



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 November 15, 2022. Chairman Sigsbee Duck presided, calling the meeting to order at 1:31 p.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 Bendel, Commissioner, District 1

Steve Maier, Commissioner, District 5

Jerry Blann, Commissioner, District 2

Randy Harrop, Commissioner, District At-large

Bill DeVore, Commissioner, District 3

Luke Reiner, WYDOT Director, Ex-Officio

Bruce McCormack, Vice Chairman, District 4

*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 McCormack, seconded by Commissioner Blann, and unanimously carried to approve the minutes from the October 18, 2022, business meeting.

### VI. UPDATES/DISCUSSIONS

#### A. CHAIRMAN'S UPDATE

Chairman Duck stated that he is looking forward to the December meeting in Cheyenne. He also shared that he has asked Administrator Olsen to arrange a presentation from the Regional Airlines Association on pilot training requirements and how they have impacted the pilot shortage.

## B. DIRECTOR'S UPDATE

Director Reiner presented the Director's Update.

### Federal

The federal government is still operating under a continuing resolution. Director Reiner shared that he is doubtful that any new appropriations bill will be passed before the end of the year.

### State

#### *Joint Transportation, Highways, and Military Affairs Committee (JTC)*

Director Reiner and other WYDOT staff provided testimony to the JTC on November 2<sup>nd</sup> and 3<sup>rd</sup>, in Cheyenne. Twenty-seven bills were passed out of the committee and are ready for introduction during the next legislative session. WYDOT's priorities include bills for employee moving expenses, survivor benefits for spouses of Wyoming Highway Patrol (WHP) troopers, and others.

Two bills, which originated with other organizations, seek to provide funding for the WyoLink public safety communications system. Funding for WyoLink currently comes out of WYDOT's operating budget, but this legislation would establish a \$100 million trust fund to permanently fund WyoLink. Another bill would give WYDOT an additional \$8 million a year to fund WyoLink until the trust fund matured enough to cover all associated costs. Director Reiner is cautiously optimistic about these bills.

Other legislation from the committee of particular interest to WYDOT concerns retirement plans for WHP troopers and mandatory retirement ages. The director will update the commission as the session moves along. WYDOT will also provide general information on department priority bills to commissioners.

#### *Joint Judiciary Committee*

Director Reiner appeared before the Joint Judiciary Committee on November 10, 2022, to discuss potential legislation on crosswalk and pedestrian safety. Following some recent tragedies and near-misses, the committee sought ways to improve safety for pedestrians in crosswalks. The most recent legislation that passed out of the committee would appropriate \$10 million over a five year period to WYDOT for education and collaborative efforts with Wyoming communities to improve crosswalk and pedestrian safety.

### Snow Plan

A recent press release addressed WYDOT's snow removal plan and the challenges the agency faces this winter. WYDOT is currently down 80 snowplow drivers out of 400 authorized drivers, and the WHP is down 50 troopers. The press release recognized that decreased staffing levels will impact the agency's ability to remove snow quickly. The director shared that the current plan is to be flexible where possible. When a snowstorm occurs, maintainers will be moved to affected areas to help ameliorate the situation.

WYDOT has also asked any employee with a commercial driver's license to volunteer to help plow snow when winter weather events occur. Supervisors have also been asked to make snow

removal a top priority. Volunteers have stepped forward, including Director Reiner and Administrator Olsen.

#### Town Halls

WYDOT hosted seven town hall meetings with employees in several different locations statewide. The meetings went very well and employees were engaged in the meetings.

#### Employee Compensation

Governor Gordon will propose a second phase to his employee compensation plan. Director Reiner will update the commission as he knows more, but WYDOT remains committed to improving compensation as a tool to retain and recruit employees.

#### Cost Escalation

WYDOT continues to deal with escalating costs for project materials and supplies. The director shared an example of a recent project that was bid and awarded in Teton County on Wyoming Highway 22, which came in at \$20 million over the initial estimate due to rising costs. Following a question from Commissioner Blann, the director shared that Ames Construction was awarded the contract for the project.

Chairman Duck recognized and thanked the director for all of his time, attention, and effort to improve compensation and other conditions for employees.

### **C. ADMINISTRATOR'S UPDATE**

Administrator Olsen presented the Administrator's Update.

#### Federal and National Updates

##### *Federal Budget*

As previously mentioned, the federal government is operating under a continuing resolution. It was passed at the end of September and will fund government programs until December 16, 2022. Mr. Olsen is hopeful that Congress will work on a budget and Federal Aviation Administration (FAA) Reauthorization when it resumes session.

#### State Updates

##### *Joint Minerals, Business, and Economic Development Committee Meeting*

Mr. Olsen reported that Ms. Johnson presented the annual air service update to the Joint Minerals Committee on October 28<sup>th</sup>. They did not receive a lot of questions, but Mr. Olsen did follow up on one question regarding vaccine mandates for the airlines flying into Wyoming. SkyWest Airlines does not have a vaccination mandate for their staff, so that is not playing a role in the pilot shortage.

#### Division News

##### *American Association of State Highway and Transportation Officials (AASHTO) Annual Meeting*

Mr. Olsen attended the AASHTO Annual Meeting in Orlando, Florida on October 19-21, 2022. His role at the meeting was to present the National Association of State Aviation Officials'

(NASAO) FAA Reauthorization priorities to AASHTO's Transportation Policy Forum. Typically, AASHTO adopts NASAO's priorities and incorporates them into their legislative platform. NASAO will work with AASHTO over the next couple of months while the priorities are considered for adoption.

NASAO will also spend the rest of this fall and winter tweaking the priorities before sending them to the relevant congressional committees. The association will work to educate and inform congressmen and congressional staffers on the major issues facing the aviation industry and proposed solutions. Once the priorities are finalized, Mr. Olsen will share them with the commission.

#### *Division Updates*

Mr. Olsen reported that division staff are in the middle of the Wyoming Aviation Capital Improvement Program (WACIP) update and they are working hard to complete the process. Final inspections and closeouts are being performed on the summer's construction projects.

The Cheyenne runway is complete. With the runway open, seat restrictions previously placed on flights occurring during construction have been lifted, and load factors are increasing for November and December.

Following a question from Commissioner DeVore, Mr. Olsen shared that the runway will be closed from April to September for Phase II of the Cheyenne runway reconstruction project. SkyWest Airlines does not have the necessary equipment to use the crosswind runway, so the division is looking at another smaller carrier operating out of Denver that could potentially fill in while construction is in progress. Mr. Olsen felt confident that SkyWest would return to Cheyenne once the reconstruction is complete.

Commissioner Blann asked Mr. Olsen if he had any insights on network carrier pilot contract negotiations and how they would impact SkyWest. Mr. Olsen shared that SkyWest has recently provided significant pay increases to their pilots, especially first officers, and that this was a direct effect of what is occurring at the mainline carriers. These pay increases impact SkyWest's bottom line and that will more than likely affect the block-hour rate that Wyoming pays through the Capacity Purchase Agreement (CPA).

Following a question from Commissioner McCormack on the Cody to Salt Lake City route, Mr. Olsen shared that he is unsure what the future holds for that particular route. He shared that SkyWest's ability to offer additional routes depends largely on their ability to hire more pilots and crew and their ability to obtain a Part 135 operator certificate. A Part 135 certificate would allow SkyWest to operate a 30-seat aircraft on that route. The pilot shortage continues to impact their ability to offer routes using 50-seat CRJ aircraft. After a follow-up question from Chairman Duck, Mr. Olsen shared that it is a similar situation in Rock Springs and Riverton, but division staff is working hard to bring back a second flight to those markets.

**D. AIR SERVICE DEVELOPMENT PROGRAM UPDATE**

Ms. Johnson presented the Air Service Development Program Update.

General Matters

*October Traffic*

Ms. Johnson reported that load factors in October were still down from the high summer numbers, but the numbers are strong. Gillette, Rock Springs, and Sheridan had load factors over 70 percent.

*Future Bookings*

Ms. Johnson reported that November bookings are strong in nearly all Wyoming markets. Gillette, Rock Springs, and Sheridan should top 70 percent for the remainder of the month. Cheyenne is just under 68 percent but could end up at 70 percent with holiday traffic. The four CPA markets are all booked over 50 percent for December.

*General Industry News*

The U.S. airline industry reported its third quarter earnings recently, and the report showed continued recovery for the major airlines. These airlines reported 7 to 11 percent operating profit margins. The only airlines operating in the red are the ultra-low cost carriers (i.e. Spirit and Allegiant Airlines). Most network airlines reported strong booking momentum into the fourth quarter.

As recovery continues, United and Delta pilots are able to demand significantly higher pay rates. The large pay increases at the regional airlines in the last year has prompted pilot unions to demand similar increases from the major airlines.

As a result of the continued recovery, employment in the passenger airline industry is experiencing double-digit increases. Current employment in the major network airlines is up 16 percent, year over year, while the ultra-low cost airline totals are up over 18 percent. Major airlines have indicated that the pilot shortage for mainline flights is ebbing. The current crew pressures come from getting pilots through the training pipeline. Regional airlines, however, are still facing hiring challenges.

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 has been updated to include the September 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

*Cheyenne Runway Update*

Mr. Hearn reported that Phase 1 of the project is complete, with a few caveats. A significant issue is that a subplot of concrete has failed strength testing, so the airport and sponsor are waiting for the contractor to submit a remediation plan. Currently, the plan is to continue testing the concrete to see if it gains strength as it cures. The failed subplot is a single paving lane on the far outside taxilane of the runway. Since most of the project funding was from the FAA, the airport and contractor will have to see if the final results meet FAA project specifications.

Phase II of the project was bid for 160 days, but timeliness of project completion will depend on weather and other factors.

*Pavement Maintenance Update*

Mr. Hearn reported that his team is currently preparing for the next construction season. They are putting together project plans and specifications to prepare for bid letting. The crack seal project should go out for bid in the next month or so, and the seal coat project will follow shortly after.

Standard Reports

*Change Orders Report*

Mr. Hearn reported one new change order this month.

*Statewide Line Items Report*

Mr. Hearn reported four new line items.

*Bid Summary Report*

Mr. Hearn reported no new bid results.

**F. PLANNING AND PROGRAMMING PROGRAM REPORT**

Ms. Bean presented the Planning and Programming Program Update.

General Matters

*Competitive Infrastructure Investment and Jobs Act (IIJA) Project Applications*

Ms. Bean shared a list of (possible) Wyoming projects for the competitive fiscal year (FY) 2023 IIJA grants. Potential grant projects include: the Laramie terminal jet bridge, an additional phase for the Rock Springs terminal project, the Riverton terminal upgrade, the Casper tower, the Cheyenne general aviation (GA) terminal, the Torrington GA terminal, the Cheyenne tower upgrades (under the Contract Tower Program), the Casper baggage claim, and the Cody terminal renovation and expansion. Ms. Bean plans to contact the airports to confirm these project submissions.

*FY2023 Programming*

Typically, the division will only make changes to the current budget to accommodate increased bids or emergency project requests. That is not the case this year as Ms. Bean and her staff are making many changes to the FY2023 budget to accommodate the IJA formula funding. Some of the changes appear in the WACIP Budget Modifications Report to be presented for commission consideration later in the meeting, but the majority of the changes will appear in the December report.

*FY2024-2028 Programming*

Ms. Bean and staff are closely monitoring available IJA funding amounts versus amounts requested and allocated annually to ensure adequate state match for the remaining years of IJA formula funding. State funds have already been returned by sponsors who are choosing to utilize IJA funds for projects that were originally state and local-only projects.

The process of allocating state funds to the highest priority projects will begin tomorrow and should take a few days to complete. Draft reports will then be reviewed and finalized. The division is on schedule to present a draft budget for consideration at the January meeting.

*Panther Contract Renewal*

Ms. Bean reported that the division is in the process of renewing the contract with Panther for the BlackCat Aviation Data Management System. The three-year contract comes with an option of four, one-year extensions. The renewal includes both the airport improvement and air service modules. The fee for the system will increase to \$120,000 per year, which includes \$13,000 for the air service module. The current fee is just under \$102,000 a year.

The renewed contract contains several provisions to help the division better navigate system challenges, including notifications of software changes that may impact the division's operation of the system; initial expansion and annual update of the state and sponsor user guides, manuals, and job aides; a report map that indicates fields used for each report created or requested; 20-hours of annual training; continued development and maintenance of the air service module, including a delay tracking feature to reconcile delays reported by the airlines and the four CPA airports.

Ms. Bean reported that Panther was very agreeable to all of WYDOT's terms. She believes the contract will soon be executed.

*Commissioner DeVore left the meeting at 2:23 p.m.*

Mr. Olsen shared that the division's main goal is ensuring that information is readily available to airports and other users. BlackCat allows the division to readily achieve this goal. Airports have shared how valuable and worthwhile the system is, even with its challenges.

Standard Reports

*Administrative Approvals Report*

Ms. Bean reported no administrative approvals for this period.

*Recovered State Funds Report*

Ms. Bean reported no funds were recovered in October.

**G. UNMANNED AIRCRAFT SYSTEMS PROGRAM UPDATE**

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

General Matters

*Pilot Training in Laramie*

Ms. Taylor reported that the first two days of the new extended training were successfully completed recently in Laramie. Six WYDOT pilots received training on operating Skydio drones. Ms. Taylor feels that this will be an effective next step for drone pilots after they obtain a Part 107 license.

*Skydio Meeting in Cheyenne*

Earlier this year, the drone belonging to the WyoLink office crashed after it collided with a guy wire during a routine tower inspection. Anti-collision cameras on the drones are supposed to prevent this type of accident, but the cameras have trouble detecting objects below a certain size. Several WyoLink towers have guy wires that are less than half an inch thick. Skydio has spent the last several months working with WyoLink technicians to ensure the cameras can sense and see the guy wires. Skydio representatives recently visited Cheyenne and successfully tested the upgraded systems by flying a few tower inspection missions.

**VII. REGULAR BUSINESS**

**A. FY2022 FINAL WACIP BUDGET REPORT**

Ms. Bean presented the final WACIP report for FY2022. The remaining balance is \$1 in state funds. An end-of-year presentation will be provided at the December workshop.

**B. FY2023 WACIP BUDGET MODIFICATIONS**

Ms. Bean reported 21 modifications this period, resulting in a decrease in state funds of \$217,310 and a decrease in federal funds of \$5,632,712 toward projects in 2023.

Action: It was recommended by Ms. Bean, moved by Commissioner McCormack, seconded by Commissioner Blann, 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 December 13<sup>th</sup> and 14<sup>th</sup>, 2022, in Cheyenne. Commissioners will arrive in Cheyenne on the evening of December 12<sup>th</sup>, participate in a workshop on the 13<sup>th</sup>, and hold their business meeting on the morning of the 14<sup>th</sup>.

Ms. Chapman requested that commissioners please monitor their emails as WYDOT Human Resources is to send out links to the defensive driving course. All commissioners must take the course in order to drive a WYDOT vehicle.

**X. ADJOURNMENT**

It was moved by Commissioner Blann to adjourn. Chairman Duck adjourned the meeting at 2:35 p.m. on November 15, 2022.