

AVIATION AND TRANSIT BOARD MINUTES
Tuesday, October 5, 2021

The Aviation and Transit Board met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, October 5, 2021. Those in attendance included:

Aviation and Transit Board Members

Dan Farmer, Chair
Ron Spence, Vice Chair
Ken Behling
Chuck Tooley
David Hummel, Jr.
Steve Tostenrud

City Staff and Guests

Kevin Ploehn, Director of Aviation & Transit
Shane Ketterling, Assistant Director of Aviation & Transit
Rusty Logan, Transit Manager

PUBLIC COMMENT PERIOD

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

TERMINAL CONCESSIONS RFP UPDATE

Mr. Ploehn updated the Board on the Restaurant/Lounge RFP. A pre-proposal meeting was held on September 30 and was very well attended. The proposers were asking for an extended time line, as they are having a hard time finding architects; subsequently, the due date for the RFP response was extended to November 5. The Gift Shop RFP is being advertised on October 8. Mr. Ploehn then asked for volunteers to serve on the selection committee for the Restaurant RFP. Dan Farmer and Ron Spence volunteered. Mr. Ploehn also mentioned that he has had some local interest in partnering with the concessionaires.

Mr. Ploehn then stated that one thing that has been a little tricky during this project is the timing of the various phases of the Terminal construction. He provided a presentation showing the layout of the areas involved (existing and new) and how that phasing will take place. Staff is hoping that by the end of January the existing construction phase building Concourse A and the Great Room is mostly ready for passenger use, but he indicated that the old B Concourse would continue to be used until March 1. He also noted that the new restaurant concessionaire would need to provide a temporary food service in the new area for a few months while the concessionaire is completing the build out of the new restaurant space. The construction of the restaurant space cannot really go any further until staff can see what the new concessionaire is planning to do with the space. Additionally, the current plan reflects that beginning January 10, the temporary gift shop will close so the contractor can start the demo of the walls and open up that space for the new screening area. This phase of work will include building a new roof over that area that ties the old building to the new building. Passenger use of the new area is estimated to happen around March 1, 2022. The existing restaurant will also need to be remodeled at some point, but first the entrance into the new screening area will need to temporarily go through the old restaurant while the old screening area is remodeled into a reception hall. Once that is completed, then the pre-security restaurant can be remodeled. The new gift shop is a pretty straightforward project; all of the construction will be done except the flooring when it is turned over to the concessionaire to build out.

AIR SERVICE MEETING UPDATE

Mr. Ploehn provided an update on the Montana Airline Rendezvous in Great Falls. In speaking with the airlines, a general theme throughout the conversations was concerning the pilot shortage and getting back to pre-pandemic levels of service.

- Alaska pulled Portland temporarily due to pilot shortage; will bring back in the Spring or Summer 2022.
- Delta is trying to deseasonalize service, and hopes to get back to pre-pandemic levels by August 2022. They are facing pilot shortage as well, and would like to eventually retry Atlanta seasonal service.
- Southwest Airlines launched 18 new cities last year and all exceeded expectations. They want to build back their other markets to pre-pandemic levels. Denver is an area of expansion and they are still open to some potential expansion.
- Sun Country's service is 60% scheduled, 20% charter, and 20% cargo. Growth cycle from current 32 aircraft to hopefully 50 by end of 2023. Their fleet is 737-800s with 186 seats. They are facing a pilot shortage. The Billings to Minneapolis service is high on the list for Billings, operating two times per week from June through October, but probably not until 2023.
- United is also dealing with pilot shortages. Chicago not currently in 2022 schedule. Focused on building out Denver hub.
- Allegiant states Billings ranks 56 of 107 airports on cost. No concerns regarding Mesa and Vegas flights. Seasonal service to Portland, San Diego, and San Francisco are a concern. There is a chance Los Angeles will come back. The Billings Airport asked that they consider Nashville for seasonal service.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Ploehn discussed how staff is considering where to park airline aircraft when operations are moved to the new concourse. Once moved, there will be five parking positions that can be accessed by the four new loading bridges, but the Airport really needs seven ramp positions to accommodate the Summer traffic. The Airport is considering the use of one of the old jet bridges to get passengers to the ramp for two ground loading positions. The old loading bridge might be relocated in the bar area. The airlines would then be able to board two 76-seat planes from those two parking positions.
- ▶ Mr. Ploehn presented a PowerPoint on the new NorthWestern Energy Rimrock Substation, stating that it is one of three critical substations that provide the main transmission sources of power to the City of Billings and greater region. The presentation provided highlights on the benefits to rebuilding and expanding the Rimrock Substation, mockups of existing and future views of the site, and discussed leasing the land vs. selling. The Airport plans to recommend that the Council approve the sale of the land to NorthWestern Energy.
- ▶ Mr. Ploehn brought up the need to pull together the art committee. Board Member Hummel indicated that the hiring process for the new director of the Yellowstone Art Museum is taking place and that it may be better to wait until that person is available.
- ▶ Mr. Ketterling provided an update on the Terminal construction, showing some pictures of the work being done to include:
 - The windows are being installed in the Great Room. The roofing work is completed over the Great Room, screening, restaurant, and gift shop areas.
 - Siding is going up and looks good; the elevator contractor has been working on the freight elevator for about a month; a lot of the ceiling grid has been installed; tile in the bathrooms is being worked on; the MDU gas line tree is installed.
 - A lot of the security cameras are up and the contractor is installing the new security system components for the doors.

- ▶ Mr. Ketterling stated that the Teamster Union Contract had been approved and includes a 3% increase in each of the next three years.
- ▶ Mr. Ketterling announced that the Airport is interviewing for several positions and a candidate has been offered the new Advertising and Marketing Coordinator position.
- ▶ Mr. Ketterling informed the Board that COVID had struck the Airport Police Office with four officers out at the same time. The remaining officers have stepped up and are working a lot of overtime to ensure the proper coverage is available to meet the TSA requirements.
- ▶ Mr. Ketterling informed the Board that the Airport was conducting live firefighting burns this week.
- ▶ Mr. Logan advised the Board that MET had advertised a Request for Proposals for the Transit Development Plan. The goal is to develop a five-year plan for MET Transit with recommendations for operations, routing, personnel, fleet, facilities, technology, etc., along with development of an updated mission, vision, and values. This will involve public outreach and participation.
- ▶ Mr. Logan informed the Board on the following:
 - MET is in full swing with completing the National Transit Database annual report to the FTA.
 - The FTA announced significant funding opportunities through competitive grant programs, with \$400 million in funds available. The primary focus would be on buses and bus facilities.
 - MET is starting to plan for the replacement of eight more buses that will be eligible for replacement in the next two years.
 - All eight of the new buses received were out on the streets and in service. Nine more new buses are scheduled for delivery the end of October and hopefully would be in operation by Thanksgiving.
 - Eldorado National-California, the new bus manufacturer, would be on site to provide training for the mechanics on the new buses this month.
 - The five-year tire lease contract for bus tires was bid out and is up for Council approval on Monday.
 - Outreach events took place at MSU-B and at the Phillips 66 South Park picnic area and generated a lot of interest in MET.
 - Ridership is around 1,300 daily on fixed route and 140 on paratransit. Showing significant recovery from pandemic levels, with the year over year growth from last year up 13%.
- ▶ Mr. Ploehn shared that the Airport was in the process of installing the Electric Vehicle Charging Stations in the parking lot across from Door 1. The three new units will have the capability of charging six vehicles at the same time.

ITEMS FROM THE BOARD

There were no items from the Board.

There being no further business, the meeting was adjourned.

KP:mdb

cc: Aviation and Transit Board

Chrono

Via E-mail: City Administrator

Mayor

City Clerk