



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 in the I-80 Room at the WYDOT-U Training Building on February 24, 2022. Chairman Sigsbee Duck presided, calling the meeting to order at 8:32 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 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, Ex Officio, WYDOT Director

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

Phillip Hearn, Engineering & Construction  
Manager

Mike Kahler, Senior 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

#### DRAFT MINUTES

It was moved by Commissioner Blann, seconded by Commissioner McCormack, and unanimously carried to approve the January 18, 2022, business meeting minutes.

### VI. UPDATES/DISCUSSIONS

#### A. CHAIRMAN'S UPDATE

Chairman Duck presented the Chairman's Update.

Chairman Duck shared his appreciation for WYDOT and division staff's work coordinating and facilitating the priority-setting session the previous afternoon.

**B. DIRECTOR'S UPDATE**

Director Reiner presented the Director's Update.

COVID-19 Update

COVID-19 cases have declined within the agency, mirroring nationwide trends.

Bipartisan Infrastructure Law (BIL)

Director Reiner reviewed the federal funding update handout that he shared with the commission. The handout outlined the anticipated formula funding WYDOT will receive from the BIL, WYDOT's guiding principles that are used for spending decisions, and a list of WYDOT's unfunded operating needs as found in the DYE Management Study 2020.

The matrix on the first page of the handout detailed the amounts that Wyoming will receive over the next five fiscal years for surface transportation, bridges, electric vehicles, and aeronautics. The state will receive about \$100 million more a year for those five years. Director Reiner reminded the commission that the \$2 billion in funding is formula funding—a noncompetitive award based on a predetermined formula—and will require a match. The BIL will also provide a large amount of discretionary grant programs, which will increase existing funding opportunities.

The federal government has not yet released any spending rules, so state DOTs are awaiting more information. Additionally, the federal government has yet to pass an appropriations bill that would fully fund the BIL. There is hope that a bill will be passed by March, but until then states are still operating under the funding levels set in the current continuing resolution.

Director Reiner informed the commission that this funding will not resolve all of WYDOT's unfunded operating needs. The agency has already had difficulty applying for discretionary grants in recent years due to an inability to supply the corresponding match. Once the federal funds become available, the agency will use its guiding principles to determine the best use of funds.

The DYE Management Study uncovered a total of about \$350 million of unfunded operating needs for WYDOT each year. The funds provided by the BIL will reduce the overall total by about \$113 million.

State

*Legislative Session*

The director updated the commission on the progress of a few bills that would impact WYDOT. Several amendments were read into the government appropriations bill during second reading yesterday in the state Senate, but there was no negative impact to the Governor's proposed compensation plan for state employees. The House passed an amendment that would increase the Governor's proposed salary increase.

Director Reiner admitted that the increase will impact the department's budget as the increases in compensation will cost between \$7 and \$10 million. Between the salary increases, the required

matches for the BIL, and the lack of new revenue, more pressure will be placed upon the agency's budget. The director felt that the agency is facing some difficult decisions in the years ahead.

The bill to allow off-road vehicles in the right-of-way, intended to support local economic development, died in committee. HB0007 is an act relating to commercial vehicles and would disqualify a person for life from driving a commercial vehicle if they used it in the commission of a felony. It continues to progress through the process.

Commissioner Bendel expressed concern over the agency's difficulty subsidizing grant matches and asked the director to elaborate on what actions WYDOT could take to find funds for the matches. Director Reiner shared that the agency is committed to matching the funds provided by the BIL, but it will affect the budgeting process. The director also shared that a bill just passed, and it provides \$75 million to match discretionary grants.

In response to a question from Commissioner Blann, the director shared that the BIL funds for electric vehicles (EV) will be used to complete travel corridors complete with electric vehicle charging infrastructure for EV travelers. Increasing infrastructure for EV will boost Wyoming's economy by allowing for different types of travelers access to the state. WYDOT has developed a draft plan on EV fund implementation and projects, which the director will present to the Governor after the legislative session concludes. The director and other WYDOT staff will also be presenting the plan and seeking public input at various EV briefings across the state during the first week of April.

**C. ADMINISTRATOR'S UPDATE**

Administrator Olsen presented the Administrator's Update.

Federal and National Updates

*BIL and Other Legislative Issues*

Mr. Olsen reported that the Federal Aviation Administration (FAA) and airports are working hard to implement the BIL. Around \$15 million dollars in federal formula funds will be provided to Wyoming each year through fiscal year (FY) 2026.

Congress passed a continuing resolution that expires March 11, 2022. It is hoped that Congress will come to agreement on a spending bill by that time. The House and Senate versions of the bill proposes \$400-\$600 million supplemental discretionary grants to augment the flat funding (\$3.5 billion) for the Airport Improvement Program.

*5G C-band Issue*

The FAA has created a dashboard to track and better define the 5G issue on its website. According to the dashboard, no Wyoming airports are impacted by the 5G rollout.

*National Association of State Aviation Officials (NASAO) Legislative Agenda*

Mr. Olsen continues to work with NASAO staff and the Legislative Affairs Committee to draft NASAO's 2022 Legislative Agenda. The agenda will be presented at the Legislative Conference

next week in Washington, DC, and Mr. Olsen plans to attend. He feels like the topics contained in the agenda are in line with issues that airports in Wyoming are facing.

#### Legislative Session

Mr. Olsen discussed SF0066, a bill detailing American Rescue Plan Act (ARPA) recovery funds appropriations. Wyoming airports successfully advocated for the Capacity Purchase Agreement (CPA), which resulted in an amendment to the bill that would add \$8.8 million to the state share of the CPA. This number was calculated using data (load factors, average fares, and so on) indicating CPA performance, both before and after the pandemic. WYDOT will continue to monitor the progress of this bill.

The budget amendments for discretionary funding in the government appropriations bill passed late the previous evening on second reading. Mr. Olsen believes that the amendments were the same for both the House and Senate.

#### Division Update

The Air Service Development Program Manager position has been advertised, both in state and nationally. The job announcement will remain open for several more weeks.

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

Mr. Olsen presented the Air Service Development Program Update.

#### General Matters

##### *CPA Renegotiations*

Mr. Olsen reported that the focus right now is on renewing the CPA contract. WYDOT has developed an extension amendment to the draft contract and Mike Kahler, senior assistant Attorney General, has reviewed both documents. Negotiations with SkyWest over numbers and figures are ongoing. Mr. Olsen hopes to have the negotiations concluded within the next month and a half in time for the airlines to load schedules for spring and summer.

Following a question from Commissioner DeVore, Mr. Olsen assured the commission that he felt confident that the contract negotiations would conclude successfully. While there is a clause stating that SkyWest can leave the contract at any time, he felt that it was not likely.

##### *General Industry News*

Staffing issues continue to be a major problem for the airlines. This has impacted flight schedules around the state, often pushing flights to less desirable times. Surges in hiring by the major airlines are affecting smaller, regional airlines and this is affecting service in Wyoming. Rock Springs and Riverton are down to one flight a day, but hopefully flights can be increased at those airports soon. Mr. Olsen advised the group to expect disruptions caused by staff shortages for some time to come.

Following a question from Chairman Duck, Mr. Olsen clarified that the airlines would not be bringing in extra flights to the Rock Springs airport to compensate for the runway reconstruction

in Jackson. Commissioner McCormack reported that an extra flight will be added to Cody's schedule during the spring and summer to pick up some of the traffic left by Jackson's closure.

Standard Reports

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

Mr. Olsen reported no changes to the ASEP Budget Forecast Report.

*CPA Budget Forecast Report*

The CPA Budget Forecast Report has been updated to reflect the addition of a credit of Coronavirus Aid, Relief, and Economic Security (CARES) Act funding in the amount of \$1,200,000. The funding is a credit for losses incurred by the CPA due to COVID-19 during 2021.

*Percent of Grant Projects by City Report*

Mr. Olsen reported no changes to the Percent of Grant Projects by City Report.

**E. ENGINEERING & CONSTRUCTION PROGRAM UPDATE**

Mr. Hearn presented the Engineering and Construction Program Update.

General Matters

*Equipment Projects Update*

Mr. Hearn reported that while there are several state and local equipment projects and one federal equipment project designed and ready to bid, the bidding processes for these projects will be delayed to the summer because of COVID-19 caused equipment, personnel, and material shortages. The manufacturers have so many orders that anything ordered this summer will likely not be delivered for two years. Snow removal equipment orders will be particularly impacted.

Standard Reports

*Change Orders Report*

Mr. Hearn reported one new change order. The negative figure on the report means that the division was able to recover some funds.

*Statewide Line Items Report*

Mr. Hearn reported three new line items for navigational aid (NAVAID) maintenance, an Automated Weather Observation System repair, and an aviation encouragement grant.

*Bid Summary Report*

Mr. Hearn reported no new bid results.

**F. PLANNING & PROGRAMMING PROGRAM REPORT**

Ms. Bean presented the Planning and Programming Program Update

General Matters

*Wyoming Airports Capital Improvement Plan (WACIP) Update*

Sponsor comments were due to the division on Monday, February 21. Staff will review the comments and write replies when necessary. The commission will have a chance to review the comments at next month's meeting.

*Administration of BIL Funding*

The BIL will provide \$15 million to Wyoming airports annually through FY 2026. Staff have set aside \$10 million in matching funds each year in the WACIP and there are additional funds that can be used in FY 2022. This match falls short of the \$15 million in funds provided through the BIL, but Ms. Bean is hopeful that federal and state funds can be used to make up some of the difference.

WYDOT has asked airport sponsors to submit plans/proposals that outline how the airports will use these funds. The division is working with the FAA, airport sponsors, and consultants to plan for funding implementation. The airports will be asked to enter their plans and projects into the BlackCat Aviation Data Management System in order to keep track of the projects and to keep them separate from projects handled through the WACIP. The FAA would like detailed plans submitted by the end of March.

The FAA's Notice of Funding Opportunity was published this week for the terminal program. Wyoming airports will be able to compete for the \$100 million that will be made available to small-hub airports, but they would be competing for funds against airports across the nation.

Standard Reports

*Administrative Approvals Report*

Ms. Bean reported that there were no new administrative approvals this period.

*Recovered State Funds Report*

Ms. Bean reported funds recovered for this period totaled \$58,226.98 from eight projects. Also in this report are recoveries of \$440,600 from the group 2021 Crack Seal project which bring the total recoveries for the year to \$501,326.98.

**G. UNMANNED AIRCRAFT SYSTEMS (UAS) PROGRAM UPDATE**

Ms. Taylor presented the UAS Program Update.

General Matters

*UAS Taskforce Update*

Ms. Taylor reported that the UAS Taskforce met earlier in February. Two new members were appointed to fill vacancies: a representative each from the Bridge and Emergency Communications programs. Jason Gilmour, with Emergency Communications, has also been appointed to the Safety Management Board, which is responsible for reviewing any accidents or incidents with WYDOT drones and approving new mission types for WYDOT.

The taskforce also received a presentation from SkyDio, a drone vendor, which partially focused on funding opportunities from the BIL that is designated for UAS programs. Skydio is working with state DOTs to define program scope(s) and to determine the best way to craft grant applications for these funds. WYDOT has identified funding opportunities to pursue and has begun to develop language for grant applications.

Several different WYDOT divisions have taken delivery of and are working to get the drones in service (training, software, and so on). Ms. Taylor anticipates that by spring and through construction season, many more types of missions will be flown by WYDOT.

## **VII. PUBLIC COMMENT**

Chairman Duck recognized the airport directors/managers in attendance at the meeting and offered them the opportunity to provide public comment. Devon Brubaker, airport director at Southwest Wyoming Regional Airport, and Jim Elwood, executive director at the Jackson Hole Airport, both shared their appreciation for the WYDOT Aeronautics Division staff and their work in supporting air service and aviation in Wyoming. Mr. Elwood also thanked Director Reiner for his continued commitment to aeronautics.

## **VIII. REGULAR BUSINESS**

### **A. FY 2022 WACIP BUDGET MODIFICATIONS**

Ms. Bean reported that the FY 2022 WACIP Budget Modifications include two projects for a total increase of state funds of \$26,133, leaving a reserve balance of \$1,360,982. Staff are comfortable with this reserve because of upcoming bid openings and the upcoming BIL funding implementation.

Action: It was recommended by Ms. Bean, moved by Commissioner Harrop, seconded by Commissioner Maier, and unanimously carried to approve the FY 2022 WACIP Budget Modifications as presented.

## **IX. NEW BUSINESS**

### **A. CONSIDERATION OF THE STATEWIDE CRACK SEALING PROJECT**

Mr. Hearn reported that bids for the 2022 Crack Seal Project were opened at 11:00 a.m. on January 13, 2022. Two bids were received from Hardrives Construction, Inc. and National Sealant & Concrete, LLC. Participating airports were all from the southeast region this year and included: Cheyenne, Dixon, Laramie, Pine Bluffs, Rawlins, Saratoga, and Torrington.

Action: It was recommended by Mr. Hearn, moved by Commissioner Bendel, seconded by Commissioner Blann, and unanimously carried to approve the award of the 2022 Crack Seal contract to the low bidder, National Sealant & Concrete, LLC, and its subsidiaries of Crosby, MN, having pre-qualified in accordance with the rules and regulations adopted by the Transportation Commission of Wyoming.

**X. EXECUTIVE SESSION**

There was no need for an executive session.

**XI. ANNOUNCEMENTS/REMINDERS**

**COMMISSION ACTIVITIES**

Ms. Chapman announced that the commission's next business meeting would be held via videoconference on March 15, 2022, at 1:30 p.m.

**XII. ADJOURNMENT**

It was moved by Commissioner McCormack to adjourn. Chairman Duck adjourned the meeting at 9:32 a.m. on February 24, 2022.