

# Aviation And Transit Department FY 2024 Annual Report



Submitted by:

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## The Airport

The Billings Logan International Airport (Airport) had an eventful FY 2024. The year began with the Yellowstone International Air Show August 12-13, the first air show at BIL in more than 20 years, which brought more than 30,000 spectators to the Airport. Other major accomplishments include adding Sun Country Airlines as a new carrier to our market with seasonal service to MSP, Allegiant Airlines beginning seasonal service to LAX, Alaska Airlines extending their PDX service to year around, and United Airlines adding a fifth daily flight to Denver for the summer.

The terminal construction project major construct wrapped up and the ribbon was cut on B Concourse in April. Fit and finish work continues beyond the end of the FY with work remaining in the B concourse restrooms and between the pre-security restaurant and the new main entryway.



Each summer the airport undertakes airfield construction projects. The two projects completed in FY 2024 were the Terminal Apron Schedule 4 project and the Mid-Field Service Road Relocation. The terminal apron project would replace weaker strength asphalt ramp and sections of the concrete ramp that developed Alkali-Silica Reaction (ASR). ASR is a reaction that occurs over time

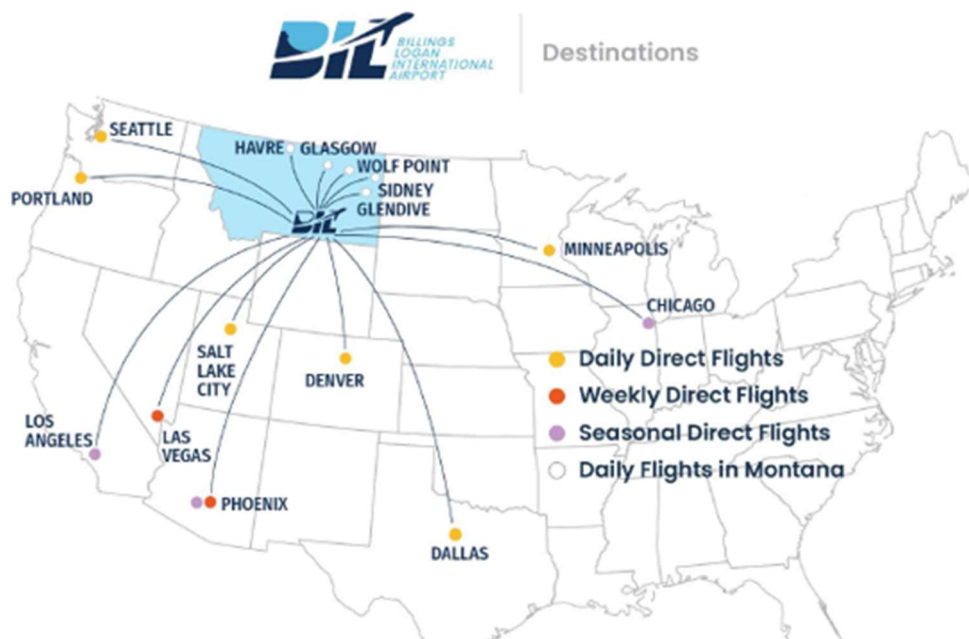
in the concrete between the highly alkaline cement paste and the reactive non-crystalline silica found in many common aggregates. It is usually triggered by excessive moisture, resulting in the spalling of the concrete and a loss of strength. Additives are now included in the concrete mixture to prevent ASR from happening in the new concrete. The new ramp sections have 12 inches of concrete poured on top of 4 inches asphalt, providing 16 inches of stable base for the heavy wheel loads of the commercial aircraft using the airport. The mid-field service road project realigned a section of service road to allow for additional aircraft ramp space and a fifth air cargo parking pad.

Two projects began in FY 2024 and will be completed in FY 2025. The \$7.5 million fifth air cargo parking pad project will add an additional air cargo pad, an associated cargo ramp expansion, and will replace incandescent lighting with brighter and more energy-efficient LED lighting. The second project is the \$1 million rehabilitation of Aviation Place, the eastern airport frontage road adjacent to Highway 3.

In addition, the new fixed base operator (FBO) Beacon Air Group completed construction and opened their FBO facility west of the Operations building. Beacon is now the second active FBO at the Airport, along with Edwards Jet Center. Beacon Air Group is also building several new aircraft hangars at the Airport for sub-lease or sale.

### Air Service Development

Passenger numbers continue a slow increase, post COVID-19 pandemic, to total passenger enplanement numbers of 427,843 in CY 2023. While not back to pre-pandemic levels (CY 2019 enplanements were 474,762), there has been a steady growth in enplanements.



The Airport currently has 15 destinations, served by seven air carriers, with more than 800 monthly flights during the peak summer season. Additional air service, passenger and freight, remains the greatest challenge for the Airport. Limited destinations, limited aircraft seat capacity, and air fares that exceed the national average lead to complaints and calls for additional air travel options. To that end, the airport continues an aggressive air service development (ASD) effort with support from community partners. This effort includes continuing the higher budgeted amount for ASD that began in FY 2023, continuing the five-year contract with ASD consultant Mead & Hunt, and participating in additional ASD activities, including more airline headquarters visits and additional ASD conference participation.

An additional ASD effort was the award of a small community air service development (SCASD) grant from the USDOT in September 2023. The grant application was a cooperative effort between the airport and the community, with the community raising more than \$700,000 in match funding. The community requested revenue guarantee and marketing support for new air service to the top unserved market in California (LAX or SFO). BIL and the community continue to work with air carriers to obtain a satisfactory proposal for the new service supported by the grant.



Air freight levels continue to decline at BIL, the result of worldwide declines in air freight activity. The total air freight related revenue for FY 2024 was \$436,221, mostly from FedEx and UPS. Even at these declining levels BIL remains the busiest air freight airport in Montana.



Other non-airline airport revenues continue to increase slowly in line with enplanement increases. Passenger Facility Charge (PFC) revenues at the Airport rose with rising enplanements. The PFC program allows commercial service airports to impose a fee against enplaning passengers for the purpose of funding approved projects at that airport. Likewise, landing fee revenue increased in FY 2024 to \$1,304,610.

Rental car customer facility charge (CFC) collections totaled \$787,492 in FY 2024, an increase of \$64,087 or 9%. The CFCs are user fees imposed by an airport operator on each rental car user, collected by the rental car companies, that can only be used for infrastructure improvements associated with an airport's rental car operations. The airport's CFC collections are not back to pre-pandemic levels as CFC collections exceeded \$800,000 in FY 2020. The airport's CFC reserves now exceed \$2 million.

Fuel flowage revenues at the Airport reached an all-time high in FY 2024 at \$192,254, which is a 6.5 percent increase over the previous fiscal year. This slow, but steady, increase is expected to continue with additional aircraft operation and the opening of a new FBO at the airport.



### BIL Fuel Flowage Revenue

	FY 2024	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
	<b>**2023**</b>	<b>**2022**</b>	<b>**2021**</b>	<b>**2020**</b>	<b>**2019**</b>	<b>**2018**</b>
JULY	\$21,915.68	\$19,789.52	\$29,064.72	\$17,471.60	\$16,076.08	\$12,665.68
AUGUST	\$22,984.96	\$20,669.84	\$18,322.62	\$17,107.04	\$17,253.28	\$18,544.08
SEPTEMBER	\$15,045.20	\$18,339.92	\$16,007.84	\$21,288.80	\$13,163.44	\$13,733.20
OCTOBER	\$15,883.20	\$12,489.36	\$14,436.64	\$16,298.16	\$12,895.76	\$10,909.84
NOVEMBER	\$15,802.80	\$11,962.88	\$12,769.52	\$10,382.96	\$9,680.64	\$8,491.92
DECEMBER	\$14,926.08	\$16,579.84	\$13,239.28	\$9,757.92	\$10,380.24	\$14,175.68
	<b>**2024**</b>	<b>**2023**</b>	<b>**2022**</b>	<b>**2021**</b>	<b>**2020**</b>	<b>**2019**</b>
JANUARY	\$13,335.44	\$12,164.40	\$13,166.32	\$9,763.28	\$9,927.52	\$7,389.76
FEBRUARY	\$11,640.72	\$8,249.68	\$8,646.56	\$8,109.84	\$10,348.32	\$8,094.24
MARCH	\$13,360.24	\$15,022.96	\$14,939.84	\$10,165.92	\$8,007.92	\$12,195.84
APRIL	\$16,823.36	\$12,560.32	\$12,684.08	\$12,458.40	\$6,411.76	\$10,172.40
MAY	\$14,985.84	\$15,804.24	\$10,932.80	\$8,977.84	\$4,806.24	\$12,343.04
JUNE	\$15,550.84	\$16,760.80	\$14,464.56	\$33,061.76	\$11,934.00	\$12,922.88
YTD TOTALS	\$192,254.36	\$180,393.76	\$178,674.78	\$174,843.52	\$130,885.20	\$141,638.56
Annual Totals	<b>\$192,254.36</b>	<b>\$180,393.76</b>	<b>\$178,674.78</b>	<b>\$174,843.52</b>	<b>\$130,885.20</b>	<b>\$141,638.56</b>
MONTHLY COMPARISON	<b>\$11,860.60</b>	<b>\$1,718.98</b>	<b>\$3,831.26</b>	<b>\$43,958.32</b>	<b>(\$10,753.36)</b>	<b>(\$21,834.88)</b>
% INCREASE/(DECREASE):	6.57%	0.96%	2.19%	33.59%	-7.59%	-13.36%



FY 2024 was another year with a no-fault FAA airport inspection. Airport Rescue and Firefighting (ARFF) had 172 responses in FY 2024 (some requiring innovative solutions). Additionally, after a lengthy search Ron Smith was hired to fill BIL's vacant Operations Supervisor position.



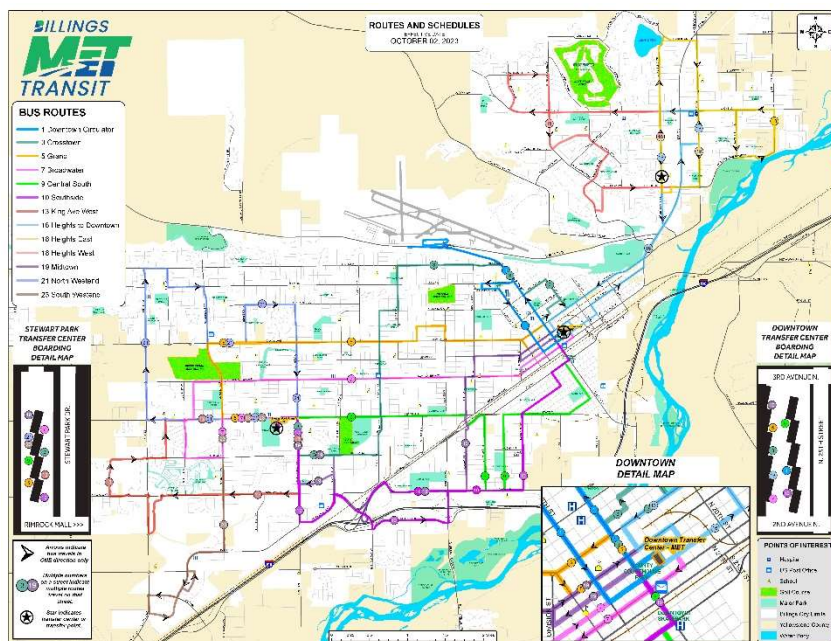
The airport is looking forward to continued growth in passenger and cargo air service in FY 2025. To that end, passenger volumes have increased approximately 10% in the first six months of calendar year 2024 with a significant increase in the seats available on many of the airport’s existing air carriers (see table below). The Airport is working with our community partners to ensure that potential passengers are aware of additional opportunities to FLY BIL!

### AIRLINE CAPACITY COMPARISONS

		Month			Calendar Year to Date		
		Jun-23	Jun-24	% Change	Jun-23	Jun-24	% Change
Number of Seats	ALLEGiant TRAVEL	3,822	7,014	83.52%	21,840	31,428	43.90%
	DELTA	8,322	10,066	20.96%	48,405	54,508	12.61%
	FRONTIER	-	-	0.00%	-	-	0.00%
	HORIZON	4,636	9,196	98.36%	27,512	34,656	25.97%
	SUN COUNTRY	-	744	0.00%	-	744	0.00%
	UNITED	10,199	10,847	6.35%	66,202	65,015	(1.79%)
	UNITED EXPRESS	1,972	5,586	183.27%	12,166	20,144	65.58%
	AMERICAN AIRLINES	6,666	6,536	(1.95%)	30,609	30,496	(0.37%)
	DELTA CONNECTION	4,518	4,474	(0.97%)	24,142	25,602	6.05%
	CAPE AIR	3,330	3,231	(2.97%)	19,377	19,395	0.09%

## MET Transit

The Transit Division of the Aviation and Transit Department is responsible for providing Fixed Route bus and Paratransit transportation service for Billings citizens. This service meets a significant percentage of the mobility needs for those individuals without access to private transportation (referred to as transit-dependent citizens) including low income, seniors, and individuals with disabilities; the system also increasingly serves choice riders, particularly students, commuters, and bicyclists. The MET Transit Division celebrated 50 years in operation and had a very busy FY24, with a large number of projects as detailed below.



Utilizing the information and data compiled in the 2022 Transit Development Plan, MET Transit implemented a full fixed-route service overhaul in October of 2023. The new routing structure expanded service hours across both fixed-route and paratransit on weekdays from 5:45 AM to 8:15 PM. The implemented system also includes significant increases in frequency across the city, moving from 1 hour+ headway routes in many areas to 30-minute service that stretches from Wicks Ln and Main St to King Ave W and Shiloh Rd. A significant improvement of the system also includes consistent departure times for all routes, with many buses departing the transfer centers at :15 or :45 after the hour on weekdays, creating a much more convenient system for the public. Finally, the overhaul also included the transition from a flag-stop system to a system with designated bus stops; preparation for this move included the designation, signing, and scheduling of more than 450 bus stops across the City of Billings. The entire system overhaul resulted in more than 200,000 additional revenue miles driven annually and requires fewer buses in weekday service (14) than the previous system. In FY24, ridership across all modes increased to 429,394, a 16.8% increase in ridership over FY23, which is primarily attributed to the fixed-route overhaul.

<b>FY24 RIDERSHIP BY MONTH</b>						
	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>	<b>Nov</b>	<b>Dec</b>
Fixed-Route	20,163	26,421	28,921	29,528	30,723	29,532
Para	3,277	3,742	3,495	3,870	3,697	3,346
% over month pervious year	7.41%	6.29%	-5.68%	1.16%	7.96%	11.68%
	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>
Fixed-Route	32,594	33,815	34,637	39,628	42,440	36,979
Para	3,699	3,775	3,944	3,989	3,760	3,419
% over month pervious year	7.28%	19.57%	9.20%	41.95%	40.21%	65.55%
FY 24 Total Fixed	385,381					
FY 24 Total Para	44,013					
<b>FY 24 Total All</b>	<b>429,394</b>					

The Transit Division also executed a number of technology focused projects, the most significant of was the replacement of its fixed-route automated vehicle location and dispatching system with software from Passio. This project added significant reporting capabilities beyond what MET had previously been able to leverage and allowed staff to develop and publish trip planning information both within UMO (MET's digital fare smartphone app) and on Google Maps, leading to increased convenience for the public. MET staff successfully developed and implemented an FTA-approved automated passenger counting plan, leading to increased accuracy in passenger counts, increased ease of operation for transit operators, and the ability to more accurately geo-locate common boarding and alighting locations. Staff also updated existing onboard annunciation systems with the newly created designated bus stop locations to allow for improved customer service through geo-located audio and visual announcements. Finally, MET implemented ticket-vending machines at each transfer center to allow for the purchase of bus fares and passes in a more convenient and accessible location.

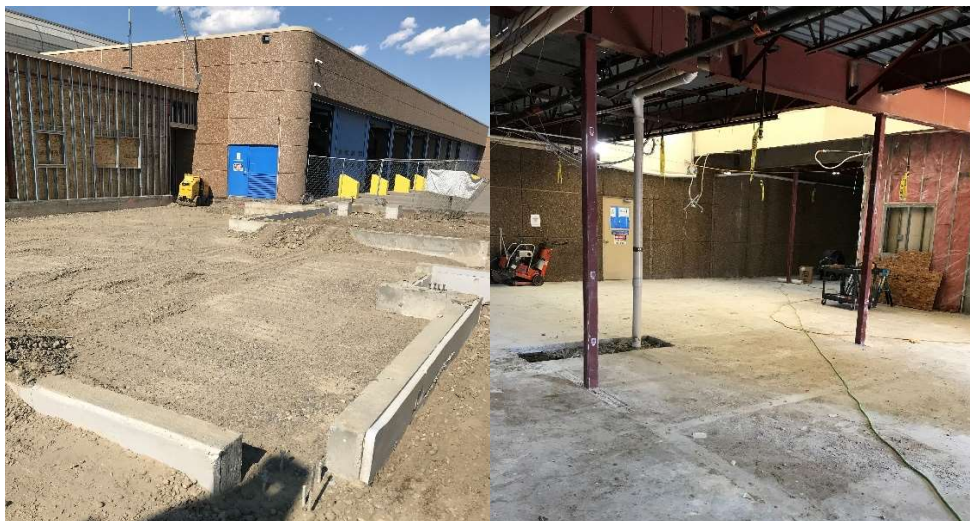
MET staff continued to develop the Bus and Bench Advertising Program including offering expanded digital opportunities while securing two long term bus wrap commitments. The program generated \$207,992 during the fiscal year with this figure expected to increase in FY25.



MET staff expanded the bus operator training program and added a dedicated training coordinator position. Using awarded competitive federal funds, MET finalized installation and setup of a bus driving simulator to supplement both new and established driver training, allowing staff to develop scenarios and courses to improve operational effectiveness. Staff also successfully worked with the State of Montana Department of Justice to certify MET Transit as a third-party CDL tester, which will help to expedite the licensing of new drivers at the completion of the MET's previously developed Entry Level Driver Training program.



In FY24, MET Transit began a construction project to update the administrative area of the METroplex. This project is primarily funded by a competitive grant from the Federal Transit Administration and will support increased meeting space, create a dedicated classroom to support the training program, centralize dispatch operations, and provide expanded office space for the growing division. Construction is expected to be completed in December of 2024.



Additional notable MET Transit achievements in FY 2024 include:

- MET staff continued development of the Bus Stop Master Plan to support guidelines for improvements and amenities.
- The division received four new diesel buses that include improved passenger features such as onboard USB charging and flip up seat locations for carts and strollers.
- The division received four new paratransit vehicles built on a smaller chassis to support improved maneuverability on the road; these vehicles will go into service in FY25.
- MET Transit ordered four electric buses and began installation of the electric bus charging infrastructure funded by an additional FTA grant.

