

Montana Aeronautics Board
Montana Department of Transportation; Auditorium
2701 Prospect Avenue, Helena, MT
Wednesday, January 15, 2020

Aeronautics Board

Tricia McKenna, Board Chair
Robert Buckles
Dan Hargrove
Bill Hunt, Jr
Roger Lincoln
John Maxness
Walt McNutt
Tom Schoenleben
Jeff Wadekamper

Department of Transportation

Tim Conway, MDT Aeronautics
Wade Cebulski, MDT Aeronautics
Karen Speeg, MDT Aeronautics
Effie Benoit, MDT Aeronautics
Carol Grell-Morris, MDT Legal
Valerie Balukas, MDT Legal
Kevin Christensen, MDT Chief Operating
Officer

Guests

Bryon Armour, Lewistown Airport Manager
Lance Bowser, Robert, Peccia & Associates
Kristie Brabeck, Valley County
Scott Eaton, Federal Aviation Association
Jason Garwood, Federal Aviation Association
Jim Greil, DOWL

Lucas Locke, Valley County
Kevin Myhre, Century Companies
Joe Nye, Federal Aviation Association
Eric Strong, DOWL
Mat Wilder, Federal Aviation Association

Call to Order / Approval of Minutes

- Chairperson McKenna called the meeting to order at 10:00 a.m., opening with the Pledge of Allegiance.

Bill Hunt made a motion to approve the June 11, 2019 and August 13, 2019 board minutes as presented. Jeff Wadekamper seconded the motion, which passed unanimously.

MDT Update – Kevin Christensen, MDT Chief Operating Officer

MDT reorganized last June and created two branches within MDT; the Surface Transportation and the Services branches. Kevin has been with MDT for 28 years and is now the Deputy Director the Surface Transportation Branch. Kevin welcomed the new board members and congratulated the aviation community and the Board on their hard work to increase funding for the Aeronautics Grant fund.

Aeronautics Update - Tim Conway, Aeronautics Division Administrator

- **Staff Updates** - Karen Speeg is the Aviation Support officer hired in August. Valerie Balukas is new legal staff working with Carol Grell-Morris.
- **Administrative Rule Changes** – Administrative rules regarding the board became effective in September. Aircraft Registration Administrative Rules to document existing procedures regarding aircraft registration process. It went to Transportation Interim Committee last week with no

questions and is expected to go to the Secretary of State on the 21st of January and be final at point in time. We will begin to work on Pilot Administrative Rules next documenting that process.

- **Airway Beacon Update** – Originally had 17 beacons and have transferred five to landowners, six to private entities. We have transferred one and are working to transfer four more to a nonprofit organization located in Idaho which is dedicated to keeping the beacons operational and in place when possible. It appears that six of the beacons will remain in operation under the Idaho company or other landowners. The Strawberry Beacon sits on private land and the landowner does not want anyone else to operate it and does not to keep it himself. Aeronautics is looking at how to remove it and transfer it to someone else.
- **Federal Funding** – We are in our second year of five-year reauthorization that became effective in October of 2018. FAA Helena ADO does a great job working with us on maximizing federal money for the state.
- **State Funding** - Revenues for this fiscal year is projected to be \$1.2 million, year to date is about \$431,000 so far, which is not surprising. Majority of funding is from aircraft registration which are due March 1. We have a \$1.6 million budget and are projecting to spend approximately \$1.4 million.
- **Legislative Session** – Remind you about HB 661 and the Courtesy Car Program. The Courtesy Car Program awards up to \$2,000 for funding for two cars and then the last legislative session allocated Aeronautics two additional cars from the state motor pool. We have four cars for at least the next two years. These cars are 2010 vehicles and are worth about \$6,000 each. MDT Legal and Aeronautics are working on a process to award the cars. When an airport receives a car, the airport is responsible for insuring and maintaining the car.
- **Commercial Airport News** – Passenger boardings, which is total enplanements and deplanements, as of November 2019 are up 9.6 % over last year with Montana airports serving about 4.4 million passengers to date. Year over year, Butte and Great Falls are barely lower. Billings, Bozeman, Kalispell, Missoula and Yellowstone are showing consistent growth and Helena down slightly year over year. With the Essential Air Service airports; Havre is mostly higher; Glendive, Glasgow, Wolf Point were lower and Sidney was about the same.
- **Other Aeronautics News** –
 - Cape Air was awarded the contract again between Billings and the destinations in eastern Montana. They intend to replace their aging fleet with a nine-passenger, climate-controlled aircraft.
 - Many Montana commercial service airports are undergoing terminal remodels.
 - Powder River MOA is still a concern in Baker since the PR3 low is scheduled to go active because the Air Force is planning on installing military air to air communications with Salt Lake City. Will not involve General Aviation which is a problem. The Air Force seems to be doing their part to assist, the problem seems to lie with the FAA. The FAA Controllers are either not getting the information, or not processing the information or not taking action on the information in a timely manner to release the air space.
- **Upcoming Events** –
 - Winter Survival Clinic – January 24-26, 2020 in Seeley Lake
 - Flight Instructor Refresher Clinic – February 7-8, 2020 in Helena
 - Aviation Conference – February 27-29, 2020 in Great Falls
 - Aircraft Mechanic IA Renewal – February 28-29, 2020 in Great Falls
 - Aircraft Registration Deadline – March 1, 2020

- AOPA Regional Fly-In – June 19-20 in Casper, Wyoming
- **What Aeronautics Does** - Aeronautics has seven full time equivalent employees in Helena in Yellowstone there is one full time position and two half time positions to help during the commercial service season.
 - Search and Rescue – There are 4 districts and multiple contacts within each district with ongoing educational requirements. There are over 200 volunteers that help with search efforts and we responded to 123 alerts in 2019.
 - Aviation Education – The Aviation Career Exploration (ACE) clinic is a two-day clinic. There are about 200 entries in the Art Contest each year. The Scholarship program consists of 19 scholarships with about 230 applicants and is awarded at the Aviation Conference. There is the Winter Survival Clinic, the Flight Instructor Refresher Course. The Teacher Workshop is in October and is a train-the-trainer event where the teachers get excited about aviation and take the information back to their classrooms. The Mountain Search Pilot Clinic will return this fall. We also have a monthly newsletter. We process about 1,800 pilot registrations a year and about 4,800 aircraft registrations.
 - Airport Planning – We hire a consultant to perform the Pavement Condition Index at the 53 federal aid airports in Montana. We did an Economic Impact Study a few years ago. We do airport outreach with Continuous Improvement Planning (CIP) presentations at federal aid airports and share what is available with federal and state aid programs. We are looking at expanding that program to non-federal airports with HB661 funds. MDT is going to be hiring a consultant to provide a Disparity Study for the Disadvantaged Business Enterprise (DBE) program that we will partner with them on. This will allow federal aid airports in Montana to use the study to establish their DBE goals which is required to receive federal funds. If we didn't do it, each airport would have to perform the Disparity Study on their own. We participate in the Powder River Training Complex and the Essential Air Service Task Force. We also obtain FCC licensing for airport unicoms so they don't have to do it on their own.
 - State-Owned Airports – The state owns 16 airports, two of them are federal aid airports. There are four paved airports and 12 turf airports. Three of the airports (Dell, Lincoln and Seeley Lake) are plowed. Yellowstone is not plowed, and we lease it out in the winter. There are 34 leases at the airport which consist of ground leases, hangar leases and commercial leases. At the Lincoln airport we are working on an Instrument Approach Procedure and an AWOS along with the active taxilane project in addition to volunteer snowplowing where we rent a snowplow from MDT and use trained volunteers plow the snow at the airport. The Yellowstone Airport qualified as a primary airport without the congressional law that allowed the airport to be considered a primary airport if the enplaned 8,000 passengers. This year they enplaned 10,605, so they qualify as a primary airport be meeting the 10,000 threshold even though they only operate from May to October. Right now we are working on a new terminal building at the Yellowstone Airport at about \$19 million and is a significant undertaking for our staff and we are working through that with our consultant and partnering with the FAA, the US Forest Service and the Town of West Yellowstone. We have started the Environmental Assessment which is scheduled to be done in early March of 2021 and the design of the terminal will continue in 2021 with construction in 2022 and 2023 and will be operational in Spring of 2024.

- Other Aeronautics Business – We publish about 2,000 Airport Directories every year and about 4,000 charts every four years. We inspect about 40 federal airports every year under the Federal 5010 Inspection Program.
- New Programs – Our new programs are being made through HB 661. At the Aviation Conference you will see Scouts there as we are partnering with Scouts of America to provide an Aviation Merit Badge Scout Program. We are also subsidizing the Conference registration fees for pilots at a 50% discount if they register by 2/1/2020 and a 25% discount if they register on or after 2/1/2020. Airport weather reporting or webcams at airports. Another idea is to provide solar powered flashing lights to give to companies to put on towers. The Airport Transportation Assistance Program which would be like an “Airport 101” program for airport managers/owners/operators to learn how to manage an airport and federal and state level resources available to them to help them. We are looking at the creation of a Learning Jet that would turn the 727 at the Helena Airport into a learning center that would still serve the ARFF program but would also allow students to use the facility for training purposes. There is the possibility of a Pilot Passport Program, a Windsock Program, Flight Instructor Cost Sharing Program where Aeronautics would help fund the cost to get a flight instructor to remote airport locations. There is the opportunity to have a UAS Outreach Program where we would discover how pilots fit in with the UAS Program and to expand the Aviation Education program with additional clinics and to loan flight simulators to schools.

Legal Update – Carol Grell-Morris, MDT Legal

- Carol introduced Valerie Balukas as new legal staff who is helping the Yellowstone Airport with their legal needs as well as any legal needs that the Aeronautics Board may need.
- Carol reviewed the changes pertinent to the Aeronautics Board regarding the passage of House Bill 661 and the resulting Administrative Rule changes. House Bill 661 increased the Aviation Fuel Tax to increase the Aeronautics Board Grant program and increased Aeronautics Operations through the increased Aircraft Registration fees.
- **Board Administrative Rule Changes**
 - 18.13.404 – The previous rule restricted Grant funds to 50% of the local match on a federal project. Under the new rule, the Board can now match 100% of local state match of a federal project with Grant funds.
 - The Pavement Preservation program was repealed, so the rule regarding the Pavement Preservation program was repealed along with the rule regarding setting a lower priority for commercial airports. Commercial airports now have the same priority as all other airports and are eligible for Aeronautics Board Grant and Loan funds.
- **Open Meeting Laws** – The Aeronautics Board meeting is a public meeting and welcomes the public to attend the meetings. All minutes and documents are open to the public. Every Board meeting must have a public comment period.
- **Board Member Recusal** - Board members recusing themselves due to a conflict of interest where the Board is voting on an award for an airport and the board member is the airport manager. The Aeronautics Board is a quasi-judicial board and under state statute, Board members serve until reappointed by the Governor.

Airport Audit Update from 2018 - Wade Cebulski, Airports & Airways Bureau Chief

- **Yellowstone Airport** - No findings
- **Forsyth Airport** - No findings
- **Columbus Airport** – No findings, however there was a note that the Status/Closeout Report is missing

Election of Board Vice-Chairperson

Chris Edwards was the Board Vice-Chairman and has stepped down from the board. Tricia asked if anyone was interested in serving as Vice-Chairperson. Being no volunteers, Tricia asked Walt McNutt if he would be willing to serve in the capacity as Vice-Chairperson and Walt accepted the position.

Bill Hunt moved to elect Walt McNutt as the Aeronautics Board Vice-Chair. Roger Lincoln seconded the motion which passed unanimously.

Board Introductions

Each board member provided a brief introduction stating what organization they represent, where they are located and a brief update on their organization.

Federal Funding – Joe Nye, FAA

- The FAA has non-primary entitlements and the FAA looks at the enplanements to establish the entitlements. There are also State Apportionment Funds that are distributed to airports with high priority projects. There are also Discretionary Funds that are more competitive within the Northwest Region. Supplemental Discretionary Funds started with roughly \$1 billion in 2018, \$0.5 million in 2019 and \$0.25 million in 2020.
- Federal fiscal year is September 1 through October 31. The state fiscal year is July 1 through June 30, so the Board's awards are catching the end of one federal fiscal year and the beginning of the second fiscal year.

Review of Loan/Grant Applications

Loan Rate - The loan rate for the fiscal year 2021 is 2.375% which is half of the prime rate.

- **Anaconda (Bowman Field) Airport** applied for a \$157,000 grant to design and construct the apron, and to install/rehabilitate airport beacons. FAA projects. There were no questions from the Board.
- **Big Sandy Airport** applied for a \$16,445 grant to rehabilitate the runway, taxiway, and apron. FAA projects. There were no questions from the Board.
- **Bridger Municipal Airport** applied for a \$15,000 grant to rehabilitate the runway. Nonfederal airport. There were no questions from the Board.
- **Butte Airport** applied for a \$92,000 grant to rehabilitate the runway and taxiway and will accept a loan. FAA project. There were no questions from the Board.
- **Chester Airport** applied for a \$21,000 grant to rehabilitate the runway, taxiway, and apron. FAA projects. There were no questions from the Board.

- **Choteau Airport** applied for a \$30,000 grant to acquire snow removal equipment. FAA project. The Board questioned the FAA if they will fund snow equipment for less than \$300,000 as it seems like airports are requesting funding for new equipment instead of used equipment that would work. The FAA responded that funding for snowplows is site specific and if used equipment meets the FAA guidelines, the FAA can fund the equipment or perhaps an attachment dependent on specific situations.
- **Colstrip Airport** applied for a \$23,180 grant to rehabilitate the runway, taxiway, and apron. FAA projects. There were no questions from the Board.
- **Columbus Airport** applied for a \$17,777 grant to acquire land for hangar development. There is not an Environmental Assessment required for this project. FAA project. There were no questions from the Board.
- **Cut Bank Airport** applied for a \$44,542 grant to rehabilitate the apron. This is a retroactive project. The Airport thought they may get additional funding from the FAA. The current application is for the remaining balance since the additional supplemental funding from the FAA was received. FAA project. There were no questions from the Board.
- **Deer Lodge Airport** applied for a \$137,438 grant to acquire land for development, construct runway safety area, and expand the apron. The airport will accept a loan. Not an FAA project but may be able to fund this project in Federal Fiscal year 2023. There were no questions from the Board.
- **Ennis Airport** applied for a \$365,712 grant to construct and extend the taxiway, rehabilitate the taxiway and apron, install taxiway lighting, install weather reporting equipment, install/rehabilitate airport beacons, install runway vertical guidance system, install misc. NAVAIDS/Approach aids, acquire security equipment/install perimeter fencing, and conduct/update the airport master plan. The Board questioned the FAA regarding the Supplemental Funding of the projects. The FAA responded they are funding all projects except for the installation of the AWOS which is not a FAA project.
- **Forsyth Airport** applied for a \$46,420 grant to construct/repair the fuel farm and to rehabilitate the runway, taxiway, and apron. Airport would accept a loan. The fuel farm is not FAA funded, but the other projects are FAA funded. There were no questions from the Board.
- **Fort Benton Airport** applied for a \$143,500 grant to construct the taxiway, construct/rehabilitate a hangar, and rehabilitate the runway, taxiway, and apron. The airport will accept a loan. FAA projects. There were no questions from the Board.
- **Glasgow Airport** applied for a \$31,000 grant to, install runway vertical guidance system, design a taxiway and to design to rehabilitate the runway, taxiway, and apron. FAA projects. There were no questions from the Board.
- **Glendive Airport** withdrew their application.
- **Great Falls Airport** applied for a \$235,000 grant to construct a deicing containment facility and to construct/rehabilitate access road. FAA projects. There were no questions from the Board.
- **Hamilton Airport** applied for a \$525,000 grant to construct a runway and taxiway, install runway lighting, environmental mitigation, to rehabilitate the apron and taxiway, expand an apron, to relocate a runway and a taxiway, and to acquire snow removal equipment. All are FAA projects except for snow removal equipment. The runway and taxiway construction and the installation of the runway lighting are retro projects. There were no questions from the Board.

- **Havre Airport** applied for a \$40,000 grant to design and rehabilitate the runway. FAA projects. There were no questions from the Board.
- **Hot Springs Airport** applied for a \$173,200 grant to rehabilitate the runway. Nonfederal airport. There were no questions from the Board.
- **Kalispell City Airport** applied for a \$257,962 grant to install runway lighting and acquire perimeter fencing. Nonfederal airport. There were no questions from the Board.
- **Laurel Airport** applied for a \$37,350 grant to rehabilitate the runway, taxiway. FAA projects. There were no questions from the Board.
- **Lewistown Airport** applied for a \$77,777 grant to rehabilitate the apron. The airport will accept a loan. FAA project. There were no questions from the Board.
- **Libby Airport** applied for a \$15,000 grant to acquire snow removal equipment. FAA project. The board questioned the FAA why they are funding the SRE for Libby and not Hamilton. The FAA responded that it is because of the entitlement apportionment allowed between the two airports.
- **Malta Airport** applied for a \$53,400 grant to rehabilitate the runway, taxiway, and apron and to rehabilitate the runway and taxiway lighting. If the airport uses NonPrimary Entitlements (NPE), the FAA will support the projects. There were no questions from the Board.
- **Miles City Airport** applied for a \$298,930 grant to construct the runway and taxiway, rehabilitate the taxiway, install/rehab airport beacons, and construct/rehab building. The airport will accept a loan. All are FAA projects except rehabilitate taxiway building. There were no questions from the Board.
- **Philipsburg Airport** applied for a \$17,500 grant to conduct/update the airport master plan. FAA project. There were no questions from the Board.
- **Plains Airport** withdrew their application.
- **Polson Airport** applied for a \$8,100 grant to design the rehabilitation of the runway and taxiway. FAA projects. There were no questions from the Board.
- **Poplar Airport** applied for a \$53,300 grant to rehabilitate the runway, apron, and taxiway, and install weather reporting equipment. The airport will accept a loan. All FAA projects. The AWOS project will not be funded by the FAA until federal fiscal year 2021. There were no questions from the Board.
- **Red Lodge Airport** applied for a \$20,000 grant to rehabilitate the runway. The airport will accept a loan. Nonfederal airport. There were no questions from the Board.
- **Ronan Airport** applied for a \$145,652 grant to rehabilitate the runway, taxiway, and apron, conduct airport master plan, and install weather reporting equipment. FAA projects except for weather reporting. There were no questions from the Board.
- **Sidney Airport** applied for a \$106,675 grant to construct and rehabilitate the taxiway. FAA project except for rehabilitate the taxiway. There were no questions from the Board.
- **St. Ignatius Airport** applied for a \$77,399 grant to rehabilitate the runway and taxiway. Nonfederal airport. There were no questions from the Board.
- **Stanford Airport** applied for a \$242,060 grant to rehabilitate the runway, taxiway, and apron, and to construct the taxiway. The airport will accept a loan. All FAA projects except for constructing the taxiway. There were no questions from the Board.
- **Stevensville Airport** applied for a \$230,787 grant to rehabilitate the apron and taxiway, construct a taxiway, and construct/rehabilitate service road and building. All FAA projects except for

construct/rehab service road and building. The FAA will support the service road if the airport uses NonPrimary Entitlements (NPE). There were no questions from the Board.

- **Thompson Falls Airport** withdrew their application.
- **Three Forks Airport** applied for a \$189,126 grant to rehabilitate the runway, taxiway, and apron. The airport will accept a loan. The airport withdrew the application to install weather reporting equipment. If the airport uses NonPrimary Entitlements (NPE), the FAA will support all projects, otherwise it will be fiscal year 2023. There were no questions from the Board.
- **Turner Airport** applied for a \$242,928 grant to rehabilitate the runway, taxiway, and apron, and to construct a taxiway. The airport will accept a loan. The runway is an FAA project. If the airport uses NonPrimary Entitlements (NPE), the FAA will support the rest. There were no questions from the Board.
- **White Sulphur Springs Airport** withdrew their application.

Next Meetings

- The June Extension meeting is tentatively set for 6/9/20 at 9:00 a.m. via teleconference.
- The Annual Board meeting is tentatively set for 1/13-14/21 at 1:00 p.m. in Helena.

Tricia McKenna, Chairperson

Roger Lincoln, Secretary