

AVIATION AND TRANSIT BOARD MINUTES

Wednesday, February 5, 2025

The Aviation and Transit Board met in the Administration Conference Room at the Billings Logan International Airport on Wednesday, February 5, 2025 at 4:00 pm. Those in attendance included:

Aviation and Transit Board Members

Steve Tostenrud
Allison Corbyn
Denis Pitman
Megan Bostrom
Ron Spence
James Mariska

City Staff

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

Guests

Heather Mosser- Morrison-Maierle

CALL TO ORDER

Steve called the meeting to order at 4:01 pm.

Denis Pitman moved to approve the December 4, 2024 minutes, Steve seconded, board approved unanimously.

PUBLIC COMMENT PERIOD

None

COURTESIES

None

Informational Items

- Introduction of New Aviation & Transit Board Members**

Jeff introduced the new Aviation and Transit Board members, Ron Spence and James Mariska. Ron Spence is a returning Board Member. He recently retired from the Billings Hotel and Convention Center, he is hoping to bring some insight to the A&T Board from a tourism point of view. James is a Veteran of the Army, after serving 34 years. James has several family members that are retired pilots and current pilots. He enjoys being around Airports.

- 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 2024 meeting the board decided to postpone the elections until the February 2025 meeting for the new Board Members.

Both the Chair and Vice Chair positions are open. Steve Tostenrud stated that if no one else is nominated for Chair, he would volunteer to be Chair again. Allison nominated Steve for Chair, Ron seconded, board voted unanimously in favor of Steve for Chair for 2025. Allison nominated Denis Pitman for Vice Chair, Steve seconded, board voted unanimously in favor of Denis for Vice Chair for 2025.

- FY'24 Year End Stats**

Jeff stated that both the Airport and MET Transit had a decent year. He talked about the concessionaires breaking a monthly record for revenue, a lot has that to do with the passenger numbers. In calendar year of 2024, we served 980,676 passengers, and out of that number, 950,000 are revenue passengers. Jeff explained the difference between a revenue and non-revenue

passenger; non-revenue passengers are pilots, family members flying in non-revenue seats. The state counts only the non-revenue numbers. Allison asked Jeff how that compares with the second highest year, Jeff stated that there were 950,000 total passengers, in 2019. Jeff talked about the increase of seats for 2025, due to some new air service.

Denis asked that with the increase of capacity at this point are we projecting 20 years into the future. Jeff explained how the limitation is more on the landside redevelopment. Jeff talked about how many turns the Air Carriers do in a day and that BIL has lots of room for capacity. Jeff explained how all the Air Carriers lease their gates, and Air Carriers operating as a Charter flight are charged a daily rate.

Ron went back to a revenue question and asked if there is a Casino on the Concourse side. Jeff stated that due to the way our concessionaire's liquor license works they were not able to get a Casino license associated with them. Marita is researching to see if there is a way to get around it. There was a Casino before, but the State law has changed and we are not grandfathered in.

Jeff reported that MET Transit had a significant increase in 2024 as well with 530,418 riders, which is a 38.4% increase from 2023. This increase has been a result of the roll out of the new system.

- **Air Service Update**

Jeff informed the Board that there will be an additional 54,000 seats this summer. United and American have both added additional flights to existing routes, United is adding a 6th daily flight to Denver and American is adding a second daily flight to Chicago. United announced that they are starting a daily Chicago flight starting March 22, 2025 till October 25, 2025, the flight will leave Chicago at 9 am and return to Chicago at 12:30 pm, which will hit their afternoon bank for eastern US connections as well as European connections. Great for the midday traveler getting to the east coast and beyond.

Jeff mentioned that he attended a Delta and Avelo Headquarters Teams meeting with the Air Service Team. Delta stated that Salt Lake City is doing amazing, and they are possibly adding a second daily flight to Minneapolis. Avelo is interested in the mountain west and expanding their service here but they currently don't have aircraft. Jeff is scheduled to have a Teams meeting with Alaska in March. He is also hopeful to meet with WestJet in late spring; unfortunately, WestJet is currently short on pilots.

The board asked Jeff if FedEx is moving to Great Falls and not using BIL for airfreight. Jeff mentioned that FedEx lost their contract with USPS. Since that, FedEx pulled airmail out of Billings. They are still flying into Billings; however, they are flying smaller aircrafts. BIL did not lose airfreight to Great Falls.

Ron asked Jeff if Amazon would start flying into Billings with the new Amazon distribution center in Billings. Jeff is still talking to Amazon; however, Jeff found out that Amazon does not mix air freight and surface freight. There is no link between surface and air freight for Amazon.

- **Master Plan Update**

Heather Mosser from Morrison-Maierle updated the Board on the Master Plan. Chapters 1-4 are about 99% complete. Chapter 1 is an Introduction; Chapter 2 is all existing Inventory of the Airport infrastructure. Chapter 3 is Forecasting; Heather went into detail about the forecasting numbers. Chapter 4 is Facility Requirements, which is Parking, Ticket Counters, Hold Rooms, and Concourse. Chapter 5 is the Alternative Development. There was talk between Heather and the Board about land expansions, hangar expansions, and storm water drainage.

Heather mentioned that when the Alternative Development review starts that's when the public will get involved. There was talk about the zoning map; Jeff mentioned that the public is notified of any zoning changes.

There was discussion between Jeff and the Board about financing and how things are funded.

- **Met Transit Facility Remodel Update**

Rusty updated the board on the MET Transit Facility remodel construction. They are in their final stages; however, there is still quite a few items for completion, such as Exterior details, lighting and signage. The interior doors were ordered in the incorrect color and the mechanicals of the office windows need to be installed. Rusty mentioned that they are behind schedule by around 1.5 months and that is including the approved change orders. MET staff and Collaborative (architectural staff) are onsite daily to review completed work. The electrical inspection is scheduled for Thursday, February 6, 2025. Rusty is hoping for the final inspections and occupancy approval by early part of next week. The furniture install will begin on February 10th or 17th, 2025. Rusty is anticipating to be working in the usable space and open to the public in early March 2025. There was a delay in the EV charger installation; he is hopeful that will be completed in March 2025.

- **Airport and Transit Administrative/Operational Reports**

Rusty reported they received partial apportionments from FTA for the five month approved period. The five month apportionment is on track with what was received in the previous Federal fiscal year, currently MET has no idea how the full spending bill will play out. Rusty informed the board that the first EV buses will be put into service within two weeks. The security camera project for the Transfer Centers is continuing and he anticipates bidding the project next week as long as FTA approves the environmental documents. He is beginning work on the Bus Wash refurbishment/replacement project. He is realizing that the existing facility has limitations regarding a drive through style wash, they will have to utilize a Gantry Style. Rusty is wanting to publish this project in the early spring. Rusty is working extensively with UMO and BEA to add features to Ticket Vendor Machines at the Transfer Center Locations. All of the vending machines are now capable of selling all fares as well as including discount rate passes for Seniors, individuals with Disabilities, and Students.

Rusty stated that MET will be taking multiple items to City Council on February 24, 2025, including various plan updates. Three of them are Disadvantaged Business Enterprise Program (DBEP), Public Transit Agency Safety Plan (PTASP), and the Human Services Coordinated Transportation Plan (HSCTP). The HSCTP updates include recommendation for capital project awards for area agencies; the coordination group set four priorities this year with the available \$275K in federal funding. Those included ADA Vehicle for COR Enterprises, Matching funds for Big Sky Senior Services for Minivans, Non-ADA vehicle for COR Enterprises, and Bus stop upgrades for MET Transit.

Rusty updated the board on Advertising. United Way is having a Montana 211 event as well as a week long promo code providing a free day pass to smartcard and smartphone users. They are going to have a Media mingle at the Downtown Transfer Center on February 11, 2025 from 9:30 to 10 am. The media will be invited and United Way's CEO will attend. They will be providing additional information about Montana 211.

Rusty informed the Board that Jenna has done an amazing job on Advertising, by exceeding their budget projections. Currently MET is under contract for over \$250K.

Rusty informed the board that they have three current vacancies; one full time operator, one part time operator, and a dispatcher.

Rusty was thrilled to announce that for January 2025 the ridership numbers for the Fixed route increased by approximately 40% over January 2024, with 46,199 riders. Paratransit unfortunately had a decrease of 1.3% compared to last January, with 3,638 riders. Total annual increase as of the end of January 2025 compared to January 2024 is 47.61%.

Shane reported that the Aviation staff is working on the FY26 budget. He was thrilled to report that all went well during the last snowstorm with the Airport crew. All the equipment kept operating and nothing broke; he informed the Board that there are four new pieces of snow removal equipment coming that were ordered last year. They did receive one piece of equipment, a Runway Broom, still

waiting on a Blower and two snowplows. The pre-security restaurant is under construction. They are moving the bar from the east side of the restaurant to the west side. They are unfortunately finding issues as they are doing some of the demolition.

Shane informed the Board that the glass barrier in front of the Art Display area on the B Concourse will be installed next week. After the barrier is installed, Yellowstone Art Museum (YAM) will be able to put up some art in that area. Denis and Shane explained to both Ron and James the history of the Art Display area, and how it is moving forward.

Shane reported that there are currently two custodial vacancies at the Airport.

Shane also reported that they are working hard to close out the Terminal Project with Sletton. They are hoping to have a final payment released after the punch list items are finished.

Shane informed the board that the Airport applied for a DEQ grant to receive two new EV buses for Airport Operations. We should receive an answer by mid-spring if we are awarded the grant money.

Shane discussed all the diversions that BIL has received over the past couple of weeks, due to weather and air traffic congestion in Bozeman. The cargo ramp is used for some of the diverted planes. When a plane cannot be repaired overnight Shane requests that it be towed to a remote area so it does not tie up a gate.

Shane did inform the board about some hangars switching ownership between Edwards and Aerotronics, the transfer of the leases were signed last week.

Jeff also stated that he is talking with other developers about building additional hangars.

Items from the Board

None

Steve adjourned the meeting at 5:24 pm

jm

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