



Mark Gordon  
Governor

# WYOMING *Aeronautics Commission*

DEPARTMENT OF TRANSPORTATION

Sigsbee Duck, Chairman

(307) 777-4015



K. Luke Reiner  
Director

## MEETING MINUTES

### I. CALL TO ORDER

A meeting of the Wyoming Department of Transportation (WYDOT) Aeronautics Commission was held via videoconference on December 14, 2022. Chairman Sigsbee Duck presided, calling the meeting to order at 8:33 a.m.

### II. PLEDGE OF ALLEGIANCE

Chairman Duck led the attendees in the Pledge of Allegiance.

### III. ROLL CALL

*The following commission members were present, constituting a quorum.*

Anja Richmond, Commissioner, District 1

Steve Maier, Commissioner, District 5

Jerry Blann, Commissioner, District 2

Randy Harrop, Commissioner, District At-large

Bruce McCormack, Vice Chairman, District 4

Luke Reiner, WYDOT Director, Ex-Officio

Commissioner Bill DeVore was absent.

*The following WYDOT staff and guests were present and participated in the business meeting.*

Brian Olsen, Aeronautics Administrator

Sheri Taylor, Unmanned Aircraft Systems (UAS) Manager

Mariah Johnson, Air Service Development Manager

Mike Kahler, Senior Assistant Attorney General

Phillip Hearn, Engineering & Construction Manager

MacKenzie Sewell, Assistant Attorney General

Cheryl Bean, Planning & Programming Manager

Kimberly Chapman, Commission Secretary

*Susan Elliott assisted with virtual meeting management.*

### IV. ADJUSTMENTS TO AGENDA

There were no adjustments to the agenda.

### V. APPROVAL OF MINUTES

It was moved by Commissioner Blann, seconded by Commissioner McCormack, and unanimously carried to approve the minutes from the November 15, 2022, business meeting.

### VI. UPDATES/DISCUSSIONS

#### A. CHAIRMAN'S UPDATE

Chairman Duck enjoyed the presentations during the virtual commission workshop on December 13<sup>th</sup>. He thanked Commissioner Richmond and Dr. Eugene Holubnyak, director of the Hydrogen Energy Research Center at the University of Wyoming, for providing the commission and staff

with a thorough overview of hydrogen's future as a fuel source. He thanked WYDOT staff for their reports and presentations.

**B. DIRECTOR'S UPDATE**

Director Reiner presented the Director's Update.

Federal

The federal government is still operating under a continuing resolution because of Congress' inability to pass appropriations legislation. Director Reiner will continue to monitor this situation and keep the commission apprised of any new developments.

State

*Joint Appropriations Committee (JAC)*

Director Reiner appeared before the JAC on Monday, December 12<sup>th</sup>, to present information on WYDOT's operating budget. He shared that the presentation fostered a good discussion on effectively funding transportation in Wyoming.

*2023 General Session*

The 2023 General Session will convene on Tuesday, January 10<sup>th</sup>. The Joint Transportation Committee (JTC) has two new chairs: Representative Landon Brown and Senator Brian Boner. The director met with Senator Boner last week and will meet with Representative Brown later today for guidance on how to proceed with the transportation bills this session.

*Gubernatorial Liaison*

Rob Creager will serve as Governor Gordon's transportation policy liaison, which is a role Erica Legerski previously filled. The director and members of executive staff met with Mr. Creager yesterday to orient him to WYDOT's mission, purpose, and operations. Director Reiner looks forward to working with him.

Snow Plan

WYDOT enacted its snow plan during the recent winter storms. Assets were moved around the state to help with snow removal in harder hit areas. Sections of several highways are closed, but maintainers are working hard to clear roadways.

WYDOT Staffing Updates

Director Reiner announced that Nathan Smolinski has been selected as the new chief technology officer (CTO). Mr. Smolinski served as the interim CTO following Troy Babbitt's retirement last summer as well as the Emergency Communications Program manager.

Mr. Smolinski officially became the CTO on December 1<sup>st</sup>, and has already been hard at work during the recent storms. He has been in regular contact with Google as Google Maps was misrouting travelers during highway closures.

Commissioners are invited to attend the commissioning ceremony for the new Wyoming Highway Patrol colonel, Timothy Cameron. The ceremony will be on Tuesday, January 3, 2023, at 2:00 p.m. in the Supreme Court chambers of the Wyoming State Capitol Building.

Following a question from Commissioner Richmond, Director Reiner shared that he is scheduled to meet with the Governor's new chief of staff, Drew Perkins, later this month.

**C. ADMINISTRATOR'S UPDATE**

Administrator Olsen presented the Administrator's Update.

Federal and National Updates

*Federal Budget*

Mr. Olsen reported that Congress might pass a Fiscal Year (FY) 2023 omnibus appropriations bill before Christmas. He will monitor the situation and update the commission on any developments.

*Federal Aviation Administration (FAA) Airport Infrastructure Grants*

On November 29, 2022, the FAA released FY2023 allocations for the Airport Infrastructure Grant Program, which was part of the Infrastructure Investment and Jobs Act (IIJA) and essentially doubled formula funding. The allocation has been around \$15 million a year, but that money is not always spent in the year it was allocated. Airport sponsors are allowed to carry over funds into future years to save for bigger projects.

State Updates

Mr. Olsen reported that the airports are working on an airports district bill for introduction during the General Session. If passed, the legislation would enable counties and municipalities to establish an airport district. The bill is known as House Bill 40 (HB0040) and is sponsored by the JTC. Mr. Olsen will monitor the bill's progress through the session and update the commission accordingly.

Division News

Mr. Olsen reported that he recently attended an annual meeting with United Airlines in Chicago. A major theme of the discussions was the pilot shortage and its impact on United's operations. While the pilot shortage is easing slightly, another major concern for United is the Boeing aircraft delays. United has ordered a significant number of the Boeing 737 MAX, but the manufacturer is having difficulties delivering on time due to supply chain issues.

United Airlines also continues to face staffing shortages at their hub at Denver International Airport, but those shortages are less severe than in the previous year and a half. Mr. Olsen reported that United executives are optimistic about the future, but the airline will still face capacity constraints for the foreseeable future while they await delivery of new aircraft.

Mr. Olsen also felt the meeting strengthened Wyoming's relationship with United. The meeting provided Mr. Olsen with an opportunity to meet Sam Levy, a senior manager with network planning, who took over from Katie Switzer as Wyoming's main point-of-contact with the airline.

Following a question from Commissioner Blann, Mr. Olsen shared that United Airlines ordered a significant number of the Boeing 737 MAX 10, along with orders of the MAX 9 and MAX 8 models. The 737 MAX 8 and MAX 9 are certified and are being delivered, but at a slower rate than Boeing would like. The 737 MAX 10 has not been certified yet and is currently in flight testing. After the crisis with the Boeing 737 MAX planes, Congress required Boeing to have the MAX 10 certified by the end of 2022. Mr. Olsen believes the deadline will be extended into 2023 or possibly 2024. As many U.S. airlines have ordered the MAX 10, it will need to be certified as soon as possible.

Commissioner Blann also shared an update on the Jackson Hole Airport's security screening contract. For the last 20 years, the Jackson Hole Airport has held a private security screening contract under the Transportation Security Administration (TSA) Screening Partnership Program. This allowed the Jackson Hole Airport Board to employ security screening officers and compensate them adequately.

Homeland Security authorized the contract earlier this month, but at a lesser cost than the previous five-year period. The airport's bid was over the federal cost estimate. The Jackson Hole Airport appealed the decision, but the contract will likely either go to a federal agency or to a third-party contractor. The concern is that neither group would be able to operate effectively in Jackson.

Following a question from Vice-chairman McCormack, Mr. Olsen reassured the commission that Wyoming's relationship with United Airlines remains strong despite the changes in leadership. Vice-chairman McCormack thanked Mr. Olsen for his efforts to maintain that relationship.

#### **D. AIR SERVICE DEVELOPMENT PROGRAM UPDATE**

Ms. Johnson presented the Air Service Development Program Update.

##### General Matters

##### *November Traffic*

Ms. Johnson reported that November load factors increased significantly from numbers in other fall months. Rock Springs and Sheridan had load factors over 80 percent, with Rock Springs at 85 percent for November. Cheyenne saw a healthy increase as November load factors were over 76 percent.

##### *Future Bookings*

Ms. Johnson reported that December bookings are currently strong in all Wyoming markets. Gillette is 96 percent booked; Riverton, Rock Springs, and Sheridan are booked over 80 percent; and Cheyenne is 79 percent booked for the remainder of December. High load factors are anticipated for December.

Holiday travel will continue into the beginning of January, but Ms. Johnson anticipates that bookings will decrease to a normal level during most of January and February.

*General Industry News*

The strong recovery reported by the major network airlines in their October earnings calls has slackened. United Airlines recently announced that business travel recovery was slowing, and several other airlines have suggested that full recovery of pre-pandemic capacity levels will be delayed into 2023. Some of this is due to aircraft delivery delays and some is due to the pilot shortages.

First quarter 2023 schedules suggest that the total seat capacity for US airlines will be up 2 percent over first quarter 2019 numbers. The majority of the growth is driven by ultra-low-cost airlines. Overall, most airlines are experiencing high demand for the holiday season.

Standard Reports

*Air Service Enhancement Program (ASEP) Budget Forecast Report*

Ms. Johnson reported no changes to the ASEP Budget Forecast Report.

*Capacity Purchase Agreement (CPA) Budget Forecast Report*

Ms. Johnson reported that the CPA Budget Forecast Report was updated to include the October amounts for each airport.

*Percent of Grant Projects by City Report*

Ms. Johnson reported no changes to the Percent of Grant Projects by City Report.

**E. ENGINEERING AND CONSTRUCTION PROGRAM UPDATE**

Mr. Hearn presented the Engineering and Construction Program Update.

General Matters

*Design Standards Inventory*

Mr. Hearn reported that the design standards inventory project is underway. An initial drone survey of the business airports—as classified by the Wyoming State Aviation System Plan—was completed. The base layers for the maps and drawings are being drafted and should be completed soon. Field surveys are scheduled to begin in January 2023.

Standard Reports

*Change Orders Report*

Mr. Hearn reported four new change orders this month.

*Statewide Line Items Report*

Mr. Hearn reported four new line items.

*Bid Summary Report*

Mr. Hearn reported two new bid results.

**F. PLANNING AND PROGRAMMING PROGRAM REPORT**

Ms. Bean presented the Planning and Programming Program Update.

General Matters

*Staffing Update*

Ms. Bean announced that A.J. Schutzman resumed his role as a senior planner. Mr. Schutzman was away for a year and a half attending flight training for the Wyoming National Guard. Ms. Bean is pleased to have him back at the division.

*FY2024-28 Programming*

Programming is almost complete for FY2024-28 funds. Taking into consideration the IJA funds that will be available over the next few years, Ms. Bean and Mr. Hearn set a goal reserve for each year. The standard reserve increased to \$500,000. They also added a match for available, unallocated IJA funds each year to take advantage of all available funding.

Standard Reports

*Administrative Approvals Report*

Ms. Bean reported no administrative approvals for this period.

*Recovered State Funds Report*

Ms. Bean reported that no funds were recovered during this period or for the fiscal year to date.

**G. UNMANNED AIRCRAFT SYSTEMS PROGRAM UPDATE**

Ms. Taylor presented the Unmanned Aircraft Systems (UAS) Program Update.

General Matters

*Rescheduled Drone Demonstration*

Ms. Taylor reported that the drone demonstration, originally scheduled for yesterday, was rescheduled to the February meeting and workshop. Andrew Klingenberg, WYDOT District 1 project engineer, will also take part in February's demonstration.

**VII. REGULAR BUSINESS**

**A. FY2023 WYOMING AVIATION CAPITAL IMPROVEMENT PROGRAM (WACIP) BUDGET MODIFICATIONS**

Ms. Bean reported 23 modifications for this period with a decrease of \$123,999 in state funds and a decrease of \$3,525,675 in federal funds towards projects. The remaining balance is \$1,813,581 in state funds.

Action: It was recommended by Ms. Bean, moved by Commissioner Blann, seconded by Commissioner Harrop, and unanimously carried to approve the FY2023 WACIP budget modifications, as presented.

**VIII. EXECUTIVE SESSION**

There was no need for an executive session.

**IX. ANNOUNCEMENTS/REMINDERS**

Commission Activities

Ms. Chapman announced that the commission's next business meeting will be held January 24, 2023, via videoconference. The next in-person meeting will be February 20-22, 2023, in Cheyenne. Any agenda items not addressed in yesterday's workshop will be included in the February agenda.

Ms. Chapman announced that Sheridan County Airport will host a retirement party for Airport Manager John Stopka. Mr. Stopka is retiring after 46 years of service to the Sheridan County Airport. Commissioners are invited to the celebration, which will take place Wednesday, December 28, 2022, at 5:00 p.m. Ms. Chapman will send more information later today.

**X. ADJOURNMENT**

It was moved by Commissioner Harrop to adjourn. Chairman Duck adjourned the meeting at 9:14 a.m. on December 14, 2022.