

EAGLE COUNTY REGIONAL AIRPORT

2018 ANNUAL REPORT





WELCOME

Welcome to the 2018 Annual Report for Eagle County Regional Airport (EGE). I am pleased to share that EGE continues to experience strong growth in passenger traffic and in its general aviation traffic and operations. In the second quarter of 2018 alone, commercial passenger traffic has increased 14 percent over passenger traffic experienced in 2017 for this time period. Growth at the airport equates to better access to markets, an increase in visitor spending, and more economic opportunities. EGE has a reputation as a safe, convenient, and first-class facility. We continue to strive to enhance the passenger experience and overall airport user to become the “airport of choice” for travelers accessing the Colorado Rocky Mountains.



To that end, we have begun work on a \$33 million terminal expansion and renovation project, which is anticipated to be completed in November of 2019. We are focused on providing our customers with a first-class commercial terminal equipped with modern technology, new and enhanced amenities, and improved access that is reflective of the Eagle County community’s values.

We recognize the importance of being a strong community partner. We continue to invest in the community, our safety and security initiatives, and our ability to serve Eagle County and the traveling public with greater air service options, and with continued outstanding service to the general aviation market that is already well renowned thanks to the Vail Valley Jet Center. The airport serves as an essential gateway for the region and as one of the top economic engines for our community.

I would like to thank the Eagle County Commissioners, the community, our partners and tenants on the airport, and our dedicated and well-trained airport staff for the support, guidance, and commitment over the past year. I am excited for the future of EGE, and what lies ahead!

Kip Turner
Director of Aviation

A Strong Community Partner

In 2017 - 2018, EGE donated over \$34,000 to community events, such as:

EGE Wheels and Wings

Gypsum Daze

Gypsum Farmers Market

Vail Jazz

Eagle Flight Days

Eagle County Fair and Rodeo

In addition, the Airport is an active member of:

Vail Valley Partnership

Eagle Chamber of Commerce

Gypsum Chamber of Commerce



AIRPORT OVERVIEW

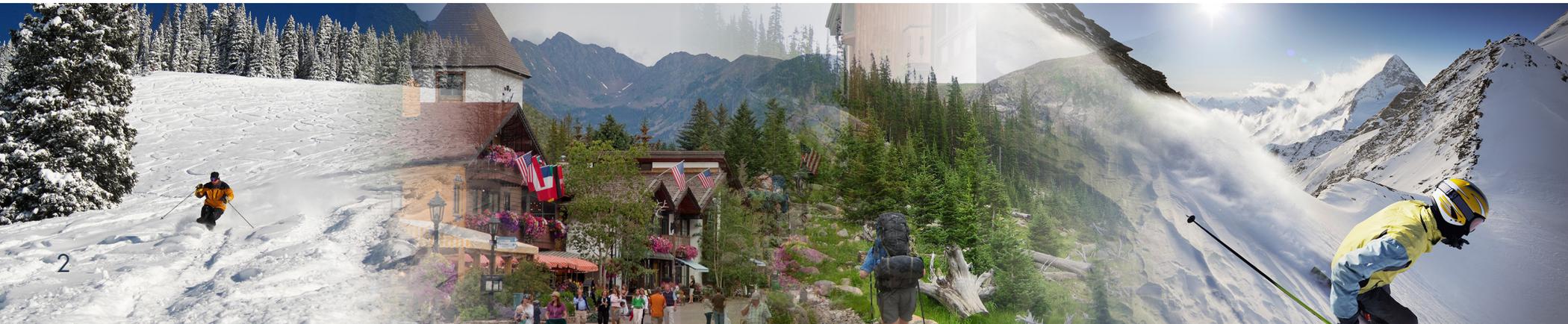
Providing access to the heart of the Colorado Rocky Mountains, Eagle County Regional Airport (EGE) is a primary gateway for visitors enjoying the abundance of year-round recreational activities and the world class resort destinations of Vail and Beaver Creek.

As a convenient gateway for both leisure and business travelers, and the many second-home owners that call Eagle County home away from home, the Airport is currently served by three major airlines- American, Delta, and United- with non-stop winter service to 14 major destinations: Atlanta, Chicago, Dallas, Denver, Houston, Los Angeles, Miami, New York (JFK & LGA), Newark, Phoenix, Salt Lake City, San Francisco, and Washington D.C. Year-round service includes non-stop flights to Denver and Dallas.

Rooted in the Eagle County community, the Eagle County Regional Airport continues to serve as a community partner and as an economic engine for the region; contributing over \$635 million annually to the regional economy as reported in the 2013 Colorado Department of Transportation Aeronautics Economic Impact Study.

In addition to year-round commercial operations, EGE serves as the primary catalyst for General Aviation to the Rocky Mountain region. Eagle County Regional Airport is home to the High Altitude Army National Guard Aviation Training Site and the world-recognized Fixed Based Operator (FBO), Vail Valley Jet Center. The Vail Valley Jet Center continues to be ranked with the best of the best FBOs in Aviation International News and Professional Pilot Magazine by pilots across both the country and the world, providing world-class service to our customers.

Non-Stop Winter Service To 14 Cities



AIRPORT IMPROVEMENTS

As the primary gateway to our community, the Eagle County Regional Airport strives to provide first class facilities and all the amenities that are valued and expected by both our community and our visitors. Starting in 2017 and carrying over into 2018 at full speed, EGE has initiated airport improvement projects that will enhance the level of service, amenities, and passenger experience the Airport offers to its travelers.

Improving Safety and Operational Capability

Aircraft navigational technology is always improving. The procedures and software used by aircraft and by air traffic control evolves based on better understanding of capabilities and industry improvements.

EGE worked in conjunction with a large group of professionals from all aspects of the industry, including the FAA, commercial airlines, and many different general aviation experts, to develop new departure procedures for Runway 25. These new procedures have been designed and implemented over the past year, and are providing safer and more efficient opportunities for aircraft flying in and out of EGE. While the newest technology improves safety buffers, the fundamental challenge remains the same—how to guide the pilots and aircraft through the mountains. The task is to provide guidance to keep the aircraft over the lowest part of the valley and centered between the highest points of terrain.

Some of the new procedures took effect in August 2018, with the rest going into effect in September of 2018, which will achieve the safety and aircraft efficiency goals without changing the historical footprint of airport operations. EGE's top priority remains aviation safety.

Enhancing the Passenger Experience through Terminal Expansion

In April 2018, Eagle County celebrated the ground breaking for the 50,000-square-foot terminal expansion initiative. The terminal expansion project will enhance the efficiencies of the airlines' operations, enhance concessions, and enrich the overall passenger experience with modern-day technology and improved facility amenities and aesthetics. The \$33 million project will be completely funded with airport revenues, and is expected to be opened in November of 2019.

Over the past ten years, EGE has been the recipient of \$4.29 million in State Aeronautic Grant funds and over \$60 million in FAA grant funds to ensure an efficient & safe airport.



Boosting General Aviation Pilot Experience

The Eagle Valley's locally-based pilots are active and enthusiastic aviators. There are currently 72 pilots who base their aircraft at EGE. To better accommodate continued growth in this area, the Airport moved forward with a North General Aviation Apron Improvement project which was designed in 2018 and is scheduled to be constructed in the Summer of 2019. General Aviation aircraft utilizing the airport will benefit from this project with improved safety and pavement conditions, aircraft parking efficiencies, as well as added amenities for the GA pilot community, including a picnic area with restroom facilities.

Maintaining a High Level of Service During Winter Months

The Airport is proud of its ability to remain open while many mountain airports often either close or have to delay flight operations for harsh weather conditions. To continue to support EGE's operational capabilities, the Airport acquired two new broom trucks to allow for more efficient and effective snow removal operations in the winter months.

Emergency Response Preparedness

The FAA requires commercial airports to develop and maintain an Airport Emergency Plan (AEP). EGE must review its plan at least once a year and conduct a full-scale exercise (FSE) every three years. EGE conducted its tri-annual FSE this past year which included components for area emergency response organizations and agencies, selected medical facilities, representatives from county government, towns, and other selected entities to participate. The exercise was designed to both demonstrate and evaluate the area's capability to respond to a Mass Casualty Incident at the airport. During high-stress incidents, effective emergency response comes from well-trained and prepared personnel.

EGE appreciates the participation of the many citizen volunteers and numerous agencies including: Eagle County Administration and Emergency Operations Departments, Eagle County Communications Department, Eagle County Sheriff's Department, Vail Communications Center, Eagle County Paramedic Services, Eagle Fire Department, Eagle River Fire District, Greater Eagle Fire District, Gypsum Fire Department, Vail Fire Department, Vail Health, Valley View, Colorado Department of Transportation, and the Federal Aviation Administration.



GENERAL AVIATION ACTIVITY

EGE is proud to have the Vail Valley Jet Center as our general aviation partner at the Airport. The Vail Valley Jet Center met its goal of remaining a top aviation service company FBO in the industry in 2018, an achievement it's made for the last 15 consecutive years. The Vail Valley Jet Center was ranked with the best of the best FBOs in Aviation International News and Professional Pilot Magazine by pilots across the country and across the world. In Aviation International News, the Jet Center ranked in the top 20 percent with a score of 4.58 (the top score being 4.74). In Professional Pilot Magazine, the Jet Center ranked 13th overall in the United States. The Jet Center also ranked as the 6th best independent FBO in the country.

Eagle Avionics

In July 2017, former Lockheed Martin Engineer and Avionics Manager, Larry Cheatwood, opened Eagle Avionics for business and started installing avionics equipment in aircraft at the airport. Avionics are the electronic navigation and communications systems that allow pilots and aircraft to navigate and communicate in our complex aviation transportation system. Eagle Avionics is in the process of securing an FAA, part 145 Repair Station license that will allow them to do complex repairs and certifications.



Hangar and Ramp Expansion

In June of 2018, the Vail Valley Jet Center broke ground on a new corporate hangar. Vaughan Construction, Hobbs Excavating, and D Jensen Electric are building a new 30,000-square-foot executive hangar that can accommodate the largest business jets in the world. In addition to aircraft storage space, the new hangar will have 8,000 square feet of office space, maintenance bays, and vehicle garages, as well as a passenger lounge. In addition to the new hangar, the Vail Valley Jet Center is building five acres of aircraft ramp space for handling additional aircraft during the peak seasons and Holidays.

International Customs Expansion

In Customs and Border Protection, Eagle County and the Vail Valley Jet Center are adding a second Customs and Border Protection Officer this fall, which will allow EGE to accommodate even more international flights. Last year, Customs and Border Protection cleared 592 international flights at the Eagle County Regional Airport.

Star Dancing Gala

The Vail Valley Jet Center was proud to host and be just one of many sponsors for the 10th Annual Star Dancing Gala with the Vail Valley Foundation. This one-evening event raised hundreds of thousands of dollars for local schools and students.

Wheels and Wings Festival

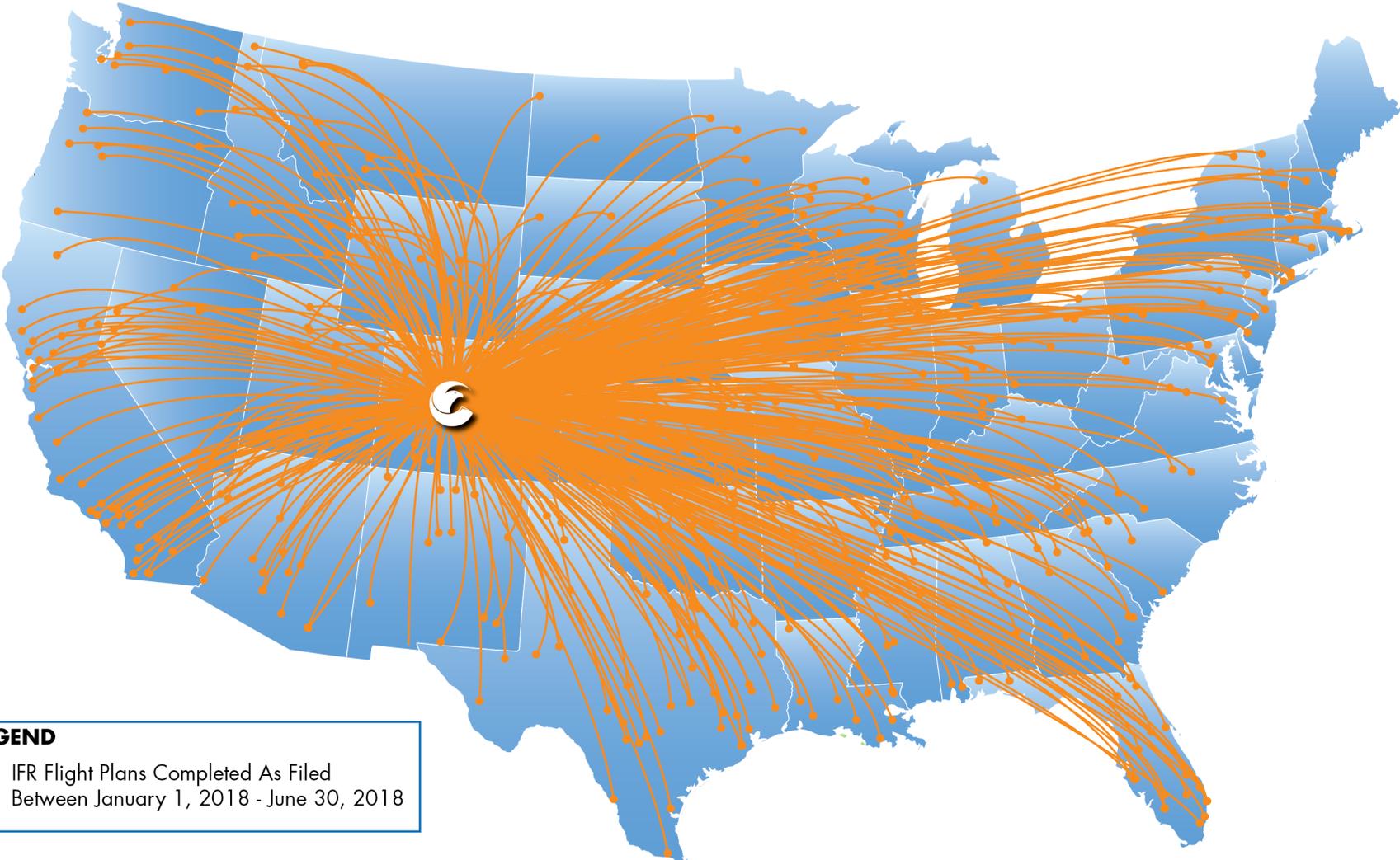
The Eagle County Airport and the Vail Valley Jet Center is preparing for the 8th Annual Wheels and Wings Festival on September 8, 2018. Come join us for the only car show, air show, and static aircraft display on the Western slope. Don't miss a day full of aerobatic performers, beautiful airplanes, and over 100 cars, trucks, and motorcycles on display. Bring the family down to our 30,000-square-foot hangar dedicated to FREE kid's activities, and check out the impressive auto auction, which brings together a love of classic cars, memorabilia, and community support.



GENERAL AVIATION ACTIVITY

Eagle County Regional Airport Supports Flights to Anywhere!

Flight data from the Federal Aviation Administration (FAA) helps to show how the EGE provides connectivity to various destinations in the U.S. Flights shown on this map are classified by the FAA as departures and arrivals. The airport's Instrument Flight Rule (IFR) map helps to demonstrate the important role that the Airport plays in providing time-saving connections for local and visiting businesses and residents.



LEGEND

 IFR Flight Plans Completed As Filed
Between January 1, 2018 - June 30, 2018



FINANCIAL CONDITIONS

EGE works diligently to ensure a self-sustaining budget. The Airport does not receive any County general fund subsidy, and is funded through revenues associated with the Airport's operations. FAA grant obligations preclude the County from receiving any airport revenues, except for the cost of county services provided directly to the Airport (such as human resources or finance services). The total 2018 operating budget for the airport and terminal building is \$10,843,000 in revenues and \$8,849,000 in expenditures.

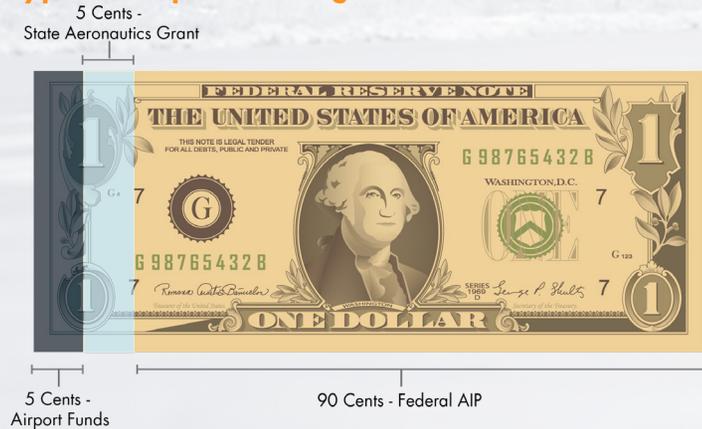
In addition to the operating budgets, capital expenditures for the airport and terminal building are:

2018 \$13,122,000



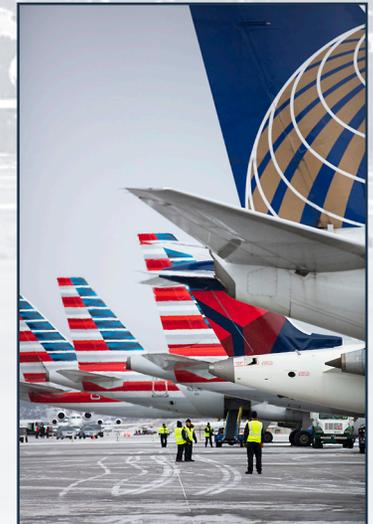
Capital improvements at EGE are funded in partnership with the FAA's Airport Improvement Program (AIP) and the Colorado Department of Transportation Division of Aeronautics Grant Program. The Airport has received significant Federal and State grants for capital improvements over the years. EGE has been able to successfully leverage federal and state dollars to the benefit of the community.

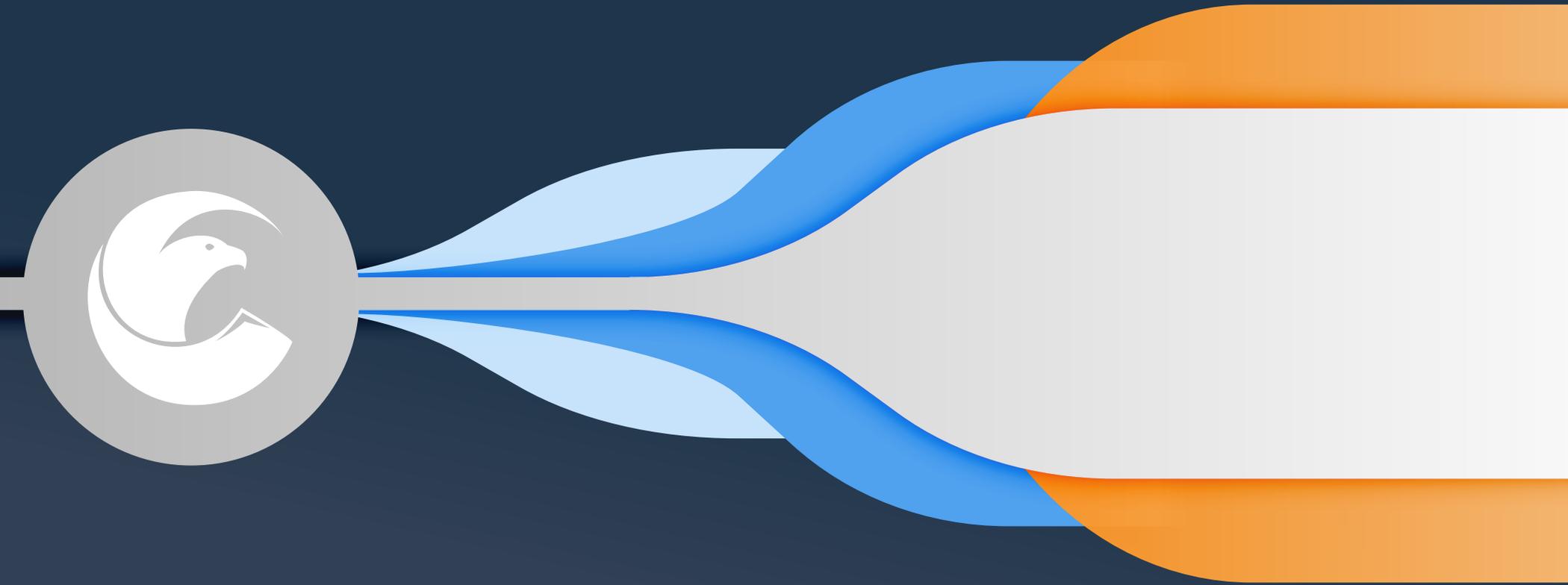
Typical Project Funding Per Dollar



Year *	FAA Grant Amount	State Grant Amount
2007	\$4,861,299.00	\$0.00
2008	\$20,520,381.00	\$540,010.02
2009	\$1,491,524.00	\$39,250.63
2010	\$1,010,652.00	\$26,596.11
2011	\$2,019,673.00	\$38,393.58
2012	\$1,855,242.00	\$970,131.58
2013	\$1,764,235.00	\$1,400,000.00
2014	\$9,632,525.00	\$807,341.00
2015	\$6,929,263.00	\$250,000.00
2016	\$8,612,649.00	\$150,000.00
2017	\$1,318,580.00	\$74,444.00
Totals	\$60,016,023.00	\$4,296,166.92

* Year grant was awarded





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