



Staff Report

September 24, 2015

Review of Previous Meeting

The Southern Nevada Tourism Infrastructure Committee held its second meeting on August 27, 2015, at the University of Nevada, Las Vegas, to hear testimony on the topic of McCarran International Airport.

Key facts about McCarran International Airport:

- ❖ The airport is the first stop in southern Nevada for 42 percent of visitors annually. Last year, roughly 17 million tourists and conventioners arrived at McCarran, making it a significant component of the region's tourism-based economy. McCarran and its sister airports generate nearly \$30 billion a year in economic impact for the region.
- ❖ In 2014, McCarran hosted 42.8 million passengers, making it the ninth-busiest airport in the United States and the 25th-busiest airport in the world. In terms of origin and destination passengers, however, McCarran is the second-busiest in the nation. This means about 90 percent of the airport's passengers are either coming to or flying out of Las Vegas, as opposed to connecting to another flight. McCarran was also the world's eighth-busiest airport in 2014 as measured by total operations (take offs and landings).
- ❖ McCarran's peak annual passenger capacity is estimated at 55 million. The historic annual passenger peak of 48 million came in 2007. Additional capacity could be realized through improvements under the Federal Aviation Administration's Next Generation Air Transportation System (NextGen), which will transition air traffic control from a radar-based system to a global-positioning system. Local airspace is also part of an ongoing FAA Metroplex air traffic study, which will increase efficiency of airplane movements between southern Nevada and neighboring regions.

Key findings regarding infrastructure:

- ❖ The region depends entirely upon a single pipeline system to import jet fuel from southern California refineries. This creates potential shortages should supply be interrupted on the current pipeline, which has happened in the past. Importing jet fuel by truck would be infeasible because costs and the inability to meet the airport's demand.
- ❖ Additional expansion of McCarran facilities is limited by the existing land footprint. To accommodate additional commercial airline service beyond McCarran's capacity, Clark County has preserved a site to build an additional commercial airport south of the Las Vegas Valley. Planning, studying, and building the Ivanpah airport would require 12 to 15 years to complete at an estimated cost of \$10 billion in today's dollars.
- ❖ The visitor experience is frequently affected when using ground transportation between McCarran and destinations in the resort corridor. During peak periods, visitors can face long cab line waits, and the



primary surface streets leading into and out of the airport are frequently congested, leading to delays and a degradation of the visitor experience.

- ❖ A large portion of gaming revenue is attributed to the top 1 percent of visitors, many of whom are international travelers flying to Las Vegas via private plane. Because private aircraft are generally not processed at Terminal 3, those arrivals typically do not access the regular U.S. Customs processing area. Instead, most international travelers on private aircraft are processed at a smaller Customs facility on the west side of the airfield. The airport has invested in upgrading this facility, and will continue to explore opportunities to develop a new west side Customs facility that would provide a better welcome experience to its users. In addition, the U.S. Customs and Border Protection's 559 program has already resulted in increased flexibility for private and commercial aircraft to arrive at any time of day, any day of the week.

Possible recommendations to address infrastructure needs:

- ❖ Secure an alternative jet fuel supply for southern Nevada. Potential alternatives include a second pipeline from California or from Fulcrum BioEnergy, which is planning to build a biofuel factory in northern Nevada that will process garbage into fuel for airplanes.
- ❖ Preserve site and explore new and different potential funding options for construction of Ivanpah airport.
- ❖ Pilot a system to track and display estimated wait times at the taxi queuing area using a Wi-Fi tracking system that is currently being tested for accuracy at McCarran.
- ❖ Address the existing conflict between the primary pedestrian crosswalk at Terminal 1 and the taxicab traffic entering the loading area.
- ❖ Address traffic congestion on streets and at intersections that serve airport traffic.

Preview of Next Meeting

At the October 22, 2015, meeting, the committee will hear testimony on the topic of Convention Centers.