

AVIATION AND TRANSIT BOARD MINUTES

Wednesday, February 7, 2024

The Aviation and Transit Board met in the Administration Conference Room at the Billings Logan International Airport on Wednesday, February 7, 2024. Those in attendance included:

Aviation and Transit Board Members

David Hummel, JR.
Chuck Tooley
Barbara Schneeman
Megan Bostrom
Denis Pitman

City Staff

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

Guests

CALL TO ORDER

Jeff called the meeting to order at 4:02 pm.

PUBLIC COMMENT PERIOD

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

COURTESIES

Informational Items

- Introduction of New Board Member**

Jeff introduced the two new Board Members, Megan Bostrom and Denis Pitman. He asked each of them to give a brief introduction about themselves and why they were interested to be on the A&T Board.

- Annual Election of Officers**

Jeff mentioned that the Annual Election of Officers needed to be done. This process is typically done at the end of the calendar year; however, at the December meeting the board decided to wait till the February Board meeting for the new Board Members.

Both the Chair and Vice Chair positions are open and need to be filled. Barb nominated Steve Tostenrud for Chair, Chuck seconded. Barb moved to close the nominations for Chair. Board voted unanimously in favor of Steve for Chair for 2024. David nominated Chuck Tooley for Vice Chair, Barb seconded. Barb moved to close the nominations for Vice Chair. Board voted unanimously in favor of Chuck for Vice Chair for 2024.

- Sun Country Site Visit**

Jeff recapped his Sun Country Headquarter visit in November 2023. Three members from Sun County visited Billings on Tuesday, February 6, 2024. The members consisted of Sun County's site survey team, a representative from Network Planning, Corporate Real Estate, and Ground Handling/Fuel Contractor. It was a very positive visit, lots of discussion with airport staff on leases, operating agreements, and operating costs. Sun County was given a tour of the facility and they had a follow-up meeting with Worldwide (ground support). Worldwide currently serves Allegiant at BIL. David asked Jeff where Sun County will be stationed for counter space. If Sun County does select Worldwide, Worldwide talked about the possibility of moving to the old Frontier counter and handling both Allegiant and Sun County out of the Frontier counter. There will be additional coordination to do also. A week before the flights kick off with Sun Country, they will come to Billings to conduct airline specific staff training. Sun Country did mention that the charters are very successful for them. Sun County

also has an air freight component, and that is currently with Amazon. Megan asked if they are going to be advertising their flights. Jeff stated that Aly with Visit Billings will be advertising as well as BIL on the website and social media, in addition to the airlines ongoing marketing efforts.

- **Air Service Update**

Jeff mentioned that he is going to attend the Air Cargo Conference. This conference is a national Air Cargo conference where cargo carriers meet, Jeff will be talking to Amazon. Sun County contracts with Amazon for air freight, at airports that Amazon currently serves. Jeff mentioned that there is a substantial gap in our region, with no Amazon airport currently in North Dakota, South Dakota, Wyoming, Idaho, or Montana. Jeff sees this as an opportunity to highlight that Sun Country is operating out of BIL, especially since there will be a 5th Cargo pad being constructed this summer. Jeff mentioned that February is a busy month for Air Service Development. United has increased their flights for the summer to five flights per day to Denver.

Other Air Service development is primarily done through, attending conferences and Headquarter visits. The Mead & Hunt Air Service Development Conference, is the end of February 2024. Headquarter visits are the other technique and Jeff's goal is to visit four Headquarters this year. Last year Jeff was able to visit Alaska, Sun Country, and Southwest. The Southwest visit in November 2023 was very positive and BIL is on Southwest's list for future expansion, however that might not be until the summer of 2026. Jeff will be visiting the United Airlines HQ on February 19, 2024, he is going to discuss the possibility of having direct service to either Chicago or Houston. Jump Start is another conference that is held by the Airport Industry Association, the conference this year is in June and is held in Washington, DC. It allows the airports to meet with a lot of carriers in a short period of time. There is another conference held in state, called the Montana Rendezvous. Billings will be hosting the event this year, the date is set for August 19-21, 2024. Jeff discussed with the board on how the event is coordinated.

Jeff will be talking to Alaska, America, and Delta about the SCASD Grant that was awarded to BIL. The SCASD Grant needs to be a year round daily service, not a seasonal service. Jeff hopes to be able to have flights to LA and/or San Francisco. Jeff explained how the SCASD Grant can be used and the way the Grant can be spent. Jeff stated that we do have a significant revenue guarantee and marketing opportunity with the intent to start a new service. The SCASD Grant helps the airlines to avoid the risk of starting a new route. Denis asked with the current expansion, how much growth that will give the Airport. Jeff responded that we will have more capacity, especially on the airside. The new B concourse and gates will give more room as well. The goal is to have 5-8 flights per gate. There was more discussion between Jeff and board members about the new Airport Master Plan, one big item was parking. Jeff and Shane both reassured the board that parking is a component in the Airport Master Plan Update.

Jeff talked to the board about the 5th Cargo Pad going in on the West end, which will provide more cargo service and overnight parking for the airlines. Jeff then discussed with the board about Aviation Place Road being reconstructed this summer.

Jeff mentioned that he is hopeful that by April 1st there will be the ribbon cutting ceremony for the completion of the Airport Terminal Project. The Board Members will receive an invitation as soon as a date is set.

- **MET Transit Design Plans for Facility Remodel**

Rusty showed the Board Members the design plans for the facility remodel that is taking place at the MET Transit building. The facility improvements will cost approximately \$2.5 million and have already been approved in the budget. The administration area will increase by around 2,000 sq feet. There are currently old skylights in the hall way, that are covered with a drop ceiling, that allow water penetration. Those will be removed and re-engineered to use windows for natural lighting in the operations and administration areas. Rusty discussed different amenities that the remodel will bring

to the facility, including better convenience for citizens when coming to the service window. There was discussion on the parking lot area where the EV buses will be located and charged. Rusty did state that the City is in early discussion about the Animal Control Department potentially moving soon, MET would hope to be able to expand into that area.

Denis asked Rusty where the staff will be placed during all of the remodel, Rusty stated that Dispatch and Road Supervisors will be stationed out of the Downtown Transfer Center. The Maintenance Operations will not be affected by the remodel.

- **MET Administrative/Operational Report**

Rusty updated the board on the personnel changes and vacant positions due to internal transfers within the department. He currently has five operator vacancies, two in training, and one new driver starting in a few weeks.

Rusty was thrilled to announce that ridership totals in January were the highest monthly fixed route ridership since February 2020. There was a 7.28% total increase from the previous January. The Fixed Route ridership totaled 32,594 and paratransit totaled 3,699 rides in January.

Rusty informed the board that the Coordination plan has been finalized. MET will receive an additional Ford Transit Van via 5310, as well as Alliance funding. MET is actively working with FTA and MDT to bring 5310 funding control into the urban area to allow MET to program and manage the funds directly. MET should receive the four ordered electric vehicles in 2024.

Rusty reported that the National Transit Database has been accepted and closed out, thanks to Sara Graham there was only a single revision this year for clarification on personnel expenses. Sara did an amazing job, both Rusty and Jeff wanted to acknowledge her for her amazing work.

Rusty and Josh Smith will be traveling to California to visit Gillig this month, there they will be inspecting the diesel buses and the specs of the electric buses. The diesel buses will be delivered early March and the EV buses will be delivered early October.

Rusty informed the board that the Funding and Sustainability Study RFP should be published this month.

There was discussion between the board members and Rusty about what happens to the old buses. Rusty reported that MET does try to sell the buses to other city departments, like the Airport. They have even sold them to other cities; however, some of them are unsellable due to frame damage or parts no longer available.

Rusty talked about the advertising program and how it is expanding. In January MET secured \$25,165 in advertising revenue. Altana Bank purchased a full bus wrap and another business is signing an agreement for a future bus wrap. Rusty did state that advertising revenue is also generated through fixed route taillight signs, window wraps, and benches. Jenna forecasts the revenue next year to be close to \$275k.

Rusty further discussed Marketing and Outreach, there is a digital display utilizing microproximity to medical corridor and west end apartments, keywords within defined zip codes, there are 107k impressions. An EDDM mailer will be sent out to citizens, the target is the Heights and both east and west along current routes. The mailer will be delivered to close to 6,390 households in February.

Rusty informed the board that he had a meeting with the Montana Women's Run committee to come up with a plan on a new starting spot to minimize impact to the MET Transit system. Rusty is also coordinating plans with the Burn the Point committee soon.

- **Airport Administrative/Operational Report**

The Board Members all received a General Information booklet, Shane explained why that was created and what information was collected for the booklet. Shane is hopeful that the B Concourse will be opened in April 2024. He stated that the steel structure, metal siding, and roofing are done. The windows and skylight panels are going in and the interior work will be starting, and will take a month to finish. Shane reported that the Jet Bridges will arrive in March and that the main lobby elevator, escalator, and restrooms are all in and should be opened in approximately two weeks. Shane and his staff are currently working on the budget and he will update the board at the next meeting. Shane discussed the New Cargo Pad and Aviation Place Road projects in more detail.

Shane reported that the Airport still has the Airport Operation Supervisor vacancy. The Airport team will be interviewing a candidate from the Gillette Airport in the following week. Shane was thrilled to report that the Airport Police Officers are fully staffed at nine Officers and one Supervisor. This will allow the Airport to have two Officers on duty at all times. There was discussion about the vandalism at the Airport and if it has increased.

- **Items from the Board**

Denis asked Jeff if he could talk with the Airlines about transporting human remains. He stated that the process was recently stopped and he would like to have a discussion with the Airlines to see if this process could resume. Jeff will do some research on the local level and at the corporate level as well as reaching out to Bozeman Airport, as Denis stated that they allow for the transporting of human remains.

Denis also wanted to inform the board and Jeff that he is receiving feedback from the community about the wow factor of the new terminal upgrades. It has been a pleasant change when they arrive in Billings.

Chuck adjourned the meeting at 5:38 pm

jm

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