



AVIATION AND TRANSIT COMMISSION MINUTES
Tuesday, March 7, 2017

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, March 7, 2017. Those in attendance included:

Aviation and Transit Commission Members

Dan Farmer, Vice Chair
Ron Spence
Mark Astle
Chuck Tooley

City Staff and Guests

Shane Ketterling, Assistant Director of Aviation & Transit

PUBLIC COMMENT PERIOD

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

INFORMATIONAL ITEMS

Mr. Ketterling started the meeting by providing the Commission with a few informational items. He indicated that Kevin Ploehn would not be attending the meeting tonight as he is in Phoenix, Arizona at a Mead & Hunt Conference to "Speed-Date" with Airlines. Mr. Ploehn has attended these events the past few years, and it is an excellent opportunity to meet with airline representatives to promote the Billings Airport and continue the conversation to possibly attract new air service and/or improve on the air service currently in place. Mr. Ketterling explained that he attended the City Council work session last night, Monday, March 6, 2017, as items on the agenda included next year's Capital Improvement Plan (CIP), Technology Replacement Plan (TRP), and Equipment Replacement Plan (ERP) for the Airport. Another discussion item at the work session was a resolution of intent to extend the Tourism Business Improvement District (TBID). TBID staff provided a presentation and recap of the successful accomplishments within the City over the past few years and many of their examples included working with the Airport on facility improvements, promoting the Airport, and new service with American Airlines. Additionally, TBID staff introduced Mr. Ron Spence as the incoming chairman for the group, and explained that he is a member of the Aviation and Transit Commission.

2016 ECONOMIC IMPACT STUDY FOR MONTANA AIRPORTS

Mr. Ketterling handed out a brochure to Commission Members on the 2016 Economic Impact of the Billings Logan International Airport. He explained that this study was developed by the Montana Department of Transportation, Aeronautics Division, for all Commercial Service Airports in Montana and provides valuable information on how our Airport supports the local community. The study analyzed Montana airports, identified benefits and the methodology behind the economic impacts, and referenced the total impact to our community. Commission Members acknowledged the positive information contained within the publication and recommended advertising this to our community leaders such as the City Administrator, City Council, and the media.

REQUEST FOR QUALIFICATIONS FOR PROFESSIONAL ENGINEERING SERVICES

Mr. Ketterling explained that the existing five year Agreement with our engineering firm, Morrison-Maierle, is about to expire and that we are currently advertising and accepting proposals

from all interested firms. We are seeking Statements of Qualifications to provide Professional Engineering work for future FAA funded projects at the Airport and FTA funded projects at Transit, including general engineering services. A presubmittal meeting took place on March 7, 2017, and we had two firms attend, Morrison-Maierle and KLJ. Proposals must be submitted by March 14, 2017, and we are looking for two volunteers from the Commission to assist us with reviewing proposals and choosing a firm. Commissioner Farmer agreed to assist us with the selection process and the Commission recommended that Mr. David Hummel, Jr. assist us, since he spent his career as a professional engineer.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Ketterling provided the Commission with an update on the repair work for the main water line into the Terminal that began leaking in late January. He explained that after an extensive investigation, the source was determined to be from the main four-inch water line supplying the Airport Terminal Building that runs under the Terminal roadway and sidewalk into a lower level mechanical room. Emergency measures were taken, and staff had to create a bypass line in order to shut the leaking line off, but still supply water to the Terminal Building. This project is extremely important and we are attempting to get the repairs made before the busy Spring Break traffic and prior to the arrival of the teams and fans for the NAIA Women's Division 1 Basketball Tournament. A number of plans were evaluated, including pipe bursting the old line and a plan to sleeve the existing four-inch pipe with a three-inch poly pipe. The pipe bursting plan was eliminated as an option since the pipe was ductile iron, which is difficult to split. The plan to sleeve the old pipe with a smaller poly pipe was not an option since a calculation by CTA identified that it would not provide us with enough water to supply all of the systems in the Terminal Building. A plan was eventually developed to move the water line to the west, into an abandoned service tunnel and install a new six-inch pipe. This work is currently underway and we estimate it will cost approximately \$80,000. Additionally, we will have to provide the Mayor and City Council with a resolution declaring this work as an emergency in order to authorize payment to the contractors.
- ▶ Mr. Ketterling explained that Airport staff is continuing to work with the Transportation Network Companies (TNC) as discussed at the last meeting, and in addition to Uber we will also have Lyft beginning service at the Airport in April.
- ▶ Mr. Ketterling informed the Commission that the State Aviation Conference took place this past weekend March 2-4, at the Red Lion Hotel and Convention Center. He explained that from all indications it appeared to be a huge success, and as of Friday night 415 people had registered for the Conference. He also referenced that Billings Flying Service held an open house in their new hangar and folks were able to look at the facilities including six Chinook helicopters that are being reconditioned. Commissioner Spence commented that he attended the open house, and from everything he witnessed at the State Aviation Conference, he also agreed that it was very successful and is looking forward to hosting future aviation conferences.
- ▶ Mr. Ketterling showed Commissioners a conceptual design of the new Terminal Building. He explained that all of this is very preliminary and that this option would provide us with a new concourse that would be approximately 95,000 square feet. The design was presented to us by our airport planners, LeighFisher, who have worked with many airports all over the world and helped to design state-of-the-art terminal buildings. Staff has spent a lot of time looking at this option in relation to phasing of construction, since the existing Terminal would need to be utilized while the new concourse is being built. Mr. Ketterling explained that we would essentially leave the front of the Terminal as it is and build a new concourse behind the existing TSA screening area. Mr. Ketterling also explained that this future design would resolve our ramp and ADA issues that currently exist and the new concourse would be the same height and all one level from east to west. A discussion took place among the group regarding cost, phasing of construction, time it will take to build, and how it will be paid for. Commissioners were

impressed with this option, but did have a few questions and concerns. For example, Commissioner Farmer asked that if the existing baggage claim area was left as is, would it be able to accommodate more passengers in the future? Mr. Ketterling explained that we are currently evaluating this information and we do have plans to add an additional baggage belt in the future. Commissioner Spence inquired about the elevation change between the old/new concourse, and asked if we would still be able to utilize the new Concourse B bathrooms and Concession area that are currently being built. Mr. Ketterling explained that is an excellent question and one of our main concerns, since the level of the new concourse would not match the elevation of the old concourse. He explained that we would continue to work on that issue and that staff is looking at all possible options on how we can incorporate this into the new design. He committed to regularly update Commission Members on our progress and that although this will be a lot of work and money, it is definitely needed, and our passengers and community will be impressed with the end result!

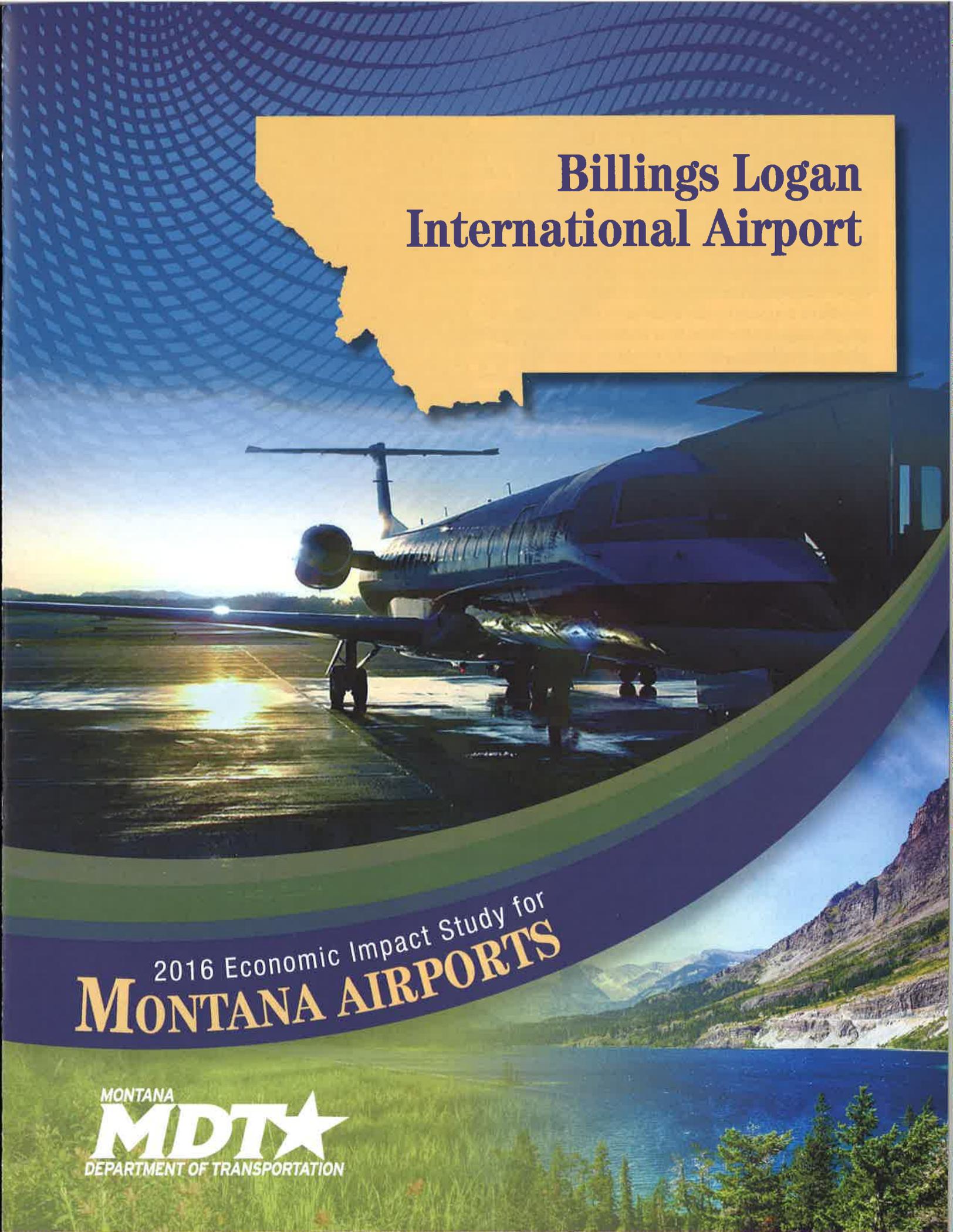
ITEMS FROM THE COMMISSION

None offered.

There being no further business, the meeting was adjourned.

SK:mdb

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



Billings Logan International Airport

2016 Economic Impact Study for
MONTANA AIRPORTS

MONTANA
MDT ★
DEPARTMENT OF TRANSPORTATION

Montana's Airports Support Our State

Montana's airports play an integral role in our transportation system by providing access to destinations within the state, throughout the country, and across the globe. Airports also offer significant economic benefits to our communities by supporting jobs; generating payroll; paying taxes; and triggering spending at local, regional, and state levels.

The importance of airports goes beyond transportation and economics. Airports offer services and other attributes of value that cannot always be easily measured in dollars and cents. Residents and visitors use airports for leisure and business travel, and airports serve as the base for a wide range of critical activities such as wildland firefighting, search and rescue operations, and training for future aviators. Airports are the starting point for aircraft that conduct utility inspections, provide medical evacuation services, and transport staff and executives for business activity.

To better understand the value of Montana's airports from the perspective of both economics and community benefits, the Montana Department of Transportation (MDT) conducted a comprehensive study of the state's aviation facilities. The study analyzed the contributions of the Montana airport system, including aviation-related and non-aviation-related businesses, visitor spending, capital expenditures on construction, and additional spin-off (or "multiplier") effects. The study also examined specific activities and uses at each airport to identify how these facilities support Montana's residents and visitors.

Methodology

This study expresses the economic benefits of Montana's airports in terms of jobs, payroll, and total annual economic impact derived from the activities that occur at aviation facilities. Direct impacts include those from on-airport businesses, construction-related activities, and spending from visitors who travel through an airport. Airports host on-airport businesses that serve aircraft or passengers such as:

- Administration
- Military
- Airlines
- Maintenance
- Parking
- Concessions
- Car rental
- General aviation
- Air tours
- Air cargo

Additionally, airside and landside construction projects require continuous investments, many of which are high-dollar, long-term undertakings. Because commercial service and general aviation airports are essential to visitors' abilities to conduct business or vacation in Montana, airports support the hospitality industry through lodging, restaurant, retail, and entertainment spending.

Airports' direct impacts also have spin-off effects throughout Montana, as dollars spent at an airport and by visitors off-airport are re-spent locally, regionally, and statewide. Spin-off effects are caused when a portion of direct business revenues are used to purchase goods and services in Montana (i.e., indirect effects) and when the portion of revenues paid as wages to workers are spent within the state (i.e., induced effects).

Combined, direct impacts and spin-off effects compose the total contribution of an individual airport and determine the statewide impact of Montana's airport system.



STATEWIDE IMPACTS

Aviation is a vital key to Montana's economic activity and transportation network. The public-use airports in the state contribute:



DIRECT ECONOMIC IMPACTS

On-Airport
\$148,365,000

Construction
\$7,296,000

Visitor Spending
\$93,728,000

SPIN-OFF ECONOMIC EFFECT
\$249,389,000

BIL TOTAL IMPACTS

3,265

\$118,844,000

\$408,762,000

Corporate/
Business Activity



Aerial/Wildland
Firefighting



Military Exercise/
Training



Emergency
Medical Aviation



Police/Law
Enforcement



Billings Logan International Airport



Two miles northwest of downtown Billings, the Billings Logan International Airport (BIL) serves the largest city in Montana. With a population of approximately 110,000 and a Metropolitan Statistical Area (MSA) of 167,000 people, Billings is the regional economic center of eastern Montana and northern Wyoming and offers a modern feel with easy access to the surrounding mountains, plains, and farm and ranch lands. The airport is located on Highway 3 and is a short distance from Interstate 90, Interstate 94, and Highway 87.

Billings Logan International Airport consists of a 10,518-foot-long main runway and two smaller general aviation runways. With 428,940 enplanements in 2015, the facility is the second busiest commercial airport in the state behind Bozeman Yellowstone International Airport. Due to Billings' role in the regional and state economies, a large number of business travelers utilize the airport's facilities each day. Freight operations at Billings Logan totaled 25,000,000 pounds loaded (46,270,000 pounds unloaded) in 2015.

Billings Logan International Airport accommodates a diversity of aviation activities, including environmental patrol, aerial inspections and wildland firefighting, military exercises and training, search and rescue, flight training, and emergency medical aviation. The airport hosts over 40 tenants, including multiple passenger and cargo airlines, a private flight school, aircraft avionics and maintenance companies, aerial wildland firefighting agencies, several leading rental car companies and many others.

Combined with its convenient location, business and corporate presence, and robust runway configuration, Billings Logan International Airport is critical to the economy the city and region.

Alternative accessible formats of this document will be provided on request. Persons who need an alternative format should contact the Civil Rights Bureau, Department of Transportation, 2701 Prospect Avenue., PO Box 201001, Helena, MT 59620. Telephone 406-444-9229. Those using a TTY may call 1(800)335-7592 or through the Montana Relay Service at 711.



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