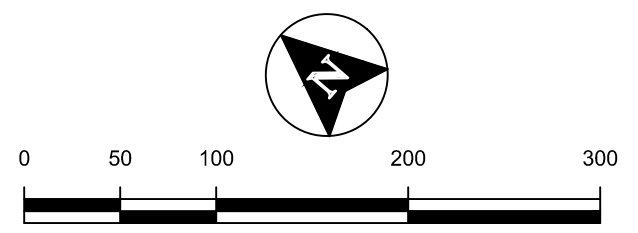
PANGBORN MEMORIAL AIRPORT ASOS RELOCATION & FULL APPROACH LIGHTING SYSTEM PROJECT

T-O ENGINEERS
2471 S. TITANIUM PLACE
MERIDIAN, IDAHO 83642-6703
PHONE: (208) 323-2288 FAX: (208) 323-2399
E-FILE: DATE: MAY 2018 JOB: 180049

N:\210001\Tasks\Task Order 21-01 - Terminal Apron\3_Acad.dwg\Sheets\Exhibits\Ramp Aircraft Layout Options\Pangborn Apron Markings Exhibit Alt 1.dwg, 3/17/2021 1:31:59 PM, Mason Parks, DWG To PDF.pc3
© 2021 T-O ENGINEERS. THIS INSTRUMENT IS THE PROPERTY OF T-O ENGINEERS. ANY REPRODUCTION, REUSE OR MODIFICATION OF THIS INSTRUMENT WITHOUT SPECIFIC WRITTEN PERMISSION OF T-O ENGINEERS IS STRICTLY PROHIBITED



PANGBORN MEMORIAL AIRPORT TERMINAL RAMP PARKING ALTERNATIVE 1 EXHIBIT



T-O ENGINEERS
1717 S. RUSTLE STREET SUITE 201
SPOKANE, WA 99224
PHONE: (509) 319-2580 WWW.TO-ENGINEERS.COM
E-FILE: Pangborn Apron Markings Exhibit Alt 1.dwg DATE: 3/17/21 JOB: 210001



REVISIONS		BORDER SIZE	
NO.	DESCRIPTION	DATE	22" x 34"
			DESIGNED
			DRAWN
			CHECKED
			APPROVED

T-O ENGINEERS
 CONSULTING ENGINEERS, SURVEYORS & PLANNERS
 1717 S. RUSTLE STREET SUITE 201
 SPOKANE, WA 99224
 PHONE: (509) 319-2580 WWW.T-OENGINEERS.COM
 BOISE • CODY • COEUR D'ALENE • HEBER CITY
 MERIDIAN • NAPA • SPOKANE

**PANGBORN MEMORIAL AIRPORT
 TERMINAL APRON RECONSTRUCTION
 TERMINAL APPROACH RENDERING**

ATTENTION: 1
 0 1/2 1
 IF THIS BAR DOES NOT MEASURE
 1" ON 22x34 SHEET OR 1/2" ON
 11x17 SHEET, THEN DRAWING IS
 NOT TO SCALE

DATE: MAY 2021
 PROJECT: 210001
 SHEET: