

AVIATION AND TRANSIT BOARD MINUTES

Wednesday, December 6, 2023

The Aviation and Transit Board met in the Administration Conference Room at the Billings Logan International Airport on Wednesday, December 6, 2023. Those in attendance included:

Aviation and Transit Board Members

Dan Farmer, Chair
Ken Behling, Vice Chair
David Hummel, JR.
Steve Tostenrud
Barbara Schneeman
Allison Corbyn

City Staff

Jeff Roach, Director of A & T
Shane Ketterling, Assistant Director of A & T
Rusty Logan, Transit Manager

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

- **Air Service Development Update**

Jeff started the meeting off with addressing the Air Service Development efforts. First with Sun Country's announcement of flights to Minneapolis in the Summer of 2024 and just recently the exciting announcement from Allegiant having service to Los Angeles, CA.

- **Allegiant LAX Service**

Jeff talked about the announcement from Allegiant, offering flights to LAX (Los Angeles, CA) for rates as low as \$59.00. They are scheduled to have five flights in May, nine flights in June, eight flights in July and four flights in August, between May 16th and August 11th of 2024. They will have scheduled flights on Thursday and Sunday. Jeff talked about the incentive that go with this announcement; one year landing fee abatement, which is the standard for less than daily service. This incentive is for this flight only. Jeff is also discussing internally about any marketing support that the Airport can provide to Allegiant to help with this announcement.

- **Southwest HQs Meeting**

Jeff recently returned from Dallas visiting with Southwest headquarters. Trina from Mead & Hunt was unable to attend due to a family emergency. Two other representatives from Mead & Hunt were able to join in her absence. The meeting was very positive; however, he did not come away with service at this time, but BIL is on the list as a potential new market. Jeff shared that Southwest was told by higher headquarters that they are not to initiate any new markets until 2026. They normal do 3-5 per year and during COVID they did 40. Now they are trying to flush those out and make them more profitable. Southwest did ask for a lot of follow up information, which is encouraging. They would also like to have any news articles that are associated with tourism or development sent to the Southwest network team for when they are ready to move forward. David asked if Southwest would

be seasonally, Jeff stated that it varies. Southwest is more likely to behave like one of the legacy carriers, like Alaska Airlines.

Steve asked Jeff about the announcement of Alaska and Hawaiian Airline merging. Hawaiian Airlines has had some serious financial problems, so this was not surprising to hear, Jeff stated. Jeff mentioned that the SEC is not very willing to look at airline mergers right now; they are concerned about the potential increase in fares, with the reduction in competition. It will be interesting to see how it moves forward and what the impact will be. Hawaiian does go to Asia so that opens up a potential new connection.

Jeff also announced that United has picked up a fifth flight per day starting summer of 2024. In March, they will return to the fourth flight per day and then starting May 23, 2024, they will add the fifth flight per day. That will increase the Denver flights by 19% and a 13% seat increase availability.

Jeff informed the Board that they do have a meeting with United headquarters on February 19, 2024. They will discuss the potential of having flights to Chicago and San Francisco. Jeff is going to push hard for Chicago; he has heard a lot of demand for Chicago.

- **Airport Administrative/Operational Reports**

Shane reported that there is a current advertisement for the Master Plan Update (MPU) and proposals are due on December 21, 2023. Shane sent it out to ten individuals; some are just advertising; a couple of Engineering firms, and a couple of Aviation and Consulting firms. Staff will review the proposals and have City Council approve in January. The MPU is a lengthy process, which usually takes anywhere from eighteen to twenty-four months. Allison asked about the budget, Shane responded that they are budgeting around \$850,000 probably closer to 1 million dollars, looking forward 20 years. Shane mentioned that there are 15 or more areas of interest for the consultant to address, and Shane will update the Board at the next meeting.

Shane reported that the Airport is also advertising a painting project. This project had previously been advertised, however no one bid on it. The painting is for the exterior stucco of the baggage claim area which will take place next summer.

Shane is working with Morrison-Maierle on the two primary construction projects for next summer; a new cargo slot and repaving Aviation Place Road.

Shane reported that the terminal work is on schedule thankfully due to the warm weather. The Contractor is currently working on the B Concourse. They have all the steel up; roof decking and metal panels are down, and work is progressing on the walls, which are prefabricated. The new lobby staircase and escalator are in, and the bathrooms are being tiled. The elevator and escalator inspection will be in January.

Allison asked both Shane and Jeff if they want to have private sector citizens involved and on a developing committee for the Master Plan Update. Jeff mentioned that they will have two committees, one will be the Technical Advisory Committee that is strictly made of Stakeholders, and the other committee is the Citizen Advisory Committee, which is with broader committee involvement from the community. Allison will be emailing Jeff a name of a potential committee member for the CAC.

Shane let the Board know that Paul Totton retired last week and he will be coming back in 90 days, part time, to help work on the Safety Management System Plan. Shane is hoping to have the

Operation Supervisor Position filled soon. Shane and Jeff are working with HR to see if they can get the pay scale changed.

Shane reported that the Airport Police are fully staffed, including the extra Officer that was in this year's budget.

- **Transit Administrative/Operational Reports**

Rusty discussed MET's recently completed 50-year Anniversary bus wrap and displayed pictures of the wrap to the Board. The wrap is a 3-year vinyl and should withstand both weather and bus washes. The windows are covered, but do allow passengers to see out of the bus quite easily. Rusty also discussed MET's participation in the Downtown Holiday Parade showing off the new wrap while also receiving an award for Most Original Interpretation of the parade theme.

Rusty reported that fixed-route ridership is going well and increasing much quicker than expected. He reported in November that there is a 7% increase on weekdays and a 34% on weekends, including an overall 98% increase for bike rack usage. The public is still being positive regarding the new fixed-route system and changes. The new route 16-Heights to Downtown connector has become one of the top performing routes, providing between 200-220 rides a day.

Rusty talked more about the certification process for use of MET's onboard automated passenger counter on the fixed-route buses. He emphasized how important it is to get the certification, so the APC counts can be utilized in ridership reports. He is hoping to have certification completed soon, as the process is relatively quick and simple. He emphasized that recording with the APCs would help with compiling annual federal reports to the National Transit Database, which Rusty and staff recently completed and submitted.

Rusty discussed a number of upcoming projects and current projects; he indicated MET will be working on two RFPs including a Transit Sustainability Study and a project overhauling the para transit eligibility process and procedure. Both of these RFP's will be published in January or February. Rusty also discussed engineering drawings on the MET Facility Addition and Remodel, and indicated the team was hoping for a package to be ready for bid in February.

Rusty expressed his concern about the two-way traffic conversions scheduled to begin in the Downtown area next year. The process and changes raised a number of issues regarding traffic at the Downtown Transfer Center. He has been working with the Public Works Engineers on the project to help alleviate and address some of these concerns.

Rusty was excited to report that MET currently has only a single employment vacancy. He also stated MET has been working with the state of Montana to get the City of Billings authorized as a third party CDL tester. Rusty and staff from the Public Works Department have been working together to setup a system to test each departments' Class B CDL drivers once the certification is official.

There was additional discussion between the Board and Rusty about the benches and advertising program and the positive changes he has been seeing with the program.

- **Discussion on cancelling January 3, 2024 meeting**

Jeff and the board discussed canceling the January 3, 2024 meeting; the board voted unanimously in favor to cancel the meeting.

- **Farewell to Dan Farmer and Ken Behling**

Jeff presented a plaque to both Dan and Ken recognizing them for their years of service on the Aviation and Transit Board.

- **Holiday Celebration!!**

Jeff and Shane presented gifts to the Board Members, thanking them for their year of service and wishing them a Happy Holiday. The Board was invited to the Beacon Air Group Open House on December 18, 2023.

- **Items from the Board**

Dan Farmer recognized the excellent work that Mead & Hunt does, Jeff agreed.

There being no further business, the meeting adjourned at 4:55 pm.

jm

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