



**AVIATION AND TRANSIT COMMISSION MINUTES**  
**Tuesday, August 2, 2016**

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, August 2, 2016. Those in attendance included:

**Aviation and Transit Commission Members**

Ken Behling, Chair  
Dan Farmer, Vice Chair  
Stan Hill  
Peggie Gaghen  
Vince Ruegamer  
Mark Astle

**City Staff and Guests**

Shane Ketterling, Assistant Director of Aviation & Transit  
Jim Perez, Transit Manager

**PUBLIC COMMENT PERIOD**

A public comment period was offered. No public comments were received.

**SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM UPDATE**

Mr. Ketterling informed the Commission that the Airport was recently notified that its application to receive a \$750,000 Small Community Air Service Development Program Grant to seek American Airlines (AA) Service from Billings to Dallas was approved and is available. He updated the group on specifics related to the document that was submitted and highlighted important information contained within the Grant. For example, the Chamber of Commerce, Tourism Business Improvement District, and Big Sky Economic Development worked with local businesses to secure a pledge for a local match of approximately \$600,000 to add to the Grant offer for a total of \$1.35 million to use as a revenue guarantee and marketing of the new service. If and or when service begins, the Airport will also look at a landing fee waiver as well. Approximately 25 letters of support were included in the document from local organizations. Although receiving this Grant offer does not guarantee Billings will obtain AA service, it will definitely help with the process. Senator Tester's office also called to congratulate the Airport and the Community, and offered to assist however possible. This Grant offer is available for the next three years while Billings works to secure the new service to Dallas. Like last year, a trip is being planned for a group of representatives to travel to Dallas once again this Fall to meet with AA officials in an effort to continue discussions on obtaining the new service.

**CONSTRUCTION UPDATE**

Mr. Ketterling provided the Commission with an update on the Airport's construction projects. COP Construction has started work on the Pond D project and has moved a lot of dirt in a short amount of time. An issue has come up from the subcontractor who is boring through the rock to install the pipe. The rock is extremely hard and it will most likely create some additional cost and time to complete this work. Knife River Construction has started work on the West Taxilane and Ramp project near the general aviation facility. As explained during the June 7 meeting, this will expand the west end by creating additional areas for larger hangars, including taxilanes, a public ramp, drive lanes, and water and sewer infrastructure. General Contractors is scheduled to begin working on the Concourse B Bathroom Remodel and Concession Enhancement project at the end of August, and this work will continue until July of 2017. Additionally, the Airport has just completed a Carpet Replacement project in the baggage claim area and behind the airline ticket counters.

## **AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS**

- ▶ Mr. Ketterling handed out the magazine article "Why Airports Have to Speed-Date Airlines" and discussed how accurate and relevant this information is, related to us trying to obtain AA service. Specifically, he pointed out the information at the bottom of the first page that states, "Today, airports hold virtually zero power in their relationship with the carriers. Just 37 percent of airports on the U.S. mainland generate 97 percent of domestic air service demand." He discussed a few other points discussed in the article and asked the committee to please read it when they have time.
- ▶ Mr. Ketterling also passed out the "Cleared for Takeoff" Air Service Forum invitation that is scheduled from 11:30 a.m. to 1:00 p.m. on Wednesday, August 24 at the Crowne Plaza, and invited all Commission Members to attend. The Big Sky Economic Development, Chamber of Commerce, and Airport are partnering and plan to present a lot of really good information on air service development and many other issues.
- ▶ Mr. Ketterling showed the Commission pictures of and discussed the new "Welcome to Billings" sign that was installed on the concourse. The group also toured this location at the end of the meeting so that Members could see it for themselves. So far, the Airport has received very positive feedback on the new sign.
- ▶ Mr. Perez explained that on July 12 a notice was received from the Montana Department of Transportation (MDT) that the Federal Transit Administration (FTA) Bus and Bus Facilities Grant Section 5339 funds of \$385,392 were transferred to MET Transit. These additional funds are due to changes in the FAST Act allowing a Section 5307 recipient to be direct recipients of Section 5339 funding.
- ▶ Mr. Perez reminded Commissioners that the new bus fares took effect on July 1, 2016, and that bus pass sales for July appear to be similar to last year. Cash going into the fare box had a slight increase in revenues due to the higher fares.
- ▶ Mr. Perez identified that in analyzing ridership trends, it was noted that we had several differences that would be a factor in lower ridership from July FY 16 compared to July FY 17. This year we had 25 service days versus 26 days in FY 16 and three fewer weekdays. Fuel prices are still low and that has continued to be a factor in the lower ridership trend.
- ▶ Mr. Perez informed the group that ridership totals for FY 2016 were 568,124, with fixed-route passengers of 518,722 and the MET Plus paratransit service of 49,673, which is a slight decline from FY 2015 of 597,288 or 4.84%. Additionally, route service changes took effect on Monday, August 1, and he will provide an update on how this is going at the September meeting.
- ▶ Mr. Perez explained that newly designated bus stops will take place at three locations: COR Enterprises has a new bus stop and no parking zone for Route 10; Route 13 that stops in front of the Affinity apartments, where all the work installing an ADA bus pad, painting the curb yellow, installing no parking signs, and the installation of the bus stop sign was completed at no cost to MET Transit; Shiloh Crossing will have two designated bus stops installed in the next couple of weeks and they will be installing the bus stop pads at no cost to MET.
- ▶ Mr. Perez also distributed new system maps and schedule booklets to the Commissioners.
- ▶ Transit staff has identified 26 projects for MET to work on in FY 2017 and several of them will be carried over into FY 2018. These projects include Planning (develop a Short Range Transit Plan – a Five Year Plan), Facility Improvements (security enhancements, roof repairs, etc.), two new shelters, bus procurements (if awarded, our Grant included five new buses for fixed route), and new technologies just to name a few of the projects.
- ▶ Mr. Perez informed the Commission that the two new buses - numbers 1820 and 1821 are still out of service. Bus #1821 has an issue with a computer code for cylinder 3. Bus #1820 was damaged when a driver drove over a low driveway entrance to St. Johns damaging the retarder brackets, and they are waiting on bolts to replace the retarder mount.

## **ITEMS FROM THE COMMISSION**

There were no new items from the Commission Members.

There being no further business, the meeting was adjourned.

SK:mdb

cc: Aviation and Transit Commission  
Chrono  
City Administrator  
Mayor  
City Clerk