



Lewiston City Council
AMENDED 8/30/2024
SPECIAL MEETING
WORK SESSION AGENDA
September 3, 2024 - 3:00 PM
Lewiston Bell Building – Second Floor Conference Room – 215 D Street
Lewiston, Idaho 83501

Seating will be available on a first-come, first-served basis. All others who wish to observe this meeting may watch and listen to the livestream on their own device(s) by visiting the City of Lewiston's website at cityoflewiston.org.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. CITIZENS COMMENTS

This is an opportunity for citizens to address the Council on agenda items or other items they wish to bring to the attention of the Council. Citizens are encouraged to discuss operational issues in advance with the Mayor. In consideration of others wishing to speak, please limit your remarks to three minutes.

IV. DISCUSSION ITEMS

Please note that identifying an item as an "Action Item" does not require the City Council to vote on that item.

- A. MAIN STREET CORRIDOR IMPROVEMENTS UPDATE:** Welch Comer & Associates, Inc. will provide an update on the preliminary design and estimate for the project, including the planned public engagement process and its impact on the design - Action Item
- B. UNITED AIRLINES PERFORMANCE UPDATE:** Update and discussion from the Airport Authority Board regarding the performance of flights operated by United Airlines - Action Item
- C. BERT LIPPS POOL SURVEY:** Presentation of the Bert Lipps pool survey results followed by a discussion on the outcomes and potential next steps - Action Item
- D. BUILDING FEASIBILITY STUDY UPDATE:** Discussion of the Building Feasibility Study performed by Clearwater Financial approved at the March 11, 2024 City Council meeting - Action Item

V. UNFINISHED AND NEW BUSINESS

- A. CITY COUNCILOR COMMENTS:** Comments shall not be related to an item currently before the City Council or an item that may come before the City Council in the foreseeable future, and shall be limited to comments, not discussion.

B. CITY BOARDS AND COMMISSIONS LIAISON UPDATES

C. MAYOR COMMENTS

D. AGENDA TOPICS: - Action Item

VI. ADJOURNMENT - Action Item

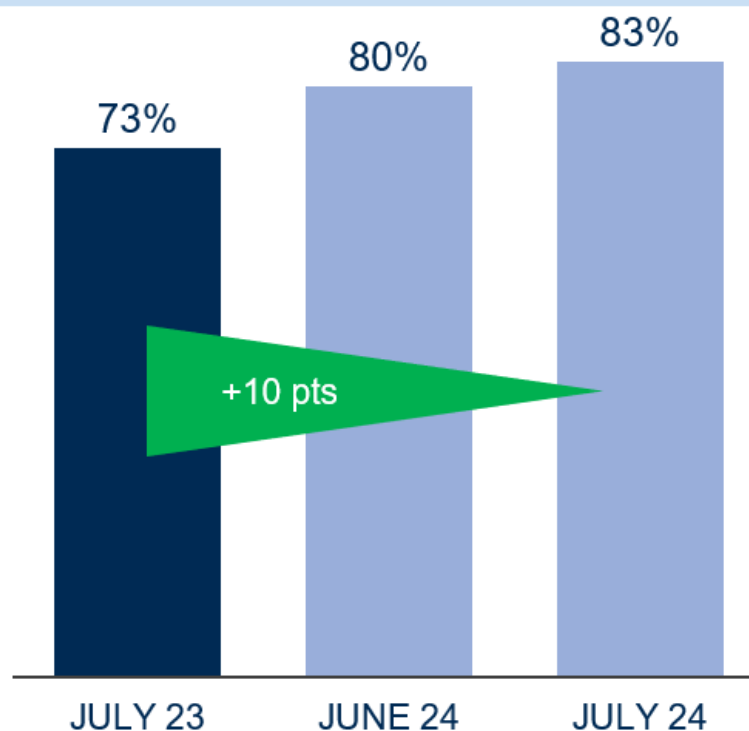
The City of Lewiston is committed to providing access and reasonable accommodation in its services, programs, and activities and encourages qualified persons with disabilities to participate. If you anticipate needing any type of accommodation or have questions about the physical access provided at this meeting, please contact Nikki Province, ADA Coordinator, at least forty-eight (48) hours in advance of the meeting at 208-746-3671 x 6211.



Air Service Update

LEWISTON NEZ PERCE COUNTY AIRPORT				
WHEN IT MATTERS MOST				
Month	DL	UA	2024	2023
Jan	2724	1135	3859	2389
Feb	2613	1182	3795	2222
Mar	3173	1288	4461	2774
Apr	3013	1120	4133	2604
May	3361	1259	4620	2862
June	3338	1268	4606	2768
July	3541	1375	4916	2818
Aug			0	2864
Sep			0	2759
Oct			0	3999
Nov			0	4339
Dec			0	4504
Total	21763	8627	30390	36902

Total Lewiston (LWS) July outbound load factor



United's July Performance

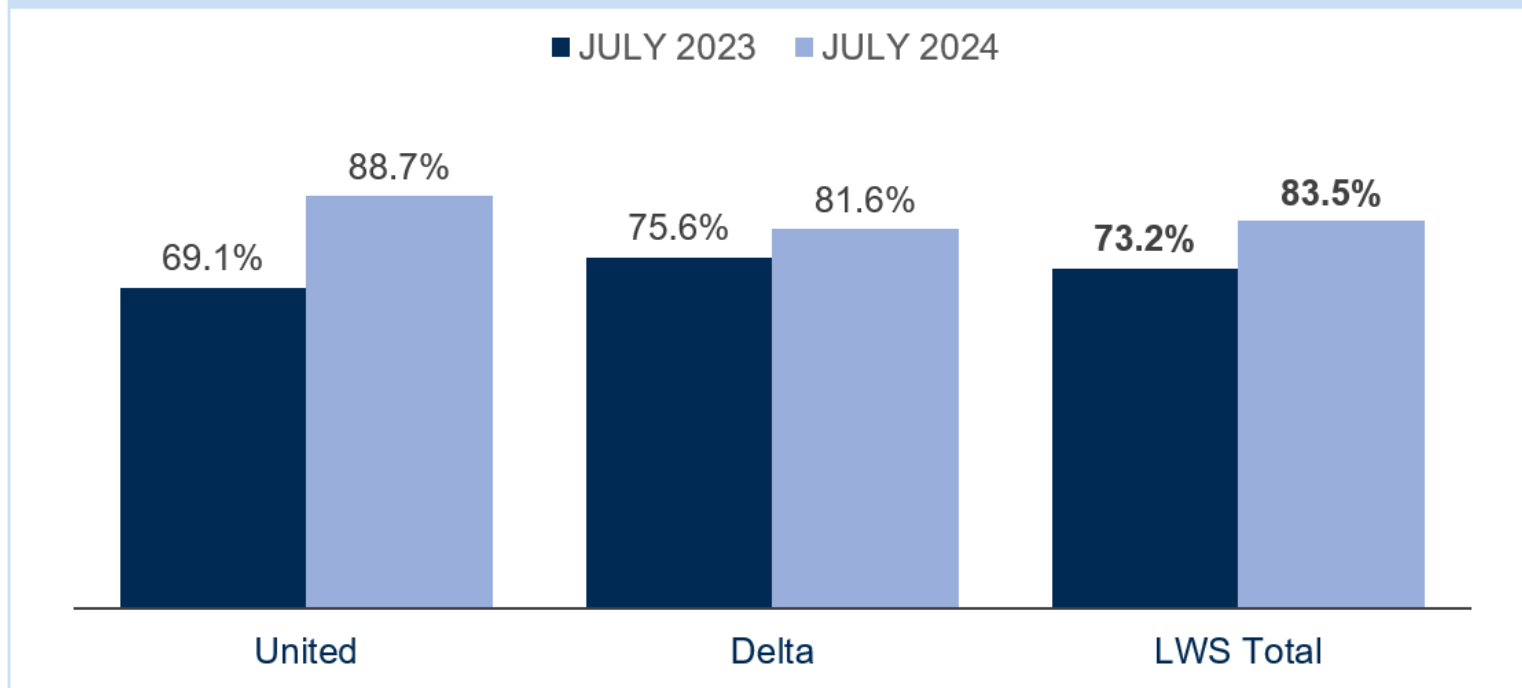


Key Performance Indicators – Traffic

United increased load factor by 19.6 points, while Delta was up 6 points

Lewiston (LWS) July outbound load factor by carrier

July 2024 vs. July 2023



MRG Calculation



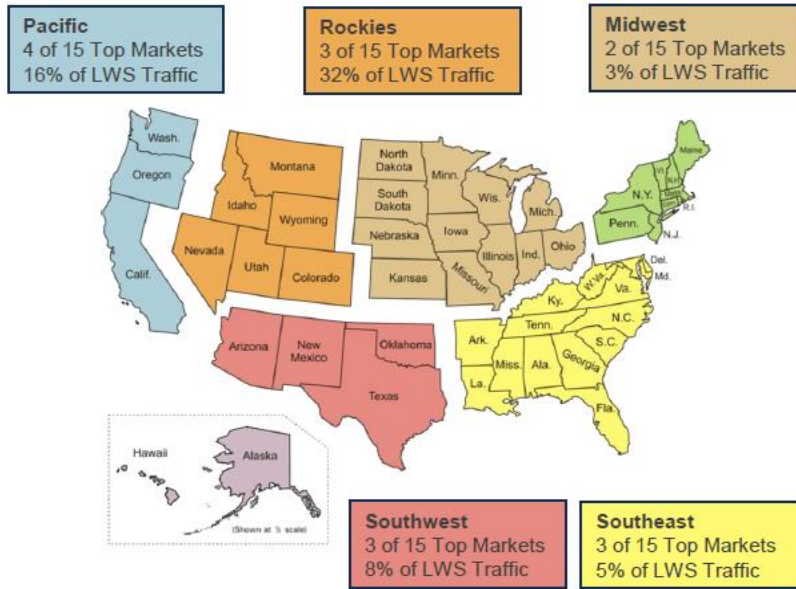
- Used USDOT Published 3rd Quarter 2023 Data
 - Average LWS Airfare \$352.20
 - Fuel Up 19% From \$3.50/gallon to \$4.18/gallon
- Airfare Down 45%
 - Competition
 - More Leisure Fares bought than Business Fare
- Nuances
 - Operating costs and ticket prices split per segment
 - Mainline Pilots wages up 40% this year alone!
 - 737-Max Groundings
 - Business Fares = 80% of Profit

Airfare Study

Detailed Market Review – Traffic

The Southwest was the most flown-to region on a connecting basis, with Las Vegas the single-most flown to connecting market

Lewiston (LWS) top 15 markets by traffic by region (both carriers) – 4Q 2023



Lewiston (LWS) top 15 markets by traffic (both carriers)

#	Market	Region	%
1	DEN	Rockies	13%
2	SLC	Rockies	12%
3	SEA	Pacific	10%
4	LAS	Rockies	6%
5	PHX	Southwest	4%
6	LAX	Pacific	3%
7	DFW	Southwest	2%
8	SAN	Pacific	2%
9	AUS	Southwest	2%
10	ORD	Midwest	2%
11	SNA	Pacific	2%
12	MSP	Midwest	2%
13	ATL	Southeast	2%
14	BNA	Southeast	2%
15	MCO	Southeast	1%

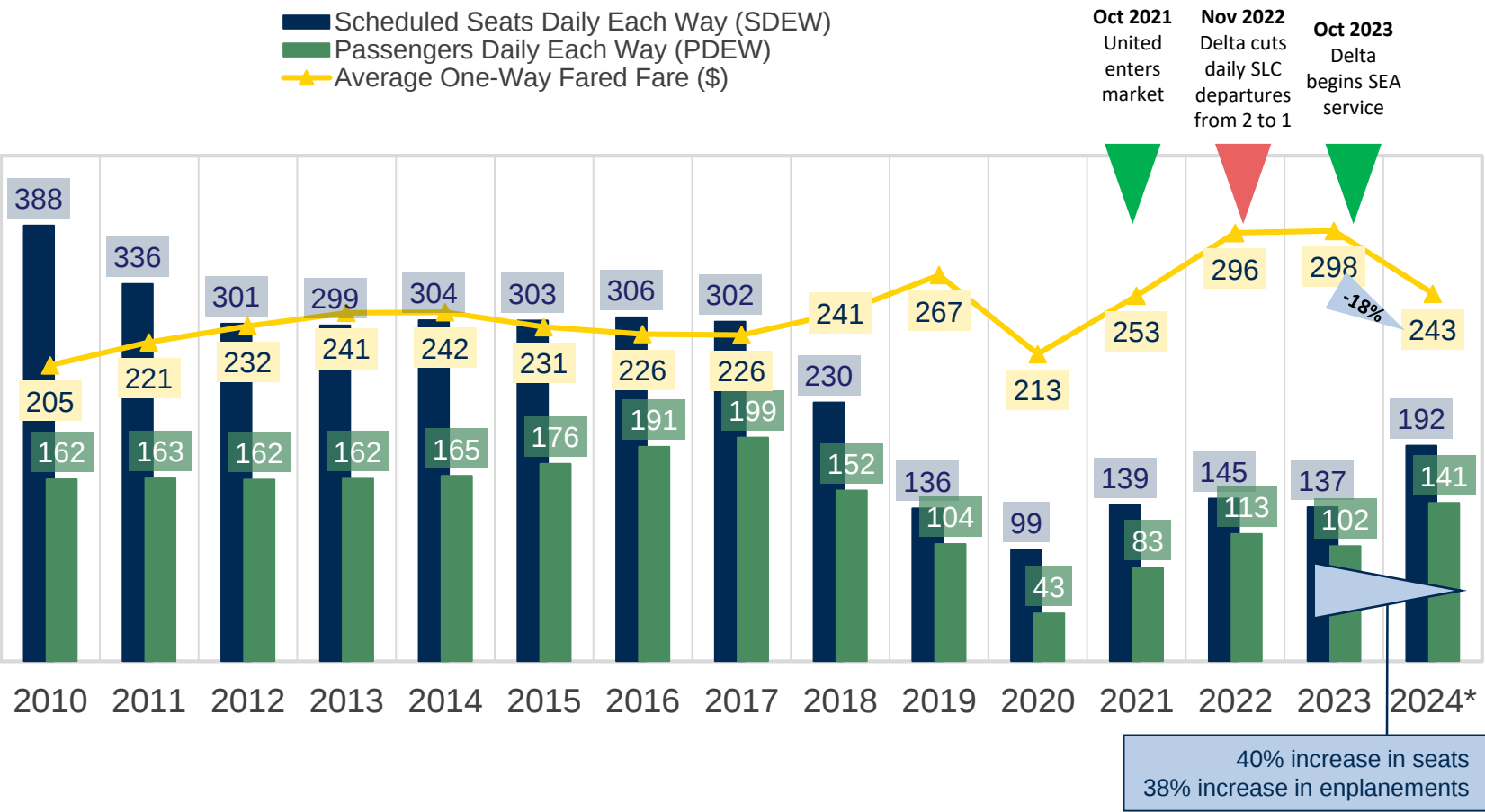
Airfare Study



LWS Airfare Study 8-14-2024				
Top 15 Destinations 7 Day RT	 DELTA Purchase 2 days from Departure	 UNITED Purchase 2 Days from Departure	 DELTA Purchase 1 month from Departure	 UNITED Purchase 1 Month from Departure
LWS-SEA	548	801	358	526
SEA-LWS	378	911	167	1001
LWS-SLC	918	732	538	476
SLC-LWS	558	955	348	955
LWS-DEN	1129	1143	653	468
DEN-LWS	488	575	578	838
LWS-LAS UA 8-22	788	806	333	1011
LAS-LWS UA 8-21	283	758	298	896
LWS-PHX	634	653	303	520
PHX-LWS	631	837	303	1092
LWS-DFW	694	1178	409	748
DFW-LWS	699	712	489	1075
LWS-SAN	728	975	363	514
SAN-LWS	398	840	258	1097
LWS-AUS	1229	1224	520	677
AUS-LWS	623	723	328	1110
LWS-ORD	1008	1271	638	548
ORD-LWS	773	767	552	1010
LWS-SNA	873	1199	515	540
SNA-LWS	608	817	463	1170
MSP-LWS	868	1215	786	807
LWS-MSP	868	732	598	1117
LWS-ATL	948	1096	763	765
ATL-LWS	908	777	633	1218
LWS-BNA 8-19	568	1381	570	772
BNA-LWS	668	692	546	1200
LWS-MCO	628	848	623	1186
MCO-LWS	663	649	663	649
		UA higher 27 of 30		UA Higher 27 of 30

LWS Air Service History (scheduled service)

The United MRG has driven down fares and added hundreds of destinations.
Delta added Seattle flights in response to United’s entry driving down air fares 18% immediately



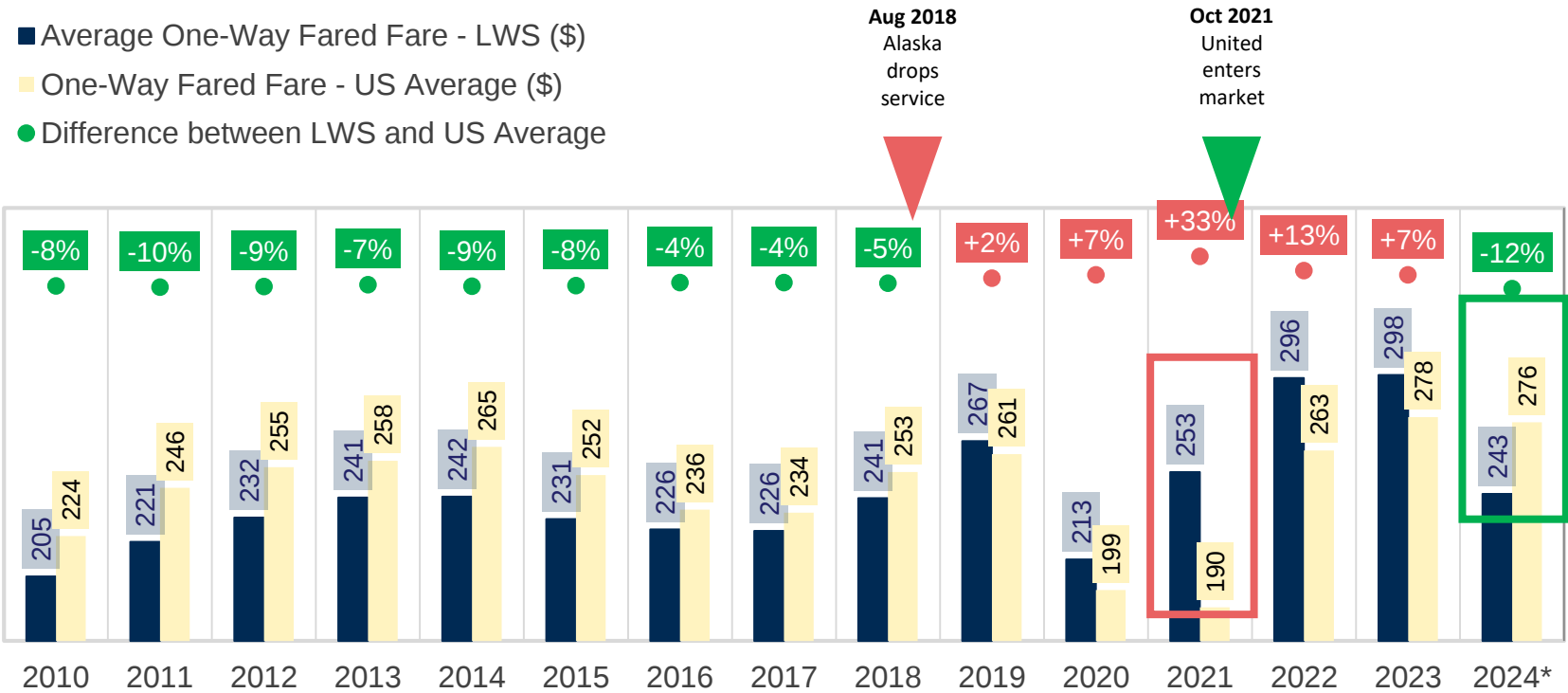
Source: Airline Data Inc.

*2024 capacity and passengers through May; fares through March

LWS Fares vs. National Average Air Fares

LWS air fares were 33% higher than the national average before United started service. Now they are 12% lower than the national average

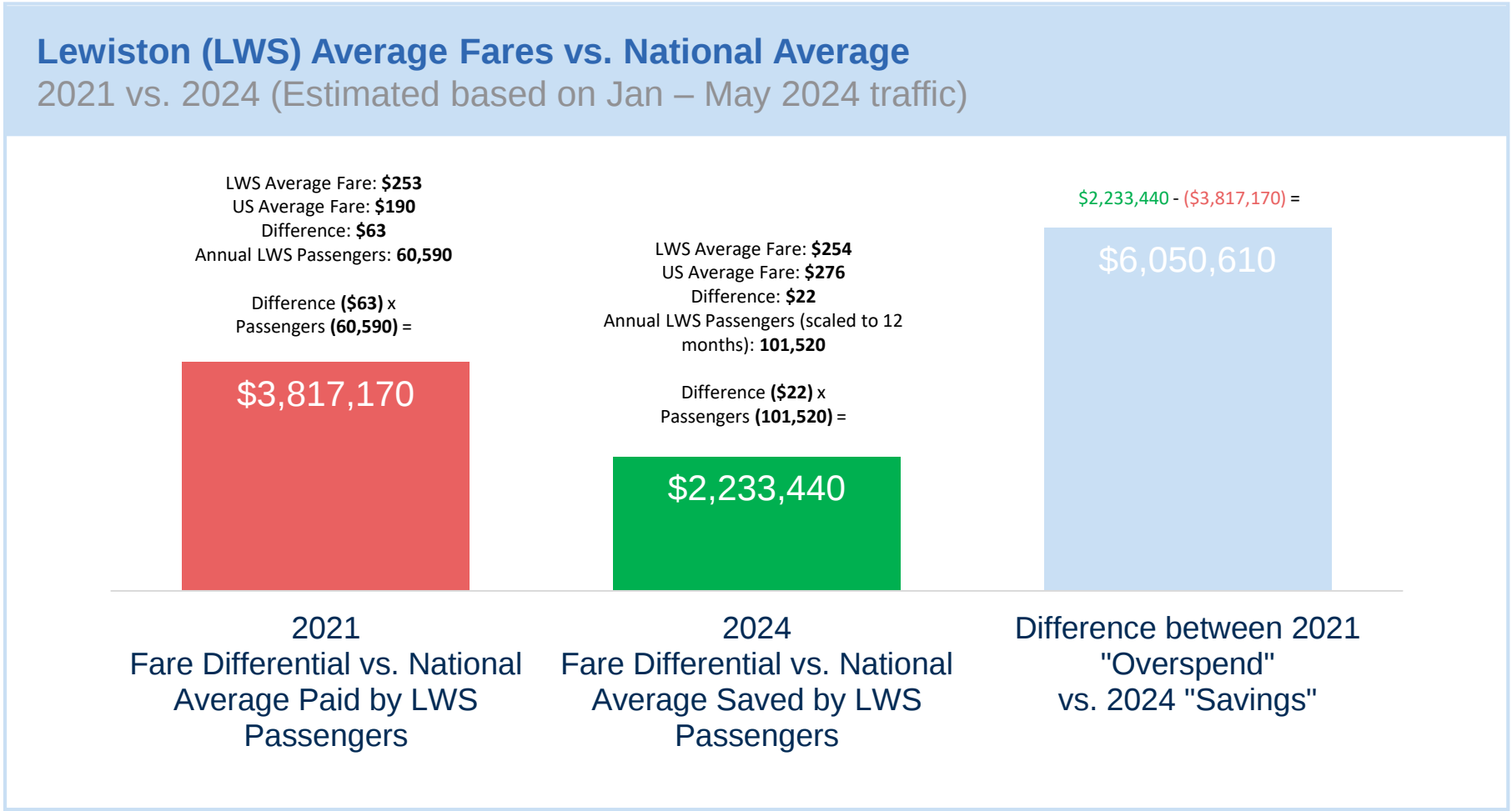
Average One-Way Fares (USD)
Lewiston (LWS) vs. National Average



Source: Airline Data Inc.
*2024 fares through March

Lewiston Area Consumer Savings

The United MRG saved consumers \$6M annually versus the national average, stimulating commerce and tourism for the Lewiston / Clarkston region



Source: Airline Data Inc.
*2024 capacity and passengers through May; fares through March

Economic Development

Aside from lower fares, the United MRG added trade and commerce to 132 new cities across the globe¹ - - offering more daily flights to more destinations than Delta to Salt Lake City and Seattle combined

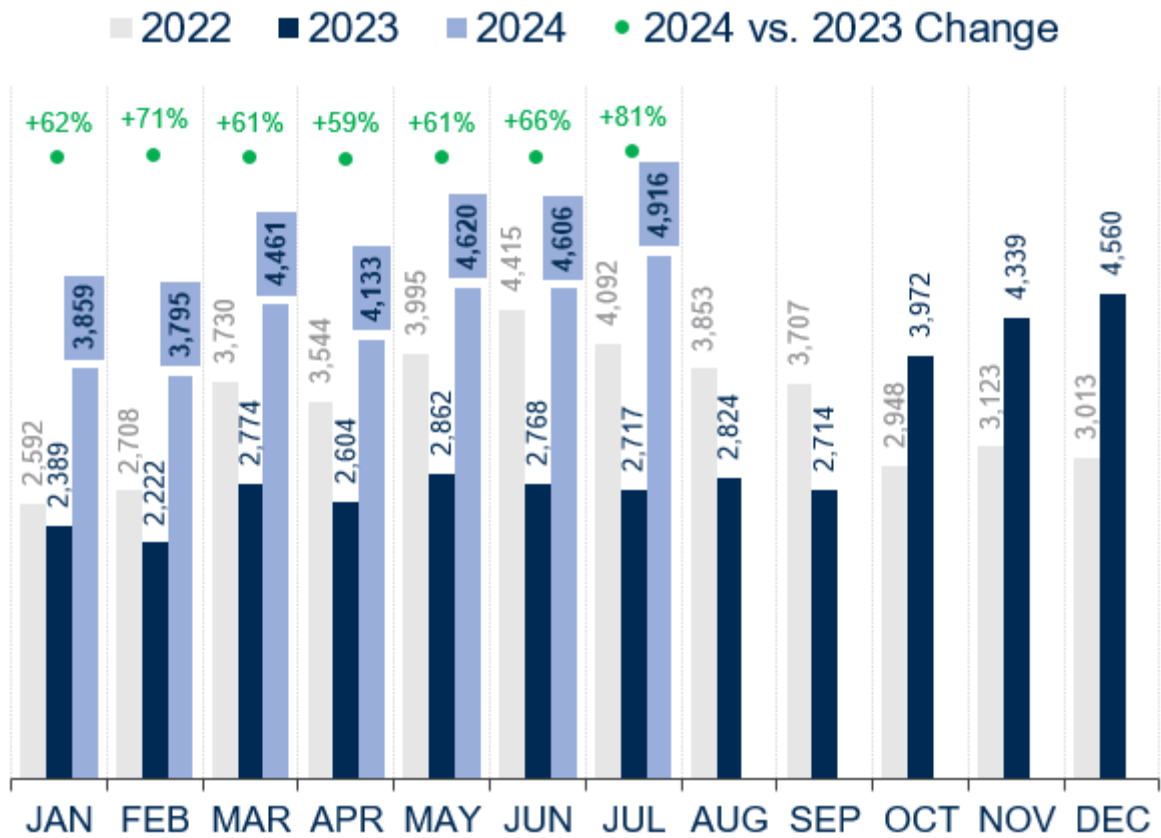
Summary of Lewiston (LWS) Service United at Denver (DEN); Delta at Salt Lake City (SLC) and Seattle (SEA) Analysis for Schedule Week of September 1, 2024		
	Destinations	Daily Flights
United at DEN	165	473
Delta at SLC	88	205
Delta at SEA	55	140
Combined (Unique)	308 (176)	818

➔ Delta would likely consolidate to one route if United were to exit. Few communities of Lewiston’s size have more than one route. Assuming Delta were to drop SLC, daily flights at LWS hubs would be reduced by 82% (818 → 140), and unique destinations by 69% (176 → 55)

Economic Development

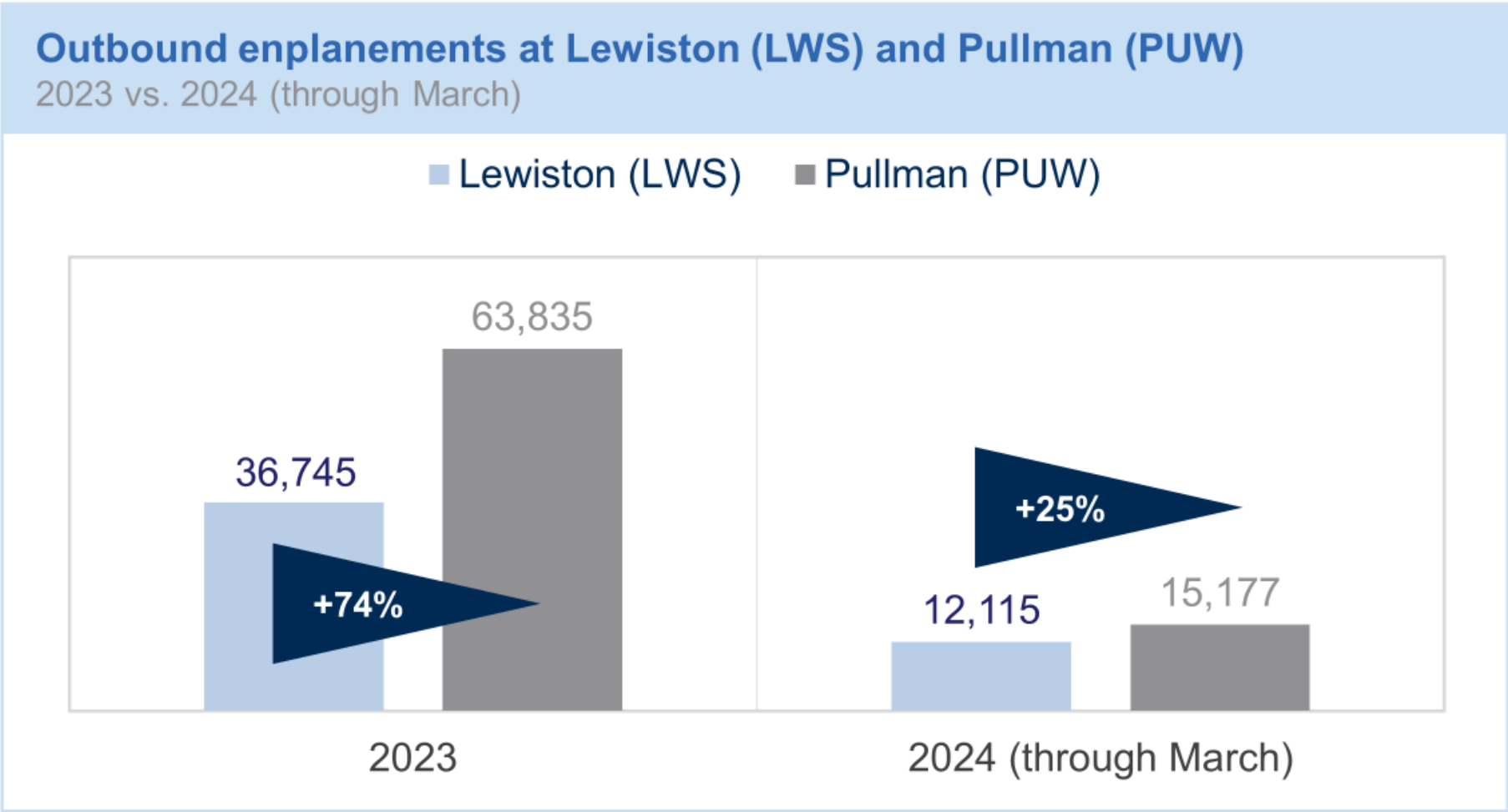
Maintaining United Airlines through the MRG has led to a significant jump in enplanements - - up 81% year-over-year in July 2024

Lewiston (LWS) monthly outbound enplanements and year-over-year percentage change



Economic Development

This has allowed LWS to close the gap in enplanements with PUW. PUW out-enplaned LWS by 74% in 2023. That gap is closed to just 25% through March



The Wyoming Department of Transportation Commissioned a study to quantify the benefits of their MRG Long Standing MRGs covering multiple airports

Over a 17-year period their MRGs yielded an average return of \$12.36 for every dollar invested considering jobs, visitors, visitor spend and additional tax revenues

Applying Wyoming's analysis to LWS's \$4,028,063 would generate an economic benefit to the community of \$49,786,859

Summary



- MRG reduces operating losses (fuel, salaries...)
 - LWS-DEN costs \$12M
 - United doesn't use MRG to lower fares
 - UA charges more to 12 of the top 15 destinations
- LWS Airfare Down 45% National Average -2%
 - Competition and tourism
 - Delta added SEA because of United.
 - Tourism
 - The same seat is 2-3X more \$ if purchased 1 week out
- Business Traveler need to use United

Thank You!

