3.0 AVIATION ACTIVITY FORECASTS

3.1 PURPOSE

In partnership with Jviation, Inc., Boyd Group International was retained to prepare a 20-year forecast of aviation activity at Eagle County Regional Airport (EGE). The forecasts and related data are intended for inclusion in the airport's master plan that is currently being prepared for the years 2010-2030.

3.2 DATA SOURCES

In preparing the commercial aviation forecasts contained herein, a number of data sources were consulted. These include, but were not limited to, the following:

- **FAA Terminal Area Forecast (TAF):** The FAA Terminal Area Forecast (TAF) issued in December 2010 for Eagle County Regional Airport was consulted for comparative purposes, as was the updated FAA APO Forecast. Additionally, the Terminal Area Forecast Summary for Fiscal Years 2010-2030, and also prepared by the FAA, was consulted.
- **FAA Advisory Circular 150/5070-7, The Airport System Planning Process**: This document was consulted to ensure that the methodology employed and forecasts produced were in compliance with FAA requirements for development of airport master plans.
- **FAA Form 5010-1, Airport Master Record:** This document provided historical operational and enplanement data for Eagle County Regional Airport as filed with/by the FAA, and was utilized primarily to cross-reference other data sources.
- **Aviation DataMiner™ Software:** This is proprietary software of Boyd Group International that analyzes a range of air traffic data, including traffic, capacity, average fare, and market efficiency, reported to the U.S. Department of Transportation by the airline industry on forms DB1B and T-100. The system also forecasts airline fleet changes and additions on an on-going basis.
- **Innovata, LLC:** Innovata, LLC is the "official" source that IATA requires airlines to report flight schedule data, supplanting the Official Airlines Guide (OAG). Data from Innovata, LLC to review current and historical airline flight schedule data, as well
- **"Forecasting Aviation Activity by Airport":** Released by the FAA in July 2001, followed with subsequent updates and revisions, "Forecasting Aviation Activity by Airport" provided supplemental guidance to ensure that contained forecasts were prepared in compliance with FAA requirements.
- **Woods & Poole Economics:** Historical and forecast socioeconomic data for the Eagle County Regional Airport Metropolitan area and surrounding counties that comprise the service area of Eagle County Regional Airport region was obtained from Woods & Poole Economics of Washington, DC. Use of this data source is recommended by the FAA in the "Forecasting Aviation Activity by Airports."

- **EGE Service Area:** Because of its central location in Western Colorado along Interstate 70, the Eagle County Regional Airport served a large economic region that encompasses five Colorado counties. The economics (i.e., business base, population, average wages, etc.) utilized herein focuses on Eagle, Garfield, Pitkin, Summit, and Rio Blanco counties.

Other information was obtained from organizations on the worldwide web for economic data (i.e., economic studies for the EGE region, EGE Socio Economic Profile, etc.) and company websites (i.e., aircraft manufacturers, airlines, etc.) for information specific to operations at the EGE. Additionally, Boyd Group International utilized its internal library and databases of regional airport markets collected during the course over two decades of completing work on behalf of various airports.

3.3 INTRODUCTION & PRIMARY METHODOLOGY

This section provides detailed forecasts of aviation activity at EGE over the 20-year forecast period of 2010 through 2030.

While the forecasts contained herein provide meaningful data on which a range of key planning functions can be accomplished, it is important to note that aviation activity at EGE can (and likely will) be subject to short-term fluctuations over the 20-year period.

3.3.1 FACTORS UNIQUE TO EGE

It is important to make clear that the demand drivers for passenger forecasts and airline metrics at EGE are particular and unique to that facility.

Typically, passenger demand, airline operations, fleets utilized, flight schedules, peak-period determinations and other forecast metrics are based on reasonably-identifiable industry and marketplace dynamics. This is not the case with forecasting airline-related data for EGE. Most of these factors at EGE are affected by subjective resort industry decisions, and not directly by economic or demographic data.

In particular, the majority of the air service capacity at EGE is based substantially on flights that are in one way or another generated and supported by the resort industry. They are not the result of intrinsic demand in the EGE service area, nor directly by economic factors elsewhere in the nation. They are the result of subsidies aimed at capturing discretionary dollars across the nation and funneling them into resort visits.

The argument can be put forward that the decisions made by the resort industry will mirror the economic shifts that underpin air passenger growth across the nation. They do not – at least in any concrete manner. Decisions to underwrite service are made many months in advance of the actual operations, and are based on the underwriters' strategic, tactical, and competitive goals, and therefore do not align with national trends.

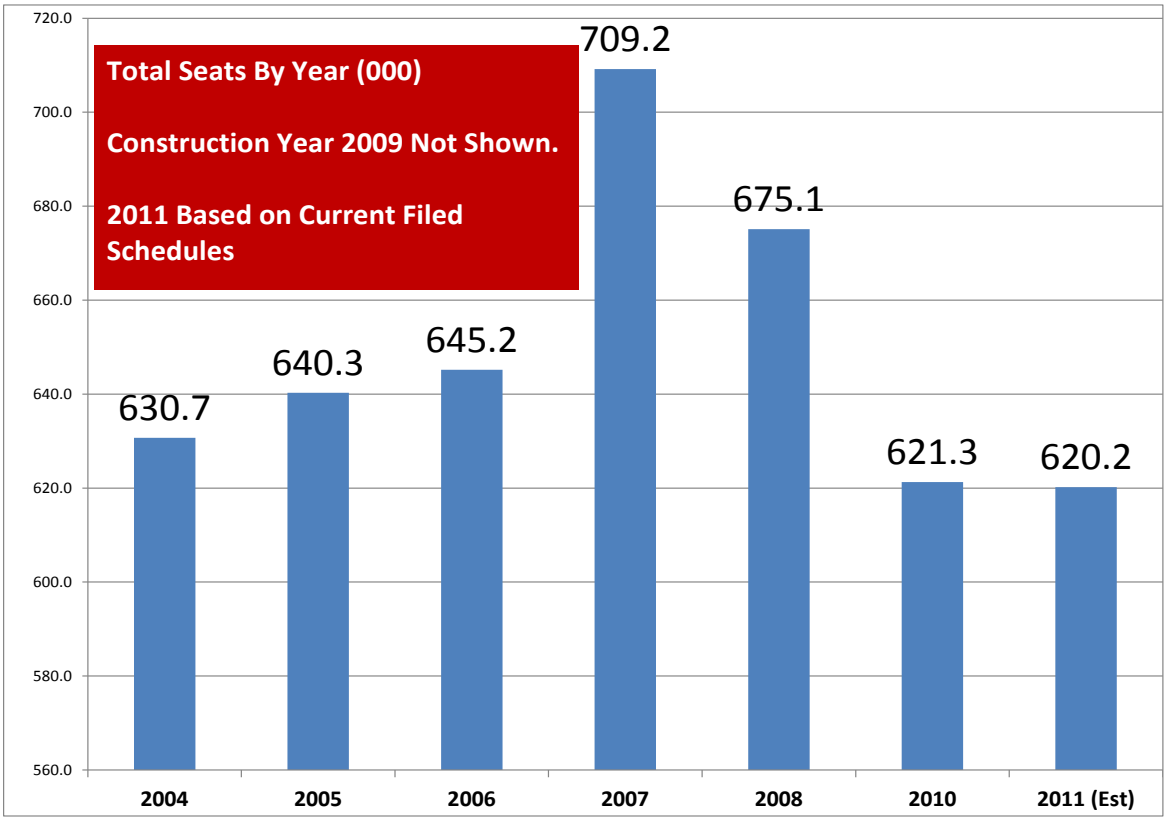
Clearly, the decision criteria in the creation of such air service cannot be forecasted easily. Specific sources of incentive funding can dry up or be used for other activities. The availability of aircraft within airlines can change year to year, shifting the actual lift that can be engaged by incentive dollars. Weather or anticipated weather patterns can alter the levels of risk resorts may be willing to take in committing in advance to an air service program.

This is borne out by the data. Between 2003 and 2010, national air passenger traffic expanded at approximately 9.0%. Passenger traffic at EGE – which, again, is primarily the result of resort-incentivized lift – grew at less than half that rate – approximately 4.0%. Actually, in describing EGE, "changed" would be a better description, as "growth" implies increase in intrinsic air traffic demand. Because much of the passenger base is the result of the capacity that the resort industry chooses to incentivize, market demand is affected by the lift provided,

For these reasons, using traditional metrics to forecast EGE airline traffic and operations is not a reliable methodology.

However, the general trend in capacity at EGE can be reviewed and conclusions reached regarding how such capacity – largely the result of subjective industry incentives – will evolve in the future at EGE. Historical data are instructive:

FIGURE 3-1 – EGE HISTORICAL CAPACITY



Source: Boyd Group International, Inc.

Other than the peak year of 2007, and a construction year, 2009 (not shown) the number of annual seats does not vary a great deal. Nor, for the record, do these data show any relationship whatsoever with seat demand nationally.

This would point in one direction: the resort-driven traffic at EGE appears to be mature, and while it is prudent to assume that there will be growth in this segment, it will be slow.

Therefore, in this forecast, the resort-related traffic sector is based off of known CAGR growth in skier visits to the Rocky Mountain region, with the assumption that the air-related visits will track with total growth.

3.3.2 METHODOLOGY

Within the above context, the forecast divided passenger traffic segments into three categories:

- Resort Incentivized Traffic. This is discussed above. This begins in the last week of December and ends typically in March – conveniently for forecasting purposes, keeping it almost entirely in the first quarter of the year.
- Locally-Generated Passenger Traffic. These are identified by trip originations derived from analyses of published DOT O&D data, and represent about 15% of the total passenger traffic at EGE. This sector is forecast based on traditional metrics. However, it must be understood that it will also be affected to some degree by the levels of flights and lift available, including the operations resulting from resort-incentivized programs.
- Non-Resort, Non-Locally-Generated Passengers. These are the visitors (inbound originations) in the second through fourth quarters.

Affecting each of the above, it is important to understand that forecasting aviation activity cannot be done with absolute certainty. Shifts in the airline industry – including changes in fleets, route systems, and marketing relationships between carriers – are dynamic and on-going, and will affect traffic levels at a given airport over the period of the forecast. For example, the merger of United and Continental may result in a reduced number of 64-to-70-seat jets in the combined system, affecting the fleet mix that the "new" United may apply to serve EGE.[39]

Nonetheless, based on known factors in the aviation industry and known or expected factors locally, it is possible to develop logical forecasts for long-term planning purposes.

In approaching the passenger forecast in this way, the result was that these independent projections were very close to the FAA Terminal Area Forecasts.

[39] The Continental pilot union contract forbids outsourcing of any flying with jet airliners larger than 50-seats. It is possible that this will ultimately affect the final post-merger union contract at United.

3.4 EAGLE REGIONAL AIRPORT MARKET PROFILE

The forecasts contained herein provide the basis for determining the scope, size, and timing of developments at EGE over the period of 2011 through 2030.

Affecting the actual aviation activity that will manifest at EGE in the future are also "external" forces that can influence activity levels. These could include unforeseen major changes regulatory policy, technological advancements and innovations, changes in security policies and local fluctuations in population, employment, and economic base.

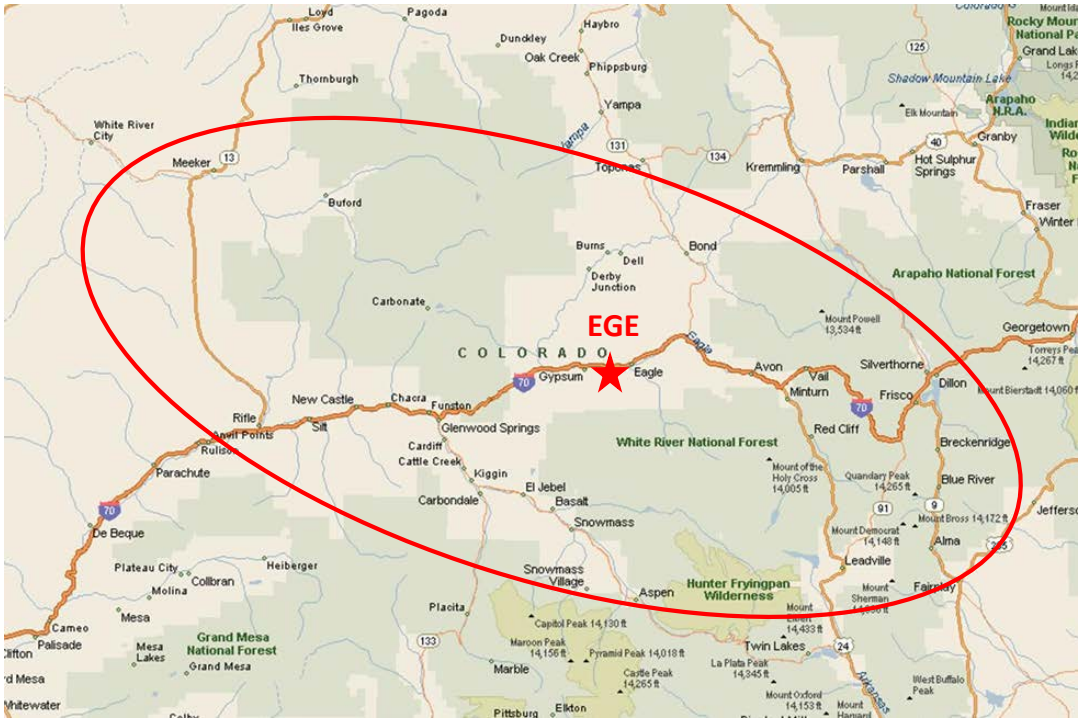
3.4.1 EGE SERVICE AREA

The overall service area of EGE encompasses five counties and sections of two more in Colorado, with a total population of approximately 163,000, approximately 100,000 of which are within a 75 minute drive time. Geographically, EGE's central location postures it as a key air access point to a region along the I-70 corridor, presently extending from Vail in the east to Rifle in the west.[40]

Another factor in the role of EGE in the region is the flight capacity at Aspen Pitkin County Airport. The operational constrictions at ASE limit the size of aircraft that can serve this important four-mountain ski region. There are at times of the year when apron capacity for GA is also an issue at ASE. The result is that EGE is becoming a de facto second air access point for Aspen and the Roaring Fork Valley, which extends from Glenwood Springs to Aspen.

[40] On a futurist basis, as the I-70 corridor becomes more constricted by the limitations of the Eisenhower Tunnel, Summit County can be increasingly considered as part of the airport's draw area.

FIGURE 3-2 – EGE SERVICE AREA



Source: Boyd Group International, Inc.

3.4.2 DEMOGRAPHIC & ECONOMIC CHARACTERISTICS – AIR PASSENGER DEMAND

The passenger base at EGE has three distinct strata, each of which has different demand-drivers.

- One stratum is the local/regional passenger component. These are the air consumers who live and work in the catchment area of EGE. Future demand growth in this segment will be the result of local population, demographic, and economic factors. It is currently, and is expected to be in the future, a very small percentage of the passenger base.
- Another stratum is the ski-visitor component – which makes up the majority of the traditionally huge traffic spike in the first quarter of the year. Based on the spikes in departures, seats, and aircraft size in the first quarter of the year at EGE, it is clear that this segment has specific traffic demand drivers, separate from those of the local component, and separate from national traffic trends.
- The final stratum is comprised of off-season visitors to the area, primarily in the second and third quarters of the year.
- At resort-dependent airports such as EGE, it is important to be cognizant of the drivers of all of these segments.

3.4.3 HUB ACCESS IS TO/FROM THE ENTIRE NATION

In particular, it is critical to understand that most passengers at EGE are visitors, and the travel is not directly related to traditional economic factors in the EGE service area. A review of the passenger mix at the top ten O&D markets at EGE shows this clearly:

TABLE 3-1 – EGE PASSENGERS

Rank	Market	Passengers	Percent Originating
1	DFW	109,246	13.0%
2	EWR	96,650	10.0%
3	ORD	79,166	12.3%
4	MIA	62,825	13.3%
5	JFK	56,326	12.2%
6	IAH	54,202	9.0%
7	LGA	54,140	14.3%
8	LAX	51,606	15.7%
9	ATL	45,197	7.0%
10	MSP	31,357	14.3%
Top 10 Total		640,716	12.1%
Total Markets		1,174,528	15.0%

Source: BTS O&D Data via Aviation DataMiner™

Note that the percent of passenger itineraries with EGE as the origin point is just 15%. This means that only 15% of the future traffic generation will be affected by local economic and demographic factors.[41]

The service patterns above also generate significant additional connecting traffic from points across the nation. Note that of the top ten markets (which comprise 54% of all EGE passengers) all but one, New York/LaGuardia, are major connecting hub airports. It is also clear that these nine hubs are geographically-diverse across the nation, and in addition to the O&D passengers shown in the table, these points provided connecting service to EGE from almost every airport of any size in the nation, plus international traffic.

For example, American Airlines carried 104,611 passengers in the period noted above between EGE and DFW (95% of the total EGE-DFW local O&D passengers). But during that same period, its DFW hub connected an additional 194,291 passengers to/from EGE from dozens of cities across the nation.[42]

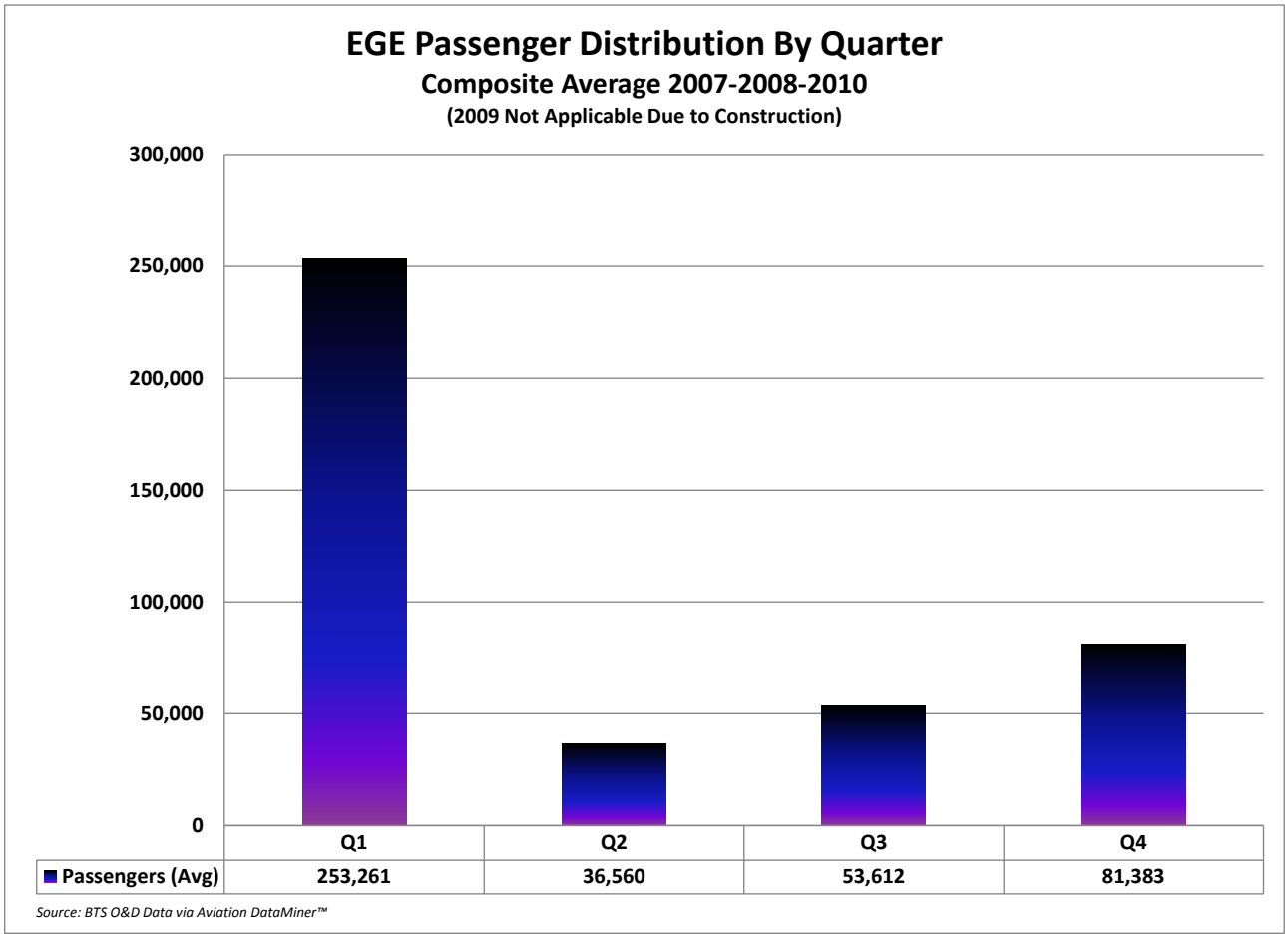
[41] The percentage of local originations varies by quarter. It hits a low of just slightly under 10% in the peak first quarter of the year.

[42] Source: US DOT data compiled by Aviation DataMiner for the years 2008 – 2010.

3.4.4 SEASONALITY – DRIVEN BY A SPECIFIC TRAFFIC STRATA: SKI INDUSTRY

The nature of the EGE traffic base is such as to be highly seasonal. Being a resort/ski market, it is logical that passenger traffic demand spikes in the first quarter of the year. [43]

FIGURE 3-3 – EGE PASSENGER DISTRIBUTION



Looking at Q1 traffic for the three years above, In addition to natural seasonality, the market has also experienced some shifts in airline capacity, based on resort incentive programs. These dynamics will continue to affect traffic levels at EGE. However, the basic economy of the region remains healthy and both the locally-generated traffic component and the inbound visitor component are indicated to continue to see slow growth during the forecast period.

The ski-industry traffic is relatively easy to isolate due to the patterns of financially-incentivized airline capacity. Typically, the massive increase in flights, seat capacity and aircraft average size, begins in the last week of December, and is usually pulled down by the end of March. This "contains" the traffic generated by ski-traffic metrics mostly to the first quarter of the year.

[43] Three years were used in the example graph, leaving out 2009, where traffic was artificially constricted by runway construction.

3.4.5 Forecast Approach

The three passenger demand segments were forecast as follows:

- Locally-generated passengers are the result mainly of the population growth and in-migration to the I-70 mountain corridor. These represent approximately 15% of the annual enplanements at EGE. It was determined that using the projected population growth rates (1.6%) for the core EGE catchment area was a reasonable approach to forecasting this segment.
- The ski-driven traffic is forecast based on the trends in skier visits to resorts in the Rocky Mountain region over the last five years. This segment is volatile, and shows very limited future growth, based on known trends. Because the majority of the air capacity for this sector occurs in the first quarter of the year, the locally-generated non-visitor enplanements were subtracted from the enplanements in the Q1 of 2010. The remainder comprises the vast majority of the ski-driven traffic for the year.
- **The ski-driven passenger sector comprises almost 60% of all annual EGE enplanements**, and it is expected to be a very slow-growth sector for EGE. This is for three very important reasons.
    - The first is that the ski industry in the region, measured by skier-days, is not expected to see consistently high growth over the forecast period
    - Second, resorts and organizations in the Vail Valley have already attracted strong seasonal air service. There are no material gaps where any major increases in ski-season capacity may be expected
    - The airline industry is evolving. The Boeing 757, which is the core aircraft in ski-season, is out of production and existing units are increasingly in demand for conversion to cargo aircraft. In the future, airlines may well begin to gravitate to aircraft with seating density similar to or even slightly greater than the Boeing 757, like the Airbus A321 and the Boeing 737-900.
- The remainder of the passenger traffic is non-ski related, and therefore can logically be considered to have drivers that track with national traffic growth rates.

3.4.6 EGE Service Area Demographic & Economic Metrics

The locally-generated traffic stratum will be affected by population and economic shifts in the region. It will also be affected by the levels of service offered at EGE, and these levels are determined largely by subjective decisions made by resort-companies. However, as **Table 3-1** in the prior section shows, the service that is offered focuses on large connecting hubs where EGE-area consumers can access virtually the entire nation.[44]

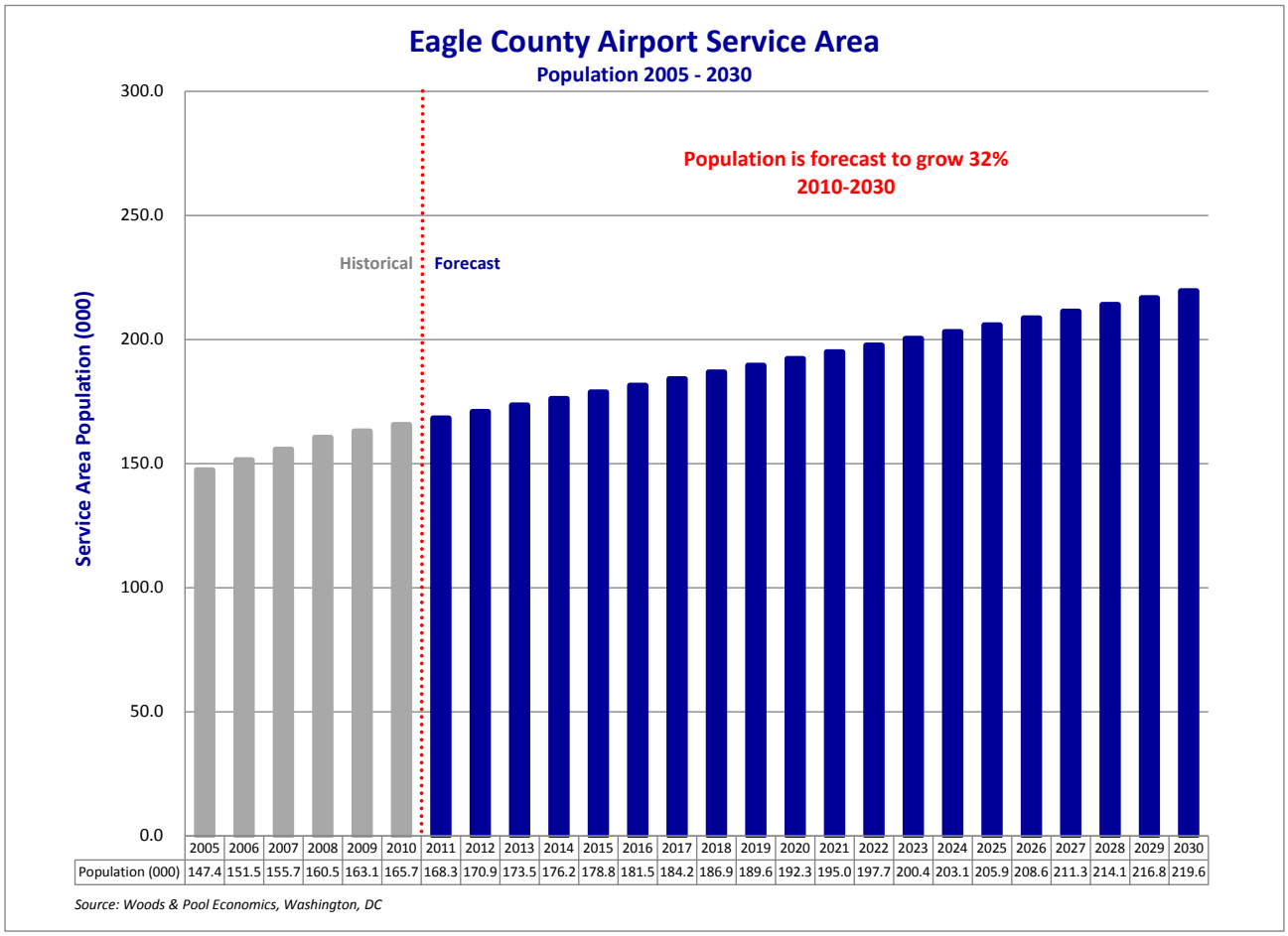
3.4.7 Population of EGE Service Area

Population growth within the EGE service area grew at an average annual rate of 4% between 1990 and 2010, which was higher than that for the State of Colorado, the Rocky Mountain region, and Nation for this same twenty-year period. While current projections show continued growth for the airport service area, growth is expected to be at a slower annual rate of 1.6% throughout the twenty-

[44] Admittedly, this access has high seasonality swings.

year forecast period, which is in line with population increases for the State of Colorado, the Rocky Mountain region, and the Nation during this same period.

FIGURE 3-4 – EGE SERVICE AREA POPULATION

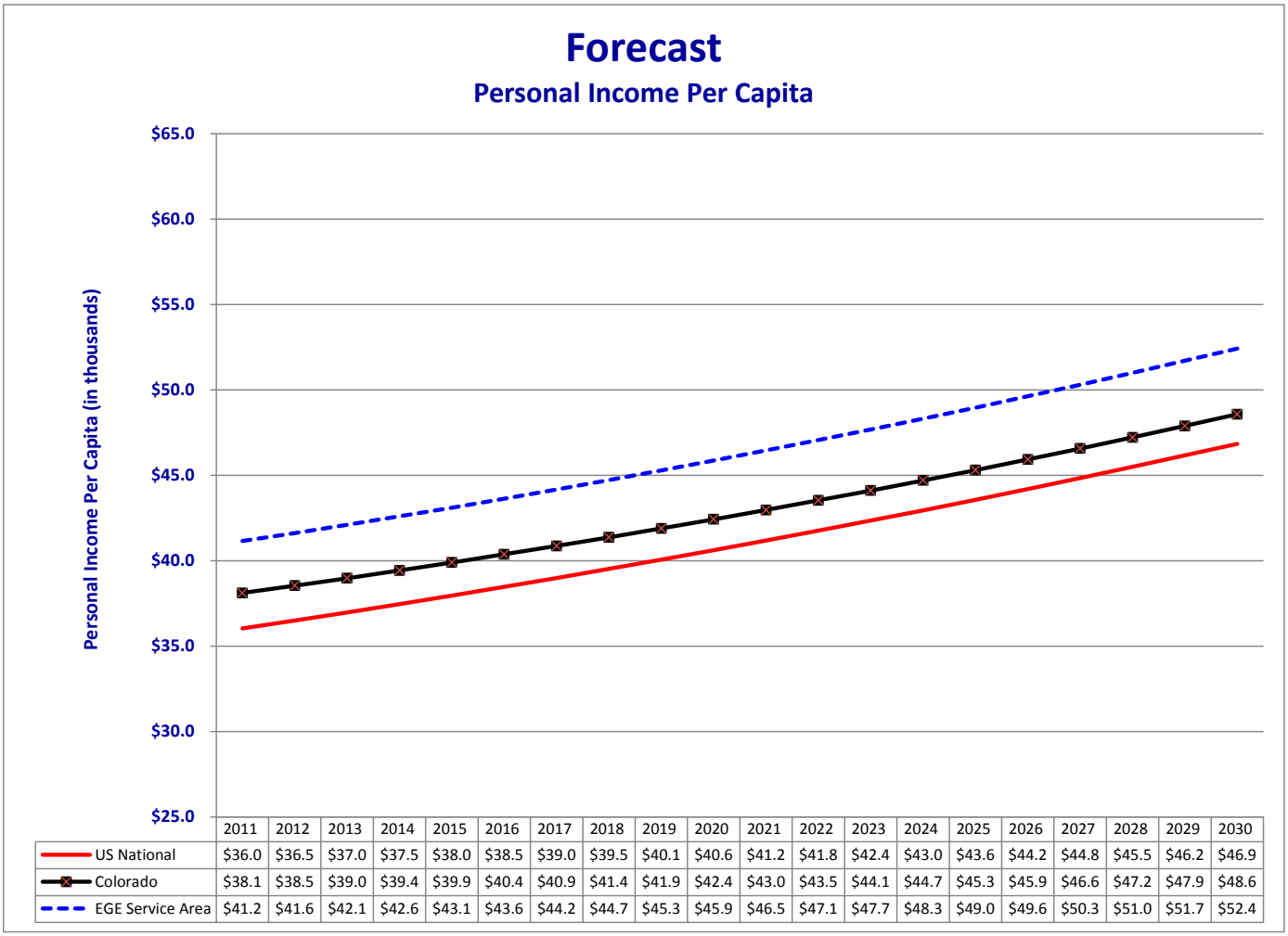


The earned income and disposable income of local residents – along with the travel patterns generated by specific businesses and industry – play a major role in determining the ability of an airport service area to generate sufficient demand to support scheduled air service, as well as generate other aviation-centric activities (i.e., general and business aviation).

3.4.8 PERSONAL INCOME OF EGE SERVICE AREA

As measured in constant 2004 dollars, per capita income within the EGE service area is forecast to increase from approximately $41,000 during 2010 to approximately $52,000 during 2030. This represents an average annual growth rate of 1.6% over the 20-year forecast period, with a compound annual growth rate (CAGR) of 1.3%. This positive growth trend for the EGE catchment area is in line with both the national CAGR of 1.4% and 1.3% for the State of Colorado.

FIGURE 3-5 – EGE PERSONAL INCOME



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
US National	$36.0	$36.5	$37.0	$37.5	$38.0	$38.5	$39.0	$39.5	$40.1	$40.6	$41.2	$41.8	$42.4	$43.0	$43.6	$44.2	$44.8	$45.5	$46.2	$46.9
Colorado	$38.1	$38.5	$39.0	$39.4	$39.9	$40.4	$40.9	$41.4	$41.9	$42.4	$43.0	$43.5	$44.1	$44.7	$45.3	$45.9	$46.6	$47.2	$47.9	$48.6
EGE Service Area	$41.2	$41.6	$42.1	$42.6	$43.1	$43.6	$44.2	$44.7	$45.3	$45.9	$46.5	$47.1	$47.7	$48.3	$49.0	$49.6	$50.3	$51.0	$51.7	$52.4

Source: Woods & Pool Economics, Washington D.C.

3.4.9 ECONOMIC CHARACTERISTICS OF EGE SERVICE AREA

The current and expected employment base in the region served by EGE is forecast to remain stable. Other than tourism, which represents approximately 14% of total employment, no other portions of the regional economic base appear to be in an industry that might be vulnerable to a material economic swing.

TABLE 3-2 – EGE SERVICE AREA ECONOMIC BASE

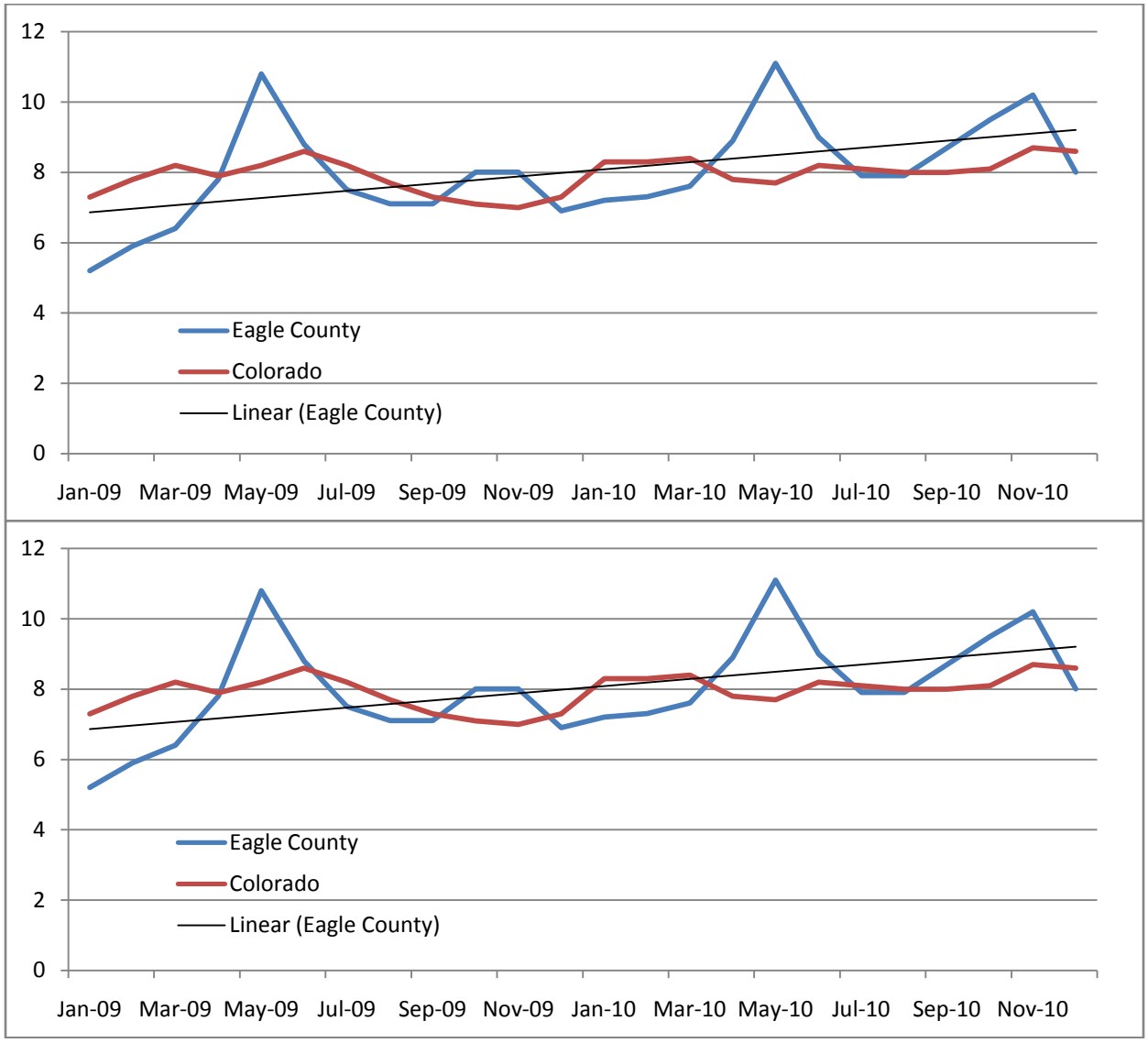
Industry	Annual Average Employment
Agriculture, Forestry, Mining, and Construction	9,817
Manufacturing	2,157
Trade, Transportation, and Utilities	13,648
Financial Activities	3,200
Professional and Business Services	4,898
Education and Health Services	5,634
Tourism/Leisure/Hospitality	6,555
Government	1,836
Region Annual Average Employment	47,745

Source: U.S. Census Bureau

Historically, the EGE service area was dependent on agriculture, forestry, and mining as an economic base centered on agriculture and retail. By the 1950s, the ski industry began developing bringing with it a more economically diverse business base that strengthened the city's position as the commercial center for the region. Throughout the past four decades, the EGE area continued to grow, adding government, higher education, and tourism as significant components to the economic base.

The unemployment rate for Eagle County has increased significantly from January 2009 to December 2010, as depicted in **Figure 3-6**. Colorado's unemployment rate has increased as well, but with fewer dramatic jumps. Eagle has experienced three considerable jumps over the last two years; May 2009, May 2010, and November 2010 saw the highest unemployment rates, reaching a high of 11.1% in May 2010. The high May unemployment rate is likely a result of seasonal job fluctuation. As such, the average unemployment rate of Eagle County has grown 2% in the last two years, as depicted by the trend line in **Figure 3-6**.

FIGURE 3-6 – UNEMPLOYMENT RATE



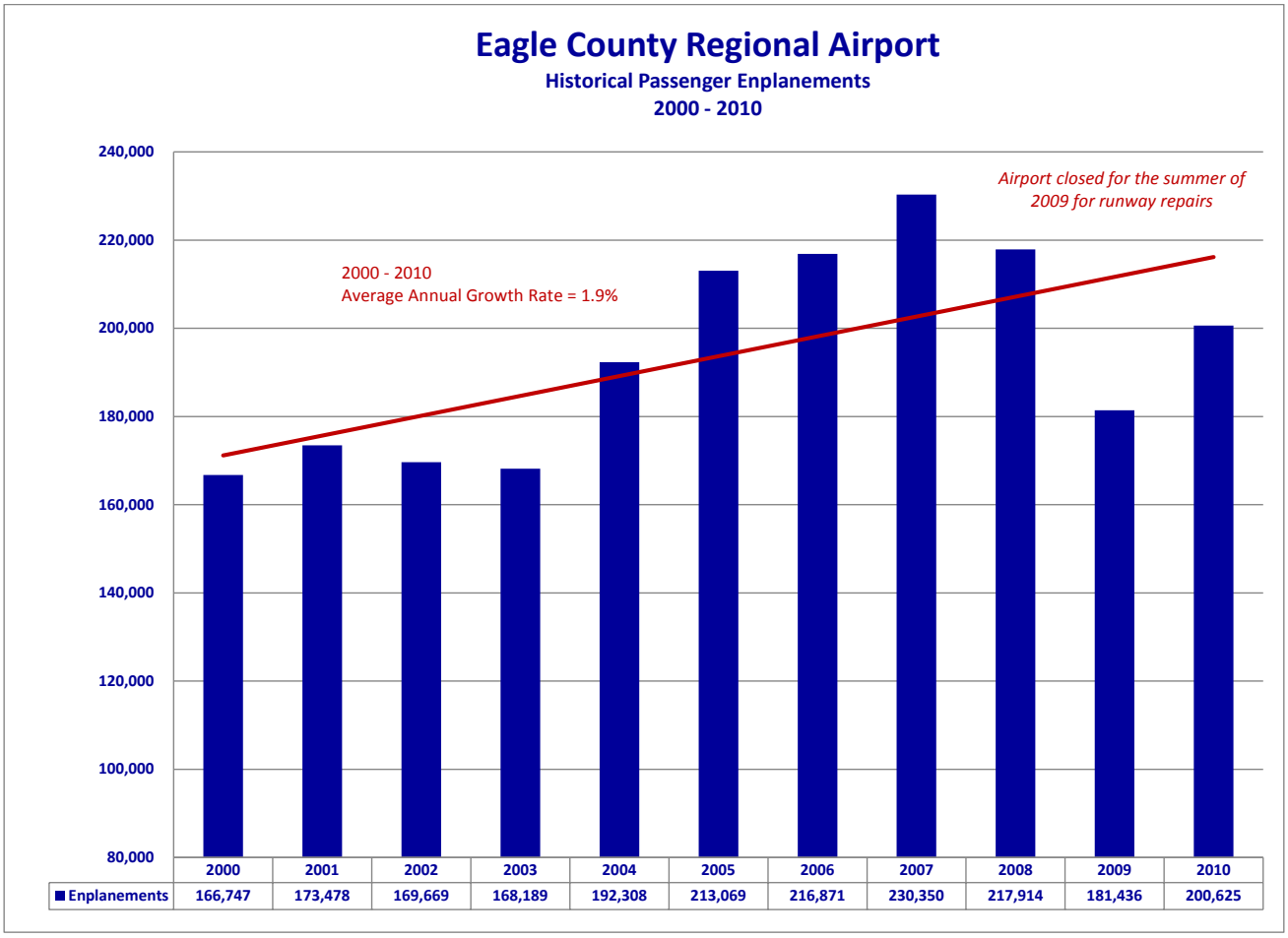
Source: U.S. Bureau of Labor Statistics, Local Unemployment Statistics, 2011

3.5 FORECAST OF ENPLANED PASSENGERS

3.5.1 HISTORICAL PASSENGER ENPLANEMENTS

Figure 3-7 below presents a ten-year history of passenger enplanements for scheduled airline flights at the EGE. However, as noted in **Section 1.0**, increased passenger levels have grown unevenly year-to-year, and have been largely dependent on resort-industry strategies in regard to providing incentives to airlines, as opposed to clear local and national economic metrics.[45]

FIGURE 3-7 – HISTORICAL ENPLANEMENTS



Source: BTS T100 Segment Data / FAA 2010 TAF

While there is not a concrete relationship between national economic factors and the strategies of the resort industry to incentivize air service, the levels of capacity have generally remained within a given range, and have grown slowly since 2004. This would indicate that the unique drivers of most of the airline capacity at EGE (resort industry strategies) will continue into the future at EGE.

[45] Note that in year 2009, the runway was shut down for part of the year due to construction.

3.5.2 PASSENGER ENPLANEMENT PROJECTION

Recognizing that passenger enplanements – and airline capacity – at EGE have varied in recent years, the forecast was prepared representing a range of possible growth options. For the forecast period, three forecast ranges were considered: high growth, low growth, and medium or most likely growth. Each forecast range was then compared with the 2010 Terminal Area forecast.

TABLE 3-3 – PROJECTED PASSENGER ENPLANEMENTS

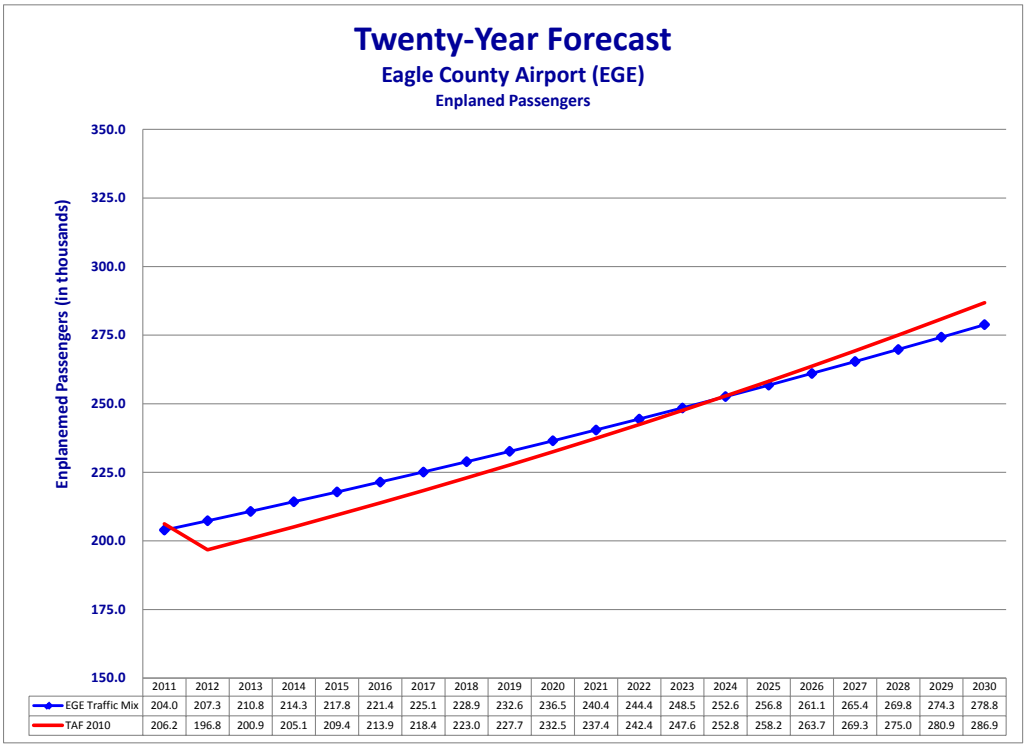
Year	Most Likely	Low Forecast	High Forecast	2010 TAF
Historical				
2010	166,747	166,747	166,747	166,747
2010	173,478	173,478	173,478	173,478
2010	169,669	169,669	169,669	169,669
2010	168,189	168,189	168,189	168,189
2010	192,308	192,308	192,308	192,308
2010	213,069	213,069	213,069	213,069
2010	216,871	216,871	216,871	216,871
2010	230,350	230,350	230,350	230,350
2010	217,914	217,914	217,914	217,914
2010	181,436	181,436	181,436	181,436
2010	200,625	200,625	200,625	200,625
Projection				
2011	203,954	203,767	220,583	220,583
2012	207,337	206,934	225,064	225,064
2013	210,777	210,116	229,545	229,545
2014	214,274	213,318	234,026	234,026
2015	217,829	216,539	238,507	238,507
2016	221,443	219,768	242,988	242,988
2017	225,117	223,012	247,469	247,469
2018	228,852	226,266	251,950	251,950
2019	232,649	229,532	256,432	256,432
2020	236,509	232,807	260,913	260,913
2021	240,433	236,091	265,394	265,394
2022	244,422	239,382	269,875	269,875
2023	248,477	242,677	274,356	274,356
2024	252,599	245,985	278,837	278,837
2025	256,790	249,292	283,318	283,318
2026	261,051	252,598	287,799	287,799
2027	265,382	255,913	292,280	292,280
2028	269,785	259,235	296,762	296,762
2029	274,261	262,553	301,243	301,243
2030	278,811	265,868	305,724	305,724
Avg. Annual Growth				
2000-10	1.9%	1.9%	1.9%	1.9%
2010-30	1.7%	1.4%	2.1%	2.1%

Source: FAA 2010 TAF / Projections by Boyd Group International

As is a conservative approach, study recommendations are typically prepared based on the medium growth forecast. The passenger enplanement forecast as shown in **Table 3-3** above are based on the following growth options:

- High Forecast Enplanements is based on personal income for the service area which is forecast to grow at an average rate of 2.1% over the twenty-year forecast period. However, income within the airport service area is skewed by a small wealthy class and does not represent the majority of the population.
- Medium Growth Passenger Enplanements is driven by a combination of local population growth, tourism growth, and projected national enplanements.
- Low Forecast Enplanements is based on population growth in the airport service area. Least representative of air travel demand as approximately 15% future enplanements at EGE will be affected by local demographic factors.

FIGURE 3-8 – TWENTY-YEAR ENPLANEMENT FORECAST



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
EGE Traffic Mix	204.0	207.3	210.8	214.3	217.8	221.4	225.1	228.9	232.6	236.5	240.4	244.4	248.5	252.6	256.8	261.1	265.4	269.8	274.3	278.8
TAF 2010	206.2	196.8	200.9	205.1	209.4	213.9	218.4	223.0	227.7	232.5	237.4	242.4	247.6	252.8	258.2	263.7	269.3	275.0	280.9	286.9

Source: FAA 2010 TAF / Projections by Boyd Group International

Throughout the twenty-year forecast period, the passenger forecast at EGE shows enplanements tracking near to projections in the 2010 Terminal Area Forecast (TAF). For the first half of the forecast period, passenger enplanements are projected to be approximately 4% higher than the 2010 TAF and then are projected to be 2.8% lower for the remainder of the forecast period. Passenger enplanements at EGE are forecast to increase from approximately 200,000 in year 2010 to near 280,000 by the year 2030.

3.5.3 The International Component

Considering the potential for nonstop international flights is certainly a factor in any forecast for EGE. It is understood that the analysis of a full-capacity Federal Inspection Services (FIS) facility is underway at EGE.

Based on estimates, it is projected that 7% - 8% of the EGE traffic base is internationally-generated. It is all via connection at a currently-served hub. There is no current nonstop scheduled service to EGE from international points.

While the recently-completed runway extension (to 9,000 ft.) may be able accommodate long-haul international flight operations, it would be necessary to have some independent entity, such as the resort or tour industries, to organize the program and underwrite the risk. This is essentially the same as with much of the domestic seasonal service at EGE.

The difference in incentivizing international flights is that the cost exposure is much higher, and the target market would be international resort consumers, which may be much more difficult to capture. Longer-range 767-200/300ER aircraft appear to have the capability of flying EU-Vail nonstop, pending additional operational analyses. Again, it must be noted that any such service would be risk-supported by resorts or tour companies – there is no intrinsic trans-Atlantic demand locally at Eagle.[46] Furthermore the nature of that type of operation does not produce high flight volumes.

The assumption is, however, that the international traffic component at EGE will remain stable at 7% - 8% of the traffic base, and any such future nonstop international flights would divert some of this from existing connecting channels.

These dynamics cannot be easily forecast nor their potential impacts measured as it relates specifically to demand for air transportation. While it must be kept in mind that such could manifest at EGE over the next 20 years, the increase in flight operations will be marginal in relation to the total operational base at EGE

3.5.4 Disclosure

In 2010, Boyd Group International was engaged by the Vail Valley Jet Center to review the potential for a privately funded FIS facility at EGE.

Based on known and expected dynamics in the airline industry, it was concluded that for passenger service, the main near- and mid-term potential would be to accommodate trans–border flights from Canada and Mexico.

In addition, it was determined that the potential for non-stop trans-Atlantic service to EGE was not high for several reasons. One was that the stage length using 757 aircraft would require a technical

[46] Even Denver International has only London and Frankfurt service. Both are highly dependent on connecting traffic for support.

stop, where passengers would also be screened in the process. It is highly unlikely that an operator would keep passengers on the aircraft during such a stop, and not capture the fueling and servicing time by clearing them into the US. There are a number of airports on the East Coast which specialize in this business.

With the new 9,000-ft runway, it is entirely possible that 767-300ER aircraft could be used at EGE on non-stop flying to and from the EU. However, the technical capability of an aircraft does not dictate market demand. Therefore, while the potential for such service should be kept in mind from a planning perspective, there currently are no market or airline industry dynamics foreseen that will generate frequent, long-haul nonstop service to and from points in the EU or Deep Latin America.

While a 767-300ER may be able to carry 275 people into and out of EGE, it goes without saying that the local O&D demand cannot satisfy anywhere near that capacity. Those seats would need to be filled by vacation travelers, typically based on tour and package deals. At this time, we can see no entities involved in such international packages for the Vail Valley, even those that could utilize smaller 757s with a tech stop. Therefore, the actual "demand" for EGE-EU flight operations will be the result of subjective resort-industry initiatives which cannot be concretely forecasted.

These findings for the potential for international passenger traffic are consistent with those herein: most of the potential will be trans-border with limited and distant demand from South America and Europe.

3.6 SCHEDULED AIRLINE SERVICE

3.6.1 HISTORICAL AIRLINE SERVICE

Since 1990, Eagle County has been served by a number of different airlines providing flights to multiple destinations, almost entirely those that are airline connecting hubsites.

Changes in EGE air service have been influenced mostly by shifts in strategies of the resort industry in generating subsidized lift into the airport.

TABLE 3-4 – AIRLINE SERVICE HISTORY

Between EGE and	Carrier	Aircraft Type	Service Period	
			From	To
Atlanta	Delta Air Lines	B757-200	Dec-95	Current
Chicago	American Airlines	B757-200	Dec-90	Current
	United Airlines	B757-200	Dec-92	Mar-09
	United Airlines	A320	Jun-05	Jul-08
Cincinnati	Delta Air Lines	B757-200	Dec-01	Mar-10
Charlotte	US Airways	B757-200	Dec-03	Mar-08
Dallas/Ft. Worth	American Airlines	B757-200	Dec-90	Current
Denver	United Airlines	B737-300	Dec-92	Feb-05
	United Airlines	B757-200	Dec-92	Feb-10
	United Airlines	A320	Jan-05	Current
	United Express	BAE146-300	Dec-96	Dec-05
	United Express	DO-328	Apr-02	Jul-03
	United Express	DO-328 Jet	Jun-02	Jun-02
	United Express	DHC8-200	Jul-03	Apr-10
	United Express	CRJ-700	Feb-10	Current
Detroit	Northwest	B757-200	Dec-94	Apr-02
Houston	Continental	B757-200	Dec-97	Current
	Continental	B737-200/700	Dec-97	Current
Newark	American Airlines	B757-200	Dec-96	Apr-08
	Continental	B757-200	Dec-97	Feb-10
	Continental	B737-700	Dec-05	Current
Los Angeles	America West	B737-300	Dec-89	Mar-92
	United Airlines	B737-300/500	Dec-95	Mar-96
	United Express	BAE146-300	Dec-96	Mar-03
	American Airlines	B757-200	Dec-96	Current
Miami	American Airlines	B757-200	Dec-93	Current
Minneapolis-St. Paul	Delta/Northwest	B757-200	Dec-93	Current
New York-JFK	American Airlines	B757-200	Jan-06	Current
New York-LGA	American Airlines	B757-200	Feb-92	Current
	United	B757-200	Dec-97	Mar-01
Philadelphia	US Airways	B757-200	Dec-03	Mar-07
Phoenix	America West	B737-300	Dec-89	Mar-92
San Francisco	American Airlines	B757-200	Dec-98	Mar-03
Salt Lake City	Delta Air Lines	B757-200	Dec-92	Mar-95

Source: BTS T100 Segment Data via Aviation DataMiner™

3.6.2 HISTORICAL FREQUENCY & CAPACITY

This section presents a brief review of flight departures (frequency) and capacity (available airline seats) for an average week during peak season operations. The tables below illustrates changes in peak season scheduled service at EGE between 2005 and 2011 where weekly frequency average 111 flights per week while capacity (departure seats) during this period average 15,790 seats per week.

TABLE 3-5 – HISTORICAL FREQUENCY AND CAPACITY

Year	Non-Stop Destinations	Weekly Flight Departures	Average Seats Per Departure	Weekly Departure Seats
2005	8	104	146	15,149
2006	13	118	132	15,599
2007	13	123	132	16,248
2008	13	118	137	16,212
2009	14	109	147	15,981
2010	13	107	146	15,591
2011	11	103	151	15,551

Source: Innovata, LLC Flight Schedules via Aviation DataMiner™

See **Appendix C**, Frequency and Capacity Tables, for more information about flight departures by airline and aircraft type.

3.6.3 CURRENT (2011) COMMERCIAL AIR SERVICE AT EGE

EGE is currently served by four branded airline systems. American provides access via its hub operation at Dallas/Ft. Worth Airport (DFW) and seasonal service to Chicago-O'Hare (ORD), Los Angeles (LAX), Miami (MIA), and New York (LGA and JFK). Seasonal service is also provided by Continental to Houston (IAH) and Newark (EWR), Delta to Atlanta (ATL) and Minneapolis-St. Paul (MSP), and United provides year-round access via its hub at Denver International Airport (DEN) and seasonal service (via DEN) to Chicago-O'Hare (ORD).

FIGURE 3-9 – CURRENT COMMERCIAL SERVICE

Source: Boyd Group International, Inc.

3.6.4 COMPETING AIRPORTS

EGE has some competition from other commercial airports in Western Colorado with the closest airports being Grand Junction Regional Airport (GJT) and Aspen/Pitkin County Airport (ASE).

Grand Junction Regional Airport, a two-hour drive from EGE, is served by five network airline system, plus vacation carriers Allegiant Airlines and Sun Country, with non-stop service to seven destinations. All flights by network airlines at GJT are operated with regional jet aircraft.

The geographic location of GJT postures it as a potential future gateway to both western and central Colorado. It has reasonable road access to both the Vail Valley and Aspen without any mountain passes, and it also accesses the Moab region of Utah. This, however, is not foreseen to have any major effect on the main core of the EGE airline capacity base, which is resort-supported.

Aspen/Pitkin County Airport, within an hour-and-a-half drive of EGE, will be served in 2011 by three network airlines with year-round non-stop service to two destinations and seasonal service to an additional four destinations. Flights are predominantly operated with 64-70 seat jets.[47]

3.7 GENERAL AVIATION

General Aviation is defined as all flying other than scheduled commercial service and military operations.

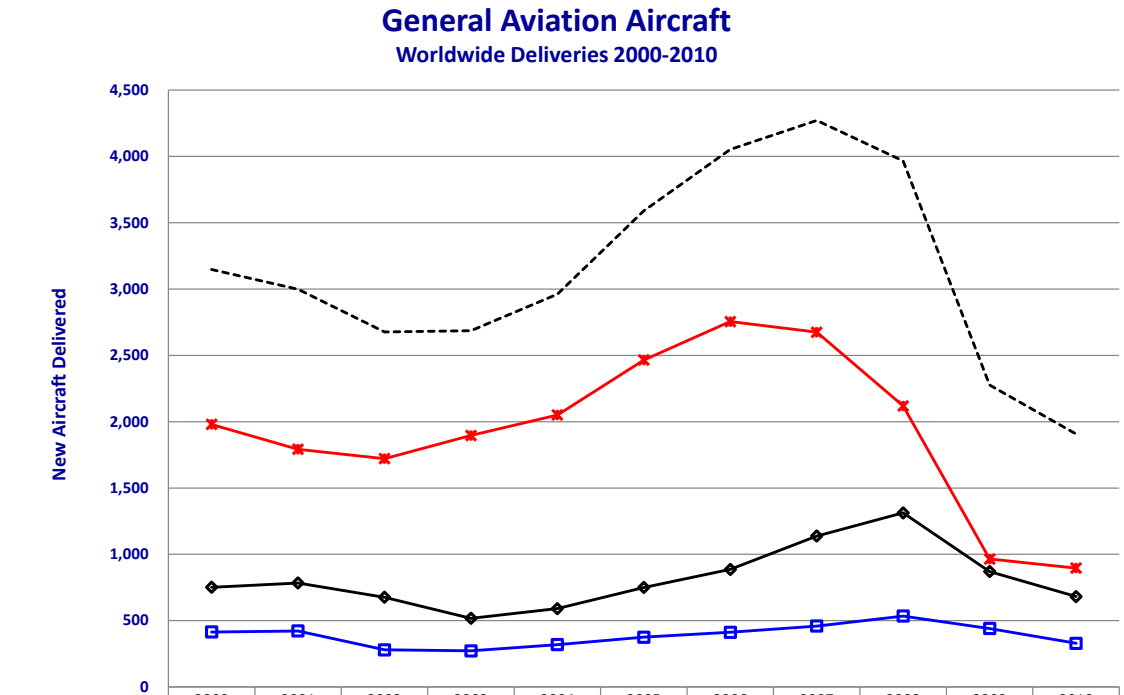
3.7.1 GENERAL AVIATION OUTLOOK – THE MACRO PICTURE

Worldwide deliveries of general aviation aircraft continue to decline for the third consecutive year as the industry struggles to escape the worst recession in decades. Industry groups report that aircraft deliveries are down 14.5% in the third quarter 2010 from the same period a year ago. It is expected the decline in deliveries will continue during the fourth quarter reaching more than 18% by year end. The industry for 2011 is, at best, forecast to be a flat year before recovery begins.

It is noteworthy that the general aviation market mirrors national economic conditions. After the turn of the century aircraft sales declined slightly due in part to a cyclical economy, but also the lingering uncertainties following September 11 and higher fuel prices. However, growth in new aircraft deliveries resumed with the 2003 rebounding economy and, with the exception of jets and turboprops, again plunged with the 2008 recession. As the recession continued into 2010 deliveries of jets and turboprops joined piston aircraft in the slide and total general aviation deliveries fell 42% from the year before, as seen in **Figure 3-10**.

[47] Frontier operates 74-seat turboprops on a pro-tem basis until they can find a buyer for the aircraft.

FIGURE 3-10 – GENERAL AVIATION AIRCRAFT DELIVERIES



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Piston	1980	1792	1721	1896	2051	2465	2755	2675	2119	965	896
Jets	752	784	676	518	591	750	886	1138	1313	870	682
Turboprops	415	422	280	272	319	375	412	459	535	441	329
Total Delivered	3147	2998	2677	2686	2961	3590	4053	4272	3967	2276	1907

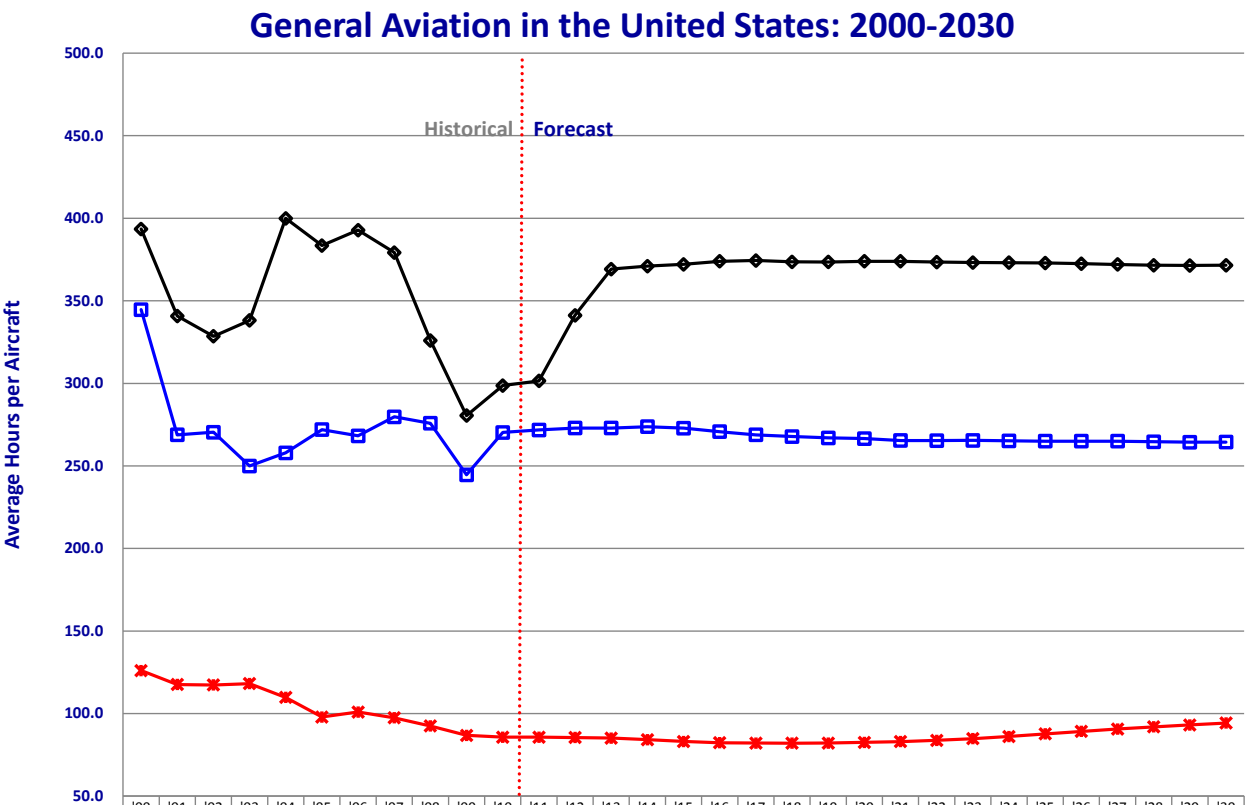
Source: GAMA 2010 Report

3.7.2 NATIONAL GA FLEET MIX AND FORECAST

The FAA forecasts moderate growth in general aviation activity and is based on the dual assumptions of a stabilizing economic environment and generally stable fuel prices. A secondary factor is the ability of manufacturers to stimulate increased demand in general aviation through the introduction of new models and technology that contribute to both lower costs (both cost of entry and operations) and higher rates of safety.[48]

[48] Key to this will be to increase the number of licensed pilots in the United States which has been steadily declining over the past decade. Whereas historically large numbers of pilots entered the civilian world after military service (i.e., World War II and Vietnam), military downsizing and declining interest in aviation resulting from financial turmoil in commercial aviation has contributed to lower numbers of new pilots in recent years.

FIGURE 3-11 – GENERAL AVIATION FLIGHT HOURS



	'00	'01	'02	'03	'04	'05	'06	'07	'08	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24	'25	'26	'27	'28	'29	'30
Piston	126.	117.	117.	118.	109.	97.9	100.	97.4	92.5	86.8	85.7	85.7	85.5	85.2	84.2	83.1	82.4	82.1	82.0	82.2	82.6	83.0	83.8	84.8	86.1	87.7	89.2	90.6	91.9	93.1	94.3
Jet	393.	340.	328.	338.	400.	383.	392.	379.	326.	280.	298.	301.	341.	369.	371.	372.	373.	374.	373.	373.	373.	373.	373.	373.	373.	372.	372.	372.	371.	371.	371.
Turboprop	344.	268.	270.	250.	257.	272.	268.	279.	275.	244.	270.	271.	272.	272.	273.	272.	270.	268.	267.	267.	266.	265.	265.	265.	265.	265.	265.	265.	264.	264.	264.

Source: Boyd Group International, Inc.

Boyd Group International generally shares this assessment, but notes that general aviation is subject to the following specific vulnerabilities:

- **Fuel Price Volatility:** Volatility in the price of oil directly impacts general aviation activity, particularly among "entry level" users (i.e., student pilots and recreational flyers) that utilize single-engine piston aircraft and whose activity is highly dependent on discretionary income and how much such is needed to pay for fuel. Simply put, as the cost of entry goes up, it is likely to deter interest in pilot training, and the demand for new general aviation aircraft. Events in the past have proven this to be true.

  For business aviation, the only off-set to fuel price volatility is the value of time versus money equation results greater fuel price elasticity than for recreational flying. Going forward, a sustained period of fuel prices, higher than the peak levels achieved during the summer of 2008, could further curtail entry-level business/corporate aviation activity as the value of time equation shifts in favor of scheduled commercial services.

  It is also noted that the supply and distribution chains for aviation gasoline (100LL) may be vulnerable in the future to factors that could drive the price significantly higher, thereby reducing general aviation flying.[49]

- **Security Regulations:** While business aviation has been attractive to time-sensitive corporate travel, it has become even more attractive in the post September 11th environment where "hassle factor" has become a new term associated with airline travel.

  In this sense, general and business aviation demand has benefited from the post September 11th changes to airport security.[50] It also, however, shares with the airline industry vulnerability from fallout in the form of stricter security regulations for business aviation that may evolve in the future. In this sense, any new security requirements on general aviation that increases costs or "hassle factor" could depress demand – both in terms of number of aircraft as well as hours actually flown – over the long-term.

- **Recession/Economic Downturn:** General and business aviation are particularly sensitive to economic swings as has been demonstrated by the 2008 economic downturn. A decline in disposable income or consumer confidence can be expected to chill interest and demand in recreational GA flying. An overall downturn in the economy also dampens business flying and – critically – demand for new general aviation aircraft.

While the likelihood of the above risk factors is viewed as moderate on a sustained basis, they could negatively impact general aviation activity both on a national level and at EGE.

[49] The relatively low number of gallons of avgas demand, combined with distribution issues surrounding a fuel containing lead, may point to producers becoming reluctant to invest in maintaining production of the fuel.

[50] While difficult to quantify, it could be argued that the hassle factor inherent with commercial air travel has helped to increase the cost premium that the market is willing to accept for business aviation travel. This, in turn, could be reducing (though not eliminating at the lower end of the spectrum) negative effects of higher fuel prices may have on demand for business aviation.

3.8 AVIATION DEMAND

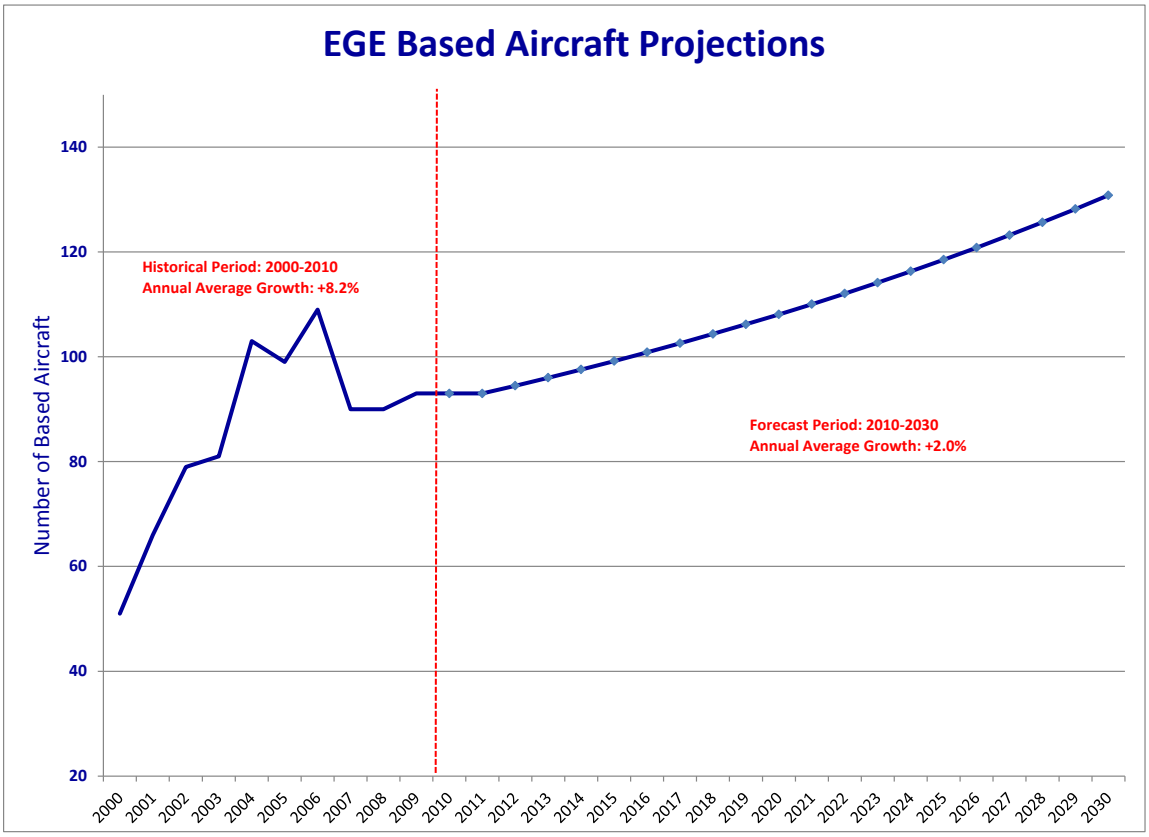
3.8.1 GA AVIATION ACTIVITY AT EGE

General aviation refers to all flights other than military and commercial airline passenger and cargo flights, both scheduled and charter.

3.8.2 GA BASED AIRCRAFT

Presently 93 aircraft are based at EGE.[51] Since 2000, this number has widely fluctuated ranging from a low of 42 units during 2000 to a high of 97 units during 2006.

FIGURE 3-12 – EGE BASED AIRCRAFT



Source: Historical EGE Standard Report / Forecast Boyd Group International

The based aircraft projections were developed using the *FAA General Aviation Activity Fleet Forecasts*. The FAA forecasts the total GA aircraft fleet to increase at an average annual growth (AAGR) rate of .9% for the United States (from 2010 to 2030) with the greatest growth forecast for turbo jet aircraft and the lowest growth forecast for multi-engine piston aircraft. Under this method, the EGE based aircraft forecast were developed using the following average annual growth rate (AAGR) by aircraft type:

[51] Note that the number of based aircraft stored at a particular airport may fluctuate throughout any given year. All data presented herein is provided on an annual average basis.

- Single-Engine Piston – AAGR of 0.3%
- Multi-Engine – AAGR of -0.9
- Turboprop – AAGR of 1.4%
- Jet – AAGR of 4.2%
- Other Aircraft – AAGR of -0.1%

Over the 20-year forecast period, the number of aircraft based at EGE is projected to increase from the current 93 units to approximately 131 units by 2030. This equates to a 2.0% average annual growth rate.

3.8.3 EGE GA Fleet Mix

The mix of based aircraft is projected to shift over the forecast period, with jet aircraft recording the greatest gain, as a percent of the total fleet, while the multi-engine fleets (both piston and turboprop) are projected to decline to approximately 13% of the total fleet.

Over 20-year forecast period, changes in the projected GA fleet mix will vary by aircraft type:

- Jet aircraft are projected to increase from the current 20 to approximately 24 units by 2015, 29 units by 2020, and 44 units by 2030, representing an overall average annual growth rate of 4.0%.

- The number of single-engine aircraft are projected to remain relatively flat throughout the forecast period with a net increase of approximately two unites between 2010 and 2030; and

- The number of multi-engine aircraft is projected to grow at an average annual rate of 1.3% to 17 aircraft by 2030.

We would note that the projection of change in the number of jet aircraft at EGE is consistent with macro-level delivery trends projected by the General Aviation Manufacturers Association (GAMA).

TABLE 3-6 – BASED GENERAL AVIATION FLEET MIX

Year	Single-Engine	Pct of Total	Multi-Engine	Pct of Total	Jet	Pct of Total	Other Aircraft	Pct of Total	Total Aircraft	Pct of Total
Historical										
2000	28	54.9%	4	7.8%	10	19.6%	9	17.6%	51	100.0%
2001	37	56.1%	8	12.1%	10	15.2%	11	16.7%	66	100.0%
2002	46	58.2%	8	10.1%	13	16.5%	12	15.2%	79	100.0%
2003	48	59.3%	8	9.9%	13	16.0%	12	14.8%	81	100.0%
2004	65	63.1%	2	1.9%	24	23.3%	12	11.7%	103	100.0%
2005	59	59.6%	9	9.1%	19	19.2%	12	12.1%	99	100.0%
2006	66	60.6%	9	8.3%	22	20.2%	12	11.0%	109	100.0%
2007	50	55.6%	7	7.8%	21	23.3%	12	13.3%	90	100.0%
2008	50	55.6%	7	7.8%	21	23.3%	12	13.3%	90	100.0%
2009	52	55.9%	7	7.5%	21	22.6%	13	14.0%	93	100.0%
2010	46	49.5%	13	14.0%	20	21.5%	14	15.1%	93	100.0%
Projection										
2011	46	49.5%	13	14.0%	20	21.5%	14	15.1%	93	100.0%
2012	46	48.8%	13	13.9%	21	22.1%	14	15.2%	94	100.0%
2013	46	48.2%	13	13.9%	22	22.6%	15	15.3%	96	100.0%
2014	46	47.5%	14	13.9%	23	23.2%	15	15.4%	98	100.0%
2015	46	46.9%	14	13.8%	24	23.8%	15	15.5%	99	100.0%
2016	47	46.2%	14	13.8%	25	24.3%	16	15.6%	101	100.0%
2017	47	45.6%	14	13.8%	26	24.9%	16	15.7%	103	100.0%
2018	47	44.9%	14	13.7%	27	25.5%	17	15.8%	104	100.0%
2019	47	44.3%	14	13.7%	28	26.2%	17	15.9%	106	100.0%
2020	47	43.6%	15	13.6%	29	26.8%	17	16.0%	108	100.0%
2021	47	42.9%	15	13.5%	30	27.4%	18	16.1%	110	100.0%
2022	47	42.3%	15	13.5%	31	28.0%	18	16.2%	112	100.0%
2023	48	41.6%	15	13.4%	33	28.7%	19	16.3%	114	100.0%
2024	48	41.0%	16	13.3%	34	29.3%	19	16.4%	116	100.0%
2025	48	40.3%	16	13.3%	36	30.0%	19	16.4%	119	100.0%
2026	48	39.6%	16	13.2%	37	30.6%	20	16.5%	121	100.0%
2027	48	39.0%	16	13.1%	39	31.3%	20	16.6%	123	100.0%
2028	48	38.3%	16	13.0%	40	32.0%	21	16.7%	126	100.0%
2029	48	37.7%	17	13.0%	42	32.7%	21	16.7%	128	100.0%
2030	48	37.0%	17	12.9%	44	33.3%	22	16.8%	131	100.0%
Avg. Annual Growth										
2000-10	5.1%		12.5%		7.2%		4.5%		6.2%	
2010-30	0.3%		1.3%		4.0%		2.3%		1.7%	

Source: Historical EGE Standard Report / Forecast Boyd Group International.

3.8.4 EGE GA Operations

An aircraft operation is defined as either a landing or departure at an airport. Local operations are those performed by aircraft in the local traffic pattern or within sight of the airport, are known to be departing for (or arriving from) practice areas within 20-miles of the airport, or are executing simulated instrument approaches, non-precision approaches, visual approaches or "touch and go" operations. Itinerant operations are all other operations. To project general aviation activity at EGE over the forecast period, Boyd Group International utilized an operation per based aircraft (OPBA) ratio. This methodology divides the known variables of total general aviation operations by the number of based aircraft. The historical data is then utilized to project future operations based on extrapolation and trend analysis.

To fine tune this calculation, smoothing of the data was conducted based on projected shifts in the based fleet mix and the resultant marginal changes in mix between local and itinerant operations based on this projected mix. It is important to note that operations per based aircraft methodology does not assume that each based aircraft will conduct the calculated number of operations, but that this represents the calculated average among all operators – both based and non-based.

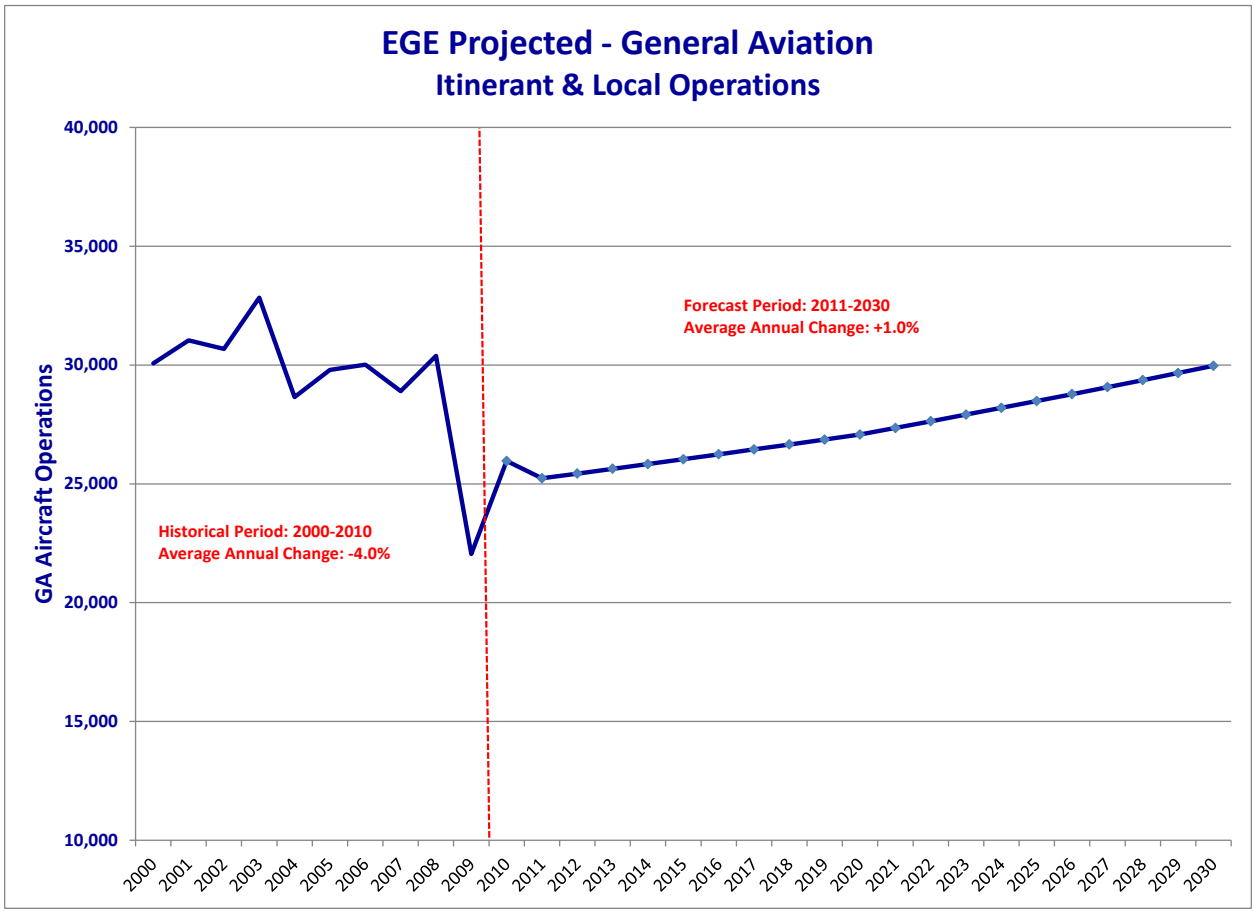
Over the 20-year forecast period, total general aviation operations at EGE are projected to increase from approximately 26,000 during 2010 to approximately 30,000 during 2030, as shown in **Table 3-7**. This equates to an annual average increase of approximately 1%, as depicted in **Figure 3-13**.This forecast assumes the aforementioned increase in number of based aircraft with a decrease in the number of local operations per based aircraft from the current estimate of approximately 47 annually to 40 annually by the end of the forecast period. This latter point takes into consideration the trend toward reduced flight hours for single-engine aircraft on a macro-basis, as well as an increased percentage of based aircraft represented by jet aircraft which tend to operate fewer, but longer average segment length, than do propeller-driven aircraft.

TABLE 3-7 – GENERAL AVIATION OPERATIONS

Year	GA Operations	YoY % Chg	Itinerant Operations	% Itinerant Operations	Local Operations	% Local Operations	Based Aircraft	Local OPBA	Total GA OPBA
Historical									
2000	30,068		23,946	79.6%	6,122	20.4%	51	120	590
2001	31,034	3.2%	24,137	77.8%	6,897	22.2%	66	105	470
2002	30,675	-1.2%	25,141	82.0%	5,534	18.0%	79	70	388
2003	32,833	7.0%	25,890	78.9%	6,943	21.1%	81	86	405
2004	28,648	-12.7%	23,709	82.8%	4,939	17.2%	103	48	278
2005	29,793	4.0%	23,588	79.2%	6,205	20.8%	99	63	301
2006	30,014	0.7%	23,893	79.6%	6,121	20.4%	109	56	275
2007	28,900	-3.7%	25,902	89.6%	2,998	10.4%	90	33	321
2008	30,385	5.1%	24,326	80.1%	6,059	19.9%	90	67	338
2009	22,046	-27.4%	17,531	79.5%	4,515	20.5%	93	49	237
2010	25,961	17.8%	21,446	82.6%	4,515	17.4%	95	48	279
Projection									
2,011	25,233	-2.8%	20,872	82.7%	4,360	17.3%	99	44	271
2,012	25,431	0.8%	21,037	82.7%	4,394	17.3%	94	47	269
2,013	25,631	0.8%	21,204	82.7%	4,427	17.3%	96	46	267
2,014	25,833	0.8%	21,372	82.7%	4,460	17.3%	98	46	265
2,015	26,036	0.8%	21,542	82.7%	4,494	17.3%	99	45	262
2,016	26,241	0.8%	21,712	82.7%	4,528	17.3%	101	45	260
2,017	26,447	0.8%	21,884	82.7%	4,563	17.3%	103	44	258
2,018	26,655	0.8%	22,058	82.8%	4,597	17.2%	104	44	255
2,019	26,865	0.8%	22,232	82.8%	4,632	17.2%	106	44	253
2,020	27,076	0.8%	22,409	82.8%	4,667	17.2%	108	43	251
2,021	27,352	1.0%	22,637	82.8%	4,715	17.2%	110	43	249
2,022	27,631	1.0%	22,867	82.8%	4,763	17.2%	112	43	247
2,023	27,912	1.0%	23,100	82.8%	4,812	17.2%	114	42	245
2,024	28,197	1.0%	23,336	82.8%	4,861	17.2%	116	42	242
2,025	28,484	1.0%	23,573	82.8%	4,910	17.2%	119	41	240
2,026	28,774	1.0%	23,813	82.8%	4,961	17.2%	121	41	238
2,027	29,067	1.0%	24,056	82.8%	5,011	17.2%	123	41	236
2,028	29,363	1.0%	24,301	82.8%	5,062	17.2%	126	40	234
2,029	29,663	1.0%	24,549	82.8%	5,114	17.2%	128	40	231
2,030	29,965	1.0%	24,799	82.8%	5,166	17.2%	131	39	229
Avg. Annual Growth									
2000-10	-1.5%		-1.1%	0.4%	-3.0%	-1.6%	6.4%	-8.8%	-7.2%
2010-30	0.7%		0.7%	0.0%	0.7%	0.0%	1.6%	-0.9%	-1.0%

Source: Historical EGE Standard Report / Forecast Boyd Group International

FIGURE 3-13 – ITINERANT & LOCAL OPERATIONS



Source: Jviation, Inc.

3.8.5 TOUCH AND GO OPERATIONS

Touch and go operations are landings during which the aircraft continue to roll down the runway and take off again, or where the pilot conducts a low pass (i.e., practicing instrument approaches). Generally, such training flights remain within the airport pattern and are considered local operations. Accordingly, touch and go operations are included in the above projections for local operations over the forecast period.

3.8.6 AIRLINE OPERATIONS

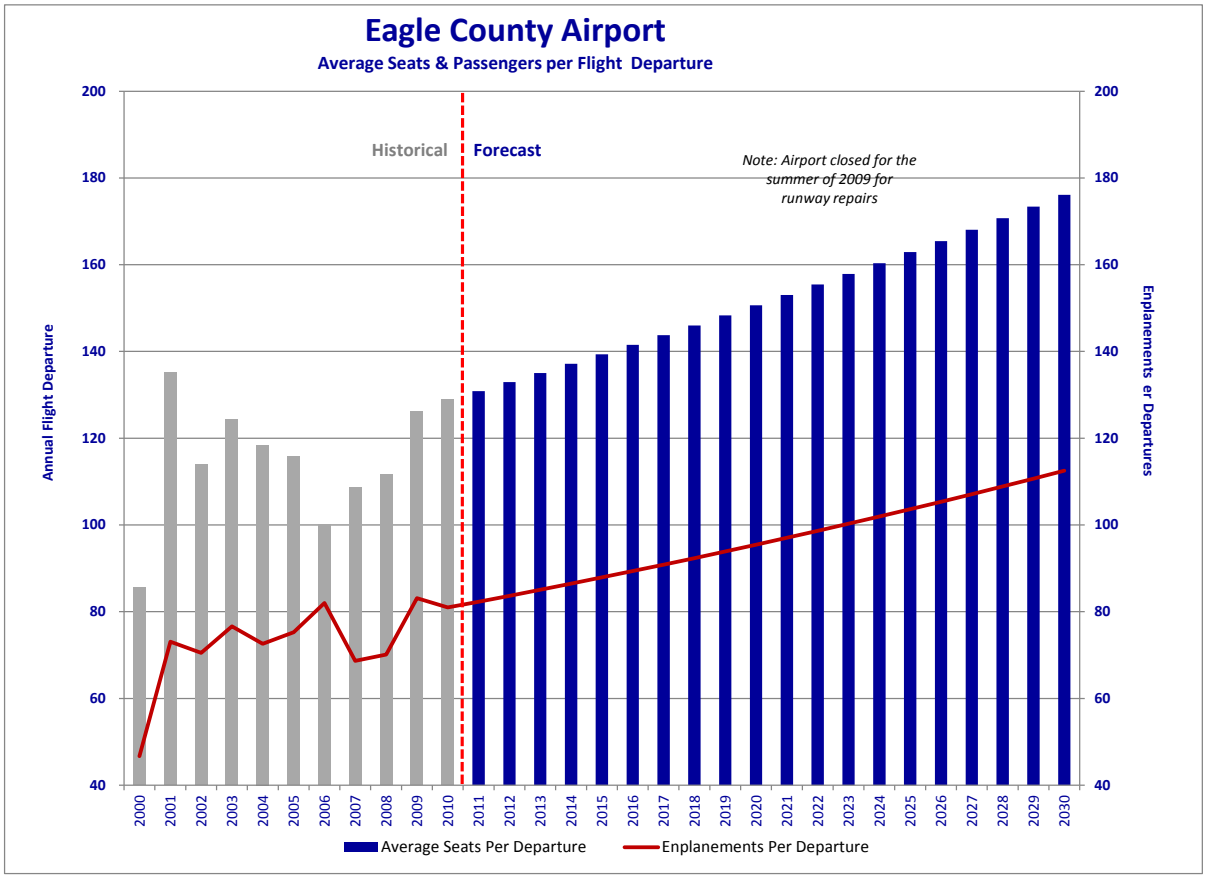
The 20-year aviation demand forecast is developed for use in determining facility requirements to meet both near-term and long-term airline requirements. Included in the forecast are projected aircraft operations, critical aircraft type and future airline fleet mix as well as passenger enplanements. The forecast of aircraft operations and passenger activity are developed both on an annual and peak period basis so that future facilities are able to handle demand levels even during peak season operations.

An aircraft operation is defined as either a takeoff or a landing. Data in this section represents a ten-year history and a twenty-year forecast of airline operations at EGE. Airline operations include flights operated with regional aircraft.

3.8.7 AIRLINE FREQUENCY AND CAPACITY AT EGE

The average number of seats per flight departure is closely matched with passenger demand in years 2000 through 2010. Over the years, this expansion and contraction of capacity has allowed airlines to meet passenger demand and build a strong load factor of 66% in 2010 rising from a low 55% in 2000. Note that 2009 numbers reflect the airport's closure during the summer for runway repair.

FIGURE 3-14 – AVERAGE SEATS & ENPLANEMENTS PER FLIGHT DEPARTURE



Source: BTS T100 Segment Data via Aviation DataMiner™

As shown in **Figure 3-14**, as airlines add larger aircraft to the EGE market, flight operations are projected to stabilize around 5,000 annually while the average number of available seats per departure is projected to increase from 128 in 2010 to 176 by year 2030. During the same period, enplanements per departures are projected to grow at the same rate increasing from 81 in 2010 to 112 by the end of forecast period.

3.8.8 AIRLINE ACTIVITY

Historical frequency and capacity (airline departures and seats) at EGE have been influenced by both passenger demand and the types of aircraft serving the market. Currently, during the peak operating month of March, 56% of all departures are operated with aircraft having between 66 and 130-seats with the remaining flights operated with 180-seat aircraft.

Because much of the air carrier activity is the result of resort incentives, care must be taken in projecting the number of airline operations EGE will see in the future. Furthermore, there are fundamental changes in airline fleets, which will affect the per-unit seat capacity in the US industry.

In particular, US airlines are in the midst of a major "fleet renewal" program, caused mainly by the need for more fuel-efficient aircraft. For example, American Airlines has just placed firm orders for 630 single-aisle airliners. Analyses by Boyd Group International indicate that the order will ultimately result in a fleet number approximately as it is today, but with average seat density per airplane up as much as 10%. This is because new technology results in the ability to operate larger aircraft at lower cost levels. This is expected to be the trend at all US carriers over the next 20 years. It affects the fleets that will be operating at EGE.

For this reason, the annual operations are forecast to remain steady, with seat density accommodating increases in passenger traffic as shown in **Table 3-8** below.

TABLE 3-8 – AIR CARRIER ACTIVITY

Year		Enplanements	Airline Operations	Departure Seats	Seats per Departure	Passengers per Departure	Load Factor
2000		166,747	7,143	305,514	85.5	46.7	54.6%
2001		173,478	4,526	305,748	135.1	73.1	54.1%
2002		169,669	4,814	274,289	114	70.5	61.9%
2003		168,189	4,390	272,966	124.4	76.6	61.6%
2004		192,308	5,300	313,876	118.4	72.6	61.3%
2005		213,069	5,662	327,821	115.8	75.3	65.0%
2006		216,871	5,288	264,733	100.1	82	81.9%
2007		230,350	6,710	364,494	108.6	68.7	63.2%
2008		217,914	6,214	346,971	111.7	70.1	62.8%
2009		181,436	4,366	275,474	126.2	83.1	65.9%
2010		200,625	4,956	319,280	128.8	81	62.8%
2011	*	203,954	4,956	324,310	130.9	82.3	62.9%
2012	*	207,337	4,956	329,420	132.9	83.7	62.9%
2013	*	210,777	4,956	334,610	135	85.1	63.0%
2014	*	214,274	4,956	339,881	137.2	86.5	63.0%
2015	*	217,829	4,956	345,236	139.3	87.9	63.1%
2016	*	221,443	4,956	350,675	141.5	89.4	63.1%
2017	*	225,117	4,956	356,200	143.7	90.8	63.2%
2018	*	228,852	4,956	361,812	146	92.4	63.3%
2019	*	232,649	4,956	367,512	148.3	93.9	63.3%
2020	*	236,509	4,956	373,303	150.6	95.4	63.4%
2021	*	240,433	4,956	379,184	153	97	63.4%
2022	*	244,422	4,956	385,158	155.4	98.6	63.5%
2023	*	248,477	4,956	391,226	157.9	100.3	63.5%
2024	*	252,599	4,956	397,390	160.4	101.9	63.6%
2025	*	256,790	4,956	403,651	162.9	103.6	63.6%
2026	*	261,051	4,956	410,010	165.5	105.3	63.7%
2027	*	265,382	4,956	416,470	168.1	107.1	63.7%
2028	*	269,785	4,956	423,031	170.7	108.9	63.8%
2029	*	274,261	4,956	429,696	173.4	110.7	63.8%
2030	*	278,811	4,956	436,466	176.1	112.5	63.9%
***Forecasting Annual Growth**							
2000-10		1.9%	-3.6%	0.4%	4.2%	5.7%	1.4%
2010-30		1.7%	0.0%	1.6%	1.6%	1.7%	0.1%

Source: DOT/BTS T100 Segment/Projections by Boyd Group International

3.8.9 HIGH VOLATILITY

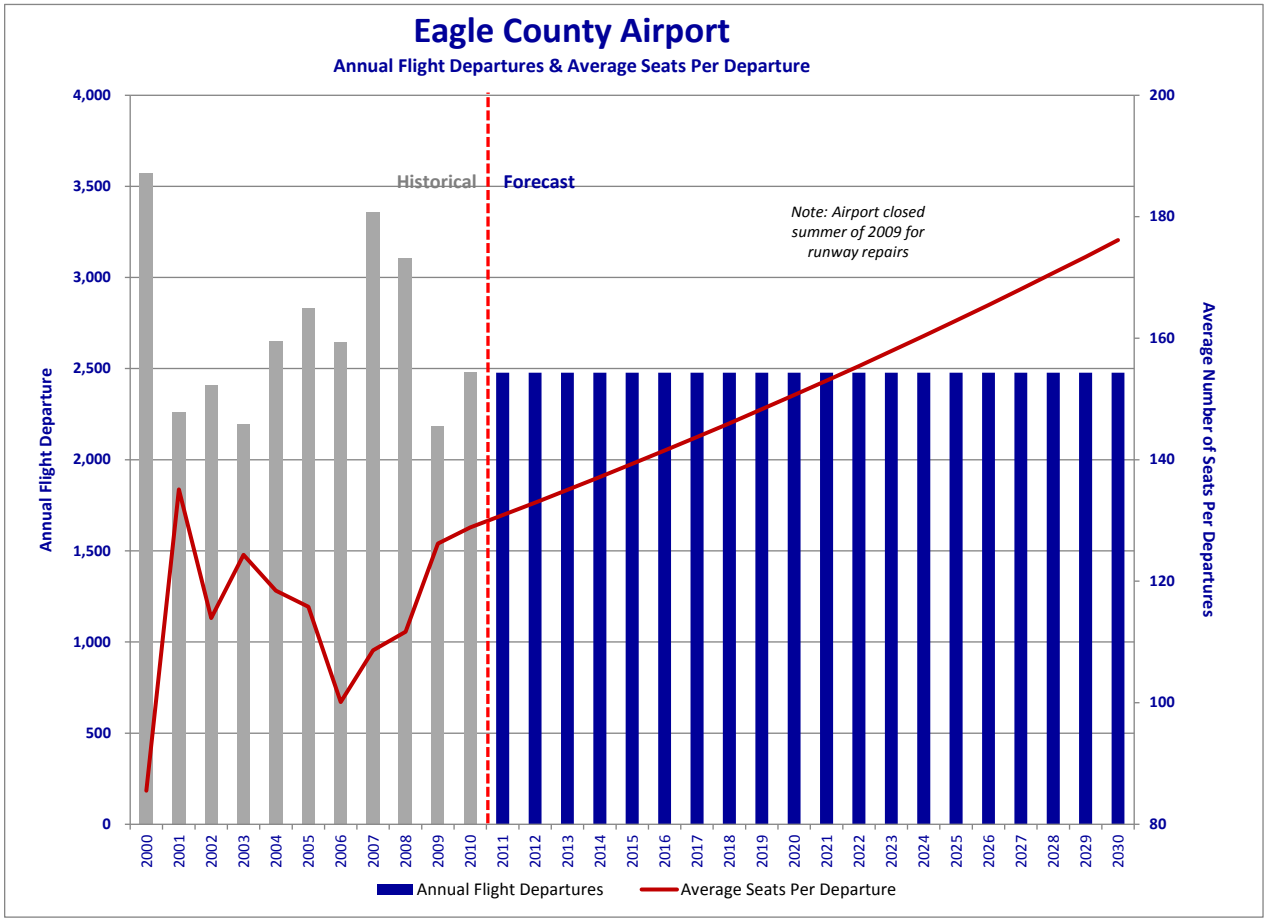
The assumption regarding operations and per-unit seat density are borne out by historical experience at EGE.

As shown in **Table 3-10** below, during the year 2000 airline operations reached an all-time high of 7,000 operations while the average number of seats per departure dropped to an all-time low of 86-seats per departure. In the following year, airline flights dropped to a new low of 4,500 operations and seats per departure reaching a record high of 134-seats.

Between 2000 and 2001, 19-seat turboprop aircraft, which operated 51% of all flight departures in 2000, were replaced with 90-seats regional jets (the BAE-146) which operating 53% of all commercial flights during the following year. The remaining commercial flight in both years were operated with 180-seat aircraft

Between 2000 and 2010, airline operations and seats per departure changed from year-to-year as airlines changed their fleet mix at EGE. The BAE-146 was removed from service and replaced with smaller 37-seat turboprop aircraft which, in turn, were later replaced with 50 and 66-seat Regional Jets. Based on historical trends, it is projected that airlines serving EGE will continue to add larger aircraft to the EGE fleet mix resulting in the number of annual operations stabilizing at around 5,000 while the average number of seats per departure will grow at a steady annual rate of 1.6% throughout the forecast period.

TABLE 3-9 – FLIGHT DEPARTURES & SEATS PER DEPARTURE



Source: BTS T100 Segment Data via Aviation DataMiner™

The summary of airline activity presented in **Table 3-10** below, provide five, ten, and twenty-year estimates of airline activity at EGE. Activity levels associated with specific time frames are used to develop an airport improvement plan and to determine the amount of funds necessary to implement the plan. It is important, however, to view the projections independent of specific years and consider the projections to be planning activity levels which to establish the timing of future facility expansion decisions. If actual growth occurs faster or slower than projected, the implementation schedule should be reassessed and changed accordingly. Changes in operating activity should be periodically compared to the forecast so that changes may be made to the airport improvement plan. As discussed in **Section 3.5.2**, the high forecast is based on personal income for the service area, the medium growth forecast is driven by a combination of local population growth, tourism growth, and project national enplanements. The low growth forecast scenario is based upon population growth in the airport service area.

TABLE 3-10 – SUMMARY OF AIR CARRIER FORECAST

	Forecast Levels					Compound Annual Growth Rate			
	2010	2011	2015	2020	2030	to 2011	to 2015	to 2020	to 2030
Passenger Enplanements									
Passenger Enplanements	200,625	203,954	217,829	236,509	278,811	0.8 %	1.4%	1.5%	1.7%
Operations									
Air Carrier	4,956	4,956	4,956	4,956	4,956	0.0 %	0.0%	0.0%	0.0%
Average Aircraft Size (Seats)									
Average Aircraft Passenger Capacity	128.8	130.9	139.3	150.6	176.1	0.8 %	1.3%	1.4%	1.6%
Average Enplaning Load Factor									
Average Load Factor	62.8%	62.9%	63.1%	63.4%	63.9%	0.0 %	0.1%	0.1%	0.1%

Source: 2010 TAF / FAA General Aviation Survey / Projections by Boyd Group International

3.8.10 Peak Period Operations

At EGE there are significant swings in "peak" periods. Historically, airline service at EGE is highly seasonal with well over 50% of the annual airline operations being concentrated during the first quarter and approximately only 12% during the third quarter.

This pattern of operations has remained relatively constant at EGE, with the only notable exception of 2009 when the airport was closed from May through August for runway repairs. Because of the high seasonality of the EGE market, the peak period demand forecast are based on historic peak day operation, as shown in **Table 3-11**.

Air Carrier peak hour for both departing flights and departing capacity for hub connecting flights has historically been between 0900 and 1000.[52] This reflects the first morning push to the two connecting hubs served from EGE by aircraft that remain overnight. However, during the winter season, it is noted that air carrier operations indicate a peak mid-day operation of up to five aircraft at the terminal within a 60-minute period, therefore, creating the potential for passenger terminal congestion. Total peak period runway operations are not expected to exceed 24 within a 60-minute period.

[52] Illustrated data is for a typical air carrier weekend schedule during the peak travel month of the year. Operations are increased on weekends and, as noted previously, there is high seasonal fluctuation in the level of commercial operations at EGE. Also, while the data reflects arrivals and departures, the peak periods for terminating arrivals are in the late evening. These aircraft represent the morning originators in the 0600-0700 period.

TABLE 3-11 – PEAK PERIOD OPERATIONS

Peak Period Operations						
		Base Year 2010	Base +1 2011	Base +5 2015	Base +10 2020	Base +20 2030
Peak Month Operations						
	Air Carrier	1,118	1,199	1,272	1,369	1,587
	GA & Other	2,905	2,838	2,912	3,007	3,272
	Total Operations	4,023	4,037	4,184	4,376	4,859
Peak Day Operations						
	Air Carrier	45	47	49	49	49
	GA & Other	97	95	97	100	109
	Total Operations	142	142	146	149	158
Peak Hour Operations						
	Air Carrier	9	9	10	10	10
	GA & Other	10	9	10	10	11
	Total Operations	19	19	19	20	20
Air Carrier – Peak Period						
	Peak Mo. Seats	150,913	150,913	151,397	152,003	153,224
	Peak Day Seats	6,857	6,942	7,294	7,769	8,843
	Peak Hour Seats	1,378	1,423	1,495	1,577	1,795
	Peak Mo. Passengers	95,665	97,252	103,868	112,775	132,946
	Peak Day Passengers	5,095	5,180	5,532	6,006	7,081
	Peak Hour Passengers	1,024	1,093	1,167	1,267	1,494
	Avg. Seats p/Dep.	153.1	154.7	157.0	165.6	188.5
	Avg. Passengers p/Dep.	113.8	118.8	122.6	133.1	156.9
	Avg. Load Factor	74.3%	76.8%	78.1%	80.4%	83.2%

Source: Innovata, LLC Flight Schedules / BTS T100 / Projections by Boyd Group International

3.8.11 PEAK HOUR OPERATIONS

Future actors which could result in variations in aircraft operations include larger aircraft replacing smaller ones on existing service and additional frequencies to currently-served airports.[53]

Both dynamics may occur within the first 3 to 5-years of the forecast period. In addition, future peak hour operations are estimated based on airline systems serving EGE continuing to schedule flights to feed banks of connecting flights at hub airports, it is believed that there will be little variation from historical patterns throughout the forecast period, as depicted in **Table 3-12** below.

TABLE 3-12 – PEAK PERIOD FORECAST

Peak Period Forecast									
	Forecast Levels					Compound Annual Growth Rate			
Airline Operations	2010	2011	2015	2020	2030	to 2011	to 2015	to 2020	to 2030
Capacity (Arrival & Departure Seats)	1,378	1,423	1,495	1,577	1,795	1.6%	1.4%	1.2%	1.7%
Air Carrier (Arrival & Departing Flights)	9	9	10	10	10	1.1%	0.9%	0.5%	0.4%
Other Flight Operations									
General Aviation & Other	10	9	10	10	11	-1.2%	0.0%	0.3%	0.7%
Total Flight Operations	19	19	19	20	20	-0.1%	0.5%	0.4%	0.6%

Source: BTS T100 Data / Projections by Boyd Group international

3.8.12 INSTRUMENT OPERATIONS AND FORECAST

Instrument operations are defined as a landing or takeoff conducted while operating on an instrument flight plan. An instrument approach is defined as a series of determined maneuvers for the orderly transfer of an aircraft under instrument flight conditions from the beginning of the initial approach to landing or to a point from which landing may be made visually.

Over the forecast period, it is projected that instrument operations will remain relatively stable as a percentage of total operations. The change in percentage of general aviation and other operations is projected to represent an increase of less than 1%, whereas the percentage of commercial flight operations conducted under instrument flight rules (IFR) will remain stable over the forecast period, as shown in **Table 3-13**.

[53] Depending on resort strategies, it is possible that flights could be increased to an existing hub, or another major airport – for example, SFO – getting service. These may be at the expense of reducing capacity to another currently-served destination.

TABLE 3-13 – INSTRUMENT OPERATIONS FORECAST

Year	GA Ops.	GA Inst Ops.	% Inst.	Air Carrier Ops	Comm. Inst. Ops	% Instrument	Other Ops.	Other Inst. Ops.	% Instrument	Total Ops.	Total Inst Ops.	% Inst
Historical												
2000	30,068	23,946	79.6%	7,143	3,053	42.7%	2,277	46	2.0%	39,488	27,045	68.5%
2001	31,034	24,137	77.8%	4,526	3,770	83.3%	2,741	68	2.5%	38,301	27,975	73.0%
2002	30,675	25,141	82.0%	4,814	4,457	92.6%	2,709	75	2.8%	38,198	29,673	77.7%
2003	32,833	25,890	78.9%	4,390	4,197	95.6%	3,070	79	2.6%	40,293	30,166	74.9%
2004	28,648	23,709	82.8%	5,300	4,256	80.3%	2,493	72	2.9%	36,441	28,037	76.9%
2005	29,793	23,588	79.2%	5,662	4,926	87.0%	3,004	87	2.9%	38,459	28,601	74.4%
2006	30,014	23,893	79.6%	5,288	5,185	98.1%	2,312	71	3.1%	37,614	29,149	77.5%
2007	28,900	25,902	89.6%	6,710	4,026	60.0%	3,689	106	2.9%	39,299	30,034	76.4%
2008	30,385	24,326	80.1%	6,214	3,352	53.9%	4,131	151	3.7%	40,730	27,829	68.3%
2009	22,046	17,531	79.5%	4,366	2,726	62.4%	4,297	87	2.0%	30,709	20,344	66.2%
2010	25,961	17,345	66.8%	4,956	17,345	350.0%	4,386	148	3.4%	35,303	34,838	98.7%
Projection												
2011	25,233	14,501	57.5%	4,956	4,446	89.7%	4,385	97	2.2%	34,574	19,044	55.1%
2012	25,431	14,094	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	34,772	18,637	53.6%
2013	25,631	14,205	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	34,972	18,748	53.6%
2014	25,833	14,317	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	35,174	18,860	53.6%
2015	26,036	14,429	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	35,377	18,972	53.6%
2016	26,241	14,543	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	35,581	19,086	53.6%
2017	26,447	14,657	55.4%	4,956	4,446	89.7%	4,385	97	2.2%	35,788	19,200	53.7%
2018	26,655	14,773	55.4%	4,956	4,446	89.7%	4,384	97	2.2%	35,995	19,315	53.7%
2019	26,865	14,889	55.4%	4,956	4,446	89.7%	4,384	97	2.2%	36,205	19,432	53.7%
2020	27,076	15,006	55.4%	4,956	4,446	89.7%	4,384	97	2.2%	36,416	19,549	53.7%
2021	27,352	15,124	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	36,692	19,667	53.6%
2022	27,631	15,278	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	36,971	19,821	53.6%
2023	27,912	15,434	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	37,252	19,977	53.6%
2024	28,197	15,591	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	37,536	20,134	53.6%
2025	28,484	15,750	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	37,824	20,293	53.7%
2026	28,774	15,910	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	38,114	20,453	53.7%
2027	29,067	16,072	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	38,407	20,615	53.7%
2028	29,363	16,236	55.3%	4,956	4,446	89.7%	4,384	97	2.2%	38,703	20,779	53.7%
2029	29,663	16,402	55.3%	4,956	4,446	89.7%	4,383	97	2.2%	39,002	20,944	53.7%
2030	29,965	16,569	55.3%	4,956	4,446	89.7%	4,383	97	2.2%	39,304	21,112	53.7%

Source: FAA ATADS Data / Projections Boyd Group International

3.8.13 Design Aircraft for Planning Purposes

The FAA uses a coding system, the Airport Reference Code (ARC), to relate airport design criteria to the operational and physical characteristics of aircraft intended to operate at the airport. There are two components to the ARC the first, depicted by a letter(A, B, C, …), relates the aircraft Approach Category (approach speed) and the second component is depicted by a Roman numeral (I, II, III, …) is the aircraft Design Group category (length, wingspan, and tail height).

These categories, when combined, result in the ARC based on a "design" aircraft (or group of aircraft), which is the largest aircraft having (or forecast to have) a minimum of 500 annual operations (or 250 departures) at the airport. In some cases there may be two design aircraft, one for geometric standards and another for runway strength (approach speed).

TABLE 3-14 – AIRPORT REFERENCE CODE CATEGORIES

Group	Approach Speed (kt)	Group	Wing Span (ft)	Group	Tail Height (ft)
A	<91	I	<49	I	<20
B	90 - <121	II	49 - <79	II	20 - <30
C	121 - <141	III	79 - <118	III	30 - <45
D	141 - <166	IV	118 - <171	IV	45 - <60
E	166 - >166	V	171 - <214	V	60 - <66
		VI	214 - <262	VI	66 - <80

Source: FAA AC 150/5300-13, Airport Design.

3.8.14 EGE Current Design Aircraft

As discussed in **Section 2.1**, the ARC for EGE is D-IV. As shown in **Table 3-16**, this designation is based on the Boeing 757-200 and 737-700 aircraft.

TABLE 3-15 – EGE CURRENT DESIGN AIRCRAFT

	Design Aircraft		
	Current	Current	Current
Aircraft Model	Boeing 757-200	A320-200	Boeing 737-700W
Length Overall	155 feet 3 inches	123 feet 7 inches	110 feet 3 inches
Wingspan	124 feet 8 inches	116 feet 5 inches	117 feet 4 inches
Height Overall	45 feet 1 inches	39 feet 8 inches	41 feet 6 inches
Maximum Takeoff Weight	255,000 lbs	169756	154,500
Typical Approach Speed	137 knots	130 knots	130 knots
Approach Speed Category	C	C	C
Airplane Design Group	IV	III	III

Source: Airbus & Boeing Aircraft Specifications

3.8.15 EGE FUTURE DESIGN AIRCRAFT

Other aircraft to consider for future planning purposes are the Boeing 767-300 and 777-200 as these long-range aircraft could be recruited for additional seat lift or, possibly, international flying. Also, the Airbus A321 and Boeing 737-900 are potential replacement aircraft for the Boeing 757-200.

TABLE 3-16 – EGE FUTURE DESIGN AIRCRAFT

	Design Aircraft			
	Future	Future	Future	Future
Aircraft Model	Boeing 777-200ER	Boeing 767-300	Airbus A321-200	Boeing 737-900W
Length Overall	209 feet 1 inches	180 feet 3 inches	146 feet 0 inches	138 feet 2 inches
Wingspan	199 feet 9 inches	156 feet 1 inches	111 feet 11 inches	117 feet 4 inches
Height Overall	61 feet 5 inches	52 feet 6 inches	39 feet 7 inches	41 feet 4 inches
Maximum Takeoff Weight	656,000 lbs	351,000 lbs	187,393 lbs	174,200 lbs
Typical Approach Speed	139 knots	140 knots	139 knots	141 knots
Approach Speed Category	C	C	C	D
Airplane Design Group	V	IV	III	III

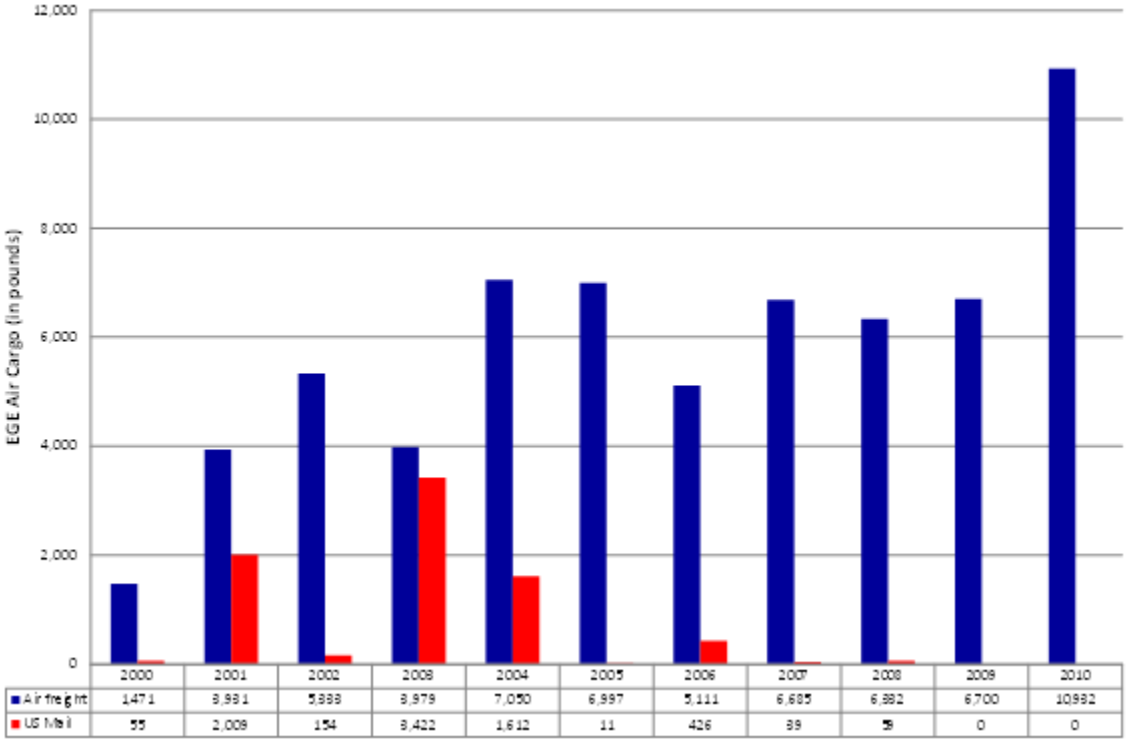
Source: Airbus & Boeing Aircraft Specifications

3.9 CARGO OPERATIONS

Currently air cargo is not a significant activity at EGE. **Figure 3-15** below presents a six-year history of annual enplaned cargo, mail and freight, at EGE. Cargo totaled approximately 11,000 pounds in 2010. Air freight has fluctuated greatly every year since 2000 with mail declining to zero shipments in 2009. The high seasonality of air service and close proximity to Denver International Airport has diverted air cargo to ground transportation between EGE and DEN.

The current service patterns at EGE do not lend well to air cargo. First, the winter service is highly ski-centric, which can tend to bulk out the available belly space. Second, there are no industries in the area that are dependent upon air cargo as a logistics stream. Third, hub-trucking whatever cargo demand that may be in the region is more reliable that the resort-driven flight schedules at EGE.

FIGURE 3-15 – AIR FREIGHT & U.S. MAIL



	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Air freight	1,471	3,931	5,333	3,979	7,050	6,997	5,111	6,685	6,382	6,700	10,932
US Mail	55	2,009	154	3,422	1,612	11	426	89	58	0	0

Source: BTS T100 Segment Data via Aviation DataMiner™

Air cargo activity at EGE will remain very low during the forecast period. The potential for expansion of fully-integrated logistics operators such as UPS or FedEx is low, and most, if any growth, will likely be pushed to trucking to alternative airports. summarizes EGE air cargo forecast.

TABLE 3-17 – SUMMARY OF CARGO FORECAST

	Forecast Levels					Compound Annual Growth Rate			
Cargo (lbs.)									
Freight	10,932	11,030	11,429	11,948	13,058	0.4%	0.7%	0.8%	1.1%
U.S. Mail	0	0	0	0	0	0.0%	0.0%	0.0%	0.0%
Total Cargo	10,932	11,030	11,429	11,948	13,058	0.4%	0.7%	0.8%	1.1%

Source: BTS T100 Segment Data via Aviation DataMiner

3.10 FORECAST COMPARISONS

3.10.1 SUMMARY OF OPERATIONS

The major elements of demand for EGE are summarized in **Table 3-18**.

TABLE 3-18 – SUMMARY OF AVIATION ACTIVITY FORECASTS

	Forecast Levels					Compound Annual Growth Rate			
	Base Year 2010	Base + 1 2011	Base + 5 2015	Base + 10 2020	Base + 20 2030	2010 to 2011	2010 to 2015	2010 to 2020	2010 to 2030
Airline Passengers									
Enplanements	200,625	203,954	217,829	236,509	278,811	0.8%	1.4%	1.5%	2.1%
Operations Itinerant									
Air Carriers	4,956	4,956	4,956	4,956	4,956	0.0%	0.0%	0.0%	0.0%
Operations									
Itinerant									
General Aviation	21,446	20,872	21,542	22,409	24,799	-1.3%	0.1%	0.4%	0.9%
Other	4,386	4,385	4,385	4,384	4,383	0.0%	0.0%	0.0%	0.0%
Local									
General Aviation	4,515	4,360	4,494	4,667	5,166	-1.7%	-0.1%	0.3%	0.8%
Other	1,344	1,344	1,343	1,343	1,343	0.0%	0.0%	0.0%	0.0%
TOTAL OPERATIONS	36,647	35,917	36,720	37,759	40,647	-1.0%	0.0%	0.3%	0.6%
Instrument Operations	21,939	19,109	19,312	20,255	22,637	-6.7%	-2.1%	-0.7%	0.2%
Peak hour Operations – Air Carrier	8	8	8	8	9	0.8%	0.5%	0.4%	0.4%
Peak hour Operations – All Other	10	9	10	10	11	-1.2%	0.0%	0.3%	0.7%
Peak hour Operations – Total	18	18	18	18	19	-0.3%	0.3%	0.4%	0.6%
Cargo/Mail (enplaned+deplaned ton)	5.5	5.5	5.7	6.0	6.5	0.4%	0.7%	0.8%	1.1%
Based Aircraft									
Single Engine	46	46	46	47	48	0.0%	0.0%	0.2%	0.3%
Multi Engine	13	13	14	15	17	0.0%	1.2%	1.3%	1.7%
Jet Engine	20	20	24	29	44	0.0%	3.1%	3.4%	5.1%
Other Aircraft	14	14	15	17	22	0.0%	1.2%	1.8%	2.9%
TOTAL	93	93	99	108	131	0.0%	1.0%	1.4%	2.2%
Average Aircraft Size (Seats)									
Air Carrier	129	131	139	151	176	0.8%	1.3%	1.4%	2.0%
Average Enplaning Load Factor									
Air Carrier	62.8%	62.9%	63.1%	63.4%	63.9%	0.0%	0.1%	0.1%	0.1%
GA Operations Per Based Aircraft	279	271	262	251	229	-1.4%	-1.0%	-1.0%	-1.2%

Source: 2010 TAF / FAA General Aviation Survey / Projections by Boyd Group International

3.10.2 Comparison Summary to Terminal Area Forecast (TAF)

The independent forecasts accomplished herein do not vary materially from the FAA's Terminal Area Forecast,[54] as shown in **Table 3-19** below.

TABLE 3-19 – AIRPORT FORECAST & TERMINAL FORECAST

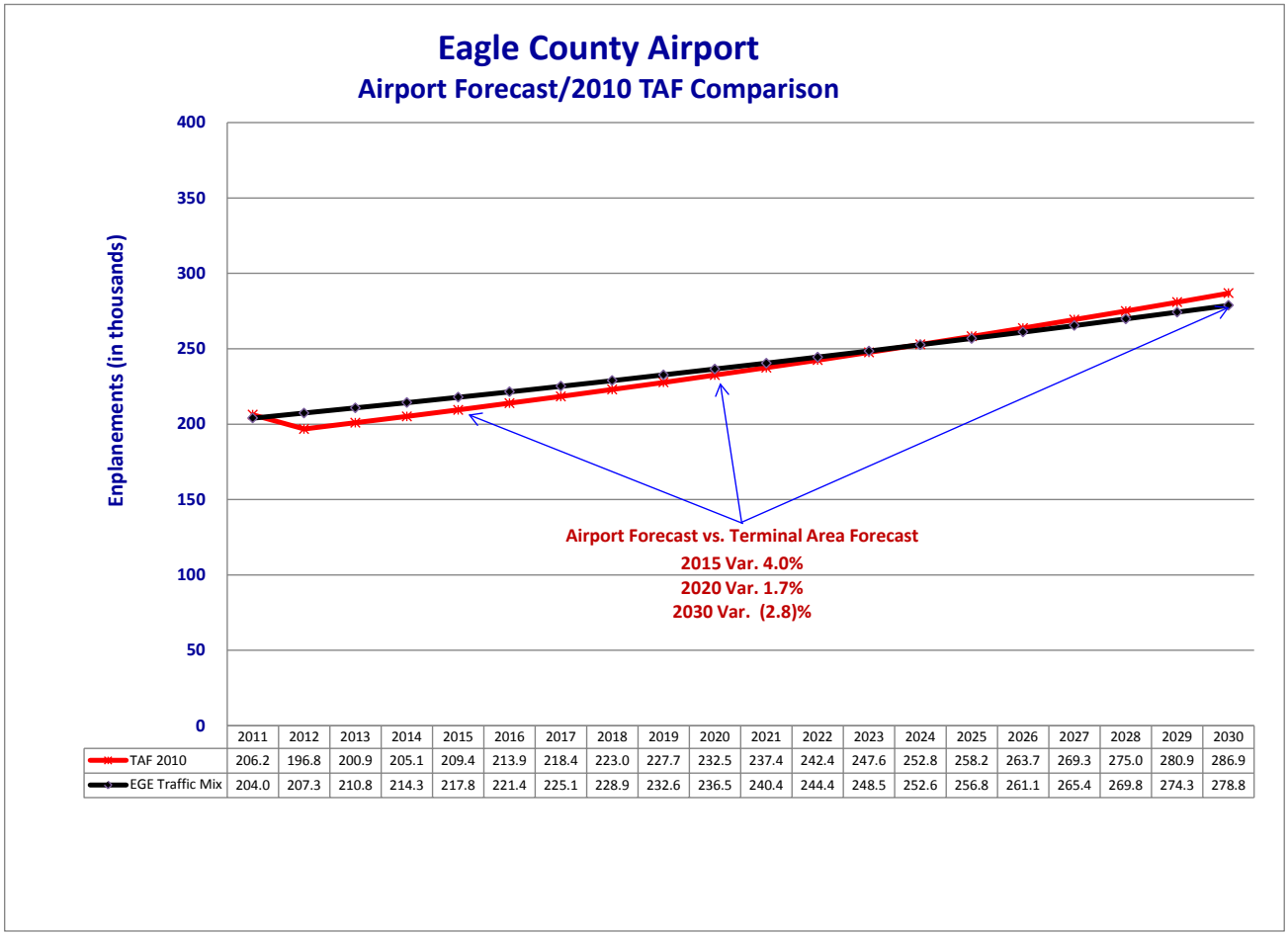
	Year	Airport Forecast	TAF	AF/TAF (% Difference)
Passenger Enplanements				
Base Year	2010	200,625	200,625	0.0%
Base Year +1	2011	203,954	206,243	-1.1%
Base Year +5	2015	217,829	209,447	4.0%
Base Year +10	2020	236,509	232,498	1.7%
Base Year +20	2030	278,811	286,857	-2.8%
Airline Operations				
Base Year	2010	4,956	4,235	17.0%
Base Year +1	2011	4,956	4,298	15.3%
Base Year +5	2015	4,956	4,553	8.9%
Base Year +10	2020	4,956	4,901	1.1%
Base Year +20	2030	4,956	5,668	-12.6%

Note: Enplanements are departing passengers only / Airline Operations = Arriving + Departing Flights
Source: BTS T100 Traffic Data / Projections by Boyd Group International

At the end of 2030, the baseline forecast of passenger enplanements prepared by Boyd Group International at EGE is forecast to be 278,811 compared to the FAA projection of 286,857 in the Terminal Area Forecast. As shown in **Figure 3-16** below, this represents a variance of approximately 2.8% below the FAA Terminal Area Forecast

[54] Operations in this chart reflect arrivals and departures and passenger data reflect only enplanements.

FIGURE 3-16 – AIRPORT FORECAST AND TERMINAL FORECAST



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
TAF 2010	206.2	196.8	200.9	205.1	209.4	213.9	218.4	223.0	227.7	232.5	237.4	242.4	247.6	252.8	258.2	263.7	269.3	275.0	280.9	286.9
EGE Traffic Mix	204.0	207.3	210.8	214.3	217.8	221.4	225.1	228.9	232.6	236.5	240.4	244.4	248.5	252.6	256.8	261.1	265.4	269.8	274.3	278.8

Source: Boyd Group International, Inc.