



Billings Logan International Airport
Aviation and Transit Department
1901 Terminal Circle, Room 216
Billings, MT 59105
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AVIATION AND TRANSIT BOARD MINUTES

Wednesday, March 1, 2023

The Aviation and Transit Board met in the Administration Conference Room at the Billings Logan International Airport on Wednesday, March 1, 2023. Those in attendance included:

Aviation and Transit Board Members

Dan Farmer, Chair
Ken Behling, Vice Chair
Chuck Tooley
David Hummel, Jr.
Steve Tostenrud
Allison Corbyn

City Staff and Guests

Jeff Roach, 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.

AIR SERVICE PROPOSAL AND INCENTIVE PROGRAM

- ▶ Mr. Roach shared a presentation that he had given to the Aviation Task Force and the Chamber of Commerce, which included updates on the Terminal construction projects and air service development. Jeff provided copies of a fact sheet he put together regarding air service that answers many of the major questions that people have. This fact sheet is also available on the Airport's website and staff will be putting posts on the Airport's social media sites.
- ▶ Jeff mentioned that Mead & Hunt would be helping with the Allegiant Air conference in April in Las Vegas, and are scheduling meetings with the airlines' corporate headquarters. Staff has meetings tentatively scheduled the last week of April in Seattle with Alaska Airlines, and there are other conferences to be scheduled as well.
- ▶ Jeff advised the Board regarding other markets and that staff is preparing an application for a Small Community Air Service Development Program (SCASDP) grant and seeking community support for matching funds, which is how the Airport acquired American Airline service to Dallas. There are only a couple of ways that an airport can incentivize an airline. One is fee abatements, where the airport does not charge any landing fees or space rentals, but that can only be done for a specific length of time, typically two years. Another way is revenue incentive, which guarantees that the airline is going to make money on their flights. If the airline does not make an agreed upon capacity on the flight, then the revenue guarantee kicks in and pays for the rest of the seats. Then there is marketing, where the grant provides marketing funding. The Airport can do the fee abatements or the marketing, but cannot do the revenue guarantee incentive, as it is against the rules to use airport funding to pay airlines directly. This is the reason why the Airport has to go out to the community for support to generate the revenues for any revenue guarantees. One of the criteria for being awarded the SCASDP grant is the amount of match that the community comes up with. Typically, the closer you can get to 50% match the better chance of receiving the grant. Staff continues to work with the Chamber and Big Sky Economic Development to get the match needed for the SCASDP grant. The market staff is recommending is the LA basin area, which is the highest non-served market.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Roach mentioned the Montana Aviation Conference that starts tomorrow in Billings. Staff will be providing a tour of the Airport for any interested attendees.
- ▶ Mr. Ketterling stated that work continues on the Air Show. The Airport's engineering firm, Morrison-Maierle, created a diagram showing information on the operations area that has been sent off to the Blue Angels along with answers to a long list of questions they presented. Staff is also working with the FAA for the necessary approvals for the Air Show. Tickets have gone on sale. A lot of meetings are still taking place; however, they are well ahead in getting things handled.
- ▶ Shane informed the Board on the following projects for 2023:
 - Carpet Installation and Replacement: This project will replace approximately 13,623 square feet of existing carpet in the Terminal baggage claim and airline ticket counter areas.
 - Baggage Claim Restroom Remodel: This project will remodel approximately 1,000 square feet of the men and women's restrooms in the Terminal baggage claim area.
 - Steam Boiler Replacement: This project will replace a steam boiler that provides heat throughout the Terminal Building.
 - Mid-Field Service Road: This project includes the construction of a new service road for Airport vehicles and equipment to safely move from the west to the east side inside the security fence near the airfield.
 - Reconstruction of Airport Commercial Aircraft Ramp: This project will reconstruct approximately 56,185 square feet of ramp where the airlines park aircraft near the new B Gates.

Shane advised that information regarding these projects is also available on the Airport's website.

- ▶ Shane stated that staff is currently working on the Airport and Transit's budget and preparing a presentation for the City Administrator prior to it going to City Council. With costs going up, staff is anticipating a 5-10% increase over last year.
- ▶ Shane shared that we are short one Police Officer and are hopeful we can hire the officer we are interviewing next week and get back to full staff. We are short two custodians, and one of our Maintenance Mechanics is retiring in a month. Also, we just received a resignation letter from one of our ARFF/AFM Workers who is going to work for the Billings Fire Department and there are two others that have applied at the refinery that we could lose.
- ▶ Mr. Logan advised the Board that MET received three proposals for the new bus tracking system. Staff anticipates having an award decision made by the end of next week with the system hopefully up and running by July 1.
- ▶ Rusty stated that MET was asked by the Federal Transit Administration (FTA) to participate in a pilot program for deployment of some new reporting software. This software will simplify the Triennial review process and allow direct tracking of any corrective actions or findings and communications with the FTA. Tentative rollout nationwide will be next Fall; however, MET will be using the software for its current Triennial review with the FTA.
- ▶ Rusty mentioned that staff have been working hard on updating all of the benches and the necessary slat repairs. KTVQ did a very positive story on the bus bench purchase.
- ▶ Rusty advised that Council had approved the Public Agency Safety Plan, the annual Resolution authorizing the filing and acceptance of Transit grant funds and related documents, and the budget amendment to support the purchase of electric buses and chargers.
- ▶ Rusty then updated the Board on the system re-routing and schedule rollout. MET is tentatively looking at a summertime rollout for the new routing, and are working on both schedule and stop locations. There will be a bus stop on the new Skyline Trail that has staff working on how they can loop that in with the service that comes up to the Airport.
- ▶ Rusty stated that work continues with the Metropolitan Planning Organization on the long range transportation plan and are nearing the final phases. MET is participating in the Safe Routes to

School Phase II, with a heavier focus on middle schools, which make up a large part of MET's ridership so MET will be more heavily involved than it was for the elementary schools.

- ▶ Rusty informed the Board that MET currently has three operator vacancies and the Road Supervisor position is still open.
- ▶ Rusty mentioned that ridership on the fixed route saw an overall increase of 9.6% on weekdays and 18.1% on weekends. Paratransit had an increase of 16.5% over last year on weekdays and 12.1% on weekends. Overall growth for the system is now up 9.2% compared to this time last year.

ITEMS FROM THE BOARD

- ▶ There were questions regarding having staff provide a tour sometime this Summer of the car wash facilities and other operations at the Airport, and when a parking garage would be coming. Mr. Roach stated that a parking garage would be something looked at in the Master Plan Update process.

There being no further business, the meeting was adjourned.

mdb

cc: Aviation and Transit Board
Chrono

Via E-mail: City Administrator
Mayor
City Clerk