William Dolan  
Deputy Airport Director – Airfield  
Paine Field  
3220 100th St.S.W. Ste A  
Everett, WA 89024

Re: Parking analysis information request

Dear Mr. Dolan –

Thank you for your letter of March 2. We are pleased to respond to the questions in your letter regarding the number of passengers associated with a representative schedule by Allegiant Air at Paine Field (PAE).

The following table shows:

- Passenger per aircraft (based on 90% load factor for a 150-seat MD-80)
- Passengers per car (based on differing point-of-origin estimates for four different destinations from PAE)
- Estimate of overnight parking demand

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Departures/week</td>
<td>2</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>Destinations</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Passengers per departure</td>
<td>135</td>
<td>135</td>
<td>135</td>
</tr>
<tr>
<td>PAE point of origin (percent of pax)</td>
<td>90%</td>
<td>72%</td>
<td>71%</td>
</tr>
<tr>
<td>PAE point of origin passengers/wk</td>
<td>243</td>
<td>580.5</td>
<td>951.75</td>
</tr>
</tbody>
</table>

For PAE point of origin passengers

<table>
<thead>
<tr>
<th></th>
<th>Year 1</th>
<th>Year 3</th>
<th>Year 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pax/car</td>
<td>2.00</td>
<td>2.36</td>
<td>2.38</td>
</tr>
<tr>
<td>Night’s stay in destination</td>
<td>4.00</td>
<td>4.79</td>
<td>4.66</td>
</tr>
<tr>
<td>Cars/wk</td>
<td>121.50</td>
<td>245.70</td>
<td>400.46</td>
</tr>
<tr>
<td>Car-nights/week</td>
<td>486.00</td>
<td>1177.20</td>
<td>1,866.44</td>
</tr>
<tr>
<td>Car-nights/day</td>
<td>69.43</td>
<td>168.17</td>
<td>266.63</td>
</tr>
</tbody>
</table>

The answers to your other questions are as follows:
- Number of personnel on site at any one time: around six. This should not change significantly even as the number of flights increase, as we would not expect to handle more than one flight at PAE at a time. Note, these staff may be contracted rather than directly employed by Allegiant.
- Expected time of arrival of passengers at the terminal prior to aircraft departure: ranges from a half hour to two hours, with an average of over an hour.
- Typical time for passengers at terminal after landing before drive-away: between 15 and 45 minutes.

We do not have any parking studies of other airports. It is hard to think of an exact parallel for PAE within our existing system but we would encourage you to discuss this matter with Dave Gordon at Ft Collins/Loveland Airport in Colorado (where we serve only Las Vegas – it’s worth noting that local point-of-origin for Las Vegas is much higher than for our other destinations – this is why the PAE percentage point of origin declines with time in the table above).

You are obviously most welcome to discuss this with other airports in our system as well.

Please let us know if you have any further requests.

Best regards,

[Signature]

Robert Ashcroft
VP Planning
Mr. Samuel Ford  
Principal Operations Inspector  
Federal Aviation Administration  
Las Vegas Flight Standards District Office  
7181 Amigo Suite 180  
Las Vegas, NV 89119  

April 20, 2009  

Dear Mr. Ford,

This letter serves to notify the Federal Aviation Administration that Allegiant Air intends to launch scheduled nonstop service between Paine Field, Everett, WA (PAE) and McCarran Airport, Las Vegas, NV (LAS) as soon as is practical. We intend to start this service at an initial level of twice per week in each direction.

Our intended service between PAE and LAS is subject to Allegiant Air meeting all necessary regulatory approvals. It is also subject to satisfactory conclusion of negotiations regarding the terms and conditions (economic and otherwise) of our PAE service with Paine Field and/or its owner, Snohomish County, Washington State. Further, it is subject to the continued prevalence of satisfactory general economic conditions, including no significant increase in the price of jet fuel from levels prevailing today.

However, if Allegiant Air could fly between PAE and LAS today, it would.

Best regards,

[Signature]

Robert Ashcroft  
VP, Planning  

Cc: Cayla Morgan  
Environmental Protection Specialist  
FAA Seattle Airports District Office  

Bill Dolan  
Deputy Airport Director – Airfield  
Paine Field
March 16, 2009

Mr. William Dolan  
Deputy Airport Director – Airfield  
Paine Field  
3220 100th St SW Ste. A  
Everett, WA 98204

Dear Mr. Dolan:

Horizon Air is responding to the attached information request that was received from you. Please be aware that the answers provided below are estimates only. This information may not accurately reflect the actual number of operations, aircraft types, number of passengers carried, etc., at any given time and also does not constitute an offer, proposal, agreement or commitment of any kind by Horizon Air. I have also indicated where appropriate the data that we are unable to answer or provide an estimate for at this time.

First (base) year estimate
Number of flights per day: 6 departures/6 arrivals  
Aircraft model: Bombardier Q400 (76 seats)  
Passengers per day: 280 departing/280 arriving  
Percent passengers local (point-to-point): 68%  
Percent passengers connecting: 32%  
Passengers per car: 2.5  
Overnight parking demand: Unknown  
Estimates of passenger home zip codes: Unknown  
Number of employees on site: 4  
Minimum turnaround time between flights: 30 minutes  
Expected time of arrival for passengers prior to flight: 60-90 minutes  
Typical time for passenger after landing before drive away: 5-20 minutes  
Any traffic (auto) study for similar site: None

Third year estimate
Number of flights per day: 8 departures/8 arrivals  
Aircraft model: Bombardier Q400 (76 seats)  
Passengers per day: 380 departing/380 arriving  
Percent passengers local (point-to-point): 68%  
Percent passengers connecting: 32%  
Passengers per car: 2.5  
Overnight parking demand: Unknown  
Estimates of passenger home zip codes: Unknown  
Number of employees on site: 4  
Minimum turnaround time between flights: 30 minutes  
Expected time of arrival for passengers prior to flight: 60-90 minutes  
Typical time for passenger after landing before drive away: 5-20 minutes  
Any traffic (auto) study for similar site: None
Fifth year estimate
Number of flights per day: 10 departures/10 arrivals
Aircraft model: Bombardier Q400 (76 seats)
Passengers per day: 480 departing/480 arriving
Percent passengers local (point-to-point): 68%
Percent passengers connecting: 32%
Passengers per car: 2.5
Overnight parking demand: Unknown
Estimates of passenger home zip codes: Unknown
Number of employees on site: 4
Minimum turnaround time between flights: 30 minutes
Expected time of arrival for passengers prior to flight: 60-90 minutes
Typical time for passenger after landing before drive away: 5-20 minutes
Any traffic (auto) study for similar site: None

If you should have any questions or require additional information, we will do our best to provide it to you.

Sincerely,

[Signature]

Dan Russo
Vice President/Marketing & Communications
January 15, 2009

Mr. Steve Albert  
Principal Operations Inspector  
Federal Aviation Administration  
NM-FSDO-09  
NM-FSDO-09  
3180 NW 229th Ave  
Hillsboro, OR 97124

Dear Mr. Albert:

Horizon Air is planning to initiate service to Snohomish County Airport / Paine Field (identifier: KPAE) in Everett, Washington with the Bombardier Q400 aircraft. The start of service date is pending resolution of a few outstanding issues. In October, 2008, Horizon announced its intention to serve Paine Field, beginning possibly around mid-2009 from both Portland, Oregon and Spokane, Washington. Once the start of service date is selected, we'll provide you with that date.

On behalf of Horizon Air, I respectfully request C070 Operations Specification approval for Q400 and CRJ700 (substitution aircraft) operations for Paine Field as a regular airport:

Thank you for your consideration and please feel free to contact Dennis Schoenberg (503-384-4322) if any questions exist, or further information is needed.

Regards,

[Signature]

Kenneth Heninger  
Director of Flight Operations
June 4, 2008

Mr. David Waggoner
Airport Director
Snohomish County (Paine Field) Airport
3220 100th Street SW
Everett, WA  98204

Dear Mr. Waggoner:

Expression of Interest from Allegiant Air to Operate
at Snohomish County (Paine Field) Airport, Everett, Washington

We received a copy of a letter from Mr. Robert Ashcroft, of Allegiant Air to you dated May 12, 2008, expressing Allegiant Air’s interest in initiating scheduled commercial passenger service at Snohomish County (Paine Field) Airport (PAE). Mr. Ashcroft specifically requested to enter into negotiations with Snohomish County (County) to use PAE for commercial passenger service. We also received copies of correspondence from some County Council members and a press release from the County Executive expressing opposition to commercial service at PAE. We write to remind the County of its obligations under Federal law and the Grant Assurances as you consider your response to Allegiant Air’s request.

Grant Assurance 22(a) requires the County to “make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.” In furtherance on this Assurance, an airport sponsor is obligated to make areas available for lease on reasonable terms and to negotiate in good faith for the lease of parcels to conduct aeronautical activities. Thus, the County has an obligation to negotiate in good faith with Allegiant Air based on the May 12 request.

As we have made clear in the past, the Federal Aviation Administration (FAA) does not view the Mediated Role Determination as a prohibition on scheduled passenger service. Further, the fact that the County currently maintains a Class IV Airport Operating Certificate (“AOC”) would not be a legitimate basis for refusing to negotiate. A Class I AOC would be necessary to accommodate an air carrier such as Allegiant Air planning to conduct scheduled service in large aircraft. However, the categorization of an airport among the four classes of an AOC principally is an administrative determination by the FAA. In the likely event that the County has sufficient facilities or available land to accommodate Allegiant Air, and that Allegiant Air demonstrates that it is reasonably expected to operate at PAE, the FAA would expect PAE to take appropriate action to change the AOC to Class I.
Failure to negotiate in good faith may subject the County to an enforcement action under FAR Part 16. Allegiant Air would be directly and substantially affected by the County’s action, and thus would have standing to file a complaint and initiate an investigation under Part 16. To comply with your grant assurances and ensure continued receipt of Federal funding, you must negotiate in good faith with Allegiant Air.

Please contact me at (425) 227-2657 with any questions.

Sincerely,

Carol A. Key
Manager, Seattle Airports
District Office