



AVIATION AND TRANSIT COMMISSION MINUTES
Tuesday, April 2, 2019

The Aviation and Transit Commission met in the Administration Conference Room at the Billings Logan International Airport on Tuesday, April 2, 2019. Those in attendance included:

Aviation and Transit Commission Members

Peggie Gaghen, Chair
Dan Farmer, Vice Chair
Ken Behling
Ron Spence
Mark Astle
David Hummel, Jr.

City Staff and Guests

Kevin Ploehn, Director of Aviation & Transit
Shane Ketterling, Assistant Director of Aviation & Transit
Bill Cole, Mayor

PUBLIC COMMENT PERIOD

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

WINTER OPERATIONS UPDATE 2019

Mr. Ketterling highlighted this past Winter's weather and snow removal operations, and acknowledged that February was brutally cold. February 2019 was the third snowiest February on record with 29.4 inches, but behind February of 2018 with 37.4 inches. February 2019 was also the second coldest on record with an average of 8.4 degrees, but the coldest was 2.7 degrees in 1936. Seasonally, as of March 1, we had received approximately 54.1 inches of snow, which is the average amount of snowfall we see during a typical Winter, unlike last year when we endured a record setting 106 inches of snow. Due to the extremely cold temperatures in February, many of the airlines experienced delays as they ran short on deicing fluid and some of their ground handling equipment was not operating correctly. Additionally, United Airlines also experienced one full day of cancellations due to the bomb cyclone at the Denver Airport. Discussion took place on how well the two new MB5's (multi-tasking snowplow/broom) worked, and he also explained that we encountered damage to a primary piece of snow removal equipment. The fan drive output shaft that supplies power to the cooling system on our 2003 Motor Grader failed; therefore, an emergency repair had to occur in order to comply with our FAA approved Snow and Ice Control Plan. Fortunately, the local vendor we purchased it from was able to locate the one and only, last retrofit repair kit left in the United States. Unfortunately, when the transmission was opened up, the mechanics also discovered that the bearings also needed to be replaced and the total repairs cost us approximately \$20,000. As is typical during this time of year, our snow removal crews are looking forward to not being on standby and the warm Spring/Summer weather ahead.

AIRLINE MEETING UPDATE – PFC AND TERMINAL EXPANSION

Mr. Ploehn explained to the Commission that Airport staff recently met with the airlines. The meeting was two-fold, one to meet the requirements of the PFC application, and two, to give the airlines a look at the upcoming Terminal project. Mr. Ploehn explained to the airlines that the application was for a total of \$38,800,000 with \$1,600,000 to be used directly for construction, and the balance to cover the future debt service. The airlines were also notified that the Airport was raising the PFC to \$4.50 from the current \$3.00. There were four airlines that participated in the

meeting, and none offered any pushback regarding the project or the PFC application request. Comments from the airlines included:

- ▶ Question on whether the Airport was buying new passenger loading bridges. Mr. Ploehn explained that the Airport was looking to refurbish the existing five passenger loading bridges, and if other used loading bridges could be located that were of a similar model, they would look to buy and refurbish those as well.
- ▶ Question regarding whether the Airport was seeking to have a local flair for the concessions. Mr. Ploehn discussed that while a local flair is a great addition to an airport's concessions, in an airport the size of Billings Logan, it can be difficult to get the local vendors to participate, mostly because the traffic flow is so sporadic. Concessionaires that regularly operate in small airports have a better understanding of the operational challenges that come with being in a small airport. He also pointed out that once the current concessionaire embraced some of the local beers, there was a significant increase in sales.
- ▶ Discussion on ramp paint markings took place, since all of the airlines could be parking their aircraft at any of the gate locations. Mr. Ketterling explained that we typically try to provide a paint marking plan that will accommodate all of the airlines, but paint the safety box for the largest aircraft that could park at that gate.
- ▶ Comment regarding airline connectivity at each gate; some can use Wi-Fi, others have to be jacked into a network. Mr. Ploehn identified that an additional meeting would need to be held with the airlines' information technology (IT) staff at a future date.
- ▶ Airlines requested CAD layout drawings of the holdroom spaces when they were ready so that they can review, plan, and offer comments about the space. Mr. Ploehn replied that the Airport would be happy to do this and listen to the airlines' feedback.
- ▶ Airlines asked about the extension of the current Lease, which expires on June 30, 2019. Mr. Ploehn asked the airlines what would be best for them. The options included to do an interim construction agreement, try to incorporate the proposed changes into a new agreement, or extend the existing agreement to give everyone time to work through the issues that were likely to come up for an interim construction agreement. All parties agreed to extend the existing agreement to allow more time to get an interim agreement compiled and through legal review.

Mr. Ploehn noted that after March 28, which is 30 days after the meeting, the Airport would be able to submit the new PFC application.

AIRPORT AND TRANSIT ADMINISTRATIVE/OPERATIONS REPORTS

- ▶ Mr. Ploehn announced that the Terminal now has free Wi-Fi for the public, which was implemented beginning March 1. Financial impact to the Airport ended up being a \$12,000 annual fee and forgoing \$3000 in revenue for a total annual impact of \$15,000.
- ▶ Mr. Ploehn pointed out that Airport staff is scrambling to get ticket counter space ready for Frontier Airlines' arrival, which starts operations May 30. In order to accommodate Frontier's larger passenger loads, Airport staff had to convince Cape Air to move into the old Big Sky space, which has a shorter que area, but would work for Cape Air's operations. Once Cape Air was on board, the space needed some remodeling to meet their operational needs, including installing a bag belt. Mr. Ploehn said Airport staff was moving along, but it would be close because Cape Air needs to be moved before Frontier can move into Cape Air's old space.
- ▶ Mr. Ketterling noted that the Airport received our final inspection on the Airline Support Facility so that airlines could begin using it to empty their waste water from the aircraft. Mr. Ploehn then pointed out that in order for all the airlines to use the facility to mix their deicing fluid, the Airport would need to acquire a portable stairway, since some of the airlines will not let their staff climb up the truck ladders.
- ▶ Mr. Ketterling announced that the invoice sent to Volga Dnepr for all of the Antonov 124 operations last Fall to transport building materials for the relief effort to the Northern Marianas was paid in full and amounted to approximately \$15,000.

- ▶ Mr. Ploehn informed the Commission that the MET Transit had successfully updated their Title VI plan with the Federal Transit Administration.
- ▶ Mr. Ploehn let the Commission know that staff was working on two lease deals. The first was the renewal of the lease for the IP-9 office building to the State of Montana for the DEQ and DNRC offices. He estimated that this new lease would generate approximately \$170,000 annually. Additionally, staff was approached regarding the potential to build a new 120 foot by 60 foot hangar on the west end.
- ▶ Mr. Ploehn said that during the first of the month he traveled to a conference that sets up meetings between airports and airlines to discuss air service. He pointed out that he got the chance to talk to American Airlines, Sun Country Airlines, Delta Air Lines, and Alaska Airlines. Mr. Ploehn indicated that the discussions were good and would be on going. He noted that when he asked how American felt they were doing in Billings the response was "great."
- ▶ Mr. Ploehn informed the Commission that he was seeking to refill the Transit Manager position and that the position was being advertised. He thought the new Transit Manager would be able to be at the next meeting.
- ▶ Mr. Ploehn talked about the upcoming construction on North 27th Street. He said it has already started with Public Works currently replacing water and sewer lines in the street from now until the end of June, and then in July the State of Montana Department of Transportation would begin doing a rebuild project from the Interstate to the Airport roundabout. During that process, the City was working to get a fiber line installed up to the Airport to enhance the City's network.
- ▶ Mr. Ketterling explained that we are currently in the process of hiring two new employees in the Airport Operations Division to replace two vacant ARFF/AFM Worker positions. Additionally, we are also advertising to replace the Lead Building Maintenance Mechanic in our Facility Maintenance Division.
- ▶ Mr. Ketterling identified that staff is currently working on putting together our FY 2020 Budget information for approval by City Council.
- ▶ Mr. Ketterling informed Commissioners that we received an inspection of our Storm Water Pollution Prevention Plan by the Department of Environmental Quality on March 25, 2019. Overall, the inspection went well, but there were a few items that needed to be addressed. Primarily these were related to inspections, record keeping, and sampling methods. Past procedures were evaluated, updated, and plans have been implemented to correct these deficiencies.
- ▶ Mr. Ketterling explained that the Airport was notified that our FAA Inspector would be here May 15 to conduct our annual FAA Certification Inspection. Additionally, our FAA required tabletop emergency exercise and review would take place on May 21, 2019.
- ▶ Finally, Mr. Ploehn noted that the Collins Foundation would be coming to Billings July 8-10 with the B-17, B-24, and the P-51 vintage aircraft for viewing and for private rides.

ITEMS FROM THE COMMISSION

- ▶ Chair Gaghen asked Commissioner Spence to provide an update on the fund raising efforts for the USS Billings. Commissioner Spence offered a very informative discussion.
- ▶ Mayor Cole asked about the VW Settlement Grant. Mr. Ploehn said that a conference call was held with the State, who oversees the grant process, and the three large transit operators, Billings, Great Falls, and Missoula. It turned out that all three agencies told the State that they would not be able to apply under the existing terms of the grant process, as it would cause them to violate their grant assurances.
- ▶ Commissioner Hummel asked about Cape Air and whether there was a chance they might do flights to the western half of the State, particularly Kalispell. Mr. Ploehn pointed out that the current aircraft was not pressurized, and could not make it over the mountain ranges safely. However, he thought down the road, once they have their new fleet of Tecnam P2012 Travellers

in place, they could possibly consider this since that aircraft can be built so that it can be pressurized. However, none of the 100 they currently have on order will be pressurized due to the additional weight that pressurizing requires.

There being no further business, the meeting was adjourned.

KP:mdb

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