



AVIATION AND TRANSIT COMMISSION MINUTES
Tuesday, May 1, 2018

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, May 1, 2018. Those in attendance included:

Aviation and Transit Commission Members

Peggie Gaghen, Chair
Dan Farmer, Vice Chair
Mark Astle
Chuck Tooley
David Hummel, Jr.

City Staff and Guests

Kevin Ploehn, Director of Aviation & Transit
Shane Ketterling, Assistant Director of Aviation & Transit
Mike Yakawich, City Council

PUBLIC COMMENT PERIOD

City Councilman, Mike Yakawich commented on the recent Great American Cleanup event and its success making the community look better. He also commented that the Prescription Drug Take Back project last week netted 301 pounds of unwanted prescription drugs.

TERMINAL SCHEMATIC DESIGN REVIEW

Mr. Ploehn provided the Commission with a presentation that reflected some of the schematic designs that the Airport staff and their consultants have been looking at. He spent some time describing the schematic design process and how the consulting group, made up of architects and engineers, spent a lot of time crawling around the non-public areas to familiarize themselves with the existing structure and how it will mesh with the new structure. A lot of different designs were presented and culled out. He felt it has been a very good process to date. Some of the schematic designs presented included how the outside of the building might look and layout. He also showed the Commission some of the more significant changes that the public would see. Mr. Ploehn spent awhile discussing the phasing of the construction, which will have the Terminal in a state of construction for around three years or more. He pointed out that the ultimate goals are to expand the number of passenger loading bridges and holdrooms from the current five to at least eight. He felt this would set up the community for at least a decade or more. Additionally, he said one of the biggest goals was to improve the amenities and comfort for the passengers, providing a large gathering area just as you exit from screening, with a good view of the holdrooms so that passengers could relax in that area longer before boarding an aircraft. He told the Commission that the project would enlarge the screening area so that there was enough space to allow four screening lanes to operate at once. Finally, he shared with the Commission that one of the objectives of the design was to allow for the addition of more holdrooms/loading bridges with minimal impact to the Terminal. He provided a layout that reflected 12 aircraft positions showing small additions on each end of the concourses. He informed the Commission that design work would continue for close to one year, and then the construction would probably last another three years after that.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Ploehn provided the Commission with an update of the American Airlines revenue guarantee program that was now in the final quarter for that program. He reminded the Commission that the American incentive deal was funded with a \$750,000 Small Community Air Service Development Program grant from the U.S. DOT and a \$700,000 local commitment. \$200,000 of that was to go towards marketing, leaving \$1,250,000 for the revenue guarantee. He provided the Commission with a chart that reflected the payments made and the balances remaining through the end of March, leaving a total of \$525,352 to cover the last two months of the Agreement. Mr. Ploehn felt that a fair amount of that balance should be left over at the end of the term of the Agreement. He did caution that fuel prices have had a significant impact on the amount of the revenue guarantee that the community is paying quarterly, and that could be the unknown in how much of the revenue guarantee pot of money will be left over. He also provided a chart that showed the nine months of enplanements since American entered the Billings market. He pointed out that what has basically happened is a reallocation of passengers from the other airlines to American with very little passenger growth. He pointed out that a lot of that had to do with the drought, fires, low agriculture prices last Summer and Fall, and the worst Winter in Billings' history. He speculated that there were probably very few people in Texas that came up here to see our Winter. He told the Commission that he thought the next six months would be important to determine if American's entry into the market would bring any passenger growth.
- ▶ Mr. Ploehn reported to the Commission that there was an Essential Air Service (EAS) meeting in April, during which Cape Air provided a presentation. Their presentation highlighted the impressive flight completion percentages for each of the five EAS communities, which were all in the high 90% range, the increased passenger numbers for each market, and other statistics for the communities served. Andrew Bonney, Vice President of Planning for Cape Air, provided the presentation and then spent some time discussing the pilot shortage they are trying to work through. He explained the impacts to their operations around the country, and how they are trying to work with Congress to make reasonable changes to the Federal requirement that pilots needed to have 1,500 hours to fly in a commercial passenger aircraft. He stated that all small and regional carriers are struggling with this issue. Finally, he discussed the new aircraft that they will be receiving beginning in 2019. The aircraft is a Tecnam P2012 built in Italy. The initial order is for 120 of the aircraft with 20 coming next year. This aircraft is the first new turbo prop aircraft to be built in decades and will seat nine passengers plus the pilot, similar to the Cessna 402s that they fly now. One added benefit of the Tecnam aircraft is it will be pressurized, whereas the Cessna 402 is not. The presentation also showed another aircraft that they are keeping their eye on, the Eviation Alice, a fully electric aircraft under development in Israel. The advantage to the electric aircraft was the fuel cost savings, and that the maintenance on this type of aircraft would only be 10% of what a turbo prop requires, resulting in huge operational savings.
- ▶ Mr. Ploehn discussed that the MET Link route that runs downtown and through the hospital corridor will be extended to the Airport beginning in July. He explained that there was some indication that a fairly large number of Cape Air customers would utilize this service, since a high percentage of their customers fly in from northeastern Montana to go to the hospitals or clinics for medical appointments. He discussed how MET and Cape Air were going to work together to put in place a marketing splash in those outlying communities so folks were aware of the new service at the Airport. The bus would circulate by the Airport approximately every 30 minutes.
- ▶ Mr. Ploehn told the Commission that they had advertised a Request for Proposals (RFP) for an Automatic Vehicle Location (AVL) system for MET's fixed route system. There has been significant interest in this RFP and proposals were due at the end of the week. Staff is anxious to select a provider and get this application out to the public.

- ▶ In response to a question regarding the purchase of new buses, Mr. Ploehn informed the Commission that staff was putting together an RFP to purchase refurbished buses. He was hopeful to advertise the RFP by June.
- ▶ Mr. Ketterling informed Commissioners that we had a record setting 106 inches of snow this past Winter; therefore, our snow removal crews will be taking some much needed time off this Summer. Shane acknowledged that it must have been a terribly long Winter, because for the first time in his career three tenants went out of their way to purchase gift certificates to Blues BBQ for all of our snow removal operators, which was very much appreciated.
- ▶ Mr. Ketterling explained that last Wednesday night, April 25, the ARFF Division completed a live firefighting practice burn in order to comply with FAA requirements. He also stated that we are advertising to fill a number of vacant positions at Met Transit and the Airport.
- ▶ Mr. Ketterling informed Commissioners that the Airport was notified that our FAA Inspector would be here May 23–25 to conduct our annual FAA Certification Inspection. This entails having an FAA Inspector look at the airfield to verify we meet all FAA's safety requirements, and also thoroughly reviewing the Airport's Certification Manual, training records, inspections, and many other items.
- ▶ Mr. Ketterling also reported that on Tuesday, May 15, there would be a Runway Safety Action Team (RSAT) meeting at the Airport. This is an Air Traffic Control led meeting with invitations to our tenants and pilots to discuss safety issues that may exist on the airfield. The discussion will also go over any pilot deviations or incidents, which usually stem from poor radio communications. This process, has in the past, identified some areas of concern, especially with airport geometry, which the Airport then proceeded to fix during other construction projects.
- ▶ Mr. Ketterling informed the Commission that every year the Airport is required to do some sort of disaster exercise, last year was a full scale exercise that involved an active shooter in the baggage claim area. Fortunately, this year is just a tabletop exercise and review of our Airport Emergency Plan, which will take place on Wednesday, May 16, 2018.

ITEMS FROM THE COMMISSION

- ▶ Commissioner Hummel pointed out that in the minutes from the April meeting the last name of the Art Director for the Yellowstone Art Museum was spelled wrong. His name is Brian Knicely. He also provided contact information as well.
- ▶ Chairperson Gaghen commented on how successful the Great American Cleanup was and then commented on Arbor Day events.

There being no further business, the meeting was adjourned.

KP:mdb

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