

AVIATION AND TRANSIT COMMISSION MINUTES
Tuesday, January 7, 2020

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, January 7, 2020. Those in attendance included:

Aviation and Transit Commission Members

Peggie Gaghen, Chair
Dan Farmer, Vice Chair
Ken Behling
Ron Spence
Chuck Tooley

City Staff and Guests

Kevin Ploehn, Director of Aviation & Transit
Shane Ketterling, Assistant Director of Aviation & Transit
Rusty Logan, Transit Manager
Chris Kukulski, City Administrator

PUBLIC COMMENT PERIOD

A public comment period was offered. No public comments were received.

DEMO/TOUR OF NEW BUS TECHNOLOGY

The meeting started with the Commission getting a demonstration of the new bus Annunciation System installed on one of the MET buses. This system addresses two Americans with Disabilities Act (ADA) items. The first is the automatic vocal announcement of stop locations by the system so those that are visually impaired know where they are. The second is the visual announcement of the stop locations on monitors for the hearing impaired. Another benefit is the use of the monitor system to make public service announcements and to run advertising for vendors, generating a possible new revenue source. Mr. Logan provided the demonstration by driving the bus to the hospital corridor so the Commission could experience the new system in action. Mr. Logan also discussed how the MET was in the process of also installing a new passenger counter system so the drivers would not have to manually count the passengers any longer. The hope here is to get a more accurate count than what the drivers were providing.

ANNUAL ELECTION OF OFFICERS

Chair Gaghen asked for a motion to nominate a new Chair. A motion was made and seconded for Chair Gaghen to continue as the Chair. The Commission voted unanimously to approve that motion. Next, Chair Gaghen asked for nominations for the Vice Chair. A motion was made and seconded for Commissioner Farmer to continue as the Vice Chair. The Commission voted unanimously to approve that motion as well.

CFC ANNUAL REPORT

Mr. Ploehn reminded the Commission that based on the bond resolution in place for the Revenue Bonds issued for the construction of the Car Rental Quick Turn Around (QTA) facility, he is required to do an annual report to the City Council that provides an update on the Customer Facility Charge (CFC) program used to fund the bond debt service. He wanted to share the presentation with the Commission as well. Highlights from the report included that the cash balance in reserves for the CFC program totaled \$1,928,641 and that staff estimates that balance to increase to \$2,282,314 by June 30, 2020. Additionally, during the Fiscal Year of July 2018 to June 30, 2019, the car rentals performed 87,890 car washes, 11,625 mud washes, and the average cost to the car rentals for all washes was \$1.65. Mr. Ploehn pointed out that the Airport believes this to be a very successful program.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Ploehn told the Commission that he would be doing a couple of presentations for Chamber of Commerce groups in the next couple of days and thought he would share the information with the Commission as well. The presentation discusses the Terminal construction timeline, the construction progress being made, some new mockups of the Terminal concourse finishes, information on media releases discussing additional service on American and Alaska Airlines, a discussion on estimated year end enplanement and cargo numbers, which should set new records, and an update on air service efforts to bring even more service to town.
- ▶ Mr. Ploehn informed the Commission that he thought there was a chance that the City Council would be approving the purchase of the land west of the Airport that staff has been working on buying for the past two years. He was hopeful that this project could be wrapped up this Spring.
- ▶ Mr. Ploehn announced that the Airport was working with a couple of engaged citizens that volunteered their time to help the Airport to submit a grant for Electric Vehicle (EV) charging stations. The State still has money available from the VW settlement funds and these two ladies were willing to help put together the grant application for this project.
- ▶ Mr. Ploehn noted that staff is still working with Alpine Aviation to put together a program to bring some of their corporate operations to the Billings Airport. This project could include a number of new buildings in the Airport's Business Park.
- ▶ Mr. Ploehn informed the Commission that the Airport, along with the City, is looking at a rebranding effort. In the Airport's case, the effort is to hopefully provide a new name and brand that would help the Airport standout in the national markets. He noted that once the consultant has provided some ideas, he would bring them to a meeting for the Commission to review.
- ▶ Mr. Ketterling provided Commissioners with an update on travel during the week of Christmas and New Year's. Although the Airport does not have a total passenger count available, based on the amount of traffic through the Terminal and vehicles in our overflow parking lots, we anticipate another record setting Holiday and year. Fortunately, the weather cooperated; therefore, the Airport did not experience any delays or cancellations.
- ▶ Mr. Ketterling reminded Commissioners that most of the airlines added flights during the Holidays, from December 21, 2019 through January 4, 2020. Additionally, there were extra aircraft parked on the ground overnight at the Terminal, which created some unique parking challenges. Staff worked very hard with the airline managers to successfully park each aircraft at a jet bridge in order to avoid any ground loading during the unpredictable Winter weather. To achieve this, staff worked with the airlines to temporarily relocate some of the airlines to different gate locations in order to maximize ramp space that was available. Although there was some minor confusion at times, most of the airlines worked well with Airport staff during this transition. Staff utilized this opportunity to show the airlines what it will be like when the A Concourse is closed during construction and everyone has to share three jet bridges on the B Concourse.
- ▶ Mr. Ploehn and Mr. Ketterling met with the four new City Council members on December 9, 2019 at the Airport Operations Center. The two hours spent with the new Council members provided them with a lot of Aviation and Transit information and concluded with a tour of the firefighting and snow removal equipment.
- ▶ Mr. Ketterling reviewed the current status of Airport Security due to the recent U.S. attack in Iraq that killed an Iranian commander on January 2, 2020. He handed out a bulletin that summarized the terrorism threat to the U.S. including a section on how everyone can help, be prepared, and remain informed. He identified that security has increased behind the scenes and that Airport staff and TSA are at a heightened awareness level. Mr. Ketterling explained that the Airport will react to whatever takes place and that hopefully the security threat level will not increase to a 9/11 situation where staff had to inspect vehicles in front of the Terminal and close parking lots.
- ▶ Mr. Ketterling explained that since Windows 7 is no longer supported, staff is in the process of upgrading software and purchasing new Windows 10 computers.

- ▶ Mr. Ketterling provided a staffing update on the Aviation and Transit Department. Paratransit Supervisor, Kathy Barr retired at the end of December, and Transit Supervisor, Dan Montoya will be out on an extended leave of absence for a medical procedure. Subsequently, staff is interviewing candidates on January 8, 2020 in hopes of hiring two new supervisors to assist with the workload. Mr. Ploehn explained that Aviation and Transit Accountant, Vicky Harrison would be retiring in February of 2020; therefore, staff will be interviewing candidates on January 16, 2020 in hopes of hiring someone so that Vicky has time to train her replacement before she leaves. Additionally, one of our firefighters in the ARFF/AFM Division was notified that he has to report for military service and will be gone for one year, and the plan is to back fill his position since Operations cannot operate one short for that length of time. Finally, staff is also still attempting to hire one new custodian in the Airport Building Maintenance Division and two new Drivers for the Transit Division.
- ▶ Mr. Logan announced that the City Council approved the purchase of eight new buses on December 16. He said that on January 21, he would be meeting with the bus manufacturer to solidify the specifications and options that the buses will have.
- ▶ Mr. Logan updated the Commission on the progress of the Coordination Plan. The committee will meet later in the month to approve the new plan and to finalize van purchases.
- ▶ Mr. Logan noted that the MET survey has already had 360 responses. He pointed out that there would be a TV and Radio campaign to encourage more folks to participate.
- ▶ Mr. Logan provided an update on MET ridership. He announced that December's totals were up over 2,200 over December last year. He was optimistic that ridership might be trending up.
- ▶ Mr. Logan informed the Commission that the MET's new planning software has been implemented and staff is spending time using it to get familiar with what it can do. Once they have the survey results, MET will start to use the software to look at other route options; as staff continues to look for the best possible route structure for MET.
- ▶ Finally, Mr. Logan announced that a third MET bus in the past four months had an engine failure. Staff will evaluate whether to replace the engine or just wait for the new buses to arrive.

ITEMS FROM THE COMMISSION

- ▶ Commissioner Spence noted that he had returned from a trip and that their bags had been separated and ended up on both bag belts. Mr. Ploehn noted that he had not heard of that before and possibly the airline had two bag carts to unload and used both bag belts.
- ▶ The question regarding Real ID and how it might impact travelers was also brought up. Mr. Ploehn pointed out that recently the State's Real ID commercials were added to the display monitors in baggage claim and an additional poster was added in the screening area. He also noted the TSA is letting everyone know as they come through screening. He thought a big push to notify the public would be made this Summer.
- ▶ Chair Gaghen asked about the Global Entry program and Mr. Ploehn committed to find out more about it for her.
- ▶ Chair Gaghen asked about the 2020 Air Race Classic hosted by the local 99s. Mr. Ploehn said he would find out what the status is on that.

There being no further business, the meeting was adjourned.

KP:mdb

cc: Aviation and Transit Commission
 Chrono
 City Administrator
 Mayor
 City Clerk

ANNUAL CUSTOMER FACILITY CHARGE (CFC) REPORT

For the Fiscal Year Ended June 30, 2019

FY 2019 Costs and Revenues

Reserves at June 30, 2018	\$1,511,700
Eligible Costs Incurred:	
Interest on Series 2010B Revenue Bonds	186,221
Principal on Series 2010B Revenue Bonds	310,000
General Facility Repairs	28,601
CFC Revenues Collected by on-Airport Car Rental Companies	881,223
Miscellaneous Revenues	<u>60,540</u>
Reserves at June 30, 2019	\$1,928,641

FY 2020 Forecasted Costs and Revenues

Reserves at June 30, 2019	\$1,928,641
Eligible Costs Incurred:	
Interest on Series 2010B Revenue Bonds	176,594
Principal on Series 2010B Revenue Bonds	320,000
General Facility Repairs	20,000
Other Eligible Costs	64,659
CFC Revenues Collected by on-Airport Car Rental Companies	875,001
Miscellaneous Revenues	<u>59,925</u>
Forecasted Reserves at June 30, 2020	\$2,282,314

QTA OPERATIONAL STATISTICS FOR THE FISCAL YEAR ENDED JUNE 30, 2019

87,890

CAR WASHES

11,625

MUD WASHES

\$1.65

AVERAGE COST / WASH

THANK YOU!

BIL UPDATE FOR TBID BOARD

JANUARY 9, 2020

TERMINAL EXPANSION

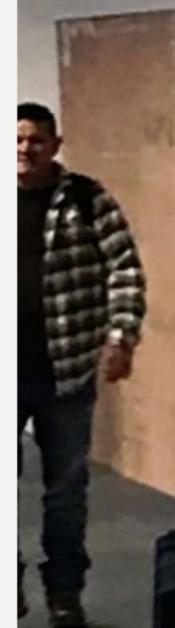
PHASE I – APRIL 2020

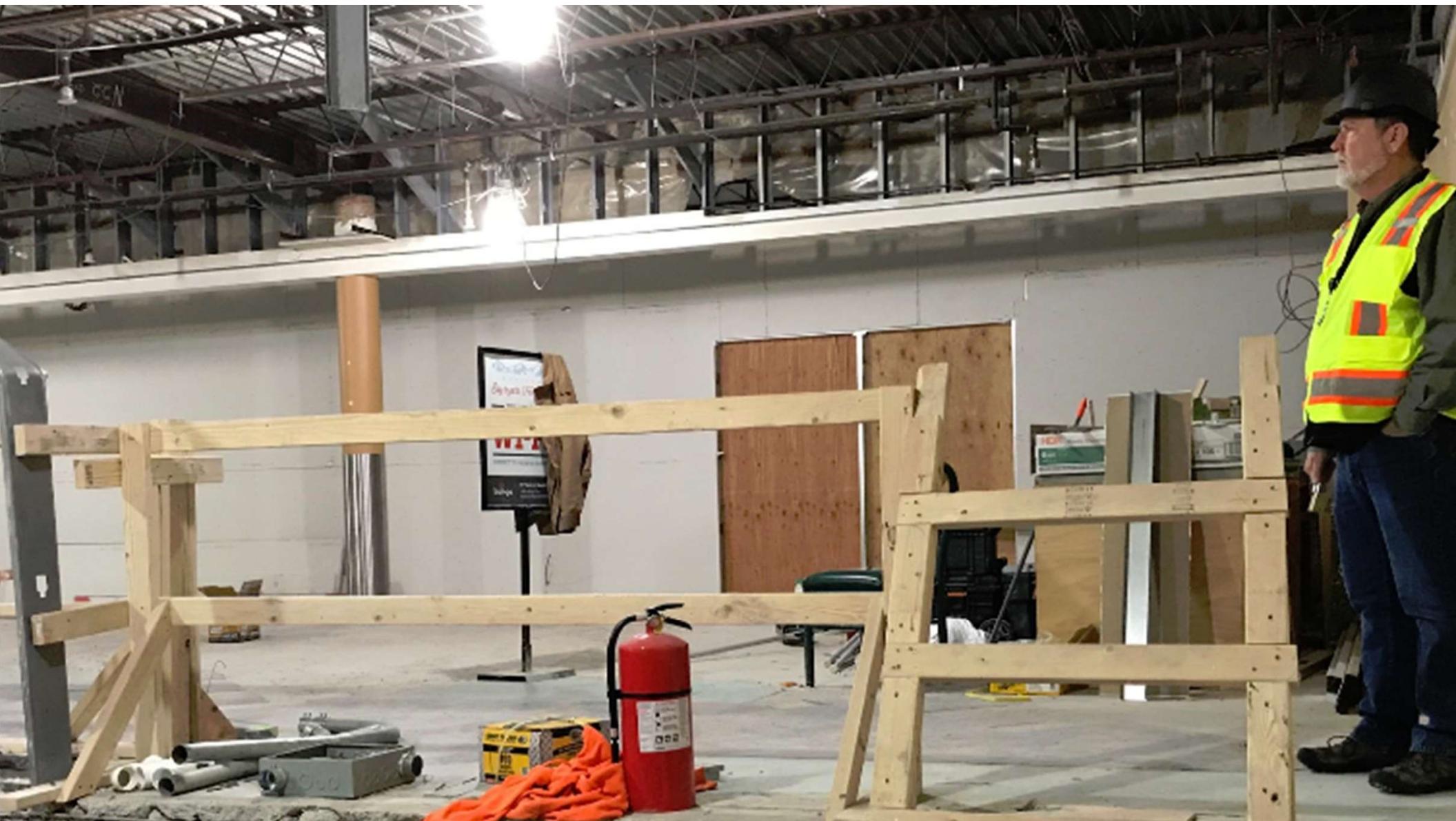
PHASE II – AUGUST 2021

PHASES III - V – APRIL 2023

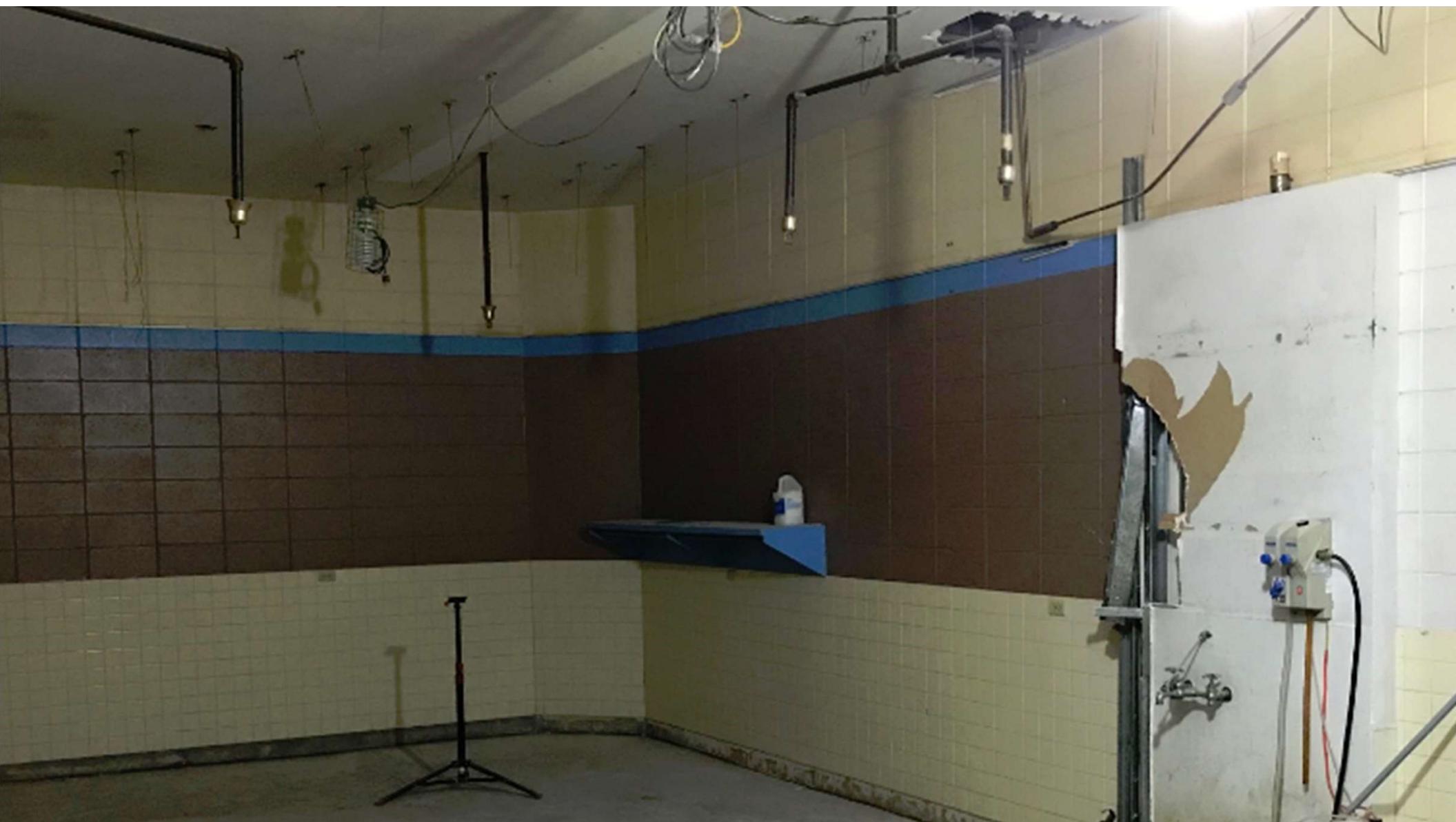


ate A1

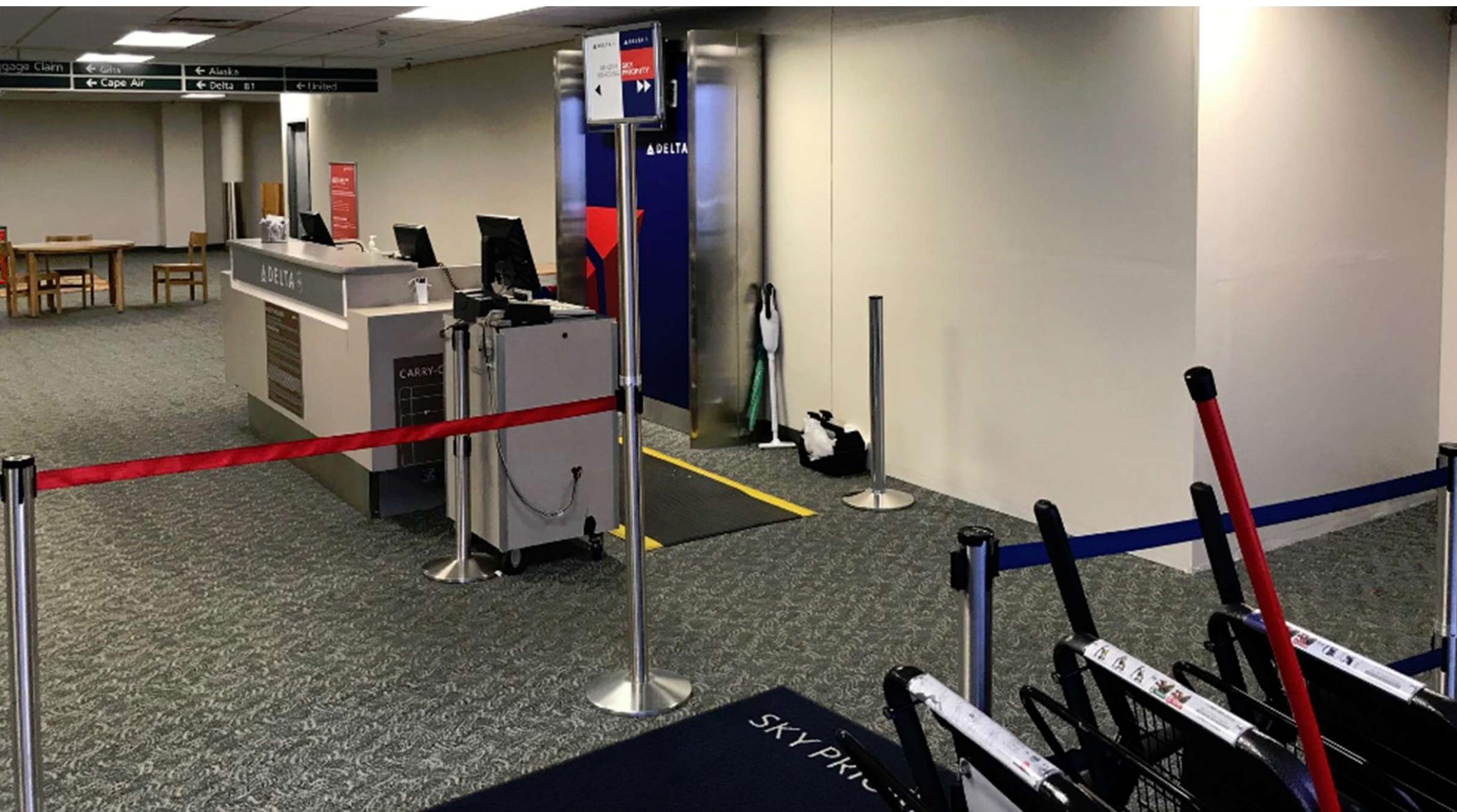






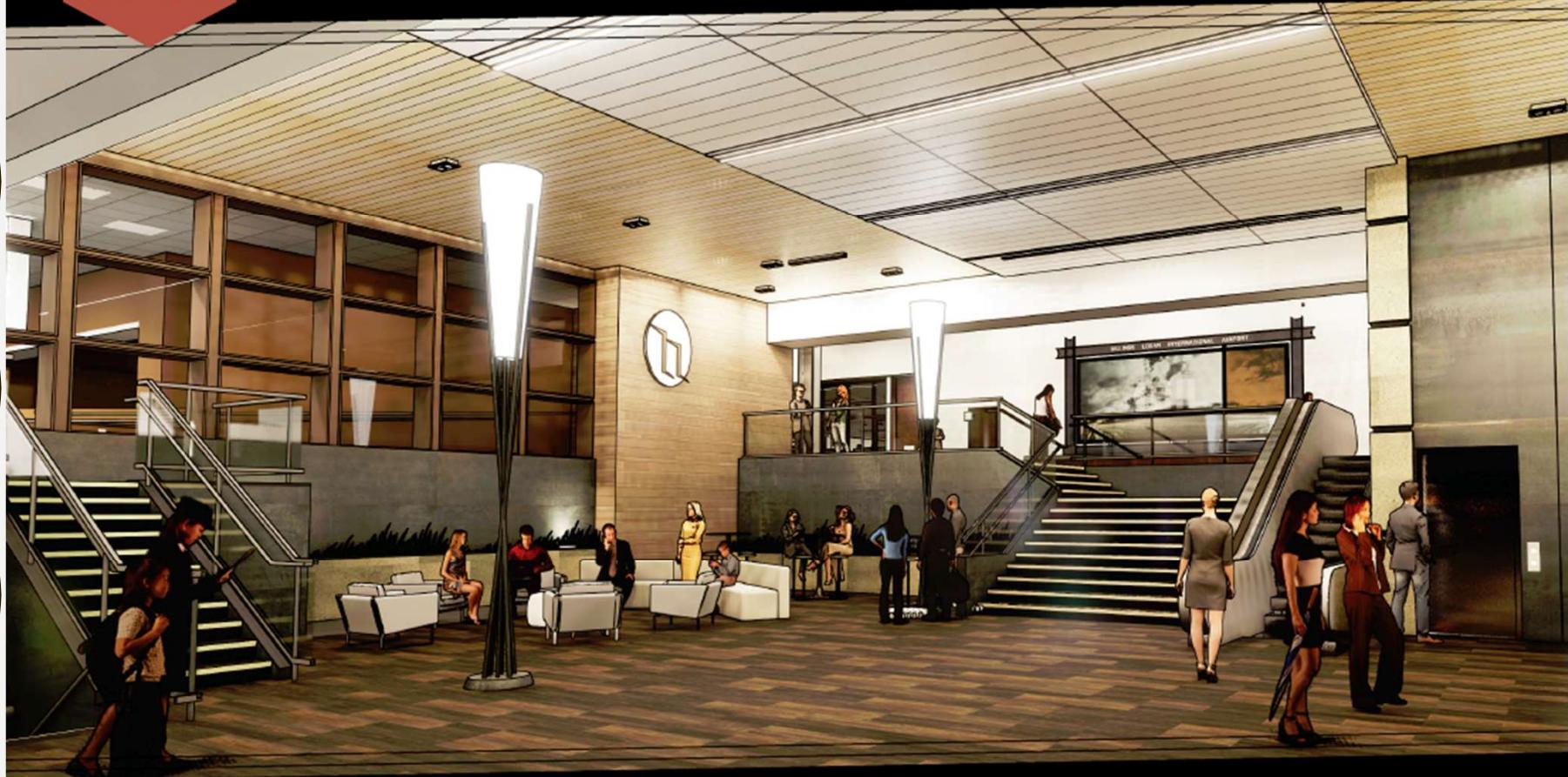








BIL
2019 - 2023



LOWER LOBBY



• Sletten COMPANIES

BIL
2019 - 2023



ADVERTISING HALL



Morrison
Maierle
architects • engineers • planners • developers

Sletten COMPANIES

BIL

2019 - 2023



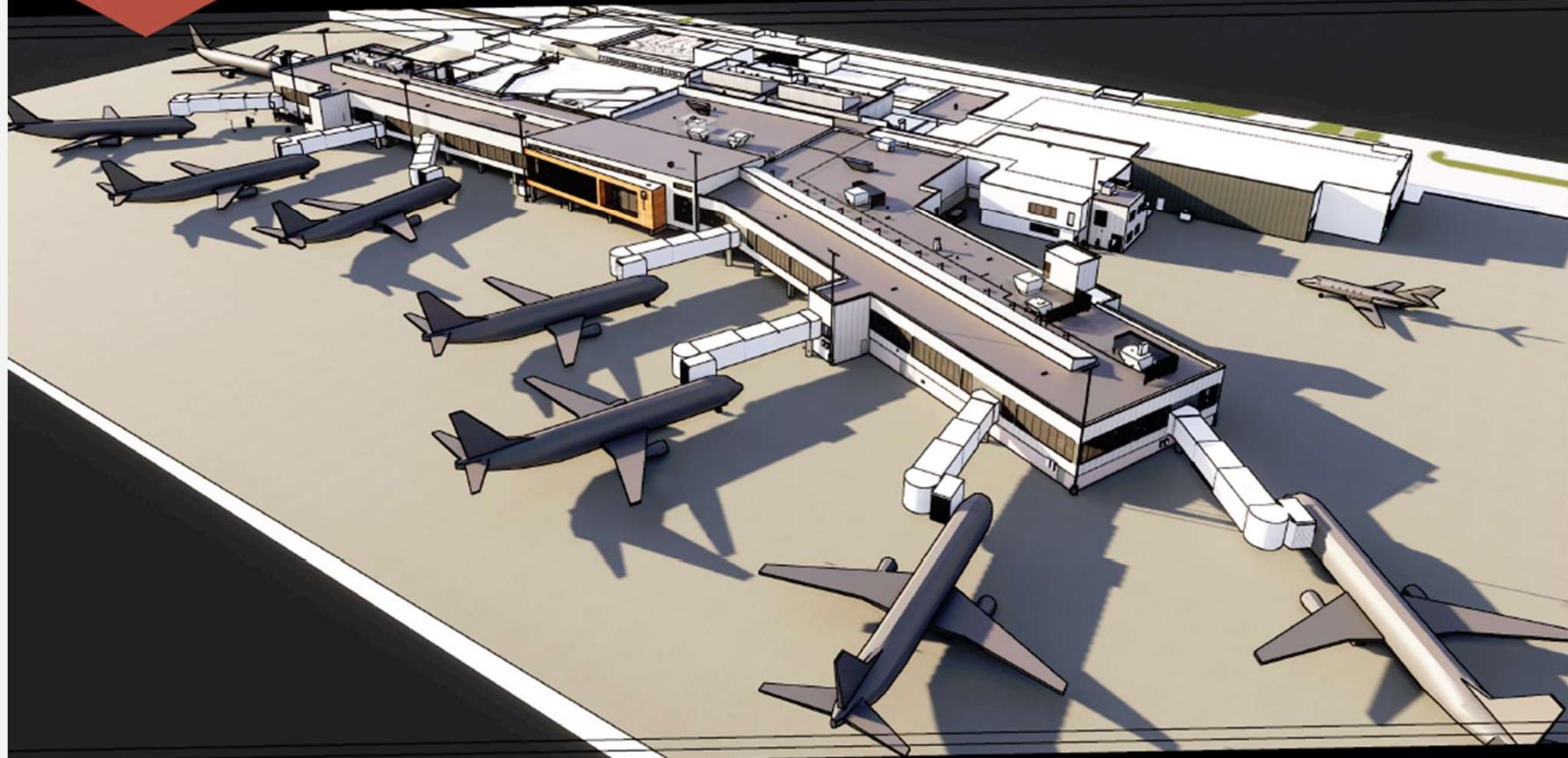
GREAT ROOM



Morrison
Maierle
architects • engineers • planners • developers

• **Sletten COMPANIES**

BIL
2019 - 2023



OVERALL CONCOURSE



Morrison
Maierle
architects • engineers • planners • scientists

• ***Sletten*** COMPANIES



MEDIA RELEASE

December 31, 2019

BILLINGS AIRPORT RECEIVES ADDITIONAL AMERICAN AIRLINES SERVICE



MEDIA RELEASE

December 31, 2019

ALASKA AIRLINES TO BRING ADDITIONAL SUMMER SEATS TO BILLINGS

•AMERICAN

	<u>2019</u>	<u>2018</u>
–Seats	23,170	23,256
–PAX	20,322	19,267
–Load Factor	88%	83%

- FRONTIER

	<u>2019</u>
–Seats	12,318
–PAX	8,135
–Load Factor	66%

BIL Enplanements

<u>Month</u>	<u>2018</u>	<u>2019</u>	% Increase
January	30,491	32,615	6.97%
February	30,766	30,531	-0.76%
March	34,847	36,197	3.87%
April	33,132	35,243	6.37%
May	38,161	39,326	3.05%
June	42,166	44,823	6.30%
July	47,386	49,986	5.49%
August	45,260	46,409	2.54%
September	37,541	40,866	8.86%
October	38,450	39,468	2.65%
November	35,595	35,982	1.09%
December	<u>37,769</u>	<u>38,560</u>	Estimated
	451,564	470,006	

2019 COMPARISON – TOTAL PASSENGERS BILLINGS VS MISSOULA

	<u>BILLINGS</u>	<u>MISSOULA</u>
Jan. – Nov. – Actual	843,342	835,143
Dec. – Projected – 2.9% increase over 2018	<u>77,000</u>	<u>70,000</u>
Total 2019	920,342	905,143

FREIGHT

- **November 2018**
 - **75,050,997 lbs.**
- **Year End**
 - **83,157,875 lbs.**
- **November 2019**
 - **90,551,850 lbs.**
- **Year End Projected**
 - **100,000,000 lbs.**

FREIGHT – CHRISTMAS PEAK

- 2018 - 4 Wide Body Aircraft/Day
19 - Support Aircraft
- 2019 - 7 Wide Body Aircraft/Day
25 – Support Aircraft

AIRLINE MEETINGS

SEPTEMBER 2019 – MT RENDEZVOUS

ALASKA – MAY THROUGH AUGUST – 2 FLIGHTS/DAY PDX

ALLEGIANT – STATUS QUO – LOOKING AT SFO SEASONAL

AMERICAN – VERY HAPPY – ADDITIONAL SERVICE?

DELTA – SEATTLE STARTING AT BZN – MAY SPREAD TO
OTHERS

JET BLUE – DOES NOT UNDERSTAND MONTANA

SOUTHWEST – POTENTIAL CHANGE TO THEIR OPERATING
PLAN BY ADDING SEASONAL SERVICE

SUN COUNTRY – STILL TRYING TO FIGURE OUT WHAT
THEY WANT TO BE

UNITED – NO CHANGE FOR 2020 – MT IS A MARKET
THEY WANT TO EXPAND

DECEMBER 18TH MEETING AT UNITED HEADQUARTERS

TEAM BIL - TRINA FROECHLICH - AIR
SERVICE CONSULTANT

JOHN BREWER - CHAMBER

ALLISON CORBYN - BSED

STEVE WAHRLICH - TBID

KEVIN PLOEHN - BIL

UNITED (CONT.)

- GIFT BAGS - JOHN GOT THEIR ATTENTION
- ORD SEASONAL DISCUSSION
- DEN - ADDITIONAL FLIGHTS POSSIBLE
(CONTINGENT OUTCOME OF 737 MAX)
- NEW DESTINATIONS - LAX & SFO DISCUSSED
- JAN. THRU AUG. - 10% GROWTH IN SEATS ON
ALL CARRIERS - UNITED UP 13%
- SCASDP GRANT - UNITED WOULD SUPPORT
EITHER SFO OR ORD

FUTURE MEETINGS

JANUARY – DELTA H.Q.

IN STATE TRAVEL – FOCUS ON MISSOULA

- VERY DIFFICULT NUT TO CRACK.
- HAVE HAD DISCUSSIONS WITH
CAPE AIR & EDWARDS JET CENTER.
- REVENUE GUARANTEE WOULD
PROBABLY BE NEEDED.
- ALPINE???