

**MONTANA AERONAUTICS BOARD
TELECONFERENCE MEETING
2630 Airport Road, Helena, MT
June 12, 2018**

Aeronautics Board

Tricia McKenna, Board Chairman
Robert Buckles
Chris Edwards
Dan Hargrove
Bill Hunt, Jr
Fred Lark
Roger Lincoln
Walt McNutt
Jeff Wadekamper

Department of Transportation

Tim Conway, MDT Aeronautics
Carol Grell-Morris, MDT Legal

Call to Order

Chairman McKenna called meeting to order at: 9:00 a.m.

Bill Hunt made a motion to approve the January minutes as presented. Roger Lincoln seconded the motion, which passed unanimously.

Public Comment

Chairman McKenna asked for public comment, which there was none.

FY18 Grant/Loan Extensions

- Circle requested an extension for a \$11,425 grant and a \$35,675 loan.

Walt McNutt made a motion to approve Circle's grant and loan extension request. Chris Edwards seconded the motion, which passed unanimously.

FY18 Grant/Loan Status Update – Tim Conway, Aeronautics Division Administrator

The FY17 extension for a \$41,193 loan to Deer Lodge was paid in FY18. Lewistown rejected both their grant and loan. Culbertson, Superior, and Townsend rejected their loan awards for a total of \$45,843, however they accepted their grants. All other awards have been issued.

Board Member Terms Update - Tim Conway, Aeronautics Division Administrator

Rob Buckles, Chris Edwards, Dan Hargrove and Fred Lark's terms expire in January of 2019. All remaining Board members' terms end in January of 2021. If Board members would like to continue to serve, they need to reapply for the position. Board members serve on the Board until they are replaced by the Governor, which could take several months after January. Board terms are for four years.

Aeronautics Financial Status Update - Tim Conway, Aeronautics Division Administrator

Aeronautics is forecast to be out of funding in fiscal year 2020. Tim has been working with internal and external forces to find a funding solution. Aeronautics needs around \$300,000 per year to maintain their reduced level of services. Additional income would be used to reinstate those reduced services or for new services that are not being provided now. Some of the services that have been reduced are the ACE Academy, the Winter Survival Clinic, reduced participation at events, reduced travel, and maintaining vacancy in two staff positions.

Aeronautics Staff Update - Tim Conway, Aeronautics Division Administrator

Wade Cebulski was selected as the new Airports & Airways Bureau Chief on May 26, 2018. Aeronautics is working on posting and filling his previous position, Aviation Support Officer. Jake Hemphill, the Safety & Education Bureau Chief, was offered a position at the Great Falls Hospital flying a single pilot jet aircraft. Jake's last day with Aeronautics was May 17, 2018. Since Aeronautics is in the six-month hiring window, they will review the applications from the initial posting and possibly interview one or two applicants from the existing pool.

Powder River Training Complex Update - Tim Conway, Aeronautics Division Administrator

The military is planning to utilize the PR3 low near Baker by the Summer of 2018. They are planning public meetings in Baker and Bowman. Dates have not been set yet, however, Aeronautics plans to have a representative there for the meeting.

Essential Air Service (EAS) Update - Tim Conway, Aeronautics Division Administrator

The Essential Air Service (EAS) Task Force has two meetings a year when there are no issues. The last meeting was on April 10, 2018 in Billings. Deputy Assistant Secretary for Transportation Policy at US Department of Transportation, Joel Zaebat, joined the meeting and was interested in learning about EAS in Montana.

Yellowstone Airport Update - Tim Conway, Aeronautics Division Administrator

New Terminal – The Omnibus Bill was signed on March 23, 2018 which, among other things, gave funding for smaller rural type airports with a billion dollars of federal funding. The Yellowstone Airport now appears to be eligible for a one-time chance for federal funding for a new terminal. The existing terminal was built in the 1960's and is not efficient or designed for TSA. With the Omnibus Bill, there is around \$10 million in federal funding available for a new terminal. The airport also has a match of 91.88% federal and 8.22% state, which is different from most other airports in the state. The state match for this project is in the range of \$700,000 to \$1 million state match money.

Deed Restrictions – MDT has drafted responses to the public comments that were received in January and if they have not already been submitted to the FAA, they will be shortly. We are anticipating that the deed restrictions will be lifted in the very near future.

Commercial Service – Commercial service started a week earlier than the EAS season at the Yellowstone Airport on May 24, 2018.

Campground Compliance - Yellowstone Airport has a small campground inside the fence that was built in the 1970's with four or five campsites, a pit toilet and a portable shower. MDT became aware of sanitary issues with the Gallatin County as the first hangar was constructed at the airport. Aeronautics has been working with Gallatin County to correct the issues and reopen the campground as soon as possible and will likely install a vaulted pit toilet and forego a shower. While campers enjoy having the ability to take a shower, MDT would have to build a bathhouse and install a septic system, which will be quite costly.

Winter Testing – Nevada Automotive Testing Center (NATC) is in a long-term agreement with the airport to lease the airport facilities during the winter. There is an incremental increase built into the lease that was agreed upon through negotiations with the NATC.

Unmanned Aerial Systems (UAS) Update - Tim Conway, Aeronautics Division Administrator

MDT enrolled with the FAA as in interested party for the UAS Integration Pilot Program. The UAS Pilot Program is for state, local and tribal governments to partner with private sector entities such as UAS operators or manufacturers to accelerate safe UAS integration into the national airspace system. As of January 2018, there were about 28,000 interested parties. On May 9, 2018 the US DOT notified applications of the selection and no Montana firms were selected.

Aquatic Invasive Species Update - Tim Conway, Aeronautics Division Administrator

Since September 2017, Aeronautics has been in contact with Kate Wilson from the Montana Department of Natural Resources and Conservation (DNRC) and Peter Gross with the Montana Seaplanes Association (MTSPA) regarding issues around seaplane use on the Montana's waterways and the possible threat of the spread of aquatic invasive species. In some states, seaplanes have been targeted and restricted from landing on waterways in the state. Kate and Peter have been working closely together to address issues that are being brought up at the Western Regional Panel Committee on Aquatic Invasive Species in an effort to find a solution that fits both the needs of Montana seaplane pilots and conservation of Montana's waterways.

Airway Beacons Update - Tim Conway, Aeronautics Division Administrator

MDT requested that 14 airway beacons be removed from FAA charts, but deferred the request to provide an opportunity for a nonprofit organization to own, operate, and maintain some or all of the airway beacons. It is difficult to add an item back onto an FAA chart, so MDT will provide the nonprofit organization an opportunity to form and perhaps take ownership of some of the beacons. In the meantime, MDT is still proceeding to decommission the beacons. In March 2018, electrical service was terminated to most of the beacons. On April 16, 2018 the first beacon was transferred to a private landowner and three more were transferred to private landowners on May 7-8, 2018. Ownership transfers for the remaining beacons are a little more complex however,

MDT is looking forward to getting additional transfers complete in the near future. Additionally, MDT Communications Bureau is possibly interested in using some of the beacon towers as communication towers. After site investigations, and if the Communications Bureau is interested in ownership of some of the towers, Aeronautics will remove the light portion of the beacon and transfer ownership of the towers to the MDT Communications Bureau.

2018 Aviation Conference Update - Tim Conway, Aeronautics Division

Administrator

There were 504 persons attending the conference. Of the 504, there were 207 that paid a registration fee, 77 IA participants, 56 people registered onsite, 52 companies exhibited with 136 people manning the exhibit booths, 45 speakers and 34 students. While there is one outstanding invoice, the 2018 Aviation Conference is estimated to make a profit of around \$800.

Upcoming Events - Tim Conway, Aeronautics Division Administrator

The AOPA fly-in in Missoula is June 15-16, 2018. The Recreational Aviation Foundation (RAF) has a follow-up to the AOPA fly-in with a Potato Bake at the state-owned Seeley Lake Airport June 16-17, 2018.

The state-owned Lincoln Airport is having their 3rd Annual Open House Barbeque which the state has participated in and is very popular with the local Lincoln community.

Next Meeting

The next meeting is scheduled for January 16-17, 2019 in Helena.

Tricia McKenna, Chairman

Roger Lincoln, Secretary