



**AVIATION AND TRANSIT COMMISSION MINUTES**  
**Tuesday, October 3, 2017**

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, October 3, 2017. Those in attendance included:

**Aviation and Transit Commission Members**

Ken Behling, Chair  
Dan Farmer, Vice Chair  
Peggie Gaghen  
Mark Astle  
Chuck Tooley

**City Staff and Guests**

Kevin Ploehn, Director of Aviation & Transit  
Shane Ketterling, Assistant Director of Aviation & Transit

**AIR TRAFFIC CONTROL TOWER TOUR**

The Aviation and Transit Commission meeting began with a tour of the Billings Air Traffic Control Tower (ATC). The tour was led by ATC Manager, Pete Schmitz, and started in the TRACON where the ATC staff monitors the regional air traffic and then hand off ground control to the tower staff once the aircraft is approaching for landing. When an aircraft takes off, the process is reversed. During the tour of the tower cab, the Commission learned that the Billings ATC Tower is used frequently for training new ATC controllers. The size and traffic numbers are about perfect for training new controllers. This was a very enlightening tour, and also provided the Commission with a great bird's eye view of the Airport facilities.

The Commission then reconvened in the Airport Administrative Conference room and was called to order.

**PUBLIC COMMENT PERIOD**

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

**RFQ FOR PROFESSIONAL ARCHITECTURAL SERVICES FOR TERMINAL EXPANSION PROJECT**

Mr. Ploehn announced to the Commission that the Request For Qualifications (RFQ) for Architectural Services for the design of the Terminal Building Expansion is being advertised. The first ad was last Friday, and the ad will run again on the next two Fridays. Submittals are due on October 18. Mr. Ploehn explained that this RFQ was written a bit differently than a typical City RFQ in that the selected Architect will sign a contract with Morrison-Maierle as a sub-consultant versus signing a contract with the City. The Airport, however, will be thoroughly involved in the selection process. Mr. Ploehn pointed out that so far three architectural firms had submitted requests asking for the RFQ. He then asked for two Commissioners to help in this selection process. Vice Chair Farmer and Commissioner Gaghen both volunteered. Mr. Ploehn informed them that once the RFQs were received, copies would be forwarded to them and a meeting time would be picked.

**AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS**

- ▶ Mr. Ploehn informed the Commission that each year the Airport is required by bond ordinance to generate an annual Customer Facility Charge (CFC) Report for the City Council. He subsequently provided the Commission with a short presentation of the report. The report is required to

provide information on the past year's debt service, CFC revenues collected, reserve amounts, forecasts of future costs, revenues and reserves, and whether any changes are required in the CFC rate. Mr. Ploehn reminded the Commission that the whole purpose of the CFC program was to finance the construction of the Car Rental Quick Turn Around Facility, commonly called the QTA. With the amount of collections taking place, he pointed out that after the debt service and other costs are covered, the reserves are still growing and as of June 30, 2017, the reserve amount was \$1,152,340. He pointed out that each year the reserves are increasing by \$200,000 to \$300,000 and the projected reserve amount for the end of Fiscal Year 2018 is \$1,348,040. He explained that these reserves would be available to make repairs to the car wash facilities if or when needed. Mr. Ploehn pointed out that the car wash equipment is now six years old, and will start to need some items refurbished in the future. Other uses for the reserves would be for any facilities that might need to be built for the car rental companies. He also pointed out that depending on the total cost of the Terminal Expansion Project, a parking garage with space for the car rentals may be something that those reserves could go to in the future. The Commission discussed the potential for a parking garage and thought using the CFC funds as seed money for that project was worth considering. Mr. Ploehn mentioned that if there was no parking garage construction, the CFC could be lowered in the future from the current \$3 per transaction day to \$2.00. He then provided some QTA statistics for the past year, one of which was that the total car wash average price was only \$1.56.

- ▶ Mr. Ploehn announced that meetings at the airlines' headquarters had been set up and he would be visiting Delta Air Lines on October 18, United Airlines on November 14, Alaska Airlines on November 16, and American Airlines on December 13. These annual visits help to promote our community to the airlines, and allow the airlines to discuss what they see as problems or opportunities for Billings' air service.
- ▶ Mr. Ploehn provided an update on this year's annual State Bus Roadeo competition in Great Falls. This is a transit driver's skills competition for both transit coaches and paratransit vans. In the transit coach division our driver Todd Berg finished third, and in the paratransit van competition, MET drivers Ruth Godwin took first place, Darrell Walker took second, and Carey Pope took third for a sweep in that division. Subsequently, Ruth Godwin, as the winner, will be going to the national competition in Pittsburgh next Spring. Last year our paratransit driver Danial Hoff won the State competition and went to nationals where he tied for 43rd out of 83. The trip to the national competition is sponsored by the Montana Department of Transportation, Transit Division. Mr. Ploehn then announced that the Statewide Bus Roadeo competition would be held in Billings next year.
- ▶ Mr. Ploehn provided the Commissioners with the Summer concession numbers, which reflected a mixed bag. Terminal concessions like the Gift Shop and the Restaurant were both up over last year, 9.78% and 7.14% respectively, the Car Rentals were up 2.73%, but the Parking revenues were down 10.84%. He speculated that tourism through the Billings Airport was probably good subsequently leading to the higher Terminal concession fees, but the usual traffic from our eastern Montana and northern Wyoming neighbors was probably off. Given the hardships facing the surrounding area with drought, fires, and low agriculture prices Mr. Ploehn was not surprised to see the parking numbers drop off.
- ▶ Mr. Ketterling updated the Commissioners on the status of the Runway 10R/28L Shift Construction Project. He explained that Knife River has completed all of the paving and that the landscaper is currently seeding the dirt areas that were disturbed. All that remains is for Yellowstone Electric to finish installing the rest of the runway and taxiway lighting, and that we anticipate opening the runway by the end of October.
- ▶ Mr. Ketterling explained that Jason Johnson, an internal employee, was promoted to the Airport Operations Supervisor position. Jason has worked for the Airport for the past six years, and was our ARFF Lead Worker who coordinated most of the FAA required fire fighting training. He is very qualified, has done an excellent job for us, and most recently received an award for coordinating the Full Scale Disaster Exercise in May.
- ▶ Mr. Ketterling informed everyone that he is working on selling four 2002 NOVA surplus passenger buses, and that a few of the other airports in Montana are interested in purchasing them. These buses can be utilized on airports for airfield tours, as command posts during emergencies, or to transfer passengers between aircraft and the terminal.

- ▶ Mr. Ketterling then discussed a few projects that the Airport is currently working on. He explained that Empire Roofing has delivered materials to begin working on a section of the Terminal roof. Specifically, we are replacing the Terminal roofs over the baggage makeup area and the overhang at each of the four revolving doors. Additionally, Knife River Construction was also hired as the contractor to repair and replace sections of curbing and sidewalk in front of the Terminal, which will occur during the month of October prior to Winter.
- ▶ Mr. Ketterling also mentioned that Airport staff and Morrison-Maierle staff are holding weekly design meetings to develop plans for the Airport projects for next year. One project being designed is to build an airline lavatory waste facility. This will provide the airlines with an onsite facility to empty their aircraft lavatory waste versus having a contractor come up and pump out their carts weekly. We also have some paving projects scheduled for next year, primarily on aircraft ramps and roadways at the west end of the Airport.
- ▶ Mr. Ketterling informed Commission members that we are meeting with our Airport tenants next week to discuss snow and ice control procedures for the upcoming Winter. The Airport annually holds an informational meeting every October to review snow removal priorities, discuss pertinent issues, and answer any questions.
- ▶ Mr. Ploehn and Ketterling told the Commission that the November meeting would be held at the MET Transit main office, located at 1705 Monad Avenue. They wanted to provide a tour of those facilities and show them the recent security improvements.

#### **ITEMS FROM THE COMMISSION**

- ▶ Commission Member Gaghen asked about the large increase on the stats related to NOTAMs, which is an abbreviation for Notice to all Air Men. Mr. Ketterling explained that NOTAMs are informational reports relayed to pilots by the Airport on a number of airfield conditions. He also explained that each month the number of NOTAMs could vary significantly due to construction, weather conditions, or operational changes.
- ▶ Commission Member Astle asked for an update on American Airline service. Mr. Ploehn informed the group that American had made money in June and July, and was a bit short in August. However, no revenue guarantees would be needed for that first quarter. He also told the Commission that the Chamber was just starting their advertising campaign and hopefully it will stimulate some traffic during what are commonly slower months. Commissioner Astle then asked if/when Alaska Airlines is planning to transition to a jet aircraft. Mr. Ploehn told the Commission that Alaska is having some issues concerning the pilot shortage and had subsequently delayed the delivery of some of the E-175 aircraft that we were hopeful to see in Billings soon. SkyWest has apparently benefited from that delivery delay and will receive a number of the E-175 that they will fly as a contractor for Horizon Air. The timeline for that aircraft coming to Billings is still up in the air. Commissioner Astle then inquired about any update on the pilot shortage and the 1,500-hour training requirement for pilots. Mr. Ploehn responded by telling the Commission that this is a very contentious and emotional issue that is having some trouble getting a foothold in Congress. Mr. Ploehn did not expect there to be any change in the requirement any time soon. He did however say that the regional airlines, who are impacted the most, are adjusting to this issue by doing incentive programs with larger air carriers that provide a path for a young pilot to move up to the larger air carrier. Additionally, the average wage for these young pilots is starting to move up. A few years ago, a young pilot starting for a regional airline could only expect to earn \$25,000 to \$30,000 per year. Those wage numbers have now moved up to around \$60,000 with a signing bonus.

There being no further business, the meeting was adjourned.

KP:mdb

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