

## **AVIATION AND TRANSIT BOARD MINUTES**

### **Wednesday, November 1, 2023**

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

#### **Aviation and Transit Board Members**

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

#### **City Staff**

Jeff Roach, Director of Aviation & Transit

#### **Guests**

#### **CALL TO ORDER**

Dan Farmer called the meeting to order at 4:00 pm.

#### **PUBLIC COMMENT PERIOD**

A public comment period was offered, no public comments received.

#### **COURTESIES**

#### **Informational Items**

##### **• New Sun Country Service**

Jeff was pleased to announce that on August 17, 2023 BIL was selected by Sun County as one of the eight domestic markets that are going to be served out of Minneapolis St. Paul with direct flights next summer. Sun Country will be providing direct flights to Minneapolis starting June 19, 2024 through August 28, 2024 every Wednesday and Saturday. This is a short season to start; however, Jeff is optimistic that it will expand later. Jeff informed the board that Sun Country is an unique ultra-low cost carrier which does significant amount of charter locations for different casinos. Last year was major league soccer. Jeff informed the board that they will be using Gate B, and will be using half of the former Frontier ticket counter/office location. If another airline comes in, they will have to share the other half with that airline. Sun Country usually accommodate to Southern destinations in the winter and Northern destinations in the summer. David asked if Sun Country interlines or code shares with any other airlines as well, as if they have a frequent flyer program. Jeff was unsure; he will look into this and get back to the board. Allison inquired how Sun Country is going to advertise, through their website only, or through aggregated booking sites. Jeff will look into that as well and get back to the board with an answer.

##### **• Montana Airline Rendezvous Air Service Meeting**

Jeff recently attended the Montana Airline Rendezvous in Missoula, ten airline carriers attended. He had good discussions with the airlines. Southwest has agreed to have Jeff come down to meet with headquarters on November 16, 2023. Both Jeff and Trina from Mead & Hunt will be flying down as well as some other representatives from the community. He was a little frustrated to see that they already put out their summer of 2024 schedule that includes flights going over us to Bozeman. Allison asked if they added service to any other smaller markets, Jeff was not aware of any; it was all additions to existing markets. Southwest will be serving three markets out of Bozeman: Los Vegas, Denver, and Nashville on a seasonal basis. He was lead to believe that they are interested in Billings, but it is not our year, possibly in 2025. He will know more after his meeting with them in November.

Jeff was thrilled to announce that Billings will be hosting the Montana Airline Rendezvous in September of 2024. Kalispell was scheduled to be the host; however, they needed to switch years with someone due to their Airport being under construction and will not be ready. Jeff plans to have the airlines come early so that he can have meetings with them and show them around the Billings area. Jeff will be utilizing the help of the Billings Chamber of Commerce Air Service Committee, the staff of Big Sky Economic Development (BSED), and other groups.

- **Air Service Retreat Update**

Jeff announced on November 8, 2023, that Trina from Mead & Hunt and Jeff will present at the Northern Hotel @ 8 am for an "Elevating Air Service in Billings" program. The event will feature a community discussion and brainstorm on needs from the business community for the future as well as develop a plan for the future. There will be a panel of discussion in the morning, and in the afternoon, they will break into smaller groups and put together a strategic plan for the future. Jeff will be sending out an invitation to the A&T Board members. Jeff hopes to come away from the Air Service Retreat with some commit from the community on future participation in Air Service development, beyond what we already have done.

- **Southwest Airline HQ Visit**

Jeff will be visiting Southwest Airlines on November 16, 2023 in Dallas, to continue to put the press on them to try to get them to come to Billings, at least to see what they need from BIL to help them make that decision.

- **Airport Administrative/Operational Reports**

Jeff gave some updates on the Terminal construction, things are moving along; however, things are moving at a slower pace than expected or informed. The B concourse is still scheduled to be opened in April, they are behind on the steel, but will be fabricating the external walls by mid-December. The Jet Bridge installation will be mid-January. Jeff showed his frustration on the contractor's movement and their completion of the projects. Unfortunately, there are no penalties written in the contract if project is delayed.

- **PFC Consultation and Submission**

Jeff was thrilled to announce that we have submitted the PFC Application to the FAA on October 27, 2023, there were 20 projects on the list with a total of \$8.6 million collections for the next 4 years. Jeff provided a list of the projects to the board members. There was a Airline Consultation Meeting , the only contact received was from American Airlines, they didn't want to use PFC money on the 5<sup>th</sup> cargo pad, they agreed after Jeff talked to American Airlines headquarters and explained to them why this is in the best interest of everyone. There were no comments or participation at the meeting, which is a great sign. He does not expect the FAA to come back with any questions or concerns, but it is always a possibility.

Jeff stated that UPS will start their airfreight holiday schedule, starting on November 28<sup>th</sup>, they will have an additional 1 am flight and a 2:47 am through December 22<sup>nd</sup>. In addition, an afternoon flight will be coming in at 3:11 pm. They are also bringing in additional small aircraft from Bighorn Airways, which will join the fleets from Alpine and Richland to provide additional distribution to help the out lining areas.

Jeff reported that the concessions revenue is up for restaurants, gift shops, rentals cars, and parking. One reason the parking has increased is due to a change in the wording for the long-term parking lot, from Express to Premium. Jeff mentioned that SP Parking is talking about having the overflow lot as a paid parking lot in the future, having it set up with a pay by your phone app for customers and have it enforced by their employees. There was a lot of talk between Jeff and the board members in

regards to some foreseen changes in the parking structure at the airport. Thoughts, suggestions, and ideas about adding a parking garage were discussed at great lengths, as well as where the revenue would come from. Jeff stated that the Airport staff will be looking into the master plan of changing parking in the future. Jeff also reported that he plans to have a parking analysis done through an RFQ. Jeff stated that the FAA approves the Airport layout plan and he foresees the north and west end of the airport changing and being an economic benefit to the airport. Jeff would like to keep the cost for operating the airport low for the air carriers so they will increase the service that they provide, which is a request from the community.

David noticed in the statistics that the Airport is down about 5% from the previous September, Jeff was not sure why. They continue to have addition seat availability, the load factors are down for September as well, but not significantly.

Dan suggested that inflation is maybe beginning to play into consumer's discretion of spending. Jeff also stated that tourism is starting to decline so that might have something to do to the decrease in September. Jeff stated that overall, the Airport is doing well, but September did show a decline.

United, American and Alaska were excited and most interested about the SCASD program grant. There was one proposal from an air carrier about splitting the service between both LAX and San Francisco, 4 days to LAX and 3 days to San Francisco. Jeff will continue to follow up with those that show interest and practically with Alaska since they sent in a letter of support for the grant. Jeff stated that this was a huge accomplishment of receiving this grant, as other Airports in Montana were not chosen.

The board members discussed with Jeff about having more instate travel and wishing that they had more choices to fly to Chicago or other Eastern destinations.

- **Transit Administrative/Operational Reports**

Rusty was not present for the board meeting and had Jeff report on his behalf. It was reported that the new roll out is continuing to be successful. The new route roll out is going smooth and is having great public feedback on the increase frequency of service, with some service that is now 15 min service stops. The ridership report numbers are good and staying about the same. Jeff reported that Passio is still having challenges and it is not going as smoothly as promised from the company. The automatic passenger counter is not working well and working hard to get those certified; the drivers still have to do the manual count and automatic counts, until they are certified.

The MET is happy to celebrate their 50 Year Anniversary and will be having a meet and greet at the Library on both Friday and Saturday, November 3 & 4<sup>th</sup>. On Friday, it will be from 5-7 pm and on Saturday, it will be from 10-12. They will be showing off their new 50 Year Anniversary bus wrap, as well has having games, prizes, and swag for the public. They will have staff there to help answer any questions for the public and help them find their perfect route to and from for their daily/weekly destinations.

MET will be participating in the Holiday parade again this year. They will again be showing off the new 50 Year Anniversary bus wrap.

Jeff stated that the new wrap is bringing additional marketing for more bus wraps. They have one on order that is already paid for and another one expected to have on contract in the near future. This is all done through the hard work of the new MET Advertising and Marketing Specialist, Jena. She also has been getting more advertising for businesses on the benches and shelters.

The board asked Jeff how the hiring was going for the drivers; they were able to hire two qualified drivers with their CDLs. MET was approved to over hire by one for MET drivers to always have one in the training process moving forward.

Allison stated that it seems like MET has been funded through grants. She asked Jeff if there is a healthy mix when looking in the future, at how much you have through the city vs grants vs revenue. Jeff stated that MET certainly has been spoiled the past three years with all the grants received. Jeff is working with Rusty to be sure that they put together a financial plan so they do not dip into their reserves significantly. They will have to dip into the reserves for the building refurbishment and office expansion. Jeff stated that MET is going to have to rebalance and make sure they are less reliance on potential grant money in the future. MET has been very successful in receiving funding that has not been utilized by other communities in Montana. However, the more MPO (Metropolitan Planning Organization) that come on board, the less funding available. More advertising will help the revenue for sure.

- **Items from the Board**

Chuck wanted to recognize Jeff for his impressive presentation that he did at the Annual Board and Commissioners Volunteer Banquet, Jeff was the featured speaker. Jeff will be giving the same presentation to the city directors as well.

Allison asked Jeff if he could discuss with the airlines to see if they can accommodate eastbound flights having a shorter layover connection, especially with Delta. The layovers are usually 3 hours or more. Jeff will talk to Delta headquarters to see if some fluctuations can be made.

There being no further business, the meeting adjourned at 4:58.

jm

cc: Aviation and Transit Board  
Chrono  
City Administrator- Via e-mail  
Mayor- Via e-mail  
City Clerk- Via e-mail