

The Metropolitan Airports Commission and MSP International Airport



Brian Ryks, Executive Director and CEO
Metropolitan Airports Commission

MAC: A Different Approach to Government



- Public corporation created by Minnesota Legislature
- Owns and operates airports within 35 miles of downtown St. Paul and Minneapolis
 - MSP International Airport
 - Six general aviation airports
- User-fee based funding
- Limited property taxing authority unused since 1960s

Board Composition



Commission Chair
Daniel Bolvin



District A
Carl Crimmins



District B
Rick King



District C
Katie Clark Sieben



District D
Steve Cramer



District E
James Deal



District F
Michael Madigan



District G
Richard Ginsberg



District H
Ibrahim Mohamed



City of Minneapolis
Erica Prosser



City of St. Paul
Pat Harris



Outstate St. Cloud
Patti Gartland



Outstate Duluth
Donald Monaco



Outstate Thief River Falls
Dixie Hoard



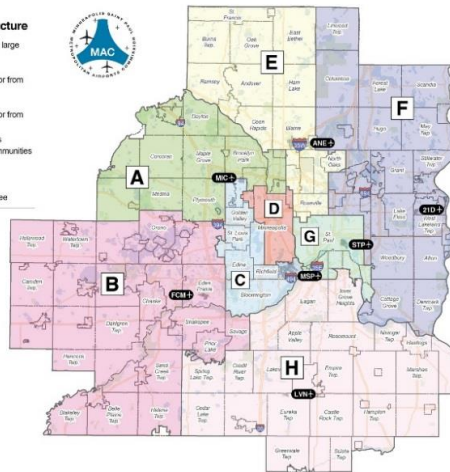
Outstate Rochester
Randy Schubring

The MAC Commission Structure

- 1 Chair - appointed by the Governor at large from the State of Minnesota
- 2 Members - appointed by the Governor from Metro Area Districts (see map)
- 2 Members - appointed by the Governor from outside Metro Area
 - from "Key Airport" communities
 - from "Intermediate Airport" communities
- 1 Mayor of St. Paul or their designee
- 1 Mayor of Minneapolis or their designee

15 Total

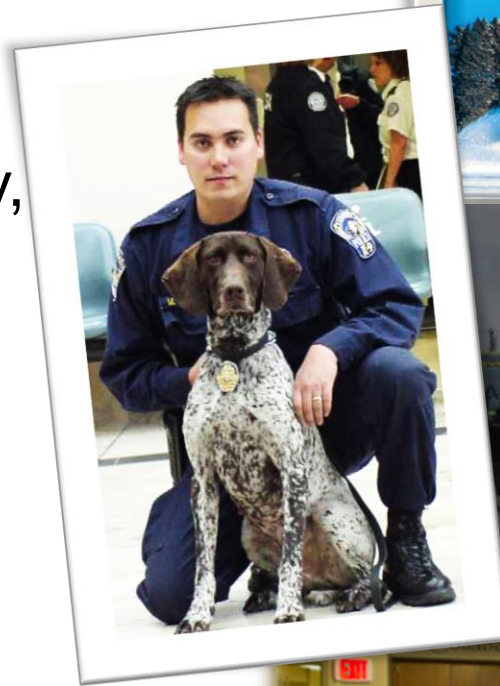
A	Carl Crimmins
B	Rick King
C	Katie Clark Sieben
D	Steve Cramer
E	James Deal
F	Michael Madigan
G	Richard Ginsberg
H	Ibrahim Mohamed



- Governor appoints chairman and 12 commissioners (eight metro, four greater Minnesota) who serve four-year, staggered terms
- Minneapolis and St. Paul mayors each appoint one



- 600-person staff
- Operates much like a city, with its own:
 - Police
 - Fire
 - 9-1-1 dispatch
 - Building inspection
 - Planning
 - Maintenance Department
- 20,000 jobs directly tied to MSP operations



Mission

Connecting you to your world

Vision

Providing your best airport experience

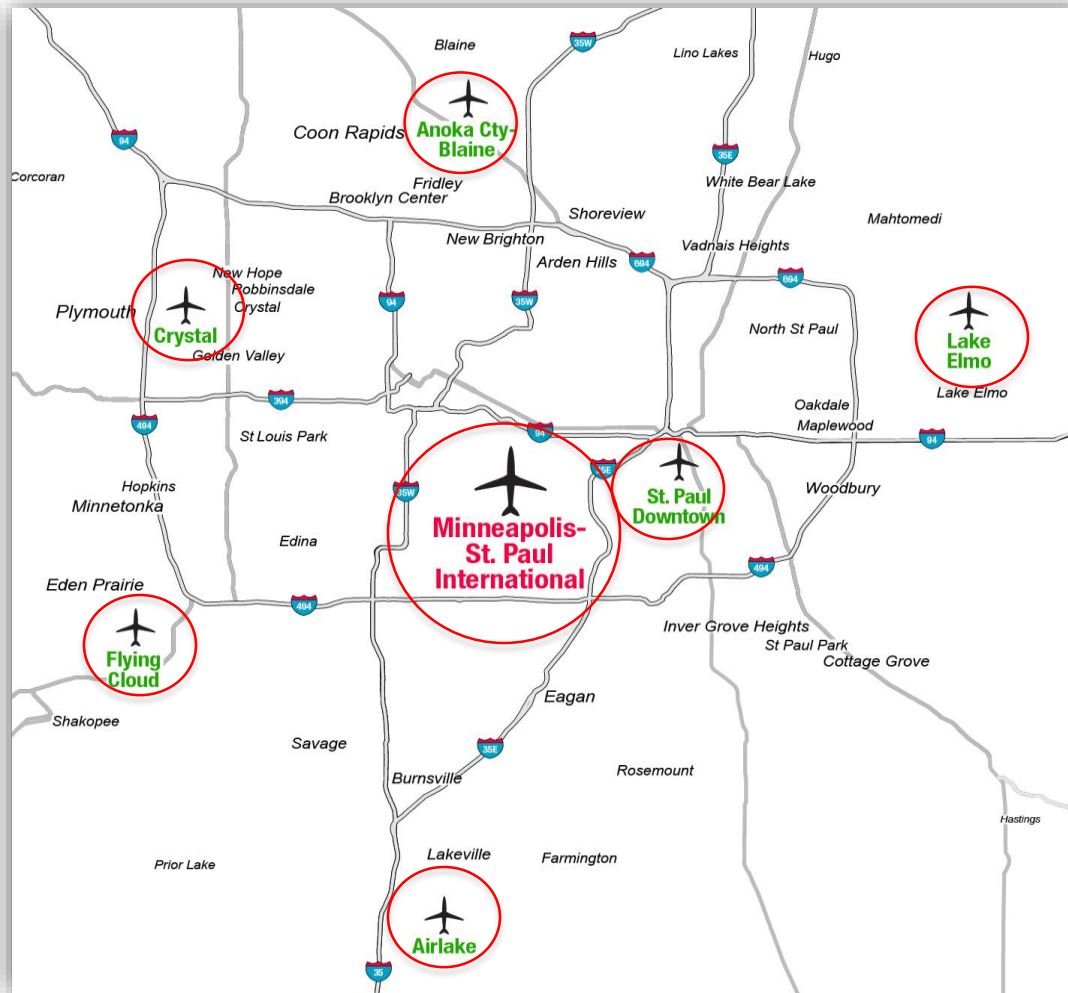
Strategic Goals:

1. **Safety, Security and Preparedness** - Keep our airports safe and secure
2. **Customer Experience** - Delight our passengers. Renew our airports to continually evolve our customer experience
3. **Air Service** – Grow and enhance air service at MSP
4. **Economic** – Maintain our competitive cost structure while maximizing our airports' economic benefit
5. **Engagement** – Grow and enhance the narrative. Lead conversations and leverage communication tools to engage the public
6. **Innovation** – Through opportunities in technology and sustainability
7. **Talent** – Be a model employer by engaging and investing in our workforce, focusing on diversity, inclusion and equity

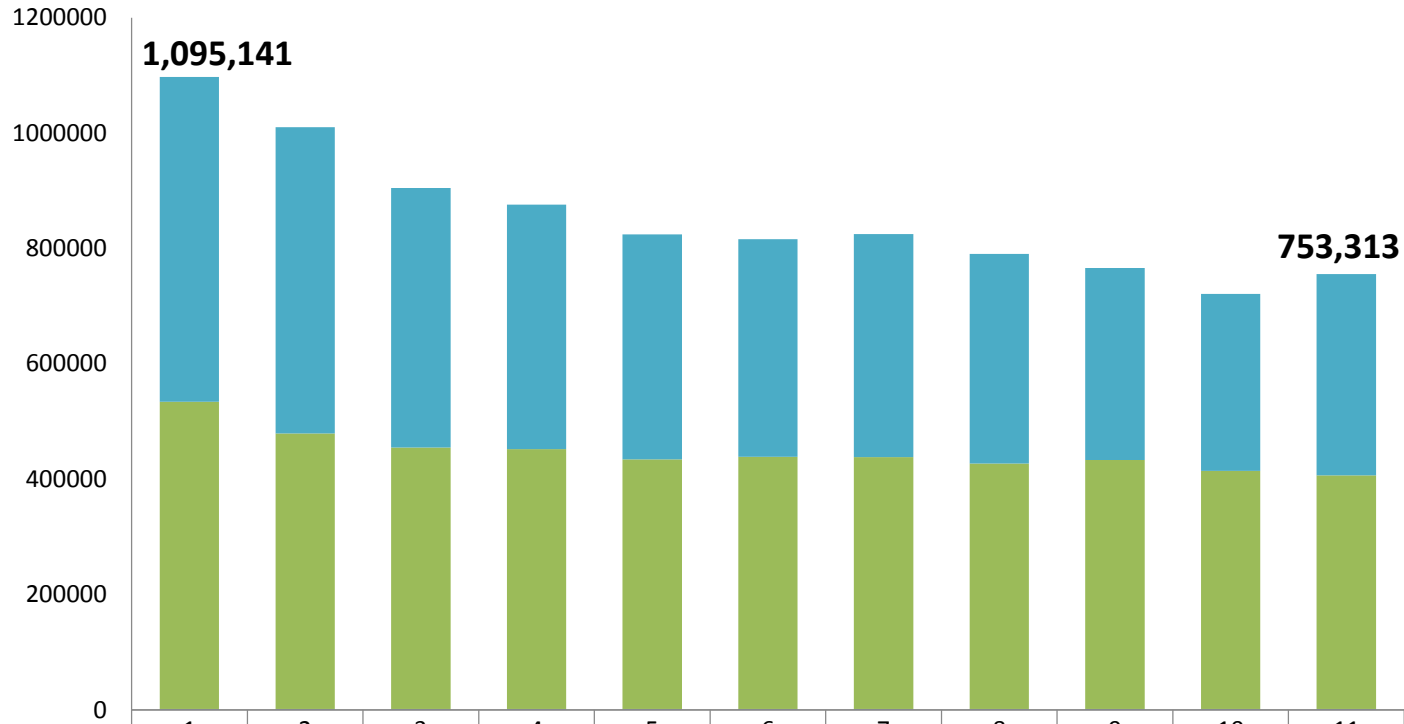
going your way



The MAC Airport System



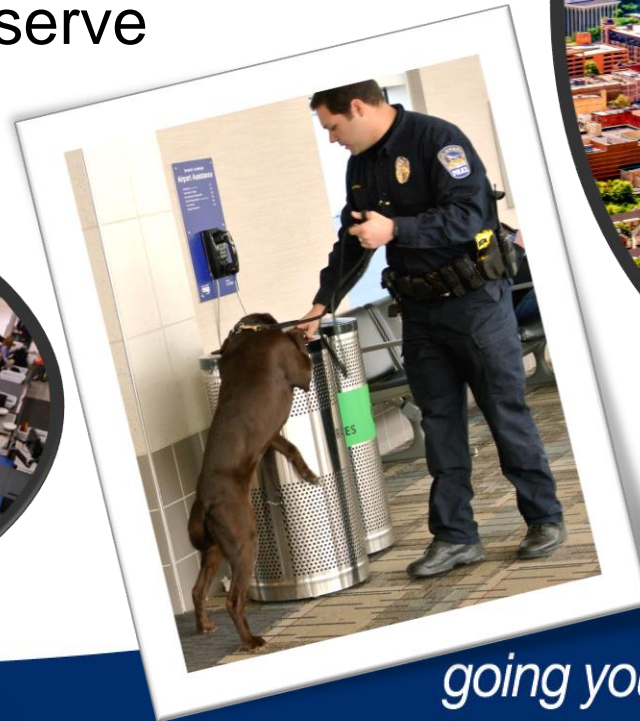
MAC Airport System Operations



	1	2	3	4	5	6	7	8	9	10	11
Reliever Operations	562,902	530,726	449,619	423,931	389,843	377,093	386,383	363,190	332,383	306,532	348,701
MSP Operations	532,239	477,212	452,972	450,044	432,395	437,075	436,506	425,332	431,418	412,586	404,612
Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015

Conservative Financial Approach

- Conservative forecasting: nowhere to turn except reserves or short-term financing
- Financial model predicated only on originating and destination passengers
- Maintain six-month reserve
- AA- bond rating



Cost Per Enplaned Passenger (CPE)

Airport

Forecast 2016(\$)

Newark	30.14
John F. Kennedy-New York	25.94
Washington-Dulles	24.43
Miami	20.44
La Guardia-New York	18.87
Los Angeles	16.89
San Francisco	16.78
Chicago O'Hare	15.80
Boston	14.94
Philadelphia	14.74
Denver	13.64
Washington-Reagan	13.61
Las Vegas	12.07
Seattle	11.43
Detroit	10.60
Portland	10.50
San Diego	10.49
Dallas-Fort Worth	10.32
Houston-Bush Intercontinental	10.18
Baltimore	9.82
Minneapolis-St. Paul	6.53
Phoenix	6.15
Orlando	5.58
Atlanta	5.37
Tampa	5.02
Fort Lauderdale-Hollywood	4.81
Salt Lake City	4.03
Charlotte-Douglas	1.58

Average

12.53



Airline costs per boarding passenger are significantly less at MSP than at most large hub airports.

going your way



2017 MAC Finances

Operating revenue: \$354,026,692

Operating expense: \$180,771,968

Debt service: \$101,712,630

Outstanding debt: \$1.6 billion

Minneapolis-St. Paul International

- 16th busiest airport in North America (passengers)
- 15th busiest in operations
- Delta Air Lines' 2nd largest hub



Recent Accolades

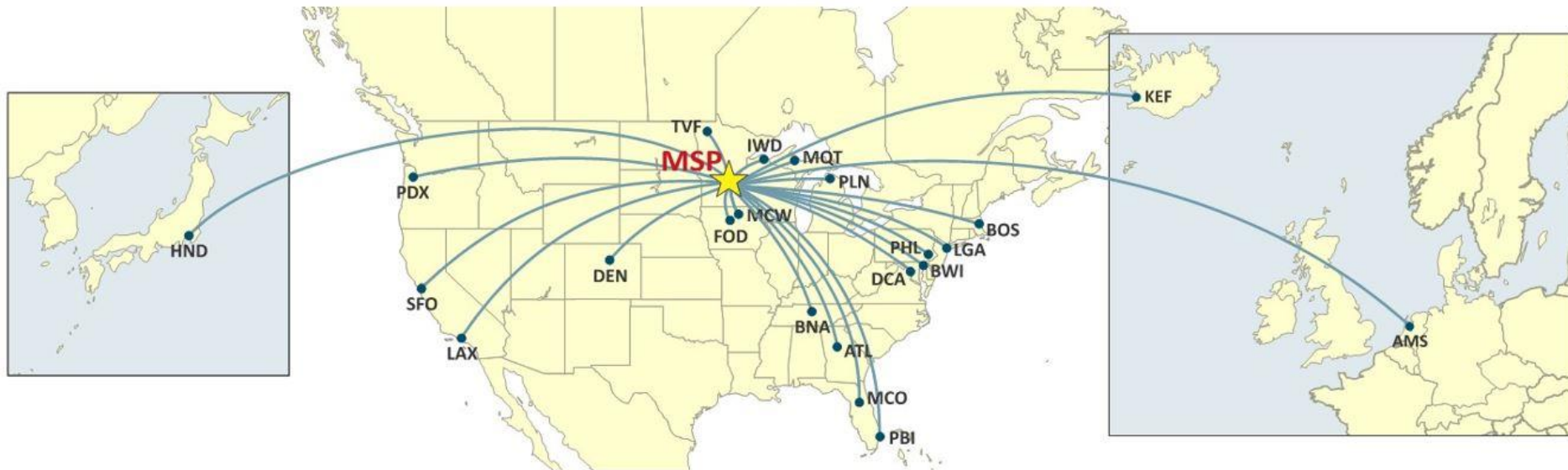
- **Top 10 Best Airport**, *Skytrax*
- **Excellence in Concessions**, *Airports Council International*
- **Environmental Leader Project of the Year**, *Environmental Leader Project Awards*
- **Top 10 US Airport**, *Conde Nast Traveler*
- **5th Most Affordable Large U.S. Airport**, *Cheapflights*
- **Travelers' Choice Favorite**, *Trip Advisor*
- **Sustainable Infrastructure Award**, *Airports Going Green*
- **Technology and Innovation Award**, *MnDOT Office of Environmental Stewardship*
- **3rd Most Efficiently Managed Airport in the World**, *Air Transport Research Society*
- **Top 5 in the World Easiest to Get To**, *MSN*
- **America's Best Bathroom**, *Cintas*

Air Service Development

- 2nd Largest Delta hub
- Sun Country Base
- Additions since 2008:
 - Alaska Air, 2008
 - Southwest Airlines, 2009
 - Spirit, 2012
 - Air France, 2013
 - Condor, 2014
 - Boutique, 2016
 - Air Choice One, 2016
 - KLM, 2017
- Competitive incentives program

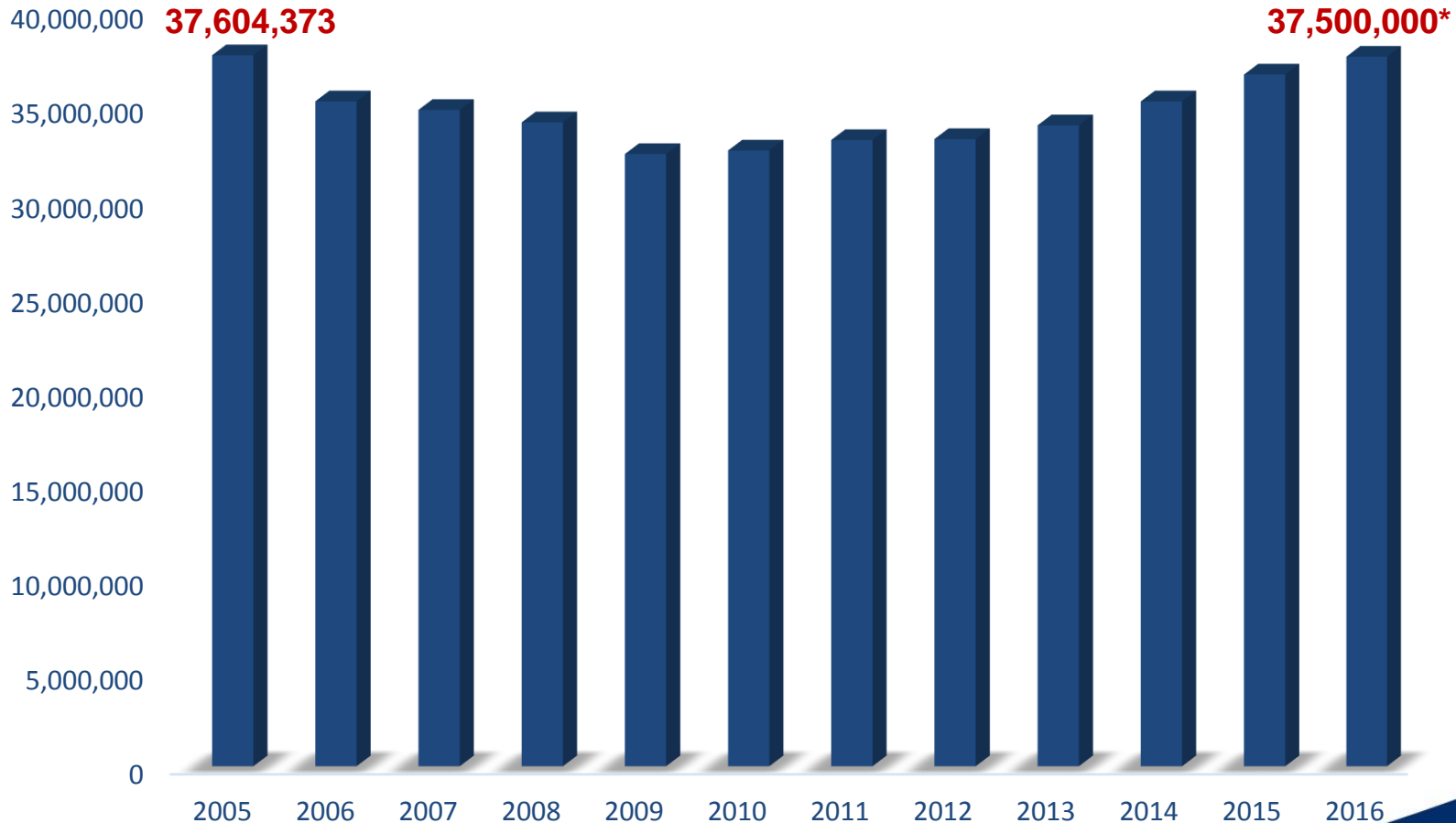


Air Service Added in 2016-2017



Ten airlines added a total of 24 additional routes from MSP in 2016 and 2017. MSP now enjoys competitive air service on a record 53 of its total 155 direct routes.

Passenger Numbers Near Record Levels



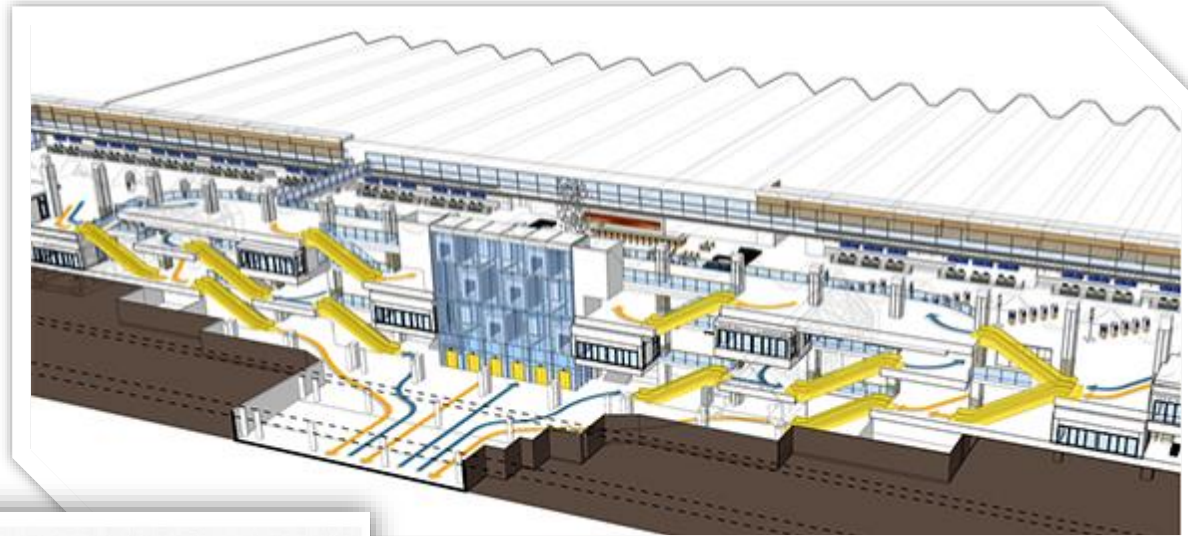
*2016 estimated.

going your way



2017 Improvement Highlights

Improved
passenger flow
between levels of
Terminal 1



5,000 space parking ramp,
new exit plaza and roadways

2017 Improvement Highlights



300-room Intercontinental
hotel and conference center

Preparing for the Future

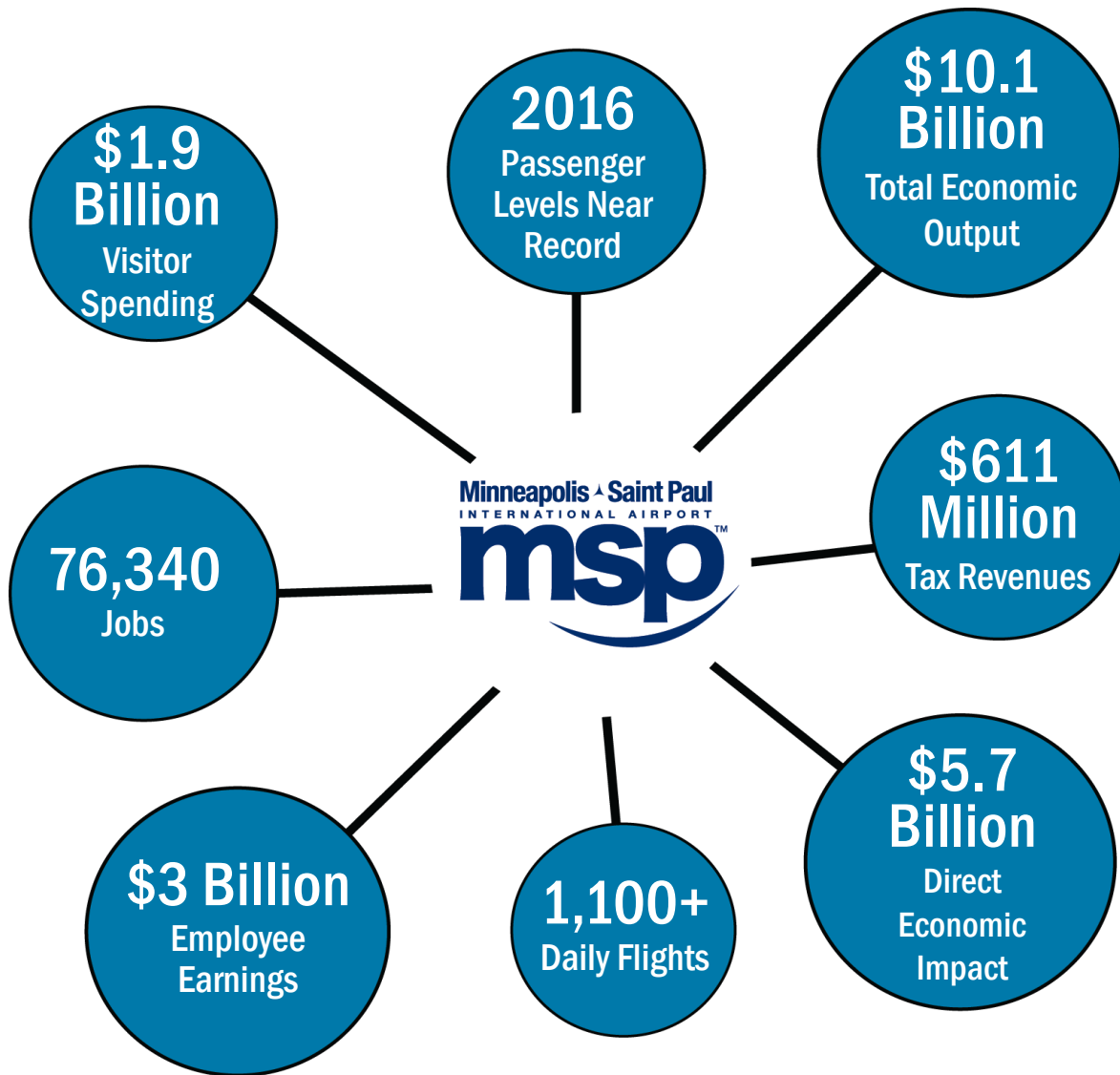


Continue to implement the 2030 long-term comprehensive plan.

MSP is likely to serve more than **50 million passengers** annually by 2035.



To meet demand, the MAC plans to invest **\$1.6 billion** in airport improvements over the next several years – and **\$2.5 billion by 2035**.



The region's job growth, economic output, and businesses all depend on having strong connections to the world, and MSP nurtures those connections to keep our economy robust.

Questions?



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